

Our Sustainable Housing Journey

HDB ANNUAL REPORT 2015/2016



Our Sustainable Housing Journey

Our journey to sustainable living begins...

When we embrace green and nature, history and geography, and heritage as part of each town’s identity and future.

Our journey has taken us to heights and distances...

Enabling eco-friendly living for our residents as we plan housing projects with green spaces and future-forward technologies.

Our journey into the future...

Promises to increase our green footfall, with every smart and sustainable innovation that we trial and implement in our towns today, to conserve for the community of tomorrow.

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Chairman's Statement



...“.....
While swift to adopt smart and sustainable technologies and solutions, HDB's approach remains people-centric.
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In Singapore's vision of a 'Smart Nation', information and communications technology (ICT) drive future changes for the betterment of citizens. It is one that HDB is deeply plugged into.

While swift to adopt smart and sustainable technologies and solutions, HDB's approach remains people-centric. When the HDB Sales Atrium at the HDB Hub was revamped in the FY, the aim was to uplift the whole customer service experience, one where people, process, and technology create a seamless accord.

HOME AND AFFORDABILITY
As with the Atrium renewal, this inclusive approach was also evident in the plans, policies and programmes implemented in the FY.

In the FY, HDB's 3 Build-To-Order (BTO) sales exercises added more than 15,000 flats. Spread over 19

projects across mature and non-mature towns, these new additions comprising a range of flat types, helped to fulfil home ownership aspirations among new flat buyers.

To ensure better affordability, policies implemented included the income ceiling and grant amount raise for citizen households so that more could qualify for the Special CPF Housing Grant. For those looking to buy new or resale HDB flats with the CPF Housing Grant, the income ceiling was raised from \$10,000 to \$12,000.

HDB also implemented the Proximity Housing Grant (PHG) to encourage families to live closer together. The grant of \$20,000 is given to Singaporean families who buy a resale flat to live with or near (in the same town/ estate or within 2km) their parents' or married child's home. Even eligible singles can benefit with a \$10,000 grant, if they buy a resale flat to live with their parents.

Other policies to encourage home ownership included the Fresh Start Housing Scheme, aimed at enabling second-timer public rental households with young children to buy 2-room flats with shorter leases. It was announced by Prime Minister Lee Hsien Loong at the National Day Rally 2015.

SMART AND SUSTAINABLE
Projects launched for sale this FY in Punggol Northshore would be the first of many to test-bed Smart technologies applied to estate planning and car parks, lighting and waste management.

In existing towns, the HDB Greenprint was completed in Yuhua in late 2015. The project rolled out green technology upgrades in the mature town, including amenities like solar panels, sensor-controlled LED lightings, and an automated waste collection system. Smart technologies were also tested in selected households in Yuhua, and under the HDB Smart Enabled Home Initiative, several homes trialled applications related to elderly home care and utilities management.

HEARTLAND AND COMMUNITY
HDB's estate renewal programme — Remaking Our Heartland (ROH) saw the completion of 2 new-generation housing projects, SkyVille @ Dawson and SkyTerrace @ Dawson. Planned to revitalise Dawson under the first batch of towns slated for ROH, they were designed to encourage multi-generational and green living, with innovative features to attract a more vibrant mix of residents to the estate.

Moving on, 3 other heartland towns under ROH, embraced a ground-up approach to refine the upgrading proposals. The feedback sessions for Woodlands, Toa Payoh and Pasir Ris attracted wide interest, engaging over 400 participants from various stakeholder groups, including residents of the towns.

Active community involvement among residents remained a top priority, fostered through a concerted programme of activities. The Community Building Seminar (CBS) & Build-a-thon challenge,

prompted participants to discover the interrelationships between people and place in community building. One of the resulting ideas was the 'Walls of Inspiration' activity in Siglap East, with some 250 residents giving their void deck walls a makeover.

Under the Neighbourhood Renewal Programme, the BOND! Project at Tampines Changkat, engaged residents to share about the kind of social amenities and community programmes they would like in their neighbourhood. Some 498 households took active interest in shaping their community.

FUTURE FORWARD
HDB's commitment to ensuring that Singaporeans have vibrant homes and towns, also includes an assurance to conserve its green footfall. The announcement of Tengah Town, a brand new town to be developed, has stirred up a lot of interest and excitement. Envisioned to be a forest town, it will be fully integrated with the surrounding ecosystems and exemplifies the future shape and form of HDB towns — smart, sustainable and green.

This, and the achievements of the past years, could not have been accomplished without a strong sense of purpose and conviction, and the dedication of the members of the HDB Board, management and staff. I would like to thank all of you for your continued support in making this organisation an outstanding one, and HDB towns a home all are proud of.

Mr James Koh Cher Siang
Chairman

CEO'S Word

Dr Cheong Koon Hean
Chief Executive Officer



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Riding on the wave of new technologies has helped HDB move closer to our vision to build well-designed, smart and sustainable, and community-centric towns.

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In delivering our housing mission to build the best home possible for Singaporeans, HDB has always been practical and pragmatic. This has helped us overcome myriad challenges over the years. At the same time, we have also been exploring new ideas and innovations to constantly raise the bar in our public housing journey.

GREEN AGENDA

At this juncture, we are prioritising sustainable living as the smart way forward. From Punggol to Yuhua, HDB aims to advance the green agenda as an enabler of quality living in all HDB towns.

In the FY, HDB celebrated the successful implementation of the pilot HDB Greenprint programme in Yuhua on 28 November 2015. The estate had

38 blocks of flats fitted with solar panels, sensor-controlled LED lighting, and the pneumatic waste conveyance system. A second HDB Greenprint pilot at Teck Ghee has also been launched in July 2015, and through these 2 pilots, we aim to develop cost-effective green building solutions for future possible replication in other HDB towns.

HDB's green approach also supports national efforts such as Singapore's transition into

a 'car-lite' society. In the FY, HDB collaborated with fellow agencies on the cycling network initiative, completing 25km out of 40km of cycling tracks in Punggol Eco-Town. We also introduced a dual bicycle rack system, which can double the number of bicycle parking lots without taking up additional void deck space. There are plans to install 2,400 of them for over 300 existing HDB residential blocks in Punggol.

INNOVATIVE TECHNOLOGIES

On the construction front, HDB has attained an overall productivity improvement of 9.8% for all HDB projects, exceeding our 2015 target of 9.5%. This resulted from our active explorations of innovative methods such as Building Information Modelling to facilitate building design and construction through interactive digital models.

Town planning tools like the use of Urban Environmental Modelling (UEM) to simulate solar and wind flow conditions, has helped our planners refine housing typology, building layouts, and orientation. This UEM tool clinched an award for HDB, among the many prestigious honours HDB received in the FY.

COMMUNITY FABRIC

Riding on the wave of new technologies has helped HDB move closer to our vision to build well-designed, smart and sustainable, and community-centric towns. Even so, our focus continues to be to make lives better.

Apart from making our towns liveable and sustainable for our residents, there is the need to strengthen the community fabric. Its warp and weft is a continuous interlace, where our efforts join with residents to create a cohesive, active, and vibrant heartland. In the FY, HDB's Community Week 2015 and other activities helped forge a more community-centred mindset, alongside upgrading and activation programmes that refresh the physical environment.

Where housing needs are concerned, in the FY, HDB refined policies to ensure that Singaporeans at different stages of their lives are given help: the elderly and those who may be in financial difficulty as well as vulnerable households. Among these was the announcement of the Fresh Start Housing Scheme to help second-timer public rental households, with young children, buy a flat of their own.

ENDEARING HEARTLAND HOMES

The SG Heart Map provided a good reflection of how we meld as a nation and community. HDB led the SG Heart Map under the SG50 committee to mark Singapore's 50th birthday in 2015. The year-long celebration culminated in a 4-day finale which was a fitting conclusion to the collection of close to 100,000 personal stories by Singaporeans of places in Singapore they cherished. It was inspiring to witness how everyone came together

to share and reminisce about their beloved spaces — many of which are in HDB towns.

HDB will remain active in collaborating with residents to build on this community spirit, and also to meet standards of excellence in every key area so that our heartlands can continue to be endearing homes.

Year in Review 2015/ 2016



DELIVERING HOMES

Homes for All
Support for Singaporeans



VIBRANT AND SUSTAINABLE TOWNS

Green Test Beds
Master Plans for New Towns
Upgrading and Rejuvenation
Remaking Our Heartland (ROH)
Commercial and Industrial Properties
Construction Productivity



BUILDING COMMUNITIES

Hello Neighbour! @ Tampines
HDB Community Week
SG Heart Map



SERVING OUR CUSTOMERS

Engaging Customers
Caring for Staff
Awards



Delivering Homes

HDB continued with its mission to keep public housing within reach of all Singaporeans. This was done through measures and policies to ensure that there are homes for every budget and need.



HOMES FOR ALL

In Financial Year (FY) 2015/ 2016, HDB launched 3 Build-To-Order (BTO) sales exercises, comprising 19 projects with a total of 15,275 flats spread across non-mature towns like Punggol and Bukit Batok, and mature towns such as Bidadari (Toa Payoh) and Tampines.

Adding to the pool of BTO flats were 10,737 flats released for sale in the May and November 2015 Sale of Balance Flats (SBF) exercises.

For HDB resale flats on the market in the FY, resale volume increased by 11%. From 17,673 registered resale applications in FY 2014/ 2015, it rose to 19,620 applications.

HDB completed a total of 23,935 new units within the FY. The number of BTO units constructed numbered 20,993, while those built under the Selective En bloc Redevelopment Scheme (SERS) stood at 736. HDB also built 2,206 rental units. This is in line with increasing the total rental housing stock to about 60,000 units by 2017.



SUPPORT FOR SINGAPOREANS

There were several new measures implemented in the FY to help more Singaporeans own a flat. These targeted different needs and budgets, from young couples setting up their first home to second-timer families, and the elderly and singles.

- The income ceiling was raised from \$10,000 to \$12,000 for citizen households to buy new flats from HDB, or HDB resale flats with the CPF Housing Grant, and the taking of an HDB loan at a concessionary interest rate.

The income ceiling for citizen households to buy new Executive Condominium (EC) units with the tiered CPF Housing Grant was also raised from \$12,000 to \$14,000. These took effect from 24 August 2015. The revised income ceiling for the purchase of a new flat from HDB took effect from the November 2015 sales exercise.

- The income ceiling for eligible singles to buy new 2-room flats from HDB on a 99-year lease, resale flats (up to 5-room) with the CPF Housing Grant under the Single Singapore Citizen (SSC)

scheme, and the taking of an HDB loan at the concessionary interest rate, was raised from \$5,000 to \$6,000.

For elderly citizens, the income ceiling for them to qualify for monetisation options, was raised from \$10,000 to \$12,000. Some of these options include the Lease Buyback Scheme (LBS), the Silver Housing Bonus (SHB), and the short-lease 2-room Flexi flats.

- The income ceiling to qualify for the Special CPF Housing Grant (SHG) was raised from \$6,500 to \$8,500 for families and from

\$3,250 to \$4,250 for singles. The maximum grant amount for the SHG was also doubled from \$20,000 to \$40,000 for families and from \$10,000 to \$20,000 for singles. These took effect from the November 2015 sales exercise.

- The LBS, introduced in 2009 and applicable to 3-room and smaller flats, was extended to include 4-room HDB flats in April 2015. This meant that it would now cover 75% of elderly HDB households compared to 35% previously. The latest enhancements also included a lowered CPF top-up requirement

for households with 2 or more owners; and greater flexibility in the length of lease to be retained.

- The 2-room Flexi Scheme was implemented from the November 2015 BTO sales exercise, replacing the Studio Apartment and 2-room flat schemes. The scheme is a new housing option to better cater to the diverse housing needs of families, singles, and elderly. It also offers flexibility to give buyers a choice of lease and fittings.
- The Fresh Start Housing Scheme was announced to help second-timer public rental households,

with young children, buy a flat of their own. The scheme would likely be implemented by end 2016.

- The Proximity Housing Grant (PHG) was implemented with effect from 24 August 2015, to encourage families to live near each other. The grant of \$20,000 is for Singaporean families who buy a resale flat to live with or near (in the same town/ estate, or within 2km) their parents' or married child's home. For eligible singles, they enjoy a PHG of \$10,000 if they buy a resale flat to live with their parents.



Vibrant and Sustainable Towns

Committed to its goal of developing vibrant and sustainable towns, HDB made important strides in its smart and sustainable initiatives for both new and existing estates.



GREEN TEST BEDS

Punggol Town, HDB's first eco-town, trail blazed several smart and sustainable initiatives. Punggol Northshore, envisioned to be 'A Smart and Sustainable District' piloted sustainable new technologies and biodiversity and greenery through 4 demonstration precincts and a neighbourhood centre.

Northshore Residences I & II and Waterfront I & II @ Northshore were launched at the May 2015 and November 2015 BTO sales exercises respectively.

In Yuhua estate in Jurong, the pilot HDB Greenprint project was completed in November 2015, with

38 blocks of flats transformed into a 'Green Neighbourhood'. Under the HDB Greenprint, a scheme aimed at creating sustainable homes in existing towns, 14 features had been introduced in the neighbourhood since the launch in 2012.

They include amenities such as Rainwater Harvesting Systems, Outdoor LED Street Lighting, and Vertical Greenery.

Smart home devices were also trialled in 10 selected Yuhua households, starting from October 2015. Technologies such as the Utilities Management and Elderly Monitoring System were tested for effectiveness and usability. Both systems use

sensors and mobile technology to provide real-time information on utilities usage and send alerts in times of emergency respectively.

The Smart Home solutions were also extended to all households in Yuhua at discounted rates. A second HDB Greenprint was launched at Teck Ghee Neighbourhood in July 2015 to gather more feedback from residents on the sustainable initiatives tested.

MASTER PLANS FOR NEW TOWNS

HDB further refined the master plans for Bidadari, Tampines North, and Punggol Matilda, following the first announcement of broad development plans in 2013. Bidadari's first housing parcel was launched in November 2015. Bidadari is envisioned to be a tranquil urban oasis where the new proposals will capitalise on its rolling greens, rich heritage, and convenient transport connections, to provide a high quality living environment. Some of the ideas include: a new Bidadari Greenway,

bringing back the historic Alkaff Lake, as well as pedestrianising the existing Upper Aljunied Road to better preserve the canopy of mature trees.

Tampines North is an extension of the existing Tampines Town with a projected yield of about 19,000 dwelling units. It is estimated to be developed within the next 10 to 15 years. In addition to the first public housing project launched in November 2014, a second housing parcel in Tampines North was launched in May 2015 under the BTO exercise. In Punggol Matilda, future residents will have easy accessibility from their homes to the waterfront, through a comprehensive network of sheltered and open walkways, as well as cycling paths.

UPGRADING AND REJUVENATION

Upgrading programmes to rejuvenate towns and maintain the value of HDB flats were carried out in the FY. Under the Home Improvement Programme (HIP) addressing common maintenance problems in ageing flats, 22 HIP projects were completed. This brought the total number of projects completed since the inception of the programme in 2007, to 67. In addition, 12 Neighbourhood Renewal Programme (NRP) projects were completed, bringing the total number of projects completed since its implementation in 2007 to 33. NRP focuses on precinct and block-level improvements.



The Lift Upgrading Programme (LUP) enables HDB residents to enjoy the convenience of direct lift access on their floors. The programme has since benefited over 500,000 households in more than 5,000 blocks.

Among various initiatives to promote the Enhancement for Active Seniors (EASE) programme to the seniors and community, HDB partnered the Pioneer Generation Office to reach out to the seniors and to share with them the benefits of the EASE programme. EASE is targeted at Singapore Citizen households with senior members to facilitate ageing-in-place. The EASE programme offers improvement items such as grab bars

and slip-resistant treatment to existing bathroom floor tiles which are heavily subsidised. As of 31 March 2016, more than 34,000 households had applied for EASE (Direct Application) and another 51,000 households had opted for EASE under HIP, since its pilot launch on 1 July 2012.

HDB served compensation notices to 3,477 households of Tanglin Halt under the Selective En bloc Redevelopment Scheme (SERS). Registration of replacement flats for 3,251 households was also completed. The scheme renews older HDB housing estates, and gives residents the opportunity to move to a new home with a fresh 99-year lease.





REMAKING OUR HEARTLAND (ROH)

Following the announcement at the Committee of Supply 2015, HDB commenced a study to revitalise 3 HDB towns – Woodlands, Toa Payoh and Pasir Ris – under ROH 3. The proposals for these towns include the provision of new amenities such as a new town plaza for large-scale community activities in Woodlands, a new mixed-use development integrated with a new bus interchange in Pasir Ris, and a network of dedicated cycling paths in Toa Payoh.

HDB sought a bottom-up approach for the rejuvenation proposals for these 3 ROH towns. In June and July 2015, a total of 8 Focus Group Discussion sessions and 3 Small Group Discussion sessions were held, with over 400 participants comprising residents, community stakeholders, and grassroots leaders.



COMMERCIAL AND INDUSTRIAL PROPERTIES

At the end of the FY, HDB was managing 17,737 commercial properties. The average occupancy rate of HDB's commercial properties remained high at 98%. In FY 2015/ 2016, a total of 261 commercial units was allocated, while the construction of 76 shops and eating houses were completed in towns such as Bukit Merah, Geylang and Hougang.

The HDB Industrial Redevelopment Programme (IRP) was launched in 1997 with the key objective to optimise and intensify land use.

HDB will develop a high-rise industrial complex in Ang Mo Kio Industrial Park 3 to relocate affected tenants from Eunos, under Batch 14 of the HDB IRP. The new industrial complex is expected to obtain a Temporary Occupation Permit (TOP) in the 1st Quarter 2021.

A second solution that found greater usage is the Concrete Prefabricated Bathroom Unit (PBU). The pilot implementation of the PBU was at the BTO project in Sengkang, Fernvale Lea, which was completed within FY 2015/ 2016. PBU is set to be implemented in 11 more projects.

CONSTRUCTION PRODUCTIVITY

To boost construction productivity this FY, HDB turned to innovative methods and materials. The measures implemented or tested included the crack inducer to reduce noise pollution and improve productivity, as compared to conventional hacking.



Building Communities

HDB played an active role in fostering community bonding this financial year, through programmes such as Hello Neighbour! @ Tampines, HDB Community Week and SG Heart Map.



HELLO NEIGHBOUR! @ TAMPINES

The Hello Neighbour! @ Tampines Central project was held from May 2014 to December 2015. The programme tested out the effectiveness of 2 design typologies, namely the Social Linkway and Neighbourhood Incubator.

The Social Linkway is a common walkway energised by adjacent new social spaces to promote community interaction. The Neighbourhood Incubator seeks to turn void deck spaces into a convenient one-stop hub for residents to participate in community activities and workshops.

A celebratory event, Tampines Central Neighbours' Day, was held on 30 January 2016 to demonstrate how these newly-designed spaces could be used. The event saw a turnout of about 100 Tampines residents.



HDB COMMUNITY WEEK

The 4th HDB Community Week was held in Toa Payoh over 10 days in May 2015, with the objective of encouraging greater community involvement and spreading messages on neighbourliness. The exhibition was launched on 22 May 2015 and attracted close to 19,000 visitors.

In commemoration of the 50th anniversary of Toa Payoh, the event saw the launch of a commemorative electronic photo book, 'Friendly Faces, Lively Places: Toa Payoh in Pictures, 1965 - 2015'. Other key highlights included the Good Neighbour Award, Good Neighbours Project (Youth), Community-Participatory Projects, Heartland Youthoria!, and Pre-school Storybook II – Maddie's New Neighbours.



SG HEART MAP

HDB played the lead role in the organisation of SG Heart Map – one of the SG50 programmes commemorating Singapore's 50th birthday. The crowd-sourced programme aimed to capture Singaporeans' personal stories of places which are special to them.

The 1-year SG Heart Map programme was officially launched in November 2014 and culminated in a celebratory finale event, the 'SG Heart Map Festival @Float', held from 26 November 2015 to 29 November 2015. The concluding event attracted 135,000 visitors over 4 days.





Serving our Customers

HDB continued to realise a transformation in its service delivery, most tangibly in the revamp of the Level 1 Sales Atrium at the HDB Hub. This was part of the HDB Service Master Plan that was developed to fulfil a vision of 'Creating a Positive and Seamless Customer Experience'.



Other projects under the Service Master Plan were also completed, including a new Welcome Kit for new flat owners and new e-Services to provide greater convenience to customers. HDB had also embarked on a review of its written communication, to enhance the language and format used in the

letters for easier reading and understanding of the content.

The new HDB InfoWEB site was launched in October 2015. The fresh website saw a more intuitive reorganisation of content and access to e-Services, as well as optimisation of content for mobile devices.

Complementing the HDB InfoWEB was the release of the new Mobile@HDB application. The app assists home owners with various services, such as allowing home buyers and sellers to check the HDB resale prices using the Augmented Reality function.

ENGAGING CUSTOMERS

A comprehensive strategy was also adopted by HDB to engage customers on mainstream and new media outlets. HDB collaborated with Mediacorp to produce documentaries and interviews to tell the HDB story. Social media channels such as LinkedIn was set up in 2015 to showcase the professional side of HDB's work. The platform amassed 1,698 followers since its debut.

CARING FOR STAFF

HDB recruited 266 staff in FY 2015/ 2016 to meet its manpower needs, with those hired mainly to replace staff who had resigned or retired. Overall, HDB's staff strength has remained fairly constant at 5,744 in March 2016, compared to 5,737 in March 2015.



HDB sought to attract new talent through the HDB Undergraduate/ Specialist and Mid-Term Scholarships. In the 2016 Scholarship Exercise, 533 applications were received. This included 152 applications for the mid-term scholarship. Out of the pool of applications, 11 undergraduate scholarships were awarded for Architecture, Geography/ Urban Planning, Mechanical Engineering, Land Economy, Economics, Real Estate, and Law. In addition, 4 candidates were awarded for Architecture under the newly-introduced Specialist Scholarship for technically-inclined students to pursue a specialist career with HDB.

For mature employees, HDB provided comprehensive re-employment opportunities. As at 31 March 2016, 443 staff were employed under the re-employment framework.

AWARDS

HDB garnered several local and international awards. HDB was the only public sector organisation to receive the Building and Construction Authority's inaugural Building Information Modelling Organisation Award, for organisational productivity excellence in process transformation.

The use of the Urban Environmental Modelling tool for the simulation of solar and wind flow conditions in housing projects clinched HDB the ASEAN Outstanding Engineering Achievement Award.

My Waterway@Punggol has transformed Punggol into a vibrant waterfront town and it was conferred the FIABCI Prix d'Excellence SG50 Special Award and Singapore Property Awards.

The SG Heart Map project was awarded the Enterprise Innovators Award in the government category for its use of innovative technologies in publicity, outreach, engagement, and crowd-sourcing efforts.

For its energy management initiatives at Woodlands Civic Centre, HDB won the Best Efficiency Practices Award for Public Sector Agencies (Large Building) category at the Energy Efficiency National Partnership Awards.

At the ministry level, HDB won the Minister Award (Team) and Minister's R&D Award for its impactful and innovative projects, such as the implementation of SERS @ Tanglin Halt. HDB also won the PS21 ExCEL Award and PS21 Star Service Team Award.



Our Corporate Story

VISION

An outstanding organisation with people committed to fulfilling aspirations for homes and communities all are proud of.

MISSION

We provide affordable homes of quality and value.
 We create vibrant and sustainable towns.
 We promote the building of active and cohesive communities.
 We inspire and enable each other to give of our best.

SHARED VALUES

Integrity

We perform our duties with honesty, fairness and courage, so as to uphold the public's trust in us.

Learning

We practise life-long learning, share our knowledge, and constantly seek ways to do our work better.

Teamwork

We share and respect different views, and build on each other's strengths to achieve our vision and goals.

Excellence

We take pride in what we do, and deliver quality work for our organisation and customers.

Care

We care for our colleagues, the community and the environment.

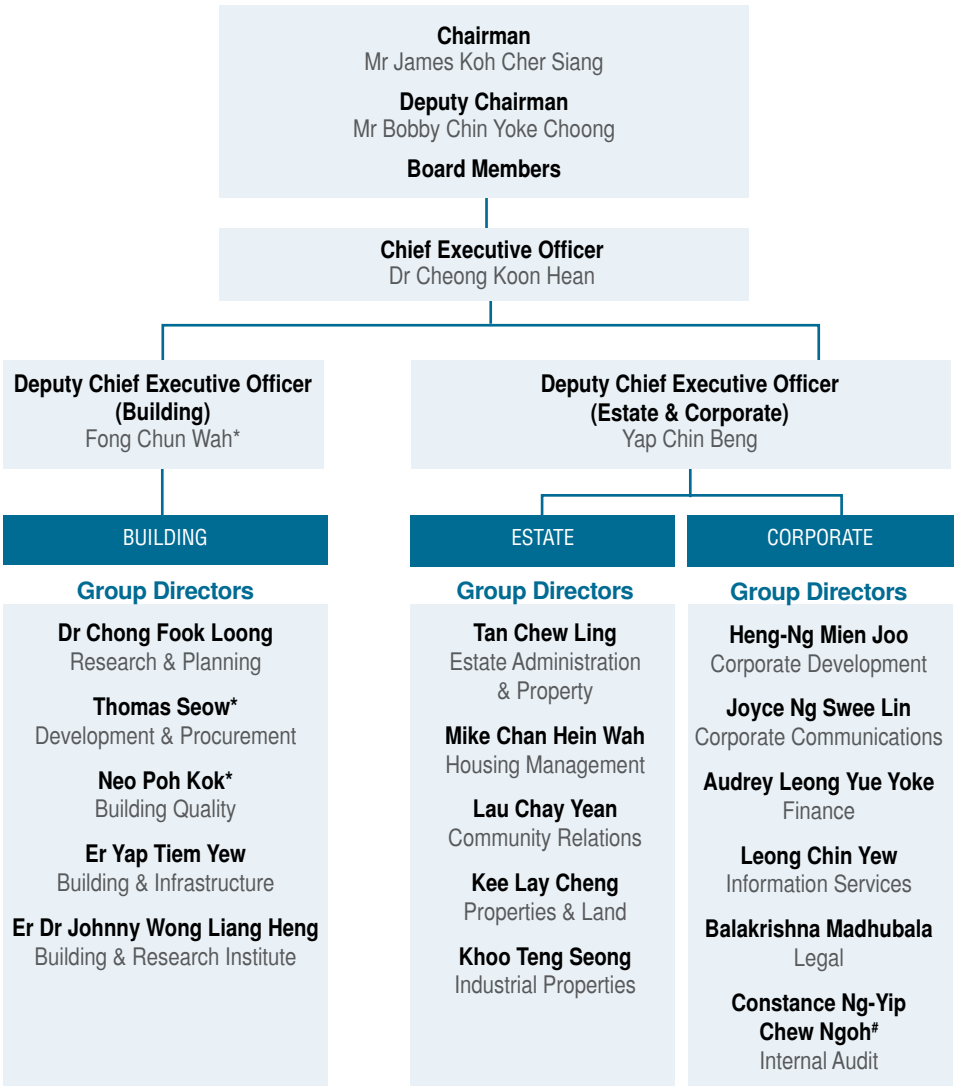
MEMBERS OF THE BOARD

Chairman
Mr James Koh Cher Siang

Deputy Chairman
Mr Bobby Chin Yoke Choong

Board Members
Mr Matthias Yao Chih
Dr Cheong Koon Hean
Mr Ong Chong Tee
Mr Tham Sai Choy
Mr Mohd Sa'at bin Abdul Rahman
Professor Lily Kong
Professor Heng Chye Kiang
Dr Sudha Nair
Ms Teoh Zsin Woon
BG Kelvin Khong Boon Leong

ORGANISATION CHART



* Mr Fong Chun Wah assumed the position of Deputy Chief Executive Officer (Building) upon the retirement of Mr Sng Cheng Keh on 25 March 2016. With this, Mr Thomas Seow and Mr Neo Poh Kok assumed the positions of Group Director (Development & Procurement) and Group Director (Building Quality) respectively on 25 March 2016.

* Group Director (Internal Audit) reports directly to the Audit & Risk Committee and administratively to Deputy Chief Executive Officer (Estate & Corporate).

STAFF STRENGTH

CATEGORIES OF STAFF	BUILDING	ESTATE	CORPORATE	TOTAL
Management/ Professional	540.5	1,161	373.5	2,075
Management Support	104	1,701.5	307	2,112.5
IT Support	7	27	55.5	89.5
Technical Support	467.5	946	10.5	1,424
Office Administration Support	2	26	15	43
Total	1,121	3,861.5	761.5	5,744

AWARDS

International

ASEAN Outstanding Engineering Achievement Award 2015

- Towards Better Living and Greater Sustainability through Smart Planning – Urban Environmental Modelling

FIABCI PRIX d'Excellence (SG50 Special) Award 2015

- My Waterway@Punggol

National

BCA Building Information Modelling Award 2015

BCA Construction Excellence Award 2015 [Residential Non-Landed Buildings (for projects with GFA < 18,000 m²) Category]

- Punggol West C9 (Punggol Crest)
- Punggol West C8 (Punggol Sails)
- Punggol West C15 (Punggol Waves)
- Sengkang N1 C27 (Rivervale Arc)
- Sengkang N4 C11 (Fernvale Foliage)

BCA Construction Excellence Merit Award 2015 [Residential Non-Landed Buildings (for projects with GFA < 18,000 m²)]

- Woodlands N8 C20 (Treegrove @ Woodlands)

BCA Construction Productivity Awards 2015 [Residential Non-Landed Buildings (for projects with GFA ≥ 25,000 m²)]

- Punggol West C15 (Punggol Waves) (Gold)
- Sengkang N4 C11 (Fernvale Foliage) (Gold)
- Yishun N4 C4 (Floral Spring @ Yishun) (Gold)

BCA Green Mark Award 2015 (Existing Residential Buildings)

- Blocks 106A-D, 107(MSCP), 107A-D, 109(MSCP), 109A-D, 110A-D Punggol Field (Gold Plus)
- Blocks 111, 112, 114, 115, 116, 117, 118, 119(MSCP) Edgefield Plains (Gold Plus)
- Blocks 126A-D, 126(MSCP), 128A-D, 128(MSCP) Edgedale Plains/ Punggol Field Walk (Gold Plus)
- Blocks 643, 644(MSCP), 645, 646, 647, 648, 649, 650(MSCP), 651, 652 Punggol Central (Gold Plus)
- Blocks 130, 131(MSCP), 132, 133, 134,135, 137(MSCP) & 138 Edgedale Plains (Gold)

BCA Green Mark Award 2015 (Existing Non-Residential Building)

- Woodlands Civic Centre (Platinum)
- AMK Techlink (Certified)

BCA Green Mark Award 2015 (New Residential Buildings)

- Kampung Admiralty (Non-Residential) (Platinum)
- Waterway Cascadia (Gold Plus)

BCA Green Mark Award 2015 (New Parks)

- Compassvale Ancilla Park (Sengkang N2 C40 Neighbourhood Park) (Certified)

BCA Green Mark Certification 2015 (HDB Shopping Centres)

- Depot Heights Shopping Centre (Gold)
- Greenridge Shopping Centre (Gold)
- Rivervale Plaza (Gold)
- Sunshine Place (Gold)
- Woodlands North Plaza (Gold)

BCA Universal Design Award 2015 [Residential (New)]

- Marsiling Heights (Gold)
- Segar Grove (Gold Plus)
- SkyVille @ Dawson (Gold Plus Design)

Community Chest Awards 2015 - SHARE Platinum Award

Community Chest Awards 2015 - Special Events (Silver) Award

Energy Efficiency National Partnership Awards 2015

- Best Efficiency Practices for Public Sector Agencies (Large Building Category) – Woodlands Civic Centre

Enterprise Innovators Award 2015

- SG Heart Map

Excellent Service Awards 2014 (5 Star, 60 Gold, 85 Silver)

IES Prestigious Engineering Achievement Awards 2015

- Towards Better Living and Greater Sustainability through 'Smart Planning' – Urban Environmental Modelling

Landscape Excellence Assessment Framework Certification 2015

- Kampung Admiralty
- Punggol Northshore District Landscape Masterplan
- Skyline I & II @ Bukit Batok
- SkyVille @ Dawson
- SkyTerrace @ Dawson

LOO (Let's Observe Ourselves) Award 2015 - Public Organisation

Minister Award (Team) 2015

- Dynamic Supply Measures for Public Housing Market Equilibrium
- Implementation of SERS @ Tanglin Halt
- Reuse of soft clay for Infilling works at Pulau Tekong

Minister's R&D Award 2015

- Development of Solar PV Projects (Merit)
- Development of Urban Environmental and Urban System Models to drive Greater Sustainability and Liveability in HDB towns (Merit)

NTUC May Day Model Partnership Awards 2015

- Enhancement for Active Seniors

Ong Teng Cheong Institute Workplace Partnership Award 2015 - Gold

PS21 Excel Awards 2015

- SERS @ Tanglin Halt: New Challenges, New Solutions (Silver)

PS21 Star Service Team Award 2015

- Rental Housing Department
- Resale/ Sales/ Branch Operations/ People and Process Excellence

Singapore Concrete Institute Award 2015

- Enhancing the Process of Preparing Precast Shop Drawing Through BIM

Skyrise Greenery Awards 2015

- SkyTerrace @ Dawson

Singapore Landscape Architecture Award 2015

- Tampines North – Conceptual Landscape Masterplan (Gold)
- Rumah Tinggi Eco Park (Silver)
- Compassvale Ancilla Park (Merit)
- Senja Parc View (Merit)

The Singapore Energy Award 2015

Total Defence Awards 2015 - NS Advocate Award

CORPORATE GOVERNANCE

Board Members

The HDB Board derives its strength from its depth and diversity of expertise, in providing the necessary guidance to steer HDB towards its mission. The Board Members are respected individuals in their fields with extensive public and corporate sector experience. All Board Members are non-executive members, except for the Chief Executive Officer.

Internal Control Framework

HDB's internal control system ensures that assets are safeguarded, proper accounting records are maintained, and financial information is reliable. The overall control framework includes clearly-defined authority, delegation limits, reporting mechanisms, appropriate terms of reference for management of core policy areas, comprehensive policies/procedures relating to operations and financial controls, as well as an annual budgeting and monthly financial reporting system for all operating units.

Audit & Risk Committee

The Audit & Risk Committee assists the Board in maintaining a high standard of corporate governance, particularly in the areas of financial reporting, risk governance and the internal control systems of HDB. Consisting of members from the HDB Board, the Audit & Risk Committee considers any matter which, in its opinion, should be brought to the Board's attention and has explicit authority to independently investigate any matter within its terms of reference.

Fraud and Wrongful Practices Reporting Channel

HDB has a Fraud and Wrongful Practices Reporting Channel to reinforce HDB's commitment to a culture of integrity and transparency within the organisation. The channel is a confidential avenue for HDB staff to report suspected fraudulent incidents and wrongful practices directly to the Chairman of the Audit & Risk Committee of the Board, who would oversee incidents reported and investigated.

Internal Audit Function

HDB's Internal Audit Group advises all levels of management on the quality of HDB and its Subsidiary's operations with particular emphasis on systems of internal control. Reporting directly to the Audit & Risk Committee, it conducts risk-based audits and addresses its findings and recommendations to the appropriate level of management who are able to take the necessary action. It adheres to the Standards and Guidance of The Institute of Internal Auditors.

Annual Audit

The audit findings by the External Auditor in the course of the annual financial audit, as well as by the Auditor-General's Office in the conduct of a selective audit are reported to the Audit & Risk Committee, the Board, and the Ministry of National Development (MND). The annual financial statements are endorsed by the Audit & Risk Committee for the Board's approval.

Business and Ethical Conduct

HDB staff are obliged to comply with practices that reflect the highest standards of behaviour and professionalism. These include safeguarding official information under the Official Secrets Act (Cap 213), and abiding by the HDB Code of Conduct and Discipline Rules.

Block Leave Policy

To complement HDB's existing risk management practices and align our internal control measures with market practice, the block leave policy of 5 consecutive working days per calendar year was implemented with effect from 1 June 2012. Staff who undertake job functions that are prone to fraud are subject to the block leave policy.

Dissemination of Public Information

HDB's audited annual financial statements are available at the HDB InfoWEB and the Singapore Exchange (SGX) website. The HDB InfoWEB also contains corporate information such as Annual Reports, latest developments, and press releases.

ENVIRONMENTAL POLICY

HDB, the leading property developer and owner in Singapore, is committed to be the leader in environmental management. In line with our shared value to care for the environment, we shall:

COMPLY with all applicable environmental laws, regulations and other relevant requirements

COMMIT to prevent pollution by:

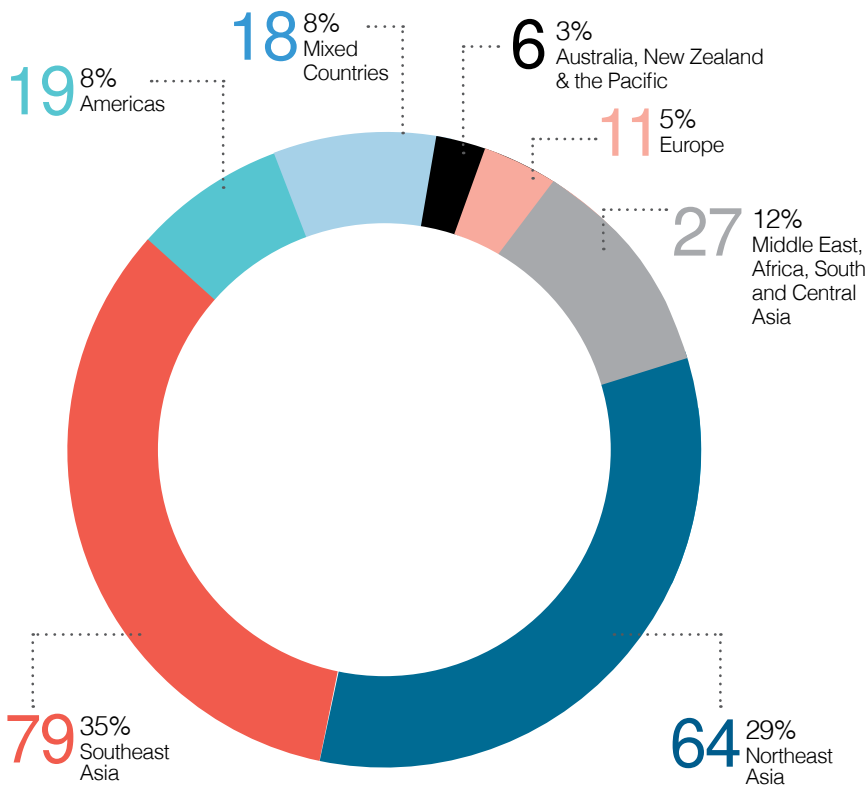
- Promoting conservation of energy and efficient use of resources in policy formulation, planning, development, management and maintenance of public housing, commercial and industrial buildings;
- Considering environmental requirements in land use and procurement of goods and services; and
- Reducing, re-using and recycling materials and wastes

CONTINUALLY improve our environmental performance by setting and reviewing environmental objectives and targets

COMMUNICATE with and educate all persons working for or on behalf of HDB, business partners, customers and the public to achieve our environmental goals

VISITORS

HDB has the honour of hosting distinguished visitors from various countries and territories who are interested to learn more about Singapore's successful public housing programme. From April 2015 to March 2016, HDB welcomed 6,334 visitors over 224 visits.



AGENCY PROJECTS

Major Infrastructure Works

A total of \$189 million was spent in FY 2015/ 2016 on major infrastructure works for public housing development programme. 57 infrastructure and road-related facilities projects in 18 towns were implemented on time to serve the BTO developments. The major areas of works were in the towns of Tampines North, Punggol North, and Bidadari.

Land Reclamation Projects

HDB is the agent to MND to carry out land reclamation works. The works at the Pulau Tekong Bunds and the Changi East Finger Extension have been completed on 31 July 2015. Ongoing land reclamation projects included the \$1.03 billion contract for the Construction & Management of Staging Grounds & Infilling Works, which commenced on 29 January 2015 and is scheduled to be completed by April 2019 and the \$602 million contract for the Construction & Management of Staging Grounds & Infilling Works (Phase 2), which commenced on 25 August 2015 and is expected to be completed by March 2023. The on-going Environmental Monitoring & Management Plan (EMMP) contracts supporting these land reclamation projects to monitor and ensure that the construction works will not cause any adverse impacts to the environment commenced on 9 October 2014 and on 17 April 2015 (for Phase 2).

Solar Capacity

The solar capability building programme for public housing involved a wide-scale solar photovoltaic (PV) test-bedding in new and existing precincts. The test-bed will enable HDB to achieve various developmental objectives such as, conduct study on the performance of

solar PV system based on different block configurations, geographical settings and technologies in a tropical setting, gather and learn from its design and development, help the industry build technical expertise and capability and develop more cost-effective solar PV systems.

HDB is currently the largest stakeholder in the installation of the solar PV system in Singapore, and has progressively rolled out the test-bedding in both new and existing HDB precincts. To date, HDB has committed a total of \$21 million on 123MWp of Solar PV systems for 1,853 public housing blocks across Singapore. Of these, 641 HDB blocks have been installed with solar PV systems so far.

Solar Leasing Model and the SolarNova programme

The solar leasing model is an enhancement of HDB’s solar capability building programme, and a continuation of HDB’s ongoing efforts to test-bed solar energy to promote sustainable development.

The solar leasing model involves leasing solar PV systems from private solar system developers who will design, finance, install, operate, and maintain the solar PV systems. The solar PV developers will recover their cost from the solar energy sold and consumed by the Town Councils, at a preferential rate that is not higher than retail electricity tariff rate. The solar leasing model has also been expanded to include implementation in projects such as HDB Greenprint@Yuhua and Greenprint@Teck Ghee.

The SolarNova programme was launched in 2014 to encourage government agencies to come together to harness solar energy to power their activities and to spur the growth of the solar industry in Singapore. The SolarNova programme aims to implement

350MWp of solar PV capacity across Singapore by 2020.

Taking the lead in the SolarNova programme, HDB aggregates solar PV demands from the Whole-of-Government (WOG) and allows government agencies with solar PV demand to ride on its solar leasing tenders, achieving greater economies of scale and better discount rates of the prevailing tariff for solar energy purchased. In 2015, HDB awarded the first SolarNova tender, spanning across 831 HDB blocks and 8 government agencies’ sites, making it the largest solar leasing tender in Singapore to-date.

Subsidiary and Associated Companies

EM Services was formed in 1988 to offer estate management, engineering, contracts administration, and project management services to Town Councils. HDB holds a 75% stake in the subsidiary, while Keppel Land Ltd holds the remaining 25% stake.

During the year, EM Services maintained its position as the largest managing agent for public housing in Singapore. It managed more than 500,000 units of residential and commercial properties on behalf of Town Councils. The company provided essential maintenance and lift maintenance services to Town Councils, property management services to both private and Government agencies, and also housing agency services. In addition, it installed and upgraded lifts in various HDB housing estates under the Lift Upgrading Programme.

The total revenue and management fees of the company for FY 2015/ 2016 was \$131 million.

Financial Highlights

FINANCIAL HIGHLIGHTS OF HDB					\$ million
	2015/ 2016	2014/ 2015	Increase/ (Decrease)	2013/ 2014	2012/ 2013
OVERALL INCOME AND EXPENDITURE					
Total income	2,250	1,570	680	1,280	2,503
Less: Net operating expenditure	(3,889)	(3,588)	(301)	(3,253)	(3,300)
Deficit	(1,639)	(2,018)	379	(1,973)	(797)
Capital expenditure	10,479	10,420	59	11,459	8,730
RESULTS BY SEGMENT					
Deficit from:					
Home ownership	(1,179)	(1,753)	574	(1,927)	(719)
Upgrading	(575)	(574)	(1)	(568)	(619)
Residential ancillary functions	(404)	(281)	(123)	(157)	(116)
Rental flats	(70)	(67)	(3)	(50)	(61)
Mortgage financing	(33)	(31)	(2)	(30)	(27)
Elimination of inter-segment transactions	9	9	-	9	9
Housing total deficit	(2,252)	(2,697)	445	(2,723)	(1,533)
Surplus from:					
Other rental and related businesses	597	679	(82)	745	723
Agency and others	25	9	16	14	22
Elimination of inter-segment transactions	(9)	(9)	-	(9)	(9)
Other Activities total surplus	613	679	(66)	750	736
Overall Deficit	(1,639)	(2,018)	379	(1,973)	(797)

	\$ million				
	2015/ 2016	2014/ 2015	Increase/ (Decrease)	2013/ 2014	2012/ 2013
FINANCIAL POSITION					
Property, plant and equipment, and investment properties	26,370	24,583	1,787	22,928	21,505
Loans receivable	38,266	37,425	841	36,665	38,131
Properties under development and for sale	19,070	18,279	791	18,032	13,665
Other assets	5,916	5,369	547	3,738	2,234
Total assets	89,622	85,656	3,966	81,363	75,535
Less:					
Loans payable	69,530	65,989	3,541	62,358	56,966
Other liabilities	5,011	4,566	445	4,030	3,690
Total net assets	15,081	15,101	(20)	14,975	14,879
Capital and reserves	15,081	15,101	(20)	14,975	14,879
FINANCING OF PUBLIC HOUSING					
Government grant to HDB	1,636	2,171	(535)	2,119	1,042
Government loans drawn during the year					
- mortgage financing	5,498	4,931	567	1,807	2,308
- upgrading financing	1	4	(3)	13	11
- housing development	2,500	-	2,500	2,992	-
Outstanding loans payable					
Government loans					
- mortgage financing	38,213	37,366	847	36,607	38,373
- upgrading financing	45	56	(11)	66	67
- housing development	5,424	3,481	1,943	3,885	1,015
Bonds	20,077	20,486	(409)	18,604	14,363
Bank loans	5,480	4,384	1,096	3,055	2,954
Mortgage loans granted to flat buyers	5,334	5,318	16	3,333	3,216

Financial Review

FINANCIAL RESULTS

HDB provides Singaporeans with affordable homes and a quality living environment, through its role as the master planner and developer of Singapore’s public housing towns.

To help Singaporeans become home owners, the Government subsidises HDB flats with price discounts for new flats and by offering a variety of housing grants. HDB also offers housing loans at concessionary interest rates to help eligible Singaporeans own homes. For needy Singaporeans, HDB provides heavily subsidised rental flats.

To ensure that HDB towns continue to be renewed and cater to the changing needs of residents, HDB rejuvenates its towns and flats through programmes such as the Remaking Our Heartland (ROH) Programme, Home Improvement Programme (HIP), Neighbourhood Renewal Programme (NRP), and Lift Upgrading Programme (LUP). In addition, HDB is involved in relevant commercial and industrial property development and management to provide a range of amenities and employment opportunities in HDB towns.

To reflect the full spectrum of HDB’s operations, the financial results are presented under ‘Housing’ and ‘Other Activities’ in the audited financial statements. ‘Housing’ consolidates the results of housing programmes implemented. These comprise the Home ownership, Upgrading, Rental housing, Residential ancillary functions, and Mortgage financing segments. ‘Other Activities’ comprise Other Rental and Related Business, Agency and Others segments which are commercial in nature.

In Financial Year (FY) 2015/ 2016, HDB incurred a net deficit of \$1,639 million, before the government grant, as compared with \$2,018 million in FY 2014/ 2015. The net deficit comprised the deficit from the ‘Housing’ activities of \$2,252 million, offset by the surplus from the ‘Other Activities’ of \$613 million in FY 2015/ 2016.

HDB received a grant of \$1,636 million in FY 2015/ 2016 from the Government to finance its deficit, and to protect the reserves of the past governments in accordance with the Constitution of the Republic of Singapore. The retained earnings of HDB as at 31 March 2016 remained at zero after the transfers to the capital gains reserve to protect past reserves.

HOUSING RESULTS

The Home ownership segment covers the development and sale of flats to eligible buyers under the various home ownership schemes for public housing. The Home ownership segment reported a deficit of \$1,179 million in FY 2015/ 2016 as compared with \$1,753 million in FY 2014/ 2015.

The number of sales completed (i.e. keys issued to buyers) this year was 19,522 units, which was 2,239 units less than last year. HDB recorded a gross loss of \$276 million for the sales completed in FY 2015/ 2016.

The provision for foreseeable loss of \$510 million that was made in the previous years was released on completion of the sale of flats in FY 2015/ 2016. On the other hand, \$1,174 million of foreseeable loss for properties under development was provided. As a result, there was a net increase of \$664 million in the provision for foreseeable loss.

HDB also disbursed \$212 million in CPF housing grants to eligible buyers of resale flats and Executive Condominiums (ECs) in FY 2015/ 2016.

The Upgrading segment reported a deficit of \$575 million this year. The programmes are the Home Improvement Programme, Neighbourhood Renewal Programme and Lift Upgrading Programme for housing estates.

The Residential ancillary functions segment includes lease administration, provision and management of ancillary facilities such as car parks in housing estates, and planning and building administration. It reported a deficit of \$404 million in FY 2015/ 2016.

The Rental flats segment recorded a deficit of \$70 million this year.

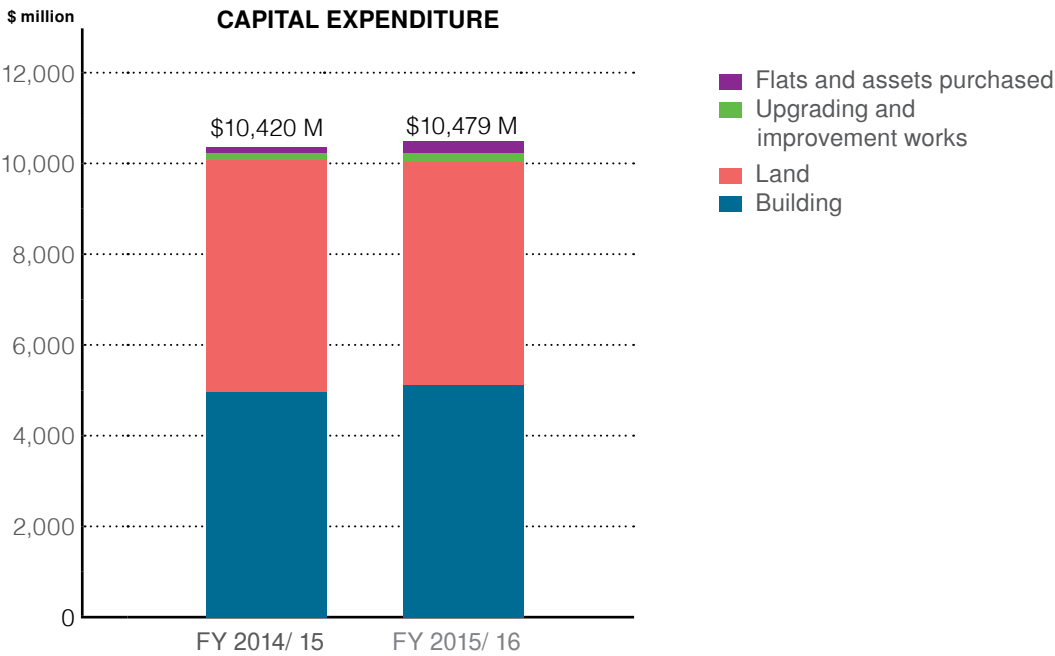
The Mortgage financing segment reported a deficit of \$33 million in FY 2015/ 2016.

OTHER ACTIVITIES RESULTS

The segment on other rental and related businesses focuses on the provision, tenancy and management of commercial and industrial properties, and land. It reported a surplus of \$597 million in FY 2015/ 2016.

CAPITAL EXPENDITURE

Capital expenditure for the year was \$10,479 million. A large proportion of the year's capital expenditure was incurred for purchases of land and construction of public housing.



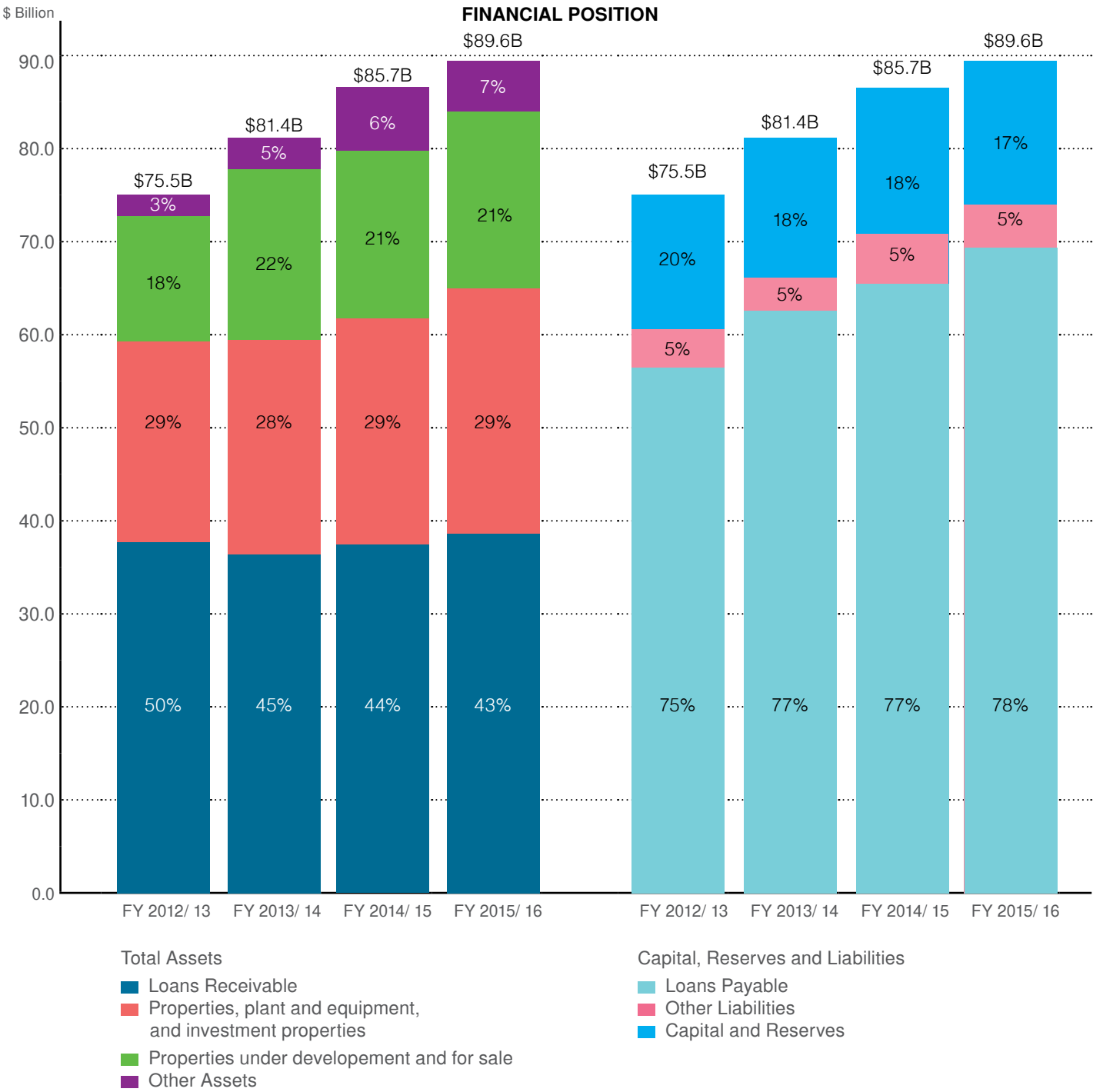
Breakdown	FY 2015/ 2016		FY 2014/ 2015		Changes over FY 2014/ 2015	
	\$M	%	\$M	%	\$M	%
Buildings	5,095	49	4,958	48	137	3
Land	4,926	47	5,158	50	(232)	(4)
Upgrading and improvement works	168	1	150	1	18	12
Flats and assets purchased	290	3	154	1	136	88
Capital Expenditure	10,479	100	10,420	100	59	1

FINANCIAL POSITION

As at 31 March 2016, HDB's total assets amounted to \$89,622 million. Loans receivable were \$38,266 million. Property, plant and equipment, investment properties, and properties under development and for sale were \$45,440 million. These assets accounted for 93% of the total assets.

Capital and reserves stood at \$15,081 million as at 31 March 2016. Reserves comprised capital gains reserve of \$7,112 million and asset revaluation reserve of \$5,505 million.

The loans payable of \$69,530 million comprised mainly loans from the Government.



FINANCING OF PUBLIC HOUSING

HDB's annual deficit is fully covered by government grant. In addition, HDB receives a government grant to preserve the capital gains attributable to past governments on disposal of the protected assets, in accordance with the Constitution of the Republic of Singapore. The cumulative government grant to HDB since its establishment in 1960 amounted to \$28,302 million.

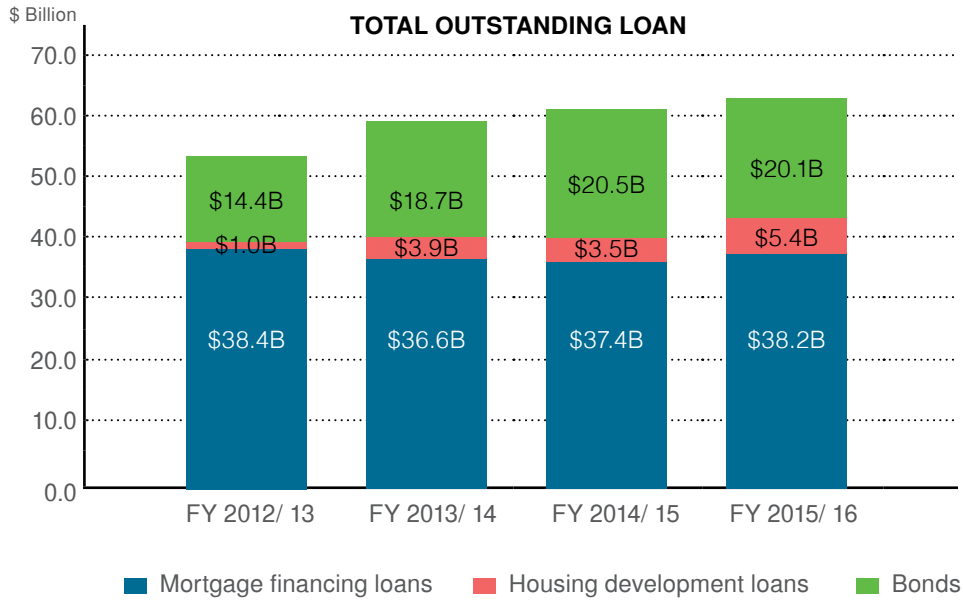
The main loans which finance HDB's operations comprise:

- i) Mortgage financing loans that finance the mortgage loans granted by HDB to purchasers of flats under the public housing schemes. Interest rate and repayment term on loans obtained by HDB from the Government are:

Financing of mortgage loans granted to purchasers at	Interest rate on loans obtained from the Government	Repayment Term
Concessionary interest rate	CPF interest rate	20 years
Market interest rate	0.1% point below Adjustable Rate Mortgage Index ¹	Up to 30 years

¹ The Adjustable Rate Mortgage Index is computed based on the average of the non-promotional HDB housing loan rates of the 3 local banks (i.e. DBS (POSB), OCBC and UOB).

- ii) Housing development loans that finance the development programmes and operations.
- iii) Bonds that finance HDB's development programmes, working capital requirements, and refinancing of existing borrowings. During the year, HDB raised \$2.2 billion and redeemed \$2.62 billion of unsecured Fixed Rate Notes. Total outstanding Notes under the Medium Term Note Programme were \$20.12 billion as at 31 March 2016.





HDB Annual Report 2015/ 2016

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