

Sustainability Management

BOARD STATEMENT

At CapitaLand Malaysia Trust (CLMT), 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 wellbeing of our communities. CLMT's material environmental, social and governance (ESG) factors are aligned with CapitaLand 2030 Sustainability Master Plan, which was launched in 2020, and will be reviewed by the Board of Directors together with Management every two years.

The CapitaLand 2030 Sustainability Master Plan steers our efforts on a common course to maximise impact through building a resilient and resource efficient real estate portfolio, enabling thriving and future-adaptive communities, and accelerating sustainability innovation and collaboration. Ambitious ESG targets have been set which include carbon emissions reduction targets validated by the Science Based Targets initiative (SBTi). During the first scheduled review in 2022, CapitaLand Investment (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. As a CLI-sponsored real estate investment trust, CLMT aligned with and actively contributes to the targets set out under CapitaLand's 2030 Sustainability Master Plan.

CapitaLand Malaysia REIT Management Sdn. Bhd. (CMRM or the Manager)'s Board is responsible for overseeing the CLMT'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. CLMT's business plans are translated to both quantitative and qualitative performance targets, including sustainable corporate practices and are cascaded throughout the organisation.

REPORTING SCOPE AND PERIOD

As an externally managed real estate investment trust, CLMT is managed by CapitaLand Malaysia REIT Management Sdn. Bhd. (CMRM or the Manager), which is a wholly owned subsidiary of Singapore-listed CapitaLand Investment Limited (CLI or Sponsor), a leading global real estate investment manager with a strong Asia foothold.

CLMT's properties are managed by Knight Frank Property Management Sdn. Bhd. and Zaharin Nexcap Property Consultants Sdn. Bhd. (collectively known as Property Managers) that are responsible for the properties' daily operations. The CapitaLand team behind the Manager and Property Managers responsible for property and portfolio operations are identified as employees of CLMT. Taking guidance from the operational control approach as defined by the Greenhouse Gas (GHG) Protocol Corporate Standard, the computation for CLMT's environmental performance (carbon emissions, energy and water consumption) relates to the properties¹ managed by the Property Managers.

As at 31 December 2022, there were five operational retail properties in CLMT's portfolio and this report covers the sustainability performance of all the retail properties for the period 1 January 2022 to 31 December 2022 (FY 2022), unless otherwise indicated. Data from prior years has been included for comparison, where available. This sustainability report should be read together with the financial, operational and governance information detailed in CLMT's Annual Report 2022.

Properties:

- › Gurney Plaza
- › East Coast Mall
- › Sungei Wang Plaza – CLMT's interest in Sungei Wang Plaza comprises (i) 205 strata parcels within the mall which represents approximately 61.9% of the aggregate retail floor area, and (ii) 1,298 car park bays which comprise 100% of the car park bays.
- › 3 Damansara Property (comprises 3 Damansara and 3 Damansara Office Tower)
- › The Mines

For the purpose of this sustainability management statement, the recent acquisition of Valdor Logistics Hub that was completed on 14 December 2022 has been excluded. Properties which are in operation for less than 12 months are excluded from the computation.

1 Properties which are in operation for less than 12 months are excluded from the computation.

SUSTAINABILITY COMMITMENT

As a CLI-sponsored REIT, CLMT is aligned with CapitaLand's 2030 Sustainability Master Plan (SMP) unveiled in 2020 to elevate the Group's commitment to global sustainability in the built environment. The SMP drives CapitaLand's sustainability efforts in the environment, social and governance (ESG) pillars, enabling the Group to create a larger positive impact for the environment and society.

CapitaLand's 2030 SMP is regularly reviewed where necessary to complement the Group's business strategy and align with climate science. The first scheduled review in 2022 is in progress and the outcome will be published before end May 2023.

Five pathways were identified to achieve CL Group's sustainability objectives, and CapitaLand will adapt its strategies as technologies evolve and new scientific data become available:

1. Integrating sustainability in CapitaLand's real estate life cycle

From the earliest stage of the investment process, to design, procurement, construction, operations and redevelopment or divestment, sustainability targets will be embedded in policies, processes, best practices, and key performance indicators of CapitaLand's business operations.

2. Strengthening innovation and collaboration to drive sustainability

CapitaLand will continue to source globally for new ideas and technologies to meet its sustainability ambitions and work with like-minded partners to create shared values.

3. Leveraging sustainability trends and data analytics

This allows CapitaLand to track critical performance and progress in water usage, waste management, energy consumption, carbon emission, and health and safety. These measurements along with social indicators are key to driving performance improvement across our operating properties and development projects.

4. Monitoring and reporting progress to ensure transparency

As CapitaLand tracks its sustainability progress, it will continue to validate its performance by external assurance and align its Global Sustainability Report to international standards.

5. Increasing engagement and communication with key stakeholders

It is key to building awareness among CapitaLand's employees, investors, customers and communities, and collectively effecting transformational change to achieve CapitaLand's 2030 targets.

BOARD, TOP MANAGEMENT AND STAFF COMMITMENT AND INVOLVEMENT

The Sponsor's Board recognises the importance of sustainability as a business imperative, and ensures that sustainability considerations are factored into CLI's strategy development.

On a regular basis, CLI Board is updated through the Strategy and Sustainability Committee on the sustainability management performance of the Group, key material issues identified by stakeholders, and the planned follow-up measures. Additionally, through the Risk Committee and Audit Committee, the CLI Board is typically updated at least once a year and at ad hoc Board meetings on matters related to sustainability risks, and relevant performance metrics, including 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 damages or disruptions.

The Strategy and Sustainability Committee (SSC), a Board Committee chaired by Lead Independent Director Mr Anthony Lim, 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.

The sustainability work teams comprise representatives from CLI business units and corporate functions. Each business unit also has its own Environmental, Health and Safety (EHS) Committee to drive initiatives in countries where it operates with support from various departments. This governance is cascaded from CLI level to CLMT level through the operations of CapitaLand's EHS Committee.

The Manager's properties are overseen by representatives in the EHS Committee to drive initiatives within its properties. CMRM's Board is

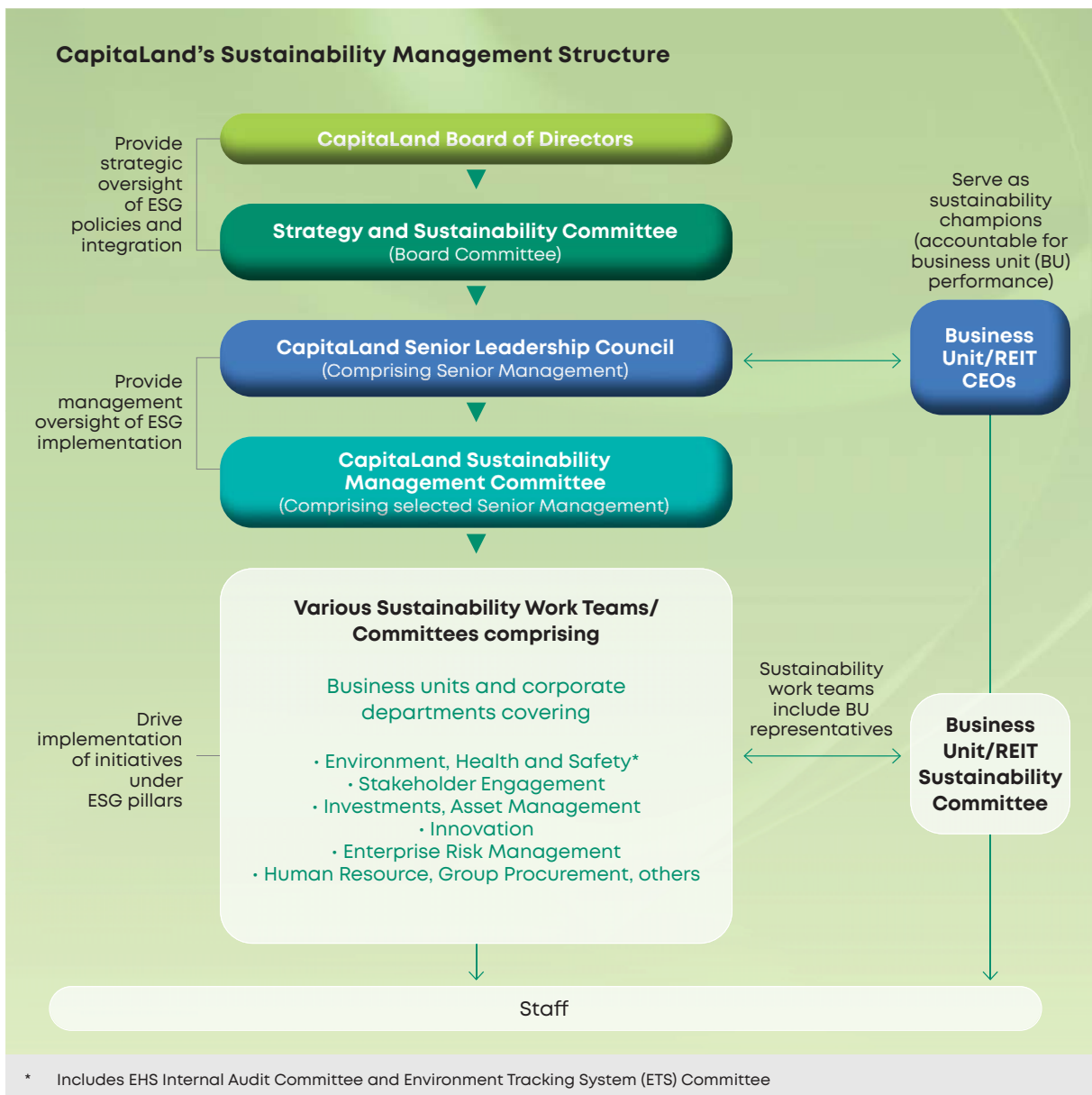
Sustainability Management

updated regularly through the Executive Committee and Audit Committee on matters relating to sustainability risks and business malpractice incidents. CMRM's Board is also updated on the sustainability management performance of CLMT, key material issues identified by stakeholders and the planned follow-up measures. The Manager works closely with the Property Managers in carrying out strategies and relevant activities, abiding by CapitaLand's sustainability framework and policies.

As a CLI-sponsored REIT, CLMT's sustainability strategy is aligned to that of the Sponsor. CLMT is committed to working towards long term and annual targets under CapitaLand's 2030 Sustainability Master Plan Framework. To strengthen its sustainability stewardship, the Manager has

formalised a sustainability department effective January 2023, which is then supported by various Heads of Department of the Manager, and the Heads of Department of the operations and technical teams of CLI. Through the Sustainability department, CMRM's Board is updated regularly on matters relating to sustainability management performance of CLMT, key material issues identified by stakeholders and the planned follow-up measures.

To measure its performance, CLMT has incorporated ESG key performance targets/indicators, most of which are linked to remuneration for the Manager's staff, including top management. The performance on these performance targets have financial and non-financial consequences.



CMRM'S SUSTAINABILITY MANAGEMENT STRUCTURE



CapitaDNA Visions, Mission, Credo and Core Values



Commitment to Our Stakeholders



Sustainability Management

MAINTAINING DIVERSITY ON THE BOARD

CMRM's Board embraces diversity and has a Fit and Proper Policy which provides for the Board to comprise talented and dedicated Directors with a wide mix of expertise, experience, perspectives, skills and backgrounds, with due consideration given to diversity including but not limited to, business or professional experience, age and gender, ethnicity and culture, geographical backgrounds and nationalities. With respect to female representation, the Nominating and Remuneration Committee (NRC) notes the Malaysian Code on Corporate Governance 2021 target of women making up 30% of the boards of Bursa Malaysia-listed companies by 2030. In its annual review of the Board's composition, the NRC expressly considers and includes a commentary to the Board about diversity in the composition of the Board. The Board aims to achieve at least 30% female representation in the composition of the Board and senior management positions over the next one to two years when reviewing the nominations for the appointment and re-appointment of Directors for a new term. The formalisation of the appointment of woman candidate as Director(s) of the Manager will be the NRC's and Board's focused priority in year 2023 and 2024.

RECOGNITION BY GLOBAL BENCHMARKS

CapitaLand was one of the first companies in Singapore to voluntarily publish an annual Global Sustainability Report since FY 2009 and has had the entire report externally assured since FY 2010. Benchmarking against an international standard and framework that is externally validated helps CapitaLand to overcome the challenges in sustainability reporting that may arise from our portfolio of diverse asset types and geographical presence globally.

CapitaLand has been a signatory to the United Nations (UN) Global Compact since 2015 and our Communication on Progress for FY 2022 will be made available at www.unglobalcompact.org when published. In February 2023, we also became a signatory of the UN-supported Principles for Responsible Investment (UN PRI), as part of our commitment to investing responsibly.

For their efforts, CapitaLand is listed on the Global 100 Most Sustainable Corporations Index, Dow Jones Sustainability World Index and Asia-Pacific Index, GRESB, FTSE4Good Index Series, MSCI Global Sustainability Indexes and The Sustainability Yearbook. The CLI Global Sustainability Report 2022 will be published by 31 May 2023.

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 will continue to enhance its disclosures in accordance with these standards, and will be reporting in accordance with the updated GRI Universal Standards 2021 which came into effect for reports published on or after 1 January 2023. The report will continue to be externally assured to AA1000 Assurance Standard, and will cover the Group's global portfolio and employees, including its listed REITs and business trusts – CapitaLand Integrated Commercial Trust, CapitaLand Ascendas REIT, CapitaLand Ascott Trust, CapitaLand China Trust, CapitaLand India Trust and CapitaLand Malaysia Trust, unless otherwise indicated. The scope of the assurance will cover CapitaLand Malaysia Trust's portfolio.

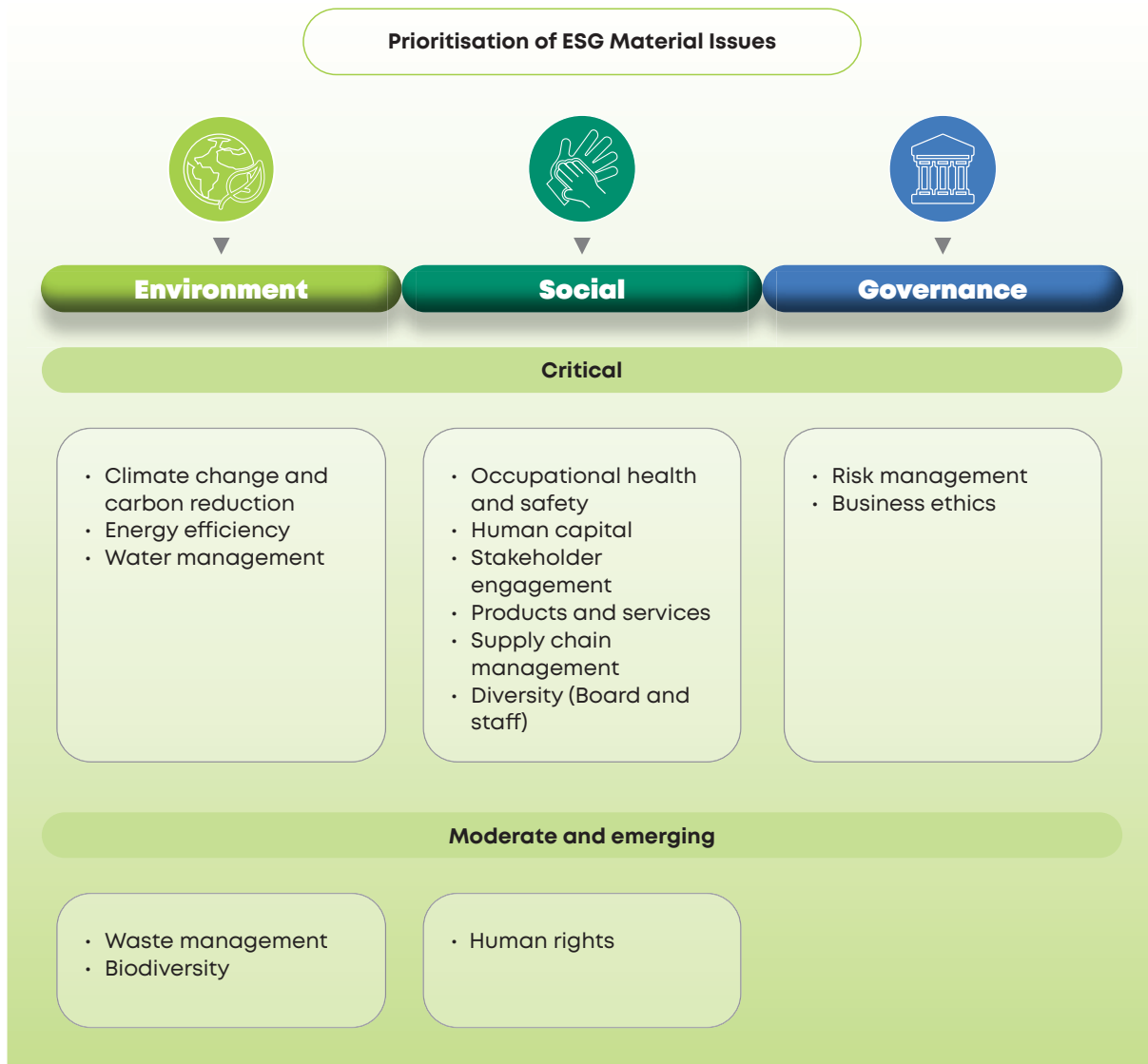
MATERIALITY

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

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

The Manager and Property Managers engage stakeholders through various programmes and channels to identify and assess material ESG issues which significantly impact business operations and

stakeholders. The Group-wide Risk and Control Self-Assessment exercise provides the framework for the identification, assessment and documentation of material risks and corresponding internal controls. These are prioritised based on the likelihood and potential impact of issues affecting business continuity and development. For more information on stakeholder engagement, please refer to the Social and Relationship Capital chapter of this report and the upcoming CapitaLand Investment Global Sustainability Report 2022.



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

As a CLI-sponsored REIT, CLMT's material ESG issues and the value created, aligned to CapitaLand's 2030 Sustainability Master Plan focus areas and commitments¹, are mapped to six integrated reporting 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 CLMT can achieve the greatest positive impact.


¹ The CapitaLand Group's 2030 Sustainability Master Plan is regularly reviewed and adjusted where necessary to complement the Group's business strategy and align with climate science. The first scheduled review in 2022 is in progress and will be published before end May 2023.

Sustainability Management

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. For more information, please refer to the CLI Global Sustainability Report 2022.

Our Commitments		2022 Value Created
Environment <ul style="list-style-type: none"> Transit to low-carbon business and reduce energy consumption through improved energy efficiency and increase use of renewable energy Reduce water consumption, reuse water and prevent water pollution, especially in countries where the availability of clean water and sanitation are of concern Green our global operational portfolio by 2030 Strengthen climate resilience of our portfolio 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. CapitaLand's Supply Chain Code of Conduct influences its supply chain to operate responsibly in the area of environmental management. 	For CLMT: <ul style="list-style-type: none"> 25% reduction in carbon emissions intensity since 2009 25% reduction in energy intensity since 2009 29% reduction in water intensity since 2009 RM42.2 million in utilities cost avoidance since 2009² Green our operational portfolio by 2030 Continued to enhance implementing the recommendations of the TCFD and improve TCFD reporting. For more details, please reference the TCFD segment in CLMT Annual Report 2022 In the midst of conducting detailed climate risk assessment and scenario analysis for our portfolio³ From the innovation submissions received through CapitaLand Sustainability X Challenge 2021 and 2022, currently piloting one innovative project in the area of improving water efficiency at East Coast Mall Retained ISO 14001 certification in Malaysia 	Environmental Capital Manufactured Capital
		Human Capital Social and Relationship Capital Manufactured Capital
Social <ul style="list-style-type: none"> CapitaLand believes that regardless of ethnicity, age or gender, staff can make a significant contribution based on their talent, expertise and experience. We adopt consistent, equitable, and fair labour policies and practices in rewarding as well as developing staff under the direct hire of CapitaLand. CapitaLand aims to provide a work environment that is safe and contributes to the general wellbeing of our staff, tenants, contractors, suppliers and the communities that use our properties. CapitaLand's Supply Chain Code of Conduct influences its supply chain to operate responsibly in the areas of human rights, and health and safety. CapitaLand is committed to activities that are aligned with our focus on community investment. We engage our stakeholders to raise awareness of philanthropy, environmental, health and safety, as well as promote sustainability within the tenant community. 	For CLMT: <ul style="list-style-type: none"> Malaysia workforce of more than 240 staff Males and females at a ratio of about 53:47 About 70% of workforce was aged between 30 and 50 About 20% of senior management were women, 81% staff engagement score, with 98% survey participation Over 26 training hours per staff 100% of staff attended at least 1 ESG training Zero work-related fatality and permanent disability No reported incidents relating to discrimination, child labour or forced labour Retained ISO 45001 certification in Malaysia Invested close to RM64,000 through CapitaLand's philanthropic arm, CapitaLand Hope Foundation, to benefit to benefit over 1,200 underprivileged children 	

- Cost avoidance is computed by multiplying the absolute energy (kWh) and water (m³) savings against the annual average tariff rate on a business-as-usual (BAU) basis.
- For more information, please refer to the CLI Global Sustainability Report 2022.

Our Commitments	2022 Value Created	
<p>Governance</p> <ul style="list-style-type: none"> Adopted a Board Diversity Policy, with due consideration given to diversity including but not limited to, business or professional experience, age and gender, ethnicity and culture, geographical backgrounds and nationalities. CapitaLand 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. CapitaLand requires third-party service providers and vendors to adhere to anti-bribery and anti-corruption provisions. CapitaLand's Supply Chain Code of Conduct influences its supply chain to operate responsibly in the area of anti-corruption. 	<p>For CLMT:</p> <ul style="list-style-type: none"> About 12.5% of the Board were women 100% of staff attended Fraud, Bribery & Corruption awareness online training 100% of staff attended Whistleblowing training 100% of staff attended Cybersecurity training 100%⁴ of CLMT's supply chain agreed to abide by the CapitaLand's Supply Chain Code of Conduct 	<p>Organisational Capital</p> <p>Human Capital</p> 
<p>Economic</p> <ul style="list-style-type: none"> Integrate CapitaLand's ESG performance with financial metrics. 	<p>For CLMT:</p> <ul style="list-style-type: none"> Secured a RM60 million sustainability-linked loan facility Please refer to the following sections in CLMT Annual Report 2022: <ul style="list-style-type: none"> Highlights of FY 2022, page 7 Year in Brief, page 13 Capital Management, page 61 	<p>Financial Capital</p>

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

Sustainability Management

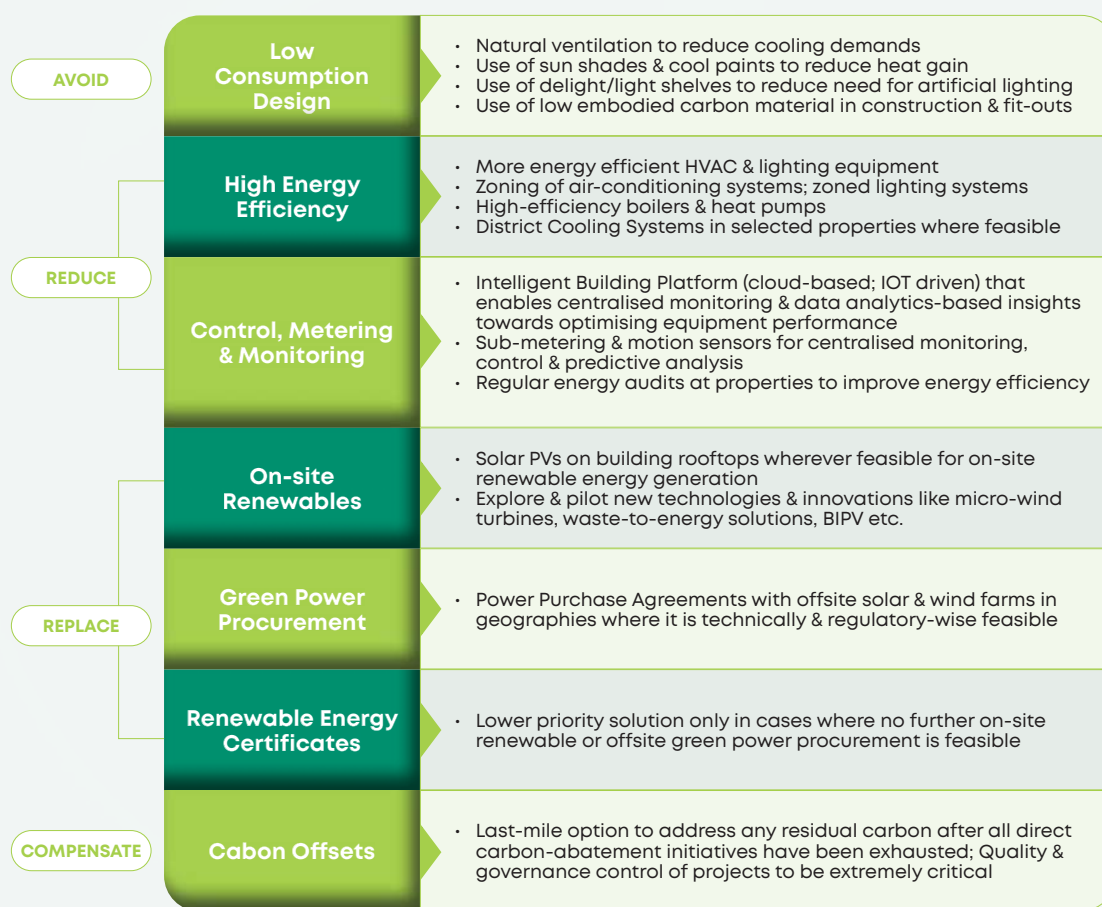
COMMITTING TO NET ZERO BY 2050 AND ELEVATING CAPITALAND'S CARBON EMISSIONS REDUCTION TARGET TO 1.5°C SCENARIO

In 2022, CapitaLand Group elevated its scope 1 and 2 carbon emissions reduction targets which were validated by Science Based Targets initiative (SBTi) to be in line with a 1.5°C trajectory⁵, currently the most ambitious designation available through the SBTi process. This will translate to Net Zero in 2050.

Aligned with the Group's elevated science-based target, CLMT 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 effort 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, CLMT is reviewing its carbon intensity reduction targets and other environment targets, including changing reference to 2019 as the baseline year instead of 2009.⁶ CLMT 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 to Net Zero, CLI will prioritise the decarbonisation levers below, and in particular, continue to source globally for new ideas and technologies to achieve higher energy efficiency and intensify its renewable energy integration efforts.



⁵ The carbon emission 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.

⁶ It is reviewed as part of the scheduled review of CapitaLand's 2030 Sustainability Master Plan in 2022 and will be published before end May 2023.

ENVIRONMENTAL & MANUFACTURED CAPITAL

As a CLI-sponsored REIT, CLMT is aligned with CapitaLand's science-based targets set out in CapitaLand's 2030 Sustainability Master Plan as we transit to a low-carbon business. CapitaLand's carbon emissions intensity reduction target is computed from the approved science-based target, to better track day-to-day operational efficiency. As part of the CapitaLand Group, CLMT is committed to working towards the long term and annual targets under CapitaLand's 2030 SMP Framework¹:

- Reduce carbon emissions intensity by 78% by 2030
 - Reduce energy intensity by 35% by 2030
 - Reduce water intensity by 45% by 2030
- (Using 2009 as base year)

CLMT is aligned with CapitaLand's commitment to minimise its environmental impact and contribute towards desired positive outcomes for the benefit of stakeholders. CLMT is committed to environmental sustainability and value creation as a real estate owner. By leveraging technologies and analytics in optimising the usage of energy, water and waste management across our properties, we believe the efficient use and management of environmental resources such as energy, water and waste contributes to higher efficiency and sustainability of CLMT's portfolio.

Managing Our Environmental Footprint

CapitaLand's Environmental Management System (EMS) is a key tool in managing CLMT's environmental footprint across its entire portfolio. The EMS, together with CapitaLand's Occupational Health and Safety Management System (OHSMS) are integrated as CapitaLand's Environmental, Health and Safety Management System (EHSMS) that complies with ISO 14001 and OHSAS 18001 standards. ISO 14001 and OHSAS 18001 are internationally recognised standards for environmental management and occupational health and safety management of businesses respectively.

CapitaLand's Environmental, Health and Safety Policy

As a CLI-sponsored REIT, CLMT is committed to protecting the environment and upholding the occupational health and safety (OHS) of everyone in the workplace. We regularly conduct the following:

- › Carry out exemplary EHS practices to minimise pollution as well as health and safety risks
- › Seek continual improvement on its EHS performance
- › Comply with relevant legislations and other requirements
- › Implement CapitaLand's OHS programmes

CapitaLand's Environmental, Health and Safety (EHS) Committee maintains the Group's EHS Management System. Each strategic business unit also has its own EHS Committee to drive initiatives in countries where they operate, with support from various departments.

The EHS policy is readily available to all employees, tenants, suppliers and service providers. Employees attend training and awareness programmes to facilitate the effective implementation of CapitaLand's EHSMS. New hires are introduced to the EHSMS and CapitaLand's EHS policy and briefed on their respective roles. More detailed training on the implementation of EHSMS is conducted for heads of departments in administration, operations, and project management, including heads of operating properties, design managers and project managers. Since 2012, all business functions such as property management for CLMT's properties are EHS certified.

Management of Environmental Aspects and Impacts

The EHSMS provides a systematic process to manage CLMT's environmental impact and to continuously improve its environmental performance. A key element is 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 the occurrence, severity of the impact and control measures implemented. New or updated legal requirements are reviewed quarterly and compliance is evaluated annually.

CLMT strives to minimise environmental impact in areas 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 and water usage reduction targets, participating in stakeholder engagement activities, as well as implementing various measures to achieve them.

¹ To operationalise its SBTi-approved carbon emissions reduction target for scope 1 and 2 emissions, CLI is reviewing its carbon emissions intensity reduction targets and other environment targets, including changing reference to 2019 as the baseline year instead of 2008. The targets are being reviewed as part of the scheduled review of CapitaLand's 2030 SMP in 2022 and will be published before end May 2023.

Sustainability Management



CLMT has commenced working plans to achieve green certifications for its properties and aims to green its operational portfolio by 2030.

Training and Awareness

To facilitate effective implementation of CapitaLand's EHSMS, training and awareness programmes are planned and conducted for CLMT's staff. New employees are introduced to the EHSMS and EHS policies and briefed on their roles. Heads of Departments in administration, operations, and project management including heads of operating properties, design managers and project managers undergo more detailed training.

Internal and External Audits

As a CLI-sponsored REIT, CLMT taps on CapitaLand's internal audit system to ensure the conformance and effective implementation of its EMS to ISO 14001 international standards. External audits are conducted annually by a third-party accredited certification body. An annual audit of the EMS provides assurance to CLMT's stakeholders on its commitment to best practices.

Green Certification Targets

CLMT has commenced working plans to achieve green certifications for its properties and aims to green its operational portfolio by 2030. This is in line with CapitaLand's target to green its global operational 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.

Engaging Tenants to Go Green

Collaboration with tenants is becoming more important to influence and support their sustainability goals. For CLMT's properties in Malaysia, a green fit-out guide is shared with new tenants to raise awareness and encourage adoption of greener fit-outs, lighting efficiency requirements and promote green practices and behaviour.

Environmental Tracking System

Leveraging CapitaLand's Environmental Tracking System (ETS), we track energy and water usage, waste collection and disposal, as well as carbon emissions at our operating properties. The ETS is also used to survey the various initiatives implemented at CLMT's properties, including efficiency measures, biodiversity and habitat risks, water management and flood risk.

The property management teams of each property submit monthly data and upload supporting documentation in the ETS. The consolidated data is analysed against reduction targets. This facilitates better understanding of consumption patterns better and identification of areas for eco-efficiency improvements.

Various energy conservation measures which focus on innovation to reduce energy consumption have been implemented in CLMT properties.

Focus	Initiatives
Energy Efficiency: Central Air Conditioning System	<ul style="list-style-type: none">• Installed with Measurement & Verification system to monitor system performance daily• Perform preventive and periodic servicing and maintenance• Chiller ionisation system• Chiller management system
Energy Efficiency: Lighting	<ul style="list-style-type: none">• Installation of LED fittings with motion sensors at staircase• Lighting power budget of not more than 22 Watts per m² for tenanted areas
Energy Efficiency: Equipment	<ul style="list-style-type: none">• Replace equipment with higher efficiencies
Control, Metering and Monitoring	<ul style="list-style-type: none">• Conduct energy audits at the properties to improve energy efficiency• Upgrading of existing Building Management System

Energy Consumption and Intensity

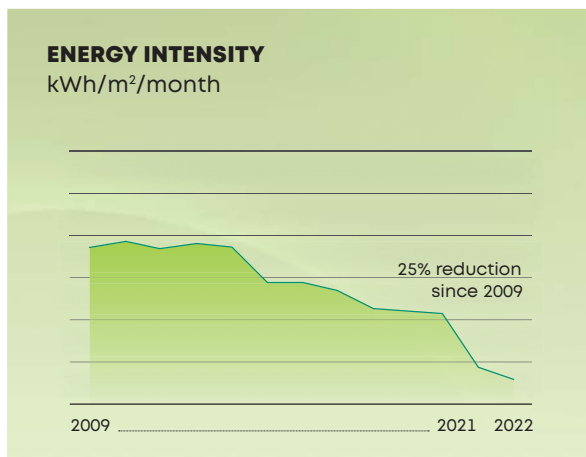
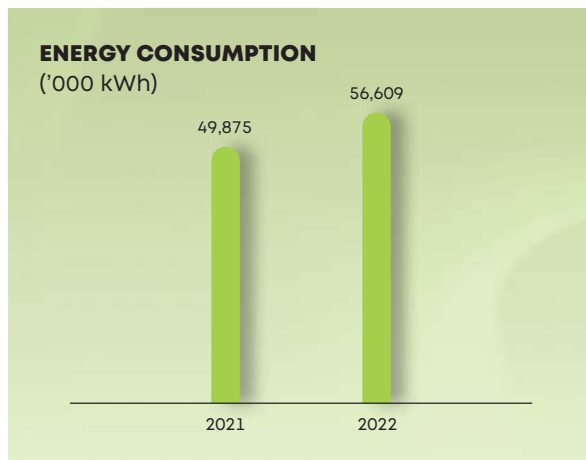
CLMT's total energy consumption comprises direct energy consumption (fuel consumption for maintenance of diesel generator) and indirect energy consumption (purchase of electricity and heating).

In FY 2022, CLMT's total energy consumption increased by 13.5% year-on-year to 56,609 kWh and almost all of it was contributed by indirect energy consumption. This increase was attributed to more retail trades were allowed to resume operations following the relaxation of pandemic-related restrictions.

CLMT recorded an energy intensity of 12.5 kWh/m²/month in 2022, which translates to 25% reduction in energy consumption intensity compared to the 2009 baseline.

CLMT is in the progress of exploring opportunities to generating electricity from renewable sources at its properties.

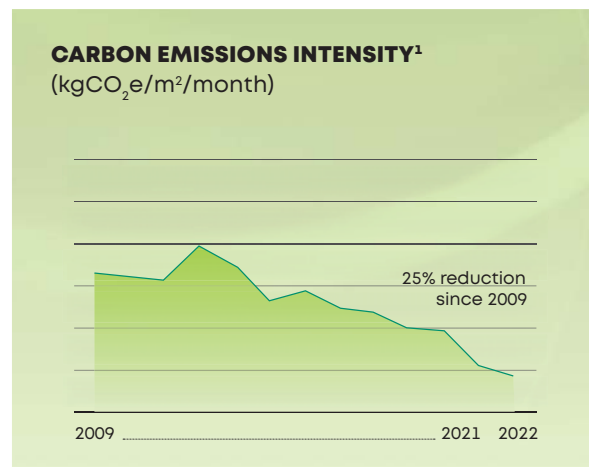
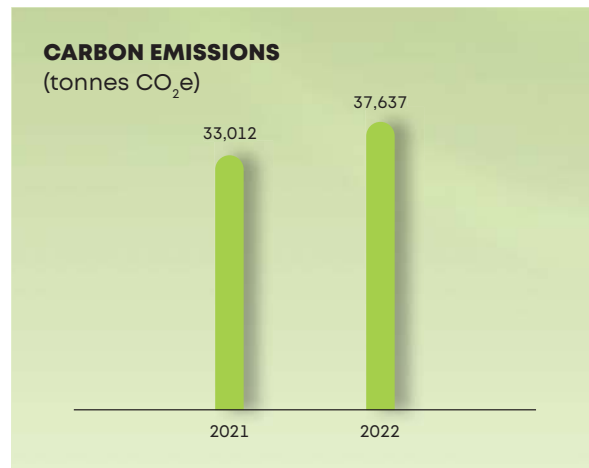
In support of the annual Earth Hour campaign, all non-essential lights were turned off at all CLMT's properties for one hour on 26 March 2022.



Carbon Emissions and Intensity

CLMT is committed to address climate change risks through the reduction of its energy consumption. Improving energy efficiency represents the largest and most cost-effective way to mitigate those emissions.

CLMT's total scope 1 and scope 2 carbon emissions in FY 2022 increased by 14% year-on-year to 37,637 tonne CO₂e. CLMT recorded a carbon emissions intensity of 8.3 kgCO₂e/m²/month in 2022, which translates to a 25% reduction in carbon emissions intensity compared to the 2009 baseline.



¹ Total carbon emissions is computed mostly from purchased electricity consumption under Scope 2, as defined by the Greenhouse Gas (GHG) Protocol (operational control approach) and using individual country CO₂ emission factors retrieved from the International Energy Agency (IEA) Statistics – CO₂ emission factors from fuel combustion. Scope 1 is minimal or zero as scope 1 emissions is only from ad-hoc usage of diesel genset.

Sustainability Management

EV CHARGING STATIONS

Understanding the needs of increasing environmentally conscious among our stakeholders, there are a total of nine electric vehicle charging stations that have been installed in CLMT's retail portfolio including Gurney Plaza, 3 Damansara, The Mines and Sungei Wang Plaza. Plans are also underway to roll out more electric vehicle charging stations in our portfolio in collaboration with Malaysian Green Technology And Climate Change Corporation and other reputable EV charging solution providers.



Water Consumption and Intensity

CLMT is committed to reducing total water consumption and preventing water pollution. Water usage and discharge for each property are monitored and checked regularly. For CLMT properties, water is withdrawn from local municipal sources, and used in building systems such as irrigation and air-conditioning. Proper water management ensures minimal wastage and promotes responsible use of this precious resource and the following initiatives have been rolled out in CLMT's retail properties:

- Lowered flush volumes and use of water-efficient faucets
- Replaced corroded fixtures
- Installed automatic irrigation systems
- Installed video surveillance and remote meters on water supply and air conditioning systems to monitor water consumption in real-time

The property management teams conduct regular checks across water features and monitor water usage closely such that any fluctuations or anomalies can be identified and acted upon promptly.

In FY 2022, CLMT's total water consumption was approximately 555,247m³, an increase of 29.5% year-on-year.

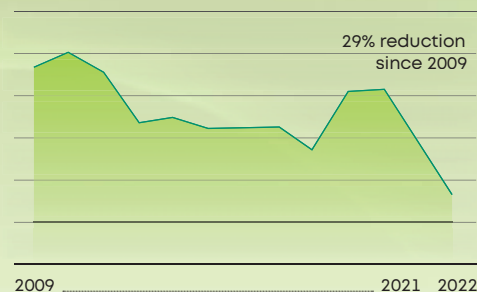
CLMT recorded a water intensity of 0.123 m³/m²/month in FY 2022, which translates to 29% reduction in water intensity consumption compared to 2009 baseline.

At East Coast Mall, we are in the midst of piloting an innovation project from the CapitaLand

WATER CONSUMPTION ('000 m³)



WATER INTENSITY (m³/m²/month)



Sustainability X Challenge using modulating valve with sensor to reduce toilet water usage and minimise water wastage. This is expected to complete in 2023.

Operational Waste

CLMT aims to play its part by managing waste at its properties responsibly. As waste generated at its properties is mostly from tenants, shoppers and the general public, we engage our stakeholders through various means to minimise and recycle waste. Recycling and disposal bins for each type of waste (hazardous and all other waste) are made available at all CLMT properties. The waste collected and recycled are tracked by the property management teams of each property.

In FY 2022, we collected a total of 5,009 tonnes of non-hazardous waste within all CLMT properties, of which 2.1% (equivalent to 107 tonnes) were recyclable waste comprising paper, plastic, metals, glass and other materials. CLMT will continue to implement measures to reduce waste generation and increase recycling rate across its portfolio.



Biodiversity

CLMT's properties are all located within urban areas. As CLMT does not have any sites located within protected areas, no material biodiversity risks have been identified.

FY 2022 Key Performance Indicators

	CLMT 2030 Target	CLMT 2022 Performance	
Low-carbon Transition	Reduce carbon emissions intensity by 78%*	25% reduction in carbon emissions intensity*	■
	Reduce energy intensity by 35%*	25% reduction in energy intensity*	■
	35% of total electricity consumption from renewable sources	0%	■
	100% of existing buildings to achieve a minimum green rating	0%	■
Water Conservation and Resilience	Reduce water intensity by 45%*	29% reduction in water intensity*	■
Waste Management and Circular Economy	Achieve 25% recycling rate in its day-to-day operations	2.1% in recycling rate	■
Annual Targets			
Environmental Management System (EMS)	Maintain ISO 14001 certification for its EMS	Retained ISO 14001 certification in Malaysia	
	Manage risks of environmental impact	EMS is audited annually, providing assurance to top management and external investors on CLMT's compliance and alignment to best practices	
■ In progress ■ Achieved/Exceeded Targets * Using 2009 as baseline			

Sustainability Management

HUMAN CAPITAL

Our People

As an externally managed REIT, CLMT and its properties are managed by the Manager and Property Managers. Hence, the staff of the Manager and Property Managers are deemed as CLMT employees. These teams have more than 240 employees and are responsible for CLMT's property operations in Malaysia. We recognise that people are our greatest asset contributing to the success of the business. Our workforce comprises mainly full-time and permanent employees based in Malaysia.

Fairness and Diversity

CapitaLand has in place an integrated human capital strategy designed to recruit, develop and motivate employees. As a CLI-sponsored REIT, CLMT is committed to developing a high-performance work culture that embraces diversity and collaboration amongst its employees.

CLMT upholds CapitaLand's commitment to be a workplace of choice for employees and adheres to its policies on non-discriminatory employment practices and equal remuneration. We have adopted the five key principles of fair employment advocated by the Tripartite Alliance for Fair and Progressive Employment Practices. This is reflected in the Employers' Pledge for Fair Employment Practices signed by CapitaLand.

The five key principles of fair employment we adhere to include:

- › Recruit and select employees on the basis of merit (such as skills, experience or ability to perform the job), regardless of age, race, gender, religion, marital status and family responsibilities, or disability
- › Treat employees fairly and with respect and implement progressive human resource management systems
- › Provide employees with equal opportunity to be considered for training and development based on their strengths and needs to help them achieve their full potential
- › Reward employees fairly based on their ability, performance, contribution and experience
- › Comply with the labour laws and abide by the Tripartite Guidelines on Fair Employment Practices

To attract top talent, all job opportunities are advertised publicly via online job portals, with selections based wholly on individual merit. This is consistent with CapitaLand's non-discriminatory employment practices.

Human Rights

CLMT upholds and respects the fundamental principles set out in the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, United Nations Global Compact's principles on Human Rights and Malaysia government's legal frameworks and legislation to protect individual rights, i.e. Employment Act and Malaysia National Wages Consultative Council's Guidelines.

There were zero reported incidents pertaining to discrimination and human rights violation in FY 2022.

Positive Work Environment

For CLMT, we are committed to providing a positive and vibrant workplace that promotes personal development, good health and wellbeing, as well as a fulfilling career. We continue to implement initiatives such as flexible hours and work arrangements, comprehensive medical benefits, and employee engagement programmes to foster a culture of high performance and work-life harmony. Part-time employees are also entitled to the same benefits as their full-time colleagues, on a prorated basis.

Employment contracts with clearly stated terms and conditions are signed for all confirmed employees. In the event of termination or employee resignation, depending on the employee's job grade, a minimum notice period of one month must be fulfilled. Exit interviews are also conducted as part of the continuing efforts to improve retention policies and initiatives.

We advocate a pay-for-performance philosophy to drive ownership of collective goals. This encourages a high-performance work culture, which supports the mission to deliver long term sustainable Unitholders' value. At CLMT, we also adopt CapitaLand's robust performance management system to ensure that all employees receive regular performance and career development guidance. Annual performance reviews involve open discussions on the employee's performance, developmental needs, areas for improvement and career planning. Key performance indicators are set to drive employee performance and contribution to CLMT's annual targets and key objectives. Employees participate in setting team and individual goals to clearly define performance and compensation expectations. Supervisors are also encouraged to provide regular feedback on employee performance.

Talent Management

We actively seek innovative, dynamic and talented individuals, both internally and externally, with the right level of experience to support our growth. This is managed through the recruitment of talents across different career stages, from entry-level graduates to mid-career professionals and industry veterans. All new hires are required to undergo an orientation programme that helps them assimilate to CapitaLand's business operations, strategy, core values and management philosophy. We constantly build our management bench strength by identifying and developing high-potential talent as part of the regular succession planning process.

Our talent management programme addresses the development of organisational core competencies as well as position-specific competencies. During the annual performance and career development review, all employees are highly encouraged to openly discuss their performance and aspirations with their supervisors, as well as to identify any training needs.

Fair Remuneration

Aligning employee performance targets with corporate objectives as well as industry benchmarking ensures remuneration is fair across the organisation. To ensure that our remuneration packages are competitive, external human resource consultants are regularly engaged to benchmark our compensation and benefits packages against local industry peers. We also actively review our employee compensation strategies to ensure that they commensurate with market practice.

Our people are offered comprehensive and competitive remuneration packages. These include short-term cash bonus and long term cash-based and equity-based reward plans such as restricted cash, share and performance share programmes. Such cash-based and equity reward plans help to strengthen the link between reward and performance, as well as to retain talent.

As part of CapitaLand Group, CLMT employees also enjoy a flexible benefits plan, paid maternity/paternity leave, and time-off for volunteer work. A flexible benefits plan enables the employees to complement their personal medical and insurance needs with those provided by the company. Employees can also customise their benefits for themselves and their families.

Learning and Development

CapitaLand encourages the cross fertilisation of talent and ideas, and leverage the Group's Human Resource functions to develop our people. For CLMT, we are committed to talent development programmes that enable people to acquire the relevant knowledge and skills for business excellence and to reach their full potential.

CapitaLand allocates up to 0.5% of its annual wage bill towards learning and development programmes for employees. In line with its drive to upskill employees, CapitaLand conducts formal classroom training, and provides on-the-job exposure, mentoring and coaching, and opportunities for job rotation and overseas postings.

Our employees have direct access to a year-long training calendar comprising a series of pre-evaluated training courses. CapitaLand has an in-house training hub, CapitaLand Institute of Management and Business (CLIMB), which supports the training and development needs of employees.

CapitaLand also has in place training roadmaps and a wide variety of courses to equip our teams with the skills and confidence to carry out their duties. In 2022, approximately 100% of CLMT employees attended at least one training event, and the average number of training hours completed by each employee exceeded 26 hours. Employees pursuing relevant courses are eligible for paid examination leave of up to 10 days per calendar year.

CLMT's employees who are also licensed representatives under the Securities Commission Malaysia (SC)'s Capital Markets Services Licence, recorded 32 training hours per employee, which was above the minimum requirement by SC.

Sustainability Management

Learning CAREnival



The quarterly Learning CAREnival 2022 was conducted virtually in March, June, August, and November 2022. The programme featured a mix of internal and external speakers, who were invited to deliver talks on five main themes: Digital Fluency, Holistic Wellbeing, Career Resilience, Sustainability as well as Lifestyle and Leisure.

Knowledge Exchange Series

The Knowledge Exchange Series is a networking and information sharing session inaugurated in September 2020 to explore topics relating to our businesses. It aims to enhance internal communication, knowledge sharing and promote business understanding and collaboration across teams. It also allows employees to share their project initiatives and best practices. In addition, internal and external speakers are regularly invited to share experiences during the sessions. The topics for Knowledge Exchange 2022 included The Yin and Yang of Interest Rates and World Events (March), Ascott & The Evolution of the Hospitality Industry (July), Five Business Lessons Over 90 years (December).



Future Economy Skills

Various Future Economy Skills (FES) Trainings that are mapped to 'Staying Relevant' and focused on 5 categories of skills, (i.e., Adaptability, Global Perspective, Learning Agility, Digital Fluency & Self-Management) were conducted (in person or virtually) throughout 2022 to help employees manage oneself effectively and pay close attention to work and living trends that impact the strategies, direction, and motivation for technical skills development.

Job Security

CLMT is committed to providing meaningful jobs for its employees. In the event of termination or employee resignation, there is a minimum notice period of one month that needs to be fulfilled, depending on the employee's job grade.

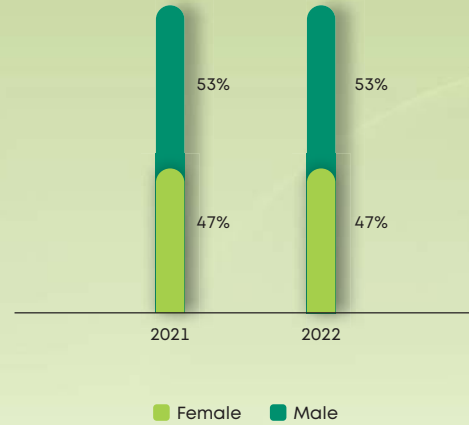
Re-employment Opportunities

In alignment with CapitaLand, CLMT has a re-employment policy in place for employees who have reached the current statutory retirement age of 60, to enable them to continue to work if they are still able and willing to continue contributing to CLMT. In 2022, four employees were above the age of 60.

Employee Profile

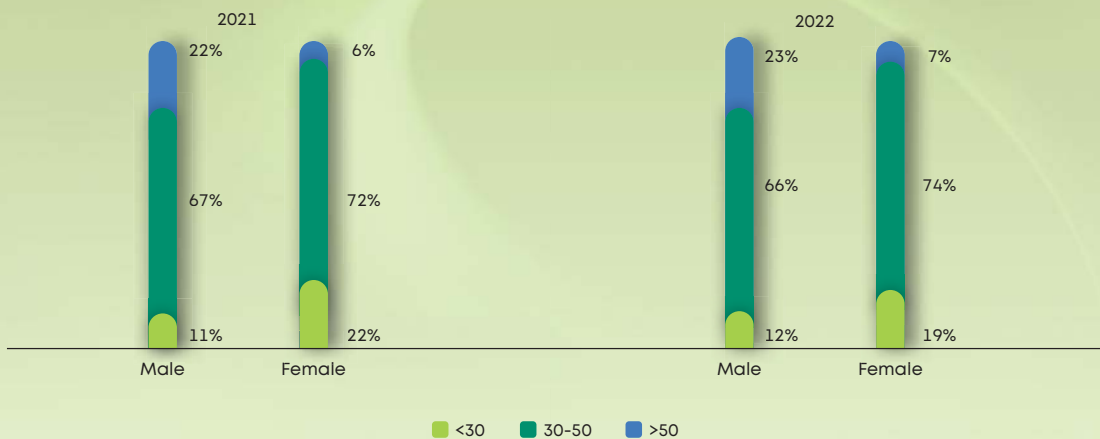
For CLMT, we have a vibrant and competent team of employees in our workforce. Of the total 244 employees in 2022, there were 128 (53%) males and 116 (47%) females.

EMPLOYEE DIVERSITY BY GENDER



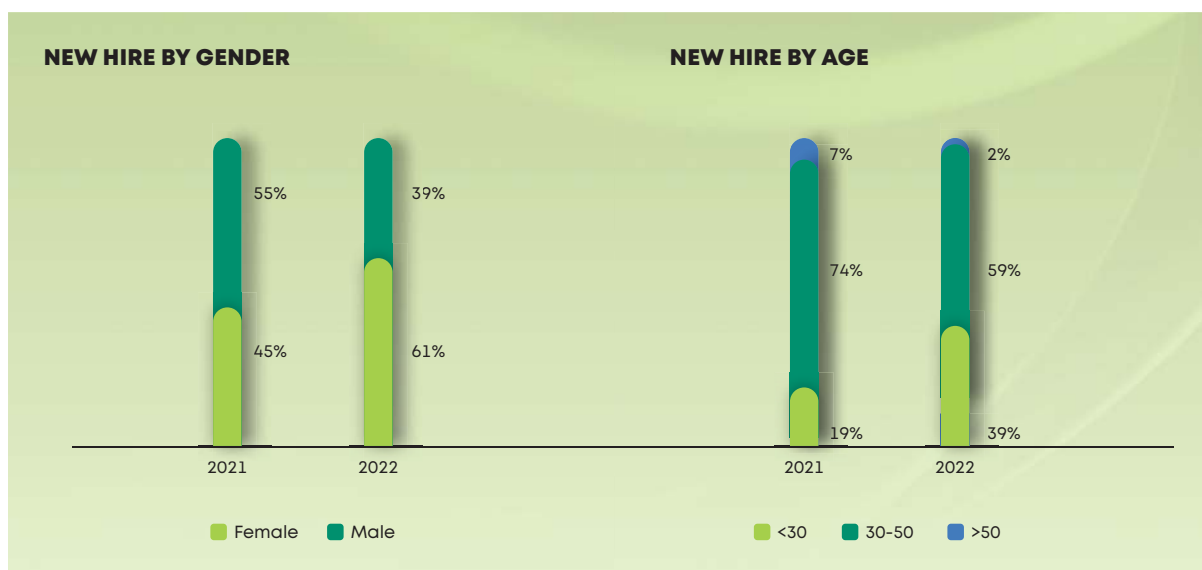
The workforce also comprises an almost equal ratio of male and female employees. Female employees are well represented in the middle and senior management levels. In 2022, close to 58% of the employees who are managers and above were female. Approximately 20% of the senior management, comprising those at Vice President level and above, were female. Employees between the ages of 30 to 50 accounted for 70% of the workforce, while those below 30 were around 15%. As at 31 December 2022, more than 62% of our employees have been with us for five years or longer.

EMPLOYEE PROFILE BY AGE & GENDER

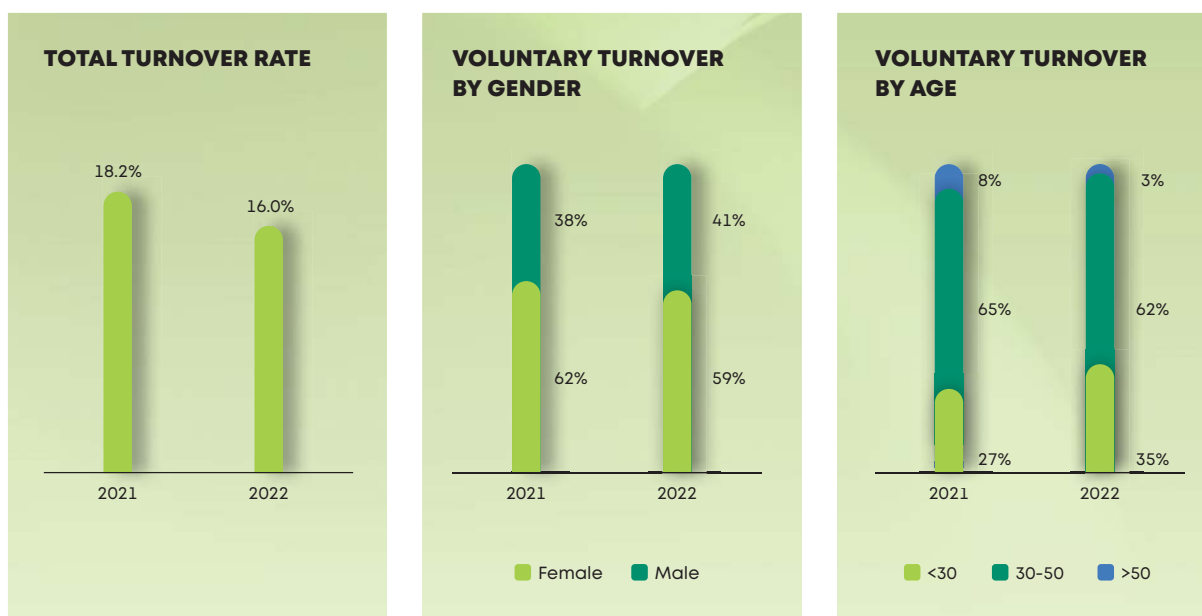


Sustainability Management

New hires represented 17% of the total headcount in 2022.



The employee total turnover rate for 2022 improved to 16.0% compared to 18.2 % a year ago.



Ethics and Integrity

In alignment with CapitaLand, CLMT adopts a strong stance against bribery and corruption. In addition to complying with clear guidelines and procedures regarding the giving and receipt of corporate gifts, all employees are required to pledge their commitment to CapitaLand's core values, which includes upholding the highest standards of integrity.

CapitaLand has established a Whistleblowing policy and other procedures to provide employees and business partners with well-defined, accessible and trusted channels for reporting suspected fraud, corruption dishonest practices or other workplace improprieties.

The Whistleblowing policy and procedures also allow for the independent investigation of any reported incidents and appropriate follow-up action, while assuring whistleblowers of protection from reprisals.

In alignment with CapitaLand, CLMT upholds a strict policy on ethical business conduct, which deals with issues 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 place. These policies have helped to detect and prevent occupational fraud primarily in three ways:

First, we offer fair compensation packages, based on practices of pay-for-performance and promotion based on merit to our employees. We also provide various healthcare subsidies and financial assistance schemes to alleviate the common financial pressures our employees face.

Secondly, clearly documented policies and work procedures incorporate internal controls which ensure that adequate checks and balances are in place. Periodic audits are also conducted to evaluate the efficacy of these internal controls.

Finally, we seek to build and maintain the right organisational culture through CapitaLand's core values, educating our employees on good business conduct and ethical values.

To instill CapitaLand's core values and principles, new CLMT hires are placed to undergo the CapitaLand Immersion Programme which includes a mandatory module on anti-corruption policies and procedures. Employees are retrained on how the core values and principles can apply to their daily work.

Occupational Health and Safety

CLMT strives to achieve zero work-related injuries resulting in employee permanent disability or fatality by adopting stringent occupational health and safety (OHS) practices. Employees are expected to take ownership of OHS issues, and proactively report all OHS-related incidents alongside non-compliance and non-conformities. CLMT regularly monitors the operations to control workplace safety risks and strives to eliminate or minimise them through various measures. Hazards Identification and Risk Assessments are reviewed annually or when appropriate. OHS hazards are identified for the administration, development and operational functions of the business and risks are assessed. Standard operating procedures are in place to minimise the occurrence of such hazards.

In 2022, there were zero staff work-related fatality and permanent disability.

Employee Wellbeing

CLMT aims to provide a safe work environment that contributes to the general wellbeing of its employees. In Malaysia, this is carried out through a Total Wellbeing Programme to promote health and wellbeing of all employees. CLMT supports the programme by engaging its workforce through regular health and recreational activities, as well as brainstorming workshops. We also have a flexible work arrangement policy that permits flexible work hours, working from home or part-time work arrangements for our workforce.

In 2022, some of the activities conducted to encourage a well-balanced and healthy lifestyle among employees include free COVID-19 screening, virtual health-related activities through health talks and campaign. Tips on healthy living and effective exercise were published regularly through CapitaLand's intranet and email blasts.

Sustainability Management

Pre-Hospitalisation COVID-19 Test Coverage

Given the COVID-19 situation in the country, there has been a requirement for each patient to undergo a COVID-19 test before every hospital admission. In view of that, Group Health Plan (GHP) has been extended to cover the Pre-Hospitalisation COVID-19 Test for employees.

COVID-19 Tests for Employees Using Self-Test Kits

Employees have been required to undergo COVID-19 self-tests on a weekly or fortnightly basis with test kits provided by the Company during the pandemic period. This initiative is to ensure the safety of our workplace and to mitigate the risk of COVID-19 infection. Employees who tested positive through self-testing would be required to be on home quarantine and update their supervisors and HR immediately.

Regular Communication Sessions with Staff

Several communication sessions with staff were organised such as CMO-Connect and #HRConnect, to keep employees abreast of company directions, performance, latest developments, and people matters. Topics related to employee health, safety and wellbeing were also shared during those sessions.



Workplace Wellness and Wellbeing Talks

Several talks in relation to employee wellness and wellbeing were conducted virtually with the aim of promoting wellbeing and creating a healthy work environment.



Employee Engagement and Wellbeing Events

Various events/initiatives were organised in 2022 such as distribution of Starter Pack, CNY Prosperity Bags and Raya Festive Meal Vouchers to employees, Scoops n' Smiles, Fruitilicious Parties, 3D2N Staff Year End Gathering & Teambuilding at Port Dickson, Deepavali Get-together Gathering, Christmas Gathering and Gift Exchange, etc. to enhance wellbeing and foster camaraderie among employees. Commendation Awards was also put in place to recognise employees for their exceptional performance, behaviour and achievement.



Sustainability Management

As we continue to adapt to a safe lifestyle, CLMT is forthcoming with hygiene and safety practices at the workplace. Employees' concerns and anxiety are mitigated by proactively highlighting workplace sanitary health practices, provision of safety and health equipment and keeping abreast with Ministry of Health's safety guidelines.

Personal Protective Equipment (PPE) Kits distribution

The Company continued in distributing face masks to employees at work particularly to front-liners. Hand gloves, hand sanitisers and other PPE Kits are made readily available at the workplace.

Fire Safety and Evacuation Intensive Training

Fire safety and evacuation intensive training courses were conducted in May and June 2022 to equip employees with the necessary knowledge and skills so that they would be able to function well in the event of a fire emergency in the workplace.



First Aider & Cardiopulmonary Resuscitation (CPR) Certification Training

Several First Aider & CPR certification trainings were conducted in August 2022. The sessions are aimed to equip employees with essential knowledge and skills for being competent in providing first aid and prompt emergency care in the event of an injury or sudden illness.



STAKEHOLDER ENGAGEMENT

Stakeholders are groups that CLMT's business has a significant impact on, and those with a vested interest in its operations. Key stakeholders include employees, customers, business associates, builders and suppliers, as well as the investment and 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 groups based on their impact on CLMT.

Through the various engagement channels, CLMT seeks to understand its stakeholders' views, communicate effectively with them and respond to their concerns. Engagement channels include dialogues with government agencies, participation at conferences, member representations in industry-related associations, benchmarkings and responding to sustainability surveys.

Stakeholders	Engagement Channel	Issues	Capitals
Employees	<ul style="list-style-type: none"> Regular dialogue sessions with senior management Regular staff engagement surveys Volunteer programmes Training and development 	<ul style="list-style-type: none"> Work-life balance Remuneration and benefits Staff welfare 	Human Capital Social and Relationship Capital
Investors, analysts and media	<ul style="list-style-type: none"> Annual general meetings Quarterly financial results announcements Media releases and interviews Annual reports Company website Regular analyst and investor meetings Site visits 	<ul style="list-style-type: none"> Operational efficiency, monetary savings, cost avoidance Return on equity, earning, business strategy, market outlook ESG risks and opportunities 	Financial Capital Social and Relationship Capital
Customers (Tenants and shoppers)	Tenants: Tenant satisfaction survey, green fit-out guide and joint promotions and strategic partnerships Shoppers: mall campaigns, exhibition, social media campaigns CapitaLand's social media channels	<ul style="list-style-type: none"> Facilities management Customer experience 	Social and Relationship Capital Environmental Capital
Supply Chain (Main contractors, vendors, suppliers)	<ul style="list-style-type: none"> CapitaLand's Supply Chain Code of Conduct Environmental, Health and Safety (EHS) management system Quarterly EHS monitoring Vendor evaluation, events, meetings and training 	<ul style="list-style-type: none"> Design and quality Occupational health and safety practices Workers' welfare and wellbeing Environmental compliance 	Human Capital Social and Relationship Capital Environmental Capital

Sustainability Management

Stakeholders	Engagement Channel	Issues	Capitals
Government/ national agencies/ community and non-governmental organisations (NGOs)	<ul style="list-style-type: none"> Longstanding partner of various national programmes Participation in external conferences/forums Corporate advertisements Consultation and sharing with academics, NGOs and business associations Sustainability reports 	<ul style="list-style-type: none"> Stakeholder programmes to advocate sustainable tenant/consumer behaviours Advocating best practices 	Social and Relationship Capital

Tenant Satisfaction Survey

CLMT strives to create meaningful relationships with its customers. To maintain the relevance of its malls, CLMT conducted a tenant satisfaction survey for five of its retail properties in FY 2022, with an overall participation rate of 87%. CLMT garnered feedback on a range of matters from cleanliness, security, mall ambience to the adequacy of car park lots. On an average, 90% of the respondents expressed satisfaction with CLMT's services. The survey is useful in providing specific and actionable feedback, which allows us to better address our tenants' needs and concerns. The feedback obtained is reviewed and relevant follow up actions are taken to improve the experience and service levels to its tenants and shoppers.

ENGAGING OUR COMMUNITY

Earth Hour 2022

CLMT participates in Earth Hour annually across all its properties by switching off façade lights and non-essential lighting from 8:30 pm (local time). CLMT encourages tenants to participate by switching off all non-essential lights for that hour.



Green Givers @ Gurney Plaza

In conjunction with Earth Hour and World Givers Campaign was held at Gurney Plaza with the support of the Penang Green Council. We aimed to raise awareness for this initiative and through this recycling campaign, we collaborates with participating brands such as L'Occitane, Nespresso,

Uniqlo, Neubodi, SenQ and Riicycle Penang. Shoppers were rewarded with CapitaStar Vouchers, carpark rebate and other prizes when they bring items to recycle at the participating stores.

#GivingBersama 2.0

In FY 2022, CLMT collaborated with CapitaLand Malaysia, to provide essential and school supply relief to support more than 1,200 beneficiaries in Malaysia. The beneficiaries are from 36 homes and schools in the Klang Valley, Kuantan, Penang and Johor. With funding support from CapitaLand Hope Foundation (CHF), CapitaLand Group's philanthropic arm, we donated RM64,000 to provide them with essential items and school supplies.



ORGANISATIONAL CAPITAL

Corporate Governance Culture

The Manager embraces the tenets of good corporate governance, including accountability, transparency and sustainability. It is committed to enhancing long term Unitholder value and has appropriate people, processes and structure to direct and manage the business and affairs of the Manager with a view to achieving operational excellence and delivering CLMT's long term strategic objectives. The policies and practices developed meet the specific business needs of CLMT and provide a firm foundation for a trusted and respected real estate investment trust.

The Manager remains focused on ensuring compliance with relevant laws and regulations, including but not limited to the Companies Act 2016, the Capital Markets and Services Act 2007 (CMSA), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Malaysia) (Listing Requirements), the Securities Commission's (SC) Guidelines on Listed Real Estate Investment Trusts (REITs Guidelines), Licensing Handbook, written directions, notices, codes and other applicable guidelines issued by SC and/or Bursa Malaysia and the tax rulings issued by the Inland Revenue Board of Malaysia on the taxation of CLMT and its Unitholders as well as any updates and amendments to such relevant laws and regulations while achieving operational excellence and delivering CLMT's long term strategic objectives. The Board is responsible for the Manager's corporate governance standards and policies, underscoring their importance to the Manager.

CLMT adheres to the policies, guidelines and practices relating to Communicating with Shareholders, Dealing with Interested Persons, Dealing with Conflicts of Interest, Dealings in Securities and Code of Business Conduct, amongst others.

For details on CLMT's corporate governance framework and culture, please refer to the Corporate Governance section, page 68 to 95 of CLMT Annual Report 2022.

Compliance

CLMT is a member of the Malaysian Investor Relations Association (MIRA) and Malaysia REIT Managers Association (MRMA).

In FY 2022, there were zero incidents on material non-compliance with the laws and regulations relevant to the REIT, the Manager or the Property Managers. This includes regulations and industry codes concerning marketing communications and PDPA.

In alignment with CapitaLand, CLMT's zero tolerance towards bribery and corruption is further reflected through the anti-bribery and anti-corruption provisions incorporated into its business contracts and agreements. In 2022, there were zero incidents related to corruption.

Enterprise Risk Management

As an integral part of corporate governance, a comprehensive Enterprise Risk Management (ERM) framework enables CLMT to proactively identify, assess, manage and communicate risks in an integrated, systematic and consistent manner.

The Board is responsible for the governance of risks across CLMT, assisted by the Audit Committee which provides oversight of risk management at the Board level. The Board approves CLMT's risk appetite which determines the nature and extent of material risks that the Manager is willing to take to achieve the CLMT's business objectives and corporate strategy. For more details, please refer to the ERM section, page 103 to 107 of CLMT Annual Report 2022.

FINANCIAL CAPITAL

Financial Performance

CLMT delivered a set of improved results for FY 2022 as it continues to progress well to recover from the impact and challenges of the pandemic. For a detailed overview of CLMT's financial results and performance, please refer to the following sections of this Annual Report – Highlights of FY 2022, page 6; Financial Highlights, page 8 to 9; Financial Review, page 59 to 60; and Financial Statements, page 156 to 195 of CLMT Annual Report 2022.

Feedback

Stakeholders with questions or feedback for CLMT are welcome to send them to ask-us@clmt.com.my.