



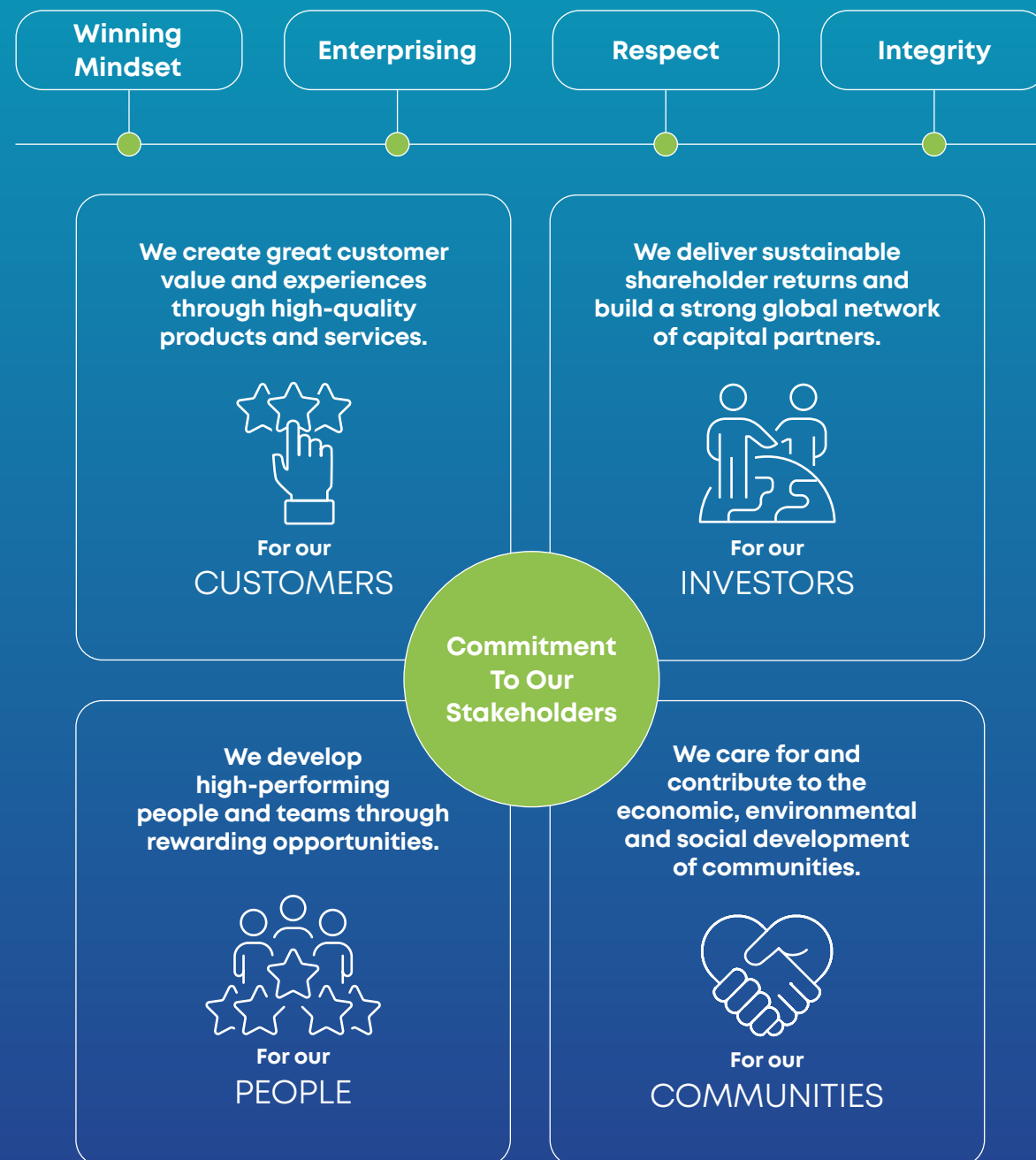
**CAPITALAND
INVESTMENT
LIMITED**

20
GLOBAL SUSTAINABILITY REPORT
22

Sustainability Is At The Core Of Everything We Do

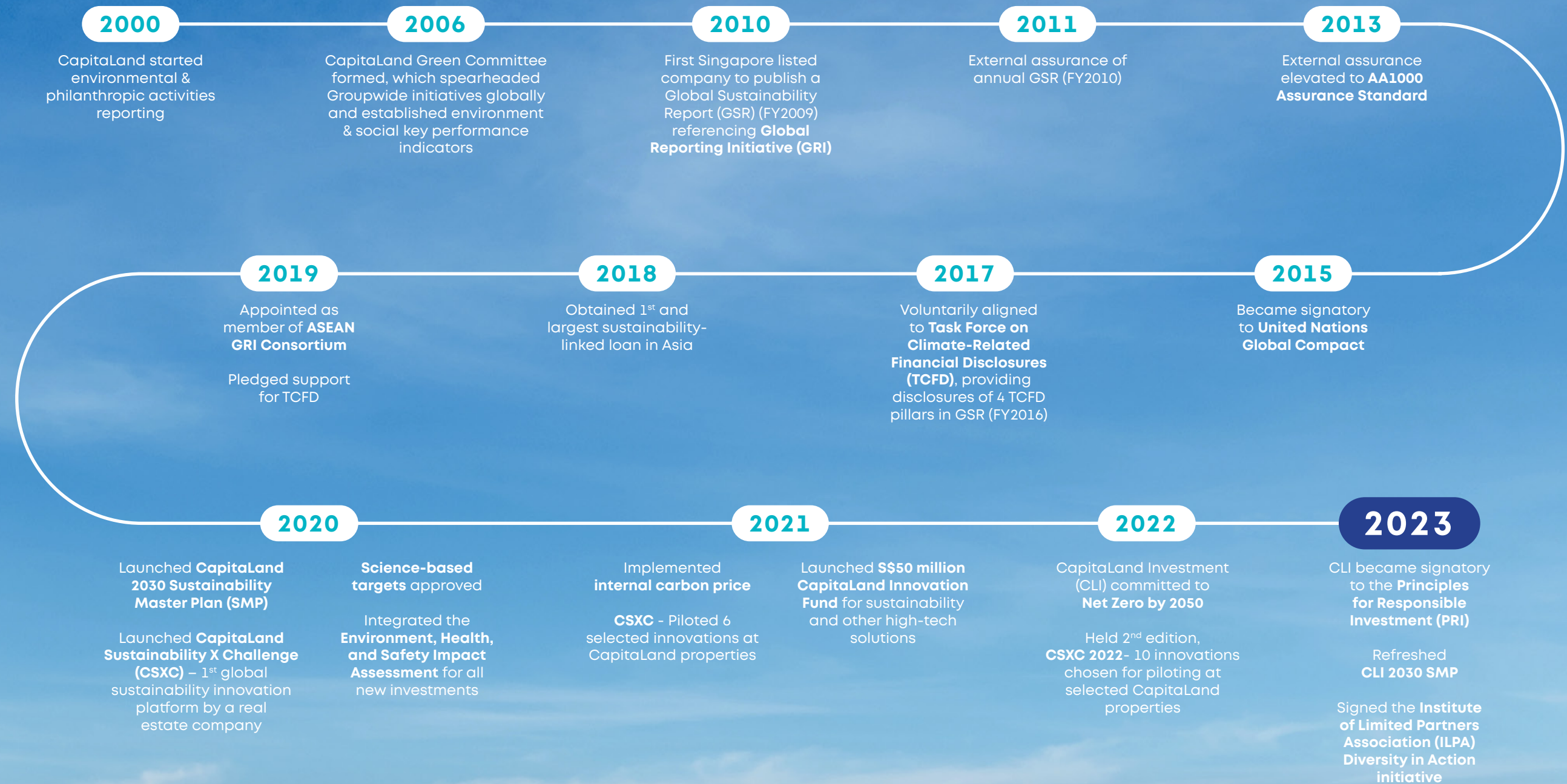
We will grow in a responsible manner, deliver long-term economic value, and contribute to the environmental and social well-being of our communities.

Core Values:



A Sustainability Early Mover

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



2022 Performance Highlights


**Net Zero
by 2050**
commitment for
scope 1 & 2 emissions


15%
carbon emissions
intensity reduction¹
since 2019


>85
nationalities in CLI's
global workforce


22%
women on the
CLI board


1.5°C-aligned
global 2030 target validated
by Science Based Targets
initiative (SBTi)


15%
energy consumption
intensity reduction since
2019 & 42% since 2008


~40%
of women in
senior management


~90%
of staff attended
Fraud, Bribery &
Corruption awareness
online training²


58%
of global portfolio³
achieved green building
certification


24%
water consumption
intensity reduction since
2019 & 52% since 2008


>37
training hours
per staff


100%
of contractors & vendors
committed to abide
by Supply Chain Code
of Conduct


**Internal
carbon price**
implemented for
new investments &
acquisitions


>83%
of staff attended at
least 1 ESG training


Zero
staff work-related fatality
or permanent disability


S\$4.7 billion
raised in sustainable
finance by CLI & its
listed REITs

Accolades

Member of Dow Jones Sustainability Indices

Powered by the S&P Global CSA

- Dow Jones Sustainability World Index for 11th consecutive year
- Dow Jones Sustainability APAC Index for 14th consecutive year
- 1st and longest standing company in Singapore to be listed



G R E S B
★★★★★ 2022

- 5-star rating for 7 years and achieved A for Public Disclosure



FTSE4Good

- Constituent for 9th consecutive year

MSCI
ESG RATINGS



CCC B BB BBB A AA **AAA**

2023 MSCI ESG Leaders
Indexes Constituent

- MSCI World ESG Leaders Index for 9th consecutive year
- AAA MSCI ESG rating

Sustainability Yearbook Member 2022

S&P Global

- Constituent for 14th year
- 1st and longest standing company in Singapore to be listed



- Constituent for 11th year

Carbon Clean 200™ by Corporate Knights & As You Sow

- Constituent for 5th year

¹ One driver of intensity reduction against baseline years of 2019 and 2008 was the drop in activity at some of CLI properties amid COVID-19.

² Based on ending staff strength as at 31 Aug 2022.

³ Percentage by m² of CLI's owned and operationally-managed properties.

Pushing the boundaries for a sustainable built environment with innovation

The CapitaLand Sustainability X Challenge (CSXC) is a global platform to advance innovation and collaboration in sustainability within the built environment. Through CSXC, CapitaLand aims to source for emerging solutions and technologies globally to solve sustainability challenges impacting the built environment.



CSXC 2022:
>340 entries
from **>50** countries
(**>270** entries from
25 countries in 2021)



20*
projects being
piloted or
planned at



24*
sites within
CapitaLand
properties in



5*
countries

* As at 30 April 2023

Successful CSXC 2021 Pilot



New Generation Bio Water Saving Stick

- Irrigation via transfer of humidity from air to ground
- One landscape zone in Aperia, Singapore (Integrated Development)

ACHIEVED
up to
33%
Irrigation water
savings

CSXC 2022 Pilots

IN PROGRESS



CLEANAIR.AI
ALVI CleanAir Safety System™: sensors & active polarisation provide buildings with HEPA-class air quality



Trialling in
› United States of America
› Singapore



› **10%** improvement in IAQ
› Up to **6,000kWh** energy savings per AHU



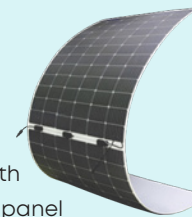
SUNMAN ENERGY
World's first glass-free, lightweight & flexible solar panel, can be used on roofs that are unable to support glass modules for structural reasons



Trialling in
› China



› Comparable performance to standard glass solar panel with **70% reduced** weight of panel



ECOFLOW
Air-compression valve to improve watermeter accuracy



Trialling in
› Singapore
› Thailand



› **▼ 10%** water cost



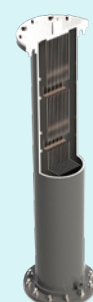
HYDROLEAP
On-site electro-oxidation to reduce cooling tower blowdown



Trialling in
› Singapore



› **▼ 40%** blowdown water



SLIDELUVRE
Smart voltaic louvres



Trialling in
› Singapore



› Solar energy yield up to **200 kWh/m²** slat area/year



WI.PLAT
Intelligent building leak detection system



Trialling in
› Singapore



› **More than 2** detection & locations of unobserved water leaks



IN PLANNING



ENEXOR BIOENERGY
Renewable energy system: converts organic, biomass, or plastic waste into onsite renewable electricity & thermal power while offsetting significant volumes of carbon dioxide



› **▼ 20%** energy and waste cost



PASSIVE EDGE TECH
Phase-change material for thermal control and storage



› **▼ 25%** airconditioning energy consumption



LOH AND SONS PAINT CO (In partnership with SolCold)
Nanoparticle material using sunlight for active cooling



Trialling in
› Singapore



› **▼ 10%** energy consumption



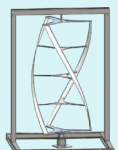
MAINI RENEWABLES
Efficient micro wind turbine



Trialling in
› India



› **15,000** kWh energy generation



Note:

Targets as provided by innovators & CLI is currently working with them to establish the respective innovations' pilot savings targets for the testbedding in CapitaLand assets. Depending on nature of innovation & control/comparisons required, not all innovations are initially tested at full building or project level.

CLI's global community investment initiatives

To make a positive impact by enriching lives and uplifting communities where CLI operates



>11,000
volunteering hours



CLI contributed
>S\$3.3million
to CHF and CHF India



Singapore

Under the #LoveOurSeniors initiative, volunteers participated in meal and bread deliveries, packed and delivered essential care packs, as well as helped seniors settle in their new homes. Volunteers also helped build resilience and environmental awareness of children through the Camp Cacti and CapitaLand Environmental Education Programme respectively.



Across 60 activities
Over 2,000 staff, tenant and community volunteers
Over 6,000 beneficiaries (children, youth and seniors)



China

Through over 30 activities, CapitaLand in China rallied over 1,000 staff, tenant and community volunteers to support over 10,000 seniors and children in 30 cities.

They also improved lives of seniors via home visits, smartphone workshops and spring cleaning.



'My Schoolbag' Programme:
2,400 students from 37 schools received schoolbags



India

CHF contributed INR 50 million towards a school building construction at the second school in Bangalore under the CapitaLand Hope School Programme.



Over 1,700 children received educational school kits in both Bangalore schools under CHF's programme and government schools in Hyderabad



Indonesia

Ascott Indonesia distributed food and drinks to vulnerable families during Ramadan.

Tauzia Ascott Limited also raised IDR 500 million for the Indonesian Street Children Organisation (ISCO), and conducted a resume and interview simulation workshop for youth from ISCO.



Over 280 staff across 15 cities
Distributed over 2,000 sets of food and drinks prepared by its restaurants



Malaysia

Launched in October 2022, the second edition of #GivingBersama initiative brought together staff volunteers in Malaysia to pack and distribute daily necessities and school essentials to beneficiaries from orphanage homes or schools.



Over 1,200 beneficiaries across 36 orphanage homes or schools



Philippines

Ascott Philippines in partnership with Gawad Kalinga (GK) Community Development Foundation, aims to provide nutrition and livelihood security through GK's Feeding Programme and Food Shed Farming Enterprise Project respectively.



Over 100 staff volunteers
More than 900 children and families benefitted



United Kingdom



In support of the homeless, volunteers from the CapitaLand International team in London participated in SleepOut, where they braved a cold night to understand challenges faced by the homeless and raised funds. In December, together with the Singapore team, a food donation drive for the Whitechapel Mission and North London Action for the Homeless contributed over 80kg of food for the homeless.



United States

Rallying staff, tenants and the community, CapitaLand in US participated in the March for Babies charity walk.

Over US\$200,000 raised in support of families throughout their pregnancy journey and advocacy work



Hot meals delivered to 45 homeless seniors at Manhattan's upper west side

Donated US\$25,000 to Meals on Wheels America



Vietnam

CapitaLand in Vietnam rolled out Nutrition Project under the CapitaLand Hope School Support Programme. Students would receive monthly milk packets until the end of the school year in May 2023 under the initiative to supplement their nutritional needs essential for their developmental growth.



50 staff volunteers distributed milk and 1,400 sets of healthy snacks to students in October

CLI 2030 Sustainability Master Plan (SMP)

Build

Portfolio Resilience and Resource Efficiency

Low Carbon Transition

- Achieve Net Zero emissions by 2050 for scope 1 and 2 greenhouse gas (GHG) emissions
- Reduce:

Absolute scope 1 & 2 GHG emissions by 46%¹

Carbon emissions intensity by 72%¹

Energy consumption intensity by 15%¹

- Achieve **45%** of total electricity consumption from renewable sources
- Work towards setting new scope 3 carbon emissions reduction target



Water Conservation and Resilience



Reduce water consumption intensity in our day-to-day operations by 15%¹

Waste Management and Circular Economy

Reduce waste intensity in our day-to-day operations by 20%¹

Achieve 25% recycling rate in our day-to-day operations



Enable

Thriving and Future-Adaptive Communities

Social Impact

- Contribute to communities' social well-being through outreach initiatives by staff and CapitaLand Group's philanthropic arm, CapitaLand Hope Foundation (CHF)

Human Capital Development



Female representation in senior management



Staff engagement score²



Staff to attend 1 ESG training

Health and Wellness

- Foster a safety culture with zero fatality, permanent disability, major injury
- Incorporate social integration design features in properties
- Implement wellness related initiatives and certifications for physical assets



Customer and Supplier Partnerships

- Green leases for new and renewal of leases; work with tenants to improve their sustainability performance
- Achieve high level of customer satisfaction
- Contractors and vendors to abide by CLI's Supply Chain Code of Conduct
- Zero tolerance to child labour/forced labour

Steward

Responsible Business Conduct and Governance

Corporate Governance

- Ensure sustainability targets integrated into CLI Performance Share Plan & Balanced Scorecard framework to determine executive remuneration and KPIs
- At least **85%** staff to attend 1 compliance related training



Transparent Reporting

- ESG reporting aligned and externally assured to international standards



ESG Risk Management

- Identify, assess, and manage sustainability risks and opportunities
- Ensure sustainability risks and opportunities are managed in line with overall risk appetite and strategy



Note that the Enable and Steward targets are intended to reflect the organisation-wide goals set by CLI on a group basis, and are intended to be implemented subject to and taking into account (i) fair and equitable employment practices and principles under applicable laws and market practice and (ii) the business and operational needs of the company and the organisation, as applicable.

¹ Using 2019 as the base year.

² Staff engagement with at least 85% participation.

CLI 2030 SMP Pathways

Build

Portfolio Resilience and Resource Efficiency



Integrate sustainability in the entire real estate life cycle.

In particular, factoring Environment Health & Safety impact assessments and Internal Carbon Price in investment process.



Source climate-technology solutions through the global CapitaLand Sustainability X Challenge for piloting and adoption throughout the portfolio.

Use data analytics and digitalisation to track and analyse trends in environment parameters and use the insights for portfolio optimisation.



Strengthen innovation and collaboration by tapping on S\$50 million CapitaLand Innovation Fund, to drive sustainability by sourcing globally and within CLI for new ideas and technologies to meet our bold sustainability ambitions.

Work with partners to create shared values that benefit the wider real estate community through partnerships and mentorships.



Raise capital through sustainable finance instruments

by embracing sustainable finance initiatives that demonstrate our sustainability leadership. Interest rate savings can be channelled back into our decarbonisation efforts.

Enable

Thriving and Future-Adaptive Communities



CapitaLand Hope Foundation as a vehicle to **amplify the social impact of our contribution to the communities** by collaborating with ecosystem partners to support key underserved needs of children, youth and seniors through donations, volunteerism and thought leadership.



Build a culture of volunteerism among staff and leveraging its ecosystem to rally customers and business partners to do good together.



Develop capability and build a culture of sustainability throughout the organisation.

Empower staff with relevant knowledge and skillsets to make decisions that align with our sustainability goals.



Cultivate stakeholder engagement through thought leadership and advocacy, towards ensuring CapitaLand as a sustainable brand that cares for the environment and communities it serves.

Steward

Responsible Business Conduct and Governance



Ensure robust ESG governance structure, where CLI's Board through its committees oversees sustainability strategy, and CLI's top management and business leaders own the execution on the ground through cross-team collaboration.



Monitor and report to ensure transparency of sustainability progress.

Continue to validate performance by external assurance and align Global Sustainability Report to international standards and frameworks.



Integrate ESG into Balanced Scorecard Framework

and sustainability targets embedded in policies, processes, best practices, and key performance indicators.

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 2022, CLI had S\$132 billion of real estate assets under management, and S\$88 billion of real estate funds under management (FUM) held via six listed real estate investment trusts and business trusts, and more than 30 private vehicles across Asia Pacific, Europe and USA. Its diversified real estate asset classes cover retail, office, lodging, business parks, industrial, logistics and data centres.

CLI aims to scale its FUM and fee-related earnings through fund management, lodging management and its full stack of operating capabilities, and maintain effective capital management. As the investment management arm of CapitaLand Group, CLI has access to the development capabilities of and pipeline investment opportunities from CapitaLand's development arm.

As a responsible company, CLI places sustainability at the core of what it does and has committed to achieve Net Zero emissions (scope 1 and 2) by 2050. 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

Dear stakeholders,

'Permacrisis' has become the defining word for 2022, as the world stumbled from one crisis to the next. From the aftermath of the COVID-19 pandemic, heightened geopolitical tensions, to inflationary and interest rate pressures not seen in decades, crises took their turns to create chaos globally. Dialing up the heat was the fifth warmest temperature recorded last year, according to NASA (National Aeronautics and Space Administration).

Amidst these storms, strong and steady hands are needed to keep an organisation on course. For CLI, we believe that maintaining focus on our pursuit of sustainability in our strategy and business, is the way forward.

In 2020, we introduced our CLI 2030 Sustainability Master Plan (SMP) as a strategic blueprint to chart our journey towards our ambitious sustainability targets. Mindful of the continuously evolving environment and CLI's business, we reviewed our SMP in 2022 to strengthen our ESG (Environment, Social and Governance) pillars; we are stepping up our Net Zero initiatives, deepening our social efforts, and increasing our governance focus. The revised SMP also provides greater clarity on our pathways to reach our targets. As CLI continues our transformation to become a leading real estate investment manager, we signed the United Nations Principles for Responsible Investment¹ in 2023, committing to adhere to its six principles of incorporating ESG issues into investment practice. We remain committed to the United Nations Global Compact's (UNGC) universal principles on human rights, labour, the environment and anti-corruption. CLI is a UNGC signatory and prioritises eight of the 17 United Nations Sustainable Development Goals (UN SDGs) that are most aligned with our revised 2030 Sustainability Master Plan targets.

STRENGTHENING OUR SOCIAL EFFORTS

Our diverse and dynamic workforce, coupled with a strong winning and enterprising mindset, are critical to the implementation of our 2030 SMP and CLI's success. Hence, we signed the Institute of Limited Partners Association (ILPA) Diversity in Action initiative in 2023, pledging to advance our Diversity, Equality and Inclusiveness practices. CLI's revised SMP now includes our group-level female diversity and training targets. I am glad to report that women make up about 40% of our leadership team and our global CLI staff strength comprises over 85 nationalities. To ensure a future-ready workforce in the ever-evolving environment, in 2022 our staff also clocked in over 370,000 training hours, with more than 83% of our staff attending at least one ESG training.

We expanded our revised SMP to include the social impact that CLI makes on our communities via CapitaLand Hope Foundation (CHF), CapitaLand Group's philanthropic arm. In 2022, CLI contributed more than S\$3.3 million to CHF and CHF India and over 1,100 CLI staff globally contributed close to 11,000 volunteer hours for various activities across the globe.

To further strengthen our supply chain management, we undertook a pilot ESG due diligence screening of close to 500 CLI critical suppliers, to enable us to better monitor and engage our suppliers on their ESG performance. We are glad to note that through this third-party platform, 17 of our critical suppliers were rated with high ESG scores.

Collective action is necessary to effect meaningful change, and our stakeholders' involvement is integral in our Net Zero journey. We continue to engage our diverse customer base such as tenants, shoppers, guests and the general public, taking proactive steps to improve the service levels rendered at our properties, and encouraging them to lead more sustainable lifestyles through various stakeholder engagement initiatives.

INCREASING OUR GOVERNANCE FOCUS

Underpinning our CLI 2030 SMP is our third focus pillar to steward responsible business conduct and governance. CLI has processes to identify, assess and manage our sustainability risks and opportunities. Our sustainability targets are embedded into our key performance indicators to which our compensation is tied. We have a dedicated CLI Strategy and Sustainability Committee, chaired by our Lead Independent Director, Mr Anthony Lim, to oversee sustainability strategies and goals. CLI's sustainability performance and key ESG material topics are an integral part of the regular senior management and board deliberations.

¹ This is an investor initiative in partnership with United Nations Environment Programme Finance Initiative (UNEP FI) and the UNGC. As at December 2022, the UN PRI has 5,319 signatories, representing US\$121 trillion of assets under management, signalling a rapidly accelerating transition towards sustainable assets.

Group CEO's Message

STEPPING UP OUR ENVIRONMENTAL INITIATIVES

Urgent action is needed to combat climate change. In 2022, CLI elevated our sustainability goals to align to our commitment to achieve Net Zero by 2050. Our 2030 carbon emissions reduction targets for scope 1 and 2 were validated by the Science Based Targets initiative (SBTi) for the 1.5°C scenario, in line with the goals of the Paris Agreement.

We have increased our target for the use of renewable energy from 35% to 45% in our revised SMP and will intensify energy efficiency and renewable energy integration at our properties. In 2022, 58%² of buildings across CLI's global portfolio were green rated.

We advanced our innovation drive through the 2nd CapitaLand Sustainability X Challenge (CSXC), where we crowdsource sustainable building solutions to accelerate our progress towards meeting our SMP targets. Eight of the 10 shortlisted innovations from CSXC 2022 are being piloted in five countries. We will scale the successful pilots across our portfolio. The third CSXC was launched in March 2023 and it has already attracted over 400 entries from close to 70 countries.

We continue to align CLI's efforts with the national level goals in the markets we have presence in, and remain steadfast in advancing our low-carbon transition efforts. In 2022, we expanded our use of green energy with 26 properties in Singapore, China, India, Australia, Belgium and the United Kingdom powered by renewable energy, mitigating about 33,500 tonnes of carbon emissions (equivalent to annual emissions of 7,400 petrol-powered cars³).

Sustainable financing remains an important lever to achieve our sustainability targets. CLI and our listed real estate investment trusts and business trusts secured over S\$4.7 billion⁴ in sustainable financing in 2022. Our leadership in renowned sustainability indices and consistent sustainability performance have allowed us to expand and deepen our pool of financing partners and engender trust in our sustainability leadership. CLI also reaps interest savings from our sustainability-linked loans which are channeled back into decarbonisation investments.

DECADE-LONG LEADERSHIP IN GLOBAL SUSTAINABILITY RECOGNISED

In recognition of our continued global leadership in sustainability, we were listed for the 11th year on the Global 100 Most Sustainable Corporations in the World and on the Dow Jones Sustainability World Index. We retained our 5 Star rating for GRESB as well as our 'AAA' leader rating by MSCI ESG Research.

Achieving our sustainability targets during these challenging times will be an uphill task. It requires a global and ecosystem approach alongside multiple stakeholder collaborations. At CLI, sustainability will remain at the heart of our business, as we deliver measurable sustainable value and uphold our reputation as a trusted partner.

We thank our staff for their hard work and dedication as well as all our stakeholders for their continued support. Together, we believe we can Think Big, Do Right and Make It Last, and Make A Positive Impact in the communities in which we operate.

LEE CHEE KOON

Group Chief Executive Officer
CapitaLand Investment



Mr Lee Chee Koon, CapitaLand Investment's Group Chief Executive Officer, leading a safety inspection at a CLI integrated development in Singapore.

² This refers to CLI-owned and operationally-managed properties by per m².

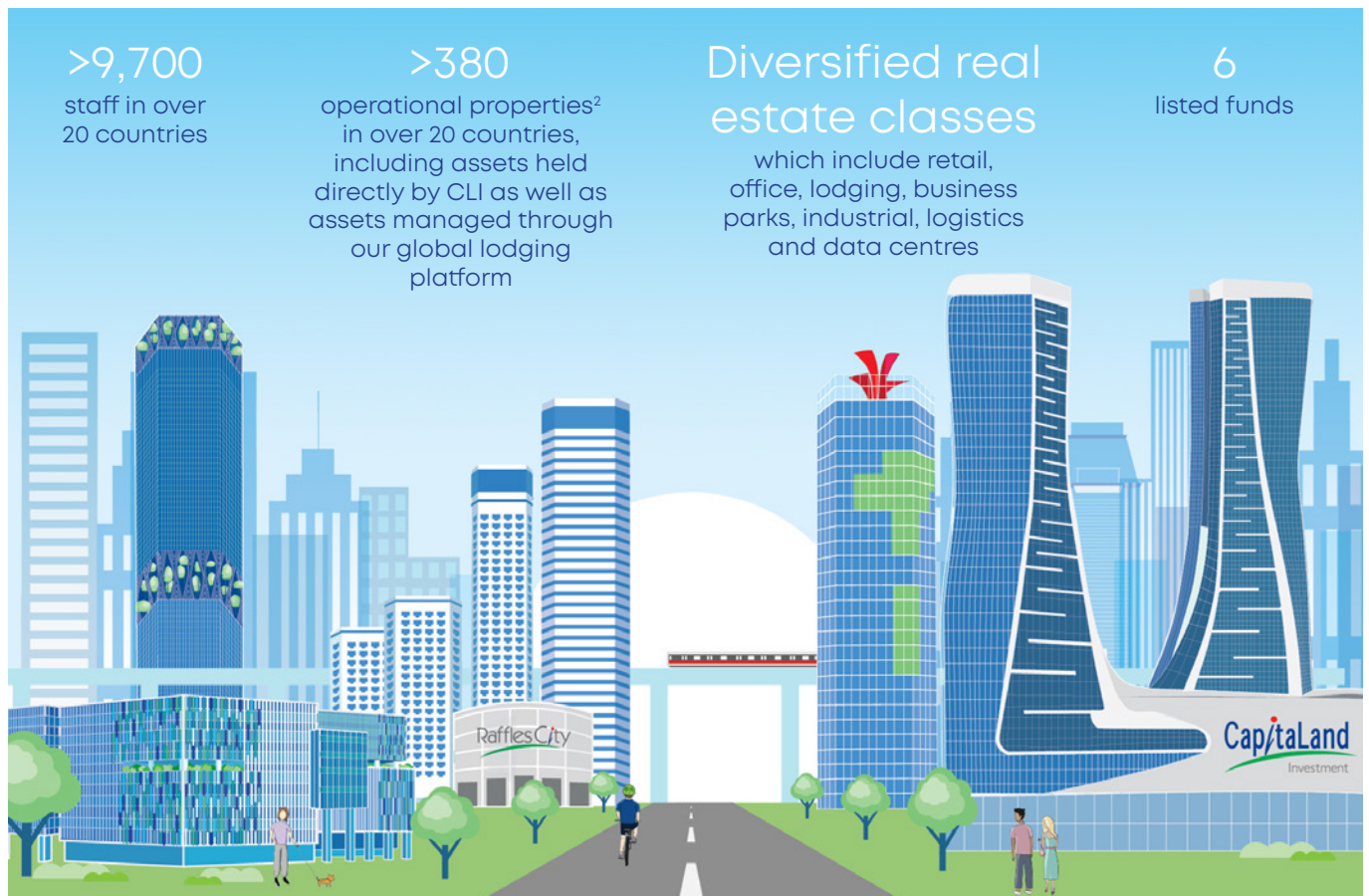
³ This assumes that a typical passenger vehicle emits about 4.5 tonnes of CO₂e per year. Source: <https://www.epa.gov/energy/greenhouse-gases-equivalencies-calculator-calculations-and-references#vehicles>.

⁴ Close to S\$11.6 billion raised in sustainable finance by CLI and its listed REITs and business trusts as at 31 December 2022 since 2018.

About This Global Report

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 14th 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.



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, CapitaLand Ascendas REIT, CapitaLand Ascott Trust, CapitaLand China Trust, CapitaLand India Trust and CapitaLand Malaysia Trust, from 1 January to 31 December 2022 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 2022 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 Refers to properties operationally managed by CLI, and excludes properties owned by CLI but managed by third party.

About This Global Report



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 updated GRI Universal Standards 2021 which came into effect for reports published on or after 1 January 2023.

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 Investment Limited is a signatory to the UN Global Compact and committed to the 10 Principles. Its Communication on Progress (COP) will be made available at www.unglobalcompact.org. In February 2023, it also became a signatory of the UN-supported Principles for Responsible Investment (UN PRI), and the Institutional Limited Partners Association (ILPA) Diversity in Action initiative.

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) Protocol³ (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 metrics and targets.

Independent Assurance

To enhance data credibility and instil 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 1 January to 31 December 2022. 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 Account Ability 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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³ 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.

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 (SMP), 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, CapitaLand Investment revised its SMP targets to elevate its SBTi-approved targets in line with a 1.5°C scenario, incorporate its Net Zero commitment, and enhance focus on social indicators.

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 GRESB. 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. It is being reviewed every two years and adjusted where necessary to complement the CLI's business strategy and in line with climate science.

During the first scheduled review in 2022, CLI refreshed its SMP framework and refocused on three key pillars to drive its sustainability efforts in the ESG pillars. The SMP sets CLI's sustainability approach to creating a larger positive impact for the environment and society, across its business and in the communities in which it operates. CLI revised its SMP targets to elevate its SBTi-approved targets in line with a 1.5°C scenario, incorporate its Net Zero commitment, and enhance focus on social indicators. For each pillar and focus area, CLI had identified specific pathways to achieve its sustainability objectives and will adapt its strategies as technologies evolve and new scientific data become available.

Managing Sustainability

CLI's 2030 Sustainability Master Plan Focus Areas

 Build Portfolio Resilience and Resource Efficiency	 Enable Thriving and Future-Adaptive Communities	 Steward Responsible Business Conduct and Governance
✓ Low Carbon Transition ✓ Water Conservation and Resilience ✓ Waste Management and Circular Economy	✓ Social Impact ✓ Human Capital Development ✓ Health and Wellness ✓ Customer and Supplier Partnerships	✓ Corporate Governance ✓ Transparent Reporting ✓ ESG Risk Management

Push Boundaries of Change

CLI will transit to a low-carbon business that is aligned with climate science. 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 trajectory⁴, currently the most ambitious designation available through the SBTi process. Aligned with the Group's elevated science-based target, CLI commits to reducing its absolute scope 1 and 2 emissions by 46% by 2030 from a 2019 base year and aims to achieve Net Zero by 2050 for its scope 1 and 2 emissions, consistent with the effort required to limit global temperature increase to below 1.5°C.

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. From the submissions received through CapitaLand Sustainability X Challenge 2021 and 2022, 20 innovative projects are being piloted or planned at 24 sites within CapitaLand properties in Singapore, China, India, Thailand, and the United States of America, with focus on improving building energy and water efficiency as well as indoor air quality. The CSXC is now in its third edition.

CLI aims to be a leader in sustainable finance. As at 31 December 2022, CLI and its listed real estate investment trusts (REITs) and business trusts had obtained over S\$4.7 billion⁵ in sustainable financing in the year. The interest rate savings from CLI's efforts in sustainable finance are used to drive more sustainability initiatives and innovations within the company.

Recognition by 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.

CLI is also a signatory to the United Nations (UN) Global Compact. Its Communication on Progress will be made available at www.unglobalcompact.org when published. In February 2023, it also became a signatory of the UN-supported Principles for Responsible Investment (UN PRI), and the Institutional Limited Partners Association (ILPA) Diversity in Action initiative.

For our efforts, CLI continues to be listed on the Dow Jones Sustainability World Index and Asia-Pacific Index, GRESB, FTSE4Good Index Series, MSCI Global Sustainability Indexes, Global 100 Most Sustainable Corporations Index, and The Sustainability Yearbook.

⁴ The carbon emissions reduction target in line with a 1.5°C trajectory was elevated from its target of a "well-below 2°C" trajectory set in 2020.
⁵ Close to S\$11.6 billion raised in sustainable finance by CLI business units, stable of Real Estate Investment Trusts (REITs) and business trusts as at 31 December 2022 since 2018.

Managing Sustainability

BOARD, TOP MANAGEMENT AND STAFF COMMITMENT AND INVOLVEMENT

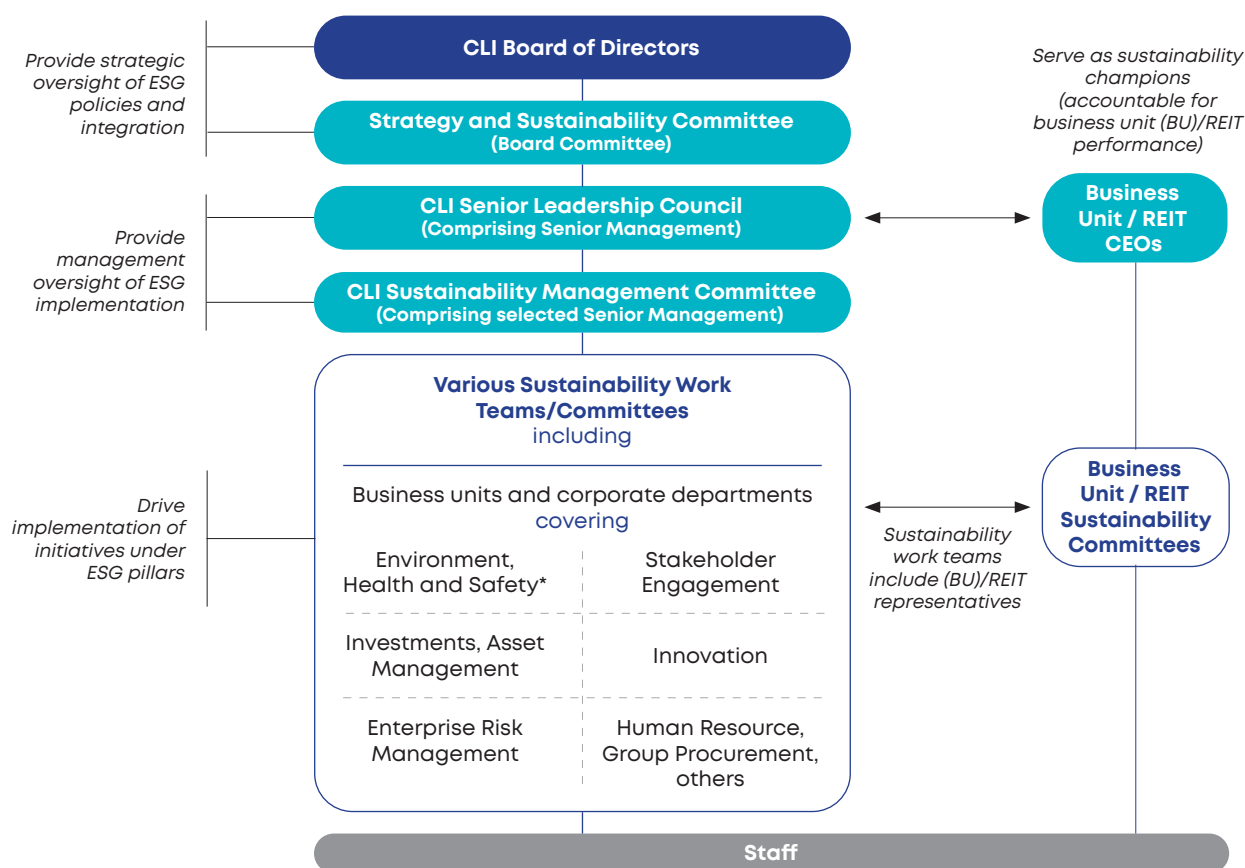
The CLI Board recognises the importance of sustainability as a business imperative, and ensures that sustainability considerations are factored into CLI's strategy development to ensure CLI remains competitive and resilient in an increasingly challenging business environment.

The Board is kept informed on a regular basis through the Strategy and Sustainability Committee (SSC)⁶ on the Group's sustainability management performance, key material issues identified by stakeholders, and the planned follow-up measures. Additionally, the Board is typically updated by the Risk Committee and Audit Committee at least once a year and at ad hoc Board meetings on matters relating to sustainability risks, and relevant performance metrics, which include carbon emissions performance, progress on achieving the reduction targets, green certification, human capital development, as well as stakeholders' expectations on climate change and/or other social matters. They are also informed of any work-related safety incidents, business malpractice incidents and environmental incidents, which may include climate-related damage or disruptions.

Lead Independent Director Mr Anthony Lim chairs the SSC which is a Board Committee. The SSC is responsible for overseeing CLI's sustainability strategies and goals, including providing guidance to Management and monitoring progress against achieving the goals of sustainability initiatives. The SSC typically meets twice a year, with additional meetings convened as necessary. These responsibilities are also detailed under Corporate Governance Board Matters Principle 1 in page 99 and 105 of the CapitaLand Investment Limited (CLI) Annual Report 2022.

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

CLI Sustainability Management Structure



* Includes EHS Internal Audit Committee and Environment Tracking System (ETS) Committee

⁶ With effect from 1 January 2023, the CapitaLand Investment Board Committee, Strategy Committee, was renamed to Strategy and Sustainability Committee.

Managing Sustainability

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

CLI's sustainability reporting has evolved into a uniquely hybrid model using the Global Reporting Initiative (GRI) Standards and GHG Protocol (operational control method) since 2009, CDP since 2010, GRESB since 2013, Value Reporting Foundation's Integrated Reporting Framework since 2015, UN SDG Reporting since 2016, Taskforce for Climate-related Financial Disclosures (TCFD) framework since 2017, and Sustainability Accounting Standards Board (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.



Environment

Our Commitments	2022 Value Created	
- Transit to low-carbon business and reduce energy consumption through improved energy efficiency and increased 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 its global operational portfolio by 2030. - Strengthen its portfolio's climate resilience by addressing climate related risks and opportunities throughout the real estate lifecycle. - Actively embrace innovation to ensure commercial viability without compromising the environment for future generations. - Influence its supply chain to operate responsibly in the area of environmental management through CLI's Supply Chain Code of Conduct.	15.3% reduction in carbon emissions intensity since 2019⁷. 14.7% and 24.0% energy and water reduction (per m² from base year 2019) respectively. - Achieved green building certifications for 58% of global portfolio⁸. - Continued to implement the recommendations of the TCFD and improve TCFD reporting. In the midst of conducting detailed climate risk assessment and scenario analysis for CLI portfolio. - From the submissions received through CapitaLand Sustainability X Challenge 2021 and 2022, 20 innovative projects are being piloted or planned at 24 sites within CapitaLand properties in Singapore, China, India, Thailand, and the United States of America, with focus on improving building energy and water efficiency as well as indoor air quality. - Retained ISO 14001 certification in 15 countries for more than a decade.	Environmental Capital Manufactured Capital 7 AFFORDABLE AND CLEAN ENERGY 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION 17 PARTNERSHIPS FOR THE GOALS

⁷ CLI revised its carbon, energy and water intensity reduction baselines from 2008 to 2019 to operationalise its SBTi-approved carbon emissions targets for scope 1 and 2 carbon emissions.

⁸ Covers CLI owned and operationally-managed properties (by m²).

Managing Sustainability



Social

Our Commitments	2022 Value Created
• CLI believes staff can make a significant contribution based on their talent, expertise and experience, regardless of ethnicity, age or gender. We adopt consistent, equitable, and fair labour policies and practices in rewarding as well as developing staff under CLI's direct hire. • CLI aims to provide a safe work environment that contributes to the general well-being of our staff, tenants, contractors, suppliers and the communities that use our properties. • CLI's Supply Chain Code of Conduct influences its supply chain to operate responsibly in the areas of human rights, and health and safety. • CLI is committed to activities that are aligned with our focus on community investment. We engage our stakeholders to raise awareness in the areas of philanthropy, environment, health and safety, as well as promote sustainability within the tenant community.	• Global workforce (more than 9,700 staff). - More than 85 nationalities working within the Group. - Males and females at a ratio of about 47:53. - About 69% of CLI's global workforce was aged between 30 and 50. • About 40% of Senior Management were women. • 83% staff engagement score, with 91% survey participation. • Over 37 training hours per staff. • More than 83% staff attended at least 1 ESG training. • Zero staff work-related fatality and permanent disability. • One contractor work-related fatality⁹ and zero contractor work-related permanent disability. • No reported incidents relating to discrimination, child labour or forced labour in CLI. • Retained ISO 45001 certification in 15 countries for more than a decade. Human Capital Social and Relationship Capital Manufactured Capital 3 GOOD HEALTH AND WELL-BEING 8 DECENT WORK AND ECONOMIC GROWTH 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 17 PARTNERSHIPS FOR THE GOALS

⁹ Despite CapitaLand's best efforts to assure site safety, there was one workplace fatality involving CLI's contractor staff in Singapore. Detailed investigations were undertaken, and remedial, as well as improvement actions, were implemented by the contractor. Lessons learnt from the incident were shared across business units globally, and the Group's commitment to strengthen its safety standards was further reinforced.

Managing Sustainability



Governance

Our Commitments

- CLI has in place a Board Diversity Policy which provides for the Board to comprise talented and dedicated Directors with a wide mix of expertise (including industry, domain and functional expertise), skills, experience (including international experience) and perspectives, with due consideration to diversity in gender, age, tenure, ethnicity and culture, and geographical background including nationality, as well as any other relevant aspects of diversity.
- CLI is committed to meeting high standards of risk management in the way it conducts its business. All employees are required to understand and be responsible for ensuring that risks are managed effectively in their day-to-day work.
- CLI requires third-party service providers and vendors to adhere to anti-bribery and anti-corruption provisions.
- CLI's Supply Chain Code of Conduct influences its supply chain to operate responsibly in the area of anti-corruption.

2022 Value Created

- 22% of the Board were women.
- Close to 90%¹⁰ of staff attended Fraud, Bribery & Corruption awareness online training.
- More than 80%¹¹ of staff attended Whistle-blowing training.
- More than 60% of staff attended Cybersecurity training.
- 100%¹² of CLI's supply chain agreed to abide by CLI's Supply Chain Code of Conduct.

Organisational Capital

Human Capital

17 PARTNERSHIPS FOR THE GOALS



Economic

Our Commitments

- Integrate CLI's ESG performance with financial metrics.

2022 Value Created

- CLI and its listed REITs and business trusts raised S\$4.7 billion of sustainable financing in FY 2022.
- Please refer to the following sections in the CLI Annual Report 2022:
 - Performance Highlights, page 7
 - Three-Year Financial Summary & Performance Review, pages 33 to 37
 - Value Added Statement, page 276

Financial Capital

¹⁰ Based on ending staff strength as at 30 Sep 2022.

¹¹ Based on ending staff strength as at 31 Aug 2022.

¹² Property maintenance and project related contracts for owned and operationally-managed properties and projects. This includes supply chain complying with their own code of conduct which is equivalent or more stringent than CapitaLand's Supply Chain Code of Conduct.

Managing Sustainability

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>	- Regular dialogue sessions with senior management - Regular staff engagement surveys - Recreation club activities - Volunteer programmes	- Work-life balance - Remuneration and benefits - Staff welfare	- Human Capital - Social and Relationship Capital
 Investors (Investors, analysts, media) <i>We deliver sustainable shareholder returns and build a strong global network of capital partners.</i>	- Annual general meetings - Half yearly financial results announcements - Media releases and interviews - Annual reports and sustainability reports - Company website - Regular analyst and investor meetings - Responses to sustainability surveys	- Operational efficiency, monetary savings, cost avoidance - Return on equity, earnings, business strategy, market outlook - ESG risks and opportunities	- Organisational Capital - Financial Capital - Social and Relationship Capital
 Customers (Residents, tenants, shoppers) <i>We create great customer value and experiences through high-quality products and services.</i>	- Residents: activities including exercise and volunteer events - Tenants: surveys, green fit-out guide, green lease, enrichment events such as Biz+ events - Shoppers: mall campaigns, exhibitions, social media campaigns - CLI's social media channels	- Facilities management - Customer experience	- Environmental Capital - Social and Relationship Capital
 Community (Supply chain partners – contractors, vendors, suppliers)	- CapitaLand's Supply Chain Code of Conduct - Environmental, Health and Safety (EHS) management system - Quarterly EHS monitoring - Vendor evaluation, events, meetings and training - Active engagement with supply chain	- Occupational health and safety practices - Workers' welfare and well-being - Environmental compliance	- Environmental Capital - Human Capital - Social and Relationship Capital
 Community (Government/ national agencies/ Community and NGOs) <i>We care for and contribute to the economic, environmental and social development of communities.</i>	- 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 - CapitaLand Sustainability X Challenge	- Stakeholder programmes to advocate sustainable tenant/ guest/ customer behaviours - Advocacy of best practices - Sustainability innovation and collaboration	Social and Relationship Capital

Managing Sustainability

MATERIALITY

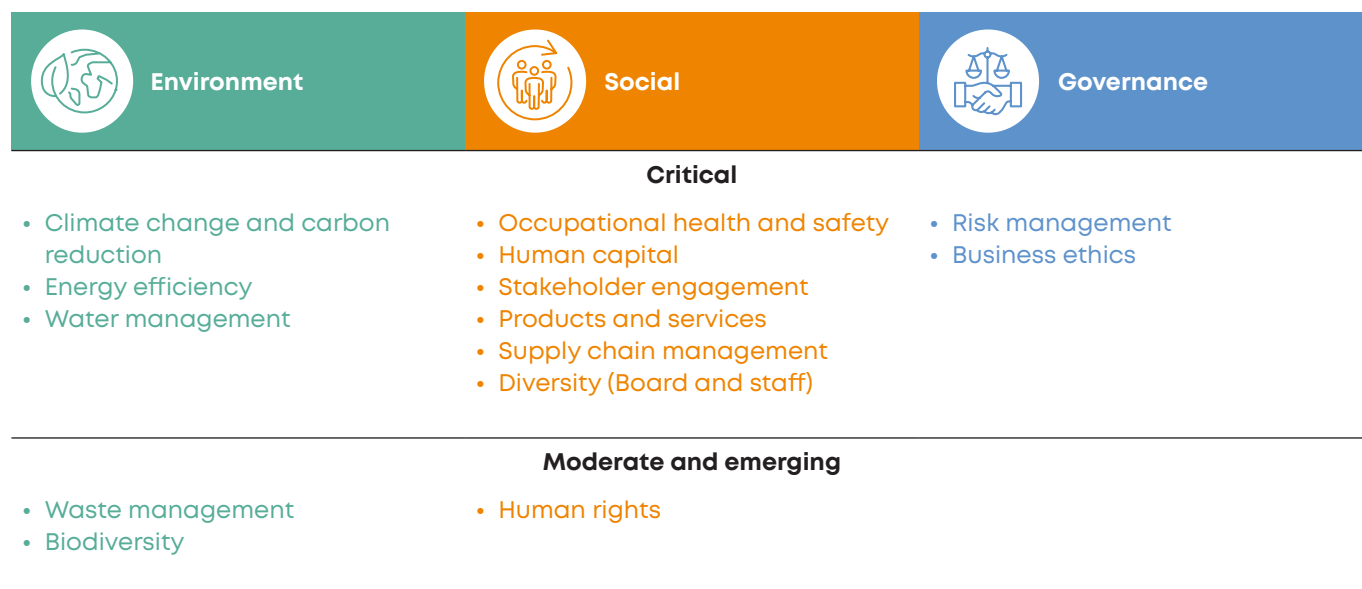
CLI identifies and prioritises the management of material ESG issues that are most relevant and significant to the company and its stakeholders. The company adopts a double materiality approach, considering issues which are material from either the impact perspective or financial perspective¹³ or both.

Potentially material ESG issues arising from activities across CLI's value chain (including potential risks and opportunities in the immediate and longer term) are primarily identified via ongoing engagement with CLI's business units and external stakeholders, and reviews of sources including ESG surveys, benchmarks, and frameworks such as DJSI, GRESB and SASB. By engaging with CLI's business units, the views of key external stakeholders are also considered.

In addition, CLI has a regular review, assessment and feedback process in relation to ESG topics. The annual Group-wide Risk and Control Self-Assessment (RCSA) exercise is a key component of this process, as it helps to identify, assess and document material risks and the corresponding internal controls to manage those risks. These material risks include fraud and corruption, environmental (e.g. climate change), health and safety, and human capital risks which are ESG-relevant. For more information on CLI's Group-wide RCSA exercise and risk management processes, please refer to the CapitaLand Investment Limited Annual Report 2022 page 92-96 and the Organisational Capital section of this report.

Identified material ESG issues are then 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. In FY 2022, the ESG material topics are confirmed by the Strategy and Sustainability Committee¹⁴. In FY 2022, the material issue "Compliance" was expanded and changed to "Risk management", which includes compliance, economic performance, cybersecurity topics.

Prioritisation of ESG Material Issues



¹³ To identify ESG issues which are potentially financially material, CLI takes reference from the SASB Standards for Real Estate and Real Estate Services, which identify sustainability factors that are material to short, medium, and long-term enterprise value for the industry.

¹⁴ Strategy and Sustainability Committee was formerly named CLI Strategy Committee.

Environmental And Manufactured Capital

COMMITMENT TO MINIMISING ENVIRONMENTAL IMPACT

CLI is committed to minimising its environmental impact by building a resilient and resource-efficient portfolio. Fostering an innovative culture is key in this journey as it seeks to create sustainable value for its stakeholders as a global real estate investment manager.

CLI incorporates environmental sustainability throughout the life cycle of its real estate investments, from the acquisition, design, procurement, construction and operations, to redevelopment stages. It closely monitors and takes actions to mitigate the environmental impact of 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 enhances resilience to climate change.

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

Framework

Material Issues



Climate Change and Energy

- Global greenhouse gas (GHG) emissions at unsustainable level
- Cost pressure from rising demand for energy



Water

- Water scarcity, accessibility and security



Waste

- Waste generation at unsustainable rates
- Cost pressure from resource scarcity



Biodiversity

- Interdependence between the natural environment and well-being of the community

Policy and Objectives

- Reduce carbon emissions and transit to low-carbon operations
- Build resilience for its portfolio against the physical impact of climate change and prepare for changing regulations toward a low-carbon economy
- Reduce energy consumption and transit to renewable energy sources
- Reduce water consumption and encourage the use of treated/recycled water and rainwater harvesting
- Minimise the generation of waste and increase rate of recycling
- Manage biodiversity to contribute positively to the natural environment
- Engage stakeholders to adopt environmentally sustainable behaviours

Accountability

- Chief Executive Officers (CEO) of respective business units (BU) within CLI are Sustainability Champions
- ISO 14001-certified Environmental Management System ensures accountability to all staff
- Key performance indicators (KPIs) are linked to remuneration for all staff; performance is tracked regularly

Method/Action Plan

Environmental Management System (EMS)

- Ensure legal compliance
- Identify environmental aspects and manage impact
- Adopt Sustainable Building Guidelines (SBG) - including the Environment, Health and Safety Impact Assessment (EHSIA) - in consultation with stakeholders
- Require and indicate preference for ISO 14001 contractors/vendors and set environment targets/requirements in the procurement of products and services
- Ensure environmentally sustainable operations - implement EMS Standard Operating Procedures

KPIs and Performance-linked Remuneration

- Set green rating for new acquisitions and major refurbishments
- Green existing property portfolio
- Set eco-efficiency targets and improve performance through tracking of energy and water usage, waste generation and carbon emissions

Stakeholder Engagement

- Be involved in national policymaking and collaborate with non-governmental organisations
- Encourage end users, including tenants, shoppers, guests and the general community, to adopt environmentally sustainable habits

Environmental And Manufactured Capital



MANAGING CLIMATE RELATED RISKS AND OPPORTUNITIES

According to the Global Risks Report 2023 by the World Economic Forum (WEF), environmental risks in the next two years include natural disasters and extreme weather events, failure to mitigate climate change, large scale environmental damage incidents and natural resources crises, with the additional risk of biodiversity loss and ecosystem collapse in the next 10 years. The report also flagged economic, geopolitical, societal and technological risks. In highlighting the multiple areas where the world is at a critical inflection point, the report called for action “to collectively prepare for the next crisis the world may face, and in doing so, shape a pathway to a more stable and resilient world”.

At CLI, climate change risks and opportunities are identified and managed through CLI’s Enterprise Risk Management 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 impacts of climate change.

Climate Resilience - Taskforce on Climate-related Financial Disclosure (TCFD¹)

CapitaLand has pledged its support for the recommendations by the 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. CLI is in the final stages of finalising its climate scenario analysis for its global portfolio and will publish a separate TCFD report in the later part of 2023.

CLI recognises the risks and opportunities that climate change can have on its global portfolio and the opportunities arising thereby, and aims to better understand and respond to physical risks, such as extreme weather events and rising temperature, as well as transition risks towards a low-carbon economy. CLI’s strategy to identify and address climate-related risks and opportunities spans across its entire real estate life cycle, from the earliest stage of the investment process to operations. CLI supports low-carbon investments and factors climate-related costs and opportunities into its evaluation of new investments or capital expenditure (CAPEX) through the incorporation of an internal carbon price implemented since 2021. 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 also covers performance metrics such as energy efficiency, as well as transitional and physical risk and opportunity considerations. The EHSIA also captures the performance gap of the potential investment against the CLI 2030 SMP targets, and outlines measures to close any gap identified. This provides CLI the opportunity to build resilience throughout its operations as well as to future-proof its real estate portfolio.

CLI’s revised 2030 SMP 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.

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.

Environmental And Manufactured Capital

The Singapore 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 as it has adopted TCFD reporting since 2017, ahead of the SGX timeline, and has since been consistently expanding its level of disclosure.

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

CLI and its real estate investment trusts (REITs) and business trusts commenced a climate scenario analysis in 2022 for its global portfolio to understand how the identified climate-related risks and opportunities could impact future operations. This analysis considers scenarios based on the latest global and scientific developments (scenarios from 1.5°C to 3°C for current to long-term time frames), to draw conclusions on the financially material physical and transition risks and to validate its current strategy. CLI and its REITs and business trusts will then review their mitigation and adaptation plans, and identify opportunities that align with CLI's 2030 SMP. The SMP was designed to enable CLI to build resilience throughout its operations and future-proof its real estate portfolio to guard against climate change risks, avoid premature obsolescence and adopt available opportunities. This will also present new opportunities in differentiating the Company in the markets where it has a presence in.

Scenario Analysis on Future Climate-Related Risks and Opportunities

The climate scenario analysis for its global portfolio considered the parameters listed below:

Key Physical Risk Scenarios	NGFS ^[a] 1.5°C Orderly NGFS 2°C Orderly NGFS 3°C Hot House World (NDC ^[b])
Key Transition Risk and Opportunities Scenarios	CRREM ^[c] 1.5°C CRREM 2°C NGFS 3°C SSP2 ^[d] Hot House World
Time Horizon	2050 and 2100
Geographical coverage (This includes portfolios of CLI REITs and business trusts**)	All assets* within operating regions. More than 400 properties across more 20 countries including: Singapore, China, India, Japan, Korea, Australia, United States and countries in Europe

* CLI owned properties, as of 31 December 2022.

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

[a] The Network of Central Banks and Supervisors for Greening the Financial System (NGFS)

[b] Nationally Determined Contributions (NDC)

[c] Carbon Risk Real Estate Monitor (CRREM)

[d] Shared Socioeconomic Pathways (SSP)

The analysis includes both quantitative and qualitative assessments. The quantitative assessments of potential financial impacts are being conducted based on available climate-related projections and assumptions under the abovementioned scenarios. Six physical risks, including fluvial flooding, coastal flooding, extreme heat, tropical cyclones, wildfires and extreme cold, and one transition risk on shifts in carbon price, were assessed during the process. For other material risks which are difficult to quantify, such as changes in consumer and investor preferences, a qualitative assessment is conducted based on internal stakeholder consultation within CLI.

Potential impacts of climate-related risks and opportunities assessed across the portfolio are identified under different scenarios. CLI faces more exposure to physical risks under the 3°C scenario in the long term, as minimal transition policies are expected to be in place while the development of low-carbon technology or related market changes may be slower. Under the 1.5°C and 2°C scenarios, it faces higher levels of transition risks as more stringent climate-related policies are expected to be introduced and implemented.

The insights on both quantitative and qualitative assessments of the risks identified provide a basis for the next steps in understanding the severity of risk impacts across time horizons. More details of the assessments and results will be published in a standalone TCFD report by end 2023.

Environmental And Manufactured Capital

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

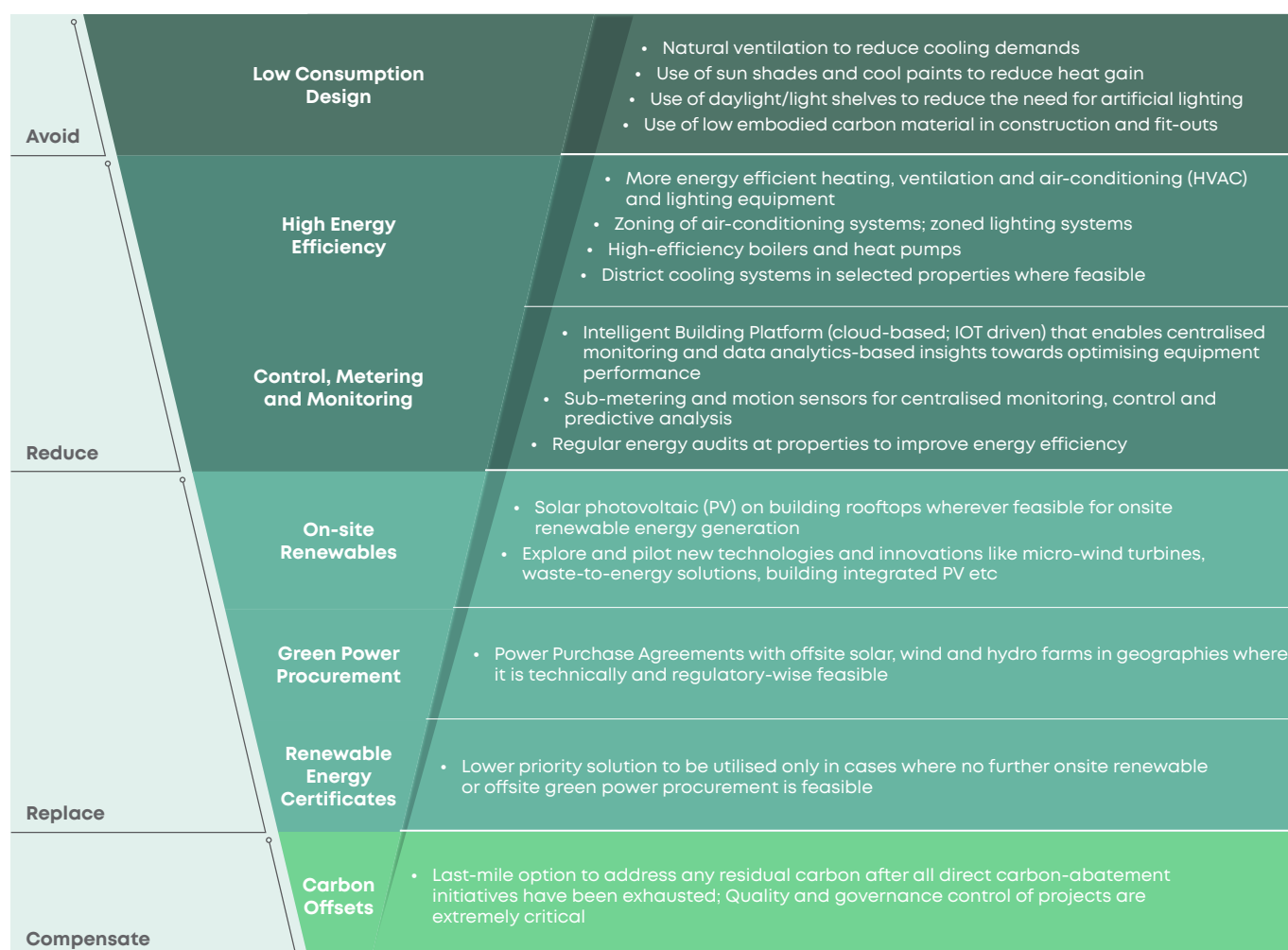
In 2022, CapitaLand elevated its scope 1 and 2 carbon emissions reduction targets which were validated by the Science Based Targets initiative (SBTi) to be in line with a 1.5°C trajectory², currently the most ambitious designation available through the SBTi process. This will translate to Net Zero by 2050.

Aligned with the Group's elevated science-based target, CLI commits to reducing its absolute scope 1 and 2 emissions by 46% by 2030 from a 2019 base year and aims to achieve Net Zero by 2050, consistent with the efforts required to limit global temperature increase to below 1.5°C.

To operationalise its SBTi-approved carbon emissions reduction target for scope 1 and 2 emissions, CLI reviewed its carbon intensity reduction targets and other environment targets, including changing reference to 2019 as the base year instead of 2008³, and elevating its renewable energy target. CLI also aims to conduct a comprehensive review of its scope 3 emissions to better track and disclose its material scope 3 emissions, and is committed to developing scope 3 emission goals aligned to science-based targets.

Over the next decade, as part of CLI's roadmap towards Net Zero, CLI will prioritise the decarbonisation levers below. It will continue to source globally for new ideas and technologies to achieve higher energy efficiency and intensify its renewable energy integration efforts. CLI acknowledges that carbon offsets will be required to address any residual carbon after direct carbon-abatement initiatives have been exhausted, and aims to develop a carbon offset strategy to support its goal of Net Zero by 2050.

CLI Carbon Mitigation Hierarchy



² The carbon emissions reduction target in line with a 1.5°C trajectory was elevated from its target of a "well-below 2°C" trajectory set in 2020.

³ It is reviewed as part of the scheduled review of CLI's 2030 SMP in 2022.

Environmental And Manufactured Capital

Innovation as a Key Lever

CLI recognises that innovation and partnerships can accelerate its sustainability efforts to achieve CLI long-term targets and objectives. The CapitaLand Innovation Fund was launched in 2021 as an internal platform to drive ideas and innovation culture within CapitaLand. This included organising the CapitaLand Innovation Xchange with external and internal speakers to promote innovation, and funding of in-house shortlisted innovations from CLI's global operations teams.

CapitaLand Sustainability X Challenge (CSXC) is an external platform where CLI globally crowdsources sustainable building solutions to accelerate its progress towards meeting its 2030 SMP targets. Its focus areas are: low carbon transition, water conservation and resilience, waste management and circular economy; and health, safety and wellness in buildings. For more information, please refer to page v of this report.

CLI also continues to be part of the SBTi Expert Advisory Group that contributes to the development of science-based target setting methodologies, tools and guidance for companies in the building sector and other stakeholders.

COLLABORATION TO ADVANCE NET ZERO MOVEMENT IN INDIA THROUGH FIRST NET ZERO BUSINESS PARK IN INDIA

In 2022, CLI signed a Memorandum of Understanding (MoU) with the Confederation of Indian Industry – Indian Green Building Council (IGBC) to further the Net Zero movement in India, and augment CLI's commitment to achieving Net Zero emissions by 2050.

Under the partnership, IGBC will train CLI's professionals to build resource capabilities in implementing Net Zero concepts at its properties across India. CLI and IGBC will also collaborate to spread awareness among industry stakeholders. IGBC will support CLI to achieve Net Zero results in energy and water usage, waste management, and carbon emissions in its properties.

IGBC has recognised CLI's International Tech Park Chennai - Radial Road (ITPC-RR) which is under development, as the first Net Zero business park in India. The provisional Net Zero certification for ITPC-RR extends across various environmental parameters including energy efficiency, water conservation and waste management.



Artist's impression of ITPC-RR, the first IGBC Net Zero business park in India.

Environmental And Manufactured Capital

KEY PERFORMANCE INDICATORS (KPIs) TIED TO REMUNERATION

CLI's revised 2030 Sustainability Master Plan outlined the Group's 2030 targets and pathways to transit to a low-carbon business, 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.

2030 Sustainability Master Plan (SMP) Targets and Performance

	2030 Target		2022 Performance ⁴
Low-carbon Transition	Achieve science-based target of reducing carbon emissions by 46% from 2019 baseline	○	• 6.8% reduction against 2019
	Reduce carbon emissions intensity by 72% from 2019 baseline	○	• 15.3% reduction against 2019
	Reduce energy consumption intensity by 15% from 2019 baseline (35% from 2008 baseline)	○	• 14.7% reduction against 2019 • 42% reduction against 2008
	45% of electricity consumption from renewable sources	○	• 5%
	100% of existing buildings ⁵ to achieve a minimum green rating	○	• 58%
Water Conservation and Resilience	Reduce water consumption intensity by 15% from 2019 baseline (45% from 2008 baseline)	●	• 24% reduction against 2019 • 51.7% reduction against 2008
Waste Management and Circular Economy	Reduce waste intensity by 20% from 2019 baseline	●	• 44.4% reduction against 2019
	Achieve 25% recycling rate in its day-to-day operations	○	• 8.6%
Annual Target			
Sustainable Operation Excellence	ISO 14001 certification for its 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

Legend

- Achieved/Exceeded Targets
- In progress towards meeting 2030 targets

⁴ One driver of intensity reduction against baseline years of 2019 and 2008 was the drop in activity at some of CLI properties amid COVID-19.
⁵ Refers to CLI-owned and operationally-managed properties and includes all its real estate classes such as retail, office, lodging, business parks, industrial, and logistics.

Environmental And Manufactured Capital

MANAGING ITS ENVIRONMENTAL FOOTPRINT

CLI's 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 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 BUs' EHS Committees are responsible for implementing the EHSMS.

CapitaLand EHS 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 has 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. In 2022, it prepared for the expansion of ISO 14001 certification for its EMS in South Korea and targets to complete the certification of this new market in 2023.

Top Management Commitment and Staff Involvement

The CapitaLand EHS Committee helps maintain the CLI EHS Management System. Each 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.

Environmental And Manufactured Capital

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

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 waste 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 on “2022 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

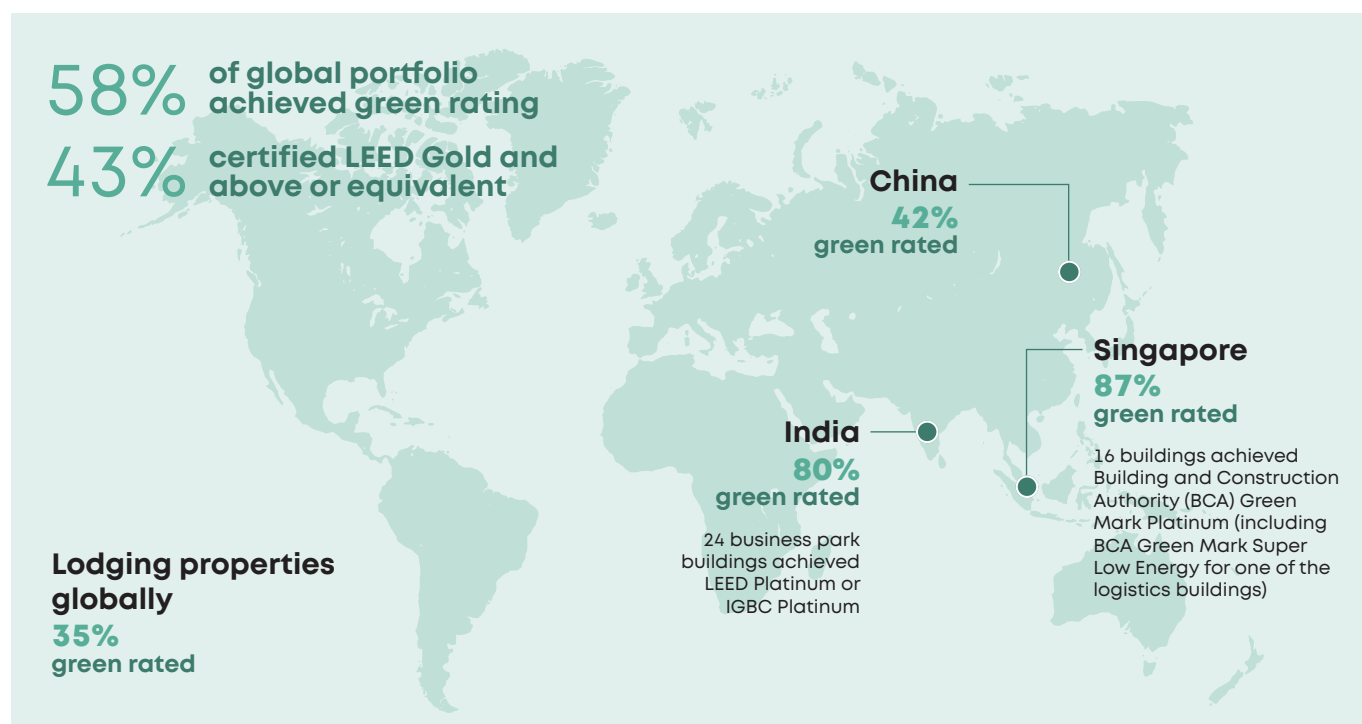
CLI has an internal and external audit system in place to ensure EHS conformance and effective implementation aligned to the ISO 14001 and ISO 45001 standards. Please refer to the Human Capital chapter of this report for more details.

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, development⁶ 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 the World Green Building Council. In 2022, 58% of CLI's global portfolio (by m²) achieved a green rating⁷.



⁶ 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.

⁷ This refers to CLI-owned and operationally-managed properties by per m².

Environmental And Manufactured Capital

GREEN OPPORTUNITIES FROM RETROFITTING HERITAGE BUILDINGS - SINGAPORE

In August 2022, CQ @ Clarke Quay underwent an asset enhancement initiative (AEI) to transform into a day-and-night destination. The AEI is expected to be completed by 3Q 2023.

Improving operational efficiency and integrating more sustainable building features accounts for about 34% of the total project cost. Retaining the cultural identity and social value of the heritage site while improving environmental performance is also a focus of the AEI. Its sustainable features will include:

- Upgrading of chiller to make it 30% more efficient, achieving the industry best practice of better than 0.6kW/RT.
- Upgrading of existing canopies to better-performing ethylene tetrafluoroethylene (ETFE) membrane canopies, which will further reduce solar heat gain by approximately 70% as compared to the existing version to enhance the daytime comfort of the outdoor areas. The iconic bluebell-shaped canopies along the river promenade will also be fitted with enhanced polytetrafluoroethylene (PTFE) membranes to improve thermal comfort.
- New omni-directional fans will replace the existing single-directional fans to further enhance air circulation, while reducing energy consumption by approximately 50%. The new fans will be equipped with nozzles to release evaporative cooling mists, which targets to lower ambient temperatures by approximately 2°C.
- Existing steel and concrete structures in the canopies were retained and in extending the operational lifespan of these components, about 1,000 tonnes of embodied carbon that will be used in building of new structures was potentially avoided.
- As a conserved heritage site, profiling its rich history is part of the AEI as well. Upgraded steps that double up as seats will be added to the landing of Read Bridge which was historically a social gathering place for storytelling, alongside a new accessibility ramp with lookout points. Heritage panels, cast iron manhole covers and bronze plate tiles narrating the history of the Clarke Quay precinct will be displayed throughout the area to engage visitors.

The BCA Green Mark certification of CQ @ Clarke Quay was elevated to Green Mark Gold^{PLUS}.



Artist's impression of the improved ETFE membrane canopies lining the inner streets



Completed upgrading of the outdoor refreshment area along Singapore River



1,030,000

kWh/year of
energy savings



S\$120,000

cost avoidance
annually



~34%

of total project cost
dedicated to green features

Environmental And Manufactured Capital

GREEN OPPORTUNITIES FROM RETROFITTING EXISTING BUILDINGS - INDIA

Six buildings across four business parks, with a total gross floor area of more than 230,000 sqm, elevated their existing building ratings after various AEIs. Buildings in Aurum Q Parc and International Tech Park Hyderabad obtained the US Green Building Council LEED Platinum rating, and buildings in International Tech Park Bangalore (ITPB) and International Tech Park Chennai (ITPC) obtained IGBC Platinum rating.

Approximately 1,245,000 kWh of energy savings per year will potentially be achieved by the above mentioned business parks through energy efficiency initiatives implemented in 2022 that includes an innovative district cooling network⁸, intelligent building management systems that allow for advanced HVAC control logics such as demand-based ventilation, energy-conserving air-handling unit (AHU), pressure independent control valves and magnetic bearing chillers.

Electricity for the business parks is generated onsite as well as procured from offsite renewable sources. ITPB's rooftop solar PV and offsite renewable energy provided for over 90% of its total annual energy consumption.

Installation of water efficient fixtures estimated to reduce 24,000m³ of water consumption across four buildings in ITPB and ITPC. Approximately 40-50% of rainwater was harvested either for recharging ground water or for further use across the buildings. 100% of wastewater generated continues to be treated onsite.

In ITPB, a first of its kind, fully-automated waste segregation system called "Trash Bot" was implemented to segregate waste into biodegradable and non-biodegradable for recycling. Biodegradable waste is further processed in an organic waste converter into compost for landscaping while non-biodegradable waste is collected by external certified vendors and recycled.



International Tech Park Chennai



Aurum Q Parc



1,245,000
kWh/year of
energy savings



24,000
m³/year of
water savings



S\$144,000
cost avoidance
annually

⁸ For more details, refer to the section on Enhancing Operational Efficiency Through Innovative Reconfiguration of Chiller Systems

Environmental And Manufactured Capital

GREEN OPPORTUNITIES FOR EXISTING MALLS - CHINA

CapitaMall Wangjing in Beijing and Rock Square in Guangzhou underwent AEIs and achieved the US Green Building Council LEED Gold certification in September 2022.

CapitaMall Wangjing's building automation (BA) system automatically controls various equipment such as AHUs and lighting fixtures, which optimises operational and energy efficiency. The heat recovery system of its fresh air unit modulates air temperature to reduce energy consumption, with a heat recovery rate of 60% in typical conditions. Along with new LED (light-emitting diode) lighting fixtures installed throughout the building, these features are estimated to reduce 250,000 kWh/year of energy consumption. Water-efficient fixtures, such as motion-activated faucets, low-flow faucets, and dual flush closets were also installed.

Rock Square achieved estimated water savings of 55%⁹ from the installation of high-efficiency water fixtures as part of its AEI. In addition, a roof garden on the mall boasts over 70 species of vegetation, alleviating the urban heat island effect during summer while promoting public appreciation of biodiversity.



CapitaMall Wangjing



Roof garden at Rock Square



250,000

kWh/year of
energy savings



15,000

m³/year of
water savings



\$S\$60,000

cost avoidance
annually

⁹ Savings are compared against conventional buildings.

Environmental And Manufactured Capital

COLLABORATION IN DEVELOPING GREEN BUILDING CERTIFICATION

In 2018, CLI's wholly-owned lodging arm, The Ascott Limited (Ascott), signed a MoU with International Finance Corporation (IFC), a member of the World Bank Group, to pioneer a green certification for the serviced residence industry, as part of the IFC's Excellence in Design for Greater Efficiencies (EDGE)¹⁰ programme. Since then, Ascott has obtained EDGE certifications for nine properties across Asia and Europe, two of which obtained the EDGE Advanced certification¹¹.

Somerset Central TD Hai Phong City in Vietnam achieved the EDGE certification in 2022. The serviced residence was designed to be resource-efficient and had achieved the BCA Green Mark Gold award for new buildings in 2017. It has green features such as an energy efficient air-conditioning system, LED light fittings, and lighting controls in the corridors. It also adopted water-efficient fixtures, such as low-flow faucets and dual flush closets in guest rooms and water-efficient kitchen faucets. These features are estimated to reduce energy and water consumption by 27% (726,000 kWh/year) and 47% (11,680 m³/year) respectively, as compared to the base case in the EDGE assessment tool. The annual utility cost avoidance is estimated to be S\$70,000.



Somerset Central TD Hai Phong City


27%
more energy
efficient


47%
more water
efficient


S\$70,000
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 is becoming more important, to influence and support their sustainability goals. CLI implemented a green lease programme at its properties in Singapore, where minimum equipment and lighting efficiency requirements are stipulated to tenants. The green lease programme was also rolled out at its properties in China in 2022. More than 110 properties¹² in Singapore and China have implemented green leases. As of end 2022, about 43%¹³ of its tenants in Singapore and China have signed the leases. For its other properties globally, a green fit-out guide is provided to new tenants to encourage them to adopt greener fit-outs and promote green practices and behaviour. CLI aims to expand its green lease programme to its other properties globally and work with its tenants to improve their sustainability performance.

¹⁰ 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 professionals.

¹¹ 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.

¹² Refers to number of CLI's owned and operationally-managed retail, office, business parks, industrial and logistics properties in Singapore and China that have rolled out green leases for their new and renewed leases. For its integrated developments in China, green leases have been implemented for the retail tenants in 2022 and will be extended to offices' tenants.

¹³ Percentage coverage computed based on net lettable area of CLI-owned and operationally-managed commercial, retail, business park, industrial and logistics properties in Singapore and China.

Environmental And Manufactured Capital

LIFE CYCLE MANAGEMENT: CAPITALAND'S SUSTAINABLE BUILDING GUIDELINES (SBG)

CapitaLand's SBG is an in-house guide developed since 2007 to ensure environmental considerations are factored in all 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.

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 its due diligence¹⁴. This involves establishing the baseline environmental performance such as energy efficiency and comparing it against CLI's 2030 sustainability targets. The assessment also includes transition 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.

Biodiversity

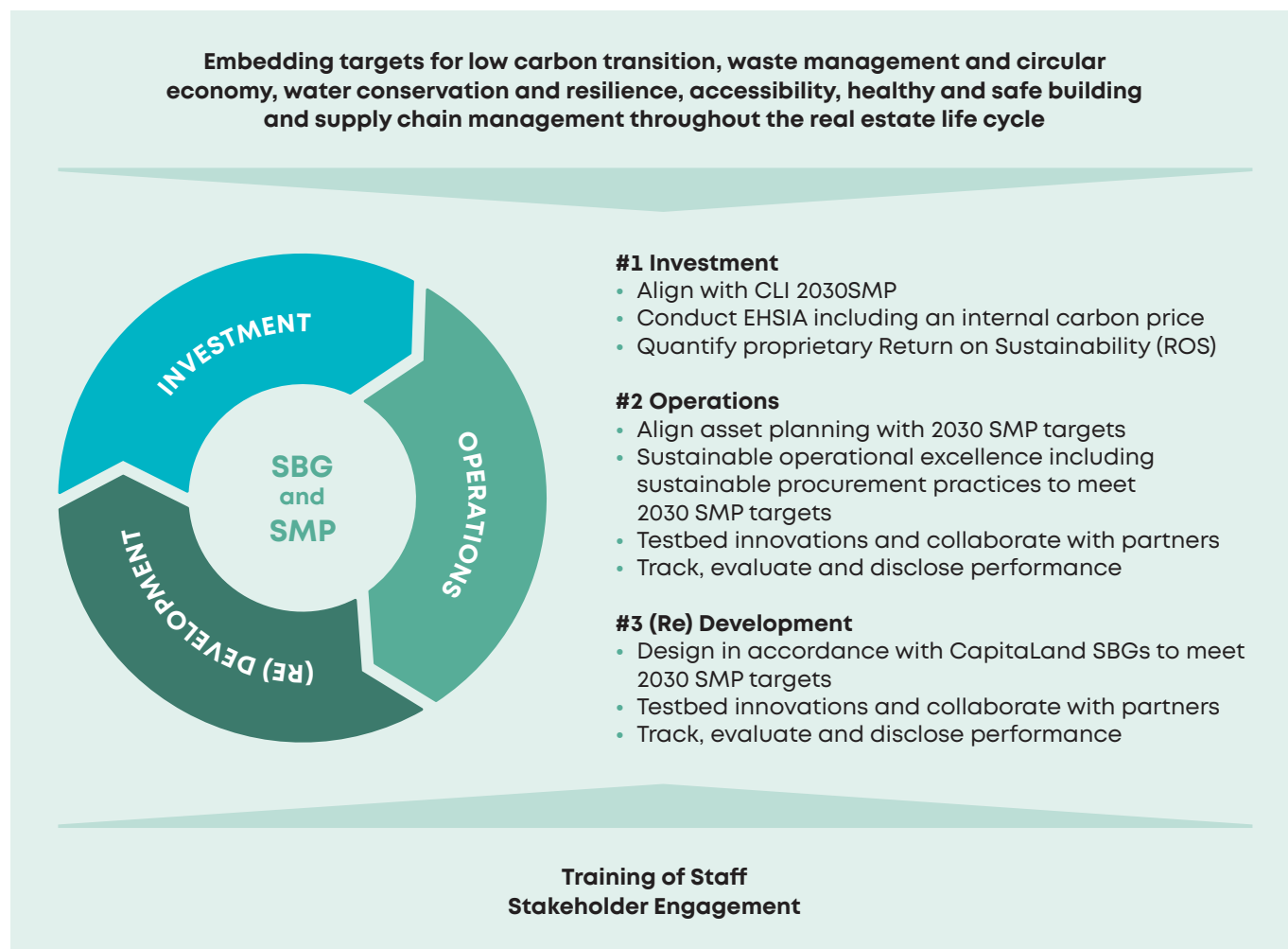
The WEF Global Risks Report 2022 identified biodiversity loss and ecosystem collapse as one of the top 10 highest likelihood risks of the next decade. In 2022, the global focus on nature loss and biodiversity retention has accelerated with the release of the Taskforce on Nature-related Financial Disclosure beta framework and science-based targets for nature. CLI recognises its role in protecting the natural environment and 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. CLI incorporates 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, Program for the Endorsement of Forest Certification certifications) and other more sustainable wood materials and products such as composite wood, engineered wood and bamboo. As part of its EMS, CLI ensures wastewater is responsibly disposed of via municipal facilities to prevent water pollution and impact to biodiversity.

¹⁴ This includes pre-purchase, acquisition, and investment of new properties.

Environmental And Manufactured Capital

Integrating Sustainability in CLI's Real Estate Life Cycle



TRACKING ITS ENVIRONMENTAL RESULTS

Environment Tracking System

CLI has been tracking the 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 covers its global portfolio of integrated developments, retail, office, lodging, business parks, industrial, logistics and data centres. The ETS also tracks the energy and paper consumption of CLI's corporate offices in Singapore and overseas. CLI leverages this platform to survey the various environmental 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 initiatives.

As a cloud-based platform, the ETS facilitates benchmarking on consumption patterns and helps identify opportunities for further operational efficiency improvements. It allows each property to conduct analysis against set targets and past trends to understand consumption patterns, compare against properties within the region, 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 2022, properties which were third-party managed were included into the ETS to expand the performance tracking of its properties against the 2030 SMP targets.

Environmental And Manufactured Capital

Carbon Emissions Reduction

The built environment consumes an estimated 30% of the world's energy and is responsible for around 27% of global operational-related carbon emissions¹⁵. 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 that aligns with a 1.5°C trajectory, with an aim to be Net Zero by 2050.

In 2022, CLI's total scope 1 and 2 carbon emissions¹⁶ was 681 ktonnes CO₂e. It reduced its carbon emissions intensity to 40.7 kg CO₂e/m², a 15.3% reduction compared to 2019 baseline intensity.

Carbon Emissions
Intensity:
15.3%
reduction from 2019

CLI recognises the importance of monitoring and addressing its indirect scope 3 emissions as well. With the restructuring of CapitaLand into CLI and CapitaLand Development (CLD), embodied carbon and construction emissions from its development projects are mostly tracked by CLD while CLI aims to better track and disclose its other material scope 3 emissions. Emissions from tenant energy consumption have been disclosed since the 2021 Global Sustainability Report, and emissions by third-party managed assets are additionally disclosed in this report.

SUPPORTING LOW-CARBON TRANSPORTATION

The transport sector accounted for 37% of CO₂ emissions from end-use sectors in 2021¹⁷. It is also a 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-2022, more than 1,400 electric vehicle (EV) charging stations were installed at 82 CLI-operationally managed properties globally. These EV charging stations can be found across Singapore, China, India, Malaysia and Europe.

Over 95% of CLI's properties worldwide are conveniently located close to public transport hubs such as bus stops and train/subway stations. This allows for easy access to its properties without the use of privately-owned vehicles. More than 21,000 bicycle parking facilities are available at over 140 of its properties¹⁸.



New EV charging stations installed at CLI business parks in India

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 onsite and offsite renewables are the most impactful and cost-effective ways to mitigate those emissions.

In 2022, the total energy consumption of CLI's operational properties was 1,538 GWh. Despite an increase in total energy use due to the expansion of its operational portfolio and continued recovery from COVID-19, CLI reduced its energy intensity measured in kWh per m² by 14.7% from base year 2019.

Energy Intensity:
14.7%
reduction from 2019

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

¹⁵ "2022 Global Status Report for Buildings and Construction – Towards a zero-emission, efficient, and resilient buildings and construction sector", United Nations Environment Programme.

¹⁶ This is computed mostly from purchased energy consumption under scope 2, and some direct energy consumption under scope 1 (mainly natural gas, and other fuels such as diesel, petrol and LPG) as defined by the GHG Protocol (operational control approach) and using individual country CO₂e emission factors retrieved from the International Energy Agency Statistics – CO₂ emission factors from fuel combustion.

¹⁷ IEA: <https://www.iea.org/topics/transport>.

¹⁸ Refers to CLI's owned and operationally-managed properties. End-of-trip facilities are also provided for tenants who cycle to work in some properties, where they can enjoy the convenience of bicycle parking, basic bicycle maintenance and shower facilities.

Environmental And Manufactured Capital

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

Focus	Initiatives
Consumption Reduction	- 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	- Upgrade to more efficient air-conditioning equipment - Use more efficient lighting such as LED, integrated with smart controls - Install high-efficiency boiler and heat pump - Adopt 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 network through Tampines Mall
Control, Metering and Monitoring	- 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	- Elevated its renewable electricity consumption target to 45% by 2030 to catalyse the transition to a low-carbon economy through onsite installation of renewable energy generation and purchase of green power - Install solar PVs on building rooftops and purchase green power wherever feasible

DIGITALISATION AND IOT FOR OPTIMIZING ENERGY CONSUMPTION

CLI implemented IoT platform in properties in Singapore, China and India, which enables centralised monitoring and data analytics-based insights towards optimising equipment performance. This includes central monitoring of key equipment efficiency, such as the chiller plant, as well as provide early fault detection and rectification.



Environmental And Manufactured Capital

ENHANCING OPERATIONAL EFFICIENCY THROUGH INNOVATIVE RECONFIGURATION OF CHILLER SYSTEMS

Air-conditioning accounts for approximately 70% of landlord-controlled energy consumption in CLI's India business parks. When the chillers at Inventor Building at ITPB were due for replacement, instead of direct chiller replacements for aging equipment, CLI explored the feasibility of interconnecting chilled water header pipes of a few chiller plant rooms in certain buildings within ITPB.

Two clusters, comprising five buildings within ITPB, were found suitable for the implementation. Interconnection of chilled water header pipelines was implemented within each cluster. This converted the standalone chiller systems at the five buildings to two "district cooling network" within ITPB, hence achieving energy optimisation with about 2% improvement in energy consumption and a corresponding cost avoidance of about S\$24,000. This also resulted in a cost avoidance of S\$1.1 million from the estimated cost to replace old chillers, as well as avoidance of embodied carbon from lower equipment replacement requirements. There is also expected reduction in manpower and maintenance costs, from originally having to maintain standalone chiller systems at the five buildings, to two "district cooling network" with fewer chillers now. Owing to the success of the district cooling network, it was implemented in another cluster at ITPB comprising two buildings. This allowed additional energy optimisation which resulted in cost avoidance of S\$16,000, bringing the overall annual energy savings to S\$40,000.

The team is reviewing the feasibility of implementing this district cooling network to enhance energy efficiency at its other business parks.



Chiller plant rooms with interconnecting chilled water header pipes



S\$40,000

cost avoidance annually
(estimated from the
2% efficiency improvement)



S\$1.1M

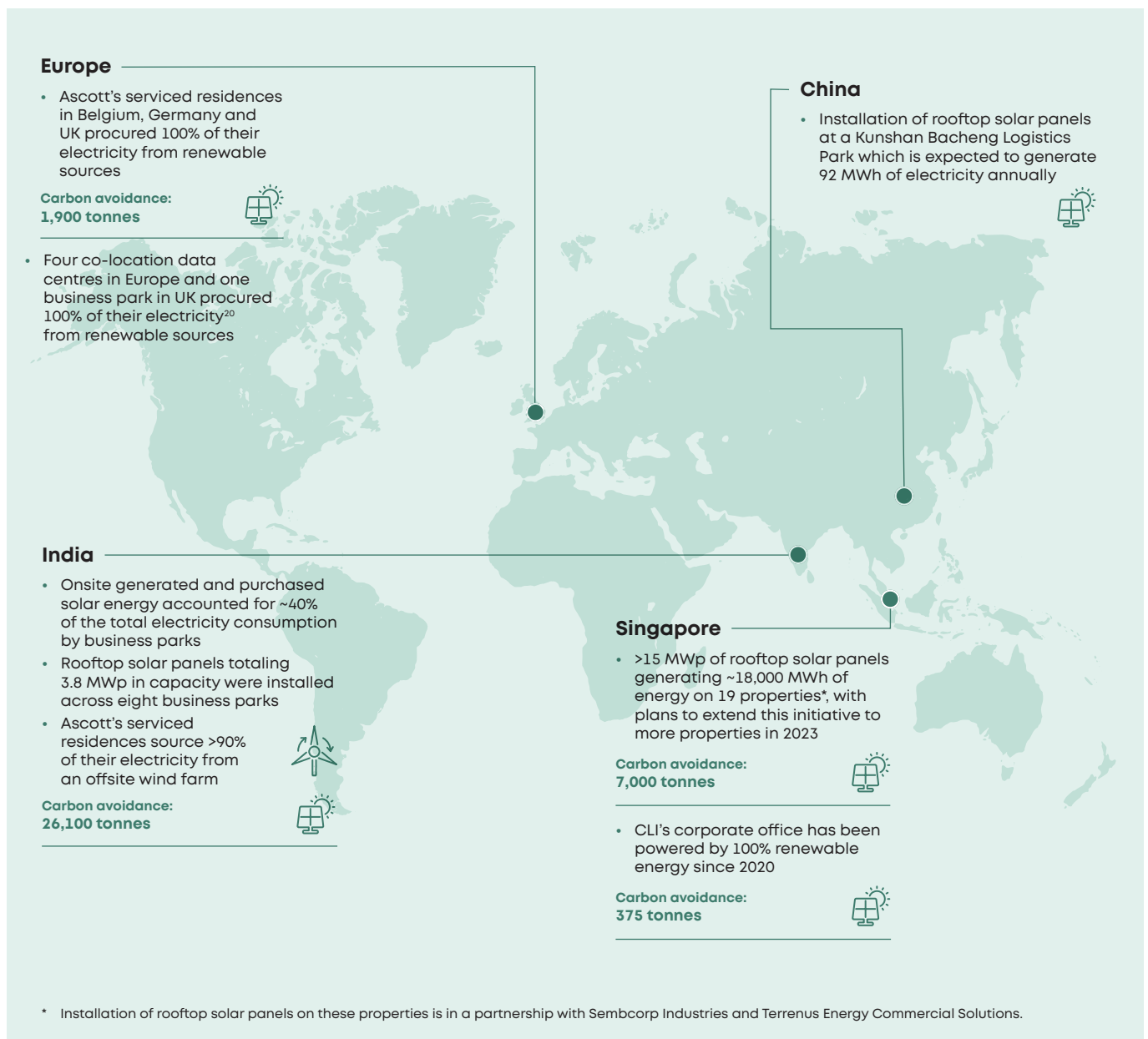
CAPEX avoidance

Environmental And Manufactured Capital

Onsite and Other Renewable Energy Solutions

While energy efficiency is the most cost-effective and material way for CLI to reduce carbon emissions, the urgent need to transition to a low-carbon economy can be expedited by utilising 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 is generally more expensive.

In 2022, about 5% (58,000 MWh) of CLI's total electricity use was from renewable energy sources¹⁹, which helped to mitigate about 33,500 tonnes of carbon emissions. This was attributed to the 26 properties in Singapore, China, Australia, Belgium, Germany, India, UK and 10 business parks in India that were fully or partially powered by renewable energy via onsite renewable energy systems or the purchase of full green power or partial green power. CLI's corporate offices in Singapore are 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.



¹⁹ Refers to CLI operationally managed properties.

²⁰ Refers to green power procured by third party property managers and excluded electricity separately purchased by the tenants. This helps to avoid 1,570 tonnes of CLI scope 3 emissions.

Environmental And Manufactured Capital

Water Conservation and Resilience

CLI takes a strategic approach to water management in its 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 is 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 supplies²¹ and wastewater is responsibly disposed of via municipal facilities. Based on studies by World Resources Institute Aqueduct Projected Water Stress Country Rankings²², 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 onsite and reuse the wastewater for non-potable uses where possible.

In 2022, CLI's operational properties' total water usage was about 12.4 million m³. The increase in water used is largely attributed to higher occupancy at its properties resulting from the recovery post-COVID-19. The majority of its water usage comes from cooling towers, toilets, washing activities and landscaping.

CLI reduced its water intensity measured in m³/m² by 24% from base year 2019. In addition, 1.4 million m³ of freshwater consumption was avoided with the use of water recycled on-site and via NEWater²³. 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.

Water Intensity:

24%

reduction from 2019

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

Focus	Initiatives
Consumption Reduction	- Flow regulators; self-closing delayed action faucets/motion-activated faucets; dual flush/low flush toilets - Choice of local plant species and drought resistance plants; irrigate plants in the morning or late afternoon to minimise evaporation loss
Control, Metering and Monitoring	Water audit; sub-metering to track consumption and early leak detection
Recycling and Reducing Reliance on Potable Water	- Grey water recycling²⁴; condensate recovery - Rainwater harvesting for landscape irrigation

²¹ Three properties extract groundwater for use with the appropriate treatment system in place. Meters are installed to monitor water usage. This usage accounts for 1% of CLI's total water usage. Surface water extraction due to rainwater harvesting accounts for about 0.01% of its total water usage.

²² Water stress measures total annual water withdrawals (municipal, industrial, and agricultural) expressed as a percentage of the total annual available water.

²³ 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.

²⁴ In 2022, on-site grey water recycling reduced almost 0.36 million m³ of potable water consumption.

Environmental And Manufactured Capital

Waste Management and Circular Economy

According to the WEF 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 manage 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 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. It aims to reduce waste generation (kg/m²) by 20% from its 2019 baseline and achieve 25% recycling rate by 2030. In 2022, more than 8,100 tonnes of waste²⁵ was collected for recycling from 274 properties in 18 countries, achieving a recycling rate of 8.6%.

HOLISTIC APPROACH TO NET ZERO WASTE IN INDIA

International Tech Park Chennai, Taramani (ITPC Taramani) comprising three buildings – Pinnacle, Crest, and Zenith – achieved the certification of Net Zero Waste at Operation Phase by IGBC. This certification recognises ITPC Taramani as a business park that comprehensively manages its waste through a multi-pronged approach to eliminate waste being sent to landfill.

The waste generated per person at ITPC Taramani is 25% lower than average²⁶. ITPC Taramani has various types of waste segregation bins across the business park, such as for organic waste, mixed recycling, plastic, and e-waste. This facilitates the diversion of over 98% of the business park's waste from landfill. Its organic waste (food and garden waste) is recycled by an organic waste converter onsite into compost, which is then used for gardening purposes within the business park. ITPC Taramani also has agreements with various recycling vendors for non-biodegradable dry waste such as paper, plastic and mixed waste.

ITPC Taramani further encourages circularity across its value chain. An effective green procurement policy is in place, which includes sourcing of closed-loop products such as recycled paper and biodegradable trash bags. The business park engages various stakeholders on waste management, including conducting regular training sessions with facilities teams and raising awareness with tenants through emails and signages.



International Tech Park Chennai, Taramani

²⁵ 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 2022, about 86,652 tonnes of waste was generated at 313 properties.

²⁶ Baseline average as defined by India Green Building Council.

Environmental And Manufactured Capital

PROMOTING WASTE RECYCLING THROUGH MULTIPLE INITIATIVES IN SINGAPORE

The Singapore government implemented a Zero Waste Masterplan since 2019 with specific targets to reduce national waste generation and improve recycling rates as it transits towards a circular economy. At CLI properties in Singapore, beyond the ongoing recycling programmes implemented, CLI continuously pilots new initiatives to further encourage recycling by tenants and shoppers.

CLI has implemented e-waste recycling initiatives at its properties in Singapore since 2014. It ensures proper disposal and recycling through the appointment of certified e-waste vendors. In 2022, it also worked with a waste management services provider to provide e-waste recycling bins at its business parks and industrial properties to make e-waste recycling more accessible to its tenants. More than 33 tonnes of e-waste was collected at its 59 properties in Singapore in 2022.

To expand its recycling efforts, it has embarked on two food waste management trials at its shopping malls, Funan and Tampines Mall. At Funan, a food waste biodigester has been installed to convert raw and cooked foods into grey water and compost without the use of chemicals. The innovative environmental technology uses an aerobic process to accelerate the decomposition of food waste. Separately, compact recycling machines that can convert food waste into natural, bio-organic fertilisers with low-energy usage and at high-processing speeds, will be installed at Tampines Mall. The property management teams at both properties have been actively engaging tenants such as supermarket and food court operators to participate in the trials.

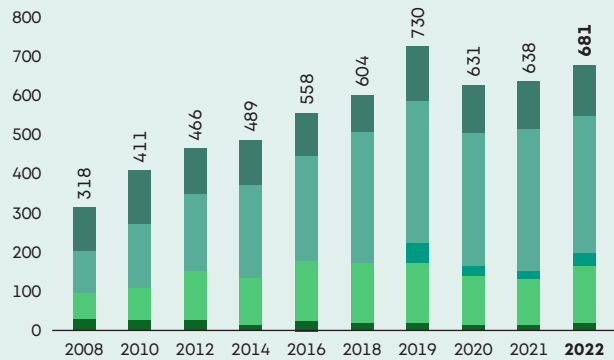
There are other ongoing pilots to improve recycling rate and reduce recycling contamination, such as a paper recycling station, reverse vending machines for bottles and cans, as well as collaboration with Nestle Nespresso on coffee capsule recycling.



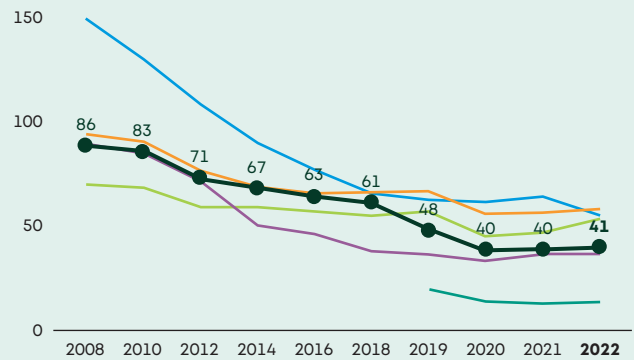
Food waste biodigester installed at Funan which commenced its pilot in late 2022

Environmental And Manufactured Capital

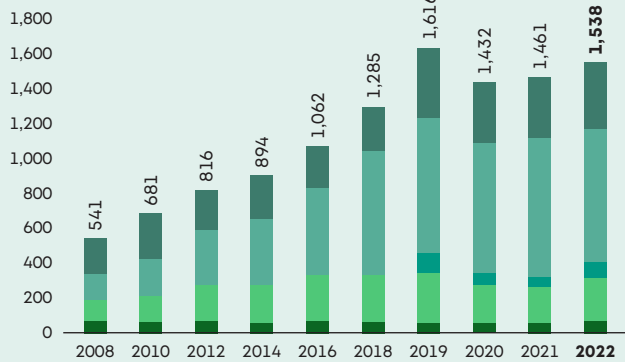
Carbon Emissions (Scope 1 + 2) (ktonnes CO₂e)



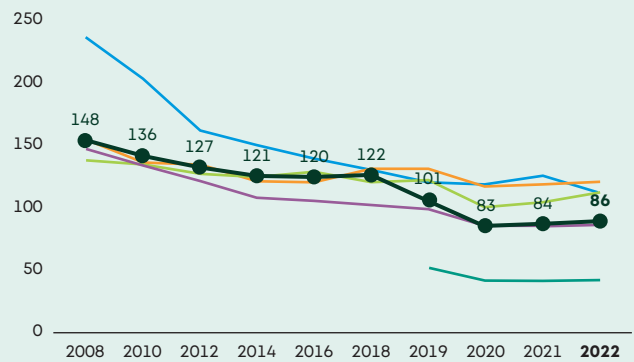
Carbon Intensity (kgCO₂e/m²)



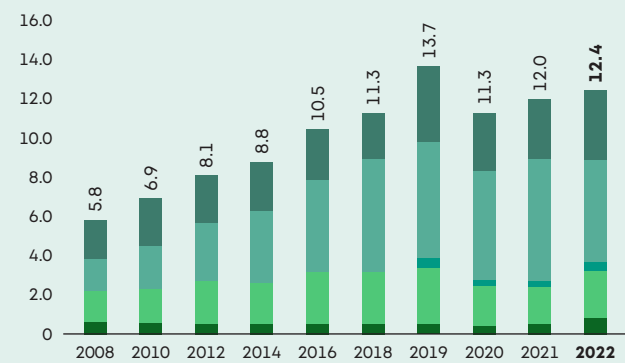
Energy Usage (GWh)



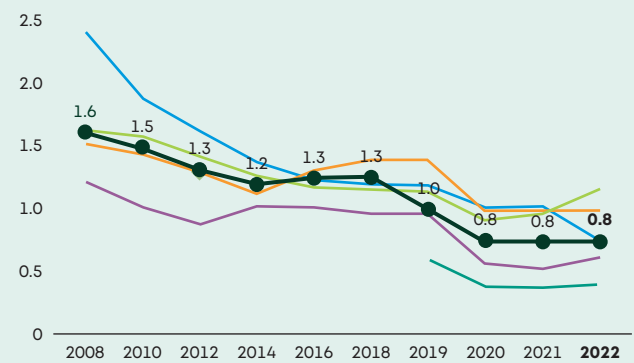
Energy Intensity (kWh/m²)



Water Usage (million m³)



Water Intensity (m³/m²)



● Singapore
 ● China
 ● India
 ● Other Asia
 ● International

● CLI Average
 ● Integrated Developments
 ● Malls
 ● Lodging
 ● Business Park, Industrial & Logistics
 ● Offices

Notes:

- The number of operational properties increased from 142 in 2008 to 353 in 2019, 353 in 2020, 359 in 2021, and 386 in 2022.
- 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 AEI and corporate offices. Achieved significant reduction in energy, water and carbon emissions intensities in 2022 as compared to base year of 2019 - likely due to a drop in activities at its properties amid COVID-19. Slight increase in energy and water intensities in 2022 due to continued recovery of business activities from COVID-19 as compared to 2021.
- 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.

Human Capital

COMMITMENT TO A HEALTHY AND SAFE WORKPLACE

The occupational health and safety (OHS) of CLI staff, tenants, supply chain partners, and the communities which 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.

Framework

Material Issues, Context and Business Case



Occupational
health and safety
of CLI staff



Health and safety of
stakeholders on its properties.
Stakeholders include shoppers,
tenants, guests and the public



OHS in
Supply Chain
Management

Effective OHS management is part of risk management which elevates safety and enhances staff productivity and morale

Policy and Objectives

- Promote the culture of individual ownership and responsibility for OHS management from CLI's top management and staff, to stakeholders including tenants and supply chain partners such as vendors, service providers and main contractors
- Actively participate in industry and national programmes to raise OHS standards
- Reduce occupational injury rates to achieve zero harm
- Continually strengthen the robust OHS Management System to meet and exceed OHS legal requirements

Accountability

- CEOs are accountable for OHS performance
- Managers and staff are accountable for OHS performance and implementation through the International Organisation for Standardisation (ISO) 45001 certified OHS Management System
- Key performance indicators (KPIs) are linked to remuneration of all CLI staff

Method/Action Plan

OHS Management System

- Legal compliance
- Identification of hazards and risk assessment
- Sustainable Building Guidelines – Design for Safety
- Environment, Health and Safety Impact Assessment (EHSIA)
- Safe operations – OHS Standard Operating Procedures (SOPs)

KPIs

- OHS performance of CLI's staff and contractors
- Stakeholder engagement
- Give preference to ISO 45001 certified vendors/ service providers; attainment of national certification may be accepted e.g. bizSAFE Level 3 and above for Singapore
- Appointment of ISO 45001 certified main contractors, or require OHS legal compliance audit

Stakeholder Engagement

- Be part of national policy-making
- Share CapitaLand Environmental, Health and Safety (EHS) policy with supply chain partners
- Engagement with supply chain partners on OHS matters
- Educate key stakeholders, including shoppers, tenants, guests, and the public

Human Capital

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. The Council reviews major OHS incidents and helps to reinforce a strong culture of safety. Safety continues to be an important agenda item in CLI's top management meetings.

Staff are required to take personal responsibility for their 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 CapitaLand's 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 countries such as 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 that is aligned to the ISO 14001 and 45001 standards.

Internal audits are scheduled at least once a year across 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 (EHSMS) 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 successfully completed the external and internal audits within the Group's portfolio. This accomplishment was driven by CLI's commitment to strong EHSMS, enabled by alternative audit modes such as virtual and a hybrid of virtual and physical site audits. In 2022, CLI's wholly owned lodging business unit, The Ascott Limited, extended the implementation of the EHSMS to countries such as Bahrain, the United Arab Emirates and South Korea. They will be externally audited to recognised international standards for OHS Management Systems by 2023.

Compliance

Legal requirements are reviewed on a quarterly basis, and compliance to these requirements are evaluated annually. Despite best efforts to ensure compliance, Singapore, China and US incurred 12 non-compliant incidents relating to fire safety, workplace safety and health. Root causes were identified through investigations, and corrective actions were taken immediately. Lessons learnt from the incidents were shared across BUs and CLI'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.

Human Capital

Risk Management of OHS Hazards

Identifying OHS hazards and assessing their risks are key components in CLI's OHS Management System and 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 from 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 SOPs to minimise the occurrence of such hazards.

Since October 2020, the EHSIA was made mandatory when evaluating new investments. The results of the EHSIA enable the 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 EHSMS, training and awareness programmes are organised as part of the integrated EHSMS training for CLI staff. New staff are briefed on CapitaLand's EHS policy and the roles of each staff. 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 2022, about 41% of CLI staff attended at least one EHS-related training amounting to more than 45,000 training hours. These include first-aid, chemical handling, safety, EHS incident and emergency response training.

To overcome the challenge of its growing international portfolio, CLI continued to 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.



CLI Singapore retail operations team undergoing First Aid Training

REINFORCING OHS AWARENESS

In Singapore, Safety Time-Out Inspections were conducted for all retail and workspace properties to identify and rectify potential safety hazards. Some items in the checklist included: ensuring warning signages were in the right locations, proper access platforms were available for building maintenance, safety railings were secure, lighting levels were adequate, and that fire escape routes were unobstructed.

Senior management and colleagues from the non-operational teams such as leasing departments were also engaged in this initiative.

Safety briefings and awareness training sessions were also organised for CLI staff and CLI vendors. More than 250 CLI Singapore operations staff participated.



CEO of Retail and Workspace (Singapore and Malaysia) at the safety time-out inspection at CapitaSky, Singapore



Digitising EHS related inspections in China

CLI China deployed digital solutions in its EHS-related inspections, recording observations and EHS scores for each inspection and utilised Power BI to analyse them. Not only did this improve the team's efficiency, it also enabled the management to have a holistic view of all observations and take appropriate actions to address any concerns on a portfolio basis.

Human Capital

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 company's intranet.

Measuring Our Safety Performance

CLI's OHS performance monitoring extends to all staff (both full-time and part-time) and contractors involved in the daily operations. In 2022, there were 31 work-related injuries 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	2022				2021	2020
	Singapore	China	Rest of the World	Group Overall (Global)	Group Overall (Global)	Group Overall (Global)
Lost-day injuries	12	4	15	31	31	42
Fatalities	0	0	0	0	1	0
Injury rate (number of injuries per million hours worked)	2.3	0.5	2	1.5	1.4	1.6
Lost day rate (number of lost man-days per million hours worked)	21.3	3.3	37.2	19.8	53.6	112.7
Absentee rate ² (% of total workdays scheduled)	2.2	1.2	2.5	1.9	1.9	1.1

² Absentee rate was based on medical leave taken by CLI staff, regardless of whether it was a work-related illness or not. The Group Overall Absentee Rate was 1.2% of scheduled workdays in 2019.

Human Capital

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 health screening in Singapore and China. In 2022, more than 970 staff in Singapore and more than 2,000 staff in China participated in this complimentary health screening.

CLI continues to offer financial assistance, employee assistance, and healthcare hotlines as part of the staff well-being programmes. In 2022, more than 28 staff well-being programmes and initiatives were held, with participation from 640 unique staff attendees across 13 countries. These programmes focused on nurturing employees' well-being and mental health. In addition, workout sessions, financial and retirement planning talks and personal grooming workshops were also organised.

The CapitaLand Core Values Ambassador Awards was organised globally to recognise inspiring individuals who have strongly displayed CapitaLand's Core Values. A Mental Wellness Ambassadors committee comprising 11 representatives across various BUs and functions was created in Singapore to support the mental wellness of staff. More importantly, the initiative enabled CLI staff to take charge in achieving mental wellness as one.

EMPOWERING WOMEN THROUGH SELF DEFENSE

Across India, over 15 CLI female staff took part in a demonstration class to learn about tips and techniques on self defense including counterattacks against assaulters, and associated fears related to assault. This helped to improve their confidence in dealing with potential attacks.



National Policy Making (Government Agencies and Regulators)

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.

Since 2019, CLI has continued to support the annual National Safety Week in India by organising activities to raise awareness of and promote commitment to work safety within the CLI eco-system.

In 2022, more than 4,000 internal and external stakeholders across five cities in 11 business parks joined in CLI India's celebration of the 51st National Safety Week, participating in various activities including safety oath taking, training, seminars, quizzes and competitions, mock drills, safety equipment demonstrations and fire relay race. For more information on the programmes and initiatives organised for staff and supply chain, please refer to the Staff Wellness and Supply Chain Management segment in the Human Capital chapter.

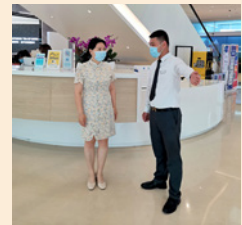
Human Capital

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 100 local fire departments, government agencies, and associations to organise fire drills at 59 malls, offices and business parks. This created greater safety awareness among over 29,000 participants, including tenants and shoppers. The fire drills included fire outbreak simulation involving the local fire departments and 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 5,400 participants, including tenants. A nationwide lift and escalator safety awareness campaign was conducted at CapitaLand malls in China, with safety posters displayed and guide books distributed to promote safe use of lifts and escalators among the public.



Clockwise from top left:
Training session on the use of fire extinguishers at Minhang Plaza, China. Safety briefing to a member of public in LuOne, China. Promoting the safe use of lifts and escalators to shoppers in Hongkou Plaza, China.

ENGAGING CONTRACTORS AND TENANTS IN MALAYSIA

Fire drills were jointly organised with the local fire and rescue authority in five malls and one office building in Malaysia, with more than 1,500 CLI staff, contractors and tenants participating in the drills to familiarise themselves with the evacuation procedures during an emergency.



From left to right:
Full dress evacuation drill. Desktop simulation of rescue operations.

ENGAGING CLI'S LODGING RESIDENTS GLOBALLY

Regular emergency drills were conducted at CLI's lodging properties globally and residents were encouraged to participate in the drills. To test the effectiveness of the emergency plans, the property teams developed various emergency scenarios such as break-in rescue and fire extinguishing to simulate real life emergencies.



From left to right:
Full dress fire drill conducted at Citadines Bay City Manila, Philippines. In-room resident rescue exercise conducted at Citadines Zhuankou Wuhan, China.

Human Capital

Supply Chain Management

CLI works closely with its contractors and suppliers who are committed to high quality EHS 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 Policy³ and the CLI Supply Chain Code of Conduct⁴ 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 environmental, health and safety and other business-related 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 2022, 100%⁵ of CLI's supply chain agreed to abide by the CLI Supply Chain Code of Conduct.

REVIEW AND ENGAGEMENT OF CLI'S SUPPLY CHAIN

In a 2020 supply chain baseline study conducted by CapitaLand, BUs were surveyed 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 CapitaLand's supply chain, and the onsite provision of facilities for its contractors' workers⁶.

The study found that migrant workers were present in some markets within CapitaLand's supply chain. For operational properties in the lodging portfolio, there was a high percentage of migrant workers among 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's operational properties, 95% have a dedicated rest area for contractor staff.

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 of activities that may affect the OHS of CLI staff or visitors.

CLI provides contractors with a copy of its EHS Policy. They are required to ensure that their staff are sufficiently trained or are briefed on EHS measures and abide to 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 have aimed to appoint contractors who are at least bizSAFE⁷ Level 3-certified. A valid bizSAFE certification is also required when renewing contracts. Where applicable, CLI stipulates similar requirements for its overseas offices. In 2022, about 95% of CLI appointed contractors⁸ in Singapore were at least bizSAFE Level 3-certified.

³ This policy was approved by the CLI Top Management.

⁴ An extract of the CLI Supply Chain Code of Conduct is available on <https://www.capitaland.com/en/about-capitaland/sustainability.html#tab-0-social>.

⁵ Property maintenance and project related contracts for owned and operationally-managed properties and projects. This includes supply chain complying with their own code of conduct which is equivalent or more stringent than CLI Supply Chain Code of Conduct.

⁶ 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.

⁷ The bizSAFE programme is advocated by the WSH Council in Singapore to promote workplace safety and health in small and medium enterprises.

⁸ This refers to term contractors where their work is on-site at CLI properties or offices.

Human Capital

Despite CLI's best efforts to assure site safety, there was one workplace fatality involving CLI's contractor staff in Singapore in 2022. Detailed investigations were undertaken, and remedial as well as improvement actions were implemented by the contractor. Lessons learnt from the incident were shared across BUs globally, and CLI's commitment to strengthen its safety standards was further reinforced.

CLI identified its cleaning and security contractors at its operational properties to be critical suppliers, and tracked their health and safety performance at its properties globally. In 2022, the injury and lost day rate for CLI's cleaning and security contractors⁹ was 0.2 cases per million hours worked and 7.3 days lost per million hours worked respectively.

IMPROVING STAKEHOLDER SAFETY AWARENESS IN CHINA, INDIA 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 2022, 58 malls, offices and business parks rolled out various safety programmes, achieving an average participation rate of over 95% from cleaning, security, and engineering contractor staff.

CLI India organised programmes for its contractors' staff to better deal with fire emergencies and safe chemical handling. More than 600 contractor staff from the facilities management teams underwent fire safety training to familiarise themselves with the use of fire extinguishers, fire hoses, and hydrants, and on how to restore or maintain operations, minimise losses during any fire emergency and safe evacuation during fire emergencies.

At International Tech Park Pune, Hinjewadi, a fire and safety relay race was held to test the emergency readiness of the Emergency Response Team (ERT) comprising CLI staff and contractor staff, as well as motivate and built confidence in the ERT team through practice. About 45 contractor staff completed various game stations which included wrapping up a fire hose, putting on personal protection equipment within a stipulated time, transporting a casualty on a stretcher, extinguishing a fire, using the hydrant system and more.



Fire and safety relay race for ERT team in India

CLI Singapore continued to roll out the work safety trainings for its staff and contractors. An EHS virtual training session was conducted for its office and business park contractors in charge of its mechanical and electrical trade maintenance, cleaning, as well as security. More than 450 contractor staff participated in the session which included topics on high-risk work activities such as work at height, hazards on fragile surfaces and, slip, trip and fall. In addition, monthly OHS messages including OHS procedures and accident advisories were also disseminated.



These videos that were part of the virtual training session covered high-risk work activities including working at height, hazards on fragile surfaces and, slip, trip and fall.

⁹ This refers to assets operationally managed by CLI in Singapore, China, India business parks, as well as the global lodging portfolio.

Human Capital

HUMAN RIGHTS

CLI has an integrated human capital strategy to recruit, develop and motivate staff. Key performance indicators (KPIs) for both the business and people development are in place to align staff's performance goals with business objectives. CLI provides staff with the appropriate training opportunities to perform well in their job.

CLI has a Social Charter¹ approved by top management. It 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 are also in place. The Social Charter is applicable to all CLI staff and guides the company towards ensuring a supportive and respectful environment for individuals across all aspects of CLI's business and operations.

Anti-Child Labour and Anti-Forced Labour

With a global workforce of more than 9,700 staff, CLI is committed to being a workplace of choice. CLI 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 Organisation'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 Group signed the Employers Pledge for Fair Employment Practices with the Tripartite Alliance for Fair and Progressive Employment Practices (TAFEP²) and is committed to the five key principles of fair employment³. CLI also actively participates in national efforts 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.

CLI adopts a zero-tolerance stance regarding child labour, forced labour and unlawful discrimination, and had no reported incidents of such in 2022. There was no CLI staff below the age of 16.



¹ CLI Social Charter is available on <https://www.capitaland.com/en/about-capitaland/sustainability.html#tab-0-social>.

² The Tripartite Alliance for Fair and Progressive Employment Practices (TAFEP) was formed in May 2006 to promote non-discriminatory employment practices and to shift mindsets 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.

³ The five key principles of fair employment are:

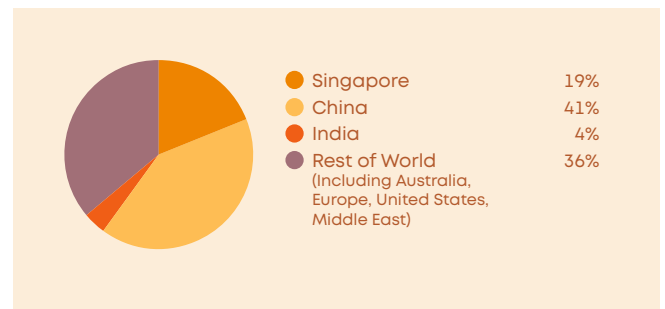
- › Recruit and select staff based on merit, such as skills, experience and ability, regardless of age, race, gender, religion or family status.
- › Treat staff fairly and with respect and implement progressive human resource management systems.
- › Provide staff with equal opportunities for training 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.

Human Capital

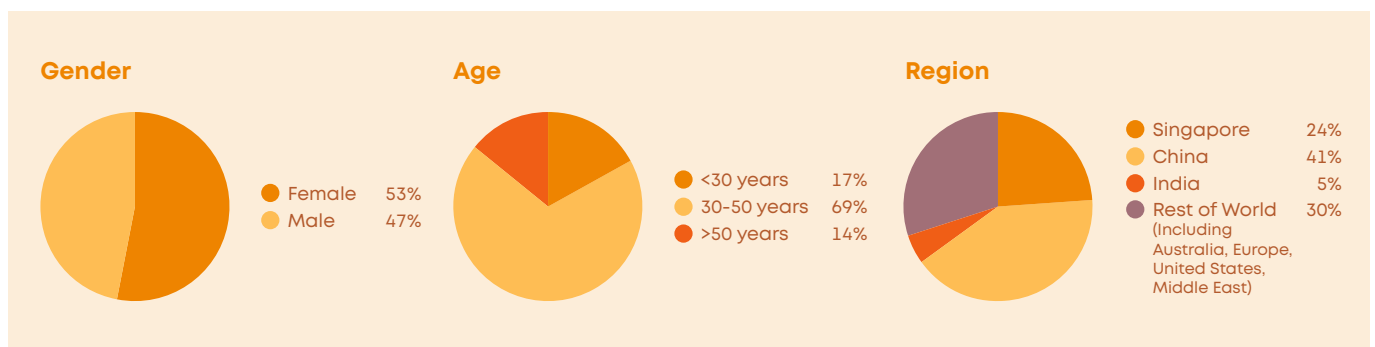
Diversity, Equity and Inclusion (DEI)

As a global company, CLI embraces diversity, equity and inclusivity regardless of age, religion, gender, race, nationality and family status. CLI believes that staff can make significant contributions based on their talent, expertise and experience. Having a gender diverse mix of staff is also a target in CLI's revised 2030 Sustainability Master Plan. Performance is tracked and reported to relevant stakeholders periodically. In 2022, there were more than 85 nationalities working within the Group.

Global Staff by Nationality



Global Staff⁴ by Gender, Age and Region



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 2022, locals accounted for close to 80% of the staff based in Singapore, more than 99% of staff based in China, and more than 82% of staff based in India. Of these locals, more than 45%, 18% and 59% held managerial and senior management positions in Singapore, China and India respectively.

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.

CLI's vibrant, motivated, and qualified workforce has given the Group a competitive edge. Close to 70% of CLI's global workforce is aged 30 to 50 years old, consistent with the past three years.

In 2022, HR continued to organise talks relating to DEI. More than 290 staff attended human rights and diversity-related talks, and training on ways to manage unconscious or implicit bias at the workplace, understand and appreciate multiculturalism, and harness the benefits of a diverse and multigenerational workforce.

CLI organised training sessions for change management resilience and mental-wellness related topics. There were more than 2,200 staff participants clocking in over 9,000 hours to the sessions.

⁴ Based on global full-time staff count of 9,599, which accounts for more than 99% of CLI's global workforce.

Human Capital

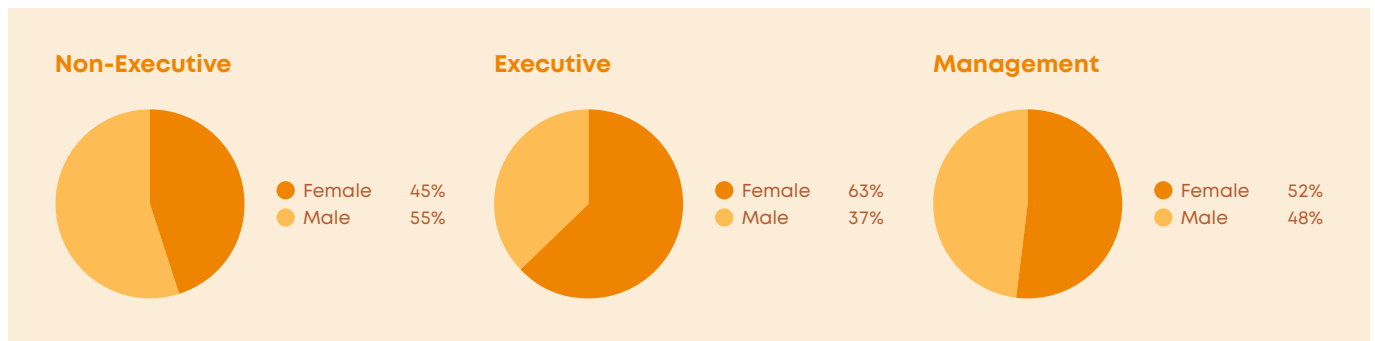
Gender Diversity and Pay Parity

According to the Global Gender Gap Report 2022 by the World Economic Forum, while some progress has been made, it will take another 132 years to reach full parity. Despite more women moving into paid work and increasingly leadership positions, the report highlighted continued headwinds such as societal expectations, employers' policies, the legal environment and the availability of care infrastructure. These are exacerbated by the economic and social consequences of the pandemic and geopolitical conflict. The report calls for strategies and policies that emphasise inclusive hiring, internal mobility and flexibility.

CLI's global workforce comprises an almost equal proportion of males and females, at a ratio of 47:53. More than 50% of the managerial staff were female in the past three years. In 2022, about 40% of senior management were female with 10 of them holding C-suite appointments within the Group. Over the past three years, between 36% 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 company's hierarchy. Its incentive system focuses on performance and is gender-agnostic.

Global Staff by Seniority and Gender



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 or 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 CLI⁵. This policy is applicable to all staff globally. In 2022, there were 116 staff above the retirement age⁶, and all were rehired post-retirement.

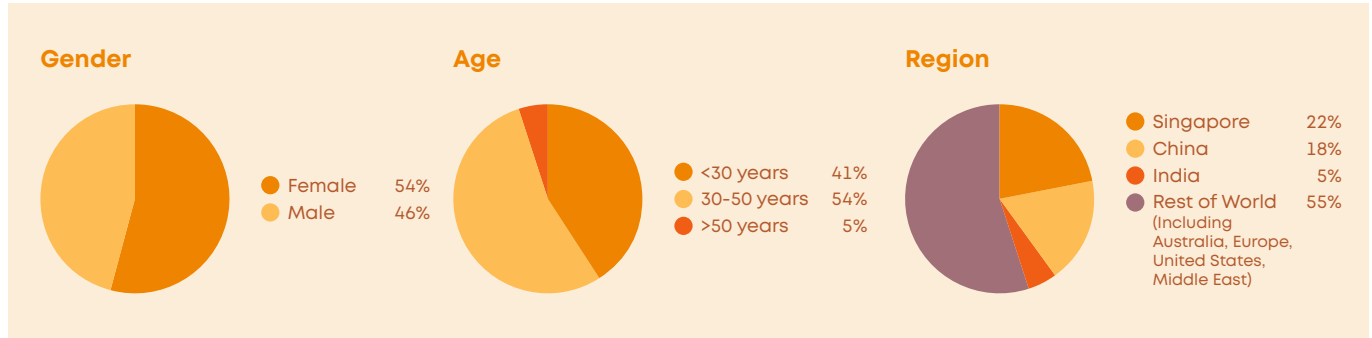
⁵ The Singapore government implemented the retirement and re-employment legislation in 2012 to enable more people to work beyond the current statutory retirement age of 62, up to 67 years old. However, even before the legislation, CLI already had a re-employment policy in place.

⁶ This is based on the retirement age in the respective countries.

Human Capital

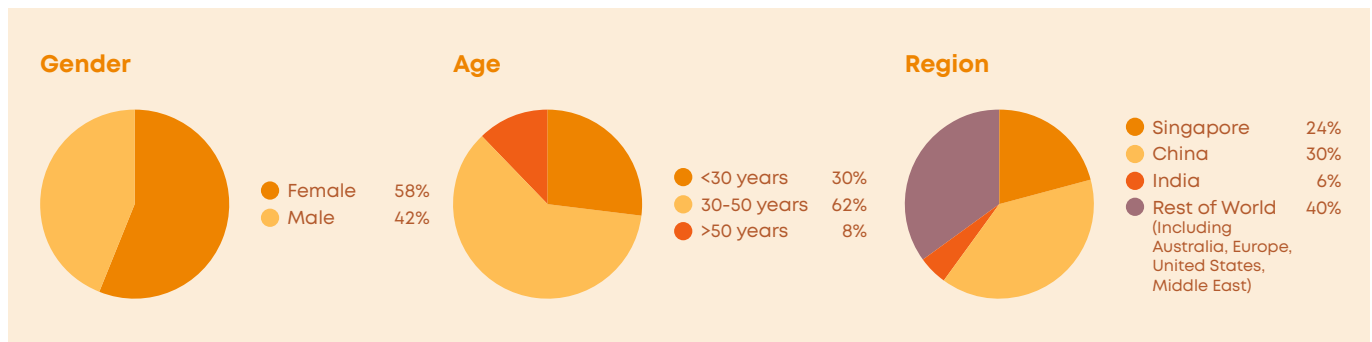
In 2022, new hires represented 30% of the total headcount of 2022 and 9% of the positions opened for recruitment were filled by internal candidates.

New Hires by Gender, Age and Region



In 2022, the turnover⁷ rate in Singapore was 21%, which was close to the national average of 20.4%⁸. In China, the turnover rate was 23%, which was above the national average of 19%⁹. Given CLI's business in the labour-intensive hospitality industry through its lodging business unit, The Ascott Limited, and a large number of non-executive staff, this staff movement is deemed normal. In 2022, there were no major layoffs in the company.

Voluntary Turnover by Gender, Age and Region



Respect for Freedom of Association

CLI respects its staff's right to freedom of association and membership in 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 58% of CLI's workforce in Singapore¹⁰ and more than 25% of the global workforce are covered by collective agreements. Notwithstanding this, all other CLI staff not covered by collective bargaining agreements will also continue to have their key employment terms aligned to the relevant collective bargaining agreements in the countries.

⁷ 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.

⁸ Data by Ministry of Manpower, Singapore.

⁹ Data by an external human capital and management company.

¹⁰ This represents 100% of our bargainable workforce (staff who are entitled to join unions) in Singapore.

Human Capital

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 by identifying high potential talent as part of its regular succession planning process.

The CLI 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 utilises a People Analytics Tool since late 2018 to offer insights into staff 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 include a flexible medical and benefits plan such as childcare contributions, gym membership, 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 2022, 211 eligible female staff went on maternity leave and 168¹¹ returned to work. CLI also provides paid paternity leave to all male staff in Singapore and other countries where practicable. In 2022, 68 out of 69 eligible male staff who took paternity leave in 2022 returned to work¹². CLI also provides Family Event¹³ 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 the legal requirement. CLI also provides three days of Volunteer Leave for staff to participate in volunteering activities to encourage them to give back to the society.

CLI 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.

Three years after the emergence of the COVID-19 pandemic, CLI continued to support its staff group-wide through various proactive measures such as a flexible working arrangement to empower staff with the autonomy of managing their schedules to achieve work-life harmony. Hybrid staff town hall meetings were also held where staff could hear from top management and at the same time have their questions answered. Staff also receive regular email updates on CLI's response to the pandemic as society moves towards an endemic new norm, as well as activities such as virtual fitness classes and e-learning on how to maintain workplace connections and team cohesion. Various mental health awareness programme and initiatives were also organised to support CLI's staff well-being. More details can be found in the Staff Wellness and Staff Engagement sections of this report.

¹¹ This figure excludes staff whose paternity/maternity leave crossed over into 2023 and hence have not returned to work in 2022.

¹² In 2021, 179 female and 64 male staff who took parental leave (maternity and paternity leave) continued to work in CLI 12 months after they returned from parental leave.

¹³ Applicable to the core markets of CLI: Singapore, China and India.

Human Capital

Fair Remuneration

All staff have signed employment contracts with key employment terms and conditions clearly defined. 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, CLI 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.

CLI rewards and motivates staff with a comprehensive and competitive compensation package and benefits programme. It observes a pay-for-performance philosophy that rewards laudable performance, aligning 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 throughout the company, 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 2022 exercise, no major pay gap¹⁴ was shown. There remains a lower representation of women at the more senior levels of the organisation¹⁵.

Close to 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 Reference the 2023 Organisation for Economic Co-operation and Development (OECD) gender wage gap the average gender pay gap is 12%. OECD covers more than 140 countries such as France, Japan, UK, USA, etc where CLI has a presence in.

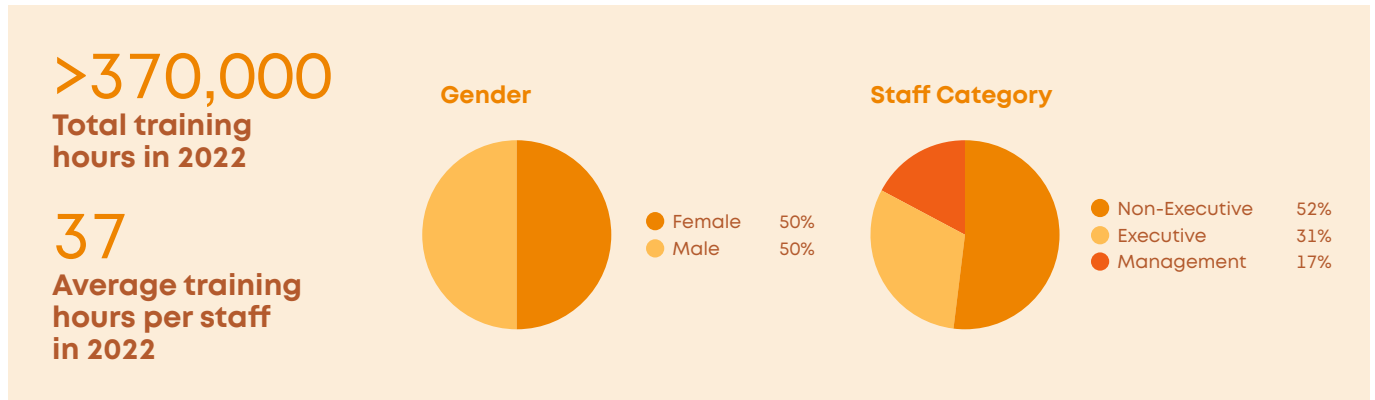
¹⁵ The average gender pay gap (comparison is for base salary and other cash incentives) is about 8% in favour of females at non-executive levels; 1% in favour of females at executive levels; and 4% in favour of males at middle management levels. More details can be found in the appendix. At senior management levels with female representation, the average pay gap is 17.5% in favour of male. There are two levels of senior management with no female representation.

Human Capital

Upskilling The Workforce For The Future

CLI is committed to empowering its future-ready workforce, investing over S\$1.7 million towards Learning and Development globally, delivering over 370,000 hours of training. Overall, about 92% of CLI's global staff attended at least one learning session, and the average training hours completed by each staff for the year was more than 37 hours¹⁶. More than 83% of staff attended at least one ESG training in 2022.

Global Staff Training by Gender and Staff Category

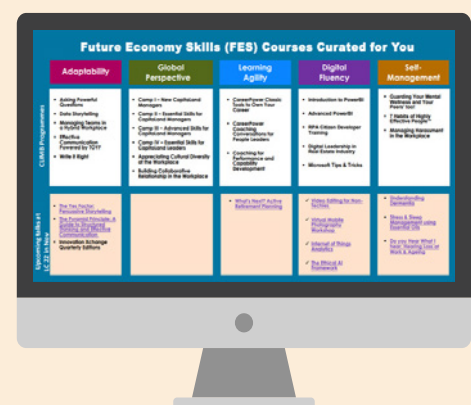


The evolution of technology has brought significant changes to all industries on a global scale. In recognition of the impact of these changes in the workplace, CLI implemented the "Building Capability Framework" (BCF) since 2019 to build a future ready workforce which is knowledgeable, competent and adaptable. Under this framework, staff chart their own development path by choosing over 50 Core, Functional, Adaptive and Digital programmes. In 2022, approximately 92% of staff attended at least one programme under the BCF. 73% of staff attended at least one digital-related training such as Data Analytics Begins with Me and Introduction to Coding using Python, which amounted to more than 65,000 digital-related training hours.

FUTURE ECONOMY SKILLS (FES)

The BCF continues to adapt to the rapidly changing work environment. In response, CLI introduced a series of courses called "Future Economy Skills" (FES) under the BCF since 2021. These courses are curated to help staff 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.

Staff from all over the world were encouraged to attend the FES courses and more than 75%¹⁷ of staff in Singapore attended at least one FES course.



¹⁶ Average training hours was computed using total learning hours divided by average staff strength in the year.
¹⁷ This refers to staff with executive and above grade.

Human Capital

LEARNING CARENIVAL (CARING, AGILITY, RESILIENT AND EVER-READY)

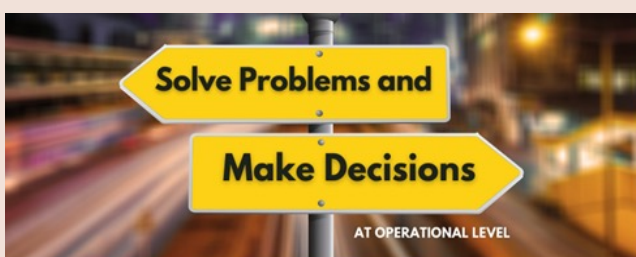
Since 2017, CLI has organised the annual Learning Festival to promote continuous learning among all staff. It features bite-sized talks that are centered on the latest trends and developments in the industry, digital awareness as well as soft skills. The theme for 2022 was 'Foster Resilience. Sustain Growth'; 36 talks were curated across four categories focusing on digital, well-being, power skills for career resilience and sustainability.

To reach a wider global audience and increase learning opportunities within, the frequency of the Learning CARENival was increased to every quarter and included collaborations with colleagues in India and China.

More than 3,330 staff from 18 countries participated in the Learning CARENival virtually and in-person, with the highest participation from Singapore, Vietnam, India and Malaysia.



Clockwise from top left:
The Pyramid Principle: A Guide to Structured Thinking and Effective Communication, Overview of Technologies in Smart Buildings, Digital Era: Being a Digital Native and Digitally Fluent and How Do You Become an Innovator?



Successful problem solving requires finding the right solution to the right problem. We fail more often because we solve the wrong problem than because we get the wrong solution to the right problem. - Russell L. Ackoff

WORKSHOP OBJECTIVE

Acquire techniques in problem-solving and decision making, including root cause analysis of problem, generating and evaluating alternative solutions, making appropriate decisions, and taking responsibility for the decisions within own circle of influence



TRAINING THE RANK AND FILE

To ensure that the rank and file staff stay current on the latest trends, CLI formed a Training Committee comprising the Singapore union to identify relevant courses to upskill this group in Singapore. In 2022, more than 200 technicians and administrative assistants attended the course "Solve Problems and Make Decisions" to improve their decision-making skills.

Through gamified activities, staff deepened their understanding on problem identification, root cause analysis, generating ideas and evaluating alternative solutions.

Human Capital

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.

It is often said that the human capital is the top asset for any company. This holds true for CLI as it continues to strengthen the foundation for its purpose-driven initiatives that aim to make a positive and meaningful impact. CLI holds steadfast in its shared vision and mission that drives the company to endeavour to think big, to do right by its people, communities and investors, and to make CLI's concerted efforts last. CLI is guided by core values which include a winning mindset, enterprising spirit, respect for one another and uncompromised integrity that serve as the bedrock of its high-performing and diverse teams.

Riding on the wave of recovery following the COVID-19 pandemic, CLI focused on elevating its staff experience globally, ensuring that its people are at the centre of all activities.

Quarterly staff communication sessions by the Group CEO allow the Group's senior management team to engage and interact with staff. These sessions are webcasted live to CLI's offices globally, and recordings are available to those who miss the sessions. During these staff communication sessions, information on the Group's financial results and key business focus are 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.

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 2022, 28 staff attended training on Managing Workplace Harassment.

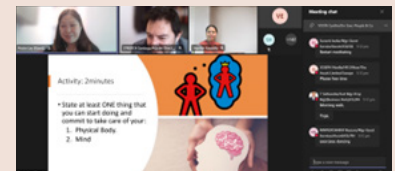


CapitaLand's top management engaging staff at the hybrid staff communication session

CLI continues to emphasise on staff's well-being and mental health with a refreshed CapitaLand Wellbeing Programme, providing a more holistic focus on six dimensions of wellness. These are emotional (mental), financial, purposeful (community involvement), social, career and physical wellness. CLI integrates these six dimensions in its staff engagement and wellness events, both in-person and virtually, that are available to its global staff.

The launch of Voice of Employees (VoE) provides its staff a platform to give their feedback on any work-related topics, confidentially if required. Since its launch in March 2022, 98 responses were received.

Since 2021, CLI implemented a global network of Mental Wellness Ambassadors as well as the "Guarding Your Mental Wellness and Your Peers' Too" Programme, with 100 of its staff in Singapore and globally trained to date.



Well-being programmes such as Tackling Workplace Mental Health

To recognise inspiring CLI staff and teams who demonstrated CLI's core values of Winning Mindset, Integrity, Respect and Enterprise, CLI initiated the CapitaLand Core Values Ambassador Awards globally that garnered over 300 inspiring CLI staff stories.



CapitaLand Core Values Ambassador Awards 2022

Human Capital

2022 Employee Engagement Survey

In 2022, CLI launched a 360° Leadership Survey to gather feedback on its senior leadership team. The survey allows the management to gain invaluable insights into how their peers and direct subordinates perceive them. CLI also conducted a company-wide Employee Engagement Survey that measured staff well-being, amongst other factors. CLI recorded a global participation rate of 91% and an engagement score of 83%. Following the survey, the HR Business Partners will be working with the respective CEOs to address the key issues within their business units. On the Group level, initiatives will be rolled out to address concerns, where applicable.

2030 SUSTAINABILITY MASTER PLAN TARGETS AND PERFORMANCE

CapitaLand's 2030 Sustainability Master Plan outlined the Group's 2030 targets and pathways 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. To measure its performance, CLI has incorporated KPIs, most of which are linked to remuneration for its staff including top management.

	2030 Target ¹⁸		2022 Performance
Diversity	At least 40% female representation in Senior Management Level	●	40% female representation
Human Capital Development	Staff engagement score of at least 80% (with at least 85% participation)	●	83% engagement rate 91% participation rate
	At least 85% of CLI's staff to attend one ESG training programme and be future-ready and productive staff through CLI Building Capability Framework (BCF)	○	83% of CLI's staff attended at least one ESG programme 92% of CLI Staff attended at least one programme under BCF
Supply Chain Management	Contractors and vendors to abide by CLI's Supply Chain Code of Conduct	●	100% ¹⁹ of CLI's supply chain agreed to abide by CLI's Supply Chain Code of Conduct
Perpetual Target			
Human Rights	Zero tolerance of child/forced labour	●	Zero child/forced labour
Occupational Health & Safety	Maintain ISO 45001 certification for its OHS Management System	●	Retained ISO 45001 certification in 15 countries
	Zero incident resulting in CLI staff fatality and permanent disability	●	- Zero CLI staff fatality - Zero CLI staff permanent disability
	Zero incident resulting in contractor staff fatality and permanent disability	✗	- One contractor staff fatality - Zero contractor staff permanent disability

Legend

- Achieved/Exceeded Targets
- In progress towards meeting 2030 targets
- ✗ Did not achieve

¹⁸ These targets are intended to reflect the organisation-wide goals set by CLI on a group basis, and are intended to be implemented subject to and taking into account (i) fair and equitable employment practices and principles under applicable laws and market practice and (ii) the business and operational needs of the company and the organisation, as applicable.

¹⁹ Property maintenance and project related contracts for owned and operationally-managed properties and projects. This includes supply chain complying with their own code of conduct which is equivalent or more stringent than CLI Supply Chain Code of Conduct.

Social And Relationship Capital

CLI's social and relationship capital are built through our community. Over the long term, this strengthens CLI's social license to operate and ability to deliver sustainable value to its 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 staff, investors/shareholders, customers, business associates, contractors and 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.

CLI seeks to understand its stakeholders' views, communicate effectively with them and respond to their concerns through various engagement channels. 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, to facilitate effective exchange of information and ensure alignment of business goals and objectives across all levels of the workforce.

CLI advocates staff volunteerism as an integral part of building a caring and inclusive community. It grants staff up to three days of Volunteer Service Leave (VSL) per calendar year and staff are encouraged to contribute their time and talent for approved charitable causes with the Group's philanthropic arm, CapitaLand Hope Foundation or on their own. Staff who utilise all three days of VSL are eligible to nominate a registered charity to receive a donation from CHF, as part of its recognition and appreciation for staff volunteers.

In 2022, over 1,100 CLI staff tapped on the VSL to contribute close to 11,000 hours for various activities. The estimated salary cost to CLI in 2022 based on VSL taken was over S\$400,000¹. In 2022, 95 CLI staff qualified for the donation incentive and CHF pledged to donate about S\$47,200 to registered charities nominated by staff.



INVESTORS

CLI maintains high levels of engagement with its shareholders and the investor community at large, to provide timely access to accurate information. This helps them to make sound judgements about the Company, developing trust and confidence in CLI. CLI manages this engagement via multiple touchpoints. For more information on CLI's investor engagement efforts, please refer to Our Stakeholders section, pages 69 to 75 in the CapitaLand Investment Limited Annual Report 2022.

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 CLI calculates the estimated salary cost to CLI for VSL based on leave taken during office hours.

Social And Relationship Capital



CUSTOMERS

CLI conducts regular satisfaction surveys at its shopping malls, office buildings, business parks and lodging properties. 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 wholly-owned lodging arm, The Ascott Limited (Ascott), tracks and monitors its properties' service performance via a Guest Rating Score™ (GRS™). GRS is 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 Ascott 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% and 91.5%.

A tenant satisfaction survey was conducted at over 110 CLI-owned and/or managed malls, offices, business parks and logistics properties in China. About 94% of retail mall tenants, 47% of office tenants, 60% of business park tenants and 100% of logistics tenants participated. CLI garnered feedback on matters pertaining to cleanliness, security, ambience and comfort, adequacy of car park lots, and frequency of building maintenance. Close to 97%, 72%, 78% and 97% of respondents in malls, office, business parks and logistics properties respectively were satisfied with the services rendered.

In Malaysia, the tenant survey was rolled out to seven retail malls, with participation from about 86% of the tenants. 90% of the respondents rated CLI with Average or Good performance.

2022 Performance - Satisfaction Rate

RETAIL



China
97%

Malaysia
90%

OFFICE²



China
72%

BUSINESS PARK AND LOGISTICS²



China
(business park)
78%

China
(logistics)
97%

LODGING



Global
90%

GLOBAL ACCESS TO HEALTH AND WELL-BEING SERVICES FOR ASCOTT GUESTS



Ascott is 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 (ISOS). Since its launch in 2021, ISOS has handled more than 250 assistance calls from Ascott guests.

² Singapore office, business park and logistics tenant surveys are conducted bi-annually. In 2021, the satisfaction rates were 77% and 63% respectively.

Social And Relationship Capital



GOVERNMENT AGENCIES AND REGULATORS

CLI participates in stakeholder consultations organised by key government agencies to provide feedback on proposed regulatory changes that may impact the company's business. This allows CLI to plan and prepare ahead for any upcoming updates to regulations. Engaging regulators and relevant industry bodies have 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 Manufactured, and Human Capital chapters.



SUPPLY CHAIN

CLI incorporated sustainable procurement principles in the CLI Procurement Policy. This is in alignment with the company's sustainability commitments as a signatory to the United Nations Global Compact (UNGC). Its 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 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 subject to termination of the contract.

CLI continued to screen its supply chain to ensure that relevant business and ESG risks are being managed appropriately. 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. Approximately 13,600 critical suppliers were engaged in 2022. 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 most of CLI's operations. CLI also procures goods and services from a diversified network of supply chain providers. In 2022, close to 60% of the appointed supply chain providers were in Singapore, China and India, the core markets of CLI. For more information on the supplier type and spend, please refer to Key ESG Data Summary in appendix.

In 2022, to further strengthen CLI supply chain management, CLI subscribed to an external platform which will conduct an ESG due diligence screening on CLI suppliers based on publicly available information. Suppliers are screened and rated based on the risk and resilience of each ESG factor, which include corruption, human rights, politically exposed parties, sanctions, safety, environmental regulation breaches, etc. CLI piloted the screening of close to 500 critical suppliers in Singapore, China and India. A total of 17 suppliers were rated high ESG scores. This pilot enables CLI to monitor its suppliers' ESG performance and potentially establish a capacity building programme for improvement.

**Number of suppliers
in core markets**
(As at 31 December 2022)



China:
~9,100



Singapore:
~4,400



India:
~3,200

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

Social And Relationship Capital



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 Policy³ and the CLI 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, environmental, health and safety and other business-related 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 2022, 100%⁴ of CLI's supply chain acknowledged to abide by the CLI Supply Chain Code of Conduct.



COMMUNITY/NGOS

CLI is a signatory to the United Nations Global Compact (UNGC) and the United Nations Principles of Responsible Investment (UNPRI). It is a member of the Global Compact Network Singapore, and a consortium member of the GRI ASEAN Hub. It is a founding member of the Singapore Green Building Council, and a supporter of the Task Force on Climate-Related Financial Disclosure (TCFD) and World Wide Fund for Nature's (WWF) Earth Hour campaign.

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.

CLI actively invests into the local communities in which it operates, by identifying suitable causes with local stakeholders and involving CLI staff. For more information on CLI's global community investment initiatives, please refer to page v of this CLI GSR.

CapitaLand Hope Foundation (CHF), the philanthropic arm of CapitaLand, focuses on nurturing and inspiring the young, improving the quality of life of seniors, and protecting the environment for future generations. In 2022, CLI contributed more than S\$3.3 million to CHF and CHF India⁵. CHF donated over S\$4.2 million⁶ globally in 2022.

Over the years, CHF has successfully launched several flagship programmes such as CapitaLand Hope School Programme, #LoveOurSeniors Programme and CapitaLand-Bright Horizons Fund Ready for School Programme. For more details on the CHF programmes and social impact details, please refer to the CHF Social Impact Report 2022 at <http://www.capitalandhopefoundation.com>

³ The Policy is approved by the CLI top management.

⁴ Property maintenance and project related contracts for owned and operationally-managed properties and projects. This includes supply chain complying with their own code of conduct which is equivalent or more stringent than CLI Supply Chain Code of Conduct.

⁵ CapitaLand Hope Foundation (India) ('CHF India') is a non-government, private, unlisted Section 8 company, incorporated in April 2019 along with necessary registration under Indian Income Tax (IT) Act to carry out CSR activities that qualify as CSR expenditure under Indian Companies Act, 2013. CHF India also adopted CapitaLand's corporate governance framework including internal policies, procedures and codes of business conduct (e.g. anti-corruption and whistle-blowing policies) and CHF India constitution also states that no grant or assistance shall be given in aid of any political organisation or purpose.

⁶ This amount included donations made under CHF India which is a separate entity from CHF as well as CapitaLand Development.

Social And Relationship Capital

CAPITALAND HOPE SCHOOL PROGRAMME

The CapitaLand Hope School programme was started in 2005 to provide a safe and conducive learning environment and improve children's access to education. The schools are equipped with various facilities such as a hostel, kitchen, and canteen to improve the students' well-being. Scholarships are offered for further studies and thus improving children's access to better career opportunities. To date, more than 30 schools across China, India and Vietnam have received support. CLI staff volunteers make trips periodically to the schools to provide school essentials and conduct activities for the children.



Government Kannada and English Medium Higher Primary School second CapitaLand Hope School in Bangalore, India



CapitaLand Volunteer Day at CapitaLand Le Xa Kindergarten, Tien Lu, Vietnam

#LOVEOURSENIORS

#LoveOurSeniors is an initiative in Singapore which aims to improve the quality of life of seniors through better nutrition, enhanced well-being and improved living conditions so that they can age in place. Through partnerships with like-minded partners and volunteers, CHF hopes to provide a platform for greater collaboration in better supporting the needs of seniors in the community to drive positive impact collectively. Through the CapitaLand Silver Empowerment Fund, CHF funds projects to support vulnerable seniors aged 60 and above in Singapore with facilities for learning, interest-based activities, and community interaction to promote active ageing and healthy and meaningful lifestyles.



Majestic Smart Seniors Applied Learning Centre launched in 2022 to help seniors learn about digital technology and integrate it into their daily lives

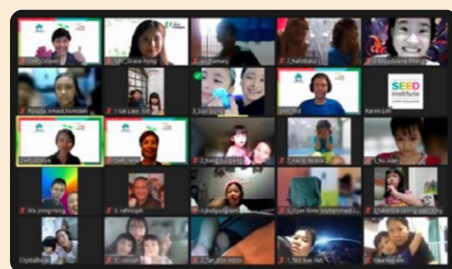


AWWA (Asian Women's Welfare Association) Community Garden launched in 2022 to provide an inclusive space for seniors

CAPITALAND-BRIGHT HORIZON FUND READY FOR SCHOOL PROGRAMME

This programme, under NTUC First Campus, supports pre-schoolers from low-income families and aids them in preparing for Primary 1 education.

The programme includes language, literacy and numeracy capability building, and provision of schooling essentials such as school bags, stationery sets, storybooks and lunch boxes. It also instills in children the importance of protecting the planet through environmental education.



Virtual Environment Education for preschoolers delivered by CLI Staff volunteers

Social And Relationship Capital

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 2020⁷. Understanding the interconnections between the living arrangements of seniors and their health and well-being is particularly relevant 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 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;
- Providing 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;
- Accessible (handicapped) parking lots and family lots;
- Barrier-free access from accessible (handicapped) parking lots and family lots to lift lobbies;
- Sheltered and barrier-free drop-off areas;
- 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 operationally-managed properties⁸.

Location and Green Transportation



- ~95% of CLI's properties worldwide are conveniently located near transport hubs such as bus stops and train/subway stations. This allows for easy access to the nearby communities and facilities.
- Bicycle parking facilities are also provided at many of its properties. Some of its properties in Singapore offer electric car-sharing option in partnership with BlueSG.

Universal Design and Community Access



- ~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.
- ~89% 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.

⁷ By the United Nations Department of Economic and Social Affairs.

⁸ Percentage computed based on gross floor area of CLI's owned and operationally-managed properties.

Social And Relationship Capital

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 to offer rent-free office space to volunteer welfare organisations (VWO) in 2005. It also tapped on the Urban Redevelopment Authority Community/ Sports Facilities Scheme which promotes the integration of community facilities at its properties. These include facilities for the office tower with VWO tenants at Junction 8, Singapore Dance Theatre's dance studios and supporting facilities in Bugis+, 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, social spaces and experiential programmes at Ascott's co-living properties enable its guests to forge connections as a community and immerse in the local culture.



CAPITASPRING, SINGAPORE BCA Universal Design Gold^{PLUS} Award

CapitaSpring is an integrated development located in Singapore's central business district. The 51-storey building comprises Grade A office spaces, Citadines Raffles Place Singapore, a serviced residence managed by Ascott, ancillary retail space, as well as a food centre occupying two floors in the development that offers family-friendly tables and seats.



The building's namesake draws from the development's Green Oasis, an open-air garden at 100 metres above ground that occupies levels 17 to 20 of the development. The Green Oasis mimics the plant hierarchy of tropical rainforests, with native plants and shade-tolerant plants used for landscaping. The Sky Garden at the rooftop features a 5,000-sq ft urban farm to supply the building's restaurants with fresh produce. These green spaces offer a reconnection with nature in the middle of the city, and provide a social space for the building occupants and public. There is also an amphitheatre at the Sky Garden, which can be used for community activities, lifestyle events and live band performances.



In support of the government's drive toward a car-lite society and to promote healthy living, CapitaSpring has amenities including a cycling path around its perimeter, 165 bicycle lots and end-of-trip facilities for users. There is sheltered access from CapitaSpring to three train lines via Raffles Place MRT interchange and Telok Ayer MRT station.



From top to bottom:
Green Oasis, Sky Garden, Urban farm,
Bicycle lot and end-of-trip facilities

CapitaSpring has clear directional signages, Braille signages as well as handrails with Braille indicators. It is guide dog-friendly and facial recognition technology is used at the office entrance gantry to facilitate access. Family-friendly amenities such as nursing and family rooms, a diaper changing station, restrooms with child-friendly seats and wash basins, senior-friendly restrooms with grab bars, and family rooms at the food centre are available in the building.

Organisational Capital

CLI has strived, where applicable, to align its policies, practices and reporting 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



In February 2023, the International Sustainability Standards Board (ISSB)¹ announced the approval of the final versions of ISSB's first two standards: IFRS S1, *General Requirements for Disclosure of Sustainability-related Financial Information*, and IFRS S2, *Climate-related Disclosures*, which will be released by the end of 2Q 2023, and effective 1 January 2024. CLI is reviewing the exposure drafts and has incorporated some elements of the requirements of these two standards in this report.

CORPORATE GOVERNANCE

CLI, together with its subsidiaries, REITs and business trusts, embraces the tenets of sound corporate governance including accountability, transparency and sustainability. It is committed to enhancing value for its stakeholders with the appropriate people, processes and structure to direct and manage the business and affairs of CLI, achieve operational excellence and deliver CLI's long-term strategic objectives.

The values, ethics and practices of CLI provide the foundation for a trusted and respected business enterprise. CLI's 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 CLI.

The Corporate Governance Report in the CapitaLand Investment Limited Annual Report 2022 sets out the corporate governance practices for financial year (FY) 2022, 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 pages 97-142 in the CapitaLand Investment Limited Annual Report 2022.

Board Independence, Diversity and Performance

The Nominating Committee (NC) and the Board review from time to time the size and composition of the Board and Board Committees and whether it is appropriate in facilitating effective decision-making. The review takes into account the scope and nature of CLI's operations, the evolving external environment and the competition the Company faces.

CLI recognises the importance of maintaining an appropriate level of independence and diversity of thought and background in the Board composition to enable the Board to make decisions in the best interests of CLI. The Board considers that the current Board and Board Committees' compositions reflect diversity of thought and background. 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, CLI will appoint a Lead Independent Director and ensure that the Board comprises a majority of independent Directors.

¹ The International Sustainability Standards Board (ISSB) is a standard-setting body established in 2021 under the IFRS Foundation, whose mandate is the creation and development of sustainability-related financial reporting standards to meet investors' needs for sustainability reporting. The ISSB builds on the work of market-led investor-focused reporting initiatives—including the Climate Disclosure Standards Board, Task Force on Climate-related Financial Disclosures (TCFD), the Value Reporting Foundation's Integrated Reporting Framework and industry-based Sustainability Accounting Standards Board (SASB) Standards, as well as the World Economic Forum's Stakeholder Capitalism Metrics.

Organisational Capital

CLI has a significant majority of independent Directors – 8 out of 10 Directors² are non-executive independent Directors. The non-executive Chairman and the Group CEO are the only non-independent Directors. This exceeds the requirements in the Listing Manual, the Code and the Board Charter.

Other than the Group CEO who is the only executive Director on the Board, non-executive Directors make up the rest of the Board.

As the Chairman is non-independent, a Lead Independent Director was appointed, whose main duties are to facilitate the functioning of, and provide leadership to, the Board if circumstances arise in which the Chairman may be (or is 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 (and additionally as and when circumstances require) the independence of each Director, in accordance with the requirements of the Listing Manual of the SGX-ST, the Code and where relevant, the recommendations set out in the Practice Guidance accompanying the Code, that are relevant in the determination as to whether a Director is independent. A Director is considered independent if he/she has no relationship with CLI, 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 CLI.

CLI follows a rigorous process to evaluate the independence of the Directors who it considers as independent. For more details, please refer to the Corporate Governance Report in CapitaLand Investment Limited Annual Report 2022 pages 105-109.

CLI embraces diversity and has in place a Board Diversity Policy which provides for the Board to comprise talented and dedicated Directors with a wide mix of expertise (including industry, domain and functional expertise), skills, experience (including international experience) and perspectives, with due consideration to diversity in gender, age, tenure, ethnicity and culture, and geographical background including nationality, as well as any other relevant aspects of diversity. 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 CLI has the opportunity to benefit from all available talent and perspectives, which is essential to effective business governance and for ensuring long-term sustainable growth.

CLI's diversity targets, plans, timelines, and progress towards achieving these targets are described in the following table. Further information on the progress achieved during FY 2022 can be found at "Board Composition and Renewal" under Principle 4 of the Corporate Governance Report in CapitaLand Investment Limited Annual Report 2022 pages 113-115.

² There were 10 directors as at 15 March 2023. Tan Sri Abdul Farid bin Alias was appointed as a Director on 1 January 2023. We have aligned this disclosure with the Corporate Governance Report in CapitaLand Investment Limited Annual Report 2022. For data as at 31 December 2022, please refer to the Key ESG Data Summary (Governance data) in the Appendix.

Organisational Capital

Board Diversity

Diversity Targets, Plans and Timelines		Targets Achieved/Progress Towards Achieving Targets	
Gender	To have at least 2 female Directors on the Board during the period leading up to 2025. CLI believes in achieving an optimum mix of men and women on the Board to provide different approaches and perspectives.	●	As at the end of FY 2022, 2 out of 9 Directors are female. This represents 22% of the Board.
Age	To ensure that the Board comprises Directors across the following age groups: (a) 50 and below; (b) 51 to 60; and (c) 61 and above, and to maintain such level of age diversity during the period leading up to 2025. CLI believes that age diversity would provide a broad spectrum of thoughts and views in the Board's and Board Committee's deliberations.	●	As at the end of FY 2022, the Board comprises Directors across all 3 age groups. In particular, 2 Directors are below 50 years of age, 2 Directors are between 50 to 60 years old, and 5 Directors are 60 years old and above.
Tenure	To ensure that the Board comprises Directors across the following tenure groups: (a) less than 3 years; (b) 3 to 6 years; and (c) more than 6 years, and to maintain such level of tenure diversity during the period leading up to 2025. CLI believes that tenure diversity would facilitate Board renewal progressively and in an orderly manner, while ensuring continuity in knowledge about the Company and its business operations and sustainability of corporate performance.	●	As at the end of FY 2022, the Board comprises Directors across all 3 tenure groups. In particular, 3 Directors have been on the Board for less than 3 years, 5 Directors have been on the Board for 3 to 6 years and 1 Director has been on the Board for more than 6 years[^]. [^] This takes into account the Directors' respective tenures on the Board of CL (now known as CapitaLand Group Pte. Ltd. (CLG)), if any. As disclosed on page 158 of the Company's Introductory Document dated 17 July 2021, in view that the appointment of the relevant independent directors of CL (now known as CLG) as CLI's independent directors was a natural transition from such directors' appointments as independent directors of CL, for the purposes of compliance with Rule 210(5)(d)(iii) of the Listing Manual (repealed on 11 January 2023), the period served by such directors as independent directors of CL should be counted towards, and treated as part of, the cumulative period that such directors will serve as the CLI's independent directors.

Organisational Capital

Diversity Targets, Plans and Timelines		Targets Achieved/Progress Towards Achieving Targets	
Skills & Experience	To ensure that the Directors, as a group, possess: (a) a variety of skill sets, including in core competencies, domain knowledge and other fields of expertise, such as finance, banking, real estate, fund and investment management and technology; and (b) a mix of industry experience, management experience, business acumen and listed company board experience, particularly on organisational development, sustainability and environmental, social and governance (ESG) matters, by 2025, or (if applicable) to maintain such level of diversity in skill sets and experience during the period leading up to 2025. CLI believes that diversity in skill sets would support the work of the Board and Board Committees and needs of CLI, and that an optimal mix of experience would help shape CLI's strategic objectives and provide effective guidance and oversight of Management and CLI's operations. CLI continually endeavours to deepen the bench strength of the Board with complementary and relevant expertise, including in the areas of fund and investment management, organisational development, sustainability and ESG matters.	○ As at the end of FY 2022, the Board comprises Directors who, as a group, possess a significant majority of the identified core skills and experience. There are opportunities to strengthen certain skill sets including fund and investment management and technology. In terms of skill sets, the Board comprises Directors with a variety of skills and expertise in areas including finance, banking, real estate, fund management, international capital markets and technology. In terms of experience, the Board comprises Directors who are corporate and business leaders and who collectively have experience in general business management, have served on public listed company boards and have international or regional experience. In terms of industry experience, the Directors collectively have exposure in various sectors and markets, including the venture capital industry, the China market and the international capital markets networks.	

Legend

- Achieved/Exceeded Targets
- In progress towards meeting 2025 targets

CLI is committed to maintaining diversity in the Board and will continue to disclose any future progress made towards attaining the targets in future Corporate Governance Reports as appropriate.

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 with the appropriate background and industry or related expertise and experience. In identifying possible candidates and making recommendations of 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 skills, experience, gender, age, tenure, ethnicity, culture, geographical background and nationality, as well as educational, business and professional background of its members. CLI Board, taking into account the views of the NC, is of the opinion that the Board's current size is appropriate with an appropriate balance and diversity of skills, experience, gender, age, tenure, ethnicity, culture, and geographical background including nationality, taking into account CLI's diversity targets, plans and timelines and objectives of the Board Diversity Policy and the Company's business needs and plans, for effective decision-making, quality discussions and constructive debate. For more information, please refer to the Corporate Governance Report in CapitaLand Investment Limited Annual Report 2022 pages 110-111.

Organisational Capital

In respect of individual Directors, a formal evaluation is also carried out on an annual basis. For FY 2022, the Board Chairman and NC Chairman jointly evaluated each individual Director using an agreed evaluation framework as a guide. The evaluation criteria include Director's duties, contributions and conduct. Feedback from selected Senior Management members was also sought as part of the process. The NC Chairman also held one-to-one conversations with each of the Directors to discuss strengths and opportunities, with the sessions being received positively by the Directors. Formal evaluation is also carried out by the NC when a Director is due for retirement by rotation and is seeking reelection. The NC also considers 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 and 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 and Ethics. This sets the appropriate tone at the top in respect of the desired organisational culture of ethics and integrity, and ensures proper accountability within the Company. In line with this, the Board has incorporated in the Board Code of Business Conduct and Ethics a standing policy that each Director must not allow himself/herself to get into a situation where his/her duty to the Company conflicts with his/her own interests. The Company also has a policy that it does not provide loans to Directors.

Fraud, Bribery and Corruption Risk Management Framework

CLI adopts a zero-tolerance stance against any Fraud, Bribery and Corruption³ (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.

FBC Risk Management Framework

Board Oversight and Senior Management Involvement

The Board, with the support of the Audit Committee, Risk Committee and Senior Management, is responsible for the oversight and governance of FBC Risk Management.

FBC Risk Management Strategy



Prevention

- Process-specific Controls
- Risk Assessment
- Knowing and Managing Third Parties
- Managing Conflicts of Interest
- Hiring



Detection and Monitoring

- Detection of Irregularities
- Monitoring of Fraud Risk Profile
- Independent Review & Audit
- Report Fraud Incident



Response

- Investigation
- Insurance & Recovery
- Protocol to observe when contacted by Authorities
- Disclosure to Authorities and Media
- Disciplinary Actions
- Review of Controls

Risk-Aware Culture

A risk-aware culture, underpinned by the Group's organisational culture, values and practices, sets the foundation for effective management of FBC risks.

³ (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.

Organisational Capital

Together with various CLI policies and procedures, the FBC Risk Management Policy is published on CLI's intranet and is accessible by staff. The policies 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, and educating its staff on business conduct and ethical values.

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 CLI'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 place⁴. Donations are not to be made to any political causes through CLI and/or the Group's philanthropic arm, CapitaLand Hope Foundation (CHF).
- Abiding by the Anti-Money Laundering and Countering the Financing of Terrorism Policy;
- 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	• 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	• FBC Risk Management Policy • CLI Supply Chain Code of Conduct, and anti-corruption clause in key contracts
Feedback Channels	• Whistle-blowing reporting	• Whistle-blowing reporting

A whistle-blowing policy and other procedures, including grievance handling, are in place to provide CLI's staff and external parties who have dealings with the Company, with a well-defined, accessible and trusted channel to report grievances, 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.

⁴ 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.

Organisational Capital

The Board, with the assistance of the Audit Committee (AC) and Risk Committee (RC), as well as support from Senior Management, is responsible for the oversight and governance of FBC Risk Management. In conjunction with the assessment by the RC, the AC assesses the adequacy and effectiveness of the internal controls (including financial, operational, compliance and information technology controls) and risk management systems established by management to manage risks.

Substantiated cases are reported quarterly to both the AC and RC and shared with the risk management champions regularly. Actions taken can include termination of the staff's contract, and/or reporting to the appropriate external authorities. In 2022, eight cases were substantiated⁵. CLI staff involved in five 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. CHF's constitution also states that no grant or assistance shall be given in aid of any political organisation or purpose.

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 CLI's core values and principles that shape the way CLI works and functions. This is a compulsory component in the onboarding training for new staff as part of the CLI Immersion Programme (CIP), a staff orientation for new staff from various countries. For existing staff, there are dedicated training courses in Singapore where specific examples and applications of CLI core values in the workplace are shared. As the majority of CLI's staff are based in China, this training component is also offered there.

In 2022,

- Close to 90% (>8,500) of CLI staff clocked in over 11,000 hours of training pertaining to ethics and code of conduct, such as anti-corruption, preventing and detecting fraud, money laundering, profiling and investigation techniques through the aid of FBC e-learning courses.
- 63% (>6,000) of CLI 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.
- More than 80%⁶ (>7,500) of CLI staff attended a whistle-blowing e-Learning session to strengthen awareness of internal policies and equip them with the knowledge to exercise professional judgment and/or obligations regarding when to whistle-blow through scenarios illustration.
- At least 1,200 CLI staff underwent training on CLI's core values and principles.



⁵ These cases were disclosed regardless of the financial amount, and even if there were no loss to the Company. The financial amounts were insignificant.

⁶ Based on ending staff strength as at 31 Aug 2022.

Organisational Capital

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 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 Company'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 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 ESG-related risks, along with their key controls and mitigating measures. Material risks and their associated controls are consolidated and reviewed at the CLI level before they are presented to the RC, AC and the CLI Board.

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 the results recorded for continual improvements to be made.

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 CLI Management Council.

Ongoing digitalisation of the business 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, financial 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 (for information, please refer to Human Capital chapter) ;
- 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 assessments to further strengthen the IT systems;
- Regularly update the RC on the state of cyber security risk activities and key control improvements.

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 2022 pages 92-96.

Organisational Capital

2030 SUSTAINABILITY MASTER PLAN (SMP) TARGETS AND PERFORMANCE

CLI's revised 2030 Sustainability Master Plan reflects the Group's 2030 targets and pathways to steward responsible business conduct and governance.

	2030 Target ⁷	2022 Performance
Corporate Governance	At least 85% of CLI staff to attend one compliance related training.	● Close to 90%⁸ of staff attended FBC awareness online training. ● More than 80%⁹ of staff attended whistle-blowing training. ● 63% of staff attended Cybersecurity training.
	Ensure sustainability targets are integrated into CLI Performance Share Plan and Balanced Scorecard framework to determine executive remuneration and Business Units' KPIs.	● Under the Balanced Scorecard framework, CLI's strategy and goals are translated to performance outcomes comprising both quantitative and qualitative targets in various dimensions including sustainability. These are cascaded down throughout the organisation, thereby creating alignment across CLI. ● For more information regarding executive remuneration, please refer to the CapitaLand Investment Limited Annual Report 2022 pages 122-125.
Transparent Reporting	Ensure reporting is aligned to international standards such as TCFD and GRI with disciplined internal checks as well as external assurance of data by accredited bodies.	● CLI's sustainability reporting has been aligned to GRI Standards and Greenhouse Gas (GHG) Protocol (operational control method) since 2009, CDP since 2010, GRESB since 2013, VRF's Integrated Reporting Framework since 2015, UN SDG Reporting since 2016, TCFD framework since 2017, and SASB Standards since 2020. ● CLI's Global Sustainability Report has been externally assured since 2010. Please refer to the appendix of this report for the Independent Assurance Statement.
Risk Reporting	Ensure processes to identify, assess, and manage sustainability risks and opportunities in the short-, medium-, and long-term are integrated into overall enterprise risk management processes.	● Annual group-wide RCSA exercise requires business units and corporate functions to identify, assess and document material risks which include ESG-related risks and opportunities, along with their key controls and mitigating measures. ● For more information on CLI's RCSA exercise and risk management processes, please refer to the CapitaLand Investment Limited Annual Report 2022 pages 92-96.
	Ensure sustainability risks and opportunities are managed in line with overall risk appetite and strategy.	● CLI's revised 2030 SMP was launched in May 2023 after a regular review to ensure that it remains relevant to CLI's business strategy and is aligned with climate science. ● Performance against CLI SMP targets and Balanced Scorecard targets is tracked and reported to CLI Management and Board at least annually.

Legend

- Achieved/Exceeded Targets
- In progress towards meeting 2030 targets

⁷ These targets are intended to reflect the organisation-wide goals set by CLI on a group basis, and are intended to be implemented subject to and taking into account (i) fair and equitable employment practices and principles under applicable laws and market practice and (ii) the business and operational needs of the Company and the organisation, as applicable.

⁸ Based on staff strength as at 30 September 2022.

⁹ Based on staff strength as at 31 August 2022.

Financial Capital

In FY 2022, CLI achieved a 5.5% return on equity with PATMI of S\$861 million, comprising Operating PATMI of S\$609 million, portfolio gains of S\$222 million and revaluation gains from investment properties of S\$30 million. CLI's Operating PATMI for FY 2022 of S\$609 million was 23% higher than the S\$497 million from FY 2021. This was mainly attributable to better performance in the fee income-related business (FRB) and recovery in the lodging business as demand for global travel resumes and contributions from new management contracts. CLI is strengthening its pivot to become a global real estate investment manager with a focus on driving fee income.

Amidst the challenging macroeconomic conditions, CLI registered lower portfolio gains of S\$222 million, 64% lower than the exceptional gains of S\$616 million recorded in FY 2021 due to lower volume of asset recycling activities and the absence of a significant gain of S\$274 million from the restructuring of CLI's interests in the six Raffles City properties in China. In terms of revaluation of investment properties, the portfolio valuation was largely stable. However, when compared to FY 2021, the gains from revaluation of investment properties of S\$30 million were 87% lower than FY 2021. This was mainly attributable to lower gains from properties in developed countries.

Year	2022	2021
Revenue under management (S\$ million) ¹	7,557	6,706
Revenue (S\$ million) ²	2,876	2,293
Earnings before interest, tax, depreciation and amortisation (EBITDA) (S\$ million)	1,966	2,469
Profit/(Loss) attributable to shareholders (PATMI) (S\$ million)	861	1,349
Operating PATMI (S\$ million)	609	497
Earnings per share (cents)	16.8	38.3
Net Tangible Assets per Share (S\$)	2.74	2.93
Return on Equity (ROE) (%)	5.5	8.7
Ordinary dividend per share (cents)	12.0	12.0
Special dividend per share (cents) ³	6.1	3.0
Total dividend per share (cents)	18.1	15.0

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

CLI 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 Group'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, CLI actively diversifies its funding sources by putting in place a combination of bank facilities and capital market issuances.

¹ Revenue under management includes full revenue of CLI's global portfolio, including revenue of its non-consolidated funds and its six listed real estate investment trusts and business trusts - CapitaLand Integrated Commercial Trust (CICT), CapitaLand Ascendas REIT (CLAR), CapitaLand Ascott Trust (CLAS), CapitaLand China Trust (CLCT), CapitaLand India Trust (CLINT) and CapitaLand Malaysia Trust (CLMT). This aligns with the reporting scope of the CLI Global Sustainability Report 2022.

² Revenue in CLI's consolidated financial statements excludes revenue from the non-consolidated funds, and four listed real estate investment trusts and business trusts, namely CICT, CLCT, CLAR, and CLINT. In the financial statements, the Group equity accounted for its investment in CICT, CLCT, CLAR and CLINT as associates, in accordance with the Singapore Financial Reporting Standards (International) (SFRS(I)) and International Financial Reporting Standards (IFRS).

³ Special dividend per share for FY 2022 was based on the closing market price of S\$1.07 per CLAS Unit on 11 May 2023 multiplied against the distribution ratio of 0.057013 CLAS Units per Share.

Financial Capital

CLI continued to explore new ways to improve its financial flexibility and resilience through sustainable finance instruments, reinforcing CLI's commitment towards responsible growth. In FY 2022, CLI and its listed real estate investment trusts (REITs) and business trusts obtained over S\$4.7 billion⁵ in sustainable financing, which included sustainability-linked loans 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 environment, social and governance (ESG) indicators in 2022, CLI continued to achieve savings from the reduced interest rates on its sustainability-linked loans. The savings would be redeployed to support CLI's ESG initiatives, spurring better sustainability outcomes. CLI's listed REITs and business trusts have also secured sustainability-linked loans and bonds, green loans, green bonds and perpetual securities.

LEVERAGING SUSTAINABLE FINANCE FOR DECARBONISATION

Since 2018, over S\$11.6 billion has been raised in sustainable finance by CLI including its listed REITs and business trusts.

1st
and largest sustainability-linked
loan (SLL) in Asia's real estate
sector at that time (2018)

1st
loan facility agreement
referencing Singapore Overnight Rate
Average in Singapore (2020)

Diverse product types...



...pegged to specific targets

- Performance ratings on global ESG indices like GRESB and DJSI
- Minimum green building certification level of the underlying portfolio
- Specific targets for reduction in carbon, energy and water intensities as per SMP 2030

Benefits of Sustainable Financing

- Interest rate savings from SLLs that can be channelled back into decarbonisation investments
- Expanding and deepening the pool of financing partners across geographies
- Demonstrate CLI's sustainability leadership in the industry

For a detailed breakdown of CLI's FY 2022 financial results, three-year financial summary, economic value-added statement, and value-added statement, please refer to the following sections in the CapitaLand Investment Limited Annual Report 2022:

- Performance Highlights, page 7
- Three-Year Financial Summary & Performance Review, pages 33-37
- Value-Added Statement, page 276

⁵ Close to S\$11.6 billion raised in sustainable finance by CLI and its listed REITs and business trusts as at 31 December 2022 since 2018.

Appendix

TCFD Recommendations

TCFD DISCLOSURE

CLI is making a 2022 progress update of its climate-related disclosure in line with Taskforce for Climate-related Financial Disclosure (TCFD) recommendations. CapitaLand has pledged its support for the recommendations by the TCFD since 2019 and voluntarily disclosed since 2017 some of its climate-related financial disclosures in four key areas (i. governance, ii. strategy, iii. risk management, and iv. metrics and targets) as recommended by the TCFD.

GOVERNANCE

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

The Board sets CLI's risk appetite, which determines the nature and extent of material risks that CLI is willing to take to achieve their strategic and business objectives. 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 climate-related initiatives. It is updated at least twice a year at the quarterly or ad hoc Board meetings on relevant climate-related topics including CLI's 2030 Sustainability Master Plan (SMP), green capital expenditure plan and review to sustain green rating of the properties, performance metrics such as carbon emissions performance and progress on the carbon emissions reduction targets, as well as stakeholders' expectations, if any, on climate related topics. Environmental incidents, which may include climate-related damages or disruptions, are also reported to the Board. As Environment, Health and Safety (EHS) factors are considered as part of the asset investment evaluation process and strategy, they are presented to the Board where relevant.

CLI groupwide sustainability management comes under the purview of a CLI Board Committee, the Strategy and Sustainability Committee. The CLI Strategy and Sustainability Committee, chaired by Lead Independent Director, 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. It is supported by the Group Sustainability Office and various work teams to drive continued progress and improvement in the areas of ESG. This governance is cascaded through the Leadership Council and Sustainability Management Committee at senior management levels, to the various work teams that comprise representatives from CLI business units and corporate functions. Please refer to the Introduction chapter for more details on CLI Sustainability Management Structure.

CLI 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 are key ESG material issues identified as relevant and critical for CLI. This has been confirmed with this year's CLI ESG factors materiality review. Climate change risk has also 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.

Appendix

TCFD Recommendations

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.

- 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. An internal carbon price is also applied. Environment, Health and Safety (EHS) factors are considered as part of the asset investment evaluation process and strategy. Significant findings from the assessment would be incorporated in the investment paper submitted to CLI's Group Investment Management Committee and/or Board for approval.
- Through the implementation of the CLI's 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 adaptation of climate change. 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.
- CLI's revised 2030 Sustainability Master Plan (SMP) 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 newly elevated renewable energy target, 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 sustainability strategy.

As part of the revised CLI 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. In 2022, CLI and its real estate investment trusts (REITs) and business trusts commenced a climate scenario analysis for its global portfolio to understand how the identified climate-related risks and opportunities could impact future operations. This analysis considers scenarios based on the latest global and scientific developments (scenarios from 1.5°C to 3°C for current to long-term time frames), to draw conclusions on the financially material physical and transition risks and to validate its current strategy. CLI and its REITs and business trusts are reviewing their mitigation and adaptation plans, and identify opportunities that align with CLI's 2030 SMP. The SMP was designed to enable CLI to build resilience throughout its operations and future-proof its real estate portfolio to guard against climate change risks, avoid premature obsolescence and adopt available opportunities. This will also present new opportunities in differentiating the company in the markets where it has a presence in.

Appendix

TCFD Recommendations

Scenario Analysis on Future Climate-Related Risks and Opportunities

The climate scenario analysis for its global portfolio considered the parameters listed below:

Key Physical Risk Scenarios	NGFS ^[a] 1.5°C Orderly NGFS 2°C Orderly NGFS 3°C Hot House World (NDC ^[b])
Key Transition Risk and Opportunities Scenarios	CRREM ^[c] 1.5°C CRREM 2°C NGFS 3°C SSP2 ^[d] Hot House World
Time Horizon	2050 and 2100
Geographical coverage (This includes portfolios of CLI REITs and business trusts**)	All assets* within operating regions. More than 400 properties across more 20 countries including: Singapore, China, India, Japan, Korea, Australia, United States and countries in Europe

* CLI owned properties, as of 31 December 2022.

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

[a] The Network of Central Banks and Supervisors for Greening the Financial System (NGFS)

[b] Nationally Determined Contributions (NDC)

[c] Carbon Risk Real Estate Monitor (CRREM)

[d] Shared Socioeconomic Pathways (SSP)

The analysis includes both quantitative and qualitative assessments. The quantitative assessments of potential financial impacts are based on available climate-related projections and assumptions under the abovementioned scenarios. Six physical risks, including fluvial flooding, coastal flooding, extreme heat, tropical cyclones, wildfires and extreme cold, and one transition risk on shifts in carbon price, were assessed during this process. CLI is also working with external parties to quantify financial impact from other transition risks and opportunities. For other material risks which are more difficult to quantify, such as changes in consumer and investor preferences, a qualitative assessment is conducted based on internal stakeholder consultation within CLI. Please refer to Table 1 and 2 for the list of physical and transition risks assessed.

Potential impacts of climate-related risks and opportunities assessed across the portfolio are identified under different scenarios. CLI faces more exposure to physical risks under the 3°C scenario in the long term, as minimal transition policies are expected to be in place while the development of low-carbon technology or related market changes may be slower. Under the 1.5°C and 2°C scenarios, CLI faces higher levels of transition risks as more stringent climate-related policies are expected to be introduced and implemented.

The insights on both quantitative and qualitative assessments of the risks identified provide a basis for the next steps in understanding the severity of risk impacts across time horizons. More details on the assessments and results will be published in a standalone TCFD report by end 2023.

Table 1: Material physical risks assessed under the 3°C scenario

Risk Type	Primary Risk Driver	Potential Impacts
Coastal flooding	Properties in coastal areas may be exposed to steady and continuous sea level rise	- Increase in assets exposed to coastal flooding - Increase in capital expenditures to construct coastal defense and flood control infrastructure
Tropical cyclones	Properties may face more frequent and severe tropical cyclones	- Higher chance of damage in specific asset locations that are tropical cyclone-prone - Increase in operating costs (e.g. business interruption)
Fluvial flooding	Water level rise in rivers could occur due to excessive rain or snow melt	- Increase in assets exposed to growing severity of river floods - Increase in operating costs (e.g. repair costs, business interruption)
Extreme heat	Hot days and extreme heat could become more common and/or severe	Increase in cooling demand leading to higher electricity costs
Wildfires	Risk of wildfires could increase in extremely dry conditions, such as drought, and during high winds	- Increase in assets exposed to wildfires - Increase in operating costs (e.g. filtration demand, business interruption)
Extreme cold	Cold days and extreme cold could become more common and/or severe	Increase in warming demand leading to higher electricity costs

Appendix

TCFD Recommendations

Table 2: Material transition risks and opportunities assessed under the 1.5°C scenario

Risk Type	Primary Risk Driver	Potential Impacts
Shifts in carbon prices	Carbon emissions are being priced through taxation or emissions trading schemes	• Increase in operational costs associated with carbon pricing
Changes in regulator expectations	Regulators with more stringent policies and regulations around climate change for the real estate sector	• More comprehensive disclosures expected on climate change actions and metrics
Changes in customer expectations and increased demand for green products and services	Consumer preferences could change and shift towards low emissions products and services, such as greener buildings	• Increase in number of tenants and guests seeking assets with green credentials • Increase in revenue by tapping on the green rental premium created by increased demand for sustainable buildings • Increase in asset value for low carbon buildings
Shifts in electricity prices	Growing adoption of renewable energy could drive changes in electricity costs	• Increase in capital investment in renewable energy • Fluctuations in operating costs from electricity price variability
Use of new technologies	Investment in technologies for improving energy and water	• Reduced exposure to carbon price, electricity price and water price increases • Reduction in operating costs
Increased demand for green products and services	Shift in consumer preferences and development of low emissions goods and services	• Increase in revenue by tapping on the green rental premium created by increased demand for sustainable buildings • Increase in asset value for low carbon buildings

As an ongoing process, CLI will review and update, if appropriate, the processes associated with risk management in order to account for the material environmental and climate-related risks identified.

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 relevant ESG 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.

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 (MAS) in 2020 requiring financial institutions and asset managers to place greater emphasis on both physical and transition environmental risks; and the Singapore Exchange mandate introduced in December 2021 that all issuers must provide climate reporting that is aligned to the recommendations of the TCFD in their sustainability reports from the financial year commencing 2024 for the materials and buildings industry. For now, this requirement is on a 'comply or explain' basis for CLI. Another development to keep in view is the International Sustainability Standards Board (ISSB), which aims to form a comprehensive global baseline of sustainability disclosures and a harmonized set of standards for reporting on sustainability performance.
- Market risks, including shifts in carbon and electricity prices, or customer expectations, prompted by the conclusions of conferences, such as COP27 in November 2022, where it was further stressed that urgent action is needed to combat global warming, and 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 that will strengthen Singapore's commitments under the United Nation's 2030 Sustainable Development Agenda and Paris Agreement, and position Singapore to achieve its long-term net zero emissions aspiration by 2050, are also monitored as they affect the day-to-day operations and practices of CLI.

Appendix

TCFD Recommendations

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, CapitaLand had its carbon emissions reduction targets for scope 1 and 2, approved by the Science Based Targets initiative (SBTi) for a 1.5°C scenario in 2022. This target is in line with the goals of the Paris Agreement to keep global temperature rise to 1.5°C in this century. CLI also committed to Net Zero by 2050 for its scope 1 and 2 emissions.

To calculate its carbon emissions, CLI takes guidance from the operational control approach as defined by the GHG Protocol Corporate Standard. For more information, please refer to the Environmental and Manufactured Capital Chapter. 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 the Environmental and Manufactured Capital Chapter.

CLI sets 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 FY2022 which included both quantitative and qualitative targets relating to climate change. The BSC was cascaded group-wide. Since 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 since 2021 to quantify climate-related risks and opportunities for its new investments. It also continues to develop its propriety metric, Return on Sustainability, in addition to the regular financial return to measure its ESG impact. This 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 against environmental impacts such as carbon emission 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 CLI'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.

Appendix

Material Topics And Boundaries

Material Topics	Topic Boundary: Internal and External
ECONOMIC AND GOVERNANCE	
Economic Performance	CapitaLand Investment (CLI)
Market Presence	CLI, investors
Indirect Economic Impacts	CLI, community
Anti-Corruption	CLI, investors, customers, communities
Public Policy	CLI
ENVIRONMENTAL	
Energy	CLI
Water and Effluents	CLI, contractors
Biodiversity	Relevant to the communities where CLI operates
Emissions	CLI
Waste	CLI, contractors and suppliers
Supplier Environmental Assessment	CLI, contractors and suppliers
SOCIAL	
Employment	CLI
Labour/Management Relations	CLI
Occupational Health and Safety	CLI, contractors
Training and Education	CLI
Diversity and Equal Opportunity	CLI
Non-Discrimination	CLI
Child Labour	CLI, contractors
Forced or Compulsory Labour	CLI, contractors
Local Communities	CLI, communities
Supplier Social Assessment	CLI, contractors
Customer Health and Safety	CLI, tenants, contractors, suppliers, and communities
Marketing and Labelling	CLI, customers
Customer Privacy	CLI, customers, investors

Appendix

Key ESG Data Summary

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	2022
GREENHOUSE GAS EMISSIONS¹					
Scope 1	t CO ₂ e	34,795	23,300	24,862	28,941
Scope 2	t CO ₂ e	695,525	607,547	613,314	651,786
Scope 3 comprising the following:					
Corporate air travel (originating from Singapore headquarters)	t CO ₂ e	1,155	83	52	504
Tenants' energy consumption ²	t CO ₂ e	-	-	676,606	810,445
Construction activities	t CO ₂ e	22,200	18,693	2,199	2,628
Third party-managed properties' energy consumption ³	t CO ₂ e	-	-	-	66,203
Waste generated ⁴	t CO ₂ e	-	-	-	44,039
Emission intensity by GFA, Scope 1 and Scope 2 ⁵	kgCO ₂ e/m ²	48.0	39.7	39.7	40.7
Emission intensity by revenue ⁶ , Scope 1 and Scope 2	t CO ₂ e/\$ million	-	-	95	90
ENERGY CONSUMPTION (landlord-controlled areas for CLI operationally-managed properties)					
Total energy consumption	million MJ	5,819	5,155	5,260	5,538
	GWh	1,616	1,432	1,461	1,538
Direct fuel combustion	million MJ	659	445	476	555
	GWh	183	124	132	154
Natural gas	% of Total Energy	10.1	8.0	8.5	9.4
Diesel fuel	% of Total Energy	1.0	0.5	0.5	0.5
Other fuels (petrol, LPG)	% of Total Energy	0.2	0.2	0.1	0.2
Purchased energy	million MJ	5,160	4,711	4,784	4,983
	GWh	1,433	1,309	1,329	1,384
Electricity	% of Total Energy	77.3	76.2	76.0	76.5
Heat/steam/chilled water	% of Total Energy	11.4	15.2	15.0	13.4
Proportion of electricity from renewables	% of electricity	2.0	3.2	4.3	5.0
Energy consumption intensity	kWh/m ²	100.7	82.7	84.1	85.9
WATER WITHDRAWAL (landlord-controlled areas for CLI operationally-managed properties)					
Total water withdrawal	million m ³ (or '000 megaliters)	13.7	11.3	12.0	12.4
Municipal water supply ⁷	%	99.3	99.6	99.6	99.0
Harvested rainwater	%	0.04	0.01	0.01	0.01
Groundwater	%	0.6	0.4	0.4	1.0
On-site grey water recycling	million m ³ (or '000 megaliters)	0.90	0.42	0.19	0.36
Water consumption intensity	m ³ /m ²	1.01	0.76	0.76	0.77

¹ Scope 1 and 2 is computed from direct fuel combustion and purchased energy. Scope 3 comprises of scope 3 categories deemed to be material and/or optical to CLI, and is based on currently available data. CLI aims to conduct a comprehensive review of its scope 3 emissions to better track and disclose its material scope 3 emissions.

² 2022 data is based on tenant data of 233 properties operationally-managed by CLI and 13 single-leased buildings where tenants had shared data.

³ Based on 102 properties in eight countries, including US, UK, Netherlands, and Australia, for landlord-controlled areas and shared services of these third party-managed properties.

⁴ Carbon emissions from waste incineration in Singapore and waste disposal to landfill in China, India and other countries. Estimated using conversion factors from Singapore's Fourth National Communication and Third Biennial Update Report and US EPA Emission Factors Hub.

⁵ 2019 emission intensity figure updated to align with its science-based target baseline.

⁶ Revenue under management for FY2021 and FY2022 is S\$6,706 million and S\$7,557 million respectively. These values include revenue from CLI's six listed real estate investment trusts and business trusts (CICT, CLCT, CLAR, CLAS, CLMT and CLINT).

⁷ 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.

Appendix

Key ESG Data Summary

Metric	Unit	2019	2020	2021	2022
WASTE AND RECYCLING					
Total waste generated	tonnes	122,100	103,880	99,895	94,796
Waste disposed ⁸	tonnes	117,400	98,500	90,825	86,652
Recycling	tonnes	4,700	5,380	8,070	8,144
	% of total waste	3.8	5.2	8.1	8.6
Waste intensity	kg/m ²	11.3	-	-	6.2

SOCIAL DATA

Metric	Unit	2020	2021	2022
EMPLOYMENT				
Total number of staff	Number	12,343	9,934	9,731 ⁹
Total new hire rate	% (number)	13%	25%	30% (2,905)
Total turnover rate (includes voluntary and involuntary)	% (number)	22%	28%	29% (2,829)
No. of incidents relating to unlawful discrimination	No. of cases	0	0	0
No. of incidents relating to child/forced labour	No. of cases	0	0	0
DIVERSITY (Gender, Age, Region & Seniority)				
Total staff at year-end				
Male	% (number)	47%	47%	47% (4,559)
Female	% (number)	53%	53%	53% (5,137)
<30 years old	% (number)	19%	17%	17% (1,618)
30 - 50 years old	% (number)	70%	70%	69% (6,719)
>50 years old	% (number)	12%	13%	14% (1,382)
Singapore	Number	-	-	2,281
China	Number	-	-	3,957
India	Number	-	-	444
Rest of World	Number	-	-	3,049
Women in junior management	%	-	-	59%
Women in top/senior management	%	-	40%	40%
Women in management in revenue-generating functions	%	-	-	57%
Women in science, technology, engineering, and mathematics position	%	-	-	15%
Full-Time Staff				
Male	Number	-	-	4,510
Female	Number	-	-	5,055
Singapore	Number	-	-	2,275
China	Number	-	-	3,952
India	Number	-	-	444
Rest of World	Number	-	-	2,928
Part-Time/Non-Guaranteed Hours Staff				
Male	Number	-	-	49
Female	Number	-	-	82
Singapore	Number	-	-	6
China	Number	-	-	5
India	Number	-	-	0
Rest of World	Number	-	-	121

⁸ Includes waste to energy disposal in Singapore.

⁹ Total global staff count includes employees who did not disclose their birth year and/or gender. This amounts to less than 1% of staff. As such, gender and age group breakdown may not add up precisely to the total staff count.

Appendix

Key ESG Data Summary

Metric		Unit	2020	2021	2022
DIVERSITY (Gender, Age, Region & Seniority)					
Permanent Staff					
Male	Number		-	-	3,253
Female	Number		-	-	3,318
Singapore	Number		-	-	2,072
China	Number		-	-	1,596
India	Number		-	-	444
Rest of World	Number		-	-	2,487
Contract/Temporary Staff					
Male	Number		-	-	1,306
Female	Number		-	-	1,819
Singapore	Number		-	-	209
China	Number		-	-	2,361
India	Number		-	-	0
Rest of World	Number		-	-	562
RATIO OF BASIC SALARY & REMUNERATION OF WOMEN TO MEN (Seniority, Region)					
Non-Executives	Group	%	-	13% in favour of female	8% in favour of female
	Singapore	%	-	8% in favour of male	10% in favour of male
	China	%	-	8% in favour of male	7% in favour of male
Executive	Group	%	-	6% in favour of female	1% in favour of female
	Singapore	%	-	2% in favour of female	0.1% in favour of male
	China	%	-	1% in favour of male	1% in favour of male
Managerial	Group	%	-	9% in favour of male	4% in favour of male
	Singapore	%	-	11% in favour of male	14% in favour of male
	China	%	-	10% in favour of male	6% in favour of male
NEW HIRES RATE (Gender, Age & Region)¹⁰					
Male	% (number)		12%	23%	29% (1,317)
Female	% (number)		13%	26%	30% (1,542)
<30 years old	% (number)		29%	61%	74% (1,197)
30 – 50 years old	% (number)		9%	18%	23% (1,550)
>50 years old	% (number)		5%	9%	11% (146)
Singapore	% (number)		-	-	28% (629)
China	% (number)		-	-	13% (512)
India	% (number)		-	-	36% (161)
Rest of World	% (number)		-	-	53% (1,603)
Average Hiring Cost	S\$/staff		-	-	>S\$1,500
VOLUNTARY TURNOVER RATE (Gender, Age & Region)¹¹					
Overall Rate	% (number)		13%	20%	20% (1,987)
Male	% (number)		13%	19%	18% (822)
Female	% (number)		14%	21%	22% (1,152)
<30 years old	% (number)		25%	37%	37% (593)
30 – 50 years old	% (number)		12%	18%	18% (1,222)
>50 years old	% (number)		7%	9%	12% (167)

¹⁰ This % is against total headcount of the respective breakdown at year-end.

¹¹ This % is against total headcount of the respective breakdown at year-end.

Appendix

Key ESG Data Summary

Metric	Unit	2020	2021	2022
VOLUNTARY TURNOVER RATE (Gender, Age & Region)¹¹				
Singapore	% (number)	-	-	21% (480)
China	% (number)	-	-	15% (600)
India	% (number)	-	-	25% (110)
Rest of World	% (number)	-	-	26% (797)
DEVELOPMENT & TRAINING				
Average training hours ¹²	Hours/staff	43	41	37
Training hours by gender, age, staff category & nationality ¹³				
Male	Hours/staff	-	44	37
Female	Hours/staff	-	39	33
<30 years old	Hours/staff	-	-	31
30 - 50 years old	Hours/staff	-	-	37
>50 years old	Hours/staff	-	-	30
Non-Executive	Hours/staff	-	-	42
Executive	Hours/staff	-	-	33
Management	Hours/staff	-	-	25
Singapore	Hours/staff	-	-	22
China	Hours/staff	-	-	63
India	Hours/staff	-	-	21
Rest of World	Hours/staff	-	-	14
EMPLOYEE ENGAGEMENT SURVEY ENGAGEMENT SCORE (Gender, Age & Seniority)				
Male	%	-	-	86%
Female	%	-	-	81%
<30 years old	%	-	-	80-85%
30 - 50 years old	%	-	-	82-83%
>50 years old	%	-	-	84-94%
Non-Executive	%	-	-	90%
Executive	%	-	-	83%
Management	%	-	-	77-82%
OCCUPATIONAL HEALTH & SAFETY				
Staff				
Fatalities	Number of cases	0	0	0
High-consequence injuries (Injuries resulting in permanent disability)	Number of cases	0	0	0
Recordable injuries	Number of cases	42	31	31
Recordable work-related ill health cases (Occupational disease)	Number of cases	0	0	0
Contractors				
Fatalities	Number of cases	5	0	1
High-consequence injuries (Injuries resulting in permanent disability)	Number of cases	0	0	0
SUPPLY CHAIN				
Total Tier-1 ¹⁴ suppliers	Number	-	-	>20,000
Total Tier-1 significant suppliers	Number	-	-	>6,000
% spend on Tier-1 significant suppliers	%	-	-	>20%
Total significant suppliers (Tier-1 and non Tier-1 ¹⁵)	Number	-	-	~13,000

¹¹ This % is against total headcount of the respective breakdown at year-end.

¹² Average training hours per staff is computed using total learning hours (of current employees and staff who resigned in the year) divided by average staff strength.

¹³ Due to unavailability of data, in contrast, average training hours broken down by gender, age group and nationality is computed using total learning hours of current employees only divided by ending staff strength.

¹⁴ This refers to suppliers that directly supply goods, materials, or services to the company.

¹⁵ Non-tier 1 suppliers are located beyond Tier 1 suppliers.

Appendix

Key ESG Data Summary

GOVERNANCE DATA

Metric	Unit	2020	2021	2022
BOARD COMPOSITION				
Board independence	%	82%	82%	78%
Women on the board	%	9%	27%	22%
Management Diversity				
Women in the management team	%	36%	40%	40%
Ethical Behaviour				
Anti-corruption disclosures	Discussion and number of standards	CL Global Sustainability Report 2020 – Pg 56-58	CLI Global Sustainability Report 2021 – Pg 49-51	CLI Global Sustainability Report 2022 – Pg 64-66
Anti-corruption training for employees	% (number)	15% (>1,800)	88% (>8,750)	88% (>8,500)

Appendix

SASB Disclosure Index

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 4, which includes coverage of over 380 operating properties in over 20 countries, covering all asset types including commercial, shopping malls, business parks, industrial and logistics, integrated development and serviced residences.

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 of CLI owned and operationally-managed properties, as aligned to CLI GSR reporting scope. (pg 4)			
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	Total energy consumed by CLI's global portfolio was 5,522 million MJ in 2022, of which grid electricity accounted for 77% and percentage renewable was 3.7% of total energy.			
			Total energy (million MJ)	% Total energy from grid electricity	% Total energy from renewable
		Commercial	237	75%	0.1%
		Shopping malls	1,549	83%	0.5%
		Serviced residences	1,408	80%	3.5%
		Integrated development	1,372	65%	0.0%
		Business park, industrial and logistics	955	79%	15.7%
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 0.9% for 2021-2022. Increase due to further recovery from COVID-19 impact in 2022 vs 2021. 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.			
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	100% coverage of CLI owned and operationally-managed properties as aligned to CLI GSR reporting scope. (pg 4) CLI notes that Singapore, China and India will be among the top 50 most water-stressed countries by 2040.			
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 -1.2% for 2021-2022. Slight reduction partly due to COVID-19 impact in 2022 of closure of properties in China. 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 31)			
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 24)			

Appendix

SASB Disclosure Index

SASB Code	Accounting Metric	CapitaLand Information and Page Reference
CLIMATE CHANGE ADAPTATION		
IF-RE-450a.1	Area of properties located in 100-year flood zones, by property subsector	CLI and its REITs commenced on a climate scenario analysis in 2022 for its global portfolio, which assessed asset-level exposure to fluvial and coastal flooding as part of its physical risk analysis. This analysis considered 1.5°C to 3°C scenarios for current to long term time frames. CLI and the REITs will review the current and planned flood risk mitigation and adaptation measures to understand the severity of risk impacts across time horizons.
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. (pg 71-75)

Appendix

GRI Content Index

CapitaLand Investment Limited has reported in accordance with the GRI Standards for the period 1 January 2022 to 31 December 2022. The GRI Content Index references CapitaLand Investment Limited Sustainability Report 2022 and the Annual Report 2022 (AR).

GRI Standards	Disclosure Number	Disclosure Title	Page Reference and Remarks	External Assurance ¹ (pg 92-96)
GRI 1: Foundation 2021 (GRI 1 does not include any disclosures)				
GENERAL DISCLOSURES				
GRI 2: General Disclosures 2021	2-1	Organisational details	About Us Introduction (pg 3) AR (pg 2-5)	
	2-2	Entities included in the organisation's sustainability reporting	Introduction (pg 3) Financial Capital (pg 69)	
	2-3	Reporting period, frequency and contact point	Reporting period is FY 1 January to 31 December 2022 This report was published on 29 May 2023 Introduction (pg 3-4)	
	2-4	Restatements of information	Not applicable - No restatements	
	2-5	External assurance	Introduction (pg 4) Independent Assurance Statement (pg 92-96)	
	2-6	Activities, value chain and other business relationships	About Us Introduction (pg 11) AR (pg 2-9, 33-68)	
	2-7	Employees	Human Capital (pg 44) Key ESG Data Summary	✓
	2-8	Workers who are not employees	Social and Relationship Capital (pg 41) As at 31 December 2022, there were approximately 12,000 cleaning and security workers working in operationally managed properties by CLI in Singapore, China, India business parks, as well the global lodging portfolio. Due to absence of granular data, global lodging workers include engineering contractors. The number of workers is computed using full-time equivalents based on the service contracts.	✓
	2-9	Governance structure and composition	AR (pg 14-29, 99, 115)	
	2-10	Nomination and selection of the highest governance body	AR (pg 105-117)	
	2-11	Chair of the highest governance body	AR (pg 112)	
	2-12	Role of the highest governance body in overseeing the management of impacts	Introduction (pg 5, 7)	✓
	2-13	Delegation of responsibility for managing impacts	Introduction (pg 7)	✓
	2-14	Role of the highest governance body in sustainability reporting	Introduction (pg 5, 12)	✓
	2-15	Conflicts of interest	AR (pg 105-109, 151-152, 260-261, 277-287)	
	2-16	Communication of critical concerns	Organisational Capital (pg 64-66)	✓
	2-17	Collective knowledge of the highest governance body	AR (pg 100-101)	
	2-18	Evaluation of the performance of the highest governance body	AR (pg 118-120)	
	2-19	Remuneration policies	AR (pg 120-128)	
	2-20	Process to determine remuneration	AR (pg 120-128)	
	2-21	Annual total compensation ratio	Undisclosed due to confidentiality constraints.	
	2-22	Statement on sustainable development strategy	Introduction (pg 1-2, 5)	✓

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Appendix

GRI Content Index

GRI Standards	Disclosure Number	Disclosure Title	Page Reference and Remarks	External Assurance ¹ (pg 92-96)
GRI 1: Foundation 2021 (GRI 1 does not include any disclosures)				
GENERAL DISCLOSURES				
	2-23	Policy commitments	Environmental and Manufactured Capital (pg 13) Human Capital (pg 35, 41, 43) Social and Relationship Capital (pg 58) Organisational Capital (pg 64) United Nations Global Compact CLI's policy commitments are also available on its website: https://www.capitaland.com/en/about-capitaland/sustainability.html#tab-0-environment-health-and-safety , https://www.capitaland.com/en/about-capitaland/sustainability.html#tab-0-social Policy commitments are approved by the Board, relevant Board Committee, or top management.	✓
	2-24	Embedding policy commitments	Environmental and Manufactured Capital (pg 13-34) Human Capital (pg 35-52) Social and Relationship Capital (pg 53-59) Organisational Capital (pg 60-68)	✓
	2-25	Processes to remediate negative impacts	Human Capital (pg 42) Organisational Capital (pg 65) The CLI Audit Committee is responsible for oversight and monitoring of whistle-blowing.	✓
	2-26	Mechanisms for seeking advice and raising concerns	Organisational capital (pg 65)	✓
	2-27	Compliance with laws and regulations	Environmental Compliance In 2022, 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 seven non-compliances which resulted in fines amounting to more than S\$130,000 in Singapore, China, India and USA (These incidents include mosquito breeding, water test exceeding limit, and permits.). Health & Safety Compliance There were 12 non-compliant incidents relating to fire safety, workplace safety, and health which resulted in fines amounting to more than S\$54,000 in Singapore, China, and US. Others Please refer to GRI 205-3, 417-3 and 418-1 in this GRI content index.	✓
	2-28	Membership associations	Introduction (pg 4, 6) Environmental and Manufactured Capital (pg 17) Human Capital (pg 43) Social and Relationship Capital (pg 55-56) Organisational Capital (pg 60)	✓
	2-29	Approach to stakeholder engagement	Introduction (pg 11) Social and Relationship Capital (pg 53-56)	✓
	2-30	Collective bargaining agreements	Human Capital (pg 46)	✓
MATERIAL TOPICS				
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Introduction (pg 12)	✓
	3-2	List of material topics	Introduction (pg 12)	✓

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GRI Content Index

GRI Standards	Disclosure Number	Disclosure Title	Page Reference and Remarks	External Assurance ¹ (pg 92-96)
TOPIC-SPECIFIC STANDARDS				
Economic Performance and Benefit to Stakeholders				
GRI 3: Material Topics 2021	3-3	Management of material topics	Financial Capital (pg 69-70)	✓
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Financial Capital (pg 69-70) AR (pg 33-37, 159-160)	
GRI 202: Market Presence 2016	202-2	Proportion of senior management hired from local community	Human Capital (pg 44)	✓
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	Environmental and Manufactured Capital (pg 27, 33) Social and Relationship Capital (pg 58-59)	✓
Business Ethics and Risk Management				
GRI 3: Material Topics 2021	3-3	Management of material topics	Organisational Capital (pg 60-68)	✓
GRI 205: Anti-Corruption 2016	205-1	Operations assessed for risks related to corruption	Organisational Capital (pg 64)	✓
	205-2	Communication and training on anti-corruption policies and procedures	Organisational Capital (pg 64-66)	✓
	205-3	Confirmed incidents of corruption and actions taken	Organisational Capital (pg 66)	✓
GRI 415: Public Policy 2016	415-1	Political contributions	Organisational Capital (pg 66)	✓
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 labelling 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.	✓
Energy Efficiency				
GRI 3: Material Topics 2021	3-3	Management of material topics	Environmental and Manufactured Capital (pg 13-26)	✓
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	Environmental and Manufactured Capital (pg 27, 34) Key ESG Data Summary	✓
	302-3	Energy intensity	Environmental and Manufactured Capital (pg 27, 34) Key ESG Data Summary	✓
	302-4	Reduction of energy consumption	Environmental and Manufactured Capital (pg 18, 21-24, 27-29, 34)	✓
	302-5	Reductions in energy requirements of products and services	Environmental and Manufactured Capital (pg 21-24, 29)	✓
Water Management				
GRI 3: Material Topics 2021	3-3	Management of material topics	Environmental and Manufactured Capital (pg 13-26)	✓
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	Environmental and Manufactured Capital (pg 13, 18-20, 31)	✓
	303-2	Management of water discharge-related impacts	Environmental and Manufactured Capital (pg 25, 31)	✓
	303-3	Water withdrawal	Environmental and Manufactured Capital (pg 31) Key ESG Data Summary	✓
	303-4	Water discharge	Wastewater is discharged into the public sewerage system or sewage treatment plant.	✓
	303-5	Water consumption	Majority of water usage is for cooling towers, toilets, washing activities, water features, and irrigation.	✓

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GRI Content Index

GRI Standards	Disclosure Number	Disclosure Title	Page Reference and Remarks	External Assurance ¹ (pg 92-96)
TOPIC-SPECIFIC STANDARDS				
Biodiversity				
GRI 3: Material Topics 2021	3-3	Management of material topics	Environmental and Manufactured Capital (pg 13-26)	✓
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 25)	✓
	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 3: Material Topics 2021	3-3	Management of material topics	Environmental and Manufactured Capital (pg 13-26)	✓
GRI 305: Emissions 2016	305-1	Direct (Scope 1) greenhouse gas (GHG) emissions	Environmental and Manufactured Capital (pg 27) Key ESG Data Summary	✓
	305-2	Energy indirect (Scope 2) GHG emissions	Environmental and Manufactured Capital (pg 27) Key ESG Data Summary	✓
	305-3	Other indirect (Scope 3) GHG emissions	Environmental and Manufactured Capital (pg 27) Key ESG Data Summary	✓
	305-4	GHG emissions intensity	Environmental and Manufactured Capital (pg 27, 34) Key ESG Data Summary	✓
	305-5	Reduction of GHG emissions	Environmental and Manufactured Capital (pg 18, 30)	✓
GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	Environmental and Manufactured Capital (pg 14-15) TCFD Recommendations	✓
Waste Management				
GRI 3: Material Topics 2021	3-3	Management of material topics	Environmental and Manufactured Capital (pg 13-26)	✓
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Environmental and Manufactured Capital (pg 32)	✓
	306-2	Management of significant waste-related impacts	Environmental and Manufactured Capital (pg 32)	✓
	306-3	Waste generated	Environmental and Manufactured Capital (pg 32) Key ESG Data Summary	✓
	306-4	Waste diverted from disposal		
	306-5	Waste directed to disposal		
Supply Chain Management				
GRI 3: Material Topics 2021	3-3	Management of material topics	Environmental and Manufactured Capital (pg 13) Human Capital (pg 35, 41-42, 52) Social and Relationship Capital (pg 55-56)	✓
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers screened using environmental criteria	Environmental and Manufactured Capital (pg 13) Social and Relationship Capital (pg 55-56)	✓
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Human Capital (pg 35, 41) Social and Relationship Capital (pg 55-56)	✓

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GRI Content Index

GRI Standards	Disclosure Number	Disclosure Title	Page Reference and Remarks	External Assurance ¹ (pg 92-96)
Human Capital				
GRI 3: Material Topics 2021	3-3	Management of material topics	Human Capital (pg 35-52)	✓
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Human Capital (pg 46) Key ESG Data Summary	✓
	401-3	Parental leave	Human Capital (pg 47) In 2022, CLI return to work rate for staff is 84% and the retention rate is 57%.	✓
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	Human Capital (pg 48) 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 49) Key ESG Data Summary	✓
	404-2	Programs for upgrading employee skills and transition assistance programs	Human Capital (pg 47, 49-50)	✓
	404-3	Percentage of employees receiving regular performance and career development reviews	Human Capital (pg 47)	✓
Occupational Health & Safety				
GRI 3: Material Topics 2021	3-3	Management of material topics	Human Capital (pg 35-42)	✓
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Human Capital (pg 35-36)	✓
	403-2	Hazard identification, risk assessment, and incident investigation	Human Capital (pg 36-38, 41-42)	✓
	403-3	Occupational health services	Human Capital (pg 39-42)	✓
	403-4	Worker participations, consultation, and communication on occupational health and safety	Human Capital (pg 36-37, 41-42, 47) During the year, the unions did not express any concerns on staff health and safety issues and the CLI OHS management system is externally audited.	✓
	403-5	Worker training on occupational health and safety	Human Capital (pg 37, 39-42)	✓
	403-6	Promotion of worker health	Human Capital (pg 39-42)	✓
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Human Capital (pg 35, 39-42)	✓
	403-8	Workers covered by an occupational health and safety management system	Human Capital (pg 36)	✓
	403-9	Work-related injuries	Human Capital (pg 38, 42) Key ESG Data Summary	✓
Diversity and Human Rights				
GRI 3: Material Topics 2021	3-3	Management of material topics	Human Capital (pg 43-48)	✓
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Human Capital (pg 44) Key ESG Data Summary	✓
			Board diversity (by age category)	
			<30 years old0%	
			30 - 50 years old22%	
	>50 years old78%			
405-2	Ratio of basic salary and remuneration of women to men	Human Capital (pg 48) Key ESG Data Summary	✓	

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GRI Content Index

GRI Standards	Disclosure Number	Disclosure Title	Page Reference and Remarks	External Assurance ¹ (pg 92-96)
Diversity and Human Rights				
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective action taken	Human Capital (pg 43)	✓
GRI 408: Child Labour 2016	408-1	Operations and suppliers at significant risk for incidents of child labour	Human Capital (pg 43) Social and Relationship Capital (pg 55-56)	✓
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 41, 43) Social and Relationship Capital (pg 55-56) CLI mandates no forced labour or child labour at its sites and regular updates on safety performance are conducted on site. CLI embeds key principles where supply chain vendors and contractors must comply with prevailing legal compliance requirements to ensure contractors remain vigilant on new standards expected.	✓
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programmes	Environmental and Manufactured Capital (pg 26) Human Capital (pg 39-42) Social and Relationship Capital (pg 53-59)	✓
GRI 414: Supplier Social Assessment 2016	414-1	Suppliers screened using social criteria	Human Capital (pg 41) Social and Relationship Capital (pg 55-56) 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. 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.	✓
Products and Services				
GRI 3: Material Topics 2021	3-3	Management of material topics	Human Capital (pg 35, 39-42) Social and Relationship Capital (pg 53-59)	✓
GRI 416: Customer Health and Safety 2016	416-1	Health and safety impacts assessment of products and services	Human Capital (pg 35, 39-42) Social and Relationship Capital (pg 54-56)	✓
	416-2	Incidents of non-compliance	Human Capital (pg 36)	✓
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programmes	Environmental and Manufactured Capital (pg 26) Social and Relationship Capital (pg 53-59)	✓

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.

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Appendix

United Nations Global Compact

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	43
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	46
Principle 4	Elimination of all forms of forced and compulsory labour	43, 48
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	13-34
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	64-66

Appendix

ISO 26000 Guidance On Social Responsibility

Core Subjects		Report Page
6.2	Organisational governance The system by which an organisation makes and implements decisions to achieve its objectives.	Introduction (pg 7-12), Social and Relationship Capital (pg 53-57), Organisation Capital (pg 60-68), AR (pg 97-142)
6.3	Human rights Respect for human rights including civil and political rights as well as economic, social and cultural rights.	Human Capital (pg 35-59)
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 28-38, 43-52)
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 13-33)
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 39-42), Social and Relationship Capital (pg 55-56), Organisational Capital (pg 64-66)
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, 20-26, 31-33), Human Capital (pg 40-42), Social and Relationship Capital (58-59), Organisational Capital (pg 66)
6.8	Community involvement and development Support for and building relationship with the community, so as to contribute to community development.	Human Capital (pg 35, 39, 46), Social and Relationship Capital (pg 53-59)

Appendix

Independent Assurance Statement

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 Limited Global Sustainability Report 2022 (the Report). The engagement took place between March and May 2023.

Scope

The assurance encompassed the entire Report and focused on all figures, statements and claims related to sustainability during the reporting period January 2022 to December 2022. The verified data covers the sustainability performance of CLI's global operations and portfolio, which includes the properties under CLI's six listed real estate investment trusts and business trusts, CapitaLand Integrated Commercial Trust, CapitaLand Ascendas REIT, CapitaLand Ascott Trust, CapitaLand China Trust, CapitaLand India Trust and CapitaLand Malaysia Trust. 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:** Activities and workers (2-7, 2-8), governance (2-12, 2-13, 2-14, 2-16), Strategy, policies and practices (2-22, 2-23, 2-24, 2-25, 2-26, 2-27, 2-28), stakeholder engagement (2-29, 2-30)
- **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 management:** Waste (306-1, 306-2, 306-3, 306-4, 306-5)
- **Supply chain management:** Supplier environmental assessment (308-1), supplier social assessment (414-1)
- **Human capital:** 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), 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 (3-1, 3-2, 3-3) 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.

Exclusions

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, ISO 45001 and Green Mark.

Similarly, Ere-S did not assess the quality and materiality of underlying information, methodologies, and findings of studies and expert reports mentioned in the Report, such as the climate scenario analysis. However, Ere-S verified that the Report's disclosures reflected the findings accurately. Ere-S did not verify the statements and performance figures related to CapitaLand Sustainability X Challenge, its pilot projects, and the outcomes and beneficiaries of CHF's community investment initiatives.

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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 disclosures, including material issues, risks and opportunities, approaches and outcomes presented in the Report, were specifically aligned with the recommendations of the Task Force on Climate Related Financial Disclosures (TCFD), the Sustainability Development Goals (SDGs), the 10 Principles of the UN Global Compact or the Guiding Principles of the International Integrated Reporting Council Framework. Ere-S did not check the content of CLI's Annual Report referred to in the GRI Content Index.

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.

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).

Limitations

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. To mitigate the associated risk of material misstatement in the information being assessed during this engagement, and to provide greater confidence in the accuracy of the information, Ere-S sought further confirmation of the presented evidence (including application of the management approach, data collection methods, criteria and assumptions) from multiple data owners and against other documentation from internal and external sources, and previous assurance engagements with CLI. In addition, Ere-S engaged a third-party expert to review and provide a second opinion on the integrity, objectivity and neutrality of this assurance's methodology, processes and findings.

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.

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Independent Assurance Statement

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.

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. Similarly, the assessment of disclosures on CLI's corporate governance and commitment to sustainability (GRI 2-12, 2-13, 2-14, 2-16, 2-23, 2-24, 2-25, 2-26) did not involve meetings with the top management. Still, it relied on internal documentation and confirmation from key managers.

For statements about the number (or absence) of complaints, incidents, impacts, and cases of non-compliance to policies and regulations related to corruption (GRI 205-3), environment (GRI 303-4, 304-1, 304-2, 304-4, 306-1, 306-3, 306-5) 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.

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.*

Evidence of CLI's engagement with its key stakeholders was observed during the reporting period, with inquiries and dialogue being more sustained and participatory with employees (e.g., surveys and online platforms, communication sessions with top management and other events) and local unions (meetings). Frequent engagement through multiple feedback channels and events could also be observed with customers and investors, and occasionally with the other groups of stakeholders. Compared to previous years, dialogue with suppliers in key markets was more sustained. However, such engagement appeared to be more related to applying CLI's enhanced due diligence process and EHS requirements rather than identifying stakeholders' concerns or active participation in decision-making.

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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 to identify and evaluate environmental and social issues related to its global operations. In addition to stakeholder engagement and performance assessment, observed mechanisms included regular reviews of material issues, legal requirements, non-compliance, benchmarks, and external sources, with an increased focus on risk evaluation this year. More specifically, a water survey at the property level, a third-party ranking of close to 500 suppliers and a review of capital expenditure were other examples of observed initiatives carried out by CLI during the year to prioritise ESG issues and areas for action. This commitment is further evidenced by the latest review and revision of the indicators, targets and mitigation measures expressed in CLI's 2030 Sustainability Master Plan.

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

Evidence of actions taken by CLI to address material issues was observed during the reporting period. Actions included impact assessment and mitigation measures applied globally under CLI's 2030 Sustainability Master Plan and CLI's sustainability management structure, such as the certified Environmental Health and Safety Management System (EHSMS), the Fraud, Bribery and Corruption (FBC) framework and Sustainable Building Guidelines (SBG). Other observed ongoing or new initiatives to mitigate material issues included the implementation of resource-efficient technologies and processes, increased usage of renewable energy, new certifications (e.g., Net Zero Waste,) and a pilot ESG screening of critical suppliers. Investigations and information sharing following safety incidents and cases of non-compliance or malpractice were also evidenced. Communication to stakeholders and sharing information about CLI's strategy, policies, and sustainability performance through the corporate website, sustainability report and other platforms remained solid and consistent. However, there was, in general, limited evidence of major actions resulting directly from stakeholders' concerns.

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 the impact and monitor performance from all key business units could be observed throughout CLI's sustainability management structure, including the EHSIA, ETS, EHSMS, FBC and SBG, among other frameworks. These systems comprise detailed metrics and targets to measure and monitor the social and environmental impact of CLI's operations and supply chain. Although CLI could further improve the disclosures on the ESG practices and impacts of its value chain, the collection and reporting of safety data on contractors' personnel (cleaning and security services) and energy and waste from third-party managed properties represent notable improvements made during the reporting period. Also commendable is CLI's plan to expand its Scope 3 disclosures with categories of GHG emissions not yet covered.

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 relatively consistent within the sustainability context and best reporting practices of the sector. The Report is also moderately balanced, with some statements and numbers showing negative information, such as work-related injuries, fatalities, and incidents of non-compliance and corruption.

Improvement in the data quality could be observed and was evidenced by the increase in the completeness and standardisation of existing disclosures. Examples include the addition of safety data on contractors of operational properties, the revision of calculations for on-site recycled water consumption and pay gap ratios to provide more alignment to GRI standards, and increased coverage of waste data for about 100 additional properties.

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The assessed disclosures and CLI's sustainability data management framework, including the ETS and other internal data systems, presented a relatively high level of verifiability, with only a few occurrences of unclear or missing supporting evidence. Also, only a limited number of inconsistencies in the reported data were found through the assurance assessment and sampling (and were promptly corrected by the reporting team). The reporting team also addressed other recommendations by Ere-S to improve the clarity of Report disclosures. Ere-S crosschecked the final version of the Report to validate all 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.

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 2022

- 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 and the results of the third-party review of the assurance, have been presented to the management of CLI in a more detailed assurance report.



Singapore, 26 May 2023

A handwritten signature in black ink, reading 'JDallaPalma'.

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 sustainability reporting, sustainability report assurance, stakeholder engagement and training services. Our assurance team comprises assurance practitioners with expertise in corporate sustainability, and each member must 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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