



CapitaLand Investment Limited

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Global Sustainability Report 2021



Sustainability Is At The Core Of Everything We Do

We will grow in a **responsible** manner, deliver **long-term** economic value, and contribute to the **environmental** and **social well-being** of our communities.

Core Values:

Winning
Mindset

Enterprising

Respect

Integrity

We create great customer value and experiences through high-quality products and services.



For our
CUSTOMERS

We deliver sustainable shareholder returns and build a strong global network of capital partners.



For our
INVESTORS

We develop high-performing people and teams through rewarding opportunities.



For our
PEOPLE

We care for and contribute to the economic, environmental and social development of communities.



For our
COMMUNITIES

COMMITMENT
TO OUR
STAKEHOLDERS

A Sustainability First Mover

20 years from the formation of CapitaLand and counting...

2000

CapitaLand started environmental & philanthropic activities reporting

2010

First Singapore listed company to publish a Global Sustainability Report (GSR) (FY2009) referencing **Global Reporting Initiative (GRI)**

2013

External assurance elevated to **AA1000 Assurance Standard**

2017

Pledged support for **Task Force on Climate-Related Financial Disclosures (TCFD)**, providing disclosures of 4 TCFD pillars in GSR (FY2016)

2019

Appointed as member of **ASEAN GRI Consortium**

2021

Implemented **an internal carbon price**

CapitaLand Sustainability X Challenge (CSXC)
- Piloted 6 selected innovations at CapitaLand properties

Launched **S\$50 million CapitaLand Innovation Fund** for sustainability and other high-tech solutions

Secured **S\$7 billion** through **sustainable financing**

2006

CapitaLand Green Committee formed, which spearheaded Groupwide initiatives globally and established environment & social key performance indicators

2011

External assurance of annual GSR (FY2010)

2015

Became signatory to **United Nations Global Compact**

2018

Obtained 1st and largest Sustainability-Linked Loan in Asia

2020

Launched **CapitaLand 2030 Sustainability Master Plan**

Launched **CXSC** – 1st global sustainability innovation platform by a real estate company

Science-based targets approved

Integrated the **Environment, Health, and Safety Impact Assessment** for all new investments

Performance Highlights

Net Zero

by 2050
Global 2030 target validated by
Science Based Targets initiative
(SBTi) for 1.5°C scenario



Energy and Water intensity reduction of

43%
and **52%**

(per m² from base year 2008)
respectively



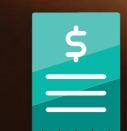
54%

carbon emissions intensity
reduction since 2008



Cumulative utilities cost avoidance of

S\$320 million



since 2008

48%

of CLI's global portfolio achieved
green building certification



**Implemented
internal
carbon price**



for new investments and acquisitions

85

nationalities are part of
CapitaLand's global workforce



40%

of senior management were

women



>410,000

training hours



>88%

of staff attended a new
e-learning course on fraud,
bribery and corruption



Supply Chain Code of Conduct

100%

contractors & vendors
committed to abide



**S\$7
billion**

raised in sustainable
finance by CLI & its listed
REITs & business trusts



**S\$50
million**

CapitaLand Innovation Fund
to support the testbedding of
sustainability and other high-tech
innovations



Inaugural CapitaLand
Sustainability X Challenge received

>270

innovations from

>25

countries



Member of

**Dow Jones
Sustainability Indices**

Powered by the S&P Global CSA



**MSCI
ESG RATINGS**

CCC B BB BBB A AA AAA

**2021 MSCI ESG Leaders
Indexes Constituent**

- MSCI World ESG Leaders Index for 8th consecutive year
- MSCI World Socially Responsible Investment Index for 8th consecutive year

**Sustainability Yearbook
Member 2022**

S&P Global

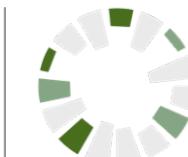
- Constituent for 13th year
- 1st and longest standing company in Singapore to be listed

**GLOBAL 100
by Corporate Knights**

- Constituent for 10th year

Accolades

- Dow Jones Sustainability World Index for 10th consecutive year
- Dow Jones Sustainability APAC Index for 13th consecutive year
- 1st and longest standing company in Singapore to be listed



GRESB
REAL ESTATE
sector leader 2021



GRESB
★★★★★ 2021

- "Global Sector Leader for Diversified - Listed" award, 1st real estate company in Singapore to win four years



FTSE4Good

- Constituent for 8th consecutive year

**Carbon Clean 200™
by Corporate Knights &
As You Sow**

- Constituent for 4th year

CAPITALAND SUSTAINABILITY X CHALLENGE



Sustainable technology and innovations are key to our decarbonisation journey. But smart ideas can come from anywhere. So, we invited startups around the world to join our global fight against climate change.

Launched in 2020, CapitaLand Sustainability X Challenge (CSXC) is the **first global sustainability-focused innovation challenge in the built environment by a Singapore real estate company**.

Through the challenge, CapitaLand aims to accelerate its progress to meet its 2030 Sustainability Master Plan targets, with decarbonisation and circularity as key pillars.

Inaugural CSXC 2021

> 270 entries

from > 25 countries

Piloted

6 selected innovations

across CapitaLand properties in Singapore and USA

MOST INNOVATIVE AWARD Climatec Corp (Singapore)

- Pilot at CapitaGreen, Singapore
- Unique process to treat cooling tower water without using chemicals



To test

↓~3%

energy consumption

↓~80%

blowdown water

HIGH IMPACT AWARD INOVUES Inc (USA)

- Pilot at Creekside 5, Portland, USA
- Insulating glass retrofit technology reduces heat gain in building during summer & heat loss during winter



To test

↓~10%

of energy consumption
(for cooling & heating buildings)

CONTINEWM® (Japan)

- Piloted at LogisTech, Singapore
- Patented ceramic net emitting infrared
- Exploring scaling up across properties



Achieved

↓ up to 50%

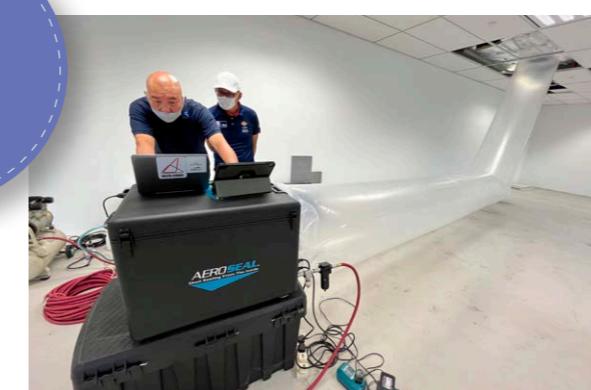
AHU energy consumption

↓ up to 16%

Cooling load

Aeroseal (USA)

- Pilot at Six Battery Road, Singapore
- Air duct sealing technology using airborne adhesive particles injected into HVAC ducts to seal leaks



To test

↓~30%

AHU energy consumption

LumenAire (Singapore)

- Pilot at Citadines Rochor & Raffles City, Singapore
- Indoor air disinfection solution



To test

↓>90%

virus survivability

New Generation Bio Water Saving Stick (Austria)

- Pilot at Aperia, Singapore
- Irrigation via transfer of humidity from air to ground



To test

>20%

irrigation water
savings

About Us

Headquartered and listed in Singapore, CapitaLand Investment Limited (CLI) is a leading global real estate investment manager (REIM) with a strong Asia foothold. As at 31 December 2021, CLI had about S\$123 billion of real estate assets under management, and about S\$86 billion of real estate funds under management (FUM) held via six listed real estate investment trusts and business trusts, and 29 private funds across the Asia-Pacific, Europe and USA. Its diversified real estate asset classes cover integrated developments, retail, office, lodging, business parks, industrial, logistics and data centres.

CLI aims to scale its FUM and fee-related earnings through its full stack of investment management and operating capabilities. As the listed investment management business arm of the CapitaLand Group, CLI has access to the development capabilities of and pipeline investment opportunities from CapitaLand's development arm. Being a part of the well-established CapitaLand ecosystem differentiates CLI from other REIMs.

As part of the CapitaLand Group, CLI places sustainability at the core of what it does. As a responsible real estate company, CLI contributes to the environmental and social well-being of the communities where it operates, as it delivers long-term economic value to its stakeholders.

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Group CEO's Message

INTRODUCTION

Dear stakeholders,

In 2021, we stepped up our environmental, social and governance (ESG) efforts, as we continued with our efforts to create long-term economic value to our stakeholders through the strategic restructuring of CapitaLand. To that end, CapitaLand Investment (CLI) was successfully listed on the Singapore Stock Exchange on 20 September 2021 as a real estate investment manager with presence in 200 cities, and CapitaLand's development arm was privatised.

Our teams around the world have been working with conviction, placing sustainability at the core of everything we do. At the end of FY 2021, CLI delivered a strong set of results – both in terms of financial returns and sustainability outcomes, despite a challenging macroeconomic environment.

AMBITION AND ACTION - OUR PATH TO NET ZERO

With the last eight years being the hottest years on record globally¹, coupled with the COVID-19 pandemic, governments, investors and communities have increased their scrutiny on how corporates are addressing and integrating sustainability in their businesses.

Recognising the urgent need for action against climate change and the role CLI can play, we are elevating our sustainability goals to be Net Zero by 2050. Our new 2030 carbon emissions reduction targets have also been validated by the Science Based Targets initiative (SBTi), for the 1.5°C scenario, in line with the goals of the Paris Agreement. CLI will step up our global search for new ideas and technologies to push boundaries in ESG and accelerate our transition to Net Zero, such as intensifying energy efficiency and renewable energy integration at our properties, and enhancing the occupational health and safety of our tenants.

CLI remains committed to the United Nations Global Compact's (UNGC) universal principles on human rights, labour, the environment and anti-corruption. We prioritise eight² of the 17 United Nations Sustainable Development Goals (UN SDGs) that are most aligned with our 2030 Sustainability Master Plan targets to achieve the greatest positive impact.

We have also made good progress with our 2030 Sustainability Master Plan since its launch in 2020, and remain on track to achieving our ambitious targets. In 2022, we will further review our Sustainability Master Plan targets to ensure their continued relevance to the changing environment and CLI's business. We will focus on three key areas to achieve our goals:

- build portfolio resilience and resource efficiency,
- enable thriving and future-adaptive communities and
- accelerate sustainability innovation and collaboration.

LEADERSHIP IN GLOBAL SUSTAINABILITY, INNOVATION AND COLLABORATION

In 2021, we remained steadfast in advancing our low-carbon transitioning efforts. CLI implemented an internal carbon price to further quantify climate-related risks and opportunities for our new investments. We also expanded our use of green energy with 21 properties in Singapore, China, India, Australia, Belgium and the United Kingdom powered by renewable energy, which mitigated about 28,960 tonnes of carbon emissions. As a global sustainability real estate leader, we have also aligned our efforts with the national level goals in the markets where we have presence in. CLI's sustainability targets are embedded into our key performance indicators to which part of senior management's compensation is tied.

At CLI, we recognise the importance of innovation and partnerships to accelerate our sustainability efforts. From our inaugural CapitaLand Sustainability X Challenge (CSXC), the first in the built environment on a global scale by a Singapore company, we are currently piloting six of the 10 shortlisted innovations in Singapore and USA, and will scale the successful pilots across our portfolio. Our second CSXC this year has already attracted over 340 entries from more than 50 countries. To support and complement the CSXC, we have also launched the S\$50 million CapitaLand Innovation Fund which will have a strong focus on identifying and test-bedding new, innovative sustainability solutions.

Partnering with our network of financial institutions, CLI and our listed real estate investment trusts and business trusts have also secured a total of S\$8.47 billion³ through sustainable financing. Our continued leadership in sustainability and performance on renowned sustainability indices have allowed us to reap interest savings from our sustainability-linked loans. These financial savings are deployed to partly fund our sustainability innovation initiatives and form part of our proprietary metric, Return on Sustainability, to quantify the value created from our sustainability efforts.

¹ According to NASA and NOAA (National Oceanic and Atmospheric Administration).

² They are UN SDGs 3, 7, 8, 9, 11, 12, 13 and 17.

³ As of April 2022.

Group CEO's Message

INTRODUCTION

In recognition of our continued global leadership in sustainability, we were listed for the 10th year on the Global 100 Most Sustainable Corporations in the World, as well as Dow Jones Sustainability World Index. We also retained our Global Sector Leader status in the Diversified sector for the fourth year and achieved 'AAA' leader rating by MSCI ESG Research.

BUILDING RESILIENCE THROUGH DIVERSITY AND INCLUSIVITY

CLI's diverse and dynamic workforce, coupled with strong winning and enterprising mindset, gives us a competitive edge. We embrace diversity, equity and inclusivity, with 85 nationalities in our total staff strength globally, and close to 40% of our leadership team being women.

To ensure a future ready workforce in the ever-evolving environment, our staff also clocked in over 410,000 training hours. Almost 60% of our staff in Singapore and China have upskilled themselves for the new future economy under our learning and development 'Building Capabilities Framework'. Globally, 73% of our staff participated in at least one digital-related programme.

Through CapitaLand Hope Foundation (CHF), the philanthropic arm of CapitaLand Group, we expanded our support to protect the environment for future generations while continuing to nurture and inspire the young as well as improve the quality of life of seniors. In 2021, CHF donated more than S\$6 million globally towards our community support endeavours.

We are pleased that 100% of our contractors and vendors have committed to abide by CapitaLand's Supply Chain Code of Conduct. In the face of challenging operating environment, we also ensured business continuity with the diversification of our supply chain. Close to 70% of CLI's supply chain providers are located within the local core markets for CLI, namely Singapore, China, and India. We continue to regularly engage our diverse customer base such as tenants, shoppers, guests as well as the general public, taking proactive steps to not only improve their experience and service levels rendered at our properties, but also to encourage them to lead more sustainable lifestyles.

STEWARDSHIP OF SUSTAINABILITY

We have elevated the stewardship of sustainability to a full board committee. From 1 January 2022, CLI's Strategy Committee, chaired by Lead Independent Director, Mr Anthony Lim, is responsible for overseeing sustainability strategies and goals. The previous Board sub-committee, the CapitaLand Sustainability Council, was retired on 31 December 2021. The Council was chaired by Ms Goh Swee Chen, and was deeply involved in steering the company's sustainability efforts which saw the launch of the 2030 Sustainability Master Plan and CapitaLand Sustainability X Challenge, among other pioneering initiatives to entrench CapitaLand's sustainability leadership. We thank Ms Goh and the council members for their dedicated stewardship and guidance to the leadership team.

Achieving our sustainability targets, including our new ambition to attain Net Zero by 2050 is not an easy feat. Everyone at CLI is committed to placing sustainability at the heart of our business, delivering measurable sustainable value and upholding our reputation as a trusted partner. We thank all our stakeholders for their continued support and together we will continue to do good and do right, as we do well.

LEE CHEE KONN

Group Chief Executive Officer
CapitaLand Investment



At the grand finale of the CapitaLand Sustainability X Challenge 2021, Mr Lee Chee Koon, CapitaLand Investment's Group Chief Executive Officer announced the launch of the CapitaLand Innovation Fund, a S\$50 million commitment over five years to encourage more innovation in the built environment space with a strong focus on sustainability.

About This Global Report

INTRODUCTION



CapitaLand Investment Limited (CLI) was listed on the Singapore Exchange on 20 September 2021 following the restructuring of CapitaLand Limited into two distinct business entities – CLI, the listed real estate investment management business and CapitaLand Development, the privatised property development arm. Building on CapitaLand Limited's sustainability efforts, this 13th Global Sustainability Report (GSR) reinforces CLI's commitment to sustainability.¹

The report outlines CLI's approach in integrating sustainability into its policies, structure, management and operations. The report also documents CLI's sustainability journey and provides insights into its strategies. It further highlights the economic, environmental, social and governance aspects of CLI's global operations. Through this report, CLI hopes to share its sustainability commitment with its various stakeholders, including staff, investors, customers, business partners, supply chain partners and contractors, the community, and local authorities.



International Standards and Guidelines

CapitaLand Limited was one of the first companies in Singapore to voluntarily publish its annual Global Sustainability Report (GSR) and adopt the internationally recognised Global Reporting Initiative (GRI) reporting framework. As CLI, it continues to adopt this framework for this GSR. This report has been prepared in accordance with the GRI Standards: Core option.

It continues to apply the Guiding Principles of the International Integrated Reporting Framework, ISO 26000:2010 Guidance on Social Responsibility, and reference the United Nations (UN) Sustainable Development Goals. It also references the Sustainability Accounting Standards Board (SASB) real estate sector-specific standards.

CapitaLand is a signatory to the UN Global Compact and committed to the 10 Principles. This report serves as its Communication on Progress (COP), which will be made available at www.unglobalcompact.org.

CLI will continue to participate in the annual CDP (Carbon Disclosure Project) Climate Change Programme and its carbon footprint is calculated in accordance with the Greenhouse Gas (GHG) Protocol² (operational control approach). CLI has actively aligned its climate-related disclosures with Task Force on Climate-related Financial Disclosures (TCFD) in the four key areas of governance, strategy, risk management, and metric and targets.

Global Reporting Scope and Period

This report covers CLI's global portfolio and staff in over 20 countries, including its six listed real estate investment trusts and business trusts, CapitaLand Integrated Commercial Trust, Ascendas Real Estate Investment Trust, Ascott Residence Trust, CapitaLand China Trust, Ascendas India Trust and CapitaLand Malaysia Trust, from 1 January to 31 December 2021 unless otherwise indicated. The reporting period aligns with the Group's financial year. This report is to be read in conjunction with CLI's Annual Report 2021 and other sustainability-related disclosures which can be found at www.capitalandinvest.com. In line with CLI's continued commitment to environmental sustainability, no hard copies of this GSR have been printed.



This report and previous editions are available online at: <https://www.capitalandinvest.com/sustainability.html>

¹ The previous Global Sustainability Reports (GSR) were published under CapitaLand Limited.

² This is developed by the World Resources Institute and World Business Council for Sustainable Development, which sets the global standard on how to measure, manage and report greenhouse gas emissions.

About This Global Report

INTRODUCTION

>9,900

staff in over
20 countries

>350

operational properties
in over 24 countries,
including assets held
directly by CLI as well as
assets managed through our
global lodging platform

**Diversified
real estate
classes**

which include retail,
office, lodging,
business parks,
industrial, logistics
and data centres

6

listed funds



Independent Assurance

To enhance data credibility and instill confidence in readers, CLI has externally assured its GSR, a practice which started since the 2010 GSR under CapitaLand Limited. CLI appointed an independent third party, a consulting company specialising in business sustainability, to provide independent assurance for this report. The assurance covers the entire report and is focused on all figures, statements and claims related to sustainability during the reporting period of January 2021 to December 2021. The accuracy and reliability of the report's statements and figures are also validated.

The assurance engagement was conducted in accordance with the International Standard on Assurance Engagements 3000 (ISAE 3000). The assurance included the evaluation of the Group's sustainability behaviour and performance, based on the latest AA1000 Assurance Standard 2020. All underlying systems and processes that support the Group's sustainability framework were reviewed, in adherence to the AA1000 AccountAbility Principles of inclusivity, materiality, responsiveness and impact. The assurance also covers the report's overall compliance to the Singapore Exchange's principles and rules on sustainability reporting. The independent assurance statement provides a summary of the audit report findings.

Feedback

Feedback from CLI's stakeholders is welcome as it enables continual improvement in the Group's sustainability policies, processes and performance. Please send your comments and suggestions via <https://www.capitalandinvest.com/contact-us.html>

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Managing Sustainability

INTRODUCTION

BOARD STATEMENT

At CapitaLand Investment, sustainability is at the core of everything we do. We are committed to growing in a responsible manner, delivering long term economic value, and contributing to the environmental and social well-being of our communities. The material environmental, social and governance (ESG) factors have been identified and encapsulated in the CapitaLand 2030 Sustainability Master Plan, which was launched in 2020, and will be reviewed by the Board of Directors together with management every two years.

The CapitaLand 2030 Sustainability Master Plan steers our efforts on a common course to maximise impact through building a resilient and resource efficient real estate portfolio, enabling thriving and future-adaptive communities, and accelerating sustainability innovation and collaboration. Ambitious ESG targets have been set which include carbon emissions reduction targets validated by the Science Based Targets initiative (SBTi). During the first scheduled review in 2022, the CapitaLand 2030 Sustainability Master Plan will incorporate CapitaLand Group's restructuring and CLI's listing in September 2021.

The Board is responsible for overseeing the Company's sustainability efforts, and takes ESG factors into consideration in determining its strategic direction and priorities. The Board also approves the executive compensation framework based on the principle of linking pay to performance. The Group's business plans are translated to both quantitative and qualitative performance targets, including sustainable corporate practices and are cascaded throughout the organisation.

Our sustainability performance has consistently been highly ranked by globally recognised indices such as Dow Jones Sustainability World Index and Global Real Estate Sustainability Benchmark. As an industry leader, CapitaLand Investment will continue to push the boundaries to adopt meaningful ESG practices and enhance sustainability in the real estate sector.

SUSTAINABILITY COMMITMENT

CapitaLand's 2030 Sustainability Master Plan was unveiled in 2020 to elevate the Group's commitment to global sustainability in the built environment. The Master Plan focuses on three key pillars to drive CapitaLand's sustainability efforts in the ESG pillars, enabling the Group to create a larger positive impact for the environment and society. It will be reviewed every two years and adjusted where necessary to complement the Group's business strategy and in line with climate science.

CapitaLand's 2030 Sustainability Master Plan



CapitaLand's Five Pathways to 2030



* Six capitals - Environmental, Manufactured, Human, Social and Relationship, Organisational, and Financial.

Managing Sustainability

INTRODUCTION

Push Boundaries of Change

CLI will transit to a low-carbon business that is aligned with climate science. In November 2020, CapitaLand had its carbon emissions reduction targets approved by the Science Based Targets initiative (SBTi) for a “well-below 2°C” scenario. In 2022, it elevated its Scope 1 and 2 carbon emissions targets to the “1.5°C” scenario which was approved by SBTi. CLI also continues to develop its proprietary metric, Return on Sustainability (ROS), in addition to the regular financial returns to measure the Group’s ESG impact.

CapitaLand launched the CapitaLand Sustainability X Challenge (CSXC) in 2020 to source for innovative sustainability solutions globally and collaborate with like-minded parties to accelerate its sustainability efforts and meet its 2030 Sustainability Master Plan targets. In 2021, it commenced the piloting of six innovative projects from the United States of America, Singapore and China in the areas of improving building energy and water efficiency as well as indoor air quality. The CSXC is now in its second edition.

CapitaLand aims to be a leader in sustainable finance and secure S\$6 billion through sustainable finance by 2030. As of 31 Dec 2021, CLI had obtained S\$2.2 billion¹ in sustainable financing. The interest rate savings from CLI’s efforts in sustainable finance are used to drive more sustainability initiatives and innovations within the company.

Measured Against Global Benchmarks

CapitaLand Limited was one of the first companies in Singapore to voluntarily publish an annual Global Sustainability Report (GSR) and externally assure the entire report. Benchmarking against international standards and frameworks that are externally validated helps to overcome the challenges in sustainability reporting that may arise from its portfolio of diverse asset types and geographical presence globally. CLI remains guided by these frameworks and benchmarks for this GSR.

CapitaLand is also a signatory to the United Nations (UN) Global Compact and its GSR serves as its Communication on Progress, which will be made available at www.unglobalcompact.org when published.

For its efforts, CapitaLand continues to be listed on the Global 100 Most Sustainable Corporations Index, Dow Jones Sustainability World Index and Asia-Pacific Index, Global Real Estate Sustainability Benchmark (Global Sector Leader, Diversified - Listed), FTSE4Good Index Series, MSCI Global Sustainability Indexes and The Sustainability Yearbook.

¹ Close to S\$7 billion raised in sustainable finance by CLI business units, stable of Real Estate Investment Trusts (REITs) and business trusts up to 31 December 2021.

Managing Sustainability

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CREATING VALUE AND ALIGNMENT TO UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGS)

CLI's sustainability reporting has evolved into a uniquely hybrid model using GRI Standards as its core and GHG Protocol (operational control method) since 2009, and CDP since 2010, Global Real Estate Sustainability Benchmark (GRESB) since 2013, Value Reporting Foundation's Integrated Reporting Framework since 2015, United Nations SDG Reporting since 2016, TCFD framework since 2017, and SASB Standards since 2020.

CLI's material ESG issues and the value created, aligned to CapitaLand's 2030 Sustainability Master Plan focus areas and commitments, are mapped to six Capitals – Environmental, Manufactured, Human, Social and Relationship, Organisational, and Financial. This is further mapped against eight UN SDGs that are most aligned with CapitaLand's 2030 Sustainability Master Plan focus areas, and where CLI can achieve the greatest positive impact.

The UN SDGs call on companies everywhere to advance sustainable development through the investments they make, the solutions they develop, and the business practices they adopt. In doing so, the goals encourage companies to reduce their negative impacts while enhancing their positive contributions to the sustainable development agenda.

SMP Pillars and Focus Area	CLI's Commitments	2021 Value Created	
Build Portfolio Resilience and Resource Efficiency <ul style="list-style-type: none">• Low Carbon Transition• Water Conservation and Resilience• Waste Management and Circular Economy 	<ul style="list-style-type: none">• Transit to low-carbon business and reduce energy consumption through improved energy efficiency and increase use of renewable energy• Reduce water consumption, reuse water and prevent water pollution, especially in countries where the availability of clean water and sanitation are of concern• Green CLI's global operational portfolio by 2030• Strengthen climate resilience of our portfolio by addressing climate related risks and opportunities throughout the real estate lifecycle	<ul style="list-style-type: none">• 54% reduction in carbon emissions intensity since 2008• S\$320 million in utilities cost avoidance since 2008, arising from 43% and 52% energy and water reduction (per m² from base year 2008) respectively²• Achieved green building certifications for 48% of its global portfolio³• Continued to enhance implementing the recommendations of the TCFD and improve TCFD reporting	Environmental Capital Manufactured Capital     

² In 2021, there is significant reduction in energy, water and carbon emissions intensities as compared to baseline year of 2008 likely due to the significant drop in activities at its properties amid COVID-19. Cost avoidance is computed by multiplying the absolute energy (kWh) and water (m³) savings against the annual average tariff rate on a business-as-usual (BAU) basis.

³ Covers CLI owned and managed properties (by m²).

Managing Sustainability

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SMP Pillars and Focus Area	CLI's Commitments	2021 Value Created	
Enable Thriving and Future-Adaptive Communities <ul style="list-style-type: none"> • Dynamic Human Capital • Healthy and Safe Buildings • Proactive Customer Relationship Management • Robust Supply Chain Management 	<ul style="list-style-type: none"> • Adopt consistent, equitable, and fair labour policies and practices in rewarding as well as developing staff under the direct hire of CLI. CLI believes that regardless of ethnicity, age or gender, staff can make a significant contribution based on their talent, expertise and experience • Signatory to the UN Global Compact • Aim to provide a work environment that is safe and contributes to the general well-being of its staff, tenants, contractors, suppliers and the communities that use its properties • Influence its supply chain to operate responsibly in the areas of anti-corruption, human rights, health and safety, as well as environmental management through CapitaLand's Supply Chain Code of Conduct • Require service providers and vendors to adhere to anti-bribery and anti-corruption provisions • Commit to activities that are aligned with its focus on community investment. Engage stakeholders in raising awareness in the areas of environment, health and safety, as well as promote sustainability within the tenant community 	<ul style="list-style-type: none"> • Global workforce of more than 9,900 staff <ul style="list-style-type: none"> - 85 nationalities working within the Group - Males and females at a ratio of about 47:53 - About 70% of CLI's global workforce was aged between 30 and 50 • About 40% of senior management were women • Over 41 training hours per staff • Over 88% of staff attended Fraud, Bribery & Corruption (FBC) awareness online training sessions • Zero contractor work-related fatality and permanent disability • No reported incident relating to discrimination, child labour or forced labour in CLI 	Human Capital  Social and Relationship Capital  12 RESPONSIBLE CONSUMPTION AND PRODUCTION  17 PARTNERSHIPS FOR THE GOALS 
Accelerate Sustainability Innovation and Collaboration <ul style="list-style-type: none"> • Sustainable Operational Excellence • Sustainable Finance • Sustainability Innovation and Technology 	<ul style="list-style-type: none"> • Maintain safe, accessible, vibrant and quality real estate developments to enhance the lives of our shoppers, tenants, serviced residence and hotel guests, homeowners and members of the community • Integrate CLI's ESG performance with financial metrics • Actively embrace innovation to ensure commercial viability without compromising the environment for future generations 	<ul style="list-style-type: none"> • Retained ISO 14001 and ISO 45001 certification in 15 countries for more than a decade • Inaugural CapitaLand Sustainability X Challenge received 270 innovations from over 25 countries. Piloting six innovative projects • S\$50 million CapitaLand Innovation Fund of which at least 50% will be set aside for sustainability innovation • CLI raised S\$2.2 billion¹ of loans through sustainable financing. Interest savings are deployed to partly fund sustainability innovation initiatives 	Manufactured Capital Organisational Capital Financial Capital  9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 17 PARTNERSHIPS FOR THE GOALS 

Managing Sustainability

INTRODUCTION

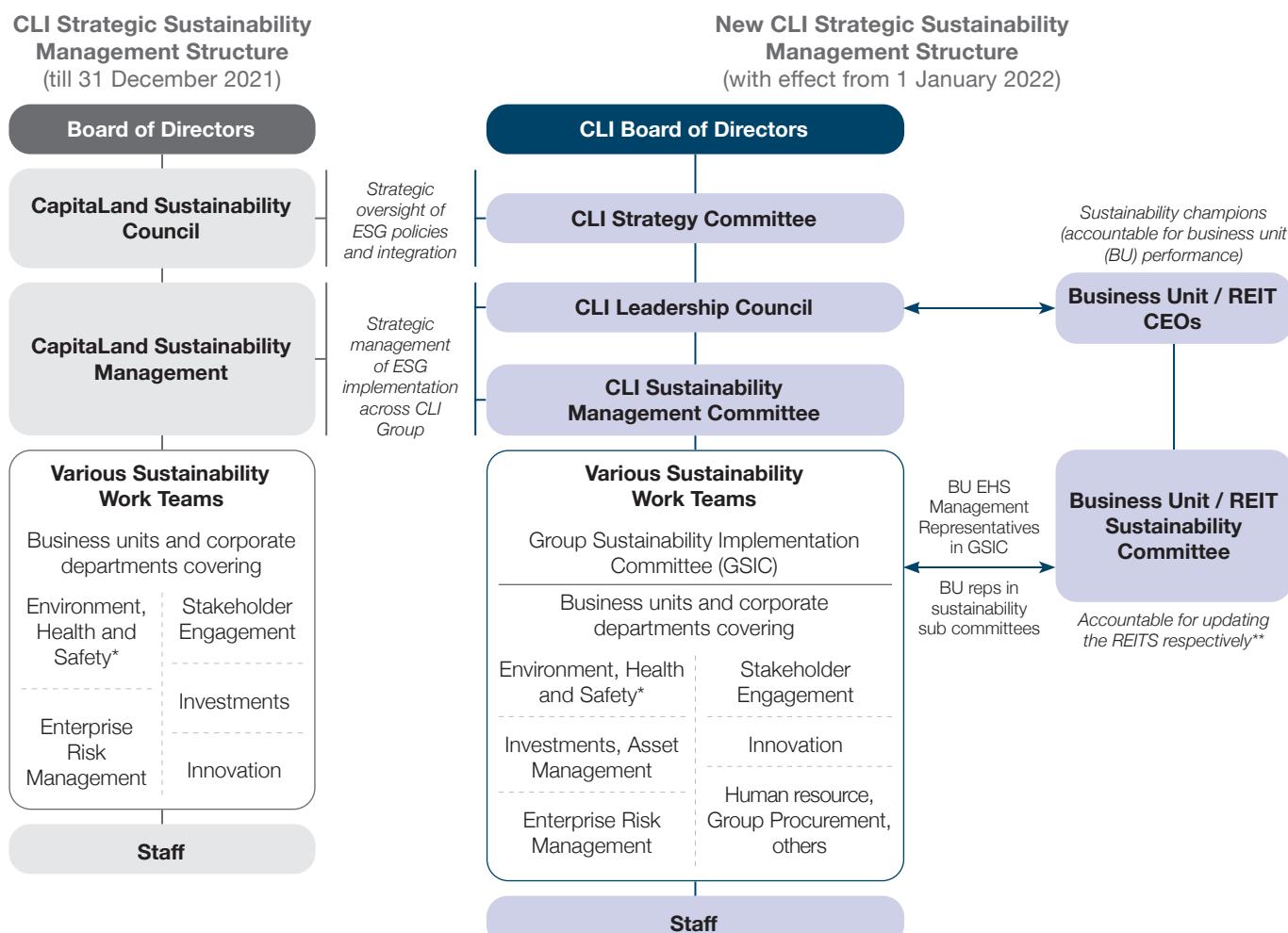
BOARD, TOP MANAGEMENT AND STAFF COMMITMENT AND INVOLVEMENT

CLI's sustainability management came under the purview of the CapitaLand Sustainability Council. The Sustainability Council comprised selected CLI Board's independent directors and members of the CapitaLand Executive Committee. It was supported by the Group Sustainability Office and various work teams to drive continued progress and improvement in the areas of ESG. It was chaired by one of CLI Board's independent directors, Ms Goh Swee Chen, who was also a member of its Executive Resource and Compensation Committee and Risk Committee. The CapitaLand Sustainability Council stepped down on 31 December 2021. From 1 January 2022, CLI's Strategy Committee, chaired by Lead Independent Director, Mr Anthony Lim, is responsible for overseeing sustainability strategies and goals.

In recognition of the importance of sustainability as a business imperative, the Board plays an important role in building sustainability considerations as part of CLI's strategy development. With effect from 1 January 2022, a CLI Board Committee, the Strategy Committee, chaired by Lead Independent Director, Mr Anthony Lim, is responsible for overseeing sustainability strategies and goals including providing guidance to management and monitoring progress against achieving the goals of any sustainability initiatives in 2022.

CLI's Board is updated regularly through the Risk Committee and Audit Committee on matters relating to sustainability risks and business malpractice incidents. The Board is also updated on the sustainability management performance of the Group, key material issues identified by stakeholders and the planned follow-up measures.

The work teams comprise representatives from CLI business units and corporate functions. Each business unit also has its own Environmental, Health and Safety (EHS) Committee to drive initiatives in countries where it operates with support from various departments.



* Including EHS internal audit committee and Environment Tracking System (ETS) Committee

** For EHS implementation in their operating platforms, and countries where it has presence

Managing Sustainability

INTRODUCTION

STAKEHOLDER ENGAGEMENT

Stakeholders are groups which CLI's business has a significant impact on and groups who have a vested interest in the CLI operations. Key stakeholders include staff, investors/shareholders, customers, business associates, builders and suppliers, and the local community. Other groups include regulators and key government agencies, non-governmental organisations (NGOs), representatives of the capital market and the media. They are mapped into categories based on their impact on CLI. Through the various engagement channels, CLI seeks to understand its stakeholders' views, communicate effectively with them and respond to their concerns.

Commitment to our Stakeholders	Engagement Channel	Topics	Capitals
People (Staff) <i>We develop high-performing people and teams through rewarding opportunities.</i>	<ul style="list-style-type: none">Regular dialogue sessions with senior managementRegular staff engagement surveysRecreation club activitiesVolunteer programmes	<ul style="list-style-type: none">Work-life balanceRemuneration and benefitsStaff welfare	<ul style="list-style-type: none">Human CapitalSocial and Relationship Capital
Investors (Investors, analysts and media) <i>We deliver sustainable shareholder returns and build a strong global network of capital partners.</i>	<ul style="list-style-type: none">Annual general meetingsHalf yearly financial results announcementsMedia releases and interviewsAnnual reports and sustainability reportsCompany websiteRegular analyst and investor meetingsResponses to sustainability surveys	<ul style="list-style-type: none">Operational efficiency, monetary savings, cost avoidanceReturn on equity, earnings, business strategy, market outlookESG risks and opportunities	<ul style="list-style-type: none">Organisational CapitalFinancial CapitalSocial and Relationship Capital
Customers (Residents, tenants, shoppers) <i>We create great customer value and experiences through high-quality products and services.</i>	<ul style="list-style-type: none">Residents: activities including exercise and volunteer eventsTenants: surveys, green fit-out guide, green lease, enrichment events such as Biz+ eventsShoppers: mall campaigns, exhibitions, social media campaignsCapitaLand's social media channels	<ul style="list-style-type: none">Facilities managementCustomer experience	<ul style="list-style-type: none">Environmental CapitalSocial and Relationship Capital
Community (Supply chain partners – contractors, vendors, suppliers)	<ul style="list-style-type: none">CapitaLand's Supply Chain Code of ConductEnvironmental, Health and Safety (EHS) management systemQuarterly EHS monitoringVendor evaluation, events, meetings and trainingActive engagement with supply chain	<ul style="list-style-type: none">Occupational health and safety practicesWorkers' welfare and well-beingEnvironmental compliance	<ul style="list-style-type: none">Environmental CapitalHuman CapitalSocial and Relationship Capital

Managing Sustainability

INTRODUCTION

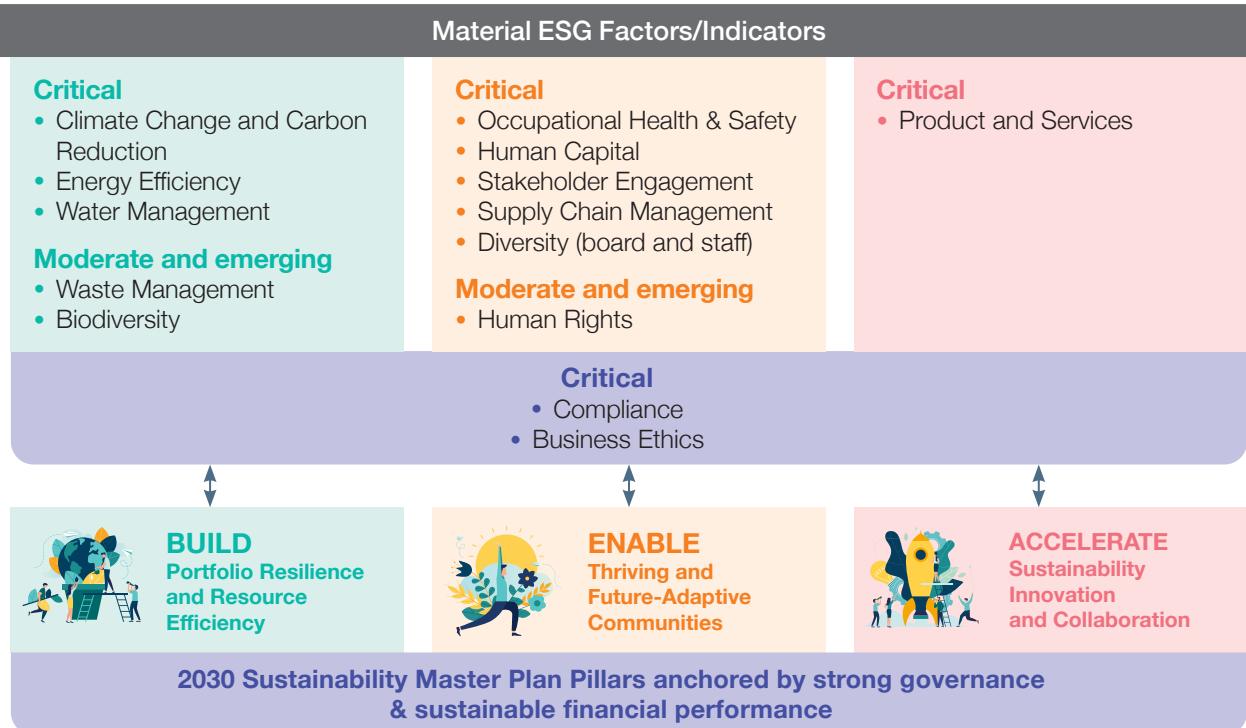
Commitment to our Stakeholders	Engagement Channel	Topics	Capitals
Community (Government/ national agencies/ Community and NGOs) <i>We care for and contribute to the economic, environmental and social development of communities.</i>	<ul style="list-style-type: none"> Senior management representation on boards of various industry bodies and sustainability-related public discussions Regulatory readiness to support Singapore Government's commitment to manage carbon emissions Longstanding partner to various national programmes Sustainability reports Participation in external conferences/forums/ workgroups to express thought leadership, share experience and collaborate with government officials, academics, NGOs, business associations and industry ecosystem CapitaLand Sustainability X Challenge 	<ul style="list-style-type: none"> Stakeholder programmes to advocate sustainable tenant/ guest/ customer behaviours Advocacy of best practices Sustainability innovation and collaboration 	<ul style="list-style-type: none"> Social and Relationship Capital

MATERIALITY

CapitaLand has a regular review, assessment and feedback process in relation to ESG topics. Key to this is an annual Group-wide Risk and Control Self-Assessment exercise which entails the identification, assessment and documentation of material risks and corresponding internal controls. These material risks include fraud and corruption, environmental (e.g. climate change), health and safety, and human capital risks which are ESG-relevant.

Guided by CapitaLand's 2030 Sustainability Master Plan to elevate the Group's commitment to global sustainability, CLI identifies and reviews material issues that are most relevant and significant to the company and its stakeholders. These ESG material issues are prioritised based on the likelihood and potential impact of issues affecting the business continuity of CLI. For external stakeholders, priority is given to issues important to the community and applicable to CLI.

Prioritisation of ESG Material Issues



2030 Sustainability Master Plan Pillars anchored by strong governance & sustainable financial performance

Environmental And Manufactured Capital

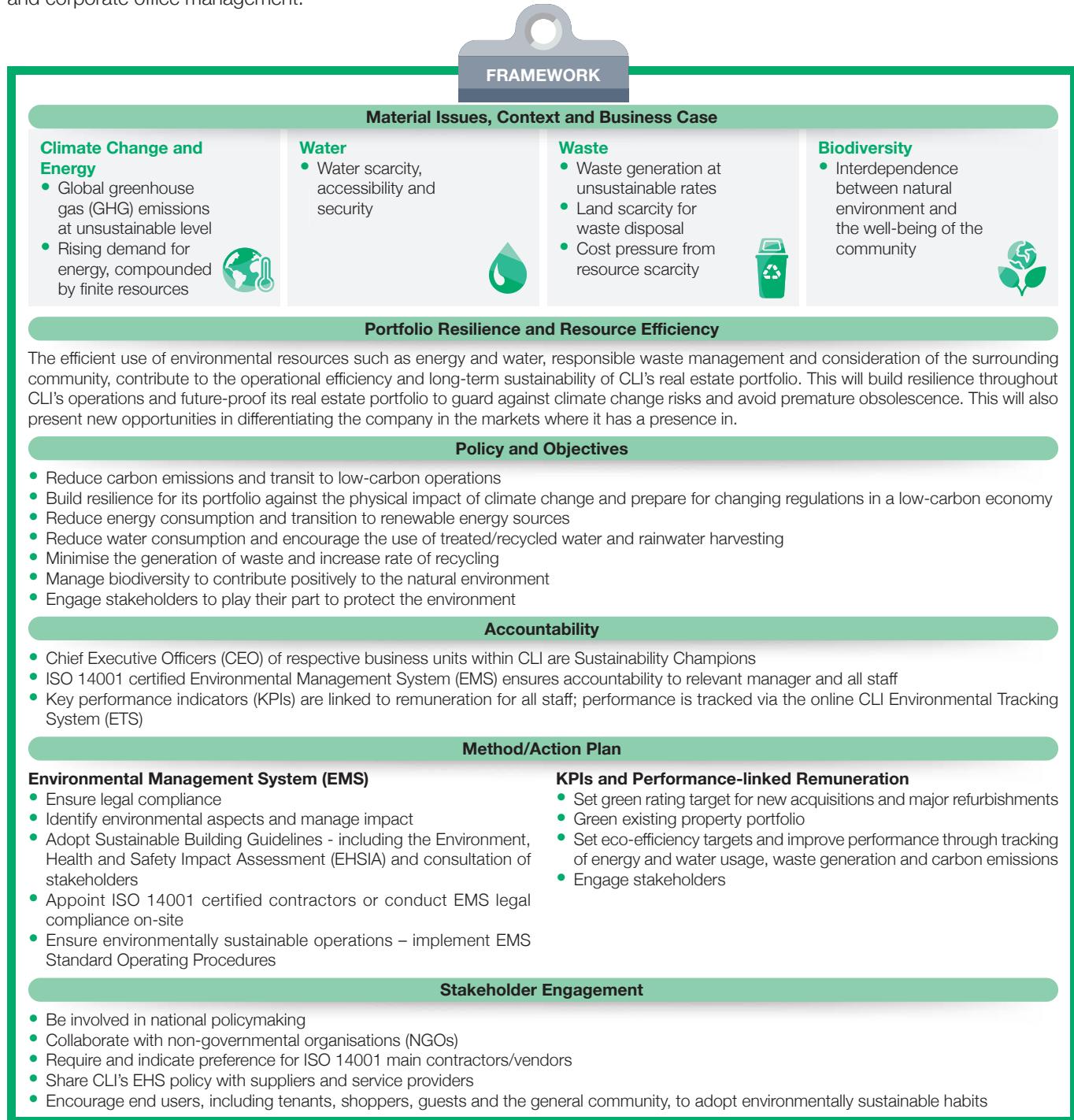
ENVIRONMENTAL

COMMITMENT TO MINIMISING ENVIRONMENTAL IMPACT

CapitaLand Investment (CLI) is committed to building a resilient and resource-efficient portfolio and minimising its environmental impact as a global real estate investment manager. It believes that lowering the environmental footprint of its buildings through innovation creates long-term economic value for its stakeholders.

CLI incorporates environmental sustainability throughout the life cycle of its real estate projects including acquisition, design, procurement, construction, operations and redevelopment. Monitoring and taking actions to mitigate environmental impact are integral to its business operations. The efficient use of environmental resources such as energy and water contributes to the operational efficiency and long-term sustainability of the Company, as well as ensures resilience to climate change.

The following are the material environmental aspects of CLI's business functions including investment, property management and corporate office management.



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ENVIRONMENTAL

MANAGING CLIMATE RELATED RISKS AND OPPORTUNITIES

According to the Global Risks Report 2021 by the World Economic Forum (WEF), the highest likelihood risks of the next 10 years are extreme weather, climate action failure and human-led environmental damage; as well as digital power concentration, digital inequality and cybersecurity failure. The report called for more innovative and collaborative approaches to resilience.

At CLI, climate change risks and opportunities are identified and managed through CLI's Enterprise Risk Management (ERM) Framework and the externally certified ISO 14001 EMS. CLI is focused on low-carbon transition to mitigate transition risks, and on climate change adaption to build portfolio resilience against the physical impact of climate change.

Climate Resilience - Taskforce on Climate-related Financial Disclosure

CapitaLand has pledged its support for the recommendations by the Task Force on Climate-Related Financial Disclosures (TCFD) since 2019 and has voluntarily disclosed since 2017 some of its climate-related financial disclosures in four key areas (i. governance, ii. strategy, iii. risk management, and iv. metric and targets) as recommended by the TCFD. For more details, please refer to TCFD Recommendations in the Appendix of this report for more details.

CLI recognises the risks and opportunities that climate change can have on its global portfolio and aims to better understand and respond to physical risks, such as extreme weather and rising temperature, as well as transitional risks towards a low-carbon economy. CLI's strategy to identify and address climate-related risks and opportunities spans all areas of its real estate life cycle, from the earliest stage of the investment process to design, procurement, construction, operations and redevelopment. CLI supports low-carbon investments and factors climate-related costs and opportunities into its evaluation of new investments or capital expenditure through the incorporation of an internal carbon price implemented in 2021 as well as the application of its Return on Sustainability metric. This provides CLI the opportunity to build resilience throughout its operations as well as to future-proof its real estate portfolio.

Climate-related Risks and Opportunities	CLI Adaption and Mitigation Strategies – A Life Cycle Approach
Transition <ul style="list-style-type: none">• Policy and legal changes, including mandatory climate-related disclosures, more stringent green requirements for buildings• Carbon pricing• Market and technology shifts, such as increased demand for low-carbon buildings	All new investments into operational assets and development projects undergo the EHSIA during due diligence to identify any environmental (including climate change) risks and opportunities related to the asset/project site and its surroundings. The assessment covers performance metrics such as energy efficiency, as well as transitional and physical risk and opportunity considerations. An internal carbon price is also applied. Significant findings from the assessment would be incorporated in the investment paper submitted to CLI's Board for approval.
Physical <ul style="list-style-type: none">• Acute weather events such as floods, violent storms• Chronic events such as rising temperature, rising sea levels	At the operational assets level, CLI's Environment, Health and Safety Management System (EHSMS), which is audited by a third-party accredited certification body to ISO 14001 standard, serves to monitor transition risks relating to climate regulations via EHS legal register updates and regular stakeholder engagement. Operational issues pertaining to climate change, energy and water efficiencies are also identified and managed through the EHSMS to strengthen the climate resilience of its portfolio.
	Through the implementation of the Group's Sustainable Building Guidelines (SBG), it aims to identify and address the risks and opportunities of climate change right from the design stage. The local context of each project will be studied in detail, and appropriate measures will be taken into consideration with regards to climate change adaptation. SBG also sets guidelines for buildings to be more energy efficient, e.g. setting green rating targets, specifying minimum equipment efficiency, and requiring the use of on-site renewable energy whenever possible.
	CapitaLand's 2030 Sustainability Master Plan further outlines the targets and pathways for transition to a low-carbon business that is aligned with climate science. Targets to reduce energy and water usage and carbon emissions, as well as green certification targets are set for its operational assets. Initiatives are put in place to improve the environmental performance, resilience and durability of its assets through system upgrades, system optimisation, effective maintenance and changes to user behaviour. The continued achievement of high green building ratings as well as energy and water efficiency measures put in place to achieve the reduction targets would help to mitigate the impact of changing weather conditions, and is a key part of CLI's strategy.

¹ TCFD was created by the Financial Stability Board, an international body set up by the G20. It recommended a framework to give investors, lenders and underwriters greater clarity on how to future-proof a company and is an attempt to move climate-related issues into the mainstream of financial filings.

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The Singapore Stock Exchange mandates from December 2021 that all issuers must provide climate reporting that is aligned to the recommendations of TCFD on a ‘comply or explain’ basis in their sustainability reports from the financial year (FY) commencing 2022. Climate reporting will be mandatory for the materials and buildings industry from FY 2024. CLI aims to comply ahead of the timeline.

CLI's diversified portfolio requires that it understands the unique environmental exposure of each asset class in its key geographic locations of Singapore, China, India and rest of the world.

CLI piloted various climate physical risk platforms with selected CLI assets from around the world to prepare for its group-wide scenario analysis study. CLI is conducting a climate scenario analysis in 2022 for its global portfolio. This analysis would consider scenarios based on the latest global and scientific developments, and likely cover a spectrum of scenarios from 1.5°C to 4°C scenarios for current to long-term time frames. CLI aims to draw conclusions on the financially material physical and transition risks, and validate its current strategy. It will then review its mitigation and adaptation plans, as well as identify opportunities, in alignment with CapitaLand's 2030 Sustainability Master Plan, which is designed to build resilience throughout its operations. Such resilience will future-proof CLI's real estate portfolio to guard against climate change risks, to avoid premature obsolescence, and maximise its capacity to adopt available opportunities.

Parameters and Scope defined for Pilot and Group-wide Climate Scenario Assessment Studies

Parameter	Pilot Studies in 2021	Pilot Study in 2022	Group-wide Study in 2022 (Planned)
Climate Scenarios	Physical Risks	<ul style="list-style-type: none">• Representative Concentration Pathway (RCP) 4.5 scenario²	<ul style="list-style-type: none">• RCP 8.5 scenario
	Transition Risks	<ul style="list-style-type: none">• 1.5°C scenario	<ul style="list-style-type: none">• 2°C scenario• 1.5°C scenario• 2°C scenario and/or• 3°C scenario and/or• Business as usual
Time Horizon	2050 and 2100 for physical risks 2030 for transition risks	Short term: Present – 2030 Medium term: 2030 – 2050 Long term: 2050 – 2100	Short term: Present – 2030 Medium term: 2030 – 2050 Long term: 2050 – 2100
Locations (This includes portfolios of CLI REITs and business trusts**)	More than 200 properties in 125 cities across more than 20 countries including: Singapore, China, India, Australia, Europe and United States	Close to 50 properties in 37 cities across 19 countries	More than 300 properties in over 20 countries
Base Year	2019*	2019*	2019*

* This is tied to the CapitaLand's carbon emissions target which is approved by Science Based Targets Initiative (SBTi).

** Climate scenario studies will be conducted for each CLI REIT and business trust separately.

Upon completion of the group-wide scenario assessment study, CLI will review and update, if appropriate, the processes associated with risk management in order to account for environmental and climate-related risks.

² A Representative Concentration Pathway (RCP) is a greenhouse gas concentration (not emissions) trajectory adopted by the IPCC (Intergovernmental Panel on Climate Change). RCP 4.5 is described by the IPCC as an intermediate scenario.

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Committing to Net Zero by 2050 through Elevating CapitaLand's Carbon Emissions Reduction Target to 1.5°C Scenario

CapitaLand Group was the first real estate company in Asia (excluding Japan), and in Singapore to have its carbon emissions reduction targets set using a science-based approach validated by Science Based Targets initiative (SBTi) for a "well-below 2 degrees Celsius" scenario in 2020.

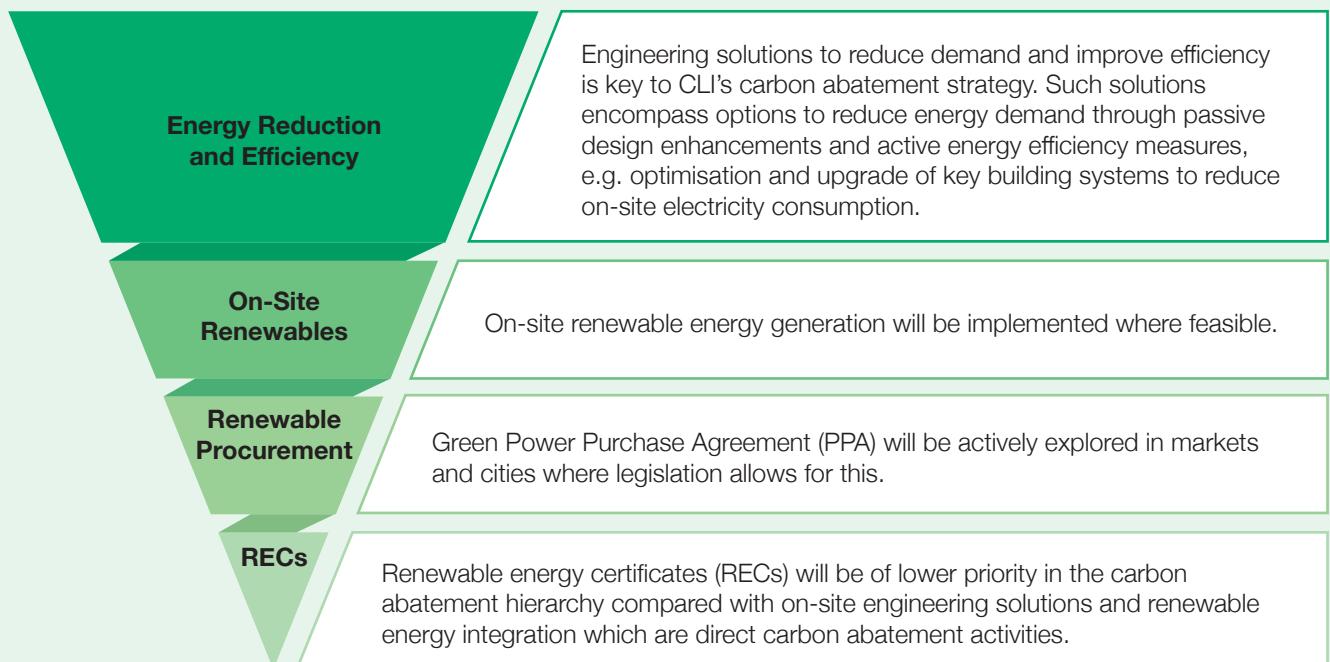
In 2022, CapitaLand Group elevated its scope 1 and 2 carbon emissions reduction targets which were validated by SBTi to be in line with a 1.5°C trajectory, currently the most ambitious designation available through the SBTi process. This will translate to Net Zero in 2050.

Aligned with the Group's science-based target, CLI commits to elevate its target by reducing its absolute scope 1 and 2 emissions by 46% (up from 28%) by 2030 from a 2019 base year and aims to achieve net zero by 2050, consistent with the effort required to limit global temperature increase to below 1.5°C.

The following will be priorities over the next decade in CLI's roadmap to Net Zero for its operational scope 1 and 2 emissions. CLI will continue to source globally for new ideas and technologies to achieve higher energy efficiency and intensify its renewable energy integration efforts.



Carbon Mitigation Hierarchy



To operationalise its carbon emissions reduction target, CLI will review its carbon, energy and water intensity reduction targets referencing 2019 as the baseline year, which currently references 2008 as the baseline year.

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KEY PERFORMANCE INDICATORS (KPIS) TIED TO REMUNERATION

CapitaLand's 2030 Sustainability Master Plan outlined the Group's 2030 targets and pathways for its transition to a low-carbon business, to improve resource use and enable a circular economy.

To measure its performance, CLI has incorporated KPIs, most of which are linked to remuneration for its staff including top management.

2021 Key Performance Indicators

	2030 Target	2021 Performance	2020 Performance
Low-carbon Transition	Reduce carbon emissions intensity by 78%*	● 54% reduction in carbon emissions intensity*	54%
	Reduce energy consumption intensity by 35%*	● 43% reduction in energy consumption intensity*	44%
	35% of total electricity consumption from renewable sources	● 4.3%	3.2%
	100% of existing buildings ³ to achieve a minimum green rating	● 48% of CLI's global portfolio (by m ²) has achieved a green rating	52%
Water Conservation and Resilience	Reduce water consumption intensity by 45%*	● 52% reduction in water consumption intensity*	53%
Waste Management and Circular Economy	Achieve 25% recycling rate in its day-to-day operations	● 8.1%	5.2%
Annual Target			
Sustainable Operation Excellence	ISO 14001 certification for its Environmental Management System (EMS)	● Retained ISO 14001 certification in 15 countries	
	Manage risks of environmental impact	● Its EMS is externally audited annually, providing assurance to top management and external investors on CLI's compliance and alignment to best practices	

* Using 2008 as baseline

** Achieved significant reduction in energy, water and carbon emissions intensities in 2021 and 2020 as compared to baseline year of 2008 likely due to the significant drop in activities at its properties amid COVID-19. Slight increase in energy and water intensities in 2021 due to some recovery of business activities from COVID-19 as compared to 2020.

+ Carbon intensity and energy intensity performance figures for 2020 have been updated to include district heating and district cooling energy consumption.

● In progress towards meeting 2030 targets

● Achieved/Exceeded Targets

³ Refers to CLI's owned and managed properties and includes all its real estate classes such as retail, office, lodging, business parks, industrial, and logistics.

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MANAGING ITS ENVIRONMENTAL FOOTPRINT

CLI's Environmental Management System (EMS) is a key tool in managing its environmental footprint across its global and diverse portfolio. The EMS is integrated with CLI's Occupational, Health and Safety Management System (OHSMS) to form CLI's Environmental, Health and Safety Management System (EHSMS). CLI's EHSMS is audited by a third-party accredited certification body to ISO 14001 and ISO 45001 standards. ISO 14001 and ISO 45001 are internationally recognised standards for the environmental management of businesses and occupational health and safety management of businesses, respectively.

CLI's Environmental, Health and Safety (EHS) Committee and its business units' EHS Committees are responsible for implementing the EHSMS.

CapitaLand Environmental, Health and Safety Policy

As an international corporate social citizen, CapitaLand is committed to protecting the environment and upholding the occupational health and safety of everyone in the workplace*, and will:



Carry out exemplary EHS practices to minimise pollution and health and safety risks



Seek continual improvement on its EHS performance



Comply with pertinent legislations and other requirements



Implement the CapitaLand Sustainable Building Guidelines and Occupational Health and Safety programmes

This policy is readily available to all staff, suppliers, service providers and partners.

* This includes implementing the EHSMS.

Since 2012, the company achieved ISO 14001 certification for its EMS in 15 countries – Singapore, Australia, Belgium, China, France, Germany, India, Indonesia, Japan, Malaysia, Philippines, Spain, Thailand, United Kingdom (UK) and Vietnam. This encompasses all business functions including property development, property management as well as corporate management and operations.

TOP MANAGEMENT COMMITMENT AND STAFF INVOLVEMENT

The Group Sustainability Implementation Committee maintains the CLI's EHS Management System. Each Business Unit (BU) also has its own EHS Committee to drive initiatives in countries where they operate with support from various departments. The EHS Committee supports the work of CLI's Sustainability Management Committee. Please refer to the Introduction in this report for details on the Sustainability Management Structure. All staff are involved in reducing CLI's environmental footprint. They are encouraged to be forthcoming and to report all incidences of environmental-related issues and complaints, as well as incidences of non-compliances and non-conformities.

RISK MANAGEMENT OF ENVIRONMENTAL ASPECTS AND IMPACT

CLI's EMS provides a systematic process to manage its portfolio's environmental impact and to continuously improve its environmental performance. It is key to identify and manage significant environmental aspects of its business operations that can potentially have a negative impact on the environment. The significance level of each environmental aspect and impact is assessed using a risk assessment technique based on factors comprising the likelihood of occurrence, severity of the impact and control measures to be implemented.

As part of the ISO 14001 certified EMS, new or updated legal requirements are reviewed quarterly and compliance is evaluated annually.

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CLI strives to minimise impacts such as resource depletion, carbon emissions and waste generation. This is done by setting environmental targets such as green building rating targets; carbon emissions, energy, water and paper usage reduction targets; stakeholder engagement activities; as well as implementing various measures to achieve them. The targets are linked to the remuneration for top management and staff. For more details, please refer to the table “2021 Key Performance Indicators” above.

Training

To facilitate the effective implementation of its EMSMS, training and awareness programmes are organised for all staff. Please refer to the Human Capital chapter of this report for more details on EHS training and awareness programmes.

Global Internal and External Audits

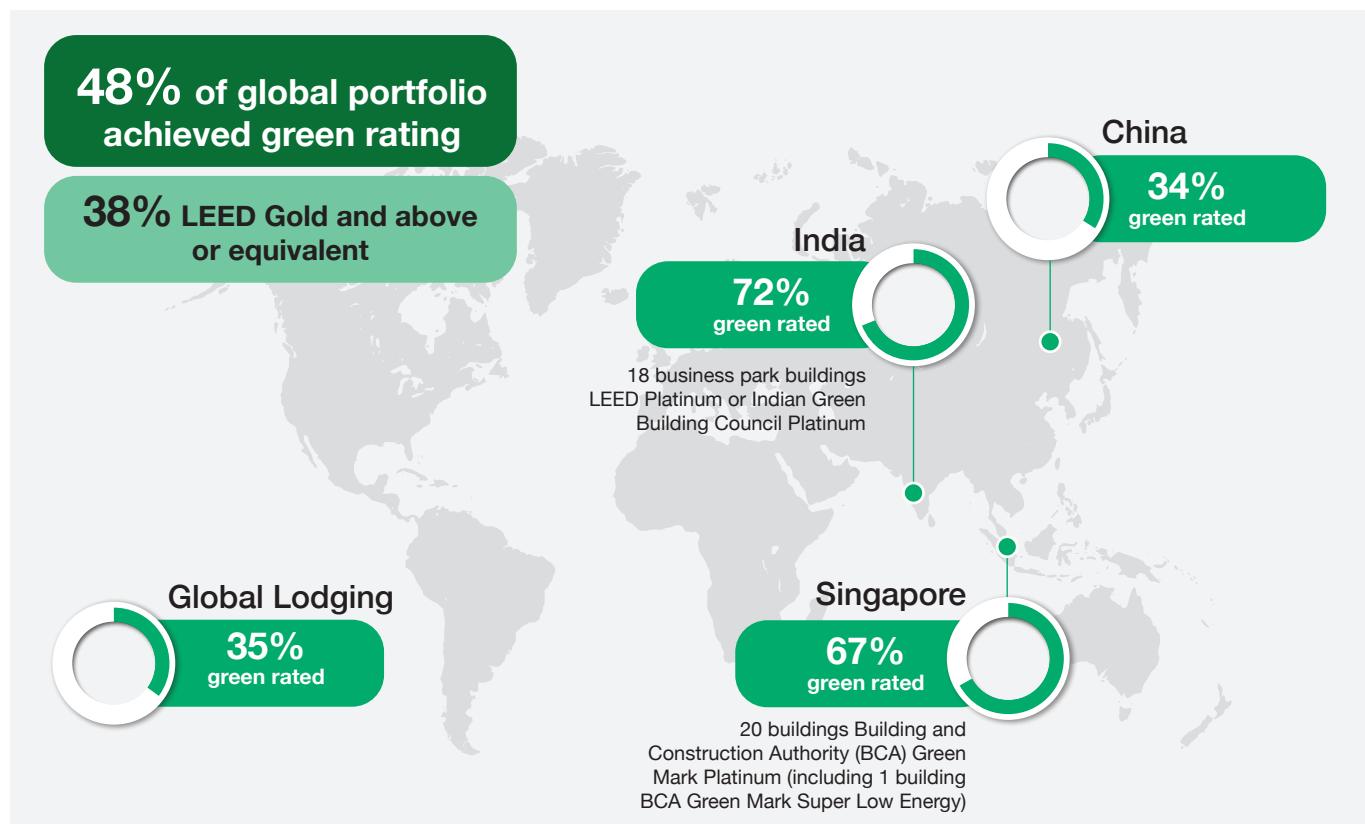
CLI has an internal and external audit system in place to ensure EHS conformance and effective implementation aligned to the ISO 14001 and ISO 45001 standards. Please refer to the Human Capital chapter of this report for more details.

HIGH PERFORMANCE SUSTAINABLE ASSETS

Green building ratings and certifications help assure and demonstrate the quality of CLI's portfolio. These ratings serve as an external validation that key environmental aspects have been considered and incorporated in new acquisitions, refurbishment, development⁵ and operations.

Green Building Rating

CLI targets to green all its existing properties by 2030 with each property achieving a minimum certification level by a green rating system administered by a national government ministry/agency or a World Green Building Council. In 2021, 48% of CLI global portfolio (by m²) achieved a green rating⁶.



⁵ Green building rating targets are determined at the outset of CLI projects. The minimum target for new buildings and major renovations is a certification by a green rating system administered by a national government ministry/agency or a Green Building Council recognised by the World Green Building Council (WGBC).

⁶ This refers to CLI's owned and managed properties by per m².

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ENVIRONMENTAL

Green Opportunities from Retrofitting Existing Buildings

21 Collyer Quay, a building constructed in 1982, was previously accorded the Building and Construction Authority (BCA) Singapore's Green Mark certification. At the end of a long-term triple net lease agreement with its previous tenant in April 2020, there was an opportunity for an asset enhancement initiative (AEI) that included the refurbishment of essential equipment and upgrading of common areas.

As part of the AEI, extensive green initiatives were introduced to existing spaces:

- Improved energy and water performance, through the installation of an energy-efficient chiller plant with an adaptive control algorithm, efficient lighting system with motion sensor and water-efficient fittings
- New features for a smart and healthy building, with monitoring systems to improve indoor air quality (on each floor) and to achieve a more efficient energy monitoring plan with submetering systems

As a result of these enhancements, 21 Collyer Quay was awarded BCA's Green Mark Platinum certification.



712 MWh/yr
of energy savings



S\$107,000
cost avoidance annually

Improving Operating Efficiency through Continual Enhancement Initiatives

As of end 2021, 18 business park buildings in India have achieved LEED Platinum or Indian Green Building Council (IGBC) Platinum. Notably, this included attaining the highest level of green building certification for eight properties of more than 15 years old, including Discoverer, Creator and Innovator in International Tech Park Bangalore (ITPB); and Block I and Block II in CyberPearl Hyderabad.



This was achieved through various asset enhancement initiatives for continual improvement of the operating efficiency of the portfolio. Initiatives included upgrading to more efficient air-conditioning equipment, and use of more energy efficient lighting. Other initiatives implemented are advanced control logistics for HVAC equipment, such as the implementation of an IoT platform in ITPB to optimise equipment performance through advanced data analytics. Water efficiency initiatives implemented at the buildings included adoption of low flow water fixtures in restrooms. Discoverer at ITPB also test-bedded a non-chemical and non-intrusive radio frequency based solution for chiller condenser water system descaling, which further reduced water consumption. To further enhance the tenant's health and safety, Ultraviolet Germicidal Irradiation (UVGI) lamps were installed in Air Handling Units (AHUs) of the buildings.

Environmental And Manufactured Capital

ENVIRONMENTAL

Collaboration in Developing Green Building Certification

The Excellence in Design for Greater Efficiencies (EDGE)⁷ is a green building certification system created by International Finance Corporation (IFC), a member of the World Bank Group. In 2018, CLI's wholly owned lodging arm, The Ascott Limited (Ascott), signed a Memorandum of Understanding with IFC to pioneer a green certification for the serviced residence industry, as part of the IFC's EDGE programme. Since then, Ascott has obtained EDGE certifications for eight properties across Asia and Europe, including two properties which obtained the EDGE Advanced certification⁸.

Somerset Kuala Lumpur is the latest property to achieve the EDGE certification. Somerset Kuala Lumpur retrofitted its centralised air-conditioning plant chilled water pumps with variable speed drives to further optimise its operational efficiency and reduce energy consumption. Along with the installation of energy-saving light bulbs, it achieved energy savings of 26% (698 MWh/year). Somerset Kuala Lumpur also adopted water-efficient fixtures, such as low-flow faucets and dual flush closets in guest rooms and water-efficient kitchen faucets, which reduced water consumption by 28% (3,300 m³/year). Through the implementation of multiple sustainable strategies, the property's estimated annual utility cost avoidance is S\$65,000.



26%

more energy-efficient



28%

more water-efficient



S\$65,000

cost avoidance annually

Green Lease

Beyond operating environmentally sustainable properties, CLI understands the important role that end-users of its buildings play. Collaboration with tenants becomes increasingly important, to influence and support their sustainability goals. A green lease programme is implemented at its properties in Singapore where minimum equipment and lighting efficiency requirements are stipulated to tenants. More than 85%⁹ of properties in Singapore have implemented green leases for their new and renewed leases. For its other properties globally, a green fit-out guide is given to new tenants to encourage tenants to adopt greener fit-outs and promote green practices and behaviour. CLI aims to implement its green lease programme at its properties globally and work together with its tenants to improve their sustainability performance.

LIFE CYCLE MANAGEMENT: CAPITALAND'S SUSTAINABLE BUILDING GUIDELINES

CapitaLand's Sustainable Building Guidelines (SBG) is an in-house guide developed since 2007 to ensure environmental considerations are factored in 11 stages of a project, from feasibility, design, procurement, construction, operations to redevelopment. It covers new acquisitions, developments and refurbishments by CLI, as well as joint venture developments where CLI has management control and the largest stake. The SBG is regularly reviewed to ensure continuous improvement, with a focus on four key objectives of minimising carbon footprint and energy consumption, water management, reducing the generation of waste, and promoting biodiversity in the real estate life cycle.

⁷ To qualify for EDGE certification, a building must achieve a 20% reduction in energy and water usage, and embodied energy in materials compared to a conventional building. EDGE works for a variety of residential and commercial buildings in over 160 countries, including homes and apartments, hotels and resorts, office buildings, health care facilities, and retail establishments. EDGE online assessment tool provides country specific advice and can be utilised by competent building professional.

⁸ A building must achieve at least 40% predicted energy savings in addition to at least 20% predicted (or estimated) savings in water and embodied energy (or embodied carbon) in materials to qualify for EDGE Advanced certification. The savings are compared to the base case in the EDGE assessment tool.

⁹ Percentage coverage computed based on net lettable area of CLI's owned and managed commercial, retail, business park, industrial and logistics properties in Singapore.

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Environment Health and Safety Impact Assessment (EHSIA)

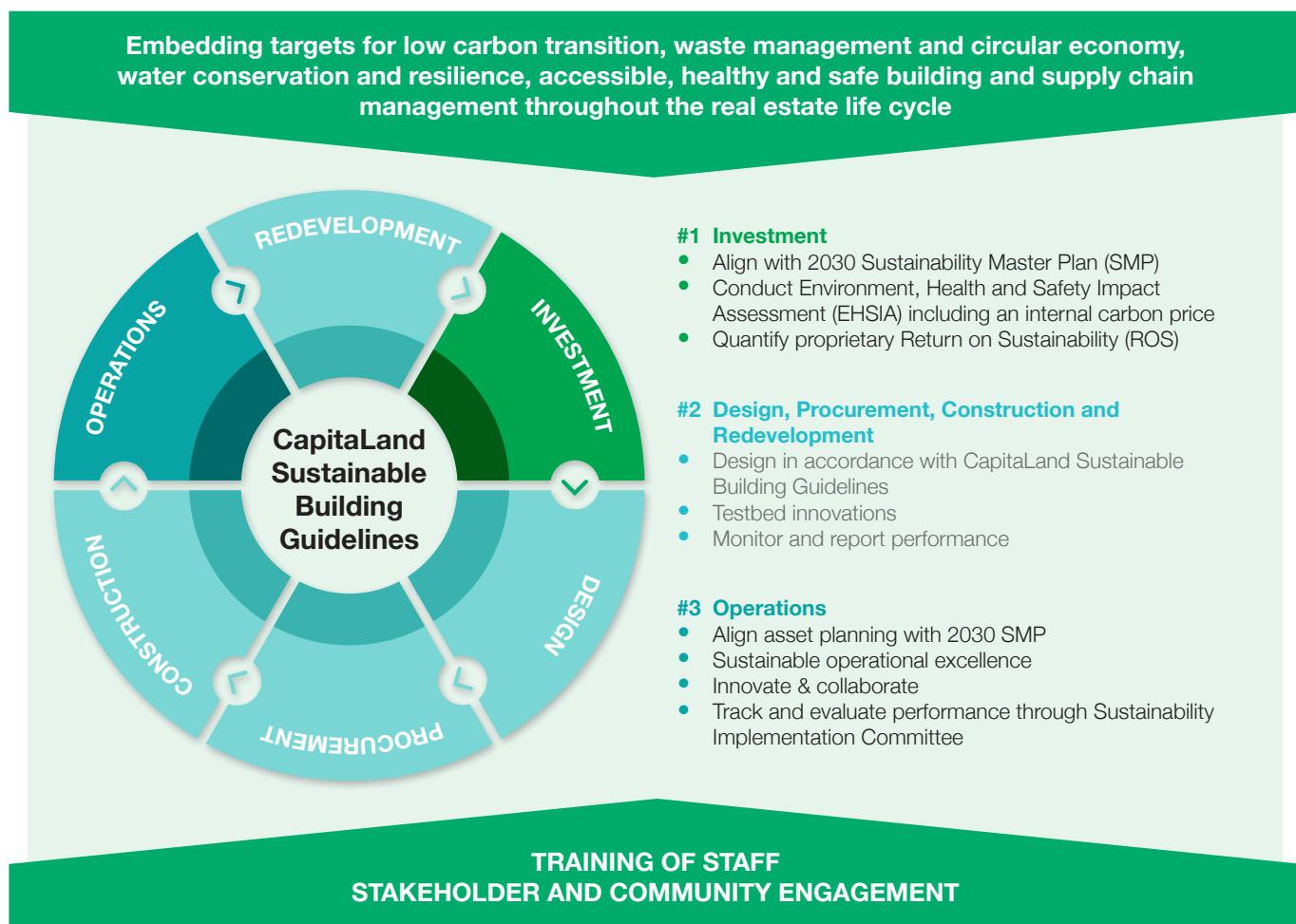
A key component of the SBG is the mandatory EHSIA. An EHSIA is carried out during the feasibility study of CLI's investment in operational assets or development projects as part of due diligence¹⁰. This involves establishing the baseline environmental performance such as energy efficiency and comparing it against CLI's 2030 targets. The assessment also includes transitional and physical risk and opportunity considerations, as well as the application of an internal carbon price. This assessment would guide the businesses to consider EHS risks and opportunities upfront and identify mitigation measures earlier. The significant findings of the EHSIA and their cost implications are incorporated in the investment paper submitted to CLI's Board for approval. This also forms part of CLI's proprietary new metric, Return on Sustainability (ROS)¹¹, to quantify the risks and value-creation opportunities for each project.

Biodiversity

The World Economic Forum's Global Risks Report 2021 identified biodiversity loss as one of the top 10 highest likelihood risks of the next decade. CLI is committed to preserving the biodiversity of its sites as well as the wider area wherever possible.

Most CLI properties are located in urban and built-up areas. There are no sites located within protected areas and hence no material biodiversity risk is identified. Instead, CLI encourages greenery within its properties as it enhances the wellness of its end-users and the vitality of the surrounding communities over the long term. CLI's SBG encourages the use of certified wood (e.g. wood products with Forest Stewardship Council (FSC), Program for the Endorsement of Forest Certification (PEFC) certifications) and other more sustainable wood materials and products such as composite wood, engineered wood and bamboo.

Integrating Sustainability in CLI's Real Estate Life Cycle



¹⁰ This includes pre-purchase, acquisition, and investment of new properties.

¹¹ The metric is intended to quantify the value created through CLI's sustainability efforts.

Environmental And Manufactured Capital

ENVIRONMENTAL

Revitalising a Previously Un-used Asset into a Vibrant Garden Mall - CapitaMall Nuohemule, China

CLI acquired and refurbished the un-used shopping mall and transformed it from a dark seven story structure into a vibrant property. With green “pocket-park” type islands along the mall’s corridors, the lush landscaped planters across all levels in the mall amount to a total of 2,000 m², reflected an innovative approach in creating spaces and gathering spots. Located in Hohhot, Inner Mongolia with long and arid seasons usually devoid of natural greenery, CapitaMall Nuohemule is a garden mall; with its indoor biophilic design incorporating natural light, it provides an enjoyable green experience for the surrounding communities. Extensive green spaces and water bodies enhance occupants’ well-being, quality of life, sociability and connection to nature. The mall is conveniently located at Hohhot’s Nuohemule station. Operational in Dec 2020, CapitaMall Nuohemule has become one of the most popular malls in Inner Mongolia.



TRACKING ITS ENVIRONMENTAL RESULTS

Environment Tracking System

CLI has been tracking its energy and water usage, waste generation and carbon emissions of its managed and owned operational properties via an online Environmental Tracking System (ETS) since 2008. CLI's ETS includes its global portfolio of integrated developments, retail, office, lodging, business parks, industrial, logistics and data centres. ETS also tracks the energy and paper consumption of CLI's corporate offices in Singapore and overseas. CLI also uses the platform to survey the various initiatives implemented at its properties globally including energy and water efficiency measures, biodiversity and habitat risks, as well as physical risks, including flood risk and water management.

Since migration to a cloud-based platform, the enhanced ETS has further improved data tracking and accuracies, expedited benchmarking on consumption patterns and helped identify opportunities for further operational efficiency improvements. It allows each property to conduct analysis against set targets and past trends to understand consumption patterns and identify areas for improvement. The consolidated data is also analysed at the BU and CLI levels against reduction targets. This facilitates a better understanding of consumption patterns and identification of areas for eco-efficiency improvements for its global portfolio. Regular desktop audits are conducted to ensure data completeness and accuracy. In 2021, the ETS was further enhanced to better track the performance of its properties against the 2030 Sustainability Master Plan targets, and new indicators, e.g. green building certifications were included.

Environmental And Manufactured Capital

ENVIRONMENTAL

Carbon Emissions Reduction

Buildings account for more than 36% of global energy use and energy-related carbon emissions¹². Reducing carbon emissions is a key part of CLI's strategy to mitigate transitional risks for a low-carbon economy. CLI is committed to reduce carbon emissions of its operations aligned with a 1.5°C trajectory, with an aim to be net zero by 2050.

In 2021, CLI's total scope 1 and 2 carbon emissions¹³ was 638 ktonnes CO₂e. It reduced its carbon emissions intensity to 39.8 kg CO₂e/m², a 54% reduction compared to 2008 baseline intensity levels.

CLI recognises the need to measure and address its indirect scope 3 emissions as well. With the restructuring of CapitaLand into CapitaLand Investment and CapitaLand Development, embodied carbon and construction emissions from its developments will be less significant for CLI. CLI aims to better track and disclose its other material scope 3 emissions, such as tenant energy consumption and third-party managed assets in its portfolio.

Carbon Emissions Intensity:

54%
reduction from 2008



Supporting Low-Carbon Transportation

The transport sector accounts for 23% of global energy-related GHG and is the main cause of air pollution in cities. Decarbonising transport is therefore instrumental for countries to achieve their commitments set out in the Paris Agreement.

As of end 2021, more than 1,300 electric vehicle (EV) charging stations were installed at 72 CLI managed properties in its core markets of Singapore, China and India as well as in Belgium, Germany and Malaysia.

Over 95% of CLI's properties worldwide are conveniently located in close proximity to public transport hubs such as bus stops and train/subway stations. This allows easy access to its properties, without the use of privately-owned vehicles. Free shuttle bus services to these public transport hubs are also made available at some of its shopping malls. More than 21,000 bicycle parking facilities are available at more than 140 of its properties¹⁴.

¹² "2021 Global Status Report for Buildings and Construction – Towards a zero-emission, efficient, and resilient buildings and construction sector", United Nations Environment Programme (UNEP).

¹³ This is computed mostly from purchased energy consumption under scope 2, and some direct energy consumption under scope 1 as defined by the Greenhouse Gas (GHG) Protocol (operational control approach) and using individual country CO₂e emission factors retrieved from the International Energy Agency (IEA) Statistics – CO₂ emission factors from fuel combustion.

¹⁴ Refers to CLI's owned and managed properties.

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Energy Efficiency and Renewables

Emissions from CLI's operational portfolio form the majority of its scope 1 and 2 emissions. Improving energy efficiency and implementing on-site and off-site renewables are the most impactful and cost-effective ways to mitigate those emissions.

In 2021, CLI's total energy consumption of its operational properties was 1,461 GWh. Despite an increase in total energy use due to the expansion of its operational portfolio and recovery from COVID-19, CLI reduced its energy intensity measured in kWh per m² by 43% from base year 2008.

The reduction in energy intensity or energy usage per m² is computed at the property and BU level. There are reduction targets set as KPIs for property managers and the BU CEOs.

CLI continues to implement various energy conservation measures, some of which are listed below. It also focuses on innovation to reduce energy consumption.

Energy Intensity:

43%

reduction from 2008



Focus	Initiatives
Consumption Reduction	<ul style="list-style-type: none">• Natural ventilation to reduce cooling demands• Use of sun shades and cool paints to reduce heat gain• Use of daylight, sun pipes/light shelves to reduce the need for artificial lighting
Energy Efficiency	<ul style="list-style-type: none">• Upgrade to more efficient air-conditioning equipment• Use more efficient lighting such as LED (light-emitting diode), integrated with smart controls• Install high-efficiency boiler and heat pump• Adopted district cooling systems in selected properties in Singapore and China. CLI was one of the pioneers to join Singapore's first brownfield distributed district cooling (DDS) network through Tampines Mall
Control, Metering and Monitoring	<ul style="list-style-type: none">• Conduct energy audits at the properties to improve energy efficiency• Building management system and sub-metering• Implement IoT platform in properties in Singapore, China and India, which enables centralised monitoring and data analytics-based insights towards optimising equipment performance
Renewable energy	<ul style="list-style-type: none">• Established a separate renewable energy consumption target of 35% by 2030 to catalyse the transition to a low-carbon economy through on-site installation of renewable energy generation and purchase of green power

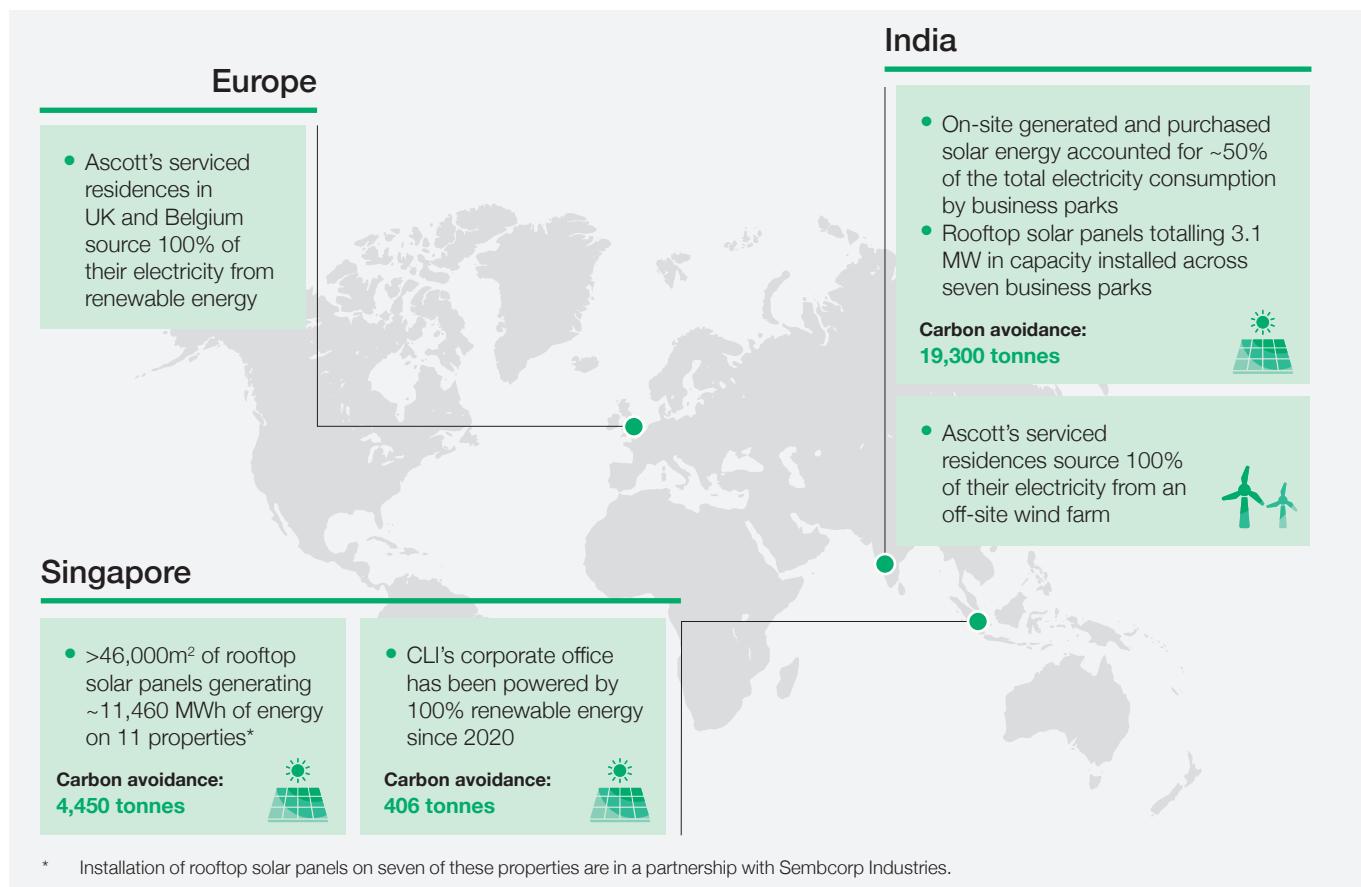
While energy efficiency is the most cost-effective and material way for CLI to reduce carbon emissions, the urgent need to transit to a low-carbon economy can be expedited with the use of renewable energy to further avoid emissions. However, this remains challenging due to limited rooftop spaces at CLI properties where renewable sources of energy such as solar energy could be optimally generated. Green power remains limited in various markets, e.g. in Singapore, and generally more expensive.

In 2021, about 4.3% (47,800 MWh) of CLI's total electricity use was from renewable energy sources, which helped to mitigate about 28,960 tonnes of carbon emissions. This was attributed to the 21 properties in Singapore, China, Australia, Belgium, India, UK and seven business parks in India that were fully or partially powered by renewable energy via on-site renewable energy systems or the purchase of full green power or partial green power with the remaining amount of electricity generated from renewable sources. CLI's corporate offices in Singapore were also fully powered by renewable energy. CLI continues to explore renewable energy options for its global portfolio, including opportunities to purchase green power and carry out feasibility studies to install solar panels across its portfolio.

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ENVIRONMENTAL

On-site and Other Renewable Energy Solutions

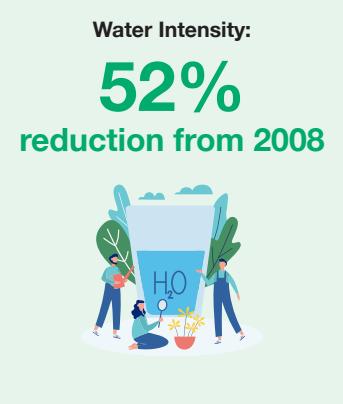


Water Conservation and Resilience

A strategic approach to water management CLI's real estate portfolio. CLI is committed to reducing water consumption, reusing water and preventing water pollution, especially in countries where the availability of clean water and sanitation are of concern. A regular survey was conducted to better understand water source and discharge for each property. At almost all of CLI's operational properties, water consumption is derived from municipal supplies¹⁵. Based on studies by WRI Aqueduct Projected Water Stress Country Rankings¹⁶, Singapore, China and India are among the top 50 most water-stressed countries by 2040. To reduce reliance on potable water, CLI's properties in India have wastewater recycling facilities on-site and reuse the wastewater for non-potable uses where possible.

In 2021, CLI's operational properties' total water consumption was about 12 million m³. The increase in water consumption is largely attributed to higher occupancy at its properties as a result of the recovery from COVID-19. The majority of its water usage goes to cooling towers, toilets, washing activities and landscaping.

CLI reduced its water intensity measured in m³/m² by 52% from baseline year 2008. In addition, 1.1 million m³ of freshwater consumption was avoided with the use of water recycled on site and NEWater¹⁷. The reduction in water usage per m² is computed at the property and BU level. This forms a critical part of the KPIs for the property managers and the BU CEOs.



¹⁵ Three properties extract groundwater for use with the appropriate treatment system in place. Meters are installed to monitor water usage. This usage accounts for 0.4% of CLI's total water usage. Surface water extraction due to rainwater harvesting accounts for about 0.01% of its total water usage.

¹⁶ Water stress measures total annual water withdrawals (municipal, industrial, and agricultural) expressed as a percentage of the total annual available water.

¹⁷ NEWater is treated wastewater produced by PUB, the national water agency of Singapore, which has been further purified using advanced membrane technologies and ultraviolet disinfection, as well as recycled water from on-site wastewater treatment.

Environmental And Manufactured Capital

ENVIRONMENTAL

CLI continues to implement initiatives to ensure efficient operations and minimise water wastage, some of which are listed below.

Focus	Initiatives
Consumption Reduction	<ul style="list-style-type: none">Flow regulators; self-closing delayed action faucets/motion-activated faucets; dual flush/low flush toiletsChoice of local plant species and drought resistance plants; irrigate plants in the morning or late afternoon to minimise evaporation loss
Control, Metering and Monitoring	<ul style="list-style-type: none">Water audit; sub-metering to track consumption and early leak detection
Recycling and Reducing Reliance on Potable Water	<ul style="list-style-type: none">Grey water recycling¹⁸; condensate recoveryRainwater harvesting for landscape irrigation

Waste Management and Circular Economy

Waste Recycled

According to the World Economic Forum's Circular Economy Initiative, over 92 billion tonnes of materials were extracted and processed, contributing to about half of global carbon emissions in 2019, with the resulting waste taking its toll on the environment and human health. Achieving this transition to a circular economy would require unprecedented collaboration given that in 2019, only 8.6% of the world was deemed circular.

CLI aims to play its part by managing waste at its properties responsibly. As waste generated at its operational properties is mostly from its tenants, guests and the general public, CLI engages its stakeholders through various means to reduce and recycle waste. For example, recycling bins are made available at its properties for its tenants, shoppers and guests.

CLI implements waste management strategies as part of its EMS. However, data in certain countries and properties is not readily available or cannot be consolidated due to local supply chain challenges. CLI aims to improve tracking of waste data at its properties and will continue implementing measures to reduce waste generation from its day-to-day operations and achieve 25% recycling rate by 2030. In 2021, more than 8,000 tonnes of recyclable waste¹⁹ was collected from 245 properties in 15 countries, achieving a recycling rate of 8.1%. CLI had implemented an e-waste recycling initiative at its properties in Singapore. It ensured proper disposal and recycling through the appointment of certified e-waste vendors. In 2021, the total amount of e-waste collected at its properties in Singapore was 13.7 tonnes.

Encouraging Circularity through Automatic Waste Segregation in India

The International Tech Park Bangalore (ITPB) installed an automated waste segregation system within its premises to separate its collected waste into biodegradable and non-biodegradable waste. The biodegradable waste collected was used to create compost, while non-biodegradable waste was further converted into particle boards and reused for furniture, roofing tiles and partition walls. The system improves efficiency of waste segregation and waste recovery, as well as reduces the number of trips for waste collection. In 2021, ITPB collected more than 128 tonnes of recyclable waste and achieved a recycling rate of more than 60%.



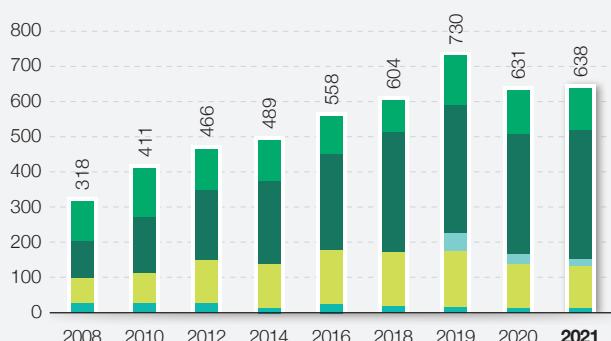
¹⁸ In 2021, on-site grey water recycling reduced almost 0.2 million m³ of potable water consumption.

¹⁹ Whilst recycling facilities are made available at CLI's properties, not all public waste collectors are able to furnish the recycled waste collected in weight as requested for reporting purposes. In 2021, about 91,800 tonnes of non-recyclable waste was generated at 279 properties.

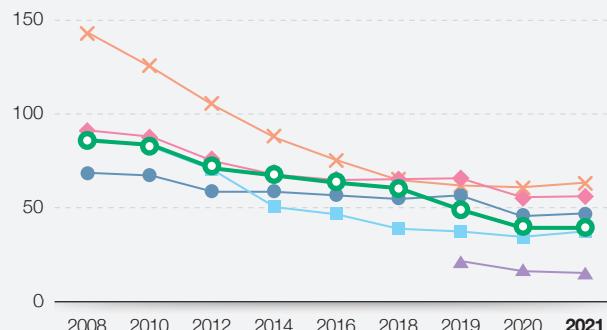
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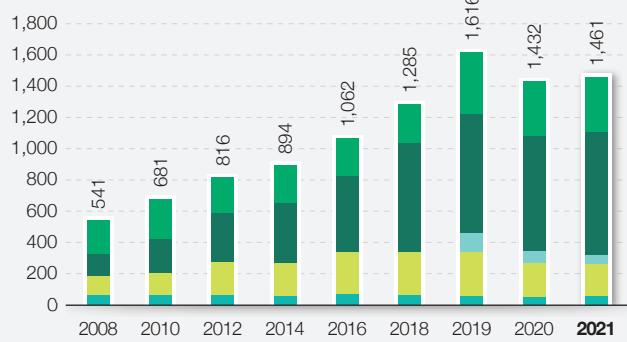
Carbon Emissions (Scope 1 + 2)
(ktonnes CO₂e)



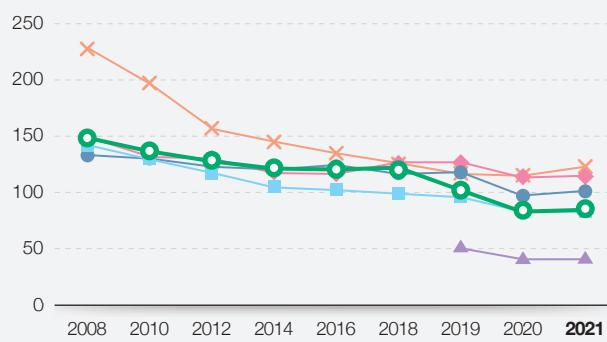
Carbon Intensity
(kgCO₂e/m²)



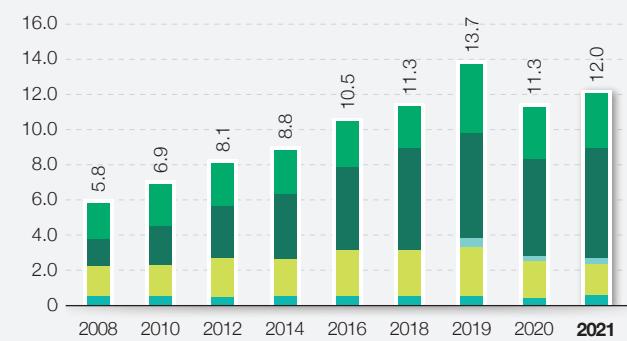
Energy Usage
(GWh)



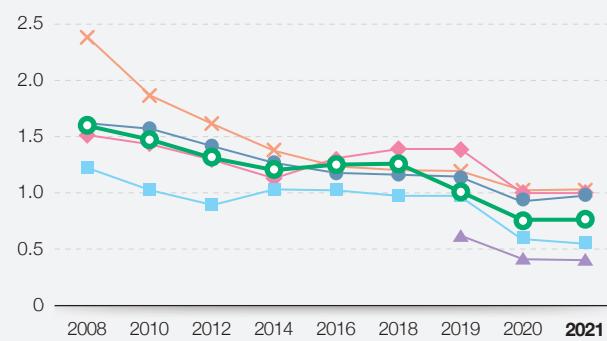
Energy Intensity
(kWh/m²)



Water Usage
(million m³)



Water Intensity
(m³/m²)



- Singapore
- China
- India
- Other Asia
- International

- ✖ Integrated Developments
- ❖ Malls
- Lodging
- ▲ Business Park, Industrial & Logistics
- Offices
- CLI Average

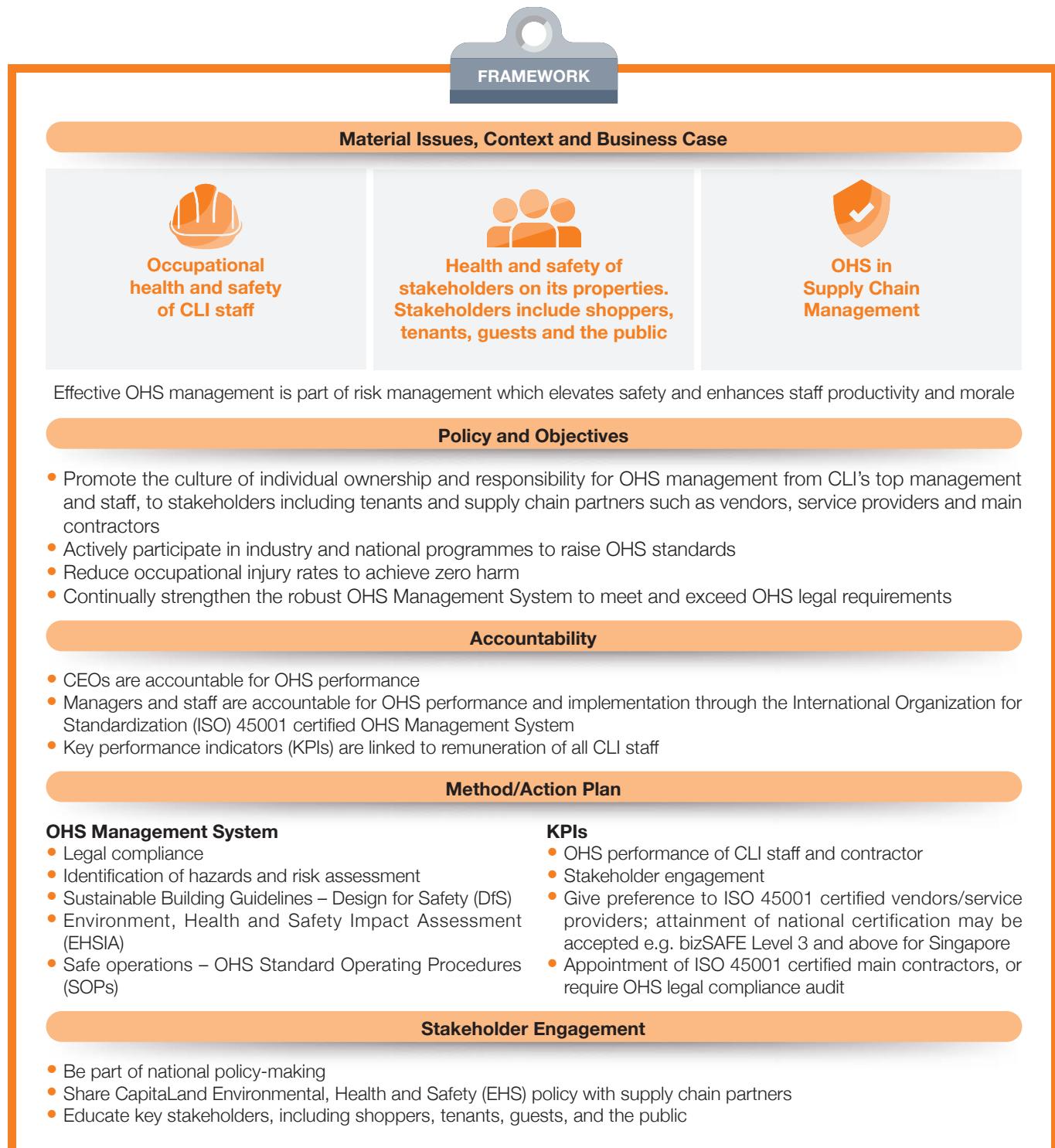
Note:

- FY 2019 data is updated to include full year data of business parks, industrial and logistics assets. Previous data was from 1 July 2019 for these assets.
- The number of operational properties increased from 142 in 2008 to 353 in 2019, 353 in 2020 and 359 in 2021.
- Intensity figures are computed for operational properties with full year data, and exclude new properties which have been in operation for less than 12 months, properties undergoing asset enhancement initiatives (AEI) and corporate offices.
- District heating and district cooling energy consumption are included in the computation of carbon intensity and energy intensity figures from 2019 onwards.
- Data centre is reported as part of business parks, industrial and logistics asset class.

COMMITMENT TO A HEALTHY AND SAFE WORKPLACE

The occupational health and safety (OHS) of CapitaLand Investment's (CLI) staff, tenants, supply chain partners, and the communities who use its properties, is of utmost importance to CLI. Effective OHS management elevates safety and enhances staff productivity and morale.

CLI's OHS framework includes identifying material issues, developing action plans, setting policies, ensuring accountability within the company and engaging stakeholders.



TOP MANAGEMENT COMMITMENT AND STAFF INVOLVEMENT

CLI champions OHS with commitment from the top management, and staff participation through an integrated EHS Management System as well as stakeholder engagement activities. CEOs are accountable for the OHS performance of their business units (BUs). Supplementing this management system is a Group Safety Council established since 2020 comprising members from the CLI Leadership Council. This Council reviews major OHS incidents and helps to reinforce a culture of safety.

Staff are required to take personal responsibility for OHS and are encouraged to be forthcoming in reporting OHS-related incidents, including non-compliances and non-conformities, to the relevant BU management representatives. The list of BU representatives is updated on the CapitaLand intranet.

Key Performance Indicators (KPIs) Tied to Remuneration

CLI incorporates OHS KPIs that are linked to the remuneration of all CLI staff, including its top management.

ROBUST OHS MANAGEMENT SYSTEM

CLI's approach to health and safety is guided by its OHS Management System. Established in Singapore since 2009 under the former CapitaLand Limited it covers Australia, Belgium, China, France, Germany, India, Indonesia, Japan, Malaysia, Philippines, Spain, Thailand, the United Kingdom (UK), and Vietnam. CapitaLand's EHS policy outlines the company's commitment to manage OHS issues. Please refer to the EHS policy outlined in the Environmental Capital chapter of this report.

Certified to International Standards

The OHS Management System has been externally audited to recognised international standards for OHS Management Systems since 2009 by third-party accredited certification bodies. The Group has achieved ISO 45001 OHS Management System certification in 15 countries¹. This encompasses all business functions including property management and operations, project development and corporate office management.

Global Internal and External Audits

CLI has an internal audit system to assure EHS conformance and effective implementation aligned to the ISO 14001 and 45001 standards.

Internal audits are scheduled at least once a year in 15 countries, covering 50% of the sites in each country. In addition, external audits are scheduled annually with an accredited third-party certification body. The annual EHS Management System audits provide assurance to top management and external investors of CLI's EHS legal compliance and commitment to best practices. Despite the impact of COVID-19 and the strict compliance to local COVID-19 requirements on its global properties, CLI completed the external and internal audits within the Group's portfolio. This accomplishment was driven by CLI desire to assure strong EHS Management Systems, enabled by alternative audit modes such as virtual and a hybrid of virtual and physical site audits.

Compliance

Legal requirements are reviewed on a quarterly basis, and compliance to these requirements are evaluated annually. Despite efforts to ensure compliance, the Singapore and China operations incurred 10 non-compliant incidents relating to fire safety and health. Root causes were identified through investigations, and corrective actions were taken immediately. Lessons learnt from the incidents were shared across business units and the Group's commitment to strengthen its safety culture was reinforced.

¹ CLI staff located in these 15 countries account for 99% of CLI's total staff strength.

Risk Management of OHS Hazards

Identifying OHS hazards and assessing their risks are key components in CLI's OHS Management System. CLI strives to eliminate or minimise such risks. Hazards Identification and Risk Assessments (HIRA) are reviewed annually, or following an incident, or a significant change in processes. OHS hazards are identified for the administration, development and operational functions of CLI's businesses, and their risks are assessed. Examples of hazards include slip, trip and fall, fall from height and falling objects. The BUs have established standard operating procedures (SOPs) to minimise the occurrence of such hazards.

Since October 2020, the Environment, Health, and Safety Impact Assessment (EHSIA) was made mandatory when evaluating new investments. The results of the EHSIA enable businesses investment teams to consider OHS risks and opportunities upfront and to identify early mitigating measures.

Training and Awareness

To facilitate the effective implementation of its EHS Management System (EHSMS), training and awareness programmes are organised as part of the integrated EHSMS training for CLI staff. New staff are inducted to the EHSMS. They are briefed on CapitaLand's EHS policy and the roles each staff plays. For the implementation of CLI's EHSMS, heads of departments in administration, operations, and project development, including heads of operating properties, design managers and project managers, undergo more detailed training programmes. In 2021, about 48% of CLI staff attended at least one EHS related training amounting to more than 57,900 training hours. These include safety and emergency response training. In addition, staff were briefed on how to respond to EHS incidents at the workplace. In light of COVID-19, web-based learning sessions were conducted in 2021.

To overcome the challenge of its growing international portfolio, CLI has put in place the "Train-the-Trainer" initiative for its "EHS Implementor Training Programme". This expands the reach of trainers to countries where CLI operates.

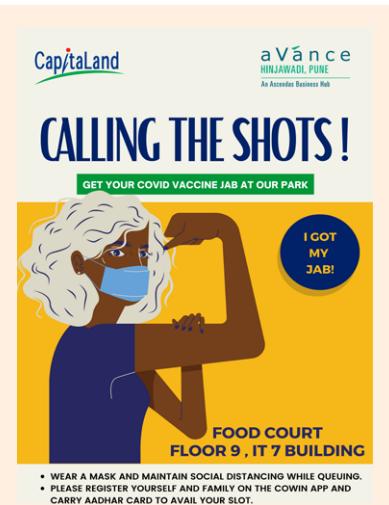
Measures to Mitigate Risks of Serious Diseases

CLI has established measures to mitigate the threat of serious diseases in a timely manner. This includes the dissemination of medical and travel advisories to provide staff with safer travel planning. Information on pandemic planning is also made readily available to all staff on-demand through the intranet.

Vaccinating CLI Staff and their Families in Singapore and India

To support the progressive re-opening of workplaces and to curb the spread of COVID-19, more than 80%² of CLI staff globally has been vaccinated, with staff in Singapore attaining almost a 100% vaccination rate.

In India, CLI Operations team worked closely with government and health authorities to organise vaccination drives across India properties in Bangalore, Chennai, Hyderabad and Pune. CLI employees and their families were invited to participate in these vaccination drives.



² Refers to the staff who are eligible for COVID-19 vaccination.

MEASURING OUR SAFETY PERFORMANCE

2021 Occupational Health and Safety Targets and Performance

Targets	Performance
Maintain ISO 45001 certification for its OHS Management System	<ul style="list-style-type: none"> Retained ISO 45001 certification in 15 countries
Zero incident resulting in CapitaLand staff fatality and permanent disability	<ul style="list-style-type: none"> One CLI staff fatality³ Zero CLI staff permanent disability
Zero incident resulting in contractor staff fatality and permanent disability	<ul style="list-style-type: none"> Zero contractor staff fatality and permanent disability

CLI's OHS performance monitoring includes all staff (both full-time and part-time) and contractors involved in the daily operations.

In 2021, there were 31 work-related injuries⁴ involving CLI staff, mostly from the operations teams. Root causes were identified and corrective actions were taken. To continually lift OHS performance, CLI continues to monitor its OHS performance, reinforce OHS standards, and improve its SOPs.

CLI Staff	2021			Group Overall	2020 Group Overall	2019 Group Overall
	Singapore	China	Rest of the World			
Lost-day injuries	4	13	14	31	42	45
Fatalities	1	0	0	1	0	0
Injury rate ⁵ (number of injuries per million hours worked)	0.8	1.6	1.7	1.4	1.6	1.5
Lost day rate ⁶ (number of lost man-days per million hours worked)	9.6	87.9	46.0	53.6	112.7	38.8
Absentee rate ⁷ (% of total workdays scheduled)	1.8	1.2	2.6	1.9	1.1	1.2

OHS AND WELLNESS OF STAKEHOLDERS

CLI understands the important role that end-users of its buildings and its supply chain play. It actively engages its staff, tenants, supply chain partners as well as the wider community to promote total well-being, health and safety.

Staff Wellness

CLI aims to provide a work environment that is safe and contributes to the well-being of its staff. CapitaLand implemented a "Total Well-Being Programme", which included an annual free onsite health screening in Singapore and China. In view of COVID-19, this screening was held offsite via appointment booking at the clinics. In 2021, more than 1,000 staff in Singapore and 3,400 China staff participated in this complimentary health screening⁸.

³ The cause of death was attributed to the staff's pre-existing health condition. This incident occurred during working hours.

⁴ Based on work-related incidents that resulted in more than three days of medical leave or more than 24 hours of hospitalisation.

⁵ In 2021, the injury rate was 1.8 and 1.1 per million hours worked for CLI male and female staff respectively.

⁶ In 2021, the lost day rate excludes the fatality incident. In 2021, fatality rate is 0.05 per million hours worked. In China, the increase in lost day rate in 2021 is attributed to two incidents with longer medical leave given.

⁷ Absentee rate was based on medical leave taken by CLI staff, regardless of whether it was a work-related illness or not. In 2021, the absentee rate was 1.6% and 2.1% of scheduled workdays for male and female staff respectively. The absentee rate of the Group was 1.6% of scheduled workdays in 2018.

⁸ Based on 2021 health screening profile in Singapore, high total cholesterol indicator improved compared to the year before and remained better than the national average, whilst weight management remained an area of concern. To encourage healthy living, tips on healthy living and exercise are also shared in staff intranet.

While financial assistance, employee assistance programmes, and healthcare hotlines were already in place, CLI introduced additional policies and schemes during the COVID-19 pandemic to support its staff.

In 2021, with most CLI staff still working from home in compliance with COVID-19 safe management measures, CLI organised additional online programmes to support its staff. More than 40 online wellness events were held, with a total of 1,600 event places. To address the effects of work from home, these online programmes focused on nurturing our employees' well-being and mental health. In addition, workout sessions, financial and retirement planning talks and personal grooming workshops were organised.

The CapitaLand Core Values Ambassador Awards was organised globally to recognise inspiring individuals who have strongly displayed CapitaLand's Core Values. Global workshops on "Being a Supportive Peer" and "Being a Supportive Leader" were organised with more than 130 staff from 8 countries trained. A Mental Wellness Ambassadors community comprising 11 representatives across business units and functions was created in Singapore to support the mental wellness of staff. More importantly, the initiative enabled CLI staff to overcome the challenge as one.

National Policy Making

CLI actively participates in national OHS efforts. In Singapore, this includes being members of the Workplace Safety and Health (WSH) Council (Construction and Landscape) Committee, WSH Council (Facilities Management) Committee, and the Tripartite Oversight Committee on Workplace Safety and Health.

Tenants and Community

As part of CLI's OHS Management System, emergency response procedures are in place to address potential OHS risks. Periodic briefings and annual evacuation drills are conducted to continually familiarise tenants with the emergency response actions.

Engaging Tenants and Shoppers in China

In China, CLI continued to collaborate with more than 160 local fire departments, government agencies, and associations to organise fire drills at 55 offices, business parks and malls. This creates greater safety awareness among the more than 40,000 participants, including tenants and shoppers. The fire drills included fire outbreak simulation, involving the local fire departments. These were well-received by the local authorities. CLI also organised other emergency response drills on lift, escalator rescues, and anti-riot exercises that involved more than 6,200 participants, including tenants.

In China, safety posters were also put up in malls and COVID-19 prevention material were distributed as part of China's annual nationwide safety awareness programme to promote safer workplaces for tenants and shoppers.



Training on the use of fire extinguisher in Raffles City Changning, China



Distribution of COVID-19 prevention materials to shoppers in International Tianjin Centre Mall, China



Safety poster on safe use of escalator displayed in International Tianjin Centre Mall, China

Supply Chain Management

CLI works closely with its contractors and suppliers who are committed to high quality environmental, health and safety standards. To influence supply chain partners to operate responsibly in the areas of anti-corruption, human rights, health and safety, as well as environmental management, the CLI Procurement Policy and the CapitaLand Supply Chain Code of Conduct form the basis of CLI's engagement with them. Through a structured procurement process, contracts are awarded after rigorous tender selection that includes a balanced evaluation of financial and non-financial criteria, including safety requirements.

Contractors are only appointed upon meeting these stringent environment, health and safety requirements. CLI's in-house contractor management guidelines require all contractors to comply with local government and other legal requirements. Preference is given to ISO 14001 and ISO 45001 certified companies or equivalent.

In 2021, 100%⁹ of CLI's supply chain agreed to abide by the CapitaLand Supply Chain Code of Conduct.



Review and Engagement of CapitaLand's Supply Chain

In the 2020 supply chain baseline study conducted by CapitaLand, it engaged its business units on the importance of influencing its supply chain on sustainability matters for its entire operational portfolio and development sites. The objective was also to better understand the presence of migrant workers within the CapitaLand supply chain, and the onsite provision of facilities for its contractors' workers¹⁰.

The study found that migrant workers were present in some markets within the CapitaLand supply chain. For operational properties in the lodging portfolio, there was a high percentage of migrant workers amongst the vendors and service providers (e.g. security, cleaning, landscaping services) in countries such as Malaysia, Germany, and UK. These properties are part of CLI's OHS Management System which is externally assured to ISO 45001 for occupational health and safety. For CLI operational properties, 95% have a dedicated rest area for contractor staff.

COVID-19: Ensuring the Safety of the Staff, Term Contractors and Tenants in Malaysia

To keep workplaces safe while enabling progressive re-opening, CLI operations team tracked the COVID-19 vaccination status of staff, term contractors and tenants. The seven retail malls achieved a vaccination rate of more than 99% of all who are eligible for COVID-19 vaccination.

In addition, CLI monitored the weekly COVID-19 tests of its cleaning and security contractors. The tests are an important measure for these front-facing supply chain partners as it helps contain and mitigate the COVID-19 spread. Individuals identified as infected are isolated, preventing further person-to-person transmission of COVID-19. CLI proactively worked with its contractors to monitor the COVID-19 developments to take early preventive measures.



Onsite COVID-19 Antigen Rapid Test (ART) by term contractors

⁹ Property maintenance and project related contracts for owned and managed properties and projects. This includes supply chain complying with their own code of conduct which is equivalent or more stringent than CapitaLand Supply Chain Code of Conduct.

¹⁰ This study referenced the International Labour Organisation (ILO) definitions of migrant worker and provision of rest areas/facilities for outsourced workers, as well as the Singapore Tripartite Advisory on rest spaces.

Supply Chain – contractors in operational properties

CLI's contractor management guidelines require all contractors to comply with local government and other legal requirements. Vendors and service providers are required to submit a copy of their risk assessments where their activities may affect the occupational health and safety of CLI staff or visitors.

Contractors are provided with a copy of CapitaLand's EHS Policy. They are required to ensure that their staff are sufficiently trained or are briefed on EHS measures and abide by contractor house rules stipulating requirements such as the deployment of personal protective equipment, the reporting of accidents, and proper disposal of debris and toxic waste.

Since 2012, CLI properties in Singapore target to appoint contractors who are at least bizSAFE¹¹ Level 3 certified. A valid bizSAFE certification is also required when renewing contracts. Where applicable, CLI stipulates similar requirements for its overseas offices. In 2021, about 95% of CLI appointed contractors¹² in Singapore were at least bizSAFE Level 3 certified.

In 2021, there was no work-related fatality or permanent disability incident involving contractors working on our properties. CLI has established procedures to identify root causes of incidents or non-conformance and ensured that corrective and preventive actions are completed to prevent occurrence.

Improving Stakeholder Safety Awareness in China and Singapore

CLI China organised an annual nationwide safety awareness programme to promote safer workplaces for all. The programme features safety awareness activities and engages stakeholders such as CLI staff, contractors, tenants, and shoppers.

CLI staff and contractors underwent training on workplace hazards identification, safety controls and measures, safe work procedure inductions, and EHS legal compliance. In 2021, 55 malls, offices and business parks rolled out various safety programmes, achieving a participation rate of over 90% of contractor staff.

CLI Singapore continued to roll out the work safety videos to enhance OHS awareness and standards for CLI staff. For its staff and contractors in the Singapore business parks, CLI conducted virtual training sessions for its lift maintenance, cleaning contractors as well as sub-contractor of its solar panel vendor.

48 contractor staff participated in the virtual training session which included topics on high risk work activities such as work at height, confined space entry, hot works and, slip trip and fall. In addition, monthly OHS messages including OHS procedures and accident advisories were also disseminated.



Full dress emergency response training for CLI staff and the outsourced security team in CapitaMall Grand Canyon, Beijing, China



Part of the virtual training session, these videos covered high risk work activities including working at height, entry into confined spaces, hot works, emergency response, and COVID-19 measures

¹¹ The bizSAFE programme is advocated by the WSH Council in Singapore to promote workplace safety and health in small and medium enterprises.

¹² This refers to term contractors where their work is on-site at CLI properties or offices.

HUMAN RIGHTS

CapitaLand Investment Limited (CLI) has an integrated human capital strategy to recruit, develop and motivate staff. Key performance indicators (KPI), both for the business as well as for people development, are in place to ensure that staff's performance goals are aligned with the company's business objectives. Staff are provided with the appropriate development opportunities to perform well in their job.

CLI has a Social Charter which sets out commitments to support the preservation of human dignity and self-respect of every individual, covering topics on human rights, child labour, forced labour, human trafficking, code of conduct, diversity and inclusion, and healthy work-life balance. Other human rights related policies such as grievance handling and harassment policies have been put in place. Applicable to all CLI staff, the Social Charter guides the company towards ensuring a supportive and respectful environment for individuals across all aspects of CLI's business and operations.

CapitaLand Group was ranked #1 in the Real Estate sector for Randstad Brand Award 2021 - Singapore.

Anti-Child Labour and Anti-Forced Labour

With a global workforce of more than 9,900 staff, CLI is committed to be a workplace of choice for its staff. CapitaLand is a signatory of the United Nations Global Compact (UNGC) and is committed to the 10 principles in the areas of human rights, labour, environment and anti-corruption. These 10 Principles of the UNGC are derived from the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention against Corruption.

In Singapore, CapitaLand signed the Employers Pledge for Fair Employment Practices with the Tripartite Alliance for Fair and Progressive Employment Practices (TAFEP¹) and is committed to the five key principles of fair employment². CLI also actively participates in national efforts towards promoting harmonious labour-management relations in the Tripartism in Singapore led by Singapore Ministry of Manpower, and partners from the National Trades Union Congress and Singapore National Employers Federation.

In 2021, CLI had no reported incident relating to discrimination, child labour or forced labour, and no staff was below the age of 16³.

Diversity, Equity and Inclusion

As an international company, CLI embraces diversity, equity and inclusivity regardless of age, religion, gender, race, nationality and family status. CLI believes that staff can make a significant contribution based on their talent, expertise and experience. Having a diverse mix of employees is also a target in CapitaLand's 2030 Sustainability Master Plan. Performance is tracked and reported to relevant stakeholders periodically. In 2021, there were 85 nationalities working within the Group.

CLI adopts a localisation strategy for its overseas operations where reasonable and practical. This ensures that the teams on the ground have a good grasp of the local socio-political and cultural sensitivities to help deliver targeted business outcomes for the Group. In 2021, locals accounted for more than 81% of the staff based in Singapore and more than 98% of staff based in China. Of these locals, more than 41% and more than 16% held managerial and senior management positions in Singapore and China respectively.

¹ The Tripartite Alliance for Fair and Progressive Employment Practices (TAFEP) was formed in May 2006 to promote non-discriminatory employment practices and to shift mindset among employers, staff and the general public towards fair and progressive employment practices for all workers in Singapore. Members include employer representatives, union leaders and government officials.

² The five key principles of fair employment are:

- › Recruit and select staff based on merit, such as skills, experience and ability, regardless of age, race, gender, religion or family status.
- › Treat staff fairly and with respect and implement progressive human resource management systems.
- › Provide staff with equal opportunities for training and development based on their strengths and needs, to help them achieve their full potential.
- › Reward staff fairly based on their ability, performance, contribution and experience.
- › Abide by labour laws and adopt Tripartite Guidelines which promote fair employment practices.

³ In 2019 to 2021, CLI had no reported incident relating to discrimination, child labour or forced labour, and no staff was below the age of 16. In Singapore, the Ministry of Manpower stipulates specific forms of work which are unsuitable for children below the age of 16.

CLI identifies talent internally and externally to build bench strength as well as talent pipeline for leadership succession planning. CLI recruits talent through a network of local and overseas universities, and also attracts young talent with less than two years of working experience through its Graduate Development Programme. Apart from fresh graduates, CLI also employs experienced and mid-career professionals as well as industry veterans. New hires represented 25% of the total headcount in 2021⁴.

CLI's vibrant, motivated, and qualified workforce has given the Group a competitive edge. 70% of CLI's global workforce is aged 30 to 50. Over 75% of CLI's staff hold tertiary qualifications and above (this includes holders of diploma, and bachelor's and master's degree qualifications).

In 2021, HR continued to organise talks on diversity, equity, and inclusivity. More than 500 staff attended virtual talks and training on ways to manage unconscious or implicit bias at the workplace, understand and appreciate multiculturalism, and harness the benefits of a multigenerational workforce.

CLI organised training sessions for change management resilience and diversity-related issues which saw more than 1,800 staff participants clocking in over 7,000 hours.

Gender Diversity and Pay Parity

According to the Global Gender Gap Report 2021 by the World Economic Forum, the impact of COVID-19 has increased the global gender gap by a generation, and it will take 135.6 years to close the global gender gap. Despite progress in education and health, women still face economic hurdles and challenges at the workplace. The report calls for strategies and policies that emphasise investment in the care sector, equal hiring practices and skills development.

CLI's global workforce comprises an almost equal proportion of males and females, at a ratio of 47:53⁵. More than 50% of the managerial staff were female in the past three years. In 2021, about 40% of senior management were female with six of them holding C-suite appointments within the Group. Over the past three years, between 34% and 40% of the senior management were female.

CLI rewards men and women fairly based on merit, ability, and experience for comparable roles across the organisation's hierarchy. Its incentive system focuses on performance and is gender-agnostic.

Job Creation and Employment

CLI is committed to providing meaningful jobs and talent mobility where staff are given opportunities to rotate across different job functions, subject to skills/competency requirements and business needs. This is in line with the revised Tripartite Guidelines on Managing Excess Manpower and Responsible Retrenchment issued by the Singapore Ministry of Manpower together with its tripartite partners, Singapore National Employers Federation and the National Trades Union Congress.

CLI has a re-employment policy of extending employment to staff who have reached the mandatory retirement age but are still able and willing to continue contributing to CLI⁶. This policy is applicable to all staff globally. In 2021, there were 95 staff above the retirement age⁷, and all were rehired post-retirement.

CapitaLand and its businesses underwent a strategic restructuring in 2021 and there were no major layoffs arising from this.

⁴ Singapore and China accounted for about 21% and 39% of the total number of new hires respectively.

⁵ In Singapore, the proportion of male to female staff is 41:59; in China, the ratio is 45:55.

⁶ The Singapore government implemented the retirement and re-employment legislation in 2012 to enable more people to work beyond the current statutory retirement age of 62, up to 67 years old. However, even before the legislation, CLI already had a re-employment policy in place.

⁷ This is based on the retirement age in the respective countries.

The term “Great Resignation” is an ongoing economic trend in which employees have voluntarily resigned from their jobs *en masse*, beginning in early 2021, primarily in the United States. Possible causes include wage stagnation amid rising cost of living, long-lasting job dissatisfaction, and safety concerns of the COVID-19 pandemic. CLI closely monitors these trends against CLI’s performance.

In 2021, the global staff turnover⁸ rate was 19.8%. In Singapore, the turnover rate was 20.8%, which was close to the national average of 20.4%⁹. In China, the turnover rate was 23.1%, which was above the national average of 17.7%¹⁰. Given CLI’s business in the labour-intensive hospitality industry and the large number of non-executive staff, this staff movement is deemed normal.

Respect for Freedom of Association

CLI respects its staff’s right to freedom of association and being members of trade unions. In Singapore, CLI is guided by the Industrial Relations Act that allows the representation of staff by trade unions for collective bargaining, thus providing them with an avenue to seek redress for any industrial disputes. CLI and the unions enjoy a cordial working relationship, promoting positive working conditions and improving productivity for the mutual benefit of staff and the company. About 61% of CLI’s workforce in Singapore¹¹ and more than 27% of the global workforce are covered by collective agreements.

Talent Management

CLI seeks innovative, dynamic and talented staff to take the company into its next phase of growth and adopts a multi-pronged approach to manpower planning, i.e. developing internal talent and hiring young talent, mid-career professionals and industry veterans. CLI continuously builds its management bench strength through the identification of high potential talent as part of its regular succession planning process.

The Board’s Executive Resource and Compensation Committee (ERCC) regularly reviews the succession plans for the key positions in the company including Group Chief Executive Officer (Group CEO) and other key management personnel in CLI.

On an annual basis, CLI identifies and reviews suitably qualified candidates from both within and outside of the Group who could be considered for key positions when the need arises in the immediate, medium, and long term.

CLI also implemented a People Analytics Tool since late 2018 to offer insights into employee demographics, talent identification, promotion and transfer anomalies, staff performance, hiring and predictive attrition for better decision making.

Positive Work Environment

CLI recognises that a positive work environment is essential to attract, motivate and retain talent. Its overall well-being programme promotes personal development, health and work-life harmony. Initiatives of the programme include a flexible medical and benefits plan, flexible work arrangements and staff engagement initiatives. Part-time staff are also entitled to the same benefits on a pro-rata basis. Its robust performance management system also ensures that all staff receive regular performance and career development reviews.

All CLI staff are entitled to parental leave. In 2021, 288 eligible female staff went on maternity leave and 208¹² returned to work. CLI also provides paid paternity leave to all male staff in Singapore and other countries where practicable. In 2021, all 104 eligible male staff who took paternity leave in 2021 returned to work¹³. CLI also provides Family Event and Extended Child Care Leave for staff to care for their loved ones, including children, spouses, parents, parents-in-law, or siblings. This is over and above legal requirement.

⁸ This refers to voluntary turnover and does not include figures attributable to internal transfers from one entity to another entity, non-renewal of contracts, etc. The turnover for 2018 to 2020 is 17%, 15.2% and 13.4% respectively.

⁹ Data by Ministry of Manpower, Singapore.

¹⁰ Data by an external human capital and management company.

¹¹ This represents 100% of our bargainable workforce (staff who are entitled to join unions) in Singapore.

¹² This figure excludes staff whose paternity/maternity leave crossed over into 2022 and hence have not returned to work in 2021.

¹³ In 2020, 215 female and 82 male staff who took parental leave (maternity and paternity leave) continued to work in CLI 12 months after they returned from parental leave.

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The Group adheres to the respective social security contribution or pension plan obligations of the countries where it operates in. In Singapore, the Central Provident Fund (CPF) is a comprehensive social security savings plan introduced by the Singapore government to enforce savings by salaried workers for a more secure retirement. Under the CPF scheme, CLI and its staff make monthly contributions to the staff's CPF account in accordance with the prevailing regulations.

Supporting CLI staff through the COVID-19 pandemic has been a strong focus during the year, with the work-from-home arrangement extended group-wide. This presented various challenges for staff, including difficulties in juggling workload and the home-schooling responsibilities of their children, increased isolation and maintaining mental well-being. Many of these challenges were addressed by the proactive measures put in place during this period. For instance, communications and webinars explaining the effective use of remote working tools such as Microsoft Teams were held. Other measures included staff virtual town hall meetings where staff could post questions and receive real-time responses from the top management, regular email updates on CLI's response to the COVID-19 pandemic, as well as activities on how to maintain workplace connections and team cohesion such as virtual fitness classes and e-learning. Various mental health awareness programme and initiatives were also organised to support staff well-being. More details can be found in the staff wellness and staff engagement section of this report.

Fair Remuneration

All staff have signed employment contracts with the key employment terms and conditions clearly spelt out. This allows staff to understand both their rights and obligations, as well as those of the company, thus minimising potential employment disputes in the future. Key employment terms specified in the employment contract include the job title and description, duration of employment, working hours, salary and allowances, statutory contributions/deductions, leave entitlements, probation and notice periods, and key insurance and medical benefits etc.

To ensure that CLI remains competitive and continues to attract and retain the right talent, the Group engages external independent remuneration consultants to benchmark the company's compensation packages against the relevant talent markets. Salaries are reviewed against the benchmarks, and the specific job scope and responsibilities of each staff are taken into consideration. All regular full-time staff will undergo an annual performance review where there is an open discussion on the staff's performance, areas for improvement, developmental needs and career plans.

The Group rewards and motivates staff with a comprehensive and competitive compensation package and benefits programmes. The Group observes a pay-for-performance philosophy that rewards for superior performance, which aligns staff and shareholder interests to deliver business results. Sustainability targets were integrated into CLI Performance Share Plan and Balance Scorecard framework, which are used to determine individual remuneration outcomes (financial and non-financial). CLI's overall annual variable bonus pool is determined based on the Group's achievement against a holistic set of quantitative and qualitative targets in the Balanced Scorecard dimensions of Financials, Execution, Future Growth, Talent Management and Sustainability (including Environment, Social and Governance factors). These are cascaded down throughout the organisation, thereby creating alignment across the Group.

The amount of bonus awarded to staff are further based on their relative contributions and individual performance. Staff at managerial grades are also eligible to receive performance-based long-term share awards. The share awards will vest over three years and are subjected to the achievement of pre-determined Group profitability and shareholder return targets.

The performance and remuneration of key management executives are based on both quantitative and qualitative targets within the Balanced Scorecard framework, including their efforts in building management bench strength and talent.

Staff pay is also benchmarked against the market based on job roles using gender-neutral pay surveys provided by independent remuneration consultants. From the 2021 exercise, no major pay gap was shown but a lower representation of women at the more senior levels of the organisation was reflected¹⁴.

More than 50% of staff globally have been with the Group for five years or longer. The company also interviews resigning staff as part of its continuing efforts to improve its retention policies and initiatives.

¹⁴ The average gender pay gap (comparison is for base salary and other cash incentives) is about 13% in favour of females at non-executive levels; 6% in favour of females at executive levels; and 9% in favour of males at middle management levels. At senior management levels with female representation, the average gender pay gap ranges from 12% and 17% in favour of males. There are two levels of senior management with no female representation.

Human Capital

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Upskilling The Workforce For The Future

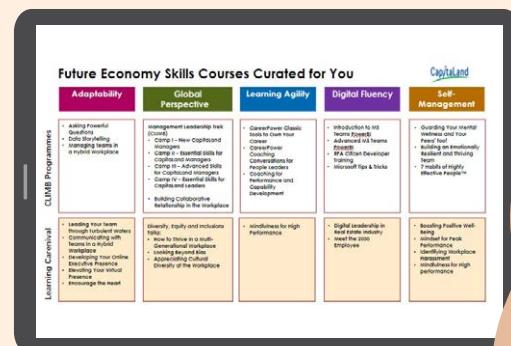
The evolution of technology has brought significant changes to all industries on a global scale. Recognising the impact of these changes in the workplace, CLI implemented the “Building Capabilities Framework” (BCF) in 2019 to build a future ready workforce who are knowledgeable, competent, and adaptable. Under this framework, employees chart their own development path by choosing over 50 Core, Functional, Adaptive and Digital programmes. To kick start their learning journey, a suite of programmes were curated for them such as Data Analytics Begins with Me and Introduction to Coding using Python. In 2021, 73% of CLI's global staff participated in at least one digital-related programme. Despite the challenges brought by COVID-19, CLI continued to equip its staff worldwide with a suite of programmes under the BCF. To address the increasing risk of cyber-security, close to 6,000 staff (more than 60% of staff) attended cyber awareness training to acquire and refresh their knowledge on how to detect potential cyber breaches especially with the increased reliance on digital services.

Overall, more than 95% of CLI's global staff attended at least one learning event, and the average number of training hours completed by each staff for the year was more than 41 hours¹⁵.

Future Economy Skills (FES)

In 2021, CLI introduced a new category of courses called “Future Economy Skills” under the BCF in response to the rapidly changing work environment. The suite of programmes under the “Future Economy Skills” (FES) are curated to help employees stay relevant by managing oneself effectively and paying close attention to work and living trends that impact the strategies, direction, and motivation for technical skill development.

In Singapore and China, more than 59%¹⁶ of staff attended at least one FES course in 2021. To reach out to staff, the FES talks were also added to CLI's annual “Learning CAREnival 2021”.



Learning CAREnival (Caring, Agility, Resilient and Every-Ready)

The Learning CAREnival has been organised yearly since 2017 to promote continuous learning among all staff. The CAREnival features bite-sized talks centred on the latest trends and developments in the industry, digital awareness as well as soft skills. The theme for 2021's edition was “Thriving in the New Normal”. Talks were planned to help staff build their resilience and equip themselves with the skills to thrive in post-COVID era. A total of 31 talks (virtual and hybrid) were curated across four streams, namely, “Power Skills for the Future”, “Digital Fluency”, “Sustainability” and “Find Your Inner Awesomeness”, with external subject matter expert speakers and CLI senior management leading the talks. More than 3,000 learning places were taken up by staff from 19 countries.



¹⁵ The drop in average number of training hours per staff from 43 hours per staff in 2020 was expected as the company pivoted to mostly online training. Such online training sessions are usually much shorter in duration.

¹⁶ This refers to staff with executive and above grade.

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Training the Rank and File

To ensure that the rank and file employees are not left behind, CLI formed a Training Committee comprising the Singapore union to identify relevant courses to upskill this group in Singapore. In 2020, a digital awareness course called "Skills Future for the Digital Workplace" was organised for the non-executives. In 2021, more than 200 technicians and administrative assistants attended a one-day programme on "Mindset Transformation for the Workplace".

2021 Learning Focus: Mindset Transformation At the Workplace (1 day)



STAFF ENGAGEMENT

CLI actively engages its staff through various avenues, including regular communication sessions held by senior management for effective flow of information and alignment of business goals and objectives across all levels of the workforce.

Quarterly staff communication sessions by the Group CEO allow the Group's senior management team to engage and interact with staff. These sessions are webcast live to CLI's offices in Singapore and overseas. During these staff communication sessions, information on the Group's financial results and key business focus is shared with staff. Staff can pose questions via an online platform prior to the session or ask in real-time during the Q&A session. Despite COVID-19 safe distancing requirements, CLI continues to actively engage its staff virtually.

CLI practises an open-door policy, allowing all staff to obtain a fair review and a prompt response to problems or concerns relating to any aspect of their employment with the Group. This includes harassment, grievance handling and whistle-blowing policies applicable to all staff. Staff can also raise their concerns to a higher level of management or to the Human Resource (HR) department. In 2021, virtual talks during the global Learning CAREnival on Managing Workplace Harassment were organised and 35 staff attended.



CapitaLand top management engaging staff at virtual staff townhall sessions.

To further engage with staff working from home, CLI organised several activities such as #StayHome #StayFun - BINGO Challenge where staff globally were invited to participate in the contest. More than 45 entries were received, and 20 staff from 6 countries won prizes.

In November 2021, CapitaLand Group Global Virtual Celebration event was organised. More than 2,100 staff from around the world dialled in to attend the celebration event, including senior management and colleagues from key markets.



2021 Employee Pulse Survey (EPS)

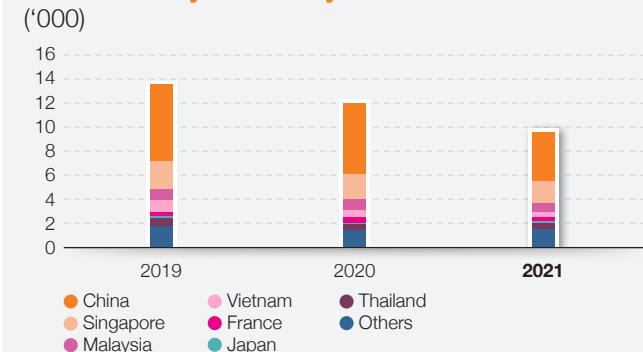
In 2021, 32% of CLI's staff from over 20 countries participated in the Employee Pulse Survey¹⁷ (EPS) conducted internally. The EPS allowed the company to analyse and assess if staff understand the purpose of the restructuring and how they feel about the change. 84% of staff provided favourable responses for the restructuring exercise and 88% provided favourable responses that the senior management team does a good job in communicating the purpose and rationale of the restructuring.

¹⁷ In 2020, 47% in 20 countries participated in the Employee Pulse Survey and on average, 79% expressed they were supported by their immediate supervisor and were confident in CLI's senior leadership. In 2019, 93% of the Group's staff in over 20 countries participated in the Group's third Employee Engagement Survey (EES) and the employee engagement score was 80%. This exceeded the global real estate, property and asset management norm. An independent consultancy firm was appointed to administer the survey and to ensure confidentiality in soliciting honest responses from the staff.

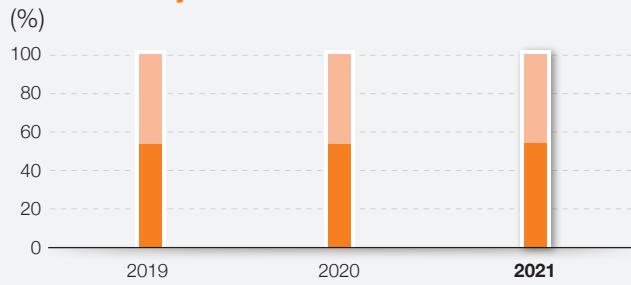
Human Capital

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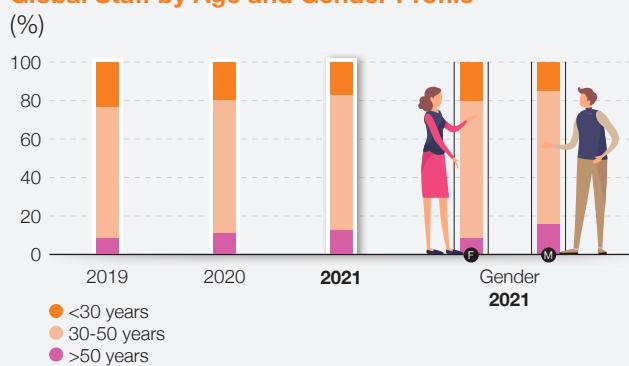
Global Staff By Nationality ('000)



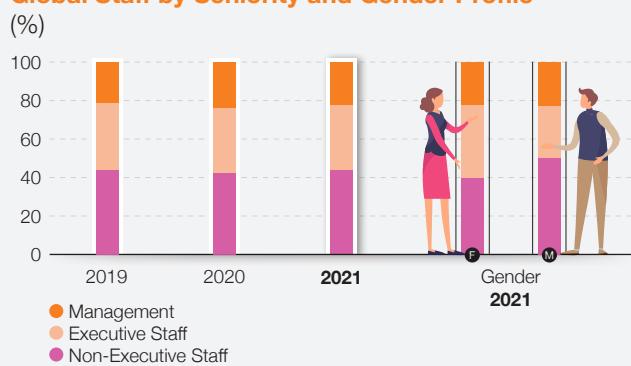
Global Staff By Gender (%)



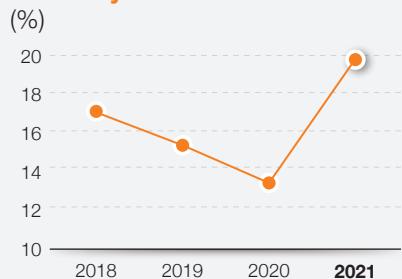
Global Staff by Age and Gender Profile (%)



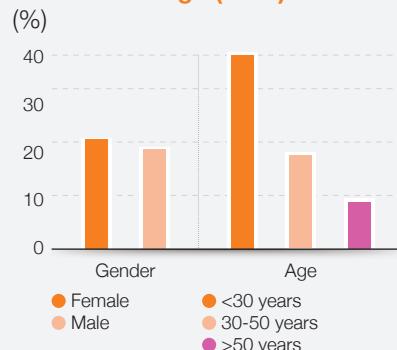
Global Staff by Seniority and Gender Profile (%)



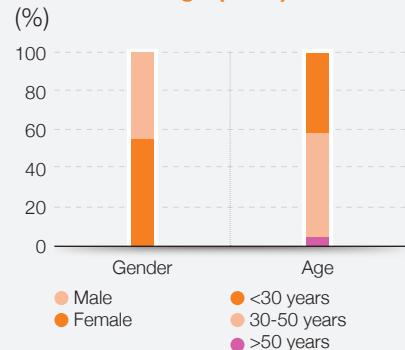
Global Staff: Voluntary Turnover Rate (%)



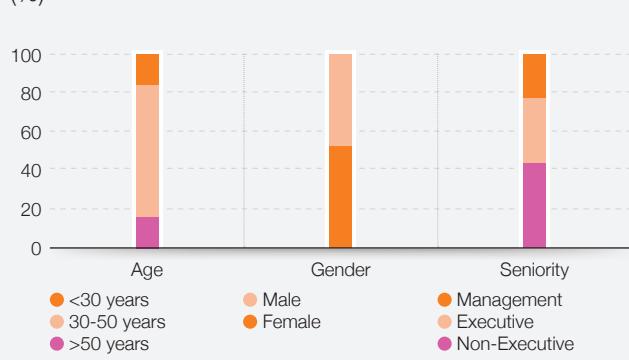
Voluntary Turnover by Gender and Age (2021) (%)



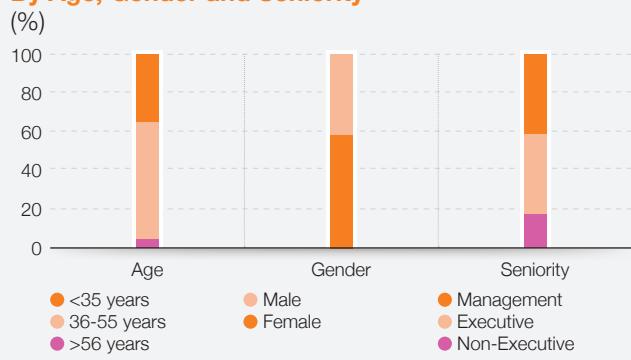
Global Staff: New Hires by Gender and Age (2021) (%)



Global Training By Age, Gender and Seniority (2021) (%)



Employee Pulse Survey 2021 Participation By Age, Gender and Seniority (%)



Social And Relationship Capital

SOCIAL

CapitaLand Investment Limited's (CLI) social and relationship capital are built up through our community investments. Over the long term, this strengthens CLI's social license to operate and our ability to deliver sustainable value to our stakeholders.

Stakeholders are groups that CLI's business has a significant impact on and those with a vested interest in its operations. CLI's key stakeholders include employees, customers, business associates, suppliers, and the local community. Other stakeholders include regulators and key government agencies, non-governmental organisations (NGOs), representatives of the capital market and the media.

Through the various engagement channels, CLI seeks to understand its stakeholders' views, communicate effectively with them and respond to their concerns. Issues that are of interest to its different stakeholders are outlined in the following sections.

STAKEHOLDER ENGAGEMENT

Staff

CLI actively engages its staff through various avenues, including regular staff communication sessions held by senior management, for the effective flow of information and to ensure an alignment of business goals and objectives across all levels of the workforce. Amidst the COVID-19 disruptions in 2021, CLI continued to hold its staff townhalls, albeit virtually, to ensure that staff remained engaged. A group-wide pulse survey was also conducted to understand changes happening in its workforce due to re-organisation. For more details on the employee pulse survey and staff programmes, please refer to the staff engagement section in the Human Capital chapter.



CLI believes in advocating staff volunteerism as an integral part of building a caring and inclusive community. It adopts the CapitaLand Group policy of granting staff up to three days of Volunteer Service Leave (VSL) per calendar year and they are encouraged to volunteer their time and talent for any approved charitable causes with the Foundation or on their own.

In 2021, over 1,300 CLI staff tapped on the VSL policy to volunteer close to 13,000 hours¹ for various activities. The estimated salary cost to CLI in 2021 based on VSL taken was over S\$260,000.

Investors



CLI maintains high levels of engagement with its shareholders, as well as the investor community at large, to ensure timely access to accurate information to make sound judgements about the company and develop trust and confidence in CLI. CLI manages this engagement via multiple touchpoints. For more information on CLI's investor efforts, please refer to Our Stakeholders section, page 58 to 60 in the CapitaLand Investment Limited Annual Report 2021.

CLI's Investor Relations policy provides more information on its communications framework, and the policy is available on its website at www.capitalandinvest.com.

¹ The Group calculates its VSL based on leave taken during office hours.

Social And Relationship Capital

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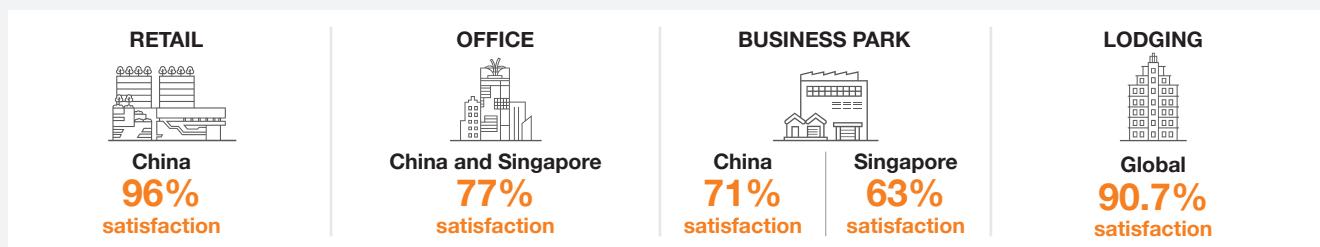
Customers

CLI conducts regular satisfaction surveys at its shopping malls, office buildings, business parks and serviced residences. The feedback obtained is reviewed and relevant follow-up actions are taken to improve the experience and service levels rendered to shoppers, tenants and guests at CLI's properties.

CLI's lodging business unit, The Ascott Limited (Ascott), tracks and monitors its properties' service performance via a Guest Rating Score™ (GRS™), an independent assessment of the individual properties' quality rating based on more than 100 million consumer reviews in 40 languages from more than 100 leading online travel agencies and review sites. This allows CLI to benchmark and respond by making the necessary operational and service improvements to create a better customer experience for its guests. For the past three years, the guest satisfaction rate achieved ranged between 90.6% to 91.5%.

A tenant satisfaction survey was conducted at 73 CLI business parks, malls and offices in China. About 98% of retail mall tenants, 25% of commercial office tenants and 25% of business park tenants participated. CLI garnered feedback on matters pertaining to cleanliness, security, ambience and comfort, adequacy of car park lots, and frequency of building maintenance. More than 96% of the tenant respondents in the malls and 77% and 71% in commercial office and business parks were satisfied with the services rendered.

In Singapore, a tenant satisfaction survey was conducted at 85 business parks and offices. More than 28% of the tenants responded and 65% of the respondents were satisfied with the services rendered.



Global access to health and well-being services for Ascott guests

In 2021, CLI's wholly owned lodging arm, The Ascott Limited (Ascott) became the first hospitality company in the world to offer its guests global access to a comprehensive suite of complimentary telehealth, telecounselling and travel security advisory services through a global partnership with International SOS. Since the launch in June 2021 till March 2022, ISOS handled about 123 assistance calls from Ascott guests.



Government Agencies and Regulators

CLI participates in stakeholder consultations organised by key government agencies to furnish feedback on proposed regulatory changes that may impact the company's business. This allows CLI to plan ahead and prepare early for any upcoming updates to regulations. Engaging regulators and relevant industry bodies has also allowed CLI to better manage the latest industry challenges, placing the company in a better position to leverage existing and future opportunities for growth.

CLI is committed to regulatory compliance. Procedures are in place to ensure that its activities and operations comply with existing regulatory requirements through regular monitoring, evaluation and audit of the CLI EHS management systems.

For more details, please refer to the Environmental and Social Capital chapter.

Social And Relationship Capital

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Supply Chain

CLI has incorporated sustainable procurement principles in its CLI Procurement Policy. This is in alignment with the company's sustainability commitments as a signatory to the United Nations Global Compact (UNGC). CLI's supply chain providers (suppliers) are assessed during the admission and pre-qualification stage for demonstrated ability to align with CLI's sustainability practices. The appointed suppliers are evaluated periodically on their performance to ensure their continuous compliance with our procurement policy. Non-compliances will be flagged out for correction and high sustainability risk suppliers with performance issues will be monitored closely for improvement. Suppliers that contravened or attempted to contravene any Anti-Corruption Laws will be subjected to termination of contract.

CLI identified critical suppliers as high-spend suppliers, non-substitutable suppliers or critical business component suppliers such as term contractors providing facility maintenance and property management services, IT service providers and contractors for construction works. The sustainability performance of critical suppliers especially in terms of workplace safety are monitored and disclosed. A high proportion of goods and services are sourced locally in a majority of CLI's operations. CLI also procure goods and services from a diversified network of supply chain. In 2021, close to 70% of the appointed supply chain providers are in Singapore, China and India, the core markets of CLI.

Number of suppliers in core markets

(As at 31 December 2021)



China
~10,500



Singapore
~3,500



India
~1,600

For more information on monitoring the performance of contractors and suppliers, please refer to the Supply Chain Management segment in the Human Capital chapter.

Community/NGOs

CapitaLand is a signatory to the United Nations Global Compact and member of the Global Compact Network Singapore. It is also a founding member of the Singapore Green Building Council. It is a supporter of the Task Force on Climate-Related Financial Disclosure (TCFD) and World Wide Fund for Nature's (WWF) Earth Hour campaign.

CapitaLand Hope Foundation² (CHF), the philanthropic arm of CapitaLand Group, CHF focuses on nurturing and inspiring the young, improving the quality of life of seniors, and protecting the environment for future generations. CLI is committed to contributing up to 0.5% of its net operating profit to CHF. Through CHF, over S\$6 million was donated globally to benefit underprivileged children, vulnerable elderly and environment causes in 2021. For more details on the CHF programmes, please visit: <https://www.capitaland.com/international/en/about-capitaland/sustainability/capitaland-hope-foundation/overview.html>.

CLI organises activities that are aligned with its focus on community investment, raising awareness and stakeholder engagement in the areas of philanthropy, environment, health and safety. In Singapore, CLI offers venue sponsorship for events in collaboration with national agency Health Promotion Board to promote better health and wellness. Members of the public and tenants can sign up for these events at CLI's malls and office buildings. The social capital generated in these focus areas supports CLI's business and sustained growth.



² CHF is a registered charity and grant maker regulated under the Singapore Charities Act. It engages with the Inland Revenue Authority of Singapore (IRAS) and Singapore's Ministry of Culture, Community and Youth to ensure legal compliance. CHF undergoes an annual audit of its financial accounts and statements for submission to the Commissioner of Charities, Singapore and IRAS, which is also filed with Accounting and Corporate Regulatory Authority (ACRA). It is aligned to CapitaLand's corporate governance including internal policies, procedures and codes of business conduct (e.g. anti-corruption and whistle-blowing policies). The CHF's constitution also states that no grant or assistance shall be given in aid of any political organisation or purpose.

Social And Relationship Capital

SOCIAL

SOCIAL INTEGRATION AT CLI PROPERTIES

The world's population is ageing rapidly. Living arrangements and family support for seniors have become increasingly important for policymakers, especially in countries at advanced stages of population ageing, according to the World Population Ageing Report 2020³. Understanding the interconnections between the living arrangements of seniors and their health and well-being has particular relevance in light of the pledge that no one will be left behind, made by Governments in the 2030 Agenda for Sustainable Development.

By 2050, those aged 65 years or above will double from 2020 to over 1.5 billion persons, with women as a majority. In this regard, CLI has taken the lead in implementing designs to promote social integration into its CapitaLand Sustainable Building Guidelines (SBG) to ensure that they are considered in new buildings and major renovations.

CLI is committed to managing safe, accessible, vibrant and quality real estate to enhance the lives of its shoppers, tenants, guests and members of the community. Its social integration criteria in its SBG include:

- ✓ Ensuring accessibility in the built environment for people of different age groups and varying abilities;
- ✓ Connectivity to public transport, roads, amenities and between buildings; and
- ✓ Providing community spaces as public gathering points.

Universal Design (UD) considerations also help to ensure that public spaces in CLI properties are accessible to users of different age groups and varying abilities. These include:

- ✓ Seamless connectivity to the external surroundings, e.g. bus stops, adjacent buildings, streets and sidewalks;
- ✓ Barrier-free access from accessible (handicapped) parking lots and family lots to lift lobbies;
- ✓ Sheltered and barrier-free drop-off areas;
- ✓ Accessible handicapped parking lots and family lots;
- ✓ Designated pedestrian lanes in carparks; and
- ✓ Amenities such as accessible handicapped toilets, lifts and nursing rooms.

CLI's overseas properties are to comply with local UD/barrier-free codes and guidelines, and are encouraged to adopt Singapore's Building & Construction Authority (BCA) UD Guide in the absence of local codes and guidelines when undergoing asset enhancement.

The following key figures represent CLI's overall alignment to the social integration criteria and are based on the floor area of its owned and managed properties⁴.

Access for the disabled

Over 95% of CLI's properties worldwide have at least one access-enabled facility for the disabled. These facilities include accessible alighting and boarding bays, lifts, parking lots and public toilets. Its office buildings and shopping malls in Singapore are also guide dog friendly.

Proximity to transport hubs

Over 95% of CLI's properties worldwide are conveniently located in close proximity to transport hubs such as bus stops and train/subway stations. This allows easy access to the nearby communities and facilities. Free shuttle bus services are available at some of its shopping malls. Bicycle parking facilities are also provided at many of its properties. CLI's integrated developments are also well-connected with public transport facilities.

Community engagement

Over 90% of CLI's shopping malls, office buildings and integrated developments have atrium event spaces and/or children play areas. These communal spaces promote community engagement. Family or nursing rooms are also common features at CLI's shopping malls.

³ By the United Nations Department of Economic and Social Affairs.

⁴ Percentage computed based on gross floor area of CLI's owned and managed properties.

Social And Relationship Capital

SOCIAL

Innovative Community Spaces

CLI aims to take the lead in creating innovative community spaces at its properties. In Singapore, CLI was the first company to partner National Council of Social Services (NCSS) to offer rent-free office space to volunteer welfare organisations (VWO) in 2005. It also utilised the Urban Redevelopment Authority Community/Sports Facilities Scheme which promotes the integration of community facilities.

CLI has tapped on these schemes for its properties. For example, for the office tower with VWO tenants at Junction 8, Singapore Dance Theatre's dance studios and supporting facilities at Level 7 of Bugis+, the Olympic-sized ice-skating rink at Level 3 of JCube in collaboration with Singapore Sports Council, the Westgate Wonderland – a thematic outdoor playground touted as the largest rooftop mall playground in Singapore at Westgate, and Singapore theatre company, Wild Rice's performing arts complex at Funan.

In addition to community spaces at its shopping malls, office buildings and integrated developments, new social spaces are added to Ascott's coliving properties. An example is lyf one-north Singapore, where the guests and community can gather for live performances at "Meet", an outdoor amphitheatre.



FUNAN, SINGAPORE BCA Universal Design Mark Gold^{PLUS} Award

Funan is an integrated development located in Singapore's Civic & Cultural District. It comprises a six-storey retail component, two office blocks and a coliving property, lyf Funan Singapore.

Featuring a porous streetscape with multiple access points and gentle slopes, Funan allows bicycles, wheelchairs and other personal mobility vehicles to enter the building easily, supporting Singapore's move towards an inclusive and car-lite society. Funan is Singapore's first commercial development to allow cycling through the building. It also offers fast charging electric vehicle stations and a direct connection to the mass rapid transport station.

All facilities are accessible to wheelchair and pram users, including the futsal court and urban greenery at the roof. There is a 18,000 square feet (sq ft) food garden and within the food garden is a 5,000 sq ft urban farm where the public grow selected vegetables are produced and harvested. The swimming pool, accessible to guests at lyf Funan Singapore, features steps and a transfer platform with handrail for handicapped users.

Funan is guide dog friendly and all levels of the property are accessible via handicap accessible lifts. Accessible parking lots and family parking lots are located close to the lift lobbies to allow easy access for users. There are also Braille indicators on staircase handrails and child-height handrails at certain areas of the property.

For families, there are designated family restrooms fitted with adult and child-friendly sanitary facilities such as wash basins and toilets for children, as well as nursing rooms with a diaper changing station etc.

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CapitaLand Investment (CLI) has strived, where applicable, to align its policies and practices to regional and international standards, surveys or indices including:



- ISO 14001 – Environmental Management
- ISO 45001 – Occupational Health and Safety Management
- ISO 26000 – Guidance on Social Responsibility
- Dow Jones Sustainability Indices (DJSI)
- GRESB
- Carbon Disclosure Project (CDP)
- FTSE4Good Index Series
- MSCI ESG

CORPORATE GOVERNANCE

CLI (together with its subsidiaries) embraces the tenets of sound corporate governance including accountability, transparency and sustainability. It is committed to enhancing value to its shareholders over the long term with the appropriate people, processes and structure to direct and manage the business and affairs of the company, to achieve operational excellence and deliver the company's long-term strategic objectives. Its values, ethics and practices provide the foundation for a trusted and respected business enterprise. The Board of Directors (Board) is responsible for and plays a key role in setting CLI's corporate governance standards and policies. This sets the tone from the top and underscores the importance of strong corporate governance to the company.

The Corporate Governance Report in the CapitaLand Investment Limited Annual Report 2021 sets out the corporate governance practices for financial year (FY) 2021 benchmarked against the Code of Corporate Governance 2018 (Code).

For detailed disclosure on the CapitaLand Governance Framework and application of its corporate governance practices with reference to the Code, please refer to the Corporate Governance Report on page 81-126 in the CapitaLand Investment Limited Annual Report 2021.

Board Independence, Diversity and Performance

The Board, through the Nominating Committee (NC), reviews from time to time the size and composition of the Board and Board Committees, with a view to ensuring that the size of the Board and Board Committees is appropriate in facilitating effective decision-making. The Board and Board Committees have a strong element of independence and their compositions reflect diversity of thought and background. The review takes into account the scope and nature of the company's operations, and the competition the company faces.

CLI continues to have a significant majority of independent Directors. Its Board Charter provides that at least one-third of the Board shall comprise independent Directors. The Board Charter also provides that, in the event that the Chairman is not an independent Director, the company will appoint a lead independent Director and ensure that the Board comprises a majority of independent Directors. The Board has nine out of eleven Directors who are non-executive independent Directors. The non-executive Chairman and the Group CEO are the only non-independent Directors. Other than the Group CEO who is the only executive Director on the Board, non-executive Directors make up the rest of the Board. A lead independent Director was appointed in 2021, whose main duties seek to facilitate the functioning of, and provide leadership to the Board if circumstances arise in which the Chairman may be (or may be perceived to be) in conflict. The lead independent Director also supports effective Board objectivity in business judgement and oversight, and serves as an independent leadership contact for shareholders, Directors and Management especially where contact through the normal channels of communication with the Chairman or Management (as the case may be) is inappropriate or inadequate.

The Board, taking into account the views of the NC, assesses annually (or as and when circumstances require) the independence of each Director in accordance with the requirements of the Listing Manual of the SGX-ST (Listing Manual), the Code and where relevant, the recommendations set out in the Practice Guidance accompanying the Code (Practice Guidance). A Director is considered independent if he/she has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere with the exercise of his/her independent business judgement in the best interests of the Company.

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The Company follows a rigorous process to evaluate the independence of independent Directors. For more details, please refer to the Corporate Governance Report in CapitalLand Investment Limited Annual Report 2021 page 90-95.

The Board Diversity Policy provides for the Board to comprise talented and dedicated Directors with a wide mix of expertise, experience, perspectives, skills and backgrounds, with due consideration to diversity, including but not limited to, diversity in business or professional experience, age and gender, ethnicity and culture, geographical background and nationalities.

The Board values the benefits that diversity can bring to the Board in its deliberations by avoiding groupthink and fostering constructive debate. Diversity enhances the Board's decision-making capability and ensures that the Company has the opportunity to benefit from all available talent and perspectives, which is essential to the effective governance of the business and for ensuring long-term sustainable growth.

The NC, in carrying out its duties of determining the optimal composition of the Board in its Board renewal process and addressing Board vacancies, considers candidates that bring a diversity of background and opinion from amongst candidates with the appropriate background and industry or related expertise and experience. In identifying possible candidates and making recommendations for Board appointments to the Board, the NC's considerations include achieving an appropriate level of diversity in the Board composition with regards to diversity factors such as age, ethnicity and educational, business and professional background of its members. Female representation is also considered an important aspect of diversity. The NC notes the Council for Board Diversity's target of women making up 30% of the boards of SGX-ST listed companies by 2030. In its annual review of the Board's composition, the NC expressly considers and includes a commentary to the Board on the subject of diversity in the composition of the Board.

In line with the Board Diversity Policy, the Board comprises 11 members who are corporate and business leaders, and are professionals with varied backgrounds, expertise and experience in areas including finance, banking, real estate, fund management, general management and technology (including cybersecurity). The current Board has three female members. None of the non-executive Directors is a former CEO of the Company in the past two years.

For more information, please refer to the Corporate Governance Report in CapitalLand Investment Limited Annual Report 2021 page 96-97.

In respect of individual Directors, a formal evaluation is also carried out on an annual basis. For FY 2021, the Board Chairman and NC Chairman jointly evaluated each individual Director using an agreed evaluation framework as a guide. Feedback from selected Senior Management members was also sought as part of the process. Formal evaluation is also carried out by the NC as and when a Director is due for retirement by rotation and is seeking reelection. The NC also takes into consideration the contributions and performance of individual Directors when it reviews Board composition.

The Board is committed to ethics and integrity of action and has adopted a Board Code of Business Conduct & Ethics which provides for every Director to, among other things, adhere to the highest standards of ethical conduct. All Directors are required to comply with the Board Code of Business Conduct & Ethics. This sets the appropriate tone from the top in respect of the desired organisational culture and ensures proper accountability within the Company. In line with this, the Board has a standing policy which requires each Director to not allow himself/herself to get into a situation where there is a conflict between his/her duty to the Company and his/her own interests. The Company also has a policy that it does not provide loans to Directors.

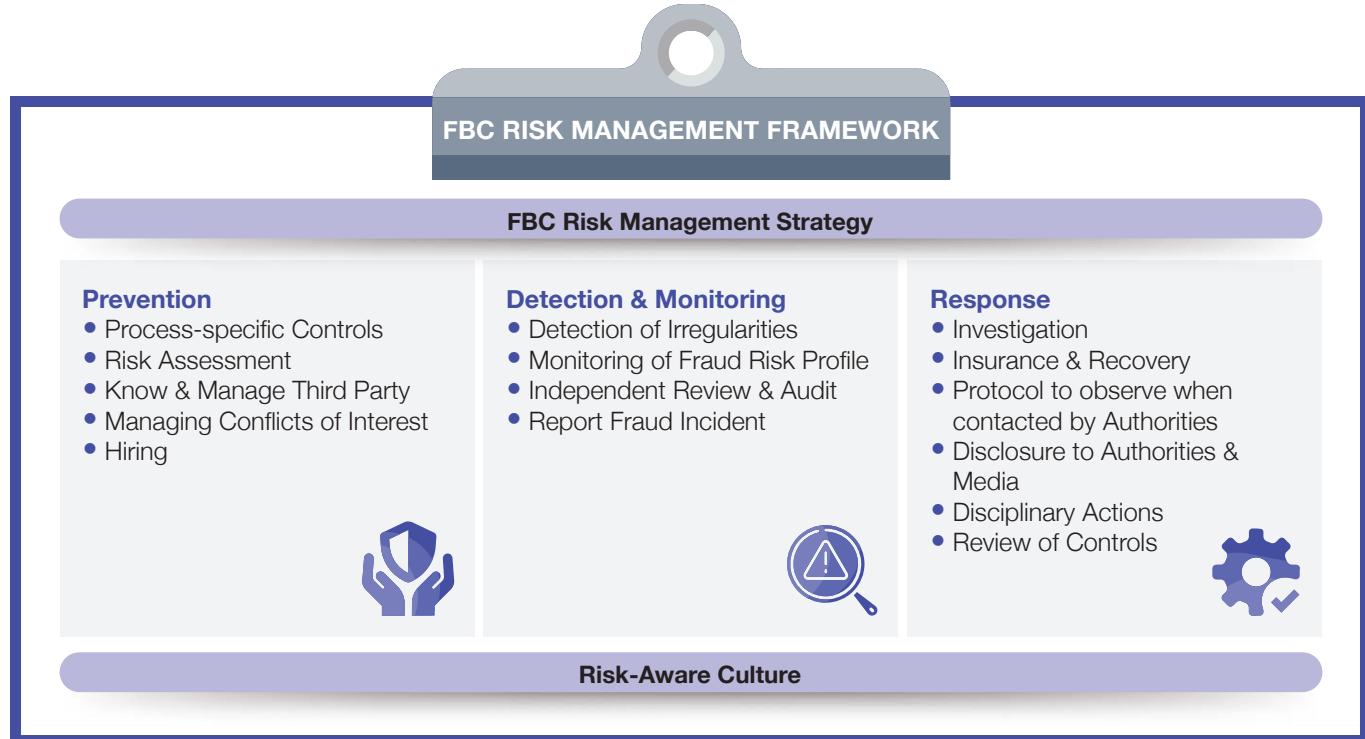
Organisational Capital

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Fraud, Bribery and Corruption (FBC) Risk Management Framework

CLI adopts a zero-tolerance stance against any Fraud, Bribery and Corruption¹ (FBC) in the conduct of its business activities and expects all its employees to be committed to the highest standards of integrity in their work and business dealings.

The FBC Risk Management Framework has been set in place to manage FBC risks in an integrated, systematic and consistent manner.



Together with various CLI's policies and procedures, the FBC Risk Management Policy is published on the company's intranet and is accessible by staff. The policies CLI has implemented aim to help detect and prevent FBC by:

- offering a fair compensation package to staff, based on practices of pay-for-performance and promotion based on merit; and providing various healthcare subsidies and financial assistance schemes to alleviate the common financial pressures faced by its staff.
- documenting policies and work procedures which incorporate internal controls to ensure that adequate checks and balances are in place. Periodic audits are also conducted to evaluate the efficacy of these internal controls.
- building and maintaining the right organisational culture through its core values, educating its staff on business conduct and ethical values.

¹ (a) Fraud is the use of deception with the intention of obtaining an advantage, or avoiding an obligation or causing loss to another party. Fraud can be perpetrated by employees, third parties or a collusion between employees and third parties.
(b) Bribery and Corruption is the offering, promising, giving, accepting or soliciting of an undue advantage of any value (which could be financial or non-financial), directly or indirectly, and irrespective of location, in violation of applicable law. These are usually made as an inducement or reward for a person acting or refraining from acting in relation to the performance of that person's duties.

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In addition, these various policies and guidelines call upon the staff to observe ethical principles in the conduct of business activities which include:

- Abiding by CapitaLand's Ethics and Code of Business Conduct Policies which deal with matters such as confidentiality, conduct and work discipline, corporate gifts and concessionary offers. Clear policies and guidelines on how to handle workplace harassment and grievances are also in place². Donations are not to be made to any political causes through CapitaLand and/or its philanthropic arm, CapitaLand Hope Foundation.
- Acting professionally and with integrity;
- Practising fair competition;
- Honouring contractual commitments made;
- Not making inaccurate or misleading statements;
- Making decisions or representations only when duly authorised;
- Ensuring appropriateness of frequency and venue when conducting business activities;
- Maintaining security and confidentiality of data and information;
- Not manipulating business relationships for personal gains or interests.

CLI's zero-tolerance policy on FBC extends to its business dealings with third parties (including contractors, subcontractors, consultants, agents, representatives and others performing work or services for or on behalf of CLI). Pursuant to this policy, it requires that certain agreements of the company incorporate anti-corruption provisions.

Staff	Supply Chain/ Partners
Communication/Signing of Code of Conduct	
<ul style="list-style-type: none">• FBC Risk Management Policy• Annual declaration through the "CLI Pledge" to uphold CapitaLand's core values, and not to engage in any corrupt practices• Relevant training	<ul style="list-style-type: none">• FBC Risk Management Policy• CLI Supply Chain Code of Conduct, and anti-corruption clause in key contracts
Feedback Channels	
<ul style="list-style-type: none">• Whistle-blowing reporting	<ul style="list-style-type: none">• Whistle-blowing reporting

A whistle-blowing policy and other procedures are in place to provide the staff and external parties who have dealings with the company, with a well-defined, accessible and trusted channel to report suspected FBC, dishonest practices or other improprieties in the workplace. It also allows for the independent investigation of any reported incidents and determination of appropriate actions for follow up. The objective of the whistle-blowing policy is to encourage the reporting of such matters – that staff or external parties making any report in good faith will be able to do so with confidence, that they will be treated fairly, and to the furthest extent possible, be protected from reprisal if any.

Substantiated cases are reported quarterly to both the CLI Audit Committee and Risk Committee and shared with the risk management champions regularly. Actions taken can include termination of staff's contract, and/or reporting to the appropriate external authorities. In 2021, seven cases involving CLI staff were substantiated. There was also one case where CLI whistle-blew on its vendor³. CLI staff involved in two of these cases had their employment terminated. Some had also resigned on their own accord. There were no cases involving anti-competition or money laundering behaviour.

CLI made no payment and donation to politicians or political parties as it expects to be judged on its own merits. CapitaLand Hope Foundation's constitution also states that no grant or assistance shall be given in aid of any political organisation or purpose.

² This includes the Securities Dealing Policy. It sets out prohibitions against dealings in the Company's securities (i) while in possession of material unpublished price-sensitive information, (ii) during the one month preceding, and up to the time of announcement of the Company's results for the full financial year. Directors and/or staff are also required to refrain from dealing in securities of the Company and other relevant listed entities in the Group if they are in possession of unpublished price-sensitive information of the Company and other listed entities by virtue of their status as Directors and/or staff. As and when appropriate, they would be issued an advisory to refrain from dealing in the relevant securities. Under the policy, Directors and staff are also discouraged from trading on short-term or speculative considerations. They are also prohibited from using any information with respect to other companies or entities obtained in the course of their employment, in connection with securities transactions of such companies or entities.

³ These cases were disclosed regardless of the financial amount, and even if there were no loss to the company. The financial amounts were insignificant. Any financial losses were recovered.

Other Ethical Management Issues

CLI is committed to best practices and complies with the relevant legislations and requirements.

Marketing activities relating to shopping malls and office spaces, such as advertisements and promotions (A&P), are generally guided by external A&P consultants, and are in compliance with local marketing requirements as stipulated by CLI.

Training

CLI implemented initiatives to ensure that all staff understand the company's core values and principles that shape the way the company works and functions. This is a compulsory module in the new staff onboarding training such as the CapitaLand Immersion Programme, staff orientation for new staff from various countries. For existing staff, there are dedicated training courses in Singapore where specific examples and applications of the Company's core values in the workplace are shared. As the majority of CLI's staff are based in China, this training module is also offered there via an e-learning platform.

In 2021,

- Over 88% of CLI staff attended a new FBC e-learning course which aims to improve awareness on what are FBC risks and how it can be managed at work.
- Over 6,000 staff clocked in more than 2,200 hours of training relating to enterprise risk management.
- 9,246 CLI staff clocked in over 8,900 hours of training pertaining to ethics and code of conduct, such as preventing and detecting fraud, money laundering, profiling and investigation techniques.
- 1,500 new and existing staff went through the training on the company's core values and principles.



Enterprise Risk Management (ERM)

Risk management is an integral part of CLI's business at both the strategic and operational levels. Its objective is not risk minimisation, but rather the optimisation of opportunities within the known and agreed risk appetite levels set by the Board. CLI takes measured risks in a prudent manner for justifiable business reasons. Its Board of Directors is responsible for the governance of risks across the company.

CLI's ERM Framework is adapted from the ISO 31000 International Risk Management Standards. It is also guided by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control-Integrated Framework and other relevant best practices and guidelines. It specifies the required environmental and organisational components needed to manage risks in an integrated, systematic and consistent manner. The ERM Framework and related risk management policies are reviewed annually.

A robust internal control system and an effective, independent review and audit process underpin the Group's ERM Framework. While line management is responsible for the design and implementation of effective internal controls using a risk-based approach, the Internal Audit function reviews such design and implementation to provide reasonable assurance to the Audit Committee (AC) on the adequacy and effectiveness of the risk management and internal control systems.

Annually, the Group Risk Management (GRM) coordinates a group-wide Risk and Control Self-Assessment (RCSA) exercise that requires business units and corporate functions to identify, assess and document material risks which include Environment, Social and Governance (ESG)-related risks; along with their key controls and mitigating measures. Material risks and their associated controls are consolidated and reviewed at the Group level before they are presented to the Risk Committee (RC), AC and the CLI Board.

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Awareness and preparedness for potential risks affecting its business continuity help CLI minimise the impact of disruption to its business operations. CLI has a Business Continuity Management Policy to guide the business units in the implementation of business continuity plans. Periodic exercises have been conducted with its results recorded for continual improvements to be made.

Ongoing business digitalisation exposes CLI to information technology (IT)-related threats, which may result in compromising the confidentiality, integrity and availability of the company's information, assets and/or systems. This could also have a negative impact on customer experience, financials and/or regulatory compliance. To build a cyber resilient infrastructure and network, and to harness the full potential of innovation and digital transformation of CLI's business processes, CLI has in place the following key mitigation actions:

- Execute CLI's Cyber Security Strategy through ongoing review against existing/evolving threat landscapes and institute measures to minimise exposure to vulnerability and manage threat vectors;
- Roll out ongoing staff IT Security Awareness Training to reduce the probability of staff being targeted by cyber threats (See data under Human Capital pg 39);
- Periodically review and update Group-wide IT Security Policy and Data Protection Framework to ensure relevancy;
- Maintain and test IT Security Incident Management Procedure to ensure prompt response and timely remediation of cyber security incident;
- Conduct annual Disaster Recovery Plan exercise to ensure timely recoverability of business-critical IT systems;
- Engage independent security service providers to conduct vulnerability assessment to further strengthen the IT systems;
- Regularly update the RC on the state of cyber security risk activities and key control improvements.

CLI has in place group-wide policies and procedures which set out the governance and controls of IT/cyber security risks. This is under the purview of Group Technology and overseen by a member of the CapitaLand Management Council.

CLI believes that having the right risk culture and people with the right attitude, values and knowledge are fundamental to the company's success. Therefore, the GRM continues to proactively enhance risk management knowledge by conducting regular workshops targeted at different management levels and functions. It also promotes a culture of risk awareness which embeds risk management principles in decision making and business processes. The ESG risks identified include FBC risk, environmental risk, health and safety risk as well as regulatory and compliance risk.

For more information regarding Enterprise Risk Assessment, please refer to the CapitaLand Investment Limited Annual Report 2021 page 76-80.

Financial Capital

GOVERNANCE

In FY 2021, CLI achieved an 8.7% ROE with PATMI of S\$1,349 million, reversing a net loss of S\$559 million in FY 2020. The turnaround was driven by the improved operating performance from both the company's fee income-related business (FRB) and real estate investment business (REIB), as well as recognition of revaluation gains from the company's investment properties, absence of impairment loss and higher portfolio gains under REIB.

Year	2021	2020
Revenue (S\$ million)	2,293	1,983
Earnings before interest, tax, depreciation and amortisation (EBITA) (S\$ million)	2,469	(33)
Profit/(Loss) attributable to shareholders (PATMI) (S\$ million)	1,349	(559)
Operating PATMI (S\$ million)	497	443
Earnings per share (cents)	38.3	(19.9)
Net Tangible Assets per Share (S\$)	2.93	2.64
Return on Equity (ROE) (%)	8.7	(3.8)
Ordinary dividend per share (cents)	12.0	9.0 ⁴



Sound risk management coupled with good corporate governance policies and practices are vital in driving the company's long-term sustainable growth and shareholder value.

The company maintains a prudent capital structure and actively reviews its cashflows, debt maturity profile and overall liquidity position on an ongoing basis. The main sources of the company's operating cashflows are derived from fees and rental income from its commercial, business parks, integrated developments, shopping malls, fund management and lodging businesses. To support its funding requirements, investment needs and growth plans, the company's actively diversifies its funding sources by putting in place a combination of bank facilities and capital market issuances.

CLI continued to explore new ways to improve its financial flexibility and resilience through sustainable financing instruments, reinforcing the company's commitment towards responsible growth. In 2021, CLI obtained two sustainability-linked loans amounting to S\$800 million. These sustainability-linked loans are tied to CLI's achievements in GRESB. With CLI maintaining its listing on the Dow Jones Sustainability World Index and GRESB performance, along with the achievement of other ESG indicators in 2021, CLI continued to achieve savings from the reduced interest rates on its sustainability-linked loans. The savings would be redeployed to support the company's ESG initiatives, spurring better sustainability outcomes. CLI's business units and its listed real estate investment trusts have also secured a sustainability-linked loan, green loans, green bond and green perpetual securities.

For a detailed breakdown of CLI's 2021 financial results, two-year financial summary, economic value-added statement, and value-added statement, please refer to the following sections in the CapitaLand Investment Limited Annual Report 2021:

- 2021 Highlights, page 4-5
- Two-Year Financial Summary & Performance Review, page 29-35
- Value-Added Statement, page 289

⁴ For the financial year ended 2020, the dividends were declared under CapitaLand Limited (now known as CapitaLand Group Pte. Ltd.).

TCFD Recommendations

APPENDIX

CapitaLand has pledged its support for the recommendations by the Task Force on Climate-Related Financial Disclosures (TCFD) since 2019 and has voluntarily disclosed since 2017 some of its climate-related financial disclosures in four key areas (i. governance, ii. strategy, iii. risk management, and iv. metric and targets) as recommended by the TCFD.

Governance

The CLI Board (the Board) considers sustainability issues as part of its strategic formulation, determines the material ESG factors and oversees the management and monitoring of the material ESG factors.

The Board sets the Group's risk appetite, which determines the nature and extent of material risks that CLI is willing to take to achieve their strategic and business objective. As part of the material risk issues being highlighted, climate change has been identified as critical. The Board regularly reviews climate change risks as part of the CLI Enterprise Risk Management (ERM) Framework.

The Board is actively involved in discussions on environment-related initiatives, which include climate-related initiatives. Through the Risk Committee and Audit Committee, the Board is updated at least twice a year or at ad hoc Board meetings on relevant performance metrics, e.g. carbon emissions performance, progress on the reduction targets, green certification, as well as stakeholders' expectations on climate change. They are also kept aware of any environmental incidents, which may include climate-related damages or disruptions.

In 2021, CLI's sustainability management came under the purview of the CapitaLand Sustainability Council (SC) which comprised two independent Board members and four Executive Committee members that reported to the CLI Board. CapitaLand's Management Council consisting of the Group Chief Executive Officer (Group CEO), all Presidents and/or CEOs of business units and key management officers of the Corporate Office provided strategic management of ESG implementation across the Group. It was supported by the CLI Sustainability Office and various work teams to drive continued progress and improvement in the areas of ESG. It was chaired by one of CapitaLand Investment Board's independent directors who was also a member of its Executive Resource and Compensation Committee and Risk Committee. The CapitaLand Sustainability Council stepped down on 31 December 2021.

With effect from 1 January 2022, a CLI Board Committee, the Strategy Committee, is charged with the responsibility of overseeing sustainability strategies and plans, including providing guidance to management and monitoring progress against achieving the goals of any sustainability initiatives in 2022.

This governance is cascaded through the Leadership Council and Sustainability Management Committee at senior management levels, to the Group Sustainability Implementation Committee and various work teams that comprise representatives from CLI business units and corporate functions. Please refer to page 9 for more details on CLI sustainability management structure.

The Group CEO is responsible for CLI's climate change-related targets. A key objective of CLI's senior management is to transit CLI to a low-carbon business that is aligned with climate science and to build a resilient and resource efficient portfolio. As part of these efforts, members of CLI's senior management and relevant stakeholders will undergo annual training to further build capacity with respect to climate-related risk and opportunity management. The frequency and content of these capacity-building training sessions will be regularly reviewed to incorporate emerging issues relating to environmental risk management.

Strategy

CLI's identified ESG material issues have been deemed most relevant and significant to CLI's businesses, operations and stakeholders. The selection of these issues is guided by CLI's regular review, assessment and feedback process in relation to ESG topics.

Climate change and emissions reduction is one of the key ESG material issues identified as relevant and critical for CLI. Climate change risk has been identified as a key risk as part of the ERM Framework, and includes both physical and transition risks. Physical risks include consideration of rising sea levels, violent storms, long intense heat waves, flash floods and freshwater depletion. Transition risks include potentially more stringent regulations and increased expectations from customers and stakeholders.

CLI's strategy to identify and address climate-related risks and opportunities spans all areas of its real estate life cycle, from the earliest stage of the investment process to design, procurement, construction, operations and redevelopment or divestment.

TCFD Recommendations

APPENDIX

- All new investments into operational assets and development projects undergo the EHS Impact Assessment (EHSIA) during due diligence to identify any environmental (including climate change) risks and opportunities related to the asset/project site and its surroundings. The assessment covers performance metrics such as energy efficiency, as well as transitional and physical risk and opportunity considerations. Significant findings from the assessment would be incorporated in the investment paper submitted to CLI's Board for approval.
- Through the implementation of the Group's Sustainable Building Guidelines (SBG), it aims to identify and address the risks and opportunities of climate change right from the design stage. The local context of each project will be studied in detail, and appropriate measures will be taken into consideration with regards to climate change adaption. SBG also sets guidelines for buildings to be more energy efficient, e.g. setting green rating targets, specifying minimum equipment efficiency, and requiring the use of onsite renewable energy whenever possible.
- At the operational asset level, the Group's Environment, Health and Safety Management System (EHSMS), which is audited by a third-party accredited certification body to ISO 14001 standard, serves to monitor transition risks relating to climate regulations via EHS legal registers updates and regular stakeholder engagement. Operational issues pertaining to climate change, energy and water are also identified and managed through the EHSMS to strengthen the climate resilience of its portfolio.
- The Group's 2030 Sustainability Master Plan further outlines the targets and pathways for transition to a low-carbon business that is aligned with climate science. Targets to reduce energy and water usage and carbon emissions, as well as green certification targets, are set for its operational assets. Initiatives are put in place to improve the environmental performance, resilience and durability of its assets through system upgrades, system optimization, effective maintenance and changes to user behaviour. The continued achievement of high green building ratings as well as energy and water efficiency measures put in place to achieve the reduction targets would help to mitigate the impact of changing weather conditions.

As part of the 2030 Sustainability Master Plan formulation, CLI generally considers medium term time frames to be until 2030, and long term beyond 2030 in relation to the identification of climate-related risks and opportunities.

CLI has piloted various physical risk platforms with sample global assets to prepare for its global portfolio scenario analysis study. CLI and its REITs aim to conduct a climate scenario analysis in 2022 for the global portfolio. This analysis would consider scenarios based on the latest global and scientific developments, and likely cover a spectrum of scenarios from 1.5°C to 4°C scenarios for current to long-term time frames. CLI aims to draw conclusions on the financially material physical and transition risks and validate its current strategy. It will then review its mitigation and adaptation plans, as well as identify opportunities, in alignment with CLI's 2030 Sustainability Master Plan, which is designed to build resilience throughout its operations. Such resilience will future-proof the CLI's real estate portfolio to guard against climate change risks and to avoid premature obsolescence and adopt available opportunities.

Risk Management

CLI conducts an annual group-wide Risk and Control Self-Assessment (RCSA) exercise that requires business units and corporate functions to identify, assess and document material risk which includes ESG relevant risks, along with their key controls and mitigating measures. Material risks and their associated controls are consolidated and reviewed before they are presented to CLI's Risk Committee, Audit Committee and CLI's Board. This exercise is based on CLI's annual group-wide RCSA exercise, review of the Risk Appetite Statement and Key Risk Indicator on Climate Change and Environmental Risk. Such climate-related risks and opportunities are identified and mitigated through CLI's ERM framework and its externally certified ISO 14001 Environmental Management System (EMS).

CLI's risk management process to address its key risks and uncertainties, including climate change, is discussed further in its Annual Report, under Enterprise Risk Management on page 76 to 80.

Upon completion of the scenario assessment study targeted in 2022, CLI and the relevant REITs will review and update, if appropriate, the processes associated with risk management in order to account for environmental and climate-related risks.

Climate-related risks and opportunities are identified and mitigated through CLI's ERM Framework. CLI prioritises material ESG issues based on the likelihood and potential impact of the issues affecting business continuity and development. Notably, CLI is cognizant of the risk posed by existing and emerging regulatory requirements with relation to climate change as it is outlined in CLI's ERM Framework as a transitional climate change risk. Some of these risks include:

- Regulatory or compliance risk, prompted by certain regulations in the countries of operation. These include but are not limited to the Environmental Risk Management Guidelines introduced by the Monetary Authority of Singapore in 2020 requiring financial institutions and asset managers to place greater emphasis on both physical and transitional environmental risks and the Singapore Stock Exchange mandate from December 2021 that all issuers must provide climate reporting that is aligned to the recommendations of the Task Force on Climate-related Financial Disclosures on a 'comply or explain' basis in their sustainability reports from the financial year (FY) commencing 2022. Climate reporting will be mandatory for the materials and buildings industry from FY 2024. CLI aims to comply ahead of the timeline.

TCFD Recommendations

APPENDIX

- Market risks, including shifts in carbon and electricity prices, or customer expectations, prompted by the conclusions of COP26 in November 2021, where it was recognised that urgent action is needed to combat global warming and that this can only be done through global action from governments and businesses. Other developments, such as Singapore's Green Plan 2030 that charts ambitious and concrete targets to strengthen Singapore's commitments under the United Nation's 2030 Sustainable Development Agenda and Paris Agreement, and that positions Singapore to achieve her long-term net zero emissions aspiration as soon as viable, are also monitored by CLI as they affect day-to-day operations and practices.

Physical risks are observed through the regular monitoring of incidents across the portfolio, for example the cases of floods. In 2020, CLI conducted a global portfolio baseline study to better understand its portfolio's physical climate risk in relation to floods. This included insights into whether the properties were located in low-lying plains, encountered flooding in previous years, had equipment located in the basement, etc. Globally, most of CLI's properties already have flood control features/measures in place, such as flood barriers, sensors, water level pumps and flood emergency response plans.

Climate-related physical risks occurring as extreme weather events, for example cases of floods, and changing climate patterns are regularly monitored across the portfolio. In addition, through CLI's ERM Framework and the implementation of the EHSIA for all new investments, certain physical risks are identified and prioritised; e.g., floods are highlighted in the due diligence reports, and plans to integrate climate change resilience and adaptation considerations into the design, development and management of properties are identified. To further strengthen climate resilience to flood risk, CLI will regularly engage its business units to ensure flood emergency response plans are implemented across its portfolio.

Metrics and Targets

CLI has tracked and reduced the carbon emissions of its managed and owned operational properties via its cloud-based Environmental Tracking System. All related metrics have been regularly disclosed in its annual Global Sustainability Report. Since 2010, CapitaLand has been disclosing scope 1, 2 and 3 GHG emissions of its global portfolio and the data has been externally assured.

Furthermore, in 2020, CapitaLand had its carbon emissions reduction targets approved by the Science Based Targets initiative (SBTi) for a 'well-below 2°C' scenario. This target is elevated to a 1.5°C scenario and validated by SBTi in 2022, in line with the goals of the Paris Agreement to keep global temperature rise to 1.5°C in this century. In 2022, the Group will be evaluating its targets and its progress towards them, as well as exploring options for any long-term decarbonisation targets.

To calculate its carbon emissions, CLI takes guidance from the operational control approach as defined by the GHG Protocol Corporate Standard. CLI also performs annual independent external assurance which covers the entire report, including carbon emissions figures. The accuracy and reliability of the report's statements and figures are validated. For more details of CLI's carbon-related performance, please refer to page 23.

CLI has set sustainability and climate-related performance metrics and targets that are linked to the remuneration policies for members of senior management, such as the Balance Scorecard (BSC) framework for FY2021 which included both quantitative and qualitative targets relating to climate change. The BSC was cascaded group-wide. In FY2021, carbon emissions intensity reduction was introduced as a performance measure in CLI's Performance Share Plan Awards, which was granted to members of senior management.

CLI also implemented an internal carbon price in 2021 to quantify climate-related risks and opportunities for its new investments. It also continues to develop its proprietary metric, Return on Sustainability, in addition to the regular financial return to measure its ESG impact. The new metric aims to redirect investments towards lower-carbon solutions, and renewable energy projects across CLI's businesses and operations. As such, returns on investments are assessed with environmental impacts such as carbon implication. This enables CLI's senior management to have a more holistic assessment of potential investment and projects, thus leading them to make a decision that will seek to achieve the organisation's long-term goals. CLI supports low-carbon investments and factors climate-related costs and opportunities into its evaluation of new investments or capital expenditure through the incorporation of its internal carbon price and application of its Return on Sustainability metric, which provides CLI the opportunity to build resilience throughout its operations as well as to future-proof its real estate portfolio. CLI will continue to explore new metrics to measure climate-related risks and opportunities.

Material Topics And Boundaries

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Material Topics	Topics Boundary: Internal and External	Management Approach References
Economic		
Performance	CapitaLand Investment (CLI)	Financial Capital (pg 53)
Market Presence	CLI, investors	Human Capital (pg 35)
Indirect Economic Impacts	CLI, community	Social and Relationship Capital (pg 44-46)
Anti-Corruption	CLI, investors, customers, communities	Organisational Capital (pg 49-50)
Environmental		
Energy	CLI	Environment and Manufactured Capital (pg 12-22)
Water and Effluents	CLI, contractors	
Biodiversity	Relevant to the communities where CLI operates	
Emissions	CLI	
Waste	CLI, contractors and suppliers	
Environmental Compliance	CLI, investors	
Supplier Environmental Assessment	CLI, contractors and suppliers	
Social		
Employment	CLI	Human Capital (pg 35-39)
Labour/Management Relations	CLI	Human Capital (pg 36)
Occupational Health and Safety	CLI	Human Capital (pg 28-30)
Training and Education	CLI	Human Capital (pg 39)
Diversity and Equal Opportunity	CLI	Human Capital (pg 35-39)
Non-Discrimination	CLI	Human Capital (pg 35-36)
Child Labour	CLI, contractors	Human Capital (pg 33, 35)
Forced or Compulsory Labour	CLI, contractors	
Human Rights Assessment	CLI, contractors	
Local Communities	CLI, communities	Environment Capital (pg 12), Human Capital (pg 28), Social and Relationship Capital (pg 44-46)
Supplier Social Assessment	CLI, contractors	Human Capital (pg 28), Social and Relationship Capital (pg 44)
Customer Health and Safety	CLI, tenants, contractors, suppliers, and communities	Human Capital (pg 28-34), Social and Relationship Capital (pg 45-46)
Marketing and Labelling	CLI, customers	Organisational Capital (pg 51)
Customer Privacy	CLI, customers, investors	Organisational Capital (pg 51)
Socioeconomic Compliance	CLI, investors	Organisational Capital (pg 49-50), Human Capital (pg 29)

Key ESG Data Summary

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The report's ESG data summary list is aligned with SGX recommendations on a common and standardised set of ESG metrics.

ENVIRONMENTAL DATA

Metric	Unit	2019	2020	2021
Greenhouse Gas Emissions				
Scope 1	t CO ₂ e	34,795	23,300	24,862
Scope 2	t CO ₂ e	695,525	607,547	613,314
Scope 3 comprising the following:				
Corporate air travel	t CO ₂ e	1,155	83	52
Tenants' energy consumption	t CO ₂ e	-	-	676,606
Construction activities	t CO ₂ e	22,200	18,693	2,199
Emission intensity, Scope 1 and Scope 2	kgCO ₂ e/m ²	47.8	39.7	39.7
Energy Consumption				
Total energy consumption	million MJ	5,819	5,155	5,260
Direct fuel combustion	million MJ	659	445	476
Natural gas	% of Total Energy	10.1	8.0	8.5
Diesel fuel	% of Total Energy	1.0	0.5	0.5
Other fuels (petrol, LPG)	% of Total Energy	0.2	0.2	0.1
Purchased energy	million MJ	5,160	4,711	4,784
Electricity	% of Total Energy	77.3	76.2	76.0
Heat/steam/chilled Water	% of Total Energy	11.4	15.2	15.0
% renewable electricity	% of Total Energy	2.0	3.2	4.3
Energy consumption intensity	kWh/m ²	100.7	82.7	84.1
Water Consumption				
Total water consumption	million m ³	13.7	11.3	12.0
Municipal water supply ¹	%	99.3	99.6	99.6%
Harvested rainwater	%	0.04	0.01	0.01
Groundwater	%	0.6	0.4	0.4
Water consumption intensity	m ³ /m ²	1.01	0.76	0.76
Waste and Recycling				
Total waste generated	tonnes	122,100	103,880	99,895
Waste disposed	tonnes	117,400	98,500	90,825
Recycling	tonnes	4,700	5,380	8,070
Waste diversion from landfill	%	3.8	5.2	8.1

¹ This includes the purchase of NEWater. NEWater is treated wastewater produced by PUB, the national water agency of Singapore, which has been further purified using advanced membrane technologies and ultraviolet disinfection, as well as recycled water from on-site wastewater treatment.

Key ESG Data Summary

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SOCIAL DATA

Metric	Unit	2019	2020	2021
Diversity (Gender & Age)				
Current Employees				
Male	%	47	47	47
Female	%	53	53	53
<30 years old	%	22.8	18.5	16.5
>30 – <50 years old	%	67.0	69.8	70.4
>50 years old	%	10.1	11.6	12.9
New Hires (Gender & Age)				
Male	%	45	45	44
Female	%	55	55	56
<30 years old	%	48.2	43.0	41.6
>30 – <50 years old	%	48.8	52.2	53.6
>50 years old	%	3.0	4.8	4.9
Turnover (Gender & Age) ²				
Male	%	15	13	19
Female	%	15	14	21
<30 years old	%	21.7	24.6	37.3
>30 – <50 years old	%	14.2	11.5	17.6
>50 years old	%	7.1	7.1	8.8
Employment				
Total number of employees	Number	>13,900	>12,300	>9,900
Total turnover	%	15.2	13.4	19.8
Development & Training				
Average training hours per employee	Hours/employee	55	43	41
Average training hours per employee by gender				
Male	Hours/employee	-	-	44
Female	Hours/employee	-	-	39

² This % is against total headcount of the respective breakdown.

Key ESG Data Summary

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SOCIAL DATA

Metric	Unit	2019	2020	2021
Occupational Health & Safety				
Staff				
Fatalities	Number of cases	0	0	1
High-consequence injuries (Injuries resulting in permanent disability)	Number of cases	0	0	0
Recordable injuries	Number of cases	45	42	31
Recordable work-related ill health cases (Occupational disease)	Number of cases	0	0	0
Contractors				
Fatalities	Number of cases	3	5	0
High-consequence injuries (Injuries resulting in permanent disability)	Number of cases	0	0	0

GOVERNANCE DATA

Metric	Unit	2019	2020	2021
Board Composition				
Board independence	%	82	82	82
Women on the board	%	9	9	27
Management Diversity				
Women in the management team	%	34	36	40
Ethical Behaviour				
Anti-corruption disclosures	Discussion and number of standards	CL Global Sustainability Report 2019 – Pg 52-54	CL Global Sustainability Report 2020 – Pg 56-58	CL Global Sustainability Report 2021 – Pg 49-50
Anti-corruption training for employees	Number and %	>10,000, 72%	>1,800, 15%	>8,750, 88%

SASB Disclosure Index

APPENDIX

SASB REAL ESTATE INDUSTRY DISCLOSURE

CapitaLand Investment (CLI) seeks to provide material sustainability information in line with the recommendations of the Sustainability Accounting Standards Board (SASB). It considered SASB's Real Estate Sustainability Accounting Standards in developing the following table of key sustainability metrics for its global managed properties, it is aligned to the reporting scope as detailed in CapitaLand Investment Global Sustainability Report (CLI GSR) page 3, which includes coverage of over 350 operating properties in over 20 countries, covering all asset types including offices, malls, business park, industrial and logistics; integrated developments and lodging.

SASB Code	Accounting Metric	CapitaLand Information and Page Reference																								
Energy Management																										
IF-RE-130a.1	Energy consumption data coverage as a percentage of total floor area, by property subsector	100% coverage, as aligned to CLI GSR reporting scope. (pg 3)																								
IF-RE-130a.2	(1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity, and (3) percentage renewable, by property subsector	<p>Total energy consumed by CLI's global portfolio was 5,260 million MJ in 2021, of which grid electricity accounted for 76% and percentage renewable was 3.3%.</p> <table border="1"> <thead> <tr> <th></th> <th>Total energy (million MJ)</th> <th>% Total energy from grid electricity</th> <th>% Total energy from renewable</th> </tr> </thead> <tbody> <tr> <td>Offices</td> <td>250</td> <td>72%</td> <td>1.6%</td> </tr> <tr> <td>Malls</td> <td>1412</td> <td>85%</td> <td>0.3%</td> </tr> <tr> <td>Lodging</td> <td>1146</td> <td>77%</td> <td>3.1%</td> </tr> <tr> <td>Integrated developments</td> <td>1565</td> <td>66%</td> <td>0.0%</td> </tr> <tr> <td>Business park, industrial and logistics</td> <td>886</td> <td>76%</td> <td>14.4%</td> </tr> </tbody> </table>		Total energy (million MJ)	% Total energy from grid electricity	% Total energy from renewable	Offices	250	72%	1.6%	Malls	1412	85%	0.3%	Lodging	1146	77%	3.1%	Integrated developments	1565	66%	0.0%	Business park, industrial and logistics	886	76%	14.4%
	Total energy (million MJ)	% Total energy from grid electricity	% Total energy from renewable																							
Offices	250	72%	1.6%																							
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Lodging	1146	77%	3.1%																							
Integrated developments	1565	66%	0.0%																							
Business park, industrial and logistics	886	76%	14.4%																							
IF-RE-130a.3	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	Like-for-like change in energy consumption is 1.7% for 2020-2021. Slight increase due to some recovery from COVID-19 impact in 2021 vs 2020. Like-for-like percentage change by property subsector will be reported when performance is comparable against a normal operating year.																								
IF-RE-130a.5	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	CLI integrates energy management considerations in all stages of the real estate lifecycle, from investment, design, development to operation. (pg 21)																								

SASB Disclosure Index

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SASB Code	Accounting Metric	CapitaLand Information and Page Reference
Water Management		
IF-RE-140a.1	Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions with High or Extremely High Baseline Water Stress, by property subsector	<p>100% coverage as aligned to CLI GSR reporting scope. (pg 3)</p> <p>CLI notes that Singapore, China and India will be among the top 50 most water-stressed countries by 2040.</p>
IF-RE-140a.3	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	CLI monitors its total water consumption, including water extraction and recycled water. Like-for-like change in water consumption is 1.3% for 2020-2021. Slight increase due to recovery from COVID-19 in 2021 vs. 2020. Like-for-like percentage change by property subsector will be reported when performance is comparable against a normal operating year.
IF-RE-140a.4	Description of water management risks and discussion of strategies and practices to mitigate those risks	CLI takes a strategic approach to water management to enhance the efficiency, resilience and long-term value of the Group's portfolio. (pg 25-26)
Management of Tenant Sustainability Impacts		
IF-RE-410a.3	Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants	CLI aims to work together with its tenants to improve their sustainability performance. Green lease is implemented at its business park tenants, office and retail tenants in Singapore. For its other properties in Singapore and globally, a green fit-out guide is given to new tenants to encourage tenants to adopt green fit out and promote green practices and behaviour. (pg 20)
Climate Change Adaptation		
IF-RE-450a.1	Area of properties located in 100-year flood zones, by property subsector	A global baseline study was conducted in 2020 to better understand the flood risk and mitigation measures for CLI owned and managed properties. This included understanding if the properties were located in low lying plains, encountered flooding in previous years, has equipment located in the basement, etc.
IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	CLI has pledged its support for Task Force on Climate-Related Financial Disclosure (TCFD) recommendations and has voluntarily disclosed some of its climate-related financial disclosures in four key areas as recommended by the TCFD since 2017. (page 13-15, 54-56)

GRI Content Index

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GRI Standards Content Index for 'In accordance' – Core

CapitaLand Investment Limited has reported in accordance with the GRI Standards for the period 1 January 2021 to 31 December 2021. The GRI Content Index references CapitaLand Investment Limited Sustainability Report 2021 and the Annual Report 2021 (AR).

GRI Standards	Disclosure Number	Disclosure Title	Page Reference and Remarks	External Assurance ¹ (pg 75-79)
GRI 101: Foundation 2016 (GRI 101 does not include any disclosures)				
General Disclosures				
GRI 102: General Disclosures 2016				
102-1	Name of the organization		Introduction (pg 4)	
102-2	Activities, brands, products, and services		Content page	
102-3	Location of headquarters		Introduction (pg 4)	
102-4	Location of operations		AR (pg 4-5)	
102-5	Ownership and legal form		AR (pg 2)	
102-6	Markets served		AR (pg 4-5, 36-56)	
102-7	Scale of the organization		Introduction (pg 3) Financial Capital (pg 53) AR (pg 4-5, 36-56)	
102-8	Information on employees and other workers		Human Capital (pg 35)	✓
102-9	Supply chain		Introduction (pg 10) Environmental and Manufactured Capital (pg 12) Human Capital (pg 28, 33-34) Social and Relationship Capital (pg 44)	✓
102-10	Significant changes to the organization and its supply chain		AR (pg 8-11)	
102-11	Precautionary Principle or approach		Environmental and Manufactured Capital (pg 12-22)	✓
102-12	External initiatives		Introduction (pg 3, 6) Human Capital (pg 35) Social and Relationship Capital (pg 44) Organisation Capital (pg 47)	✓
102-13	Membership of associations		Introduction (pg 3, 6) Human Capital (pg 35) Social and Relationship Capital (pg 44) Organisation Capital (pg 47)	✓
102-14	Statement from senior decision-maker		Group CEO's Message (pg 1-2) AR (pg 8-11)	✓
102-15	Key impacts, risks, and opportunities		Introduction (pg 7-8, 11) Environmental and Manufactured Capital (pg 12-15) Human Capital (pg 28) Social and Relationship Capital (pg 47-51) Organisational Capital (pg 51-52) AR (pg 76-80)	✓
102-16	Values, principles, standards, and norms of behavior		Organisational Capital (pg 47-52) AR (pg 83, 121-123)	✓

¹ External assurance is only for this Global Sustainability Report pg 1 to 74, and does not cover CapitaLand Investment Limited Annual Report 2021.

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GRI Standards	Disclosure Number	Disclosure Title	Page Reference and Remarks	External Assurance ¹ (pg 75-79)
	102-18	Governance structure	Introduction (pg 9) AR (pg 12-26)	✓
	102-40	List of stakeholder groups	Introduction (pg 10-11) Environmental and Manufactured Capital (pg 12) Human Capital (pg 31-34, 40) Social and Relationship Capital (pg 42-44)	✓
	102-41	Collective bargaining agreements	Human Capital (pg 36)	✓
	102-42	Identifying and selecting stakeholders	Introduction (pg 10-11) Environmental and Manufactured Capital (pg 12) Human Capital (pg 31-34) Social and Relationship Capital (pg 42-44)	✓
	102-43	Approach to stakeholder engagement	Introduction (pg 10-11) Environmental and Manufactured Capital (pg 12) Human Capital (pg 31-34, 40) Social and Relationship Capital (pg 42-44)	✓
	102-44	Key topics and concerns raised	Introduction (pg 10-11) Environmental and Manufactured Capital (pg 12) Human Capital (pg 31-34, 40) Social and Relationship Capital (pg 42-44)	✓
	102-45	Entities included in the consolidated financial statements	Introduction (pg 3)	✓
	102-46	Defining report content and topic Boundaries	Introduction (pg 11)	✓
	102-47	List of material topics	Introduction (pg 11) Material Topics and Boundaries (pg 57)	✓
	102-48	Restatements of information	Pg 16, 27	
	102-49	Changes in reporting	There are no significant changes from previous reports.	✓
	102-50	Reporting period	FY 1 January to 31 December 2021 Introduction (pg 3)	✓
	102-51	Date of most recent report	Published on 28 May 2021	
	102-52	Reporting cycle	Introduction (pg 3)	
	102-53	Contact point for questions regarding the report	Introduction (pg 4)	
	102-54	Claims of reporting in accordance with GRI Standards	Introduction (pg 3)	✓
	102-55	GRI Content Index	GRI Content Index (pg 63-71)	✓
	102-56	External assurance	Introduction (pg 4) Independent Assurance Statement (pg 75-79)	✓

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GRI Standards	Disclosure Number	Disclosure Title	Page Reference and Remarks	External Assurance ¹ (pg 75-79)
Topic-Specific Standards				
Economic Benefit to Stakeholders				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	pg 11, 57	✓
	103-2	The management approach and its components	pg 35, 44-45, 53	✓
	103-3	Evaluation of the management approach	pg 35, 44-45, 53	✓
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Financial Capital (pg 53) AR (pg 6-7, 29-33)	
GRI 202: Market Presence 2016	202-2	Proportion of senior management hired from local community	Human Capital (pg 35)	✓
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	Environmental and Manufactured Capital (pg 23, 26) Social and Relationship Capital (pg 45-46)	✓
Business Ethics				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	pg 11, 57	✓
	103-2	The management approach and its components	pg 49-50	✓
	103-1	Explanation of the material topic and its boundary	pg 49-50	✓
GRI 205: Anti-Corruption 2016	205-1	Operations assessed for risks related to corruption	Organisational Capital (pg 47-48)	✓
	205-2	Communication and training on anti-corruption policies and procedures	Organisational Capital (pg 49-50)	✓
	205-3	Confirmed incidents of corruption and actions taken	Organisational Capital (pg 50)	✓
GRI 415: Public Policy 2016	415-1	Political contributions	Organisational Capital (pg 50)	✓
GRI 417: Marketing and Labeling 2016	417-3	Incidents of non-compliance concerning marketing communications	No instances of non-compliance with regulations and voluntary codes concerning product and service information and labeling during the reporting period.	✓
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints regarding breaches of customer privacy and losses of customer data	No substantiated complaints regarding breaches of customer privacy and losses of customer data	✓

¹ External assurance is only for this Global Sustainability Report pg 1 to 74, and does not cover CapitaLand Investment Limited Annual Report 2021.

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GRI Standards	Disclosure Number	Disclosure Title	Page Reference and Remarks	External Assurance ¹ (pg 75-79)
Energy Efficiency				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	pg 11, 57	✓
	103-2	The management approach and its components	pg 12-22	✓
	103-3	Evaluation of the management approach	pg 12-22	✓
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Environmental and Manufactured Capital (pg 24, 27)	✓
	302-3	Energy intensity	Environmental and Manufactured Capital (pg 24, 27)	✓
	302-4	Reduction of energy consumption	Environmental and Manufactured Capital (pg 15, 19-20, 24)	✓
	302-5	Reductions in energy requirements of products and services	Environmental and Manufactured Capital (pg 19-20, 21, 24)	✓
Water Management				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	pg 11, 57	✓
	103-2	The management approach and its components	pg 12-22	✓
	103-3	Evaluation of the management approach	pg 12-22	✓
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	Environmental and Manufactured Capital (pg 11, 22, 26)	✓
	303-2	Management of water discharge-related impacts	Environmental and Manufactured Capital (pg 26)	✓
	303-3	Water withdrawal	Environmental and Manufactured Capital (pg 26)	✓
	303-4	Water discharge	Environmental and Manufactured Capital (pg 26) Wastewater is discharged into the public sewerage system or sewage treatment plant.	✓
	303-5	Water consumption	Environmental and Manufactured Capital (pg 26) Majority of water usage is for cooling towers, toilets, washing activities, water features, and irrigation.	✓

¹ External assurance is only for this Global Sustainability Report pg 1 to 74, and does not cover CapitaLand Investment Limited Annual Report 2021.

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GRI Standards	Disclosure Number	Disclosure Title	Page Reference and Remarks	External Assurance ¹ (pg 75-79)
Biodiversity				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	pg 11, 57	✓
	103-2	The management approach and its components	pg 12-22	✓
	103-3	Evaluation of the management approach	pg 12-22	✓
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	None during the reporting period. Environmental and Manufactured Capital (pg 22)	✓
	304-2	Significant impacts of activities, products, and services on biodiversity		✓
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		✓
Climate Change and Emissions				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	pg 11, 57	✓
	103-2	The management approach and its components	pg 12-22	✓
	103-3	Evaluation of the management approach	pg 12-22	✓
GRI 305: Emissions 2016	305-1	Direct (Scope 1) greenhouse gas (GHG) emissions	Environmental and Manufactured Capital (pg 23, 27)	✓
	305-2	Energy indirect (Scope 2) GHG emissions	Environmental and Manufactured Capital (pg 23, 27)	✓
	305-3	Other indirect (Scope 3) GHG emissions	Environmental and Manufactured Capital (pg 23)	✓
	305-4	GHG emissions intensity	Environmental and Manufactured Capital (pg 23, 27)	✓
	305-5	Reduction of GHG emissions	Environmental and Manufactured Capital (pg 14, 23, 25) I	✓
GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	Environment Capital (pg 11-12, 21-22)	✓

¹ External assurance is only for this Global Sustainability Report pg 1 to 74, and does not cover CapitaLand Investment Limited Annual Report 2021.

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GRI Standards	Disclosure Number	Disclosure Title	Page Reference and Remarks	External Assurance ¹ (pg 75-79)
Waste				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	pg 11, 57	✓
	103-2	The management approach and its components	pg 12-22	✓
	103-3	Evaluation of the management approach	pg 12-22	✓
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Environmental and Manufactured Capital (pg 26)	✓
	306-2	Management of significant waste-related impacts	Environmental and Manufactured Capital (pg 26)	✓
	306-3	Waste generated	Environmental and Manufactured Capital (pg 26)	✓
	306-4	Waste diverted from disposal		
	306-5	Waste directed to disposal		
Compliance				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	pg 11, 57	✓
	103-2	The management approach and its components	pg 11, 17-18	✓
	103-3	Evaluation of the management approach	pg 11, 17-18	✓
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	In 2021, CLI complied with the environmental laws and regulations in Australia, Belgium, France, Germany, India, Indonesia, Japan, Malaysia, Philippines, Spain, Thailand, Vietnam and UK. There were nine non-compliances in Singapore and China (<i>These incidents include mosquito breeding, water test exceeding limit and lapse of permit to discharge into sewerage.</i>).	✓
Supply Chain Management				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	pg 11, 57	✓
	103-2	The management approach and its components	pg 10, 28, 33, 44, 50	✓
	103-3	Evaluation of the management approach	pg 10, 28, 33, 44, 50	✓
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers screened using environmental criteria	Environmental and Manufactured Capital (pg 12)	✓
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Human Capital (pg 33)	✓

¹ External assurance is only for this Global Sustainability Report pg 1 to 74, and does not cover CapitaLand Investment Limited Annual Report 2021.

GRI Content Index

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GRI Standards	Disclosure Number	Disclosure Title	Page Reference and Remarks	External Assurance ¹ (pg 75-79)
Employment				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	pg 11, 57	✓
	103-2	The management approach and its components	pg 35-39	✓
	103-3	Evaluation of the management approach	pg 35-39	✓
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Human Capital (pg 36-37, 41)	✓
	401-3	Parental leave	Human Capital (pg 37) In 2021, CLI return to work rate for staff is 78.1% and the retention rate is 69.6%.	✓
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	Human Capital (pg 37-38) In the event of significant operational changes, CLI will ensure the unions and staff are engaged in advance for consultation and minimise potential operational disruption and impact to affected.	✓
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Human Capital (pg 39, 41)	✓
	404-2	Programs for upgrading employee skills and transition assistance programs	Human Capital (pg 39-40)	✓
	404-3	Percentage of employees receiving regular performance and career development reviews	Human Capital (pg 38-39)	✓
Occupational Health & Safety				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	pg 11, 57	✓
	103-2	The management approach and its components	pg 28-30	✓
	103-3	Evaluation of the management approach	pg 28-30	✓
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Human Capital (pg 28-29)	✓
	403-2	Hazard identification, risk assessment, and incident investigation	Human Capital (pg 29-31, 33-34)	✓
	403-3	Occupational health services	Human Capital (pg 31-32)	✓
	403-4	Worker participations, consultation, and communication on occupational health and safety	Human Capital (pg 29-30, 37) During the year, the unions did not express any concerns on staff health and safety issues and the CapitaLand OHS management system is externally audited.	✓
	403-5	Worker training on occupational health and safety	Human Capital (pg 29-30)	✓

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GRI Standards	Disclosure Number	Disclosure Title	Page Reference and Remarks	External Assurance ¹ (pg 75-79)												
	403-6	Promotion of worker health	Human Capital (pg 31-32)	✓												
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Human Capital (pg 28, 29-30, 31-34)	✓												
	403-8	Workers covered by an occupational health and safety management system	Human Capital (pg 29)	✓												
	403-9	Work-related injuries	Human Capital (pg 31, 34) CLI only has development sites at its India business parks and CLI tracks the OHS performance of its main contractors at its worksites. In 2021, there was no main contractor accident resulting in any lost day.	✓												
Diversity and Human Rights																
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	pg 11, 57	✓												
	103-2	The management approach and its components	pg 35-39, 44	✓												
	103-3	Evaluation of the management approach	pg 35-39, 44	✓												
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Human Capital (pg 35-36, 41)	✓												
	405-2	Ratio of basic salary and remuneration of women to men	Human Capital (pg 36) <table border="1"> <thead> <tr> <th>Job Grade</th> <th>Singapore</th> <th>China</th> </tr> </thead> <tbody> <tr> <td>Managerial</td> <td>11% in favour of male</td> <td>10% in favour of male</td> </tr> <tr> <td>Executives</td> <td>2% in favour of female</td> <td>1% in favour of male</td> </tr> <tr> <td>Non-executives</td> <td>8% in favour of male</td> <td>8% in favour of male</td> </tr> </tbody> </table>	Job Grade	Singapore	China	Managerial	11% in favour of male	10% in favour of male	Executives	2% in favour of female	1% in favour of male	Non-executives	8% in favour of male	8% in favour of male	✓
Job Grade	Singapore	China														
Managerial	11% in favour of male	10% in favour of male														
Executives	2% in favour of female	1% in favour of male														
Non-executives	8% in favour of male	8% in favour of male														
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective action taken	Human Capital (pg 35)	✓												
GRI 408: Child Labour 2016	408-1	Operations and suppliers at significant risk for incidents of child labour	Human Capital (pg 35) Social and Relationship Capital (pg 44)	✓												

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GRI Standards	Disclosure Number	Disclosure Title	Page Reference and Remarks	External Assurance ¹ (pg 75-79)
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour, and measures taken to eliminate it	Human Capital (pg 33-34, 35) Social and Relationship Capital (pg 44) CLI mandates no forced labour or child labour at its development sites and regular updates on safety performance are conducted on site. It also requires its main contractors to undertake that its workers are engaged legally for its development sites, and to ensure decent living conditions for its workers deployed at CLI sites. CLI embeds key principles where main contractors must comply with prevailing legal compliance requirements to ensure contractors remain vigilant on new standards expected.	✓
GRI 412: Human Rights Assessment 2016	412-1	Operations subjected to human rights reviews	Human Capital (pg 35) Social and Relationship Capital (pg 44)	✓
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programmes	Environmental and Manufactured Capital (pg 22) Human Capital (pg 31-34) Social and Relationship Capital (pg 42-46)	✓
GRI 414: Supplier Social Assessment 2016	414-1	Suppliers screened using social criteria	Human Capital (pg 33-34) Social and Relationship Capital (pg 44) CLI requires its main contractors of its development sites to be ISO 14001 and ISO 45001 certified (or equivalent), or to be audited by an independent accredited assessor for EHS legal compliance. All 10 project development main contractors appointed in 2021 met these requirements. CLI leverages these third-party certifications to ensure that the EHS conditions on site follow the best practices in the industry. The management system requires risks and opportunities to be evaluated to prevent work-related injury and ill-health to workers. CLI also encourages its main contractors to implement innovative solutions to further enhance onsite safety. In 2019 and 2020, 18 main contractors and 12 main contractors appointed were ISO 14001 and ISO 45001 certified or implement an external audit by an independent accredited assessor to assure EHS legal compliance respectively.	✓

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GRI Standards	Disclosure Number	Disclosure Title	Page Reference and Remarks	External Assurance ¹ (pg 75-79)
Products and Services				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	pg 11, 57	✓
	103-2	The management approach and its components	pg 28-31, 45-46	✓
	103-3	Evaluation of the management approach	pg 28-31, 45-46	✓
GRI 416: Customer Health and Safety 2016	416-1	Health and safety impacts assessment of products and services	Human Capital (pg 28, 31-34) Social and Relationship Capital (pg 45-46)	✓
	416-2	Incidents of non-compliance	Human Capital (pg 29)	✓
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programmes	Environmental and Manufactured Capital (pg 22) Social and Relationship Capital (pg 42-46)	✓
GRI 419: Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	No significant fines and non-monetary sanctions were incurred in 2021.	

This report may contain forward-looking statements. Forward-looking statement is subject to inherent uncertainties and is based on numerous assumptions. Actual performance, outcomes and results may differ materially from those expressed in forward-looking statements. Representative examples of factors which may cause the actual performance, outcomes and results to differ materially from those in the forward-statements include (without limitation) changes in general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate investment opportunities, competition from other companies, shifts in customers' demands, changes in operating conditions, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management of future events.

¹ External assurance is only for this Global Sustainability Report pg 1 to 74, and does not cover CapitaLand Investment Limited Annual Report 2021.

United Nations Global Compact

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10 Principles of the UN Global Compact

Principles		Report Page
Human Rights		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights	35
Principle 2	Make sure that they are not complicit in human rights abuses	
Labour		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	37
Principle 4	Elimination of all forms of forced and compulsory labour	35, 63
Principle 5	Effective abolition of child labour	
Principle 6	Elimination of discrimination in respect of employment and occupation	
Environment		
Principle 7	Businesses should support a precautionary approach to environmental challenges	12-27
Principle 8	Undertake initiatives to promote greater environmental responsibility	
Principle 9	Encourage the development and diffusion of environmentally friendly technologies	
Anti-corruption		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery	49-50

ISO 26000 Guidance On Social Responsibility

APPENDIX

Core Subjects	Report Page
6.2 Organisational governance The system by which an organisation makes and implements decisions to achieve its objectives.	Introduction (pg 7-11), Social and Relationship Capital (pg 42-44), Organisation Capital (pg 47-42), AR (pg 81-123)
6.3 Human rights Respect for human rights including civil and political rights as well as economic, social and cultural rights.	Human Capital (pg 28-41)
6.4 Labour practices Policies and practices relating to work performed within, by or on behalf of the organisation, including sub-contracted work.	Human Capital (pg 28-31, 35-41)
6.5 The environment Environmental impact of an organisation's decisions and activities, such as use of resources, generation of pollution and wastes.	Environmental and Manufactured Capital (pg 12-27)
6.6 Fair operating practices Ethical conduct in dealings with other organisations such as anti-corruption, socially responsible behaviour, fair competition and respect for property rights.	Human Capital (pg 31-34), Social and Relationship Capital (pg 44), Organisational Capital (pg 49-51)
6.7 Consumer issues Responsibilities to customers including having accurate, fair and transparent marketing information and contractual processes, as well as promoting sustainable consumption and designing products that are accessible by all.	Environmental and Manufactured Capital (pg 12, 18-22, 25, 26), Human Capital (pg 32-34), Social and Relationship Capital (pg 45-46), Organisational Capital (pg 51)
6.8 Community involvement and development Support for and building relationship with the community, so as to contribute to community development.	Human Capital (pg 28, 31, 37), Social and Relationship Capital (pg 42-46)

Independent Assurance Statement

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To the Management of CapitaLand Investment Limited

CapitaLand Investment Limited (CLI) engaged Ere-S Pte Ltd (Ere-S) to carry out an independent assurance of CapitaLand Investment Global Sustainability Report 2021 (the Report). The engagement took place between March and May 2022.

Scope

The assurance encompassed the entire Report and focused on all figures, statements and claims related to sustainability during the reporting period January 2021 to December 2021. The verified data covers the sustainability performance of CLI's global operations and portfolio, which includes the properties under CLI's listed real estate investment trusts and business trusts. Information provided with reference to the following GRI Standards disclosures listed in the Report's GRI Content Index is also included in the assurance:

- **General disclosures:** organisation profile (102-8, 102-9, 102-11, 102-12, 102-13, 102-14, 102-15, 102-16, 102-18), stakeholder engagement (102-40, 102-41, 102-42, 102-43, 102-44) and reporting practice (102-45, 102-46, 102-47, 102-49, 102-50, 102-54, 102-55, 102-56)
- **Economic benefit to stakeholders:** market presence (202-2), indirect economic impacts (203-1)
- **Business ethics:** anti-corruption (205-1, 205-2, 205-3), public policy (415-1), marketing and labelling (417 3), customer privacy (418-1)
- **Energy efficiency:** energy (302-1, 302-3, 302-4, 302-5)
- **Water management:** water and effluents (303-1, 303-2, 303-3, 303-4, 303-5)
- **Biodiversity:** biodiversity (304-1, 304-2, 304-4)
- **Climate change and emissions:** economic performance (201-2), emissions (305-1, 305-2, 305-3, 305-4, 305-5)
- **Waste:** waste (306-1, 306-2, 306-3, 306-4, 306-5)
- **Compliance:** environmental compliance (307-1)
- **Supply chain management:** supplier environmental assessment (308-1), supplier social assessment (414-1)
- **Employment:** employment (401-1, 401-3), labour/management relations (402-1), training and education (404 1, 404-2, 404-3)
- **Occupational health & safety:** occupational health and safety (403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9)
- **Diversity and human rights:** diversity and equal opportunity (405-1, 405-2), non-discrimination (406-1), child labour (408-1), forced or compulsory labour (409-1), human rights assessment (412-1), local communities (413-1), supplier social assessment (414-1)
- **Products and services:** customer health and safety (416-1, 416-2), local communities (413-1)

Ere-S also checked all management approach disclosures associated with the above topics.

A verification on the alignment of the entire Report with the Singapore Exchange (SGX)'s rules on sustainability reporting for listed companies was also included as part of the assurance process. Ere-S also verified that the figures and references found in the SASB Disclosure Index of the Report satisfy the SASB key requirements for the ten listed accounting metrics.

Limitations

The assurance did not include financial data and statements or corporate governance and risk management structures described under the Organisational Capital and Financial Capital sections of the Report. Neither did it include technical descriptions of buildings, equipment and production processes or other information not related to sustainability or already supported by existing documents, such as CLI's Annual Report or third-party audits and certifications, such as ISO 14001, OHSAS 18001, ISO 45001 and Green Mark.

Ere-S did not verify that all elements required by the GRI Standards (what to report) on each disclosure listed in the Report's GRI Content Index had been fully reported, or whether CLI's material issues, approaches and outcomes presented in the Report were specifically aligned with the Sustainability Development Goals (SDGs), the Guiding Principles of the International Integrated Reporting Council Framework or the recommendations of the Task Force on Climate Related Financial Disclosures (TCFD). Ere-S did not check the content of CLI's Annual Report referred to in the GRI Content Index.

Stakeholder groups or their representatives were not interviewed during the engagement and Ere-S's findings on stakeholder engagement were essentially based on internal documentation and feedback and confirmation from interviewed data owners.

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Type of Assurance and Criteria

The assurance engagement was conducted in accordance with the International Standard on Assurance Engagements 3000 (ISAE 3000) and in line with the requirements of a Type 2 assurance of the AA1000 Assurance Standard (AA1000AS v3 2020).

A moderate (or limited) level of assurance under AA1000AS was provided for this engagement. A moderate assurance is restricted to desktop review, management-level evidence gathering and data verification. It provides a relatively lower level of confidence in an organisation's disclosures than a high (reasonable) level of assurance (as used in financial auditing) would provide. The restricted extent, timeline and precision of audit procedures in a moderate assurance can leave small misstatements undetected. In addition, sustainability-related evidence being more persuasive than conclusive, the assurance findings are more constrained to the judgement of the assurance practitioner.

AA1000AS consists of evaluating the company's sustainability framework and processes using the criteria of the AA1000 AccountAbility Principles (AA1000AP 2018), namely inclusivity, materiality, responsiveness and impact. Under AA1000AS, an evaluation of the quality of the reported sustainability performance information is also required. For this, Ere-S employed the reporting principles of the latest GRI Standards (Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability context, Timeliness, Verifiability).

The verification on SGX's reporting rules was based on clauses 3 to 6 of the "SGX-ST Listing Rules Practice Note 7.6 Sustainability Reporting Guide", which include SGX reporting principles and the required five primary components of a report (material ESG factors, policies practices and performance, targets, sustainability reporting framework and board statement).

Assurance Methodology

The assurance procedures and principles used for this engagement are compliant with ISAE 3000 and were drawn from a methodology developed by Ere-S, which consists of the following steps:

1. Identify statements and data sets, which are classified according to the relevant data owners and the type of evidence required for the verification process.
2. Carry out interviews with key functional managers and data owners from CLI's corporate office in Singapore. Data verification included the following:
 - Enquiring about the quantitative and qualitative aspects of the Report disclosures, including performance information, policies, procedures and underlying management systems.
 - Requesting evidence of the data sources and explanation of relevant collection and calculation methods to substantiate the figures and claims. This includes limited sampling of quantitative data to validate relevant sources and other supporting documents.
 - Challenging the claims made in the Report and, where possible, confirming the presented evidence, including calculation methods, criteria and assumptions, with multiple data owners and other documentation from internal and external sources, such as previous CapitaLand sustainability reports, and public documents, websites and articles.
3. Assess the collected information and provide recommendations for immediate correction where required or for future improvement to the Report content.

For statements about the number (or absence) of complaints, incidents, and cases of non-compliance to policies and regulations related to corruption (GRI 205-3), environment (303-4, 304-1, 304-2, 304-4, 306-1, 306-3, 306-5, 307-1) and society (GRI 406-1, 408-1, 415-1, 416-2, 417-3, 418-1), Ere S assessment was founded on confirmation by key data owners and, where applicable, non-compliance reports and other internal documents from CLI's accounting, internal audit, feedback and reporting systems.

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Responsibility and Independence

This statement represents the independent opinion of Ere-S, whose responsibility was to provide the assurance, to express conclusions according to the agreed scope, and to prepare the assurance report and this assurance statement for the management of CLI alone and for no other purpose. The management of CLI has been responsible for the preparation of the Report and all statements and figures contained within it. Ere-S has not been involved in the development of the Report or the disclosed management processes; neither has Ere-S been engaged by CLI for other projects. The activities of Ere S are independent of CLI and contain no financial interest in CLI's business operations.

FINDINGS AND OBSERVATIONS

Evaluation of the adherence to AA1000 AccountAbility Principles

Inclusivity - *How the organisation engages with stakeholders and enables their participation in identifying material sustainability topics and developing an appropriate strategic response.*

Observed evidence shows that engagement with CLI's key stakeholders during the reporting period was overall good. Engagement with employees, which was mostly performed via online platforms, surveys and other direct feedback channels (e.g., communication sessions with top management), was solid and sustained globally. Key concerns addressed during these exchanges with employees continued to be mostly related to impacts from measures implemented to mitigate the COVID outbreak, but also covered the 2021 restructuring of CapitaLand. There was evidence of response by CLI management regarding these concerns.

Frequent engagement could also be observed with investors and evidence also showed interaction with local unions (e.g., training committee) to discuss issues pertaining to employees. There was less evidence of active participation in decision-making among other stakeholder groups, particularly overseas.

Materiality - *How the organisation recognises and prioritises the most relevant sustainability topics based on their effect to it and its stakeholders.*

During the reporting period, CLI employed multiple mechanisms for the identification and evaluation of environmental and social issues related to its operations. In addition to stakeholder engagement, observed mechanisms included regular reviews of sustainability-related risks and non-compliance, as well as continuous performance assessment, which were overseen by CLI Strategic Sustainability Management Structure and the Group's Enterprise Risk Management Framework, with oversight by the Board of Directors. Evaluation and prioritisation of environmental issues was particularly evidenced through CapitaLand's 2030 Sustainability Master Plan covering a comprehensive set of indicators, targets and mitigation measures on climate change.

Although application of the above mechanisms during the reporting period was evidenced at organisational level, examples of material topics identified at business unit level and specific to the local context (e.g., activities, supply chain, and impacted stakeholders) were less observable, particularly at overseas locations.

Responsiveness - *How the organisation responds to material sustainability topics and stakeholder feedback through decisions, actions, performance and communication.*

Ongoing initiatives taken by CLI to address its material issues during the reporting period were observed globally and included diverse procedures for impact assessment and mitigation as defined by CLI Strategic Sustainability Management Structure and executed under the multiple policies and frameworks of the group. Among these policies and frameworks are: the certified Environmental Health and Safety Management System (EHSMS) structure; Environment, Health and Safety Impact Assessment (EHSIA); Environmental Tracking System (ETS); human resource and training systems; the Fraud, Bribery and Corruption (FBC) framework, and Sustainable Building Guidelines (SBG).

Examples of CLI responses resulting from engagement with employees during the reporting period include the extension of flexible work arrangements, synchronised leave, and adjustment of office structures. There was little evidence of major actions resulting directly from concerns from other groups of stakeholders, locally or globally.

Communication to stakeholders and sharing of information about CLI's sustainability performance, strategy and policies through the corporate website, sustainability report and other platforms remained strong and consistent.

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Impact - How the organisation monitors, measures and is accountable for the direct and indirect impacts it has on its broader ecosystems.

Systems and processes to assess impact and monitor performance from all key business units could be observed throughout CLI's sustainability management structure including the EHSIA, ETS, EHMS, FBC framework and SBG among other systems. Within these systems, specific key performance indicators and targets covering CLI's critical material factors were set. Commitment by CLI to evaluate and mitigate its impact was also demonstrated by the fact that some of these indicators and targets are linked to remuneration of employees, managers and senior executives.

Compared to previous years, the scope of CLI's performance monitoring for several material topics improved during the reporting period (see findings on adherence to GRI reporting principles below). However, there is still room for improvement in measuring and reporting on indirect impact in the value chain, such as carbon emissions (Scope 3), waste disposal and social practices pertaining to the supply chain.

Evaluation of adherence to GRI reporting principles

In Ere-S' opinion, the Report provides an overall comprehensive, accurate and clear coverage of CLI's environmental and social management approaches and performance for all its key operations and locations. The content and topics of the Report are fairly consistent within the sustainability context and best reporting practices of the sector. The content of the Report is moderately balanced, with some statements and numbers showing negative information, such as work-related injuries and incidents of non-compliance and corruption.

Improvement in the data quality could be observed and was evidenced by the increase in the scope or the details of existing disclosures. Examples include: the addition of return-to-work and retention rates to the disclosures on parental leave; the revision of calculations for on-site recycled water consumption and pay gap ratios to provide more accurate results; the provision of waste data for about 100 additional properties (an almost 50% increase on the previous year).

The level of verifiability of the assessed information was also found to be higher than in Ere-S' previous assurance, confirming a gradual maturing of CLI's sustainability data management framework, including the ETS and other internal data systems from which the verified data sets were extracted. Confidence in the reliability of environmental performance information was strengthened by the regular internal audits carried out by the reporting team to validate data entries into the ETS made by diverse business units and property managers.

However, there is still room for improvement as waste data is not yet available for about 20% of the properties. Additionally, the number of data sets (e.g., figures on union memberships and parental leave) provided by some overseas business units is limited, and supporting evidence from these units, such as internal reports, was not available for verification.

Several inconsistencies were also found in the sampling of data sources but were in general minor and promptly corrected by the reporting team. Other recommendations by Ere-S to improve the clarity of Report disclosures were also addressed by the reporting team. The final version of the Report was crosschecked by Ere-S to validate the applied recommendations.

Evaluation of adherence to SGX and SASB requirements on sustainability reporting

According to Ere-S evaluation, the Report content adheres adequately to SGX sustainability reporting principles and rules, including the required five primary components. Ere-S also considers that the content of the Report's SASB Disclosure Index presents a sufficient alignment with the requirements of SASB accounting metrics.

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Conclusion

On the basis of a moderate assurance engagement consistent with the above-listed criteria, nothing has come to our attention that causes us not to believe that, in all material respects, CapitaLand Investment's Global Sustainability Report 2021

- provides a credible and fair representation of the organisation's sustainability profile and application of the AA1000 AccountAbility Principles.
- includes statements and figures that achieve an adequate level of reliability and accuracy.

The assurance findings also provide confidence that the Report has been prepared in accordance with the Reporting Principles of GRI Standards and the requirements on sustainability reporting of SGX and SASB.

The findings summarised in this assurance statement, together with additional suggestions for improvement, have been presented to the management of CLI in a more detailed assurance report.



Singapore, 26 May 2022

A handwritten signature in black ink.

Jean-Pierre Dalla Palma

Director and Lead Certified Sustainability Assurance Practitioner

Ere-S Pte Ltd is a consulting company specialising in business sustainability and provides services in the domains of sustainability reporting, sustainability report assurance, stakeholder engagement and training. Our assurance team is composed of assurance practitioners with expertise in corporate sustainability and each member is required to follow Ere-S' assurance code of conduct, which can be found at www.ere-s.com/assurance-code-of-conduct. Ere-S is not responsible for any actions taken by other parties as a result of the findings presented in this assurance statement.

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