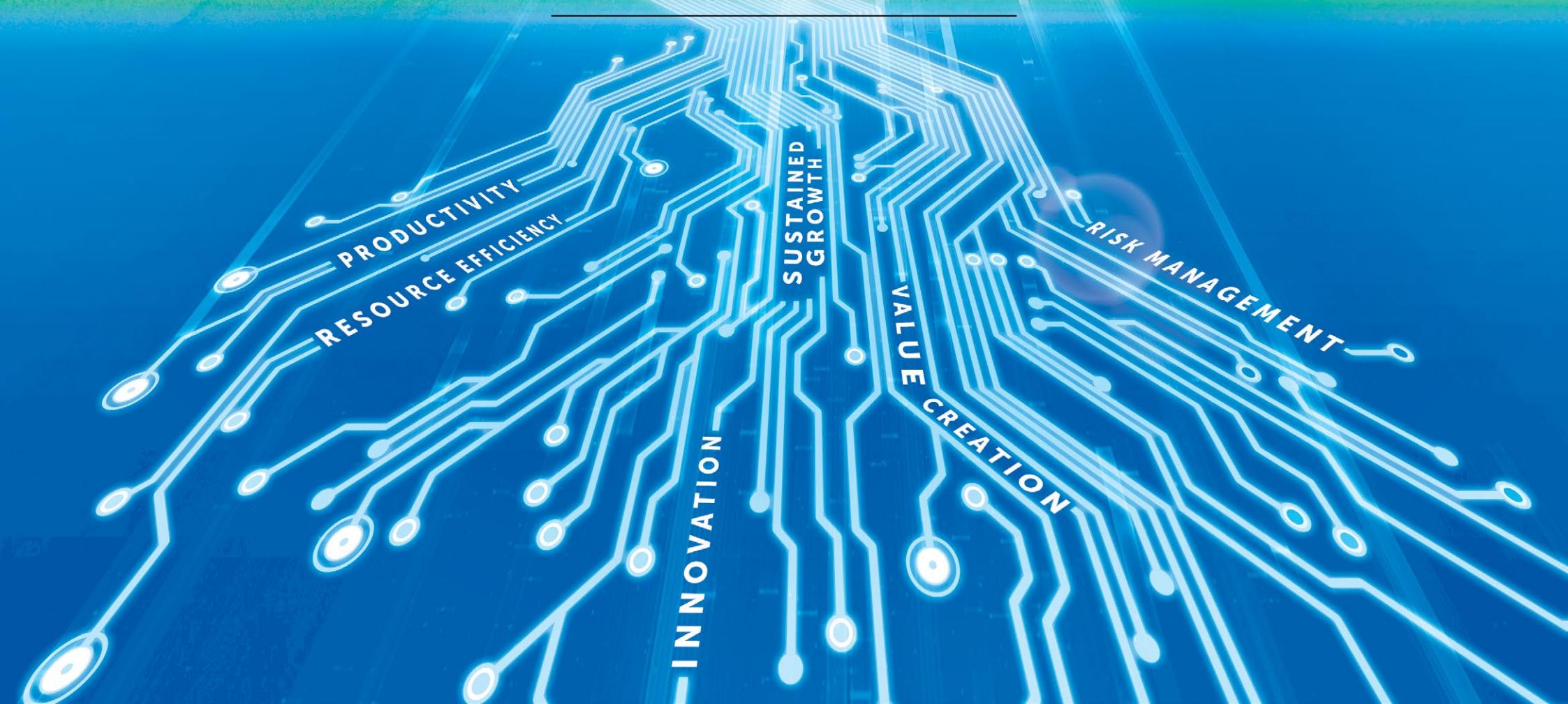


CITY DEVELOPMENTS LIMITED
INTEGRATED SUSTAINABILITY REPORT 2018

ON TRACK TO **CDL FUTURE VALUE 2030**



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CDL AT A GLANCE

\$3.8B
Group Revenue
in 2017

\$100M
raised from the issuance of
1st Green Bond
by a listed Singapore Company

More than
\$20M
in savings

as a result of the energy-
efficient retrofitting and initiatives
implemented for eight commercial
buildings from 2012 to 2017

23
Years

of sustainability integration
into business strategy
and operations

96
Green Mark developments
and office interiors
awarded by the Building and
Construction Authority
* Includes subsidiaries and associated companies

100%
tenant participation
for CDL Green Lease
Partnership Programme

32.8%
reduction

in carbon emissions intensity
from 2007 levels in 2017

27.3%
reduction
in energy use intensity
from 2007 levels in 2017

Listed on
13 leading
sustainability
indices
including:



MEMBER OF
**Dow Jones
Sustainability Indices**
In Collaboration with RobecoSAM



2017 Constituent
MSCI ESG
Leaders Indexes



CORPORATE PROFILE

102-45

City Developments Limited (CDL) is a leading global real estate operating company with a network spanning 100 locations in 28 countries. 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 50 years in real estate development, investment and management, CDL has developed over 40,000 homes and owns over 18 million square feet of lettable floor area globally. Our diversified land bank offers a solid development pipeline in Singapore as well as its key overseas markets of China, United Kingdom, Japan and Australia.

Our Group's London-listed subsidiary, Millennium & Copthorne Hotels plc (M&C), is one of the world's largest hotel chains, with over 135 hotels worldwide, many in key gateway cities.

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



CHAIRMAN STATEMENT

“
From February 2018, our Board has started to play a bigger role in advancing CDL’s sustainability leadership with the Sustainability function reporting directly to the Board Sustainability Committee while maintaining an administrative reporting channel to the Group CEO.
”

Dear Stakeholders,

2017 was the year that companies and investors caught on to the prevailing opportunities of sustainable development. The Business and Sustainable Development Commission estimated that Asian companies can build US\$5 trillion in total incremental value around the Sustainable Development Goals (SDGs) by 2030¹. Globally, the opportunity for businesses to advance the SDGs is more than US\$12 trillion annually by 2030.

The financial market has also been responding to the global call for sustainable development, as seen in the exponential increase in green finance. Most notably, global green bond issuance hit a record US\$155.5 billion in 2017 and is estimated to reach up to US\$300 billion in the year ahead².

At home, Singapore has declared 2018 as the Year of Climate Action, demonstrating the government’s firm commitment to delivering its pledge for the Paris Agreement. The imperative for climate action was echoed in the Singapore Budget 2018 announced in February. A carbon tax will be imposed on large

emitters from 2019, sending a clear message to businesses to step up on reducing greenhouse gas emissions and improving energy efficiency.

Riding on the move towards a low-carbon economy and growth in sustainable investment, CDL issued our inaugural **Green Bond** in April 2017 – the first by a listed Singapore company. The two-year senior secured bond was fully taken up by institutional investors, raising \$100 million at a 1.98% fixed rate. By linking CDL’s Environmental, Social and Governance (ESG) track record with the capital market, we have generated an alternative financing stream by tapping on like-minded investors to further our green building efforts.

To future-proof our business and leverage opportunities presented by the SDGs, we strategically established a new sustainability blueprint – **CDL Future Value 2030**. The blueprint underpins our sustainability commitment and best practices of over 20 years and sets out clear ESG goals and targets towards 2030, a milestone year for global climate agreement and sustainable development.

Keeping us on course to our 2030 ESG goals and targets, we also initiated a quarterly sustainability report which tracks, measures and discloses our progress on a regular basis. This voluntary initiative complements our earlier effort of creating a dedicated sustainability microsite: www.cdlustainability.com, enabling us to provide ESG disclosures in a timelier and proactive manner, enhancing engagement with our investors and stakeholders.

Leveraging CDL’s expertise in stakeholder engagement and green building innovation, we set up the **Singapore Sustainability Academy** – Singapore’s first major facility dedicated to sustainability training and capacity building. The zero-energy academy, established in collaboration with the Sustainable Energy Association of Singapore (SEAS), is a breakthrough cross-sectoral partnership initiative in collaboration with six government agencies and 15 founding industry and non-governmental partners, to support the SDGs and Singapore’s national agenda to tackle climate change.

1 Better Business, Better World Asia report released in June 2017

2 Climate Bonds Initiative report released in January 2018

CHAIRMAN STATEMENT

In the boardroom, diversity has been a hot topic in 2017. The Singapore Exchange and the Diversity Action Committee (DAC) have been advocating for more women directors on the board of Singapore listed companies. Reinforcing board competencies through enhancing diversity is also a key focus recommended in the consultation paper released in January 2018 on the revision of the Code of Corporate Governance (Code).

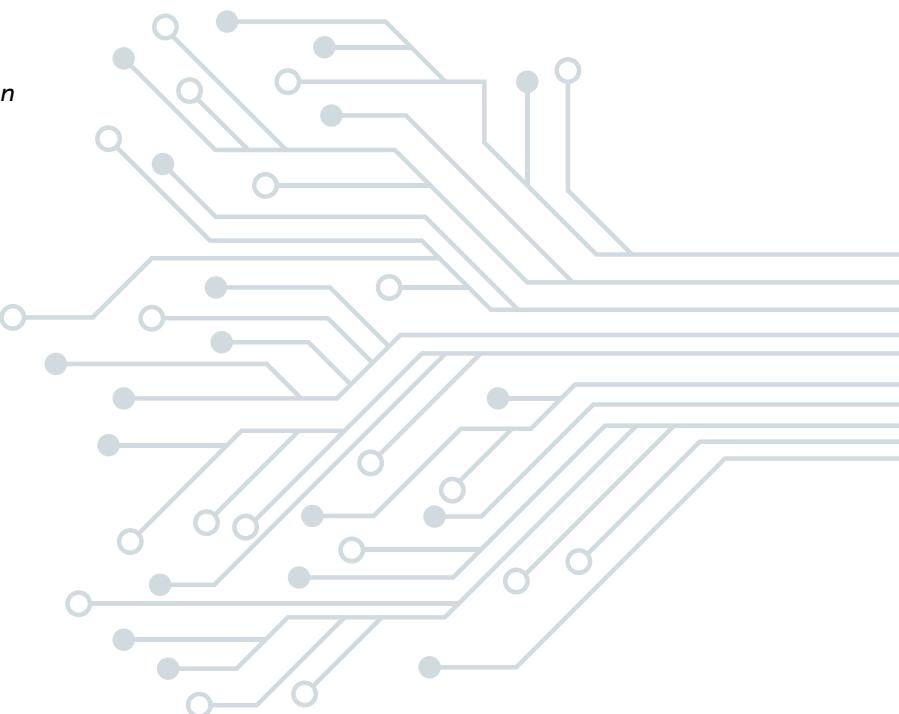
Ahead of the revised Code, we have adopted a formal Board Diversity Policy in November 2017, which sets out clear policy and framework for promoting diversity on our Board. We also appointed Ms Tan Yee Peng, an independent non-executive female director of CDL, to the Nominating Committee as a testament of our commitment to promote gender diversity. In addition, the Nominating Committee has approved the target to achieve 20% women on our Board by 2020 as recommended by the DAC.

As a testament to CDL's steadfast commitment to ESG integration, we are listed on 13 leading global sustainability benchmarks including the FTSE4Good Index Series (since 2002), MSCI ESG Leaders Indexes (since 2009) – highest AAA rating, Global 100 Most Sustainable Corporations (since 2010) and Dow Jones Sustainability Indices (since 2011). CDL was ranked the Regional Sector Leader for Office Sector in the 2017 Global Real Estate Sustainability Benchmark and attained Leadership level for our 2017 carbon disclosures with CDP. Our progress in promoting gender diversity and women leadership has also earned CDL a spot on the inaugural sector-neutral Bloomberg Gender Equality Index announced in January 2018.

To stay relevant and competitive in today's dynamic business environment with new challenges and technology-driven evolutions, our Board will look to new perspectives and know-how to support the Management in accelerating business

growth and achieving greater value for our stakeholders. From February 2018, our Board has started to play a bigger role in advancing CDL's sustainability leadership with the Sustainability function reporting directly to the Board Sustainability Committee while maintaining an administrative reporting channel to the Group CEO.

Kwek Leng Beng
Executive Chairman





GROUP CEO STATEMENT

“
More than just a developer of living and working spaces, we have strived to be a builder of lives and communities. Our long-standing commitment to innovation and green building has distinguished CDL as a trusted eco-developer and differentiated our products. The enhanced value of our manufactured capital has benefited our business, customers and investors, and supported the well-being and development of the communities which we operate in.
”

Dear Stakeholders,

Sustainability is a priority of our times and it is now a mainstream issue on global political, economic and business agendas. As at end 2017, 173 nations ratified the Paris Agreement, standing united in the fight against climate change. Echoing the urgent call for collective action to mitigate global warming, the Singapore government has designated 2018 as the Year of Climate Action.

Businesses can play a key role in embracing sustainability by conserving finite resources and the natural environment, be politically and socially more inclusive as well as invest in long-term financial stability and economic prosperity.

Apart from mitigating climate related risks, there are tremendous economic opportunities to tap on. A report¹ released at the United Nations (UN) climate negotiations in Bonn estimated that US\$300 billion will be needed annually to help countries deal with unavoidable climate losses by 2030. According to the International Finance Corporation²,

financing climate actions is projected to create US\$23 trillion worth of investment opportunities by 2030.

In addition, investors and financiers are increasingly rewarding companies with good Environmental, Social and Governance (ESG) performance. A 2017 MSCI study³ showed that corporations with good ESG performance have outperformed in profitability and equity in the long term compared to those with poorer ESG performance.

Mandatory sustainability reporting is another impetus driving the uptake for corporate sustainability. Many stock exchanges worldwide have introduced measures that encourage listed companies to disclose their ESG performance. At the end of 2017, 66 stock exchanges representing more than 77% of listed equity market capitalisation at over US\$55 trillion⁴ have joined the UN Sustainable Stock Exchange initiative, including the Singapore Exchange (SGX). With effect from 2017, the SGX made sustainability reporting mandatory for all Singapore listed companies on a ‘comply or explain’ basis.

In June 2017, the Financial Stability Board (FSB) Task Force on Climate-related Financial Disclosures (TCFD) issued a set of voluntary, consistent disclosure recommendations for use by companies in providing information to investors, lenders and insurance underwriters about their climate-related financial risks. As more investors question the climate risk exposure of companies in their portfolio, scenario testing against climate change is expected to take centre stage in 2018⁵.

ON TRACK TO CDL FUTURE VALUE 2030

From a very early stage, CDL has recognised the importance of ESG integration. For more than two decades, we have incorporated sustainability into our business and operations to future-proof our business and unlock future value. Sustainability has not only raised our operational performance, resource efficiency and productivity, it has driven innovation, opened new opportunities and attracted like-minded investors.

Building on our firm foundation in ESG management, we strategically established

1 Financing Loss and Damage: A Look at Governance and Implementation Options report released in May 2017

2 Climate Investment Opportunities in Emerging Markets report released in 2016

3 Foundations of ESG Investing: How ESG Affects Equity Valuation, Risk and Performance report released in November 2017

4 UN Environment Inquiry – Accelerating Financial Centre Action for Sustainable Development report released in December 2017

5 MSCI Research Report: 2018 ESG Trends to Watch released in January 2018

GROUP CEO STATEMENT



the **CDL Future Value 2030** sustainability blueprint in 2017. It formed a vital 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 create shared value for our business, stakeholders, community and the environment.

A forward-looking action plan, the blueprint set out long-term ESG goals and targets towards 2030 – a milestone year for global sustainable development, climate agreement and green building movement. Delivering on three strategic goals, we set clearly defined operational targets to address ESG issues which are material to our business and stakeholders.

BUILDING SUSTAINABLE CITIES AND COMMUNITIES

More than just a developer of living and working spaces, we have strived to be a builder of lives and communities. Our long-standing commitment to innovation and green building has distinguished CDL as a trusted eco-developer and differentiated our products. The enhanced value of our manufactured capital has benefited our business, customers and investors, and supported the well-being and development of the communities which we operate in.

For more than a decade, we set targets to achieve Green Mark Gold^{PLUS} certification for all new developments – two tiers beyond the mandatory certification level awarded by the Building and Construction Authority (BCA). Today, 100% of CDL-owned and managed office buildings have attained Green Mark Gold^{PLUS} and Platinum, the highest tier certification.

Beyond reputational and environmental benefits, our green assets have benefitted CDL financially. The energy-efficient retrofitting and initiatives implemented in eight of our office buildings have brought about more than \$20 million savings in electricity bill since 2012.

In recent years, green financing has offered alternative financing streams for businesses to step up action against climate change globally. In April 2017, we leveraged our long-standing green building commitment to issue our first green bond, raising \$100 million to refinance the slew of initiatives implemented to maintain the performance of our flagship Republic Plaza at the Green Mark Platinum level. The bond is the first by a listed Singapore company and kick started more active adoptions of green financing in Singapore with at least two green bonds issued by other corporations subsequently. In March 2018, CDL is

honoured to receive an award for New Countries Taking Green Bonds Global, in Climate Bonds Initiative's prestigious Green Bond Pioneer Awards 2018.

Recognising that user behaviour is equally important in achieving energy efficiency and savings, we continued to actively engage and encourage tenants and occupants to adopt low-carbon practices at the workplace. We are pleased that the CDL Green Lease Partnership Programme has achieved our target of 100% tenant participation by end December 2017.

To support sustainable development in the wider community, CDL has galvanised our network of partners and leveraged on our green building expertise to create the zero-energy Singapore Sustainability Academy (SSA). As the nation's first training and networking facility dedicated to sustainability advocacy and capacity building, the academy was supported by six government agencies and over 15 founding industry and non-governmental organisation (NGO) partners. It is also Singapore's first major cross-sectoral partnership initiative in support of the UN Sustainable Development Goals (SDGs) and Singapore's climate action.

From its launch till end 2017, the academy held close to 30 training programmes for energy managers in the region, and hosted over 40 engagement activities that reached out to the private, public and NGO sectors.

REDUCING ENVIRONMENTAL IMPACT

Guided by our ethos of 'Conserving as we Construct', environmental sustainability has been at the heart of our business operations since 1995. 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 continued to build on best practices to expand our natural capital as we grow our business.

As part of our ambitious targets for the CDL Future Value 2030 sustainability blueprint, we voluntarily raised our carbon emissions intensity reduction target from 25% to 38% by 2030 (from 2007 levels) by adopting the Sectoral Decarbonisation Approach. We are gratified to have achieved 32.8% reduction in carbon emission intensity from 2007 levels as of end 2017, on track to meet our bold target.

GROUP CEO STATEMENT

Correspondingly, our energy use intensity has dropped by 27.3% from 2007 levels, exceeding our reduction target of 25% by 2030. We will continue to review our progress to ensure that our targets are aligned with global climate actions and goals to limit global warming below 2°C. With this in mind, we have started the process of validating our targets externally with the Science-based Targets Initiative – a respectable partnership by the CDP, World Resources Institute and World Wide Fund for Nature.

Additionally, we have made advancements in sustainable building materials at our new developments. The SSA is the first in Singapore to be built with Cross Laminated Timber (CLT) and Glued Laminated Timber (Glulam) verified to have come from responsible sources. For the construction of Forest Woods condominium which started in 2017, it is designed to adopt at least 42% sustainable building materials.

To future-proof our supply chain, we conducted a scenario planning exercise to identify associated risks and opportunities that emerging trends may pose to our business and strategies moving forward. In preparation for the rising carbon price globally and Singapore's upcoming carbon tax in 2019, we have completed an internal carbon pricing study, which

will be implemented progressively to mitigate climate-related risks and financial exposure of our global operations.

ENSURING A FAIR, SAFE AND INCLUSIVE WORKPLACE

Anchored on our strong DNA of business integrity and fair practices, we continued to tighten our control systems and policies to guide our organisation towards an equitable, healthy and inclusive environment where our business and people can thrive together.

In view of the increasing threat of cyber-attacks and importance of data governance to business continuity, we have updated the CDL Computer Security Policies and Standards to promptly inform all employees on cyber security compliance. In addition, we rolled out a series of online cyber security training and periodic simulated phishing attacks to enhance the vigilance of our employees.

Our people are CDL's greatest assets, and their performance, safety and well-being are vital to our long-term success. As a result of our long-standing workplace health and safety commitment and proactive engagement with our employees, contractors and their workers, we maintained zero fatalities and occupational diseases across CDL's

corporate office, construction sites and commercial properties that we manage in 2017.

To drive organisational excellence, we embarked on the Balanced Scorecard System in 2017 to align cross-functional and individual employee performance with our business goals and corporate objectives. We revamped our performance management framework and introduced flexible benefits to offer personalised benefits to better meet our employees' needs. Concurrently, we implemented myHR, which consolidates a suite of human resource services under a single platform.

We have always believed that diversity and inclusiveness contribute to strong human capital and performance to support CDL's business growth. In 2017, we formed an internal Diversity and Inclusion Task Force to promote awareness and adoption of diversity and inclusion within CDL and the wider community. The Task Force complements our Women4Green network, which CDL initiated at the launch of the SSA. It is Singapore's first network that inspires and empowers women to create a financially, environmentally and socially sustainable future.

In my personal capacity, I am honoured to be part of the Diversity Action

Committee initiated by SGX to advocate for more women directors on listed company boards in Singapore. I am also glad to have joined some 1,600 global leaders in pledging support for the Women's Empowerment Principles, an initiative jointly developed by the UN Women and UN Global Compact, to promote gender diversity at the workplace.

We are heartened that CDL is the only real estate management and development company included in the inaugural sector-neutral Bloomberg Gender Equality Index announced in January 2018.

CREATING SHARED ECONOMIC AND SOCIAL VALUE

Despite a challenging year for the domestic and global real estate markets, our revenue in 2017 remained relatively stable at \$3.8 billion, and we posted a profit of \$538.2 million. Our financial performance was boosted by strong take up of our new residential developments in Singapore and China, as well as steady revenue contributions from our investment properties. Our Green Mark certified residential developments – Gramercy Park and Forest Woods – received overwhelming response from homebuyers, making CDL one of the top-selling private sector developers in Singapore for 2017.

GROUP CEO STATEMENT

With the creditable business results in 2017, the total dividend for the year amounts to 18 cents per share, a 12.5% increase from 2016.

For the reporting year, CDL's corporate office in Singapore employed 392 staff and we invested \$270,000 to train and develop our employees, building an engaged and resilient workforce.

Our economic contribution also extends to supporting worthy causes and helping the needy. By actively initiating and supporting sustained programmes in four focus areas – environmental conservation, youth development, the arts, and caring for the less fortunate – we seek to deliver a lasting and positive impact on our community.

In partnership with Eco-Business.com and the National Environment Agency, we continue to expand the nationwide EcoBank initiative. Returning for the third year in 2018, the initiative which promotes zero-waste and responsible consumption and disposal collected 17,500 kg of pre-loved items and saved some 7,000 tonnes of carbon from landfill. It also raised close to \$33,000 for the Children's Charities Association over a three-day charity bazaar. As fashion items formed the majority of EcoBank's collection, we rolled out a new national movement called

Fashion 3R to raise public awareness of the responsible purchase and disposal of fashion items.

For the 19th year, CDL rallied the support of our Group of companies in the annual Assisi Hospice Charity Fun Day. With the enthusiastic participation from our employees, suppliers and subsidiaries, we raised \$185,000 for quality palliative care to terminally ill adults and children.

Our employees also actively volunteered their personal time and efforts to support various community projects, achieving an employee participation rate of over 90%, and about 3,140 volunteer hours.

THE JOURNEY AHEAD

Sustainability is fast becoming the norm throughout the business ecosystem. Companies, investors, financiers and regulators are expected to stay future-ready by integrating sustainability into their strategy and operations.

As we gear up our business operations for the next wave of growth, value creation through ESG integration will remain our top priority. By aligning with global and national sustainability agendas, CDL is poised to capitalise on our strong sustainability leadership, and prevailing opportunities

from sustainable investment and development to unlock greater value for our business and stakeholders.

Innovation, climate strategy, and investor and stakeholder engagement will be our key strategic focus areas, as we advance our CDL Future Value 2030 sustainability blueprint.

Innovation and Sharing Economy Business Model

In today's age of disruption, innovation is critical to the long-term viability of any business. As a company with over 50 years of history, it is essential that we constantly stay ahead of competition and remain relevant in the ever-changing global landscape. Our business must proactively evolve to develop higher quality products and create better experiences for our customers.

Over the years, CDL has leveraged our strong financial capital and enterprise agility to invest in new business models and venture into rapidly growing sectors. In January 2017, we invested in China's leading co-working space operator Distrii. Marking its first international foray, we are bringing Distrii into Singapore, by creating one of the city's largest co-working facilities at our flagship Republic Plaza in the heart of the Central Business District. The facility is slated to

open in 1H 2018 and our new venture is expected to bring in fresh recurring revenue to complement our existing lines of business from 2018 and beyond.

To inculcate a strong culture for innovation within CDL, we created an Enterprise Innovation Committee as an anchor platform for multidisciplinary teams to collaborate and seek new ideas and best practices to drive innovation and business transformation. The Committee will convene on a regular basis to research and review innovation in technologies, product, customer service and operational processes to future-fit our business.

As part of our \$2.25 million investment in a research and development (R&D) partnership with the National University of Singapore (NUS) School of Design and Environment, the NUS-CDL Tropical Technologies Laboratory (T² Lab) was completed in end 2017 and R&D works have commenced. The NUS-CDL Smart Green Home Lab, which will be located in the school's new building, is expected to receive Temporary Occupation Permit by 2020. We look forward to test-bedding the next generation of leading-edge innovations in our future developments to address climate resilience and the future lifestyle needs of our customers and communities.

GROUP CEO STATEMENT



Low Carbon and Renewable Energy Strategy

As Singapore steps up its commitment to climate action in 2018, we are taking tangible steps towards reducing our carbon emissions and reliance on fossil fuel energy. We have set our sights on joining RE100 – a global renewable energy campaign led by The Climate Group in partnership with CDP – by reviewing a 100% renewable energy target for our operations by 2050. To help us achieve this ambitious but meaningful goal, we have begun to procure Renewable Energy Certificates (RECs) for our Singapore operations starting from 2018.

In tandem with increased demand from investors and stakeholders for greater transparency and accountability on climate change, we have taken the lead amongst Singapore companies to publish our climate-related financial disclosures in four key areas as recommended by the TCFD, in this Report.

In accordance with TCFD's recommendations, we have started a comprehensive climate change scenario analysis in 2018 to identify climate-related risks and opportunities which will have impending financial impacts on our business. This is an extension of our integrated reporting approach

that connects our ESG performance with business and financial impacts since 2015. It also complements our proactive ESG disclosure initiatives as seen in our dedicated sustainability microsite and quarterly sustainability reporting introduced in 2017. These aim to provide greater transparency and more timely disclosure to our investors and stakeholders.

Unlocking Financial Value with ESG Integration

CDL believes that ESG has a strong potential to impact the financial performance of businesses. We were the first listed Singapore company to issue a green bond in 2017, tapping into the fast-growing global green financing market. Understanding that rising climate-related risks are a threat to businesses, CDL will continue to explore potential investment avenues through green financing, and unleash business and financial opportunities connected to new economy and green technology ventures.

In the year ahead, we will continue to step up our engagement with the sustainable investment community, to attract like-minded investors and financiers who are supportive of CDL's value creation strategy. By playing an active role in global networks and initiatives on responsible investment, including the UN Environment

Programme – Finance Initiative and the Sustainable Stock Exchanges' Green Finance Advisory Group, we seek to position CDL as the top investment choice among sustainable investors, and grow the shareholding of responsible investors with longer-term views in investment decisions.

Building a Strong Force for Change through Thought Leadership and Collaboration

Collaborative and innovative partnerships are key to achieving sustainable development. The zero-energy SSA has proven a most timely platform for advocacy, networking and collaboration among the People, Public and Private (3P) sectors to support the SDGs and global climate actions. With 2018 as Singapore's Year of Climate Action, the government has underscored the need for enhanced efforts and partnerships across all sectors to meet the nation's climate goals. The SSA will continue to catalyse enhanced engagement between regulators, businesses, NGOs and the community at large.

As youths are the force for change, we made deliberate efforts to build a stronger connection between the SDGs with our arts and youth development initiatives. Our flagship youth case competition has been rebranded as the CDL-GCNS Young SDG Leaders Award with its framework

aligned with the SDGs. We have also revamped the CDL Singapore Young Photographer Award by introducing SDG 11: Sustainable Cities and Communities as the theme for 2018, to raise awareness and interest among the arts community in Singapore for sustainable development.

CDL is fully committed to contributing our best to realise the vision of the UN SDGs to build a world in which no one will be left behind amidst climate and sustainable development challenges.

Sherman Kwek

Group Chief Executive Officer



CDL FUTURE VALUE 2030

INTEGRATED
STRATEGY
FOR VALUE
CREATION

INTEGRATED REPORTING <IR>



FINANCIAL
CAPITAL



SOCIAL AND
RELATIONSHIP
CAPITAL



ORGANISATIONAL
CAPITAL



NATURAL
CAPITAL



HUMAN
CAPITAL



MANUFACTURED
CAPITAL



INTEGRATED STRATEGY FOR VALUE CREATION

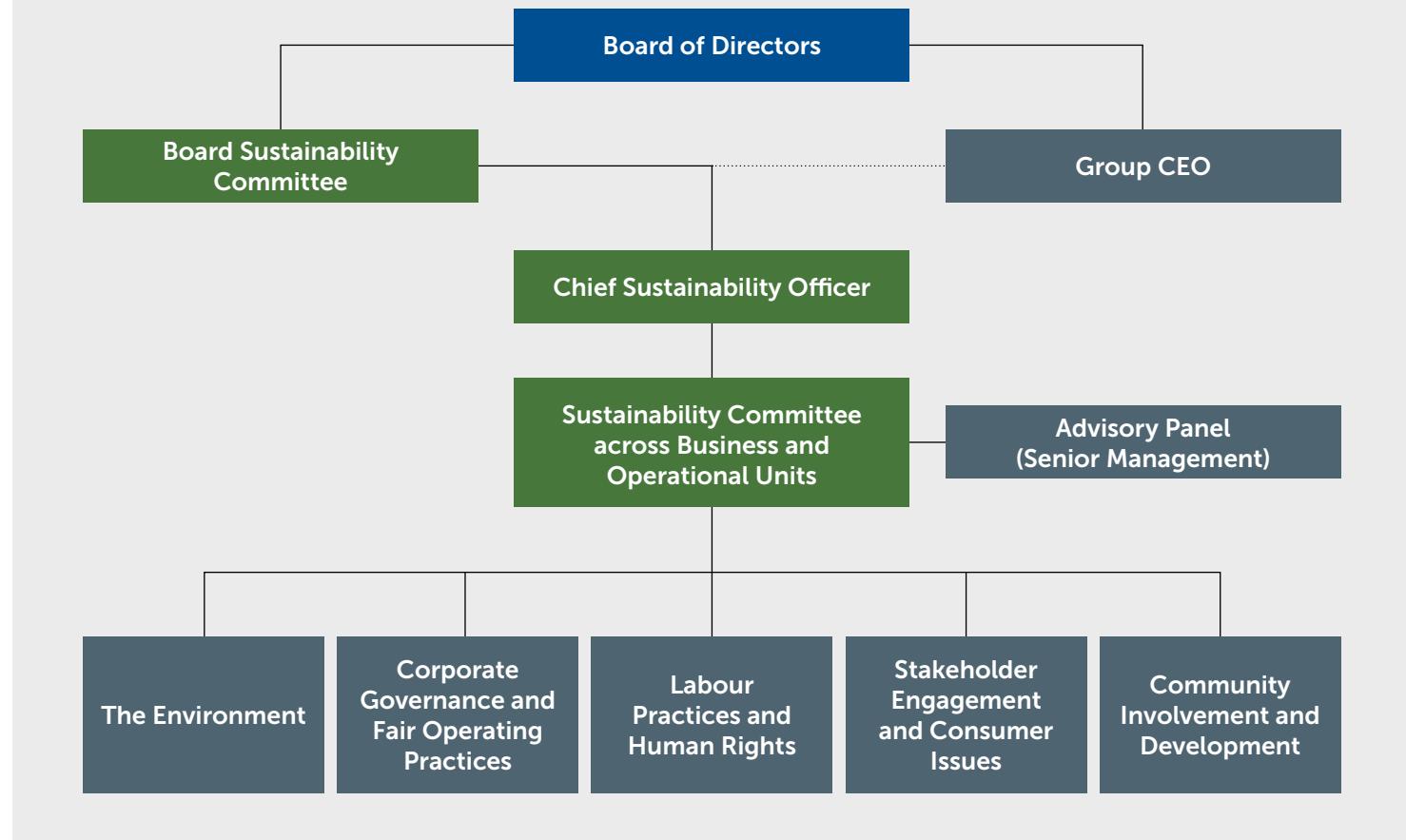
CONTINUED LEADERSHIP COMMITMENT TO SUSTAINABILITY

Since 2008, a company-wide Sustainability Committee was set up to drive Environmental, Social and Governance (ESG) practices across all departments within CDL. Led by the Chief Sustainability Officer with functional oversight by the Senior Management, the Committee initiates, drives and monitors various aspects of our sustainability practices, ensuring effective integration of ESG initiatives into our business operations and corporate objectives.

Above this operational-level Committee sits a Board Sustainability Committee (BSC) which advises on CDL's sustainability strategy. Since February 2018, the BSC has played a bigger role in advancing CDL's sustainability leadership as the Sustainability function reports directly to the board-level Committee and administratively to the Group CEO.

The BSC meets at least twice a year to review CDL's sustainability plans and performance.

Sustainability Governance Structure (As of February 2018)



INTEGRATED STRATEGY FOR VALUE CREATION

Board Sustainability Committee (BSC)



MR CHAN SOON HEE ERIC, 64
BSC Chairman, Non-Executive and Lead Independent Director

Appointed a Director of CDL on 26 July 2012, Mr Chan was last re-elected as a Director on 20 April 2016. He is the Lead Independent Director and is also the Chairman of the BSC, the Audit & Risk Committee (ARC) and the Remuneration Committee (RC), as well as a member of the Board Committee (BC) and the Nominating Committee (NC). Mr Chan will be seeking re-election as a Director at the 2018 Annual General Meeting (AGM).

Mr Chan is a founder and the Chief Executive Officer of Thoughts Advisory Pte. Ltd. which provides consultancy services to entrepreneurs to further develop their strategic and business plans.

Mr Chan has more than 35 years of experience working in a public accounting firm environment, serving as audit partner with KPMG LLP (KPMG) from 1989 to 2001, and subsequently as partner in charge of Transaction Services at KPMG until his retirement in September 2011. He was the audit engagement partner for CDL for a number of years until 1999.

Mr Chan is a member of the Institute of Singapore Chartered Accountants and a Fellow of the Association of Chartered Certified Accountants.



MR YEO LIAT KOK PHILIP, 71
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 RC and the BSC of CDL.

Mr Yeo is Chairman of SPRING Singapore, a government development agency. He is also the 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 Hitachi Ltd, 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).



MR TAN POAY SENG, 51
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 is the Managing Director of Magni-Tech Industries Berhad and Coronation Springs (M) Sdn. Bhd., which is involved in niche property development. 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.



INTEGRATED STRATEGY FOR VALUE CREATION

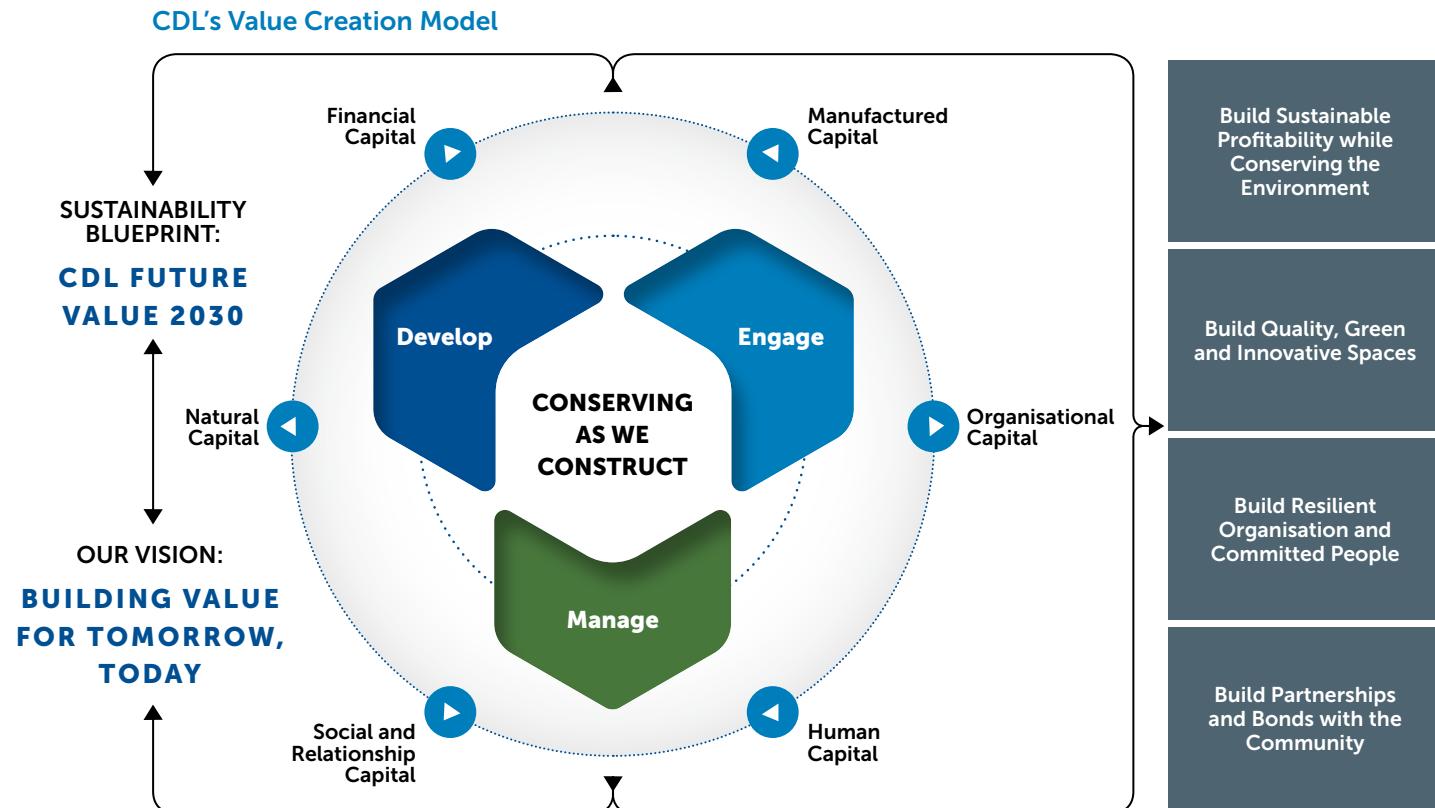
CDL'S VALUE CREATION STRATEGY

For more than two decades, CDL has been integrating sustainability into our strategy and operations to future-fit our business and unlock future value. Founded on the ethos of 'Conserving as we Construct' since 1995, we are committed to 'Creating Future Value' through a three-pronged integrated strategy as a developer, an asset owner and a corporate citizen. Through our long-established Environment, Social and Governance (ESG) policies and best practices, CDL's unique ESG integration model has created enduring shared value for our business, investors, customers, stakeholders and the communities we operate in.

CDL Future Value 2030

Building on our firm foundation in ESG management, in 2017, we strategically established the CDL Future Value 2030 sustainability blueprint. 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 new blueprint sets out long-term ESG goals



and targets towards 2030 – a milestone year for global sustainable development, climate agreement and green building movement. Delivering on three strategic goals, a set of targets is clearly defined to address ESG issues which are material to our business and stakeholders, while contributing to the United Nations Sustainable Development Goals (SDGs) and Paris Agreement.

Voluntary Quarterly Report
Through a quarterly Sustainability Report launched in July 2017, we have been tracking, measuring and reporting our progress towards the targets established under the CDL Future Value 2030 blueprint. Published on our dedicated sustainability microsite (www.cdlustainability.com),

the voluntary disclosure provides regular and timely review of ESG performance against the committed targets, and more prompt and transparent communication to our investors and stakeholders.

INTEGRATED STRATEGY FOR VALUE CREATION

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 2017)	Interim Annual Targets for 2017	FY2017 Performance
Goal 1: Building Sustainable Cities and Communities 7 AFFORDABLE AND CLEAN ENERGY 8 INDUSTRY INNOVATION AND INFRASTRUCTURE 11 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% achieved
	Double our commitment to adopt innovations and technology of green buildings	Average of two innovations or new technology adoptions per year	Two innovations achieved 1) Built the zero-energy Singapore Sustainability Academy (SSA) 2) Issued the first Green Bond by a listed Singapore Company
	Double resources devoted to advocacy of sustainability practices, stakeholder engagement and capacity building	Establish baseline: ≥100 training programmes and events held in SSA per year	71 training programmes and events
Goal 2: Reducing Environmental Impact 7 AFFORDABLE AND CLEAN ENERGY 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION	Achieve science-based target of reducing carbon emissions intensity by 38% from 2007 levels	19% reduction	32.8% reduction Review in progress to raise target and align CDL's carbon strategy using science-based approach
	Reduce energy usage intensity by 25% from 2007 levels	17% reduction	27.3% reduction Review in progress to raise target and align CDL's energy strategy using science-based approach
	Reduce water usage intensity by 25% from 2007 levels	17% reduction	7.3% reduction The lower than expected % reduction was due to a higher number of developments that attained or are about to attain Temporary Occupation Permit (TOP) in 2017 and early 2018, which require higher water consumption for unit hand over
	Reduce total waste intensity by 50% from 2016 levels	10% reduction	8.0% reduction Review in progress to step up waste minimisation and recycling practices
	Ensure that 100% of appointed suppliers are certified by recognised EHS standards	Achieved 100% for suppliers appointed by Projects Division	100% of builders for Projects Division have obtained ISO14001 and/or OHSAS18001 certifications. Other suppliers are being engaged to meet this target.
	Ensure that 50% of our construction materials are derived from recycled content, low-carbon sources or certified by recognised environmental organisations	≥35% (for new projects awarded from 2016 onwards)	At least 42% sustainable building materials are designed for Forest Woods condominium, which started construction in 2017

INTEGRATED STRATEGY FOR VALUE CREATION

Future Value 2030 Goals	2030 Targets (Effective from 2017)	Interim Annual Targets for 2017	FY2017 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) ¹ for our employees within CDL premises	≤1.7	○●○ 2.4 AFR Two reportable incident ² took place within CDL premises and one outside
	Maintain AFR of 1 or less for direct suppliers at CDL construction sites	≤1.7	○○● 0.1 AFR One reportable incident
	Maintain AFR of 1 or less for direct suppliers at CDL managed properties	≤ 1.7 <small>*Based on 2016 Construction Industry AFR³</small>	○○● 1.1 AFR Two reportable incidents

STRATEGIC MANAGEMENT OF MATERIAL ESG ISSUES

Materiality is any factor that can have a present or future impact on CDL's value creation, and hence our business performance over time. Balancing internal and external viewpoints is therefore critical in defining and managing ESG issues that are of significant relevance to our business and stakeholders.

Since 2008 when we published CDL's first Global Reporting Initiative (GRI)-checked Social and Environment Report, we have focused our sustainability efforts around material ESG issues by aligning our business perspectives with that of our stakeholders'.

Our materiality also considers the value chain where CDL has considerable influence, but not direct control.

To keep abreast of critical issues, we periodically review our material issues against the changing business landscape, emerging global and domestic trends, regulatory development, as well as stakeholder opinions.



¹ AFR refers to the number of workplace accidents per million manhours worked.

² Reportable incident refers to work-related accident, workplace accident, dangerous occurrence and occupational disease that require statutory reporting to the Ministry of Manpower (MOM), as mandated by the Singapore Workplace Safety and Health (WSH) Act.

³ Based on statistics provided by the WSH Institute.

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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 Groups	Impact and Significance
Our Employees	Our employees are part of our human capital whose health and safety, competencies, welfare and professional development are fundamental to CDL's operational effectiveness. We aim to develop their potential to drive innovation, productivity and organisational excellence.
Our Customers	Our promise is to create inspiring spaces and deliver quality homes in line with the rising expectations and lifestyle aspirations of tenants and homebuyers. We seek to deliver sustainable solutions and exceptional service levels to delight our customers.
Our Builders and Suppliers	CDL works closely with partners in our value chain to ensure that construction activities are carried out in line with industry safety standards and sustainable building methods.
Our Investors	We strive to maximise shareholder returns, maintain good corporate governance, and improve levels of transparency through financial and sustainability reporting, as well as proactive and timely communication.
The Government and Regulators	Beyond compliance, we partner with key government agencies to jointly elevate industry standards for green building, sustainability practices, as well as health and safety standards.
The Media	As news and information outlets are one of the main sources of information for our stakeholders and the public, we aim to engage the media in promoting sustainability and green building agenda to drive green consumerism.
Our Community	Our developments shape public spaces and impact the interaction between people and their broader environment. We seek to create green spaces that promote social integration, invests in community development projects, and foster tri-sector collaboration that supports the SDGs.

Stakeholder-Driven Materiality

Following CDL's last materiality assessment in 2014, we did a robust study amongst key stakeholders in November 2017, to reassess and prioritise our material ESG issues. The findings have helped us to fine-tune our sustainability strategy, programmes and focus for this Report.

Using a comprehensive five-stage framework, a list of ESG issues were reviewed against current global and

local trends and emerging regulatory development which can have an impact on CDL's business. These considerations include the Singapore Government's pledge for the Paris Agreement, incoming carbon tax regime in Singapore, the Building and Construction Authority's (BCA) green building agenda, and the SDGs, to name a few.

Following the identification stage, an independent sustainability consultant

obtained feedback from more than 160 internal and external stakeholders on the importance and relevance of a list of pre-determined ESG issues. Following the methodology of AA1000's materiality process, 13 critical and highly material issues were prioritised, and further validated by an expert panel comprising senior leaders from the International Integrated Reporting Council (IIRC), World Green Building Council (WGBC) and National University of Singapore (NUS)'s Asia-Pacific Centre for Environmental Law.

After a review by CDL's Senior Management, the 13 critical and highly material issues were presented to the BSC for resolution in November 2017.

INTEGRATED STRATEGY FOR VALUE CREATION

Five-Stage Materiality Assessment



Comments from the Expert Panel

“
Innovation is critical. Driving innovation at the design stage, particularly in green building design for waste management and energy conservation, will give CDL the leading edge.

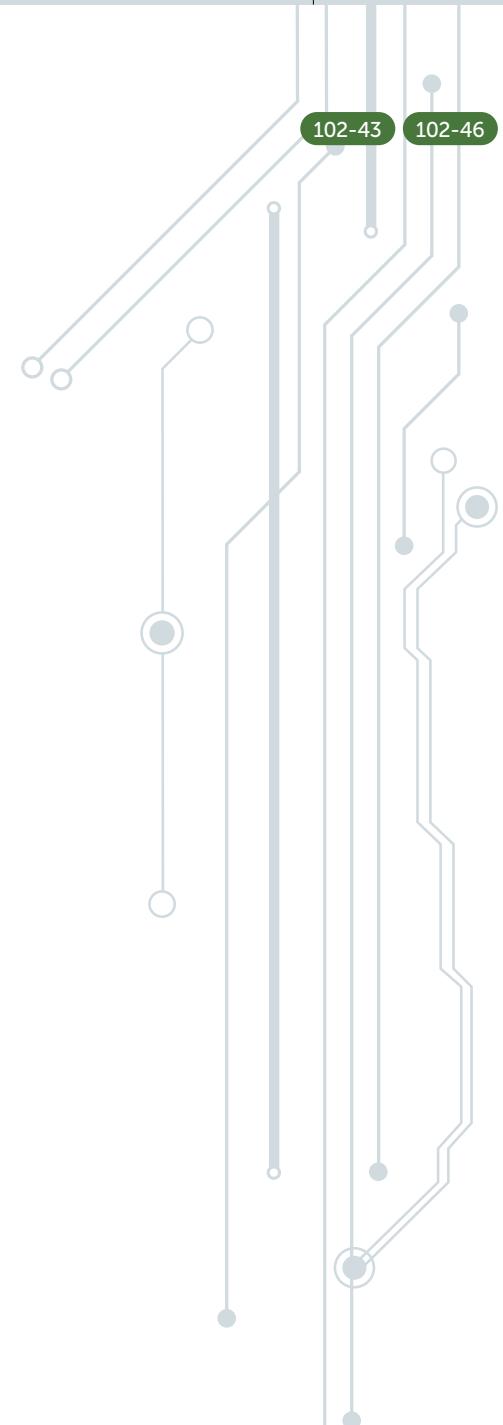
”
Professor Lye Lin Heng, Director, Asia-Pacific Centre for Environmental Law, NUS Faculty of Law

“
Innovation, energy efficiency and renewable energy, as well as product quality and responsibility are spot on issues for CDL. As the world is turning its attention to health and well-being, CDL can play a leading role in this aspect as both a property developer and asset manager.

”
Mr Tai Lee Siang, Chairman, WGBC

“
CDL's materiality review is comprehensive and the quality of the process is good. It is clear that linkages have been drawn to corporate strategy, which is something that the IIRC looks for, to show that ESG is integral to the business.

”
Mr Jonathan Labrey, Chief Strategy Officer, IIRC



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CDL's 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	• Construction and Real Estate Sector (CRES): sustainability certification, rating and labelling	
2. Energy Efficiency and Renewable Energy	Customers, builders and suppliers, government and regulators, investors, community, and media	• Energy • CRES: building energy intensity	
3. Product Quality and Responsibility	Customers, builders and suppliers, government and regulators, investors, community, and media	• Marketing and labelling • CRES: sustainability certification, rating and labelling	
4. Occupational Health, Safety and Well-being	All stakeholders across our value chain	• Occupational health and safety	
5. Anti-corruption	All stakeholders across our value chain	• Anti-corruption	
6. Business Ethics and Compliance	All stakeholders across our value chain	• Anti-competitive behaviour • Environmental compliance • Socioeconomic compliance	
7. Climate Change	Customers, builders and suppliers, government and regulators, investors, community, and media	• Emissions • CRES: building greenhouse gas emissions intensity	
8. Cyber Security and Data Governance	Customers, employees, government and regulators, investors, and media	• Customer privacy	
9. Economic Contribution to Society	All stakeholders across our value chain	• Economic performance • Market presence • Indirect economic impacts	
10. Product Safety and Customer Well-being	Customers, community, government and regulators, investors, and media	• Customer health and safety	
11. Responsible Supply Chain and Sourcing	Builders and suppliers, community, government and regulators, investors, and media	• Materials • Suppliers environmental assessment • Suppliers social assessment	
12. Talent Attraction, Retention and Development	Employees, government and regulators, and investors	• Training and education • Employment • Labour/ management relations	
13. Water Management and Efficiency	Customers, builders and suppliers, government and regulators, investors, community, and media	• Water • CRES: building water intensity	

INTEGRATED STRATEGY FOR VALUE CREATION

CDL's Material ESG Risks and Opportunities

A disconnection between sustainability and risk management can lead to strategic and operational risks, as well as missed opportunities for growth. CDL's stakeholder engagement and materiality assessment complements our Enterprise

Risk Management (ERM) framework in the identification and assessment of ESG risks and opportunities. CDL will continue to monitor and review the risks and mitigating controls in line with emerging global trends and evolving business landscape.

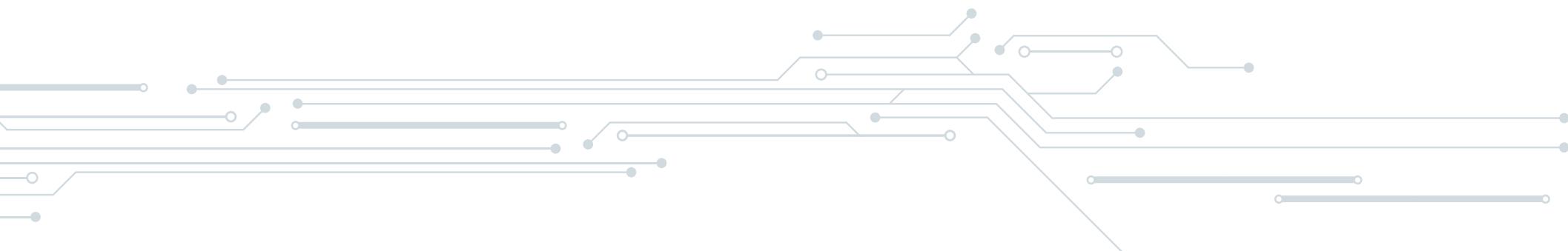
For more information on CDL's ERM framework, please refer to the Risk Management Report found in [CDL's Annual Report 2017](#).



CDL's Material ESG Issues	Risks	Opportunities	Supporting SDGs
Innovation	CDL's business can be outpaced, if our services and products are not relevant in this age of technological disruptions.	Innovation is key to driving CDL's business to the next level. In 2017, an Enterprise Innovation Committee (EIC) was formed to study and adopt initiatives to differentiate our value proposition and offerings.	   9 INDUSTRY INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 15 LIFE ON LAND
Energy Efficiency and Renewable Energy	<p>From 2019, Singapore will impose a carbon tax of \$5 for each tonne of carbon emissions on large direct emitters, which will likely increase electricity charges and operational costs for CDL.</p> <p>More countries, including our key overseas markets – China, United Kingdom / Europe, Japan and Australia are also expected to capture the external costs of carbon emissions, with carbon pricing ranging from US\$1 to US\$33 per tonne of carbon emissions.</p>	<p>CDL can leverage our green building track record and expertise to minimise energy use in all stages of a building's life-cycle, maximise inbuilt and natural efficiencies, minimise embodied resources, and raise renewable energy consumption in the design and construction of new buildings.</p> <p>Existing buildings can be upgraded and retrofitted with energy-efficient features. In 2017, CDL launched our inaugural green bond to repay a loan which financed Republic Plaza's retrofit and upgrade projects.</p> <p>Beyond brick and mortar, we can influence building users to adopt sustainable lifestyles (e.g. providing charging stations for electric vehicles at carparks and cultivating good energy saving habits).</p>	   7 AFFORDABLE AND CLEAN ENERGY 9 INDUSTRY INNOVATION AND INFRASTRUCTURE 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 
Product Quality and Responsibility	<p>Failure to meet customers' expectation on quality and responsibility will affect reputation and sales.</p> <p>CDL prioritises innovative, green and safe designs, with high standards of workmanship and functionality, by voluntarily subscribing to the BCA Construction Quality Assessment System (CONQUAS).</p> <p>For quality assurance, we target to rectify defects reported at new developments within 30 days.</p>	<p>CDL's stringent quality assurance processes are benchmarked against all industry standards. Our robust evaluation of partners ensures our internal quality KPIs are maintained or exceeded.</p> <p>For five consecutive years, CDL has been recognised as one of the highest CONQUAS scoring property developers, exceeding the average industry score.</p> <p>This has differentiated CDL's products and enhanced stakeholders' confidence in CDL.</p>	   9 INDUSTRY INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 

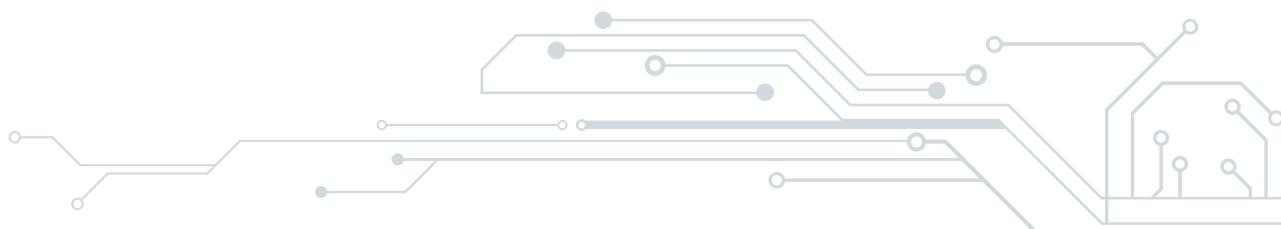
INTEGRATED STRATEGY FOR VALUE CREATION

CDL's Material ESG Issues	Risks	Opportunities	Supporting SDGs
Occupational Health, Safety and Well-being	<p>The safety, health and well-being of our employees and contractors' workers may affect their performance and productivity.</p> <p>It is therefore important to manage occupational health and safety risks whilst promoting healthy lifestyles and holistic wellness at the workplace.</p> <p>As most activities at our construction sites and managed buildings are carried out by contractors, CDL has also extended our safety and health risk management efforts to cover our contractors.</p>	<p>CDL advocates a safe, healthy and conducive work environment as this has a positive impact on operational performance and productivity.</p> <p>In 2017, we implemented an integrated ISO14001 and OHSAS18001 EHS Management System (EHSMS) across all our key operations in Singapore, to effectively manage the safety, health and wellbeing of our employees and workers. The Company also continues to implement the CDL 5-Star EHS Assessment System, an independent audit tool established since 2005, to monitor contractors' onsite EHS performance.</p>	 8 DECENT WORK AND ECONOMIC GROWTH
Anti-corruption	CDL has a zero-tolerance policy towards fraud and corruption, and whistle-blowing procedures for employees and other persons to raise in confidence concerns of possible improprieties.	CDL's zero-tolerance policy towards fraud, bribery and corruption provides assurance to all our stakeholders including investors and customers. Currently, CDL has benchmarked its practices with the Singapore Standard ISO37001 to narrow any gaps in accordance to industry practices.	 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Business Ethics and Compliance	Legal non-compliances may result in fines and non-financial sanctions which impact operations and affect CDL's reputation. Failure to comply with local and international laws will also threaten CDL's licence to operate in those markets. Within the EHSMS, 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.	CDL firmly believes in establishing long-lasting trust with stakeholders, and conducts its business ethically and fairly. We continuously validate business processes and benchmark them to industry best practices.	 16 PEACE, JUSTICE AND STRONG INSTITUTIONS



INTEGRATED STRATEGY FOR VALUE CREATION

CDL's Material ESG Issues	Risks	Opportunities	Supporting SDGs
Climate Change	<p>Policy and Legal Introduction of new policies and more stringent regulations such as carbon pricing, water tariffs hike and stricter building standards, and risk of climate-related litigation.</p> <p>Technology Displacement of existing processes with innovations and emerging technologies such as biomimicry, renewable energy, internet of things (IoT) and 3D printing at unprecedented rate.</p> <p>Market Growing concern for sustainability is changing customer's behaviour towards responsible consumption, low-carbon footprint and circular economy solutions.</p> <p>Reputation Increased in stakeholders' expectation for organisation to be transparent and compliant with both mandatory and voluntary policies.</p> <p>Physical Changes in climate patterns and extreme variability in weather events such as cyclones, floods and heatwave damage assets, disrupt operations and affect revenue.</p>	<p>Resource Efficiency Reduce operating costs by improving operational productivity and adoption of novel technologies that is becoming more commercially viable.</p> <p>Energy Source Savings on energy cost by adopting renewable energy sources such as solar energy and designing climate-resilient buildings with net-zero energy consumption.</p> <p>Product/Services Enhance competitive positioning by offering smart and energy efficient buildings, designed and built with high standards of workmanship and quality.</p> <p>Markets Proactively seek opportunities in new markets and alternative financing stream such as Green Bond.</p> <p>Resilience Developing adaptive capacity by innovating and re-engineering business model to better manage climate-related risks and seize new opportunities.</p>	
Cyber Security and Data Governance	<p>CDL's Information Systems department constantly scans for cyber security trends to ensure that cyber risks are mitigated effectively.</p> <p>We are also mindful of our obligation to and regulatory compliance with the Personal Data Protection Act (PDPA).</p>	CDL's holistic organisation-wide data governance approach and robust Information Technology (IT) security measures can contribute to enhancing our market standing. Our IT response plans are being tested by independent external and internal auditors and benchmarked against best industry practices.	

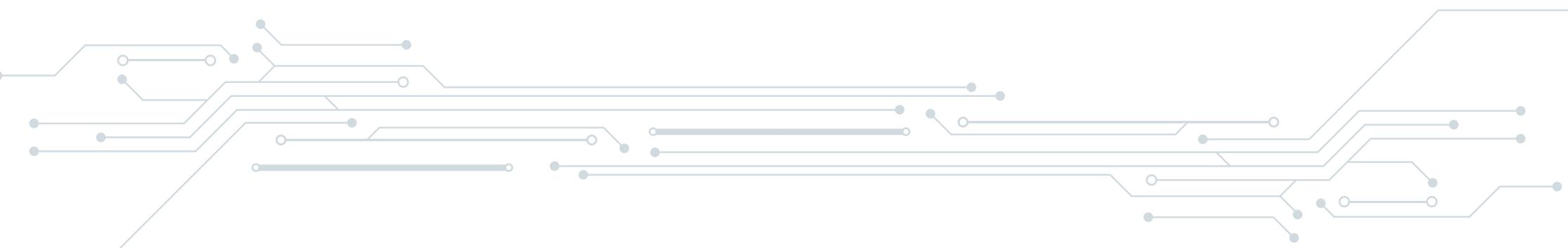


INTEGRATED STRATEGY FOR VALUE CREATION

CDL's Material ESG Issues	Risks	Opportunities	Supporting SDGs
Economic Contribution to Society	<p>CDL's financial performance will have a direct impact on the survival of the Company, vested interest of our stakeholders, and our society at large.</p> <p>Our economic contributions include the wealth created and distributed to our investors, employees, suppliers, and the community, in the form of dividends, operating costs, employee wages and benefits, and community investments.</p>	<p>Our business activities and community investments can contribute to the economic development of the local markets and communities where we operate.</p> <p>By hiring locally and ensuring fair remuneration, we provide employment to local talents and help eliminate inequalities.</p> <p>The economic legacy of real estate and infrastructure assets can extend over tens or even hundreds of years, and can have significant indirect economic impacts that benefit our local communities.</p> <p>Through our community investments in sustained programmes with community partners and non-governmental organisations, we provide financial aids and in-kind support in four focus areas – environmental conservation, youth development, the arts and helping the less fortunate in our society.</p>	 8 DECENT WORK AND ECONOMIC GROWTH
Product Safety and Customer Well-being	<p>We recognise our legal obligation and contractual responsibility to ensure the safety of the occupants at our residential, office, commercial and industrial developments. Where their health and safety are affected, customers have the right to seek redress.</p> <p>Regulations are expected to be tightened in the near term following the Grenfell Tower, West London and Dubai Torch Tower incidents in 2017, and after 36 buildings in Singapore were found to use non-compliant cladding, including an industrial complex where a lethal fire broke out in May 2017.</p>	<p>To ensure compliance and prevent latent defects, CDL identifies design risks and assesses the severity of EHS impacts throughout the design and construction stages of our developments.</p> <p>For tenants at our commercial and industrial buildings, we set internal key performance indicators for critical safety services, such as response time to attend to trapped passengers in lifts. In 2017, CDL partnered with Singapore Green Building Council and the BCA to hold the inaugural Better Places for People event for tenant engagement.</p>	 8 DECENT WORK AND ECONOMIC GROWTH  16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Responsible Supply Chain and Sourcing	<p>The use of virgin materials can impact the environment and human health. We are therefore mindful that our procurement of raw materials can impact non-renewable resources, and human rights across the supply chain.</p>	<p>A responsible supply chain is also a resilient one, enabling CDL to swiftly adapt to external challenges such as weather impacts and an aging workforce to maintain business continuity. We can establish mutually beneficial relationships with trusted and credible suppliers to create high quality, cost-effective reliable products.</p> <p>Within our EHSMS, we have Green Procurement Guidelines that clearly state our requirements for sustainable sourcing.</p>	 8 DECENT WORK AND ECONOMIC GROWTH  12 RESPONSIBLE CONSUMPTION AND PRODUCTION  13 CLIMATE ACTION  15 LIFE ON LAND  16 PEACE, JUSTICE AND STRONG INSTITUTIONS

INTEGRATED STRATEGY FOR VALUE CREATION

CDL's Material ESG Issues	Risks	Opportunities	Supporting SDGs
Talent Attraction, Retention and Development	The loss of talent will impact CDL's daily operations and ability to sustain growth. Identification, development and retention of talent are key aspects of CDL's human capital risk management.	We focus on human capital development and growth, and empower employees to be innovative. This helps to drive service and product differentiation.	5 GENDER EQUALITY  8 DECENT WORK AND ECONOMIC GROWTH 
Water Management and Efficiency	<p>The United Nations Environment Programme projected that by 2030, there will be a 40% gap between demand and supply of water globally. CDL faces the challenge of securing long-term reliable supplies of clean water at a reasonable cost. Water security can also limit our growth, especially in cities facing water stress such as London, Paris and Melbourne.</p> <p>In Singapore, water prices were raised for the first time in 17 years, by 30% over two years from 2017, which will affect CDL's bottom line.</p>	<p>As the water market grows and novel technologies become readily available at declining costs, CDL can take advantage of the new technologies and solutions to reduce fresh water consumption, increase reuse and recycling of wastewater, and improve the quality of treated wastewater.</p> <p>Our developments are designed with a strong focus on water sustainability throughout the lifecycle of the asset.</p>	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 



INTEGRATED STRATEGY FOR VALUE CREATION

STRATEGIC ALIGNMENT WITH THE RECOMMENDATIONS OF THE TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

Recognising that material ESG issues have impending impacts on the Company's business performance, CDL has been an early adopter of the IIRC's integrated reporting approach in assessing our ESG impact through financial lens since 2015. Supporting the call for more effective climate-related financial disclosures to inform longer-term investment decision, we became 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 areas as recommended by the TCFD.



Key Area	Recommended Disclosure	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's Group CEO and Senior Management meet annually to review environmental performance, and provide strategic advisory on operational action plans for climate change mitigation, energy, water and waste management.CDL's Chief Sustainability Officer leads the Sustainability department, and reports directly to the BSC and administratively to the Group CEO on all sustainability matters, including climate-related issues.	Chapter 1: page 11 Chapter 3: page 48-49 Chapter 1: page 11 Chapter 1: page 11
Strategy The actual and potential impacts of climate-related risks and opportunities on CDL's businesses, strategy, and financial planning	<ul style="list-style-type: none">Our internal risk assessment has identified a list of material climate change risks and opportunities, which informed our sustainability strategy and forward-looking CDL Future Value 2030 blueprint.In 2017, we conducted a comprehensive materiality assessment with feedback from 160 stakeholders and advice from an expert panel, to prioritise our material ESG issues. The study, which identified climate change as one of the 13 most material ESG issues to CDL's business and stakeholders, helped to fine-tune our sustainability strategy and the focus of this Report.From 2018, we have embarked on a Climate Change Scenario Analysis to assess, at a high level, 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 different climate scenarios including a 2°C or business-as-usual 4°C scenario.Findings from the Climate Change Scenario Analysis will provide basis for us to stress-test the resilience of our strategy and risk management approaches in the next phase.	Chapter 1: page 19-23 Chapter 3: page 49 Chapter 1: page 15-18 Chapter 3: page 49 Chapter 3: page 49
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 water 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 existing and emerging voluntary and regulatory requirements, including the Singapore Government's pledge for the Paris Agreement and upcoming 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 49 Chapter 1: page 16-18 Chapter 3: page 49 Chapter 3: page 55, 60
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 been tracking, measuring and reporting our environmental performance, including carbon emissions and embodied carbon, energy, water and waste reduction.Since 2015, we have been disclosing the Scope 1, 2 and 3 GHG emissions of CDL's core operations and six key subsidiaries.Our environmental performance metrics are in accordance to global standards and best practices, including GHG Protocol and ISO 14064 Quantification and Reporting of GHG emissions.In 2017, we established a set of robust, long-term targets for our carbon emissions, energy, water and waste reduction, as well as sustainable material use under our CDL Future Value 2030 sustainability blueprint.Our progress to the 2030 targets is tracked and reported through our quarterly and annual sustainability report, as well as our dedicated sustainability microsite for timely and transparent disclosure to our investors and stakeholders.	Chapter 3: page 50-68 Chapter 3: page 51-53, 68 Chapter 1: page 26, 54 Chapter 1: page 14-15

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ABOUT THE REPORT

Report Period and Scope

This is CDL's eleventh Sustainability Report. It replaces the CDL Integrated Sustainability Report 2017 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 2017 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 project development as well as property and facilities management of commercial and industrial developments, and our corporate headquarters in Singapore. In 2017, 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 have further expanded the reporting scope to include their energy and water use data for FY 2017. These six subsidiaries are:

- CBM Pte Ltd
- CDL Hospitality Trusts
- City Serviced Offices
- Le Grove Serviced Apartments
- The Tower Club Singapore
- Hotels owned and managed by Millennium & Copthorne Hotels plc (M&C)

M&C has over 135 hotels with more than 40,000 rooms worldwide, many in key gateway cities. While CDL has a 65% interest in M&C, the company 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 2017 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.

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 is aligned with the Global Reporting Initiative (GRI) Standards for sustainability reporting and its

Construction & Real Estate Sector Supplement. This Report has been prepared in accordance with the GRI Standards: Comprehensive option. It follows GRI Standards Reporting Principles for defining reporting content:

- **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 are 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

This Report has successfully completed the GRI Materiality Disclosures Service which verifies that the General Disclosures 102-40 to 102-49 were correctly located in both the GRI Content Index and in the text of this Report. The GRI Content Index can be found on [pages 114 to 120](#).

INTEGRATED STRATEGY FOR VALUE CREATION

102-49

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. Centred 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 13](#).

Since 2005, CDL has been a signatory to the United Nations Global Compact 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 method
- 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 includes 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 also 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 107 to 113](#).

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 Greenhouse Gas

(GHG) emissions data against the stringent ISO 14064 for GHG verification. CDL's 2016 GHG emissions data continues to be verified by Lloyd's Register Quality Assurance Ltd. (LRQA) in accordance with the requirements of ISO 14064-3 specification with guidance for the validation and verification of GHG assertions. LRQA's Assurance Statement, which is for the internal GHG report prepared by CDL, can be found on [pages 104 to 106](#). 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



CDL FUTURE VALUE 2030 GOAL 1

BUILDING SUSTAINABLE CITIES AND COMMUNITIES

8 DECENT WORK AND
ECONOMIC GROWTH



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



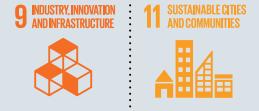
11 SUSTAINABLE CITIES
AND COMMUNITIES



17 PARTNERSHIPS
FOR THE GOALS



BUILDING SUSTAINABLE CITIES AND COMMUNITIES

(I) BUILDING RESILIENT AND GREEN BUILDINGS FOR SUSTAINABLE CITIES			Contributing to SDGs
Manufactured Capital	Activities		 9 INDUSTRY INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES   13 CLIMATE ACTION 17 PARTNERSHIPS FOR THE GOALS  
	Outputs		
	Value Created		
(II) ENGAGING STAKEHOLDERS, CREATING PARTNERSHIPS FOR SUSTAINABLE COMMUNITIES			Contributing to SDGs
Financial Capital	Activities		 5 GENDER EQUALITY 7 AFFORDABLE AND CLEAN ENERGY   11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION   13 CLIMATE ACTION 17 PARTNERSHIPS FOR THE GOALS  
	Outputs		
	Value Created		

BUILDING SUSTAINABLE CITIES AND COMMUNITIES



The Brownstone EC, Singapore

BUILDING RESILIENT AND GREEN BUILDINGS FOR SUSTAINABLE CITIES

By 2030, almost 60% of the world's population will live in urban areas. While cities occupy just 3% of the Earth's land, they account for up to 80% of total energy consumption and 75% of carbon emissions¹. Beyond being spaces to live and work, cities are hubs for culture, commerce and innovation. Constructing safe, resilient and inspiring cities will undoubtedly be a global priority in the coming decades to ensure the well-being of communities worldwide.

CDL is not just a developer of quality spaces, but also a builder of lives and communities. For over 20 years, we have championed innovation and invested in progressive green building technologies to improve the quality and comfort of our developments. We consistently strive to meet the highest quality standards in the market, beyond compliance and industry requirements. We are committed to universal design and constructing spaces that are accessible to all. We prioritise environmental, health and safety concerns in our design and construction process; not just complying with regulations but also proactively mitigating future safety risks and building defects.

1 The UN Sustainable Development Goals: www.un.org/sustainabledevelopment

2 Build Smart, a Construction Productivity Magazine by BCA released in August/September 2017

Our sustainable and resilient spaces have not only created enduring value for our customers and the communities we operate in. They have also helped us to achieve greater energy efficiency, generating significant cost savings in the process. Our green buildings have also enabled us to leverage our stable of prime real estate assets to develop innovative financial products and create alternative financing streams.

INNOVATION AND TECHNOLOGY

To remain relevant in the ever-evolving real estate industry, CDL has continuously invested in the research and deployment of nascent building and smart home technologies. We pioneered the use of sustainable and more productive building methods locally, such as the adoption of Prefabricated Prefinished Volumetric Construction (PPVC). In line with Singapore's push to become a Smart Nation to support better living, stronger communities, and the creation of more opportunities for all, CDL has embarked on integrated smart home and office solutions since 2001. We have also invested \$2.25 million in an Research and Development (R&D) collaboration with the National University of Singapore (NUS) to catalyse innovations in smart and climate-resilient building technologies, for test-bedding in our future developments.

Productivity through Technologies

Building on our expertise in using prefabricated building methods in developments since the early 2000s, CDL became the first developer in Asia to adopt the advanced PPVC technology for our 638-units The Brownstone Executive Condominium (EC) in 2014. The Brownstone EC featured the world's largest application of concrete PPVC for a large-scale private residential development.

The PPVC method is known to yield significantly higher productivity and construction quality, while enhancing worksite safety and reducing waste. As prefabrication happens offsite, fewer workers are required onsite, leading to fewer accidents and less downtime, as well as cleaner worksites and less waste generated. In the case of The Brownstone EC, using PPVC has raised construction productivity by over 40%, saved 55,000 man days, and kept waste generation to significantly below CDL's stringent internal waste targets. The worksite also experienced zero fatality and accident.

In recognition of CDL's efforts to raise construction productivity through innovative technology, we were the only developer awarded Platinum in the Advocates category of the Building and Construction Authority (BCA) Construction Productivity Awards 2017².

BUILDING SUSTAINABLE CITIES AND COMMUNITIES

Smart Home and Office Solutions

Over the years, CDL has continued to innovate and introduce smart features in our residential and commercial properties, creating living and working spaces which enhance urban lifestyles and support Singapore's position as a leading international Smart and Sustainable City. Some of our smart initiatives include:

Building and Coverage	Initiative	Features and Benefits
Chongqing Eling Residences, China (Under development)	Smart Home Energy Management System	<ul style="list-style-type: none"> Tracks and manages 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
The Tapestry (Under development)	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)	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
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 programme alerts that are triggered via email or short message service (SMS) if their energy usage exceeds pre-determined limit Offers greater convenience and proactive energy management
H ₂ O Residences (Completed in 2015)	Digital Smart Signage introduced in lift lobbies and club house	<ul style="list-style-type: none"> Offers easy content management Instant broadcast of important estate messages via multimedia Eliminate usage of paper versus traditional notice boards
City House City Square Mall Central Mall Office Tower Fuji Xerox Towers King's Centre Manulife Centre Palais Renaissance Republic Plaza Tampines Grande	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

BUILDING SUSTAINABLE CITIES AND COMMUNITIES

Investing in Future Technologies

Through a collaboration with the NUS School of Design and Environment to catalyse innovations in smart and climate-resilient building technologies, CDL launched two first-of-its-kind programmes, the NUS-CDL Smart Green Home and NUS-CDL Tropical Technologies Laboratory (T² Lab). Through them, CDL aims to uncover novel technological solutions that will enhance value to our homebuyers and tenants by addressing their future lifestyle needs in an inclusive and urbanised tropical environment.

Innovating for the Future

To inculcate a culture that challenges the status quo and pushes boundaries, CDL has formed an Enterprise Innovation Committee (EIC) as an anchor platform for multidisciplinary teams to collaborate, seek latest ideas and best practices focused on driving innovation and business transformation. The Committee will research business performance, technological and product innovation, customer service innovation, process innovation and cost savings. It is made up of a specially nominated and selected group of staff, vanguards of innovation in their respective functions that are vocal and eager to share their ideas, and willing to go the extra mile for the company. It will convene 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 delivering higher quality products and enhanced experiences to our customers.



NUS-CDL SMART GREEN HOME (Expected TOP in 2020)

The NUS-CDL Smart Green Home aims to harness research in developing innovative solutions to create homes that are safe and secure, healthy and comfortable, and acoustically pleasing. It provides a conducive space for testing and showcasing new ideas around energy efficiency, quality of indoor environment and sustainable homes of the future. It has a re-configurable structure, which enables comparative research through flexible experimental setup, testing and monitoring.



The completed NUS-CDL T² Lab as of end 2017. The facility enables researchers to explore how building design can address environmental challenges in the tropics.

NUS-CDL T² LAB (Completed in end 2017. Research of new technologies commenced in early 2018.)

The NUS-CDL T² Lab 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. It is a space to explore how building design can address environmental challenges threatening livability, comfort, well-being and health, and how architecture and building design can deal with extremities of weather, air pollution, and rising sea water levels.



BUILDING SUSTAINABLE CITIES AND COMMUNITIES

QUALITY EXCELLENCE

The quality of our developments determines how well we perform at the marketplace. 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 price.

Established in 1989, the BCA Construction Quality Assessment (CONQUAS)³ has been 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 put in our best effort to submit all our projects for assessment since the inception of the system.

Testament to our steadfast commitment to deliver quality green homes and commercial spaces, CDL was the first and only developer to be conferred the inaugural Quality Star Champion in 2017, on top of the Quality Excellence Award – Quality Champion (Platinum) by BCA which we have received for five consecutive years. We are also the longest-running developer to receive this highest honour. In 2017, all five of our completed developments have achieved CONQUAS scores of above 90,

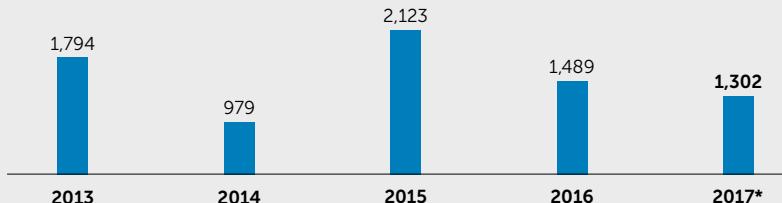
two of which – Jewel @ Buangkok and Lush Acres – have attained the highest tier CONQUAS STAR rating⁴.

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 its inception 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 floor, wall and ceiling finishes, architectural components and fittings, and mechanical and electrical (M&E) fittings and switches. In 2017, 1,302 residential units developed by CDL received the BCA Quality Mark certification*.

Quality Management

We take homebuyers' feedback on defects seriously, extending our quality commitments to prompt and stringent defect management. Purchasers' feedback and complaints about their apartments are considered defects. We have put in place a system 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 home products are expressed in the Sales and Purchase Agreement.

Total Units Certified by BCA Quality Mark Scheme



* CDL submitted over 2,000 residential units for Quality Mark certification in 2017. The remaining, including 638 units of The Brownstown EC, are in the process of receiving certification.

Across CDL, we establish and implement procedures to report and investigate hazards and incidents. We require our appointed builders to set up and manage phone hotlines for all construction sites. We also conduct post-TOP customer satisfaction surveys to measure their experience across various touch points and to solicit feedback and suggestions. For all the feedback and reports we receive, 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 40 to 41](#).

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 declares 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.

³ 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.

⁴ BCA CONQUAS STAR is accorded to a project that has attained a CONQUAS score of at least 95 points.

BUILDING SUSTAINABLE CITIES AND COMMUNITIES

SAFETY DESIGN AND MANAGEMENT

As a developer and property manager, 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 during the construction and design phase to

identify risks and assess the severity of environmental, health and safety impacts. We ensure that we not only comply with the Workplace Safety and Health (Design for Safety) Regulations and Universal Design Guidelines, but also mitigate safety risks in our design 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 Environmental, Health and Safety (EHS) Policy, established since 2003.

In 2017, there were zero incidents 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

We emphasise 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 the construction

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

CDL's EHS Management System includes 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 these risks.

Concept Design Risk Assessment

- Site appraisal to identify significant environmental impacts, health and safety hazards
- Information is passed on to the designers to address risks at the design development stage

Design Risk Assessment

- Environmental impacts are further reviewed and design mitigation measures are identified
- Designs also comply with Singapore's Design for Safety regulations to address health and safety risks during construction, maintenance and building occupation
- Information is passed on to the builders to address risks at the construction stage

Construction Risk Assessment

- Conducted by builders before construction commences
- Identify health and safety hazards and environmental impacts caused by the construction process
- Actions taken to address EHS risks to ensure the safety and health of workers and the community

BUILDING SUSTAINABLE CITIES AND COMMUNITIES

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 a Complex 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 the day-to-day M&E, cleaning and security services, as well as the maintenance of good sanitation and indoor air quality, CDL also cares for 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.

Measures	Coverage and Features
Security and Loss Prevention	<ul style="list-style-type: none">CCTV monitors24-hour security guardsEmergency management procedures – 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 outagesFlood drills and management response plan (since 2012)Fire drills – two mandatory every yearTable-top exercises – two annuallyTerrorist 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 practicesEngages only licensed contractors to perform the maintenance and inspectionsIncident reporting processRectification procedures – e.g. equipment is taken out of service until problems are addressed and it is deemed safe for use again

Better Places for People

In 2017, in support of the World Green Building Council's (WorldGBC) advocacy that green buildings are Better Places for People, CDL partnered the Singapore Green Building Council and BCA to hold an inaugural tenant-focused event to promote the awareness of healthier workplaces through greener offices.

The event engaged more than 100 commercial tenants, occupants and business associates from the public and private sectors. The talks, delivered by green building experts, revolved around enhancing workplace health and productivity through green building solutions and featured topics such as enhancing indoor air quality, improving lighting and instilling recycling practices.



SOCIAL INCLUSION THROUGH UNIVERSAL DESIGN

CDL has instituted a company-wide Universal Design Policy since 2011. The policy, endorsed by CDL's top management, exceeds the mandatory requirements specified in the Code of Barrier-Free Accessibility by the BCA. It provides CDL with a framework to create an inclusive built environment through developing buildings that respond to differing customer needs. This supports Singapore's vision of building an inclusive society, and contributes towards Goal 11 of the UN SDGs⁵ in providing universal access to safe, inclusive and accessible, green and public spaces, particularly for women and children, older persons and persons with disabilities, by 2030.

CDL was honoured to have received the BCA Universal Design Mark Award for all four of our properties assessed in 2017: Echelon, Jewel @ Buangkok, Lush Acres, and UP@ Robertson Quay and M Social Singapore.

5 Targets for SDG 11: Sustainable Cities and Communities Targets

BUILDING SUSTAINABLE CITIES AND COMMUNITIES

GREEN BUILDINGS

Propelling the green building movement is crucial for future-proofing CDL's business, enabling us to remain competitive in view of the growing financial threat posed by climate change. Our green building expertise and credentials have also helped to enhance our product desirability.

Buildings and construction are among the world's largest emitters at present, responsible for almost 40% of Greenhouse Gas emissions globally⁶. Hence, we have set ambitious sustainability targets for our developments, invested in enhancing their green features, and committed to quarterly and annual reporting of our progress towards achieving these targets. As CDL continues to expand our overseas property development business, we have applied the same green expertise and standards for our overseas projects. In 2017, CDL's Chongqing Eling Residences was the recipient of the highest tier Green Mark Platinum Award, a first for a residential project in China.

Our green building practices and commitments include:

- Since 2011, CDL has set a minimum target for all new developments to be Green Mark Gold^{PLUS} certified, two tiers above the mandatory Green Mark certification level.



Chongqing Eling Residences, China

- CDL has also long been committed to investing 2% - 5% of the construction cost of new developments into green design and features.
- To optimise resource- and cost-savings, sustainability considerations are factored into the entire life-cycle of our developments, starting from concept design to construction and building management.
- We are committed to achieving Green Mark certification for 80% of CDL owned and/or managed buildings.

As of December 2017, we have amassed a portfolio of 96 Green Mark certified developments and office interiors awarded by the BCA, the highest amongst private sector real estate companies in Singapore.

A full list of CDL's Green Mark awarded developments and office interiors can be found on page 45.

Energy Efficiency and Cost Saving

CDL's green buildings have achieved energy and cost savings that have contributed to our financial bottom line. Some of the savings achieved are listed below:

- More than \$20 million in savings as a result of the energy-efficient retrofitting and initiatives implemented at eight CDL-managed office buildings from 2012 to 2017.

- Since 2004, CDL has retrofitted all of 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 16.8 million kilowatt hours (kWh), equivalent to more than \$3.4 million⁷ in 2017.
- CDL has invested extensively in the use of solar energy and water conservation technologies for our properties. CDL's D'Nest Condominium was listed in the Singapore Book of Records for the Largest Solar Panels in a condominium. It is also a BCA Green Mark Platinum development, and is expected to achieve estimated energy savings of over 1.5 million kWh per year.

⁶ Building a Better Future, World Green Building Council Annual Report 2016/2017

⁷ Average electricity tariff in 2017 was \$0.207. Source: www.spgroup.com.sg

BUILDING SUSTAINABLE CITIES AND COMMUNITIES

GREEN LEASES

Beyond focusing on building infrastructure, we engage our commercial tenants to play a bigger role in the green building movement, in line with the BCA's 3rd Green Building Masterplan. Tenant and occupant activities within a building can account for close to 50% of its total electricity consumption⁸. Converting our agreements with commercial tenants to green leases not only helps them to lower their carbon footprint, but also achieves utility savings for CDL's asset management.

CDL Green Lease Partnership Programme

Since 2014, CDL has introduced the CDL Green Lease Partnership Programme to support and encourage our commercial tenants in reducing their energy consumption and environmental footprint. As of December 2017, 100% of existing tenants have pledged their commitment by signing CDL's Green Lease Memorandum of Understanding.

We also support our tenants' green practices through various end-user initiatives. As a result, eight out of 11 CDL-managed commercial properties have been awarded the BCA Green Mark Pearl and Pearl Prestige Awards within



the last three years. The BCA Green Mark Pearl and Pearl Prestige Awards 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 helpful, CDL holds regular, internal taskforce meetings chaired by our senior management to review their progress and success.

In recognition of our concerted commitment in encouraging tenants towards environmentally-friendly efforts, CDL also emerged as the only developer to receive BCA Green Mark Pearl Prestige Award for three consecutive years. In 2017, City Square Mall, Singapore's first eco-mall, was the first shopping mall to achieve the BCA Green Mark Pearl Award.

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 IN PARTNERSHIP WITH TUAS POWER

- Provides almost real-time updates of energy consumption
- Enables tenants to better track and manage energy usage

ELECTRICITY REBATE FOR TENANTS

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

8 BCA Building Energy Benchmarking Report released in September 2014

BUILDING SUSTAINABLE CITIES AND COMMUNITIES

GREEN BOND

In April 2017, CDL launched the first green bond by a listed Singapore company, through its wholly-owned subsidiary CDL Properties Ltd (CDLP). The two-year senior secured green bond, issued under the CDLP \$700 million secured Medium Term Note (MTN) programme established in 2001, raised \$100 million at 1.98% fixed rate due 2019.

100% of the proceeds from the green bond were used to refinance a \$100 million loan extended by CDL to CDLP, which owns Republic Plaza. Completed in 1996, Republic Plaza, one of Singapore's tallest skyscrapers is a premium Grade A office building in the heart of Singapore's Central Business District. The building's performance has been tracked regularly. Relevant upgrading initiatives and enhancements, including the major retrofitting of chiller plants and installation of energy efficient lightings with motion sensors, have been implemented to improve its efficiency. In 2012, Republic Plaza was awarded by the BCA with the highest Green Mark Platinum rating. This complements Singapore's Green Building Masterplan targets to green

80% of Singapore's buildings by 2030, and CDL's long standing commitment to building up sustainable infrastructure and reducing our environmental impact. Green and energy-efficient buildings are more cost-effective, and provide tenants with a cleaner, healthier and more productive work environment. As one of Singapore's most iconic office buildings, Republic Plaza has almost 100 office and retail tenants.

CDL's inaugural green bond issuance aimed to accelerate the development of a green bond market in Singapore, paving the way for other Singapore firms to finance climate-resilient projects and sustainability initiatives through green financing. CDL received international recognition for its efforts when it was conferred the "New Countries Taking Green Bonds Global" award at the Climate Bonds Initiative (CBI)'s [3rd Annual Green Bond Pioneer Awards](#).

The global green bond market is expanding rapidly, having grown by 78% between 2016 and 2017, and 92% from 2015 to 2016. Closing at a total issuance value of US\$155.5 billion in end 2017⁹, annual issuance of green bonds is projected to reach US\$1 trillion by 2020¹⁰.

CDL's Green Bond: At a Glance

Issuer	CDL Properties Ltd
Amount	\$100 Million
Interest Rate	1.98%
Issue Date	April 2017
Tenor	2 years
Green Asset	Republic Plaza (a BCA Green Mark Platinum building)
Bookrunner	DBS Bank Ltd
Certifications	Second Opinion and Framework by Sustainalytics Assurance and audit by KPMG Certification by Climate Bonds Initiative Post-issuance assurance by KPMG Post-issuance certification by the Climate Bonds Standard Board
Investors	Mainly financial institutions and fund managers



9 Report by FTSE Global Markets released in January 2018

10 Scaling up Green Bond Markets for Sustainable Development paper by the Climate Bonds Initiative released in December 2015

BUILDING SUSTAINABLE CITIES AND COMMUNITIES

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ENGAGING STAKEHOLDERS, CREATING PARTNERSHIPS FOR SUSTAINABLE COMMUNITIES

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 the community. Our stakeholder groups are clearly defined on [page 16](#).

Stakeholder Engagement and Issues of Interest

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 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 health and safety Labour and human rights Work-life balance Employee volunteerism
Customers	<p>Homebuyers</p> <ul style="list-style-type: none"> Integrated customer and call centre Homebuyer e-portal Residential services Green Living Guides Defects management tracking app and procedures Post-TOP customer satisfaction surveys Show suites feedback system <p>Tenants</p> <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 Healthy Workplace Ecosystem Health screenings Annual tenant satisfaction surveys 	<p>Homebuyers</p> <ul style="list-style-type: none"> Customer service and accessibility Status of TOP progress and handover appointments Enhanced customer experience Environmental conservation Defects rectification and resource efficiency Customer experience Design and features <p>Tenants</p> <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, environmental, health and safety (EHS), human rights and universal design Supplier code of conduct Green procurement specifications CDL 5-Star EHS assessment Bi-annual seminars and peer sharing Annual EHS Awards CDL EHS Cup soccer league Declaration of EHS commitment through letter and pledge-signing EHS risk assessments at concept, design and construction stages Construction vision casting 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

BUILDING SUSTAINABLE CITIES AND COMMUNITIES

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Stakeholder Groups	Engagement Platforms	Issues and Concerns
Investors, analysts and media	<ul style="list-style-type: none"> • Annual General Meetings • Bi-annual financial results briefings • 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 • Project launches (as required) • Timely response to Environmental, Social and Governance (ESG) rating agencies and analysts • Global sustainability rankings and indices 	<ul style="list-style-type: none"> • Growth trajectory • Acquisitions and expansion • Market diversification • Risk management • Corporate governance • ESG indicators • Climate change and carbon pricing strategies • Sustainability performance and tracking • Reporting standards • Advocating green consumerism and lifestyle
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 • Long-standing 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 building • Programmes to cultivate responsible workplace practices • Advocating green consumerism and lifestyle • Sharing of industry best practices • Regulatory development towards low-carbon economy • Promoting sustainability reporting in Singapore • Advocating ESG integration with financial reporting • Promoting workplace health and safety
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 • 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

BUILDING SUSTAINABLE CITIES AND COMMUNITIES

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CUSTOMER SERVICE

CDL's ability to remain financially viable and uphold our reputation as a builder of sustainable and comfortable communities is highly dependent on customer satisfaction and our ability to meet customer demand for our products and services. As such, CDL regularly engages homebuyers and tenants to understand their concerns and needs.

In 2001, CDL was the first property developer to set up an integrated customer and call center. We believe that word-of-mouth is one of the primary factors behind purchasing decisions, and customers who receive a positive experience from us will become advocates of our brand.

From the first step into a CDL show suite to the handover of keys, we aim to provide the support that homebuyers require to make their purchasing process a pleasant experience. Customers can easily contact us through various channels, mainly the hotline, site offices, and through our website. Customer-specific information on the progress status of projects under construction and booking of appointments for handover of completed strata titled units are also available on Homebuyer e-Portal, a secured online platform. We have a

structured approach to review feedback and resolve complaints. Follow-up actions are then closely monitored and reviewed regularly at inter-departmental meetings.

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 homeowners. This defect management app simplifies the process of reporting and tracking defects by allowing homeowners to lodge defects, submit photos of the defect and track the rectification work 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, homeowners 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 with all defect reports increases productivity and data accuracy, as CDL employees are no longer required to input defects manually, compared to the traditional method of



CDL Green Living Guides for homebuyers

defect management. It also ensures a better customer experience and higher service standard due to the ease of reporting and tracking throughout the whole process.

The Novade Track app has been introduced for the following properties since 2015:

- H₂O Residences (TOP 2015)
- HAUS@SERANGOON GARDEN (TOP 2015)
- The Palette (TOP 2015)
- UP@Robertson Quay (TOP 2015)
- 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)

As at 31 December 2017, 88% of legitimate defects reported were rectified within 30 days. For defects not rectified within 30 days, many were often due to reasons such as owners' request for deferment of defects rectification, and materials being out of stock.

Green Living Engagement

In 2004, CDL launched the Let's Live Green! eco-home initiative for our newly completed residential properties. As part of the initiative, homeowners receive a Green Living Guide, designed specifically to provide eco-friendly tips for a green lifestyle. It also contains information on the green features found in the individual property units and the common areas. In 2017, 1,848 Green Living Guides were distributed to homeowners.

BUILDING SUSTAINABLE CITIES AND COMMUNITIES

Customer Satisfaction

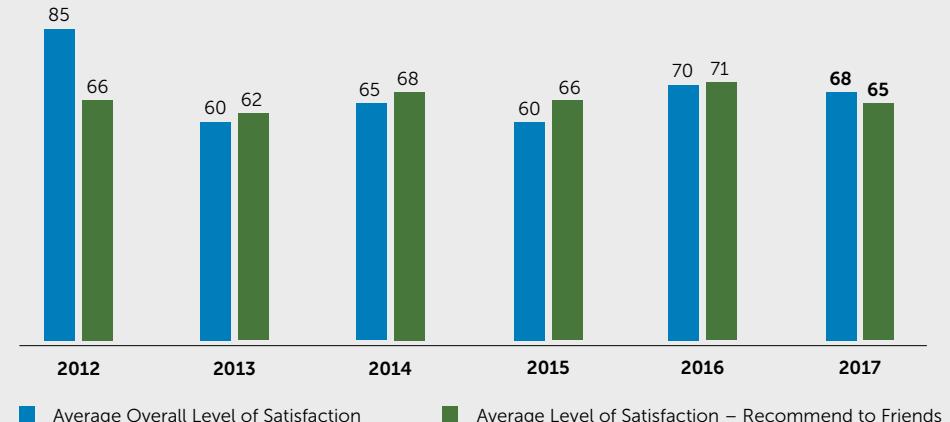
To improve our service delivery, CDL frequently reviews customer satisfaction through formalised surveys. Our target is to achieve a satisfaction rate of 70% from homebuyers, 80% from office and retail tenants, and 70% from industrial tenants. Homebuyers are requested to fill in an online customer satisfaction survey at least six months after handover to measure their experience across various touch points and to solicit feedback and suggestions on project design, apartment features, as well as facilities and amenities. Meanwhile, tenants at CDL's commercial properties are surveyed annually. Through the feedback received, we can better understand customers' expectations and identify areas for continual improvement.

In 2017, customer satisfaction surveys were conducted for four of our residential developments and an average of 26% of homebuyers participated. Our homebuyers were surveyed on levels of satisfaction with their entire experience, ranging from the property's finishes and workmanship, overall construction quality, green features provided in the home, facilities and landscaping at common areas, and management of defects rectification.

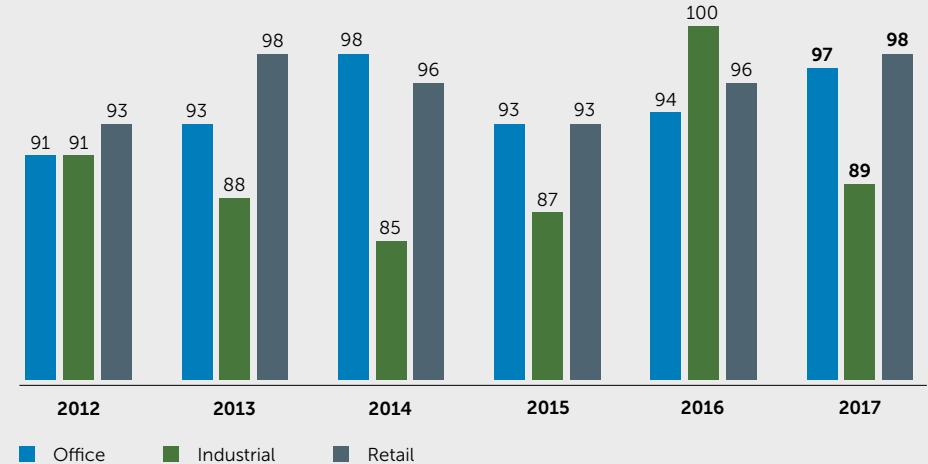
The average satisfaction level amongst all homebuyers surveyed in 2017 was 68%. In addition, 65% of homebuyers have indicated that they would recommend CDL properties to their friends and relatives. Furthermore, we have received positive feedback from homebuyers on our Customer Service Department's high service standards and attention to defects management. 72% of the homebuyers from our annual customer satisfaction surveys indicated their satisfaction with the defects management.



Homebuyers' Satisfaction (%)



Tenants' Satisfaction (%)



BUILDING SUSTAINABLE CITIES AND COMMUNITIES

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 [page 95 to 97](#).

The Zero-Energy Singapore Sustainability Academy

CDL has always been a strong advocate of sustainable development in our community. Leveraging our green building track record and network of partners, we built and opened the Singapore Sustainability Academy (SSA) 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 major 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.

Following CDL's commitment to walking the talk in building green, the SSA is a Green Mark Platinum building awarded by the BCA. It is also the first building in Singapore to have its construction materials, Cross Laminated Timber and Glued Laminated Timber verified by the Nature's Barcode™ system as coming from responsible sources.

Since opening, the SSA has played host to businesses, government, non-governmental organisations (NGOs), youth groups, academics, and local and international dignitaries. Initially opening with the support of six government agencies and 15 industry and NGO partners, the SSA has amassed over 70 partners in 2017 from various sectors. In line with its purpose as a dedicated space for sustainability outreach, networking and knowledge-generation, it has hosted over 2,000 people across almost 40 events, and facilitated the training of over 500 regional energy managers by SEAS.



The zero-energy Singapore Sustainability Academy (SSA) was opened by Deputy Prime Minister Teo Chee Hean and Minister for the Environment and Water Resources, Masagos Zulkifli in June 2017.

SUSTAINABLE FEATURES

3,200

SQUARE FEET OF
SOLAR PANELS

AT LEAST

80%

OF THE ACADEMY WAS
BUILT WITH SUSTAINABLY-
HARVESTED TIMBER
VERIFIED BY THE NATURE'S
BARCODE™ SYSTEM

REAL-TIME

ENERGY TRACKER DASHBOARD

SOCIAL IMPACT AND OUTREACH*

OVER
70

PARTNERS

1,500

BUSINESS AND NGO
REPRESENTATIVES

400

STUDENTS

500

ENERGY MANAGERS

* From June - December 2017

BUILDING SUSTAINABLE CITIES AND COMMUNITIES



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.

Positive Reviews from Attendees

We engaged our partners from various sectors to provide their feedback and views on the SSA, from those who had organised and conducted events at the space, to those who attended events organised by CDL and others. Many reflected that the SSA walks the talk in green buildings while fulfilling a niche role of providing a platform specifically for sustainability-related events and trainings.



“

SSA is an exemplar of sustainable high-performance design with the academy itself being a net-zero emissions development and has a strong biophilic focus. What better place than the SSA to host conversations on environmental conservation and sustainable development.

”

Karen Lee, Sustainability Lead, Asia, Interface

“

Since the launch of SSA last year, it has not only become the home for the sustainability community but the driving force to tackle climate change challenges. I believe SSA is one of the best initiatives to support the UN SDGs in ASEAN!

”

Christina Lee, Founder and CEO, Global Green Economic Forum

“

The SSA (acts) as an advocate and sample of practical actions toward achieving the UN Sustainable Development Goals. Its building and operations are clearly aligned with seven relevant SDGs, especially through its partnership and empowerment-focused agenda.

”

Outi Annala, Assistant Membership Services Director, Asia Venture Philanthropy Network

“

The SSA, a unique zero-energy building in Singapore that was constructed using sustainable materials, provided us the ideal platform to promote sustainable fashion and build networks among more like-minded individuals and organisations. We hope to see more established organisations like CDL reach out to the grassroots to create bigger impacts and better solutions.

”

Raye Padit, Founder and Swapaholic-in-Chief, Swapaholic

“

"My students from the Yale-NUS Environmental Studies Programme and I found the visit to the Singapore Sustainability Academy fruitful and beneficial. The company shared a great overview on how sustainability had been integrated into its business and operations for over two decades with strong substance and clear strategy. Students learnt how a company can contribute substantially to furthering the sustainability agenda in Singapore by leveraging its own strengths and core competencies. Many students showed strong interest to be CDL's interns. As a zero-energy and green building, the Academy also serves as a key platform for connecting stakeholders and increasing awareness about sustainability among the public, private and people sectors.

”

Dan Esty, Hillhouse Professor of Environmental Law and Policy, Yale School of Forestry & Environmental Studies

“

SSA seeded ideas and shows how sustainable solutions can be done and what they look like.

”

Wilson Ang, Executive Director, Global Compact Network Singapore

“

ASEAN CSR Network held our Corporate Partners Dialogue Session at the Singapore Sustainability Academy and overall had a very good experience. We were impressed by the effort made to make the building sustainable and environmentally friendly. SSA is a good example of how businesses can contribute to achieving the Sustainable Development Goals.

”

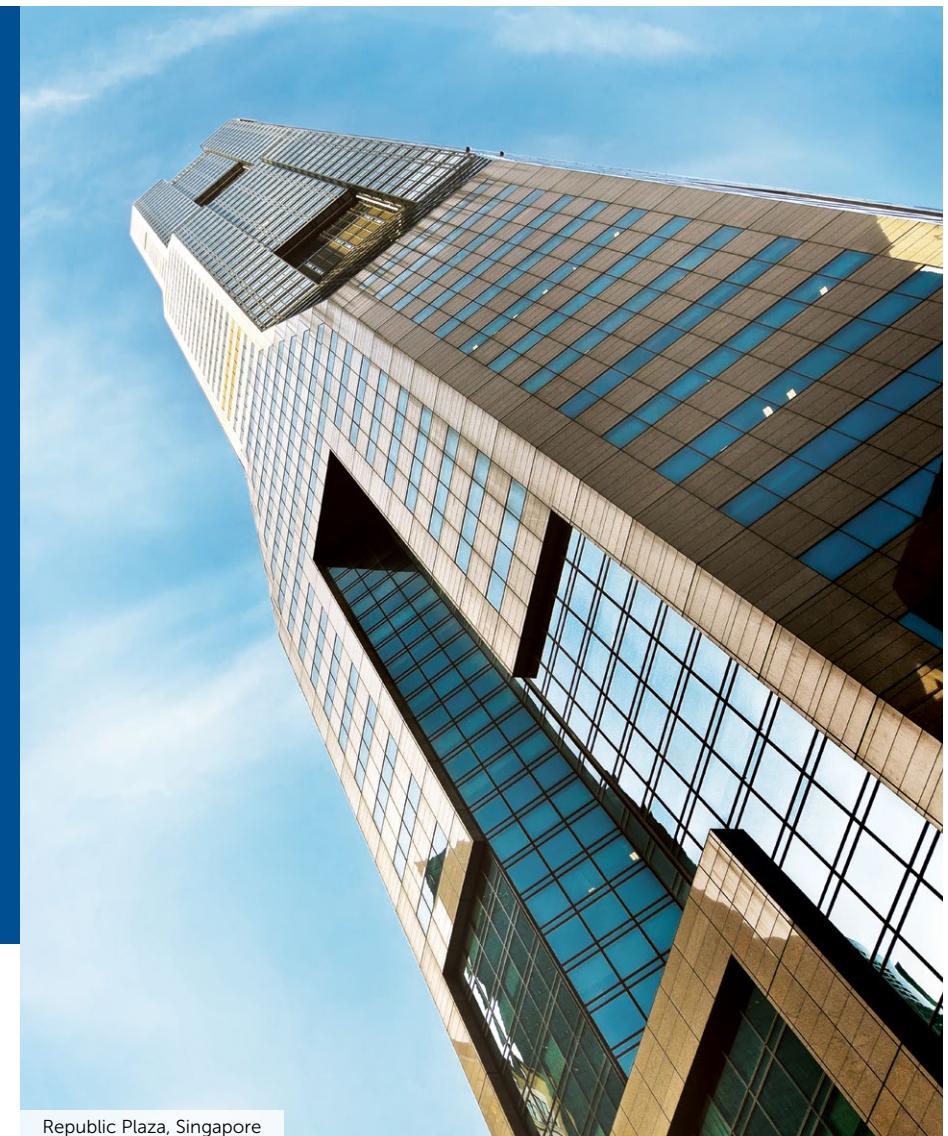
Karen Sim, Senior Programme Manager, ASEAN CSR Network

BUILDING SUSTAINABLE CITIES AND COMMUNITIES

MOVING FORWARD

"Volatility is the new normal", predicts the Cambridge Institute for Sustainability Leadership in their 2018 report detailing the global sustainability trends that will drive business. Disruptive technologies and ventures will be the norm moving ahead, which established businesses cannot overlook. CDL has identified innovation as one of our top priorities in this age of disruption. It is essential that we constantly stay ahead to avoid being displaced and remain relevant. Our business must proactively evolve to develop higher quality products and focus on creating better experiences for our customers.

CDL has leveraged our strong financial capital and enterprise agility to invest in new business models and innovate product offerings to capitalize on opportunities in rapidly growing sectors. Following our investment in mamahome, the fast-growing Chinese online apartment rental platform with more than 230,000 apartment listings in 30 Chinese cities as of end 2017, we announced in January 2017 our investment in China's leading co-working space operator Distrii, which plans to expand in global gateway cities. Marking its first international foray, Distrii is creating one of the largest co-working facilities in Singapore. The co-working space, spanning over 60,000 square feet at CDL's flagship Republic Plaza in the heart of the city's Central Business District, will open in 2018. These new ventures are expected to bring in fresh revenue streams to complement our existing lines of business where CDL's resilient foundation was laid more than 50 years ago.



Republic Plaza, Singapore

BUILDING SUSTAINABLE CITIES AND COMMUNITIES

BCA GREEN MARK AWARDS* (2005 TO 2017)

Green Mark Platinum			
<ul style="list-style-type: none"> 7 & 9 Tampines Grande (in new and existing building categories) 368 Thomson Central Mall Office Tower CDL Green Gallery @ SBG Heritage Museum City House City Square Mall (in new and existing building categories) Cliveden at Grange Copthorne King's Hotel Singapore Cube 8 	<ul style="list-style-type: none"> Cliveden at Grange Copthorne King's Hotel Singapore Cube 8 Echelon Eling Residences (Chongqing) Fuji Xerox Towers Gramercy Park Grand Copthorne Waterfront H₂O Residences HAUS@SERANGOON GARDENS Hundred Trees 	<ul style="list-style-type: none"> King's Centre Lush Acres M Social Hotel Manulife Centre My Tree House Palais Renaissance Quayside Isle Republic Plaza Singapore Sustainability Academy South Beach Commercial South Beach Residential 	<ul style="list-style-type: none"> The Glyndebourne The Oceanfront @ Sentosa Cove The Residences at W Singapore – Sentosa Cove The Solitaire The Venue Residences Tree House Volari W Singapore – Sentosa Cove
Green Mark Gold ^{PLUS}			
<ul style="list-style-type: none"> 11 Tampines Concourse (in new and existing building categories) Blossom Residences Buckley 18** Buckley Classique CDL Office – City House, Levels 2 & 5 (Green Mark for Office Interior) CDL Office – City House, Levels B1 & 21 (Green Mark for Office Interior) 	<ul style="list-style-type: none"> CDL Office – City House Levels 19, 20 & 23 (Green Mark for Office Interior) CDL Office – City Square Mall Management Office (Green Mark for Office Interior) City Square Residences Coco Palms D'Nest Exchange Tower, Bangkok (sold in 2016) Jewel @ Buangkok 	<ul style="list-style-type: none"> Livia M Hotel Singapore New Futura Novotel Clarke Quay NV Residences Shelford Suites St. Regis Hotel & Residences, Singapore The Arte The Brownstone EC 	<ul style="list-style-type: none"> The Criterion EC The Palette The Rainforest UP@Robertson Quay Wilkie Studio
Green Mark Gold			
<ul style="list-style-type: none"> Botannia CDL Office – City House, Levels 3, 4 and 22 (Green Mark for Office Interior) CDL Office – Republic Plaza, Level 36 (Green Mark for Office Interior) 	<ul style="list-style-type: none"> City Square Shophouses at Jalan Besar Millennium Residences @ Sukhumvit, Bangkok Monterey Park Condominium New Tech Park (sold in November 2013) Nouvel 18 	<ul style="list-style-type: none"> One Shenton Orchard Hotel Parc Emily Residences @ Evelyn Savannah CondoPark 	<ul style="list-style-type: none"> Studio M Hotel The Sail @ Marina Bay Tribeca
Green Mark Certified			
<ul style="list-style-type: none"> Butterworth 33 City Serviced Offices at Tampines Grande (Office Interior) 	<ul style="list-style-type: none"> City Serviced Offices at City House (Office Interior) Central Mall Management Office (Office Interior) 	<ul style="list-style-type: none"> Fuji Xerox Towers Management Office (Office Interior) Manulife Centre Management Office (Office Interior) 	<ul style="list-style-type: none"> Pantech 21 (sold in November 2013) Tampines Grande Management Office (Office Interior) The Pier at Robertson
Green Mark Pearl			
<ul style="list-style-type: none"> 11 Tampines Concourse Central Mall (Office Tower) 	<ul style="list-style-type: none"> City House (Prestige) City Square Mall 	<ul style="list-style-type: none"> Fuji Xerox Towers (Prestige) King's Centre 	<ul style="list-style-type: none"> Manulife Centre 7 & 9 Tampines Grande (Prestige)

* Includes subsidiaries and associated companies

** Project managed by CDL



CDL FUTURE VALUE 2030 GOAL 2

REDUCING ENVIRONMENTAL IMPACT

TCFD

TASK FORCE ON
CLIMATE-RELATED
FINANCIAL
DISCLOSURES

7 AFFORDABLE AND
CLEAN ENERGY



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13 CLIMATE ACTION



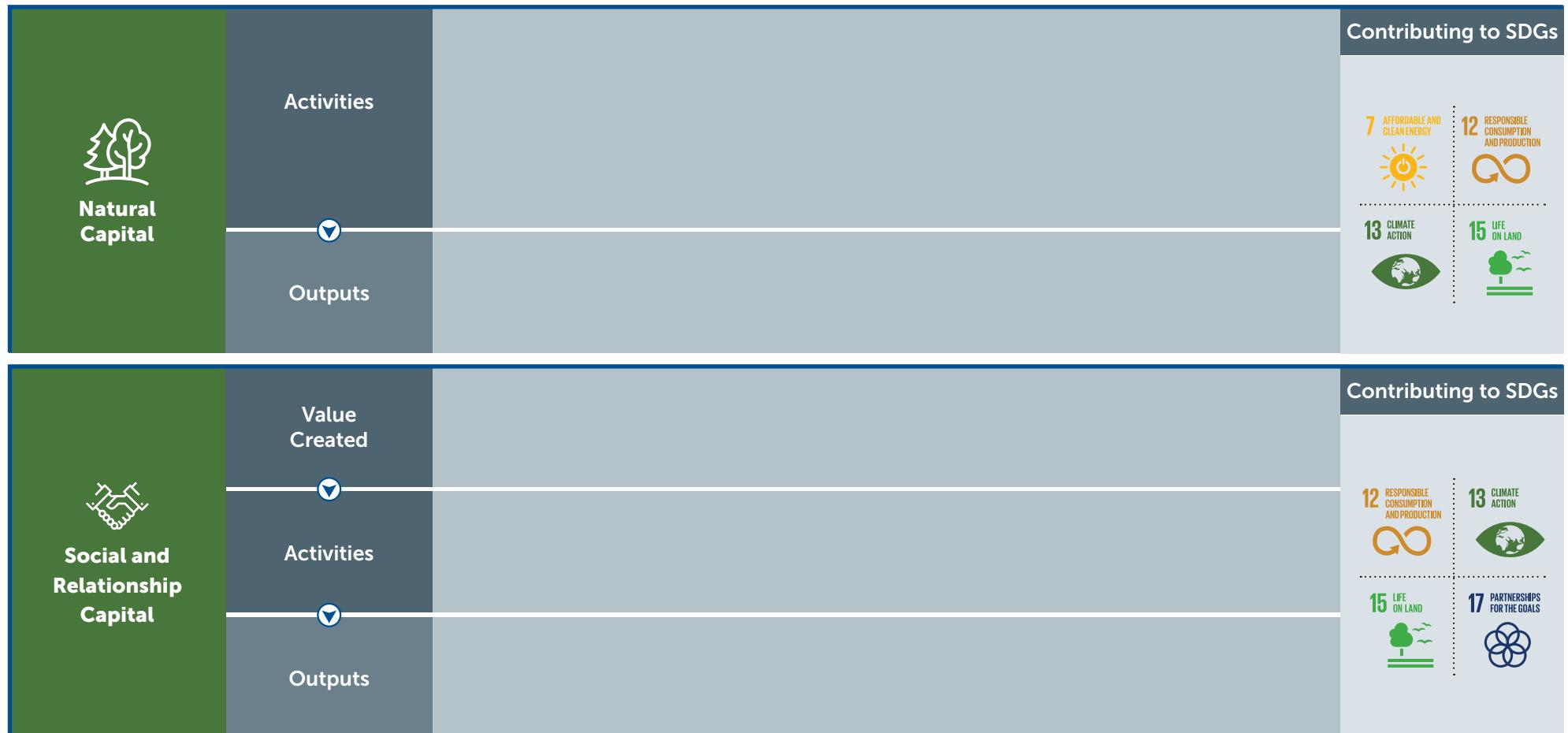
15 LIFE
ON LAND



17 PARTNERSHIPS
FOR THE GOALS



REDUCING ENVIRONMENTAL IMPACT



REDUCING ENVIRONMENTAL IMPACT

CONSERVING AS WE CONSTRUCT

In 1995, CDL adopted the ethos of "Conserving as we Construct" because we recognised that a thriving, healthy environment and symbiotic relationship with nature is critical to the sustainability of businesses. We have since maintained our commitment to reduce environmental impact associated with our activities, products and services.

Globally, buildings account for about 40% of energy use, 30% of energy-related GHG emissions, and 12% of water use¹. In Singapore, the building and real estate sector is responsible for close to 26%² of electricity consumption. The sector is also projected to contribute to about 13.8%³ of Singapore's 2020 Business-As-Usual (BAU) GHG emissions.

For close to two decades, CDL has had in place a host of policies and systems to assess and manage our environmental performance. We strive to reduce carbon emissions, maximise energy and water efficiency, reduce total waste and increase sustainable use of resources, to enhance our natural capital.

Our environmental strategy and initiatives are guided by our CDL Future Value 2030 sustainability blueprint launched in 2017, outlined on [page 13](#).

STRATEGIC ADOPTION OF THE RECOMMENDATIONS OF THE TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

As a major developer and manager of property assets, CDL is committed to a low-carbon strategy and operations through the practices outlined in our [Climate Change Policy](#).

Recognising that climate-related issues have impending impacts on CDL's business performance, we have joined three other pioneering Singapore companies to pledge our support for the Recommendations of the TCFD launched in June 2017. The Recommendations promote more effective climate-related financial disclosures to inform longer term investment decisions. We have aligned our climate-related disclosures in four key areas as recommended by the TCFD, on [page 24](#) of this Report.

Our strategic adoption of the TCFD's Recommendations is an extension of the International Integrated Reporting Council's integrated reporting approach which CDL has adopted since 2015,

to connect our ESG performance with business and financial impacts. It also complements our proactive and transparent ESG disclosure initiatives as seen in our dedicated sustainability microsite and quarterly sustainability reporting which were introduced in 2017.

Climate-related Governance

Climate-related risks and opportunities are governed, assessed and managed across the organisation through a holistic sustainability governance structure that covers all levels within CDL. Our company-wide sustainability governance structure can be found on [page 11](#).

At the highest governance level, the Board Sustainability Committee (BSC) has an oversight on all sustainability matters including climate-related issues, which are material to CDL's business and stakeholders. Assuming an advisory role on CDL's sustainability strategy, the BSC meets with the Sustainability team at least twice a year to review the company's Environmental, Social and Governance (ESG) performance, pre-empt potential risks and opportunities, and set strategic direction for implementation. In evaluating Sustainability action plans and new initiatives by the Management,

the BSC takes into consideration the company's growth trajectory, regulatory development, emerging trends, as well as risks and opportunities presented by climate change which can impact the long-term viability of our business.

On a regular basis, the BSC, as well as CDL's Senior Management, are kept informed of the Company's ESG performance and programme outcomes including that of carbon reduction and energy efficiency initiatives, through internal updates and the quarterly sustainability report introduced in 2017.

With effect from February 2018, the BSC has started playing a bigger role in advancing CDL's ESG integration as the Sustainability department, led by CDL's Chief Sustainability Officer (CSO), reports directly to the Committee and administratively to the Group CEO. The CSO's primary role is to strategically integrate sustainability into the core of CDL's business in ways that create enhanced value for the Company and its stakeholders.

1 Source: United Nations Environment Programme Environment for Development (UNEP)

2 Source: Energy Market Authority, Singapore Energy Statistics 2017

3 Source: National Climate Change Secretariat (NCCS)

REDUCING ENVIRONMENTAL IMPACT

Supporting the CSO and the Sustainability Department, is a company-wide multi-disciplinary Sustainability Committee comprising representatives from both the management and working levels. Since its formation in 2008, the Sustainability Committee has been responsible of initiating, driving and monitoring various aspects of CDL's sustainability practices. Its Environment sub-committee further focuses on identifying material climate-related and other environmental issues, and managing associated impact of our business operations and activities.

The Environment sub-committee meets with CDL's Senior Management at least once a year for the Environmental Management System (EMS) Management Review chaired by the Group CEO. Started since 2003, the annual meeting sets out to evaluate CDL's environmental performance and programmes in accordance to ISO 14001 standards, and strategise on action plans to improve the Company's environmental efforts, including in climate mitigation and energy management.

Climate-related Risk Management
Recognising that climate-related risks are non-diversifiable and affect nearly all business functions of an organisation, climate change has been identified as a strategic business risk under CDL's Enterprise Risk Management (ERM)

framework. The ERM framework comes under the purview of Audit & Risk Committee (ARC), whose responsibility is to provide oversight and review on matters relating to the risk management policies and systems of the CDL Group. For more information on CDL's ERM framework, please refer to the Risk Management Report found in [CDL's Annual Report 2017](#).

In our most recent stakeholder-driven materiality assessment conducted in Q3 2017, climate change remains as one of the top 13 critical and highly material issues prioritised by our internal and external stakeholders. The materiality assessment echoes our internal assessment that climate-related issues will likely affect our business, strategy, and financial planning over the short, medium and long term. Climate-related

risks identified include carbon pricing and rising stakeholders' expectations for green properties and sustainable supply chain. On the other hand, declining cost of renewable energy and green financing have been identified as opportunities that CDL can leverage on to create tangible value for our business and stakeholders. A comprehensive account of CDL's climate-related risks and opportunities can be found on [page 21](#).

CLIMATE CHANGE SCENARIO ANALYSIS

CDL is one of the pioneering Singapore listed companies to have pledged our support for the Task Force on Climate-related Financial Disclosure (TCFD) when it launched its recommendations in June 2017. We recognise the transition to a low carbon economy will have financial implication on CDL's core business – property development, property and facilities management and hotel operations. Policy risks such as carbon pricing and low carbon building standards are likely to be the primary drivers in the near-term, leading to higher operating costs. Transition to lower emissions technology may increase costs as well, but the investment may be partly or entirely offset by cost savings, higher market value and increased business opportunity in the long run. At the same time, we take into account physical risks such as coastal flooding in low-lying areas resulting from storms and sea level rise. We recognise that these physical risks can disrupt business continuity and damage assets in susceptible areas.

Understanding that our business will continue to evolve between now and 2030, we embarked on a climate change scenario analysis as recommended by the TCFD in early 2018. We approach the exercise with two scenarios in mind – the '2°C world' where we assume the world will decarbonise fast enough to meet the Paris Agreement's goal of limiting climate change to a global average surface temperature rise of 2°C above pre-industrial level, and a '4°C world' representing a business-as-usual scenario. The initial risk identification and prioritisation will begin with a high-level analysis of climate-related risks affecting our business portfolio across three key markets – Singapore, China and United Kingdom. Following that, we will assess and analyse the extent of our business exposure to the key risks identified, and quantify the possible scale of financial impacts. We expect the exercise will augment our business resilience and capital investment in the near and longer term.

REDUCING ENVIRONMENTAL IMPACT

Internal Carbon Pricing

In 2017, the Singapore Government announced in its budget that a carbon tax will be implemented from 2019. The following year, the Government revealed that the tax will initially be \$5 per tonne of GHG emissions from 2019 to 2023, with plans to increase it to between \$10 and \$15 per tonne of emissions by 2030. The carbon tax will be imposed on large direct emitters such as power plants. In anticipation that the cost may be passed to downstream users, CDL studied the potential financial impact and initiated an internal carbon pricing setting exercise in the same year. It is our aim to progressively implement an internal price for carbon emissions to hedge against climate-related risks and financial exposure on our global operations.

CLIMATE CHANGE AND EMISSIONS

The management of climate-related risks and opportunities is an integral part of the CDL Future Value 2030 sustainability blueprint launched in 2017. Under the strategic goal of 'Reducing Environmental Impact', we have established a set of robust targets to reduce our carbon emissions, energy and water consumption and waste

generation, as well as sustainable material use. More details on the blueprint and our progress on each target are found on [pages 14 to 15](#) in Chapter 1.

Starting from 2015, CDL has been incorporating Environmental, Social and Governance (ESG) performance into executives and senior management's individual key performance indicators. The initiative was extended to all employees in 2016. Today, all CDL employees have incentivised performance indicators linked to sustainability performance as part of their annual performance assessment. With the implementation of Balanced Scorecard System for company-wide performance appraisal in 2017, annual targets for carbon emissions and energy use reduction are shared between the Sustainability and operational departments to cultivate a strong sense of co-ownership and cross-function collaboration in achieving CDL's environmental targets.

Carbon Emission Reduction Targets and Performance

In 2017, we adopted the Sectoral Decarbonisation Approach (SDA) to raise

our carbon emissions intensity reduction target from 25% to 38% by 2030 against 2007 levels. The SDA is a climate science-based method for companies to set GHG reduction targets necessary to limit the rise of global temperatures to 2°C above pre-industrial levels. Companies are categorised into sectors and subsectors. Within each sector, companies derive 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. In 2017, we achieved a reduction in total carbon intensity emissions by 32.8%, exceeding the 19% interim reduction target we set for the year.

Total carbon emissions in 2017 were consistently lower compared to 2016 across all CDL's Core business operations as shown in the chart for Total Carbon Emissions from CDL's core business operations in Singapore. The largest source of emissions was electricity usage reported as Scope 2 emissions in the charts on the following pages. Scope 2 emissions accounted for close to 78% of the Company's total carbon footprint for its Singapore operations.

A REDUCTION IN
TOTAL CARBON
INTENSITY EMISSIONS
BY

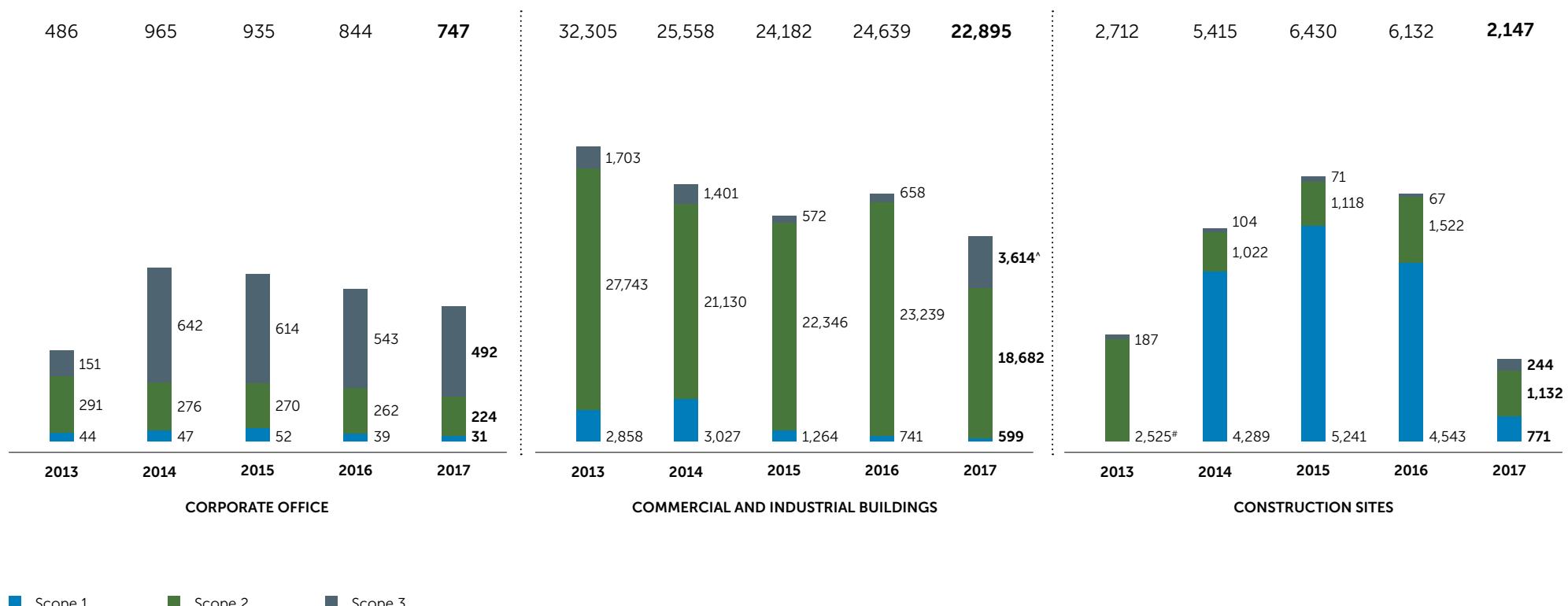
32.8%
IN 2017
AGAINST 2007 LEVELS

Even though the reporting of Scope 3 emissions is voluntary, CDL monitors and discloses the emissions to better assess their impact across the entire value chain and identifies the most effective ways to reduce them. We identified upstream emissions, water treatment, hotel accommodation, air travel and commuting, amongst other emission sources in our monitoring.



REDUCING ENVIRONMENTAL IMPACT

**Total Carbon Emissions from CDL's Core Business Operations in Singapore: Corporate Office, Managed Properties, Development Projects
(Tonnes CO₂e)**



■ Scope 1 ■ Scope 2 ■ Scope 3

[^] Electricity upstream fugitive methane emissions of 2,854 tCO₂e, previously included under Scope 2, has been moved to Scope 3

[#] Before 2014, Scope 1 and 2 emissions were reported collectively

Figures stated in charts in this chapter may not add up due to rounding of decimals.

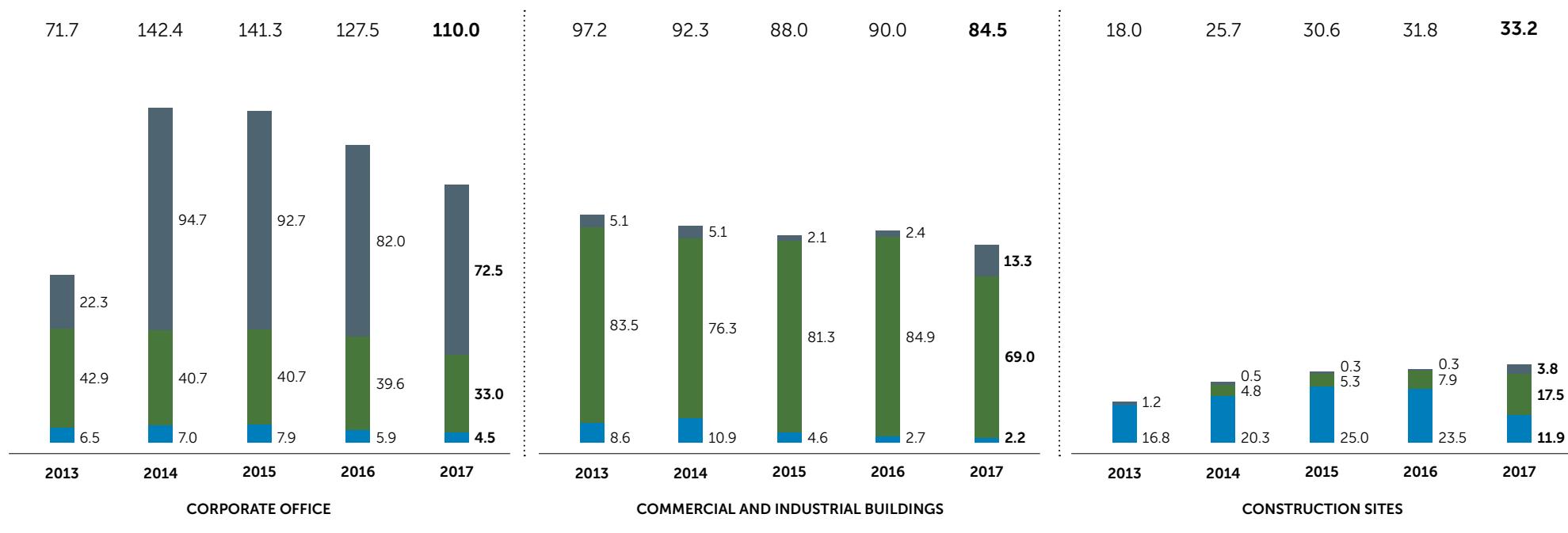
Scope 1 Includes direct emissions from fuel used in power generators, petrol for company vehicles, loss of refrigerant in air-conditioning systems and loss of insulating and arc quenching media in switchgear systems.

Scope 2 Emissions reported are for activities in Singapore. Due to the lack of contractual instruments available in Singapore, location-based emissions and market-based emissions are the same. Includes indirect emissions due to purchased electricity consumed at CDL's Corporate Office, commercial, and industrial buildings as well as construction sites.

Scope 3 Includes other indirect emissions arising from electricity transmission losses, local and international courier services, employee commuting, business air travel (excluding the influence of radiative forcing) and hotel accommodations, water supply and water treatment (excluding water treatment for property development sites).

REDUCING ENVIRONMENTAL IMPACT

**Carbon Emissions Intensity from CDL's Core Business Operations in Singapore
(kgCo₂e/m²)**



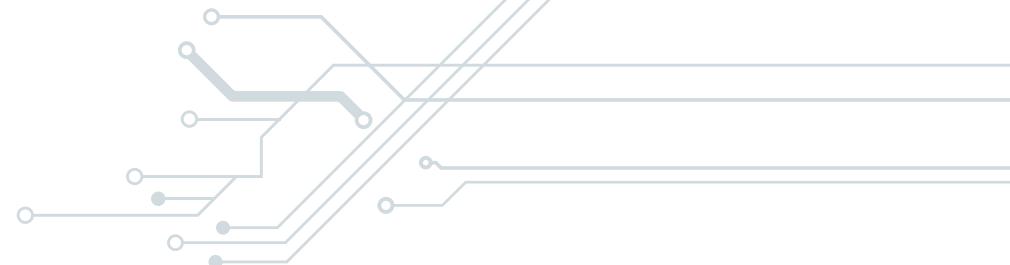
* Before 2014, Scope 1 and 2 emissions were reported collectively.

Corporate Office	CDL's Corporate Office in Singapore occupies approximately 6,781 m ² across ten floors in City House and one floor in Republic Plaza. Measurement is applicable to all environmental performance reported in this section.
Commercial and Industrial Buildings	In 2017, CDL managed 12 commercial buildings and three industrial buildings in Singapore, with an average monthly leased floor area of 242,847 m ² and 27,979 m ² respectively. Measurement is applicable to GHG calculations, with all other environmental performance reported using the total leased area. Data before 2014 includes two industrial buildings, Pantech 21 and New Tech Park which were divested in November 2013.
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 2017, CDL measured and monitored the environmental impact and performance of its nine construction sites in Singapore with a gross floor area of 64,589 m ² built for that year. Measurement is applicable to all environmental performance reported in this section.

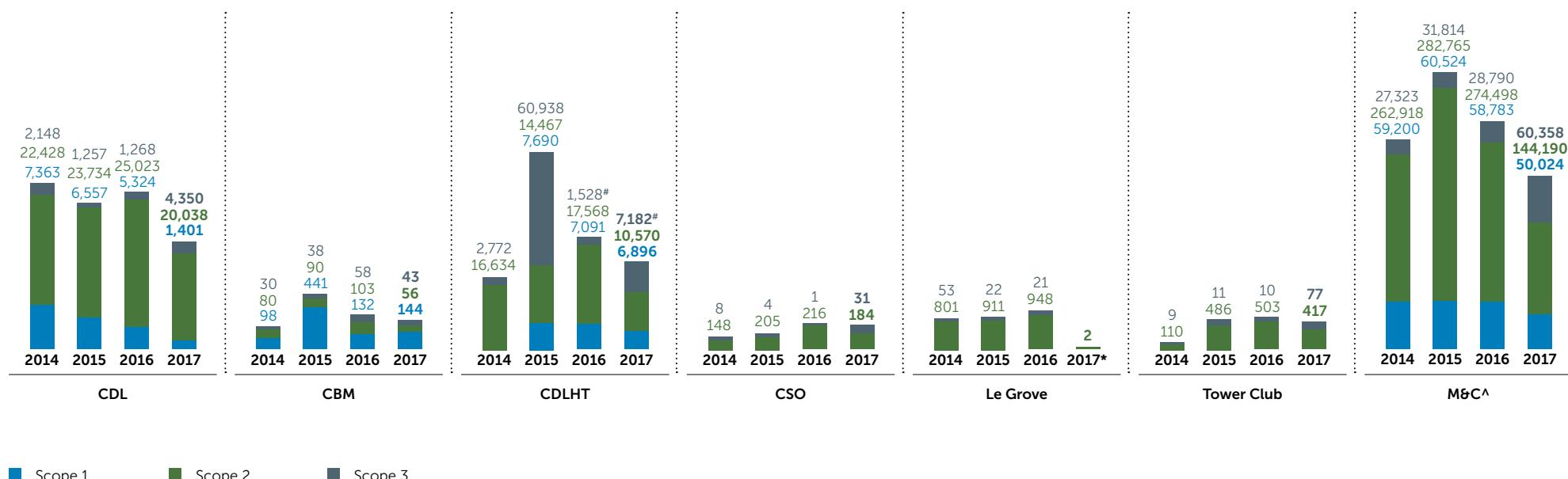
REDUCING ENVIRONMENTAL IMPACT

Subsidiaries' Carbon Emissions Data

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. The following table shows carbon emissions from Millennium & Copthorne plc (M&C), CDL Hospitality Trusts (CDLHT), CBM Pte Ltd (CBM), City Serviced Offices (CSO), Le Grove Serviced Apartments (Le Grove) and Tower Club Singapore (Tower Club).



**GHG Emissions from CDL and Six Key Subsidiaries
(Tonnes CO₂e)**



CDLHT Scope 3 excluded emissions from waste disposed

* Data represents Le Grove Office only. Le Grove Serviced Apartments were closed for renovation from Dec 2016 to Jul 2018

^ Oct – Sep data. 2015 and 2016 data restated based on M&C Annual Report 2016. 2017 data provided by M&C excluded Middle East and North Africa

REDUCING ENVIRONMENTAL IMPACT

GHG Quantification and Reporting

To better manage our carbon reduction efforts, we have implemented a GHG management system in accordance with the requirements of ISO 14064-1⁴, and have externally audited and validated our emissions computations since 2015. ISO 14064-1 is an international standard that specifies organisational-level principles and requirements for quantification and reporting of GHG emissions and removals.

Carbon Neutral

Since 2009, CDL has voluntarily reduced our annual carbon emissions to net zero for our Corporate Office operations including our data centre and 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 the buildings' operations, including that of our tenants'.

Embodied Carbon

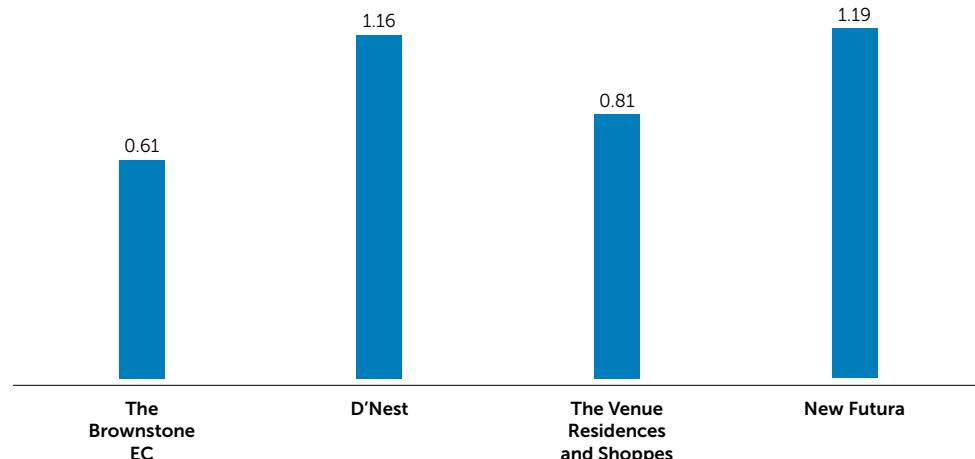
Going beyond measuring and monitoring the GHG emissions of existing buildings in use, CDL began tracking the embodied carbon present in the construction materials used in our property development in 2016.

Embodied carbon refers to the carbon emissions associated with the non-operational phase of a building. This includes emissions caused by extraction, manufacture, transportation, assembly, maintenance, replacement, deconstruction, disposal and end of life aspects of the materials and systems that make up of a building. We recognise that, unlike operational carbon emissions, the embodied carbon cannot be reversed once they have been released. Understanding the relationship between 'embodied' carbon and 'operational' carbon has helped us to determine the optimum overall carbon footprint reduction of the building from a lifecycle perspective.

Based on the materials list from projects completed in 2017 and the Building and Construction Authority (BCA) Carbon Calculator⁵, the embodied carbon footprint for each of our projects was derived. We used this information to

identify elements which are carbon-intensive and promote alternative options which reduce carbon emissions. This is in tandem with our 2030 target to increase the use of low-carbon construction materials found on [page 14](#).

**Embodied Carbon Footprint
(tCO₂e/m²)**



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

⁵ The BCA Carbon Calculator uses a cradle-to-site system boundary.

REDUCING ENVIRONMENTAL IMPACT

ENERGY EFFICIENCY AND MANAGEMENT

The core activities of CDL's business are energy intensive and electricity constitutes a significant proportion of our operating expenditure. Improvements in energy efficiency will thus enable us to reduce cost and improve our operational efficiency. Integrating energy efficiency considerations into the design and construction of our assets can also help to reduce the energy usage (and electricity costs) of our customers, tenants, and residents.

Lifecycle Approach of Energy Management

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 have since continued to set energy reduction target for every investment properties we manage, whilst working towards optimising energy performance at every stage of a building's lifecycle.

Initiatives to maximise energy efficiency are applied differently across our key business units and at different stages in the building's lifecycle. 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 to be considered in the design, construction and operation of the assets.



7 & 9 Tampines Grande is the first commercial building in Singapore to incorporate the use of BIPV panels as part of the building's façade.

Stage in Project Lifecycle	Energy Efficiency Focus	Benefits
Design	Maximise use of natural lighting and ventilation	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
	Energy efficient home appliances to be included 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	Use of renewable energy where possible through installation of solar and Building Integrated Photovoltaic (BIPV) panels	Reduce reliance on fossil fuel energy
	Identify 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
	Use of the building's computer-based energy management system to optimise chiller efficiency and Building Management System (BMS) to control key equipment in buildings	Optimise key equipment's efficiency and reduce energy use

REDUCING ENVIRONMENTAL IMPACT

Energy Reduction Initiatives

Since 2004, CDL has retrofitted all our existing commercial and industrial buildings through initiatives such as chiller plants upgrading, introduction of modern sensors to reduce lighting consumption, installation of energy-efficient lighting, and recladding of facades to reduce solar heat gain. On average, these efforts have yielded an estimated annual energy savings of around 14.6 million kWh and an equivalent of more than \$3.4 million in 2017.

We remain committed to further reducing our energy consumption and improving our energy efficiency, through a number of key initiatives in 2017.

Key Energy Reduction Initiatives in 2017

Energy Reduction Initiatives	Buildings	Savings
Air conditioning upgrading or improvement	Republic Plaza, City House and Fuji Xerox Towers	381,517 kWh/year, equivalent to almost \$78,793/year
Energy efficient lighting	Fuji Xerox Towers, City Square Mall, Tagore 23 Warehouse, 7 & 9 Tampines Grande	70,466 kWh/year, equivalent to almost \$14,553/year
Lift upgrading	City House	24,850 kWh/year, equivalent to almost \$5,132/year

ESTIMATED ANNUAL ENERGY SAVINGS

**14.6
million kWh**
IN 2017

ENERGY USAGE REDUCTION

23.6%
IN 2017
AGAINST 2007 LEVELS

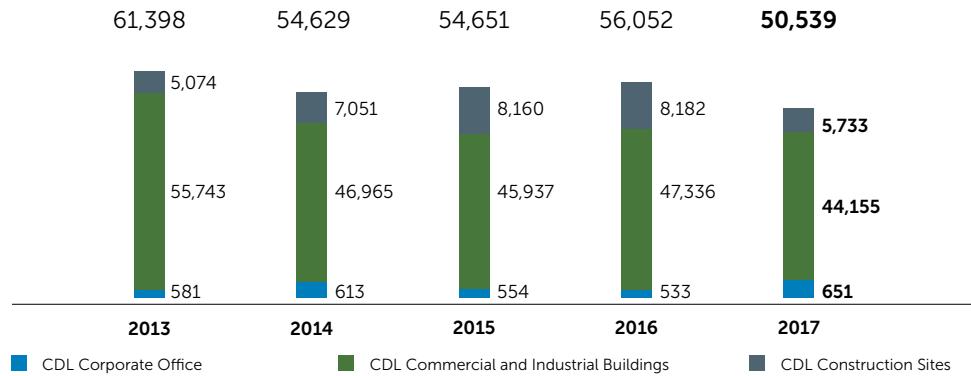
User behaviour has an impact on energy and resource consumption. As an asset owner, CDL actively engages our tenants on the importance of energy conservation. In partnership with Tuas Power, an Automated Meter Reading portal was introduced in 2014 for our tenants to monitor their electricity use on a near real-time basis. This empowers them to better track their energy consumption, as what gets measured, gets managed. In addition, incentives from both Tuas Power and CDL are provided to tenants who achieve substantial reductions in energy consumption.

Energy Reduction Target and Performance

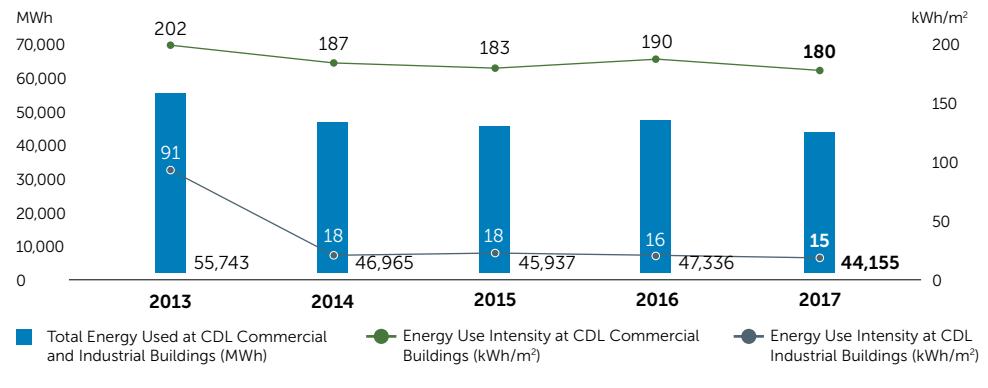
Electricity constitutes a significant proportion of our operating expenditure, hence any improvement in energy efficiency will enable us to reduce cost and improve our operational efficiency. CDL set to reduce energy usage intensity by 25% from 2007 levels, by 2030. In 2017, we achieved a reduction of 23.6%, exceeding the target of 17% set for the year, and keeping us on track to meeting our 2030 targets. We will be reviewing the energy reduction target in 2018.

REDUCING ENVIRONMENTAL IMPACT

Total Energy Used in CDLs Core Business Operations in Singapore: Corporate Office, Managed Properties, Development Projects (MWh)

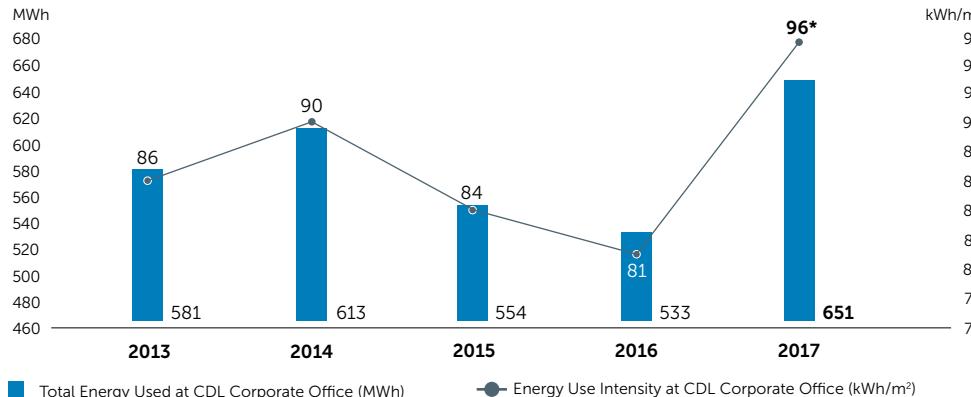


Energy Used at CDL Commercial and Industrial Buildings

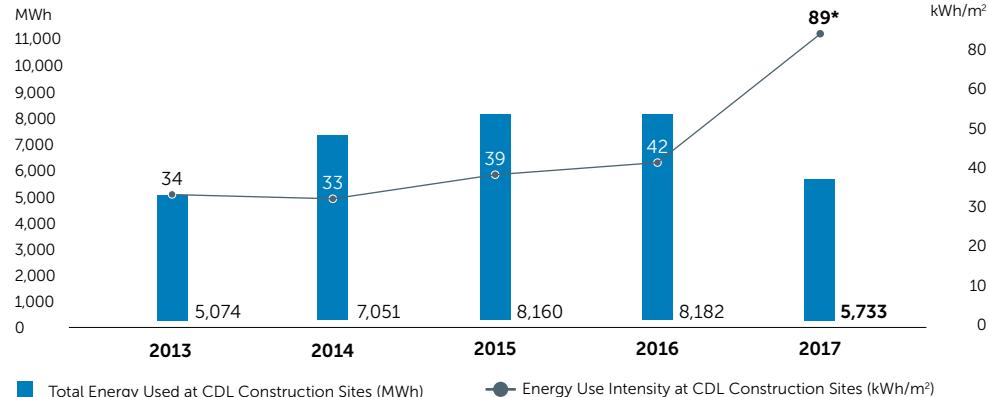


- Energy intensity figures for 2012 to 2016 were restated based on monthly average leased area instead of the sum of monthly leased area previously used.
- Energy intensity figures for 12 commercial buildings and three industrial buildings in 2017 were based on the monthly average leased area of the buildings.
- Energy intensity values in 2017 included fuel consumption which was not accounted for in previous years.

Energy Used at CDL Corporate Office



Energy Used at CDL Construction Sites



* The increase in 2017 Energy Use Intensity is due to the inclusion of corporate office's fuel consumption for transport which was not accounted for in previous years.

- Energy intensity figures are based on the floor area of the Corporate Office locations.
- Types of energy reported in 2017 included fuel and electricity.

* The increase in 2017 Energy Use Intensity is due to the change in conversion factor used for diesel combustion.

- Energy intensity figures for CDL construction sites in Singapore are based on the built gross floor area for each respective year.

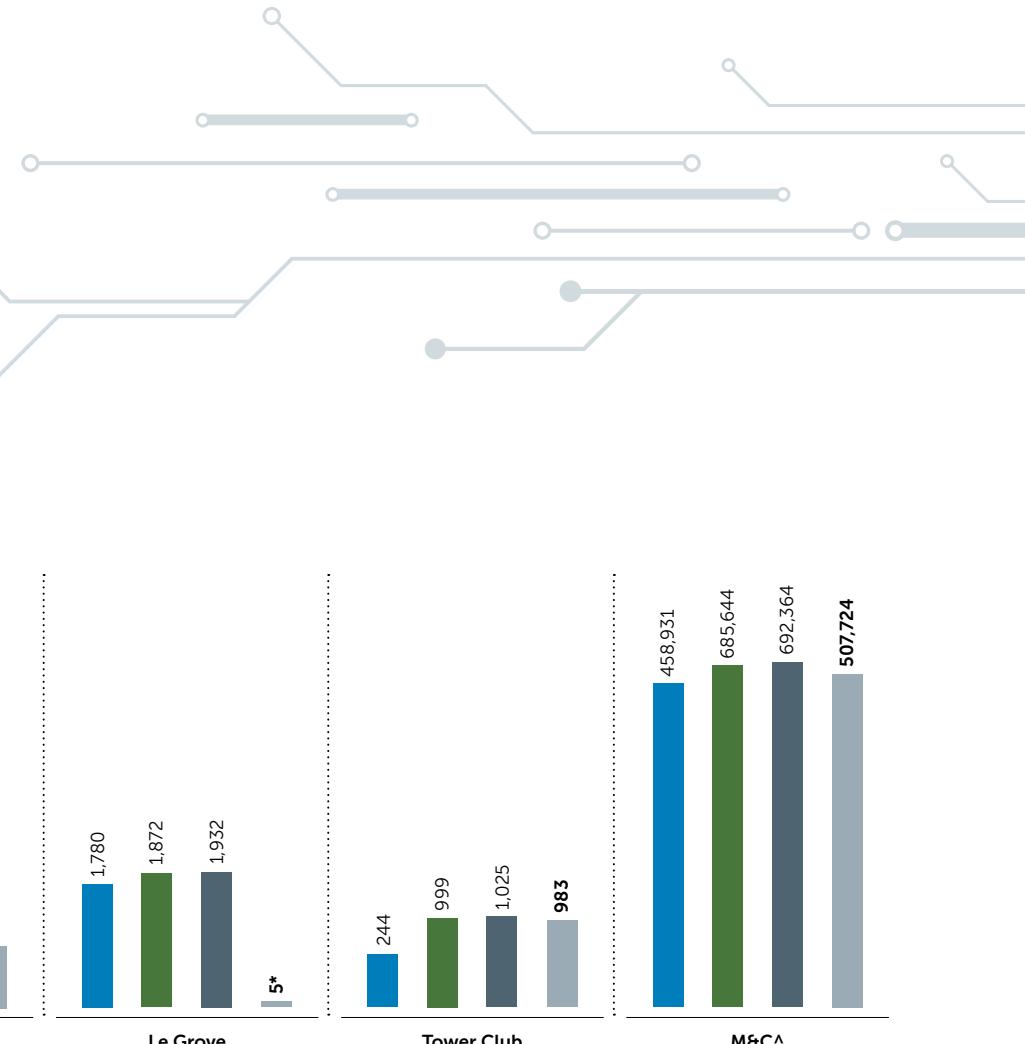
REDUCING ENVIRONMENTAL IMPACT

Subsidiaries' Energy Usage

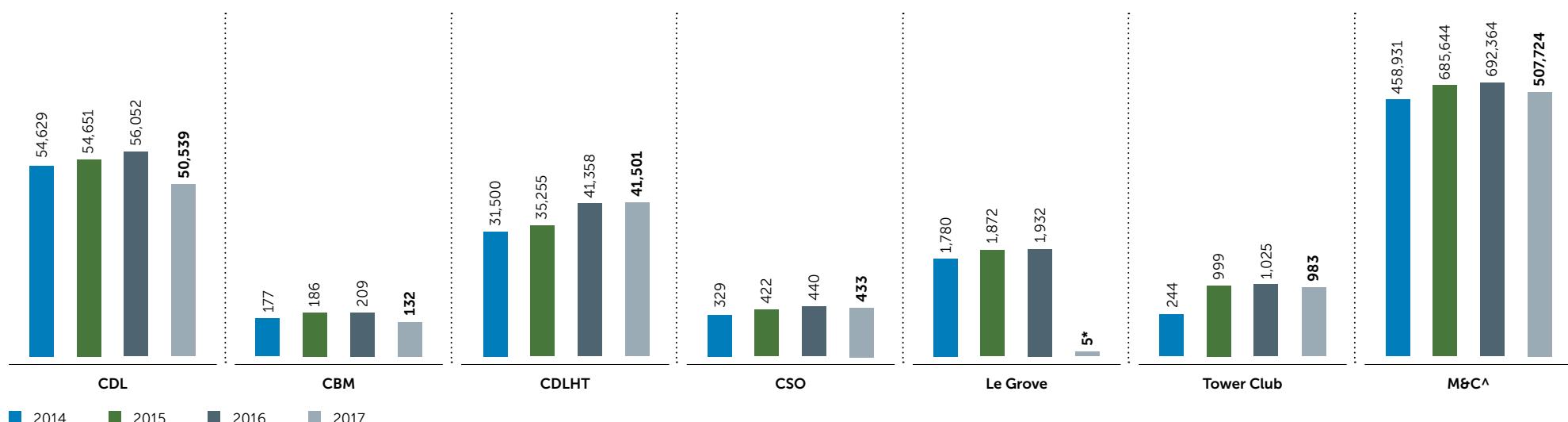
Similar to our reporting scope for GHG emissions, CDL also reports on the energy data of our subsidiaries. The tracking and reporting of our subsidiaries' energy data not only ensures greater disclosure and accountability, but also enables the Group to better manage energy usage as a whole. Given CDL's strong commitment

to environmental protection and energy conservation, the behaviours and practices of our subsidiaries are also of importance to us.

The following chart shows the energy usage of CDL and six key subsidiaries, namely CBM, CDLHT, CSO, Le Grove, Tower Club and M&C.



Energy used in CDL and Six Key Subsidiaries
(MWh)



* Data represents Le Grove Office only. Le Grove Serviced Apartments were closed for renovation from Dec 2016 to Jul 2018

[^] Oct – Sep data. 2015 and 2016 data restated based on M&C Annual Report 2016. 2017 data provided by M&C excluded MENA

REDUCING ENVIRONMENTAL IMPACT

Renewable Energy

CDL is committed to reduce our carbon emissions and reliance on fossil fuel energy by increasing the use of renewable energy. Adoption of renewable energy has always been an integral part of our building design and facility management. Our D'Nest condominium sets a new record in Singapore Book of Records for the Largest Solar Panels in a Condominium with panels measuring a total of 1,520m², generating almost 250,000 kWh/yr, equivalent to about 5% of the condominium's annual energy usage. HAUS@SERANGOON GARDEN is also a pioneer, as Singapore's first landed housing estate equipped with a solar photovoltaics (PV) and provision for electric vehicle (EV) charging for each household.

At South Beach, Singapore's biggest mixed-use development, PV panels were installed on the top surface of louver modules at the tower roof, and the wavy canopy at the ground level, 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 sq ft, extensively covering 4,300 sq ft of the

building. The solar PV panels are estimated to 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 a Green Mark Platinum building.

In the reporting year of 2017, CDL attained 212,962 kWh of energy savings from the use of solar energy in 7 & 9 Tampines Grande, City Square Mall, King's Centre and Quayside Isle. The savings is equivalent to almost \$44,000⁶.

For the building industry, 2030 is the focal point for the Net Zero Agenda by the World Green Building Council and for Singapore to green 80% of its buildings based on the Green Building Masterplan. With this in mind, CDL is working towards a transition from conventional electricity to renewable energy in our core operations – projects development, property and facilities management and corporate headquarters in Singapore, by 2030. This is in tandem with our foresight to join the global RE100 campaign.

For a start, we procured Renewable Energy Certificates (RECs) for our energy

consumption at our headquarters operation starting from 2018. This inaugural solar energy initiative is projected to offset 224 tonnes of carbon emissions in the first year, equivalent to 58 units of residential households being powered by fossil fuel in Singapore.

In addition to RECs, we are also exploring other renewable energy options, such as increasing on-site solar energy production in buildings. In 2017, CDL extended our support to the Solar Energy Research Institute of Singapore (SERIS) in the research project of cost-effective high-power density BIPV modules. The publicly-funded research project aims to build local expertise and increase knowledge in this field. CDL plans to participate by providing manpower and facilities required to study the integration of BIPV modules into actual buildings, and provide a test bedding platform to demonstrate the actual integration of the developed BIPV modules.



South Beach, Singapore

⁶ Average electrical tariff in 2017 was \$0.2065/kWh. Source: www.spgroup.com.sg



REDUCING ENVIRONMENTAL IMPACT

WATER CONSERVATION AND MANAGEMENT

With climate change and a rapidly growing global population, the demand for water is estimated to more than double by 2060. As ranked by the World Resources Institute (WRI), Singapore is likely to become one of the world's most water stressed countries by 2040. To combat this, Singapore's national water agency, the Public Utilities Board (PUB) has built a robust and diversified water supply known as the 'Four National Taps' to ensure water security for the nation. However, water scarcity is still a serious issue. In 2017, water prices in Singapore increased for the first time in 17 years. The 30% water price hike is implemented over two years, first in July 2017, and second in July 2018. Businesses also experience an increase in NEWater tariff and a new 10% water conservation tax on NEWater.

Lifecycle Approach of Water Management

Taking a strategic approach on effective water management systems to minimise consumption and manage water quality is a key priority for CDL. This significantly enhances the efficiency, resilience, desirability and long-term value of our assets and developments. Not only

does it deliver significant benefits to the environment, but it also promotes performance and cost efficiencies across our operations. From the initial stages of design to construction and management, CDL's developments are conceptualised with a strong focus on water sustainability. Such responsible water management practices allow us to deliver value to our customers through cost savings.

Water Conservation Initiatives

In recognition of our significant contribution towards Singapore's water sustainability, 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 Waters certification in 2010, CDL has also been a pioneer winner for a number of our developments.

To date, 14 of our buildings have been certified as "Water Efficient Buildings" by PUB for outstanding efforts in water conservation.

Water Reduction Target and Performance

As part of our ISO 14001 Environmental Management System objectives, CDL tracks monthly water consumption against the respective targets for our key business processes.

To manage our water usage, CDL has established targets to reduce water use intensity by 25% against 2007 levels, by 2030. In 2017, we achieved a 7.3% reduction. The lower than expected percentage reduction was due to a higher number of developments that attained or are about to attain Temporary Occupation Permit (TOP) in 2017 and early 2018. Site

activities to prepare for handing over of units to homebuyers required higher water consumption.

Moving forward, we will continue to be vigilant on our water consumption. More initiatives will be put in place in 2018 as we work towards achieving the 2030 target.

Stage in Project Lifecycle	Water Management Focus	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	
	Installation of systems to allow water recycling for site cleaning	Reduce the use of potable water
	Installation of silty water treatment system	Prevent silty water from being discharged into water systems
Operation of Assets	Comprehensive use of water-efficient fixtures and fittings	Reduce use of water
	Use of NEWater for operations that do not require potable water	Reduce reliance on potable water

Key Water Conservation Initiatives in 2017

Water Initiative	Business Unit	Savings
Use of recycled water for construction site activities	Projects Development	21,004 m ³ equivalent to 13% ⁷ of the total water supply drawn and almost \$50,199 ⁸ in monetary savings.
Use of NEWater instead of potable water	Property and Facilities Management	Use of 119,242 m ³ of NEWater, equivalent to almost 26% of the total water used and savings of more than \$23,800 ⁹ as compared to using potable water

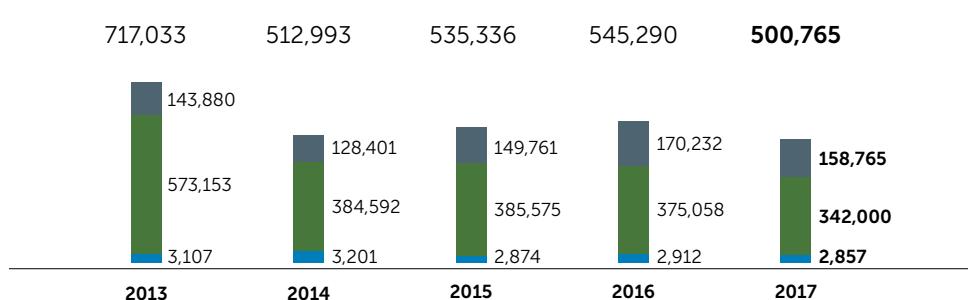
⁷ Savings were reported from four out of nine projects under construction in 2017.

⁸ Water tariff at \$2.39 per m³ before GST, inclusive of water tariff, water conservation tax and waterborne fee. Source: www.pub.gov.sg

⁹ NEWater tariff of \$2.19 per m³ before GST, inclusive of NEWater tariff and waterborne fee. Source: www.pub.gov.sg

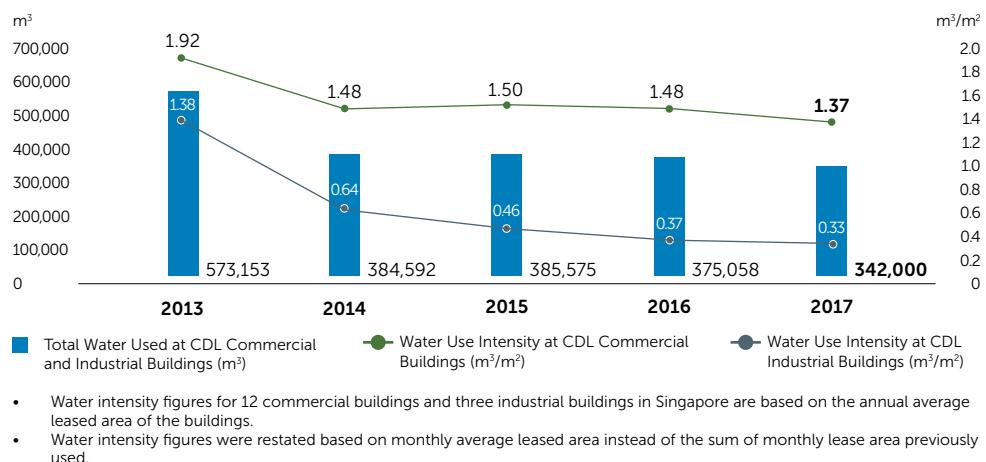
REDUCING ENVIRONMENTAL IMPACT

Total Water Used in CDL Core Business Operations in Singapore: Corporate Office, Managed Properties, Development Projects (m³)

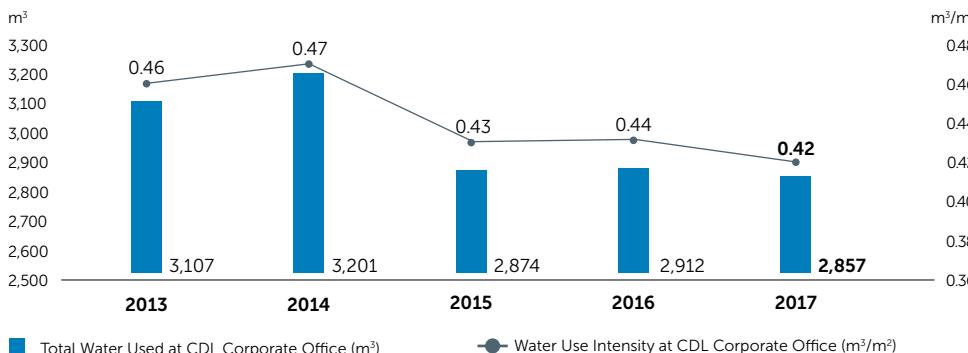


- Water used in Singapore is from the reservoirs which is considered town water.
- It should be noted that the water used is potable water only. Industrial grade NEWater is not included in the amount of water used.
- Corporate Office water usage is also included and reported in the CDL Commercial and Industrial Buildings water usage.

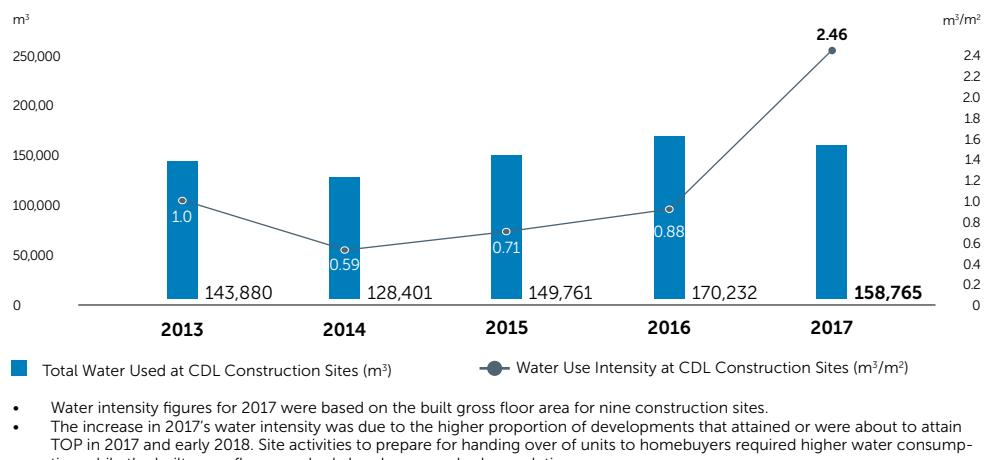
Water Used at CDL Commercial and Industrial Buildings



Water Used at CDL Corporate Office



Water Used at CDL Construction Sites

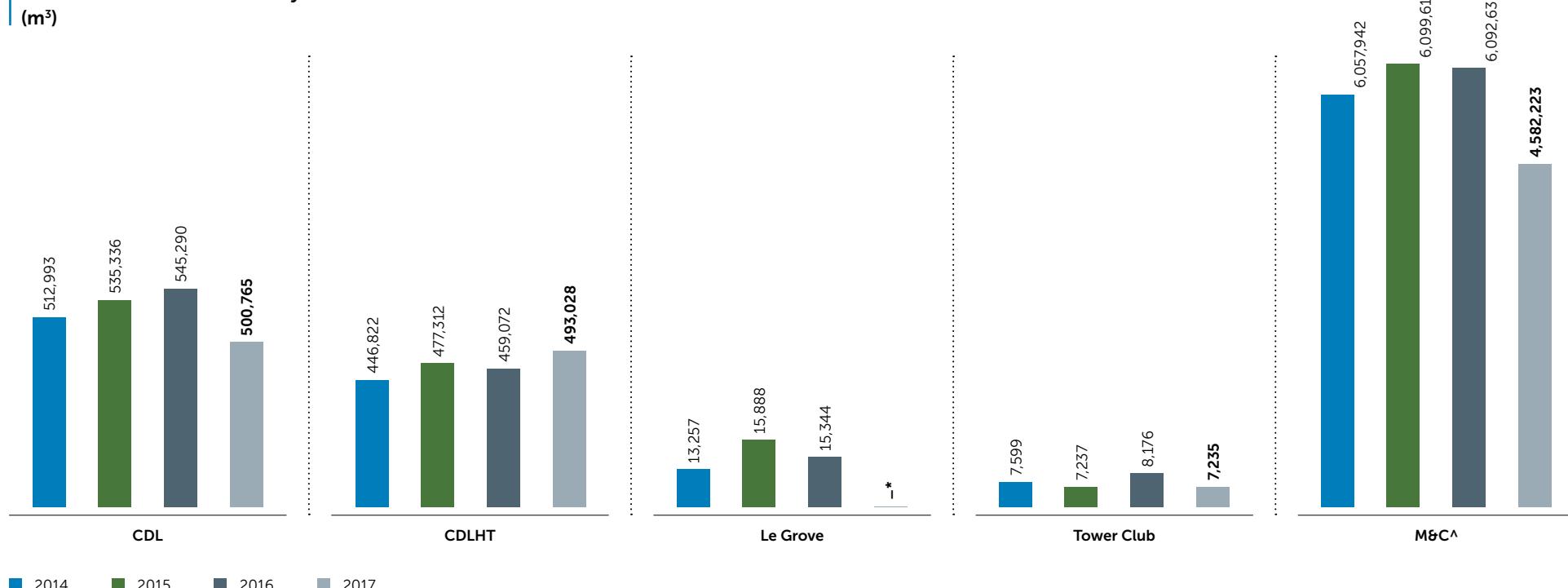


REDUCING ENVIRONMENTAL IMPACT

Subsidiaries' Water Usage

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

Water Used in CDL and Six Key Subsidiaries



* No water data. Le Grove Serviced Apartments were closed for renovation from Dec 2016 to Jul 2018.

^ Oct – Sep data. 2016 data restated based on M&C Annual Report 2016. 2017 data provided by M&C excluded MENA.

• CBM and CSO are tenants within a building and hence do not have separate meters to track respective water usage within their facilities

REDUCING ENVIRONMENTAL IMPACT

WASTE RECYCLING AND MANAGEMENT

In land-scarce Singapore, most of the general waste is sent to the waste-to-energy incineration plants. Incineration plants are capable of reducing the solid waste volume by 90%, and the incinerated ash is then transported to the landfill for disposal. Mindful that construction debris cannot be incinerated and are directly sent to the landfill, we are spurred to continuously invest in, innovate, and adopt leading-edge technology such as Prefabricated, Prefinished Volumetric Construction (PPVC) to significantly reduce construction waste.

All of CDL's generated waste at both the construction site and managed buildings is non-hazardous and disposed of in accordance with the local waste regulations.

Waste Management Hierarchy

CDL remains steadfast in managing our waste efficiently and seeks to reduce, reuse, and recycle (3Rs) our waste whenever feasible. As a property developer and manager, the bulk of the waste is generated by our builders and commercial tenants. Demolition at the end of a building's life cycle can produce significant waste for land disposal, unless materials are reused or recycled. To mitigate our impact on the environment, CDL has several strategies in place to practice the 3Rs in waste management.

Waste Reduction Target and Performance

Following the principle of the 3Rs, CDL set to reduce total waste intensity by 50% from 2016 levels. In 2017, we achieved 8.0% reduction, below the 10% interim target we set for the year.

In CDL-managed buildings, around 4,265 tonnes of general, non-hazardous waste were disposed in 2017. About 599 tonnes of recyclable waste was collected in 2017, 80% of which was paper. Our paper recycling programme has seen growing

tenant participation from 68% in 2005 to close to 100% in 2017.

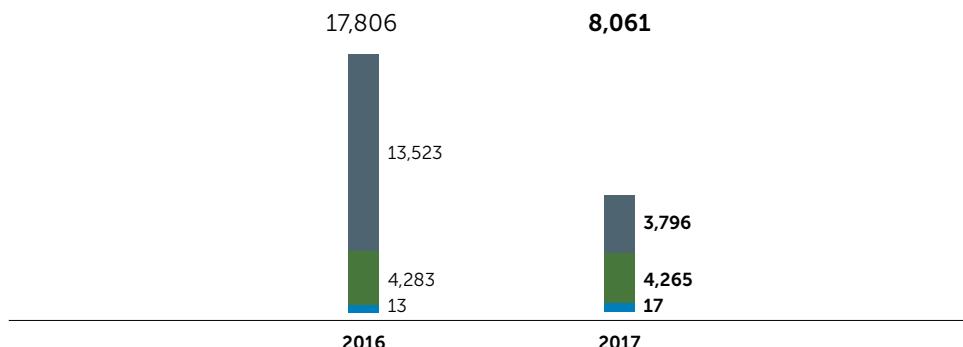
In 2017, construction waste generated at all CDL construction sites amounted to 3,796 tonnes, with a waste intensity of 60 kg/m². This is a reduction from 2016.

Moving forward, we will continue to be vigilant on our waste management. We will be reviewing our waste minimisation and recycling practices as we work towards achieving the 2030 target.

Waste Management Method	Initiatives	Benefits
Reduce	Adoption of PPVC technology for large-scale residential development	Generates less waste and paves the way for cleaner and safer construction sites
	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
Reuse	Reuse furnishing used in our show flats wherever the design or theme permits	Reduce waste generated and costs required to re-purchase materials
	Identify materials for reuse or recycling under the BCA Demolition Protocol	
Recycle	Recycling programme for light bulbs	Reduce land pollution by diverting mercury away from landfills
	Recycling programme for commercial buildings and CDL corporate office	Reduce waste sent to incineration plants and use of natural resources

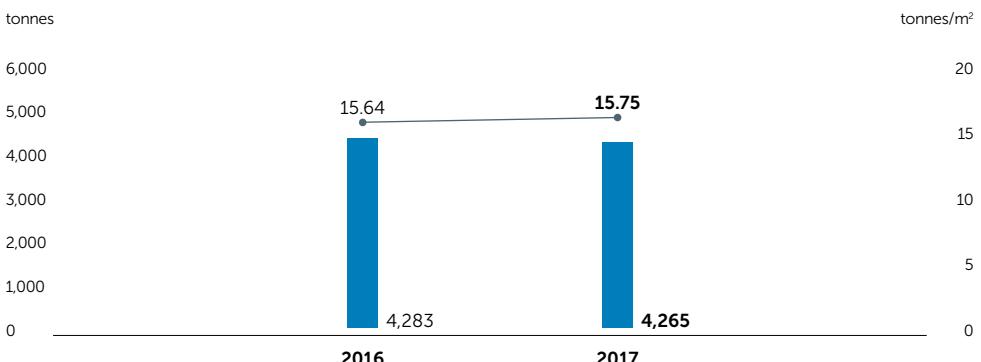
REDUCING ENVIRONMENTAL IMPACT

Total Waste Disposed by CDL's Core Business in Singapore (tonnes)



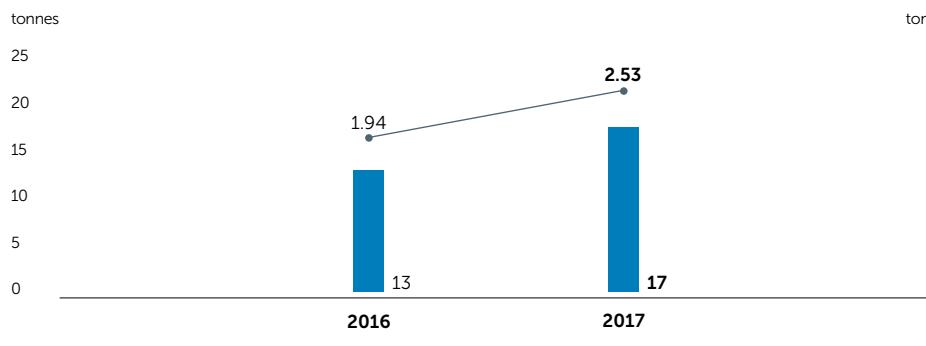
- Waste disposed by CDL Corporate Office was also included and reported in the CDL Commercial and Industrial Buildings.

Waste Disposed at CDL Commercial and Industrial Building



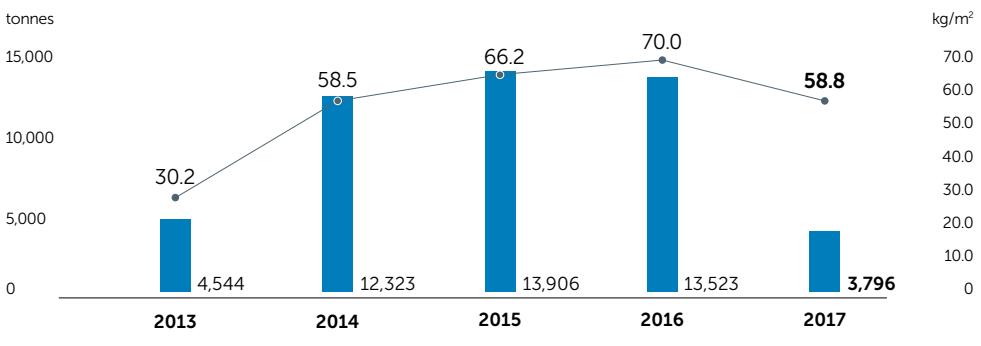
- Waste disposal intensity figures for 12 commercial buildings and three industrial buildings in Singapore are based on monthly average leased area of the buildings.

Waste Disposed at CDL Corporate Office



- The apparent increase of waste disposed at CDL Corporate Office was due to the refinement in our monitoring approach.

Waste Disposed at CDL Construction Sites



- 2017's waste disposal intensity figure was for nine CDL construction sites in Singapore and was based on the built gross floor area for the projects in 2017.

REDUCING ENVIRONMENTAL IMPACT

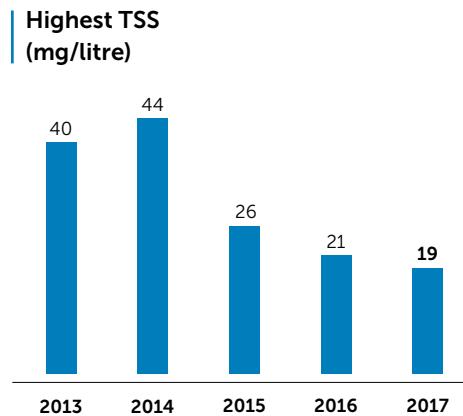
ENVIRONMENTAL COMPLIANCE

CDL is committed to comply with all applicable EHS legal requirements enforced by local authorities such as BCA, NEA, MOM and SCDF. 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 Waste Water Discharge at Construction Sites

CDL works with all our contractors in implementing earth control measures (ECM) at construction sites to prevent silt from polluting our waterways. We ensure the Total Suspended Solids (TSS) readings of the discharged water do not exceed the legal limit of 50 mg/litre. Beyond this, we also set targets below the legal limit for our ongoing projects. For example, 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.

In 2017, the highest TSS level discharged across all our nine worksites was 19 mg/litre, well below the legal limit.



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 project statuses, schedules of the construction process at each site are communicated

with a view to inform the community about works that might affect them. More details on our public communications can be found on [page 94](#).

Incidents of Non-compliance

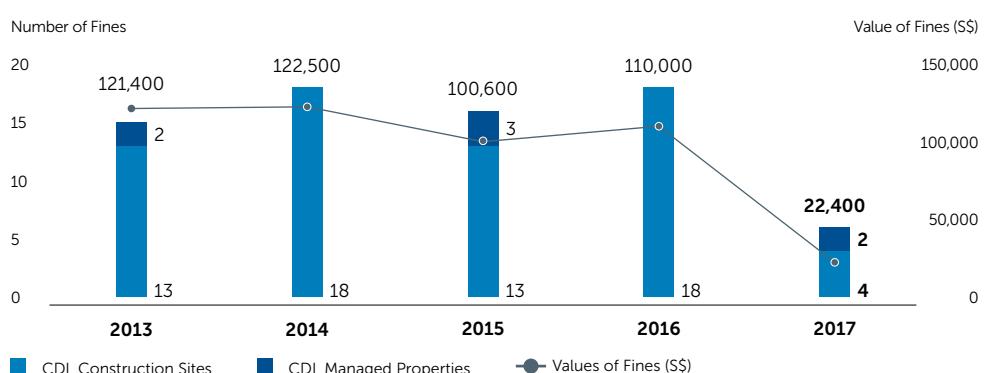
In 2017, four fines were imposed on our builders across nine construction sites. Two were for vector breeding and two for performing construction activities above the noise limit. At our managed properties, two fines were imposed for vector breeding.

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 make enquiries or complaints on environment-related matters. Phone hotlines managed by our appointed builders are set-up at all construction sites. In 2017, across our nine ongoing sites, we had no complaints regarding dust from construction activities affecting nearby residents.

EHS-Related Fines



Note: Amounts are based on the fines invoiced as of 31 December of the year in which the fines were incurred.

REDUCING ENVIRONMENTAL IMPACT

RESPONSIBLE SUPPLY CHAIN AND SOURCING

Responsible Material Use and Green Procurement

Development and management of buildings involves an extensive use of materials and waste generation. Hence, we set clear guidelines and specifications on the procurement of materials and construction management to reduce the overall impact of our projects across their life-cycle. We also acknowledge that the use of virgin materials can impact the environment and human health. By specifying the use of sustainable and non-toxic building materials in our developments, we can deliver environmental, social, and business benefits.

Beyond adopting good practices in our operations, CDL has had a set of green procurement specifications to promote responsible sourcing along our supply chain since 2008. The guidelines encourage the use of eco-friendly and recycled materials, in alignment with our EHS Policy. An example is the use of non-toxic materials like low volatile organic compounds paint. All our builders, suppliers and vendors of new development projects are required to comply with these guidelines.

Top Five Building Materials

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

For the SSA, which started construction in 2016, at least 80% of the structure was built with Cross Laminated Timber (CLT) and Glued Laminated Timber (Glulam). CLT in particular is harvested from sustainably managed forests. Both the CLT and Glulam used in the construction of the Academy were verified by the Nature's Barcode™ system as coming from responsible sources. The system entails scientific tests like DNA analysis to minimise the risk that the wood materials are derived from illegal logging activities.

In anticipation that consumers may shift their preference to low-carbon premises, and carbon construction materials such as steel and cement may become increasingly costly, CDL has set a target for 50% of our building materials to be derived from recycled content, low-carbon sources or those certified by recognised environmental organisations, by 2030. An interim target of at least 35% was set for all new projects awarded from 2016 onwards.

The Forest Woods condominium, which started construction in 2017 in the Upper Serangoon area of Singapore, has been designed to be built using at least 42% sustainable materials.

At CDL, green features, such as energy-efficient of the lighting and air-conditioning, water-efficient irrigation system and passive cool design architecture, are highlighted in our marketing collateral Eco Page for every residential project development. At the sales galleries, the information is displayed prominently on the Eco Wall to educate and create awareness amongst potential home-buyers. Outstanding green features and facilities such as the smart home devices and free-to-use electric bikes are also highlighted in the [cdlhomes website](#). We also provide Your Personal Green Living Guide to homebuyers during the unit hand over. The green guide explains the green features within the home as well as the common areas, so

that residents can better appreciate the sustainability concept that go into the design of the condominiums.

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



REDUCING ENVIRONMENTAL IMPACT

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. Our Green Procurement guidelines indicate our preference for ISO 14001 and OHSAS 18001 certified vendors. We have also established a target to ensure 100% of appointed suppliers are certified by recognised EHS standards, by 2030. In key operations like project development and property management, major suppliers and builders must meet the EHS pre-qualification criteria.

In 2017, all our builders for the Projects Division obtained ISO 14001 and/or OHSAS 18001 certifications. CDL places considerable emphasis on the EHS culture and track record of potential suppliers and contractors, prior to the awarding of a development project contract.

Going forward, we will increase our stakeholder engagements with key suppliers across CDL operations in Singapore to achieve the 2030 target.

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

In 2017, CDL conducted a supply chain scenario planning to strengthen the organisation's understanding of how emerging trends such as automation and climate change present risks and opportunities to CDL's supply chain strategy. Employing the "Shield and Sword" approach, CDL will put in place action plans to protect and defend our

current supply chain against immediate risks, whilst building organisational agility and capability to optimise near term and long term opportunities.

MOVING FORWARD

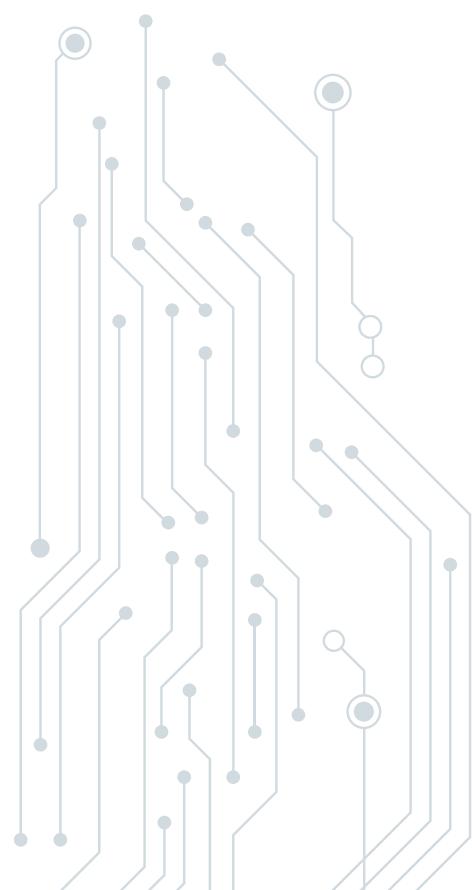
Climate Change Scenario Analysis

In early 2018, CDL commenced a climate change scenario analysis in line with the recommendations of the TCFD, to assess climate-related risks and opportunities across CDL's key portfolio in three major markets we operate in – Singapore, China and United Kingdom. We are studying two scenarios – a 2° Celsius (2°C) scenario and a business-as-usual 4°C scenario. This allows CDL to have a better understanding of how our business might perform under the two different future states. The study is slated to complete in mid-2018.

Science Based Targets

CDL will also take a step further to review and raise our carbon emission reduction targets in 2018. We seek to have our targets assessed and validated by the Science Based Target Initiative (SBTi), reflecting our commitment to benchmark internationally recognized best practices in setting science-based targets. The SBTi is a collaboration between CDP,

WRI, the World Wide Fund for Nature (WWF), and the United Nations Global Compact and one of the We Mean Business Coalition initiatives. The initiative aims to champion science-based target setting as a powerful way of boosting companies' competitive advantage in the transition to the low-carbon economy.



REDUCING ENVIRONMENTAL IMPACT

CONSTRUCTION AND REAL ESTATE ENVIRONMENTAL PERFORMANCE

GHG Emissions Intensity from Buildings Managed by CDL

Type of Building	Number of Buildings	Floor Area (m ²)	GHG Emissions (tCO ₂ e)				Intensity (kgCO ₂ e/m ² /year)
			Scope 1	Scope 2	Scope 3	Total	
Office	10	198,208	253	12,784	2,473	15,510	79
Retail	2	44,638	346	5,719	1,101	7,166	161
Industrial	3	27,979	0	178	40	218	8
Total	15	270,825	599	18,681	3,614	22,894	85

GHG Emissions Intensity from New Construction/Redevelopment Activity

Project Size	Number of Projects	Bid Price Million (\$)	Employee Hours Worked (hr)	GHG Emissions (tCO ₂ e)				Intensity (kgCO ₂ e/Million \$ bid price)	Intensity (kgCO ₂ e/employee hour/ year)
				Scope 1	Scope 2	Scope 3	Total		
GFA>80,000m ²	2	-	2,932,194	240	730	155	1,125	-	0.38
GFA<80,000m ²	7	2,037.60	4,751,140	532	402	89	1,023	502	0.22
Total	9	-	7,683,334	772	1,132	244	2,148	-	0.28

Note: The bid prices of the two project sites with Gross Floor Area (GFA) > 80,000m² are not made available to public.

Building Energy Intensity

Type of Building	Number	Floor Area (m ²)	Total Annual Consumption (kWh)	Energy Intensity (kWh/m ² /year)
Office	10	198,208	30,259,491	153
Retail	2	44,638	13,475,399	302
Industrial	3	27,979	420,513	15
Total	15	270,825	44,155,403	163

Building Water Intensity

Type of Building	Number	Floor Area (m ²)	Total Annual Consumption (m ³)	Water Intensity (m ³ /m ² /year)
Office	10	198,208	196,276	0.99
Retail	2	44,638	136,543	3.06
Industrial	3	27,979	9,182	0.33
Total	15	270,825	342,000	1.26





CDL FUTURE VALUE 2030 GOAL 3

ENSURING A FAIR,
SAFE AND INCLUSIVE
WORKPLACE

5 GENDER
EQUALITY



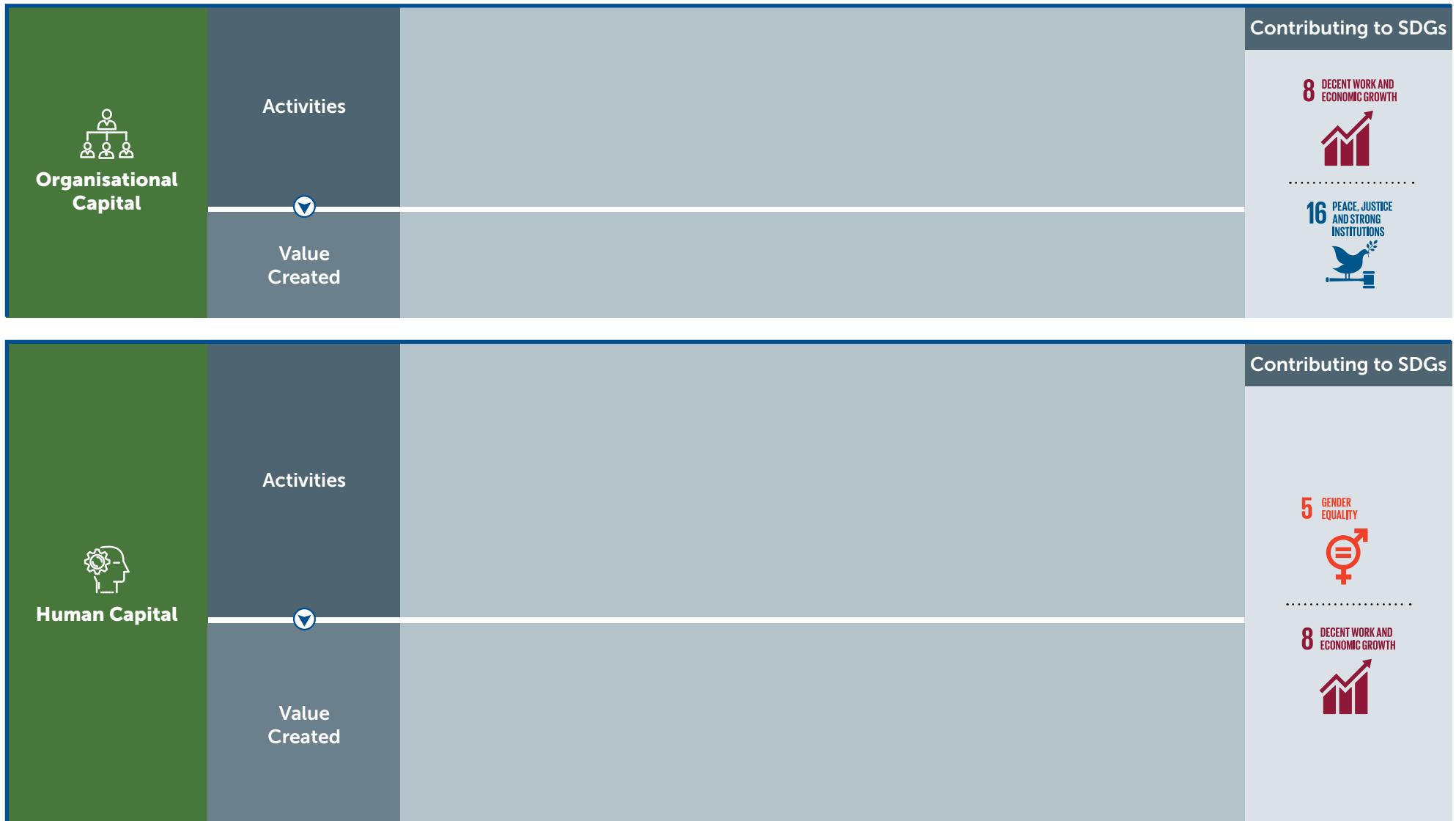
8 DECENT WORK AND
ECONOMIC GROWTH



16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS



ENSURING A FAIR, SAFE AND INCLUSIVE WORKPLACE



ENSURING A FAIR, SAFE AND INCLUSIVE WORKPLACE

Anchored in our strong DNA of business integrity and fair practices, we have maintained good corporate governance and instituted a suite of policies and control systems to steer our organisation towards creating an equitable, healthy and inclusive environment where our business and people can thrive together.

CORPORATE GOVERNANCE

We are committed to upholding a high standard of corporate governance and business integrity in all our activities, which is essential for the long-term viability of our business.

Since 2010, CDL has joined the Securities Investors Association (Singapore) (SIAS) and its partners in pledging our commitment to corporate governance excellence, which was reiterated at the 8th Singapore Corporate Governance Week organised by SIAS in September 2017:

“
As an Organisation, we are committed to upholding high standards of corporate governance to enhance shareholder value.

We believe practising good corporate governance is central to the health and stability of our financial markets and economy.

”

Testament to our pursuit for excellence in governance and transparency, we have improved our ranking on the Singapore Governance and Transparency Index (SGTI) from the 10th position in 2016 to the 8th position in 2017. 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

Recognising that greater diversity in the boardroom will enhance our Board's decision-making process through the perspectives harnessed from the variety of skills, business experience, industry discipline, gender, age and cultural background of the Board, the board-level Nominating Committee adopted a formal Board Diversity Policy in 2017, which sets out its clear policy and framework for promoting diversity on CDL's Board.

As part of our Board's commitment to promote diversity, especially gender diversity, Ms Tan Yee Peng, an independent non-executive female director, was appointed to the Nominating Committee. The Committee also approved the target of having women make up 20% of CDL's Board by 2020, as recommended by the Diversity Action Committee Singapore. As of 2017, female representation on CDL's Board is approximately 14% of the total board size, comprising one female director out of seven directors.

Our corporate governance practices are set out in CDL's Annual Report 2017 with specific reference to the principles and guidelines of the Code of Corporate Governance 2012 (2012 Code). Where the Company's practices differ from the principles and guidelines under the 2012 Code, the Company's position in respect of the same is also set out in our Annual Report.

Please refer to [CDL's Annual Report 2017](#) for our full Corporate Governance Report.

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, and supports the Sustainable Development Goal (SDG) 16 in promoting fair, peaceful and inclusive societies in which businesses can thrive and prosper.

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

In 2017, CDL had zero incident of non-compliance with 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 and monopoly practices within the Company.

2020 TARGET

20%
WOMEN ON
BOARD OF CDL

ENSURING A FAIR, SAFE AND INCLUSIVE WORKPLACE

Code of Business Conduct and Ethics

CDL has in place an internal code of business and ethical conduct crystallising the Company's business principles and practices with regard to matters which may have ethical implications. The code provides a communicable and understandable framework for staff to observe the Company's principles such as honesty, integrity, responsibility and accountability at all levels of the organisation and in the conduct of the Company's business in their dealings with customers, suppliers and amongst fellow colleagues. It is available on the Company's intranet and is easily accessible by all employees.

The code provides guidance on issues such as:

- Conflicts of interest and the appropriate disclosures to be made
- The Company'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 the Company's policies and procedures, including those on internal controls and accounting

- Safeguarding and proper use of the Company'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 the Company's business, in its relationships with customers, suppliers, competitors and towards its 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 with regard to dealings in the Company's securities by its Directors and officers. These guidelines prohibit dealing in the Company'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 "closed period", which is defined as two weeks before the date of announcement of results for the first, second, and third quarter of the Company'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 the Company are notified in advance of the

commencement of each "closed period" relating to dealing in the Company's securities. The internal code on securities trading is available on the Company's intranet and is easily accessible by all employees.

CORPORATE POLICIES AND GUIDELINES

In line with the Board's stance to maintain high ethical standards which are integral to our corporate identity and business, CDL has the following

Whistle-blowing Policy

Anti-corruption Policy

Fraud Policy

Competition Policy

Personal Data Policy

Climate Change Policy

EHS Policy

Human Rights Policy

corporate policies and guidelines in place, which are publicly available on our corporate website (www.cdl.com.sg), dedicated sustainability microsite (www.cdlsustainability.com) and intranet for easy 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. To facilitate the understanding of domestic workforce in our overseas subsidiaries, the policies are also translated into local languages, where necessary.



ENSURING A FAIR, SAFE AND INCLUSIVE WORKPLACE

Board Oversight

As part of CDL's corporate governance process, all our corporate policies are reviewed and approved by our Board of Directors. New directors are given a manual which include all our corporate policies for their information.

The board-level Audit & Risk Committee (ARC) is also kept informed on major corruption cases around the world, which are highlighted in the quarterly risk report for knowledge sharing.

Employee Training and Communication

Every year, 100% of our full- and part-time employees in all regions are required to complete a compulsory online declaration to acknowledge that they are aware of, have read, and are in compliance with the policies, standards, and practices as set out in the Company's Corporate Policies and Guidelines. These Policies include the Code of Business Conduct and Ethics, as well as policies on Anti-corruption, Fraud, Competition, Whistle-blowing, Personal Data Protection, EHS, Climate Change and Human Rights.

To raise awareness on corruption and inform all employees on how to detect such illicit practices, a series of Anti-corruption Awareness Bulletin was published on our intranet in December 2017.

Our orientation and induction programme for all new employees also includes information on the Code of Business Conduct and Ethics and related corporate policies including Anti-corruption, Fraud, Competition, and Whistle-blowing.

External Engagement and Due Diligence

Following the Anti-money Laundering and Counter Financing Terrorism Policy that was introduced for our front-line sales and compliance function in 2016, we started to engage our business partners such as marketing agents for CDL's properties, to align our policies and practices in the deterrence of laundering of illicit funds.

As part of our due diligence, all direct suppliers of CDL's core operations in project development and property and facilities management are required to endorse their acceptance in compliance of CDL's expectations of ethics standards as outlined in our Supplier Code of Conduct.

Whistle-blowing Procedure

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

The ARC has the responsibility of overseeing the procedure, which is administered with the assistance of the Head of Internal Audit. Arrangements are in place for independent investigation and for appropriate follow-up actions to be taken. To facilitate and encourage reporting, the Whistle-blowing Policy and the dedicated whistle-blowing

communication channels (email, postal address and telephone numbers) are available on the Company's website and intranet and is easily accessible by all employees and other persons.

Toll-free lines for callers from Singapore, China, and Thailand are now available. Direct email channels to the Board Chairman, Group CEO, and ARC Chairman were also established for reports involving any Director, Senior Management and the Head of Internal Audit.

In 2017, there was zero incident of corruption, fraud and money laundering activity across CDL's business operations in Singapore in 2017.

ENSURING A FAIR, SAFE AND INCLUSIVE WORKPLACE

BEST PRACTICES AND ESG COMMITMENTS

CDL seeks to uphold fair and responsible practices and promote inclusivity along our value chain, by supporting the following best industry practices and ESG commitments.

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 the Urban Redevelopment Authority's (URA) 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 front line sales and compliance function to detect and report such criminal acts.
Board Diversity Pledge and Policy	In 2015, CDL supported the Board Diversity Pledge initiated by the Singapore Institute of Directors and Singapore Exchange (SGX). By taking the pledge, the Company 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 incident escalation, operational response and crisis communications. The effort culminated in a crisis simulation exercise where the Senior Management was put through a series of rigorous scenario-based tests including 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 operations 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: <ul style="list-style-type: none">• 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 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 that will facilitate more informed businesses and investment decision-making. It will help support a smooth transition to a low-carbon economy. We encourage more businesses to support better climate-related financial disclosure.

ENSURING A FAIR, SAFE AND INCLUSIVE WORKPLACE

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: <ul style="list-style-type: none">• Business integrity• Fair competition• Open communication• Conflict of interest• Gifts and entertainment• Health, safety, and environment• Legal compliance• Human rights• Reciprocity
Universal Design Policy	CDL develops a wide range of properties from mass market executive condominiums to luxury homes. Regardless of property type, we believe that resource-efficient buildings can be a differentiator. We also continue to embed the principles of Universal Design – "design for all people" in all our projects, above the mandatory requirements specified in the Code of Barrier-Free Accessibility by the BCA. Our design brief includes features that encourage community-building and social integration. Our Universal Design Policy, which is endorsed by CDL's top management, provides the Company with a framework to create an inclusive built environment through developing buildings that respond to differing customer needs.
Women's Empowerment Principles	At CDL, we recognise the valuable contribution of our women employees to the Company's business growth and sustainability leadership. With a workforce of nearly 70% females, 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 CEO's statement of support for the United Nations (UN)-led Women's Empowerment Principles can be found on www.cdlustainability.com

CYBER SECURITY AND DATA GOVERNANCE

With cyber-attacks becoming more prevalent and complex, the Company is 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 relevant threats.

Using state-of-the-art AWS solution, we achieve encrypted data backup and minimise downtime for data recovery, ensuring critical information is safeguarded and made available quickly for business continuity.

In 2017, we developed a CDL 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. On top of enhancing anti-virus programmes and fire wall for our Information Technology (IT) hardware, our Information System (IS) department introduced a series of online cyber security training and simulated periodic phishing attacks to increase the vigilance of our employees.

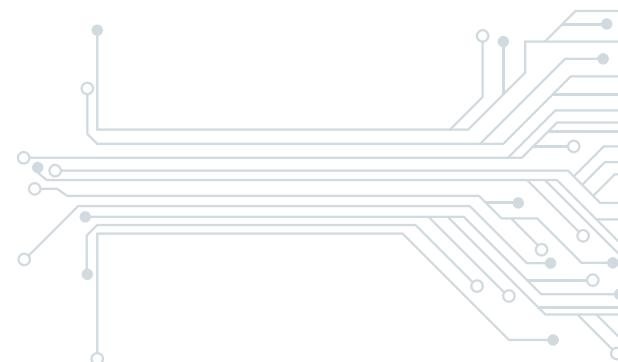
Information security materials are also made available to better educate stakeholders of prevailing risks, especially in the handling of sensitive corporate data. Since 2014, we have implemented

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 the CDL Data Protection Officer by mail, email and phone on matters concerning their personal data with CDL.

In addition, the CDL Social Media Guidelines advocates personal responsibility on the use of social media, including taking precautions for the protection of information privacy, to avoid any negative impact on the Company.

In 2017, there was no theft, leak and loss of customer data or critical information from CDL's IS network. However,

we received one complaint from a homebuyer concerning a possible breach of personal data. The CDL Data Protection Officer has responded promptly to the concerned customer. While investigation is on-going, initial findings show no evidence of personal data breach on the part of CDL.



ENSURING A FAIR, SAFE AND INCLUSIVE WORKPLACE

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 addition to workplace safety, we place great emphasis on the health and well-being of our employees, customers and suppliers. Ergonomics, stress, and anxiety significantly impact work quality, employee satisfaction and retention, which ultimately affect organisational performance.

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. More details on our EHS Policy can be found on [page 72](#).

As early as 2003, we received the Occupational Health and Safety Assessment System (OHSAS) 18001 certification for the successful implementation of the management system at all our developments. In 2016, we implemented an integrated EHS Management System that covers 100% of our key operations in Singapore which we achieved the ISO14001 and OHSAS18001 certifications in March 2017.

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. While they may not operate directly within our immediate realm of responsibility, this has not prevented us from being a strong advocate to guide and influence our builders and contractors to care for workers' safety, health and well-being along our value chain.

Total WSH at Corporate Office

In 2017, there were zero fatalities and occupational diseases involving our employees in our corporate office. There were two reportable¹ injuries with a loss of 34 workdays within CDL premises, and one reportable injury with a loss of four workdays occurred outside work premises.

Safety Performance at Corporate Office



Medical Leave Taken (Average Number of Days) at Corporate Office



Due to the relatively small workforce in our corporate office, the safety statistics may seem much higher than the industry average of Real Estate activities reported by the local WSH Institute⁵. Proactive tracking and taking accountability of reportable incidents help to create awareness on the importance of a safe and healthy workplace to prevent future occurrences.

In November 2017, CDL's EHS Team organised an internal WSH Awareness Workshop to raise knowledge and appreciation of occupational health and safety issues amongst employees. The workshop was attended by over 210 employees, covering 56% of staff strength at our head office in Singapore.

* Reportable injuries occurred within CDL premises

¹ Reportable incident refers to work-related accident, workplace accident, dangerous occurrence and occupational disease that require statutory reporting to the Ministry of Manpower (MOM), as mandated by the Singapore WSH Act.

² Accident Frequency Rate (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.

³ Accident Severity Rate (ASR) refers to the number of man-days lost for every million hours worked. For details, please refer to www.mom.gov.sg.

⁴ Workplace Injury Rate (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.

⁵ Based on 2017 statistics provided by WSH Institute and the MOM. For more information, please visit www.wsh-institute.sg.

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In addition, 55% of employees at our corporate office are represented in the workplace health and safety committees. Initiatives and activities planned by these committees are part of a continual process to protect and promote the health, safety, and well-being of all employees, and hence the sustainability of our workplace.

Employee Health and Well-being Programmes

To promote healthy living, active lifestyles and emotional well-being amongst CDL's employees, our Human Resource (HR) department and employee-led Workplace Health Programme Committee organised an array of activities in 2017. 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. Healthy snacks to promote better consumption habits.
3. Regular lunch time talks on fitness, physical exercise, music relaxation therapy, 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 in 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.

For the year in review, there were zero fatalities and occupational diseases involving the workers of our key contractors⁶ at CDL managed properties. There were two reportable injuries sustained by our contractors' workers.

Safety Performance at Managed Properties



We also noted four injuries sustained by workers of our tenants at common areas within our managed properties in 2017.

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 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. In 2017, healthy living activities were made available to more than 8,800 office workers in seven CDL-managed buildings.

CDL became the first company in Singapore to partner the Singapore Green Building Council (SGBC) and

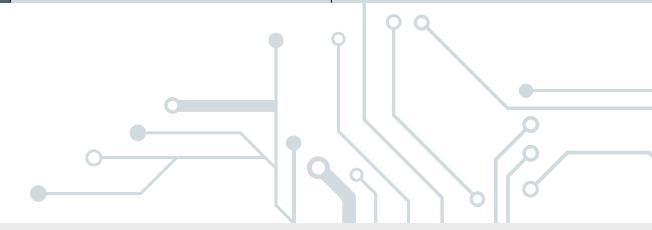
BCA to organise an inaugural tenant-focused event to promote the Better Places for People (BPfP) initiative in 2017. First rolled out by the World Green Building Council (WorldGBC) in 2016, the BPfP initiative promotes awareness and consciousness of healthier places through greener buildings. More information on our tenant engagement effort for BPfP can be found on [page 34](#).

Total WSH at Construction Sites

All our builders are required to have an accredited safety and health management system. This is a prerequisite in the tenderer shortlisting process. We actively engage our builders and consultants on health and safety matters through risk reviews. We also consult with our contractors whenever there are changes that may affect their health and safety. For every development, we institute a monthly joint safety inspection to be carried out in the presence of the contractor,

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

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sub-contractors, consultants, site staff and CDL's site representatives. The purpose of the inspection is to highlight any safety infringements and promote better working conditions. The contractor's EHS performances are reported in the monthly EHS status report. Since 2001, in addition to regulatory-mandated audits, CDL also monitors the EHS performance of the contractors through our CDL 5-Star EHS Assessment System. More information on our supply chain assessment system can be found on [page 79](#).

We recognise that skilled labour shortage will continue to pose a challenge as we uphold workplace safety and health standards through our management system. Through a combination of rewards and penalties, we hope to heighten awareness and minimise safety breaches at all our construction sites.

Since 2008, CDL has voluntarily committed itself as a founding signatory to the "Pledge for Zero – A CEO Commitment Charter", an initiative by the WSH Council. In 2010, we amplified our efforts by inviting our main builders and consultants to collectively pledge their commitment to raise EHS standards at the worksites.

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 WSH Actions Plans. This followed the two similar rounds of pledge signing initiated by CDL in 2010 and 2014. More information on our commitments can be found on [pages 74 to 75](#).

As a result of various safety initiatives and engagement programmes with our builders and their workers, we have maintained zero fatalities and occupational diseases at CDL's construction sites in 2017.

The injury rate at CDL's construction sites also remained way below the construction industry average⁷.

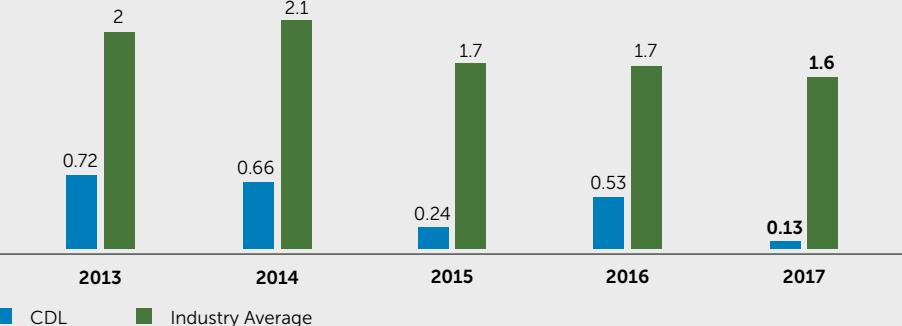
There was one reportable work-related accident sustained by a male worker at our construction site in 2017.

CDL remains fully committed to working with our builders to continually improve safety and health conditions at the construction sites.

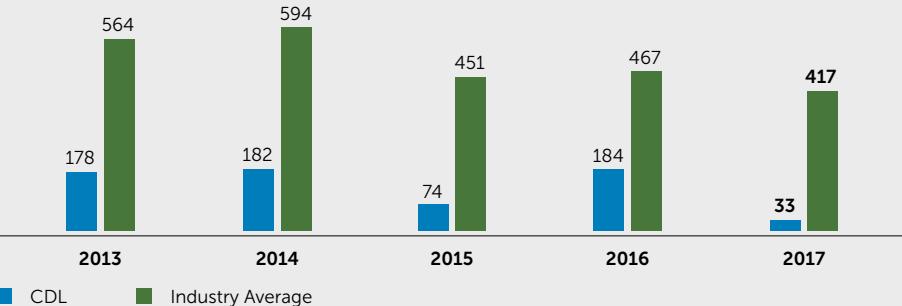
Safety Performance at Construction Sites



AFR at Construction Sites: No. of workplace accidents per million manhours worked



WIR at Construction Sites: No. of fatal and non-fatal workplace injuries per 100,000 persons employed



⁷ Based on 2017 statistics provided by WSH Institute and the MOM. For more information, please visit www.wsh-institute.sg.

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CDL 5-Star EHS Awards

In 2005, the CDL 5-Star EHS Awards were introduced 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 of the CDL EHS Excellence Award and the 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 live the safety message and inspire fellow colleagues to be more safety conscious, the Safe Worker Award was launched in 2014. In the same year, we launched the CDL EHS Cup soccer league with the aim of promoting a healthy lifestyle and fostering camaraderie amongst our builders' workers. The league received favourable response and has since been held annually.

The latest 13th Annual CDL 5-Star EHS Awards and EHS Cup 2017 are reported on [page 95](#).

FAIR AND COMPETITIVE REMUNERATION

Fair and competitive remuneration attract and retain the best talents to build strong human capital that enables CDL's business growth. Aligning with internal parity and market benchmarks, our equitable remuneration packages are based on employees' performance, expected roles and responsibilities. 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, our rewards and compensation policies are fairly based on employees' performance. This is judged not only on what employees achieve in the review period, but also on how it is achieved.

In 2017, we embarked on the Balanced Scorecard System to measure and align cross-functional and individual employee performance to support CDL's key business strategies and corporate objectives. The four perspectives – financial, customer, internal control, learning and growth – of the Balanced Scorecard are the essence of today's

business executives and managers in planning, implementing and achieving business success.

In addition, we implemented the SAP SuccessFactors Performance and Goals, as well as the Compensation module. The Performance and Goals module will help employees and their reporting managers align individual goals to company business objectives, which supports the Balanced Scorecard System. The Compensation module will provide CDL with a tool for communicating and reinforcing the philosophy and guidelines of incentivising performance. CDL conducts annual performance appraisals, which covers career development, for 100% of our employees.

Competitive Remuneration

Remuneration is recommended by the HR Department and the Group General Manager's Office, 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 has 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 14001, GRI Standards and the SDGs, 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.

On the other hand, our key subsidiaries CBM Pte Ltd and The Tower Club are both unionised, providing their workforce with a channel for collective bargaining.

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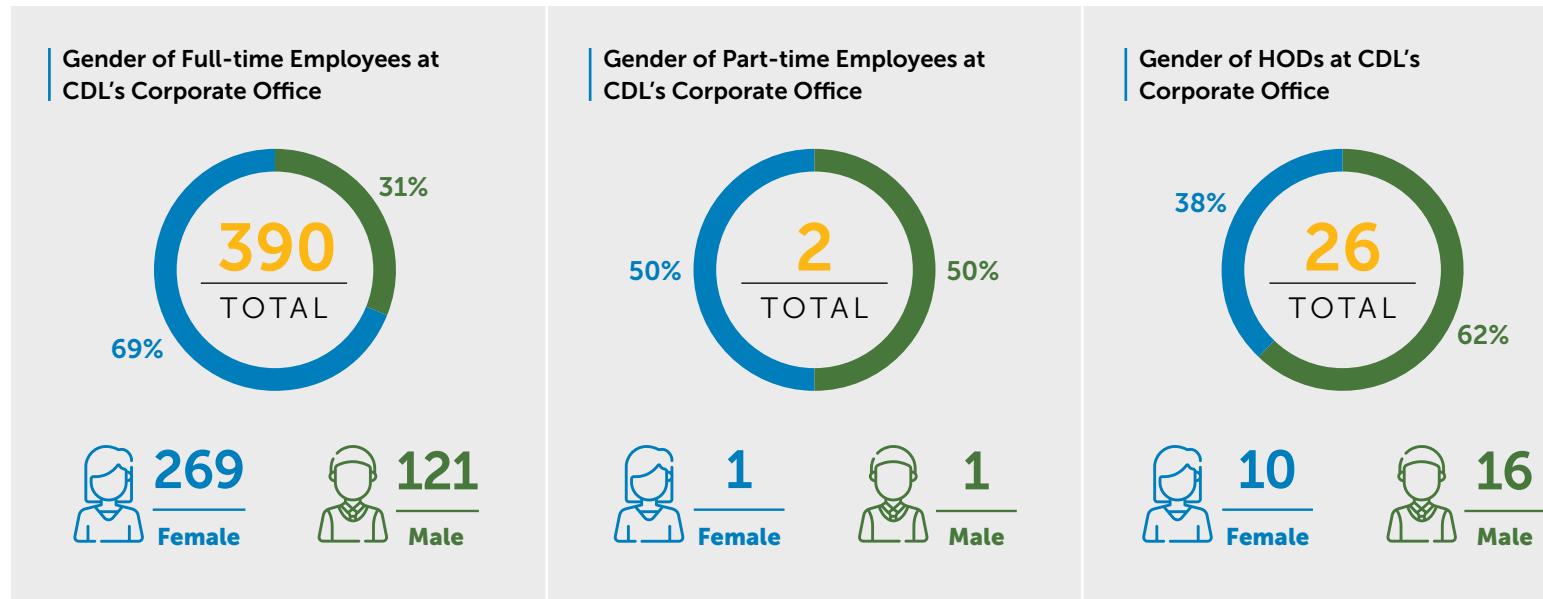
DIVERSITY AND INCLUSION

At CDL, we believe in the importance of diversity and inclusion, and strive hard to make it part of our corporate culture and inherent within our workforce. Harnessing the diversity of our talent pool from all genders, age groups, ethnicities, cultures, geographies and backgrounds, has strengthened our human capital and performance to support CDL's business growth.

In line with our belief to provide equal opportunities for all without discrimination, CDL's recruitment process adheres to strict guidelines on non-discrimination and fairness, regardless of gender, ethnicity, religion, or age.

Gender Diversity

With women making up about 69% of CDL's workforce, we have more females than males in both managerial* and non-managerial categories – a testament to the Company's emphasis on gender diversity and the success of our pro-family initiatives. In addition, 38% of our Head of Departments (HOD) were female as of end 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 project development and property and facilities management business are based. In 2017, females in non-managerial positions were paid 100% and managerial* positions were paid 94% of the average pay of males, with female employees holding more of the junior positions within the Company.

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 network for women in sustainability, which CDL has initiated at the launch of the Singapore Sustainability Academy on 5 June 2017. The network aims to celebrate, inspire and empower women in our wider community to create a financially, environmentally and socially sustainable future. More information on the Women4Green and its programmes can be found on www.cdlsustainability.com

* Exclude HOD and Vice-President

ENSURING A FAIR, SAFE AND INCLUSIVE WORKPLACE



CDL Group CEO Mr Sherman Kwek, who is a member of SGX's Diversity Action Committee, with some of 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 Esther An, Chief Sustainability Officer. (Standing): Ms Ong Siew Toh, Head of Group Reporting, Ms Sharifah Shakila Shah, Head of Legal, Ms Lee Mei Ling, Head of Sales & Marketing, Ms Belinda Lee, Head of Investor Relations & Corporate Communications.

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, initiated by the SGX, to advocate for an increase in women directors on listed company boards in Singapore for the sustainable competitiveness of companies and the economy as a whole.

Global Recognition for Gender Equality

For our efforts in advancing gender diversity, CDL was recognised as the first and only Real Estate Management and Development Company in the inaugural sector-neutral 2018 Bloomberg Gender Equality Index. 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.

ENSURING A FAIR, SAFE AND INCLUSIVE WORKPLACE

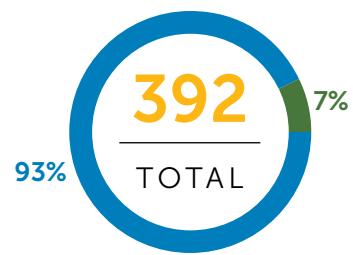
Age Diversity

CDL has a diversified workforce across all age groups. In 2017, 74% of new recruits were millennials (born in 1978 or later). More than 40% of our current workforce now consists of millennials, injecting new ideas, enthusiasm, and energy to our organisation.

Racial and Disability Inclusion

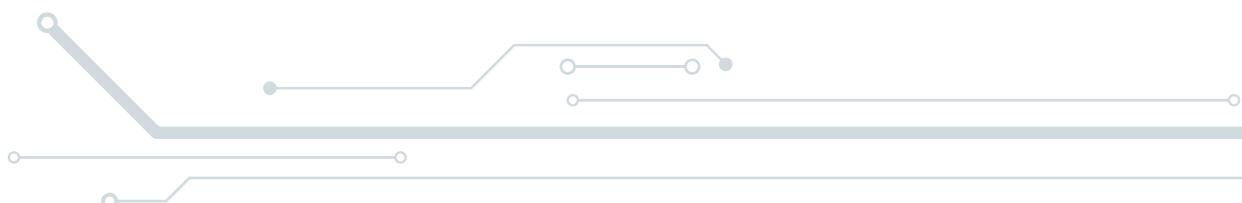
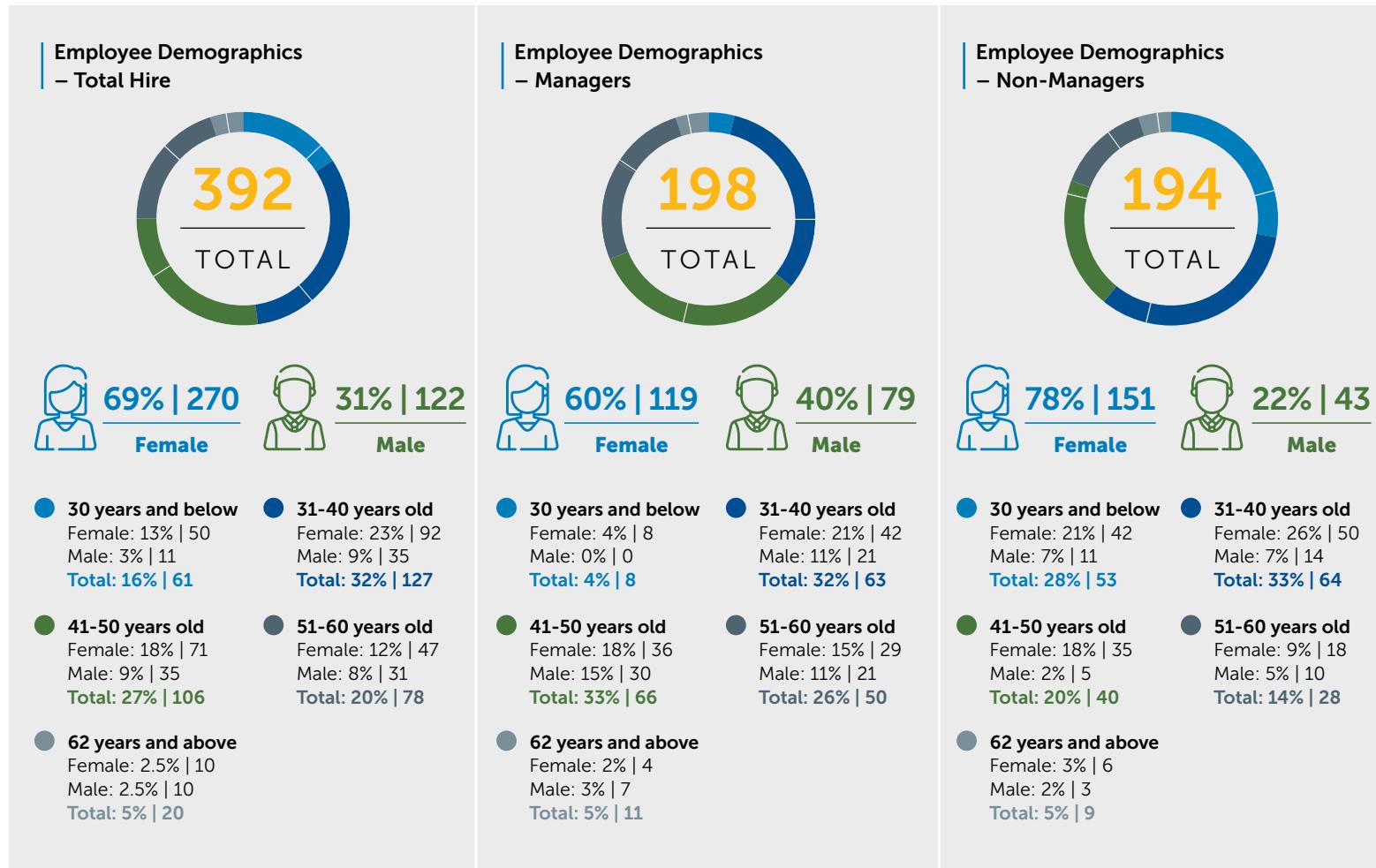
CDL embraces an inclusive workplace in our multi-racial workforce from diverse educational backgrounds. Our workforce is nonetheless heavier on the number of Chinese employees as a reflection of Singapore's predominantly Chinese population. Where possible, we also provide fair employment opportunities for the less physically-abled. As of 2017, CDL has one wheelchair-bound employee who has been with the Company for eight years.

Racial Diversity



Chinese: 363

Others: 29





CDL FUTURE VALUE 2030

CREATING SHARED ECONOMIC AND SOCIAL VALUE

8 DECENT WORK AND
ECONOMIC GROWTH



11 SUSTAINABLE CITIES
AND COMMUNITIES



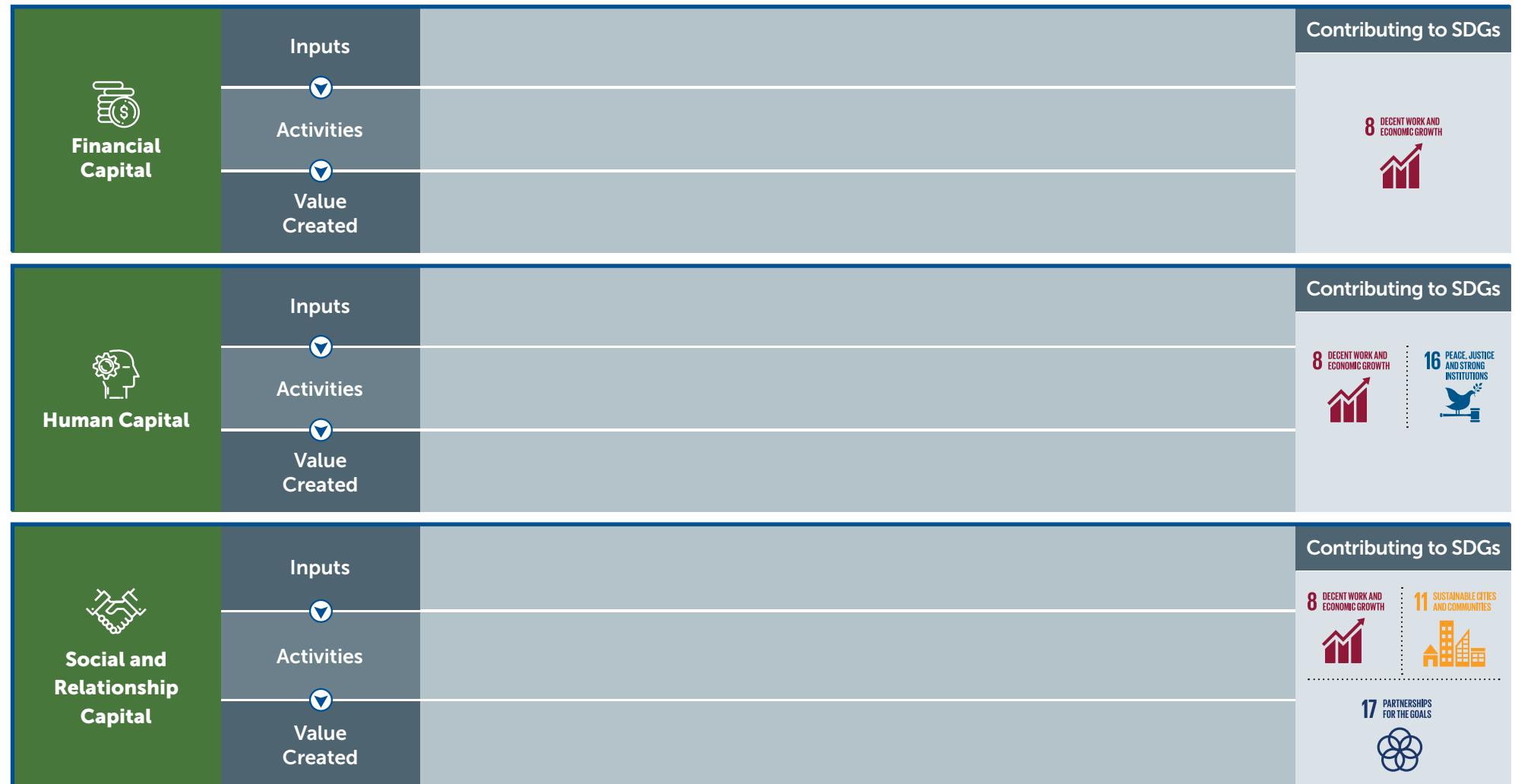
16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS



17 PARTNERSHIPS
FOR THE GOALS



CREATING SHARED ECONOMIC AND SOCIAL VALUE



CREATING SHARED ECONOMIC AND SOCIAL VALUE

At CDL, we believe in promoting inclusive growth for our Company, shareholders, customers, employees and society-at-large. On top of strong financial capital and market performance, our ability to sustain healthy profits also relies on our intangible assets, such as organisational excellence, brand equity, human capital, and the goodwill we have established in the communities we operate in.

We therefore view our business success beyond short-term gains and financial bottom line. We believe in achieving a balanced triple bottom line for sustainable growth.

FINANCIAL CAPITAL

Despite a challenging operating environment, the CDL Group continued to achieve resilient performance in FY 2017, with attributable profit after tax and non-controlling interests (PATMI) of \$538.2 million. The Group will focus on driving growth in our property development and recurring income segments, enhancement of asset portfolio performance and enterprise transformation. We will continue to remain disciplined in capital management and be highly selective and strategic in deploying our robust balance sheet.

Market Review and Performance

The CDL Group achieved a PATMI of \$538.2 million for FY 2017 (FY 2016:

REVENUE	TOTAL SHAREHOLDER RETURN (TSR) FOR THE YEAR	DIVIDEND PER SHARE
\$3.8 billion IN FY 2017	53% TAKING INTO ACCOUNT THE TOTAL DIVIDEND OF 18 CENTS PER SHARE DECLARED FOR FY 2017	18 cents

\$653.2 million). Basic earnings per share was 57.8 cents (FY 2016: 70.4 cents). In FY 2016, the Group's performance was boosted by a variety of factors, including a sizable contribution from Hong Leong City Center (HLCC) in Suzhou, higher profit margin residential projects in Singapore, divestment of 52.52% interest in City e-Solutions Limited, sale of Exchange Tower and the Group's third Profit Participation Securities (PPS). Pre-tax profit was largely distorted by one-off items. The property development segment continued to be the highest contributor, making up 57% for FY 2017. This segment benefited from the partial divestment of the Group's interest in two China projects in Chongqing to China Vanke Co., Ltd (Vanke) for \$55.5 million. Comparatively, in 2016, the Group had a substantial gain following the sale of Exchange Tower in Bangkok. The rental properties segment performed better than the hotel operations segment.

Notably, in 2017, the rental properties segment included a gain following the sale of an office building in Osaka while the hotel operations segment included a write back of impairment losses on loans to a joint venture (JV) of \$22 million.

Revenue remained relatively stable at \$3.8 billion (FY 2016: \$3.9 billion), driven by the strong take-up for our property development projects in Singapore and overseas, such as Gramercy Park, The Venue Residences, Coco Palms and HLCC. Revenue was boosted from revenue recognition in entirety from The Brownstone Executive Condominium (EC). In addition to the contributions from the Group's investment properties, revenue growth from the hotel operations segment was also enhanced, primarily by the full-year contributions from certain hotels within the Group's listed subsidiary, Millennium & Copthorne Hotels plc (M&C), notably Millennium

Hilton New York One UN Plaza and Grand Millennium Auckland.

Domestically, despite the absence of a new residential launch in FY 2017, the Group, together with our JV associates sold 1,171 units including ECs, with a total sales value of \$1.93 billion, again emerging as one of the top-selling private sector developers in Singapore. (FY 2016: 1,017 units with total sales value of \$1.25 billion).

The Group's office portfolio, a key component in our recurring income stream, also continued to enjoy a healthy occupancy rate of 94.8% as at 31 December 2017, compared to the island-wide occupancy rate of 87.4%.

In view of the creditable business results in 2017, the total dividend for the year amounts to 18 cents per share, a 12.5% increase from 2016.

CREATING SHARED ECONOMIC AND SOCIAL VALUE

Key Financial Information

Year	2013 ¹	2014	2015	2016	2017
Revenue	\$3,213 m	\$3,764 m	\$3,304 m	\$3,905 m	\$3,829 m
Tax paid	\$135 m	\$115 m	\$128 m	\$157 m	\$162 m
Staff costs	\$705 m	\$763 m	\$818 m	\$810 m	\$831 m
Profit before tax	\$948 m	\$1,004 m	\$985 m	\$914 m	\$780 m
PATMI	\$686 m	\$770 m	\$773 m	\$653 m	\$538 m
Return on equity	8.9%	9.2%	8.6%	7.0%	5.6%
Net asset value per share	\$8.50	\$9.25	\$9.89	\$10.22	\$10.54
Basic earnings per share	74.0 cents	83.2 cents	83.6 cents	70.4 cents	57.8 cents
Dividends					
Ordinary dividend per share					
- Final	8.0 cents	8.0 cents	8.0 cents	8.0 cents	8.0 cents²
- Special interim	8.0 cents	4.0 cents	4.0 cents	4.0 cents	4.0 cents
- Special final	–	4.0 cents	4.0 cents	4.0 cents	6.0 cents²
Preference dividend per share	3.9 cents	3.9 cents	3.9 cents	3.9 cents	3.9 cents

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 endeavours 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 end 2017, we had a net gearing ratio of 9% (FY 2016: 16%), excluding any revaluation surplus from investment properties, the lowest for

the Group on record. We maintained a robust balance sheet with cash reserves of approximately \$4 billion and interest cover of 13.6 times (FY 2016: 12.5 times). Our financial resources will enable the Group to react swiftly to any attractive opportunities, both locally and 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 2017. Current and previous reports are available at www.cdl.com.sg.

¹ The 2013 comparative figures were restated to take into account the retrospective adjustments arising from the adoption of FRS 110 – *Consolidated Financial Statements*.

² Final and special final tax-exempt (one-tier) ordinary dividends proposed for financial year ended 31 December 2017 will be subject to the approval of the ordinary shareholders at the forthcoming Annual General Meeting.

CREATING SHARED ECONOMIC AND SOCIAL VALUE

Capital Management

	As at 31/12/2013 ³	As at 31/12/2014	As at 31/12/2015	As at 31/12/2016	As at 31/12/2017
Cash and bank balances (including restricted deposits)	\$2,720 m	\$3,898 m	\$3,565 m	\$3,887 m	\$3,989 m
Net borrowings	\$2,589 m	\$2,820 m	\$2,938 m	\$1,865 m	\$1,047 m
Net gearing ratio⁴	25%	26%	26%	16%	9%
Net gearing ratio – if fair value gains on investment properties are taken into consideration	18%	19%	19%	12%	7%
Interest cover ratio	13.7 times	12.1 times	13.0 times	12.5 times	13.6 times

Overseas Platforms

The Group is cognisant of the importance of diversification into overseas markets. Since 2010, the Group has expanded into China, United Kingdom (UK)/Europe, Japan and Australia primarily on the property development front and continues to seek opportunities in these markets.

China

In September 2017, the Group's wholly-owned subsidiary CDL China Limited entered into a strategic partnership with Vanke, one of the top three residential developers in China. This strategic partnership will enable the Group to tap on Vanke's expertise in residential

developments in China and pave the way for future collaborations and business expansion opportunities in both China and Singapore.

The Group also continued to make strategic investments into disruptors with the potential to transform the future real estate landscape. As an existing shareholder of Distrii, one of China's leading operators of co-working spaces, the Group participated in Distrii's latest Series A funding round in September 2017.

CDL is also a shareholder in mamahome, one of China's fastest growing online apartment rental platforms with about

230,000 apartment listings spanning across 30 cities in China. Given the increasing trend for the rental market and its strong presence, mamahome has successfully set up strategic partnerships with various sizable market players and is set to grow significantly in scale.

UK/Europe

In October 2017, the Group's 240-unit Teddington Riverside development in the Borough of Richmond was soft-launched. It has received an encouraging level of enquiries, and is on track for completion by Q4 2019.

The Group also submitted a new planning application for our 22-acre site at the former Stag Brewery at Mortlake in February 2018, to be developed into a £1.25 billion mega mixed-use township including a high street, green space, green link, secondary school, recreation and sporting facilities, offices, homes and a care village containing assisted living units and a care home. The CDL Group is the master developer for this site, a concept which is currently being advocated in Singapore for larger plots of land.



³ The 2013 comparative figures were restated to take into account the retrospective adjustments arising from the adoption of FRS 110 – Consolidated Financial Statements.

⁴ 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.

CREATING SHARED ECONOMIC AND SOCIAL VALUE



Japan

The Group's 20% JV residential project, the prime freehold 160-unit Park Court Aoyama The Tower, is now over 80% sold. This is a prime residential project located in the highly sought-after Aoyama district within central Tokyo. The project is expected to be completed in March 2018 and will be handed over to purchasers progressively.



Australia

In 2017, the Group entered into a collaboration with Waterbrook Lifestyle Resorts to develop two luxury five-star retirement villages in New South Wales. Both projects are currently in planning stages.

Sustainable Fund Management

The Group aspires to be a leading global real estate manager. We will create a sustainable fund management business to generate attractive long-term, risk-adjusted returns for its investors and shareholders.

The fund management business will also help the Group to diversify our earnings, enhance recurring income streams and widen investor base. This strategy will enable the Group to tap on the growing appetite of institutional investors for unlisted real estate funds and concurrently deliver a higher return on equity to our shareholders.

The Group's goal is to be a leading fund manager in Asia by 2023 and to achieve this milestone, we will target to attain Assets Under Management (AUM) of US\$5 billion by then. As such, the Group aims to launch our first series of close-ended, commingled funds focusing on core, core plus and opportunistic real estate investments in Asia Pacific by 2019.

The Group will use our core competency in real estate to create real estate vehicles with different risk return profiles to cater to the needs of various institutional and high net worth individuals.

The existing three PPS initiatives will be gradually wound down as each of them has a short-term fund life. Depending on the time frame and market conditions, the Group may stand to benefit from the waterfall distribution structures following the orderly disposal of the fund's assets.

HUMAN CAPITAL AND DEVELOPMENT

People are an organisation's greatest asset, and the driving force behind its long-term success. Professional ethos, skills, experience, and performance of our people are key to CDL's business performance and financial sustainability. We therefore believe in building engaging careers where employees can grow with the Company.

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 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. The Company supports and shares a 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.

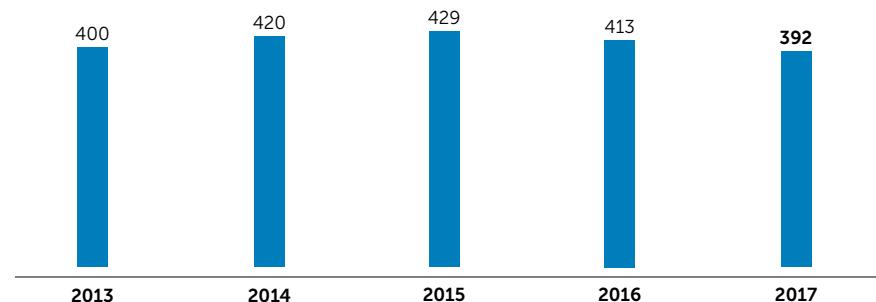
There has been no major reorganisation which resulted in the loss of jobs, in the past five years.

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.

Our Employees

As at 31 December 2017, CDL hired a total of 392 employees for our core operations headquartered in Singapore where the majority of our business in project development and property and facilities management is based. Close to 7% of our employees are hired on a temporary basis with tenure of more than one year.

Total Number of Employees



CREATING SHARED ECONOMIC AND SOCIAL VALUE

Number of Full-time Employees



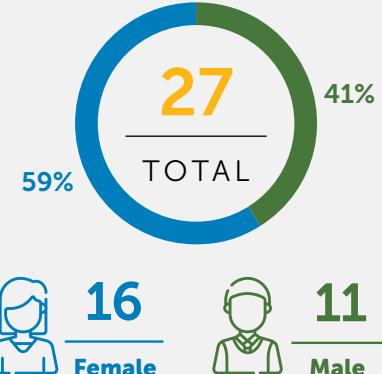
Number of Part-time Employees



Number of Permanent Employees



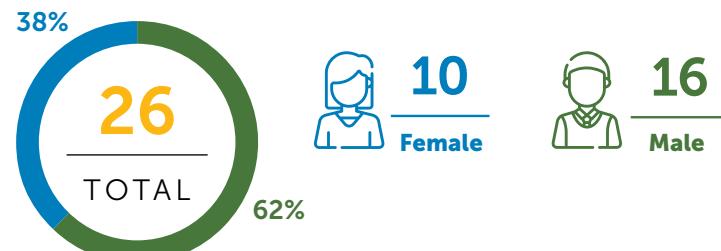
Number of Temporary Employees



Heads of Department (HOD)

93% of our HODs are Singaporeans or Permanent Residents, hired from our local community.

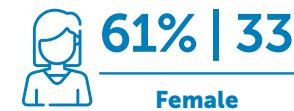
Gender of HODs at CDL's Corporate Office



New Hires

CDL made 54 new hires in 2017, at a new hire rate of 14%. Out of these 54, 46 were replacements for existing positions and eight for newly created positions.

Employee Demographics - New Hires



- 30 years and below
Female: 33% | 18
Male: 9% | 5
Total: 42% | 23



- 31-40 years old
Female: 19% | 10
Male: 17% | 9
Total: 35% | 19

- 41-50 years old
Female: 9% | 5
Male: 7% | 4
Total: 17% | 9

- 51-60 years old
Female: 0% | 0
Male: 6% | 3
Total: 6% | 3

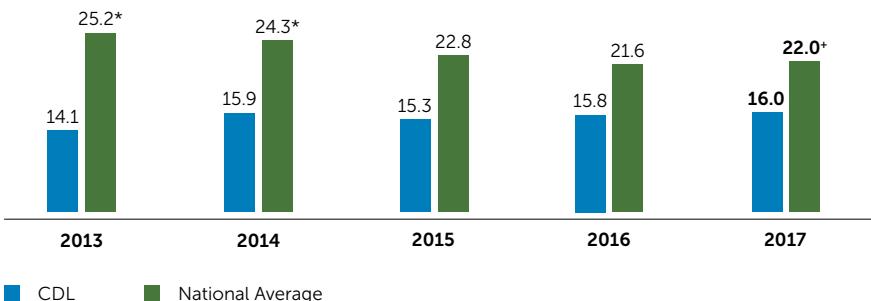
CREATING SHARED ECONOMIC AND SOCIAL VALUE

Employee Retention

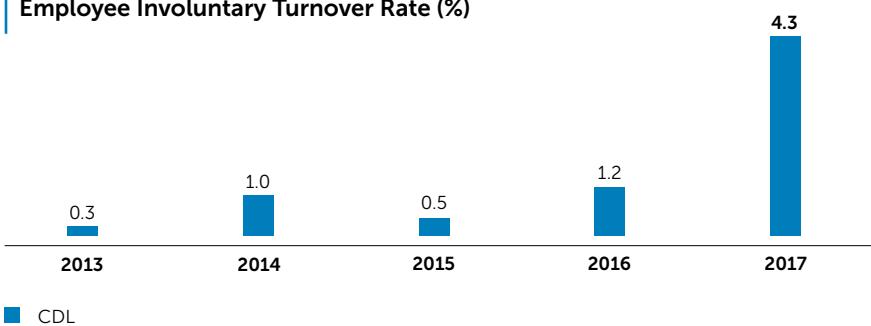
CDL's successful employee engagement is evident from our employees' length of service. The average tenure of our employees is about 9.4 years and more than 56% of our employees have been with CDL for more than five years. Our annual

employee resignation rate of 16% continued to remain significantly lower than the national average of 22%+ in 2017. CDL experienced an involuntary turnover rate of about 4%, of which over 80% was due to retirement, end of contract and performance-related issues.

Employee Resignation Rate (%)



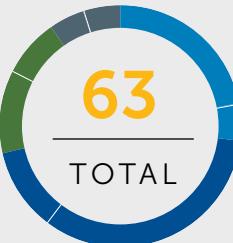
Employee Involuntary Turnover Rate (%)



* 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.

+ Using National Average as at 2017 found on MOM website

Employee Demographics – Resignations



● 30 years and below
Female: 22.2% | 14
Male: 4.8% | 3
Total: 27% | 17

● 41-50 years old
Female: 11.1% | 7
Male: 7.9% | 5
Total: 19% | 40

● 31-40 years old
Female: 33.3% | 21
Male: 11.1% | 7
Total: 44.4% | 28

● 51-60 years old
Female: 0% | 3
Male: 6% | 3
Total: 9.6% | 6

Employee Demographics – Involuntary Turnover



● 30 years and below
Female: 12% | 2
Male: 0% | 0
Total: 12% | 2

● 41-50 years old
Female: 11.5% | 2
Male: 17.5% | 3
Total: 29% | 5

● 31-40 years old
Female: 18% | 3
Male: 0% | 0
Total: 18% | 3

● 51-60 years old
Female: 6% | 1
Male: 18% | 3
Total: 24% | 4

● 62 years and above
Female: 0% | 0
Male: 17% | 3
Total: 17% | 3

CREATING SHARED ECONOMIC AND SOCIAL VALUE

BENEFITS AND WELFARE

We take care of 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 get to enjoy maternity leave of 16 weeks and paternity leave of two weeks respectively, as advocated by the Government. CDL also provides eligible employees with childcare leave and extended childcare leave.

Male employees are also 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 2017, 10 eligible female CDL employees utilised their maternity benefits and all 10 employees returned to work after their maternity leave. One eligible male employee used his paternity leave benefits.

92 CDL employees (20 male, 72 female) with at least one Singapore Citizen child under the age of seven were entitled to six days of paid childcare leave in 2017. In addition, 48 employees (15 male, 33 female) with at least one Singapore Citizen child aged seven to 12 years were entitled to two days of paid extended childcare leave in 2017.

Flexible Work Arrangements

CDL also provides flexible work arrangements for employees with special family needs to manage their personal and work commitments more effectively. 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 2017, two employees worked on a part-time arrangement.

Flexible Benefits Scheme

In 2017, CDL introduced a Flexible Benefits Scheme for all regular and contract employees, providing 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 needs.

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 interest of 2.5% guaranteed by the Government, while savings in Special, Medisave, and Retirement Accounts will earn 4% 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

Several schemes and insurance plans such as the Dependents' Protection Scheme, Home Protection Scheme, catastrophic medical insurance scheme and even severe disability insurance scheme to protect CPF members and their families

• Asset Enhancement

CPF members have the choice to decide for themselves how to invest their CPF savings and what risks to accept, to ensure their financial security. CDL assists employees in making monthly 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, beyond 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.cdsustainability.com:

- Human Rights
- Learning and Development
- Talent Acquisition and Retention
- Diversity and Equal Opportunity

CREATING SHARED ECONOMIC AND SOCIAL VALUE

TRAINING AND DEVELOPMENT

We believe that an engaged workforce and strong leadership are key drivers for our organisational growth, innovation and sustainability. Investing in employee learning and development helps build a resilient and future-ready workforce, which will in turn provide a competitive edge for CDL's future growth and success. Our employees acquire skills and expertise that will differentiate them from the market through learning and development opportunities provided by CDL and our industry partner networks.

In the same vein, we reviewed our Competency Framework in 2017, to raise our employees' learning and development capacity, to yield a capable and more agile workforce to support our new business goals. We also carry out annual training needs analysis to ensure there are adequate training interventions to level-up competencies and professional knowledge.

All new employees are required to attend the CDL On-boarding Programme, which aims to induct and integrate new hires into our organisational culture seamlessly. Annual training needs analysis is conducted to ensure that there are necessary training interventions to enhance competencies and professional knowledge.

* Include schemes such as Productivity & Innovation Credit.

Training Hours and Investments

In 2017, CDL invested over \$270,000 and clocked over 15,000 hours in training and development before any government funding*. 100% of our workforce was provided the opportunity to attend training, while over 50% achieved an average of four training days or more per employee.

CDL also supports our employees in receiving sustainability-related training. EHS training and awareness programmes are planned for all CDL employees in order to cultivate a 'Safe and Green' corporate culture. They are also encouraged to attend relevant external conferences and workshops to strengthen their sustainability knowledge and EHS management skills. 64% of employees received sustainability-related training in 2017.

In 2017, CDL continued to organise an 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 bring them up to speed with global sustainability trends and developments. An esteemed panel comprising keynote speaker Mr. David Galipeau, Chief Impact Officer for Asia-Pacific of the UN Development Programme (UNDP), as well as

sustainability experts from DBS, ING, Interface and IBM Asia Pacific, shared insights on emerging sustainability trends that businesses should capitalise on for long-term business growth.

No. of Employees



69% | 270
Female



31% | 122
Male



51% | 198
Manager

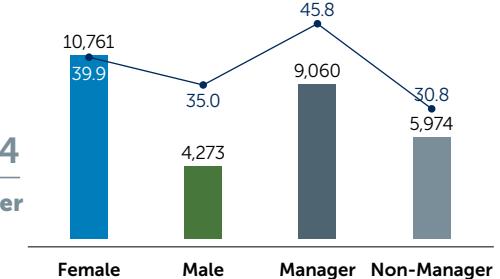


49% | 194
Non-Manager

Employees Training Hours

Total No. of Training Hours

Average Training Hour/Employee



Mr David Galipeau, UNDP Chief Impact Officer of Asia-Pacific, sharing about emerging trends in sustainability with CDL's Board of Directors, senior management, and Sustainability committee members.

CREATING SHARED ECONOMIC AND SOCIAL VALUE

Leadership Development and Succession Planning

Having evolved into the global property conglomerate that we are today, it is crucial for CDL to develop a robust talent pool. Through the structured CDL Leadership Programme, we develop high-potential employees by sharpening their leadership and general management skills to enable them to become more effective leaders.

Today's employees are more career conscious than ever. They are demanding more in terms of personal growth and development. With this shift in paradigm, there is a critical need to put in place a well-designed job rotation programme to enhance the 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:

a. 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.

b. Succession Planning

Job rotation serves as an effective tool in developing the identified successors for various critical leadership positions. It allows them to build up the competencies that they may be lacking, and provides them with a more holistic view of CDL's business, thereby ensuring that they are more prepared for the respective leadership roles.

c. Talent Retention

Job rotation motivates employees as it offers them a new set of challenges, hones their skills for bigger roles, and adds diversity to their current jobs, making work less mundane or routine.

Management Trainee Programme

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 for the Company to develop a Talent Pipeline.

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 development. Upon completion of the programme, individuals will be posted to one of the departments.

Education Sponsorships and Scholarships

CDL also sponsors part-time courses relevant to the employee's work, conducted locally by recognised institutions and universities. In 2017, we sponsored one employee to upgrade his/her educational qualifications.

Internships

In addition, CDL partners local tertiary education institutions to offer internship opportunities for students interested in the property industry. In 2017, 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 2017, as with previous years, CDL made zero direct and indirect political contributions using the Company's resources.

COMMUNITY INVESTMENT

CDL has nurtured a robust relationship with the communities we operate in, going beyond shaping cityscapes to contributing towards community building. This has generated very strong social capital and goodwill for CDL. By actively initiating and supporting sustained outreach programmes in four focus areas – environmental conservation, youth development, the arts, and caring for the less fortunate – CDL aims to deliver a lasting and positive impact among our communities and stakeholders.

Our Community Investment Strategy

As a listed company, CDL is mindful of the prudent use of funds and accountability to shareholders and investors. Taking an impact-focused approach, our community investment strategy aims to create value for our brand and business, and at the same time generate positive impacts on the wider community and environment.

CREATING SHARED ECONOMIC AND SOCIAL VALUE

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 such as volunteers, offering ideas, expertise, manpower and time to serve the community. These collaborative initiatives need to be long-term and consistent to achieve the desired impact, and many of our community and environmental projects are sustained efforts that span many years.

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. Furthermore, for accountability, all charities and community partners are required to submit reports on their social and environmental impact of their programmes, as well as use of funds and resources.

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 avenues where the residents can give comments and feedback.

Prior to the start of key construction stages, our builders conduct surveys and the feedback is collected, compiled and analysed, and the concerns are addressed. As an avenue for further feedback, contact details are displayed on banners around the construction site, alongside other information required by 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 construction schedule are distributed. Measures to reduce the impact of construction work on the surroundings also continue to be a priority.



One of the highlights of Assisi Charity Fun Day 2017: On a trishaw, CDL Group CEO Mr Sherman Kwek ferried Sister Florence Wong from Franciscan Missionaries of the Divine Motherhood, and Ms Gracelyn Ng, five year-old granddaughter of a patient at the hospice, to much cheer from the crowd. Donations poured in and the segment raised over \$76,000.

CREATING SHARED ECONOMIC AND SOCIAL VALUE

Influencing our Value Chain

Key Initiatives	Outcomes and Impact
'Better Places for People' Tenant Engagement Event	CDL partnered the Singapore Green Building Council and Building and Construction Authority to hold Singapore's first tenant-focused event to raise awareness about the health, well-being and productivity benefits generated by green and low-carbon offices. The inaugural session supported the World Green Building Council's 'Better Places for People' initiative to benefit close to 100 tenants, occupants and partners from the public and private sectors.
13 th CDL 5-Star EHS Awards and EHS Cup	Established in 2005, the annual CDL 5-Star EHS Awards recognise exemplary builders and workers who have excelled in Environment, Health and Safety (EHS) performance at CDL's construction sites. Along with the awards, CDL organised an annual EHS Cup to help build camaraderie among workers through a series of soccer matches. At the final match attended by over 300 workers, we distributed over 1.5 tonnes of fortified rice to improve workers' health and well-being.

Promoting a Low Carbon and Zero-Waste Society

Key Initiatives	Outcomes and Impact
EcoBank and Fashion 3R	In its third year running, the nationwide EcoBank campaign, which promotes zero-waste and responsible consumption and disposal, collected about 17,500 kg of pre-loved items for sale at a three-day charity bazaar. The initiative saved 7,012 tonnes of carbon from landfill and raised close to \$33,000 for the Children's Charities Association. In 2018, a new initiative 'Fashion 3R' was introduced to put the spotlight on the massive yet less noticed global sustainability problem of fast fashion, as fashion is the second most polluting industry globally. Through a series of booths, workshops and clothing swaps, Fashion 3R aims to promote responsible purchase, recycling and disposal of fashion items to the public.
Clean and Green Singapore	CDL supports the annual National Environment Agency (NEA) Clean and Green Singapore Carnival which received a visitorship of over 20,000 members of the public. In collaboration with IKEA, CDL's Eco-Home Exhibit leveraged the Group's expertise on green buildings to showcase smart home solutions such as a real-time Utility Management System and energy tracker.

Advocating Best Practices in Sustainability

Key Initiatives	Outcomes and Impact
Singapore Sustainability Academy	The Singapore Sustainability Academy (SSA), in partnership with the Sustainable Energy Association of Singapore, is the first major People, Public and Private (3P) ground-up initiative in support of global and national goals to tackle climate change. The zero-energy SSA was officially opened on World Environment Day on 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. Since its opening, the SSA has hosted 71 sustainability-related training programmes and events, involving over 1,500 business and NGO representatives, 500 energy managers and 400 youths, as of end 2017.
Women4Green	CDL launched the Women4Green network at the SSA opening ceremony to empower and connect women executives in green industries by providing them a specific platform to develop ideas, foster growth and engage the community. The initiative supports SDG 5: Gender Equality and global climate action. It aims to help build a future where all women and girls have equal opportunities, and can incite meaningful change in green industries.

CREATING SHARED ECONOMIC AND SOCIAL VALUE

Advocating Best Practices in Sustainability (Cont'd)

Key Initiatives	Outcomes and Impact
Thought Leadership in Sustainability and Responsible Business	<p>Having integrated sustainability into our business for over two decades, CDL is often invited to share best practices on how businesses can create stakeholder value through responsible practices. CDL's senior management have showcased our experience in sustainability reporting, green finance and green buildings at over 60 local and international platforms in 2017, notably:</p> <ul style="list-style-type: none"> • United Nations Environment Programme Finance Initiative Asia Pacific Regional Roundtable • Responsible Business Forum Singapore 2017 • Responsible Fund Managers Masterclass • CSR Works Asia Sustainability Reporting Summit • Singapore Institute of Directors Conference 2017

Nurturing Future Sustainability Leaders

Key Initiatives	Outcomes and Impact
CDL-GCNS Young CSR Leaders Award 2017	Launched in 2011 in partnership with Global Compact Network Singapore (GCNS), this annual youth case competition seeks to empower and groom future business leaders to embrace sustainability as part of business strategy and operations. In 2017, the programme had a record sign-up of 132 teams, benefitting over 500 students from local institutions.
CDL E-Generation Challenge 2017	The 8 th edition of the CDL E-Generation Challenge 2017, in partnership with Global Green Economic Forum, is a youth-centric competition targeted to encourage and empower youths to come up with urgent solutions for climate change. Winner Jessica Cheam, Founder and Managing Editor of Eco-Business and Distinction Awardee Inch Chua, a local singer-songwriter were selected to join O.B.E. Robert Swan on an expedition to Antarctica in 2018.
CDL Little Green Hearts	Echoing the Singapore government's increased efforts in early childhood development, CDL launched eco-education programme, CDL Little Green Hearts, in collaboration with local non-profit Ground-Up Initiative. Targeting children between four and seven years of age, the programme aims to impart actionable tips on sustainable living to young children through sensory experiences in a community-based natural environment. 30 CDL employees and their children participated in the first run of the series, which will be extended to our tenants and their kids in 2018.
Educating Future Generations of Responsible Business Leaders	Seeking to equip their students with the relevant skills and knowledge for the future economy, institutes of higher learning have sought CDL's business case for sustainability as inspiration for their students. CDL's senior management have been invited to deliver lectures and talks to almost 500 students, with a focus on corporate sustainability. These include: <ul style="list-style-type: none"> • Nanyang Technological University (NTU) Earth Hour: Our Green Generation • National University of Singapore (NUS) Sharing City Symposium • Inaugural Singapore Management University (SMU) 'Managing Sustainability' Module • NTU Distinguished Alumni Forum
Youth-led Programmes – Local and Overseas	Through the CDL-SMU Young CSR Leaders Fund and direct sponsorships, CDL has supported a total of 25 youth-led Community Involvement Projects (CIPs), which contributed to social-environmental causes in the local and neighbouring communities. Over 1,900 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 2017 • NUS Goes Lite 2017 • SMU Challenge 2017 • Greenfest by NTU Earthlink 2017

CREATING SHARED ECONOMIC AND SOCIAL VALUE

Connecting Arts with Sustainability

Key Initiatives	Outcomes and Impact
6th CDL Singapore Sculpture Award 2017	Themed 'Towards Zero-Waste!', submissions for this biennial award drew inspiration from the circular economy concept and Singapore's vision of becoming a zero-waste nation by 2030. The winning work titled 'Growth Within' was constructed with remnant timber strips from the construction of SSA and recycled signpost wood provided by the National Parks Board.
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 focused on SDG 11: Sustainable Cities and Communities.

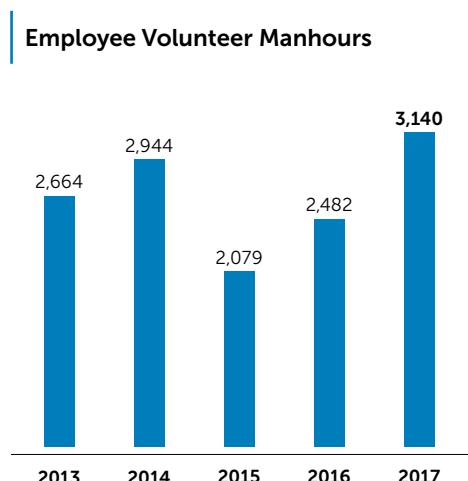
Caring for our Community

Key Initiatives	Outcomes and Impact
Assisi Hospice Charity Fun Day 2017	In June 2017, CDL rallied the support of our Group of companies and the enthusiastic participation from our employees, suppliers and subsidiaries to raise \$185,000 at the Assisi Hospice Charity Fun Day, to provide much needed funding for quality palliative care to terminally ill adults and children.
'Christmas Gift of Love' Community Outreach	CDL involved our tenants from three key office buildings in an outreach programme to benefit some 300 children from low-income or disadvantaged families. Tenants were invited to adopt and fulfil wishes of children beneficiaries, and spent time with them over a series of Christmas activities.

Employee Volunteerism

Apart from monetary donations, CDL has always believed in engaging stakeholders through active employee volunteerism to complement its community investment and deliver more meaningful impact.

Since 1999, CDL's employee-led volunteering body, City Sunshine Club (CSC), has been reaching out to the underprivileged. In 2017, CDL employees contributed more time and effort to support various community projects, achieving a participation rate of over 90% and over 3,140 volunteer manhours.



Moving Forward

Going forward, the CDL Group's key focus will be on growth, enhancement, and transformation. We will aim to drive growth in our property development business locally, continue to seek strategic bids to bolster the Group's local land bank, enhance the performance of our existing portfolio, and strive to transform the Group through constant innovation and investments into new economy and technology ventures.

We remain committed to developing our employees and contributing to the community through our long-term community investment strategy.

While these are intangible assets, they help to maintain CDL's strong business performance and build priceless goodwill between us and our stakeholders. With a growing pool of socially and environmentally conscious consumers especially among the millennials, these will be worthy investments for the future as CDL seeks to transform its business to remain sustainable and relevant in the midst of growing uncertainties.

CREATING SHARED ECONOMIC AND SOCIAL VALUE

INDUSTRY AND SUSTAINABILITY ASSOCIATIONS

To further the sustainability cause at home and abroad, CDL's Senior Management has been represented on 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
Asian Civilisations Museum	Mr Kwek Eik Sheng, Member Advisory Board
Asian Corporate Governance Association	Ms Esther An, Member Corporate Discussion Group
Business Council for Sustainable Development Singapore	Ms Esther An, Founding Member
Caring for Climate: United Nations' (UN) initiative for Business Leadership on Climate Change	Signatory since 2008
CDP Reporter Services	Ms Esther An, Corporate Representative
Diversity Action Committee Singapore	Mr Sherman Kwek, Committee Member
Global Compact Network Singapore	Ms Esther An, Member Management Committee
Global Reporting Initiative (GRI) Corporate Leadership Group for Integrated Reporting <IR>	Ms Esther An, Member
GRESB Benchmark Committee	Ms Esther An, Member Asia Real Estate Benchmark Committee
International Integrated Reporting Council's Network	Ms Esther An, Corporate Representative
National University of Singapore	Ms Esther An, Advisory Committee Member Master's Degree Programme on Environmental Management (MEM)
National Trades Union Congress (NTUC) Club	Mr Chia Ngiang Hong, Member Management Council
President's Award for the Environment	Ms Esther An, Member Judging Panel
Public Utilities Board	Ms Esther An, Corporate Representative Water Network 7 th Panel
Real Estate Developers' Association of Singapore (REDAS)	Mr Chia Ngiang Hong, Second Vice President
Royal Institution of Chartered Surveyors and UN Global Compact	Ms Esther An, Steering Group Member Best Practices Toolkit for Real Estate Sector

Organisation	CDL Representation
Singapore Chinese Chamber of Commerce and Industry	Mr Sherman Kwek, Council Member
Singapore Green Building Council	Mr Chia Ngiang Hong President: March 2015 to March 2017 Immediate Past President: Current
Singapore Institute of Directors	Corporate Nominees: Mr Eric Chan, 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 Management University	Ms Esther An, Industry Partner mentor Managing Sustainability module
Singapore River One	Mr Chia Ngiang Hong, Vice-Chairman
Sustainable Stock Exchanges	Ms Esther An, Member Green Finance Advisory Group
UN Global Compact	Signatory since 2005
United Nations Environment Programme (UNEP) – Finance Initiative	Ms Esther An, Member Property Working Group
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
Workplace Safety and Health Council (WSHC)	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 (YWLC)	Ms Esther An, Mentor YWLC Mentorship Programme

SUSTAINABILITY AWARDS AND ACCOLADES*

- **AmCham CARES Award 2017**
- **Asian Correspondent 2017 CSR 50 Index**
- **CDP (formerly known as Carbon Disclosure Project)**
 - Leadership Level; Highest Scoring Singapore Real Estate Company
- **Dow Jones Sustainability Indices 2017 (World & Asia Pacific)**
- **DuPont Safety and Sustainability Awards 2017**
 - Regional Sustainability Award
- **FTSE4Good Index Series**
- **Global 100 Most Sustainable Corporations in the World 2017**
 - Top Singapore Company and Most Sustainable Corporation in Real Estate Management & Development
- **Global Real Estate Sustainability Benchmark (GRESB) Real Estate Assessment 2017**
 - Regional Sector Leader, Office Sector
- **IR Magazine Awards – South East Asia 2017**
 - Best ESG Communications (Joint Winner)
- **MSCI ESG Leaders Indexes 2017**
 - Highest 'AAA' rating
- **Patron of the Arts Award 2017**
- **RobecoSAM The Sustainability Yearbook 2017**
- **Singapore Green Building Council – Building and Construction Authority**
- **Sustainability Leadership Awards 2017**
 - Green Building Organisations: Business Leadership in Sustainability, Winner
 - Green Building Projects: Leadership in Design & Performance (Residential), Winner – Blossom Residences
 - Green Building Individuals: Green Advocate of the Year – Ms Esther An, CDL Chief Sustainability Officer
- **Securities Investors Association of Singapore (SIAS) Investors' Choice Awards 2017**
 - Sustainability Award, Winner
 - Singapore Corporate Governance Award – Runner-up, Real Estate Category*
- **Singapore Exchange (SGX) Sustainability Indices**
- **Singapore Helping Employees Achieve Life-Time Health (HEALTH) Award**
 - Healthy Workplace Ecosystem Award for 7 & 9 Tampines Grade, 11 Tampines Concourse and City House
- **Singapore Sustainability Reporting Awards 2017**
 - Best Sustainability Report for Established Reporters (Mainboard and Catalist)
- **STOXX® Global ESG Leaders Indices 2017**
- **Sustainable Business Awards 2017**
 - Overall Winner
 - Best Strategy and Sustainability Management
 - Special Recognition Award for Energy Management and Workforce
- **United Nations Global Compact 100 Index**
- **Workplace Safety & Health (WSH) Awards 2017**
 - Developer Award

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



KEY PERFORMANCE SUMMARY

Indicator	Unit of Measurement (UOM)	2013*	2014	2015	2016	2017
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
Compliance with voluntary health and safety codes and standards	Number	0	0	0	0	0
EHS Related Fines: CDL Managed Properties	Number	2	0	3	0	2
EHS Related Fines: CDL Construction Sites	Number	13	18	13	18	4
Total Amount of Fines	\$	121,400	122,500	100,600	110,000	22,400
Environment						
Energy Usage						
Corporate Office	MWh	581	613	554	533	651
Commercial and Industrial Buildings	MWh	55,743	46,965	45,937	47,336	44,155
Construction Sites	MWh	5,074	7,051	8,160	8,182	5,733
Renewable Energy (Solar + BIPV)	MWh	199,732	217,567	211,100	193,886	212,962
Subsidiaries						
CBM	MWh	n/a	177	186	209	132
CDL Hospitality Trusts (CDLHT)	MWh	n/a	31,500	35,255	41,358	41,501
City Serviced Offices	MWh	n/a	329	422	440	433
Le Grove Serviced Apartments (Le Grove)	MWh	n/a	1,780	1,872	1,932	5
Tower Club	MWh	n/a	244	999	1,025	983
Millennium & Copthorne plc (M&C)	MWh	n/a	458,931	685,644	692,314	507,724
Water Usage						
Corporate Office	m³	3,107	3,201	2,874	2,912	2,857
Commercial and Industrial Buildings	m³	573,153	384,592	385,575	375,058	342,000
Construction Sites	m³	143,880	128,401	149,761	170,232	158,765
Recycled water (construction sites)	m³	121,715	244,608	217,591	167,982	21,004
Use of NEWater instead of potable water	m³	121,122	128,164	131,098	133,140	119,242
Subsidiaries¹						
CDLHT	m³	n/a	446,822	477,312	459,072	493,028
Le Grove ²	m³	n/a	13,257	15,888	15,344	–
Tower Club	m³	n/a	7,599	7,237	8,176	7,235
M&C	m³	n/a	6,057,942	6,099,614	6,092,639	4,582,223

1 CBM and CSO are tenants within a building and hence do not have separate meters to track respective water usage within their facilities.

2 No water data. Le Grove Serviced Apartments were closed for renovation from Dec 2016 to Jul 2018.

KEY PERFORMANCE SUMMARY

Indicator	Unit of Measurement (UOM)	2013*	2014	2015	2016	2017
Waste Disposed						
Corporate Office	tonnes	n/a	n/a	n/a	13	17
Commercial and Industrial Buildings	tonnes	n/a	n/a	n/a	4,283	4,265
Paper Recycled	tonnes	672	1,055	1,057	584	479
Construction Sites	tonnes	4,544	12,323	13,906	13,523	3,796
GHG Emissions						
Corporate Office						
Scope 1	tonnes CO ₂ e	44	47	52	39	31
Scope 2	tonnes CO ₂ e	291	276	270	262	224
Scope 3	tonnes CO ₂ e	151	642	614	543	492
Commercial and Industrial Buildings						
Scope 1	tonnes CO ₂ e	2,858	3,027	1,264	741	599
Scope 2	tonnes CO ₂ e	27,743	21,130	22,346	23,239	18,682
Scope 3	tonnes CO ₂ e	1,703	1,401	572	658	3,614
Construction Sites						
Scope 1	tonnes CO ₂ e		4,289	5,241	4,543	771
Scope 2	tonnes CO ₂ e	2527 ³	1,022	1,118	1,522	1,132
Scope 3	tonnes CO ₂ e	187	104	71	67	244
Total Suspended Solids						
	mg/litre	40	44	26	21	19
Health and Safety						
Fatalities	Number	0	0	0	0	0
Occupational diseases	Number	0	0	0	0	0
Corporate Office						
Accident Frequency Rate	Number of workplace accidents per million manhours worked	n/a	n/a	0	5.7	2.4
Accident Severity Rate	Number of hours lost to workplace accidents per million manhours worked	n/a	n/a	n/a	54	41
Workplace Injury Rate	Number of fatal and non-fatal workplace injuries per 100,000 persons employed	n/a	n/a	0	1193	505

³ Before 2014, Scope 1 and 2 emissions were reported collectively

KEY PERFORMANCE SUMMARY

Indicator	Unit of Measurement (UOM)	2013*	2014	2015	2016	2017
Managed Properties						
Accident Frequency Rate	Number of workplace accidents per million manhours worked	n/a	n/a	n/a	n/a	1.1
Accident Severity Rate	Number of hours lost to workplace accidents per million manhours worked	n/a	n/a	n/a	n/a	22
Workplace Injury Rate	Number of fatal and non-fatal workplace injuries per 100,000 persons employed	n/a	n/a	n/a	n/a	311
Construction						
Accident Frequency Rate	Number of workplace accidents per million manhours worked	0.72	0.66	0.24	0.53	0.13
Workplace Injury Rate	Number of fatal and non-fatal workplace injuries per 100,000 persons employed	178	182	74	184	33
Human Capital and Development						
Total number of employees	Number	400	420	429	413	392
Full-time female employees	Number	n/a	n/a	n/a	286	269
Full-time male employees	Number	n/a	n/a	n/a	121	121
Part-time female employees	Number	n/a	n/a	n/a	3	1
Part-time male employees	Number	n/a	n/a	n/a	3	1
Female heads of department	%	44	40	41	40	38
Male heads of department	%	56	60	59	60	62
Employee resignation rate	%	14.1	15.9	15.3	15.8	16
Employee involuntary turnover rate	%	0.3	1	0.5	1.2	4.3
Employee training	Average days per employee per year	4	4	4	4	4

KEY PERFORMANCE SUMMARY

Indicator	Unit of Measurement (UOM)	2013*	2014	2015	2016	2017
Social Impact						
Employee participation rate	%	77	79	60	76	90
Employee volunteer manhours	Hours	2,664	2,944	2,079	2,482	3,140
Financial						
Revenue	\$	3,213 m	3,764 m	3,304 m	3,905 m	3,829 m
Tax paid	\$	135 m	115 m	128 m	157 m	162 m
Staff costs	\$	705 m	763 m	818 m	810 m	831 m
Profit before tax	\$	948 m	1,004 m	985 m	914 m	780 m
PATMI	\$	686 m	770 m	773 m	653 m	538 m
Return on equity	%	8.9	9.2	8.6	7.0	5.6
Net asset value per share	\$	8.5	9.25	9.89	10.22	10.54
Basic earnings per share	\$	74.0 cents	83.2 cents	83.6 cents	70.4 cents	57.8 cents
Dividends						
Ordinary dividend per share						
– Final	\$	8.0 cents	8.0 cents	8.0 cents	8.0 cents	8.0 cents ⁴
– Special interim	\$	8.0 cents	4.0 cents	4.0 cents	4.0 cents	4.0 cents
– Special final	\$	–	4.0 cents	4.0 cents	4.0 cents	6.0 cents ⁴
Preference dividend per share	\$	3.9 cents				
Cash and bank balances (including restricted deposits)	\$	2,720 m	3,898 m	3,565 m	3,887 m	3,989 m
Net borrowings	\$	2,589 m	2,820 m	2,938 m	1,865 m	1,047 m
Net gearing ratio ⁵	%	25	26	26	16	9
Net gearing ratio if fair value gains on investment properties are taken into consideration	%	18	19	19	12	7
Interest cover ratio		13.7 times	12.1 times	13.0 times	12.5 times	13.6 times

* The 2013 comparative figures were restated to take into account the retrospective adjustments arising from the adoption of FRS 110 – Consolidated Financial Statements.

4 Final and special final tax-exempt (one-tier) ordinary dividends proposed for financial year ended 31 December 2017 will be subject to the approval of the ordinary shareholders at the forthcoming Annual General Meeting.

5 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.

ISO 14064 REASONABLE ASSURANCE STATEMENT



Lloyd's Register
LRQA

The GHG Report
for the calendar year 2017
prepared by:
City Developments Limited
9, Raffles Place, Republic Plaza
#36-00, Singapore 048619

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

Scope of GHG emissions	Tonnes CO ₂ e
Direct GHG emissions (Scope 1)	1,401
Energy indirect GHG emissions (Scope 2, Location-based)	20,038
Other indirect GHG emissions (Scope 3) (From electricity transmission losses, local and international courier services, employee commuting, business air travel (excluding the influence of radiative forcing) and hotel accommodations, water supply and water treatment [excluding water treatment for property development & project management sites]).	4,350

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

Date: 28 February 2018

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 attached on pages 2-4 to which it applies.

**Assurance Statement related to
GHG Report for Calendar Year 2017
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. (LRQA) was commissioned by City Developments Limited to assure its GHG Report for the calendar year 2017, (hereafter referred to as "the GHG report") for its Singapore Operations.

The GHG report relates to direct GHG emissions, energy indirect GHG emissions and other indirect GHG emissions (from electricity transmission losses, local and international courier services, employee commuting, business air travel (excluding the influence of radiative forcing) and hotel accommodations, water supply and water treatment [excluding water treatment for property development & project management sites]), summarised in Table 1 below.

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. LRQA'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.

LRQA'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 organizational level for quantification and reporting of greenhouse gas emissions and removals'.

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 organization level for quantification and reporting of greenhouse gas emissions and removals

ISO 14064 REASONABLE ASSURANCE STATEMENT

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 & Project Management 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:
 - City Square Mall located at 180, Kitchener Road, Singapore 208539
 - Singapore Sustainability Academy located at 180, Kitchener Road, Level 6, Singapore 208539.

- Manulife Centre located at 51, Bras Basah Road, Singapore 189554
- Quayside Isle located at 31 Ocean Way, Sentosa Cove, Singapore 098375
- Property Developments & Project Management Sites:
 - Coco Palms located at Pasir Ris Heights, Singapore 518074
 - The Criterion located at Yishun Street 51, Singapore 767996
 - Forest Woods located at Lorong Lew Lian, Singapore 536495
- reviewed processes related to the control of GHG emissions data and records;
- 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 2017;
- verified the emission factors used that included 'operating margin for electricity grid' factoring upstream fugitive methane emissions, transmission & distribution losses, purchase of goods and services (water supply), 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.

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 judgment of the verifiers.

LRQA's Opinion

Based on LRQA's approach, the total direct GHG emissions, energy indirect GHG emissions and other indirect GHG emissions (from electricity transmission losses, local and international courier services, employee commuting, business air travel (excluding the influence of radiative forcing) and hotel accommodations, water supply and water treatment [excluding water treatment for property development & project

management sites]) as disclosed in the GHG report and as summarized in Table 1 below are materially correct, and the GHG report has been prepared in conformance with ISO 14064-1:2006.

Recommendation

CDL should enhance the robustness of data quality control to prevent errors and improve the data accuracy.

Dated: 28 February 2018



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



ISO 14064 REASONABLE ASSURANCE STATEMENT

Table 1. Summary of CDL GHG report for the Calendar Year 2017

Scope of GHG emissions	Tonnes CO ₂ e
Direct GHG emissions (Scope 1)	1,401
Energy indirect GHG emissions (Scope 2, Location-based)	20,038
Other indirect GHG emissions (Scope 3) (From electricity transmission losses, local and international courier services, employee commuting, business air travel (excluding the influence of radiative forcing) and hotel accommodations, water supply and water treatment [excluding water treatment for property development & project management sites]).	4,350

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

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.

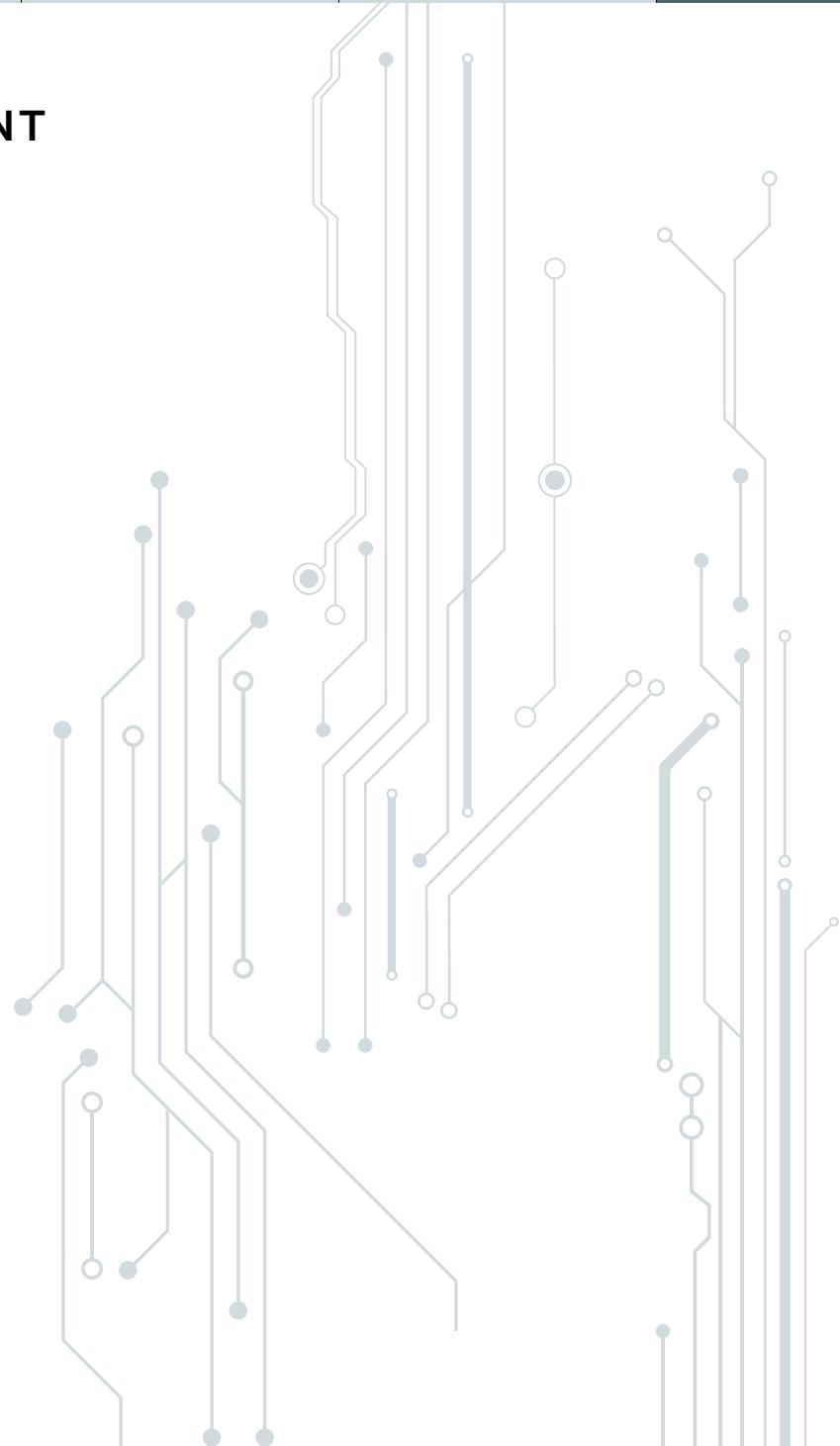
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Due to inherent limitations in any internal control, it is possible that fraud, error, or non-compliance with laws and regulations may occur and not be detected. Further, the verification was not designed to detect all weakness or errors in internal 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



Independent Limited Assurance Statement in connection with the Subject Matter Information included in the Integrated Sustainability Report of City Developments Limited ('CDL')

We have performed limited assurance procedures in relation to CDL's Integrated Sustainability Report 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>2.1 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. Organisation-specific metric (the denominator) chosen to calculate the ratio. Types of energy included in the intensity ratio; whether fuel, electricity, heating, cooling, steam, or all. 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); 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. Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, in joules or multiples. Types of energy included in the reductions; whether fuel, electricity, heating, cooling, steam, or all. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it. 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>2.7.2 Exclude reductions resulting from reduced production capacity or outsourcing; 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>	

INDEPENDENT LIMITED ASSURANCE STATEMENT

(A) Critical Material Issues

Critical Material Issues	GRI Standards Disclosures		Sub-indicators under "Shall" requirements
2. Energy Efficiency and Renewable Energy	GRI 302-5	Reductions in energy requirements of products and services	<p>a. Reductions in energy requirements of sold products and services achieved during the reporting period, in joules or multiples.</p> <p>b. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it.</p> <p>c. Standards, methodologies, assumptions, and/or calculation tools used.</p>
		CRE 1	<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 (square meter) 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 recognised 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>
	CRE8	Type and number of sustainability certification, rating and labeling schemes for new construction, management, occupation and redevelopment	<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>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>
		GRI 417-1	<p>2.2 Requirements for product and service information and labeling</p> <p>a. Whether each of the following types of information is required by the organisation's procedures for product and service information and labeling:</p> <p>i. Content, particularly with regard to substances that might produce an environmental or social impact;</p>

INDEPENDENT LIMITED ASSURANCE STATEMENT

(A) Critical Material Issues

Critical Material Issues	GRI Standards Disclosures	Sub-indicators under "Shall" requirements
4. Occupational Health, Safety and Well-being	GRI 403-1	<p>Workers representation in formal joint management-worker health and safety committees</p> <ul style="list-style-type: none"> a. The level at which each formal joint management-worker health and safety committee typically operates within the organisation. b. Percentage of workers whose work, or workplace, is controlled by the organisation, that are represented by formal joint management-worker health and safety committees.
	GRI 403-2	<p>Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities</p> <ul style="list-style-type: none"> a. Types of injury, injury rate (IR), occupational disease rate (ODR), lost day rate (LDR), absentee rate (AR), and work-related fatalities, for all employees, with a breakdown by: <ul style="list-style-type: none"> i. Region; ii. Gender. b. Types of injury, injury rate (IR), and work-related fatalities, for all workers (excluding employees) whose work, or workplace, is controlled by the organisation, with a breakdown by: <ul style="list-style-type: none"> i. Region; ii. Gender. c. The system of rules applied in recording and reporting accident statistics. <p>2.2 When compiling the information specified in Disclosure 403-2, the reporting organisation shall:</p> <ul style="list-style-type: none"> 2.2.1 Indicate whether minor (first-aid level) injuries are included or excluded in the injury rate (IR); 2.2.2 Include fatalities in the injury rate (IR); 2.2.3 In calculating 'lost days', indicate: <ul style="list-style-type: none"> 2.2.3.1 Whether 'days' means 'calendar days' or 'scheduled work days'; 2.2.3.2 At what point the 'lost days' count begins (for example, the day after the accident or three days after the accident).

(B) Highly Material Issues

Critical Material Issues	GRI Standards Disclosures	Sub-indicators under "Shall" requirements
1. Anti-corruption	GRI 205-2	<p>Communication and training about anti-corruption policies and procedures</p> <ul style="list-style-type: none"> 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. b. Total number and percentage of employees that the organization's anti-corruption policies and procedures have been communicated to, broken down by employee category and region. 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. d. Total number and percentage of governance body members that have received training on anti-corruption, broken down by region. e. Total number and percentage of employees that have received training on anti-corruption, broken down by employee category and region.
	GRI 205-3	<p>Confirmed incidents of corruption and actions taken</p> <ul style="list-style-type: none"> a. Total number and nature of confirmed incidents of corruption. b. Total number of confirmed incidents in which employees were dismissed or disciplined for corruption. c. Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption. d. Public legal cases regarding corruption brought against the organisation or its employees during the reporting period and the outcomes of such cases.

INDEPENDENT LIMITED ASSURANCE STATEMENT

(B) Highly Material Issues

Critical Material Issues	GRI Standards Disclosures		Sub-indicators under "Shall" requirements
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.
	GRI 307-1	Non-compliance with environmental laws and regulations	<p>a. Significant fines and non-monetary sanctions for non-compliance with environmental laws and/or 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>b. If the organisation has not identified any non-compliance with environmental laws and/or regulations, a brief statement of this fact is sufficient.</p>
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> <ul style="list-style-type: none"> 2.7.1 Calculate the ratio by dividing the absolute GHG emissions (the numerator) by the organisation-specific metric (the denominator); 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</p> <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: – 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>
			<p>4. Cyber Security and Data Governance</p> <p>GRI 418-1</p> <p>Substantiated complaints concerning breaches of customer privacy and losses of customer data</p> <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>

INDEPENDENT LIMITED ASSURANCE STATEMENT

(B) Highly Material Issues

Critical Material Issues	GRI Standards Disclosures		Sub-indicators under "Shall" requirements
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"> i. 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>b. If the organisation has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.</p> <p>2.1. When compiling the information specified in Disclosure 416-2, the reporting organisation shall:</p> <ul style="list-style-type: none"> 2.1.1 Exclude incidents of non-compliance in which the organisation was determined not to be at fault; 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; 2.1.3 If applicable, identify any incidents of non-compliance that relate to events in periods prior to the reporting period.
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 401-1	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>
9. Water Management and Efficiency	GRI 303-3	Water recycled and reused	<p>a. Total volume of water recycled and reused by the organisation.</p> <p>b. Total volume of water recycled and reused as a percentage of the total water withdrawal as specified in Disclosure 303-1. Standards, methodologies, and assumptions used.</p> <p>2.4. When compiling the information specified in Disclosure 303-3, the reporting organisation shall include grey water, i.e., collected rainwater and wastewater generated by household processes, such as washing dishes, laundry, and bathing.</p>
	CRE 2	Building water intensity	<p>2.0. Identify the number and type of buildings, total annual water consumption (in liters or m³) and corresponding floor area (in m²), or number of persons using or visiting the buildings.</p> <p>2.1. Identify the method used to ensure that annual litres or m³ of water consumption and floor area (m²), or number of persons, are consistent and accurate, thereby taking account of different landlord and tenant metering scenarios. Calculate, using data from 2.1:</p> $\text{Building water intensity} = \frac{\text{Sum of annual litres or m}^3 \text{ water consumption}}{\text{Sum of floor area (m}^2\text{) or number of persons}}$ <p>2.3. Report water intensity of buildings in use (on unadjusted basis), based on calculation in 2.3, by:</p> <ul style="list-style-type: none"> - Liters/person/year; - or m³/m²/year. <p>2.4. 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.

INDEPENDENT LIMITED ASSURANCE STATEMENT

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 2018, 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 2017 to 31 December 2017 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 2017 and subsequent to 31 December 2017, 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)

INDEPENDENT LIMITED ASSURANCE STATEMENT

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.



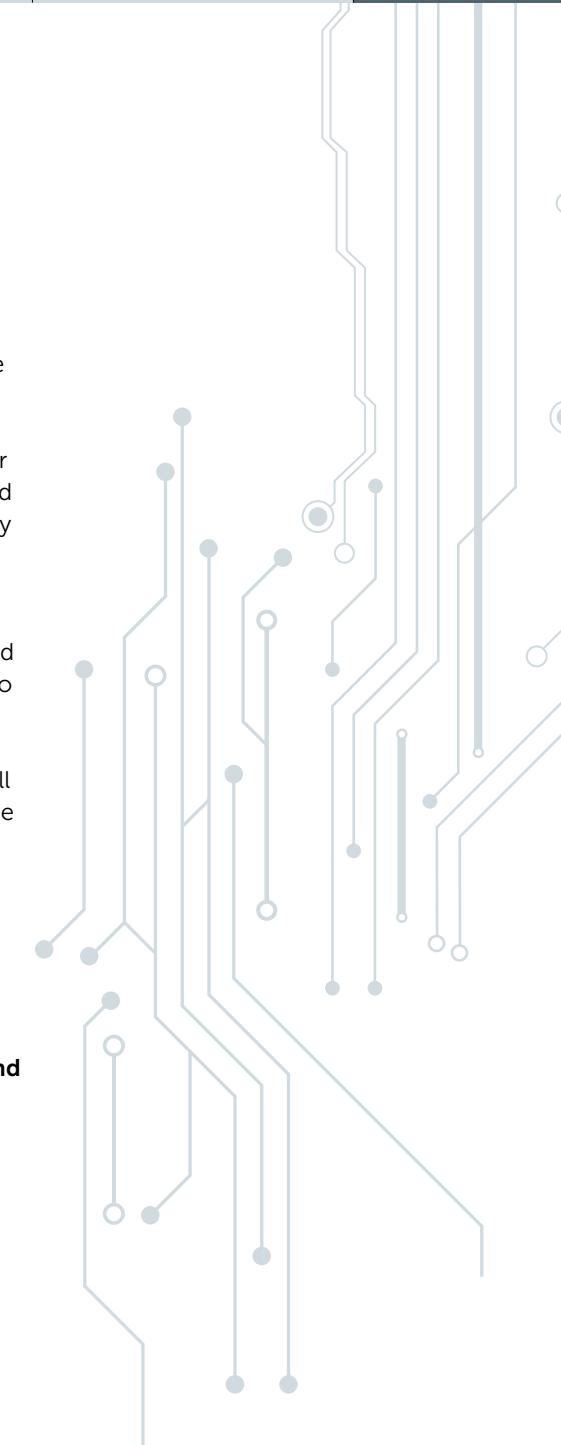
Ernst & Young LLP

Signed for Ernst & Young LLP by

K Sadashiv

Managing Director, Climate Change and Sustainability Services

Singapore, 24 April 2018



GRI CONTENT INDEX

GRI Standard	Disclosure Number	Disclosure Title	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 organization	2	N
	102-2	Activities, brands, products, and services	2	N
	102-3	Location of headquarters	2	N
	102-4	Location of operations	2	N
	102-5	Ownership and legal form	2	N
	102-6	Markets served	2	N
	102-7	Scale of the organization	88; AR 2017 (74, 113-114)	N
	102-8	Information on employees and other workers	76-78, 80, 82, 89	N
	102-9	Supply chain	16, 67, 95	N
	102-10	Significant changes to the organization and its supply chain	3-9, 87-88, AR 2017 (14-22)	N
	102-11	Precautionary Principle or approach	24, AR 2017 (56-59)	N
	102-12	External initiatives	32, 45, 54, 55, 65, 74-75, 79, 81, 98	N
	102-13	Membership of associations	98	N
Strategy				
	102-14	Statement from senior decision-maker	3-9	N
	102-15	Key impacts, risks, and opportunities	3-9, 19-23	N
Ethics and Integrity				
	102-16	Values, principles, standards, and norms of behavior	71-75	N
	102-17	Mechanisms for advice and concerns about ethics	71-72	Y (107-113)
Governance				
	102-18	Governance structure	11	N
	102-19	Delegating authority	11	N
	102-20	Executive-level responsibility for economic, environmental, and social topics	11	N
	102-21	Consulting stakeholders on economic, environmental, and social topics	16, 38-39	N
	102-22	Composition of the highest governance body and its committees	11	N
	102-23	Chair of the highest governance body	AR 2017 (40)	N
	102-24	Nominating and selecting the highest governance body	AR 2017 (34-35, 40-41)	N
	102-25	Conflicts of interest	AR 2017 (34-35, 40-41)	N
	102-26	Role of highest governance body in setting purpose, values, and strategy	11, 71-73	N
	102-27	Collective knowledge of highest governance body	AR 2017 (37)	N

GRI CONTENT INDEX

GRI Standard	Disclosure Number	Disclosure Title	Page reference and reasons for omissions, if applicable	Externally Assured (Y/N)
General Disclosures				
Governance				
	102-28	Evaluating the highest governance body's performance	AR 2017 (43)	N
	102-29	Identifying and managing economic, environmental, and social impacts	16-17, 19-23, 48, AR 2017 (48-49)	N
	102-30	Effectiveness of risk management processes	71-73, AR 2017 (47-49)	N
	102-31	Review of economic, environmental, and social topics	AR 2017 (35-36)	N
	102-32	Highest governance body's role in sustainability reporting	11, 17	N
	102-33	Communicating critical concerns	38-39, 71-73	N
	102-34	Nature and total number of critical concerns	38-39, 71-73, AR 2017 (56-59)	N
	102-35	Remuneration policies	AR 2017 (44-47)	N
	102-36	Process for determining remuneration	79, AR 2017 (44-47)	N
	102-37	Stakeholders' involvement in remuneration	79, AR 2017 (44-47)	N
	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				
	102-40	List of stakeholder groups	16, 38-39	N
	102-41	Collective bargaining agreements	79	N
	102-42	Identifying and selecting stakeholders	16, 38	N
	102-43	Approach to stakeholder engagement	16-17, 38-39	N
	102-44	Key topics and concerns raised	18, 38-40	N
Reporting Practice				
	102-45	Entities included in the consolidated financial statements	2, AR 2017 (23-24)	N
	102-46	Defining report content and topic Boundaries	16-17	N
	102-47	List of material topics	18	N
	102-48	Restatements of information	25	N
	102-49	Changes in reporting	25-26	N
	102-50	Reporting period	25	N
	102-51	Date of most recent report	25	N
	102-52	Reporting cycle	25	N
	102-53	Contact point for questions regarding the report	26	N
	102-54	Claims of reporting in accordance with the GRI Standards	25-26	N
	102-55	GRI content index	114-120	N
	102-56	External assurance	26, 106-112	N

GRI CONTENT INDEX

GRI Standard	Disclosure Number	Disclosure Title	Page reference and reasons for omissions, if applicable	Externally Assured (Y/N)
TOPIC-SPECIFIC STANDARDS				
Innovation				
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	32, 45, 54, 55, 65, 79, 98	Y (107 – 113)
Energy Efficiency and Renewable Energy				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	16, 18	N
	103-2	The management approach and its components	55-56	N
	103-3	Evaluation of the management approach	56	N
GRI 302: Energy 2016	302-1	Energy consumption within the organization	57	N
	302-2	Energy consumption outside of the organization	58	N
	302-3	Energy intensity	57	Y (107-113)
	302-4	Reduction of energy consumption	55-56, 59	Y (107-113)
	302-5	Reductions in energy requirements of products and services	30, 36, 55	Y (107-113)
GRI Sector Disclosures: Construction and Real Estate	CRE 1	Building energy intensity	68	Y (107-113)
Product Quality and Responsibility				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	16, 18	N
	103-2	The management approach and its components	33, 34, 40-41	N
	103-3	Evaluation of the management approach	33, 34, 40-41	N
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	29, 32, 34-36, 75	Y (107-113)
	417-2	"Incidents of non-compliance concerning product and service information and labeling"	71	N
	417-3	Incidents of non-compliance concerning marketing communications	71	N
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	32, 45, 54, 55, 65, 79, 98	Y (107-113)
Occupational Safety, Health and Well-being				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	16, 18	N
	103-2	The management approach and its components	76-79	N
	103-3	Evaluation of the management approach	76-79	N

GRI CONTENT INDEX

GRI Standard	Disclosure Number	Disclosure Title	Page reference and reasons for omissions, if applicable	Externally Assured (Y/N)
TOPIC-SPECIFIC STANDARDS				
Occupational Safety, Health and Well-being				
GRI 403: Occupational Health and Safety 2016	403-1	Workers representation in formal joint management-worker health and safety committees	77	Y (107-113)
	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	76-78	Y (107-113)
	403-3	Workers with high incidence or high risk of diseases related to their occupation	77-78	N
	403-4	Health and safety topics covered in formal agreements with trade unions	Disclosure is not applicable as CDL is not a unionised company.	N
GRI Sector Disclosures: Construction and Real Estate	CRE 6	Percentage of the organization operating in verified compliance with an internationally recognized health and safety management system	67	N
Anti-Corruption				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	16, 18	N
	103-2	The management approach and its components	15, 71-74, 93, AR 2017 (54-55, 57-58, 65)	N
	103-3	Evaluation of the management approach	15, 71-74, AR 2017 (57-58)	N
GRI 205: Anti-Corruption 2016	205-1	Operations assessed for risks related to corruption	72	N
	205-2	Communication and training about anti-corruption policies and procedures	72-73	Y (107-113)
	205-3	Confirmed incidents of corruption and actions taken	15, 73	Y (107-113)
Business Ethics and Compliance				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	16, 18	N
	103-2	The management approach and its components	71-75	N
	103-3	Evaluation of the management approach	71-75	N
GRI 102: General Disclosures 2016	102-17	Mechanisms for advice and concerns about ethics	71-73	Y (107-113)
GRI 206: Anti- competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	71	N
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	65	Y (107-113)
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	33-34	N
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	33	N

GRI CONTENT INDEX

GRI Standard	Disclosure Number	Disclosure Title	Page reference and reasons for omissions, if applicable	Externally Assured (Y/N)
TOPIC-SPECIFIC STANDARDS				
Business Ethics and Compliance				
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	29, 32, 34-36	Y (107-113)
	417-2	Incidents of non-compliance concerning product and service information and labeling	71	N
	417-3	Incidents of non-compliance concerning marketing communications	71	N
GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	71, 73	N
Climate Change				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	16, 18	N
	103-2	The management approach and its components	48-50, 54	N
	103-3	Evaluation of the management approach	50	N
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	51, 68	N
	305-2	Energy indirect (Scope 2) GHG emissions	51, 68	N
	305-3	Other indirect (Scope 3) GHG emissions	51, 68	N
	305-4	GHG emissions intensity	52, 68	Y (107-113)
	305-5	Reduction of GHG emissions	50, 59	N
	305-6	Emissions of ozone-depleting substances (ODS)	Disclosure is not material to CDL	N
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Disclosure is not material to CDL	N
GRI Sector Disclosures: Construction and Real Estate	CRE 3	Greenhouse gas emissions intensity from buildings	68	Y (107-113)
	CRE 4	Greenhouse gas emissions intensity from new construction and redevelopment activity	68	Y (107-113)
Cyber Security and Data Governance				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	16, 18	N
	103-2	The management approach and its components	75	N
	103-3	Evaluation of the management approach	75	N
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	75	Y (107-113)
Economic Contribution to Society				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	16, 18	N
	103-2	The management approach and its components	3-9, 85-88, 93-97, AR 2017 (14-22)	N
	103-3	Evaluation of the management approach	3-9, 85-88, 93-97, AR 2017 (14-22)	N

GRI CONTENT INDEX

GRI Standard	Disclosure Number	Disclosure Title	Page reference and reasons for omissions, if applicable	Externally Assured (Y/N)
TOPIC-SPECIFIC STANDARDS				
Economic Contribution to Society				
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	85-86, 88, 93-97, AR 2017 (113-115)	Y (107-113)
	201-2	Financial implications and other risks and opportunities due to climate change	19, 20-24, AR 2017 (59)	N
	201-3	Defined benefit plan obligations and other retirement plans	91	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
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	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
	202-2	Proportion of senior management hired from the local community	89	N
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	29-31, 34-37, 42-44	N
	203-2	Significant indirect economic impacts	14, 29-31, 42-44, 50-64, 66-67	N
Product Safety and Customer Well-being				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	16, 18	N
	103-2	The management approach and its components	33-34	N
	103-3	Evaluation of the management approach	33-34	N
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	33-34	N
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	33	Y (107-113)
Responsible Supply Chain and Sourcing				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	16, 18	N
	103-2	The management approach and its components	66-67, 75	N
	103-3	Evaluation of the management approach	66-67	N
GRI 301: Materials 2016	301-1	Materials used by weight or volume	66	N
	301-2	Recycled input materials used	66	N
	301-3	Reclaimed products and their packaging materials	Disclosure is not applicable for CDL's operations in Singapore	N
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	67, 74	Y (107-113)
	308-2	Negative environmental impacts in the supply chain and actions taken	67, 74	N

GRI CONTENT INDEX

GRI Standard	Disclosure Number	Disclosure Title	Page reference and reasons for omissions, if applicable	Externally Assured (Y/N)
TOPIC-SPECIFIC STANDARDS				
Responsible Supply Chain and Sourcing				
GRI 414: Supplier Social Assessment 2016	414-1 414-2	New suppliers that were screened using social criteria Negative social impacts in the supply chain and actions taken	67, 74 67, 74	Y (107-113) N
Talent Attraction, Retention and Development				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	16, 18	N
	103-2	The management approach and its components	73, 76-77, 79-82, 88, 91-93	N
	103-3	Evaluation of the management approach	73, 76-77, 79-82, 88, 91-93	N
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	89-90	Y (107-113)
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	91	N
	401-3	Parental leave	91	N
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	88	N
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	92	Y (107-113)
	404-2	Programs for upgrading employee skills and transition assistance programs	92-93	N
	404-3	Percentage of employees receiving regular performance and career development reviews	79	N
Water Management and Efficiency				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	16, 18	N
	103-2	The management approach and its components	60	N
	103-3	Evaluation of the management approach	60	N
GRI 303: Water 2016	303-1	Water withdrawal by source	61	N
	303-2	Water sources significantly affected by withdrawal of water	60	N
	303-3	Water recycled and reused	60	Y (107-113)
GRI Sector Disclosures: Construction and Real Estate	CRE 2	Building water intensity	68	Y (107-113)



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