

# ANNUAL REPORT 2023



CAPITALAND INDIA TRUST

The logo for CapitaLand India Trust is centered on a large, light blue sphere. The word "CapitaLand" is written in a blue, sans-serif font, with a small red dot above the 'i'. Below it, "India Trust" is written in a smaller, blue, sans-serif font. A thin green swoosh underline is positioned beneath the word "CapitaLand".

CapitaLand  
India Trust

# WHERE IDEAS TAKE SHAPE

At CapitaLand India Trust, we remain focused on creating sustainable value for our stakeholders. We bring diverse ideas and leverage our real estate investment management expertise across our multifaceted portfolio – IT business parks, industrial and logistics facilities and data centre developments – supported by our strong team on the ground.

The convergence and interconnection of distinct shapes on the cover page captures this essence. It also showcases our dynamic ONE CapitaLand Ecosystem, as we forge ahead together with a shared purpose of making a positive impact.

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CapitalLand

International Tech Park Bangalore

# WHO WE ARE

CapitaLand India Trust (“CLINT” or the “Trust”) is a property trust which owns nine world-class IT business parks, four industrial and logistics facilities and four data centre developments in India, valued at S\$3.0 billion as at 31 December 2023. With total completed floor area of 19.6 million square feet spread across Bangalore, Chennai, Hyderabad, Mumbai and Pune, CLINT is focused on capitalising on the growing IT industry, industrial and logistics asset class, and new economy asset classes such as data centres. CLINT is structured as a business trust, offering stable income distributions similar to a real estate investment trust. CLINT focuses on enhancing shareholder value by actively managing existing properties, developing vacant land in its portfolio and acquiring new properties.

Our properties provide modern and high-quality business spaces to our tenants. This helps us attract and retain prominent tenants that commit to long leases, thereby fostering a stable income profile for the Trust.

Our growth is founded on a prudent approach to capital management. We are geared towards maintaining a strong balance sheet that meets the liquidity needs of the business.



## OUR VISION

**To be a leading property Trust with a professionally managed portfolio of quality business space across India.**



## OUR MISSION

**Deliver sustainable returns to our Unitholders through portfolio expansion and prudent capital management.**



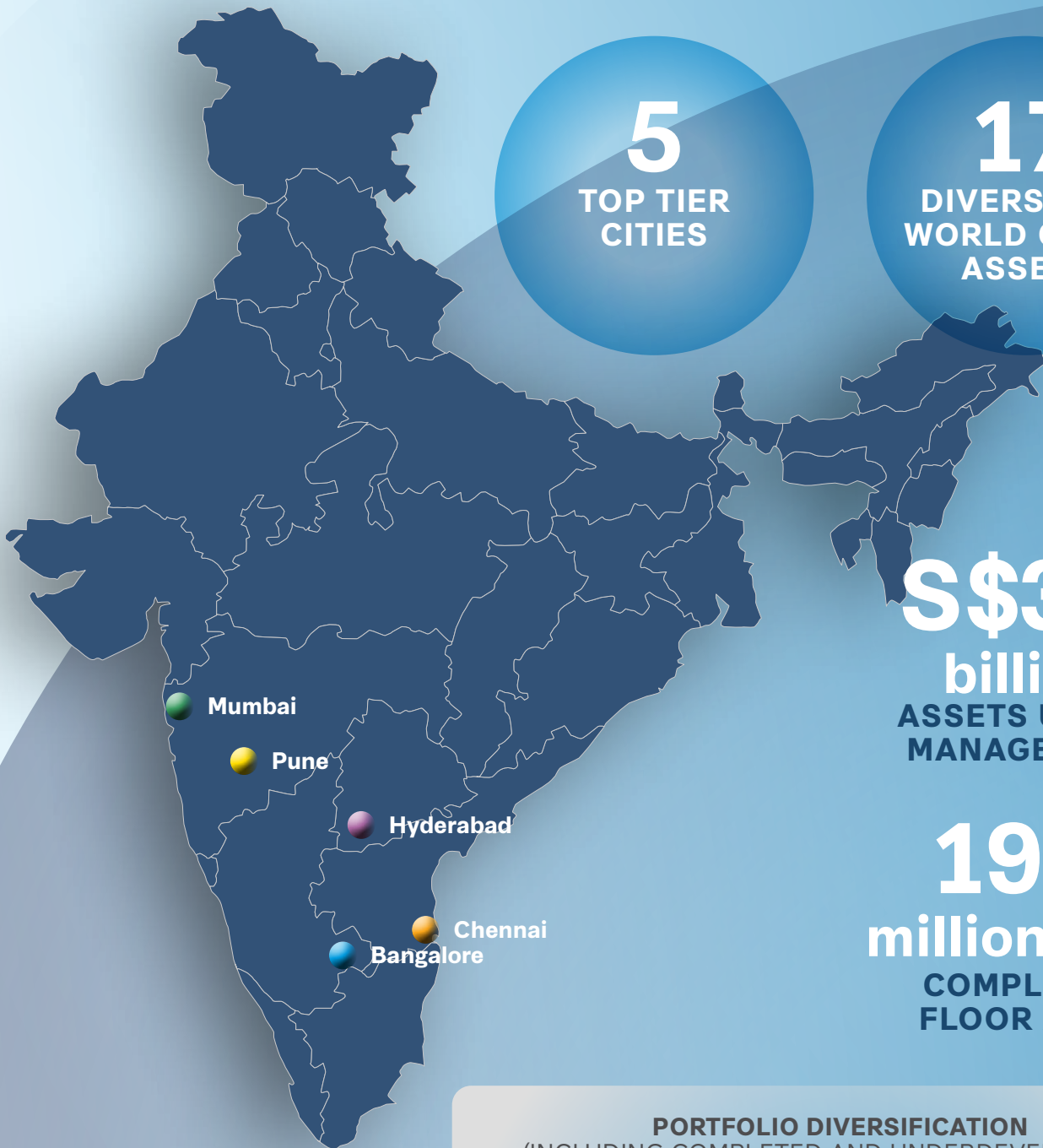
### Why Go Online?

- Our corporate website contains detailed information about the Trust and is frequently updated as additional details become available.
- You can sign up for email alerts of our latest news and keep track of the latest events on the Event Calendar page.
- Our corporate website: [www.clint.com.sg](http://www.clint.com.sg)

### Notes:

- All information in this annual report is dated as at 31 December 2023 unless otherwise stated.
- All measurements of floor area are defined herein as “Super Built-up Area” or “SBA”, which is the sum of the floor area enclosed within the walls, the area occupied by the walls, the common areas such as the lobbies, lift shafts, toilets, and staircases of that property, and in respect of which rent is payable.
- The Indian Rupee and Singapore Dollar are defined herein as “INR/ ₹” and “SGD/ S\$” respectively.
- Any discrepancy between the individual amounts and total shown in this annual report is due to rounding.

# AT A GLANCE



**5**  
TOP TIER  
CITIES

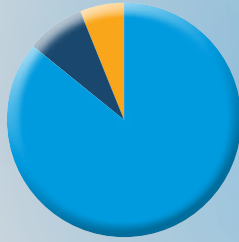
**17**  
DIVERSIFIED  
WORLD CLASS  
ASSETS

**\$\$\$3.0**  
billion  
ASSETS UNDER  
MANAGEMENT

**19.6**  
million sq ft  
COMPLETED  
FLOOR AREA

## PORTFOLIO DIVERSIFICATION (INCLUDING COMPLETED AND UNDERDEVELOPMENT PROPERTIES)

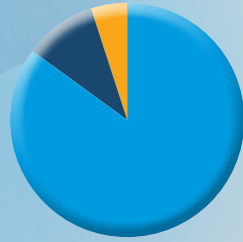
By Valuation



■ IT Parks  
■ Industrial/Logistics Facilities  
■ Data Centres

86%  
8%  
6%

By Total Floor Area



■ IT Parks  
■ Industrial/Logistics Facilities  
■ Data Centres

85%  
10%  
5%

**9**  
IT PARKS

**4**  
INDUSTRIAL  
AND LOGISTICS  
FACILITIES

**4**  
DATA CENTRE  
DEVELOPMENTS



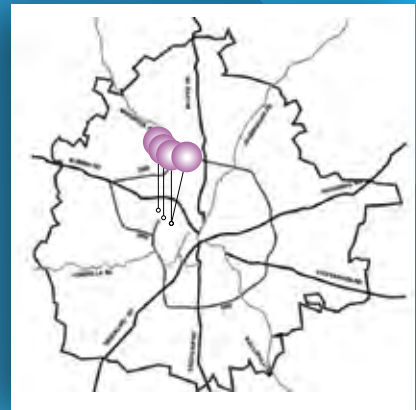
**Bangalore**

- International Tech Park Bangalore (ITPB)
- CapitaLand Data Centre ITPB



**Chennai**

- International Tech Park Chennai (ITPC)
- CyberVale
- Industrial Facility 1, Mahindra World City (IF1, MWC)
- Industrial Facility 2 and 3, Mahindra World City (IF2 and IF3, MWC)<sup>1</sup>
- CapitaLand Data Centre Chennai



**Hyderabad**

- International Tech Park Hyderabad (ITPH)
- CyberPearl
- aVance Hyderabad
- CapitaLand Data Centre ITPH



**Mumbai**

- Arshiya Panvel warehouses
- Building Q1, Aurum Q Parc
- CapitaLand Data Centre Navi Mumbai 1



**Pune**

- International Tech Park Pune Hinjawadi (ITPP-H)<sup>2</sup>
- aVance Pune

Note: Figures in above charts are as at 31 December 2023.

- 1 Acquired in December 2023.
- 2 Acquired in May 2023.

➤ For more details on our portfolio, go to pages 52 to 57.

# SIGNIFICANT EVENTS

## JANUARY

- Announced the proposed acquisition of 1.0 million sq ft IT Park at Outer Ring Road, Bangalore.



- Completed the redevelopment of 1.4 million sq ft Block A at International Tech Park Hyderabad (ITPH).



# 1st Quarter

# 2nd Quarter

## APRIL

- CapitaLand India Trust's (CLINT) Annual General Meeting and Extraordinary General Meeting were held in a wholly physical format, and all resolutions were approved by Unitholders.

## MAY

- Completed the acquisition of 2.3 million sq ft International Tech Park Pune - Hinjawadi (ITPP-H) which was fully leased to prominent technology companies.
- Appointment of Mr Vishnu Shahaney as a Non-Executive Independent Director and a member of the Audit and Risk Committee (ARC) of the Trustee-Manager, with effect from 1 May 2023.

## JUNE

- Retirement of Mr Jonathan Yap Neng Tong as a Non-Executive Non-Independent Director and a member of the Investment Committee of the Trustee-Manager, with effect from 1 June 2023.
- Appointment of Mr Goh Soon Keat Kevin as a Non-Executive Non-Independent Director and a member of the Investment Committee of the Trustee-Manager, with effect from 1 June 2023.

## JULY

- Successfully raised gross proceeds of approximately S\$150.1 million via Preferential Offering.
- Entered into a S\$60 million sustainability-linked term loan facility agreement with DBS Bank Ltd.

## AUGUST

- Ranked 4th out of 43 (up from 6th in 2022) in Singapore Governance and Transparency Index 2023 for Real Estate Investment Trust and Business Trust category.

## SEPTEMBER

- Clinched the Bronze Award for Best Annual Report at Singapore Corporate Awards (SCA) 2023.
- Retirement of Mr Alan Rupert Nisbet as a Non-Executive Independent Director, Lead Independent Director, Chairman of the ARC and a member of the Nominating and Remuneration Committee (NRC) of the Trustee-Manager, with effect from 30 September 2023.

# 3rd Quarter



**OCTOBER**

- Appointment of Ms Tan Soon Neo Jessica as Lead Independent Director and Mrs Deborah Ong as Chairman of the ARC and a member of the NRC of the Trustee-Manager, with effect from 1 October 2023.
- Achieved a 4 Star rating in Global Real Estate Sustainability Benchmark (GRESB) for both Standing Investments and Development in its first-year participation. CLINT also maintained a Grade A rating for GRESB Public Disclosure Report.
- Announced the development of 0.2 million square feet Free Trade Warehousing Zone on the vacant land within CyberVale, Chennai.



- CLINT, through CapitaLand Hope Foundation, hosted a three-day annual International Volunteer Expedition (IVE) 2023 at CapitaLand Hope School in Bangalore with over 70 CapitaLand Group’s employee volunteers from six countries participating.



**NOVEMBER**

- Launched two flexible workspace centres in International Tech Park Chennai (ITPC) and ITPH under the brand Bridge+.



- Won the “Highest Weighted Return on Equity Over Three Years” award in the Real Estate Investment Trusts category at The Edge Singapore Billion Dollar Club Awards 2023.



- Secured a five-year construction loan of approximately S\$214 million from J.P. Morgan India to finance Phase 1 development of CapitaLand Data Centre Navi Mumbai 1.
- Entered into a S\$100 million sustainability-linked term loan facility agreement with The Bank of East Asia, Limited, Singapore Branch.

**DECEMBER**

- Completed the acquisition of 0.3 million sq ft Industrial Facility 2 & 3 at Mahindra World City, Chennai (Casa Grande - Phase 2), which are fully leased to a leading international electronics contract manufacturer and a global energy solutions provider respectively.

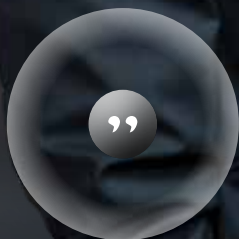
**4th Quarter**

# CHAIRMAN'S MESSAGE



**MANOHAR KHIATANI**

*Chairman  
Non-Executive  
Non-Independent Director*



**THROUGHOUT THE YEAR, WE ACHIEVED SIGNIFICANT MILESTONES  
IN EXPANDING OUR PORTFOLIO. OUR ASSETS UNDER MANAGEMENT  
GREW BY APPROXIMATELY 20% DURING THE YEAR.**

## DEAR UNITHOLDERS

In 2023, the global economy was weighed down by multiple challenges such as rising interest rates, inflationary pressures, disruptions in supply chains and geopolitical tensions. Despite the macroeconomic uncertainties, India emerged as a pillar of economic strength. India's economy demonstrated resilience, supported by strong government spending and investment, robust domestic demand and significant inflows of foreign investments. The International Monetary Fund's revised growth projection for India for 2024 stands at 6.5%, having undergone three rounds of upward revisions since July 2023. This projection further strengthens our confidence in India's economic potential. With a strong foundation and favourable market conditions, CLINT is well-placed to capitalise on the nation's growth trajectory.

## FY 2023 FINANCIAL AND OPERATIONAL REVIEW

For FY 2023, CLINT saw a year-on-year growth in total property income and net property income, reaching S\$234.1 million and S\$179.6 million respectively. This increase is a result of higher rental income from existing properties and partial income recognition from newly acquired properties. However, despite the strong underlying performance, DPU for FY 2023 was lower year-on-year by 21% at 6.45 Singapore cents, mainly due to an enlarged unit base resulting from the preferential offering in July 2023, higher financing costs and depreciation of the Indian Rupee (INR) against the Singapore dollar.

CLINT's portfolio occupancy improved year-on-year from 92% at 31 December 2022, to 93% as at 31 December 2023. This growth can be attributed to strong demand from global multinational corporations (MNCs) and prominent local Information Technology (IT) companies for our business park spaces throughout the year. The Indian office market continued to exhibit robust leasing momentum, with 62 million sq ft of IT park space leased in 2023 compared to 55 million sq ft in 2022<sup>1</sup>. Riding on the healthy leasing momentum, CLINT successfully leased or renewed nearly 3.9 million sq ft of space during the year. Additionally, our sustainability efforts received a boost with the set up of a 21-megawatt solar plant in Tamil Nadu. The plant has started generation in January 2024 and will increase our energy supply from renewable sources by more than 70%.

## DISCIPLINED CAPITAL MANAGEMENT STRATEGY

We undertook a successful preferential offering in July 2023, which was oversubscribed and raised approximately S\$150.1 million in gross proceeds. We are grateful for the strong support from both our institutional and retail Unitholders, which underscores their strong confidence in CLINT's growth prospects.

In November 2023, we secured a five-year construction loan of INR13 billion from J.P. Morgan India to finance phase 1 development of a data centre in Navi Mumbai, which marks CLINT's first onshore loan in India. By tapping onto competitive onshore financing, we maintain our disciplined capital management strategy and commitment to exploring diversified financing avenues.

Our efforts to reduce gearing have also been successful, with a decrease to 35.8% as at 31 December 2023, compared to about 40% as at 30 June 2023. The increase in the values of our properties by some 20% (S\$496 million) contributed to this decrease. As a result, we now enjoy a healthy debt headroom of about S\$1.1 billion to support our future growth initiatives.

## STRATEGIC GROWTH AND EXPANSION EFFORTS

Throughout the year, we achieved significant milestones in expanding our portfolio. Our assets under management grew by approximately 20% during the year. In January 2023, we announced the proposed acquisition of a 1.0 million sq ft IT Park at Outer Ring Road, Bangalore, a high growth micro-market. We also completed the redevelopment of 1.4 million sq ft International Tech Park Hyderabad (ITPH) Block A, which achieved full occupancy from leases to renowned global corporations such as Bristol Myers Squibb, Ernst & Young, Tata Consultancy Services and Warner Bros.

In May 2023, we completed the acquisition of International Tech Park Pune - Hinjawadi (ITPP-H), an IT Special Economic Zone (SEZ) spanning 2.3 million sq ft from the sponsor, after receiving overwhelming approval from Unitholders during the Extraordinary General Meeting. Lastly, we completed the acquisition of two industrial facilities at Mahindra World City, Chennai, known as Casa Grande - Phase 2, in December 2023, ahead of schedule. This acquisition includes two fully leased industrial facilities totaling 0.3 million sq ft, with a leading international electronics contract manufacturer and a global energy solutions provider as tenants.

1 Savills Research

# CHAIRMAN'S MESSAGE

## ACTIVE DEVELOPMENT PIPELINE

In October 2023, we announced the development of a 0.2 million sq ft Free Trade Warehousing Zone (FTWZ) on vacant land within CyberVale which is located at Mahindra World City, Chennai. CLINT is also actively developing MTB 6, a multi-tenanted building within International Tech Park Bangalore (ITPB). Targeted to complete by the end of 2024, this project will add 0.8 million sq ft of leasable area to cater to the demand of tech companies and emerging businesses in Bangalore.

Furthermore, construction commenced for the data centres in Navi Mumbai and ITPH to address an increasing demand for modern data infrastructure. We also plan to start the construction of two more data centres in Chennai and Bangalore in 2024. By diversifying into the data centre market, we are positioning ourselves to benefit from the growing demand for data storage and processing in India.

These ongoing projects across our diversified asset classes highlight our commitment to expanding CLINT's real estate offerings and capitalising on emerging market opportunities. Upon completion, these projects are expected to contribute positively to our income and strengthen our portfolio resiliency.

## ADVANCING OUR ESG EFFORTS

CLINT remains dedicated to implementing robust Environmental, Social, and Governance (ESG) practices, underscoring our commitment to sustainability and high business standards. Our strong focus on governance and transparency has propelled us to rise in the Singapore Governance and Transparency Index 2023 to the 4th position up from 6th in 2022.

In the GRESB (Global Real Estate Sustainability Benchmark) assessment, we received a 4 Star rating for both our Standing Investments and Development in our first year of participation. This achievement is a testament to our long-term commitment to environmental sustainability, social responsibility, and good governance practices. Additionally, we have consistently maintained a Grade A rating for the GRESB Public Disclosure Report, highlighting our commitment to transparently reporting on our ESG practices and providing stakeholders with comprehensive information.

## AWARDS AND ACCOLADES

At The Edge Singapore Billion Dollar Club Awards 2023, we were honored to have received the esteemed "Highest Weighted Return on Equity Over Three Years" award. Notwithstanding the challenges brought by the pandemic and macroeconomic environment, we have continuously adapted, innovated and strived to deliver robust financial performance. We are also pleased that our dedication to transparency and quality communication was acknowledged through the Bronze Award for Best Annual Report at the Singapore Corporate Awards (SCA) 2023. These prestigious awards and accolades are a recognition of our commitment to always strive to deliver the best results and maintain high governance standards.

## LOOKING AHEAD

The IT/ITES sector remains a driving force behind the demand for commercial spaces in India. With our properties strategically located in the key IT hubs of Bangalore, Hyderabad, Chennai, Mumbai and Pune, we are well-positioned to benefit from the growing needs of this sector. Recent amendments to the SEZ Act now allow for the designation of non-processing areas within SEZs, catering specifically to IT and IT-enabled services. These positive regulatory changes are set to increase the appeal of IT/ITES SEZs in India and help our leasing efforts. We also expect strong demand in the logistics/industrial segment as well as for our data centre assets under construction.

The global macroeconomic environment, in particular elevated financing costs, inflation and supply chain disruptions may continue to exert some pressure on our performance in 2024. However, given the strong economic fundamentals in India and robust demand for our assets, we are confident of delivering good operating performance. We will capitalise on our quality assets, strong ground presence and customer relations to seize these opportunities to grow CLINT.

## ACKNOWLEDGEMENTS

Mr Alan Rupert Nisbet, who served as Non-Executive Independent Director, Lead Independent Director, Chairman of the Audit and Risk Committee, and a member of the Nominating and Remuneration Committee, stepped down from the Board in September 2023. On behalf of the Board and management, I would like to express our gratitude to Mr Nisbet for his dedicated service since 2015. We have benefitted greatly from his insights and expertise throughout the years. I would also like to thank Mr Jonathan Yap who stepped down as Non-Executive Non-Independent Director in June 2023. His dedication and invaluable contributions have played a crucial role in driving CLINT's growth and achievements.

We would like to welcome Mr Vishnu Shahaney and Mr Goh Soon Keat Kevin as they join the Board. Their expertise and insights will further strengthen our capabilities and contribute to our continued success. I extend my gratitude to our management and employees across Singapore and India for their hard work and commitment. Their collective efforts and dedication have been instrumental in achieving our goals and upholding our values as Singapore's premier listed India-focused property trust.

A special thanks to our Unitholders, tenants, business partners, and all stakeholders for the unwavering support, confidence, and trust you have placed in us. We are fully committed to successfully growing CLINT and delivering sustainable returns to our Unitholders.

### **MANOHAR KHIATANI**

Chairman & Non-Executive  
Non-Independent Director

# IN CONVERSATION WITH CEO

Q

**What are the key factors that contributed to CLINT receiving the “Highest Weighted Return on Equity over three years” award in the Real Estate Investment Trusts category at The Edge Singapore Billion Dollar Club Awards in 2023?**

A

This recognition highlights our resilience and ability to enhance our return on equity (ROE) through distributable income over net assets across the past three financial years, which included the challenging COVID years. We also received this accolade in 2017 and 2018, under the category, “Most Profitable Company”. Our success is a result of our strategic focus on achieving growth and profitability through meticulously planned development projects and forward purchases of high-quality assets.

A significant driver of CLINT’s growth comes from the development pipeline that aligns with our value-added business model. With a total development potential of about 7.1 million sq ft, inclusive of four data centres, we present significant growth opportunities. The development of MTB 6 within International Tech Park Bangalore (ITPB), and the development of a 0.21 million sq ft FTWZ on the vacant land within CyberVale, Chennai, announced in 2023, exemplify our capability to unlock substantial value through our development pipeline.

The growth momentum witnessed in India during 2023 has also played a pivotal role in our success. With India’s gross domestic product (GDP) projected by the National Statistical Office (NSO) to grow at an impressive rate of 7.6%, surpassing other major global economies, the country’s economic potential is undeniable. Furthermore, India’s position is set to elevate from fifth to the third largest global economy by 2030, indicating its growing significance on the world stage. The recovery of the IT services sector, which corresponds to the demand for our properties, has rebounded following the declining impact of India’s pandemic-induced lockdowns in 2021. This is reflected in the strong increase in physical occupancy in our parks.

Building upon our strong brand reputation in developing and managing IT parks in India for the past 30 years, we have been diligently diversifying into emerging asset classes including logistics, industrial, and data centres. With the completion and leasing of our four data centres within the next three to four years, approximately 75% of CLINT’s assets under management (AUM) will likely be from IT parks, 15% from data

**CAPITALISING ON INDIA’S SIGNIFICANT GROWTH MOMENTUM AS WELL AS LEVERAGING ON OUR ROBUST FINANCIAL POSITION, WE ARE GEARED TOWARDS EXPANDING AND DEEPENING CLINT’S PRESENCE ACROSS THE COUNTRY IN THE YEARS AHEAD.**



**SANJEEV DASGUPTA**

*Chief Executive Officer  
Executive Non-Independent Director*

centres and 10% from logistics. Capitalising on India's significant growth momentum as well as leveraging on our robust financial position, we are geared towards expanding and deepening CLINT's presence across the country in the years ahead.



### How do the recent amendments to India's Special Economic Zone (SEZ) rules impact CLINT's portfolio and strategic direction?



The recent amendments announced by India's central government bring important changes, as it allows office landlords to designate a portion of the built-up area as a non-SEZ area, subject to certain conditions. This is a positive outcome for both the industry and CLINT.

First, it aligns with the preferences of Global Capability Centres (GCCs), which have emerged as a significant driver for commercial office absorption and generally favour non-SEZ spaces for expansion. Second, the denotified areas are expected to command higher rentals, offering attractive prospects for office landlords and developers. Lastly, these amendments also address the leasing challenges faced by the IT SEZ buildings. With the new regulations in place, we anticipate an increase in leasing interest for the available spaces in our existing IT SEZ buildings.



### What is CLINT's strategic outlook for the year 2024?



In 2024, CLINT is set to achieve several key milestones. The development of MTB 6 in International Tech Park Bangalore (ITPB) is currently underway. This project is expected to add 0.8 million sq ft of leasable area and is scheduled for completion by the end of 2024.

Furthermore, CLINT has announced the phased redevelopment of International Tech Park Hyderabad (ITPH) over the next seven to ten years. The first phase, Block A, a 1.4 million sq ft Grade A office building, was completed in January 2023 and has achieved a committed occupancy rate of 98% as at 31 December 2023.

CLINT's strategic focus also includes the construction of two data centres in Mumbai and Hyderabad, with two more projects in Chennai and Bangalore respectively starting in the first half of 2024. These efforts align with the increasing demand for data centre capacity, driven by the government's legislation pertaining to the localisation of Indian data as well as strong hyperscaler and growing enterprise demand. The central government spearheads initiatives like India Stack, offering

open APIs and digital public goods to digitise identity, data, and payments for India's population which also drive growth.

CLINT is dedicated to promoting sustainability and social responsibility within our portfolio. Our very first 21 megawatt solar plant in Tamil Nadu has started generation in January 2024. Moreover, we are also targeting 30% to 35% of power for the data centres to come from the renewables.

CLINT successfully obtained its first sustainability-linked loan facility in 2021. Since then, we have increased this to 58% of our total borrowings, showcasing our commitment to minimising our environmental impact.

To ensure effective capital management, CLINT will maintain financial discipline and diversify funding sources to optimise funding costs. This approach is exemplified by the successful securing of an INR13 billion onshore loan in November 2023 for the development of our Navi Mumbai data centre. Despite the challenging interest rate environment, CLINT has been able to maintain the cost of debt at 6.3% since June 2023.

The newly added assets in 2023, namely ITPH Block A, International Tech Park Pune - Hinjawadi, and Industrial Facility 2 and 3 at Mahindra World City, Chennai, have started generating revenue since January, May, and December, respectively. This, combined with the recent lease agreements signed in the fourth quarter of 2023, would result in a 20% increase in the revenue-generating area starting in the first quarter of 2024.

In February 2024, we continued to build on the growth momentum with two strategic acquisitions. This included a forward purchase agreement with Casa Grande Group to acquire three industrial facilities with a total net leasable area of 0.79 million sq ft at OneHub Chennai. Additionally, in March 2024, we completed the acquisition of BlueRidge 3 Phase 1, a multi-tenanted IT SEZ project in Hinjawadi, Pune, spanning 1.4 million sq ft. With BlueRidge 3, CLINT's portfolio has increased by about 7.3% to reach approximately 21.0 million sq ft. CLINT expects the acquisition of Building Q2, Aurum Q Parc in Navi Mumbai to be completed in the first half of 2024, which will further contribute to the Trust's growth.

These initiatives, while not exhaustive, showcase our commitment to meeting the ongoing demand for our assets in India's evolving economic landscape. Nevertheless, we acknowledge the ongoing challenges presented by global macroeconomic factors such as elevated financing costs, inflation, and supply chain disruptions. We continue to maintain a disciplined and prudent approach to executing our growth strategy to navigate these uncertainties.

# OUR BOARD OF DIRECTORS



**Manohar Khiatani**  
Chairman  
Non-Executive Non-Independent  
Director



**Sanjeev Dasgupta**  
Chief Executive Officer  
Executive Non-Independent Director



**Tan Soon Neo Jessica**  
Non-Executive Lead Independent  
Director



**Deborah Tan Yang Sock  
(Mrs Deborah Ong)**  
Non-Executive Independent Director



**Zia Jaydev Mody**  
Non-Executive Independent Director



**Ernest Kan Yaw Kiong**  
Non-Executive Independent Director



**Vishnu Shahaney**  
Non-Executive Independent Director



**Goh Soon Keat Kevin**  
Non-Executive Non-Independent  
Director



**MANOHAR KHIATANI, 64**

Chairman

Non-Executive Non-Independent Director

- Masters Degree (Naval Architecture), the University of Hamburg, Germany
- Advanced Management Program, Harvard Business School

**Date of first appointment as a Director**

1 June 2013

**Date of appointment as Chairman**

1 January 2023

**Length of service as a Director (as at 31 December 2023)**

10 years 7 months

**Board committees served on**

- Investment Committee (Chairman)
- Nominating and Remuneration Committee (Member)

**Present directorship in other listed company**

- CapitaLand Ascendas REIT Management Limited (manager of CapitaLand Ascendas REIT)

**Present principal commitments (other than directorship in other listed company)**

- Chairman, CapitaLand India Trust Management Pte. Ltd. (Trustee-Manager of CapitaLand India Trust)
- Senior Executive Director, CapitaLand Investment Limited

**Other major appointments**

- Singapore Economic Development Board (Special Advisor to Chairman)
- Building and Construction Authority (Board Member)
- Singapore Business Federation, South Asia Business Group Executive Committee (Vice Chairman)
- Institute of Real Estate and Urban Studies (Board Member)
- Singapore Business Federation, Malaysia Singapore Business Council (Member)
- Singaporean-German Chamber of Industry and Commerce, Advisory Council (Member)
- EDB Society (President)
- Skills Future Fellowships and Skills Future Employer Awards Judging Panel (Chairman)
- Directorships in other CapitaLand Investment Group companies

**Past directorship in other listed company held over the preceding three years**

- SIA Engineering Company Limited

**Background and working experience**

- Senior Executive Director, CapitaLand Group (from July 2019 to September 2021)
- Deputy Group CEO, Ascendas-Singbridge Pte Ltd (from January 2016 to June 2019)
- President & Chief Executive Officer, Ascendas Pte Ltd (from May 2013 to December 2015)
- Chief Executive Officer, JTC Corporation (from October 2009 to April 2013)
- Deputy/Assistant Managing Director, Economic Development Board (from February 2007 to September 2009)
- Director, Economic Development Board (from May 1999 to February 2007)

**SANJEEV DURJHATI PRASAD DASGUPTA, 56**

Chief Executive Officer

Executive Non-Independent Director

- Bachelor of Commerce, Mumbai University, India
- Master of Business Administration, London Business School, United Kingdom
- Qualified Chartered Accountant
- Graduate Company Secretary, India

**Date of first appointment as a Director**

1 October 2014

**Length of service as a Director (as at 31 December 2023)**

9 years and 3 months

**Present principal commitments**

- Chief Executive Officer, CapitaLand India Trust Management Pte. Ltd. (Trustee-Manager of CapitaLand India Trust)
- Chief Executive Officer, CLI India Pte. Ltd.

**Background and working experience**

- President, Real Estate, ICICI Venture Funds Mgmt. Co. Ltd. (from 2009 to 2014)
- Managing Director, Future Capital Real Estate (2005 to 2009)

# OUR BOARD OF DIRECTORS

## TAN SOON NEO JESSICA, 57

Non-Executive Lead Independent Director

- Bachelor of Social Sciences (Honours), National University of Singapore
- Bachelor of Arts, National University of Singapore

### Date of first appointment as a Director

20 November 2020

### Length of service as a Director (as at 31 December 2023)

3 years and 1 month

#### Board Committees served on

- Investment Committee (Member)
- Nominating and Remuneration Committee (Chairman)

#### Present directorships in other listed companies

- Mitsui & Co., Ltd.
- SATS Ltd.

#### Present principal commitments (other than directorships in other listed companies)

- Lead Independent Director, CapitaLand India Trust Management Pte. Ltd. (Trustee-Manager of CapitaLand India Trust)
- Member of Parliament, East Coast GRC, Parliament of Singapore
- Deputy Speaker, Parliament of Singapore
- Chairman, East Coast Town Council
- Member, Finance, Trade & Industry and Communications & Information Government Parliamentary Committees

#### Other major appointments

- CGH Fund (Committee Member)
- Nanyang Polytechnic (Vice Chairman, Board of Governors)

#### Background and working experience

- Microsoft (from 2003 to 2016), holding various senior positions in Singapore and Asia Pacific region. Last position held was Managing Director, Microsoft Operations, Singapore.
- IBM (from 1989 to 2003), holding several senior positions in Singapore and Asia Pacific region. Last position held was Director, Networking Services, IBM Global Services, Asia Pacific.

#### Award

- Singapore Computer Society IT Leader Award 2015

## DEBORAH TAN YANG SOCK (MRS DEBORAH ONG), 64

Non-Executive Independent Director

- Bachelor of Accountancy (Honours), National University of Singapore
- Fellow, Institute of Singapore Chartered Accountants
- Fellow, Certified Practising Accountants of Australia

### Date of first appointment as a Director

1 June 2022

### Length of service as a Director (as at 31 December 2023)

1 year and 7 months

#### Board Committees served on

- Audit and Risk Committee (Chairman)
- Nominating and Remuneration Committee (Member)

#### Present directorship in other listed company

- SATS Ltd.

#### Present principal commitments (other than directorship in other listed company)

- Board Member, Monetary Authority of Singapore
- Board Member, SkillsFuture Singapore
- Board Member, Workforce Singapore
- Chairperson, Institute for Human Resource Professionals Limited

#### Other major appointments

- Lee Kong Chian School of Medicine Governing Board at Nanyang Technological University (Board Member and Chairperson)
- Wealth Management Institute Limited (Director)
- MILK (Mainly I Love Kids) Fund (Member)
- The Judicial Service Commission (Member)
- Wah Hin and Company Private Limited (Director)

#### Background and working experience

- Partner, PricewaterhouseCoopers LLP, Singapore (From 1 July 1993 to 31 October 2020)

#### Awards

- Public Service Medal at the Singapore National Day Awards 2015
- Public Service Star at the Singapore National Day Awards 2020

**ZIA JAYDEV MODY, 67**

Non-Executive Independent Director

- Bachelor of Arts (Law), Selwyn College, University of Cambridge
- Master of Laws, Harvard University
- Admitted to the New York State Bar Association and the Bar Council of Maharashtra and Goa

**Date of first appointment as a Director**

1 February 2018

**Length of service as a Director (as at 31 December 2023)**

5 years and 11 months

**Board Committees served on**

- Audit and Risk Committee (Member)
- Investment Committee (Member)

**Present directorship in other listed company**

- CLP Holdings Limited

**Present principal commitment (other than directorship in other listed company)**

- Founder and Senior Partner, AZB & Partners

**Other major appointments**

- Cambridge India Research Foundation (Non-Executive Director)
- ICCA Foundation, Inc. (Non-Executive Member, Governing Board)
- Observer Research Foundation (Non-Executive Trustee)

**Past directorship in other listed company held over the preceding three years**

- The Hongkong and Shanghai Banking Corporation Limited

**Background and working experience**

- Founder and Senior Partner, AZB & Partners (from 2004 to present)

**Awards**

- India Managing Partner of the Year
- Ranked No. 1 by Fortune India in its 'India's 50 Most Powerful Women in business' list
- India's 10 Most Powerful Women
- Asia's 50 Power Businesswomen

**ERNEST KAN YAW KIONG, 66**

Non-Executive Independent Director

- Fellow, Institute of Singapore Chartered Accountants
- Fellow, Institute of Chartered Accountants in England & Wales
- Fellow, Association of Chartered Certified Accountants (UK)
- Fellow, CPA Australia

**Date of first appointment as a Director**

20 November 2020

**Length of service as a Director (as at 31 December 2023)**

3 years and 1 month

**Board Committee served on**

- Audit and Risk Committee (Member)

**Present directorship in other listed company**

- Zheneng Jinjiang Environment Holding Company Limited

**Present principal commitment (other than directorship in other listed company)**

- Founder and Chairman, Dr Ernest Kan Financial Advisory & Business Consulting

**Other major appointments**

- ITC Education Services Pte. Ltd. (Director)
- Nanyang Academy of Fine Arts (Director)
- Yellow Ribbon Industries Pte. Ltd. (Director)
- Singapore Table Tennis Association (Vice President)

**Background and working experience**

- Chief Advisor (Capital Markets China), Singapore Exchange (from September 2018 to November 2020)
- Deputy Managing Partner, Deloitte & Touche LLP (as Partner from July 1994 to May 2018)

# OUR BOARD OF DIRECTORS

## VISHNU SHAHANEY, 65

Non-Executive Independent Director

- B.A. Economics (Hons.), Calcutta University, India
- MBA (Executive MBA Programme), Melbourne Business School, University of Melbourne

### Date of first appointment as a Director

1 May 2023

### Length of service as a Director (as at 31 December 2023)

8 months

#### Board Committee served on

- Audit and Risk Committee (Member)

#### Present principal commitment

- Principal, Link Asia Consulting

#### Background and working experience

- Head of Singapore, South-east Asia, India and the Middle East, Australia and New Zealand Banking Group Limited (from September 2019 to July 2022)
- President Director, PT Bank ANZ Indonesia (April 2016 to August 2019)
- CEO Singapore, Australia and New Zealand Banking Group Limited (from October 2010 to April 2016)
- CEO Greater Mekong, Australia and New Zealand Banking Group Limited (concurrent appointment with CEO Singapore) (December 2014 to December 2015)
- Acting CEO Asia, Australia and New Zealand Banking Group Limited (concurrent appointment with CEO Singapore) (December 2013 to August 2014)
- Head of Transaction Banking and Specialised Finance, Asia Pacific, Europe and America, Australia and New Zealand Banking Group Limited (February 2009 to September 2010)
- Managing Director Global Transaction Banking, Australia and New Zealand Banking Group Limited (May 2008 to January 2009)
- Managing Director Corporate Banking Australia, Australia and New Zealand Banking Group Limited (November 2006 to April 2008)
- Head of Risk, Business, Corporate and Private Banking, Australia, Australia and New Zealand Banking Group Limited (May 2004 to October 2006)
- Various senior roles in Australia and India, Australia and New Zealand Banking Group Limited (August 1980 to May 2004)

#### Award

- Fellow of the Institute of Banking & Finance (IBF) Singapore

## GOH SOON KEAT KEVIN, 48

Non-Executive Non-Independent Director

- Bachelor of Mechanical Engineering (Honours), National University of Singapore
- Chartered Financial Analyst® and Member, CFA Institute

### Date of first appointment as a Director

1 June 2023

### Length of service as a Director (as at 31 December 2023)

7 months

#### Board Committee served on

- Investment Committee (Member)

#### Present directorships in other listed companies

- CapitalLand Ascott Trust Management Limited (manager of CapitalLand Ascott Real Estate Investment Trust)
- CapitalLand Ascott Business Trust Management Pte. Ltd. (trustee-manager of CapitalLand Ascott Business Trust)
- Jollibee Foods Corporation

#### Present principal commitments (other than directorships in other listed companies)

- CEO, Lodging, CapitalLand Investment Limited
- CEO, The Ascott Limited

#### Background and working experience

- Chief Operating Officer, The Ascott Limited (From December 2016 to December 2017)
- Managing Director, North Asia & Ascott China Fund, Ascott Property Management (Shanghai) Co., Ltd (From October 2015 to November 2016)
- Managing Director, North Asia, Ascott Property Management (Shanghai) Co., Ltd (From June 2013 to September 2015)
- Regional General Manager, East & South China, Ascott Property Management (Shanghai) Co., Ltd (From February 2012 to May 2013)
- Head, Corporate Services, Ascott International Management (2001) Pte Ltd (From August 2009 to January 2012)
- Assistant Vice President, Business Analysis (China), Ascott International Management (2001) Pte Ltd (From May 2007 to July 2009)
- Manager, Accenture Pte Ltd (From May 2006 to May 2007)
- Consultant, Accenture Pte Ltd (From May 2003 to April 2006)
- Analyst, Accenture Pte Ltd (From July 2001 to April 2003)

# TRUSTEE-MANAGER



**Sanjeev Dasgupta**  
Executive Director and  
Chief Executive Officer

**Cheah Ying Soon**  
Chief Financial Officer

**Rohith Bhandary**  
Head, Investments

## **SANJEEV DURJHATI PRASAD DASGUPTA**

Executive Director and Chief Executive Officer

Sanjeev is both an Executive Director and the Chief Executive Officer of the Trustee-Manager.

Sanjeev has around 30 years of experience in real estate fund management, corporate finance, strategy and financial control. Prior to joining the Trustee-Manager, he was President of Real Estate at ICICI Venture Funds Mgmt. Co. Ltd. (ICICI Venture), a leading private equity fund manager in India. In that role, he was responsible for investments and portfolio management of the Real Estate funds of around US\$600million. His key achievements included the creation of a real estate structured investment product and a managed account platform through which he led investments in Mumbai, National Capital Region, and Bangalore. He also played a key role in significant performance improvements of certain assets through changes in the development mix, cost reduction, refinancing, and other initiatives. Prior to joining ICICI Venture, Sanjeev managed real estate investments of around US\$430 million as Managing Director at Future Capital Real Estate, a leading real estate development-oriented fund manager. He led several landmark investments in metros such as Mumbai and Bangalore and in high growth tier 2 cities. Sanjeev's prior work experience included stints with organisations such as Tata Group and Merrill Lynch across India, Hong Kong and London.

Sanjeev holds a Master of Business Administration from London Business School. He is also a qualified chartered accountant and graduate company secretary.

# TRUSTEE- MANAGER

## **CHEAH YING SOON**

Chief Financial Officer

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Ying Soon oversees financial and regulatory reporting, treasury, investor relations, taxation, risk management and compliance matters.

Ying Soon has more than 20 years of experience in financial management, portfolio and asset management. Prior to his current appointment, Ying Soon was a senior director of CapitaLand Investment Limited, overseeing asset management and investor reporting of private funds with assets located in Asia-Pacific.

Prior to joining CapitaLand Investment in 2018, Ying Soon held various positions with ARA Asset Management, responsible for financial reporting and portfolio management of private funds. Ying Soon worked briefly in Alpha Investment Partners and was a senior finance manager at LaSalle Investment Management from 2006 to 2011, responsible for financial reporting of investments in the region. Ying Soon started his career with CapitaLand Limited in 2000 and was selected for overseas secondment as finance manager to its offices in China for a period of over two years.

Ying Soon holds a Master of Business Administration (Finance) from the Nottingham University. He also holds professional certificates issued by Association of Chartered Certified Accountants (ACCA) and Chartered Institute of Management Accountants (CIMA).

## **ROHITH BHANDARY**

Head, Investments

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Rohith is responsible for developing and executing CapitaLand India Trust's investment and business development strategy. He leads the team in seeking asset acquisitions and development opportunities.

Rohith has around 25 years of work experience across real estate, private equity and corporate finance. His real estate experience spans across private equity, project finance and advisory. Prior to joining the Trustee-Manager, Rohith was co-head of Real Estate Investment Practice at ICICI Venture where he managed investments of about INR 13 billion across multiple equity and debt real estate funds. His track record includes funds which have delivered a gross Internal Rate of Return of over 22%. Prior to joining ICICI Venture, Rohith was an Investment Principal at Actis India Real Estate Fund. Earlier, he worked with ICICI Bank in the Construction Realty Funding (CRFG) group where he managed relationships with both real estate developers and corporate groups executing projects across the commercial, residential and retail space.

Rohith holds a Bachelor's degree in Mechanical Engineering from Mysore University, India and a Master of Business Administration from the Indian Institute of Management, Calcutta.

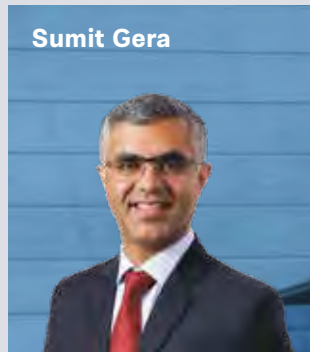
# PROPERTY MANAGER



**Gauri Shankar  
Nagabhushanam**



**Ananth Nayak**



**Sumit Gera**

## GAURI SHANKAR NAGABHUSHANAM

Chief Executive Officer  
*CapitaLand Services (India) Private Limited*

Gauri is the Chief Executive Officer of CapitaLand Services (India) Private Limited. He is also the Chief Executive Officer of India Business Parks, CapitaLand Investment Limited.

In his role, Gauri oversees investments, development, operations, asset management, branding, and strategic planning for CapitaLand Group's business parks in India and leads the expansion and enhancement of the Group's portfolio of assets in the country. He was previously based in Mumbai, where, as the Head of Investments and CFO, he helped set up and scale Ascendas-Firstspace - CapitaLand's industrial and logistics platform in India. Prior to that, Gauri worked in Singapore, managing Ascendas-Singbridge's India Private Funds business.

Gauri has more than 22 years of experience in real estate, diversified across multiple asset classes and geographies. Within real estate, he has worked in private equity, fund management, corporate finance, banking, and advisory. His previous stints include those at Deloitte, TAIB Bank, and Samba Financial Group.

Gauri is a graduate of London Business School and has an undergraduate degree from Sri Sathya Sai Institute of Higher Learning.

## ANANTH NAYAK

Chief Financial Officer  
*CapitaLand Services (India) Private Limited*

Ananth oversees the finance function for CapitaLand Investment's India operations which includes accounting and reporting, financial strategy and analysis, funding, treasury, tax matters and other key aspects.

Ananth has spent over 27 years working in India across a diverse set of industries and has handled finance for the most of his career.

Before joining Ascendas-Singbridge Group in 2018, Ananth was Chief Financial Officer with KEF Infra & Total Environment, Infrastructure & Real Estate companies based out of Bangalore. In his prior corporate experience, he has handled the roles of Vice President - Finance in Patni Computer Systems, Manager - Finance at Asian Paints apart from other assignments.

Ananth graduated with a Bachelor of Engineering degree from the National Institute of Technology, Surathkal and holds a Master of Business Administration from the Indian Institute of Management, Calcutta.

## SUMIT GERA

Head, Trust Portfolio Management  
*CapitaLand Services (India) Private Limited*

Sumit is responsible for managing asset performance and driving value creation of the CapitaLand India Trust's portfolio.

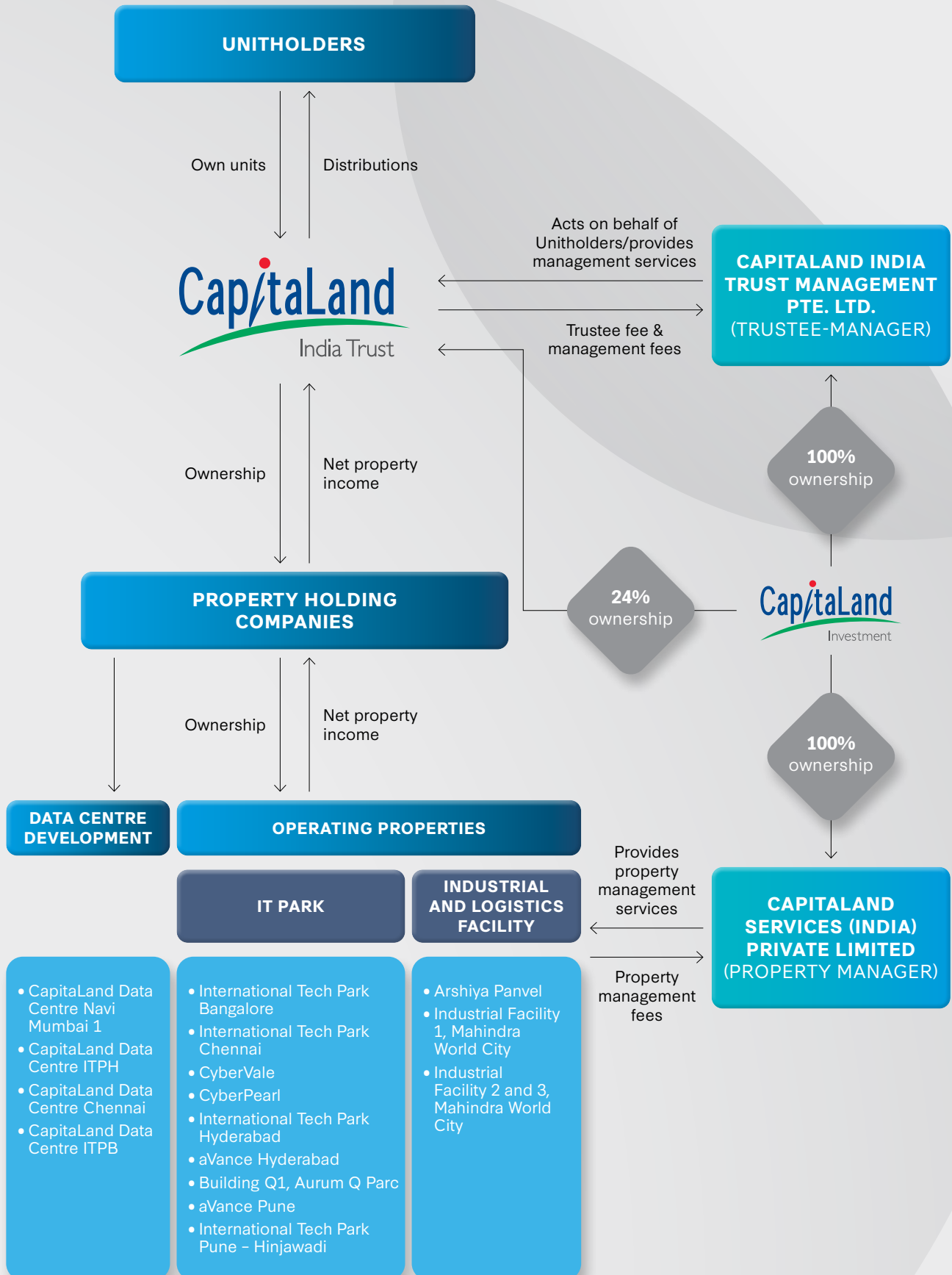
Sumit has around 20 years of experience in pan-Asia real estate investments, fund and portfolio management. Prior to joining the Trustee-Manager, Sumit was Head of India Investments and Capital Partnerships at Ascendas-Singbridge Group. In this role, he was responsible for managing India focused private equity partnerships, and also for portfolio and investment management for the Group's India investments.

Before joining Ascendas-Singbridge Group in 2016, Sumit was Vice President at Partners Group AG, a global private markets investment manager. At Partners Group, Sumit worked in Switzerland and Singapore and was responsible for over US\$400 million of real estate investments across Asia Pacific, with a focus on the Indian and Australian markets. He has also worked briefly at ICICI Bank and McKinsey & Company.

Sumit holds a Master's Degree in Business Administration from National University of Singapore and a Bachelor's Degree in Commerce from Shri Ram College of Commerce, University of Delhi, India.

# TRUST & ORGANISATION STRUCTURE

(As At 31 December 2023)





## TRUST OVERVIEW

### Enhanced Stability

While CLINT is structured as a business trust, we have voluntarily adopted the following restrictions to enhance the stability of distributions to Unitholders:

- adherence to safeguarding provisions on allowable investments as defined under Monetary Authority of Singapore’s Property Funds Appendix;
- gearing ratio capped at 50%<sup>1</sup>;
- property development activities limited to 20% of Trust property;
- minimum 90% of distributable income to be distributed.

### Tax-exempt Distributions

Distributions made by CLINT, being a registered business trust, are not subjected to Singapore income tax in the hands of all Unitholders, i.e. regardless of whether they are corporates or individuals, foreign or local. Our distributions are free of Singapore withholding tax or tax deducted at source.

### Asset and Property Management

CLINT is managed by CapitaLand India Trust Management Pte. Ltd. (Trustee-Manager), a wholly owned subsidiary of CapitaLand Investment Limited. The Trustee-Manager has the dual responsibility of safeguarding the interests of Unitholders, and managing the business conducted by CLINT. CapitaLand Services (India) Private Limited (Property Manager) is responsible for managing the daily operations and maintenance of our properties.

## CAPITALAND INDIA TRUST MANAGEMENT PTE. LTD. (TRUSTEE-MANAGER)



- For more details on the Board of Directors, go to pages 14 - 18.
- For more details on the Trustee-Manager, go to pages 19 - 20.

1 From 1 January 2022, the gearing ratio is capped at 45% but may exceed 45% (up to a maximum of 50%) only if the Trust has a minimum adjusted interest coverage ratio (as defined by the Property Funds Appendix) of 2.5 times.

# STRATEGY

## MISSION

**Deliver sustainable returns to our Unitholders through portfolio expansion and prudent capital management.**

1



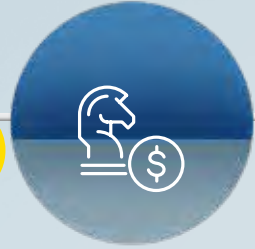
**INVESTMENT  
MANAGEMENT**

2



**ASSET  
MANAGEMENT**

3



**CAPITAL  
MANAGEMENT**

## OBJECTIVE

To develop or acquire quality assets which provide attractive cash flows, enhance earnings, and improve the diversification of the portfolio.

To ensure sustainable value creation of the portfolio.

To maintain a strong financial position as we grow the portfolio.

## WHAT WE DO

We grow by developing our land bank and acquiring stabilised properties from third parties and our sponsor.

We provide modern and high-quality business spaces and nurture strong partnerships with our tenants.

We diversify our funding sources. We consider raising equity and debt to fund our growth, to maintain the Trust's gearing at an appropriate level. We also employ strategies to manage our exposure to interest rate, currency and liquidity risks.

➤ To read more, go to pages 26 - 29.

➤ To read more, go to pages 30 - 33.

➤ To read more, go to pages 34 - 35.



To optimise opportunities within the known and agreed risk appetite levels.

We maintain an enterprise-wide risk management process that identifies material risks and implements key controls to mitigate those risks.

➤ To read more, go to pages 36 - 40.

To help investors make informed investment decisions on CLINT.

We provide timely and transparent information to the investment community to apprise them of significant developments regarding the Trust.

➤ To read more, go to pages 41 - 43.

To run our business in a sustainable and responsible manner.

We incorporate sound environmental, social and governance practices into our business.

➤ To read more, go to pages 62 - 115.

# INVESTMENT MANAGEMENT

## OVERVIEW

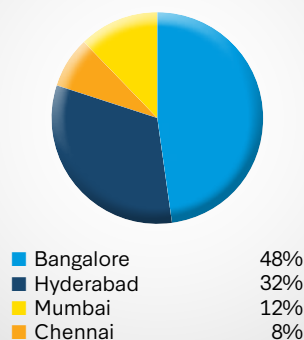
### Objective

Our investment management objectives are focused on maximising returns and optimising risk by:

- progressively developing the Trust's land bank, taking into consideration market conditions and leasing demand; and
- acquiring quality assets which provide attractive cash flows, enhance earnings, and strategically diversify the portfolio.

## DEVELOPMENT STRATEGY

**DEVELOPMENT POTENTIAL AS AT 31 DEC 2023**  
(% BREAKDOWN BY AREA)



Since listing, CLINT has developed 7.0 million sq ft of commercial space from its land bank. The Trust continues to hold substantial land in Hyderabad, Bangalore, Chennai and Mumbai, with total development potential of 7.1 million sq ft<sup>1</sup>.

In Hyderabad, we are redeveloping International Tech Park Hyderabad (ITPH) to maximise the leasable space, rejuvenate the park, and leverage on the growth of leading US, European and Indian tech companies. The redevelopment of ITPH would unlock significant value for Unitholders as it increases the development potential without incurring incremental land cost. We are redeveloping ITPH in phases over the next seven to ten years to increase the leasable area from 1.3 million sq ft<sup>2</sup> to 4.9 million sq ft. The development of a data centre (41 MW power load) in place of Mariner building has commenced. All critical development approvals and power sanction have been obtained, and superstructure works are in progress.

In Bangalore, the development of a new IT building (0.8 million sq ft) within International Tech Park Bangalore (ITPB) is underway. The remaining 2.6 million sq ft of

development potential within ITPB will be developed in phases over the coming years. Development of a data centre (36 MW power load) within ITPB is expected to commence in 2H 2024.

In Chennai, we have commenced the development of a 0.2 million sq ft Free Trade Warehousing Zone (FTWZ) on a 4.4-acre plot within CyberVale. We are also developing a data centre (54 MW power load) at Ambattur Industrial Estate on a 4.0-acre plot. Construction is scheduled to commence by 2Q 2024 and the data centre is expected to be ready by 2Q 2026.

In Navi Mumbai, we are developing a data centre (108 MW power load) in two phases. Phase 1 of the project with 54 MW power load is scheduled to be ready by 2Q 2025. All critical development approvals and power sanctions have been obtained, and superstructure works are in progress.

## ACQUISITION STRATEGY

We pursue acquisitions that offer attractive cash flows and returns relative to CLINT's weighted average cost of capital. We are also focused on enhancing the diversification of the portfolio and optimising risk-adjusted returns to Unitholders. As of 31 December 2023, we have acquired 9.4 million sq ft of floor area since listing. Overall, we have added 4.1 million sq ft in completed portfolio area in 2023, a 26% increase YoY and the highest annual increase in our completed portfolio area since listing in 2007. Approximately 41% of our 16 million sq ft increase in completed portfolio area since listing was driven by developments, with approximately 59% driven by acquisitions.

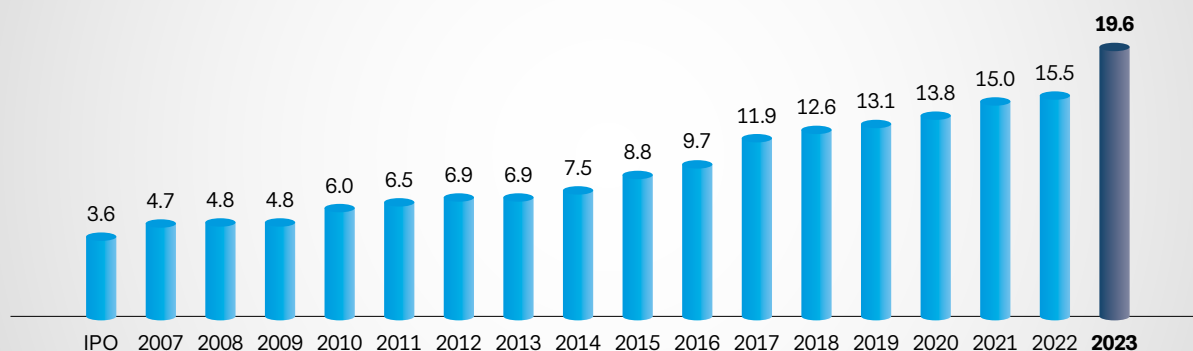
IT/ITES office space continues to be a key segment, demonstrated by our acquisition of International Tech Park Pune - Hinjawadi (ITPP-H), a fully leased 2.3 million sq ft IT SEZ, in May 2023. It has been leased to prominent IT/ITES tenants such as Infosys Ltd., Synechron Technologies Pvt. Ltd. and Tata Consultancy Services Ltd. The gross consideration<sup>3</sup> for the acquisition was ₹13.5 billion.

1 Includes buildings under construction as at 31 Dec 2023.

2 Excludes the leasable area of Auriga building (0.2 million sq ft) and Mariner building (0.2 million sq ft) which have been demolished.

3 Excludes transaction expenses; gross consideration is subject to working capital adjustments on completion of the transaction.

### COMPLETED FLOOR AREA AS AT 31 DEC 2023 (MILLION SQ FT)



In Pune, we have completed the acquisition of BlueRidge 3 Phase 1, a 1.4 million sq ft multi-tenanted IT SEZ project, in March 2024. It comprises an IT building and a cafeteria block, for a gross purchase consideration of approximately ₹7.7 billion. The acquisition is part of a forward purchase arrangement with Nalanda Shelter Private Limited that was announced in June 2019. Approximately 60%<sup>4</sup> of BlueRidge 3 Phase 1 has been leased to multinational companies such as Panasonic Avionics, Aptiv Components, Forvia, Axtria, Cerence Services, Plastic Omnium and Würth Information Technologies. Leasing for the rest of Phase 1 is underway and there is good demand for the remaining vacant units. With the acquisition of BlueRidge 3 Phase 1, the total completed floor area of CLINT's entire portfolio has increased by approximately 7.3% to reach 21 million sq ft.

We have targeted Hyderabad, Bangalore, Chennai, Mumbai, NCR (comprising Delhi, Gurgaon and Noida) and Pune for new acquisitions in the IT/ITES spaces. These cities were chosen because of their base of established IT firms and sizeable pool of talented workforce.

We are increasing our focus on other fast-growing segments like industrial and logistics assets and are actively evaluating opportunities across India. We are sharpening our focus in these asset classes to capitalise on the growing demand from companies looking to set up manufacturing facilities in India. We are actively targeting industrial and logistics locations in the outskirts of Hyderabad, Bangalore, Chennai, Mumbai, and NCR.

When sourcing for third party properties, we leverage on CapitaLand Investment's (CLI) presence in India, proprietary deal origination and access to market information to gain a competitive advantage.

We focus on the following criteria when evaluating new acquisitions:

- Location – access to public transportation and skilled workforce, proximity to residential developments and social infrastructure.
- Tenancy profile – the credit standing of tenants and diversification of tenant base.
- Design and specification – the quality of the property, including its size, age and state of maintenance.
- Land title and land tenure – to ensure clear and marketable title, and reasonably high residual land tenure.
- Rental and capital growth prospects – its current rent and capital value compared to comparable properties, the overall market outlook and potential growth factors.
- Opportunity to add value – the potential to increase rental/occupancy rates or enhance value through selective renovations and/ or other enhancement works.

#### Sponsor Pipeline

CLI has granted CLINT the Right of First Refusal (ROFR) to acquire its stake from the following entities, upon project completion and stabilisation:

- Ascendas India Logistics Fund (AILP) and CapitaLand India Logistics Fund 2 (CILF 2), which focus on investments in logistics and industrial infrastructure.

CLI has granted CLINT the Right of First Offer (ROFO) to acquire its stake from the following entity, upon project completion and stabilisation:

- Ascendas India Growth Programme (AIGP), a real estate investment programme that targets business space developments. CLI India owns a stake of 30% in AIGP.

4 Including tenant options

# INVESTMENT MANAGEMENT

## Forward Purchase

CLINT has invested in forward purchase deals where the initial funding is structured in the form of debt with security of the underlying land, assets under construction, pledge of shares of the project entity and receivables. Active project monitoring is done by our appointed in-house team to monitor timelines and quality specifications.

The deal structure helps the developer to achieve financial closure and CLINT has been able to acquire properties at attractive valuations. This structure is

expected to continue to provide CLINT with a pipeline of opportunities at strategic locations.

In December 2023, we completed the acquisition of two fully leased industrial facilities (totaling 0.3 million sq ft) at Mahindra World City, Chennai, which is part of our committed forward purchase pipeline from Casa Grande Group, for a gross consideration<sup>5</sup> of ₹1.8 billion.

A list of the committed forward purchase transactions is given in the table below:

## Committed Pipeline<sup>i</sup>

Asset Class	Project Name	Location	Building	Estimated Floor Area (million sq ft)	Expected Total Consideration <sup>ii</sup>	Expected Time of Completion/Status
<b>IT Park</b>						
	aVance Hyderabad	HITEC City, Hyderabad	aVance 5	1.16	₹8.4 billion (\$168 million)	Occupancy Certificate received
	aVance Business Hub 2	HITEC City, Hyderabad	A1	0.83	₹6.5 billion (\$129 million)	2H 2024
			Development Potential	3.73	To be finalised	To be finalised
	AURUM IT Non-SEZ	Ghansoli, Navi Mumbai	Building 2	0.85	₹6.8 billion (\$136 million)	Occupancy Certificate received
	BlueRidge 3	Hinjawadi, Pune	Phase 1	1.40	₹7.7 billion (\$125 million)	Acquired in February 2024
	Gardencity	Bellary Road, Bangalore	Project I	1.26	₹11.2 billion (\$209 million)	2H 2024
			Project II	0.39	₹3.2 billion (\$59 million)	2H 2026
	Ebisu Project	Outer Ring Road, Bangalore	Building 1	1.00	₹12.3 billion (\$201 million)	2H 2026
<b>Logistics Park</b>						
	Arshiya Panvel	Panvel, near Navi Mumbai	Development Potential	2.47	To be finalised	Development timelines to be finalised
<b>Industrial Facility</b>						
	Casa Grande – OneHub Chennai	OneHub, Chennai	Phase 1	-	₹2.7 billion (\$43 million)	1H 2025
			Phase 2	-		2H 2026
			Phase 3	-		1H 2028
i	Committed pipeline as at 1 March 2024					
ii	Based on exchange rate at the time of investment/announcement					

<sup>5</sup> Excludes transaction expenses; gross consideration is subject to working capital adjustments on completion of the transaction.

### CAPITALAND DC NAVI MUMBAI 1

CapitaLand DC Navi Mumbai 1 is located in Airoli, Navi Mumbai, comprising of two Core & Shell DC buildings built over two phases with a planned power load capacity of 108 MW. All critical development approvals and power sanctions have been obtained for Phase I (54 MW). Construction of Phase I Core & Shell has commenced, with core walls and superstructure works in progress. Construction of the GIS building sub-structure is underway. Construction is expected to be completed by 2Q 2025.



### CAPITALAND DC ITPH

CapitaLand DC ITPH is located in Madhapur as part of the existing larger ITPH campus, comprising of one Core & Shell DC building with a planned power load capacity of 41 MW. All critical development approvals and power sanctions have been obtained. Core walls and superstructure works are in progress. Construction is expected to be completed by 2Q 2025.



### CAPITALAND DC CHENNAI

CapitaLand DC Chennai is located in Ambattur, comprising of one Core & Shell DC building with a planned power load capacity of 54 MW. Construction approvals are expected to be received and construction is expected to commence by 2Q 2024.



### CAPITALAND DC ITPB

CapitaLand DC ITPB is located in Whitefield as part of the existing larger ITPB campus, comprising of one Core & Shell DC building with a planned power load capacity of 36 MW. The 220KV GIS has been commissioned with two sources of power supply. Construction of Core & Shell is expected to commence by 2H 2024.



# ASSET MANAGEMENT

## OVERVIEW

The Trust aims for sustainable value creation by:

- providing modern and high-quality business spaces; and
- nurturing strong partnerships with tenants.

## PROVIDING HIGH-QUALITY BUSINESS SPACES

Maintaining stable long term financial and operational performance starts with attracting and retaining quality business tenants. Therefore, the Trust focuses on the need for community, sustainability, convenience, efficiency, and safety in our properties.

CLINT provides tenants with a vibrant and conducive working environment built to inspire knowledge workers. Extensive amenities are provided within aesthetically landscaped settings incorporating lush gardens and artwork. Amenities in our properties include gymnasiums, childcare facilities, coworking and managed office space, food courts, and other F&B offerings. Conveniences such as ATMs, banks, travel agencies, medical centres, and pharmacies are also provided.

To enhance tenant experience and keep up with office trends and demands, the Trust regularly embarks on asset enhancement initiatives. Recently, in aVance Hyderabad, the Trust completed a major upgrade of lift lobbies, and created a new fully-furnished food court. More initiatives are planned in the coming years across the portfolio to further provide tenants with a vibrant working environment.

As a trust sponsored by CapitaLand Investment (CLI), CLINT places strong emphasis on environmental sustainability. The Trust has adopted carbon emissions reduction targets validated by the Science Based Targets initiative (“SBTi”). Tenants in the portfolio are also increasingly keen to reduce their energy and water usage, and carbon footprint. This shared goal has helped the Trust embark on several initiatives to reduce its environmental impact by purchasing more green energy, improving energy and water efficiency, and reducing waste output.

Some of the recent initiatives include solutions for tracking energy consumption, replacement of air-cooled chillers with water-cooled chillers, and installation of waste segregators and organic waste converters. As a result of these initiatives, as at 31 December 2023, 99% of CLINT’s business parks are either Platinum or Gold green certified. For the list of green certifications across our business park portfolio, please refer to Appendix A of the Sustainability Report on page 104.

As a testament to CLINT’s success in constructing and managing world-class properties, the Trust’s properties have won multiple awards over the years. At the 2023 Economic Times Real Estate Awards, International Tech Park Hyderabad was recognised at the national level for its efforts in managing a quality hub for business and IT tenants. For highlights of awards and accolades received, please refer to page 71 of this Annual Report.



▲ Upgraded lift lobby at aVance Hyderabad



▲ Newly-furnished food court at aVance Hyderabad



## NURTURING STRONG PARTNERSHIPS

We regularly organise various community engagement activities with the aim of building a strong community within our ecosystem. In 2023, we engaged with various stakeholders through signature events such as LiveWire and Confetti, and community-building celebrations such as Garba Night. These gatherings served as pivotal platforms for meaningful interactions, knowledge exchange and relationship cultivation, reinforcing the strong ties we cherish with our valued stakeholders.

We receive constant feedback from tenants that such events help keep their employees engaged and satisfied, which in turn lowers their staff attrition, reduces their manpower costs and as a result, our tenants would be more likely to stay on longer leases. For more details on tenant and community engagement events held throughout 2023, please refer to pages 83 to 85 of this Annual Report.



▲ LiveWire 2023 held in Bangalore



▲ Confetti held in Pune



▲ Garba Night held in Mumbai

# ASSET MANAGEMENT



## CASE STUDY

### FLEXIBLE AND MANAGED OFFICE SOLUTIONS

There has been an increase in demand for plug-and-play workspace solutions, which offer reduced upfront fitout expenses, shorter lease commitments, and scalability of operations. To capitalize on this demand, CLINT has expanded its business park product offering to include flexible office solutions under the Bridge+ brand.

CLINT launched two Bridge+ facilities in 4Q 2023: a 340-seat Bridge+ in ITPC and a 390-seat Bridge+ in ITPH. Tenant response to these facilities has been highly encouraging and there are plans to rollout Bridge+ to other parks in the portfolio going forward. Bridge+ Bangalore, which started operations in 2019, is fully leased and offers strong synergies and cross-selling opportunities.

For tenants who require larger plug-and-play workspace with customised fitouts and privacy, CLINT also offers managed office solutions. There are five managed offices totalling approximately 45,000 sq ft in the portfolio, with further discussions in the pipeline.

Demand for flexible and managed office solutions is expected to remain robust as tenants value the convenience and scalability of plug-and-play workspace solutions.





### CASE STUDY

## FLOOD RISK MANAGEMENT

In December 2023, Chennai experienced significant rainfall as a result of Cyclone Michaung. The subsequent flooding across the city led to disruptions to power lines, communication networks and public transport services.

ITPC, located in the Taramani micro-market of Chennai, experienced flooding in the ground floor and basement. During this period, our team remained on-site to extend full support to affected tenants and ensured that essential services such as power and water systems were fully functional. Once the cyclone had passed, our teams swiftly initiated reinstatement of flooded areas, lifts, and heating, ventilation & air conditioning (HVAC) systems, and quickly restored full park operation.

CLINT is working closely with the state government on flood mitigation measures. At the park level, CLINT has conducted a hydrology analysis and is implementing a comprehensive flood control plan, which includes the installation of additional floodgates and pumps to improve flood resilience.



# CAPITAL MANAGEMENT

## OVERVIEW

### Objective

Our capital management objectives include:

- employing the appropriate hedging strategy to manage currency risk;
- diversifying our funding sources;
- maintaining a healthy balance sheet by keeping gearing at an appropriate level; and
- ensuring sufficient liquidity to meet our business requirements.

### Key Indicators

Indicator	As at 31 December 2023	As at 31 December 2022
Gearing ratio <sup>i</sup>	35.8%	36.7%
Net gearing ratio <sup>ii</sup>	32.6%	33.2%
Interest service coverage (Adjusted EBITDA <sup>iii</sup> /Interest expenses)	2.6 times	3.1 times
Percentage of Indian Rupee debt	60.0%	56.8%
Percentage of fixed rate debt	74.9%	76.1%
Percentage of unsecured borrowings	98.5%	100.0%
Effective weighted average cost of debt	6.3%	5.9%
Available debt headroom	S\$1,058 million <sup>iv</sup>	S\$856 million <sup>iv</sup>
Net asset value	S\$1.16 per unit	S\$1.11 per unit
Adjusted net asset value <sup>v</sup>	S\$1.44 per unit	S\$1.41 per unit

i Ratio of effective borrowings to the value of Trust's properties. As at 31 December 2023, the effective borrowings to net asset ratio and total borrowings less cash and cash equivalent to net asset ratio were 81.5% and 75.5% respectively.

ii Excludes cash and cash equivalents.

iii Earnings before interest expense, tax, depreciation & amortisation (excluding gains/losses from foreign exchange translation and mark-to-market revaluation from settlement of loans), on a trailing 12-month basis. Earnings include interest income.

iv Available debt headroom for 31 December 2022 and 31 December 2023 is based on the gearing limit of 50% which is in accordance with Appendix 6 of the Code on Collective Investment Scheme.

v Excludes deferred income tax liabilities on capital gains due to fair value revaluation of investment properties.

### Use of Proceeds from Preferential Offering in July 2023 (as at 31 December 2023)

	Announced use of proceeds (S\$ million)	Actual use of proceeds (S\$ million)	Balance of proceeds (S\$ million)
To part finance the development and construction of ITPH - Block A.	56.0	56.0	-
To part finance the ongoing funding to the developers of aVance A1 and Gardencity to part fund the development and construction of aVance A1 and Gardencity pursuant to existing forward purchase agreements entered into between CLINT and the developers for the acquisition of aVance A1 and Gardencity (the "Forward Purchase Agreements").	91.2	66.0	25.2
To pay fees and expenses, including professional fees and expenses, incurred or to be incurred by CLINT in connection with the Preferential Offering.	2.9	2.9	-
<b>Total</b>	<b>150.1</b>	<b>124.9</b>	<b>25.2</b>

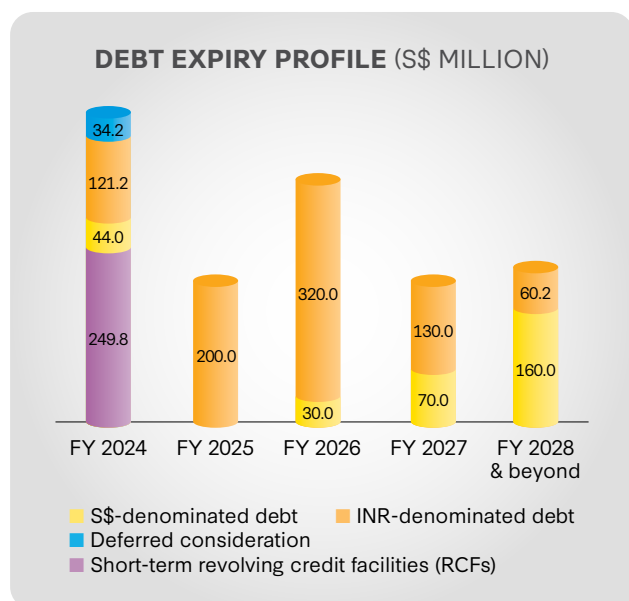
In July 2023, CLINT raised equity of S\$150.1 million through a Preferential Offering of 141,567,497 new units. As stated in the announcement dated 18 July 2023 titled "Use of Proceeds from the Preferential Offering", about S\$56.0 million or 37.3% of proceeds has been used to part finance the development and construction of ITPH - Block A. As stated in the announcement dated 12 January 2024 titled "Use of Proceeds from the Preferential Offering", S\$66.0 million or 44.0% of proceeds has been applied towards the ongoing funding of the developers of aVance A1 and Gardencity to part fund the development and construction of aVance A1 and Gardencity in return for annual coupon rates of at least 11.0% payable to CLINT pursuant to the Forward Purchase Agreements and S\$2.9 million or 1.9% of proceeds has been used to pay the fees and expenses, including professional fees and expenses,

incurred by CLINT in connection with the Preferential Offering. The remaining S\$25.2 million (or 27.6% out of 60.8% of proceeds allocated to part finance the ongoing funding to the developers of aVance A1 and Gardencity (the **"Ongoing Development Funding"**) of the total proceeds (the **"Remaining Proceeds"**) from the Preferential Offering will continue to be used to finance the Ongoing Development Funding.

Notwithstanding the Remaining Proceeds, the use of proceeds arising from the Preferential Offering is in accordance with the stated use and percentage of the gross proceeds of the Preferential Offering allocated to such use. As and when the balance of the total proceeds from the Preferential Offering are materially disbursed, the Trustee-Manager will make further announcement(s) on such utilisation of the proceeds via SGXNET in accordance with the Listing Manual.

## FUNDING STRATEGY

CLINT diversifies funding sources from various financial institutions and capital markets to reduce its reliance on any single source of funding. The Trust's principal bankers include BEA, Citibank, DBS Bank, HSBC, J.P. Morgan, Mizuho Bank, Standard Chartered Bank and UOB. It currently has in place a S\$1.5 billion Multicurrency Debt Issuance Programme. As at 31 December 2023, the Trust has total effective borrowings<sup>1</sup> of S\$1.3 billion, comprising S\$36.1 million of medium term notes, S\$1,242.9 million of bilateral loans, S\$22.8 million of secured onshore loans and S\$34.2 million of deferred consideration.



Our approach to equity raising is predicated on maintaining a strong balance sheet by keeping the Trust's gearing ratio at an appropriate level. We will carefully consider the impact on CLINT's funding cost and net asset value before making any decision on raising equity.

The Trust lowers its borrowing cost by having a mix of Indian Rupee and Singapore Dollar borrowings. As at 31 December 2023, 60.0% of the Trust's borrowings were denominated in Indian Rupee with the remaining 40.0% in Singapore Dollar. The weighted average interest cost of CLINT's Singapore Dollar and Indian Rupee borrowings were 4.2% and 7.7% respectively as at 31 December 2023. CLINT's overall weighted average cost of debt was 6.3% as at 31 December 2023.

## Debt Headroom

Based on the gearing limit of 50.0%<sup>2</sup>, which is in accordance with Appendix 6 of the Code on Collective Investment Schemes, the Trust may increase its borrowings by an additional S\$1.1 billion. This provides the Trust with significant resources to fund potential acquisitions and developments using additional borrowings.

## CASH MANAGEMENT

The Trust monitors and maintains a level of cash and cash equivalents deemed adequate to meet the Trust's operations and meet any short-term liabilities. The cash generated from operations at Indian entities are placed in bank fixed deposits to maximise interest income prior to the intended repatriation event.

## INCOME HEDGING STRATEGY

Income is repatriated semi-annually from India to Singapore. The Trust enters into forward contracts on a monthly basis to hedge a substantial portion of income. This mitigates the risk of large currency fluctuations in the period before income is repatriated to Singapore.

The gain or loss associated with each forward contract before its maturity, is recognised as unrealised fair value gain or loss on derivative financial instruments, in the income statement. On maturity of the forward contract, the gain or loss is recognised as realised fair value gain or loss on derivative financial instruments, in the income statement.

## DISTRIBUTION POLICY

The Trust's policy is to distribute at least 90% of its distributable income. Since April 2012, CLINT has retained 10% of its distributable income to provide greater flexibility in growing the Trust.

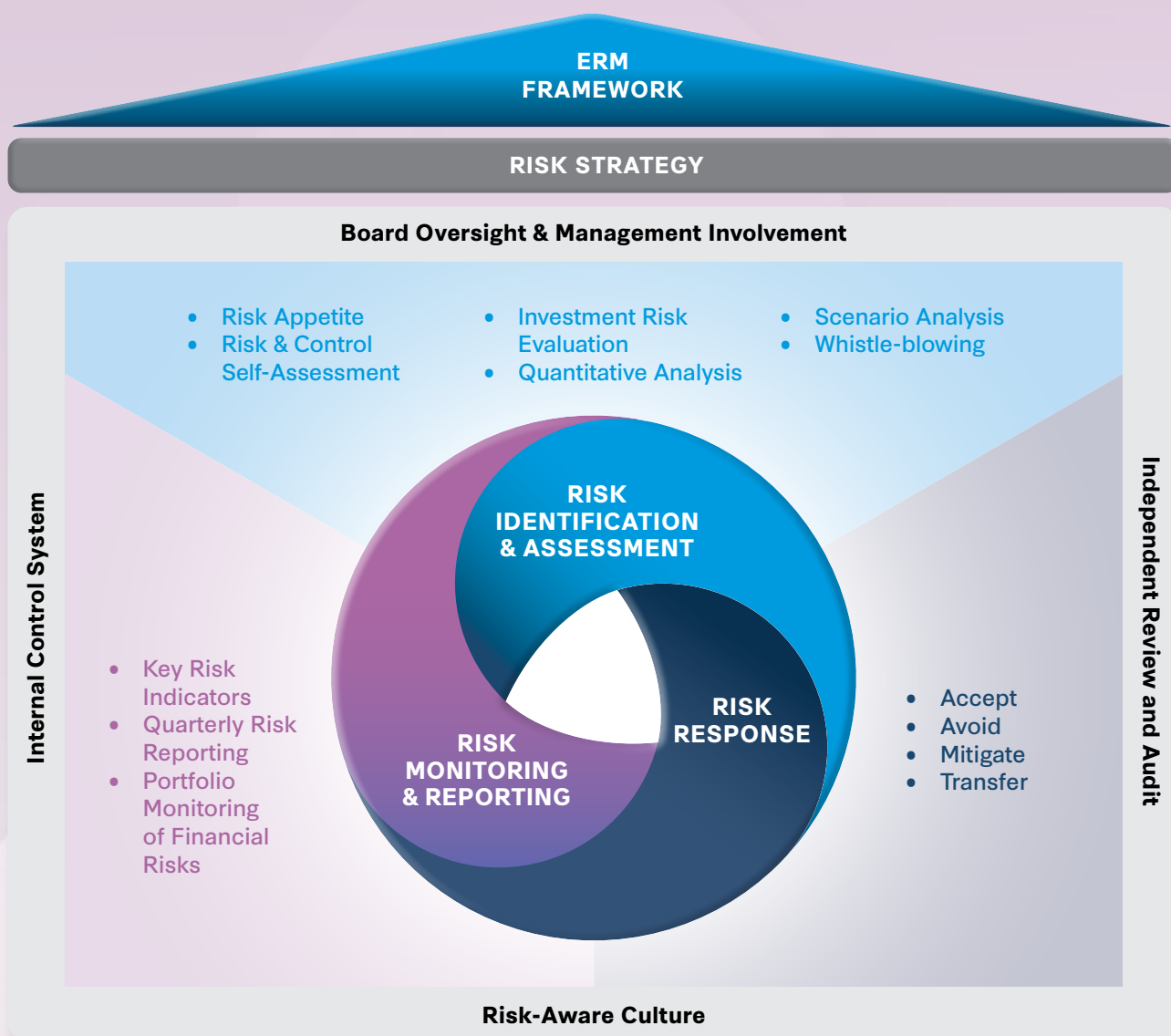
- 1 Calculated by adding derivative financial instruments liabilities to and/or deducting derivative financial instruments assets from gross borrowings, including deferred consideration.
- 2 Provided that CLINT has a minimum adjusted interest coverage ratio of 2.5 times after taking into account the interest payment obligations arising from the new borrowings.

# RISK MANAGEMENT

CLINT maintains a robust risk management framework that allows us to proactively identify, assess and respond to material risks that can impact our objective to deliver stable distributions and sustainable total returns to Unitholders. The Trust is positioned to achieve long-term sustainable returns by pursuing a strategy of optimisation of opportunities within the approved risk appetite levels.

## ENSURING BEST-IN-CLASS RISK MANAGEMENT, CORPORATE GOVERNANCE AND COMPLIANCE STANDARDS TO BUILD A SUSTAINABLE BUSINESS

The Enterprise Risk Management (ERM) Framework is adapted from the International Organisation for Standardisation 31000 International Risk Management Standards. It is benchmarked against other relevant best practices and guidelines and reviewed annually to ensure its continued relevance and practicality. It sets out the required environmental and organisational components needed to identify, assess, respond to, monitor and report material risks in an integrated, systematic and consistent manner as depicted below.



## RISK GOVERNANCE

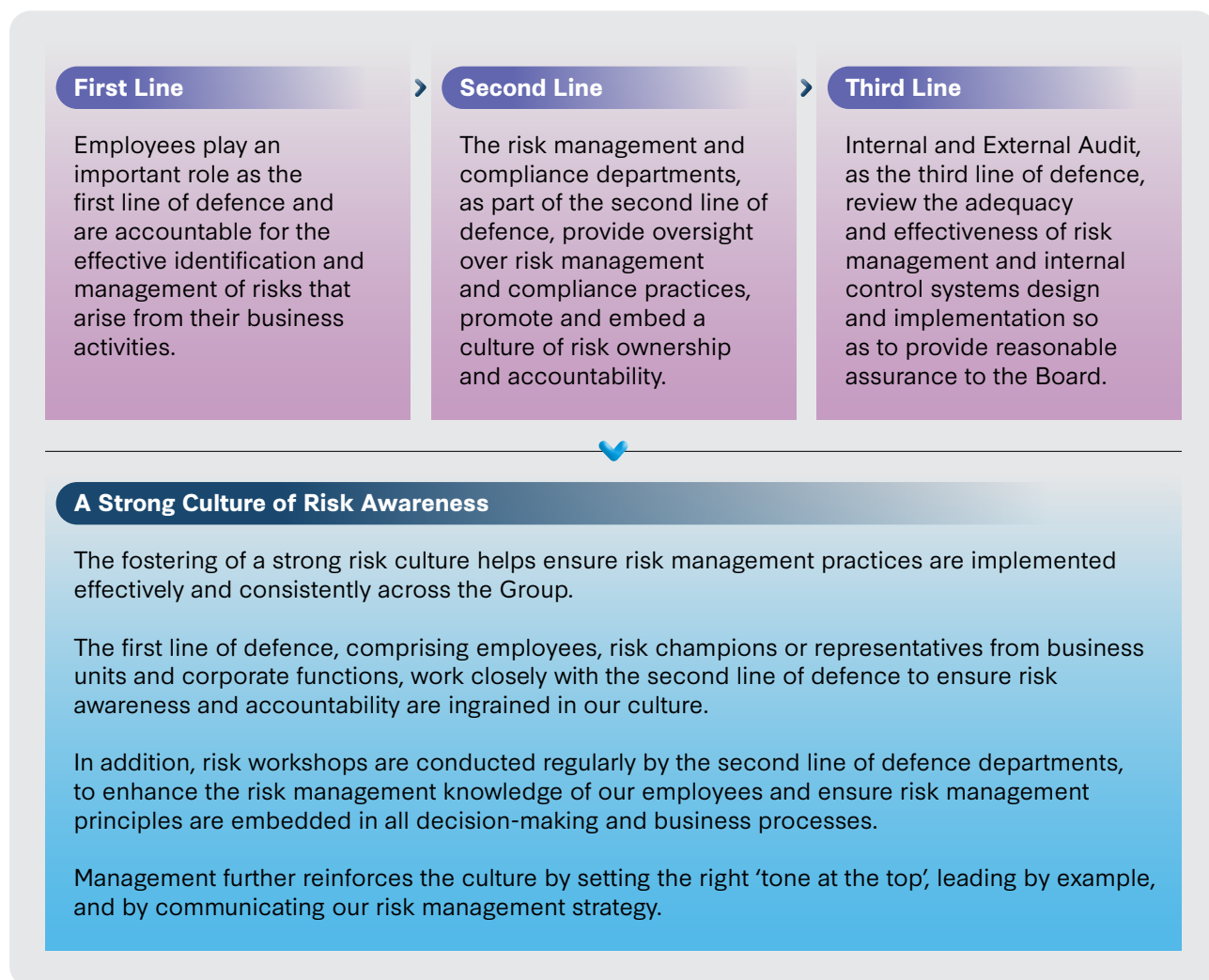
The Trustee-Manager’s Board of Directors (the Board), is responsible for the governance of risk, and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Trust and its stakeholders. Under our risk management approach, the Board, assisted by the Audit and Risk Committee (ARC), approves the Trust’s risk appetite (risk tolerance) which determines the nature and extent of material risks the Trust is willing to take to achieve its strategic objectives.

The Board also regularly reviews the Trust’s risk profile, material risks and mitigation strategies; and ensures the adequacy and effectiveness of the risk management framework and policies.

The Management team supports the Board and ARC in terms of risk governance and oversight. In doing so, the Management team directs and monitors the implementation and practice of risk management across the Trust, including the monitoring of risk exposure through key risk indicators.

## INTERNAL CONTROLS SYSTEM

The Trust’s ERM Framework operates within a risk governance structure based on three lines of defence.



# RISK MANAGEMENT

## MATERIAL RISKS AND KEY MITIGATING ACTIONS

A Trust-wide Risk and Control Self-Assessment (RCSA) is conducted annually to identify key material risks, including new and emerging risks, that the Trust faces in delivering its strategic objectives, its mitigating measures and any opportunities that the Trust can leverage on. Based on the 2023 RCSA results, the measures taken to mitigate the material risks are set out below:

Material Risks	Key Mitigating Actions
<p><b>CLIMATE RELATED</b></p> <p><b>Physical risks such as rising sea levels, violent storms, long intense heat waves, flash floods and fresh water depletion.</b></p> <p><b>Transitional risks include potentially more stringent regulations and increased expectations from stakeholders.</b></p>	<ul style="list-style-type: none"> <li>› Detailed assessment of the physical risks in the evaluation of any new acquisitions.</li> <li>› Incorporate shadow internal carbon price in the evaluation of new investment/ capital expenditure decisions. This helps to price in climate-related costs and opportunities, support low-carbon investments, prepare for stringent climate legislation, and avoid stranded assets.</li> <li>› Regularly review the Trust’s mitigation and adaptation efforts, which include:               <ul style="list-style-type: none"> <li>• future proofing the portfolio against changing climactic conditions from the design stage and</li> <li>• improving the operational efficiency of the Trust’s properties, setting targets for carbon emissions, water, energy and waste efficiencies.</li> </ul> </li> <li>› CLI has a well-established Group environmental management system which is externally certified to ISO 14001 in 19 countries.</li> <li>› Take actions to influence decarbonisation along the Trust’s value chain, including engaging with suppliers and tenants.</li> <li>› For more information, please refer to our Sustainability Report on pages 62 to 115.</li> </ul>
<p><b>FRAUD, BRIBERY &amp; CORRUPTION</b></p> <p><b>Any form of fraud, bribery and corruption that could be perpetuated by employees, third parties or collusion between employees and third parties.</b></p>	<ul style="list-style-type: none"> <li>› Foster a culture of ethics and integrity in the Trust.</li> <li>› Adopt a zero-tolerance stance against fraud, bribery and corruption (FBC) across the Trust’s businesses.</li> <li>› Communicate the commitment to integrity from the top through policies and practices, such as FBC Risk Management Policy, Whistle-blowing Policy, Ethics and Code of Business Conduct Policies and Anti-Money Laundering and Countering the Financing of Terrorism Policy.</li> <li>› Adopt e-learning modules to raise awareness and train employees on ways to avoid or prevent non-compliant behaviour.</li> </ul>
<p><b>SAFETY, HEALTH &amp; WELL-BEING</b></p> <p><b>Increased expectations from stakeholders to provide a safe and healthy environment, including well-being, at our assets and operations.</b></p>	<ul style="list-style-type: none"> <li>› Assess health and safety related risks in the evaluation of any new acquisitions.</li> <li>› Entrench a sustainable safety culture through deep safety capabilities, disciplined safety practices, and a progressive and pervasive safety mindset that drives safety key performance targets for both the Trust and its supply chain.</li> <li>› CLI has a well-established Group occupational health and safety management system which is externally certified to ISO 45001 in 19 countries.</li> <li>› For more information, please refer to our Sustainability Report on pages 62 to 115.</li> </ul>



## Material Risks

## Key Mitigating Actions

### CYBER SECURITY & INFORMATION TECHNOLOGY

**Ongoing business digitalisation exposes the business to IT-related threats, which may result in compromising the confidentiality, integrity and availability of the Trust's information assets and/or systems.**

- › Execute CLI's Cyber Security Strategy through ongoing review against existing/ evolving threat landscapes, and institute measures to minimise vulnerability exposure and manage threat vectors.
- › Ongoing mandatory staff IT Security Awareness Training to counter human intervention in the information security chain.
- › Periodically review and update Group-wide IT Security Policy and Data Protection Framework to ensure relevancy.
- › Maintain and test IT Security Incident Management Procedure to ensure prompt response and timely remediation to cyber security incidents.
- › Conduct third party vulnerability test and annual Disaster Recovery Plan exercise to assure IT infrastructure/ management system security and ensure timely recoverability of business-critical IT systems.
- › Put in place enhanced protection controls for systems that hold personal data.
- › Board oversight with regular updates to Risk Committee on the state of Cyber Security risk activities and key control improvements.

### REGULATORY & COMPLIANCE

**Non-compliance with applicable laws, regulations and rules, relating to fund management, tax, data protection & privacy, financial crimes and sanctions in the major economies and key markets in which CLINT operates.**

- › Maintain a framework that proactively identifies the applicable laws, regulations and rules, assesses the regulatory and compliance risks and embeds compliance risk mitigation measures into day-to-day operations.
- › Leverage in-house specialised teams such as legal, compliance and tax, and external consultants to provide advisory services and updates on changes to laws, regulations and rules.
- › CLI establishes Group-wide policies and procedures to address the requirements of the applicable laws, regulations and rules such as Personal Data Protection Policy, Anti-Money Laundering Policy and Countering the Financing of Terrorism Policy, Global Sanctions Compliance Policy and Tax Strategy.
- › Adopt e-learning modules to raise awareness and train employees on ways to avoid or prevent non-compliant behaviour.

### INVESTMENT

**Investment risk arises when the Trust develops existing land within the portfolio, acquires new properties, or does not divest existing investments when it is timely to do so. Such risks encompass market and leasing risk, outlook, as well as the impact of the investment on the existing portfolio.**

- › A data-driven investment approach is adopted, focusing on the relevant national macroeconomic outlook, analysis of the relevant real estate micro-markets (including supply and demand, vacancy and rental), and detailed asset analysis.
- › Conduct detailed property and technical due diligence prior to any new acquisition.
- › Independent valuation is used as a benchmark to validate the purchase price.
- › Detailed evaluation is conducted on the impact of the proposed acquisition on the portfolio income, distributable income, geographical and tenant diversification and lease expiry profile.
- › Hurdle rates and weighted average cost of capital based on relevant risk adjusted input parameters, used as investment benchmarks, are reviewed/ updated annually and adjusted accordingly where necessary.
- › Integrate sustainability in real estate life cycle from the earliest stage of our investment, redevelopment and divestment processes.
- › Review and approval of the investment by the Investment Committee and the Board is sought.

# RISK MANAGEMENT

## Material Risks

## Key Mitigating Actions

### ASSET MANAGEMENT

**Asset management risk encompasses risks associated with the day-to-day operations of the Trust's properties.**

- › Risk management measures are integrated into day-to-day activities. These include comprehensive operating, reporting and monitoring controls put in place to manage risks arising from leasing and maintenance activities of the Trust's properties.
- › Timely asset enhancements are undertaken to preserve and enhance asset values. These controls are closely monitored and regularly reviewed, and improvements are made whenever necessary.

### DISRUPTION TO CUSTOMER BUSINESS

**Disruption to customer business risk encompasses risks associated with the impact of a tenant's exit due to disruption to business, on the rental income of the portfolio.**

- › The risk is mitigated by diversifying the Trust's tenant base, which consists of 299 tenants as at 31 December 2023. On average, a single tenant occupied 60,000 sq ft of space. The largest tenant contributed 12% to CLINT's portfolio base rents. Collectively, the top 10 tenants contributed 46% to CLINT's portfolio base rents.

### FUNDING

**Funding risk refers to the inability to refinance borrowings when they are due. Funding risk also refers to the risk that the Trust does not have sufficient cash and cash equivalents to meet its immediate business requirements.**

**The Trust is also exposed to changes in interest rates which relate primarily to interest-earning financial assets and interest-bearing financial liabilities.**

- › The Trust maintains a well-spread debt maturity profile and has S\$90 million of available revolving credit facilities as at 31 December 2023 to meet short-term refinancing requirements.
- › The Trust maintains sufficient cash and cash equivalents to meet its normal operating cash requirement.
- › Bank loan covenants are monitored to ensure that the Trust does not default on any borrowings.
- › The Trust enters into interest rate swaps to hedge its floating-rate borrowings into fixed-rate obligations. As at 31 December 2023, 75% of the Trust's borrowings carry fixed-rate interest.

### FOREIGN EXCHANGE

**The Trust is exposed to foreign exchange risk as a result of having operations in two countries; it earns income in Indian Rupee (its functional currency) but makes distribution to Unitholders in Singapore Dollar (its reporting currency).**

- › To mitigate the risk of large currency fluctuations in the period before income is repatriated to Singapore, the Trust enters into monthly forward contracts to hedge income that will be repatriated.
- › The currency exposure is a result of borrowing in Singapore Dollar, Japanese Yen or Hong Kong Dollar to fund developments and/or acquisitions in India and is managed through cross-currency swaps and derivatives. The Trust's policy is to hedge at least 50% of its borrowings to Indian Rupee. As at 31 December 2023, 40% of the Trust's total borrowings were exposed to currency risk as a result of its exposure to Singapore Dollar borrowings.

# INVESTOR RELATIONS

## OVERVIEW

We value our relationships with all analysts and investors. We are committed to timely and transparent communications to keep the investment community apprised of significant developments of CapitaLand India Trust (CLINT).

Care is exercised to ensure that we avoid selective disclosure of material information. All price-sensitive information is released to investors at the same time via the Singapore Exchange Securities Trading Limited (SGX-ST) and CLINT's corporate website, in accordance with regulatory requirements.

We closely monitor investors' perceptions and expectations of CLINT and actively convey that information to our Board of Directors. The views of major Unitholders are gathered through a comprehensive investor survey conducted by an external consultant every two years, with the latest survey conducted in FY 2023.

We actively engage sell-side analysts and institutional investors via face-to-face meetings and virtual calls. All requests from institutional investors to meet Management are met insofar as our schedules permit. Besides quarterly analysts' virtual calls, we participate in local and overseas investor conferences and non-deal roadshows to meet Unitholders and potential investors. Apart from such discussions, we also host site visits to our properties in India for fund managers, analysts and investors. These visits provide them with first-hand insight into the overall quality of CLINT's portfolio. During FY 2023, retail investors were provided with the opportunity to engage with Management through CLINT's participation in the REITs Symposium and SIAS Corporate Connect Webinar.

CLINT's Sixteenth Annual General Meeting ("AGM") and Extraordinary General Meeting ("EGM") on 17 April 2023 were both held in a wholly physical format pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. To effectively engage our Unitholders, they were given the opportunity to submit questions pertaining to the resolutions to be presented for approval at the AGM and EGM. The responses to the substantial and relevant questions received from Unitholders were published on our website and on SGXNet prior to the AGM and EGM. Live webcasts of the AGM and EGM were also arranged for Unitholders who did not wish to or were unable to attend in person.

## WEBSITE

Our corporate website is constantly updated so that investors can access relevant and up-to-date information about CLINT. All information uploaded on SGX-ST's website is made available on our website. Investors may also view webcasts of our half and full year results presentation online.

URL: [www.clint.com.sg](http://www.clint.com.sg)

Webcast: <http://investor.clint.com.sg/webcast.html>

## SUPPLEMENTARY INFORMATION

An excel spreadsheet with detailed financial and operational information may be downloaded from our website. The contents include portfolio, tenant, and balance sheet data, as well as the full annual income statements in Singapore Dollar and Indian Rupee.

Go online to download the supplementary information file: <https://investor.clint.com.sg/financials.html>

## RESEARCH COVERAGE

Four brokerage firms cover CLINT as at 31 December 2023. We maintain open channels of communication to ensure that the analysts understand and are kept updated on our performance and strategy.

### Brokerage Firm

- Citi Research
- DBS Group Research
- HSBC
- JP Morgan Securities

Go online for details of analysts who cover CLINT: <http://investor.clint.com.sg/research.html>

## MEDIA

We focus on increasing CLINT's media exposure by ensuring all press releases are distributed to key media agencies, including print, online and broadcast medium, in Singapore and India. In addition, we maintain good relationships with media agencies and respond promptly to media requests for information or interviews.

Go online to view our press releases and announcements: <http://investor.clint.com.sg/newsroom.html>

# INVESTOR RELATIONS

## AWARDS AND ACCOLADES

In September 2023, CLINT was conferred the Bronze Award for Best Annual Report at the SCA Awards, which recognised the Trust's dedication to transparent and effective communication.

Additionally, in November 2023, the Trust was honored with the "Highest Weighted Return on Equity Over Three Years" award at The Edge Singapore Billion Dollar Club Awards 2023. Despite the challenges posed by the pandemic and macroeconomic conditions, CLINT has consistently adapted, innovated, and strived to achieve strong financial performance. This demonstrated CLINT's commitment to delivering results and upholding high standards of governance.



## INVESTOR RELATIONS CALENDAR FY 2023

Quarter	Event
First Quarter (1 January 2023 to 31 March 2023)	FY 2022 Results Announcement analysts briefing
	FY 2022 post-results investor luncheon hosted by Credit Suisse
	Citi Global Property CEO Conference 2023
	USA Non-Deal Roadshow 2023
Second Quarter (1 April 2023 to 30 June 2023)	1Q FY 2023 Business Updates analysts briefing
	1Q FY 2023 Business Updates investor luncheon hosted by DBS Vickers REITs Symposium 2023
	1H FY 2023 Results Announcement analysts briefing
Third Quarter (1 July 2023 to 30 September 2023)	1H FY 2023 post-results investor luncheon hosted by HSBC
	Citi ASEAN Financials and Real Estate Investment Forum 2023
	SIAS Corporate Connect Webinar 2023
	CLI REITs x UBS Wealth Management Event
Fourth Quarter (1 October 2023 to 31 December 2023)	3Q FY 2023 Business Updates analysts briefing
	3Q FY 2023 Business Updates investor luncheon hosted by J.P. Morgan
	USA Non-Deal Roadshow 2023

## FINANCIAL CALENDAR

Financial Year Ended 31 December 2023	Date	Financial Year Ended 31 December 2024	Tentative Date
16th Annual General Meeting	17 April 2023	1Q FY 2024 Business Updates	April 2024
1Q FY 2023 Business Updates	26 April 2023	1H FY 2024 Results Announcement	August 2024
1H FY 2023 Results Announcement	31 July 2023	Payment of 1H FY 2024 Distribution	August 2024
Payment of 1H FY 2023 Distribution	30 August 2023	3Q FY 2024 Business Updates	October 2024
3Q FY 2023 Business Updates	26 October 2023	2H FY 2024 Results Announcement	January 2025
2H FY 2023 Results Announcement	29 January 2024	Payment of 2H FY 2024 Distribution	February 2025
Payment of 2H FY 2023 Distribution	28 February 2024		
17th Annual General Meeting	19 April 2024		

We will continue our proactive engagement with stakeholders through our various communication channels, including providing relevant business updates between the half-yearly results announcements.

Go online to view the dates of upcoming events: [http://investor.clint.com.sg/financial\\_calendar.html](http://investor.clint.com.sg/financial_calendar.html)

## ENQUIRIES

Unitholders with queries relating to CLINT or their unitholding may contact:

### The Trustee-Manager

CapitaLand India Trust Management Pte. Ltd.  
Cheah Ying Soon  
Chief Financial Officer  
Phone: +65 6713 2888  
Email: enquiries@clint.com.sg

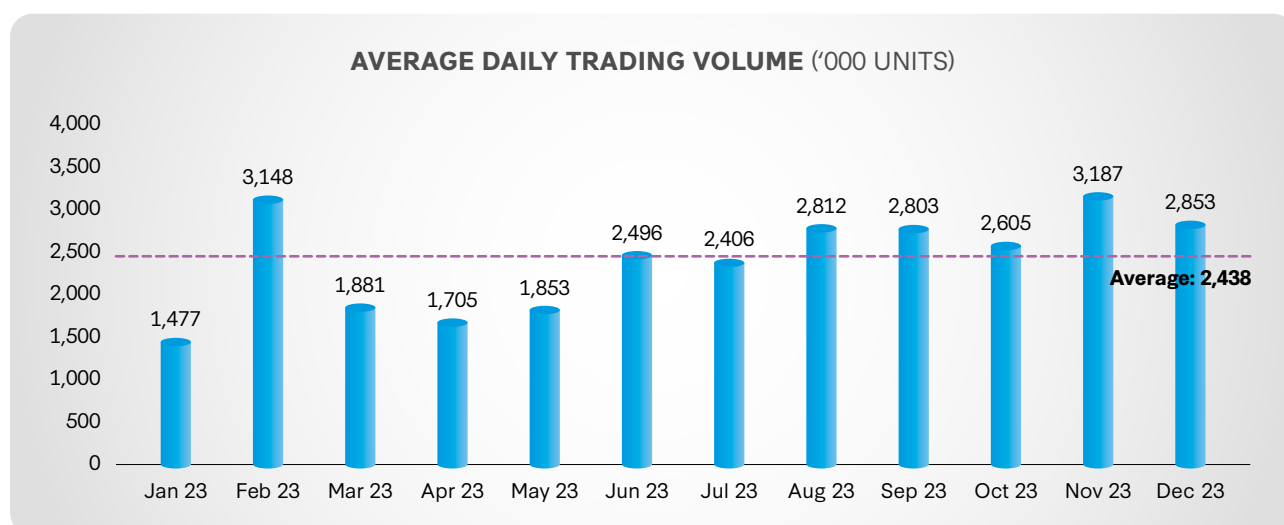
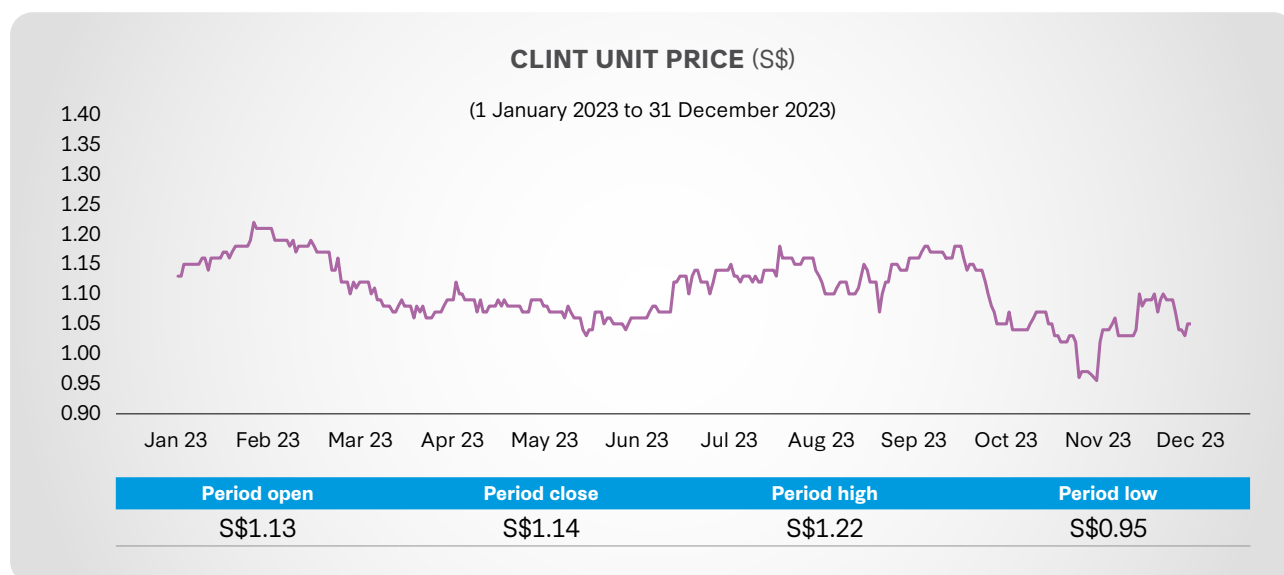
### Unit Registrar

Boardroom Corporate & Advisory Services Pte. Ltd.  
Phone: +65 6536 5355  
Fax: +65 6536 1360  
Website: www.boardroomlimited.com

Go online to sign up for free email alerts:  
[http://investor.clint.com.sg/email\\_alerts.html](http://investor.clint.com.sg/email_alerts.html)

## UNIT PRICE REVIEW

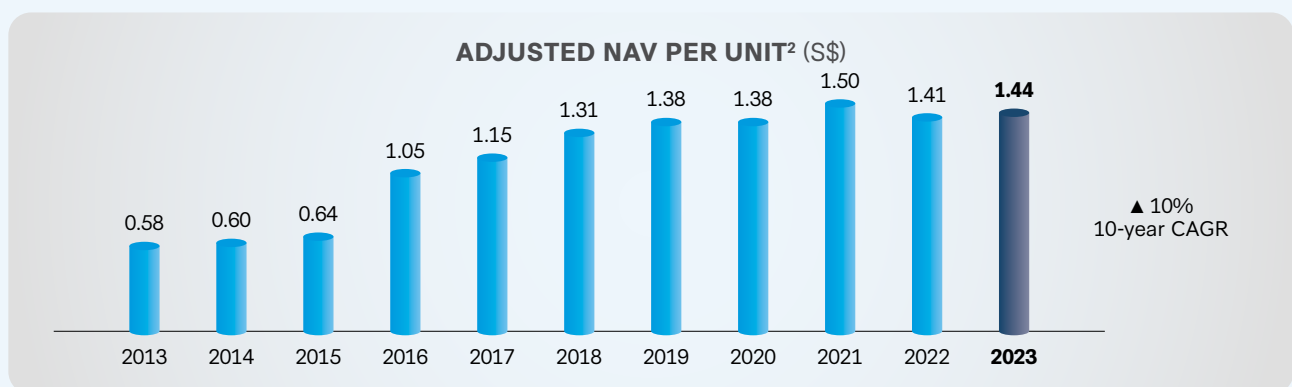
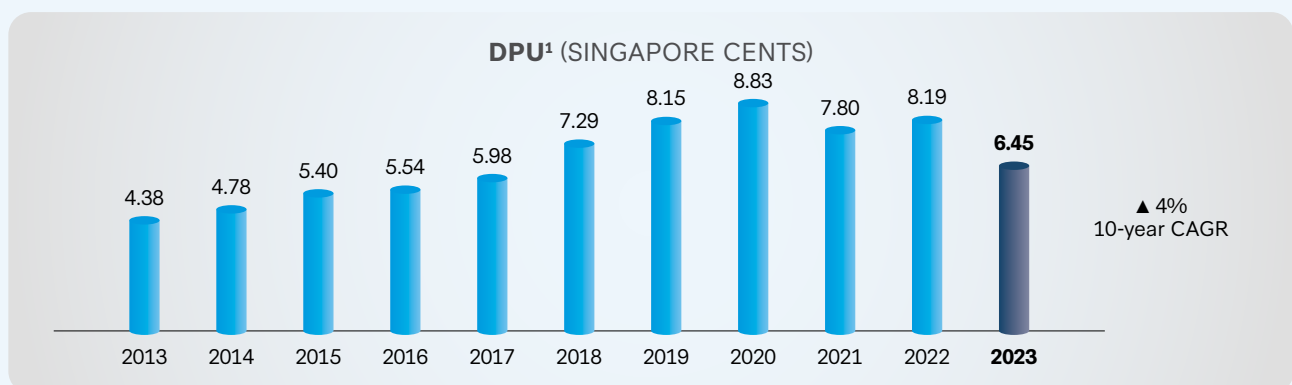
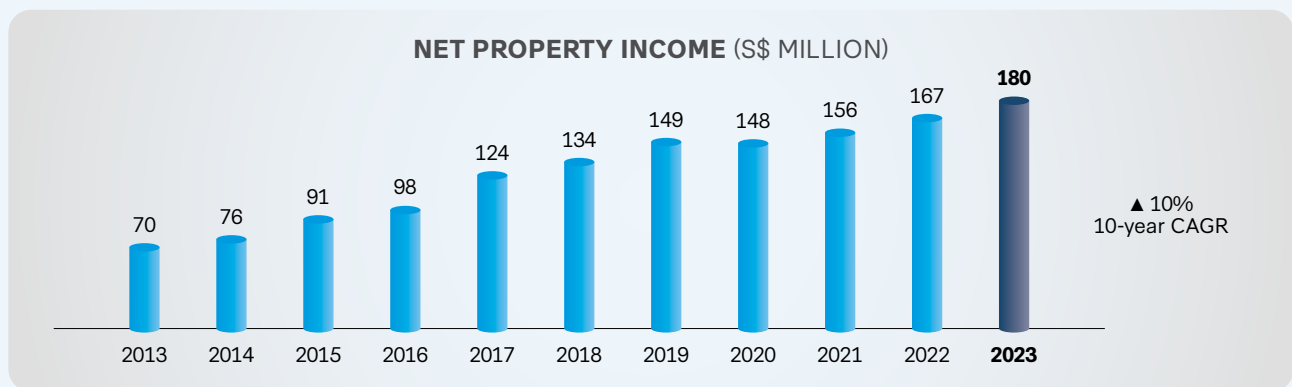
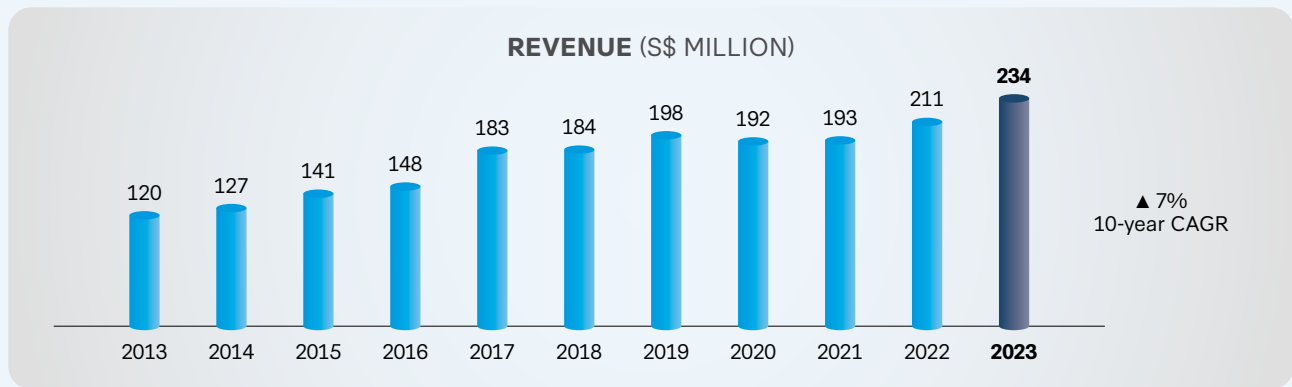
### Unit Price and Volume



CLINT's total trading volume from January 2023 to December 2023 was approximately 607 million units.

Go online to download CLINT's historical trading price and volume data:  
[https://investor.clint.com.sg/historical\\_price.html](https://investor.clint.com.sg/historical_price.html)

# FINANCIAL HIGHLIGHTS



➤ For more details on our performance, go to pages 46 to 51.

Note:

With effect from 1 April 2019, CLINT's financial year end was changed from 31 March to 31 December. Calendar Year (CY) figures for 2013 to 2019 are used solely for comparative purposes only.

1 Refers to distribution per unit post retention of 10% of income.

2 Excludes deferred income tax liabilities on capital gains due to fair value revaluation of investment properties.

## FINANCIAL RESULTS

	₹ million			S\$ million		
	FY 2023	FY 2022	Change	FY 2023	FY 2022	Change
<b>Total property income</b>						
1st Half (Jan - Jun)	6,795	5,758	18%	110.4	103.3	7%
2nd Half (Jul - Dec)	7,582	6,148	23%	123.6	107.3	15%
Full Year	14,377	11,906	21%	234.0	210.6	11%

<b>Net property income</b>						
1st Half (Jan - Jun)	5,265	4,648	13%	85.6	83.4	3%
2nd Half (Jul - Dec)	5,768	4,781	21%	94.0	83.4	13%
Full Year	11,033	9,429	17%	179.6	166.8	8%

<b>Income available for distribution</b>						
1st Half (Jan - Jun)	3,008	3,073	(2%)	48.9	55.1	(11%)
2nd Half (Jul - Dec)	2,804	2,900	(3%)	45.7	50.6	(10%)
Full Year	5,812	5,973	(3%)	94.6	105.7	(10%)

<b>Income to be distributed</b>						
1st Half (Jan - Jun)	2,708	2,766	(2%)	44.0	49.6	(11%)
2nd Half (Jul - Dec)	2,523	2,610	(3%)	41.1	45.5	(10%)
Full Year	5,231	5,376	(3%)	85.1	95.1	(10%)

Income to be distributed per unit (DPU) <sup>i</sup>	₹			Singapore cents		
	FY 2023	FY 2022	Change	FY 2023	FY 2022	Change
1st Half (Jan - Jun)	2.07	2.39	(13%)	3.36	4.28	(22%)
2nd Half (Jul - Dec)	1.89	2.25	(16%)	3.09	3.91	(21%)
Full Year	3.96	4.64	(15%)	6.45	8.19	(21%)

i Refers to distribution per unit post retention of 10% income.

# FINANCIAL REVIEW

## OVERVIEW

CLINT Results	FY 2023 ₹ million	FY 2022 ₹ million	Increase/ (Decrease)	FY 2023 S\$ million	FY 2022 S\$ million	Increase/ (Decrease)
Total property income	14,377	11,906	21%	234.0	210.6	11%
Total property expenses	(3,344)	(2,477)	35%	(54.4)	(43.8)	24%
Net property income	11,033	9,429	17%	179.6	166.8	8%
Finance costs	(5,024)	(3,665)	37%	(81.8)	(64.8)	26%
Interest income	3,402	3,014	13%	55.4	53.3	4%
Ordinary profit before tax	6,085	6,893	(12%)	99.1	122.0	(19%)
Distribution adjustments	(273)	(920)	(70%)	(4.5)	(16.3)	(73%)
Income available for distribution	5,812	5,974	(3%)	94.6	105.7	(10%)
Income to be distributed	5,231	5,376	(3%)	85.1	95.1	(10%)

Exchange Rate Movement	FY 2023	FY 2022	YoY Change
Average SGD/INR exchange rate	61.4	56.5	8.7%

## TOTAL PROPERTY INCOME

CLINT Results	FY 2023 ₹ million	FY 2022 ₹ million	Increase/ (Decrease)	FY 2023 S\$ million	FY 2022 S\$ million	Increase/ (Decrease)
Base rent	10,975	8,999	22%	178.7	159.2	12%
Amenities income	63	67	(5%)	1.0	1.2	(12%)
Fit-out rental income	105	92	14%	1.7	1.6	5%
Operations, maintenance and utilities income	2,704	2,249	20%	44.0	39.8	11%
Car park and other operating income	530	499	6%	8.6	8.8	(2%)
<b>Total property income</b>	<b>14,377</b>	<b>11,906</b>	<b>21%</b>	<b>234.0</b>	<b>210.6</b>	<b>11%</b>

Total property income increased by 21% to ₹14.4 billion mainly due to:

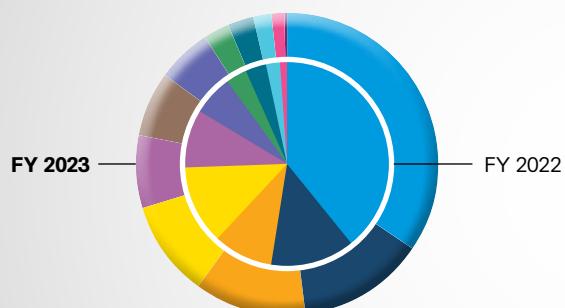
- income from Arshiya Warehouse 7, which was acquired in March 2022;
- income from IF1, MWC, which was acquired in May 2022;
- income from ITPH – Block A, which was completed in January 2023;
- income from ITPH-H which was acquired in May 2023; and
- higher rental income of existing properties compared to the same period last year.

In Singapore Dollar terms, total property income increased by 11% (S\$23.4 million) to S\$234.0 million.

The Singapore Dollar appreciated by about 8.7% against the Indian Rupee compared to same period last year.



## TOTAL PROPERTY INCOME



Property (₹ million)	FY 2023		FY 2022	
ITPB	4,984	35%	4,672	39%
ITPC	1,937	13%	1,608	14%
ITPH <sup>i</sup>	1,714	12%	1,118	10%
aVance Hyderabad	1,494	10%	1,495	13%
aVance Pune	1,095	8%	1,086	9%
ITPP-H <sup>ii</sup>	1,002	7%	-	-
Arshiya Panvel warehouses	844	6%	766	6%
CyberPearl	419	3%	393	3%
CyberVale	376	3%	378	3%
Building Q1, Aurum Q Parc	307	2%	267	2%
IF1, MWC	199	1%	123	1%
IF2 and IF3, MWC <sup>iii</sup>	6	0%	-	-
<b>Total</b>	<b>14,377</b>	<b>100%</b>	<b>11,906</b>	<b>100%</b>

i ITPH inclusive of Block A which completed development in January 2023.

ii ITPP-H was acquired in May 2023.

iii IF2 and IF3, MWC were acquired in December 2023.

## TOTAL PROPERTY EXPENSES

CLINT Results	FY 2023 ₹ million	FY 2022 ₹ million	Increase/ (Decrease)	FY 2023 S\$ million	FY 2022 S\$ million	Increase/ (Decrease)
Operations, maintenance and utilities expenses	(1,413)	(1,025)	38%	(23.0)	(18.1)	27%
Service and property taxes	(381)	(307)	24%	(6.2)	(5.4)	14%
Property management fees	(755)	(570)	32%	(12.3)	(10.1)	22%
Other property operating expenses	(795)	(575)	38%	(12.9)	(10.2)	27%
<b>Total property expenses</b>	<b>(3,344)</b>	<b>(2,477)</b>	<b>35%</b>	<b>(54.4)</b>	<b>(43.8)</b>	<b>24%</b>

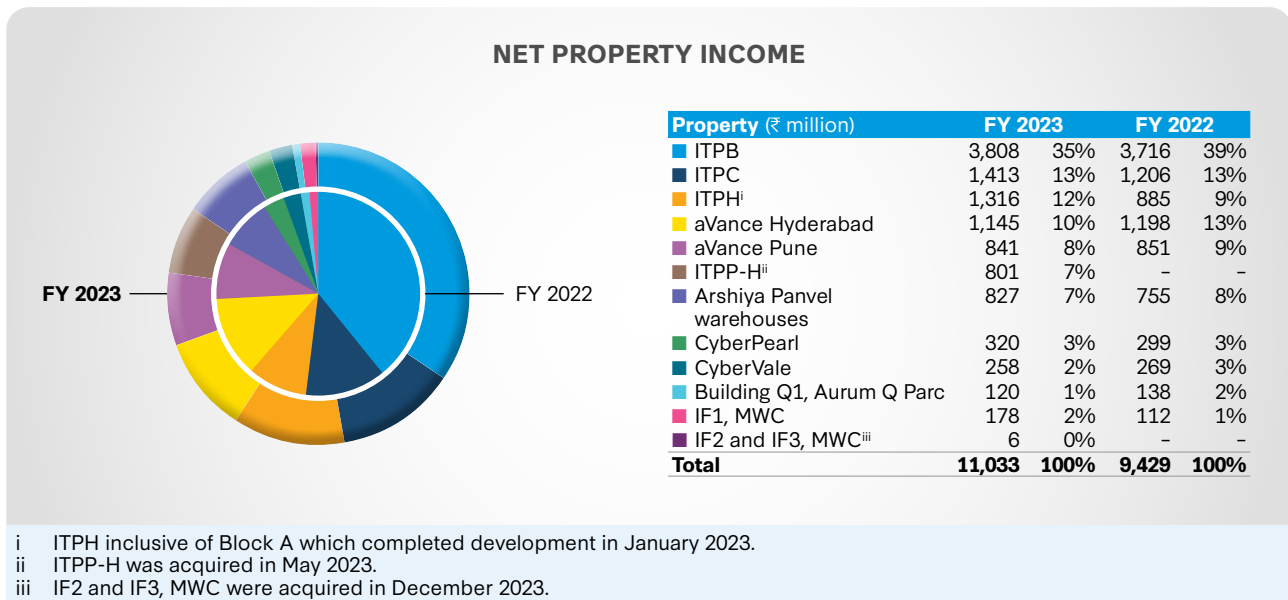
Total property expenses increased by 35% to ₹3.3 billion due to higher operations and maintenance expenses and property management fees from existing and newly acquired properties.

In Singapore Dollar terms, total property expenses increased by 24% (S\$10.6 million) to S\$54.4 million.

# FINANCIAL REVIEW

## NET PROPERTY INCOME

Net property income grew by 17% (₹1,604 million) to ₹11,033 million due to the above factors. In Singapore Dollar terms, net property income increased by 8% (S\$12.8 million) to S\$179.6 million.



## FINANCE COSTS

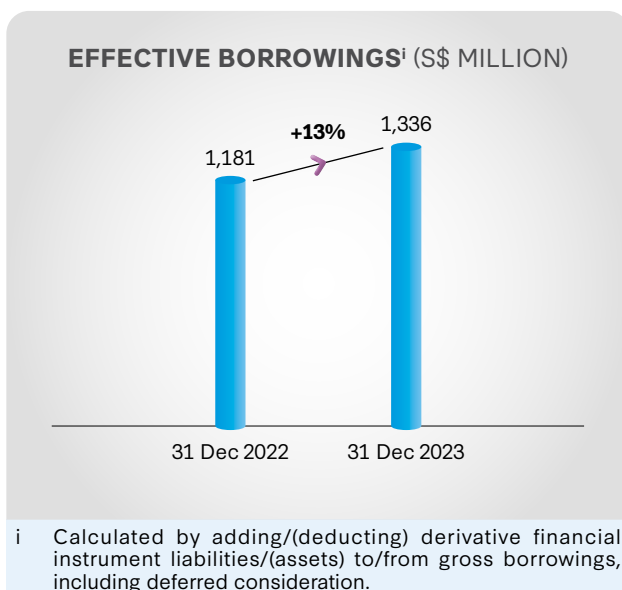
Finance costs increased by 37% (₹1,359 million) to ₹5,024 million due to an increase in borrowings and higher interest rates. The additional loans were taken largely to invest in CLINT's committed forward purchase pipeline projects and new acquisitions during the year. In Singapore Dollar terms, finance costs increased by 26% (S\$17 million) to S\$81.8 million.

## INTEREST INCOME

Interest income increased by 13% (₹388 million) to ₹3,402 million, mainly due to higher interest income from long term receivables and fixed deposits. In Singapore Dollar terms, interest income increased by 4% (S\$2.1 million) to S\$55.4 million.

## INCOME AVAILABLE FOR DISTRIBUTION

After accounting for distribution adjustments, income available for distribution for FY 2023 decreased by 3% (₹162 million) to ₹5,812 million mainly due to higher NPI partially offset by higher other operating expenses, net finance costs, current income tax and trustee-manager's fees. In Singapore Dollar terms, income available for distribution decreased by 10% (S\$11.1 million) to S\$94.6 million.



## INCOME TO BE DISTRIBUTED

CLINT's distribution policy is to distribute at least 90% of its income available for distribution. The remaining 10% is retained to provide greater flexibility in growing the Trust. Post retention, income to be distributed for FY 2023 decreased 3% (₹145 million) to ₹5,231 million. In Singapore Dollar terms, income to be distributed decreased by 10% (S\$10 million) to S\$85.1 million. This

translates to a DPU of 6.45 Singapore cents, a decrease of 21% compared to DPU of 8.19 Singapore cents in FY 2022, the difference of 9% mainly due to the enlarged unit base following the preferential offering.

CLINT makes distributions to Unitholders on a half-yearly basis for every six-month period ending 30 June and 31 December.

Financial Year	Period	Payment Date	DPU (Singapore cents)	Full Year DPU (Singapore cents)
FY 2023	1 Jul 2023 to 31 Dec 2023	28 Feb 2024	3.09	6.45
	1 Jan 2023 to 30 Jun 2023	30 Aug 2023	3.36	
FY 2022	1 Jul 2022 to 31 Dec 2022	6 Mar 2023	3.91	8.19
	1 Jan 2022 to 30 Jun 2022	30 Aug 2022	4.28	

## VALUATION AND NET ASSET VALUE

As at 31 December 2023, CLINT's properties were valued at ₹181,713 million by Savills Property Services (India) Private Limited., in accordance with the property valuation standards pursuant to Listing Rule 1207(11). The valuation was approximately 21% (₹31,301 million) higher than the valuation of ₹150,412 million as at 31 December 2022. In Singapore Dollar terms, portfolio valuation increased to S\$2,951.0 million.

The increase in INR terms was mainly due to:

- acquisition of ITPP-H in May 2023;
- acquisition of IF2 and IF3, MWC in December 2023;
- annual fair value revaluation of investment properties; and
- development additions such as for multi-tenanted building in ITPB.

In FY 2023, CLINT recognised fair value gain on investment properties of ₹8,676 million (S\$141.2 million). Revaluation gains are non-cash in nature and do not have an impact on income available for distribution.

Net asset value (NAV) per unit as at 31 December 2023 increased by 5% to S\$1.16 as compared to S\$1.11 in the previous year. Excluding deferred tax liabilities arising from fair value adjustments on properties, the adjusted NAV per unit increased by 2% to S\$1.44. In INR terms, both NAV and adjusted NAV per unit increased by 5% and 3% respectively to INR 71.3 and INR 88.7 as compared to 31 December 2022.

As at 31 December 2023, 81% of the properties by valuation are on freehold land, while the remaining are leasehold. For more details, please refer to the Portfolio section of the Annual Report on pages 52 to 55.

# FINANCIAL REVIEW

## VALUATION OF PROPERTIES

Property (₹ million)	31 December 2023	31 December 2022	Increase/(Decrease)
ITPB	50,580	45,411	11%
ITPC	22,385	21,254	5%
CyberVale	4,507	4,382	3%
IF1, MWC	2,351	2,289	3%
IF2 and IF3, MWC <sup>i</sup>	1,907	-	N.M.
CapitaLand DC Chennai	858	802	7%
aVance Hyderabad	18,103	17,331	4%
CyberPearl	3,975	3,860	3%
ITPH	25,400	23,178	10%
CapitaLand DC ITPH	3,232	2,255	43%
aVance Pune	11,168	10,529	6%
ITPP-H <sup>ii</sup>	15,651	-	N.M.
Arshiya Panvel Warehouses	10,899	10,362	5%
Building Q1, Aurum Q Parc	4,395	4,194	5%
CapitaLand DC Navi Mumbai 1	6,302	4,565	38%
<b>Portfolio (in ₹ million)</b>	<b>181,713</b>	<b>150,412</b>	<b>21%</b>
<b>Portfolio (in S\$ million)</b>	<b>2,951<sup>iii</sup></b>	<b>2,455<sup>iv</sup></b>	<b>20%</b>

i Acquired in December 2023

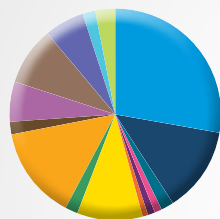
ii Acquired in May 2023

iii Based on the exchange rate of S\$1: ₹61.6

iv Based on the exchange rate of S\$1: ₹61.3

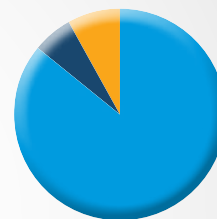
N.M. - Not meaningful

### PORTFOLIO VALUATION BY PROPERTY



ITPB	28%	CapitaLand DC ITPH	2%
ITPC	13%	aVance Pune	6%
CyberVale	2%	ITPP-H	9%
IF1, MWC	1%	Arshiya Panvel warehouses	6%
IF2 and IF3, MWC	1%	Building Q1, Aurum Q Parc	2%
CapitaLand DC Chennai	1%	CapitaLand DC Navi Mumbai 1	3%
aVance Hyderabad	10%		
CyberPearl	2%		
ITPH	14%		

### PORTFOLIO VALUATION BY TYPE



Completed assets	86%
Land for development	6%
Buildings under construction	8%

## CASH FLOWS AND LIQUIDITY

### Operating Activities

Net cash generated from operating activities for FY 2023 was S\$245.0 million.

### Investing Activities

During the year, S\$215.7 million was invested to fund the acquisition of new subsidiaries, Ascendas IT Park (Pune) Private Limited and Chengalpattu Warehousing Parks Private Limited which own ITPP-H and both IF2 and IF3, MWC respectively. S\$20.6 million was paid in advance mainly for the development of multi-tenanted building 6 (MTB 6) and data centres located at Navi Mumbai, Hyderabad and Chennai. S\$25.1 million was paid to fund the data centres developments and MTB 6. An additional S\$68.3 million of capital expenditure was spent on upgrading and maintaining existing properties. Further S\$94.8 million was invested towards construction funding for aVance 5, aVance A1, BlueRidge 3, Gardencity and Ebisu which are CLINT's committed forward purchases. S\$82.2 million was received upon early repayment of loans from third parties.

In the previous year, S\$35.2 million was invested to fund the acquisition of new subsidiaries, Anomalous Infra Private Limited and Chengalpattu Logistics Park Private Limited which own the Arshiya Warehouse 7 and IF1, MWC respectively. S\$7.4 million was paid in advance for the planned acquisition of aVance 5 in Hyderabad. S\$42.1 million was invested to fund the ITPH - Block A, data centre development and acquisition of a 4.0-acre land for data centre development in Chennai. An additional S\$24.6 million of capital expenditure was spent on upgrading and maintaining existing properties. Further, S\$45.6 million was invested towards construction funding for aVance 5, BlueRidge 3, IF1, MWC, and Gardencity which are CLINT's committed forward purchases. S\$3.8 million was received upon acquisitions of Arshiya Warehouse 7 and IF1, MWC for repayment of construction funding.

### Financing Activities

During the year, CLINT raised S\$794.2 million of loans and S\$147.3 million of net proceeds through equity fund raising. Of the total funds raised, S\$670.4 million went towards the repayment of borrowings, S\$89.8 million used for distribution payment and S\$77.6 million used for payment of finance costs.

## SENSITIVITY ANALYSIS

### Interest Rate Risk

As at 31 December 2023, 75% of CLINT's total borrowings were on fixed-rate basis, which significantly reduces interest rate volatility. Income available for distribution is not materially impacted by changes in market interest rates and consequently interest rate risk is low.

### Foreign Exchange Risk

In terms of operating cash flows, which are denominated substantially in Indian Rupees, an estimated 10% appreciation or depreciation of the Indian Rupee would result in a corresponding 10% increase or decrease in CLINT's income available for distribution.

### Capital Risk

As at 31 December 2023, CLINT has a gearing ratio of 35.8%. A 10% increase or decrease in portfolio valuation would reduce the gearing to 33.2% or increase the gearing to 38.9% respectively.

# PORTFOLIO

## IT PARK



### INTERNATIONAL TECH PARK BANGALORE (ITPB)

City	<b>Bangalore</b>
Site area	65.8 acres <sup>1</sup>
Land tenure	Freehold
Stake	93% <sup>2</sup>
Floor area owned by CLINT	5.2 million sq ft
Number of buildings	12
Park population	62,000
Development potential	3.1 million sq ft
Committed occupancy	96%
Purchase price <sup>3</sup>	₹13,670 million <sup>4</sup> (\$\$478.5 million)
31 Dec 2022 valuation <sup>5</sup>	₹45,412 million (\$\$741.1 million)
31 Dec 2023 valuation <sup>5</sup>	₹50,580 million (\$\$821.4 million)



### INTERNATIONAL TECH PARK CHENNAI (ITPC)

City	<b>Chennai</b>
Site area	15.0 acres
Land tenure	Freehold
Stake	89% <sup>6</sup>
Floor area owned by CLINT	2.0 million sq ft
Number of buildings	3
Park population	17,500
Development potential	-
Committed occupancy	95%
Purchase price <sup>3</sup>	₹5,533 million (\$\$193.7 million)
31 Dec 2022 valuation <sup>5</sup>	₹21,254 million (\$\$346.9 million)
31 Dec 2023 valuation <sup>5</sup>	₹22,385 million (\$\$363.5 million)



### CYBERVALE (CV)

City	<b>Chennai</b>
Site area	18.2 acres
Land tenure	Till January 2105 <sup>7</sup>
Stake	100%
Floor area owned by CLINT	0.8 million sq ft
Number of buildings	3
Park population	7,500
Development potential	0.2 million sq ft
Committed occupancy	95%
Purchase price <sup>3</sup>	₹2,286 million <sup>8</sup> (\$\$49.2 million)
31 Dec 2022 valuation <sup>5</sup>	₹4,382 million (\$\$71.5 million)
31 Dec 2023 valuation <sup>5</sup>	₹4,507 million (\$\$73.2 million)



### INTERNATIONAL TECH PARK HYDERABAD (ITPH)

City	<b>Hyderabad</b>
Site area	16.9 acres <sup>1</sup>
Land tenure	Freehold
Stake	100%
Floor area owned by CLINT	2.7 million sq ft
Number of buildings	5
Park population	15,800
Development potential	2.0 million sq ft
Committed occupancy	97%
Purchase price <sup>3</sup>	₹5,439 million <sup>4</sup> (\$\$190.4 million)
31 Dec 2022 valuation <sup>5</sup>	₹23,178 million (\$\$378.3 million)
31 Dec 2023 valuation <sup>5</sup>	₹25,400 million (\$\$412.5 million)

1 Land area of IT Park excludes the land used for DC development.

2 Remaining 7.2% is owned by Karnataka Industrial Area Development Board.

3 Purchase price is based on exchange rate at the point of acquisition of each asset.

4 Purchase price includes the land used for DC development within the IT Park.

5 31 December 2022 valuation and 31 December 2023 valuation are based on exchange rate of S\$1: ₹61.3 and S\$1: ₹61.6, respectively.

6 Remaining 11.0% is owned by Tamil Nadu Industrial Development Corporation Limited.

7 Initial lease term of 99 years, renewable for further 99 years.

8 Purchase price for Lakeview, Springfield, and Building 3.



### AVANCE HYDERABAD

City	<b>Hyderabad</b>
Site area	25.7 acres
Land tenure	Freehold <sup>9</sup>
Stake	100%
Floor area owned by CLINT	2.1 million sq ft
Number of buildings	5
Park population	15,600
Development potential	-
Committed occupancy	75%
Purchase price <sup>3</sup>	₹11,718 million <sup>10</sup> (\$\$242.2 million)
31 Dec 2022 valuation <sup>5</sup>	₹17,331 million (\$\$282.8 million)
31 Dec 2023 valuation <sup>5</sup>	₹18,103 million (\$\$294.0 million)



### CYBERPEARL (CP)

City	<b>Hyderabad</b>
Site area	6.1 acres
Land tenure	Freehold
Stake	100%
Floor area owned by CLINT	0.4 million sq ft
Number of buildings	2
Park population	4,600
Development potential	-
Committed occupancy	93%
Purchase price <sup>3</sup>	₹2,001 million (\$\$70.0 million)
31 Dec 2022 valuation <sup>5</sup>	₹3,860 million (\$\$63.0 million)
31 Dec 2023 valuation <sup>5</sup>	₹3,975 million (\$\$64.5 million)



### BUILDING Q1, AURUM Q PARC (BUILDING Q1)

City	<b>Navi Mumbai</b>
Site area	3.4 acres
Land tenure	Till June 2048 <sup>11</sup>
Stake	100%
Floor area owned by CLINT	0.6 million sq ft
Number of buildings	1
Park population	4,000
Development potential	-
Committed occupancy	62%
Purchase price <sup>3</sup>	₹3,530 million (\$\$64.1 million)
31 Dec 2022 valuation <sup>5</sup>	₹4,194 million (\$\$68.5 million)
31 Dec 2023 valuation <sup>5</sup>	₹4,395 million (\$\$71.4 million)



### AVANCE PUNE

City	<b>Pune</b>
Site area	5.4 acres
Land tenure	Freehold <sup>12</sup>
Stake	100%
Floor area owned by CLINT	1.5 million sq ft
Number of buildings	3
Park population	14,700
Development potential	-
Committed occupancy	97%
Purchase price <sup>3</sup>	₹6,331 million (\$\$134.8 million)
31 Dec 2022 valuation <sup>5</sup>	₹10,529 million (\$\$171.8 million)
31 Dec 2023 valuation <sup>5</sup>	₹11,168 million (\$\$181.4 million)

9 aVance Hyderabad is considered a freehold property by the Trustee-Manager on the basis that it is on a 33-year lease which is renewable for further 33-year leases at the Trust's option at nominal lease rentals.

10 Purchase price for aVance 1, aVance 2, aVance 3, aVance 4, and aVance 6.

11 Underlying land of Building Q1 is on sub-lease from Aurum Group and Maharashtra Industrial Development Corporation (MIDC) with initial term of 30 years, renewable for further 30 years upon expiry.

12 aVance Pune is considered a freehold property by the Trustee-Manager on the basis that it is on a 99-year lease which is renewable for further 99-year leases at the Trust's option at nominal lease rentals.

# PORTFOLIO



## INTERNATIONAL TECH PARK PUNE - HINJAWADI (ITPP-H)

City	<b>Pune</b>
Site area	25.0 acres
Land tenure	Till February 2103 <sup>13</sup>
Stake	100%
Floor area owned by CLINT	2.3 million sq ft
Number of buildings	4
Park population	19,300
Development potential	-
Committed occupancy	100%
Purchase price <sup>3</sup>	₹13,455 million <sup>14</sup> (\$\$217.3 million)
31 Dec 2022 valuation <sup>5</sup>	-
31 Dec 2023 valuation <sup>5</sup>	₹15,651 million (\$\$254.2 million)



## ARSHIYA PANVEL WAREHOUSES

City	<b>Navi Mumbai</b>
Site area	30.0 acres
Land tenure	Freehold <sup>15</sup>
Stake	100%
Floor area owned by CLINT	1.2 million sq ft
Number of buildings	7
Development potential	-
Committed occupancy	100% <sup>16</sup>
Purchase price <sup>3</sup>	₹7,066 million <sup>17</sup> (\$\$142.9 million)
31 Dec 2022 valuation <sup>5</sup>	₹10,362 million (\$\$169.1 million)
31 Dec 2023 valuation <sup>5</sup>	₹10,899 million (\$\$177.0 million)



## INDUSTRIAL FACILITY 1, MAHINDRA WORLD CITY (IF1, MWC)

City	<b>Chennai</b>
Site area	8.8 acres
Land tenure	Till September 2117 <sup>7</sup>
Stake	100%
Floor area owned by CLINT	0.4 million sq ft
Number of buildings	1
Development potential	-
Committed occupancy	100%
Purchase price <sup>3</sup>	₹2,120 million (\$\$38.6 million)
31 Dec 2022 valuation <sup>5</sup>	₹2,289 million (\$\$37.4 million)
31 Dec 2023 valuation <sup>5</sup>	₹2,351 million (\$\$38.2 million)



## INDUSTRIAL FACILITY 2 AND 3, MAHINDRA WORLD CITY (IF2 AND IF3, MWC)

City	<b>Chennai</b>
Site area	7.4 acres
Land tenure	Till September 2117 <sup>7</sup>
Stake	100%
Floor area owned by CLINT	0.3 million sq ft
Number of buildings	2
Development potential	-
Committed occupancy	100%
Purchase price <sup>3</sup>	₹1,777 million (\$\$28.7 million)
31 Dec 2022 valuation <sup>5</sup>	-
31 Dec 2023 valuation <sup>5</sup>	₹1,907 million (\$\$31.0 million)

13 Initial lease term of 95 years, and subject to renewal upon expiry.

14 Deferred consideration is payable, subject to achievement of performance milestones.

15 Arshiya Panvel warehouses are considered freehold property by the Trustee-Manager on the basis that they are on a 30-year lease which is renewable for further 30-year leases at the Trust's option at nominal lease rentals.

16 Master leased to Arshiya Lifestyle Limited (part of Arshiya Group) for operation and management of the warehouses.

17 Purchase price for Arshiya Warehouse 1 to 7. Warehouses 1 to 6 includes deferred consideration paid till December 2023. Warehouse 7 includes deferred consideration payable over the next 3 years, subject to achievement of performance milestones.



## DATA CENTRE



## CAPITALAND DATA CENTRE ITPB

City	<b>Bangalore</b>
Site area	2.5 acres
Land tenure	Freehold
Stake	93% <sup>2</sup>
Floor area owned by CLINT	-
IT Load (MW)	22
Development potential	0.3 million sq ft
Committed occupancy	-
Purchase price <sup>3</sup>	-
31 Dec 2022 valuation <sup>5</sup>	-
31 Dec 2023 valuation <sup>5</sup>	-



## CAPITALAND DATA CENTRE CHENNAI

City	<b>Chennai</b>
Site area	4.0 acres
Land tenure	Freehold
Stake	100%
Floor area owned by CLINT	-
IT Load (MW)	34
Development potential	0.4 million sq ft
Committed occupancy	-
Purchase price <sup>3</sup>	₹730 million (\$\$12.4 million)
31 Dec 2022 valuation <sup>5</sup>	₹802 million (\$\$13.1 million)
31 Dec 2023 valuation <sup>5</sup>	₹858 million (\$\$13.9 million)



## CAPITALAND DATA CENTRE ITPH

City	<b>Hyderabad</b>
Site area	2.5 acres
Land tenure	Freehold
Stake	100%
Floor area owned by CLINT	-
IT Load (MW)	25
Development potential	0.3 million sq ft
Committed occupancy	-
Purchase price <sup>3</sup>	-
31 Dec 2022 valuation <sup>5</sup>	₹2,255 million (\$\$36.8 million)
31 Dec 2023 valuation <sup>5</sup>	₹3,232 million (\$\$52.5 million)



## CAPITALAND DATA CENTRE NAVI MUMBAI 1

City	<b>Navi Mumbai</b>
Site area	6.6 acres
Land tenure	Multiple tenures <sup>18</sup>
Stake	100%
Floor area owned by CLINT	-
IT Load (MW)	61
Development potential	0.8 million sq ft <sup>19</sup>
Committed occupancy	-
Purchase price <sup>3</sup>	₹1,308 million (\$\$23.8 million)
31 Dec 2022 valuation <sup>5</sup>	₹4,565 million (\$\$74.5 million)
31 Dec 2023 valuation <sup>5</sup>	₹6,302 million (\$\$102.3 million)

18 Land comprises of three sub-plots, with the lease expiries for the respective sub-plots ranging between July 2062 and March 2063, which are renewable for further 95 years upon expiry of the primary lease term.

19 Total development potential including Phase 1 (0.4 million sq ft) and Phase 2 (0.4 million sq ft); Phase 2 design is not yet initiated and hence it is assumed to be the same as Phase 1 (IT Load capacity of 30.5 MW for both Phase 1 & 2).

# MARKET REVIEW

SOURCE: SAVILLS RESEARCH

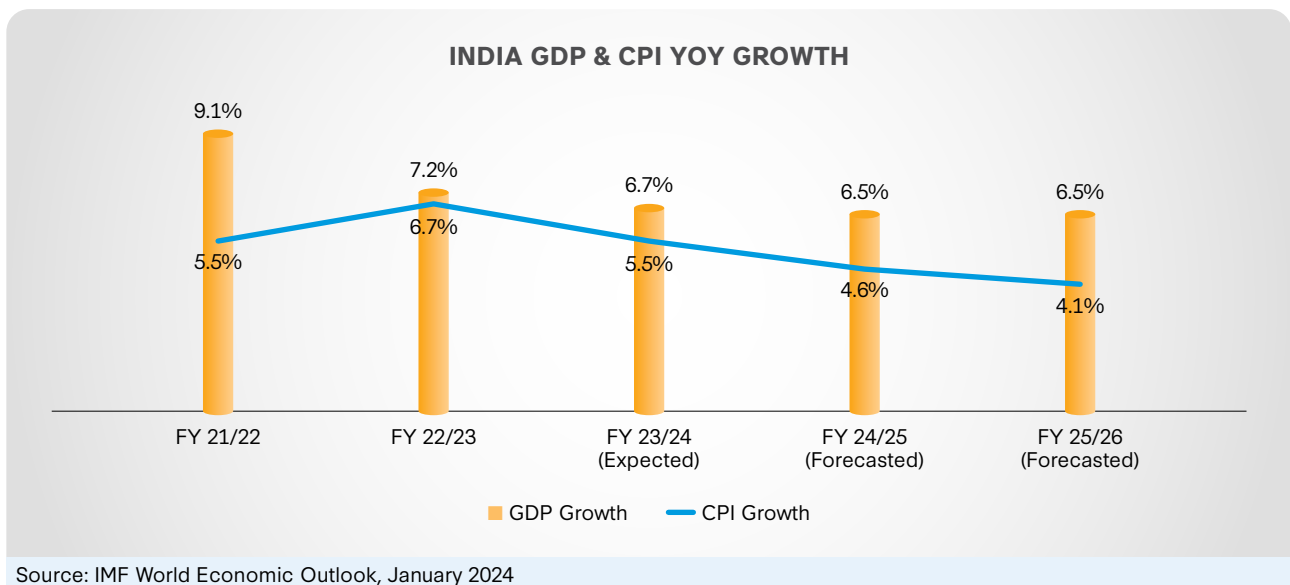
## INDIA ECONOMIC OVERVIEW

The Indian economy is projected to maintain its position as the fifth largest economy in the world with a Gross Domestic Product (GDP) of US\$3.6 trillion<sup>1</sup>. With GDP expected to grow by 6.7% in FY 23/24, and further forecasted to grow by 6.5% in FY 24/25 and FY 25/26, India is poised to be the world's third largest economy by 2027<sup>2</sup>.

Key macroeconomic indicators including higher Goods and Services Tax (GST) collections, expanding Purchasing Managers' Index (PMI), and rising foreign exchange reserves are indicative of a robust Indian

economy. GST collections grew by 12% YoY to US\$2.4 trillion in CY 2023<sup>3</sup>, while the PMI index witnessed a 31-month high of 58.7 in May 2023<sup>4</sup>. In December 2023, India's foreign exchange reserves increased to US\$620 billion<sup>5</sup>, registering a 10% increase YoY.

Consumer Price Index (CPI) growth is expected to ease to 5.5% in FY 23/24 from 6.7% in FY 22/23. CPI for FY 24/25 is forecasted to further reduce to 4.6% due to effective monetary policies and an ongoing decline in energy prices.



1 Ministry of Statistics and Programme Implementation, India, 2023  
2 IMF Global Economic Outlook, October 2023  
3 Goods and Services Tax Council  
4 S&P Global India Manufacturing Purchasing Managers' Index  
5 Reserve Bank of India

## IT INDUSTRY OVERVIEW

The table below highlights the Information Technology and Business Process Management (IT-BPM) industry performance over the years:

IT-BPM Revenue & Export	Unit	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24
Revenue	US\$ billion	191	196	226	245	254
YoY Growth	%	8.0	2.0	16.0	8.0	3.8
Export	US\$ billion	147	151	178	193	200
YoY Growth	%	8.1	2.7	17.8	9.4	3.3
Export as % of Total Revenue	%	77	77	78	79	79

IT-BPM Employment	Unit	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24
Number of Employees	Million	4.3	4.5	5.1	5.4	5.4
YoY Growth	%	4.9	4.7	13.3	5.9	1.1

\* Values exclude revenue from e-commerce sector  
Source: NASSCOM, Department of Electronics & Information Technology

According to the National Association of Software and Services Companies (NASSCOM), the Indian IT-BPM industry is estimated to register a 3.8% YoY revenue growth in FY 23/24<sup>6</sup>, lower than the 8.0% growth recorded in FY 22/23<sup>7</sup>. Exports also saw a 3.3% YoY growth in FY 23/24. This is mainly due to global economic slowdown leading to a more cautious approach in decision making.

The IT-BPM industry remains one of the largest employers in India, with over 5.4 million employees. There were 60,000 net new hires in FY 23/24, a 1.1% YoY growth.

In 2024, emerging focus areas for the Indian IT-BPM industry include the fields of cloud computing, cybersecurity, artificial intelligence and machine learning.

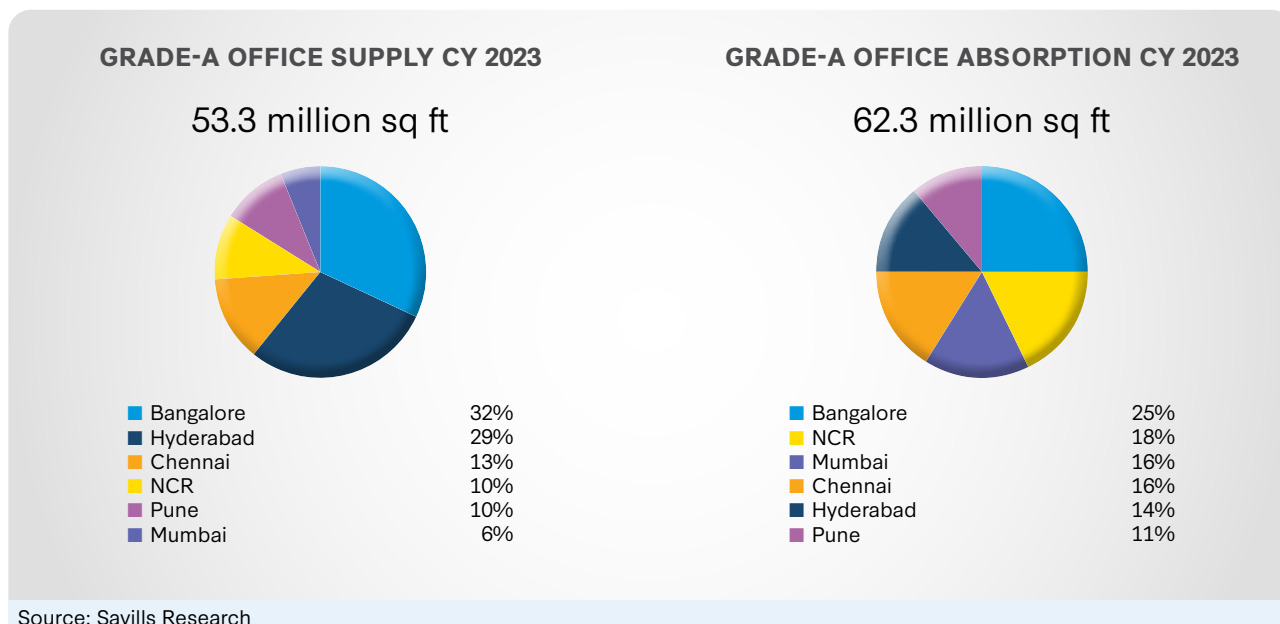
6 NASSCOM Strategic Review 2024

7 NASSCOM Strategic Review 2023

# MARKET REVIEW

## OFFICE MARKET OVERVIEW

The India office market is concentrated in six key cities, which contribute to the majority of investment-grade office stock in the country.



### Supply Trend

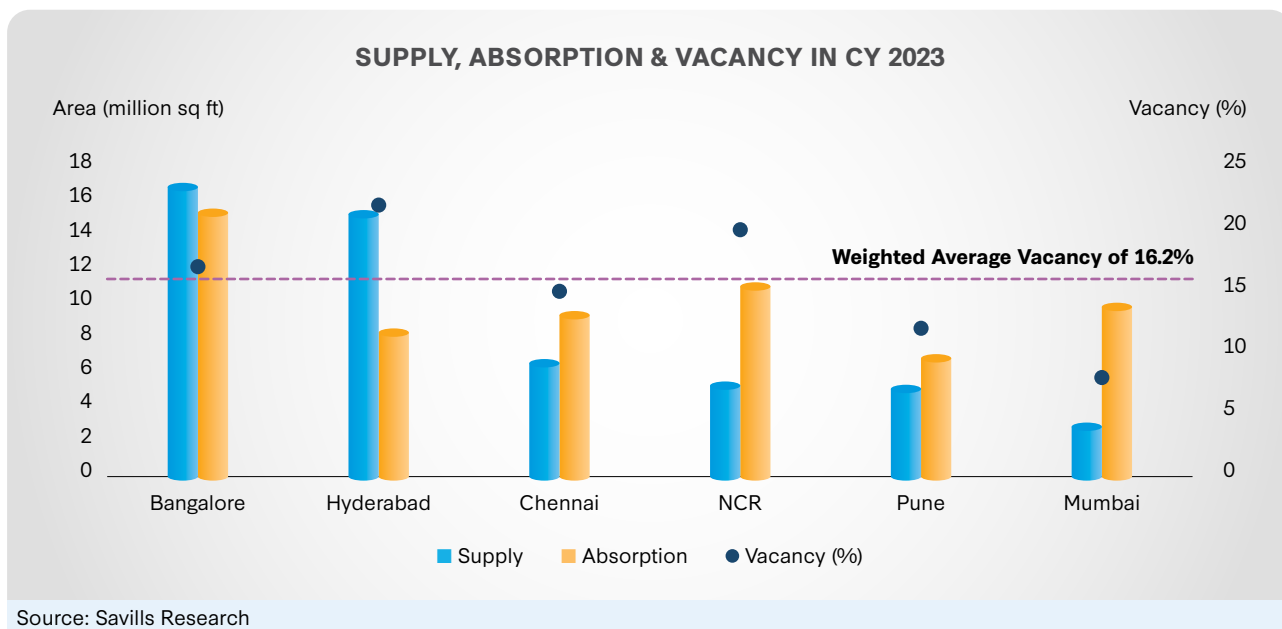
The Indian commercial office sector has seen an addition of 53.3 million sq ft of Grade-A supply across the top six cities (Bangalore, Chennai, Hyderabad, Mumbai, NCR and Pune) in 2023, decreasing marginally from 53.4 million sq ft in 2022.

Bangalore experienced the highest addition of new supply with 17.1 million sq ft, followed by Hyderabad with 15.5 million sq ft. Overall, Bangalore, Chennai and Hyderabad accounted for 73.9% of the new supply. Bangalore, Chennai, Hyderabad, Mumbai and Pune, cities where the Trust's properties are located, accounted for 89.7% of the new supply in 2023.

### Absorption Trend

Commercial office sector across the six key cities recorded a gross absorption of 62.3 million sq ft in 2023, representing a 13.7% increase compared to 54.8 million sq ft in 2022. The IT sector continues to be the primary demand driver, while the BFSI (Banking, Financial Services and Insurance) and flexible workspace sectors have seen significant growth and are the second and third largest demand drivers, respectively.

Bangalore, NCR and Mumbai saw the highest office absorption, accounting for 59.4% of gross leasing activity. Bangalore continues to experience the highest absorption at 15.6 million sq ft, followed by NCR and Mumbai at 11.3 million sq ft and 10.1 million sq ft respectively. Bangalore, Chennai, Hyderabad, Mumbai and Pune, cities where the Trust's properties are located, registered a total gross absorption of 51.0 million sq ft, accounting for approximately 81.9% of the total absorption in 2023.



#### Vacancy Trend

The weighted average vacancy across the six key cities in 2023 has dropped to 16.2% as compared to 18.9% in 2022. Mumbai and Pune had the lowest vacancy levels among the top six cities, at 8.4% and 12.4% respectively. The overall drop in vacancy is attributed to consistent leasing momentum fuelled by demand from the BFSI and flexible workspace sectors. Slower supply infusion by developers due to volatile global economic scenario also contributed to lower vacancy levels.

#### Outlook

Commercial real estate activity in India is expected to remain strong as India continues to be the preferred destination for global corporates, driven by a large talent pool, favourable government policies and improving infrastructure. Rapid advancement of the service and technology sectors has also led to the emergence of India as a key hub for Global Capability Centres.

Gross office absorption in 2024 is expected to be approximately 59.5 million sq ft, despite global economic uncertainty. With new Grade-A office supply of approximately 69.5 million sq ft, vacancy levels are expected to increase marginally to 16.5%.

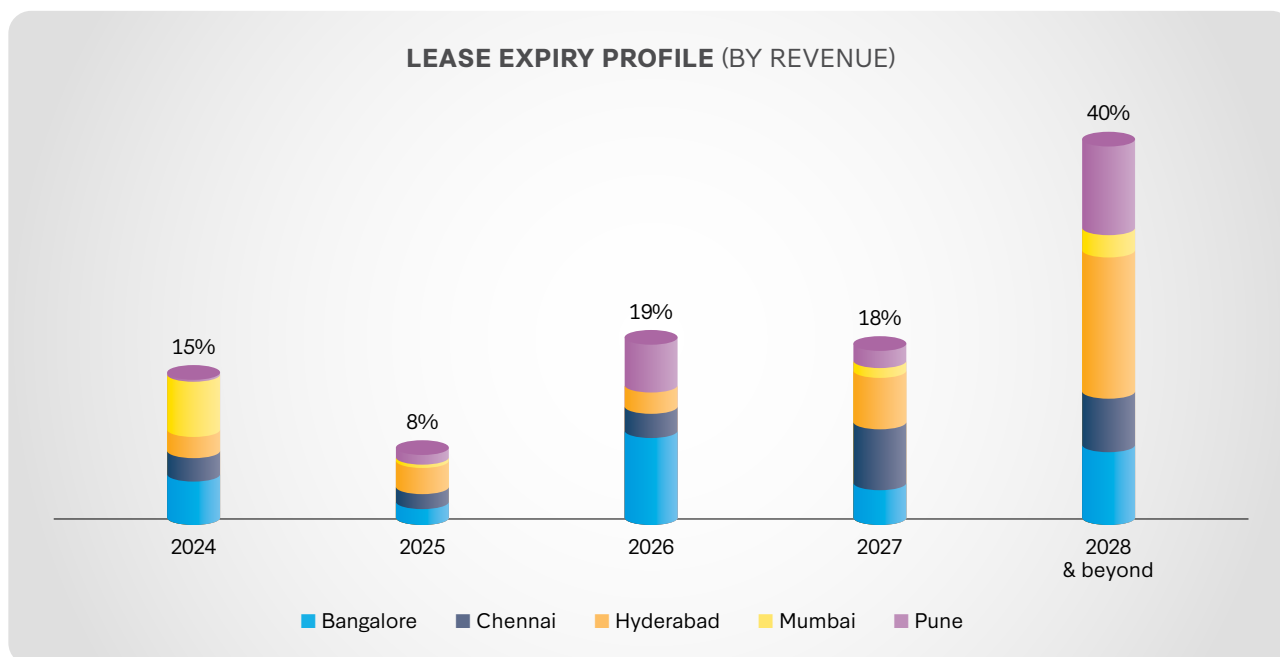
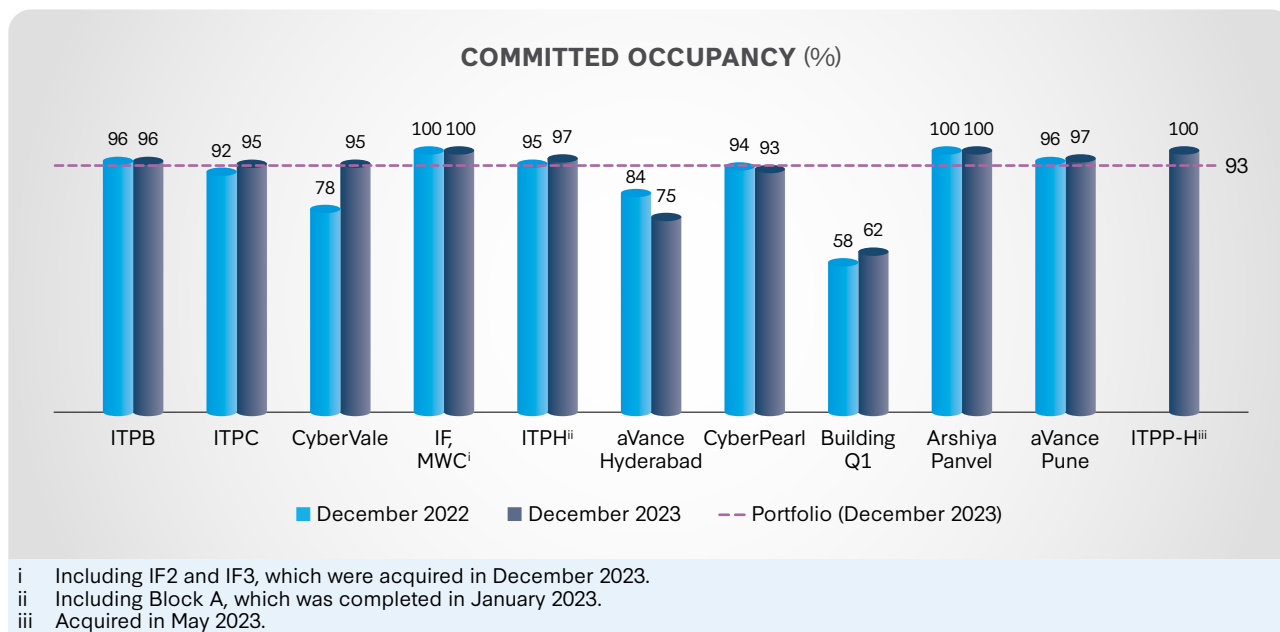
# OPERATIONAL REVIEW

## ASSET REVIEW

### Leasing Update

CLINT's portfolio occupancy increased to 93% as at 31 December 2023 from 92% as at 31 December 2022. Close to 3.9 million sq ft of floor space, which is approximately 20% of total portfolio area, was leased or renewed in 2023.

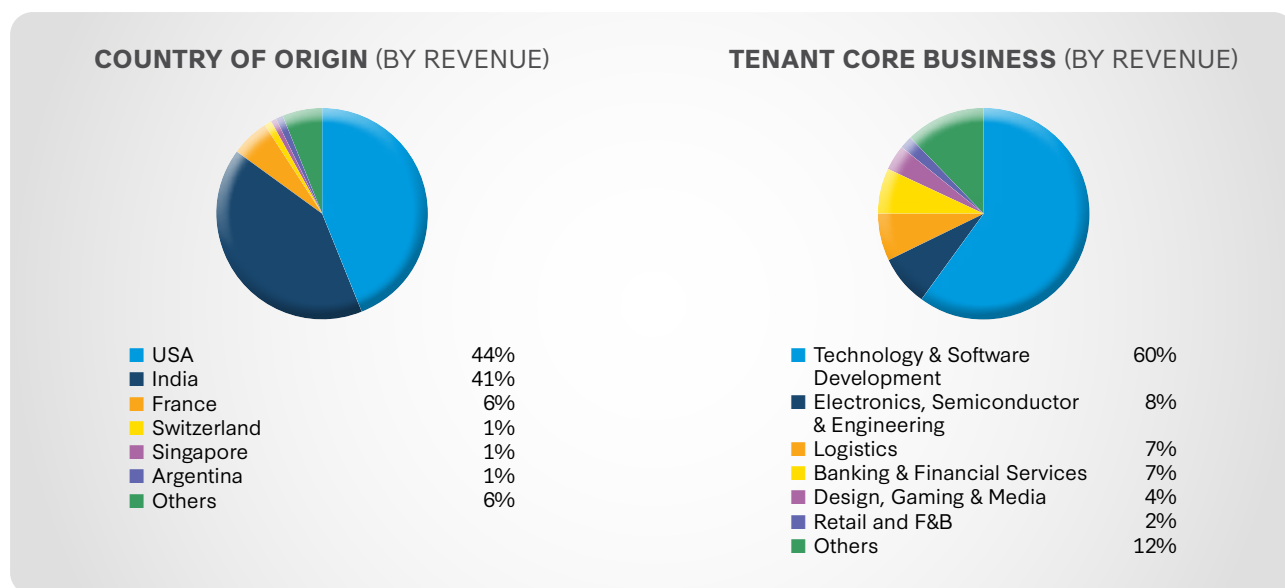
Approximately 15% of leases will expire in 2024. To proactively manage our portfolio occupancy, we commence lease renewal negotiations with our tenants six months prior to the expiry of their leases.



### Tenant Profile

We had 299 tenants as at 31 December 2023. The majority of our tenants are multinational companies, with 44% from the US and 41% from India. Most of our Indian tenants have global operations and provide services to clients from diverse industries.

About 60% of our tenants are in technology and software development while the remaining are from industries such as electronics, semiconductor & engineering, logistics, banking & financial services, and design, gaming & media.



Many of our top 10 tenants are on the Fortune Global 500 list with excellent credit rating.

Top 10 tenants of IT Parks	by revenue
Tata Consultancy Services	12%
Infosys	6%
Amazon	4%
Bank of America	3%
Synechron	3%
Bristol Myers Squibb	3%
Applied Materials	3%
Renault Nissan	2%
Société Générale	2%
Technicolor	1%

Logistics and Industrial Assets	by revenue
Arshiya	7%
<i>Sub-tenants include DHL Logistics, Sawariya, Futureworks, UPL Limited, Borochemie (India) and Infinity</i>	
Pegatron	3%

# SUSTAINABILITY REPORT

## ABOUT THIS REPORT

CapitaLand India Trust (CLINT) is pleased to present our eighth annual Sustainability Report. The report communicates CLINT's progress towards its commitment to generating long-term value for its stakeholders through sustainability in the real estate industry. CLINT is managed by CapitaLand India Trust Management Pte. Ltd. ("Trustee-Manager") and has the dual responsibility of safeguarding the interest of Unitholders, and managing the business conducted by CLINT. CLINT engages CapitaLand Services (India) Private Limited ("Property Manager") to manage the daily operations and maintenance of its properties.

### International Standards and Guidelines

This report is in accordance with the requirements of SGX-ST Listing Manual Rule 711(A) and 711(B), and Global Reporting Initiative (GRI) Standards 2021. The GRI Standards have been selected as it is an internationally recognised reporting framework covering a comprehensive range of sustainability disclosures relevant to CLINT.

Additionally, the report has incorporated several elements of the Integrated Reporting (IR) Framework of the Value Reporting Foundation, and mapped CLINT's Environmental, Social, and Governance (ESG) performance against the United Nations Sustainable Development Goals (UN SDGs) and Sustainability Accounting Standards Board (SASB) Real Estate standard. This report also includes CLINT's enhanced Task Force on Climate-Related Financial Disclosures (TCFD) as part of CapitaLand Investment (CLI) and its listed funds ("the Group") strategy towards mitigating the impacts of climate change.

This year, CLINT has engaged an external party to review this report against the requirements of SGX-ST Listing Manual Rule 711(A) and 711(B). This SR has also undergone a comprehensive internal review. Additionally, CLI continues to externally assure its Global Sustainability Report (GSR) with reference to the International Standard on Assurance Engagements (ISAE) 3000 and covers the Group's global portfolio and employees, including those of the Trustee-Manager. CLI's GSR 2023 will be published by 31 May 2024 on the CLI website. The scope of the assurance will cover CLINT's portfolio.

## Reporting Scope and Period

This report reflects upon CLINT's sustainability performance for the period from 1 January 2023 to 31 December 2023 ("2023"). The scope of this report covers the CLINT's business park portfolio<sup>1</sup>, comprising the nine IT parks listed below:

City	Portfolio
Bangalore	International Tech Park Bangalore (ITPB)
Chennai	International Tech Park Chennai (ITPC) CyberVale
Hyderabad	International Tech Park Hyderabad (ITPH) CyberPearl aVance Hyderabad
Mumbai	Building Q1, Aurum Q Parc
Pune	International Tech Park Pune - Hinjawadi (ITPP-H) aVance Pune

## Feedback

CLINT's leadership strives for improvement to its policies and mechanisms to establish high market standards. Towards that end, CLINT continually seeks the valuable feedback of its stakeholders. Please share your suggestions to [enquiries@clint.com.sg](mailto:enquiries@clint.com.sg).

1 The reporting scope has been expanded to include ITPH - Block A and ITPP-H and thus covers all CLINT's business parks as at 31 December 2023. This report excludes (i) the seven operating warehouses at Arshiya Free Trade Warehousing Zone in Panvel and Industrial Facility 1,2 & 3 in Mahindra World City, as CLINT is not involved in the operations of these properties and (ii) lands under development for the data centres.



## CAPITALAND INDIA TRUST 2023 SUSTAINABILITY REPORT STRUCTURE



# SUSTAINABILITY REPORT

## BOARD STATEMENT

At CLINT, sustainability is at the core of everything we do. We are committed to grow in a responsible manner, delivering long-term economic value, and contributing to the environmental and social well-being of our communities. In 2023, CLI refreshed its 2030 Sustainability Master Plan (SMP) to be aligned with its identified material ESG factors. As part of CLI, we welcome the changes made and have aligned ourselves to CLI's sustainability plans.

We recognise the importance of the SMP as it steers our efforts towards a common course in making meaningful impacts through building portfolio resilience and resource efficiency, enabling thriving and future-adaptive communities, and stewarding responsible business conduct and governance. Ambitious ESG targets have been set which include carbon emissions reduction targets validated by the Science Based Targets initiative (SBTi). In 2023, 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 its focus on social indicators.

The Trustee-Manager's Board of Directors ("the Board") is responsible for overseeing CLINT's sustainability efforts and takes ESG factors into consideration in determining its strategic direction and priorities. In spurring greater efficiency and accountability of our management in managing ESG topics, we approve the executive compensation framework based on

the principle of linking pay to performance. Key Performance Indicators based on CLINT's business and sustainability performances are set to assess the efficiency of the Management and thus determines its remuneration.

Our ESG performance is recognised in the 2023 Global Real Estate Sustainability Benchmark (GRESB) Real Estate Assessment, where CLINT obtained a 4-star rating in its inaugural year of submission. On the Singapore Governance and Transparency Index 2023 (REIT and Business Trust Category), CLINT is ranked 4th out of 43 REITs and Business Trusts, up from 6th place in the previous year.




We continue to identify and adopt meaningful ESG practices and enhance sustainability. In 2023, we further enhanced our solar energy generation with our rooftop solar panels collectively generating 4,840 megawatt-hours (MWh) of electricity. Additionally, our 21-megawatt (MW) captive solar plant in Tamil Nadu was commissioned in January 2024, which targets to generate over 30,000 MWh of electricity annually for usage in the common areas of CLINT's assets located in the state.

We continually engage our employees, tenants, and business partners across various facets of our sustainability agenda, demonstrating our dedication and resilience towards delivering sustainable economic growth and promoting environmental and social well-being.



## STAKEHOLDER ENGAGEMENT AND MATERIALITY

### Stakeholder Engagement

The Trustee-Manager actively seeks to build positive and long-lasting relationships with all stakeholders. These include the investment community, employees, tenants, suppliers, contractors, and the local community. CLINT leverages several channels for active communication and timely addressing of the concerns of its stakeholders.

Key Stakeholder Groups	Needs and Expectation of Stakeholder Groups	Key Engagement Channels	Actions and Goals
<b>Investment Community</b> 	<ul style="list-style-type: none"> <li>• Strategic and sustainable growth, total returns</li> <li>• Accurate, timely and comprehensive information to make sound judgements</li> <li>• Regular and clear communications and updates</li> </ul>	<ul style="list-style-type: none"> <li>• CLINT's website, SGXNet, email alerts, physical meetings and virtual calls are conducted throughout the year</li> <li>• Annual General Meeting</li> <li>• Annual Report and Sustainability Report</li> <li>• Biennial investor perception survey</li> <li>• Regular non-deal roadshows</li> </ul>	<p>We aim to provide timely and transparent communications to keep the investment community apprised of significant topics relating to corporate developments, portfolio performance, asset and capital management, sustainability matters, and acquisitions and divestments.</p>
<b>Employees</b> 	<ul style="list-style-type: none"> <li>• Active engagement</li> <li>• Career progression, job security and stability</li> <li>• Competitive remuneration and employee benefits</li> <li>• Learning and development opportunities</li> <li>• Workplace safety, health and wellness</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly communication sessions with senior management team</li> <li>• Regular employee surveys</li> <li>• Induction programmes for all new hires</li> <li>• Communication and feedback channels on intranet portal</li> <li>• Regular performance feedback and appraisals</li> <li>• Internal and external training and workshops</li> <li>• Wellness, sports and social activities throughout the year</li> </ul>	<p>We strive to create a cohesive and healthy workplace based on trust, mutual respect and active communication. With that, great emphasis is placed on employee empowerment and equal opportunity for all employees. To maintain a committed and engaged workforce, employees are encouraged to share their concerns and feedback through various channels, including employee engagement surveys.</p>
<b>Tenants</b> 	<ul style="list-style-type: none"> <li>• Competitive rental rates</li> <li>• Quality of facilities</li> <li>• Safety and security practices</li> <li>• Workplace engagement and environment</li> </ul>	<ul style="list-style-type: none"> <li>• Regular tenant engagement surveys are conducted</li> </ul> <p>The following are conducted throughout the year:</p> <ul style="list-style-type: none"> <li>• Active communication</li> <li>• Networking events</li> <li>• Tenant engagement activities</li> </ul>	<p>We are committed to providing premium quality solutions for business infrastructure and services, as well as enhancing workspace experience to meet the needs of tenants. In addition, securing properties from threats and ensuring the health and wellness of tenants and visitors is of paramount importance.</p>

# SUSTAINABILITY REPORT

Key Stakeholder Groups	Needs and Expectation of Stakeholder Groups	Key Engagement Channels	Actions and Goals
<b>Suppliers and Contractors</b> 	<ul style="list-style-type: none"> <li>• Fair and reasonable treatment</li> <li>• Share industry best practices</li> </ul>	<p>The following are conducted throughout the year:</p> <ul style="list-style-type: none"> <li>• Standard operating procedures, guidelines, and house rules for compliance</li> <li>• Share CLI's Environmental, Health and Safety (EHS) Policy with suppliers.</li> <li>• Share CLI's Supply Chain Code of Conduct with suppliers.</li> <li>• Collaborate with suppliers to manage EHS challenges</li> </ul>	<p>We work closely with contractors and suppliers to have a shared commitment to high quality EHS standards.</p>
<b>Local Communities</b> 	<ul style="list-style-type: none"> <li>• Creation of employment opportunities</li> <li>• Operate in a responsible manner</li> <li>• Support social development and community activities</li> </ul>	<ul style="list-style-type: none"> <li>• Ad-hoc corporate social responsibility (CSR) activities through CapitaLand Hope Foundation (CHF)</li> <li>• Formalise three days of Volunteer Service Leave (VSL) for its staff to participate in activities related to the needy and underprivileged in Singapore and overseas, and green volunteerism related to resource conservation, waste minimisation and recycling, pollution control and nature conservation</li> </ul>	<p>We advocate the spirit of caring and sharing for the communities they operate in. Carefully managing and minimising the societal and environmental impacts of its operations is critical in fulfilling its duties as a responsible corporate citizen.</p>

### Materiality

CLINT is guided by CLI's materiality assessment process, which identifies and prioritises the management of material ESG issues that are most relevant and significant to CLINT and its stakeholders. The material topics are reviewed and approved by the CLI's Board of Directors ("CLI Board") at the Group level. A double materiality approach is adopted, considering issues which are material from either the impact perspective or financial perspective<sup>2</sup> or both. Potentially material ESG issues arising from activities across CLINT and CLI's value chain (including potential risks and opportunities in the immediate and longer term) are primarily identified via ongoing engagement with CLINT's management, CLI's business units and external stakeholders, and review of resources including investor questionnaires, ESG surveys, sustainability benchmarks and frameworks such as GRESB and SASB.

In addition, CLINT conducts regular review, assessment, and feedback in relation to ESG topics. The 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 important elements in our sustainability agenda.

In elevating our commitment towards global sustainability, we are guided by CLI's 2030 SMP as well as our commitment towards long-term value creation. We have identified and reviewed material issues that are most relevant and significant to CLINT and our stakeholders. These ESG material issues are assessed and prioritised based on the likelihood and potential impact of issues affecting our business continuity. These identified ESG issues are then categorised into six capitals - Environmental, Manufactured, Human, Social and Relationship, Organisational, and Financial, which contribute to our sustainability agenda. In 2023, a review of our material ESG issues was conducted to ensure the relevance of the material topics against the backdrop of a recovering economy. These identified ESG issues have been approved by the Board and are deemed to be material to CLINT.

### Prioritisation of Material ESG Issues



Environment	Social	Governance
<b>Critical</b>		
<ul style="list-style-type: none"> <li>Climate change and carbon emissions reduction</li> <li>Energy efficiency</li> <li>Water management</li> </ul>	<ul style="list-style-type: none"> <li>Occupational health and safety</li> <li>Human capital</li> <li>Stakeholder engagement<sup>i</sup></li> <li>Product and services<sup>ii</sup></li> <li>Supply chain management</li> <li>Diversity (<i>Board and employees</i>)</li> </ul>	<ul style="list-style-type: none"> <li>Risk management<sup>iii</sup></li> <li>Business ethics</li> </ul>
<b>Moderate and Emerging</b>		
<ul style="list-style-type: none"> <li>Waste management</li> <li>Biodiversity</li> </ul>	<ul style="list-style-type: none"> <li>Human rights<sup>iv</sup></li> </ul>	
<p><sup>i</sup> This includes green leases and tenant engagement on ESG matters.</p> <p><sup>ii</sup> This includes products and services promoting customer health and safety, and green certified buildings.</p> <p><sup>iii</sup> This includes consideration of compliance, economic performance, and cyber-security.</p> <p><sup>iv</sup> This refers to CLI's zero tolerance stance towards child/forced labour.</p>		

<sup>2</sup> To identify ESG issues which are potentially financially material, CLI takes reference from the SASB Standards for Real Estate and Real Estate Services, which identify sustainability factors that are material to short, medium, and long-term enterprise value for the industry.

# SUSTAINABILITY REPORT

## SUSTAINABILITY JOURNEY HIGHLIGHTS

With the implementation of CLI's 2030 SMP, we have set down firm commitments towards this masterplan and is progressing beyond ad hoc sustainability initiatives and programmes to integrating sustainability into our business operations. The refreshed 2030 SMP put together CLI's commitments to achieve Net Zero carbon emissions by 2050 and reduce 46% of its Scope 1 and 2 GHG emissions by 2030. CLI has also committed to increasing its usage of renewable energy from 35% to 45% by 2030 and added a new target to reduce waste intensity in daily operations by 20%. New social targets focused on social impact, human capital development, and employee wellness were added, such as having at least 40% female representation in senior management, with an increased emphasis on governance. CLI's refreshed 2030 SMP provides greater clarity to achieve its sustainability goals. CLINT is fully committed to attaining these goals.

**2016**

Progressively installed Electronically Commutated (EC) fans across all our business parks and signed our first power purchase agreement (PPA) for renewable energy at ITPB.

**2017**

Commenced the installation of onsite rooftop solar panels across our parks.

**2019**

Adopted an automatic waste segregator and implemented an intelligent building platform for our Heating, ventilation, and air conditioning (HVAC) systems at ITPB. Currently, 31 buildings across CLINT's business park portfolio are connected to the intelligent building platform, with the remaining buildings being implemented progressively.

**2020**

Implemented the Environmental Tracking System (ETS) system for sustainability performance tracking and installed our Ultraviolet Germicidal Irradiation (UVGI) and demand-based ventilation at all parks.

**2021**

Secured our maiden S\$100 million Sustainability-Linked Loan (SLL).

**2022**

Implemented our first Virtual District Cooling System (VDCS) at ITPB.

**2023**

Increased our SLL to \$810 million (58% of total loan books).

**2024**

Commissioned our first 21 MW captive solar power plant in Tamil Nadu.

Looking ahead, we are committed to pursuing more sustainability initiatives in our business operations.

CLI's 2030 SMP was reviewed and approved by the CLI Board in 2023 to ensure that the Group's business strategy is aligned with climate science. The SMP drives CLI's sustainability efforts in the ESG pillars, enabling the Group to create a larger positive impact for the environment and society. As a CLI-sponsored Business Trust, we are aligned with CLI's 2030 SMP to elevate the Group's commitment to global sustainability in the built environment.

### CLINT'S COMMITMENT TOWARDS CLI'S 2030 SUSTAINABILITY MASTERPLAN (SMP)

#### BUILD (Portfolio Resilience and Resource Efficiency)

- 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.
- Green the operational portfolio by 2030.
- Strengthen climate resilience of CLINT's portfolio by addressing climate related risks and opportunities throughout the real estate lifecycle.

#### ENABLE (Thriving and Future-Adaptive Communities)

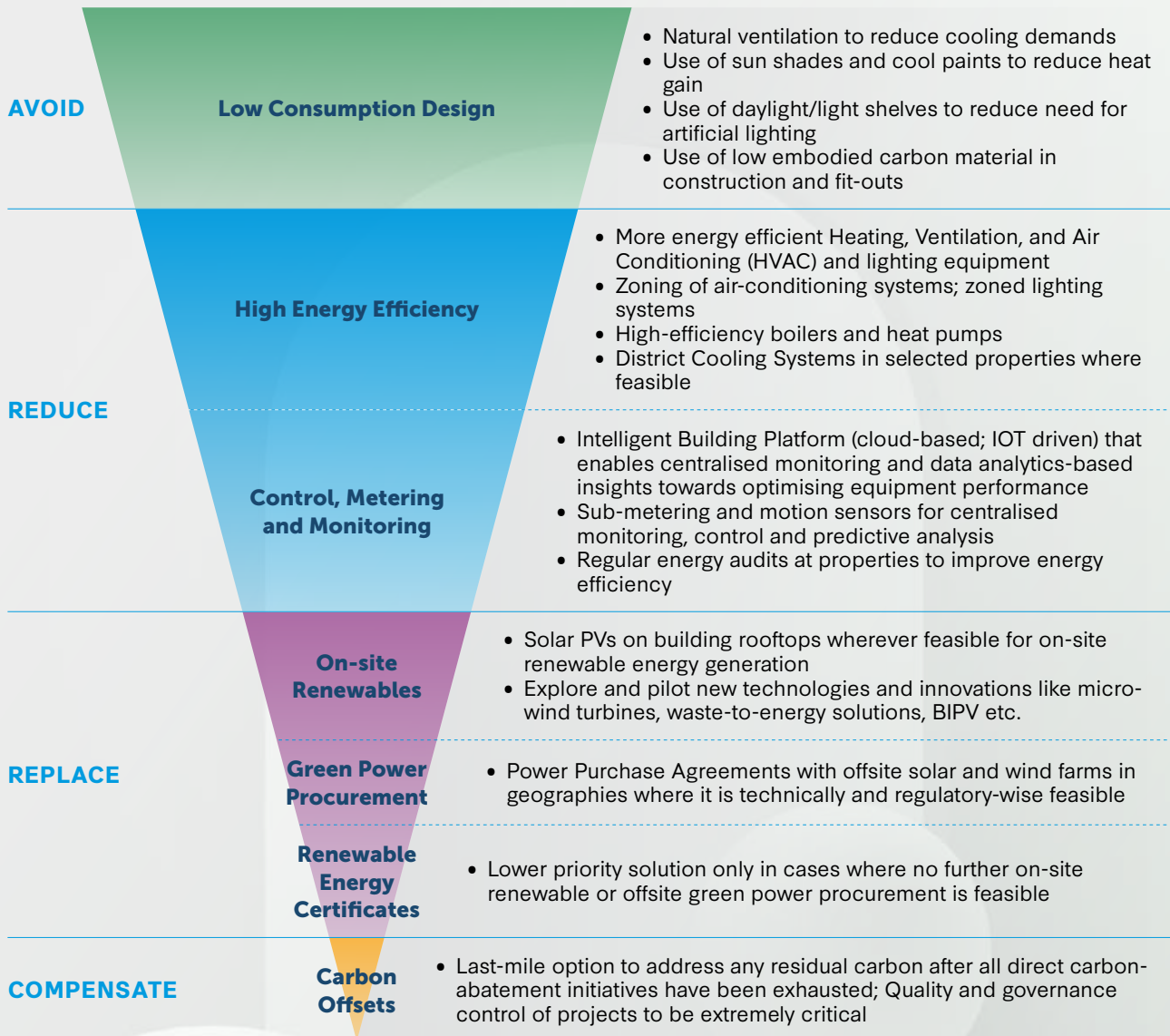
- CLINT believes that regardless of ethnicity, age or gender, employees can make a significant contribution based on their talent, expertise, and experience. CLINT adopts consistent, equitable, and fair labour policies and practices in rewarding as well as developing employees.
- CLI is a signatory to the UN Global Compact. As a CLI-sponsored Business Trust, CLINT's practices are aligned with CLI's.
- CLINT aims to provide a work environment that is safe and contributes to the general well-being of the employees, tenants, contractors, suppliers, and the communities that use its properties.
- CLI's Supply Chain Code of Conduct influences CLINT's supply chain to operate responsibly in the areas of anti-corruption, human rights, health and safety, as well as environmental management.
- CLINT is committed to activities that are aligned with its focus on community investment.
- Promote sustainability within the tenant community.

#### STEWARD (Responsible Business Conduct and Governance)

- Maintain safe, accessible, vibrant and quality real estate developments to enhance the lives of its tenants and members of the community.
- Integrate ESG performance with financial metrics.
- Requires third-party service providers and vendors to adhere to anti-bribery and anti-corruption provisions.
- Actively embrace innovation to ensure commercial viability without compromising the environment for future generations.

# SUSTAINABILITY REPORT

As part of CLI's roadmap to Net Zero, CLINT will prioritise the decarbonisation levers below and source globally for new ideas and technologies to achieve higher energy efficiency and intensify its renewable energy integration efforts.



Aside from mitigating the external impact of our business against the environment, CLINT is aware of our stakeholders' concerns about the potential impact of climate change on our industry and business. Thus, we have started our climate-related disclosures that are aligned with TCFD recommendations since 2021 to share our strategy in mitigating and adapting to these impacts as a result of a changing climate. This year, we enhanced our climate related disclosures and reporting in line with TCFD recommendations. For more details, please refer to pages 93 to 103 of this report.



## KEY PERFORMANCE HIGHLIGHTS OF 2023



## ESG IS AT THE CORE OF EVERYTHING WE DO



**4,840  
MWh**

Electricity generated  
by rooftop solar panels  
in 2023



**3rd CapitaLand  
Hope School**

Providing over 500 underserved  
children with access to quality  
education in Pune



**70 volunteers**  
across the CapitaLand  
Group from  
**six countries**

3-day International Volunteer  
Expedition (IVE) in India



**Zero**

cases of material non-compliance  
with laws and regulations



**58%**

of total loan books are SLLs



## AWARDS AND ACCOLADES

**4 Star Rating**

GRESB Real Estate  
Assessment 2023  
(first time submission)

**Grade A**

GRESB Public Disclosure 2023

**4th place**

Singapore Governance and  
Transparency Index 2023 (REIT  
and Business Trust Category),  
up from 6th place in 2022

**A MSCI  
ESG Rating**

upgraded from BBB to A  
rating in 2023

**B Score**

CDP Climate Change 2023

**Rated 12.6  
- Low Risk**

Sustainalytics ESG Risk  
Rating

**Best Health and  
Well-Being  
Programme  
Award**

at the 6th Annual Health and  
Safety strategy India Summit  
& Awards 2023

**Economic Times  
Real Estate  
Awards 2024**

ITPH has been recognised as  
a leading hub for businesses  
and technology firms at the  
national level

**BEE 5 Star  
Rating  
Certification**





Awarded to ITPP-H from  
the Ministry of Power, India,  
for our energy efficiency  
performance

# SUSTAINABILITY REPORT

## ENVIRONMENT

The 2023 United Nations Climate Change Conference (“COP28”) saw a global commitment to transition away from fossil fuels and to increase green energy sources to combat climate change. As the environmental effects on the economy and society intensify, there is an increasing imperative for more significant climate action to alleviate these impacts. Here at CLINT, we align ourselves with the global commitment to mitigate the negative impacts of climate change and our business actively seeks opportunities to improve the environmental performance of our buildings through the adoption of new technologies and approaches. We remain committed to monitoring environmental performance and implementing initiatives aligned with our targets. We monitor real-time environmental performance and provide prompt response to any potential negative impacts by utilising CLINT’s cloud based ETS. This approach enables oversight of energy and water consumption, carbon emissions, and waste generation.

### Targets and Performance


Targets	2023 Performance
Obtain 100% certification by a green rating system administered by a national government ministry/ agency or World Green Building Council (WGBC) by 2030	 99% of the buildings across the portfolio covered in the reporting scope are certified with IGBC or USGBC LEED Green Rating.
<b>Energy consumption and GHG emissions</b> <ul style="list-style-type: none"> <li>Achieve Net Zero emissions by 2050 for Scope 1 and 2</li> <li>Reduce absolute Scope 1 and 2 greenhouse gas emissions by 46%<sup>i</sup></li> <li>Reduce carbon emissions intensity by 72%<sup>i</sup></li> <li>Reduce energy consumption intensity by 15%<sup>i</sup></li> <li>Achieve 45% of electricity consumption from renewable sources</li> <li>Work towards setting new Scope 3 GHG emissions reduction target</li> </ul>	 <ul style="list-style-type: none"> <li>Absolute Scope 1 and 2 greenhouse gas emissions reduced by 36% in 2023 as compared to 2019</li> <li>Carbon emissions intensity (Scope 1 and 2) reduced by 52% as compared to 2019</li> <li>Landlord energy consumption intensity reduced by 39% as compared to 2019<sup>ii</sup></li> <li>39% of landlord electricity consumption from renewable sources (Total of 33,834 MWh)</li> <li>CLINT seeks to conduct a comprehensive review of our Scope 3 emissions in the near future</li> </ul>
<b>Water Management</b> <ul style="list-style-type: none"> <li>Reduce water consumption intensity in our day-to-day operations by 15%<sup>i</sup></li> </ul>	 • Water consumption intensity reduced by 40% in 2023 as compared to 2019
<b>Waste</b> <ul style="list-style-type: none"> <li>Achieve 25% recycling rate in our day-to-day operations</li> </ul>	 • 66% of waste diverted to recycling

i Using 2019 as the baseline year

ii Energy and emissions Data for 2019 and 2020 is overstated due to the lack of separability of landlord and tenant consumption for diesel.

#### Legend

 Achieved/Exceeded Targets

 In Progress towards meeting 2030 targets

### Environmental Capital

CLINT’s environmental capital refers to all renewable and non-renewable environmental resources that support our business activities. Acknowledging that our own activities can impact environmental capital, we are dedicated to minimising our environmental footprint by actively seeking industry-leading innovations and best practices.

Our environmental footprint mainly stems from energy consumption, water usage, and waste generation in its buildings. To reduce our environmental footprint, we consistently explore novel and innovative approaches, emphasising the adoption of more efficient technologies

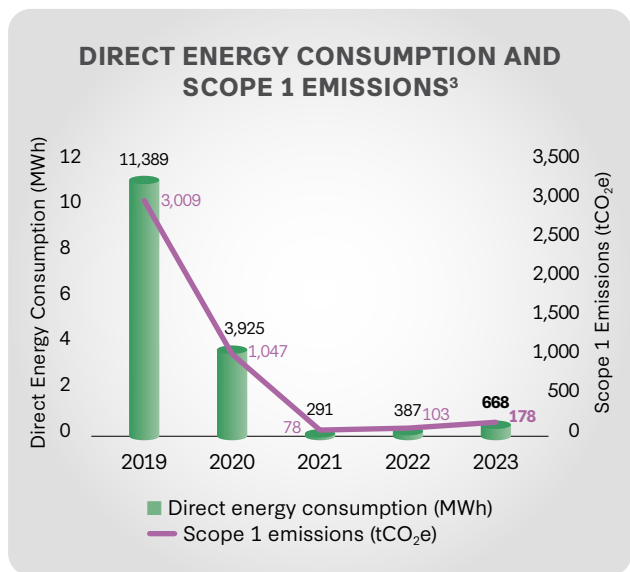
to reduce resource consumption. Furthermore, we actively listen to stakeholder feedback such as tenants’ suggestions and integrate these into our environmental strategy and emission reduction initiatives. This collaborative approach ensures a well-informed and inclusive decision-making process, strengthening our commitment to sustainability and aligning our initiatives with stakeholder expectations.

As part of the SLL agreements with the financial institutions, CLINT is required to prepare an annual “Compliance Certificate for Sustainability Linked Loan” which includes reporting its sustainability performance data relating to each sustainability performance targets

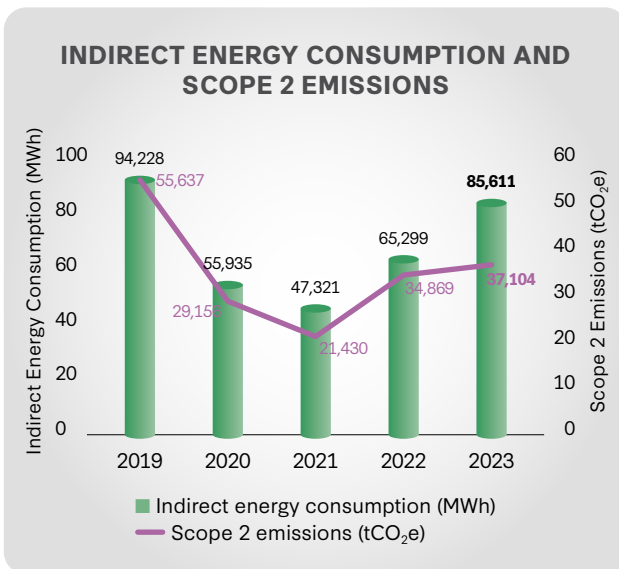
("SPTs"). CLINT engaged an external firm to perform Agreed Upon Procedures in accordance with the Singapore Standard on Related Services (SSRS) 4400 (Revised) Agreed-Upon Procedures Engagements with respect to green certifications ("SPT1") and percentage of total landlord renewable energy ("SPT2").

### Energy consumption and GHG emissions

At CLINT, we report our Greenhouse Gas (GHG) emissions in alignment with the operational control approach of the GHG Protocol. Our Scope 1 GHG Emissions are calculated from our direct energy consumption, and conversion factors from the Department for Business, Energy & Industrial Strategy (BEIS) - 2023 are utilised. Our Scope 2 GHG emissions are calculated from the consumption of indirect energy sources using the location-based method. Emission factors were sourced from the Intergovernmental Panel on Climate Change (IPCC) Guidelines for National Greenhouse Gas Inventories and International Energy Agency (IEA) 2023.



The primary source of our direct energy consumption is non-renewable fuel usage for emergency genset testing and diesel generators. In 2023, CLINT consumed 668 MWh (2,403 GJ) of energy from diesel consumption, resulting in 178 tonnes of carbon dioxide equivalent ("tCO<sub>2</sub>e") for Scope 1 emissions.



For indirect energy consumption, we rely on traditional grid energy and off-site solar farms, as well as the energy generated from solar rooftop installations. In 2023, we utilised 85,611 MWh (308,200 GJ) of electricity<sup>4</sup>, with an indirect energy use intensity of 0.19 GJ/m<sup>2</sup>. Our indirect energy usage led to 37,104 tCO<sub>2</sub>e of Scope 2 emissions.

We acknowledge that our environmental footprint extends past our own operations into our value chain. We will soon conduct a comprehensive review of our Scope 3 emissions to better understand our footprint and material Scope 3 emissions. With currently available data and material Scope 3 emissions, we can report our tenant's energy consumption and corporate air travel. Our Scope 3 emissions have decreased to 53,197 tCO<sub>2</sub>e in 2023, where emissions from corporate air travel increased due to increased business travel while a reduction in tenant energy consumption was observed.

CLINT's overall emissions and energy consumption in 2023 have increased from the previous year. This is largely due to the increase in business activity to pre-COVID levels and the increase in reporting scope this year. Yet, the overall Scope 1 and 2 emissions intensity remains lower than the previous year.

3 Energy and emissions Data for 2019 and 2020 is overstated due to the lack of separability of landlord and tenant consumption for diesel.  
 4 This refers to energy consumption for common areas and air-conditioning.

# SUSTAINABILITY REPORT

## Renewable Energy

At CLINT, our decarbonisation strategy includes an increased adoption of renewable energy, from both off-site solar farms and solar panels strategically installed on the rooftops of our properties. Since 2017, we have been actively installing solar panels on our buildings, achieving widespread coverage across the majority of our parks' rooftops. Furthermore, we have incorporated Electric Vehicle (EV) chargers across

properties, contributing to the promotion of sustainable transportation options and greener energy sources.

We are pleased to see that renewable energy accounted for a total of 33,834 MWh in the reporting period, which represents a 12% increase compared to 2022 (30,113 MWh). The increased adoption of renewable energy has enabled CLINT to lower its Scope 2 GHG emissions by roughly 24,245 tCO<sub>2</sub>e in 2023.

## TAMIL NADU SOLAR PLANT

As part of CLINT's decarbonisation strategy and in line with CLINT's commitment to achieve Net Zero emissions for Scope 1 and 2 by 2050, CLINT has commissioned a 21 MW solar plant in Tamil Nadu. The solar plant will generate over 30,000 MWh of electricity annually, which will be utilised predominantly in the common areas of CLINT's properties in Tamil Nadu. The plant has Phase 2 expansion capacity of further 8 MW.

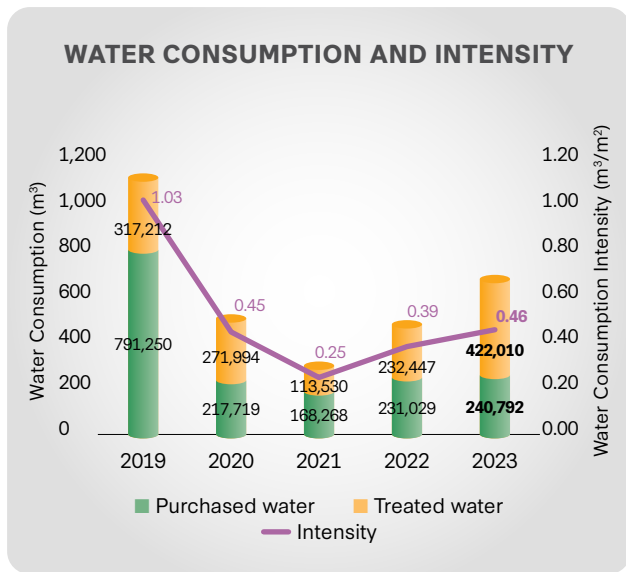
The commissioning of the solar plant will also reduce CLINT's need to purchase brown power to increase its green energy usage by over 70%, and reduce over 17,000 tonnes of carbon emissions annually.

CLINT continues to actively source green power to enhance its portfolio's energy performance throughout the assets' life cycle.



### Water Management

Water, an essential resource vital for human survival, faces acute scarcity<sup>5</sup> in several regions of India. Climate change exacerbates water supply challenges by altering precipitation patterns and causing more severe weather events, leading to increased water scarcity and unpredictability in the availability of freshwater resources. Our operations are dependent on reliable water supply, and we recognise the shared responsibility of this resource that affects neighbouring communities' livelihoods.



In 2023, we utilised 662,802m<sup>3</sup> (663 megalitres) of water, marking a 43% increase compared to the same period last year. We source most of our water supply from third-party freshwater sources, and we recycle all water on-site. The surge in water utilisation is largely attributed to normalisation of park attendance post-COVID-19 and the expansion of reporting scope this year. Consequently, the water intensity rose to 0.46 m<sup>3</sup>/m<sup>2</sup>.

### Waste Management

Effective waste management and circular economy practices are vital for minimising environmental impact, conserving resources, and reducing landfill waste. Embracing these practices promotes sustainability by ensuring that materials are reused, recycled, or repurposed, contributing to a more resilient and resource-efficient global ecosystem. Our sustainability approach emphasises the responsible ownership of waste originating from our property portfolio, while working closely with tenants to minimise and recycle waste generated from building operations.

In 2023, a total of 1,474 tonnes of waste was generated, of which 66% was diverted to recycling. The remaining non-recyclable waste generated in the portfolio was sent to landfills for disposal. There was an overall increase in waste generation from 2022 due to heightened business activities and expansion of reporting scope this year. The corresponding waste intensity rose to 1.03 kg/m<sup>2</sup>.



5 India is classified as having extremely high baseline water stress according to the World Resources Institute Aqueduct 4.0. States where CLINT's IT parks operates in (Maharashtra, Tamil Nadu, Telangana and Karnataka) are all listed as having "Medium-High" water stress and above.  
 6 Waste data was not published in 2019.

# SUSTAINABILITY REPORT

## Biodiversity

Integrating biodiversity considerations in the property lifecycle and ensuring no risks to the surrounding environment during operations are crucial for preserving ecosystems and mitigating potential negative impacts on our surroundings. We do not have properties in our portfolio located within protected areas and no material biodiversity risk has been identified.

## Sustainable Building Guidelines

At CLINT, we adopt CLI Sustainable Building Guidelines (SBG) which require integrating environmental considerations throughout the property lifecycle.

Emphasising four major goals – reducing carbon footprint, enhancing water management, minimising waste generation, and promoting biodiversity – the SBG employs a structured approach with delegated responsibilities for effective implementation. The guidelines require a mandatory Environmental Health Safety Impact Assessment (EHSIA) before any acquisition or development activity, involving a comprehensive analysis of potential environmental impacts across various indicators. Findings and cost implications are documented in the investment paper submitted for approval.

## INTEGRATING BIODIVERSITY AT OUR BUSINESS PARKS

We endeavour to introduce more native plants and biodiversity within our campuses. For instance, we have introduced a 20,000 sq ft garden in ITPB, featuring approximately 6,000 native plants. As a result, this open-air space has attracted various birds and butterflies, providing serene and relaxing experience for park visitors to unwind.



## Manufactured Capital

Aside from responsible resource management of our environmental capital, we also implement various measures with regards to our manufactured capital, which encompasses our manufactured physical infrastructure and technological aspects such as equipment and buildings. We actively integrate environmentally friendly features and enhance energy efficiency across our properties. This commitment extends to all stages of development, redevelopment, or Asset Enhancement Initiative (AEI). Our holistic consideration of environmental sustainability ensures that we achieve operational efficiency while safeguarding our long-term sustainability. By recognising the significance of manufactured capital, this aligns with our commitment to fostering resilient and sustainable operations, where

the incorporation of innovative technologies and infrastructure plays a vital role in advancing overall sustainability objectives.

CLINT has adopted CLI's EHS Policy by putting in place an Environmental, Health and Safety Management System (EHSMS) that supports our commitment to protect the environment and uphold the occupational health and safety of everyone in the workplace. We are therefore committed to carrying out exemplary EHS practices to minimise pollution and health and safety risks, seeking continual improvement and development on our EHS performance, complying with pertinent government legislations and other requirements as well as implementing the CLI SBG and Occupational Health and Safety (OHS) programmes.

### Effective Building Management Systems

CLINT utilises CLI’s Environmental Management System (EMS) as a critical instrument for overseeing its environmental impact across the entire portfolio. This system seamlessly integrates with the Occupational Health and Safety Management System (OHSMS), collectively forming CLI’s comprehensive EHSMS. EMS is certified to the requirements of ISO 14001 EMS and ISO 45001 OHSMS Standards.

The EMS provides a structured approach to managing CLINT’s environmental impact and performance. A crucial aspect of the EMS involves identifying and addressing issues within business operations that may potentially harm the environment. The assessment of each environmental aspect and impact considers factors such as the likelihood of occurrence, severity, and the effectiveness of control measures. We are committed to minimising adverse impacts, including resource depletion, carbon emissions, and waste generation. We proactively establish and revise time-bound environmental targets, encompassing green building ratings, reductions in GHG emissions, energy usage, and water consumption, realigning activities to achieve these objectives. Other highlights of our EMS are as follows:



EMS Training and Awareness	Internal Audit System
<ul style="list-style-type: none"> <li>• Interactive training and awareness programmes on EMS for the entire workforce</li> <li>• Specialised induction sessions held for new employees</li> <li>• Comprehensive training for Heads of Departments in administration, operations, and project development</li> <li>• The Trustee-Manager organises various awareness programmes to foster sustainability-focused discussions with stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• Ensures the conformance and effective implementation of EMS to ISO 14001 international standards</li> <li>• Conducted at least once a year</li> <li>• Alternative audit modes such as virtual and/or hybrid of virtual and physical site audits were introduced to overcome COVID-19 restrictions and ensure the safety of employees and external auditors</li> </ul>

### Green building rating, benchmarks, and awards

We acknowledge the environmental expectations of our business partners and are steadfast in meeting their demand for sustainable building operations. Green ratings stand as external affirmations, signifying the thoughtful consideration of key environmental aspects in our design, development, and operations.

We are committed to CLI’s overarching goal of securing green certifications for all new and existing high-value buildings in its portfolio by 2030. Notably, in 2023, five buildings are newly included in the reporting scope, all of which were certified Gold. In addition, one building was certified for the first time, achieving a Platinum rating, and three buildings were elevated to Platinum rating, highlighting our ongoing dedication to green building practices.

A total of 37 buildings, representing 99% of our business park portfolio, are certified as Gold or Platinum by Indian Green Building Council (IGBC) or U.S. Green Building Council Leadership in Energy and Environmental Design (USGBC LEED) as of 31 December 2023.

Please refer to Appendix A for a full list of green certifications.

# SUSTAINABILITY REPORT

## SOCIAL

CLINT firmly believes that the well-being and success of our employees are integral to CLINT's overall success. Consequently, we are dedicated to providing a safe and healthy workplace that fosters growth and collaboration among individuals from diverse backgrounds and cultures. We are committed to enhancing the skills and development of our employees, aligning their growth with that of our organisation.

### Targets and Performance

Targets <sup>7</sup>	2023 Performance
Foster a safety culture with zero fatality, permanent disability and major injury	● There were zero workplace fatality, permanent disability or major injury recorded.
Maintain ISO 45001 certification for its OHSMS	● Achieved.
Contribute to communities' social well-being through outreach initiatives by employees and CapitaLand Group's philanthropic arm, CHF	● The Trustee-Manager's employees contributed to 89 volunteering hours.
More than 40% female representation in senior management	○ 35% of female employees are in management positions <sup>8</sup> .
More than 80% employee engagement score	● CLI global employee engagement score of 84%.
More than 85% of employees to attend one ESG training	● 95% of employees attended.
Incorporate social integration design features in properties	● There are amenities such as gardens, gymnasiums, food courts and childcare facilities in CLINT's business parks.
Implement wellness-related initiatives and certifications for physical assets	● Implemented wellness-related initiatives and green building certifications.
Achieve high level of customer satisfaction	● High level of customer satisfaction was achieved, based on 2023 tenant engagement survey.
Contractors and vendors to abide by CLI's Supply Chain Code of Conduct	● 100% of our suppliers agreed to abide by CLI's Supply Chain Code of Conduct.
Zero tolerance to child labour/forced labour	● Zero child or forced labour.

Legend

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

### Human Capital

Human capital is instrumental in delivering the business outcomes and driving its growth. Besides strong technical expertise, employees are also required to be agile and adaptable to tackle the changing dynamics of the industry. Thus, the Trustee-Manager is committed to providing holistic support for our employees.

CLINT has adopted CLI's Social Charter, Diversity & Inclusion Policy, and Harassment Policy<sup>9</sup> which uphold fundamental principles of human and workplace rights. These policies outline principles to protect individual rights with a zero-tolerance stance towards child/forced labour, unlawful discrimination & harassment, and encourage diversity and inclusion across the organisation.

### Employment and Workplace Diversity

As of 31 December 2023, the Trustee-Manager's workforce consists of 21 employees, all of whom are based in Singapore. Out of the 21 employees, 20 are on permanent employment. There were no non-guaranteed hours employees. In 2023, the Trustee-Manager had eight new hires and four turnovers, translating to a new hire rate and turnover rate of 38% and 19% respectively. In 2023, 35% of our management positions comprised of female employees.

In 2023, the Trustee-Manager employed three workers who are not considered its employees, and are primarily interns, temporary staff, or management executives. Our Property Manager hired workers who are not its employees, who provide housekeeping and security services across CLINT's properties. In 2023, there were 5,000 workers across CLINT's nine IT parks in India.

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

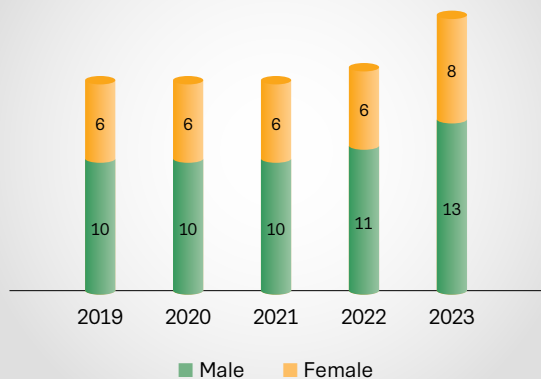
<sup>8</sup> 38% of female employees in CLI are in senior management positions.

<sup>9</sup> For more information, please refer to <https://www.capitaland.com/en/investment/sustainability/esg-policies.html>.

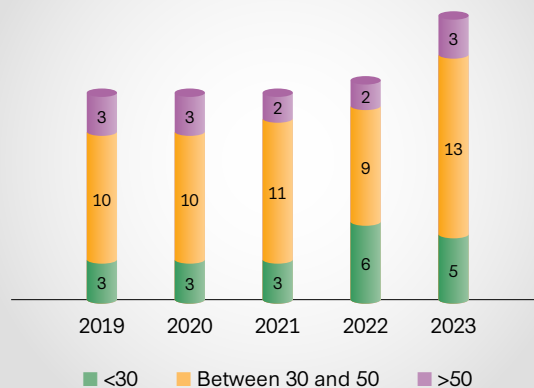


The figures below illustrate the breakdown and movements of our employees in Singapore across the reporting period.

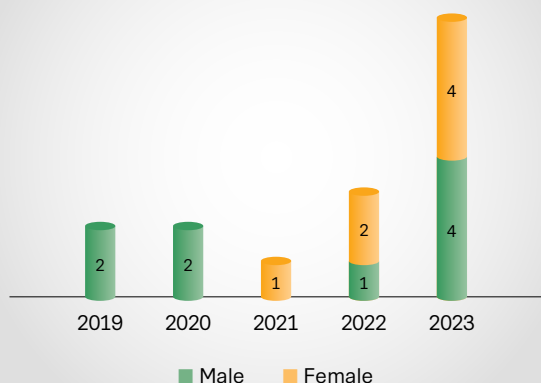
**EMPLOYEE PROFILE BY GENDER**



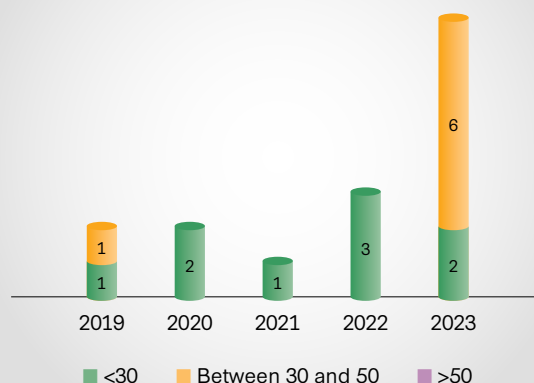
**EMPLOYEE PROFILE BY AGE GROUP**



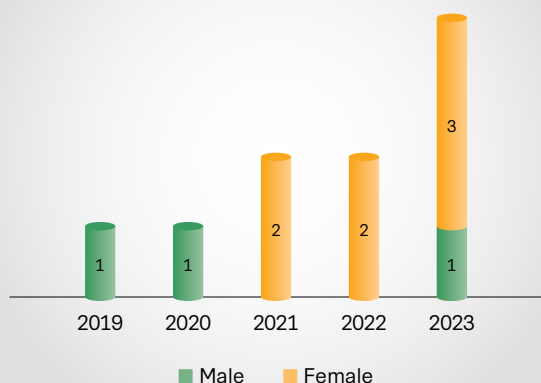
**NEW EMPLOYEE BREAKDOWN BY GENDER**



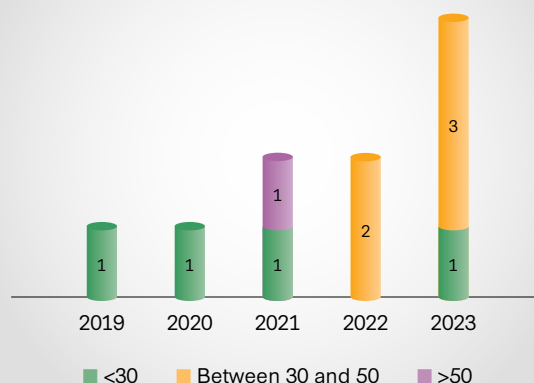
**NEW EMPLOYEE BREAKDOWN BY AGE GROUP**



**TURNOVER BREAKDOWN BY GENDER**



**TURNOVER BREAKDOWN BY AGE GROUP**



# SUSTAINABILITY REPORT

The Trustee-Manager believes that a diverse workforce fosters greater innovation and ideas in the workplace and embraces diversity regardless of age, religion, gender, race, and nationality. We believe in meritocracy and all employees are rewarded based on their diverse talent, expertise, and experience. In 2023, the Trustee-Manager did not receive any reports on workplace discrimination.

The Trustee-Manager actively recruits talent from within and outside the organisation locally and from overseas, to build a talent pipeline for leadership succession planning. Various employment opportunities are provided to ensure that its employees achieve fulfilment at their workplace. Employees may apply for job rotation across diverse business functions, depending on the business needs and their competencies. Those who have reached the minimum retirement age may choose to continue working in accordance with our re-employment policy.

## Employee Engagement and Well-being

The Trustee-Manager believes in actively engaging its employees to foster a greater sense of belonging to the organisation, its goals, and beliefs. Thus, the Trustee-Manager's employees are engaged through multiple channels such as employee communication sessions and surveys. Employees are provided with

whistleblowing, workplace harassment, and grievance handling policies to ensure that they are well-informed of the available communication channels to the Human Resource (HR) Department or relevant management authorities.

CLI is mindful of its responsibility to ensure the holistic well-being of its people, a principle that the Trustee-Manager also adheres to. CLI's Well-being Programme focuses on 6 dimensions, namely physical wellness, social wellness, career wellness, emotional and mental wellness, financial wellness, and community involvement. Each of these aspects contributes to employees' sense of wellness or quality of life. We understand that well-being does not only entail physical safety, but also the psychological well-being of our employees. In promoting greater mental well-being, employees are encouraged to participate in monthly group wellness activities, health talks and Corporate Social Responsibility (CSR) events.

As we shift towards a hybrid work arrangement, the Trustee-Manager has actively organised engagement activities and participated in activities organised by CLI to help employees foster a greater sense of belonging to the organisation. The following table outlines the key highlights of 2023 employee engagement and well-being events.

Employee engagement and well-being events held in 2023	
CapitaHub Townhall (Office Renovation)	Townhall was conducted to update employees as well as seek their feedback and suggestions on the new office.
CLI Global Staff Communication Sessions	Three sessions were conducted in March 2023, August 2023, November 2023 with about 1,800 or more attendees at each session.
Launch of Workday Phase 2	In this new phase of the Workday implementation, photo booth and ice cream stand were set up in Capital Tower and eCapitaHub to share new features and encourage employees to update their profile photos on the platform.
CL Group Sports Day 2023	Inaugural CL Group Sports Day was an action-packed day with around 1,400 participants from four houses, competing in thrilling interhouse competitive games like Basketball, Captain's Ball, Futsal, Table Tennis and Team Relay! Our management team joined in the excitement too, participating in the Senior Management Tele-match, proving that leadership is about being part of a dynamic team.
CL Group Staff Appreciation Dinner 2023	CL Group held their annual dinner & dance to celebrate the achievements and show appreciation to their employees.
CLI Global Employee Pulse Survey	CLI conducted an employee survey to obtain feedback from employees on organisational culture and identify areas for improvement to improve employee engagement. Participation rate increased from 91% in 2022 to 93% in 2023, along with an increase in engagement score from 83% in 2022 to 84% in 2023.
Eat With Your Family Day 2023	Employees are allowed to leave work an hour earlier on a designated day every quarter to spend time over meals with their families.
Team Bonding Trip 2023	Trustee-Manager organised a 2-days 1-night team bonding trip to Batam, Indonesia in August 2023. Employees participated in the team building activities such as gunny sack challenge for the whole of evening and ended the night with a BBQ picnic dinner at the resort.

The Trustee-Manager offers fair and competitive remuneration packages to attract, retain and motivate its workforce to drive operational excellence. We do not discriminate between gender and regularly review employees' remuneration based on market benchmarks and insights from gender-neutral surveys conducted by independent remuneration consultants.

Beyond base salaries, we also provide other compensation components that include short-term cash bonuses and long-term equity-based reward plans. Adhering to the pay-for-performance principle that is adopted across CLI, these components are differentiated based on employees' relative contributions and individual performance. The bonus awarded to eligible managerial grade employees will be delivered in a combination of cash and deferred shares units, which will be vested over three equal tranches. Senior management are granted additional contingent share units, subject to a 3-year performance period and will be vested if the pre-determined performance conditions are achieved. The performance conditions include measures and targets on total unitholder return and ESG.

Aside from competitive remuneration and financial rewards, the Trustee-Manager provides a wide range of benefits under the flexible benefits programme as well as flexible work arrangements such as flexible working hours, work-from-home and part-time work arrangements to meet varied needs of employees. In addition to providing eligible employees with parental leave such as maternity and paternity leave,

the Trustee-Manager provides Family Event Leave and Childcare Leave for employees to care for their families. Employees are also provided with subsidised rates for a stay at Ascott's serviced residences and hotels.

As part of the Trustee-Manager's retention efforts, exit interviews are conducted to gather feedback from exiting employees on the company's strengths and weaknesses, which serves to help us make improvements and create a more supportive work environment. In 2023, one third of the Trustee-Manager's employees have been with us for five years or longer.

### Training and Development

The Trustee-Manager acknowledges the rapid evolution within the real estate industry and is committed to consistently enhance the skillset of its workforce. Many programmes designed to bolster the technological proficiency of its human capital were initiated. Most notably, CLI has implemented the 'Building Capabilities Framework' (BCF) in 2019 that demonstrates its focus on nurturing a technically adept workforce. In 2023, 100% of the Trustee-Manager's employees participated in at least one learning event organised by CLI. The Trustee-Manager's employees attained an average of 18 learning hours, with each male employee averaging 16 learning hours and each female employee averaging 21 learning hours.

Annual performance reviews are conducted for all full-time employees which entails open discussions on the employee's performance, areas for improvement, developmental needs, and career plans.

#### Learning events conducted in 2023

CLI Listed Funds Cross - REIT Sharing Session (7 December 2023)	A half day event was organised to provide a platform for cross-sharing of ideas and open discussion on specific topics of interest across various listed funds manager teams in CLI. A panel discussion was also held to discuss the challenges and potential business opportunities ahead for the various real estate sectors and geographies
Learning CAREnival	With the normalisation of hybrid work arrangements and the workforce returning to office, the Learning CAREnival took on a different format in 2023. The first instalment was held virtually in April and the second instalment was held in person in September. Both multiple-day long sessions provided employees learning opportunities from the sharing of insights by industry partners and esteemed speakers, in a multitude of topics including digital influence, holistic well-being, career resilience, sustainability and innovation



# SUSTAINABILITY REPORT

## Occupational Health and Safety

We recognise the significance of workplace health and safety of our employees and stakeholder groups and is committed to achieve an accident-free workplace to ensure the well-being of our contractors, tenants, suppliers, and communities. Thus, we are guided by our robust Occupational Health and Safety Management System (OHSMS), which is governed by CLI's EHS Policy that outlines the Group's commitment to manage OHS issues.

We closely monitor business processes and strive to identify OHS hazards, gauge their risk level, and introduce adequate interventions to eliminate or minimise OHS hazards. Hazards Identification and Risk Assessments (HIRA) are reviewed annually or when appropriate. Commonly identified workplace hazards include poor ergonomics, falling from height, falling objects, and working in an enclosed space. In mitigating these identified hazards, several Standard Operating Procedures (SOP) were established to ensure that the Trustee-Manager's employees are aware of the hazards and minimise the occurrence of these workplace injuries resulting from these identified hazards. Following the COVID-19 pandemic, a SOP for timely management of serious diseases was established to minimise business disruptions. Regular reviews on these policies are conducted and revised according to the latest local governmental guidelines and group-wide procedures. Further, medical and travel advisories are disseminated to our employees by our HR department.

Aside from the physical well-being of the Trustee-Manager's workforce, our contractors operating within our business parks are required to operate in strict compliance with occupational health and safety and environmental regulations. During the quotation and tender submission process, Risk Assessment

Forms which includes CLI's EHSMS requirements are incorporated into all term contracts. These potential suppliers are required to submit a copy of their risk assessment where their activities pose significant health and safety risks to the staff or visitors. All contractors are required to enforce safety requirements such as deploying personal protective equipment, reporting accidents and proper debris and toxic waste disposal. In minimising the instances of workplace injuries, regular training and awareness sessions are conducted to educate our employees on safety features and practices. These training sessions include safety induction training, critical activity training, and daily toolbox talks as well as the response mechanisms for different occupational accidents. In 2023, several new OHS trainings were implemented which focused on a range of topics including fire safety, security management and systems.

To ensure that our OHSMS complies with the ISO 45001 standards, both internal and external audits were conducted by accredited certification bodies across all business parks. These audits provide our leaders and external investors' confidence in our OHSMS, legal and compliance requirements and commitment to best practices. The Trustee-Manager ensures that legal requirements of the OHSMS are reviewed on a quarterly basis, and compliance with these requirements is evaluated annually. In 2023, there were no instances of non-compliance of OHSMS in CLINT's properties.

In 2023, there were zero incidents of work-related fatalities, high consequence injuries, and occupational diseases recorded. In upholding our commitment towards workplace health and safety, the Trustee-Manager will continue to monitor our OHS performance, reinforce safety standards and review our procedures for improvement.

## NATIONAL SAFETY WEEK 2023

Over 7,400 people participated in the 52nd National Safety Week, which included the Property Manager's employees, tenants and service providers. The theme for 2023 was "Proactive Safety Approach to Achieve Zero Harm". We annually participate in the national safety week to instill a culture of safety in the occupants of CLINT's spaces and educate them on the importance of occupational health and safety management. Some of the events organised during the 52nd National Safety Week included fire safety and CPR demonstrations, mock drills as well as safety trainings on various topics. We believe that constant trainings such as these are a key component of maintaining constant vigilance against OHS hazards at all sites.



## Human Rights

The Trustee-Manager and Property Manager are against any form of coerced labour and discrimination. As a CLI-sponsored Business Trust, we adhere strictly to the local labour laws and regulations in the respective jurisdiction where we operate in. We firmly believe that all employees are entitled to their own rights and freedom. In demonstrating our commitment towards human rights, we adhere to international human rights principles, including the Universal Declaration of Human Rights and the International Labour Organisation (ILO) Conventions, across all our business operations. In 2023, there were zero reported incidents relating to discrimination, child labour or forced labour, and there were no employees below the age of 16. The Trustee-Manager's employees are allowed to join trade unions, with 9.5% of employees covered by collective bargaining agreements.

## Social and Relationship Capital

Recognising the significance of fostering robust community connections in our operational areas, CLINT creates positive impacts within these communities as part of our dedication to being a socially and environmentally responsible business. We maintain

ethical business operations within the organisation and with our business partners. Therefore, we ensure that our business partners adhere to our Code of Business Conduct and Ethics before entering into any engagements with us. We remain committed to uplifting the communities in our operational areas as we recognise the importance of our relationship with these stakeholders in pursuit of our continued success.

## Tenant Experience

CLINT strives to provide a healthy and safe environment for our tenants, allowing them to create value in their workplace. In upholding our commitment towards our tenants, we actively engage with our tenants, listening to their feedback and concerns. We strive to address their feedback and concerns, where feasible, in propelling and supporting our tenants' ambitions. We firmly believe our tenant satisfaction is fundamental to CLINT's market proposition by employing industry-leading technology and solutions to consistently improve the operating environment for its tenants. In 2023, we conducted tenant surveys for feedback and ratings at our business parks to assess their satisfaction, including health and safety related matters.

## ENGAGING OUR TENANTS IN 2023

### Confetti

We organised Confetti 2023 – a vibrant carnival brimming with music, treats, and memories that will last a lifetime.



### DJ night

Bollywood-themed Disco Night was organised for all tenants at CyberPearl, where they had to dress in creative costumes. The best dressed tenants were given prizes.



### Sports Carnival

Our parkites got a chance to play ball at International Tech Park Chennai when we conducted Sports Carnival in partnership with Decathlon. Teamwork and some healthy competition became the order of the day everyone got a chance to reminisce their childhood memories.



# SUSTAINABILITY REPORT

## ENGAGING OUR TENANTS IN 2023

### FMConnect

The FM Connect platform was a fun way to interact with our tenant community, exchange experiences about our park operations, and discuss how we can enhance tenant experience.



### Livewire

Livewire2023, held in ITPB, was a huge success as parkites unleashed their talents beyond their regular work. From soulful singers to amazing dancers and trendsetting fashionistas, it was a day to remember with around 350 participants showcasing their extraordinary cultural skills.



### TT Tournament - Sport brings us all together!

Our tenants took a break from their work to compete in a recent 3-day table tennis competition in ITPB. Over 500 park employees, including the CEO of CLINT took part in the event sharing moments of fun, competition, and camaraderie. For us, it was not just about the game; it was also about the laughter and the bonds we built.



### Garba Night

The spirit of festivity swept through our parks, and the atmosphere was magical. Our parks in Bangalore and Mumbai captured the spirit of the Indian festive season, beginning with an enthusiastic Navaratri celebration. It was truly heart-warming to see our parkites and the neighbourhood community dress up in traditional attire, clap their hands and raise vibrant dandiya sticks high in the air as they grooved to the rhythmic beats of the season, displaying an incredible sense of togetherness and community spirit.



### Interface

We celebrated our association with our friends and partners across the industry at the Interface event in Pune. Through some great conversations, soulful music and peppy dance numbers, we connected on so many facets of work and of life.



### ENGAGING OUR TENANTS IN 2023

#### Youngtumblrs

We collaborated with Youngtumblrs to organise three days of exciting games in ITPB. From cornhole to paddle tennis and panna football, the games acted as a platform to build lasting community bonds.



#### Colors

Parkites from ITPH, CyberPearl, and aVance Hyderabad decorated the parks with their rangolis, a vibrant and colourful Indian art, adding to the cultural richness of the event.



#### Unplugged Chennai

The Monks Live Band opened with an upbeat and catchy song that instantly had people tapping their feet and nodding their heads. From there, we seamlessly transitioned into a smooth jazz number, setting the mood for the evening. The band covered popular hits, classic numbers, and even incorporated some chart-toppers. The dance floor quickly filled with people swaying and dancing to the music. As the night progressed, the corporate event had transformed into a lively and unforgettable party.



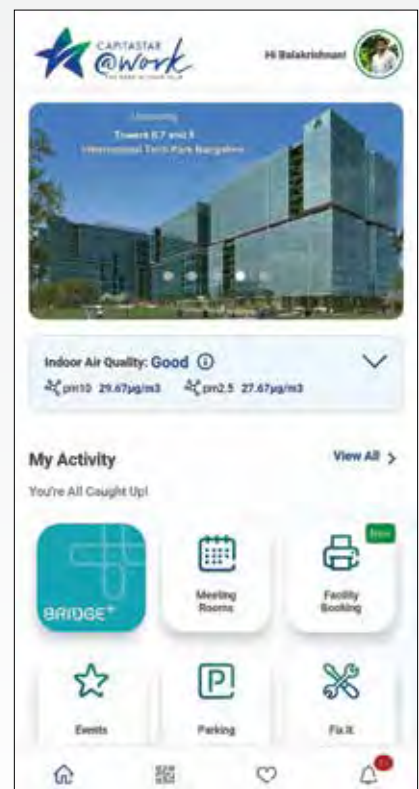
#### CEO Night - Where business meets fun! #CapitaLandConnect23

We were delighted to host the CEOs and leaders of ITPB for an exclusive evening of conversation, laughter, and music. These CEOs and leaders actively participated in the networking event and collectively contributed to numerous initiatives aimed at enhancing our parks for our parkites and the community in which we all work in.



#### CapitaStar@Work India - The Park in Your Palm

Capitastar@Work India app helps our tenants to interact and communicate with the park managers through a handy single interface. This easy-to-use app helps them with quick and easy access to the workplace community and use the amenities and privileges available. Parkites can use the app to conveniently invite guests to the office premises, pay and book amenities and participate in various tenant engagement events. In addition, the app provides a platform for the park managers to interact directly with the users through surveys and feedback.



# SUSTAINABILITY REPORT

## Community Engagement

Fostering community development holds a pivotal role in CLINT's sustainability strategy. We actively participate in community engagement in areas where we operate in, supporting various community engagement activities to address a wide range of issues, including environmental sustainability, health and safety, social integration, empowerment of underprivileged children and old age care for senior citizens of the community. Our active participation has created a strong presence in the community, building substantial social capital and goodwill for CLINT. In 2023, 52% of the Trustee-Manager's employees participated in volunteering activities which equated to 89 volunteering hours.

### UPLIFTING OUR LOCAL COMMUNITIES IN 2023

#### International Volunteer Expedition (IVE) 2023

We hosted a three-day annual IVE in October 2023 at Bangalore with around 70 CapitaLand Group's employee volunteers from six countries - India, Malaysia, Philippines, Singapore, United Kingdom, and Vietnam. The CEO and employees of the Trustee-Manager volunteered in this event and decorated the classrooms and common areas with hand painted murals, enhanced the play area with a sandpit and added more shelves and books in the reading room at CapitaLand Hope School, KR Puram at Bangalore. CHF has also partnered with Pratham Education Foundation to expand its holistic learning programme to benefit over 3,000 children in more than 62 underserved communities in Karnataka.



#### Third CapitaLand Hope School in Pune

CHF has expanded its CapitaLand Hope School programme to Pune to provide over 500 underserved children with access to quality education. This is the third school that CHF has supported in India under the programme, with the first two in Bangalore. CHF has contributed INR19 million to refurbish the Government Marathi Medium Higher Primary School, which is located in the Bhoirwadi neighbourhood in Hinjawadi, about 1.3 kilometres from ITPP-H. Together with the partners and local volunteers from Hinjawadi village, Property Manager's employees volunteers from the Pune operations contributed to the refurbishment of the 20,000 sq ft school over a one-year period. To provide the students with a safe and conducive learning environment where they can receive a holistic education, the school has been upgraded to offer 16 classrooms, computer and science laboratories, a library, a multipurpose room, a playground, an art & crafts room, a staff room, a sick room, and lavatories.





**UPLIFTING OUR LOCAL COMMUNITIES IN 2023**

**Winning of Hearts Awards**

At CLINT, we build communities and celebrate their presence. Our annual Winning of Hearts (WHO) Awards is one such initiative to reward and recognise the efforts of our service providers across our assets. “It is our way of saying thank you to all the service warriors who diligently look after the safety, security, cleanliness, landscaping and overall maintenance of our facility,” said Mr Gauri, CEO of Property Manager, as he felicitated the support workers in ITPB.



**Supply Chain Management**

CLI is committed to upholding high-quality environmental, health and safety standards which extends to its suppliers and contractors. In doing so, CLI has a Supply Chain Code of Conduct for contracted suppliers to uphold. This policy extends to CLINT’s supply chain to operate responsibly in the areas of anti-corruption, human rights, health, and safety, as well as environmental management. Thus, contractors are only appointed for our projects upon meeting the stringent selection criteria.

**Trustee-Manager’s Volunteering Activity in Singapore**

20 employees of the Trustee-Manager (including the management team) participated in a 3-hour long door-to-door delivery of specially curated meals to vulnerable seniors in June 2023, to help supplement the seniors’ dietary needs, through CHF’s #LoveOurSeniors initiative.



Further, we have employed an online Procure-to-Pay platform to conduct vendor screening based on environmental and social criteria. This platform provides regular updates of the suppliers’ performance and evaluation rating which ensures that our suppliers operate responsibly.

Our contractor management guidelines require all contractors to comply with local government and other legal requirements. Preference is given to ISO 14001 and ISO 45001 certified companies or equivalent. In 2023, 100% of CLINT supply chain agreed to abide by the CLI Supply Chain Code of Conduct.

# SUSTAINABILITY REPORT

## GOVERNANCE

In adhering to a commitment to transparency and ethical practices, CLINT promotes sound corporate governance practices that ensure robust oversight of sustainability issues. This holistic approach extends beyond traditional business metrics by encapsulating ESG considerations. With a focus on accountability and responsible stewardship, our governance framework is designed to navigate the evolving landscape of sustainability, integrating principles that align with our core values and contribute to long-term resilience and success.

### Targets and Performance

Targets <sup>10</sup>	2023 Performance
No substantiated incidents of non-compliance with regulations	● Zero cases of material non-compliance with laws and regulations in 2023.
<b>Group-wide Targets (as aligned with CapitalLand Investment 2030 Sustainability Master Plan)</b>	
<b>Sustainability Governance</b> <ul style="list-style-type: none"> <li>Ensure sustainability targets are integrated into CLI's Performance Share Plan and Balanced Scorecard framework to determine executive remuneration and Business Units' Key Performance Indicators</li> </ul>	● Under the Balanced Scorecard framework, CLINT's strategy and goals are translated to performance outcomes comprising both quantitative and qualitative targets including sustainability. For more information regarding remuneration, please refer to the Corporate Governance Report on pages 116 to 155.
<b>ESG Risk Management</b> <ul style="list-style-type: none"> <li>Ensure processes to identify, assess, and manage sustainability risks and opportunities in short-, medium-, and long-term are integrated into overall enterprise risk management framework</li> <li>Ensure sustainability risks and opportunities are managed in line with overall risk appetite and strategy</li> </ul>	● The process of identifying, assessing, and managing sustainability risks and opportunities is conducted in our annual group-wide Risk and Control Self-Assessment (RCSA) exercise. Further, the sustainability risks and opportunities are managed and aligned with our overall strategy when conducting our TCFD reporting.
<b>Business Ethics</b> <ul style="list-style-type: none"> <li>At least 85% of CLI employees to attend one compliance related training</li> </ul>	● 95% of employees attended 1 ESG training under Social target.
<b>Transparent Reporting</b> <ul style="list-style-type: none"> <li>ESG reporting aligned and externally assured to international standards</li> </ul>	● This sustainability report has been aligned to GRI and SASB Standards.
<b>Legend</b> ● Achieved/Exceeded Targets	

### Organisational Capital

Organisational capital, encompassing elements such as business ethics and corporate governance, forms the bedrock of sustained business success and reputation. Ethical conduct and robust governance practices not only uphold the trust of stakeholders but also foster a positive organisational culture. Here at CLINT, we believe in maintaining sound and effective governance structures at every level. We have delegated responsibilities to oversee sustainability and have in place various policies such as our Enterprise Risk Management (ERM) Framework and our Code of Business Conduct and Ethics to facilitate accountability and responsibility across CLINT.

### Board Diversity

Ensuring board diversity is crucial for optimising the Board's decision-making capability by ensuring that the Trustee-Manager has the opportunity to benefit from all available talent and leveraging on a broad mix of expertise, experience, perspectives, skills and backgrounds. It contributes to effective business governance and long-term sustainable growth. Aligned with CLI's commitment, CLINT's Board is committed to fostering diversity within its Board and has in place a Board Diversity Policy. This policy provides for the Board to comprise talented and dedicated Directors with a diverse mix of expertise, experience, perspectives, skills and backgrounds, with due consideration to diversity

<sup>10</sup> Note that the targets are intended to reflect the organisation-wide goals set by CLI on a group basis, and are intended to be implemented subject to and taking into account (i) fair and equitable practices and principles under applicable laws and market practice and (ii) the business and operational needs of the company and the organisation, as applicable.

factors, including but not limited to, diversity in business or professional experience, age and gender. The Board acknowledges the Council for Board Diversity's target of women making up 30% of the boards of SGX-ST listed companies by 2030, which the Board has achieved in 2022.

The Nominating and Remuneration Committee (NRC) actively incorporates diversity considerations in carrying out its duties relating to Board composition and renewal. The NRC identifies potential candidates that bring a diversity of background and opinion from amongst candidates with the appropriate background and industry or related expertise and experience. In identifying possible candidates and making recommendations on board appointments to the Board, the NRC considers, among others, achieving an appropriate level of diversity in the Board composition having regard to diversity factors such as the skills, experience, gender, age, tenure, as well as the educational, business and professional background of its members.

In October 2023, Ms Tan Soon Neo Jessica was appointed as Lead Independent Director, and Mrs Deborah Ong was appointed Chairman of the Audit and Risk Committee (ARC) and a Member of the NRC. In 2023, we also welcomed two new directors, Mr Vishnu Shahaney and Mr Goh Soon Keat Kevin to our Board who brings with them collectively experience in banking, finance, capital markets, lodging, business analyses and cross-border real estate transactions. These appointments augmented and strengthened the Board's diversity in terms of professional qualifications, industry knowledge, skills, and experience. The NRC, in its annual review, expressly considers and includes a commentary to the Board on the subject of diversity in the composition of the Board.

In line with the Board Diversity Policy, the current Board comprises eight members who are corporate and business leaders, or are professionals with varied backgrounds expertise and experience in areas including governance, real estate, banking, investment management, capital markets, accounting and finance, legal, business, general management and strategic planning, who bring with them the combination of skills, talents, experience and diversity required to serve the needs of and achieve the plans for CLINT. The Board also has a few members with prior work experience in the industry in which CLINT operates.

Whilst the Board believes that it has an optimal blend of backgrounds, experience, knowledge in business and general management, and expertise relevant to help the Trustee-Manager deliver on CLINT's ambition and strategic priorities, it believes in planning for

orderly succession as well as contingencies and is continually looking out for opportunities to fill future gaps in competencies and to renew the Board in a progressive manner.

For more details on the Board Diversity Policy, please refer to the Corporate Governance Report on pages 116 to 155.

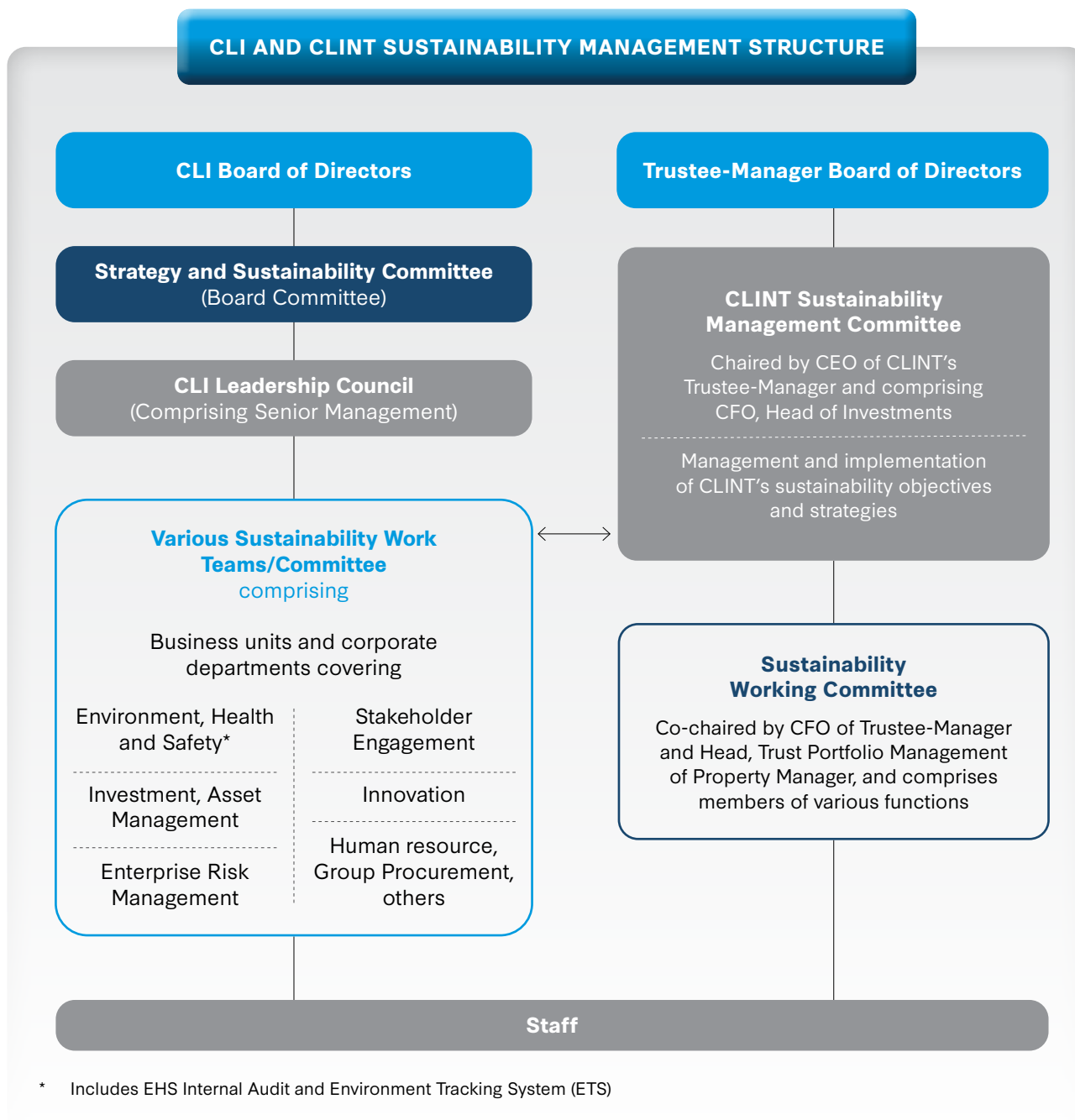
### Sustainability Governance

The CLI Board recognises sustainability as a vital business imperative and actively incorporates it into CLI's strategic development, a practice that is extended to CLINT. Regular updates to the CLI Board, facilitated through its Strategy and Sustainability Committee (SSC), cover the Group's sustainability management performance, key material concerns from stakeholders, and planned follow-up measures. Additionally, at least once a year, the CLI Board is informed through its Risk Committee and Audit Committee on updates on sustainability risks, performance metrics, such as carbon emissions and green certification, human capital development, and stakeholders' expectations on social and environmental matters. They are also informed of any work-related safety incidents, business malpractice incidents and environmental incidents, which may include climate-related damage or disruptions.

At CLINT, the Board is actively engaged on CLINT's sustainability efforts and the sustainability report is reviewed by the Board before publishing. In 2023, the training and professional development programmes for the Directors included taking sustainability training courses prescribed by the SGX-ST conducted by providers that represent different constituencies in the capital markets. Going forward, new Directors who are appointed to the Board from time to time will either have expertise in sustainability matters or will undergo further training required under Rule 720(7) of the Listing Manual. Moreover, the Trustee-Manager has a dedicated Sustainability Committee (SC), which was formed in 2022, to further enhance CLINT's responses and processes related to ESG matters. The SC comprises the Sustainability Management Committee (SMC) and is supported by the Sustainability Working Committee (SWC). The CEO chairs the SMC, and its members include the CFO and Head of Investments. The SC's duties and responsibilities include developing, overseeing and ensuring the effective implementation of CLINT's sustainability objectives and strategies. The SC is also responsible for reviewing and approving sustainability targets for CLINT and reviewing and approving the annual integrated sustainability report. The SC will meet at least twice a year, and more frequently if required.

In 2023, the SC held its inaugural meeting in July followed by the second meeting in November.

# SUSTAINABILITY REPORT

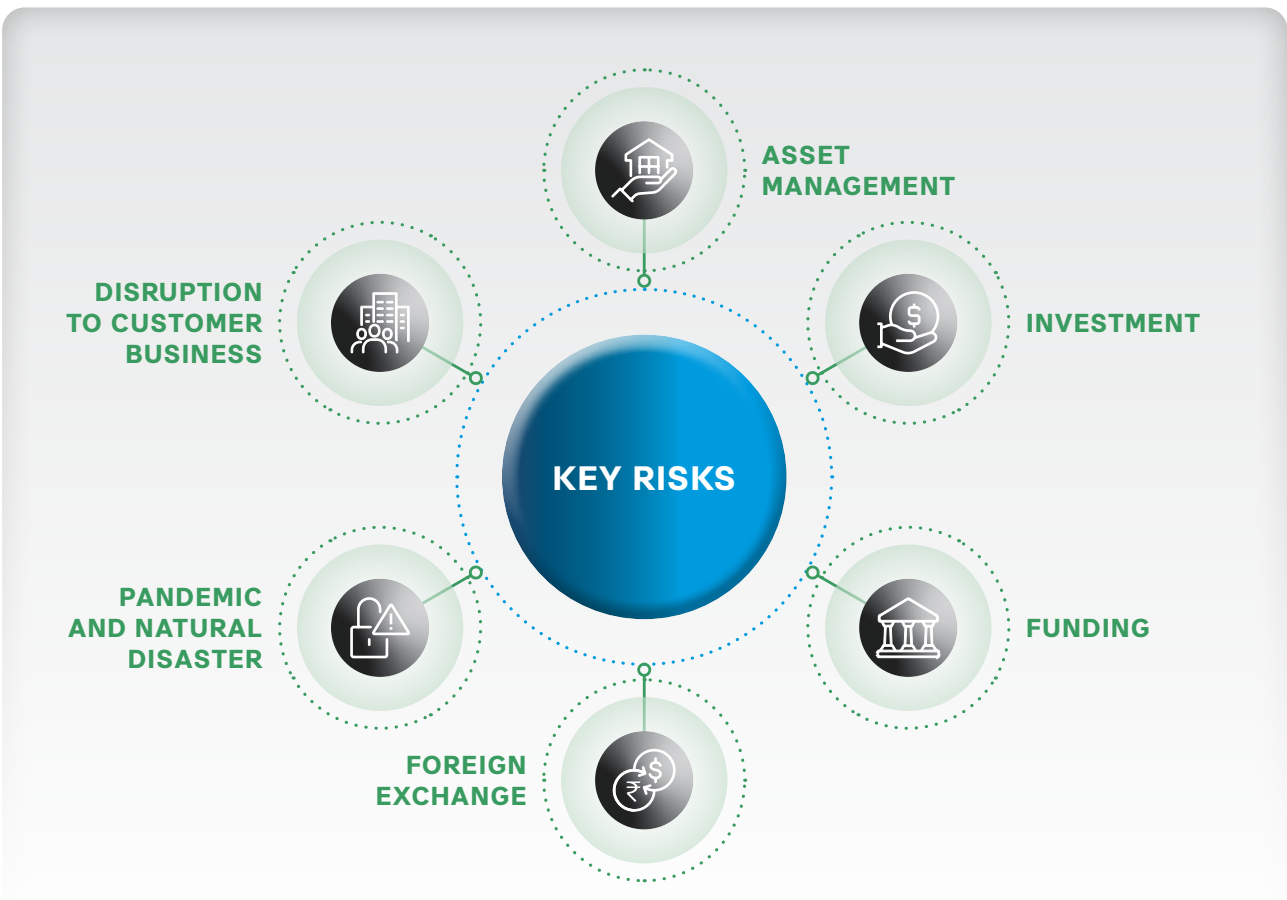


## Risk Management

CLINT has established a comprehensive ERM Framework designed to proactively identify and address material risks. This involves the implementation of vital controls to mitigate these risks, with continuous monitoring and assessment to adapt to the evolving operational and regulatory landscape. The Board, in collaboration with the ARC oversees the risk management framework

and policies for CLINT, aligning them with our strategy and business plans. Material findings related to ESG factors are regularly reported, and recommendations are provided to manage or mitigate such risks, as summarised below.

For more details on ERM, please refer to pages 36 to 40 of this Annual Report.



Aside from our ERM Framework, CLINT also recognises that ongoing digitalisation poses potential threats to confidentiality, integrity and availability of information. To fortify cyber resilience and facilitate innovative digital transformations, CLI implements key mitigation measures, where practices extend to CLINT as well. Examples of our key mitigation measures include continuous review of our Cyber Security Strategy, staff IT Security Awareness Training, maintenance of IT Security Incident Management Procedure, annual Disaster Recovery Plan exercises, engagement with independent security service providers for vulnerability assessments, and regular updates to the CLI’s Risk Committee on cybersecurity risk activities and control enhancements.

**Business Ethics**

Business ethics guide an organisation's conduct, emphasising principles of integrity, transparency, and responsible practices. Upholding ethical standards is not just a regulatory requirement but a fundamental commitment that shapes trust, fosters stakeholder confidence, and contributes to the sustainable success of the business. We ensure our employees are well-informed on updates across various topics such as employment terms, benefits and practices, Code of Business Conduct and Ethics, as well as Fraud, Bribery and Corruption Risk Management Framework through the shared intranet.

For more details on Business Ethics, please refer to the Corporate Governance Report on pages 116 to 155.

**Whistle-blowing Policy**

We have in place a whistle-blowing policy, outlined at <https://www.clint.com.sg/en/about-us/whistle-blowing-policy.html>, which sets out procedures put in place to provide employees and parties who have dealings with the Trustee-Manager with well-defined, accessible and trusted channel to report suspected fraud, corruption, dishonest activities or other improprieties in the workplace. This policy aims to encourage reporting in good faith, ensuring confidentiality, fair treatment, and, to the extent possible, protection from reprisal for those reporting incidents.

In 2023, there were no cases of material non-compliance with laws and regulations, a record we are committed to maintaining.

Recognising the significance of a robust risk culture, we provide new staff with the opportunity to attend the CapitaLand Immersion Programme (CIP) to instill the Group's core values, while existing staff benefit from dedicated training courses like "CapitaDNA: Strengthening Core Values," offering practical examples and applications of these values in the workplace.

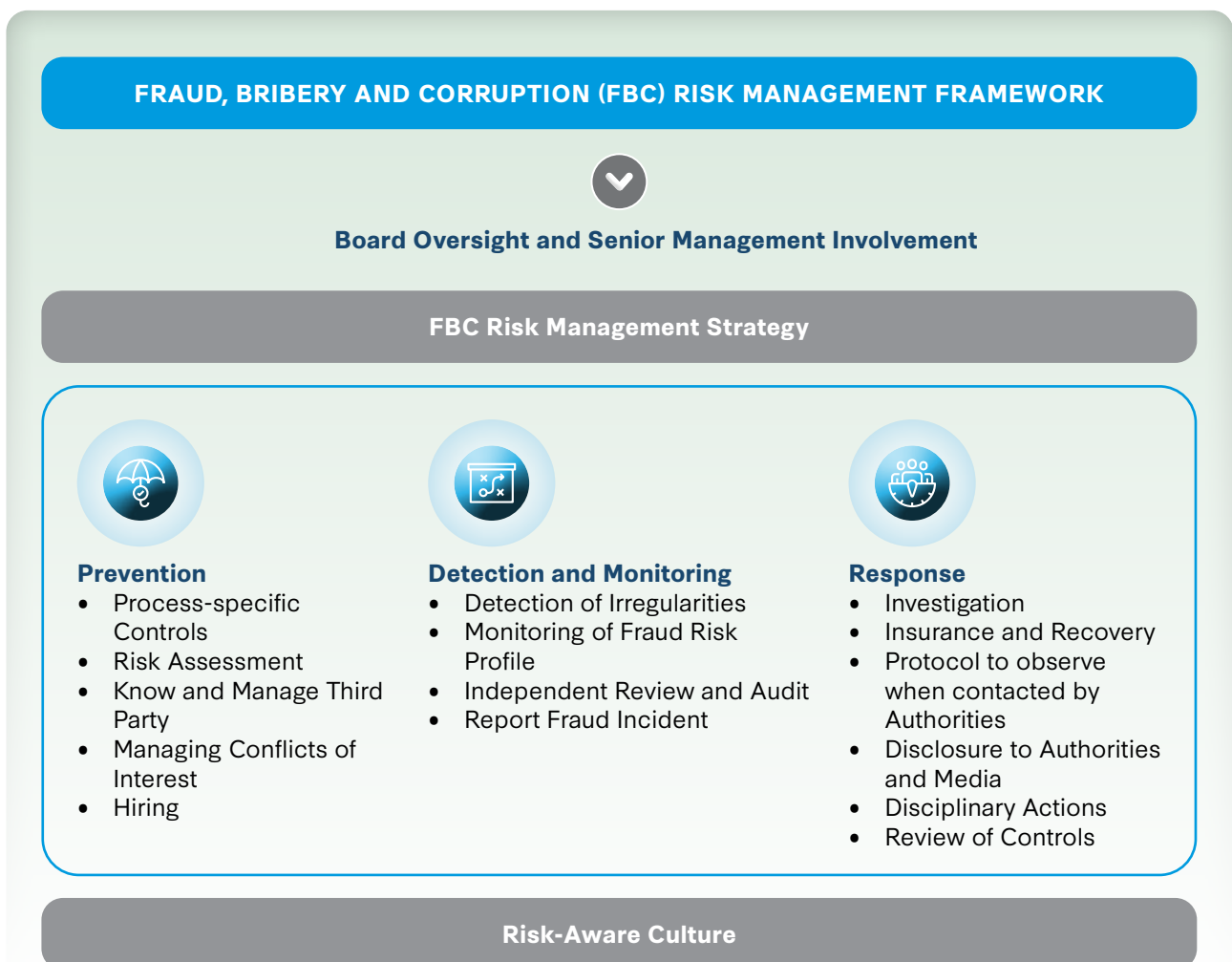
# SUSTAINABILITY REPORT

## Zero-Tolerance against Fraud, Bribery and Corruption

CLINT maintains a zero-tolerance stance against Fraud, Bribery, and Corruption (FBC) in our business activities, expecting all employees of the Trustee-Manager to maintain the highest standards of integrity in their work and business dealings. The Trustee-Manager's employees adhere to CLI's FBC Risk Management Policy, which is systematically employed to manage these risks comprehensively. Published on the Group's intranet along with various CLI policies, the FBC Risk Management Policy aids in the detection and prevention

of FBC through fair compensation packages, internal control documentation, periodic audits, and the promotion of the right organisational culture embedded in core values and ethical education for staff.

Our zero-tolerance policy on bribery and corruption also extends to our business dealings with third parties, such as suppliers, contractors, subcontractors, and consultants. Pursuant to this policy, we require that certain agreements incorporate anti-bribery and anti-corruption provisions to ensure compliance and ethical conduct.



## Financial Capital

Financial capital is a vital component of CLINT's resources, representing the monetary assets and investments that facilitate its operations and growth. Sustainable economic performance is crucial as it ensures the responsible and efficient use of financial resources, contributing to long-term viability. We are committed to sustainable economic practices and strive to foster investor confidence, support ethical financial practices, and contribute to the overall well-being of the business and the broader economy.

We recognise that sustainable finance plays a crucial role in steering investments towards environmentally and socially responsible initiatives. In 2023, sustainable financing made up 58% of our loan books, at a total of S\$810 million. For more details on CLINT's financial performance for 2023, please refer to pages 44 to 51 of this Annual Report.

## TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

### Introduction

CLI started to align its climate-related disclosures with the TCFD recommendations in the four key areas of governance, strategy, risk management and metric and targets since 2017 and further declared its support for TCFD and its recommendations in 2019. The Group, including CLINT are striving to continuously enhance the reporting against the TCFD recommendations.

### Disclaimer

The purpose of this section is to provide climate-related disclosures which contain information related to climate risks and opportunities, consistent with the TCFD recommendations. The information and opinions contained in this section are provided as of the date they are made and subject to change.

This section contains forward-looking statements and statements of opinion. All statements, other than statements of historical fact, including without limitation, statements regarding the plans, strategies and objectives of management in relation to climate and CLINT's future performance, are forward-looking statements. Forward-looking statements are predictive in character and involve subjective judgement, assumptions and analysis and are subject to potentially significant risks, uncertainties and other factors, many of which are outside the control of, and are unknown to, CLINT. Other unpredictable or unknown factors not discussed in this section could also have material adverse effects on forward-looking statements. CLINT does not undertake any obligation to publicly release the result of any revisions to these forward-looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events, unless it is assessed that these are decision useful information. Users of this report are cautioned not to place undue reliance on such statements, particularly in light of the long term horizon which this report discusses and the inherent uncertainty in possible policy, market and technological developments in the future. CLINT will continue to publish relevant climate-related disclosures in its future Annual Reports and users of this report are advised to check its website for and refer to the latest published report.

There are also limitations with respect to climate scenario analysis which was derived from a third-party platform. The degree of potential risk identified in this platform does not consider mitigation or adaptation strategies that may be in place or are being implemented at the portfolio company or specific asset. It also does not consider planned mitigation or adaptation strategies at the country level. This analysis was reviewed with and augmented by another third-party consultant. Scenario analysis is a process for identifying and assessing the potential implications of a range of plausible future states under conditions of uncertainty. Scenarios are hypothetical constructs and not designed to deliver precise outcomes or forecasts. Instead, scenarios provide a way for organizations to consider how the future might look if certain trends continue or certain conditions are met. In the case of climate change, for example, scenarios allow an organization to explore and develop an understanding of how various combinations of climate-related risks, both transition and physical risks, may affect its businesses, strategies, and financial performance over time<sup>11</sup>.

While every effort was made to provide accurate and complete information, CLINT does not represent or warrant that the information in this Statement is free from errors or omissions, is complete or is suitable for your intended use. In particular, no representation or warranty is given as to the accuracy, likelihood of achievement or reasonableness of any forward-looking statements contained in this Statement or the assumptions on which they are based. Climate scenarios may change and third-party platform output may improve over time. Such material is, by its nature, subject to significant uncertainties and contingencies outside of CLINT's control. Actual results, circumstances and developments may differ materially from those expressed or implied in this report.

<sup>11</sup> Pg 25, Recommendations of the Task Force on Climate-related Financial Disclosures.

# SUSTAINABILITY REPORT

## Governance

The Trustee-Manager considers sustainability issues as part of its responsibilities and strategic formulation. The Board determines the material ESG factors and oversees the management and monitoring of the material ESG factors. The Board sets CLINT's risk appetite, which determines the nature and extent of material risks that CLINT is willing to undertake to achieve its strategic and business objective. As part of the material risk issues being highlighted, climate change has been identified as critical. The Board regularly reviews climate change risks as part of its ERM Framework.

The Board has oversight on sustainability matters and is actively involved in discussions on climate-related initiatives. Taking the lead from CLI, the Board is regularly updated on relevant sustainability topics, performance metrics, e.g. carbon emissions performance, progress on reduction targets and green certification. The Board has always been kept aware of any environmental incidents, which may include climate-related damage or disruptions. During 2023, the Board received various briefings on regulatory updates and ESG trends.

At CLINT level, CLINT works closely with CLI India Business Park EHS Committee, which is championed by the CEO of the Property Manager. This EHS committee drives initiatives related to climate-related risks and opportunities, as well as broader environmental issues. The Trustee-Manager has formed an internal Sustainability Management Committee (SMC), headed by the CEO. This committee is made up of the CFO and Head, Investments; and Head, Portfolio Management. This committee oversees the Sustainability Working Committee (SWC), co-chaired by CFO of the Trustee-Manager and Head, Trust Portfolio Management of the Property Manager and is responsible for oversight and management of sustainability and climate matters. CLINT's SWC assists the SMC in analysing, proposing and revising various strategic plans, including those that are climate related. The SMC then reports and recommends to the Board for approval of strategic plans and initiatives on various matters stemming from sustainability to digitalisation and procurement. In alignment with CLI, the CEO is responsible for CLINT's targets. A key objective of the senior management of CLINT is to further transition to a low carbon business that is aligned with climate science understanding and build a resilient and resource efficient portfolio.

CLI groupwide sustainability management comes under the purview of a CLI Board Committee, the Strategy and Sustainability Committee (SSC). The CLI SSC, chaired by Lead Independent Director, is responsible for overseeing sustainability strategies and goals

including providing guidance to management and monitoring progress against achieving the goals of any sustainability initiatives in 2023. It is supported by the Group Sustainability Office and various work teams to drive continued progress and improvement in the areas of ESG. The work teams comprise representatives from CLI business units and corporate functions. The SSC, as well as the Group CEO and the Senior Leadership Council have oversight and are responsible for climate-related issues. They had also approved the CLI 2030 SMP. The CLI Board is updated at least twice a year on a quarterly or ad hoc basis - these Board meetings cover relevant climate-related topics including the CLI 2030 SMP and discussions on the green capital expenditure plan required to meet the SMP targets (which already includes decarbonisation targets). Performance against SMP targets and Balanced Scorecard (BSC) targets, including decarbonisation targets, is tracked, and reported to CLI Management and Board at least annually. CLINT is aligned with the CLI 2030 SMP, including the decarbonisation targets. The associated performance against SMP targets is linked to the remuneration policies for staff and management and the BSC. The targets, including BSC targets performance, are then tracked and reported to CLINT Management and Board at least annually.

At CLINT level, CLINT works closely with CLI India Business Park EHS Committee, which is championed by the CEO of the Property Manager. This EHS committee drives initiatives related to climate-related risks and opportunities, as well as broader environmental issues. This governance cascaded from the Group level to CLINT level through CLINT's SMC.

When it comes to building expertise and capacity on climate-related issues for the directors and senior management, at CLI and CLINT level, the directors are continuously upskilling with respect to sustainability and climate-related issues. All directors of CLI and CLINT have undergone sustainability training courses recognised by SGX, and all new and existing directors are regularly briefed on sustainability management at CLI, climate-related matters, including choice of climate scenarios and the decarbonisation journey, as well as the CLI 2030 SMP. At CLINT level, following their appointment, the Directors are provided with opportunities for continuing education in areas such as director's duties and responsibilities, including sustainability matters as prescribed by the SGX-ST at the Trustee-Manager's expense, so as to be updated on matters that affect or may enhance their performance as Directors or Board Committee members. In 2023, the training and professional development programmes for the Directors included seminars conducted by experts



and senior business leaders on board practices and issues faced by boards and the sustainability training courses prescribed by the SGX-ST conducted by providers that represent different constituencies in the capital markets. The Directors also regularly receive reading materials on topical matters or subjects as well as updates on regulatory changes and their implications.

With respect to the decarbonisation initiatives and targets, at CLI and CLINT level, there are various mechanisms applied to gaining feedback on these initiatives from our various stakeholders. These include but are not limited to:

- annual general meetings,
- half yearly financial results announcements and quarterly business updates,
- media releases and interviews,
- Annual reports and Sustainability reports,
- company website and email,
- regular analyst and investor meetings,
- biennial investor perception survey and
- participation in relevant focus groups or panel discussions internally.

For more details on CLINT's sustainability management structure, please refer to page 90 of this Annual Report.

### Strategy

As a CLI-sponsored REIT, CLINT's identified ESG issues are aligned and adapted from CLI's list. The selection of these issues will be guided by CLI's regular review, assessment and feedback process in relation to ESG topics.

Since 2016, climate change and emissions reduction are some of the key ESG material issues identified as relevant and critical for CLINT and CLI. Climate change risk has been identified as a key risk as part of the ERM Framework and includes both physical and transition risks. Physical risks are a result of climate change and can be acute or chronic in climate patterns, such as rising sea levels, violent storms, long intense heat waves, flash floods and freshwater depletion. Transition risks result from a transition to a lower-carbon economy, which could entail potentially more stringent regulations and increased expectations from customers and stakeholders.

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

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

# SUSTAINABILITY REPORT

- CLI and CLINT's decarbonisation planned activities are also integrated throughout all stages of a project via CLI's SBGs, from feasibility, design, procurement, construction, operations to redevelopment. CLI supports low-carbon investments and factors climate-related costs and opportunities into its evaluation of new investments or capital expenditure (CAPEX) through the incorporation of CLI internal carbon price implemented since 2021.
- On CLINT level, while the decarbonisation plan is largely aligned to CLI, in January 2024, the Board approved the commissioning of 21-megawatt captive solar plant in Tamil Nadu. This initiative aims to increase CLINT's renewable energy usage by over 70% in line with its Net Zero commitment.
- CLINT conducted a Green CAPEX overlay exercise to identify the amount of CAPEX required over the next few years to meet the 2030 SMP targets. In terms of related financial planning, 58% CLINT's loan books (as at 31 December 2023) are consisting of SLLs due to CLINT's strong performance in green certification ("SPT1") and renewables procurement and production ("SPT2").
- As part of the value chain engagement and lower-carbon initiatives, 99% of CLINT's Business Parks have a Gold or Platinum rating by U.S. Green Building Council (USGBC) or Indian Green Building Council (IGBC). There is also a continued requirement for main contractors to be ISO 14001 certified or implement onsite audit. Preference is given to vendors with EHS certifications. Furthermore, a fit-out guide with sustainable pointers is provided to CLINT's new tenants to encourage them to adopt greener fit-outs and promote green practices and behaviour.

As part of the 2030 SMP implementation, CLINT generally considers short and medium-term time frames to be until 2030, and long term beyond 2030 in relation to the identification of climate-related risks and opportunities.

CLI and its listed funds, including CLINT, commenced its climate scenario analysis in 2022 for its global portfolio to understand how the identified climate-related risks and opportunities could impact future operations. This analysis considers scenarios based on the latest global and scientific developments, and the scenarios from 1.5°C to 3°C scenarios for current to long-term time frames, to draw conclusions on the financially material physical and transition risks and validate its current strategy. CLI and the REITs will then review their mitigation and adaptation plans, and identify opportunities, in alignment with CLI's 2030 SMP. The SMP was designed to build resilience throughout its operations and futureproof CLI Group's real estate portfolio to guard against climate change risks and to avoid premature obsolescence and adopt available opportunities.

### Scenario analysis on future climate-related risks and opportunities

The climate scenario analysis for CLI’s global portfolio (including CLINT) considered the parameters listed below:

	1.5°C	2°C	3°C
<b>Physical risk scenarios</b>	NGFS <sup>i</sup>   1.5°C   Orderly, 2100	NGFS   2°C   Orderly, 2100	NGFS   3°C   Hot House World (NDC <sup>ii</sup> ), 2100  Most severe physical risk impacts & costs at 3°C and in the longer term
<b>Transition risk scenarios</b>	CRREM <sup>iii</sup>   1.5°C, 2050  Most severe transition risk impacts & costs at 1.5°C and in the shorter term	NGFS   2°C   Orderly, 2100*	NGFS   3°C   SSP2 <sup>iv</sup>   Hot House World, 2100
<b>Geographical coverage</b>	All assets operating in India as at 31 December 2022.		
<p>* The CRREM<sup>iii</sup> 2°C, 2050 transition risk scenario was chosen in the beginning of this climate scenario analysis. However, the platform updated its models and this option was removed during CLI’s analysis. The NGFS 2°C, 2100 Orderly scenario was then identified to replace the removed CRREM 2°C, 2050 scenario</p> <p>i The Network of Central Banks and Supervisors for Greening the Financial System (NGFS)</p> <p>ii Nationally Determined Contributions (NDC)</p> <p>iii Carbon Risk Real Estate Monitor (CRREM)</p> <p>iv Shared Socioeconomic Pathways (SSP)</p>			

The following heatmap on physical risk reflects the quantitative approach based on assessment performed by a third-party platform. The heatmap on transition risks includes the quantitative approach based on assessment performed by a third-party platform, augmented by additional qualitative research undertaken by an external consultant.

The quantitative analysis represents analysis with respect to the asset values of CLI’s assets worldwide and their respective exposure to climate-related risk

change. It is important to note that the risk level is based on the change of the risk in future scenarios – it is assumed that there is currently a certain level of risk exposure for each of the climate-related risks and the risk level reflects the magnitude of change. The colour-coded heatmap was derived based on thresholds of financial exposure, which have been grouped into the five major categories presented in the legend. The risk levels are relative to baseline exposure. These are the specific exposures for CLINT’s portfolio.

# SUSTAINABILITY REPORT

Risk level by third party platform ■ None ■ Negligible ■ Moderate ■ Significant ■ Severe

Risk Type	Primary Risk Driver	Potential Impacts	Risk Level in 3 scenarios <sup>i</sup>			Mitigation Measures
			1.5°C (NGFS, 2100)	2°C (NGFS, 2100)	3°C (NGFS, 2100)	
<b>Physical Risk</b>						
<b>Extreme cold</b>	Cold days and extreme cold could become more common and/or severe	<ul style="list-style-type: none"> <li>Increase in heating demand leading to higher utility costs and potentially higher Scope 1, if fuel oil or natural gas boilers are used</li> </ul>				<ul style="list-style-type: none"> <li>Ongoing maintenance to ensure that air heating systems and generators are in good working order and appropriate for both the local and changing climate conditions.</li> <li>Future retrofits and designs to consider welfare of staff, tenants, visitors, and customers in such environments.</li> </ul>
<b>Extreme heat</b>	Hot days and extreme heat could become more common and/or severe	<ul style="list-style-type: none"> <li>Increase in cooling demand leading to higher electricity costs</li> </ul>				<ul style="list-style-type: none"> <li>Ongoing maintenance to ensure that air cooling systems and generators are in good working order and appropriate for both the local and changing climate conditions.</li> <li>Implement health and safety initiatives to protect people from extreme heat risk, including work restrictions during peak temperature hours, as required.</li> </ul>
<b>Fluvial flooding</b>	Damage to assets located in high flood risk zones	<ul style="list-style-type: none"> <li>Increase in assets exposed to growing severity of river floods</li> <li>Increase in operating costs (e.g. repair costs, business interruption)</li> </ul>				<ul style="list-style-type: none"> <li>Develop flood control features / measures including flood gates and drainage infrastructure where appropriate. Platform level to be checked against flood maps for new design or redevelopment.</li> <li>Ensure flood emergency response plans are implemented.</li> </ul>
<b>Coastal flooding</b>	Properties in coastal areas may be exposed to steady and continuous sea level rise	<ul style="list-style-type: none"> <li>Increase in assets exposed to coastal flooding</li> <li>Increase in capital expenditures to construct flood control infrastructure</li> </ul>				<ul style="list-style-type: none"> <li>Monitor national-level initiatives to mitigate coastal flooding risk.</li> <li>Develop flood control features / measures where appropriate.</li> <li>Ensure flood emergency response plans are implemented.</li> </ul> <p><i>(Note: The risk delta from 1.5°C to 3°C scenarios for the significant risk level is close to 58%)</i></p>

<sup>i</sup> Risk level reflects CLINT's risk level.

Risk level by third party platform ■ None ■ Negligible ■ Moderate ■ Significant ■ Severe

Risk Type	Primary Risk Driver	Potential Impacts	Risk Level in 3 scenarios <sup>i</sup>			Mitigation Measures
			1.5°C (NGFS, 2100)	2°C (NGFS, 2100)	3°C (NGFS, 2100)	
<b>Tropical cyclones</b>	Properties may face more frequent and severe tropical cyclone	<ul style="list-style-type: none"> <li>Higher chance of damage to specific asset locations that are tropical cyclone-prone</li> <li>Increase in operating costs (e.g. business interruption)</li> </ul>				<ul style="list-style-type: none"> <li>Check and ensure structures are sufficient to withstand increased windspeed.</li> <li>Improvements to roofs and site drainage systems including reinforcement / improvement where appropriate.</li> <li>Increased operational management, including regular inspections of back-up generation facilities.</li> <li>Ensure business continuity plans and emergency response plans for severe storms are implemented, including plans for power supply cuts or system failures.</li> </ul>
<b>Wildfires</b>	Risk of wildfires could increase in extremely dry conditions, such as drought, and during high winds	<ul style="list-style-type: none"> <li>Increase in assets exposed to wildfires</li> <li>Increase in operating costs (e.g. business interruption)</li> </ul>				<ul style="list-style-type: none"> <li>Design and monitor landscaping to prevent vegetation encroachment to structures.</li> <li>Inclusion of fire breaks (e.g., service roads) between outside vegetation and structures.</li> <li>Distribution of escape plans to staff/occupants.</li> <li>Ensure business continuity plans and emergency response plans for wildfires are implemented (distribution of escape plans to staff and occupants).</li> </ul>

Risk Type	Primary Risk Driver	Potential Impacts	Risk Level in 3 scenarios <sup>i</sup>			Mitigation Measures
			1.5°C (CRREM, 2050)	2°C (NGFS, 2100)	3°C (NGFS, 2100)	

Transition Risk						
<b>Carbon Price Shifts</b>	Carbon emissions priced through taxation or emissions trading schemes	<ul style="list-style-type: none"> <li>Increase in operational costs associated with carbon pricing</li> </ul>				<ul style="list-style-type: none"> <li>At Group level, CLI implemented an internal carbon price to inform decision making for long term decisions before policies are implemented.</li> <li>At Group level, CLI has a decarbonisation plan/ strategy in place to ensure the adoption of strategies to minimise emissions and reduce CLI's exposure to carbon price shifts.</li> </ul>

<sup>i</sup> Risk level reflects CLINT's risk level.

# SUSTAINABILITY REPORT

From the risk assessment performed by a third-party platform, CLI further explored additional transition risks and opportunities in a qualitative manner as a start. Some of these risks are also seen as 'indirect' climate-related risks to CLI and its operations so evaluating them and keeping them in view is of importance to CLI's climate transition journey. The perceived risk level is based on the market trends, current developments and CLI's experience and expertise in the real estate market. The perceived risk level is seen through three scenarios - a 3°C scenario which is assumed to be a 'business-as-usual' scenario where there is not sufficient action taken by economies and businesses to transition to a lower carbon economy and a 1.5°C and 2°C scenarios, where there are differing levels of potential action taken to tackle some of the risks of transitioning to a lower

carbon economy. On the opportunity side, these were only reviewed as potential actions which CLI and CLINT can reference to inform our strategy and they have not been evaluated using the risk level heatmapping criteria or reviewed by scenario (these opportunities would be relevant in all scenarios). The following risks and opportunities are explored on a global portfolio level. The legend for risk levels for the following risks and opportunities is built upon the same financial exposure thresholds as the risk assessment performed by a third-party platform, but based on both qualitative as well and quantitative criteria that correspond to each risk level. CLI will continue to monitor these short term and medium term risks.

**Risk level by third party platform** ■ None ■ Negligible ■ Moderate ■ Significant ■ Severe

Risk Type	Primary Risk Driver	Potential Impacts	Risk Level in 3 scenarios (2030)			Mitigation Measures
			1.5°C	2°C	3°C	
<b>Transition Risk</b>						
<b>Regulator expectation changes</b>	Regulators with more stringent policies and regulations around climate change for the buildings / real estate sector	<ul style="list-style-type: none"> <li>More comprehensive disclosures expected on climate change actions and metrics</li> </ul>	Significant	Moderate	Moderate	<ul style="list-style-type: none"> <li>CLI's group level carbon emissions targets are validated by the Science Based Targets Initiative (SBTi)</li> <li>At Group level, CLI's carbon emissions has been externally audited since FY 2010.</li> <li>CLINT's climate-related disclosures are aligned to international standards, and CLI makes on-going efforts to follow the latest developments around climate and emissions reporting standards. CLINT will encompass such developments into its disclosure, to stay aligned with best practice disclosure standards on climate risk (e.g. exploring ISSB reporting recommendations and incorporating them into its disclosure).</li> </ul>

Risk level by third party platform ■ None ■ Negligible ■ Moderate ■ Significant ■ Severe

Risk Type	Primary Risk Driver	Potential Impacts	Risk Level in 3 scenarios (2030)			Mitigation Measures
			1.5°C	2°C	3°C	
<b>Customer expectation changes</b>	Consumer preferences could shift towards greener buildings	<ul style="list-style-type: none"> <li>Increased number of tenants seeking for assets with high-performing green credentials</li> </ul>				<ul style="list-style-type: none"> <li>At Group level CLI has green building certification and green lease target for its portfolio as part of the CLI 2030 SMP. (Please refer to page vii of CLI GSR 2022.)</li> <li>CLINT does a continuous assessment of the green building certification for its properties and will implement necessary asset enhancements to align with relevant/latest certification levels.</li> <li>At Group level, CLI will extend green lease options in more markets to CLI tenants, with green building requirements and expectations.</li> </ul>
<b>Electricity price shifts</b>	Growing adoption of renewable energy could drive changes in electricity costs	<ul style="list-style-type: none"> <li>Increase in capital investment in renewable energy</li> <li>Fluctuations in operating costs from electricity price variability</li> </ul>				<ul style="list-style-type: none"> <li>At Group level, CLI has a renewable energy target, and a carbon emissions target which is validated by Science Based Targets Initiative (SBTi), for its portfolio.</li> <li>CLI has embarked on group procurement of green power purchase agreements for key markets.</li> <li>At Group level, CLI continues to implement energy efficiency improvement initiatives at its properties, where feasible.</li> </ul>

Opportunity	Primary Driver	Potential impacts	Approach
<b>Use of new technologies including Proptech (property technology) to manage emissions</b>	Investment in technologies for improving energy and water	<p>Reduced exposure to regulations, carbon price, electricity price and water price increases</p> <p>Reduction in operating costs</p>	At Group level, CLI continues to pilot new technologies in existing buildings and deploy sustainability innovations in its global portfolio via the CapitaLand Innovation Fund.
<b>Increased demand for green products and services</b>	Shift in consumer preferences and development of low emissions goods and services	<p>Increase in revenue by tapping on the green rental premium created by increased demand for sustainable buildings</p> <p>Increase in asset value for low carbon buildings</p>	<p>Ongoing discussions with tenants to identify opportunities to support their carbon reduction commitments.</p> <p>Continuous assessment of the green building certification for CLINT’s properties and adopting the necessary asset enhancements to align with the relevant/latest certification levels.</p>

# SUSTAINABILITY REPORT

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

## Risk Management

CLINT conducts an annual CLINT-wide Risk and Control Self-Assessment (RCSA) exercise that requires supporting business units and corporate functions to identify, assess and document material risks which includes ESG relevant risks, along with their mitigating measures. Material risks and their associated controls are consolidated and reviewed at CLINT level before they are presented to the ARC and the Board. This exercise is based on CLI's annual Group-wide RCSA exercise, review of the Risk Appetite Statement and Key Risk Indicator on Climate Change and Environmental Risk. Such climate-related risks and opportunities are identified and mitigated through CLI's ERM Framework, and its externally certified ISO 14001 Environmental Management System. CLINT's risk management process to address its key risks and uncertainties, including climate change, is discussed further in Risk Management section at pg 36 of this Annual Report.

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

- Regulatory or compliance risk, prompted by certain regulations in the countries of operation. These include but are not limited to the Environmental Risk Management Guidelines introduced by the Monetary Authority of Singapore (MAS) in 2020 requiring financial institutions and asset managers to place greater emphasis on both physical and transition environmental risks; and the Singapore Exchange mandate from December 2021 that all issuers must provide climate reporting that is aligned to the recommendations of the TCFD in their sustainability reports from the financial year commencing 2024 for the materials and buildings industry. At present, this requirement is on a 'comply or explain' basis for CLI and CLINT. In 2023, ACRA and SGX also launched a public consultation on the recommendations by the Sustainability Reporting Advisory Committee (SRAC). The recommendations aim to further advance climate reporting in Singapore. These recommendations resulted in the mandatory climate reporting details for listed and large non-listed companies being confirmed by the ACRA

and the SGX Reg Co on 28 February 2024. These include:

- From FY2025, all listed issuers will be required to report and file annual Climate-Related Disclosures (CRD), using requirements aligned with the International Sustainability Standards Board (ISSB) standards.
- From FY2027, large non-listed companies (defined as those with annual revenue of at least S\$1 billion and total assets of at least S\$500 million) will be required to do the same.
- Scope 3 climate-related disclosures will become mandatory for listed issuers in FY2026 and no earlier than FY2029 for large non-listed companies.
- External limited assurance on Scope 1 and 2 GHG emissions will become mandatory for listed issuers in FY2027 and FY2029 for non-listed companies.
- Market risks, including shifts in carbon and electricity prices, or customer expectations. These developments are prompted by various country-specific or global platforms, including COP28 in November and December 2023, where the key takeaway was that progress on climate action was too slow across all areas, such as reduction of greenhouse gas emissions and strengthening resilience to changing climate. The main decision was to accelerate action across all areas by 2030, including to speed up the transition away from fossil fuels to renewables such as wind and solar power in their next round of climate commitments it was recognised that urgent action is needed to combat global warming, and this can only be done through global action from governments and businesses.

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

An EHSIA is carried out during the feasibility study of CLI and CLINT's investment in all new operational assets as part of its due diligence. The assessment includes transition and physical risk and opportunity considerations, as well as the application of an internal carbon price. This assessment would guide CLINT to consider EHS risks and opportunities upfront and



identify mitigation measures earlier. The significant findings of the EHSIA and their cost implications are incorporated in the investment paper submitted to CLI and CLINT's Board for approval, to provide a more holistic perspective of the investment and ensure necessary CAPEX has been set aside for the investment to meet CLI 2030 SMP targets. Through CLI's ERM Framework and the EHSIA, certain physical risks are prioritised e.g. floods are highlighted in the due diligence reports and plans to integrate climate change resilience and adaptation considerations into the design, development and management of its properties. To further strengthen climate resilience to flood risk, CLINT, through CLI, regularly engages its operation teams to ensure flood emergency response plans are implemented across its portfolio.

### Metrics & Targets

At the Group level, CLI has tracked and reduced the carbon emissions of its managed and owned operational properties, including those of CLINT, via its cloud-based Environmental Tracking System. All related metrics have been regularly disclosed in CLI's annual Global Sustainability Report. Since 2010, CapitaLand has been disclosing Scope 1, 2 and 3 GHG emissions of its global portfolio and the data including CLINT's has been externally assured. Furthermore, in 2022, the Group had their carbon emissions reduction targets approved by the SBTi for a 1.5°C scenario. This target is in line with the goals of the Paris Agreement to keep global temperature rise to 1.5°C in this century. CLI has also committed to Net Zero by 2050 for its Scope 1 and 2 emissions, which includes CLINT's assets. Please refer to the CapitaLand Investment Global Sustainability Report 2023. For more information, please refer to Appendix B: ESG Data Summary.

At CLINT level, it takes guidance from the operational control approach as defined by the GHG Protocol Corporate Standard, in line with CLI. A focus area at CLI Group level is tracking and disclosure of material Scope 3 categories in the next few years, especially supply chain emissions. CLINT is aligned to CLI in terms of enhancing the coverage of tracking and disclosure of material Scope 3 categories. Furthermore, CLI is also reviewing a carbon offsets strategy at Group level. The planned use of offsets would be aligned to the current SBTi requirements, i.e. offsets will only be used in the last-mile for emissions reductions beyond CLI's science-based reduction targets and decarbonisation strategies (i.e. residual emissions) to reach net zero; and will be sourced from high quality reputable carbon credit projects that undergo the necessary verification and certification processes, aligned to international standards. In this regard, CLI is aiming to ensure the credibility and integrity of the offsets that its plans to procure.

Aligned with CLI, CLINT has set sustainability and climate-related performance metrics and targets that are linked to the remuneration policies for members of senior management, such as the Balance Scorecard framework for 2023 which had included both quantitative and qualitative targets relating to climate change. CLI has implemented a shadow internal carbon price since 2021 to account for climate-related risks and opportunities for its new investments. CLI will continue to explore new metrics to measure climate-related risks and opportunities which CLINT will assess and adopt where relevant for its portfolio.

# SUSTAINABILITY REPORT

## APPENDIX A: GREEN BUILDING CERTIFICATIONS

City	Property	Building	Award
<b>Bangalore</b>	International Tech Park Bangalore	Anchor Annex	IGBC Platinum
		Anchor	IGBC Platinum
		Aviator	IGBC Platinum
		Creator	IGBC Platinum
		Discoverer	IGBC Platinum
		Explorer	IGBC Platinum
		Innovator	IGBC Platinum
		Inventor	IGBC Platinum
		Navigator	IGBC Platinum
		Park Square Mall	IGBC Platinum
		Victor	USGBC LEED Platinum
		Voyager	IGBC Platinum
<b>Chennai</b>	International Tech Park Chennai	Crest	IGBC Platinum
		Pinnacle	IGBC Platinum
		Zenith	IGBC Platinum
	CyberVale	Lakeview	IGBC Gold
		Phase 3	IGBC Gold
		Springfield	IGBC Gold
<b>Hyderabad</b>	International Tech Park Hyderabad	Atria	USGBC LEED Platinum
		Capella	IGBC Platinum
		Orion	IGBC Platinum
		Vega	USGBC LEED Platinum
		Block A	USGBC LEED Gold
	aVance Hyderabad	aVance 2	IGBC Gold
		aVance 3	IGBC Gold
		aVance 4	IGBC Gold
		aVance 6	IGBC Platinum
	Cyber Pearl	Block A	IGBC Platinum
		Block B	IGBC Platinum
	<b>Mumbai</b>	Aurum Q Parc	Building Q1
<b>Pune</b>	aVance Pune	Building 1	IGBC Platinum
		Building 2	IGBC Platinum
		Building 3	IGBC Platinum
	International Tech Park Pune - Hinjawadi	Cedar	IGBC Gold
		Juniper	USGBC LEED Gold
		Cypress	USGBC LEED Gold
		Angsana	USGBC LEED Gold

## APPENDIX B: ESG DATA SUMMARY

Metric	Unit	2021	2022	2023
<b>Greenhouse Gas Emissions</b>				
Scope 1	tCO <sub>2</sub> e	78	103	178
Scope 2	tCO <sub>2</sub> e	21,430	34,869	37,104
Scope 3 comprising the following:		NA	57,499	53,197
Corporate air travel	tCO <sub>2</sub> e	NA	231	427
Tenants' energy consumption	tCO <sub>2</sub> e	45,572	57,293	52,770
Emission intensity, Scope 1 and Scope 2	kgCO <sub>2</sub> e/m <sup>2</sup>	19.42	29.36	25.94
<b>Energy Consumption</b>				
Total energy consumption	GJ	171,403	236,469	310,604
	MWh	47,612	65,686	86,279
Direct fuel combustion	GJ	1,047	1,393	2,403
	MWh	291	387	668
Natural gas	% of Total Energy	0.0	0.0	0.0
Diesel fuel	% of Total Energy	0.6	0.6	0.8
Other fuels (petrol, LPG)	% of Total Energy	0.0	0.0	0.0
Purchased energy	GJ	170,356	235,076	308,200
	MWh	47,321	65,299	85,611
Electricity	% of Total Energy	99.4	99.4	99.2
Heat/steam/chilled Water	% of Total Energy	0.0	0.0	0.0
% renewable electricity	% of Total Energy	53.4	45.8	39.2
Energy consumption intensity	kWh/m <sup>2</sup>	43.0	55.2	60.0
<b>Water Consumption</b>				
Total water consumption	megalitres	281.8	463.48	662.8
	m <sup>3</sup>	281,798	463,476	662,802
Domestic water supply	%	59.7	49.8	36.0
Treated Water	%	40.3	50.2	64.0
Water consumption intensity	m <sup>3</sup> /m <sup>2</sup>	0.25	0.39	0.46
<b>Waste and Recycling</b>				
Total waste generated	tonnes	407	720	1,474
Waste sent to landfill	tonnes	149	231	508
Recycling	tonnes	258	489	966
Waste diversion from landfill	%	63.4	67.9	65.5
Waste intensity	kg/m <sup>2</sup>	0.37	0.60	1.03
<b>Diversity (gender and age)</b>				
<b>Current Employees</b>				
Male	Number, %	10 (62.5%)	11 (64.7%)	13 (61.9%)
Female	Number, %	6 (37.5%)	6 (35.3%)	8 (38.1%)
<30 years old	Number, %	3 (18.8%)	6 (35.3%)	5 (23.8%)
30 - 50 years old	Number, %	11 (68.8%)	9 (52.9%)	13 (61.9%)
>50 years old	Number, %	2 (12.5%)	2 (11.8%)	3 (14.3%)
<b>New Hires (gender and age)</b>				
Male	Number, %	0 (0.0%)	1 (33.3%)	4 (50.0%)
Female	Number, %	1 (100.0%)	2 (66.6%)	4 (50.0%)
<30 years old	Number, %	1 (100.0%)	3 (100.0%)	2 (25%)
30 - 50 years old	Number, %	0 (0.0%)	0 (0.0%)	6 (75%)
>50 years old	Number, %	0 (0.0%)	0 (0.0%)	0 (0.0%)

# SUSTAINABILITY REPORT

Metric	Unit	2021	2022	2023
<b>Turnover (gender and age)</b>				
Male	Number, %	0 (0.0%)	0 (0.0%)	1 (25.0%)
Female	Number, %	2 (33.3%)	2 (33.3%)	3 (75.0%)
<30 years old	Number, %	1 (33.3%)	0 (0.0%)	1 (25.0%)
30 - 50 years old	Number, %	0 (0.0%)	2 (22.2%)	3 (75.0%)
>50 years old	Number, %	1 (50.0%)	0 (0.0%)	0 (0.0%)
<b>Employment</b>				
Total number of employees	Number	16	17	21
Total turnover	Number, %	2 (12.5%)	2 (11.8%)	4 (19.0%)
<b>Development and Training</b>				
Average training hours per employee	Hours/ employee	15.36	14.08	18.04
Average training hours per employee by gender				
Male	Hours/ employee	13.32	15.98	16.32
Female	Hours/ employee	16.54	11.46	20.85
<b>Occupational Health and Safety</b>				
<b>Staff</b>				
Fatalities	Number of cases	0	0	0
High-consequence injuries (Injuries resulting in permanent disability)	Number of cases	0	0	0
Recordable injuries	Number of cases	0	0	0
Recordable work-related ill health cases (Occupational disease)	Number of cases	0	0	0
Injury Rate	per million manhours worked	0	0	0
Lost Day Rate	per million manhours worked	0	0	0
<b>Contractors</b>				
Fatalities	Number of cases	0	0	0
High-consequence injuries (Injuries resulting in permanent disability)	Number of cases	0	0	0
Injury Rate*	per million manhours worked	0	0	0
Lost Day Rate*	per million manhours worked	0	0	0
<b>Board Composition</b>				
Board independence	%	62.5	62.5	62.5
Women on the board	%	25.0	37.5	37.5
<b>Ethical Behaviour</b>				
Anti-corruption disclosures	Discussion and number of standards	Sustainability Report 2021 pages 95 - 96	Sustainability Report 2022 pages 105 - 106	Sustainability Report 2023 page 92
Anti-corruption training for employees	Number and %	16 persons (100%)	17 persons (100%)	18 persons# (100%)
* Employees of cleaning and security contractors				
# Number of employees who are required to complete the mandatory training as at 21 Aug 2023				

## APPENDIX C: GRI CONTENT INDEX

Statement of use	CapitaLand India Trust has reported in accordance with the GRI Standards for the period of 1 January 2023 to 31 December 2023
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not Applicable

GRI Standard	Disclosure	Section in the Report	Page Number	Omission		
				Requirement(s) Omitted	Reason	Explanation
<b>GRI 2: General Disclosures 2021</b>	2-1	Organisational details	Trust and Organisation Structure	22		
	2-2	Entities included in the organisation's sustainability reporting	About this Report	62	The reporting scope of our financial reporting can be found on page 3 of our Annual Report.	
	2-3	Reporting period, frequency and contact point	About this Report	62		
	2-4	Restatements of information	There are no restatements			
	2-5	External assurance	About this Report	62		
	2-6	Activities, value chain and other business relationships	At A Glance, Strategy, Portfolio	4-5, 24-25, 52-55		
	2-7	Employees	Human Capital	78-79	The employee count refers to the employee count at the end of our FY.	
	2-8	Workers who are not employees	Employment and Workplace Diversity, Appendix B	78-79	The worker count refers to the employee count at the end of our FY.	
	2-9	Governance structure and composition	Sustainability Governance	89-90		
	2-10	Nomination and selection of the highest governance body	Corporate Governance Report	116-155		
	2-11	Chair of the highest governance body	Corporate Governance Report	116-155		
	2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Governance	89-90		

# SUSTAINABILITY REPORT

GRI Standard	Disclosure	Section in the Report	Page Number	Omission		
				Requirement(s) Omitted	Reason	Explanation
	2-13	Delegation of responsibility for managing impacts	Sustainability Governance	89-90		
	2-14	Role of the highest governance body in sustainability reporting	Sustainability Governance	89-90		
	2-15	Conflicts of interest	Corporate Governance Report	116-155		
	2-16	Communication of critical concerns	Business Ethics	91		There were no critical concerns communicated to the Board in 2023.
	2-17	Collective knowledge of the highest governance body	Sustainability Governance	89-90		
	2-18	Evaluation of the performance of the highest governance body	Corporate Governance Report	116-155		
	2-19	Remuneration policies	Corporate Governance Report	116-155		
	2-20	Process to determine remuneration	Corporate Governance Report	116-155		
	2-21	Annual total compensation ratio	Not disclosing due to confidentiality constraints.			
	2-22	Statement on sustainable development strategy	Board Statement	64		
	2-23	Policy commitments	Manufactured Capital, Human Capital, Organisational Capital	76, 78, 88		CLINT's policies are available on the intranet and when possible, made publicly available on CLINT website.
	2-24	Embedding policy commitments	Manufactured Capital, Human Capital, Organisational Capital			CLINT's policies are available on the intranet and when possible, made publicly available on CLINT website.
	2-25	Processes to remediate negative impacts	Human Capital, Organisational Capital	80,92		
	2-26	Mechanisms for seeking advice and raising concerns	Stakeholder Engagement, Human Capital, Organisational Capital	65-66, 80,92		
	2-27	Compliance with laws and regulations	Business Ethics	91-92		
	2-28	Membership associations	REIT Association of Singapore (REITAS) Tripartite Alliance for Fair and Progressive Employment Practices (Aligned with CLI)			

GRI Standard	Disclosure	Section in the Report	Page Number	Omission		
				Requirement(s) Omitted	Reason	Explanation
	2-29	Approach to stakeholder engagement	Stakeholder Engagement	65-66		
	2-30	Collective bargaining agreements	Human Rights	83		
<b>GRI 3: Material Topics 2021</b>	3-1	Process to determine material topics	Stakeholder Engagement and Materiality	65-67		
	3-2	List of material topics	Materiality	67		There is no change to our material ESG issues from the last reporting period.
<b>GRI 201: Economic Performance 2016</b>	3-3	Management of material topics	Financial Capital	92		
	201-1	Direct economic value generated and distributed	Financial Review	44		
<b>GRI 205: Anti-corruption 2016</b>	3-3	Management of material topics	Organisational Capital	88		
	205-2	Communication and training about anti-corruption policies and procedures	Organisational Capital, Appendix B	88, 106		18 (100%) of Trustee-Manager's employees have been communicated to and have received anti-corruption training.
	205-3	Confirmed incidents of corruption and actions taken	Organisational Capital	88-92		There were zero confirmed incidents of corruptions in 2023.
<b>GRI 302: Energy 2016</b>	3-3	Management of material topics	Environmental Capital, Manufactured Capital	72, 76		
	302-1	Energy consumption within the organisation	Environmental Capital, Appendix B	73, 105		
	302-3	Energy intensity	Environmental Capital, Appendix B	73, 105		
	302-4	Reduction of energy consumption	Environmental Capital	73		
	302-5	Reductions in energy requirements of products and services	Environmental Capital	73		Reduction in CLINT's portfolio energy intensity as compared to baseline year 2019
	3-3	Management of material topics	Environmental Capital, Manufactured Capital	72, 76		

# SUSTAINABILITY REPORT

GRI Standard	Disclosure	Section in the Report	Page Number	Omission			
				Requirement(s) Omitted	Reason	Explanation	
<b>GRI 303: Water and Effluents 2018</b>	303-3	Water withdrawal	Environmental Capital, Appendix B	75, 106			All water withdrawn are from third-party freshwater sources.
	303-4	Water discharge	Environmental Capital, Appendix B	75, 106			Wastewater is discharged into the public sewerage system or sewage treatment plant
	303-5	Water consumption	Environmental Capital, Appendix B	75, 106			
<b>GRI 304: Biodiversity 2016</b>	3-3	Management of material topics	Environmental Capital	72			
	304-2	Significant impact on biodiversity	Environmental Capital	76			None during the reporting period
<b>GRI 305: Emissions 2016</b>	3-3	Management of material topics	Environmental Capital, Manufactured Capital	72, 76			
	305-1	Direct (Scope 1) GHG emissions	Environmental Capital, Appendix B	73, 105			
	305-2	Energy indirect (Scope 2) GHG emissions	Environmental Capital, Appendix B	73, 105			
	305-3	Other indirect (Scope 3) GHG emissions	Environmental Capital, Appendix B	73, 105			
	305-4	GHG emissions intensity	Environmental Capital, Appendix B	73, 105			
	305-5	Reduction of GHG emissions	Environmental Capital	74			Reductions in fuel switching (to solar) with regards to Scope 2 GHG emissions
<b>GRI 306: Waste 2020</b>	3-3	Management of material topics	Environmental Capital, Manufactured Capital	72, 76			
	306-3	Waste generated	Environmental Capital, Appendix B	75, 105	a	Information unavailable	Breakdown of waste generated is not available
	306-4	Waste diverted from disposal	Environmental Capital, Appendix B	75, 105	b,c,d	Information unavailable	Not available
	306-5	Waste directed to disposal	Environmental Capital, Appendix B	75, 105	b,c,d	Information unavailable	Not available
	3-3	Management of material topics	Supply Chain Management	87			



GRI Standard	Disclosure	Section in the Report	Page Number	Omission		
				Requirement(s) Omitted	Reason	Explanation
<b>GRI 308: Supplier Environmental Assessment</b>	308-1	New suppliers that were screened using environmental criteria	Supply Chain Management	87		
	3-3	Management of material topics	Human Capital	78		
<b>GRI 401: Employment 2016</b>	401-1	New employee hires and employee turnover	Employment and Workplace Diversity; Appendix B	79, 106		
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Engagement and Well-being; Appendix B	80-81	These benefits disclosed are for the Trustee-Managers located in Singapore.	
	401-3	Parental leave	In FY2023, there were no employees who were entitled to parental leave, took parental leave, or returned to work from parental leave.			
	3-3	Management of material topics	Human Capital	78		
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1	Occupational health and safety management system	Occupational Health and Safety	82		
	403-2	Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety	82		
	403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety	82		
	403-5	Worker training on occupational health and safety	Occupational Health and Safety	82		
	403-6	Promotion of worker health	Employee Engagement and Well-being	80		
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety; Supply Chain	82, 87		
	403-8	Workers covered by an occupational health and safety management system	Occupational Health and Safety	82	100% of the Trustee-Manager's employees, workers and contractors are covered by our occupational health and safety system, aligned with ISO 14001 and ISO 45001	

# SUSTAINABILITY REPORT

GRI Standard	Disclosure	Section in the Report	Page Number	Omission		
				Requirement(s) Omitted	Reason	Explanation
	403-9	Work-related injuries	Occupational Health and Safety; Appendix B	82, 106		
	403-10	Work-related ill health	Occupational Health and Safety; Appendix B	82, 106		
<b>GRI 404: Training and Education 2016</b>	3-3	Management of material topics	Human Capital	78, 81		
	404-1	Average hours of training per year per employee	Training and Development; Appendix B	81	a.ii	Information unavailable Training hours by employee category is not available
	404-2	Programs for upgrading employee skills and transition assistance programs	Training and Development	81	b	Not applicable b. CLINT does not provide such programs
	404-3	Percentage of employees receiving regular performance and career development reviews	Training and Development	81		100% of our Trustee-Manager's employee received annual performance and career development reviews
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	3-3	Management of material topics	Human Capital; Organisational Capital	78, 88		
	405-1	Diversity of governance bodies and employees	Board Diversity; Appendix B, Corporate Governance Report	88-89, 106, 116-155		
<b>GRI 406: Non-discrimination 2016</b>	3-3	Management of material topics	Human Capital	78		
	406-1	Incidents of discrimination and corrective actions taken	Employment and Workplace Diversity	78		There were zero incidents of reported discrimination in FY2023
<b>GRI 408: Child Labour 2016</b>	3-3	Management of material topics	Human Rights	83		
	408-1	Operations and suppliers at significant risk for incidents of child labour	Human Rights	83		There were no operations and suppliers considered to have significant risks of child labour or young workers exposed to hazardous work

GRI Standard	Disclosure	Section in the Report	Page Number	Omission		
				Requirement(s) Omitted	Reason	Explanation
<b>GRI 409: Forced or Compulsory Labour 2016</b>	3-3	Management of material topics	Human Rights	83		
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Human Rights	87	There were no operations and suppliers considered to have significant risks for incidents of forced or compulsory labour	
<b>GRI 413: Local Communities</b>	3-3	Management of material topics	Social and Relationship Capital	83		
	413-1	Operations with local community engagement, impact assessments and development programs	Community Engagement	83-87	100% of CLINT's operations in Singapore and India had implemented local community engagement in FY2023	
<b>GRI 414: Supplier Social Assessment</b>	3-3	Management of material topics	Supply chain Management	87		
	414-1	Suppliers screened using social criteria	Supply Chain Management	87		
	414-2	Negative social impacts in the supply chain and actions taken	Supply Chain Management	87		
<b>GRI 416: Customer Health and Safety</b>	3-3	Management of material topics	Social and Relationship Capital	83-87		
	416-1	Assessment of health and safety impacts of products and service categories Tenant Experience	Tenant Experience	83-87		
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Tenant Experience		There were no non-compliance cases in the reporting period.	
<b>GRI 418: Customer Privacy 2016</b>	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data			There were zero substantiated complaints received concerning breaches of customer privacy in FY2023.	

# SUSTAINABILITY REPORT

## APPENDIX D: SASB INDEX

### SASB Real Estate Sustainability Accounting Standard

SASB Code	Accounting Metric	CLINT Information and Page Reference
<b>Energy Management</b>		
IF-RE-130a.1	Energy consumption data coverage as a percentage of total floor area, by property subsector	100% landlord coverage of CLINT's 9 IT Parks, as highlighted in reporting boundaries (page 62), excluding tenant's gross floor area.
IF-RE-130a.2	(1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity, and (3) percentage renewable, by property subsector	Total energy consumed was 310,604 GJ (86,279 MWh), of which grid electricity accounted for 99.2% and percentage of renewable energy was 39.2%.
IF-RE-130a.3	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	As highlighted in reporting boundaries (page 62), reporting scope has expanded this year.  Total energy consumption has increased 31% from 2022, energy intensity has increased 9% from 2022.
IF-RE-130a.4	Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR, by property sector	N.A.  Refer to Appendix A for list of green buildings certifications.
IF-RE-130a.5	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	Aligned with CLI, CLINT integrates energy management considerations in all stages of the real estate lifecycle, from investment, design, development to operation.
<b>Water Management</b>		
IF-RE-140a.1	Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions with High or Extremely High Baseline Water Stress, by property subsector	100% landlord coverage of CLINT's 9 IT Parks, as highlighted in reporting boundaries (page 62), excluding tenant's gross floor area.  India is classified as having extremely high baseline water stress according to the World Resources Institute Aqueduct 4.0.
IF-RE-140a.2	(1) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with High or Extremely High Baseline Water Stress, by property sector	Total water consumption was 662.8 megalitres.  India is classified as having extremely high baseline water stress according to the World Resources Institute Aqueduct 4.0.
IF-RE-140a.3	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	As highlighted in reporting boundaries (page 62), reporting scope has expanded this year.  Total water consumption has increased 43% from 2022, water intensity has increased 18% from 2022.
IF-RE-140a.4	Description of water management risks and discussion of strategies and practices to mitigate those risks	Aligned with CLI, CLINT takes a strategic approach to water management to enhance the efficiency, resilience and long-term value of the Group's portfolio. Please refer to page 75 for more details on CLINT's water management approach.

SASB Code	Accounting Metric	CLINT Information and Page Reference
<b>Climate Change Adaptation</b>		
IF-RE-450a.1	Area of properties located in 100-year flood zones, by property subsector	CLINT and its REITs commenced on a climate scenario analysis in 2022 for its global portfolio, which assessed asset-level exposure to fluvial and coastal flooding as part of its physical risk analysis. This analysis considered 1.5°C to 3°C scenarios for current to long term time frames. CLINT and the REITs will review the current and planned flood risk mitigation and adaptation measures to understand the severity of risk impacts across time horizons.
IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	CLINT had started to disclose its TCFD recommendations since 2021 to share our strategy in mitigating and adapting to these impacts driven by a changing climate. This year, we continue to enhance our climate related disclosures and reporting against the TCFD recommendations. For more details, please refer to page 93 to 103 of this report.

# CORPORATE GOVERNANCE REPORT

## OUR ROLE

We, as the trustee-manager of CapitaLand India Trust (Trustee-Manager), set the strategic direction of CapitaLand India Trust (CLINT) and its subsidiaries (CLINT Group) on any investment or divestment opportunities and asset enhancements in accordance with CLINT's stated investment strategy and are also responsible for the capital and risk management of the CLINT Group. The research, evaluation and analysis required for this purpose are coordinated and carried out by us as the Trustee-Manager.

As the Trustee-Manager, we have general powers of management over the assets of CLINT. Our primary responsibility is to manage the assets and liabilities of CLINT for the benefit of the unitholders of CLINT (Unitholders). We do this with a focus on generating rental income and enhancing asset value over time to maximise returns from the investments, and ultimately the distributions and total returns, to Unitholders.

Our other functions and responsibilities as the Trustee-Manager include:

- (a) conducting all transactions on behalf of CLINT at arm's length and conducting business in a proper and efficient manner, using our best endeavours;
- (b) preparing annual business plans for review by the directors of the Trustee-Manager (Directors), including forecasts on revenue, net income, and capital expenditure, explanations on major variances to previous years' financial results, written commentaries on key issues and underlying assumptions on rental rates, operating expenses and any other relevant assumptions;
- (c) ensuring compliance with relevant laws and regulations, including the Listing Manual of Singapore Exchange Securities Trading Limited (SGX-ST) (Listing Manual), the Code on Collective Investment Schemes (CIS Code) issued by the Monetary Authority of Singapore (MAS) (including Appendix 6 of the CIS Code (Property Funds Appendix)) certain key provisions of which CLINT has voluntarily adopted, the Business Trusts Act 2004 (BTA), the Business Trusts Regulations 2005 (BTR), the Securities and Futures Act 2001 (SFA), written directions, notices, codes and other guidelines that MAS may issue from time to time, the tax rulings issued by the Inland Revenue Authority of Singapore on the taxation of CLINT and Unitholders and the United Kingdom's Alternative Investment Fund Managers Regulations 2013 (as amended) (AIFMR);
- (d) maintaining a framework of prudent and effective controls which enables financial, operational, compliance and information technology (IT) risks to be assessed and managed;
- (e) attending to all regular communications with Unitholders; and
- (f) supervising the appointed property manager which performs the day-to-day property management functions (including leasing, marketing, promotion, operations coordination, and other property management activities) for CLINT's properties.

The Trustee-Manager also considers sustainability issues (including environmental and social factors) as part of its responsibilities. CLINT's environmental sustainability and community outreach programmes are set out on pages 62 to 115 of this Annual Report.

CLINT, constituted as a business trust, is externally managed by the Trustee-Manager and accordingly, it has no employees. The Trustee-Manager appoints experienced and well-qualified personnel to run its day-to-day operations.

The Trustee-Manager was appointed in accordance with the terms of the trust deed constituting CLINT dated 7 December 2004 (as amended, varied or supplemented from time to time) (Trust Deed). The Trust Deed outlines certain circumstances under which the Trustee-Manager can be removed, including the proposal and passing of a resolution by a majority being greater than 75.0% of the total number of votes cast at a meeting of Unitholders duly convened in accordance with the provisions of the Trust Deed.

# CORPORATE GOVERNANCE REPORT

The Trustee-Manager is a wholly owned subsidiary of CapitaLand Investment Limited (CLI) which holds a significant unitholding interest in CLINT. CLI is a leading global real estate investment manager and its significant unitholding in CLINT demonstrates its commitment to CLINT and as a result, CLI's interest is aligned with that of other Unitholders. The Trustee-Manager's association with CLI provides the following benefits, among other things, to CLINT:

- (a) strategic pipelines of property assets through, among others, CLI's access to the development capabilities of and pipeline investment opportunities from CapitaLand Group's development arm;
- (b) wider and better access to banking and capital markets on favourable terms;
- (c) fund raising and treasury support; and
- (d) access to a bench of experienced management talent.

## Our Corporate Governance Framework and Culture

The Trustee-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 Trustee-Manager with a view to achieving operational excellence and delivering the CLINT Group's long-term strategic objectives. The values, ethics, policies and practices it has developed to meet the specific business needs of the CLINT Group provide a firm foundation for a trusted and respected business enterprise.

Our corporate governance framework as at the date of this Annual Report is set out below:



\* Mrs Deborah Ong was appointed as ARC Chairman with effect from 1 October 2023 following the retirement of Mr Alan Rupert Nisbet as ARC Chairman with effect from 30 September 2023.

# CORPORATE GOVERNANCE REPORT

The Board of Directors (Board) sets the tone from the top and is responsible for the Trustee-Manager's corporate governance standards and policies, underscoring their importance to the CLINT Group.

This corporate governance report (Report) sets out the corporate governance practices for the financial year (FY) 2023 with reference to the Code of Corporate Governance 2018 (Code).

Throughout FY 2023, the Trustee-Manager has complied with the principles of corporate governance laid down by the Code and also complied, substantially, with the provisions underlying the principles of the Code. Where there are deviations from the provisions of the Code, appropriate explanations are provided in this Report. This Report also sets out additional policies and practices adopted by the Trustee-Manager which are not provided for in the Code.

CLINT has received accolades from the community for excellence in corporate governance and corporate governance-related efforts. In FY 2023, CLINT won the Bronze award for Best Annual Report in the REITs and Business Trusts category at the Singapore Corporate Awards 2023. CLINT was also ranked 4th, up from 6th in 2022, in the REITs and Business Trusts category on the Singapore Governance and Transparency Index (SGTI) 2023.

CLINT has been included by SGX in the Fast Track Programme list. The scheme recognises listed companies with good governance standards and compliance practices, and accords prioritised clearance for selected corporate-action submissions.

In addition, CLINT has won several other awards and accolades in FY 2023, as testament to its commitment to environment, social and corporate governance. Please refer to the Sustainability Report on pages 62 to 115 of this Annual Report for more details.

## BOARD MATTERS

### PRINCIPLE 1: THE BOARD'S CONDUCT OF AFFAIRS

#### Board's Duties and Responsibilities

The Board oversees the strategic direction, performance and affairs of the Trustee-Manager, in furtherance of the Trustee-Manager's primary responsibility to foster the success of CLINT to deliver sustainable value over the long term to Unitholders and ensures that the interests of the Unitholders are always held above the interests of the Trustee-Manager and its shareholder/sponsor. It provides overall guidance to the management team (Management), led by the Chief Executive Officer (CEO). The Board works with Management to achieve CLINT's objectives and long-term success and Management is accountable to the Board for its performance. Management is responsible for the execution of the strategy for CLINT and the day-to-day operations of CLINT's business.

The Board establishes goals for Management and monitors the achievement of these goals. It ensures that proper and effective controls are in place to assess and manage business risks and compliance with all applicable prevailing laws and regulations, such as those contained in the Listing Manual, certain key provisions of the CIS Code including the Property Funds Appendix issued by the MAS which CLINT has voluntarily adopted, the SFA, the BTA, as well as the Trustee-Manager's obligations under the Trust Deed. It also sets the disclosure and transparency standards for CLINT and ensures that obligations to Unitholders and other stakeholders are understood and met.

The Board has adopted a set of internal controls which establishes financial approval limits for, among others, capital expenditure, foreign exchange management, procurement of goods and services, new investments and divestments, and the operation of bank accounts. The Board has reserved authority to approve certain matters and these are clearly communicated to Management in writing. These matters include:

- (a) material acquisitions, investments and divestments;
- (b) corporate and financial transactions that exceed the IC's limits;
- (c) issuance of new units in CLINT (Units);



# CORPORATE GOVERNANCE REPORT

- (d) remuneration for the CEO and key management personnel of the Trustee-Manager for its shareholder's approval;
- (e) income distributions and other returns to Unitholders;
- (f) division of responsibilities between the Chairman and the CEO; and
- (g) matters which involve a conflict of interest for a controlling unitholder or a Director.

Apart from matters that specifically require the Board's approval, the Board delegates authority for transactions below the Board's approval limits to Board committees (Board Committees) and Management to optimise operational efficiency.

The Directors are fiduciaries and are collectively and individually obliged at all times to act honestly and objectively in the best interests of CLINT. Consistent with this principle, the Board is committed to ethics and integrity of action and has adopted a Board Code of Business Conduct and Ethics (Board Code) which provides that every Director is expected to, among other things, adhere to the highest standards of ethical conduct. All Directors are required to comply with the Board Code. This sets the appropriate tone from the top in respect of the desired organisational culture, and assists the Board in ensuring proper accountability within the Trustee-Manager. In line with this, the Board has incorporated in the Board Code a standing policy that a Director must not allow himself or herself to get into a position where there is a conflict between his or her duty to CLINT and his or her own interests. Where a Director has a conflict (including potential conflict) of interest in a particular matter, he or she is required to disclose his or her interest to the Board, recuse himself or herself from deliberations on the matter and abstain from voting on the matter. During FY 2023, every Director has complied with this policy, and where relevant, such compliance has been duly recorded in the minutes of meeting or written resolutions.

Furthermore, the Directors have the responsibility to act with due diligence in the discharge of their duties and ensure that they have the relevant knowledge to carry out and discharge their duties as directors, including understanding their roles as executive, non-executive, and/or independent directors, the business of CLINT and the environment in which CLINT operates. The Directors are also required to dedicate the necessary effort, commitment and time to their work as directors, and are expected to attend all meetings of the Board, except if unusual circumstances make attendance impractical or if a Director has to recuse himself/herself from the meeting in relation to the sole matter under consideration at such meeting.

## Directors' Development

In view of the increasingly demanding, complex and multi-dimensional role of a director, the Board recognises the importance of continual training and development for its Directors so as to equip them with the necessary knowledge and skills to discharge the duties and responsibilities of their office as Directors to the best of their abilities. The Nominating and Remuneration Committee (NRC) ensures that the Trustee-Manager has in place a training and professional development framework to guide and support the Trustee-Manager towards meeting the objective of having a Board which comprises individuals who are competent and possess up-to-date knowledge and skills necessary to discharge their duties and responsibilities. Directors who have no prior experience as a director of an issuer listed on the SGX-ST will be provided with training on the roles and responsibilities of a director of a listed issuer in accordance with the listing rules of the SGX-ST. The costs of training are borne by the Trustee-Manager. The induction, training and development provided to new and existing Directors are set out below.

Upon appointment, each Director is provided with a formal letter of appointment and a copy of the Director's Manual (which includes information on a broad range of matters relating to the role, duties and responsibilities of a Director and policies relating to disclosure of interests in securities, conflicts of interests and securities trading restrictions). All Directors, upon appointment, also undergo an induction programme which focuses on orientating the Director to CLINT's business, operations, strategies, organisation structure, responsibilities of CEO and other persons having executive roles with authority and responsibility for planning, directing and controlling the activities of the Trustee-Manager (key management personnel), and financial and governance practices. The induction programme may include visits to the CLINT Group's properties. Through the induction programme, the new Director also gets acquainted with members of Management which facilitates their interaction at Board meetings.

# CORPORATE GOVERNANCE REPORT

Following their appointment, the Directors are provided with opportunities for continuing education in areas such as directors' duties and responsibilities, laws and regulations, accounting standards, industry-related matters and sustainability matters as prescribed by the SGX-ST at the Trustee-Manager's expense, so as to be updated on matters that affect or may enhance their performance as Directors or Board Committee members. IDs are also invited to attend professional development courses conducted by organisations such as the Singapore Institute of Directors, covering areas such as regulatory compliance to enhance their capabilities. The Directors may also contribute by recommending to the Board specific training and development programmes which he or she believes would benefit Directors or the Board as a whole. In FY 2023, the training and professional development programmes for the Directors included seminars conducted by experts and senior business leaders on board practices and issues faced by boards and the sustainability training courses prescribed by the SGX-ST conducted by providers that represent different constituencies in the capital markets. Sharing and information sessions were also organised as part of Board meetings, where guest speakers and Management team members presented key topics to the Board. The Directors also regularly receive reading materials on topical matters or subjects as well as updates on regulatory changes and their implications.

## Board Committees

The Board has established various Board Committees to assist it in the discharge of its functions. These Board Committees are the Audit and Risk Committee (ARC), the Investment Committee (IC) and the NRC.

All the Board Committees have clear written terms of reference setting out their respective composition, authorities and duties, including reporting to the Board. Each of the Board Committees operates under delegated authority from the Board with the Board retaining overall oversight. The decisions and significant matters discussed at the respective Board Committees are reported to the Board on a periodic basis. The minutes of the Board Committee meetings which record the key deliberations and decisions taken during these meetings are also circulated to all Board members for their information. The composition of the various Board Committees is set out on page 154 and page 308 of this Annual Report. The duties and responsibilities of the Board Committees are set out in this Report.

The Board may form other Board Committees from time to time. Board Committee memberships are also reviewed by the Board, through the NRC, regularly, and as and when there are changes to the Board composition, and where appropriate, changes are made to the composition of Board Committees. The Board's considerations in reviewing and changing Board Committee memberships include the respective Directors' leadership experience and domain or functional expertise, among others, to optimise the overall effectiveness of the Board Committees, continuity of experience in the respective Board Committees and an equitable and balanced distribution of duties among Board members, whilst providing Board members with the opportunity to focus on specific areas and develop expertise over time to benefit the CLINT Group. In general, each independent Director serves on at least one Board Committee. This is to foster active participation by every Director and ensure that every Director contributes to Board deliberations, and collectively, to overall Board effectiveness.

## Meetings of Board and Board Committees

Board and Board Committee meetings are scheduled prior to the start of each financial year in consultation with the Directors. The constitution of the Trustee-Manager (Constitution) permits the Directors to participate in Board and Board Committee meetings via audio or video conference. If a Director is unable to attend a Board or Board Committee meeting, he or she may provide his or her comments to the Chairman or the relevant Board Committee chairman ahead of the meeting and these comments will be taken into consideration during the deliberations. The Board and Board Committees may also make decisions by way of written resolutions.

At the scheduled meetings, the Board reviews the financial performance of CLINT and the risks relating to the assets of CLINT, examines liabilities and comments from the auditors of CLINT and ensures that measures are implemented to address any concerns.

In addition to scheduled meetings, the Board may also hold ad hoc meetings as required by business imperatives. At each scheduled Board meeting, the Board is apprised of the following:

- (a) significant matters discussed at the IC and ARC meetings which are typically scheduled before the Board meeting;

# CORPORATE GOVERNANCE REPORT

- (b) ARC's recommendation on CLINT's half year and year-end financial results following ARC's review of the same;
- (c) decisions made by Board Committees in the period under review;
- (d) updates on the CLINT Group's business and operations in the period under review, including market developments and trends, as well as business initiatives and opportunities;
- (e) business updates, financial performance, budgetary and capital management related matters in the period under review, including any material variance between any projections in budget or business plans and the actual results from business activities and operations;
- (f) any risk management issues that materially impact CLINT's operations or financial performance;
- (g) updates on key Unitholder engagements in the period under review, as well as analyst views and market feedback; and
- (h) prospective transactions which Management is exploring.

This allows the Board to develop a good understanding of the progress of the CLINT Group's business as well as the issues and challenges faced by CLINT, and also promotes active engagement with Management.

The Trustee-Manager adopts and practises the principle of collective decision-making. It is able to achieve consensus on matters requiring its approval after a robust debate on each matter placed before it for approval or guidance. Prior to decision-making at Board and Board Committee meetings, all Directors actively participate in discussions, which includes challenging assumptions, offering alternative scenarios, and testing Management's vision on the relevant matter. The Board is able to achieve this as it benefits from a culture of open, frank, rigorous and constructive discussions and debates at Board and Board Committee meetings conducted on a professional basis. There is mutual trust and respect among the Directors. No individual Director influences or dominates the decision-making process.

Management provides the Directors with complete, adequate and timely information prior to Board and Board Committee meetings and on an ongoing basis. This enables the Directors to make informed decisions and discharge their duties and responsibilities.

As a general rule, meeting materials are provided to the Directors at least seven days prior to Board and Board Committee meetings, to allow them to prepare for the meetings and to enable discussions to focus on any questions or issues that they may have identified. Agendas for Board and Board Committee meetings are prepared in consultation with the Chairman and the chairmen of the respective Board Committees. This provides assurance that there is time to cover all relevant matters during the meetings.

In line with the Trustee-Manager's ongoing commitment to minimise paper wastage and reduce its carbon footprint, the Trustee-Manager does not provide printed copies of Board and Board Committee meeting materials. Instead, the Directors are provided with tablet devices to enable them to access and review meeting materials prior to and during meetings. This initiative also enhances information security as the meeting materials are made available through an encrypted channel. The Directors are also able to review and approve written resolutions using the tablet devices.

A total of five Board meetings, four ARC meetings, five IC meetings, and two NRC meetings were held in FY 2023. The key deliberations and decisions taken at Board and Board Committee meetings are minuted.

A record of the Directors' attendance at Board and Board Committee meetings for FY 2023 is set out on page 154 of this Annual Report. The CEO who is also a Director attends all Board meetings. He also attends all Board Committee meetings on an *ex officio* basis. Other members of Management attend Board and Board Committee meetings as required to brief the Board and Board Committees on specific business matters.

# CORPORATE GOVERNANCE REPORT

There is active interaction between the Directors and Management during and outside Board and Board Committee meetings. The Directors have separate, independent and unfettered access to Management for any information that they may require. Likewise, Management has access to Directors outside of the formal environment of Board and Board Committee meetings for any guidance that it may seek whenever the need arises. The Board and Management share a productive and harmonious relationship, which is critical for good governance and organisational effectiveness.

The Directors also have separate and independent access to the company secretary of the Trustee-Manager (Company Secretary). The Company Secretary is legally trained and keeps himself abreast of relevant developments. He has oversight of corporate secretarial administration matters and advises the Board and Management on corporate governance matters. The Company Secretary attends Board meetings and assists the Chairman in ensuring that Board procedures are followed. The Company Secretary also facilitates the induction programme for new Directors and oversees the administration work relating to professional development for the Directors. The appointment and the removal of the Company Secretary is subject to the Board's approval.

The Directors, whether individually or collectively as the Board, are entitled to have access to independent external professional advice where necessary, at the Trustee-Manager's expense.

## PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

### Board Independence

The Board has a strong independent element as five out of eight directors, are non-executive IDs. Other than the CEO who is the only executive Director on the Board, non-executive Directors make up the rest of the Board. None of the IDs have served on the Board for nine years or longer. Profiles of the Directors, their respective Board Committee memberships and roles are set out on pages 14 to 18 of this Annual Report. Key information on the Directors is also available on CLINT's website at [www.clint.com.sg](http://www.clint.com.sg) (Website). The Statement on the Composition of the Board of Directors of the Trustee-Manager pursuant to Regulation 12(8) of the BTR can be found on page 169 of this Annual Report.

The non-executive Directors also meet regularly without the presence of Management. For FY 2023, the non-executive Directors met regularly without the presence of Management. As the Chairman is non-independent, such meetings were led by the Lead ID, Ms Tan Soon Neo Jessica. The chairman of such meetings provides feedback to all members of the Board, Chairman and/or Management as appropriate.

The NRC reviews from time to time the size and composition of the Board and each Board Committee, with a view to ensuring that the size is appropriate in facilitating effective deliberations and decision-making, and that the composition reflects a strong independent element as well as balance and diversity of thought and background. The review takes into account the scope and nature of the CLINT Group's operations, the evolving external environment and the competition that the CLINT Group faces. The Board considers the current Board and Board Committees' compositions as reflecting diversity of thought and background.

The Trustee-Manager recognises the importance of maintaining an appropriate level of independence and diversity of thought and background in the Board composition to enable the Board to make decisions in the best interests of CLINT.

The NRC has conducted an annual review of the Directors' independence and has made recommendations to the Board on the Independence of Directors. The NRC assesses annually (and additionally as and when the circumstances require) the independence of each Director in accordance with the requirements of the Listing Manual and the guidance in the Code, the BTR and where relevant, the recommendations set out in the Practice Guidance accompanying the Code (Practice Guidance). A Director is considered independent if he or she is independent in conduct, character and judgment and

- (a) has no relationship with the Trustee-Manager, its related corporations, its substantial shareholders, CLINT's substantial Unitholders (being Unitholders who have interests in voting Units with 5% or more of the total votes attached to all voting Units) or the Trustee-Manager's officers that could interfere, or be reasonably perceived to interfere with the exercise of his or her independent business judgment in the best interests of CLINT;

# CORPORATE GOVERNANCE REPORT

- (b) is independent from Management, from any business relationship with the Trustee-Manager and CLINT, and from every substantial shareholder of the Trustee-Manager and every substantial unitholder of CLINT;
- (c) is not a substantial shareholder of the Trustee-Manager or a substantial unitholder of CLINT;
- (d) is not employed and has not been employed by the Trustee-Manager or CLINT or their related corporations in the current or any of the past three financial years; and
- (e) does not have an immediate family member who is employed or has been employed by the Trustee-Manager or CLINT or their related corporations in the current or any of the past three financial years and whose remuneration is or was determined by the Board and/or the NRC; and
- (f) has not served on the Board for a continuous period of nine years or longer.

There is a rigorous process to evaluate the independence of each ID. As part of the process:

- (a) each ID provides information of his or her business interests and confirms, annually, that there are no relationships which interfere with the exercise of his or her independent business judgment with a view to the best interests of the Unitholders as a whole, and such information is then reviewed by the NRC; and
- (b) the NRC also gives consideration to the respective IDs' conduct and contributions at Board and Board Committee meetings, in particular, whether the relevant ID has exercised independent judgment in discharging his or her duties and responsibilities.

Thereafter, the NRC's recommendation is presented to the Board for its endorsement. Each ID is required to recuse himself or herself from the NRC's and the Board's deliberations on his or her independence. In appropriate cases, the NRC also reviews the independence of an ID as and when there is a change of circumstances involving the ID. In this regard, an ID is required to report to the Trustee-Manager when there is any change of circumstances which may affect his or her independence.

The Board, through the NRC, has carried out the assessment of the independence of its IDs for FY 2023 and the paragraphs below set out the outcome of the assessment and the Board's determination of independence based on the information available and having taken into account the views of the NRC. Each of the IDs had recused himself or herself from the NRC's and the Board's deliberations on his or her independence.

## Ms Tan Soon Neo Jessica

Ms Tan Soon Neo Jessica is a non-executive director of SATS Ltd. (SATS), an associated corporation of Temasek Holdings (Private) Limited (Temasek). Ms Tan Soon Neo Jessica's role in this entity is non-executive in nature and she is not involved in the day-to-day conduct of the business of this entity. Therefore, the Board believes that her appointment in this entity does not bring into question her independence. In addition to the above, Ms Tan Soon Neo Jessica also holds other appointments as set out at page 16 of this Annual Report. However, the Board does not believe that her appointments in these entities bring into question her independence.

The Board has considered whether Ms Tan Soon Neo Jessica had demonstrated independence in character and judgment in the discharge of her responsibilities as a director and concluded that Ms Tan Soon Neo Jessica had acted with independent judgment. On the basis of the declaration of independence provided by Ms Tan Soon Neo Jessica and the guidance in the Code, the BTR and the Listing Manual, the Board arrived at the determination that Ms Tan Soon Neo Jessica is an ID.

## Mrs Deborah Ong

Mrs Deborah Ong is also a non-executive director of SATS, an associated corporation of Temasek. Mrs Deborah Ong's role in this entity is non-executive in nature and she is not involved in the day-to-day conduct of the business of this entity. Therefore, the Board believes that her appointment in this entity does not bring into question her independence. In addition to the above, Mrs Deborah Ong also holds other appointments as set out at page 16 of this Annual Report. However, the Board does not believe that her appointments in these entities bring into question her independence.

# CORPORATE GOVERNANCE REPORT

The Board has considered whether Mrs Deborah Ong had demonstrated independence in character and judgment in the discharge of her responsibilities as a director and concluded that Mrs Deborah Ong had acted with independent judgment. On the basis of the declaration of independence provided by Mrs Deborah Ong and the guidance in the Code, the BTR and the Listing Manual, the Board arrived at the determination that Mrs Deborah Ong is an ID.

## **Mrs Zia Jaydev Mody**

Mrs Zia Jaydev Mody is currently a partner of AZB & Partners, which is one of the law firms that CLINT and the Trustee-Manager engage to provide legal services in India. Mrs Zia Jaydev Mody was neither involved in the relevant professional engagements, nor the provision of such legal services, which were provided by separate teams of lawyers within AZB & Partners in the ordinary course of business, on arm's length basis and based on normal commercial terms. In addition to the above, Mrs Zia Jaydev Mody also holds other appointments as set out at page 17 of this Annual Report. However, the Board does not believe that her appointments in these entities bring into question her independence.

The Board has considered the conduct of Mrs Zia Jaydev Mody in the discharge of her duties and responsibilities as a Director, and is of the view that the relationship set out above did not impair her ability to act with independent judgment in the discharge of her duties and responsibilities as a Director. Save for the relationships referred to above, she does not have any other relationships and is not faced with any of the circumstances identified in the Code, the BTR and the Listing Manual, or any other relationships which may affect her independent judgment. The Board is therefore of the view that Mrs Zia Jaydev Mody has exercised independent judgment in the discharge of her duties and responsibilities. Based on the above, the Board arrived at the determination that Mrs Zia Jaydev Mody is an ID.

## **Dr Ernest Kan Yaw Kiong**

Dr Ernest Kan Yaw Kiong does not have any relationship (and is not faced with any of the circumstances identified in the Code, the BTR and the Listing Manual, or any other relationships) which may affect his independent judgement.

The Board has considered whether Dr Ernest Kan Yaw Kiong had demonstrated independence in character and judgment in the discharge of his responsibilities as a director and concluded that Dr Ernest Kan Yaw Kiong had acted with independent judgment. On the basis of the declaration of independence provided by Dr Ernest Kan Yaw Kiong and the guidance in the Code, the BTR and the Listing Manual, the Board arrived at the determination that Dr Ernest Kan Yaw Kiong is an ID.

## **Mr Vishnu Shahaney**

Mr Vishnu Shahaney does not have any relationship (and is not faced with any of the circumstances identified in the Code, the BTR and the Listing Manual, or any other relationships) which may affect his independent judgement.

The Board has considered whether Mr Vishnu Shahaney had demonstrated independence in character and judgment in the discharge of his responsibilities as a director and concluded that Mr Vishnu Shahaney had acted with independent judgment. On the basis of the declaration of independence provided by Mr Vishnu Shahaney and the guidance in the Code, the BTR and the Listing Manual, the Board arrived at the determination that Mr Vishnu Shahaney is an ID.

The Board is of the view that as at the last day of FY 2023, each of Ms Tan, Mrs Ong, Mrs Mody, Dr Kan, and Mr Shahaney was able to act in the best interests of all Unitholders in respect of the period in which they served as directors in FY 2023.

The remaining non-executive Directors, namely, Mr Manohar Khatani and Mr Goh Soon Keat Kevin, are all employees of CLI Group and are not considered to be independent.

# CORPORATE GOVERNANCE REPORT

## Board Diversity

The Trustee-Manager embraces diversity and has in place a Board Diversity Policy, which provides for the Board to comprise talented and dedicated Directors with a diverse mix of expertise, experience, perspectives, skills and backgrounds, with due consideration to diversity factors, including but not limited to, diversity in business or professional experience, age and gender.

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

The Trustee-Manager's diversity targets, plans and timelines for achieving the targets and progress towards achieving the targets are described below. Further information on the progress achieved during FY 2023 can be found at "Board Composition and Renewal" under Principle 4 of this Report.

Diversity Targets, Plans and Timelines	Targets Achieved/ Progress Towards Achieving Targets
<b>Gender</b>	
<p>To have female Directors constituting at least 25% of the Board during the period leading up to 2025.</p> <p>The Trustee-Manager believes in achieving an optimum mix of men and women on the Board to provide different approaches and perspectives.</p>	<p><b>Achieved</b> – As at the end of FY 2023, there were 3 female Directors (out of 8 Directors on the Board). This represents 37.5% of the Board, which exceeds the Council for Board Diversity's target of women making up 30% of the boards of SGX-ST listed companies by 2030.</p>
<b>Age</b>	
<p>To ensure that the Board comprises Directors across the following age groups:</p> <p>(a) 50 and below;</p> <p>(b) 51 to 60; and</p> <p>(c) 61 and above,</p> <p>and to maintain such level of age diversity during the period leading up to 2025.</p> <p>The Trustee-Manager believes that age diversity would provide a broad spectrum of thoughts and views in Board and Board Committee deliberations.</p>	<p><b>Achieved</b> – As at the end of FY 2023, the Board comprised Directors across all 3 age groups, with:</p> <p>(a) 1 Director aged 50 and below;</p> <p>(b) 2 Directors aged between 51 and 60; and</p> <p>(c) 5 Directors aged 61 and above.</p>
<b>Tenure</b>	
<p>To ensure that the Board comprises Directors across the following tenure groups:</p> <p>(a) less than 3 years;</p> <p>(b) 3 to 6 years; and</p> <p>(c) more than 6 years,</p> <p>and to maintain such level of tenure diversity during the period leading up to 2025.</p> <p>The Trustee-Manager believes that tenure diversity would facilitate Board renewal progressively and in an orderly manner, whilst ensuring knowledge continuity about the Trustee-Manager and its business operations and sustainability of corporate performance.</p>	<p><b>Achieved</b> – As at the end of FY 2023, the Board comprised Directors across all 3 tenure groups.</p> <p>In particular, 3 Directors have been on the Board for less than 3 years, 3 Directors have been on the Board for 3 to 6 years and 2 Directors have been on the Board for more than 6 years.</p>

# CORPORATE GOVERNANCE REPORT

Diversity Targets, Plans and Timelines	Targets Achieved/ Progress Towards Achieving Targets
<b>Skills &amp; Experience</b>	
<p>To ensure that the Directors, as a group, possess:</p> <p>(a) a variety of skill sets, including in core competencies, domain knowledge and other fields of expertise, such as finance, banking, real estate, fund and investment management and technology; and</p> <p>(b) a mix of industry experience, management experience and listed issuer board experience,</p> <p>by 2025, or (if applicable) to maintain such level of diversity in skill sets and experience during the period leading up to 2025.</p> <p>The Trustee-Manager believes that diversity in skill sets would support the work of the Board and Board Committees and needs of the Trustee-Manager, and that an optimal mix of experience would help shape the Trustee-Manager’s strategic objectives and provide effective guidance and oversight of Management and the Trustee-Manager’s operations.</p> <p>The Trustee-Manager continually endeavours to deepen the bench strength of the Board with complementary and relevant expertise, including in the areas of fund and investment management, organisational development, sustainability matters and ESG matters.</p>	<p><b>Achieved / Achieving Target</b> – As at the end of FY 2023, the Board comprised Directors who, as a group, possess a significant majority of the identified core skills and experience.</p> <p>In terms of skill sets, the Board comprises Directors with a variety of skills and expertise in areas including investment management, real estate, accounting, finance, governance, legal, banking and capital markets.</p> <p>In terms of experience, the Board comprises Directors who are corporate and business leaders and who collectively have experience in general business management, have served on public listed company boards and have international or regional experience.</p> <p>In terms of industry experience, the Directors collectively have exposure in various sectors and markets, including business space, logistics property, industrial property and data centre.</p> <p>Efforts to identify new Board members are ongoing. The Board will continue to look for opportunities to strengthen certain skill sets.</p>

The Trustee-Manager remains committed to enhancing Board diversity and any further progress made towards attaining the targets set will be disclosed in future Corporate Governance Reports as appropriate.

The NRC, in carrying out its duties of determining the optimal composition of the Board in its Board renewal process and addressing Board vacancies, identifies possible candidates that bring a diversity of background and opinion from amongst candidates with the appropriate background and industry or related expertise and experience. In identifying possible candidates and making recommendations of board appointments to the Board, the NRC considers, among others, achieving an appropriate level of diversity in the Board composition having regard to diversity factors such as the skills, experience, gender, age, tenure, as well as the educational, business and professional background of its members.

On 1 May 2023 and 1 June 2023 respectively, Mr Vishnu Shahaney and Mr Goh Soon Keat Kevin joined the Board. Mr Shahaney brings with him significant professional expertise and experience in banking, finance and capital markets, and Mr Goh has more than 20 years of experience working in various roles involving lodging, capital markets, business analyses and cross-border real estate transactions. Their appointments augmented and strengthened the Board’s diversity in terms of professional qualifications, industry knowledge, skills and experience, and enabled progress towards attaining these targets.



# CORPORATE GOVERNANCE REPORT

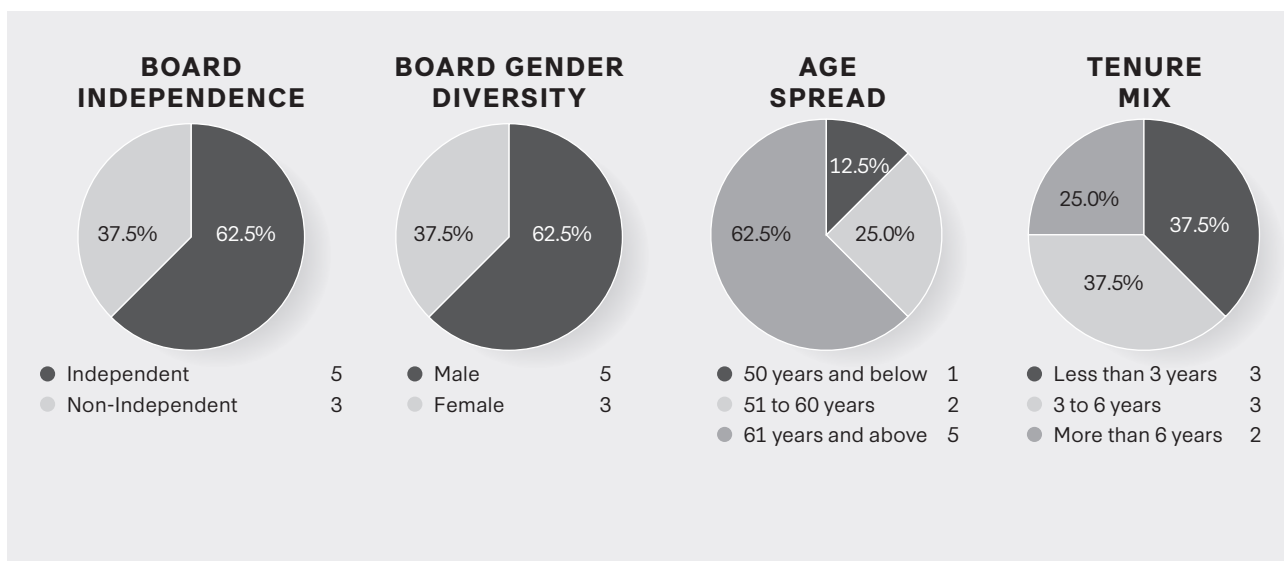
In its annual review of the Board’s composition, the NRC expressly considers and includes a commentary to the Board on the subject of diversity in the composition of the Board, including gender diversity. In this regard, the Board, taking into account the views of the NRC, is of the opinion that the Board’s current size is appropriate with an appropriate balance and diversity of skills, talents, experience, gender, age, tenure, taking into account the Trustee-Manager’s diversity targets, plans and timelines and objectives of the Board Diversity Policy and the CLINT Group’s business needs and plans, for effective decision-making, quality discussions and constructive debate.

In line with the Board Diversity Policy, the current Board comprises eight members who are corporate and business leaders, or are professionals with varied backgrounds, expertise and experience in areas including governance, real estate, banking, investment management, capital markets, accounting and finance, legal, business, general management and strategic planning, who bring with them the combination of skills, talents, experience and diversity required to serve the needs of and achieve the plans for the CLINT Group. The Board also has a few members with prior work experience in the industry in which the CLINT Group operates.

By way of elaboration on the balance and diversity of skills, talents, experience and backgrounds of the members of the Board, (i) Mr Manohar Khiatani holds considerable corporate and real estate investment management leadership expertise, including country experience and networks for the India market; (ii) Mr Sanjeev Dasgupta brings with him considerable real estate investment management and fund management expertise, including in-country expertise and networks for the India market; (iii) Mr Goh Soon Keat Kevin brings with him more than 20 years of experience working in various roles involving lodging, capital markets, business analyses and cross-border real estate transactions; (iv) Mr Vishnu Shahaney brings with him significant professional expertise and experience in banking, finance and capital markets; (v) Mrs Zia Jaydev Mody brings with her considerable legal and in country expertise and networks for the India market; (vi) Ms Tan Soon Neo Jessica brings with her considerable multinational corporate and financial leadership expertise; and (vii) each of Dr Ernest Kan Yaw Kiong and Mrs Deborah Ong bring with them considerable international public accounting, audit, financial and risk governance expertise. The collective diversity, backgrounds and skillsets of the Board members serve to optimally support the business growth as well as the effective and sound governance of the CLINT Group.

For further information on the Board’s work in this regard, please refer to “Board Membership” under Principle 4 in this Report.

The charts below set out key details relating to board diversity, which are illustrative of how the Board has already achieved a level of diversity which fulfils the objectives as envisioned by the Board Diversity Policy – which is to leverage on the diversity in the Board in business and professional experience, age and gender to enhance the Board’s decision-making capability and ensure that the Trustee-Manager has the opportunity to benefit from all available talent and perspectives.



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## PRINCIPLE 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles and responsibilities of the Chairman and the CEO are held by separate individuals, in keeping with the principles that there be a clear division of responsibilities between the leadership of the Board and that of Management, and that no one individual has unfettered powers of decision-making. The Chairman of the Board is elected by the Board, and it is a non-executive appointment held by Mr Manohar Khiatani. The CEO is Mr Sanjeev Dasgupta. They do not share any family ties. The Chairman and the CEO enjoy a positive and constructive working relationship, and support each other in their respective leadership roles.

The Chairman leads and oversees the performance of the Board and plays a pivotal role in creating the conditions necessary for the overall effectiveness of the Board and individual Directors. This includes setting the agenda of Board meetings in collaboration with the CEO, ensuring that the agenda takes full account of the important issues facing the CLINT Group and that there is sufficient information and time at meetings to address all agenda items, as well as promoting open and constructive engagement and dialogue among the Directors as well as between the Board and the CEO at meetings. The Chairman also guides the Board through its decision-making process and ensures that the Board operates effectively as a team.

The Chairman devotes considerable time to understanding the business of CLINT, as well as the issues and the competition that CLINT faces. He plays a significant leadership role by providing clear oversight, direction, advice and guidance to the CEO. He also maintains open lines of communication and engages with other members of Management regularly, and acts as a sounding board for the CEO on strategic and significant operational matters.

The Chairman also presides over the Annual General Meeting (AGM) each year and other general meetings where he plays a crucial role in fostering constructive dialogue between the Unitholders, the Board and Management.

The CEO has full executive responsibilities to manage the CLINT Group's business and to develop and implement policies approved by the Board. The above is subject to the applicable safeguards implemented by the Trustee-Manager, in the case of any transactions to be entered into between CLINT and CLI India Pte. Ltd. (CLII)<sup>1</sup>.

The separation of the roles and responsibilities of the Chairman and the CEO, which is established and set out in writing by the Board, and the resulting clarity of roles provide a healthy professional relationship between the Board and Management, facilitate robust deliberations on the CLINT Group's business activities and the exchange of ideas and views to help shape the strategic process, and ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

As the Chairman is non-independent, to further strengthen the independence of the Board, the Board has appointed Ms Tan Soon Neo Jessica as the Lead ID. As Lead ID, Ms Tan Soon Neo Jessica's main duties are to facilitate the functioning of, and provide leadership to, the Board if circumstances arise in which the Chairman may be (or is perceived to be) in conflict, to support effective Board objectivity in business judgement and oversight, and to serve as an independent leadership contact for Unitholders, Directors and Management especially where contact through the normal channels of communication with the Chairman or Management (as the case may be) is inappropriate or inadequate.

## PRINCIPLE 4: BOARD MEMBERSHIP

The Board has a formal and transparent process for the appointment and re-appointment of Directors, taking into account the need for progressive renewal of the Board. The Board has established the NRC, which makes recommendations to the Board on all appointments to the Board and Board Committees. All Board appointments are made based on merit and approved by the Board.

<sup>1</sup> In light of Mr Sanjeev Dasgupta's concurrent appointment as the CEO and executive director of CLII with effect from 1 May 2023 (the Concurrent Appointment), in the event that there are any transactions to be entered into between CLII and CLINT, or should any potential conflict(s) of interest arise between CLII and CLINT, the Trustee-Manager's chief financial officer, Mr Cheah Ying Soon (the Trustee-Manager Representative), will evaluate and make the necessary decisions and/or recommendations to the Board, in place of Mr Sanjeev Dasgupta, who will recuse from participating in such evaluation, decision-making and/or recommendation process. For further safeguards against conflicts of interest that may arise from the Concurrent Appointment, please refer to CLINT's announcement on SGXNET on 28 April 2023 and pages 149 to 151 of this Annual Report.

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The SGX-ST has also issued a Practice Note which provides that the requirement for the establishment of nominating and remuneration committees under the Listing Manual does not apply to business trusts (BT) if the BT complies with the BTA and the regulations made thereunder that the trustee-manager acts in the best interests of the unitholders as a whole and gives priority to unitholders' interests over its own interests in the event of a conflict, as to the board composition requirements of the trustee-manager, as to the establishment of an audit committee and as to the independence requirements of a director of a trustee-manager.

At present, the NRC comprises three non-executive Directors, two of whom (including the Chairman of the NRC) are IDs. The three members on the NRC are Ms Tan Soon Neo Jessica (NRC Chairman), Mr Manohar Khatani and Mrs Deborah Ong.

Under its terms of reference, the NRC's scope of duties and responsibilities includes:

- (a) reviewing and making recommendations to the Board on the structure, size and composition of the Board and its Board Committees and formulating, reviewing and making recommendations to the Board on succession plans for Directors, in particular, the appointment and/or replacement of the Chairman and the CEO;
- (b) reviewing and making recommendations to the Board on the process and criteria for the evaluation of the performance of the Board, Board Committees and individual Directors and the results of such evaluation annually;
- (c) considering annually and, as and when circumstances require, if a Director is independent; and
- (d) considering and making recommendations to the Board on the appointment and re-appointment of Directors (including alternate directors, if any)<sup>2</sup>.

Guided by its terms of reference, the NRC oversees the development and succession planning for the CEO. This includes overseeing the process for selection of the CEO and conducting an annual review of career development and succession matters for the CEO.

In addition to the above, the NRC and/or the Board as a whole is kept abreast of relevant matters relating to the review of succession plans relating to the key management personnel, in particular the appointment and/or replacement of the key management personnel. While this is a deviation from Provision 4.1(a) which requires the NRC to make recommendations to the Board on relevant matters relating to the review of succession plans, in particular the appointment and/or replacement of the key management personnel, the Board is of the view that such matters could be considered either by the NRC or by the Board as a whole. This is accordingly consistent with the intent of Principle 4 of the Code.

In respect of the review of training and professional development programmes for the Board and the Directors, the Board is of the view that this should be a matter involving the views and feedback of all members of the Board. Hence, any Director may contribute by recommending to the Board specific training and development programmes which he or she believes would benefit Directors or the Board as a whole. The review of training and professional development programmes for the Board and its Directors is done by the Board as a whole, and this function was not delegated to the NRC. This is consistent with the intent of Principle 4 of the Code, notwithstanding that the NRC was not specifically assigned to review and make recommendations to the Board on such matters.

The NRC's duties and responsibilities in relation to remuneration matters are set out on page 133 of this Annual Report.

## Board Composition and Renewal

The Board, through the NRC, strives to ensure that there is an optimal blend in the Board of backgrounds, experience and knowledge in business and general management, expertise relevant to the CLINT Group's business and track record, and that each Director can bring to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made in the interests of the CLINT Group. The Board has a few members who have prior working experience in the sector that CLINT operates in. The channels used in the search and nomination process for identifying appropriate candidates, and the channels via which the eventual appointee(s) were found, and the criteria used to identify and evaluate potential new directors, are set out below.

<sup>2</sup> For the avoidance of doubt, there are no alternate directors appointed for FY 2023.

# CORPORATE GOVERNANCE REPORT

There is a structured process for determining Board composition and for selecting candidates for appointment as Directors. In undertaking its duty of reviewing and making Board appointment recommendations to the Board, the NRC considers different time horizons for purposes of succession planning. The NRC evaluates the Board's competencies on a long-term basis and identifies competencies which may be further strengthened in the long-term to achieve CLINT's strategy and objectives. As part of medium-term planning, the NRC seeks to refresh the membership of the Board progressively and in an orderly manner, whilst ensuring continuity and sustainability of corporate performance. The NRC also considers contingency planning to prepare for sudden and unforeseen changes. In reviewing succession plans, the NRC has in mind CLINT's strategic priorities and the factors affecting the long-term success of CLINT. Board succession planning takes into account the need to maintain flexibility to effectively address succession planning and to ensure that the Trustee-Manager continues to attract and retain highly qualified individuals to serve on the Board. The NRC aims to maintain an optimal Board composition by considering the trends affecting CLINT, reviewing the skills needed and identifying gaps, including considering whether there is an appropriate level of diversity of thought. The process ensures that the Board composition is such that the Board has capabilities and experience which are aligned with CLINT's strategy and environment and includes the following considerations: (a) the current size of the Board Committees, composition mix and core competencies; (b) the candidate's/ Director's independence, in the case of an independent director; (c) the composition requirements for the Board and relevant Board Committees (if the candidate/Director is proposed to be appointed to any Board Committee); and (d) the candidate's/Director's age, gender, track record, experience and capabilities and such other relevant factors as may be determined by the Board, which would provide an appropriate balance and contribute to the collective skill of the Board.

The NRC identifies suitable candidates for appointment to the Board. Searches for possible candidates are conducted through contacts and recommendations. In this regard, the Trustee-Manager may rely on external consultants from time to time to assist the NRC in identifying candidates, to ensure that a diverse slate of candidates is presented for the NRC's and the Board's consideration. Candidates are identified based on the needs of CLINT, taking into account the strategic priorities of CLINT and the relevant skills required, taking into account, among other things, the requirements in the Listing Manual and the Code, as well as the factors in the Board Diversity Policy. The candidates will be assessed against a range of criteria including their demonstrated business sense and judgment, skills and expertise, and market and industry knowledge (and may include elements such as financial, sustainability or other specific competency, geographical representation and business background) with due consideration to diversity, including but not limited to, diversity in business or professional experience, age and gender. The NRC also considers the qualities of the candidates, in particular whether they are aligned with the strategic directions and values of CLINT, while also assessing the candidates' ability to commit time to the affairs of CLINT, taking into consideration their other current appointments or commitments. The NRC uses a skills matrix to determine the skills gaps of the Board and to assess if the expertise and experience of a candidate would complement those of the existing Board members.

The NRC also determines annually, and as and when circumstances require, if a director is independent, having regard to the circumstances set forth in Provision 2.1 of the Code. Directors disclose their relationships with the Trustee-Manager, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence, to the Board. For further information on the Board's determination in this regard, please refer to "Board Independence" under Principle 2 in this Report.

The Board supports the principle that Board renewal is a necessary and continual process, for good governance and ensuring that the Board has the skills, expertise, diversity and experience which are relevant to the evolving needs of the CLINT Group's business.

Board succession planning is carried out through the annual review by the NRC of the Board's composition as well as when a Director gives notice of his or her intention to retire or resign. The annual review takes into account, among other things, the requirements in the Listing Manual, the BTR and the Code, feedback from any individual Board member as well as the diversity targets and factors in the Board Diversity Policy. The outcome of the review is reported to the Board. The Board seeks to refresh its membership progressively and in an orderly manner, whilst ensuring continuity and sustainability of corporate performance. The Board also has in place guidelines on the tenure of Directors. The guidelines provide that an ID should serve for no more than a maximum of two three-year terms and any extension of tenure beyond six years will be reviewed (on a yearly basis up to a period of nine years inclusive of the initial two three-year terms served) by the NRC, in arriving at a recommendation to the Board.

# CORPORATE GOVERNANCE REPORT

Whilst the Board believes that it has an optimal blend of backgrounds, experience, knowledge in business and general management, and expertise relevant to help the Trustee-Manager deliver on CLINT's ambition and strategic priorities, it believes in planning for orderly succession as well as contingencies and is continually looking out for opportunities to fill future gaps in competencies and to renew the Board in a progressive manner.

## Board Changes

Mr Jonathan Yap Neng Tong retired from his role as a Director and Member of the IC with effect from 1 June 2023. Mr Alan Rupert Nisbet retired from his role as ID with effect from 30 September 2023 and has also relinquished his role as Lead ID, Chairman of the ARC and Member of the NRC on the same day. Ms Tan Soon Neo Jessica was appointed as Lead ID with effect from 1 October 2023. Mrs Deborah Ong was appointed as Chairman of the ARC and a Member of the NRC with effect from 1 October 2023.

As part of the Board renewal process, Mr Vishnu Shahaney was appointed as an ID and a Member of the ARC with effect from 1 May 2023 and Mr Goh Soon Keat Kevin was appointed as a Non-ID and a Member of the IC with effect from 1 June 2023. Mr Vishnu Shahaney and Mr Goh Soon Keat Kevin were identified through contacts and recommendations. These appointments augmented various aspects of Board diversity in terms of professional qualifications, ethnicity, industry and market knowledge, age, skills and experience. Mr Goh Soon Keat Kevin brings considerable expertise in lodging, capital markets, business analyses and cross-border real estate transactions. Mr Vishnu Shahaney, who brings with him significant professional expertise and experience in banking, finance and capital markets, also contributed to the ethnic diversity of the Board.

Directors who are appointed to the Board from time to time either have prior experience as a director of an issuer listed on the SGX-ST or will undergo further training required under Rule 210(5)(a) of the Listing Manual. Mr Vishnu Shahaney has undergone the requisite training under Rule 210(5) of the Listing Manual in July 2023. As Mr Goh Soon Keat Kevin has prior experience as a director of an issuer listed on the SGX-ST, he is not required to undergo further training under Rule 210(5)(a) of the Listing Manual.

All Directors completed the sustainability training as prescribed by the SGX-ST. Going forward, new Directors who are appointed to the Board from time to time will either have expertise in sustainability matters or will undergo further training required under Rule 720(7) of the Listing Manual.

## Review of Directors' Ability to Commit Time

In view of the responsibilities of a Director, Directors need to be able to devote sufficient time and attention to adequately perform their duties and responsibilities. The NRC conducts a review of the other appointments and commitments of each Director on an annual basis and as and when there is a change of circumstances involving a Director which may affect his or her ability to commit time to the Trustee-Manager. In this regard, Directors are required to report to the Board any changes in their other appointments and commitments.

In respect of the Directors' other appointments and commitments, no limit is set as to the number of listed company board appointments. The Board takes the view that the number of listed company directorships that an individual may hold should be considered on a case-by-case basis, as a person's available time and attention may be affected by many different factors, such as his or her individual capacity, whether he or she is in full-time employment, the nature of his or her other responsibilities and his or her near term plan regarding some of the other appointments. A Director with multiple directorships is expected to ensure that he or she can devote sufficient time and attention to the affairs of the Trustee-Manager. IDs are also required to inform the Chairman before accepting any invitation for appointment as a director of another entity's board or governing body, or offer of a full-time executive appointment or other principal commitment, to enable any concerns relating to potential conflicts of interest or the ability to commit time, to be shared and addressed.

In FY 2023, no alternate director to any Director was appointed. In keeping with the principle that a Director must be able to commit time to the affairs of the Trustee-Manager, the Board has adopted the principle that it will generally not approve the appointment of alternate directors.

Each of the Directors is required to make his or her own self-assessment and confirm that he or she is able to devote sufficient time and attention to the affairs of the Trustee-Manager. For FY 2023, all non-executive Directors had undergone the self-assessment and provided the confirmation.

# CORPORATE GOVERNANCE REPORT

On an annual basis and, where appropriate when there is a change of circumstances involving a Director, the NRC assesses each Director's ability to commit time to the affairs of the Trustee-Manager. In conducting the assessment, the NRC takes into consideration each Director's confirmation, his or her other appointments and commitments, attendance record at meetings of the Board and Board Committees, as well as conduct (including preparedness, participation and level of engagement) and the value and quality of their contributions at Board and Board Committee meetings.

The Directors' listed company directorships and principal commitments are disclosed on pages 14 to 18 of this Annual Report and their attendance record for FY 2023 is set out on page 154 of this Annual Report. In particular, the CEO does not serve on any listed company board outside of the CLINT Group. For FY 2023, the Directors achieved high meeting attendance rates and have contributed positively to discussions at Board and Board Committee meetings. Based on the above, the NRC (with each member recused from the deliberations in respect of himself/herself), has determined that each Director has been adequately carrying out his or her duties as a Director and noted that no Director has a significant number of listed directorships and principal commitments.

The Board, taking into consideration the NRC's assessment, has noted that each Director has been adequately carrying out his or her duties and responsibilities as a Director of the Trustee-Manager.

## **PRINCIPLE 5: BOARD PERFORMANCE**

The Trustee-Manager believes that oversight from a strong and effective Board goes a long way towards guiding a business enterprise to achieving success.

Whilst Board performance is ultimately reflected in the long-term performance of the CLINT Group, the Board believes that engaging in a regular process of self-assessment and evaluation of Board performance provides an opportunity for the Board to reflect on its effectiveness including the quality of its decisions, and for Directors to consider their performance and contributions. It also enables the Board to identify key strengths and areas for improvement which are essential to effective stewardship and attaining success for CLINT.

The NRC recommends for the Board's approval the objective performance criteria, and the Board undertakes a process to evaluate the effectiveness of the Board as a whole and that of each of its Board Committees and individual Directors for every financial year. As part of the process, a questionnaire is sent to the Directors. Management also provides feedback on areas including Board structure, strategy, performance and governance, as well as Board functions and practices. The evaluation results are aggregated and reported to the NRC, and thereafter the Board. The findings are considered by the Board and follow up action is taken where necessary with a view to enhancing the effectiveness of the Board, Board Committees and individual Directors in the discharge of its and their duties and responsibilities.

As and when required, external facilitators may be appointed to assist in the evaluation process of the Board, the Board committees and the individual Directors. For FY 2023, the evaluation process was conducted without involving any external facilitator.

### **Board and Board Committees**

The evaluation categories covered in the questionnaire include Board composition, Board processes, strategy, performance and governance, access to information and Board Committee effectiveness. As part of the questionnaire, the Board also considers whether the creation of value for Unitholders has been taken into account in the decision-making process. For FY 2023, the outcome of the evaluation was satisfactory and the Board as a whole, and each of the Board committees, received affirmative ratings across all the evaluation categories. The evaluation process found that the Board has been functioning well as a team with each of the Board members contributing to Board deliberations. There is quality in discussions between the Board and Management. The Board benefits from a culture of active, open, frank, rigorous and constructive discussions and debates at Board and Board Committee meetings. The Board also benefits from the diversity in views, perspectives and expertise. There is a positive and healthy professional relationship between the Board and Management. Board Committees were also assessed to work well with thorough robust debate, a good understanding of the issues and functional knowledge. There are no concerns or issues affecting any Board or Board Committee requiring attention or follow-up work.

# CORPORATE GOVERNANCE REPORT

## Individual Directors

The evaluation categories covered in the questionnaire include Director's duties, contributions, conduct and interpersonal skills, as well as strategic thinking and risk management. For FY 2023, the outcome of the evaluation was satisfactory and each of the Directors on the whole received affirmative ratings across all the evaluation categories. The evaluation found that every Director contributes to Board deliberations. Each one of them participates actively and is fully engaged in Board deliberations. Additionally, Directors work well with one another, and with Management, contributing to the overall smooth functioning of the Board. Whilst collegial, deliberations at meetings were open, constructive and robust, and conducted on a professional and respectful basis. Management has also provided positive feedback on the performance and contributions of the Board, noting that the relationship between the Board and Management is healthy and good. Directors are also generally accessible to Management outside the formal environment of Board and/or Board Committee meetings. As with the outcome of the Board and Board Committee evaluations, there are no concerns or issues affecting any Director requiring attention or follow-up work.

The Board also recognises that contributions by an individual Director can take different forms including providing objective perspectives on issues, facilitating business opportunities and strategic relationships, and accessibility to Management outside of the formal environment of Board and Board Committee meetings.

Each Director of the Board has objectively discharged his or her duties and responsibilities at all times as fiduciaries in the interests of the Trustee-Manager and CLINT.

## Board Evaluation as an Ongoing Process

The Board believes that performance evaluation should be an ongoing process and the Board achieves this by seeking feedback on a regular basis. The regular interactions between the Directors, and between the Directors and Management, also contribute to this ongoing process. Through this process of engaging its members, the Board also benefits from an understanding of shared norms between Directors which also contributes to a positive Board culture. The collective Board performance and the contributions of individual Directors are also reflected in, and evidenced by, the synergistic performance of the Board in discharging its responsibilities as a whole by providing proper guidance, diligent oversight and able leadership, and lending support to Management in steering CLINT in the appropriate direction, and guiding the long-term performance of CLINT whether under favourable or challenging market conditions.

## REMUNERATION MATTERS

### PRINCIPLES 6, 7 AND 8: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES, LEVEL AND MIX OF REMUNERATION AND DISCLOSURE ON REMUNERATION

All fees and remuneration payable to Directors, key management personnel (including the CEO) and staff of the Trustee-Manager are paid by the Trustee-Manager.

The Board has a formal and transparent procedure for developing policies on Director and executive remuneration, and for fixing the remuneration packages of individual Directors and key management personnel.

The Board has established the NRC and under its terms of reference, the NRC's scope of duties and responsibilities in relation to remuneration matters include reviewing and determining:

- (a) the Board remuneration framework and the specific remuneration packages for the Directors; and
- (b) the compensation framework and the specific remuneration packages for the CEO and other key management personnel.

While Provision 6.1 provides for the NRC to make recommendations to the Board on such matters, the Board is of the view that such matters are best reviewed and determined by the NRC as part of its focused scope, and have delegated the decision-making on such matters to the NRC. The NRC reports any decisions made on such matters to the Board. This is accordingly consistent with the intent of Principle 6 of the Code.

# CORPORATE GOVERNANCE REPORT

Guided by its terms of reference, the NRC oversees the development and succession planning for the CEO. This includes overseeing the process for selection of the CEO and conducting an annual review of career development and succession matters for the CEO.

For further information on the composition of the NRC, please refer to “Board Membership” under Principle 4 in this Report.

## Remuneration Policy for Key Management Personnel

The remuneration framework and policy are designed to support the implementation of the CLINT Group’s business strategy and deliver sustainable returns to Unitholders. The principles governing the remuneration policies of the Trustee-Manager’s key management personnel are as follows:

- **Business Alignment**
  - Focus on generating rental income and enhancing asset value over time to maximise returns from investments and ultimately the distributions and total returns to Unitholders
  - Provide sound and structured funding to ensure affordability and cost-effectiveness in line with performance goals
  - Enhance retention of key talents to build strong organisational capabilities
  - Strengthen alignment to ESG practices
- **Motivate Right Behaviour**
  - Pay for performance – align, differentiate and balance rewards according to multiple dimensions of performance
  - Strengthen line-of-sight linking rewards and performance
- **Fair and Appropriate**
  - Ensure competitive remuneration relative to the appropriate external talent markets
  - Manage internal equity such that remuneration is viewed as fair across the CLINT Group
  - Significant and appropriate portion of pay-at-risk, taking into account risk policies of the CLINT Group, symmetrical with risk outcomes and sensitive to the risk time horizon
- **Effective Implementation**
  - Maintain rigorous corporate governance standards
  - Exercise appropriate flexibility to meet strategic business needs and practical implementation considerations
  - Facilitate employee understanding to maximise the value of the remuneration programmes

These remuneration policies are in line with the CLINT Group’s business strategy and the executive compensation framework is based on the key principle of linking pay to performance, which is emphasised by linking total remuneration to the achievement of business and individual goals and objectives. The NRC considers all aspects of remuneration, including termination terms, to ensure they are fair, and has access to remuneration consultants for advice on remuneration matters as required

In reviewing policies on remuneration and determining the remuneration packages for key management personnel, the NRC, through an independent remuneration consultant, takes into consideration appropriate compensation benchmarks within the industry, to ensure that the remuneration packages payable to key



# CORPORATE GOVERNANCE REPORT

management personnel are competitive and in line with the objectives of the remuneration policies. It also considers the compensation framework of CLI as a point of reference. The Trustee-Manager is a subsidiary of CLI which holds a significant stake in CLINT. The association with CLI puts the Trustee-Manager in a better position to attract and retain better qualified management talent. Additionally, it provides an intangible benefit to the Trustee-Manager in that it allows its employees to associate themselves with an established corporate group which can offer them the depth and breadth of experience and enhanced career development opportunities.

In FY 2023, Willis Towers Watson was appointed as independent remuneration consultant to provide professional advice on executive remuneration. Willis Towers Watson is a leading global advisory, broking and solutions company with 46,000 employees serving more than 140 countries and markets. The consultant is not related to the Trustee-Manager, its controlling shareholder, its related corporations or any of its Directors.

## Remuneration of Key Management Personnel

The remuneration of key management personnel comprises fixed components, a variable component, long term components and employee benefits. A significant proportion of key management personnel's remuneration is in the form of variable compensation, awarded in a combination of short-term, deferred and long-term incentives, in keeping with the principle that the interests of the key management personnel should be aligned with those of Unitholders and that the remuneration framework should link rewards to business and individual performance and promote the long-term success of CLINT.

### A. Fixed Components

The fixed components comprise the base salary, fixed allowances and compulsory employer contribution to an employee's Central Provident Fund.

### B. Variable Component

The variable component is derived from the Performance Bonus Plan (PBP). It is linked to the evaluation of the achievement of each key management personnel's annual performance targets as set in their Balanced Scorecard (BSC).

Under the Balanced Scorecard framework, the CLINT Group's strategy and goals are translated to performance outcomes comprising both quantitative and qualitative targets in the dimensions of:

- **Business Trust Performance:** This includes targets relating to profitability and distributions, investor outreach and communication, capital structure, as well as financial and risk management;
- **Preparing for Future:** This includes targets relating to asset performance and occupancy, asset enhancements and capital recycling;
- **Sustainability:** This includes targets relating to talent retention, succession planning and sustainable corporate practices (including workplace safety); and
- **Trustee-Manager's Financial Health:** This includes targets relating to the Trustee-Manager's financial viability and efficiency.

These Balanced Scorecard targets are approved by the Board and cascaded throughout the organisation, thereby creating alignment across the CLINT Group.

After the close of each financial year, the Board reviews the CLINT Group's achievements against the targets set in the Balanced Scorecard and determines the overall performance taking into consideration qualitative factors such as the quality of earnings, operating environment, regulatory landscape and industry trends.

In determining the pay-out quantum for each key management personnel under the PBP, the NRC considers the overall business and individual performance as well as the affordability of the pay-out to the Trustee-Manager. The PBP is delivered in a combination of cash and deferred Units with employees in senior management grades receiving a greater proportion of their PBP pay-out in deferred Units.

# CORPORATE GOVERNANCE REPORT

These time-based Units are awarded pursuant to the CapitaLand India Trust Management Pte. Ltd. Restricted Unit Plan (RUP) and will vest in three equal annual tranches without further performance conditions. Recipients will receive fully paid Units, their equivalent cash value or combinations thereof, at no cost. These Units awards ensure ongoing alignment between remuneration and sustainable business performance.

## C. Long Term Components

The Long-Term Components comprise the CapitaLand India Trust Management Pte. Ltd. Performance Unit Plan (PUP) and the CapitaLand India Trust Management Pte. Ltd. Restricted Unit Plan (RUP) (together, the Unit Plans). Unit awards were granted in FY 2023 pursuant to the PUP. The Trustee-Manager believes that the Unit-based components of the remuneration for key management personnel serve to align the interests of such key management personnel with that of Unitholders and CLINT's long-term growth and value. The obligation to deliver the Units is expected to be satisfied out of existing Units held by the Trustee-Manager.

To promote the alignment of Management's interests with that of Unitholders in the longer term, senior members of Management are subject to Unit ownership guidelines to instill stronger identification with the longer-term performance and growth of the CLINT Group. Under these guidelines, senior members of Management are required to retain a prescribed proportion of the Units received under the Unit Plans worth up to at least one year of basic salary.

Units vested pursuant to the Unit Plans may be clawed back in circumstances where the relevant participants are found to be involved in financial misstatement, misconduct, fraud or malfeasance, to the detriment of the CLINT Group.

### CapitaLand India Trust Management Pte. Ltd. Performance Unit Plan

In FY 2023, the NRC granted awards which are conditional on targets set for a three-year performance period. A specified number of Units will only be released to the recipients at the end of the qualifying performance period, provided that minimally the threshold target is achieved.

Under the PUP, an initial number of Units (PUP baseline award) is allocated conditional on the achievement of pre-determined targets for Unitholder returns and sustainability (with effect from the FY 2023 award). In respect of Unitholder returns, Management is measured by the Relative Total Unitholder Return (TUR) of the CLINT Group based on the percentile ranking of the TUR of the CLINT Group relative to the constituent REITs in the FTSE ST REIT Index. In respect of sustainability, Management is measured on outcomes such as green building certification.

The above performance measures have been selected as a key measurement of wealth creation for Unitholders and the commitment of the CLINT Group towards sustainability. The final number of Units to be released will depend on the CLINT Group's performance against the pre-determined targets over the three-year qualifying performance period. This serves to align Management's interests with that of Unitholders in the longer term and to deter short-term risk taking. No Units will be released if the threshold target is not met at the end of the qualifying performance period. On the other hand, if superior targets are met, more Units than the PUP baseline award can be delivered, up to a maximum of 200% of the PUP baseline award. The NRC has the discretion to adjust the number of Units released taking into consideration other relevant qualitative and quantitative factors. Recipients will receive fully paid Units, their equivalent cash value or combinations thereof, at no cost.

For FY 2023, the relevant award for assessment of the performance achieved by the CLINT Group is the award granted in FY 2021 where the qualifying performance period was FY 2021 to FY 2023. Based on the NRC's assessment that the performance achieved by the CLINT Group has partially met the pre-determined performance targets for such performance period, the resulting number of Units for the finalised award has been adjusted accordingly to reflect the performance level.

In respect of the Unit awards granted under the PUP in FY 2022 and FY 2023, the respective qualifying performance periods have not ended as at the date of this Report.

## CapitaLand India Trust Management Pte. Ltd. Restricted Unit Plan

Prior to FY 2023, the NRC granted awards which are conditional on targets set for a one-year performance period. A specified number of Units will only be released to recipients at the end of the qualifying performance period, provided that minimally the threshold targets are achieved.

Under the RUP, an initial number of Units (RUP baseline award) is allocated conditional on the achievement of pre-determined targets in respect of the following performance conditions:

- (a) Net property income of the CLINT Group; and
- (b) Distribution per Unit of the CLINT Group.

The above performance measures have been selected as they are the key drivers of business performance and are aligned to Unitholder value. The final number of Units to be released will depend on the CLINT Group's performance against the pre-determined targets at the end of the one-year qualifying performance period. The Units will be released in equal annual tranches over a vesting period of three years. No Units will be released if the threshold targets are not met at the end of the qualifying performance period. On the other hand, if superior targets are met, more Units than the RUP baseline award can be delivered, up to a maximum of 150% of the RUP baseline award. The NRC has the discretion to adjust the number of Units released taking into consideration other relevant qualitative and quantitative factors. Recipients will receive fully paid Units, their equivalent cash value or combinations thereof, at no cost.

There were no performance-based awards granted under the RUP in FY 2023.

## D. Employee Benefits

The benefits provided are comparable with local market practices.

Each year, the NRC evaluates the extent to which each of the key management personnel has delivered on the business and individual goals and objectives, and based on the outcome of the evaluation, approves the compensation for the key management personnel. In such evaluation, the NRC considers whether the level of remuneration is appropriate to attract, retain and motivate key management personnel to successfully manage CLINT for the long term. The CEO does not attend discussions relating to his own performance and remuneration.

The Board, together with the NRC, seeks to ensure that the remuneration of the CEO and other key management personnel is strongly linked to the achievement of business and individual performance targets. The performance targets are set at realistic yet stretched levels each year to motivate a high degree of business performance with emphasis on both short-term and longer-term quantifiable objectives.

While the disclosure of, among others, the CEO's exact remuneration amount and the names, amounts and breakdown of remuneration of at least the top five key management personnel (who are not Directors or the CEO) in bands no wider than S\$250,000 and the aggregate of the total remuneration paid to these key management personnel would be in full compliance with Provision 8.1 of the Code, the Board has considered carefully and decided that such disclosure would not be in the interests of the Trustee-Manager or Unitholders due to:

- (1) the intense competition for talents in the REIT management industry, the Trustee-Manager is of the view that it is in the interests of Unitholders to not make such disclosures so as to minimise potential staff movement and undue disruption to its key management team;
- (2) the need to balance the confidential and commercial sensitivities associated with remuneration matters, the Trustee-Manager is of the view that such disclosures could be prejudicial to the interests of Unitholders;
- (3) the importance of retaining competent and experienced staff to ensure CLINT's stability and continuity of business operations, the Trustee-Manager is of the view that such disclosures may subject the Trustee-Manager to undue risks, including unnecessary key management turnover; and

# CORPORATE GOVERNANCE REPORT

- (4) there being no misalignment between the remuneration of the CEO and key management personnel and the interest of Unitholders. Their remuneration are not borne by CLINT as they are paid out of the fees that the Trustee-Manager receives (the basis of which has been disclosed on pages 133 to 138 of this Annual Report).

The Trustee-Manager is of the view that despite this partial deviation from Provision 8.1 of the Code, the disclosures in this Annual Report are consistent with the intent of Principle 8 of the Code and would provide sufficient information and transparency to the Unitholders on the Trustee-Manager's remuneration policies and the level and mix of remuneration accorded to the key management personnel, and enable the Unitholders to understand the relationship between CLINT's performance, value creation and the remuneration of key management personnel. For the above reasons, the Trustee-Manager is of the view that the interests of Unitholders are not prejudiced by this partial deviation.

Apart from the key management personnel and other employees of the Trustee-Manager, the Trustee-Manager outsources various other services to a wholly owned subsidiary of CLI (CLI Subsidiary). The CLI Subsidiary provides these services through its employees and employees of CLI Group (together, the Outsourced Personnel). This arrangement is put in place to provide flexibility and maximise efficiency in resource management to match the needs of CLINT from time to time, as well as to leverage on economies of scale and tap on the management talent of an established corporate group which can offer enhanced depth and breadth of experience. Notwithstanding the outsourcing arrangement, the responsibility for due diligence, oversight and accountability continues to reside with the Board and Management. In this regard, the remuneration of such Outsourced Personnel, being employees of the CLI Subsidiary and CLI Group, is not included as part of the disclosure of the remuneration of key management personnel of the Trustee-Manager in this Report.

In FY 2023, no termination, retirement or post-employment benefits were granted to Directors, the CEO and other key management personnel. There was also no special retirement plan, 'golden parachute' or special severance package for any of the key management personnel.

In FY 2023, there were no employees of the Trustee-Manager who were substantial shareholders of the Trustee-Manager, substantial Unitholders of CLINT or immediate family members of a Director, the CEO, any substantial shareholder of the Trustee-Manager or any substantial Unitholder of CLINT. "Immediate family member" refers to the spouse, child, adopted child, step-child, sibling or parent of the individual.

## Disclosures under AIFMR

The Trustee-Manager is required under the AIFMR to make quantitative disclosures of remuneration. Disclosures are provided in relation to (a) the staff of the Trustee-Manager; (b) staff who are senior management; and (c) staff who have the ability to materially affect the risk profile of CLINT.

All individuals included in the aggregated figures disclosed are rewarded in line with the Trustee-Manager's remuneration policies described in this Report.

The aggregate amount of remuneration awarded by the Trustee-Manager to its staff (including CEO and non-executive Directors) in respect of FY 2023 was approximately S\$4.88 million. This figure comprised of fixed pay of S\$3.01 million, variable pay of S\$1.66 million (including Units issued under the Unit Plans, where applicable) and allowances and benefits-in-kind of S\$0.21 million. There was a total of 32 beneficiaries of the remuneration described above. In respect of FY 2023, the aggregate amount of remuneration awarded by the Trustee-Manager to its senior management (who are also members of staff whose actions have a material impact on the risk profile of CLINT) was approximately S\$2.46 million, comprising five individuals identified having considered, among other factors, their roles and decision-making powers.

## Remuneration for Non-Executive Directors

The non-executive Directors' fees are paid by the Trustee-Manager and the FY 2023 fees, together with a breakdown of the components, and are set out in the Non-Executive Directors' Remuneration Table on page 155 of this Annual Report.

# CORPORATE GOVERNANCE REPORT

The compensation policy for non-executive Directors is based on a scale of fees divided into basic retainer fees for serving as Director and additional fees for serving on Board Committees. The non-executive Directors' fee structure and Directors' fees are reviewed and benchmarked against the REIT industry, and are appropriate to the level of their respective contribution, taking into account the effort, time spent and demanding responsibilities on the part of the non-executive Directors in light of the scale, complexity and geographic scope of the CLINT Group's business. The remuneration of non-executive Directors is reviewed from time to time to ensure that it is appropriate to attract, retain and motivate the non-executive Directors to provide good stewardship of the Trustee-Manager and CLINT.

The CEO, who is an executive Director is remunerated as part of the key management personnel of the Trustee-Manager and does not receive any Director's fees for his role as an executive Director. The non-executive Directors who are employees of the CLI Group also do not receive any Directors' fees.

The non-executive Directors' fees are paid in cash (about 80%) and in the form of Units (about 20%), save that (i) a non-executive Director (not being an employee of the CLI Group) who steps down from the Board during a financial year will be paid fees fully in cash, and (ii) Mrs Zia Jaydev Mody, who is a non-resident director based outside of Singapore, will be paid fully in cash. The Trustee-Manager believes that the payment of a portion of the non-executive Directors' fees in Units will serve to align the interests of non-executive Directors with the interests of Unitholders and CLINT's long-term growth and value. The payment of non-executive Directors' fees in Units is satisfied from the Units held by the Trustee-Manager. No individual Director is involved in any decision of the NRC relating to his or her own remuneration.

In order to encourage the alignment of the interests of the non-executive Directors with the interests of Unitholders, a non-executive Director is required to hold a number of Units worth at least one year of the basic retainer fee or the total number of Units awarded, whichever is lower, at all times during his or her Board tenure.

As with previous years, an independent remuneration consultant, Willis Towers Watson, was appointed in FY 2023 to provide professional advice on Board remuneration, with a view to ensuring the fee structure is market competitive and consistent with industry practices. The consultant is not related to the Trustee-Manager, its controlling shareholder, related corporations or any of its Directors.

## ACCOUNTABILITY AND AUDIT

### PRINCIPLE 9: RISK MANAGEMENT AND INTERNAL CONTROLS

The Trustee-Manager maintains adequate and effective systems of risk management and internal controls (including financial, operational, compliance and information technology (IT) controls) to safeguard Unitholders' interests and the CLINT Group's assets.

The Board has overall responsibility for the governance of risk and oversees the Trustee-Manager in the design, implementation and monitoring of the risk management and internal controls systems and determines the nature and extent of the significant risks which CLINT is willing to take in achieving its strategic objectives and value creation. The ARC assists the Board in examining the adequacy and effectiveness of CLINT's risk management policies and ensures that Management maintains a sound system of risk management and internal controls, and in carrying out the Board's responsibility of overseeing the risk management framework and policies for the CLINT Group and ensuring that Management maintains sound systems of risk management and internal controls. The ARC also reviews and guides Management in the formulation of risk policies and processes to effectively identify, evaluate and manage any material risks and reports to the Board material findings and makes recommendations in respect of any material risk issues.

The Board regularly reviews the business risks of CLINT and examines liability management and risks including those relating to the India property sector. The overall framework established by the Board to enhance the soundness of CLINT's financial reporting, risk management, compliance and internal controls systems includes:

- formulation and implementation of an Enterprise Risk Management (ERM) Framework which comprises a risk register and related internal controls to mitigate such risks, which is regularly reviewed by Management, the ARC and the Board;

# CORPORATE GOVERNANCE REPORT

- audits performed by internal auditors in accordance with the audit plan;
- process improvement initiatives undertaken by the asset companies;
- implementation of formal policies and procedures relating to the delegation of authority;
- involvement of experienced and suitably qualified employees who take responsibility for important business functions; and
- segregation of key functions which may give rise to possible errors or irregularities.

Under its terms of reference, the scope of the ARC's duties and responsibilities includes:

- (a) making recommendations to the Board on the Risk Appetite Statement (RAS) for the CLINT Group and CLINT's risk profile;
- (b) assessing the adequacy and effectiveness of the risk management and internal controls systems established by the Trustee-Manager to manage risks;
- (c) overseeing the formulation, updating and maintenance of an adequate and effective risk management framework, policies and strategies for managing risks that are consistent with the CLINT Group's risk appetite and reports to the Board on its decisions on any material matters concerning the above;
- (d) making the necessary recommendations to the Board such that an opinion regarding the adequacy and effectiveness of the risk management and internal controls systems can be made by the Board in the Annual Report in accordance with the Listing Manual and the Code; and
- (e) considering and advising on risk matters referred to it by the Board or Management, including reviewing and reporting to the Board on any material breaches of the RAS, any material non-compliance with the approved framework and policies and the adequacy of any proposed action.

The Trustee-Manager adopts an ERM Framework which sets out the required environmental and organisational components for managing risks in an integrated, systematic and consistent manner. The ERM Framework and related policies are reviewed annually.

As part of the ERM Framework, the Trustee-Manager undertakes and performs a Risk and Control Self-Assessment (RCSA) annually to identify material risks along with their mitigating measures. The adequacy and effectiveness of the systems of risk management and internal controls are reviewed regularly, and at least annually, by Management, the ARC and the Board, taking into account the best practices and guidance in the Risk Governance Guidance for Listed Boards issued by the Corporate Governance Council and the Listing Manual.

The CLINT Group's RAS, incorporating the risk limits, addresses the management of material risks faced by the CLINT Group. Alignment of the CLINT Group's risk profile to the RAS is achieved through various communication and monitoring mechanisms (including key risks indicators set for Management) put in place across the various functions within the Trustee-Manager.

More information on the Trustee-Manager's ERM Framework including the material risks identified can be found in the Risk Management section on pages 36 to 40 of this Annual Report.

The internal and external auditors conduct reviews of the adequacy and effectiveness of the material internal controls (including financial, operational, compliance and IT controls) and risk management systems. This includes testing, where practicable, material internal controls in areas managed by external service providers. Any material non-compliance or lapses in internal controls together with corrective measures recommended by the internal and external auditors are reported to and reviewed by the ARC. In the course of their statutory audit, the external auditors had considered the risk assessment conducted by the internal auditors. Any material non-compliance and weakness in internal controls, together with the internal auditors' recommendations to address them, are reported to the ARC. The ARC also reviews the adequacy and effectiveness of the measures taken by the Trustee-Manager on the recommendations made by the internal and external auditors in this respect.

# CORPORATE GOVERNANCE REPORT

The Board has received assurance from the CEO and the Chief Financial Officer (CFO) of the Trustee-Manager that the financial records of the CLINT Group have been properly maintained and the financial statements for FY 2023 give a true and fair view of the CLINT Group's operations and finances. It has also received assurance from the CEO and the CFO, being the relevant key management personnel who have responsibility regarding various aspects of risk management and internal controls, that the systems of risk management and internal controls within the CLINT Group are adequate and effective to address the risks (including financial, operational, compliance and IT risks) that the Trustee-Manager considers relevant and material to the current business environment. The CEO and the CFO have obtained similar assurances from the respective risk and control owners.

In addition, for FY 2023, the Board received half-yearly certification by Management on the integrity of financial reporting and the Board provided a negative assurance confirmation to Unitholders as required by the Listing Manual.

The Board recognises the importance of sound internal controls and risk management practices for good corporate governance. The Board affirms its overall responsibility for systems of internal controls and risk management of CLINT, and for reviewing the adequacy and integrity of those systems on an annual basis. The internal controls and risk management functions are performed by key executives of the Trustee-Manager with oversight by the ARC.

The internal controls systems include the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with appropriate legislation, regulations and best practice, and the management of business risks. Such systems are designed to manage rather than to eliminate the risk of failure to achieve business objectives and provide only reasonable, and not absolute, assurance against material misstatement or loss.

Based on the ERM Framework established and the reviews conducted by Management and both the internal and external auditors, as well as the assurance from the CEO and the CFO, the Board is of the opinion that the systems of risk management and internal controls (including financial, operational, compliance and IT controls) within the CLINT Group are adequate and effective to address the risks (including financial, operational, compliance and IT risks) which the CLINT Group considers relevant and material to its current business environment as at 31 December 2023. The ARC concurs with the Board in its opinion. No material weaknesses in the systems of risk management and internal controls were identified by the Board and the ARC in the review for FY 2023.

The Board notes that the systems of risk management and internal controls established by the Trustee-Manager provide reasonable assurance that the CLINT Group, as it strives to achieve its business objectives, will not be significantly affected by any event that can be reasonably foreseen or anticipated. However, the Board also notes that all internal controls systems contain inherent limitations and no system of risk management and internal controls can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, losses, fraud or other irregularities.

## PRINCIPLE 10: AUDIT AND RISK COMMITTEE

At present, the ARC comprises four non-executive Directors, all of whom (including the chairman of the ARC) are IDs. The four members on the ARC are Mrs Deborah Ong (ARC Chairman), Mrs Zia Jaydev Mody, Mr Ernest Kan Yaw Kiong and Mr Vishnu Shahaney. The ARC Chairman is a Director other than the Chairman of the Board. The ARC Chairman and members bring with them invaluable recent and relevant managerial and professional expertise in accounting, auditing and related financial management domains.

The ARC does not comprise former partners of CLINT's external auditors, Deloitte & Touche LLP, (a) within a period of two years commencing from the date of their ceasing to be partners of Deloitte & Touche LLP; or (b) who have any financial interest in Deloitte & Touche LLP.

The ARC has explicit authority to investigate any matter within its terms of reference. Management provides the fullest co-operation in providing information and resources, and in implementing or carrying out all requests made by the ARC. The ARC has direct access to the internal and external auditors and full discretion to invite any Director or key management personnel to attend its meetings. Similarly, both the internal and external auditors have unrestricted access to the ARC.

# CORPORATE GOVERNANCE REPORT

Under its terms of reference, the ARC's scope of duties and responsibilities includes:

- (a) reviewing the significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the CLINT Group and any announcements relating to the CLINT Group's financial performance;
- (b) reviewing and reporting to the Board at least annually the adequacy and effectiveness of the Trustee-Manager's internal controls (including financial, operational, compliance and IT controls) and risk management systems;
- (c) reviewing the assurances from the CEO and the CFO on the financial records and financial statements;
- (d) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the adequacy, effectiveness, independence and objectivity of the external auditors;
- (e) reviewing the scope and results of the internal audit and the adequacy, effectiveness, independence and objectivity of the Trustee-Manager's internal audit (IA) and compliance functions;
- (f) making recommendations to the Board on the proposals to Unitholders on the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;
- (g) reviewing and approving processes to regulate transactions between an interested person (as defined in Chapter 9 of the Listing Manual and the BTA) (each, an Interested Person) and CLINT and/or its subsidiaries (Interested Person Transactions), to ensure compliance with the applicable regulations. The regulations include the requirements that Interested Person Transactions are on normal commercial terms and are not prejudicial to the interests of CLINT and its minority Unitholders. In respect of any property management agreement which is an Interested Person Transaction, the ARC also carries out reviews at appropriate intervals to satisfy itself that the Trustee-Manager has reviewed the property manager's compliance with the terms of the property management agreement and has taken remedial actions where necessary; and
- (h) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, and independently investigated, for appropriate follow up action to be taken.

The ARC undertook a review of the independence of the external auditors, taking into consideration, among other factors, the non-audit services provided, CLINT's relationships with the external auditors in FY 2023, as well as the processes and safeguards adopted by the Trustee-Manager and the external auditors relating to audit independence. Based on the review, the ARC is satisfied that the independence of the external auditors is not affected by the provision of the non-audit services. The external auditors have also provided confirmation of their independence to the ARC. The total audit and non-audit fees for FY 2023 paid or payable to Deloitte & Touche LLP and other Deloitte network firms amounted to S\$701,000, comprising audit fees of S\$609,000 and non-audit fees of S\$92,000. On the basis of the above, the Board has concurred with the ARC's recommendation for the re-appointment of Deloitte & Touche LLP as the independent external auditors of CLINT and its subsidiaries at the coming AGM of the Unitholders.

Deloitte & Touche LLP was appointed as the external auditors for CLINT and its Singapore incorporated subsidiaries and significant associated companies. Unitholders' approval was obtained for their appointment at the last AGM on 17 April 2023. Deloitte & Touche LLP will hold office until the conclusion of the upcoming AGM. The ARC has assessed the performance of the external auditors based on factors such as the performance and quality of their audit and the independence of the auditor.

The ARC holds at least four scheduled meetings in a year and met four times in FY 2023. At all scheduled ARC meetings in FY 2023, the CEO and the CFO were in attendance. With effect from FY 2020, CLINT had adopted the practice of announcing its financial statements on a half-yearly basis and had been providing quarterly business updates in between such announcements or as and when necessary. Accordingly, during the ARC meetings



# CORPORATE GOVERNANCE REPORT

In July 2023 and January 2024, among other things, the ARC reviewed the half-yearly financial statements including the relevance and consistency of the accounting principles adopted and any significant financial reporting issues and recommended the half-yearly financial statements and corresponding announcements to the Board for approval. During the ARC meetings in April and October 2023, the ARC reviewed, among other things, the quarterly business and financial updates presented by Management. Such business updates contain, among other things, information on the CLINT Group's key operating and financial metrics.

In FY 2023, the ARC also reviewed and assessed the adequacy and effectiveness of the internal controls and risk management systems established by the Trustee-Manager to address the material risks faced by the CLINT Group, taking into consideration the outcome of reviews conducted by Management and both the internal and external auditors, as well as the assurances from the CEO and the CFO.

The ARC also meets with the external auditors, and with the internal auditors, without the presence of Management, at least once a year. In FY 2023, the ARC met with the external auditors and internal auditors once, without Management's presence, to discuss the reasonableness of the financial reporting process, the internal controls and risk management systems, and the significant comments and recommendations by the auditors.

Where relevant, the ARC makes reference to the best practices and guidance for audit committees in Singapore including practice directions issued from time to time in relation to the Financial Reporting Surveillance Programme administered by the Accounting and Corporate Regulatory Authority of Singapore.

## Key Audit Matters

In the review of the financial statements of the CLINT Group for FY 2023, the ARC has discussed with Management the accounting principles that were applied and their judgment of items that might affect the integrity of the financial statements and also considered the clarity of key disclosures in the financial statements. The ARC reviewed, amongst other matters, the following key audit matters, as reported by the external auditors for FY 2023.

Key audit matters	How these issues were addressed by the ARC
1. Valuation of investment properties and investment properties under construction	ARC has reviewed the appropriateness of the valuation methodologies as well as the other key estimates and assumptions adopted in the valuation prepared by the independent professional valuers, Savills Property Services (India) Private Limited. ARC also assessed the reasonableness of the movements in fair value of the properties by taking into consideration the underlying assumption used, which includes discount rates and capitalisation rates, where applicable. A combination of global inflationary pressures, higher interest rates and currency movements have heightened the potential for greater volatility in the property market over the short-to medium terms. The valuation of investment properties and investment properties under construction may be subject to the heightened market volatility.
2. Taxation matters	ARC has reviewed the status of the open tax issues with uncertain positions and adequacy of the CLINT Group's accounting treatment and disclosures in the financial statements, inclusive of contingent liabilities disclosure and the deferred tax together with the assumptions used.

Changes to the accounting standards and accounting issues which have a direct impact on the financial statements are reported to and discussed with the ARC at its meetings. Directors are also invited to attend relevant seminars organised by leading accounting firms which provide updates on changes to accounting standards and key issues relating to accounting standards.

The Trustee-Manager confirms, on behalf of CLINT, that CLINT complies with Rules 712 and 715 of the Listing Manual in relation to the appointment of its external auditors.

# CORPORATE GOVERNANCE REPORT

## Internal Audit

The Trustee-Manager has in place an IA function supported by CLI's Internal Audit Department (CLI IA). The head of CLI IA is Ms Jenny Tan. CLI IA is independent of the activities it audits and has unfettered access to the CLINT Group's documents, records, properties and employees, including access to the ARC, and has appropriate standing with respect to the Trustee-Manager. The primary reporting line of CLI IA in respect of the CLINT Group is to the ARC, however, the ARC does not decide on the appointment, termination and remuneration of the head of CLI IA as it operates at the CLI Group level. While this is a deviation from Provision 10.4 which requires the ARC to decide on the appointment, termination and remuneration of the head of the IA function, CLI IA is able to carry out its role effectively for the reasons below and this is accordingly consistent with the intent of Principle 10 of the Code.

The ARC monitors and assesses the role and effectiveness of the IA function through reviewing the IA's processes from time to time and may make recommendations to the Board for any changes to the IA's processes. The ARC also reviews to ensure that the IA function is adequately resourced and skilled in line with the nature, size and complexity of the Trustee-Manager's and CLINT's business, and that an adequate budget is allocated to the IA function to assure its proper functioning as internal auditors of the Trustee-Manager. In FY 2023, the ARC has carried out a review of the IA function and is satisfied that the IA function performed by CLI IA is adequately resourced, effective and independent.

CLI IA formulates its internal audit plan in consultation with, but independently of, Management and its plan is submitted to the ARC for approval prior to the beginning of each year. CLI IA adopts a risk-based approach in formulating the audit plan that aligns its activities to the key strategies and risks across the CLINT Group's business. The reviews performed by CLI IA are focused on assisting the Board in promoting sound risk management, robust internal controls and good corporate governance, through assessing the design and effectiveness of operating controls that govern key business processes and risks identified in the overall risk framework of the CLINT Group. CLI IA also reviews compliance with the CLINT Group's policies, procedures and regulatory responsibilities, performed in the context of financial and operational, revenue assurance and information system reviews.

During FY 2023, the ARC reviewed the results of audits performed by CLI IA based on the approved audit plan. All significant findings are reported to Management and the ARC. CLI IA also reviews the status of implementation of the audit recommendations and whether there are any past due items, and reports the same to Management and the ARC.

The ARC also reviewed reports on whistle-blower complaints reviewed by CLI IA to ensure independent and thorough investigation and adequate follow up. The ARC also received reports on Interested Person Transactions reviewed by CLI IA that they were on normal commercial terms and are not prejudicial to the interests of CLINT and its minority Unitholders.

The ARC notes that the CLI IA is independent, effective, adequately resourced and staffed with persons with the relevant qualifications and experience. CLI IA is a corporate member of The Institute of Internal Auditors Inc. (IIA), Singapore, which is an affiliate of the IIA with its headquarters in the United States of America (USA). CLI IA subscribes to, and is guided by, the International Standards for the Professional Practice of Internal Auditing (Standards) developed by IIA, and has incorporated these Standards into its audit practices.

To ensure that IAs are performed by competent professionals, CLI IA recruits and employs suitably qualified professional staff with the requisite skill sets and experience. For instance, CLI IA staff who are involved in IT audits have the relevant professional IT certifications and are also members of the ISACA Singapore Chapter, a professional body administering information systems audit and information security certifications that is headquartered in the USA. The ISACA Information Systems Auditing Standards provide guidance on the standards and procedures to be applied in IT audits. CLI IA identifies and provides training and development opportunities for its staff to ensure their technical knowledge and skill sets remain current and relevant.

# CORPORATE GOVERNANCE REPORT

## UNITHOLDER RIGHTS AND ENGAGEMENT

### PRINCIPLE 11, 12 AND 13: SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS, ENGAGEMENT WITH SHAREHOLDERS AND MANAGING STAKEHOLDER RELATIONSHIPS

The Trustee-Manager is committed to treating all Unitholders fairly and equitably. All Unitholders enjoy specific rights under the Trust Deed and the relevant laws and regulations. These rights include, among other things, the right to participate in profit distributions.

#### General Meetings

In FY 2023, CLINT held an annual general meeting (AGM 2023) and an extraordinary general meeting (EGM) on 17 April 2023 in a wholly physical format pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (COVID-19 Temporary Measures Order) and in accordance with the checklist jointly issued by ACRA, MAS and Singapore Exchange Regulation, which gave guidance to listed and non-listed entities on the conduct of general meetings amid the evolving COVID-19 situation (Checklist).

A live web-cast of the AGM 2023 and EGM was also made available for those Unitholders who were unable to attend the AGM 2023 and/or the EGM in-person. Unitholders were entitled to submit questions in advance of and/or live at the AGM 2023 and EGM and vote at the AGM 2023 and EGM by themselves or their duly appointed proxy(ies) (other than the chairman of the meeting) or by appointing the chairman of the meeting as their proxy to vote on their behalf, to facilitate interaction between the Board, Management and Unitholders. All Directors (including the CEO who is also a Director) attended the AGM 2023 and EGM either in-person or via electronic means. A record of the Directors attendance at the AGM 2023 and EGM can be found in the record of their attendance at general meeting(s) and Board and Board Committee meetings for FY 2023 set out on page 154 of this Annual Report.

The description below sets out CLINT's usual practice for Unitholders' meetings which are not convened and held pursuant to the COVID-19 Temporary Measures Order.

Unitholders are entitled to attend general meetings and are accorded the opportunity to participate effectively and vote at general meetings (including through the appointment of up to two proxies, if they are unable to attend in person or in the case of a corporate Unitholder, through its appointed representative). Unitholders such as nominee companies which provide custodial services for securities are not constrained by the two-proxy limitation, and are able to appoint more than two proxies to attend, speak and vote at general meetings of CLINT.

The upcoming AGM to be held on 19 April 2024 (AGM 2024) will be held in a hybrid format, with Unitholders given the option to attend physically in-person or online (with live-voting and the ability to pose questions via a web-chat facility during the AGM). Unitholders will be entitled to submit questions in advance of and/or live through a web-chat facility at the AGM 2024 and vote live at the AGM 2024 by themselves or their duly appointed proxy(ies) (other than the chairman of the meeting) or by appointing the chairman of the meeting as their proxy to vote on their behalf, to facilitate interaction between the Board, Management and Unitholders. Substantial and relevant questions received from Unitholders in advance of the AGM will be addressed before the AGM via publication on the Website and on the SGXNet or at the AGM itself. Further details on the arrangements put in place for the conduct of the AGM 2024 are set out in the Trustee-Manager's notice of AGM dated 25 March 2024.

CLINT supports the principle of encouraging Unitholder participation and voting at general meetings. CLINT's Annual Report is provided to Unitholders within 120 days from the end of CLINT's financial year. Unitholders may download the Annual Report (printed copies of the Annual Report are available upon request) and notice(s) of general meeting from the Website. More than the legally required notice period for general meetings is generally provided. The notice(s) of general meeting are also available on SGXNet. The rationale and explanation for each agenda item which requires Unitholders' approval at a general meeting are provided in the notice of the general meeting or in the accompanying circular (if any) issued to Unitholders in respect of the matter(s) for approval at such general meeting. This enables Unitholders to exercise their votes on an informed basis. To safeguard the Unitholders' interests and rights, a separate resolution is proposed for each substantially separate matter to be approved at a general meeting, unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the reasons and material implications will be explained in the notice of general meeting.

# CORPORATE GOVERNANCE REPORT

At AGMs, Management makes a presentation to Unitholders to update them on CLINT's performance, position and prospects. The presentation materials are made available to Unitholders on the Website and also on SGXNet.

At general meetings, Unitholders are informed of the rules governing general meetings and are given the opportunity to communicate their views, ask questions and discuss with the Board and Management on matters affecting CLINT. Directors (including the chairman of the respective Board Committees), key management personnel and the external auditors of CLINT, are present for the entire duration of the general meetings to address any queries that the Unitholders may have, including queries about the conduct of CLINT's external audit and the preparation and contents of the external auditors' report. Directors and Management also interact with Unitholders after the general meetings.

To ensure transparency in the voting process and better reflect Unitholders' interests, CLINT conducts electronic poll voting for all the resolutions proposed at general meetings. One Unit is entitled to one vote. Voting procedures and the rules governing general meetings are explained and vote tabulations are disclosed at the general meetings. An independent scrutineer is also appointed to validate the vote tabulation procedures. Votes cast, for or against and the respective percentages, on each resolution are tallied and displayed 'live' on-screen to Unitholders after each resolution is voted on at the general meetings. The total number of votes cast for or against each resolution and the respective percentages are also announced on SGXNet after the general meetings.

Provision 11.4 of the Code requires an issuer's Constitution to allow for absentia voting at general meetings of shareholders. CLINT's Trust Deed currently does not permit Unitholders to vote at general meetings in absentia (such as via mail or email). The Trustee-Manager will consider implementing the relevant amendments to CLINT's Trust Deed to permit absentia voting after it has carried out careful study and is satisfied that the integrity of information and the authentication of the identity of Unitholders through the internet will not be compromised, and after the implementation of legislative changes to recognise remote voting. The Trustee-Manager is of the view that despite the deviation from Provision 11.4 of the Code, Unitholders nevertheless have opportunities to communicate their views on matters affecting CLINT even when they are not in attendance at general meetings. For example, Unitholders may appoint proxies to attend, speak and vote, on their behalf, at general meetings.

Minutes of the general meetings recording the substantial and relevant comments made, questions raised, and answers provided, are prepared and are available to Unitholders for their inspection upon request. Minutes of general meetings are also made available on the Website. Accordingly, the rights of the Unitholders are consistent with the intent of Principle 11 of the Code.

## **Distribution Policy**

CLINT's distribution policy is to distribute at least 90.0% of its distributable income, with the actual level of distribution to be determined at the Trustee-Manager's discretion. Distributions are generally paid within 35 market days after the relevant record date.

## **Timely Disclosure of Information**

The Trustee-Manager is committed to keeping all Unitholders, other stakeholders, analysts and the media informed of CLINT's performance and any changes in the CLINT Group or its business which is likely to materially affect the price or value of the Units. This is achieved through posting announcements and news releases on the SGXNet on a timely and consistent basis. These announcements and news releases are also posted on CLINT's website.

For FY 2023, the Trustee-Manager provided Unitholders with half year and full year financial statements within the relevant periods prescribed by the Listing Manual. These half year and full year financial statements were reviewed and approved by the Board prior to release to Unitholders by announcement on SGXNet. The release of half year and full year financial statements were accompanied by news releases issued to the media and which were also made available on SGXNet. In presenting the half year and full year financial statements to Unitholders, the Board sought to provide Unitholders with a balanced, clear and comprehensible assessment of CLINT and the CLINT Group's performance, position and prospects.

# CORPORATE GOVERNANCE REPORT

In addition to the announcements of half year and full year financial statements in FY 2023, in keeping with the Trustee-Manager's commitment to provide its Unitholders with information promptly, the Trustee-Manager also provided Unitholders, on a voluntary basis, with quarterly business updates in between the announcement of half-yearly financial statements. Such business updates contain, among other things, information on the CLINT Group's key operating and financial metrics.

In addition to the release of financial statements, the Trustee-Manager also keeps CLINT's Unitholders, stakeholders and analysts informed of the performance and changes in the CLINT Group or its business which would likely materially affect the price or value of the Units on a timely and consistent basis, so as to assist Unitholders and investors in their investment decisions. This is performed through the release on SGXNet of announcements in compliance with statutory and regulatory reporting requirements and news releases for the media, on a timely and consistent basis. These announcements and news releases are also posted on the Website. In addition, the Trustee-Manager also conducts analysts' briefings, and the materials used for such briefings are uploaded on SGXNet.

The Trustee-Manager has corporate disclosure controls and procedures to ensure that CLINT complies with its disclosure obligations under the Listing Manual. These controls and procedures incorporate the decision-making process and an obligation on internal reporting of the decisions made.

The Trustee-Manager believes in conducting the business of CLINT in ways that seek to deliver sustainable value to Unitholders. Best practices are promoted as a means to build an excellent business for CLINT and the Trustee-Manager's accountability to Unitholders for CLINT's performance. Prompt fulfilment of statutory reporting requirements is but one way to maintain Unitholders' confidence and trust in the capability and integrity of the Trustee-Manager.

## Investor Relations

Investor relations matters are handled by the Management. The Management meets with analysts and institutional investors regularly to promote CLINT, communicate its business performance and developments, and gather views and feedback. The Management participates in local and overseas conferences organised by securities houses and banks. The Management also addresses queries raised by retail and institutional Unitholders via phone calls, emails or the Website. Such regular interactions allow the Management to consider feedback from the investment community before formulating capital management strategies and Unitholders' resolutions. The Trustee-Manager maintains the Website which contains information on CLINT including but not limited to its prospectus, current and past announcements and news releases, financial statements, investor presentations and Annual Reports.

The Trustee-Manager actively engages with Unitholders with a view to solicit and understand their views, and has put in place an Investor Relations Policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communications with Unitholders.

The Investor Relations Policy sets out the mechanism through which Unitholders may contact the Trustee-Manager with questions and through which the Trustee-Manager may respond to such questions. Unitholders are welcome to engage with the Trustee-Manager beyond general meetings and they may do so via phone calls or emails to the Investor Relations contact, which contact details may be found on the Website.

More information on the Trustee-Manager's investor relations efforts can be found in the Investor Relations section on pages 41 to 43 of this Annual Report.

The Trustee-Manager also has in place a corporate communications function supported by CL's Group Communications department which works closely with the media and oversees CLINT's media communications efforts.

## Managing Stakeholder Relationships

The Board's role includes considering sustainability as part of its strategy formulation. The Trustee-Manager adopts an inclusive approach for CLINT by considering and balancing the needs and interests of material stakeholders, as part of the overall strategy to ensure that the best interests of CLINT are served. The Trustee-Manager is committed to sustainability and incorporates the key principles of environmental and social

# CORPORATE GOVERNANCE REPORT

responsibility, and corporate governance in CLINT's business strategies and operations. The Trustee-Manager has arrangements in place to identify and engage with material stakeholder groups from time to time to gather feedback on the sustainability issues most important to them and to manage CLINT's relationships with such groups. Such arrangements include maintaining the Website, which is kept updated with current information to facilitate communication and engagement with CLINT's stakeholders.

CLINT's creditors, which comprises of lending banks, are assured with a well-spread debt maturity, and interest coverage and gearing ratios well within the regulated limits. Management regularly and closely monitors various capital management metrics to ensure compliance with loan covenants and regulatory requirements.

More details of CLINT's sustainability framework and policies, as well as stakeholder engagement can be found in the Integrated Sustainability Report prepared in accordance with the requirements under Rules 711A and 711B of the Listing Manual and the Global Reporting Initiative (GRI) Standards 2021 on pages 62 to 115 of this Annual Report.

## ADDITIONAL INFORMATION

### Investment Committee

In addition to the ARC and the NRC, the Board has also established an IC.

At present, the IC comprises four Directors, two of whom are IDs. The four members on the IC are Mr Manohar Khiatani (IC Chairman), Ms Tan Soon Neo Jessica, Mrs Zia Jaydev Mody, and Mr Goh Soon Keat Kevin.

The IC is authorised to review all matters within its terms of reference. Pursuant to the IC's terms of reference, the IC's scope of duties and responsibilities involve assisting the Board in its oversight of responsibilities in the areas of investment, divestment and asset enhancement initiatives within the IC's approval limits.

For FY 2023, the IC has met to approve the business plans of CLINT for the upcoming financial year.

### Dealings with Interested Persons

#### Review Procedures for Interested Person Transactions

The Trustee-Manager has established internal control procedures to ensure that all Interested Person Transactions are undertaken on an arm's length basis and on normal commercial terms, which are generally no more favourable than those extended to unrelated third parties, and are not prejudicial to the interests of CLINT and Unitholders. In respect of such transactions, the Trustee-Manager would have to demonstrate to the ARC that such transactions are undertaken on normal commercial terms and are not prejudicial to the interests of CLINT and Unitholders which may include obtaining (where practicable) third party quotations or obtaining valuations from independent valuers (in accordance with applicable provisions of the Listing Manual). The internal control procedures also ensure compliance with Chapter 9 of the Listing Manual and the BTA.

In particular, the procedures in place include the following:

Interested Person Transactions <sup>1</sup>	Approving Authority, Procedures and Disclosure
Below S\$100,000 per transaction	<ul style="list-style-type: none"> <li>Management</li> </ul>
S\$100,000 and above per transaction (which singly, or when aggregated with other transactions <sup>2</sup> with the same Interested Person in the same financial year is less than 3.0% of CLINT's net tangible assets)	<ul style="list-style-type: none"> <li>Management</li> <li>ARC</li> </ul>
Transaction <sup>2</sup> which:	<ul style="list-style-type: none"> <li>Management</li> </ul>
(a) is equal to or exceeds 3.0% of CLINT's net tangible assets but below 5.0% of CLINT's net tangible assets; or	<ul style="list-style-type: none"> <li>ARC</li> </ul>
(b) when aggregated with other transactions <sup>2</sup> with the same Interested Person in the same financial year is equal to or exceeds 3.0% of CLINT's net tangible assets but below 5.0% of CLINT's net tangible assets	<ul style="list-style-type: none"> <li>Immediate announcement</li> </ul>

# CORPORATE GOVERNANCE REPORT

Interested Person Transactions <sup>1</sup>	Approving Authority, Procedures and Disclosure
<p>Transaction<sup>2</sup> which:</p> <p>(a) is equal to or exceeds 5.0% of CLINT's net tangible assets; or</p> <p>(b) when aggregated with other transactions<sup>2,3</sup> with the same Interested Person in the same financial year is equal to or exceeds 5.0% of CLINT's net tangible assets</p>	<ul style="list-style-type: none"> <li>• Management</li> <li>• ARC</li> <li>• Immediate announcement</li> <li>• Unitholders<sup>3</sup></li> </ul>

**Notes:**

<sup>1</sup> This table does not include the procedures applicable to Interested Person Transactions falling under the exceptions set out in Rules 915 and 916 of the Listing Manual.

<sup>2</sup> Any transaction of less than S\$100,000 in value is disregarded.

<sup>3</sup> In relation to approval by Unitholders for transactions that are equal to or exceed 5.0% of CLINT's net tangible assets (whether singly or aggregated), any transaction which has been approved by Unitholders, or is the subject of aggregation with another transaction that has been approved by Unitholders, need not be included in any subsequent aggregation.

Guidelines and procedures established to monitor Interested Person Transactions will be audited by CLI IA on a periodic basis. CLI IA's role will include carrying out an audit on the IPT framework and procedures as a separate audit engagement. As part of this engagement, CLI IA will review, amongst other procedures, the maintenance of IPT registers, process of identification of IPTs, the comparables used for assessing if IPTs are undertaken on an arm's length basis and on normal commercial terms, and that there are reasonable and valid documentations supporting the conclusions on IPTs. CLI IA will also carry out testing on sampling basis for the entire population of IPTs (including IPTs below S\$100,000).

### Role of the Audit and Risk Committee for Interested Person Transactions

The Trustee-Manager's internal control procedures are intended to ensure that Interested Person Transactions are conducted at arm's length, on normal commercial terms and are not prejudicial to CLINT's and Unitholders' interests.

The Trustee-Manager maintains a register to record all Interested Person Transactions which are entered into by CLINT (and the basis on which they are entered into, including the quotations obtained to support such basis). All Interested Person Transactions are subject to regular reviews by the ARC, which in turn obtains advice from CLI IA, to ascertain that the guidelines and procedures established to monitor Interested Person Transactions, including the relevant provisions of the Listing Manual and the BTA, as well as any other guidelines which may from time to time be prescribed by the SGX-ST, MAS or other relevant authorities, have been complied with. The review includes an examination of the nature of the transaction and its supporting documents or such other information deemed necessary by the ARC. If a member of the ARC has an interest in a transaction, he/she is to abstain from participating in the review and approval process in relation to that transaction. In addition, the ARC also reviews the IA reports to ascertain that the Listing Manual and the BTA have been complied with.

Details of all Interested Person Transactions (equal to or exceeding S\$100,000 each in value) entered into by CLINT in FY 2023 are disclosed on pages 165 to 167 of this Annual Report.

### Dealing with Conflicts of Interest

The following principles and procedures have been established to deal with potential conflicts of interest which the Trustee-Manager (including its Directors, key management personnel and employees) may encounter in managing CLINT:

- (a) the Trustee-Manager is a dedicated trustee-manager to CLINT and will not manage any other business trust or be involved in any other real property business;
- (b) all resolutions at meetings of the Board in relation to matters concerning CLINT must be decided by a majority vote of the Directors, including at least one ID;
- (c) in respect of matters in which CLI and/or its subsidiaries have an interest, whether direct or indirect, any nominees appointed by CLI and/or its subsidiaries to the Board will abstain from voting. In such matters, the quorum must comprise a majority of IDs and shall exclude such nominee Directors of CLI and/or its subsidiaries;

# CORPORATE GOVERNANCE REPORT

- (d) in respect of matters in which a Director or his or her associates have an interest, whether direct or indirect, such interested Director will abstain from voting. In such matters, the quorum must comprise a majority of the Directors and shall exclude such interested Director(s); and
- (e) the Board shall comprise:
  - (i) at least a majority of Directors who are independent from management and business relationships with the Trustee-Manager;
  - (ii) at least one-third of Directors who are independent from management and business relationships with the Trustee-Manager and from every substantial shareholder of the Trustee-Manager; and
  - (iii) at least a majority of Directors who are independent from any single substantial shareholder of the Trustee-Manager.

The Trustee-Manager and its associates (as defined in the Trust Deed) are prohibited under the Trust Deed from voting on their Units at, or being part of a quorum for, any meeting of Unitholders convened to approve any matter in which the Trustee-Manager or any of its associates has a material interest in the business to be conducted (save for a resolution to remove the Trustee-Manager as provided in the Trust Deed).

In addition to the general principles and procedures above, the following safeguards are in place to address potential conflicts of interests that may arise from the Concurrent Appointment:

- (a) the Trustee-Manager has been granted the CLINT ROFR<sup>3</sup> which ensures that the Trustee-Manager has the first opportunity to consider the acquisition of any property falling within the investment mandate of CLINT available for sale by or to the sponsor, which is CLII. The option to exercise the right of first refusal will be considered by and be subject to the approval of the IC and the Board. The Board has a strong independent element in that five out of eight directors are non-executive IDs. The IC of the Trustee-Manager currently comprises four members, two of whom are IDs and the other two, non-IDs. Both the Board and the IC adhere to the decision-making principle that any director who is faced with a conflict of interests shall recuse himself or herself from the deliberations and abstain from voting on the subject matter for decision making, in addition to his or her disclosure obligations. Such decision-making principle of the Board and the IC will ensure that any decision is made by a majority of IDs and/or Directors who are not subject to any conflict of interests, thereby ensuring that the decision taken will be objective and not affected by any conflict of interests faced by any Director;
- (b) interested person transactions are subject to the requirements of the Listing Manual, which requires such transactions to be entered into at arm's length and on normal commercial terms, and the approval of the ARC, which comprises only IDs. The valuations for such transactions are also supported by independent valuations;
- (c) under the Code of Business Conduct and Ethics of the Trustee-Manager's Board, in the event of a conflict, Mr Sanjeev Dasgupta shall abstain from voting on the matter, so as to ensure that decisions on the matter are made in an objective manner;
- (d) as a director of the Trustee-Manager, Mr Sanjeev Dasgupta is required to give priority to the interests of all the Unitholders as a whole over the interests of the Trustee-Manager in the event of a conflict between the interests of all the Unitholders as a whole and the interests of the Trustee-Manager. Mr Sanjeev Dasgupta's overriding statutory duty to give priority to the interests of the Unitholders will ensure that any significant property management issues are brought to the attention of the Board as well. Mr Sanjeev Dasgupta is also committed to prioritise the interests of the Unitholders as a whole over the interests of CLII and will recuse himself from any and all deliberations and/or decisions of both the CLII board and the Trustee-Manager's Board, in the event of any conflict arising from the Concurrent Appointment;

<sup>3</sup> As disclosed in the prospectus of CLINT dated 27 July 2007, the Trustee-Manager and Ascendas Land International Pte Ltd (ALI), the then sponsor of CLINT and an indirect wholly-owned subsidiary of CLI, entered into an agreement on 2 July 2007 pursuant to which ALI granted to the Trustee-Manager a right of first refusal over the future proposed sale or acquisition by ALI or its subsidiaries of income-producing properties used primarily for business space (CLINT ROFR). As a result of the strategic restructuring of CapitalLand Limited that took place in 2021, and due to CLII holding and carrying on CLI's business in India, CLII became the new sponsor of CLINT and replaced ALI as grantor of the CLINT ROFR.



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- (e) in the event that there are any transactions to be entered into between CLII and CLINT, or should any potential conflict of interest(s) arise between CLII and CLINT, the Trustee-Manager Representative will evaluate and make the necessary decisions and/or recommendations to the Board, in place of Mr Sanjeev Dasgupta who will recuse from participating in such evaluation, decision-making and/or recommendation process;
- (f) to further ensure that the Trustee-Manager Representative will have full authority to step in for such situations in place of Mr Sanjeev Dasgupta, the Trustee-Manager Representative will have a concurrent reporting line to Mr Sanjeev Dasgupta and to the Board. In situations where Mr Sanjeev Dasgupta is conflicted, the Trustee-Manager Representative will report only to the Board. Further, though the Trustee-Manager Representative's general performance will be reviewed by Mr Sanjeev Dasgupta, it will be ultimately reviewed by the NRC; and
- (g) the Lead ID will review and deal with any conflict of interest(s) relating to the Concurrent Appointment, with a view to protecting the interests of all the Unitholders as a whole.

Further details of the safeguards against the potential conflicts of interest that may arise from the Concurrent Appointment are set out in CLINT's announcement on SGXNET on 28 April 2023 regarding the Concurrent Appointment.

## Dealings in Securities

The Trustee-Manager has adopted a securities dealing policy for the officers and employees which applies the best practice recommendations in the Listing Manual. Under this policy, Directors and employees of the Trustee-Manager as well as certain relevant executives of the CLI Group (together, the Relevant Persons) are required to refrain from dealing in CLINT's securities (i) while in possession of material unpublished price-sensitive information, and (ii) during the one-month period immediately preceding, and up to the time of each announcement of CLINT's half-year and full year financial statements. Prior to the commencement of each relevant black-out period, an email would be sent to all the Relevant Persons to inform them of the duration of the black-out period. The Trustee-Manager also does not deal in CLINT's securities during the same black-out period.

In addition, Directors and certain employees identified as "Key Insiders" are also prohibited from dealing in the securities of CLINT at all other times, except during the open trading window (being the one calendar month commencing from the relevant date of announcement of CLINT's results), provided they are not in possession of undisclosed material or price-sensitive information. Employees of the Trustee-Manager are also required to give a pre-trading notification to the CEO and the Compliance department before any dealing in CLINT's securities.

This policy also provides for the Trustee-Manager to maintain a list of persons who are privy to price-sensitive information relating to the CLINT Group as and when circumstances require such a list to be maintained.

Directors and employees of the Trustee-Manager are also required to refrain from dealing in CLINT's securities if they are in possession of unpublished price-sensitive information of CLINT arising from their appointment as Directors and/or in the course of performing their duties. As and when appropriate, they would be issued an advisory to refrain from dealing in CLINT's securities.

Under this policy, Directors and employees of the Trustee-Manager are also discouraged from trading on short-term or speculative considerations. They are also prohibited from using any information with respect to other companies or entities obtained in the course of their employment in connection with securities transactions of such companies or entities.

A Director is required to notify the Trustee-Manager of his or her interest in CLINT's securities within two business days after (a) the date on which he or she becomes a Director or (b) the date on which he or she acquires an interest in CLINT's securities. A Director is also required to notify the Trustee-Manager of any change in his or her interests in CLINT's securities within two business days after he or she becomes aware of such change.

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Dealings by the Directors are disclosed in accordance with the requirements in the SFA and the Listing Manual. In FY 2023, based on the information available to the Trustee-Manager, save as disclosed in accordance with such requirements<sup>4</sup> and other than the awards of Units in part payment of Directors' fees, there were no dealings by the Directors in CLINT's securities.

## Code of Business Conduct

The Trustee-Manager adheres to an ethics and code of business conduct policy which deals with issues such as confidentiality, conflict of interest, 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.

The policies and guidelines are published on CLI Group's intranet, which is accessible by all employees of the Trustee-Manager. As part of their onboarding, employees are provided with training on such policies. On an annual basis, employees sign an acknowledgement of awareness of and compliance with these policies and guidelines.

The policies that the Trustee-Manager has implemented aim to help to detect and prevent occupational fraud in mainly three ways, as set out below.

First, the Trustee-Manager offers fair compensation packages, based on practices of pay-for-performance and promotion based on merit to its employees. The Trustee-Manager also provides various healthcare subsidies and financial assistance schemes to alleviate the common financial pressures its employees may face.

Second, 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, the Trustee-Manager seeks to build and maintain the right organisational culture through its core values, educating its employees on good business conduct and ethical values.

## Fraud, Bribery and Corruption Risk Management Policy

In line with its core values, the Trustee-Manager is committed to doing business with integrity. This is reflected in its longstanding zero tolerance stance against fraud, bribery and corruption. Consistent with this commitment, various policies and guidelines are in place to guide all employees of the Trustee-Manager to maintain the highest standards of integrity in their work and business dealings. This includes clear guidelines and procedures for the giving and receipt of corporate gifts and concessionary offers, and an annual pledge by all employees of the Trustee-Manager to uphold the Trustee-Manager's core values and to not engage in any corrupt or unethical practices. The Trustee-Manager's zero tolerance policy on bribery and corruption extends to its business dealings with third parties. Pursuant to this policy, the Trustee-Manager requires that certain agreements incorporate anti-bribery and anti-corruption provisions.

The Trustee-Manager's employees adhere to CLI's Fraud, Bribery and Corruption Risk Management Policy (FBC Risk Management Policy). The FBC Risk Management Policy reiterates the strong stance against fraud, bribery and corruption, and sets the overarching approach and standards in managing fraud, bribery and corruption risks in an integrated, systematic and consistent manner. The Trustee-Manager's stance against bribery and corruption is also reiterated by Management during its regular staff communication sessions.

## Whistle-Blowing Policy

The Trustee-Manager has in place a whistle-blowing policy which sets out the procedures for the Trustee-Manager's employees and parties who have dealings with the Trustee-Manager to make a report to the Trustee-Manager on misconduct or wrongdoings relating to the Trustee-Manager and/or its officers. Procedures are put in place to provide such employees and parties with well defined, accessible and trusted channels to report suspected fraud, corruption, dishonest practices or other improprieties in the workplace, and for the

<sup>4</sup> Including the announcements in relation to the provisional allotments of Units to the Directors and the CEO pursuant to CLINT's preferential offering of new Units in July 2023.

# CORPORATE GOVERNANCE REPORT

independent investigation of any reported incidents and appropriate follow up action. The Trustee-Manager ensures that the identity of the whistle-blower is kept confidential. The objective of the whistle-blowing policy is to encourage the reporting of such matters so that employees or external parties making any reports in good faith will be able to do so with the confidence that they will be treated fairly and, to the extent possible, be protected from reprisal. The Trustee-Manager is committed to ensuring protection of the whistle-blower against detrimental or unfair treatment. The ARC is designated as an independent function to investigate all whistle-blowing reports made in good faith at its scheduled meetings. Independent, thorough investigation and appropriate follow up actions are taken. The outcome of each investigation is reported to the ARC, which is responsible for oversight and monitoring of whistleblowing. All employees of the Trustee-Manager are informed of this policy which is made available on CLI Group's intranet.

## Anti-Money Laundering and Counter-Financing of Terrorism Measures

The Trustee-Manager is committed to complying fully with all applicable anti-money laundering and counter-financing of terrorism laws and regulations. Singapore is a member of Financial Action Task Force (FATF) and is obliged to implement FATF's recommendations on measures to combat money laundering, terrorist financing and other related threats to the integrity of the international financial systems. Accordingly, the Trustee-Manager has in place a policy on the prevention of money laundering and terrorism financing. Enhanced due diligence checks are performed on counterparties when suspicions of money laundering or terrorism financing arise. Suspicious transactions are also reported to the Suspicious Transaction Reporting Office of the Commercial Affairs Department. Relevant employees undergo periodic training to stay updated on applicable regulations, prevailing trends, techniques, and measures adopted to combat money laundering and terrorism financing.

## Global Sanctions Compliance

The Trustee-Manager is committed to carrying on business in accordance with the highest ethical standards. This includes complying with applicable sanction laws and regulations of Singapore and the United Nations. Due to the international nature of the CLINT Group's business and the cross-border applicability of sanctions, the transactions the CLINT Group engages in may be subject to unilateral sanctions imposed by relevant government authorities.

To help ensure that the Trustee-Manager and its Directors, employees and officers, as well as third parties acting on behalf of the Trustee-Manager or any entity within the CLINT Group, fully comply with all sanctions applicable to the CLINT Group's business activities, the Trustee-Manager has adopted a policy to comply with the applicable sanctions laws and regulations. The policy sets out the Trustee-Manager's sanctions risk appetite and a risk management framework to help Directors, employees and third parties identify the areas where breaches of applicable sanction laws and regulations may arise and to support them in making the rights decisions in line with the corporate position as stated in the policy and, in the process, establishing a consistent approach for the Trustee-Manager's response to sanction laws and regulations.

## Business Continuity Management

The Trustee-Manager has implemented a Business Continuity Management (BCM) programme that puts in place the prevention, detection, response and, business recovery and resumption measures to minimise the impact of adverse business interruptions or unforeseen events on the CLINT Group's operations and also has in place a Business Continuity Plan (BCP). Under the BCP, Management has identified the critical business functions, processes and resources, and is able to tap on a pool of CLI Group's employees who are trained under a Business Psychological Resilience Programme to provide peer support to colleagues following the occurrence of adverse events. As part of the BCP, periodic desktop exercises and drills, simulating different scenarios, are carried out to stress-test the effectiveness of these processes, procedures and escalation protocols. This holistic approach under the BCP serves to ensure organisational and staff preparedness and readiness to deal with adverse business disruptions such as acts of terrorism, cyber-attacks, data breaches and epidemics. This approach aims to minimise financial loss to CLINT, allow the Trustee-Manager to continue to function as the trustee-manager of CLINT and mitigate any negative effects that the disruptions could have on the Trustee-Manager's reputation, operations and ability to remain in compliance with relevant laws and regulations. The Trustee-Manager has also acquired insurance policies for the CLINT Group on business interruption events.

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## Composition of Board Committees in FY 2023

Board Members	Audit and Risk Committee	Investment Committee	Nominating and Remuneration Committee
Mr Manohar Khiatani <sup>1</sup>	-	C	M
Mr Sanjeev Dasgupta	-	-	-
Mr Alan Rupert Nisbet <sup>2</sup>	C	-	M
Ms Tan Soon Neo Jessica <sup>3</sup>	-	M	C
Mrs Deborah Ong <sup>4</sup>	C	-	M
Mrs Zia Jaydev Mody	M	M	-
Dr Ernest Kan Yaw Kiong	M	-	-
Mr Vishnu Shahaney <sup>5</sup>	M	-	-
Mr Jonathan Yap Neng Tong <sup>6</sup>	-	M	-
Mr Goh Soon Keat Kevin <sup>7</sup>	-	M	-

Denotes: C - Chairman M - Member

Notes:

- 1 Appointed as Chairman of the Board on 1 January 2023.
- 2 Retired as a Director, Lead ID, Chairman of the ARC and a member of the NRC on 30 September 2023.
- 3 Appointed as Chairman of the NRC on 1 January 2023 and Lead ID on 1 October 2023.
- 4 Appointed as Chairman of the ARC and a member of the NRC on 1 October 2023.
- 5 Appointed as a Director and a member of the ARC on 1 May 2023.
- 6 Retired as a Director and a member of the IC on 1 June 2023.
- 7 Appointed as a Director and a member of the IC on 1 June 2023.

## Attendance Record of Meetings of Unitholders, Board and Board Committees in FY 2023<sup>1</sup>

	Board <sup>2</sup>	Audit and Risk Committee	Nominating and Remuneration Committee	Investment Committee	AGM <sup>10</sup>	EGM <sup>10</sup>
No. of Meetings Held	5	4	2	5	1	1
<b>Board Members</b>						
Mr Manohar Khiatani <sup>3</sup>	100%	N.A.	100%	100%	100%	100%
Mr Sanjeev Dasgupta	100%	N.A.	N.A.	N.A.	100%	100%
Mr Alan Rupert Nisbet <sup>4</sup>	100%	100%	100%	N.A.	100%	100%
Ms Tan Soon Neo Jessica <sup>5</sup>	100%	N.A.	100%	100%	100%	100%
Mrs Deborah Ong <sup>6</sup>	100%	100%	N.A.	N.A.	100%	100%
Mrs Zia Jaydev Mody	60%	75%	N.A.	60%	100%	100%
Dr Ernest Kan Yaw Kiong	100%	100%	N.A.	N.A.	100%	100%
Mr Vishnu Shahaney <sup>7</sup>	100%	100%	N.A.	N.A.	N.A.	N.A.
Mr Jonathan Yap Neng Tong <sup>8</sup>	100%	N.A.	N.A.	100%	100%	100%
Mr Goh Soon Keat Kevin <sup>9</sup>	67%	N.A.	N.A.	33%	N.A.	N.A.

N.A.: Not Applicable

Notes:

- 1 All Directors are required to attend general meetings and Board and/or Board Committee meetings called, in person or via audio or video conference, unless required to recuse. Attendance is marked against the general meetings and Board and Board Committee meetings each Director is required to attend, and the percentage computed accordingly.
- 2 Includes an Investment Strategy, Business Plan and Budget Meeting.
- 3 Appointed as Chairman of the Board on 1 January 2023.
- 4 Retired as a Director, Lead ID, Chairman of the ARC and a member of the NRC on 30 September 2023.
- 5 Appointed as Chairman of the NRC on 1 January 2023 and Lead ID on 1 October 2023.
- 6 Appointed as Chairman of the ARC and a member of the NRC on 1 October 2023.
- 7 Appointed as a Director and a member of the ARC on 1 May 2023 (which was after the AGM).
- 8 Retired as a Director and a member of the IC on 1 June 2023.
- 9 Appointed as a Director and a member of the IC on 1 June 2023 (which was after the AGM). Mr Goh Soon Keat Kevin was apprised by Management on the agenda item(s) of those Board and IC meetings that he was unable to attend, and he has provided his comments.
- 10 Provision 11.3 of the Code requires all directors to attend general meetings of Unitholders.

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## CEO's Remuneration Table for FY 2023

	Components of Remuneration			Total
	Salary inclusive of employer's CPF	Bonus and Other Benefits inclusive of employer's CPF <sup>1</sup>	Award of Units <sup>2</sup>	
<b>CEO</b>				
Sanjeev Dasgupta <sup>3</sup>	39%	27%	34%	100%

Remuneration Band for CEO: **Above S\$1,000,000 to S\$1,250,000**

Notes:

- The amounts disclosed include bonuses earned which have been accrued for in FY 2023.
- Includes contingent performance Unit awards made during the year pursuant to the Performance Unit Plan which are subject to the achievement of pre-determined performance conditions and vesting period. Also includes time-based deferred shares awarded pursuant to the Restricted Unit Plan as part of the FY 2023 performance bonus.
- As disclosed in CLINT's announcement on SGXNET on 28 April 2023 regarding the Concurrent Appointment, a portion of Mr Dasgupta's remuneration will be paid by CLII in accordance with his concurrent role as CEO, CLII from 1 May 2023.

## Non-Executive Directors' Remuneration Table for FY 2023

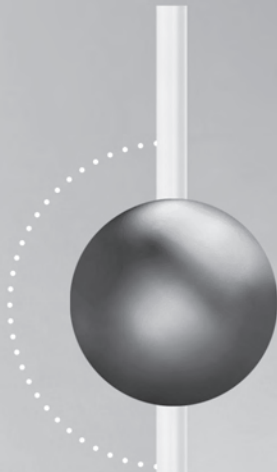
	Components of Directors' fees <sup>1</sup> (S\$)		Total
	Cash component <sup>1</sup>	Unit component <sup>1</sup>	
<b>Non-Executive Directors</b>			
Mr Manohar Khatani <sup>2</sup>	N.A.	N.A.	N.A.
Mr Alan Rupert Nisbet <sup>3</sup>	104,714	N.A.	104,714
Ms Tan Soon Neo Jessica <sup>4</sup>	83,826	20,956	104,782
Mrs Deborah Ong <sup>5</sup>	78,460	19,615	98,075
Mrs Zia Jaydev Mody <sup>6</sup>	105,000	N.A.	105,000
Dr Ernest Kan Yaw Kiong	71,200	17,800	89,000
Mr Vishnu Shahaney <sup>7</sup>	47,792	11,948	59,740
Mr Jonathan Yap Neng Tong <sup>2,8</sup>	N.A.	N.A.	N.A.
Mr Goh Soon Keat Kevin <sup>2,9</sup>	N.A.	N.A.	N.A.

**Aggregate of Remuneration for Non-Executive Directors: S\$561,311**

N.A.: Not Applicable

Notes:

- Each non-executive Director (save for non-executive Directors who are employees of CLI Group, non-executive Directors who have retired and/or non-resident Directors based outside Singapore) shall receive about 20% of his or her Director's fees (inclusive of attendance fees for overseas meeting (if any) of (a) S\$3,000 per trip for travel within the region; and (b) S\$10,000 per trip for travel outside the region) in the form of Units (subject to truncation adjustments). The remainder of the Director's fees shall be paid in cash. No new Units will be issued for this purpose as these Units will be paid by the Trustee-Manager from the Units that it holds.
- Non-executive Directors who are employees of CLI Group do not receive Directors' fees.
- Mr Alan Rupert Nisbet retired from the Board on 30 September 2023. Upon his retirement as Director, Mr Alan Rupert Nisbet ceased to be the Lead ID, Chairman of the ARC and a member of the NRC. Fees are paid fully in cash.
- Ms Tan Soon Neo Jessica was appointed as Chairman of the NRC on 1 January 2023 and Lead ID on 1 October 2023.
- Mrs Deborah Ong was appointed as Chairman of the ARC and a member of the NRC on 1 October 2023.
- Mrs Zia Jaydev Mody, who is a non-resident director based outside of Singapore, will be paid fully in cash.
- Mr Vishnu Shahaney was appointed as a Director and a member of the ARC on 1 May 2023.
- Mr Jonathan Yap Neng Tong retired as a Director and a member of the IC on 1 June 2023.
- Mr Goh Soon Keat Kevin was appointed as a Director and a member of the IC on 1 June 2023.



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# TRUSTEE-MANAGER'S STATEMENT

For the financial year ended 31 December 2023

The Directors of CapitaLand India Trust Management Pte. Ltd., the trustee-manager of CapitaLand India Trust (the "Trustee-Manager"), are pleased to present their statement to the Unitholders of CapitaLand India Trust (the "Trust") and its subsidiaries (together referred to as the "Group"), together with the audited financial statements of the Group. The audited financial statements comprise the balance sheets of the Group and the Trust as at 31 December 2023, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in unitholders' funds and the consolidated statement of cash flows of the Group for the year then ended, and a summary of material accounting policies.

In the opinion of the Directors,

- (i) the accompanying balance sheets of the Group and the Trust, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in unitholders' funds and the consolidated statement of cash flows as set out on pages 175 to 240 are drawn up so as to give a true and fair view of the financial position of the Group and of the Trust as at 31 December 2023, and of the consolidated financial performance, consolidated changes in unitholders' funds and consolidated cash flows of the Group, for the financial year ended on that date in accordance with the provisions of the Business Trusts Act 2004 and Singapore Financial Reporting Standards (International); and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Trustee-Manager will be able to fulfil, out of the trust property of the Trust, the liabilities of the Trust as and when they fall due.

In accordance with Section 86(2) of the Singapore Business Trusts Act 2004, the Directors of the Trustee-Manager further certify:

- (i) the fees or charges paid or payable out of the trust property of the Trust to the Trustee-Manager are in accordance with the Trust Deed;
- (ii) the interested person transactions entered into by the Group during the financial year ended 31 December 2023 are not detrimental to the interests of all the Unitholders of the Trust as a whole based on the circumstances at the time of the relevant transactions; and
- (iii) the Board of Directors of the Trustee-Manager is not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of the Trust or on the interests of all the Unitholders of the Trust as a whole.

## DIRECTORS

The Directors of the Trustee-Manager in office at the date of this statement are:

Mr Manohar Khiatani	(Chairman)
Mr Sanjeev Dasgupta	
Mrs Zia Jaydev Mody	
Dr Ernest Kan Yaw Kiong	
Ms Tan Soon Neo Jessica	
Ms Deborah Tan Yang Sock	
Mr Vishnu Shahaney	(Appointed on 1 May 2023)
Mr Goh Soon Keat Kevin	(Appointed on 1 June 2023)

## ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE UNITS AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Trustee-Manager a party to any arrangement whose objective was to enable any or all Directors of the Trustee-Manager to acquire benefits by means of the acquisition of units in, or debentures of, the Trust.

# TRUSTEE-MANAGER'S STATEMENT

For the financial year ended 31 December 2023

## DIRECTORS' INTERESTS IN UNITS AND DEBENTURES

According to the register of Directors' unitholdings and kept by the Trustee-Manager for the purposes of Sections 13 and 76 of the Singapore Business Trusts Act 2004, only those Directors as shown below hold units in or debentures, of the Trust:

Name of Directors	Units held as at			
	1 January 2023 or date of appointment, if later		31 December 2023	
	Direct	Deemed	Direct	Deemed
Deborah Tan Yang Sock	-	-	<b>10,178</b>	-
Ernest Kan Yaw Kiong	14,840	-	<b>33,768</b>	-
Tan Soon Neo Jessica	13,370	-	<b>31,563</b>	-
Sanjeev Dasgupta	617,525	-	<b>1,134,398</b>	-
<b>Contingent award of Performance units<sup>1</sup> to be delivered after 2022</b>				
Sanjeev Dasgupta (118,017 units)	0 to 236,034 <sup>3,#</sup>	-	-	-
# During the year, 236,034 units were released of which 59,059 units were settled in cash.				
<b>Contingent award of Performance units<sup>1</sup> to be delivered after 2023</b>				
Sanjeev Dasgupta (144,310 units)	0 to 288,620 <sup>3</sup>	-	<b>0 to 288,620<sup>3</sup></b>	-
<b>Contingent award of Performance units<sup>1</sup> to be delivered after 2024</b>				
Sanjeev Dasgupta (180,206 units)	0 to 360,412 <sup>3</sup>	-	<b>0 to 360,412<sup>3</sup></b>	-
<b>Contingent award of Performance units<sup>1</sup> to be delivered after 2025</b>				
Sanjeev Dasgupta (221,415 units)	-	-	<b>0 to 442,830<sup>3</sup></b>	-
<b>Unvested Restricted units<sup>2</sup> to be delivered after 2020</b>				
Sanjeev Dasgupta	54,131 <sup>5,6^</sup>	-	-	-
^ During the year, 11,412 additional units were released.				
<b>Unvested Restricted units<sup>2</sup> to be delivered after 2021</b>				
Sanjeev Dasgupta	144,310 <sup>5,7</sup>	-	<b>72,155<sup>5,6,@</sup></b>	-
@ During the year, 72,155 units were released.				
<b>Unvested Restricted units<sup>2</sup> to be delivered after 2022</b>				
Sanjeev Dasgupta (180,206 units)	0 to 270,309 <sup>4,5</sup>	-	<b>163,026<sup>5,7,&amp;</sup></b>	-
& During the year, 81,513 units were released.				

There was no change in any of the above-mentioned interests in the Trust between the end of the financial year and 21 January 2024.

Except as disclosed in this report, no Director who held office at the end of the financial year had interests in units, unit options, warrants or debentures of the Trust, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.



# TRUSTEE-MANAGER'S STATEMENT

For the financial year ended 31 December 2023

## DIRECTORS' INTERESTS IN UNITS AND DEBENTURES (continued)

### Notes:

- 1 Performance units are units under awards pursuant to the CapitaLand India Trust Management Pte. Ltd. Performance Unit Plan 2019.
- 2 Restricted units are units under awards pursuant to the CapitaLand India Trust Management Pte. Ltd. Restricted Unit Plan 2019.
- 3 The final number of units to be released will depend on the achievement of pre-determined targets over a three-year performance period. No unit will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more units than the baseline award could be delivered up to a maximum of 200% of the baseline award. The Board has the discretion to adjust the number of units released taking into consideration other relevant quantitative and qualitative factors.
- 4 The final number of units to be released will depend on the achievement of pre-determined targets at the end of a one-year performance period and the release will be over a vesting period of three years. No unit will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more units than the baseline award could be delivered up to a maximum of 150% of the baseline award. The Board has the discretion to adjust the number of units released taking into consideration other relevant quantitative and qualitative factors.
- 5 An additional number of units of a total value equal to the value of the accumulated distributions which are declared during each of the vesting periods and deemed forgone due to the vesting mechanism of the CapitaLand India Trust Management Pte. Ltd. Restricted Unit Plan 2019, will also be released on the final vesting.
- 6 Being the unvested remaining one-third of the award.
- 7 Being the unvested two-thirds of the award.

## DIRECTORS' CONTRACTUAL BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive a benefit in the Trust by reason of a contract made by the Trustee-Manager, on behalf of the Trust or a related corporation, with the director, or with a firm of which the director is a member or with a company in which the director has a substantial financial interest.

## UNIT OPTIONS

There were no options granted during the financial year to acquire unissued units in the Trust.

No units have been issued during the financial year by virtue of the exercise of options to take up unissued units in the Trust.

There were no unissued units in the Trust under option as at the end of the financial year.

## AUDIT AND RISK COMMITTEE

The Audit and Risk Committee ("ARC") comprises four Independent Directors. The members at the end of the financial year were as follows:

Ms Deborah Tan Yang Sock (Chairman)  
Mrs Zia Jaydev Mody  
Dr Ernest Kan Yaw Kiong  
Mr Vishnu Shahaney (Appointed on 1 May 2023)

The ARC carried out its functions in accordance with Regulation 13(6) of the Singapore Business Trusts Regulations 2005, including the following:

- Reviewing with the external and internal auditors, the scope and results of the internal audit procedures of the Trustee-Manager; the audit plans and audit reports and the auditors' evaluation of the system of internal accounting controls, based on the recommendations and observations of the auditors;
- Reviewing the semi-annual and annual financial statements and the external auditor's report on the annual financial statements of the Trust before submission to the Board of Directors of the Trustee-Manager;
- Reviewing the assistance given by the Management of the Trustee-Manager to the auditors of the Trust;
- Reviewing the policies and practices put in place by the Management of the Trustee-Manager to ensure compliance with the applicable laws, regulations, guidelines and constitutional documents of the Trust;

# TRUSTEE-MANAGER'S STATEMENT

For the financial year ended 31 December 2023

## AUDIT AND RISK COMMITTEE (continued)

- Reviewing the procedures put in place to address any conflict that may arise between the interests of the Unitholders and those of the Trustee-Manager, including interested person transactions, the indemnification of expenses or liabilities incurred by the Trustee-Manager and the setting of fees and charges payable out of the trust property;
- Reporting to the Board of Directors of the Trustee-Manager on any inadequacies, deficiencies or matters of concern of which the ARC becomes aware or that it suspects, arising from its review of the above described;
- Reporting to the Board of Directors of the Trustee-Manager on any breach of the Singapore Business Trusts Act 2004 or any breach of the provisions of the Trust Deed of which the ARC becomes aware or that it suspects;
- Reporting to the Monetary Authority of Singapore if the ARC is of the view that the Board of Directors of the Trustee-Manager has not taken, or does not propose to take, appropriate action to deal with a matter reported by the ARC to the Board of Directors of the Trustee-Manager;
- Reviewing the independence and objectivity of the external auditor annually, including considering the nature and extent of non-audit services performed by the external auditor;
- Meeting with the external and internal auditors, without the presence of the Management of the Trustee-Manager, at least once annually;
- Recommending the appointment, re-appointment or removal of the external or internal auditors to the Board of the Trustee-Manager;
- Investigating any matters within the ARC's terms of reference, whenever it deems necessary; and
- Undertaking such other functions as may be agreed to by the ARC and the Board of Directors of the Trustee-Manager.

To assess the independence of the external auditor, the ARC also reviewed the non-audit services provided by the external auditor during the financial year and the quantum of fees paid for such services. The ARC is satisfied that the independence of the external auditor was not impaired by the provision of those non-audit services. The ARC has also conducted a review of interested person transactions.

The ARC convened four meetings during the year, and attendances of members are listed in the Corporate Governance Report.

The ARC has recommended to the Board of Directors of Trustee-Manager the appointment of Deloitte & Touche LLP as the independent external auditor of the Trust at the forthcoming annual general meeting of the Unitholders.

# TRUSTEE-MANAGER'S STATEMENT

For the financial year ended 31 December 2023

## AUDITORS

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

For and on behalf of the Trustee-Manager,  
CapitaLand India Trust Management Pte. Ltd.

**MANOHAR KHIATANI**

Director

**SANJEEV DASGUPTA**

Director

23 February 2024

# **STATEMENT BY THE CHIEF EXECUTIVE OFFICER OF THE TRUSTEE-MANAGER**

For the financial year ended 31 December 2023

I, the Chief Executive Officer of CapitaLand India Trust Management Pte. Ltd., as Trustee-Manager (the "Trustee-Manager") of CapitaLand India Trust (the "Trust"), in my personal capacity, certify that I am not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of the Trust or on the interests of all the Unitholders of the Trust as a whole.

**SANJEEV DASGUPTA**  
Chief Executive Officer

23 February 2024

# STATEMENT ON POLICIES AND PRACTICES

IN RELATION TO THE MANAGEMENT AND GOVERNANCE OF THE TRUST  
PURSUANT TO SECTION 87 OF THE BUSINESS TRUSTS ACT 2004

The Board of Directors (the “Board”) of CapitaLand India Trust Management Pte. Ltd., as trustee-manager (the “Trustee-Manager”) of CapitaLand India Trust (“CLINT”), is responsible for safeguarding the interests of the unitholders of CLINT (the “Unitholders”) as a whole and providing oversight for the business of CLINT. The Trustee-Manager has general powers of management over the business and assets of CLINT and its main responsibility is to manage CLINT’s assets and liabilities for the benefit of the Unitholders as a whole. In the event of a conflict between the interests of the Unitholders as a whole and its own interests, the Trustee-Manager will prioritise the interests of the Unitholders as a whole, over its own interests.

The Board of the Trustee-Manager, in exercising its powers and carrying out its duties as Trustee-Manager of CLINT, has put in place measures to ensure that the following are met:

- the property of CLINT is properly accounted for and is kept distinct from any property held by the Trustee-Manager in its own capacity;
- adherence to the business scope of CLINT as set out in the trust deed constituting CLINT dated 7 December 2004 (as amended, varied or supplemented from time to time) (the “Trust Deed”);
- potential conflicts between the interests of the Trustee-Manager and the interests of the Unitholders as a whole are appropriately managed;
- interested persons transactions are transparent, properly reviewed and recorded;
- expenses and cost allocations payable to the Trustee-Manager out of the property of CLINT, and fees and expenses charged to CLINT are appropriate and in accordance with the Trust Deed; and
- compliance with the Business Trusts Act 2004 (“BTA”), the Listing Rules of Singapore Exchange Securities Trading Limited (“SGX-ST”) and any other applicable laws and regulations.

## TRUST PROPERTY PROPERLY ACCOUNTED FOR

For the purpose of ensuring that the property of CLINT is properly accounted for and kept distinct from the property held by the Trustee-Manager in its own capacity, the accounting records of CLINT are kept separate from the accounting records of the Trustee-Manager for its own matters. Separate bank accounts are maintained by the Trustee-Manager in its capacity as trustee-manager of CLINT and in its own capacity.

## ADHERENCE TO BUSINESS SCOPE

CLINT is established to invest in real estate (which may be by way of direct ownership of real estate or by way of holding shares or units or interests in special purpose vehicles (“SPV”)), real estate related assets and/or such other authorised investments. The Trustee-Manager shall manage the property of CLINT such that the principal investments of CLINT are in real estate. The Investment Committee (“IC”) assists the Board in ensuring adherence to the business scope. The responsibilities of the IC are set out in the Corporate Governance Report.

## POTENTIAL CONFLICTS OF INTEREST

The Trustee-Manager is a related company of CapitaLand Investment Limited (the “Sponsor”). The Sponsor is a deemed controlling Unitholder of CLINT and there may be potential conflicts of interest between the Unitholders as a whole, the Trustee-Manager and the Sponsor.

The Trustee-Manager has instituted, amongst others, the following measures to deal with issues of conflicts of interest:

- a Board comprising a majority of Independent Directors;
- all executive officers are directly employed by the Trustee-Manager;

# STATEMENT ON POLICIES AND PRACTICES

IN RELATION TO THE MANAGEMENT AND GOVERNANCE OF THE TRUST  
PURSUANT TO SECTION 87 OF THE BUSINESS TRUSTS ACT 2004

## POTENTIAL CONFLICTS OF INTEREST (continued)

- all resolutions in writing of the Board in relation to matters concerning CLINT must be approved by a majority of the Directors;
- where applicable, strict compliance with the relevant provisions of the Code of Corporate Governance;
- in respect of matters in which the Sponsor and/or its subsidiaries have an interest, direct or indirect, any nominees appointed by the Sponsor and/or its subsidiaries to the Board to represent its/their interests will abstain from voting. In such matters, the quorum must comprise a majority of the Independent Directors and must exclude nominee directors of the Sponsor and/or its subsidiaries; and
- where matters concerning CLINT relate to transactions to be entered into by the Trustee-Manager for and on behalf of CLINT with a related party of the Trustee-Manager, the Audit and Risk Committee ("ARC") is required to review the terms of such transactions to satisfy itself that such transactions are conducted on normal commercial terms and are not prejudicial to the interests of CLINT, Unitholders as a whole or its minority Unitholders.

## PRESENT AND ONGOING INTERESTED PERSON TRANSACTIONS

### (i) Property Management Agreement

The Trustee-Manager, on behalf of CLINT, has entered into a Master Property Management Agreement ("PMA") and individual Property Management Agreements with a related corporation, CapitaLand Services (India) Pvt Ltd ("CSIPL") (formerly known as Ascendas Services (India) Pvt Ltd) (the "Property Manager") for management of properties of CLINT for a term of 10 years, commencing from 1 August 2017 immediately following the expiry of the earlier PMA (which was entered into between the Trustee-Manager and CSIPL on 2 July 2007). The Trustee-Manager believes that the terms of these agreements, established since the listing of CLINT, are made on normal commercial terms and are not prejudicial to the interests of CLINT, the Unitholders as a whole and its minority Unitholders. The Trustee-Manager believes that the Property Manager has the necessary expertise and resources to perform property management, lease management, marketing, project management and general management services for CLINT under these agreements.

### (ii) Exempted Agreements

The fees and charges payable by CLINT to the Trustee-Manager under the Trust Deed and to the Property Manager under the Property Management Agreements, are pursuant to interested person transactions which are deemed to have been specifically approved by the Unitholders upon subscription for the Units, to the extent that there is no subsequent change to the rates and/or bases of the fees charged thereunder or the terms thereof which would adversely affect CLINT.

### (iii) Future Interested Person Transactions

Depending on the materiality of the transaction, CLINT may make a public announcement of such transaction or obtain Unitholders' prior approval for such a transaction. If necessary, the Board may make a written statement in accordance with the resolution of the Board and signed by at least two directors on behalf of the Board certifying that, inter alia, such interested persons transaction is not detrimental to the interests of CLINT, the Unitholders as a whole or to its minority Unitholders, based on the circumstances at the time of the transaction.

The Trustee-Manager may, in the future, seek an annual general mandate from the Unitholders for recurring transactions of revenue or trading nature or those necessary for its day-to-day operations with interested persons, and all transactions would then be conducted under such general mandate for the relevant financial year. In seeking such an annual general mandate, the Trustee-Manager may appoint an independent financial adviser to render an opinion as to whether the methods or procedures for determining the prices of transactions contemplated under the annual general mandate are sufficient to ensure that such transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of CLINT, the Unitholders as a whole and its minority Unitholders.

# STATEMENT ON POLICIES AND PRACTICES

IN RELATION TO THE MANAGEMENT AND GOVERNANCE OF THE TRUST  
PURSUANT TO SECTION 87 OF THE BUSINESS TRUSTS ACT 2004

## PRESENT AND ONGOING INTERESTED PERSON TRANSACTIONS (continued)

### (iii) Future Interested Person Transactions (continued)

When CLINT acquires assets from the Sponsor or parties related to the Sponsor in the future, the Trustee-Manager will obtain valuations from independent valuers. In any event, interested person transactions entered into by CLINT, depending on the materiality of such transactions, may be publicly announced or, as the case may be, approved by Unitholders, and will, in addition, be:

- reviewed and recommended by the ARC of the Trustee-Manager, which currently comprises only Independent Directors; and
- decided by the Board, which comprises a majority of Independent Directors.

## INTERESTED PERSON TRANSACTIONS IN FY 2023

The interested person transactions done in the financial year ended 31 December 2023 ("FY 2023") are set out below:

Name of Interested Person	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under Unitholders' mandate pursuant to Rule 920) \$'000	Aggregate value of all interested person transactions conducted under Unitholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) \$'000
<b>Ascendas India Development VII Pte. Ltd. (AID VII) ^</b>			
- Acquisition of subsidiary (ITPP-H)	Related party	166,723	-
<b>CapitaLand India Trust Management Pte. Ltd.*</b>	Trustee-Manager of CLINT		
- Trustee-manager fees paid/payable		19,373	-
- Acquisition fees paid/payable		2,403	-
- Issuance of new units^		25,000	-

^ These two transactions relate to the Proposed Acquisition of Ascendas IT Park (Pune) Private Limited and the Proposed Sponsor Subscription as announced on SGXNET on 29 December 2022 ("29 December 2022 Announcement"), which have been approved by the Unitholders in an extraordinary general meeting held on 17 April 2023 and completed on 11 May 2023. Further details of this transaction are set out in the 29 December 2022 Announcement and on pages 211 and 217 of this Annual Report.

\* Refer to "Exempted Agreements" in paragraph (ii) on page 164.

# STATEMENT ON POLICIES AND PRACTICES

IN RELATION TO THE MANAGEMENT AND GOVERNANCE OF THE TRUST  
PURSUANT TO SECTION 87 OF THE BUSINESS TRUSTS ACT 2004

## INTERESTED PERSON TRANSACTIONS IN FY 2023 (continued)

Name of Interested Person	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under Unitholders' mandate pursuant to Rule 920) \$'000	Aggregate value of all interested person transactions conducted under Unitholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) \$'000
<b>CSIPL*</b>	Property Manager of CLINT (an associate of the Sponsor, a controlling shareholder of the Trustee-Manager and a controlling unitholder of CLINT)		
Fees received/receivable by CSIPL from CLINT			
- Property management services		4,364	-
- Lease management services		2,188	-
- Marketing services		3,805	-
- Project management services		1,372	-
- General management services		4,516	-
Office rental and related miscellaneous income received/receivable by CLINT from:			
<b>CSIPL</b>	Property Manager of CLINT (an associate of the Sponsor, a controlling shareholder of the Trustee-Manager and a controlling unitholder of CLINT)	530	-
<b>Olam Information Services Private Limited</b>	Tenant (an associate of a controlling shareholder of the Trustee-Manager and a controlling unitholder of CLINT)	1,407	-
<b>Ascendas Flexoffice India Private Limited</b>	Tenant (an associate of the Sponsor, a controlling shareholder of the Trustee-Manager and a controlling unitholder of CLINT)	484	-
<b>NCSI Technologies India Private Limited</b>	Tenant (an associate of the Sponsor, a controlling shareholder of the Trustee-Manager and a controlling unitholder of CLINT)	409	-



# STATEMENT ON POLICIES AND PRACTICES

IN RELATION TO THE MANAGEMENT AND GOVERNANCE OF THE TRUST  
PURSUANT TO SECTION 87 OF THE BUSINESS TRUSTS ACT 2004

## INTERESTED PERSON TRANSACTIONS IN FY 2023 (continued)

Name of Interested Person	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under Unitholders' mandate pursuant to Rule 920) \$'000	Aggregate value of all interested person transactions conducted under Unitholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) \$'000
<b>US Technology International Private Limited</b>	Tenant (an associate of the Sponsor, a controlling shareholder of the Trustee-Manager and a controlling unitholder of CLINT)	993	-

\* Refer to "Exempted Agreements" in paragraph (ii) on page 164.

CLINT has not obtained a general mandate from Unitholders for any interested person transactions.

## FEES AND EXPENSES CHARGED TO CLINT ARE APPROPRIATE AND IN ACCORDANCE WITH THE TRUST DEED

### Fees payable to the Trustee-Manager

The Trustee-Manager is entitled under the Trust Deed to the following management fees:

- a base fee at the rate of 0.5% per annum of the value of the property of CLINT; and
- a performance fee at the rate of 4% per annum of the net property income of CLINT in the relevant financial year (calculated before accounting for the performance fee in that financial year).

Any increase in the rate or any change in the structure of the Trustee-Manager's management fees must be approved by an extraordinary resolution passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

The base fee and the performance fee are payable to the Trustee-Manager in the form of cash and/or Units (as the Trustee-Manager may elect). The Trustee-Manager had elected to receive 50% of both base fee and performance fee in Units and the remainder in cash for FY 2023.

For transactions, the Trustee-Manager is entitled to:

- 1% of the value of the underlying real estate (after deducting the interest of any co-owners or co-participants) purchased by the Trustee-Manager on behalf of CLINT, whether directly or indirectly through a SPV, or 1% of the acquisition price of any authorised investment acquired by the Trustee-Manager on behalf of CLINT; and
- 0.5% of the value of the underlying real estate (after deducting the interest of any co-owners or co-participants) sold or divested by the Trustee-Manager on behalf of CLINT, whether directly or indirectly through an SPV, or 0.5% of the sale price of any authorised investment sold or divested by the Trustee-Manager on behalf of CLINT.

# STATEMENT ON POLICIES AND PRACTICES

IN RELATION TO THE MANAGEMENT AND GOVERNANCE OF THE TRUST  
PURSUANT TO SECTION 87 OF THE BUSINESS TRUSTS ACT 2004

## FEES AND EXPENSES CHARGED TO CLINT ARE APPROPRIATE AND IN ACCORDANCE WITH THE TRUST DEED (continued)

The acquisition fee and the divestment fee are payable to the Trustee-Manager in the form of cash and/or Units (as the Trustee-Manager may elect) at the then prevailing price. In accordance with the Trust Deed, when CLINT acquires or disposes of real estate from an interested person, the acquisition or, as the case may be, the divestment fee may be in the form of cash and/or Units issued at the prevailing market price, and, if received in the form of Units by the Trustee-Manager, such Units shall not be sold within one year from the date of issuance.

Any payment to third party agents or brokers in connection with the acquisition or divestment of any asset of CLINT shall be paid by the Trustee-Manager to such persons out of the property of CLINT or the assets of the relevant SPV, and not out of the acquisition fee or the divestment fee received or to be received by the Trustee-Manager.

Any increase in the maximum permitted level of the Trustee-Manager's acquisition fee or disposal fee must be approved by an extraordinary resolution passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

Under the Trust Deed, the Trustee-Manager is entitled to a trustee fee in cash of up to 0.02% per annum of the value of the property of CLINT.

Any increase in the maximum permitted amount or any change in the structure of the trustee fee must be approved by an extraordinary resolution passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

The table below sets out the fees earned by the Trustee-Manager for the financial year ended 31 December 2023:

	<b>\$'000</b>
Management Fee	12,030
Performance Fee	6,877
Trustee Fee	466
Acquisition Fee	<u>2,403</u>
<b>Total</b>	<b><u>21,776</u></b>

For FY 2023, the Board met every quarter to review the expenses charged to CLINT against the budget approved by the Board.

The expenses charged to CLINT for the financial year ended 31 December 2023 are set out below:

	<b>\$'000</b>
Travel, entertainment and others	<u>355</u>

## COMPLIANCE WITH THE BTA AND LISTING RULES

The Company Secretary and Compliance Officer monitor compliance by CLINT with the BTA and SGX-ST's Listing Rules.

# STATEMENT ON COMPOSITION OF THE BOARD OF DIRECTORS

Under regulation 12(1) of the Business Trusts Regulations 2005 (“BTR”), the Board is required to comprise:

- at least a majority of Directors who are independent from management and business relationships with the Trustee-Manager;
- at least one-third of Directors who are independent from management and business relationships with the Trustee-Manager and from every substantial shareholder of the Trustee-Manager; and
- at least a majority of Directors who are independent from any single substantial shareholder of the Trustee-Manager.

As at the date of this report, the Board consists of eight directors, five of whom are independent directors for the purposes of the BTR.

In accordance with Rule 12(8) of the BTR, the Board of Directors of CapitaLand India Trust Management Pte. Ltd., as trustee-manager of CapitaLand India Trust (the “Trust”, and the trustee-manager of the Trust, the “Trustee-Manager”) has determined that the following Directors are independent from Management and business relationships with the Trustee-Manager, and independent from every substantial shareholder of the Trustee-Manager:

Ms Tan Soon Neo Jessica;  
Ms Deborah Tan Yang Sock;  
Mrs Zia Jaydev Mody;  
Dr Ernest Kan Yaw Kiong; and  
Mr Vishnu Shahaney

Mr Manohar Khiatani, Mr Goh Soon Keat Kevin and Mr Sanjeev Dasgupta are considered Non-Independent Directors by the Board of Directors of the Trustee-Manager.

Mr Khiatani is the Senior Executive Director of CapitaLand Investment Limited and Mr Goh is the Chief Executive Officer, Lodging of CapitaLand Investment Limited and the Chief Executive Officer of The Ascott Limited. Mr Dasgupta is the Chief Executive Officer of the Trustee-Manager.

CapitaLand Investment Limited has a 100% deemed interest in the Trustee-Manager.

# INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF CAPITALAND INDIA TRUST

For the financial year ended 31 December 2023

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of CapitaLand India (the "Trust") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and the Trust as at 31 December 2023, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in unitholders' funds and the consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 175 to 240.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet of the Trust are properly drawn up in accordance with the provisions of the Singapore Business Trusts Act 2004 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Trust as at 31 December 2023 and of the consolidated financial performance, consolidated changes in unitholders' funds and consolidated cash flows of the Group for the financial year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### **Valuation of investment properties and investment properties under construction**

The Group has investment properties and investment properties under construction (collectively, the "Properties") stated at fair values, determined based on external independent professional valuers ("external valuers") engaged by the Trustee-Manager. As at 31 December 2023, the fair valuation of the Properties amounted to \$2,951 million, representing 79% of the Group's total assets.

The valuation process involves significant judgement and estimation by the external valuers. The valuations are dependent on the valuation methodologies applied and the key underlying assumptions used, which include discount rates and capitalisation rates, where applicable.

#### *How the matter was addressed in the audit*

We read and understood the terms of engagement and also considered the objectivity and independence of the external valuers, including their qualifications and competency.

We considered the reasonableness of the fair values determined by the external valuers for the Properties. We engaged our internal valuation specialists to assist in reviewing selected valuation reports issued by the external valuers for the Group's Properties to assess whether the valuation methodologies and key assumptions adopted are reasonable. We, together with our internal valuation specialists, held discussions with the external valuers on the results of their work, and compared the key assumptions used in their valuations by reference to externally published benchmarks or comparables, where available, and considered whether these assumptions are consistent with the current market conditions.

# INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF CAPITALAND INDIA TRUST

For the financial year ended 31 December 2023

## Key Audit Matters (continued)

### **Valuation of investment properties and investment properties under construction (continued)**

*How the matter was addressed in the audit (continued)*

We also considered the adequacy of the disclosures in Notes 3(a), 18, 19 and 29(c)(iii) to the financial statements.

### **Taxation matters**

#### (a) *Uncertain tax positions*

The Group operates in various states in India and the tax positions taken are periodically subject to challenge by local tax authorities on a range of tax matters during the normal course of business. These areas include disputed tax positions on various matters including income tax disputes, transfer pricing, service tax, value added-tax on fit-out rental and property tax. Further details are disclosed in Note 32 to the financial statements.

Significant judgement is required by the Group in assessing the tax issues and the potential exposures to determine whether, and how much, to provide in respect of tax assessments leading to uncertain tax positions.

The Group assesses whether provisions or disclosure as contingent liabilities are required for tax matters, based on reasonable estimates for possible consequences of audits by the tax authorities of the respective countries in which it operates. The assessments made are based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the relevant tax authority.

As at 31 December 2023, the provisions are included in the financial statements and the Group has disclosed contingent liabilities arising from uncertain tax positions as set out in Note 32(a)-(f) to the financial statements.

*How the matter was addressed in the audit*

We, together with our internal tax specialists, read correspondences between the tax authorities and the Group. We have reviewed and evaluated Management's assessment, which is based on advice from their independent tax or legal consultants, in respect of estimates of tax exposures and contingencies in assessing the adequacy of the Group's tax positions. In our evaluation of Management's judgement, we considered the status of recent and current tax audits and enquiries, outcome of previous claims, judgmental positions taken in tax returns, current year estimates and developments in the tax environment in India. We have also assessed the appropriateness of the Group's disclosures on the contingent liabilities arising from these uncertain tax positions in Notes 3(b) and 32(a)-(f) to the financial statements.

#### (b) *Deferred tax*

As at 31 December 2023, the Group recognised net deferred tax liabilities of \$438 million. Deferred tax liabilities are recognised on fair value gains on Properties. The determination of the appropriate tax rates to be applied on the fair value gains is based on Management's assumption to recover the carrying amounts of the Properties through use (except for land through sale) and as to when they are expected to avail themselves of the deduction under section 80IA of Indian Income Tax Act 1961.

Deferred tax assets are recognised for all unused tax losses and minimum alternate tax ("MAT") credit to the extent that it is probable that taxable profit will be available against which the losses and MAT credit can be utilised and as to when they are expected to avail themselves of the deduction under section 80IA of Indian Income Tax Act 1961. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits.

# INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF CAPITALAND INDIA TRUST

For the financial year ended 31 December 2023

## **Key Audit Matters** (continued)

### **Taxation matters** (continued)

#### (b) *Deferred tax (continued)*

##### *How the matter was addressed in the audit*

Our audit procedures comprised, amongst others, an assessment of whether Management's basis for computing deferred tax liabilities is consistent with their assumption to recover the carrying amounts of the Properties through use (except for land through sale). This also includes Management's assumption as to when deduction under section 80IA of Indian Income Tax Act 1961 can be availed. We tested the reasonableness of the amounts recognised as deferred tax liabilities, including the assessment of the effective tax rate applied to the fair value gain on the Properties.

With respect to deferred tax assets, we assessed whether the Group has met with the requirements of local tax regulations in relation to tax losses and MAT credit and deduction under section 80IA of Indian Income Tax Act 1961. We reviewed the assumptions used in management's projections to determine the level of future taxable profits.

In addition, we assessed the adequacy of the Group's disclosures on deferred tax positions and assumptions used in Notes 3(b) and 8(b) to the financial statements.

## **Information Other than the Financial Statements and Auditor's Report Thereon**

The Trustee-Manager is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of Trustee-Manager for the Financial Statements**

The Trustee-Manager is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, the Trustee-Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee-Manager either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Trustee-Manager's responsibilities include overseeing the Group's financial reporting process.

# INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF CAPITALAND INDIA TRUST

For the financial year ended 31 December 2023

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee-Manager.
- Conclude on the appropriateness of the Trustee-Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Trustee-Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Trustee-Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Trustee-Manager, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

# **INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF CAPITALAND INDIA TRUST**

For the financial year ended 31 December 2023

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

In our opinion, the accounting and other records required by the Act to be kept by the Trustee-Manager on behalf of the Trust and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Ms Tay Hwee Ling.

Deloitte & Touche LLP  
Public Accountants and  
Chartered Accountants  
Singapore

23 February 2024



# CONSOLIDATED INCOME STATEMENT

For the financial year ended 31 December 2023

	Note	Group 2023 \$'000	Group 2022 \$'000
<b>Property income</b>			
Base rent		178,667	159,184
Amenities income		1,037	1,182
Fit-out rental income		1,707	1,624
Operations, maintenance and utilities income		44,017	39,785
Car park and other operating income		8,625	8,836
Total property income		234,053	210,611
<b>Property expenses</b>			
Operations, maintenance and utilities expenses		(22,996)	(18,124)
Service and property taxes		(6,208)	(5,425)
Property management fees		(12,285)	(10,080)
Other property operating expenses	5	(12,945)	(10,180)
Total property expenses		(54,434)	(43,809)
<b>Net property income</b>			
		179,619	166,802
Trustee-Manager's fees		(19,373)	(18,386)
Other operating expenses		(5,933)	(3,800)
Finance costs	6	(81,793)	(64,835)
Interest income	4	55,378	53,311
Net exchange differences and fair value on derivative financial instruments- realised		(28,817)	(11,108)
Ordinary profit before tax		99,081	121,984
Net exchange differences and fair value on derivative financial instruments-unrealised		4,214	(31,557)
Fair value gain on investment properties and investment properties under construction	18,19	141,242	128,070
<b>Profit before tax</b>	7	244,537	218,497
Income tax expenses	8(a)	(87,024)	(73,750)
<b>Net profit after tax</b>		157,513	144,747
<b>Net profit after tax attributable to:</b>			
Unitholders of the Trust		147,429	137,400
Non-controlling interests		10,084	7,347
		157,513	144,747
Earnings per unit attributable to Unitholders of the Trust, expressed in cents per unit – basic and diluted	9	11.83	11.86

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2023

	2023 \$'000	Group 2022 \$'000
Net profit after tax	<b>157,513</b>	144,747
<b>Other comprehensive income:</b>		
Items that may be reclassified subsequently to profit or loss:		
- Cash flow hedges	<b>22,410</b>	18,709
- Translation differences arising from the conversion of functional currency into presentation currency	<b>(8,326)</b>	(149,686)
Other comprehensive income (loss) for the year	<b>14,084</b>	(130,977)
Total comprehensive income for the year	<b>171,597</b>	13,770
<b>Total comprehensive income attributable to:</b>		
Unitholders of the Trust	<b>161,958</b>	15,961
Non-controlling interests	<b>9,639</b>	(2,191)
	<b>171,597</b>	13,770

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

# DISTRIBUTION STATEMENT

For the financial year ended 31 December 2023

	Note	Group 2023 \$'000	2022 \$'000
Ordinary profit before tax		<b>99,081</b>	121,984
Income tax expenses		<b>(37,341)</b>	(30,792)
Trustee-Manager's fees payable in units	10	<b>9,455</b>	8,963
Depreciation of plant and equipment and right-of-use assets	5	<b>1,221</b>	979
Exchange differences arising from refinancing of loans	10	<b>29,010</b>	9,629
Non-controlling interests		<b>(6,801)</b>	(5,065)
Distribution adjustments		<b>(4,456)</b>	(16,286)
Income available for distribution		<b>94,625</b>	105,698
10% retention		<b>(9,463)</b>	(10,570)
Income to be distributed		<b>85,162</b>	95,128
Income available for distribution per unit (cents)		<b>7.16</b>	9.10
Income to be distributed per unit (cents)		<b>6.45</b>	8.19

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

# BALANCE SHEETS

As at 31 December 2023

	Note	Group		Trust	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	11	179,822	167,398	10,070	5,046
Inventories		795	524	-	-
Other assets	12	2,269	1,819	12	11
Loans to subsidiaries	13	-	-	1,046,509	808,276
Trade and other receivables	14	87,684	76,920	1,842	2,066
Derivative financial instruments	16	19,083	14,631	19,083	14,631
Current income tax recoverable		19,554	15,312	-	-
		<b>309,207</b>	<b>276,604</b>	<b>1,077,516</b>	<b>830,030</b>
<b>Non-current assets</b>					
Other assets	12	33,848	32,148	-	-
Trade and other receivables	14	33,525	40,976	-	-
Long term receivables	15	304,872	317,724	-	-
Derivative financial instruments	16	63,469	77,954	63,469	77,954
Plant and equipment	17	19,577	2,072	-	-
Right-of-use assets	23	2,257	2,422	-	-
Investment properties under construction	18	222,080	313,692	-	-
Investment properties	19	2,728,940	2,141,034	-	-
Goodwill	20	12,430	12,491	-	-
Investment in subsidiaries	21	-	-	542,378	545,050
		<b>3,420,998</b>	<b>2,940,513</b>	<b>605,847</b>	<b>623,004</b>
<b>Total assets</b>		<b>3,730,205</b>	<b>3,217,117</b>	<b>1,683,363</b>	<b>1,453,034</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables	22	190,527	137,626	153,824	79,191
Lease liabilities	23	350	1,097	-	-
Borrowings	24	414,813	383,393	414,814	383,393
Derivative financial instruments	16	-	7,108	-	7,108
Current income tax liabilities		2,124	2,964	-	300
		<b>607,814</b>	<b>532,188</b>	<b>568,638</b>	<b>469,992</b>
<b>Non-current liabilities</b>					
Trade and other payables	22	73,596	60,312	-	-
Lease liabilities	23	2,608	1,921	-	-
Borrowings	24	967,953	856,440	945,124	856,440
Derivative financial instruments	16	1,443	-	1,443	-
Deferred income tax liabilities	8(b)	437,638	389,991	-	-
		<b>1,483,238</b>	<b>1,308,664</b>	<b>946,567</b>	<b>856,440</b>
<b>Total liabilities</b>		<b>2,091,052</b>	<b>1,840,852</b>	<b>1,515,205</b>	<b>1,326,432</b>
<b>Net assets</b>		<b>1,639,153</b>	<b>1,376,265</b>	<b>168,158</b>	<b>126,602</b>

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

# BALANCE SHEETS

As at 31 December 2023

	Note	Group		Trust	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>UNITHOLDERS' FUNDS</b>					
Units in issue	25	<b>1,183,250</b>	1,002,172	<b>1,183,250</b>	1,002,172
Foreign currency translation reserve	26(a)	<b>(659,279)</b>	(651,398)	<b>(329,195)</b>	(327,555)
Hedging reserve	26(b)	<b>21,632</b>	(778)	<b>21,632</b>	(778)
Other reserves	26(c)	<b>70,554</b>	70,588	-	-
Retained earnings	26(d)	<b>927,514</b>	869,747	<b>(707,529)</b>	(547,237)
Net assets attributable to Unitholders of the Trust		<b>1,543,671</b>	1,290,331	<b>168,158</b>	126,602
Non-controlling interests		<b>95,482</b>	85,934	-	-
		<b>1,639,153</b>	1,376,265	<b>168,158</b>	126,602

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS

For the financial year ended 31 December 2023

	Units in issue \$'000	Foreign currency translation reserve \$'000	Hedging reserve \$'000	Other reserves \$'000	Retained earnings \$'000	Net assets attributable to Unitholders of the Trust \$'000	Non-controlling interests \$'000	Total \$'000
<b>2023</b>								
Balance at beginning of financial year	1,002,172	(651,398)	(778)	70,588	869,747	1,290,331	85,934	1,376,265
Net profit for the year	-	-	-	-	147,429	147,429	10,084	157,513
Other comprehensive income (loss) for the year	-	(7,881)	22,410	-	-	14,529	(445)	14,084
Transfer to other reserves	-	-	-	(34)	34	-	-	-
Issue of new units	181,078	-	-	-	-	181,078	-	181,078
Distribution to Unitholders (Note 10)	-	-	-	-	(89,696)	(89,696)	-	(89,696)
Distribution to non-controlling interests	-	-	-	-	-	-	(91)	(91)
Balance at end of financial year	1,183,250	(659,279)	21,632	70,554	927,514	1,543,671	95,482	1,639,153
<b>2022</b>								
Balance at beginning of financial year	993,400	(511,250)	(19,487)	69,420	824,813	1,356,896	91,686	1,448,582
Net profit for the year	-	-	-	-	137,400	137,400	7,347	144,747
Other comprehensive (loss) income for the year	-	(140,148)	18,709	-	-	(121,439)	(9,538)	(130,977)
Transfer to other reserves	-	-	-	1,168	(1,168)	-	-	-
Issue of new units	8,772	-	-	-	-	8,772	-	8,772
Distribution to Unitholders (Note 10)	-	-	-	-	(91,298)	(91,298)	-	(91,298)
Distribution to non-controlling interests	-	-	-	-	-	-	(3,561)	(3,561)
Balance at end of financial year	1,002,172	(651,398)	(778)	70,588	869,747	1,290,331	85,934	1,376,265

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2023

	Note	Group 2023 \$'000	Group 2022 \$'000
<b>Operating activities</b>			
Net profit after tax		157,513	144,747
Adjustments for:			
Income tax expenses	8(a)	87,024	73,750
Interest income	4	(55,378)	(53,311)
Finance costs	6	81,793	64,835
Depreciation of plant and equipment and right-of-use assets	5	1,221	979
Fair value gain on derivative financial instruments - unrealised		13,094	(5,495)
Fair value gain on investment properties and investment properties under construction	18,19	(141,242)	(128,070)
Allowance for impairment of trade receivables	5	1,033	597
Trustee-Manager's fees paid and payable in units	10	9,455	8,963
Exchange differences		(17,309)	46,681
Exchange differences arising from translation		98,668	8,245
<b>Operating cash flows before changes in working capital</b>		<b>235,872</b>	<b>161,921</b>
Changes in working capital			
Inventories		(274)	(55)
Other assets		(1,235)	(1,254)
Trade and other receivables		(38,154)	(9,242)
Trade and other payables		20,001	12,408
Cash flows from operations		216,210	163,778
Interest received		71,613	16,938
Income tax paid (net)		(42,786)	(35,433)
<b>Net cash flows from operating activities</b>		<b>245,037</b>	<b>145,283</b>
<b>Investing activities</b>			
Purchase of plant and equipment	17	(18,522)	(1,522)
Advance payment on investment properties, investment properties under construction, plant and equipment		(20,568)	(7,358)
Additions to investment properties under construction		(25,125)	(42,068)
Additions to investment properties	19	(68,336)	(24,608)
Net cash outflow from acquisition of subsidiaries	21	(215,702)	(35,210)
Receipt of long term receivables	15	82,163	3,761
Additions to long term receivables	15	(94,801)	(45,629)
<b>Net cash flows used in investing activities</b>		<b>(360,891)</b>	<b>(152,634)</b>
<b>Financing activities</b>			
Repayment of borrowings	24	(670,393)	(487,400)
Distribution paid to Unitholders	10	(89,696)	(91,298)
Distribution paid to non-controlling interests		(91)	(3,561)
Finance costs paid	24	(77,569)	(64,130)
Proceeds from borrowings	24	794,190	657,509
Net proceeds from issuance of units through equity fund raising	25	147,277	-
Net proceeds from new issuance of units	25	24,970	-
<b>Net cash flows from financing activities</b>		<b>128,688</b>	<b>11,120</b>
Net increase in cash and cash equivalents		12,834	3,769
Cash and cash equivalents at beginning of financial year		167,398	167,887
Effects of exchange rate changes on cash and cash equivalents		(410)	(4,258)
<b>Cash and cash equivalents at end of financial year</b>	11	<b>179,822</b>	<b>167,398</b>

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2023

## Notes:

### (A) Significant non-cash and other transactions

- 7,940,059 new units amounting to \$8,832,000 were issued at issue prices ranging from \$1.0740 to \$1.1233 per unit for the payment of 50% performance fee and base fee to the Trustee-Manager in Units during the financial year ended 31 December 2023.
- 7,008,068 new units amounting to \$8,772,000 were issued at issue prices ranging from \$1.0883 to \$1.3857 per unit for the payment of 50% performance fee and base fee to the Trustee-Manager in Units during the financial year ended 31 December 2022.

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

## 1. GENERAL INFORMATION

CapitaLand India Trust (the "Trust") is a Singapore-domiciled trust originally constituted as a private trust pursuant to the Trust Deed dated 7 December 2004 (as amended), with CapitaLand India Trust Management Pte. Ltd. as its Trustee-Manager. The Trust Deed was amended by an Amending and Restating Deed dated 28 June 2007 (as amended) ("Trust Deed") to comply with the requirements of, among others, the Monetary Authority of Singapore ("MAS") and the Singapore Exchange Securities Trading Limited ("SGX-ST"), for a listed business trust. The Trust is a registered business trust constituted by the Trust Deed and is principally regulated by the Securities and Futures Act ("SFA") and the Singapore Business Trusts Act 2004. The Trust Deed is governed by the laws of the Republic of Singapore.

On 3 July 2007, the Trust was registered as a business trust and on 1 August 2007, the Trust was listed on the Main Board of the SGX-ST.

The registered office of CapitaLand India Trust Management Pte. Ltd. is at 168 Robinson Road, #30-01 Capital Tower, Singapore 068912.

The principal activity of the Trust is owning income producing real estate used primarily as business space in India and real estate related assets in relation to the foregoing. The Trust may acquire, hold and develop land or uncompleted developments to be used primarily for business space with the objective of holding the properties upon completion. The principal activities of the subsidiaries are as disclosed in Note 21 to the financial statements.

### 1.1. Basis of preparation

The consolidated financial statements of the Group and the balance sheet of the Trust have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)s").

The financial statements have been prepared on the historical cost basis, except as disclosed in the material accounting policy information below.

The financial statements are presented in Singapore Dollars (SGD or \$) and all values in the tables are rounded to the nearest thousand (\$'000), except when otherwise stated.

As of 31 December 2023, the consolidated financial statements of the Group have been prepared on a going concern basis, notwithstanding that the Group was in net current liabilities position of \$298,607,000 (2022: \$255,584,000).

The ability of the Group to continue as a going concern is dependent on the Group's ability to generate positive cash flows. In the opinion of the Trustee-Manager, the Group is able to continue as a going concern despite its net current liabilities position as the Trustee-Manager is of the view that the Group will be able to continue to generate sufficient net cash inflows from its operating activities and refinance borrowings to enable it to meet its financial obligations as and when they fall due. See Note 28(c) to the financial statements for more information.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 1. GENERAL INFORMATION (continued)

### 1.2. Adoption of new and revised Standards

On 1 January 2023, the Group and the Trust have adopted all the new and revised SFRS(I) pronouncements which are mandatorily effective and are relevant to its operations. The adoption of these new/revised SFRS(I) pronouncements does not result in changes to the Group's and the Trust's accounting policies and has no material effect on the disclosures or on the amounts reported for the current or prior years except as below.

#### Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies

The Group has adopted the amendments to SFRS(I) 1-1 for the first time in the current year. The amendments change the requirements in SFRS(I) 1-1 with regard to disclosure of accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in SFRS(I) 1-1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The Group has applied materiality guidance in SFRS(I) Practice Statement 2 in identifying its material accounting policies for disclosures in the related notes. The previous term 'significant accounting policies' used throughout the financial statements has been replaced with 'material accounting policy information'.

### 1.3. Standards issued but not yet effective

At the date of authorisation of these financial statements, the Group has not adopted the following SFRS(I) pronouncements applicable to the Group that have been issued but not yet effective:

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to SFRS(I) 1-1: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to SFRS(I) 1-1: <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to SFRS(I) 16: <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024

The Management of the Trustee-Manager expects that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

## 2. MATERIAL ACCOUNTING POLICY INFORMATION

### 2.1. Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation. The following specific recognition criteria must also be met before revenue is recognised.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 2.1. Revenue recognition (continued)

#### (a) Base rent, amenities income, fit-out rental income

Base rent, amenities income and fit-out rental income, net of incentives granted are recognised in profit or loss on a straight-line basis and over the term of the lease.

Base rent comprises rental income earned from the leasing of the owned built-up area of the properties.

Amenities income is rental revenue earned from the space utilised as amenities such as canteen and business centre.

Fit-out rental income is rental revenue earned from the fit-out provisions for the tenants at the properties. Fit-out rents typically arise from the additional costs related to tenant-specific fit-out requirements, which are in turn passed through to those tenants via fit-out provisions in their lease agreements.

#### (b) Operations, maintenance and utilities income

Operations, maintenance and utilities income is recognised when the services are rendered. Operations and maintenance income is revenue earned from the operations and maintenance of the properties.

#### (c) Car park and other operating income

Car park income includes revenue earned from the operations of the parking facilities, which is recognised when the services are rendered.

Other operating income includes miscellaneous income earned from the properties such as kiosks and advertising revenue, which is recognised when the services are rendered.

### 2.2. Basis of consolidation and business combinations

#### (a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Trust and its subsidiaries (including special purpose entities) as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Trust. Consistent accounting policies are applied to the like transactions and events in similar circumstances.

All intra-group assets and liabilities, equity, income, expenses and cash flows resulting from intra-group transactions and dividends are eliminated on consolidation.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the Unitholders of the Trust and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the Unitholders of the Trust and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 2.2. Basis of consolidation and business combinations (continued)

#### (a) Basis of consolidation (continued)

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- (i) derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- (ii) derecognises the carrying amount of any non-controlling interests;
- (iii) derecognises the cumulative translation differences recorded in unitholders' funds;
- (iv) recognises the fair value of the consideration received;
- (v) recognises the fair value of any investment retained;
- (vi) recognises any surplus or deficit in profit or loss;
- (vii) reclassifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

In the Trust's separate financial statements, investments in subsidiaries are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

#### (b) Business combinations and goodwill

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date.

On an acquisition-by-acquisition basis, the Group may elect to recognise any non-controlling interests in the acquiree at the date of acquisition either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interests in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 2.2. Basis of consolidation and business combinations (continued)

#### (c) Transactions with non-controlling interests

Non-controlling interests represents the equity in subsidiaries not attributable, directly or indirectly, to Unitholders of the Trust.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as equity transactions. Any difference between the change in the carrying amounts of the non-controlling interests and fair value of the consideration paid or received is recognised directly in unitholders' funds and attributed to the Unitholders of the Trust.

### 2.3. Currency translation

#### (a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The functional currency of the Trust is Indian Rupee ("INR"). The presentation currency is SGD as the financial statements are meant primarily for users in Singapore.

#### (b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in unitholders' funds. The foreign currency translation reserve is reclassified from unitholders' funds to profit or loss of the Group on disposal of the foreign operation.

#### (c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has a currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) Assets and liabilities are translated at the closing exchange rates at the reporting date; and
- (ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions).

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 2.4. Plant and equipment

#### (a) Measurement

Plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of plant and equipment includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended.

#### (b) Depreciation

Depreciation on plant and equipment are calculated using the straight line method to allocate the depreciable amounts over the estimated useful lives as follows:

	<b>Useful lives</b>
Information Technology ("IT") equipment, furniture and fittings	3 to 10 years
Plant, machinery and equipment	25 years

Freehold land is not depreciated.

The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at the end of each reporting period. The effects of any revision are recognised in profit or loss when the changes arise.

#### (c) Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenditure is recognised in profit or loss when incurred.

#### (d) Disposal

On disposal of an item of plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "Other property operating expenses".

### 2.5. Investment properties under construction

All investment properties under construction are measured at fair value. Changes in fair values are recognised in profit or loss for the period in which they arise.

### 2.6. Investment properties

Investment properties of the Group, principally comprising completed office buildings, interest in freehold land and leasehold land held for a currently undetermined future use, are held for long-term rental yields and capital appreciation.

Investment properties are initially recognised at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at fair value, determined on an annual basis by an independent professional valuer on the highest-and-best-use basis. Changes in fair values are recognised in profit or loss for the period in which they arise.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 2.6. Investment properties (continued)

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

On disposal of investment properties, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss in the period in which the properties are derecognised.

### 2.7. Investment in subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Trust's balance sheet. On disposal of investments in subsidiaries, the difference between disposal proceeds and the carrying amounts of the investments is recognised in profit or loss.

### 2.8. Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

### 2.9. Financial instruments

#### (a) Financial assets

##### *Initial recognition and measurement*

Financial assets are recognised when, and only, when the Group becomes a party to the contractual provisions of the financial instrument.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 2.9. Financial instruments (continued)

#### (a) Financial assets (continued)

##### *Subsequent measurement*

##### Investments in debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The measurement category for classification of debt instruments is:

##### *Amortised cost*

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

##### Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of derivatives are recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group has both a legally enforceable right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

##### *Derecognition*

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 2.9. Financial instruments (continued)

#### (a) Financial assets (continued)

##### *Cash flow hedge*

##### (i) *Interest rate swaps*

The Group has entered into interest rate swaps that are cash flow hedges of the Group's exposure to interest rate risk on its borrowings. These contracts entitle the Group to receive interest at floating rates on notional principal amounts and oblige the Group to pay interest at fixed rates on the same notional principal amounts, thus allowing the Group to raise borrowings at floating rates and swap them into fixed rates.

The fair value changes on the effective portion of the interest rate swaps designated as cash flow hedges are recognised in other comprehensive income, accumulated in the hedging reserve and reclassified to profit or loss when the hedged interest expense on the borrowings is recognised in profit or loss. The fair value changes on the ineffective portion of interest rate swaps are recognised immediately in profit or loss.

##### (ii) *Currency swaps*

The Group has entered into currency swaps that qualify as cash flow hedges against highly probable forecasted transactions in foreign currencies. The fair value changes on the effective portion of the currency swaps designated as cash flow hedges are recognised in other comprehensive income, accumulated in the hedging reserve and transferred to either the cost of a hedged non-monetary asset upon acquisition or profit or loss when the hedged forecast transactions are recognised.

The fair value changes on the ineffective portion of currency swaps are recognised immediately in profit or loss. When a forecasted transaction is no longer expected to occur, the gains and losses that were previously recognised in other comprehensive income are reclassified to profit or loss immediately.

#### (b) Financial liabilities

##### *Initial recognition and measurement*

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 2.9. Financial instruments (continued)

#### (b) Financial liabilities (continued)

##### *Subsequent measurement*

The measurement of financial liabilities depends on their classification as follows:

##### (i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in profit or loss.

##### (ii) Financial liabilities at amortised cost

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

##### *Derecognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

#### (c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheets when, and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

#### (d) Impairment

The Group recognises an allowance for expected credit losses ("ECLs") for all debts instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months ("12-month ECLs"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default ("a lifetime ECL").

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 2.9. Financial instruments (continued)

#### (d) Impairment (continued)

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience adjusted for forward-looking factors specific to the debtors and the economic environment.

### 2.10. Leases

#### *As lessor*

Leases where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease lock-in period.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Contingent rents are recognised as income in profit or loss when earned.

### 2.11. Taxes

#### (a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in unitholders' funds. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### (b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- (i) Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- (ii) In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 2.11. Taxes (continued)

#### (b) Deferred tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credit and unused tax loss, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credit and unused tax loss can be utilised except:

- (i) Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- (ii) In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax items are recognised in correlation to the underlying transaction or event. The deferred tax effect will be:

- (i) Recognised in the profit or loss, if the underlying transaction or event is recognised in profit or loss,
- (ii) Recognised directly in unitholders' funds, if the underlying transaction or event is recognised in unitholders' funds, and
- (iii) Recognised as an adjustment to goodwill (or negative goodwill) if the underlying transaction or event arises from a business combination.

For the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all the economic benefits embodied in the investment property over time, rather than through sale.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same tax authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it is incurred during the measurement period or in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 2.11. Taxes (continued)

#### (c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- (i) Where the sales tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- (ii) Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the balance sheet.

### 2.12. Provisions

Provisions for other liabilities and charges are recognised when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in profit or loss as finance cost.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

### 2.13. Units on issue and unit issuance expenses

Proceeds from issuance of units are recognised as units on issue in unitholders' funds. Incremental costs directly attributable to the issuance of units are deducted against units on issue.

### 2.14. Distributions to Trust's Unitholders

Distributions to the Trust's Unitholders are recognised when the distributions are declared payable by the Trustee-Manager.

### 2.15. Transfer to other reserves

Other reserves represent profits statutorily transferred to capital redemption reserve, debenture redemption reserve and general reserve of the Indian subsidiaries under Indian regulatory provisions.

### 2.16. Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (b) a present obligation that arises from past events but is not recognised because:
  - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - (ii) the amount of the obligation cannot be measured with sufficient reliability.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 2.16. Contingencies (continued)

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

## 3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires the Trustee-Manager to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

The Trustee-Manager is of the opinion that any instances of application of judgements are not expected to have a significant impact on the amounts recognised in the financial statements.

### Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

#### (a) Valuation of investment properties and investment properties under construction

The Group carries its investment properties and investment properties under construction at fair value, with changes in fair values being recognised in profit or loss.

The fair values of investment properties and investment properties under construction are determined by independent professional valuers using recognised valuation methodologies. These methodologies comprise the income capitalisation method, the discounted cash flow method and the direct comparison method.

The determination of the fair values of the investment properties and investment properties under construction require the use of estimates such as future cash flows from assets, transacted price of comparable properties, discount rates and capitalisation rates applicable to those assets. These estimates are based on prevailing local market conditions.

The carrying amount and key assumptions used to determine the fair value of the investment properties and investment properties under construction are disclosed in Notes 18 and 19 and further explained in Note 29. The Trustee-Manager is of the view that the valuation methodologies and estimates are reflective of the current market condition.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

### (b) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax provisions already recorded and contingent liabilities disclosed in the financial statements.

The Group assesses whether provisions or disclosure as contingent liabilities are required for tax matters, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. If provisions are required, the amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the relevant tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective entity's domicile.

Deferred tax assets are recognised for all unused tax losses and minimum alternate tax ("MAT") credit to the extent that it is probable that taxable profit will be available against which the losses and MAT credit can be utilised, and as to when they are expected to avail themselves of the deduction under section 80IA of Indian Income Tax Act 1961. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits.

Deferred tax liabilities are recognised on fair value gains on investment properties. The determination of the appropriate tax rates to be applied on the fair value gains is based on Management's assumption to recover the carrying amounts of the investment properties through use (except for land through sale) and as to when they are expected to avail themselves of the deduction under section 80IA of Indian Income Tax Act 1961.

Details of income taxes are provided in Note 8 to the financial statements. The income tax expenses for the year ended 31 December 2023 is \$87,024,000 (2022: \$73,750,000). The net deferred tax liabilities as at 31 December 2023 amounted to \$437,638,000 (2022: \$389,991,000). The net current income tax recoverable as at 31 December 2023 is \$17,430,000 (2022: \$12,348,000).

### (c) Provision for expected credit losses of trade and other receivables

The Group uses a provision matrix to calculate ECLs for trade and other receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

As at 31 December 2023, the trade and other receivables of the Group and the Trust amounted to \$121,209,000 and \$1,842,000 respectively (2022: \$117,896,000 and \$2,066,000 respectively). The Group's balances are net of allowance of impairment of \$3,878,000 (2022: \$2,774,000).

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 4. INTEREST INCOME

	2023	Group	2022
	\$'000		\$'000
Interest income:			
- Financial institutions	9,608		5,627
- Long term receivables	45,092		46,435
- Others	678		1,249
	<u>55,378</u>		<u>53,311</u>

Interest income, including income arising from other financial instruments, is recognised using the effective interest rate method.

## 5. OTHER PROPERTY OPERATING EXPENSES

	2023	Group	2022
	\$'000		\$'000
Advertising and publication	1,033		589
Depreciation of plant and equipment and right-of-use assets	1,221		979
Employee benefits	448		398
Insurance	620		589
General management fee	5,228		4,562
Surcharges	107		273
Travel and hotel accommodation	226		169
Professional fees	2,407		1,652
Allowance for impairment of trade receivables	1,033		597
Other direct costs	622		372
	<u>12,945</u>		<u>10,180</u>

## 6. FINANCE COSTS

	2023	Group	2022
	\$'000		\$'000
Interest expenses:			
- Financial institutions	77,285		58,156
- Medium term notes	4,187		6,325
- Lease liabilities	296		322
- Others	25		32
	<u>81,793</u>		<u>64,835</u>



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 7. PROFIT BEFORE TAX

The following items have been included in arriving at profit before tax:

	Group	
	2023 \$'000	2022 \$'000
Audit fees:		
- auditors of the Trust and Deloitte network firms	609	424
- other auditors	35	-
Total audit fees	<u>644</u>	<u>424</u>
Non-audit fees:		
- auditors of the Trust and Deloitte network firms	92	319
- other auditors	-	-
Total non-audit fees	<u>92</u>	<u>319</u>
Aggregate amount of fees paid or payable to auditors	<u>736</u>	<u>743</u>

## 8. INCOME TAXES

### (a) Income tax expenses

	Group	
	2023 \$'000	2022 \$'000
Tax expenses attributable to profit is made up of:		
Current income tax expenses:		
- Based on current year's results	37,384	34,418
- Over provision in respect of prior years	(43)	(88)
	<u>37,341</u>	<u>34,330</u>
Deferred income tax expenses:		
- Based on current year's results	49,439	39,270
- Under provision in respect of prior years	244	150
	<u>49,683</u>	<u>39,420</u>
	<u>87,024</u>	<u>73,750</u>

The reconciliation between tax expenses and the product of accounting profit multiplied by the applicable corporate tax rate for the financial year ended 31 December 2023 and 2022 is as follows:

	Group	
	2023 \$'000	2022 \$'000
Profit before tax	<u>244,537</u>	218,497
Tax calculated at tax rate of 34.94% (2022: 34.94%)	85,441	76,343
Effects of:		
- Income not subject to tax	(40,865)	(43,806)
- Expenses not deductible for tax purpose	45,071	44,653
- Tax incentives	(19)	(120)
- Fair value gains on investment properties and investment properties under construction subject to lower tax rate	(9,522)	(14,330)
- Effect of change in tax laws	(2,442)	-
- Dividend distribution and withholding tax	8,823	11,439
- Under provision in respect of prior years	201	62
- Others	336	(491)
	<u>87,024</u>	<u>73,750</u>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 8. INCOME TAXES (continued)

### (a) Income tax expenses (continued)

The corporate tax rate applicable in India was 34.94%. For domestic companies with turnover less than INR 4,000 million, the corporate tax rate will be 29.12%.

Based on the provisions of Ordinance 2019, the corporate tax of 25.17% under new tax regime has been applied to selected subsidiaries in India.

Tax incentives comprise tax holiday benefits available for Indian entities where investment properties are located in the notified industrial park and/or special economic zones.

Withholding taxes are payable by the subsidiaries in India on dividend and interest payments made to the intermediate holding companies in Singapore.

#### *Minimum Alternate Tax ("MAT")*

Under the Indian income tax law, MAT will be payable only where tax liability (excluding surcharge and cess), as computed, is less than 15.00% of the book profits in the profit or loss account and after making certain specified adjustments. Set-off of MAT credit is allowed in a particular year on the difference between the tax liability under normal provisions and tax liability under MAT provisions for such years. MAT credit is allowed to carry forward for a period of 15 years.

### (b) Deferred income tax liabilities and assets

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same tax authority. The amounts, determined after appropriate offsetting, are shown on the balance sheet as follows:

	Group	
	2023	2022
	\$'000	\$'000
Deferred income tax assets:		
- To be settled after one year	(9,997)	(17,113)
Deferred income tax liabilities:		
- To be settled after one year	447,635	407,104
Deferred income tax liabilities - net	437,638	389,991
The above comprises the following:		
- Fair value gains on investment properties	447,635	407,104
- Minimum alternate tax credit	(9,997)	(17,113)
	437,638	389,991

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 8. INCOME TAXES (continued)

### (b) Deferred income tax liabilities and assets (continued)

The movements in the deferred income tax assets and liabilities are as follows:

Group	Fair value gains on investment properties \$'000	Minimum alternate tax credit \$'000	Total \$'000
<b>2023</b>			
Balance at beginning of financial year	407,104	(17,113)	389,991
Tax charged to income statement	42,634	7,049	49,683
Translation differences	(2,103)	67	(2,036)
Balance at end of financial year	<u>447,635</u>	<u>(9,997)</u>	<u>437,638</u>
<b>2022</b>			
Balance at beginning of financial year	429,365	(29,310)	400,055
Tax charged to income statement	29,405	10,015	39,420
Translation differences	(51,666)	2,182	(49,484)
Balance at end of financial year	<u>407,104</u>	<u>(17,113)</u>	<u>389,991</u>

Deferred income tax assets are recognised for MAT credit available and tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable.

### (c) Withholding tax on undistributed earnings

Under India domestic tax laws, all the companies will pay 10% withholding tax on the dividend distribution.

As at 31 December 2023 and 31 December 2022, there is no deferred withholding tax liability provided as there is no planned dividend distribution.

As at 31 December 2023, the aggregate amount of temporary differences associated with undistributed earnings of subsidiaries of which deferred tax liabilities have not been recognised is \$29,032,000 (2022: \$22,430,000). No deferred tax liabilities being recognised in respect of these differences because the Group is able to control the dividend policies of these subsidiaries and provision is made only when there is a plan for dividend distribution.

## 9. EARNINGS PER UNIT

The calculation of basic earnings per unit is based on:

	Group 2023	2022
Total profit attributable to Unitholders (\$'000)	147,429	137,400
Weighted average number of units outstanding during the year ('000)	1,245,883	1,158,344
Earnings per unit (cents)	<u>11.83</u>	11.86

Diluted earnings per unit are the same as the basic earnings per unit as there are no dilutive instruments in issue during the financial year.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 10. DISTRIBUTION TO UNITHOLDERS

	Group	
	2023	2022
	\$'000	\$'000
Distribution paid:		
Exempt distribution of 3.60 cents per unit paid on 25 February 2022	-	41,662
Exempt distribution of 4.28 cents per unit paid on 30 August 2022	-	49,636
Exempt distribution of 3.91 cents per unit paid on 6 March 2023	<b>45,559</b>	-
Exempt distribution of 3.36 cents (main counter) and 0.92 (counter A) per unit paid on 30 August 2023	<b>44,137</b>	-
	<b>89,696</b>	91,298

A tax-exempt distribution of 3.09 cents per unit amounting to \$41,358,000 was approved on 29 January 2024 by the Board of Directors of the Trustee-Manager. These financial statements do not reflect this distribution, which will be accounted for in unitholders' funds as an appropriation of retained earnings in the financial year ending 31 December 2024.

### *Distribution adjustments*

The Trustee-Manager had elected to receive 50% of its base fee and performance fee in units and 50% in cash. The 50% fees payable in units does not affect cash flow and has been added back to the income available for distribution. Trustee-Manager's fees payable in units amounted to \$9,455,000 (2022: \$8,963,000) during the financial year.

During the financial year, net realised exchange loss of \$29,010,000 (2022: \$9,629,000) arose from the refinancing of SGD-denominated loans.

Exchange gain or loss is recognised when borrowings that are denominated in currencies other than the INR are revalued. The exchange gain or loss is realised when the borrowing matures. Such exchange gain or loss does not affect cash flow and has been deducted from or added to the income available for distribution.

## 11. CASH AND CASH EQUIVALENTS

	Group		Trust	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	<b>169,019</b>	84,414	<b>10,070</b>	5,046
Fixed deposits	<b>10,803</b>	82,984	-	-
	<b>179,822</b>	167,398	<b>10,070</b>	5,046

Cash and cash equivalents comprise cash on hand and demand deposits which are subsequently measured at amortised cost.

The exposure of cash and cash equivalents to interest rate risk and currency risk is disclosed in Note 28.

Fixed deposits at the end of the reporting period had an average maturity of 6 months (2022: 6 months). Fixed deposits with maturities in excess of 3 months, upon early-termination, will earn interest at the stipulated rate up to the actual period of deposit, and are subject to an insignificant risk of change in value.

As at 31 December 2023, certain companies of the Group had cash and deposit balances denominated in INR amounting to approximately \$168,512,000 (2022: \$161,442,000) which are deposited with financial institutions in India. Cash and deposit balances which are denominated in INR, a controlled currency, are not freely convertible into foreign currencies.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 12. OTHER ASSETS

	Group		Trust	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Current</b>				
Deposits	392	94	-	-
Prepayments	1,877	1,725	12	11
	<b>2,269</b>	<b>1,819</b>	<b>12</b>	<b>11</b>
<b>Non-current</b>				
Advance payment for acquisition of investment property	26,090	26,218	-	-
Deposits	7,375	5,733	-	-
Prepayments	383	197	-	-
	<b>33,848</b>	<b>32,148</b>	<b>-</b>	<b>-</b>

The carrying amounts of deposits, denominated in INR, approximate their fair values.

## 13. LOANS TO SUBSIDIARIES

	Trust	
	2023 \$'000	2022 \$'000
Loans to subsidiaries		
- Non-interest bearing	560,765	535,879
- Interest bearing	485,744	272,397
	<b>1,046,509</b>	<b>808,276</b>

As at 31 December 2023, the loans to subsidiaries are unsecured, repayable on demand and approximate their fair values. The interest bearing loans carry interest rates ranging from 2.58% to 9.15% (2022: 2.58% to 9.15%) per annum.

The Group monitors the credit risk of the subsidiaries based on the past due information to assess if there is any significant increase in credit risk. The amounts due from subsidiaries are measured on 12-month expected credit losses and subject to immaterial credit loss.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 14. TRADE AND OTHER RECEIVABLES

	Group		Trust	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Current</b>				
Trade receivables	11,453	12,015	-	-
Less: Allowance for impairment of trade receivables	(3,878)	(2,774)	-	-
Trade receivables - net	7,575	9,241	-	-
Non-related parties				
- Advances to suppliers	7,056	7,686	-	-
- Interest receivable	66,021	55,638	-	-
- Service input tax recoverable	6,917	4,285	-	-
- Others	115	70	1,842	2,066
	87,684	76,920	1,842	2,066
<b>Non-current</b>				
Non-related parties				
- Advances to suppliers	27,175	7,611	-	-
- Interest receivable	6,350	33,365	-	-
	33,525	40,976	-	-
	121,209	117,896	1,842	2,066

The carrying amounts of trade and other receivables approximate their fair values.

The exposure of trade and other receivables to currency risk is disclosed in Note 28.

As disclosed in Note 5, allowance for impairment of trade receivables of \$1,033,000 (2022: \$597,000) was included in "Other property operating expenses".

## 15. LONG TERM RECEIVABLES

	Group	
	2023 \$'000	2022 \$'000
Balance at beginning of financial year	317,724	344,696
Additions	94,801	45,629
Repayment	(82,163)	(3,761)
Derecognition upon acquisition of subsidiaries	(11,530)	(34,085)
Translation differences	(13,960)	(34,755)
Balance at end of financial year	304,872	317,724

Long term receivables pertain to inter-corporate deposits ("ICD") provided to non-related parties and subscription of non-convertible debentures ("NCDs") and Rupee Denominated Bonds ("RDBs") issued by non-related parties in connection with the Group's potential investments for the development and/or construction of two IT buildings at Hebbal Bangalore, an IT Building at Outer Ring Road, Bangalore, an IT building at Navi Mumbai, two IT buildings at Pune and IT buildings in aVance Hyderabad and HITEC City-2 Special Economic Zone, Hyderabad. These receivables were provided in the form of ICDs, NCDs, or RDBs to the non-related parties towards their repayment of a portion of the existing loans availed from lenders and for project development purposes.

These receivables have a tenure of 5 to 30 years and coupon rates ranging from 10.35% to 14.75% per annum. The receivables are also secured by a charge on lands, buildings and receivables of the non-related parties and backed by personal/corporate guarantees for the interest and principal repayment.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 15. LONG TERM RECEIVABLES (continued)

Subject to completion of negotiations with the non-related parties, satisfactory due diligence and the entry into a legally binding agreement with the non-related parties in connection with the potential investment, the receivables can be used to set off against the acquisition price of the properties of the non-related parties.

For certain long term receivables provided to the non-related parties, the Group is able to appoint its representatives in the Board of Directors.

The long term receivables and the related interest receivables (Note 14) are measured on 12-month expected credit losses as there has been no significant increase in credit risk since initial recognition. The expected credit loss is immaterial by taking into account the benefits of the security held or other credit enhancements.

These long term receivables are held by the Group within a business model whose objective is to collect their contractual cash flows which are solely payments of principal and interest on the principal amount outstanding. Hence all of the long term receivables are classified as at amortised cost.

## 16. DERIVATIVE FINANCIAL INSTRUMENTS

	Group and Trust					
	Contractual/ Notional amount \$'000	2023 Fair values		Contractual/ Notional amount \$'000	2022 Fair values	
		Assets \$'000	Liabilities \$'000		Assets \$'000	Liabilities \$'000
<b>Current</b>						
Cash flow hedges						
- Interest rate swaps	30,000	645	-	-	-	-
- Currency swaps	121,823	18,402	-	91,980	-	(7,108)
- Currency options	-	-	-	100,000	14,609	-
Non-hedging instruments						
- Currency forwards	9,000	36	-	9,000	22	-
		<u>19,083</u>	<u>-</u>		<u>14,631</u>	<u>(7,108)</u>
<b>Non-current</b>						
Cash flow hedges						
- Interest rate swaps	240,000	3,424	(1,443)	200,000	7,737	-
- Currency swaps	647,283	60,045	-	548,823	70,217	-
		<u>63,469</u>	<u>(1,443)</u>		<u>77,954</u>	<u>-</u>
		<u>82,552</u>	<u>(1,443)</u>		<u>92,585</u>	<u>(7,108)</u>

No cash flow hedges of expected transactions were assessed to be ineffective under SFRS(I) 9 and recognised in the profit or loss for the Group and the Trust for the financial year ended 31 December 2023 and 2022.

The Group held interest rate swaps to exchange floating-rate interest, on SGD loans of \$436,000,000 (2022: \$336,000,000), into fixed-rate interest at an average rate of 2.33% (2022: 2.61%) per annum.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 16. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

The Group entered into currency swaps to exchange floating-rate loans and medium term notes consisting of:

- (a) SGD loans of \$721,000,000 (2022: \$598,000,000) for INR obligations at average fixed rate of 7.64% (2022: 7.47%) per annum
- (b) HKD loans of \$50,895,000 (2022: \$50,895,000) for INR obligations at average fixed rate of 7.59% (2022: 7.59%) per annum
- (c) JPY Medium term notes of \$36,832,413 (2022: \$67,573,163) for fixed-rate INR obligation at average fixed-rate of 8.68% (2022: 7.63%) per annum

The rationale for entering into currency forwards and interest rate swaps are disclosed in Notes 28(a)(i) and 28(a)(ii) respectively.

*Period when cash flows on cash flow hedges are expected to occur or affect profit or loss*

Currency and interest rate swaps are entered to hedge currency and interest rate fluctuations. Fair value gains and losses on the currency and interest rate swaps recognised in the hedging reserve are transferred to profit or loss as realised fair value gain or loss on derivative financial instruments upon maturity. Net interest paid on the currency and interest rate swaps is taken to profit or loss as part of interest expenses over the period of borrowings.

## 17. PLANT AND EQUIPMENT

	Group			Total \$'000
	IT equipment, furniture and fittings \$'000	Freehold land \$'000	Plant, machinery and equipment \$'000	
<b>Cost</b>				
At 1 January 2022	5,306	-	-	5,306
Additions	1,522	-	-	1,522
Disposals/write-offs/transfers	(932)	-	-	(932)
Translation differences	(581)	-	-	(581)
At 31 December 2022	5,315	-	-	5,315
Additions	2,155	178	16,189	18,522
Acquisition of subsidiaries	99	-	-	99
Translation differences	(30)	-	(40)	(70)
At 31 December 2023	<b>7,539</b>	<b>178</b>	<b>16,149</b>	<b>23,866</b>
<b>Accumulated depreciation</b>				
At 1 January 2022	3,672	-	-	3,672
Depreciation charge	828	-	-	828
Disposals/write-offs/transfers	(892)	-	-	(892)
Translation differences	(365)	-	-	(365)
At 31 December 2022	3,243	-	-	3,243
Depreciation charge	1,066	-	-	1,066
Translation differences	(20)	-	-	(20)
At 31 December 2023	<b>4,289</b>	-	-	<b>4,289</b>
<b>Net book value</b>				
At 31 December 2023	<b>3,250</b>	<b>178</b>	<b>16,149</b>	<b>19,577</b>
At 31 December 2022	2,072	-	-	2,072



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 17. PLANT AND EQUIPMENT (continued)

Freehold land, plant, machinery and equipment relate to the solar plant located in Tamil Nadu which has yet to commence operations as at 31 December 2023.

As at 31 December 2023 and 2022, the Group has assessed and noted that there is no indication that the plant and equipment may be impaired and accordingly, there is no impairment loss recognised.

## 18. INVESTMENT PROPERTIES UNDER CONSTRUCTION

	Group	
	2023	2022
	\$'000	\$'000
Balance at beginning of financial year	313,692	184,397
Additions	37,110	40,766
Transfer to investment properties (Note 19)	(161,775)	-
Interest capitalised	96	284
Fair value gain	33,216	118,153
Translation differences	(259)	(29,908)
Balance at end of financial year	<b>222,080</b>	<b>313,692</b>

During the financial period, \$180,543,000 was transferred to "Investment properties" on the completion of Block A, a multi-tenanted building in ITPH. This was offset by \$18,768,000 of vacant land transferred to "Investment properties under construction" for the development of a multi-tenanted building in ITPB, net total transfer to investment properties is \$161,775,000.

For the financial year ended 31 December 2023, construction cost payable amounted to \$16,485,000 (2022: \$5,103,000) was included in the additions of investment properties under construction.

The fair value of investment properties under construction as at 31 December 2023 were assessed by Savills Property Services (India) Private Limited (2022: CBRE South Asia Private Limited). The details of the valuation methodologies and inputs used are disclosed in Note 29.

The valuations of the investment properties under construction are appropriate as at 31 December 2023 and as at the date of this report, the Trustee Manager is not aware of any market changes that will cause a change to the valuations of the investment properties under construction.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 19. INVESTMENT PROPERTIES

	2023	Group 2022
	\$'000	\$'000
Balance at beginning of financial year	2,141,034	2,259,663
Additions	68,336	24,608
Acquisition of subsidiaries (Note 21)	258,735	79,759
Capitalisation of marketing fee	460	2,728
Straight-lining of rent free period	1,667	2,202
Transfer from investment properties under construction (Note 18)	161,775	-
Fair value gain	108,026	9,917
Translation differences	(11,093)	(237,843)
Balance at end of financial year	<u>2,728,940</u>	<u>2,141,034</u>

It is the intention of the Trustee-Manager to hold the investment properties for the long term.

Investment properties are stated at fair value, which has been determined based on valuations performed by Savills Property Services (India) Private Limited as at 31 December 2023 (2022: CBRE South Asia Private Limited). The details of the valuation methodologies and inputs used are disclosed in Note 29.

The valuations of the investment properties are appropriate as at 31 December 2023 and as at the date of this report, the Trustee Manager is not aware of any market changes that will cause a change to the valuations of the investment properties.

## 20. GOODWILL

	2023	Group 2022
	\$'000	\$'000
Balance at beginning of financial year	12,491	13,892
Translation differences	(61)	(1,401)
Balance at end of financial year	<u>12,430</u>	<u>12,491</u>

### *Impairment test for goodwill*

Goodwill is allocated to each of the Group's cash-generating unit ("CGU") expected to benefit from synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from groups of assets. The carrying values of goodwill remain unchanged except for translation differences. The goodwill arose from the acquisition of Ascendas IT Park (Chennai) Limited and Cyber Pearl Information Technology Park Private Limited amounting to \$10,961,000 (2022: \$11,015,000) and \$1,469,000 (2022: \$1,476,000) respectively.

Goodwill balances result from the requirement on acquisition to recognise a deferred tax liability, calculated as the difference between the tax effect of the fair value of the acquired assets and liabilities and their tax bases. For the purpose of testing this goodwill for impairment, the related deferred tax liabilities recognised on acquisition that remain at the end of the reporting period are treated as part of the relevant CGU.

As at 31 December 2023 and 2022, the Group has assessed and determined no impairment on goodwill is necessary.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 21. INVESTMENT IN SUBSIDIARIES

The details of the Trust's subsidiaries are as follows:

Subsidiaries	Principal activities	Country of incorporation/ place of business	Class of shares	Percentage of equity held by the Trust		Trust	
						Cost of investment	
						2023	2022
				%	%	\$'000	\$'000
<b>Direct subsidiaries</b>							
Ascendas Property Fund (India) Pte. Ltd.*	Investment vehicle of listed trust	Singapore	Ordinary	100	100	525,117	527,704
Ascendas Property Fund (FDI) Pte. Ltd.*	Investment vehicle of listed trust	Singapore	Ordinary	100	100	17,261	17,346
						<b>542,378</b>	<b>545,050</b>
<b>Indirect subsidiaries</b>							
Heliostech Investment Holdings Pte. Ltd.*	Investment vehicle of listed trust	Singapore	Ordinary	100	100		
VITP Private Limited^	Development, owning and management of information technology parks in Hyderabad and special economic zones in Pune	India	Ordinary	100	100		
Information Technology Park Limited^	Development, owning and management of information technology parks in Bangalore	India	Ordinary	92.8	92.8		
Cyber Pearl Information Technology Park Private Limited^	Development, owning and management of information technology parks in Hyderabad and Chennai	India	Ordinary	100	100		
Ascendas IT Park (Chennai) Limited^	Development, owning and management of information technology parks in Chennai	India	Ordinary	89	89		
Hyderabad Infratech Pvt Ltd^	Development, owning and management of information technology parks in special economic zones in Hyderabad	India	Ordinary	100	100		
Avance-Atlas Infratech Private Limited^	Development, owning and management of information technology parks in special economic zones in Hyderabad	India	Ordinary	100	100		
Deccan Real Ventures Private Limited^	Development, owning and management of information technology parks in special economic zones in Hyderabad	India	Ordinary	100	100		
Avance Technohub Private Limited^	Development, owning and management of information technology parks in special economic zones in Hyderabad	India	Ordinary	100	100		
Loma Co-Developers 1 Private Limited^	Development, owning and management of IT building in special economic zone in Navi Mumbai	India	Ordinary	100	100		
Datscape Realty Private Limited^	Development, owning and management of data centre in Navi Mumbai	India	Ordinary	100	100		
Ascendas Panvel FTWZ Limited^	Setting up, developing, obtaining rail siding infrastructure and network for operation and movement of container, cargo and freight trains in Mumbai	India	Ordinary	100	100		

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 21. INVESTMENT IN SUBSIDIARIES (continued)

Subsidiaries	Principal activities	Country of incorporation/ place of business	Class of shares	Percentage of equity held by the Trust		Trust	
				2023	2022	Cost of investment	
				%	%	2023	2022
				\$'000	\$'000		
<b>Indirect subsidiaries (continued)</b>							
Anomalous Infra Private Limited <sup>^</sup>	Setting up, developing, obtaining rail siding infrastructure and network for operation and movement of container, cargo and freight trains in Mumbai	India	Ordinary	100	100		
Chengalpattu Logistics Parks Private Limited <sup>^</sup>	Development, construction, building, altering, acquiring, leasing and management of inter alia industrial parks in Chennai	India	Ordinary	100	100		
CapitaLand Hope Foundation (India) <sup>&amp;</sup>	Promoting charity, education and art forming part of corporate social responsibility obligations of member companies	India	Ordinary	80	80		
Trendspace IT Park Private Limited <sup>&amp;</sup>	Investment holding	India	Ordinary	100	100		
Ecospace IT Park Private Limited <sup>^</sup>	Investment holding	India	Ordinary	100	100		
Minerva Veritas Data Centre Private Limited <sup>&amp;</sup>	Development, owning and management of data centre in Chennai	India	Ordinary	100	100		
CLINT Data Centre Hyderabad Pte. Ltd. <sup>@</sup>	Investment vehicle of listed trust	Singapore	Ordinary	100	-		
CLINT Data Centre Bangalore Pte. Ltd. <sup>@</sup>	Investment vehicle of listed trust	Singapore	Ordinary	100	-		
CLINT Data Centre Chennai Pte. Ltd. <sup>@</sup>	Investment vehicle of listed trust	Singapore	Ordinary	100	-		
CLINT Data Centre Navi Mumbai Pte. Ltd. <sup>@</sup>	Investment vehicle of listed trust	Singapore	Ordinary	100	-		
Chengalpattu Warehousing Parks Private Limited <sup>&amp;</sup>	Development, construction, building, altering, acquiring, leasing and management of inter alia industrial parks in Chennai	India	Ordinary	100	-		
Pollax Solar Solutions Private Limited <sup>&amp;</sup>	Development, owning and management of solar plant in Tamil Nadu	India	Ordinary	100	-		
Ascendas IT Park (Pune) Private Limited <sup>^</sup>	Development, owning and management of information technology parks in Pune	India	Ordinary	100	-		

\* Audited by Deloitte & Touche LLP  
<sup>^</sup> Audited by Deloitte Haskins & Sells  
<sup>&</sup> Audited by other auditors  
<sup>@</sup> Dormant as at 31 December 2023

As at 31 December 2023 and 2022, the Trust has assessed and noted that there is no indication that the investment in subsidiaries may be impaired and accordingly, there is no impairment loss recognised.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 21. INVESTMENT IN SUBSIDIARIES (continued)

### Acquisition of subsidiaries

In May 2023, the Group's subsidiary, Ascendas Property Fund (India) Pte. Ltd. ("APFI") had acquired 100% equity interest in Ascendas IT Park (Pune) Private Limited ("ITPP-H"), for a cash consideration of INR 12,524 million (equivalent of \$202,268,000), settlement of security deposit and accrued interest amounting to INR 875 million (equivalent to \$14,128,000) and deferred consideration of INR 380 million (equivalent to \$6,129,000). The cash consideration of INR 12,524 million (equivalent to \$202,268,000) was made up of payments amounting to INR 9,138 million (equivalent to \$147,577,000) to Ascendas India Development VII Pte. Ltd. ("AID VII"), a wholly owned subsidiary of the Sponsor, for 78.53% shareholdings of ITPP-H, INR 2,499 million (equivalent to \$40,358,000) to Maharashtra Industrial Development Corporation ("MIDC") for the remaining 21.47% shareholdings of ITPP-H and INR 887 million (equivalent to \$14,333,000) through the Group's wholly owned subsidiary, Ascendas IT Park (Chennai) Private Limited for infusion into ITPP-H. Additionally, the deferred consideration will be paid to AID VII and MIDC based on its respective shareholdings of ITPP-H.

In December 2023, APFI acquired 100% equity interest in Chengalpattu Warehouse Parks Private Limited ("CWPPL") for a cash consideration of INR 695 million (equivalent to \$11,277,000), settlement of long term receivables and accrued interest amounting to INR 784 million (equivalent to \$12,736,000) and deferred consideration of INR 122 million (equivalent to \$1,989,000).

The acquisition of ITPP-H augments the Trust's presence in Pune, while acquisition of CWPPL helps to further diversify the Trust's portfolio into India's industrial facility sector.

In 2022, the Group acquired Anamolous Infra Private Limited ("ANOMIPL") to augment the Trust's presence in Panvel and the acquisition of Chengalpattu Logistics Parks Private Limited ("CLPPL") helped to diversify the Trust's portfolio into India's industrial facility sector.

The identifiable assets acquired and liabilities assumed as at the acquisition date were:

	Group Cost recognised on acquisition	
	2023 \$'000	2022 \$'000
Investment properties (Note 19)	258,735	79,759
Plant and equipment (Note 17)	99	-
Other assets	1,076	77
Trade and other receivables	5,437	120
Cash and cash equivalents	1,867	661
	<b>267,214</b>	<b>80,617</b>
Trade and other payables	<b>(18,687)</b>	(10,887)
Total identifiable net assets	<b>248,527</b>	69,730
Transaction costs capitalised	<b>9,592</b>	1,516
	<b>258,119</b>	<b>71,246</b>
<u>Consideration transferred for acquisition</u>		
Purchases consideration	248,527	69,730
Transaction costs	9,592	1,516
Total consideration	<b>258,119</b>	71,246
Less: Cash and cash equivalents acquired	<b>(1,867)</b>	(661)
Settlement of long term receivables & accrued interest	<b>(32,432)</b>	(35,375)
Deferred consideration	<b>(8,118)</b>	-
Net cash outflow from acquisition of subsidiaries	<b>215,702</b>	35,210

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 22. TRADE AND OTHER PAYABLES

	Group		Trust	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Current</b>				
Amount owing to subsidiary	-	-	<b>120,211</b>	52,523
Other payables				
- Non-related parties				
- Interest payable	<b>15,708</b>	11,208	<b>15,708</b>	11,208
- Construction cost payable	<b>16,485</b>	5,103	-	-
- Retention sum payable	<b>5,994</b>	3,452	-	-
- Advances	<b>6,118</b>	7,576	-	-
- Companies controlled by a Unitholder that has significant influence over the Group	<b>14,021</b>	11,227	<b>10,648</b>	8,880
Accruals	<b>35,978</b>	21,230	<b>260</b>	291
Deferred consideration	<b>34,241</b>	26,218	-	-
Rental deposits	<b>39,712</b>	35,763	-	-
Others	<b>22,270</b>	15,849	<b>6,997</b>	6,289
	<b>190,527</b>	137,626	<b>153,824</b>	79,191
<b>Non-current</b>				
Rental deposits	<b>72,817</b>	60,106	-	-
Accruals	<b>720</b>	21	-	-
Others	<b>59</b>	185	-	-
	<b>73,596</b>	60,312	-	-
	<b>264,123</b>	197,938	<b>153,824</b>	79,191

Amount owing to subsidiary is unsecured, interest free and repayable on demand.

The amounts owing to companies controlled by a Unitholder that has significant influence over the Group are unsecured, interest-free and repayable on demand. The amounts pertain mainly to fees payable to the Trustee-Manager and Property Manager, and are trade in nature.

The carrying amounts of trade and other payables approximate their fair values.

The exposure of trade and other payables to currency risk is disclosed in Note 28.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 23. RIGHT-OF-USE ASSETS

### Lease liabilities

	Group	
	2023 \$'000	2022 \$'000
<b>Cost</b>		
Balance at beginning of financial year	3,074	3,380
Translation differences	(13)	(306)
Balance at end of financial year	3,061	3,074
<b>Accumulated depreciation</b>		
Balance at beginning of financial year	652	571
Depreciation charge	155	151
Translation differences	(3)	(70)
Balance at end of financial year	804	652
<b>Net book value</b>		
Balance at end of financial year	2,257	2,422
Balance at beginning of financial year	2,422	2,809
<b>Short-term lease liability</b>		
Machinery	350	1,097
<b>Long-term lease liability</b>		
Machinery	2,608	1,921

The Group has lease liabilities for machinery in India. The leases for the machinery as at 31 December 2023 will mature between Year 2038 to 2048 and the lease term ranges from 20 to 30 years. The discount rate applied in the calculation of lease liabilities is 10% to 13.65% per annum. The lease agreements do not impose any covenants.

The right-of-use asset is depreciated over the asset's lease term on a straight-line basis.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 24. BORROWINGS

	Group and Trust	
	2023 \$'000	2022 \$'000
<b>Current</b>		
Unsecured bank loans	414,956	291,500
Less: Unamortised transaction costs	(143)	(74)
	<b>414,813</b>	291,426
Unsecured medium term notes	-	91,980
Less: Unamortised transaction costs	-	(13)
	-	91,967
Total current borrowings	<b>414,813</b>	383,393
<b>Non-current</b>		
Secured bank loans	22,829	-
	<b>22,829</b>	-
Unsecured bank loans	1,010,000	858,823
Less: Unamortised transaction costs	(102,159)	(2,383)
	<b>907,841</b>	856,440
Unsecured medium term notes	37,320	-
Less: Unamortised transaction costs	(37)	-
	<b>37,283</b>	-
Total non-current borrowings	<b>967,953</b>	856,440
Total borrowings	<b>1,382,766</b>	1,239,833

The bank loans of \$22,289,000 (2022: \$Nil) are secured by a charge over the Group's solar plant in Tamil Nadu and data centre in Navi Mumbai disclosed in Notes 17 and 18 respectively.

### Debt repayment schedule

	Total \$'000	Group and Trust	
		Within 1 year \$'000	After 1 year but within 5 years \$'000
<b>2023</b>			
Unsecured bank loans:			
- Variable rate SGD term loans	1,272,523	364,682	907,841
- Variable rate HKD term loans	50,131	50,131	-
Secured bank loans:			
- Variable rate INR term loans	22,829	-	22,829
Unsecured medium term notes:			
- 5 year JPY notes	37,283	-	37,283
Total	<b>1,382,766</b>	<b>414,813</b>	<b>967,953</b>
<b>2022</b>			
Unsecured bank loans:			
- Variable rate SGD term loans	1,097,101	291,426	805,675
- Variable rate HKD term loans	50,765	-	50,765
Unsecured medium term notes:			
- 5 year JPY notes	91,967	91,967	-
Total	<b>1,239,833</b>	<b>383,393</b>	<b>856,440</b>



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 24. BORROWINGS (continued)

### Interest rates

The weighted average effective interest rates of total borrowings as at the end of the reporting period were as follows:

	Group and Trust	
	2023	2022
Unsecured bank loans:		
- SGD	4.30%	3.97%
- HKD	6.45%	6.13%
Secured bank loans:		
- INR	8.64%	-
Unsecured medium term notes:		
- 5 year JPY notes	1.45%	0.66%

Reconciliation of liabilities arising from financing activities

	Liabilities		Derivatives (assets) liabilities held to hedge borrowings		Total \$'000
	Borrowings \$'000	Interest payable \$'000	Currency swaps, interest rate swaps and currency options used for hedging assets \$'000	Currency swaps, interest rate swaps and currency options used for hedging liabilities \$'000	
<b>2023</b>					
Balance at beginning of year	1,239,833	11,208	(92,585)	7,108	1,165,564
<b>Changes from financing cash flows</b>					
Proceeds from borrowings	794,190	-	-	-	794,190
Repayment of borrowings/ medium term notes	(670,393)	-	-	-	(670,393)
Finance costs paid	-	(77,569)	-	-	(77,569)
Total changes from financing cash flows	123,797	(77,569)	-	-	46,228
<b>Change in fair value</b>	-	-	10,111	(5,578)	4,533
<b>Other changes</b>					
Amortisation of transaction costs	902	-	-	-	902
Interest expense	-	80,891	-	-	80,891
Translation differences	18,234	1,178	(78)	(87)	19,247
Total liability-related other changes	19,136	82,069	(78)	(87)	101,040
Balance at end of year	1,382,766	15,708	(82,552)	1,443	1,317,365

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 24. BORROWINGS (continued)

Reconciliation of liabilities arising from financing activities (continued)

	Liabilities		Derivatives (assets) liabilities held to hedge borrowings		Total \$'000
	Borrowings \$'000	Interest payable \$'000	Currency swaps, interest rate swaps and currency options used for hedging assets \$'000	Currency swaps, interest rate swaps and currency options used for hedging liabilities \$'000	
<b>2022</b>					
Balance at beginning of year	1,082,838	11,747	(27,157)	4,095	1,071,523
<b>Changes from financing cash flows</b>					
Proceeds from borrowings	657,509	-	-	-	657,509
Repayment of borrowings	(487,400)	-	-	-	(487,400)
Finance costs paid	-	(64,130)	-	-	(64,130)
Total changes from financing cash flows	170,109	(64,130)	-	-	105,979
<b>Change in fair value</b>	-	-	(65,953)	3,013	(62,940)
<b>Other changes</b>					
Amortisation of transaction costs	5,057	-	-	-	5,057
Interest expense	-	59,778	-	-	59,778
Translation differences	(18,171)	3,813	525	-	(13,833)
Total liability-related other changes	(13,114)	63,591	525	-	51,002
Balance at end of year	1,239,833	11,208	(92,585)	7,108	1,165,564

### Medium term notes

In March 2009, the Trust established a \$500,000,000 Multicurrency Medium Term Note ("MTN") Programme. Under the MTN Programme, the Trust may, subject to compliance with all relevant laws, regulations and directives, from time to time issue notes in one or more tranches, on the same or different issue dates, in SGD or any other currency.

Each tranche of notes may be issued in various amounts and tenors, and may bear fixed, floating, or variable rates of interest. Hybrid notes, zero coupon notes or perpetual securities may also be issued under the MTN Programme.

The notes shall constitute direct, unconditional, unsecured and unsubordinated obligations of the Trust ranking *pari passu*, without any preference or priority among themselves and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Trust.

The Trust has increased the maximum aggregate principal amount of notes and perpetual securities that may be issued under the Multicurrency Debt Programme from \$500,000,000 to \$1,500,000,000 with effect from 16 April 2019.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 24. BORROWINGS (continued)

### Medium term notes (continued)

As at 31 December 2023 and 2022, the maximum aggregate principal amount of the notes outstanding at any time shall be \$1,500,000,000, or such higher amount as may be determined pursuant to the MTN Programme.

The total notes issued by the Trust which is outstanding as at 31 December 2023 is \$37,320,000 (2022: \$91,980,000), consisting of JPY4,000,000,000 MTN 10, which bears a fixed interest rate of 1.45% per annum, payable semi-annually in arrears and matures on 6 December 2028.

## 25. UNITS IN ISSUE

	Group and Trust			
	2023		2022	
	Number of units (in thousands)	\$'000	Number of units (in thousands)	\$'000
Balance at beginning of financial year	1,161,087	1,002,172	1,154,079	993,400
Issue of new units:				
- Fee paid in units	7,940	8,831	7,008	8,772
- Private placement	23,223	24,970	-	-
- Equity fund raising (net)	141,567	147,277	-	-
Balance at end of financial year	1,333,817	1,183,250	1,161,087	1,002,172

The holders of units are entitled to receive trust distribution as and when declared by the Trust. At any time, all the units are of equal value and shall have equal rights and obligations. All issued units are fully paid.

On 11 May 2023, following the completion of the Proposed Sponsor Subscription, 23,223,409 new units were issued to the Sponsor at \$1.0765 per unit pursuant to the Subscription Agreement for a total subscription amount of \$25.0 million. The new units rank pari passu in all respects with all the existing units in issue, and entitled to receive distributions from the date of their issue to the end of the distribution period in which the new units are issued as well as all distributions thereafter.

On 18 July 2023, the Trustee-Manager issued 141,567,497 new units to eligible unitholders at an issue price of \$1.06 per unit pursuant to the Preferential Offering announced on 16 June 2023. 138,803,912 of new units upon issue and allotment rank pari passu in all respects with all the existing units in issue, including the right to the distributable income from 1 January 2023 to 30 June 2023 and all distributions accruing thereafter. The remaining units of 2,763,585 are entitled to receive distributions from the 11 May 2023 to 30 June 2023 in which the new units are issued as well as all distributions thereafter.

## 26. RESERVES

### (a) Foreign currency translation reserve

	Trust	
	2023 \$'000	2022 \$'000
Balance at beginning of financial year	(327,555)	(311,569)
Translation differences arising from the conversion of functional currency into presentation currency	(1,640)	(15,986)
Balance at end of financial year	(329,195)	(327,555)

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 26. RESERVES (continued)

### (b) Hedging reserve

Hedging reserve represents the effective portion of cash flow hedge relationship existing as at the reporting date.

### (c) Other reserves

Other reserves represent profits transferred to the statutory reserves of the Indian subsidiaries under Indian regulatory provisions.

### (d) Retained earnings

	Trust	
	2023	2022
	\$'000	\$'000
Balance at beginning of financial year	(547,237)	(349,868)
Loss for the year	(70,596)	(106,071)
Distribution to Unitholders (Note 10)	(89,696)	(91,298)
Balance at end of financial year	<u>(707,529)</u>	<u>(547,237)</u>

## 27. RELATED PARTY TRANSACTIONS

The Group has entered into several service agreements in relation to the Management of the Trust and its property operations. These agreements are entered into with the Trustee-Manager and CapitalLand Services (India) Pvt Ltd (the "Property Manager"), which are companies that are controlled by a Unitholder that has significant influence over the Group. The fee structures of these services are as follows:

### (a) Trustee-Manager's fees

#### (i) Management fees

The Trustee-Manager is entitled under the Trust Deed to receive the following management fees:

- a Base Fee at the rate of 0.5% per annum of the value of the properties held by the Trust.
- a Performance Fee at the rate of 4% per annum of the net property income of the Trust.

#### (ii) Postponement, reduction of fees

The Trustee-Manager may postpone the receipt of any fee (or any part of a fee) or charge a lower fee than it is entitled to receive under the Trust Deed.

#### (iii) Trustee fees

The Trustee-Manager is entitled to receive a trustee fee of up to 0.02% per annum of the value of the properties held by the Trust.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 27. RELATED PARTY TRANSACTIONS (continued)

### (a) Trustee-Manager's fees (continued)

#### (iv) Acquisition / divestment fees

The Trustee-Manager is entitled to a fee upon the acquisition of an asset by any subsidiary calculated as 1% of the acquisition value of the investment.

The Trustee-Manager is entitled to a fee upon the disposal / divestment of an asset by any subsidiary calculated as 0.5% of the sale value of the investment.

### (b) Property Manager's fees

#### (i) Property management services

For the property management services, the property owner will pay the Property Manager a fee calculated based on 2% of the total property income of each property plus reimbursement of remuneration costs of the personnel employed by the Property Manager who are deployed on-site at the properties to provide property management services.

#### (ii) Lease management services

For the lease management services, the property owner will pay the Property Manager a fee calculated based on 1% of the total property income of each property.

#### (iii) General management services

For the general management services, the property owner will pay an apportioned amount of the remuneration cost of the centralized staff employed by the Property Manager for the purposes of providing general management services.

#### (iv) Marketing services

For the marketing services, the property owner will pay the Property Manager the following commissions:

- a. One month's rent (including property and fit-out rental) for every lease with duration of less than one year;
- b. One and a half months' rent (including property and fit-out rental) for every lease with a duration of between one and three years;
- c. Two months' rent for every lease with duration of more than three but not exceeding ten years;
- d. 2% of the total lease payment for the entire lease period for every lease with a duration exceeding ten years;
- e. Renewal of an existing lease will be calculated at half of the above commission otherwise payable for a new tenancy; and
- f. 2% of the total sale consideration for the sale of property.

Where external property agents are involved in securing a lease, renewal or sale of a property, a 20% mark-up applies to the abovementioned commissions.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 27. RELATED PARTY TRANSACTIONS (continued)

### (b) Property Manager's fees (continued)

#### (v) Project management services

For the project management services, the property owner will pay the Property Manager a fee of 2% of the construction cost for development, re-development, refurbishment, retrofitting, addition to and alteration of or renovation carried out in the property.

Some of the Group's transactions and arrangements are with (a) the Trustee-Manager; and (b) the significant corporate Unitholders, CapitaLand Group Pte. Ltd. and Temasek Holdings (Private) Limited, and their associates. The effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free, repayable on demand and expected to be settled in cash unless otherwise stated.

In addition to the transactions disclosed elsewhere in the financial statements, the following are related party transactions based on agreed terms:

	Group	
	2023	2022
	\$'000	\$'000
Companies controlled by a unitholder that has significant influence over the Group:		
Trustee-Manager's fees paid/payable	21,776	19,424
Property management services	4,364	3,874
Lease management services	2,188	1,926
Marketing services	3,805	2,681
Project management fees	1,372	543
General management fees	4,516	4,580
Office rental income received/receivable	<u>(3,823)</u>	<u>(3,471)</u>

#### Acquisition fee

During the financial year, acquisition fee of INR 149 million (equivalent to \$2,403,000) was paid/payable to the Trustee-Manager related to acquisitions of Ascendas IT Park (Pune) Private Limited and Chengalpattu Warehouse Logistics Parks Private Limited.

In 2022, acquisition fee of INR 58 million (equivalent to \$1,037,000) was paid/payable to the Trustee-Manager related to acquisitions of Chengalpattu Logistics Parks Private Limited, Anamolous Infra Private Limited, Data Centre land in Navi Mumbai and Data Centre land in Chennai.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 28. FINANCIAL RISKS AND CAPITAL MANAGEMENT

The Group's activities expose it to market risk (including currency risk and interest rate risk), credit risk and liquidity risk in the normal course of its business. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance. The Group uses financial instruments such as currency forwards, interest rate and foreign currency swaps/options to hedge certain financial risk exposures.

The Trustee-Manager is responsible for setting the objectives and underlying principles of financial risk management for the Group. This is supported by comprehensive internal processes and procedures which are formalised in organisational and reporting structure, operating manuals and delegation of authority guidelines.

The Audit and Risk Committee ("ARC") oversees how Trustee-Manager monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The ARC is assisted in its oversight role by the internal auditors. The internal auditors undertake both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the ARC.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

### (a) Market risk

#### (i) Currency risk

The Group is exposed to foreign currency risk on purchases and borrowings that are denominated in a currency other than the functional currency of the Trust and its subsidiaries. The currency giving rise to this risk is primarily the SGD. The Group entered into cross currency swaps and options to manage foreign exchange exposure to SGD arising from SGD denominated borrowings.

To enhance the stability of distribution to Unitholders, the Group enters into forward derivative contracts to manage its exposure to currency risk arising from a substantial portion of the cash flows denominated in INR from the subsidiaries it expects to receive. The hedging of INR cash flows receivable from the subsidiaries is affected through a forward sale of INR and a purchase of SGD on a future date. Such contracts are not part of designated hedge relationships.

In respect of other monetary assets and liabilities held in currencies other than the INR, the Group ensures that the net exposure is kept to an acceptable level by buying and selling foreign currencies at spot rates, where necessary, to address short term balances.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 28. FINANCIAL RISKS AND CAPITAL MANAGEMENT (continued)

### (a) Market risk (continued)

#### (i) Currency risk (continued)

The Group's main currency exposure based on the information provided to key management of the Trustee-Manager is as follows:

Group	INR \$'000	SGD \$'000	JPY \$'000	USD \$'000	HKD \$'000	Total \$'000
<b>2023</b>						
<b>Financial assets</b>						
Cash and cash equivalents	168,512	11,275	18	17	-	179,822
Trade and other receivables	80,056	5	-	-	-	80,061
Long term receivables	304,872	-	-	-	-	304,872
Other financial assets	7,767	-	-	-	-	7,767
Total financial assets	561,207	11,280	18	17	-	572,522
<b>Financial liabilities</b>						
Trade and other payables	(257,647)	-	(38)	-	-	(257,685)
Borrowings	-	(1,295,352)	(37,283)	-	(50,131)	(1,382,766)
Total financial liabilities	(257,647)	(1,295,352)	(37,321)	-	(50,131)	(1,640,451)
<b>Net financial assets (liabilities)</b>						
	303,560	(1,284,072)	(37,303)	17	(50,131)	(1,067,929)
Less: Net financial liabilities denominated in the respective entities' functional currencies	(303,560)	-	-	-	-	(303,560)
Currency swaps	-	681,000	37,283	-	50,823	769,106
Currency forwards	-	9,000	-	-	-	9,000
Net currency exposure	-	(594,072)	(20)	17	692	(593,383)



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 28. FINANCIAL RISKS AND CAPITAL MANAGEMENT (continued)

### (a) Market risk (continued)

#### (i) Currency risk (continued)

Group	INR \$'000	SGD \$'000	JPY \$'000	USD \$'000	HKD \$'000	Total \$'000
<b>2022</b>						
<b>Financial assets</b>						
Cash and cash equivalents	161,442	5,796	142	18	-	167,398
Trade and other receivables	98,019	295	-	-	-	98,314
Long term receivables	317,724	-	-	-	-	317,724
Other financial assets	5,827	-	-	-	-	5,827
Total financial assets	583,012	6,091	142	18	-	589,263
<b>Financial liabilities</b>						
Trade and other payables	(190,033)	-	(87)	-	-	(190,120)
Borrowings	-	(1,097,101)	(91,967)	-	(50,765)	(1,239,833)
Total financial liabilities	(190,033)	(1,097,101)	(92,054)	-	(50,765)	(1,429,953)
<b>Net financial assets (liabilities)</b>						
	392,979	(1,091,010)	(91,912)	18	(50,765)	(840,690)
Less: Net financial liabilities denominated in the respective entities' functional currencies	(392,979)	-	-	-	-	(392,979)
Currency swaps	-	498,000	91,980	-	50,823	640,803
Currency forwards	-	9,000	-	-	-	9,000
Currency options	-	100,000	-	-	-	100,000
Net currency exposure	-	(484,010)	68	18	58	(483,866)

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 28. FINANCIAL RISKS AND CAPITAL MANAGEMENT (continued)

### (a) Market risk (continued)

#### (i) Currency risk (continued)

If SGD, JPY, USD and HKD changes against INR by 10% (2022: 10%) respectively with all other variables including tax rate being held constant, the effects on profit or loss from the net position will be as follows:

	Group	
	31 December 2023	31 December 2022
	\$'000	\$'000
	<--- Increase/(Decrease) --->	
SGD against INR		
- Strengthened	(59,407)	(48,401)
- Weakened	59,407	48,401
JPY against INR		
- Strengthened	(2)	7
- Weakened	2	(7)
USD against INR		
- Strengthened	2	2
- Weakened	(2)	(2)
HKD against INR		
- Strengthened	69	6
- Weakened	(69)	(6)

#### (ii) Fair value interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Group has minimal interest rate risk as the Group has substantially hedged its floating rate financial liabilities, and its profits after tax and operating cash flows are substantially independent of changes in market interest rates.

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite; ensuring the most cost-effective hedging strategies are applied.

The Group is exposed to Singapore Overnight Rate Average ("SORA"). The exposures arise on derivatives and non-derivative financial liabilities (e.g. bank borrowings and medium term notes).

The Group has cash flow hedge relationships affected by the interest rate benchmark reform. All the affected hedged items in these hedges and hedging instruments were transitioned to SORA. The hedge documentation has been amended accordingly.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 28. FINANCIAL RISKS AND CAPITAL MANAGEMENT (continued)

### (a) Market risk (continued)

#### (ii) Fair value interest rate risk (continued)

##### *Interest rate benchmark transition for non-derivative financial instruments*

The following table summarises the non-derivative financial instruments held by the Group that feature cash flows that have been affected by the interest rate benchmark reform. It does not include the Group's fixed rate financial instruments because cash flows on those instruments are not affected by the interest rate benchmark reform.

Non-derivative financial instruments prior to transition	Maturing in	Notional \$'000	Hedge accounting	Transition progress for non-derivative financial instruments
Bank borrowings linked to SOR	2023	61,500	Out of \$61.5 million, none of the bank borrowings are designated in a cash flow hedge	
Bank borrowings linked to SOR	2024	115,000	Out of \$115 million, \$101 million of the bank borrowings are designated in a cash flow hedge	Transitioned to SORA in 2023
Bank borrowings linked to SOR	2025	100,000	Out of \$100 million, \$100 million of bank borrowings are designated in a cash flow hedge	Transitioned to SORA in 2022
Bank borrowings linked to SOR	2026	100,000	Out of \$100 million, \$100 million of bank borrowings are designated in a cash flow hedge	Transitioned to SORA in 2022
<b>Total floating rate non-derivatives liabilities</b>		376,500	Out of \$376.5 million, \$301 million of bank borrowings are designated in a cash flow hedge	Fully transitioned to SORA

##### *Interest rate benchmark transition for derivatives and hedge relationships*

During the financial period, the Group transitioned \$115 million (2022: \$262 million) of its 6-month Singapore Swap Offered Rate ("SOR") bank borrowings to SORA, of which \$101 million (2022: \$200 million) were designated in a cash flow hedge using a 6-month SOR to fixed interest rate swap or fixed cross currency contracts. In 2022 and 2023, the Group entered into derivatives based on SORA plus fixed spread on the same terms as the transitioned non-derivative financial instruments originally designated in the hedging relationship. This change was affected as a direct consequence of the reform and on an economically equivalent basis. The Group updated the hedge documentation to reflect the transition of the derivatives and non-derivative financial instruments resulting from changes in SORA. The hedge relationship was not discontinued.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 28. FINANCIAL RISKS AND CAPITAL MANAGEMENT (continued)

### (b) Credit risk

Credit risk refers to the risk that may arise on outstanding financial instruments should counterparty default on its obligations. Credit risk arising from the inability of a customer to meet the terms of the Group's financial instrument contract is generally limited to the amounts, if any, by which the customer's obligations exceed the obligations of the Group. The Group's and the Trust's exposure to credit risk primarily from trade, other and long term receivables. For other financial assets (including cash and cash equivalents), the Group and the Trust minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivables balances are monitored on an on-going basis with result that the Group's exposure to bad debts is not significant.

#### Expected Credit Loss

The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments.

To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Group considers available reasonable and supportable forward-looking information which include, but limited to, the following indicators:

- (i) Credit rating or standing;
- (ii) Actual or expected significant adverse change in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations;
- (iii) Actual or expected significant changes in the operating results of the borrower;
- (iv) Significant changes in expected performance and behaviour of the borrower, including changes in the payment status or patterns of the borrowers.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payments and the outstanding receivables exceeded the security deposits paid by the tenants.

The Group determines that its financial assets are credit-impaired when:

- (i) A breach of contracts that is not cure or remediate within the stipulated timeframe;
- (ii) It is probable that the borrower will enter into bankruptcy or liquidation; or
- (iii) There is a disappearance of an active market for that financial asset because of financial difficulty.

Financial assets are written off when there is no reasonable expectation of recovery.

The following are credit risk management practises and quantitative and qualitative information about amounts arising from expected credit losses for each classes of financial assets.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 28. FINANCIAL RISKS AND CAPITAL MANAGEMENT (continued)

### (b) Credit risk (continued)

#### Expected Credit Loss (continued)

#### (i) Long term receivables at amortised cost

The Group computes expected credit loss for this group of financial assets using probability of default approach.

Category	Definition of category	Basis for recognition of expected credit loss provision
Category 1	Assets where there is no identified credit deterioration since initial recognition	12-month expected credit losses
Category 2	Assets where there is no more than insignificant deterioration in credit quality since initial recognition	Lifetime expected credit losses
Category 3	Assets which are identified as impaired	Lifetime expected credit losses

There are no significant changes to estimation technique or assumptions made during the reporting period.

The maximum exposure to loss, without taking into account any collaterals held or other credit enhancements is as listed below:

		31 December	
		2023	2022
		\$'000	\$'000
12-month ECL	Long term receivables at amortised costs	304,872	317,724

#### (ii) Trade and other receivables

Credit evaluations are performed before lease agreements are entered into with tenants. Rental deposits are received, where appropriate, to reduce credit risk. In addition, the Group monitors the balances due from its tenants on an ongoing basis.

The Group establishes allowances for impairment that represents its estimate of the expected credit loss and specific loss component in respect of trade and other receivables.

The allowance account in respect of trade and other receivables is used to record impairment losses. If the Group is satisfied that no recovery of the amount owing is possible, the financial assets are considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial assets.

#### Exposure to credit risk

The Group uses an allowance matrix to measure the ECLs of trade receivables. Loss rates are calculated based on the probability of a receivables progressing through successive stages of delinquency to write-off and are based on actual credit loss experience over the past years.

The Group believes that no allowance for impairment is necessary in respect of trade receivables with sufficient security deposits as collateral. The Group provides ECL in respect of those trade receivables with balances in excess of security deposits.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 28. FINANCIAL RISKS AND CAPITAL MANAGEMENT (continued)

### (b) Credit risk (continued)

#### (ii) Trade and other receivables (continued)

##### Provision for expected credit losses of trade and other receivables

The Group uses a provision matrix to calculate ECLs for trade and other receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

#### (iii) Cash and cash equivalents

The Group held cash and cash equivalents of \$179,822,000 (2022: \$167,398,000) with banks which are of high credit ratings assigned by international credit-rating agencies and consider to have low credit risk. The cash balances are measured on 12-month expected credit losses and subject to immaterial credit loss.

### (c) Liquidity risk

The Trustee-Manager monitors and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations. In addition, the Trustee-Manager also monitors and observes the bank covenants imposed by the banks on the various borrowings.

The table below analyses the maturity profile of the Group's financial liabilities (including derivative financial liabilities) based on contractual undiscounted cash flows.

Group	On demand and less than 1 year \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000
<b>2023</b>				
Net-settled swaps	(17,293)	(15,832)	(13,044)	-
Net-settled currency forwards	(230)	-	-	-
Trade and other payables	(184,396)	(73,289)	-	-
Borrowings (including interest)	(463,898)	(240,292)	(814,016)	-
	<b>(665,817)</b>	<b>(329,413)</b>	<b>(827,060)</b>	<b>-</b>
<b>2022</b>				
Net-settled swaps	(17,701)	(14,009)	(20,709)	-
Net-settled currency options	(1,766)	-	-	-
Net-settled currency forwards	(60)	-	-	-
Trade and other payables	(129,929)	(60,191)	-	-
Borrowings (including interest)	(419,925)	(196,437)	(732,672)	-
	<b>(569,381)</b>	<b>(270,637)</b>	<b>(753,381)</b>	<b>-</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 28. FINANCIAL RISKS AND CAPITAL MANAGEMENT (continued)

### (c) Liquidity risk (continued)

The Group and the Trust manage the liquidity risk by maintaining sufficient cash from borrowings and cash generated from operations to enable them to meet their capital expenditure and operating commitments. Steps have been taken to plan early for funding and expense requirements to manage cash position at any point in time. As at 31 December 2023, the Group and the Trust have undrawn credit facilities of \$90 million and are in discussions for additional credit facilities of approximately \$250 million.

### (d) Capital management

Management's objective when managing capital is to optimise the Group's capital structure within the borrowing limits set out in the Trust Deed to fund future acquisitions and asset enhancement works at the Group's properties. To maintain or achieve an optimal capital structure, Management may issue new units or source for additional borrowing from both financial institutions and capital markets.

Management monitors capital based on gearing ratio. As provided for in the Trust Deed, the maximum gearing ratio currently applicable is 50%.

The gearing ratio is calculated as total effective borrowings, which takes into account deferred consideration and the derivative financial instruments used to hedge borrowings, divided by value of Trust Property.

	Group	
	2023	2022
	\$'000	\$'000
Total effective borrowings	<b>1,335,935</b>	1,180,597
Value of Trust Property	<b>3,730,205</b>	3,217,117
Gearing ratio	<b>36%</b>	37%

Trust Property consists of all properties and rights of any kind whatsoever which are held on trust for the Unitholders, in accordance with the terms of the Trust Deed.

The Group is in compliance with the borrowing limit requirements imposed by the Trust Deed and all externally imposed capital requirements for the financial year ended 31 December 2023 and 2022.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 29. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE

### (a) Accounting classifications

The financial assets and liabilities, together with the carrying amounts shown in the balance sheets are as follows:

Group	Note	Fair value through profit or loss \$'000	Fair value - hedging instrument \$'000	Financial assets carried at amortised cost \$'000	Financial liabilities carried at amortised cost \$'000	Total carrying amount \$'000
<b>2023</b>						
<b>Financial assets</b>						
Cash and cash equivalents	11	-	-	179,822	-	179,822
Other financial assets	12	-	-	7,767	-	7,767
Trade and other receivables	14	-	-	80,061	-	80,061
Long term receivables	15	-	-	304,872	-	304,872
Currency forwards	16	36	-	-	-	36
Currency swaps	16	-	78,447	-	-	78,447
Interest rate swaps	16	-	4,069	-	-	4,069
		<b>36</b>	<b>82,516</b>	<b>572,522</b>	<b>-</b>	<b>655,074</b>
<b>Financial liabilities</b>						
Trade and other payables	22	-	-	-	257,685	257,685
Borrowings	24	-	-	-	1,382,766	1,382,766
Interest rate swaps	16	-	1,443	-	-	1,443
		<b>-</b>	<b>1,443</b>	<b>-</b>	<b>1,640,451</b>	<b>1,641,894</b>
<b>2022</b>						
<b>Financial assets</b>						
Cash and cash equivalents	11	-	-	167,398	-	167,398
Other financial assets	12	-	-	5,827	-	5,827
Trade and other receivables	14	-	-	98,314	-	98,314
Long term receivables	15	-	-	317,724	-	317,724
Currency forwards	16	22	-	-	-	22
Currency swaps	16	-	70,217	-	-	70,217
Currency options	16	-	14,609	-	-	14,609
Interest rate swaps	16	-	7,737	-	-	7,737
		<b>22</b>	<b>92,563</b>	<b>589,263</b>	<b>-</b>	<b>681,848</b>
<b>Financial liabilities</b>						
Trade and other payables	22	-	-	-	190,120	190,120
Borrowings	24	-	-	-	1,239,833	1,239,833
Currency swaps	16	-	7,108	-	-	7,108
		<b>-</b>	<b>7,108</b>	<b>-</b>	<b>1,429,953</b>	<b>1,437,061</b>



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 29. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (continued)

### (a) Accounting classifications (continued)

Trust	Note	Fair value through profit or loss \$'000	Fair value - hedging instrument \$'000	Financial assets carried at amortised cost \$'000	Financial liabilities carried at amortised cost \$'000	Total carrying amount \$'000
<b>2023</b>						
<b>Financial assets</b>						
Cash and cash equivalents	11	-	-	10,070	-	10,070
Loans to subsidiaries	13	-	-	1,046,509	-	1,046,509
Trade and other receivables	14	-	-	1,842	-	1,842
Currency forwards	16	36	-	-	-	36
Currency swaps	16	-	78,447	-	-	78,447
Interest rate swaps	16	-	4,069	-	-	4,069
		<b>36</b>	<b>82,516</b>	<b>1,058,421</b>	<b>-</b>	<b>1,140,973</b>
<b>Financial liabilities</b>						
Trade and other payables	22	-	-	-	153,824	153,824
Borrowings	24	-	-	-	1,359,938	1,359,938
Interest rate swaps	16	-	1,443	-	-	1,443
		<b>-</b>	<b>1,443</b>	<b>-</b>	<b>1,513,762</b>	<b>1,515,205</b>
<b>2022</b>						
<b>Financial assets</b>						
Cash and cash equivalents	11	-	-	5,046	-	5,046
Loans to subsidiaries	13	-	-	808,276	-	808,276
Trade and other receivables	14	-	-	2,066	-	2,066
Currency forwards	16	22	-	-	-	22
Currency swaps	16	-	70,217	-	-	70,217
Currency options	16	-	14,609	-	-	14,609
Interest rate swaps	16	-	7,737	-	-	7,737
		<b>22</b>	<b>92,563</b>	<b>815,388</b>	<b>-</b>	<b>907,973</b>
<b>Financial liabilities</b>						
Trade and other payables	22	-	-	-	79,191	79,191
Borrowings	24	-	-	-	1,239,833	1,239,833
Currency swaps	16	-	7,108	-	-	7,108
		<b>-</b>	<b>7,108</b>	<b>-</b>	<b>1,319,024</b>	<b>1,326,132</b>

The carrying values of fixed rate medium term notes and deposits approximate their fair values. The fair values are estimated using discounted cash flow analysis based on current rates for similar types of borrowing arrangements.

The carrying value of the borrowings are reasonable approximation of their fair values as they are floating rate instruments that are repriced to market interest rates on or near the end of the reporting period.

The carrying value less expected credit loss allowance of trade receivables and the carrying value of payables are assumed to approximate their fair values.

The carrying value of other financial assets (current), trade and other payables (current) and borrowings (current), are reasonable approximation of their fair values due to their short-term nature.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 29. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (continued)

### (b) Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- (i) Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date;
- (ii) Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- (iii) Level 3 – Unobservable inputs for the asset or liability.

### (c) Fair value measurements

- (i) *Assets and liabilities measured at fair value*

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the financial year:

Group	Significant observable inputs other than quoted prices (Level 2) \$'000	Significant unobservable inputs (Level 3) \$'000	Total \$'000
<b>2023</b>			
<b>Recurring fair value measurements</b>			
<b>Assets</b>			
<b>Financial assets:</b>			
Derivative financial instruments:			
- Currency forwards	36	-	36
- Currency swaps	78,447	-	78,447
- Interest rate swaps	4,069	-	4,069
<b>Total financial assets</b>	<b>82,552</b>	<b>-</b>	<b>82,552</b>
<b>Non-financial assets:</b>			
Investment properties	-	2,728,940	2,728,940
Investment properties under construction	-	222,080	222,080
<b>Total non-financial assets</b>	<b>-</b>	<b>2,951,020</b>	<b>2,951,020</b>
<b>Liabilities</b>			
<b>Financial liabilities:</b>			
Derivative financial instruments:			
- Interest rate swaps	1,443	-	1,443
<b>Total financial liabilities</b>	<b>1,443</b>	<b>-</b>	<b>1,443</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 29. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (continued)

### (c) Fair value measurements (continued)

#### (i) Assets and liabilities measured at fair value (continued)

Group	Significant observable inputs other than quoted prices (Level 2) \$'000	Significant unobservable inputs (Level 3) \$'000	Total \$'000
<b>2022</b>			
<b>Recurring fair value measurements</b>			
<b>Assets</b>			
<b>Financial assets:</b>			
Derivative financial instruments			
- Currency forwards	22	-	22
- Currency swaps	70,217	-	70,217
- Interest rate swaps	7,737	-	7,737
- Currency options	14,609	-	14,609
<b>Total financial assets</b>	<b>92,585</b>	<b>-</b>	<b>92,585</b>
<b>Non-financial assets:</b>			
Investment properties	-	2,141,034	2,141,034
Investment properties under construction	-	313,692	313,692
<b>Total non-financial assets</b>	<b>-</b>	<b>2,454,726</b>	<b>2,454,726</b>
<b>Liabilities</b>			
<b>Financial liabilities:</b>			
Derivative financial instruments			
- Currency swaps	7,108	-	7,108
<b>Total financial liabilities</b>	<b>7,108</b>	<b>-</b>	<b>7,108</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 29. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (CONTINUED)

### (c) Fair value measurements (continued)

#### (ii) Level 2 fair value measurements

As at 31 December 2023, the Group has currency forwards, interest rate swaps and currency swaps, which are categorised in Level 2. The fair value of currency forwards is determined using mark-to-market valuation, which is calculated on the basis of quoted forward exchange rates at the end of the reporting period, received from respective banking and financial institutions. The fair values of interest rate swaps and currency swaps are also determined using mark-to-market valuation, which is calculated as the present value of the estimated future cash flows, received from respective banking and financial institutions. These derivative financial instruments are recognised at fair value in the financial statements.

#### (iii) Level 3 fair value measurements

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Group	Fair value \$'000	Valuation methodologies	Unobservable inputs	Range
<b>2023</b>				
<b>Recurring fair value measurements</b>				
- Investment properties	<b>2,728,940</b>	Discounted cash flow method, income capitalisation method, direct comparison method	Discount rate: Capitalisation rate: Land price per sqft:	<b>11.00% - 16.00%</b> <b>8.00% - 9.00%</b> <b>INR 352 - INR 4,689</b>
- Investment properties under construction	<b>222,080</b>			
<b>2022</b>				
<b>Recurring fair value measurements</b>				
- Investment properties	2,141,034	Discounted cash flow method, income capitalisation method, direct comparison method	Discount rate: Capitalisation rate: Land price per sqft:	11.75% - 14.83% 8.00% - 9.00% INR 376 - INR 4,591
- Investment properties under construction	313,692			

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 29. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (continued)

### (c) Fair value measurements (continued)

#### (iii) Level 3 fair value measurements (continued)

The valuation of investment properties and investment properties under construction is determined using three approaches, the income capitalisation, discounted cash flow and direct comparison method. The direct comparison method is solely for the land, which is based on the comparison of the transacted price of similar positioned land in the subject region. For operational investment properties, an average value of both income capitalisation and discounted cash flow approaches have been considered in deriving the market value, whereas only the discounted cash flow approach is applied for investment properties under construction. The income capitalisation approach involves capitalising a single year's net property income estimate (representing a normalised net operating income for the property) by an appropriate capitalisation rate per annum. The discounted cash flow approach involves forecasting future properties cash flows during the assessment period and the terminal year. The terminal value is determined by applying an appropriate capitalisation rate on the estimated net operating income for the terminal year, the resulting cash flow is then discounted to a present value at an appropriate discount rate.

## 30. COMMITMENTS

As at the end of the financial year, the Group has the following commitments:

### (a) Development and investment expenditure

	2023 \$'000	2022 \$'000
Amounts approved and contracted for		
- Investment	443,170	377,684
- Development	844,264	585,509
Amounts approved but not contracted for		
- Development	7,927	21,264
	<u>1,295,361</u>	<u>984,457</u>

As at 31 December 2023, amount approved and contracted for includes:

- (i) \$54,435,000 (2022: \$54,705,000) pertaining to the acquisition of one IT building at Navi Mumbai.
- (ii) \$95,078,000 (2022: \$124,162,000) pertaining to the acquisition of IT buildings at aVance Hyderabad and HITEC City 2 Special Economic Zone, Hyderabad.
- (iii) \$78,650,000 (2022: \$79,854,000) pertaining to the acquisition of two IT buildings at Pune.
- (iv) \$82,098,000 (2022: \$110,624,000) pertaining to the acquisition of IT buildings at Hebbal, Bangalore.
- (v) \$132,908,000 pertaining to acquisition of IT building at Outer Ring Road, Bangalore.
- (vi) \$756,530,000 (2022: \$566,193,000) pertaining to development of data centre projects at Navi Mumbai, Hyderabad, Chennai and Bangalore.
- (vii) \$86,707,000 pertaining to development of IT Buildings at Bangalore.
- (viii) \$1,028,000 pertaining to development of Solar Plant at Tamil Nadu.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 30. COMMITMENTS (continued)

### (b) Operating lease commitments

The Group leases out investment properties under operating leases with varying terms, escalation clauses and renewal rights.

The future minimum lease receivable under operating leases contracted for at the end of the reporting period but not recognised as receivables is analysed as follows:

	2023 \$'000	2022 \$'000
Lease receivables:		
- Within 1 year	83,165	55,564
- After 1 year but within 5 years	91,191	72,746
- After 5 years	3,033	2,139
	<u>177,389</u>	<u>130,449</u>

## 31. OPERATING SEGMENT

The Group's investment properties are primarily tenanted for use as business space and are located in India. The Trustee-Manager considers that the Group operates within a single business segment and within a single geographical segment in India. The revenues from the Group are derived primarily from corporate tenants. In 2023, there is a single major customer with a total revenue of INR 1,876 million (equivalent to \$30,579,000) (2022: INR 1,681 million (equivalent to \$29,737,000)) and no other single customers contributed 10% or more to the Group's revenue.

## 32. CONTINGENT LIABILITIES

The Group has the following contingent liabilities and independent tax or legal opinions were obtained to support the Management position that these claims are contingent in nature, and accordingly no provision was made.

### (a) Income tax disputes

Information Technology Park Limited ("ITPL") operates both Special Economic Zone ("SEZ") and non-SEZ properties. In prior years, the Income Tax authorities disputed ITPL's allocation of interest expense to non-SEZ properties only and issued an order requiring the same to be apportioned between SEZ and non-SEZ properties. In 2021, ITPL received a revised order for an additional tax demand of INR 88 million (equivalent to \$1,425,000) for assessment year 2014-15. ITPL had filed an appeal since the dispute from the authorities and is still waiting for an update to the case.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 32. CONTINGENT LIABILITIES (continued)

### (a) Income tax disputes (continued)

Hyderabad Infratech Pvt Ltd (“HIPL”) received income tax demand, including penalties and interest, of INR 374 million (equivalent to \$6,081,000) for assessment years 2013-14, 2014-15, 2015-16, 2016-17, 2017-18 and 2018-19 in prior years. During the year, HIPL received additional estimated tax demand of INR 152 million (equivalent to \$2,466,000) for assessment years 2020-21 and 2021-22, bringing the total amount of taxes in dispute to INR 526 million (equivalent to \$8,547,000). This pertained to interest expense on Fully and Compulsorily Convertible Debenture (“FCCD”) where the assessing officer deemed that the appropriate interest rate benchmark was LIBOR plus 2% and the excess interest was disallowed; together with a difference in lease rental income treatment for the assessment years 2015-16, 2016-17, 2017-18, 2018-19, 2020-21 and 2021-22. HIPL was of the view that LIBOR was used to benchmark foreign currency loans and should not be considered as an appropriate benchmark for interest on FCCD issued in INR (i.e. domestic currency of HIPL). The above adjustments will have consequential impact on the utilisation of business losses and unabsorbed depreciation, together with the deduction under section 80IAB in subsequent assessment years. HIPL had filed an appeal since and is still waiting for an update to the case.

VITP Private Limited (“VITP”) received order from the Deputy Commissioner of Income Tax of INR 43 million (equivalent to \$696,000) in prior years which pertained mainly to disallowing the depreciation related to addition of fixed assets for the assessment year 2007-08. VITP had filed an appeal since and is still waiting for an update to the case.

Ascendas Panvel FTWZ Private Limited (“Panvel”) received an assessment order of INR 18 million (equivalent to \$294,000), disallowing the deduction claimed by Panvel, acting as co-developer under Section 80IAB in prior years. During the year, additional tax demand of INR 126 million (equivalent to \$2,050,000) was received, and INR 7 million (equivalent to \$123,000), was assessed to be not probable as the amount was an error made the by authorities. The potential tax exposure totalled to INR 137 million (equivalent to \$2,221,000). Panvel is of the view that it is eligible to claim the deduction and necessary approval had been obtained from relevant government authorities. It had filed an appeal since and is still waiting for an update to the case.

### (b) Transfer pricing disputes

In prior years, the difference in redemption price of preference shares and the price as determined by the income tax department was treated as deemed dividends by ITPL in assessment years 2009-10 and 2010-11. The redemption of preference shares was not an income bearing international transaction which affected the profitability of ITPL and did not have any income implications. Though no additional tax was demanded in the orders, the orders will have a tax impact of reducing the recorded MAT credit entitlement and carried forward business losses by INR 262 million (equivalent to \$4,257,000). ITPL contested the said demand notice and appealed against the same since and in the current year has received a favourable order from the appellate authority. As ITPL is in the process of filing a request for the order to give effect and the tax department may appeal to the higher authorities, ITPL continues to disclose the same as a contingent liability.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 32. CONTINGENT LIABILITIES (continued)

### (b) Transfer pricing disputes (continued)

In VITP, the difference in buyback price and the fair value of the share as determined by the income tax department, was treated as an income of VITP in assessment years 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17 and 2017-18. Pursuant to rectification petition where the available MAT credits were earlier utilised for abovementioned assessment years, the Assessing Office passed a rectification order in prior years and the potential tax exposure attributable, not recognised in the financial statements which pertained mainly to this case was estimated to be INR 274 million (equivalent to \$4,447,000). VITP has filed an appeal since and is still waiting for an update to the case.

Deccan Real Ventures Private Limited ("DRVPL"), Cyber Pearl Information Technology Park Private Limited ("Cyber Pearl") and Avance Atlas Infratech Private Limited ("AVAIPL") had received transfer pricing orders related to transfer pricing adjustment under section 92CA, with respect to interest expense on FCCDs. During the year, Avance Technohub Private Limited ("ATPL") received a similar demand as well, while DRVPL and AVAIPL received additional demands of INR 24 million (equivalent to \$387,000), INR 211 million (equivalent to \$3,421,000) respectively. DRVPL, Cyber Pearl, AVAIPL and ATPL have filed an appeal respectively since and are still waiting for an update to the case.

The potential tax exposure, attributable to such demand notices were estimated to be INR 105 million (equivalent to \$1,700,000) for DRVPL, INR 154 million (equivalent to \$2,501,000) for Cyber Pearl and INR 348 million (equivalent to \$5,654,000) for AVAIPL and INR 21 million (equivalent to \$333,000) for ATPL.

### (c) Service tax disputes

ITPL received orders from the Service Tax authorities primarily disallowing the claim of service tax input credit relating to construction and certain other inputs costs for the period from October 2006 to June 2017, which was estimated to be INR 109 million (equivalent to \$1,770,000). In prior years, ITPL had apply the Indirect Tax Amnesty Scheme related to the service tax litigation for the period from October 2006 to March 2011, which amounted to INR 62 million (equivalent to \$1,007,000). Accordingly, the potential tax exposure was estimated at INR 47 million (equivalent to \$763,000). ITPL had filed an appeal since and is still waiting for an update to the case.

Ascendas IT Park (Chennai) Limited ("AITPCL") received service tax assessment orders, including penalties and interest, disallowing the claim of service tax credit relating to construction costs used for rental of immovable property services and demand of service tax on electricity, water charges and fit-out for the period from October 2005 to September 2015. As at 31 December 2023, the total service tax in dispute not recognised in the financial statements, including penalties and interest, amounts to INR 893 million (equivalent to \$14,502,000). AITPCL obtained opinion from its independent tax consultant who was of the view that AITPCL was eligible to available credit relating to construction costs while electricity, water and fit-out charges were not subject to service tax. A petition against this assessment was filed before the Customs Excise and Service Tax Appellate Tribunal ("CESTAT") for the period October 2005 to March 2010 and Commissioner of Service Tax for the period April 2010 to September 2015 in prior years. AITPCL received a favourable order to set aside a portion of the initial claim, which Service Tax department contested on a service tax amount of INR 537 million (equivalent to \$8,720,000). The balance of INR 356 million (equivalent to \$5,782,000) represents the claim for period from April 2010 to October 2016 on account of similar matters. AITPCL had filed an appeal since and is still waiting for an update to the case.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 32. CONTINGENT LIABILITIES (continued)

### (c) Service tax disputes (continued)

VITP had received service tax notices from the Service Tax Department on reimbursable expenditure, termination charges received from tenants and recovery of credit availed for the period June 2007 to September 2015 in prior years. The potential tax exposure, including penalty attributable to such demand notices is estimated to be INR 285 million (equivalent to \$4,631,000). VITP had filed an appeal and received a favourable order from CESTAT on 11 August 2022. As the final assessment order has not been received and the Service Tax Department may appeal to the higher authorities, VITP continues to disclose the same as a contingent liability.

HIPL provides renting of immovable property services and maintenance or repair services to the units located in the SEZ premises. HIPL has claimed exemption from payment of service tax when the services are provided to the SEZ unit/developer for their authorised operations. HIPL was served with Show Cause Notice demanding payment of service tax with applicable interest and penalty on the grounds that HIPL has not paid service tax in all such cases where it has not been able to produce the required forms to avail service tax exemption. The Commissioner passed a final order holding that service tax amounting to INR 42 million (equivalent to \$687,000), along with interest and equivalent penalty of INR 42 million (equivalent to \$687,000) is payable. HIPL has filed an appeal with CESTAT since and is still waiting for an update to the case.

Cyber Pearl had received service tax notice including penalties, amounted to INR 76 million (equivalent to \$1,241,000) on reimbursement charges collected for utilities for the period from May 2015 to June 2017 in prior years. Cyber Pearl has filed an appeal with CESTAT since and is still waiting for an update to the case.

During the year, Avance Atlas Infratech Private Limited ("AVAIPL") had received service tax notice on reimbursement of utilities for the period April 2016 to June 2017 amounting to INR 1 million (equivalent to \$18,000).

### (d) Value-added tax on fit-out rental

VITP and Cyber Pearl received demand notices from the Commercial Tax Department of Andhra Pradesh levying Value-Added Tax ("VAT") on lease rentals attributable to fit-outs. VITP and Cyber Pearl obtained opinion from an independent legal counsel who was of the view that VAT was liable to be paid by VITP and Cyber Pearl only on the consideration received towards movable portion of fit-outs and accordingly appeals against such demand notices were filed. VITP and Cyber Pearl are still waiting for an update to the appeals.

The potential tax exposure, attributable to such demand notices which are not recognised in the financial statements, was estimated to be INR 7 million (equivalent to \$115,000) for Cyber Pearl.

In prior years, VITP received revised orders for the assessment years 2005-06 to 2010-11 in which movable component is being considered in the value-added tax claim. Based on the above, VITP had reversed the provision of INR 49 million (equivalent to \$796,000) related to the above mentioned assessment years. The potential tax exposure for assessment years 2011-12 and 2012-13 are still pending for the determination of the movable component amount, was estimated to be INR 15 million (equivalent to \$245,000).

### (e) Property tax disputes

ITPL had received demand notice in prior years from the local municipal authority towards difference between property tax paid by ITPL on self-assessment basis and survey conducted by the local municipal authority for the period 2008-09 to 2017-18. This resulted in demand of additional tax of INR 398 million (equivalent to \$6,466,000). ITPL contested the said demand notice and filed an appeal since. ITPL is still waiting for an update to the case.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 32. CONTINGENT LIABILITIES (continued)

### (f) Stamp duty charges under protest

Cyber Pearl entered into an agreement with Mindtree Limited to acquire a building in CyberVale IT Special Economic Zone ("SEZ") in Chennai. Cyber Pearl sought an exemption for stamp duty under SEZ. However, Cyber Pearl received a stamp duty notice demanding INR 61 million (equivalent to \$995,000), for which INR 45 million (equivalent to \$731,000) was already paid under protest in prior years. Cyber Pearl had filed an appeal since and is still waiting for an update to the case.

### (g) Water supply and sanitary connection charges

ITPL had received a demand notice from Bangalore Water Supply and Sewerage Board ("BWSSB") towards pro-rata and other charges for water supply and sanitary connection amounted to INR 239 million (equivalent to \$3,801,000) in prior years. ITPL contested the demand as Management was of the view that no such charges were payable by ITPL as no new water connection was sought in the past.

BWSSB subsequently clarified that the pro-rata charges would be levied only on the buildings constructed after November 2008 (when the new regulations came into effect) and a portion of the sanitation treatment charges may be waived off since ITPL has its own sewage treatment plant. Accordingly, the contingent liability towards water supply and sanitary connection is INR 203 million (equivalent to \$3,297,000). ITPL has filed an appeal and is still waiting for an update to the case.

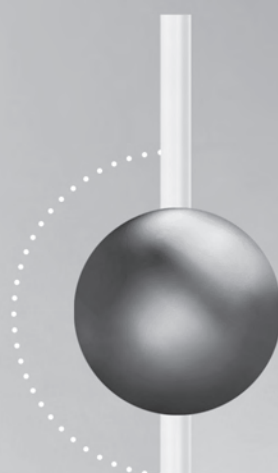
## 33. EVENTS OCCURRING AFTER THE REPORTING PERIOD

On 23 January 2024, ITPL received a revised demand notice from the local municipal authority towards the difference between property tax paid by ITPL on self-assessment basis and the amount requested by the local municipal authority. The revised demand notice included tax, penalty and interest for the periods from 2008-09 to 2022-23. ITPL intends to file an appeal before the High Court of jurisdiction to obtain stay of the demand order, shortly and then contest the said demand. Accordingly, the contingent liability arising from the property tax disputes of ITPL amounting to INR 398 million (equivalent to \$6,466,000) as at 31 December 2023 as disclosed in Note 32(e) will increase by INR 1,259 million (equivalent to \$20,438,000) as on the date of the results to INR 1,657 million (equivalent to \$26,904,000). This incremental amount comprises of property tax of INR 286 million (equivalent to \$4,644,000), penalty and interest of INR 973 million (equivalent to \$15,794,000).

On 5 February 2024, the Group announced that its wholly owned subsidiaries, Ascendas Property Fund (FDI) Pte. Ltd. and Ascendas IT Park Chennai Limited, have entered into debenture subscription agreements with Headway Premier Induspark Private Limited, Beacon Premier Induspark Private Limited and Vision Premier Induspark Private Limited (collectively referred to as "SPVs") to fund the development of three industrial facilities at OneHub Chennai. Its wholly owned subsidiary, Ascendas Property Fund (India) Pte. Ltd., has also entered into a conditional share purchase agreement with the shareholders of the SPVs to acquire 100% interest of the issued share capital of the SPVs, for an estimated purchase consideration of INR 2,680 million (equivalent to \$43,200,000) which includes the funding amount of INR 1,860 million (equivalent to \$30,000,000).

## 34. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements were authorised for issue in accordance with a resolution of the Board of Directors of the Trustee-Manager, CapitaLand India Trust Management Pte. Ltd. on 23 February 2024.



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# DIRECTORS' STATEMENT

For the financial year ended 31 December 2023

The Directors are pleased to present their statement to the shareholder together with the audited financial statements of CapitaLand India Trust Management Pte. Ltd. (in its personal capacity and not as Trustee-Manager of CapitaLand India Trust) (the "Company") for the financial year ended 31 December 2023.

## OPINION OF THE DIRECTORS

In the opinion of the Directors,

- (a) the accompanying balance sheet, statement of comprehensive income, statement of changes in equity and statement of cash flows are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2023 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date in accordance with the provisions of the Companies Act 1967 and Financial Reporting Standards in Singapore, and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

## DIRECTORS

The Directors of the Company in office at the date of this statement are as follows:

Mr Manohar Khiatani (Chairman)  
Mr Sanjeev Dasgupta  
Ms Tan Soon Neo Jessica  
Ms Deborah Tan Yang Sock  
Mrs Zia Jaydev Mody  
Dr Ernest Kan Yaw Kiong  
Mr Vishnu Shahaney (Appointed on 1 May 2023)  
Mr Goh Soon Keat Kevin (Appointed on 1 June 2023)

## DIRECTORS' INTERESTS IN CONTRACTS

Since the end of the last financial year, no Director has received or become entitled to receive, a benefit by reason of a contract made by the Company or a related corporation with the Director, or with a firm of which he is a member or with a company in which he has a substantial financial interest.

Directors' interests in contracts which arose before their appointment as Directors are not set out herein.

# DIRECTORS' STATEMENT

For the financial year ended 31 December 2023

## DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register kept by the Company for the purposes of Section 164 of the Companies Act 1967, particulars of interests of directors who held office at the end of the financial year (including those held by spouses and infant children) in shares, debentures, options and share awards in related corporations are as follows:

	Holdings in the name of the Director, spouse and/or infant children	
	At beginning of the year/date of appointment, if later	At end of the year
<b>Intermediate Holding Company</b>		
<b>CapitaLand Investment Limited (CLI)</b>		
<b>Ordinary Shares</b>		
Mr Manohar Khiatani	467,587	566,872
Mr Goh Soon Keat Kevin	989,953	989,953
<b>Award of Performance shares<sup>1,3</sup> to be delivered after 2022</b>		
Mr Manohar Khiatani (117,654 shares)	117,654	-
*During the year, 117,654 shares were released, of which 29,414 shares were settled in cash.		
<b>Award of Performance shares<sup>1,3</sup> to be delivered after 2023</b>		
Mr Manohar Khiatani (111,679 shares)	111,679	111,679
Mr Goh Soon Keat Kevin (379,114 shares)	379,714	379,714
<b>Contingent award of Performance shares<sup>1,4,5</sup> to be delivered after 2024</b>		
Mr Manohar Khiatani (44,180 shares)	0 to 88,360	0 to 88,360
Mr Goh Soon Keat Kevin (125,176 shares)	0 to 250,352	0 to 250,352
<b>Contingent award of Performance shares<sup>1,6</sup> to be delivered after 2025</b>		
Mr Manohar Khiatani (54,549 shares)	-	0 to 163,647
Mr Goh Soon Keat Kevin (180,013 shares)	0 to 540,039	0 to 540,039
<b>Contingent award of Performance shares<sup>1,5</sup> under Founder Share Award to be delivered after 2025</b>		
Mr Manohar Khiatani (177,116 shares)	0 to 531,348	0 to 531,348
Mr Sanjeev Dasgupta (177,116 shares)	0 to 531,348	0 to 531,348
Mr Goh Soon Keat Kevin (495,926 shares)	0 to 1,487,778	0 to 1,487,778
<b>Unvested Restricted shares<sup>2,7,8</sup> to be delivered after 2022</b>		
Mr Manohar Khiatani (66,270 shares)	0 to 66,270	22,090 <sup>9</sup>
Mr Goh Soon Keat Kevin (187,764 shares)	62,588 <sup>9</sup>	62,588 <sup>9</sup>

# DIRECTORS' STATEMENT

For the financial year ended 31 December 2023

## DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (continued)

	Holdings in the name of the Director, spouse and/or infant children	
	At beginning of the year/date of appointment, if later	At end of the year
<b>Related Corporations</b>		
<b><u>Astrea IV Pte. Ltd.</u></b>		
<b><i>S\$242 million 4.35% Class A-1 Secured Fixed Rate Bonds due 2028</i></b>		
Mr Goh Soon Keat Kevin	S\$5,000	-
<b><u>Astrea V Pte. Ltd.</u></b>		
<b><i>S\$315 million Class A-1 3.85% Secured Fixed Rate Bonds due 2029</i></b>		
Mr Goh Soon Keat Kevin	S\$6,000	S\$6,000
<b><u>Singapore Airlines Limited</u></b>		
<b><i>Ordinary Shares</i></b>		
Mr Manohar Khiatani	10,000	10,000
<b><u>Singapore Telecommunications Limited</u></b>		
<b><i>Ordinary Shares</i></b>		
Ms Tan Soon Neo Jessica	190	190
Mr Goh Soon Keat Kevin	360	360
<b><u>Temasek Financial (IV) Private Limited</u></b>		
<b><i>S\$500 million 2.7% Coupon Temasek Bond due 2023</i></b>		
Ms Tan Soon Neo Jessica	S\$6,000	-
Mr Goh Soon Keat Kevin	S\$6,000	-
<b><u>Seatrium Limited (formerly known as Sembcorp Marine Ltd)<sup>10</sup></u></b>		
<b><i>Ordinary Shares</i></b>		
Mr Manohar Khiatani	257,827	-
<b><u>CLI Treasury Limited</u></b>		
<b><i>S\$400 million 3.33% Fixed Rate Senior Notes due 2027</i></b>		
Mr Goh Soon Keat Kevin	S\$250,000	S\$250,000

# DIRECTORS' STATEMENT

For the financial year ended 31 December 2023

## DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (continued)

Notes:

- <sup>1</sup> Awards made pursuant to the CapitaLand Investment ("CLI") Performance Share Plan 2021 (PSP 2021).
- <sup>2</sup> Awards made pursuant to the CapitaLand Investment ("CLI") Restricted Share Plan 2021 (RSP 2021).
- <sup>3</sup> Following the completion of the strategic restructuring and demerger of the investment management business of CL and as further described in CLI introductory document dated 17 July 2021, the awards granted under CL's CapitaLand Performance Share Plan 2010 and CapitaLand Performance Share Plan 2020 (collectively, the "CL PSP Awards") to certain employees of CLI and CL group companies have vested into ordinary shares of CL and been replaced with shares under the CapitaLand Investment Performance Share Plan 2021, which will vest progressively over three years in accordance with the original vesting schedule of the CL PSP Awards.
- <sup>4</sup> The final number of shares to be released will depend on the achievement of pre-determined targets over a three-year performance period. No share will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more shares than the baseline award could be delivered up to a maximum of 200% of the baseline award. The CapitaLand Investment Limited ("CLI") Executive Resource and Compensation Committee ("ERCC") has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors.
- <sup>5</sup> This is a one-time special contingent award linked specifically to Price/NAV targets granted to selected key executives in CLI and/or its group companies who joined CLI and/or its group companies on a date after 1 October 2021. Such one-time special contingent award may (at the absolute discretion of the CLI ERCC) also be extended to key executives joining CLI and/or its group companies on a date after 1 October 2021 but not later than 19 September 2022. This is a long-term share-based award which will vest after the end of a 5-year performance period, subject to the achievement of the targets approved by the CLI ERCC. The number of shares to be released as soon as practicable upon vesting will be determined based on, inter alia, the award multiplied by an achievement factor. If the minimum performance level is achieved, the achievement factor will be 0.2. If the performance level exceeds minimum but is below superior, the achievement factor will be adjusted accordingly within the range of 0.2 to 3.0. If the performance level is superior and above, the achievement factor will be 3.0. Conversely, if the performance level is below minimum, the achievement factor will be zero and no share will be released. In the event of early achievement of the targets within the first three years of the performance period, a maximum of 20% to 50% of the baseline award can be released after the third year, with any balance in excess of 50% of the baseline award to be released only after the fifth year. The CLI ERCC has the absolute discretion to adjust the number of Shares released taking into consideration other relevant quantitative and qualitative factors.
- <sup>6</sup> The final number of shares to be released will depend on the achievement of pre-determined targets over a three-year performance period. No share will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are exceeded, more shares than the baseline award could be delivered up to a maximum of 300% of the baseline award. The CLI ERCC has the absolute discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors. The release will be made partly in the form of shares and partly in the form of cash.
- <sup>7</sup> The final number of shares to be released will depend on the achievement of pre-determined targets at the end of a one-year performance period and the release will be over a vesting period of three years. Depending on the extent of the achievement of the predetermined targets at the end of the performance period, the CLI ERCC has the discretion to release the final number of shares ranging from between 0% to 150% of the baseline award. On the final vesting, an additional number of shares of a total value equal to the value of the accumulated dividends which are declared during each of the vesting periods and deemed foregone due to the vesting mechanism of the restricted share plan, will also be released.
- <sup>8</sup> An additional number of shares of a total value equal to the value of the accumulated dividends which are declared during each of the vesting periods and deemed foregone due to the vesting mechanism of the restricted share plan, will also be released on the final vesting.
- <sup>9</sup> Being the unvested two-thirds of the award.
- <sup>10</sup> Ceased to be related corporation of CapitaLand Investment Limited with effective from 28 February 2023.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

## ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Except as disclosed under the Directors' Interests in Shares or Debentures and Share Plans sections of this statement, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

## SHARE OPTIONS

There were no options granted during the financial year to subscribe for unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

# **DIRECTORS' STATEMENT**

For the financial year ended 31 December 2023

## **INDEPENDENT AUDITOR**

The retiring auditors, KPMG LLP, will not be seeking re-appointment at the forthcoming Annual General Meeting. Deloitte & Touche LLP has expressed its willingness to accept appointment as the auditors.

On behalf of the Board of Directors:

**MANOHAR KHIATANI**

Director

**SANJEEV DASGUPTA**

Director

23 February 2024



# INDEPENDENT AUDITORS' REPORT

Member of the Company  
CapitaLand India Trust Management Pte. Ltd.

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of CapitaLand India Trust Management Pte. Ltd. (the "Company"), which comprise the balance sheet as at 31 December 2023, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information, as set out on pages 249 to 274.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 December 2023 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

### Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the 'Auditors' responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other information

Management is responsible for the other information contained in the annual report of the Company. Other information is defined as all information in the annual report of the Company other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of the auditors' report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

# INDEPENDENT AUDITORS' REPORT

Member of the Company  
CapitaLand India Trust Management Pte. Ltd.

## Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

### KPMG LLP

*Public Accountants and  
Chartered Accountants*

### Singapore

23 February 2024

# STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2023

	Note	2023 \$'000	2022 \$'000
Revenue	4	<b>21,776</b>	19,424
Cost of sales		<b>(2,301)</b>	(518)
Gross Profit		<b>19,475</b>	18,906
Other income	5	<b>6,166</b>	5,672
<b>Expenses</b>			
Depreciation of plant and equipment	9	<b>(6)</b>	(3)
Employee compensation	6	<b>(5,027)</b>	(4,998)
Other operating expenses	7	<b>(3,228)</b>	(3,739)
Total expenses		<b>(8,261)</b>	(8,740)
<b>Profit before tax</b>		<b>17,380</b>	15,838
Tax expenses	8	<b>(1,959)</b>	(1,893)
<b>Net profit after tax</b>		<b>15,421</b>	13,945
<b>Other comprehensive income:</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Net fair value gain/(loss) on equity instruments at fair value through other comprehensive income ("FVOCI")		<b>773</b>	(20,240)
<b>Total comprehensive income/(loss) for the year</b>		<b>16,194</b>	(6,295)

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

# BALANCE SHEET

As at 31 December 2023

	Note	2023 \$'000	2022 \$'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Deferred tax assets	8	12	10
Plant and equipment	9	16	11
Investment securities	10	101,457	82,796
		<b>101,485</b>	82,817
<b>Current assets</b>			
Trade and other receivables	11	17,959	18,268
Cash and cash equivalents	12	1,099	4,339
Prepayments		7	13
		<b>19,065</b>	22,620
<b>Total assets</b>		<b>120,550</b>	105,437
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	13	3,783	3,351
Employee benefits	14	795	681
Current tax liabilities		2,626	2,382
		<b>7,204</b>	6,414
<b>Non-current liability</b>			
Employee benefits	14	413	451
<b>Total liabilities</b>		<b>7,617</b>	6,865
<b>NET ASSETS</b>		<b>112,933</b>	98,572
<b>EQUITY</b>			
Share capital	15	1,000	1,000
Fair value reserve	16	8,980	8,266
Revenue reserve		102,578	89,098
Other capital reserve		375	208
<b>Total equity</b>		<b>112,933</b>	98,572

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

# STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2023

	Note	Share capital \$'000	Fair value reserve \$'000	Revenue reserve \$'000	Other Capital reserve \$'000	Total equity \$'000
<b>2023</b>						
<b>As at 1 January 2023</b>		<b>1,000</b>	<b>8,266</b>	<b>89,098</b>	<b>208</b>	<b>98,572</b>
Profit for the year		-	-	<b>15,421</b>	-	<b>15,421</b>
<b>Other comprehensive income:</b>						
Net fair value loss on equity instruments at FVOCI	10	-	<b>773</b>	-	-	<b>773</b>
<b>Total comprehensive income for the year</b>		-	<b>773</b>	<b>15,421</b>	-	<b>16,194</b>
Transfer of fair value reserve on equity instruments at FVOCI		-	<b>(59)</b>	<b>59</b>	-	-
<b>Transactions with owner, recorded directly in equity</b>						
Share based payment	6	-	-	-	<b>167</b>	<b>167</b>
Dividends	17	-	-	<b>(2,000)</b>	-	<b>(2,000)</b>
<b>As at 31 December 2023</b>		<b>1,000</b>	<b>8,980</b>	<b>102,578</b>	<b>375</b>	<b>112,933</b>
<b>2022</b>						
<b>As at 1 January 2022</b>		<b>1,000</b>	<b>28,659</b>	<b>77,000</b>	<b>55</b>	<b>106,714</b>
Profit for the year		-	-	<b>13,945</b>	-	<b>13,945</b>
<b>Other comprehensive loss:</b>						
Net fair value loss on equity instruments at FVOCI	10	-	<b>(20,240)</b>	-	-	<b>(20,240)</b>
<b>Total comprehensive loss for the year</b>		-	<b>(20,240)</b>	<b>13,945</b>	-	<b>(6,295)</b>
Transfer of fair value reserve on equity instruments at FVOCI		-	<b>(153)</b>	<b>153</b>	-	-
<b>Transactions with owner, recorded directly in equity</b>						
Share based payment	6	-	-	-	<b>153</b>	<b>153</b>
Dividends	17	-	-	<b>(2,000)</b>	-	<b>(2,000)</b>
<b>As at 31 December 2022</b>		<b>1,000</b>	<b>8,266</b>	<b>89,098</b>	<b>208</b>	<b>98,572</b>

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

# STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2023

	Note	2023 \$'000	2022 \$'000
<b>Operating activities</b>			
Net profit after tax		15,421	13,945
<u>Adjustments for:</u>			
Tax expenses	8	1,959	1,893
Depreciation of plant and equipment	9	6	3
Distribution income	5	(5,997)	(5,607)
Employee compensation paid/payable in units	10	772	955
Share-based expenses (equity settled)	6	167	153
Fund management fee received/receivable in units of listed property trust		(9,455)	(8,963)
<b>Operating cash flows before changes in working capital</b>		<b>2,873</b>	<b>2,379</b>
<u>Changes in working capital</u>			
Trade and other receivables		933	856
Prepayments		6	7
Trade and other payables		508	(556)
Cash flows generating (used in)/from operations		4,320	2,686
Tax paid		(1,717)	(2,977)
<b>Net cash flows generated from/(used in) operating activities</b>		<b>2,603</b>	<b>(291)</b>
<b>Investing activities</b>			
Purchase of property, plant and equipment	9	(11)	(12)
Distribution received from investment securities	5	5,997	5,607
Subscription of preference offering units in CLINT	10	(9,829)	-
<b>Net cash flows (used in)/generated from investing activities</b>		<b>(3,843)</b>	<b>5,595</b>
<b>Financing activity</b>			
Dividends paid		(2,000)	(2,000)
<b>Net cash flows used in financing activity</b>		<b>(2,000)</b>	<b>(2,000)</b>
Net (decrease)/increase in cash and cash equivalents		(3,240)	3,304
Cash and cash equivalents at beginning of financial year		4,339	1,035
<b>Cash and cash equivalents at end of financial year</b>		<b>1,099</b>	<b>4,339</b>

## **Significant non-cash transactions**

During the year ended 31 December 2023, the Company received 7,940,059 units (2022: 7,008,068 units) in CapitaLand India Trust ("CLINT"), amounting to \$8.83 million (2022: \$8.77 million) as payment of base fee for the period from October 2022 to September 2023 (2022: October 2021 to September 2022) and performance fee for the period from January 2022 to December 2022 (2022: January 2021 to December 2021) (see note 10).

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 1. CORPORATE INFORMATION

CapitaLand India Trust Management Pte. Ltd. (the "Company"), is a limited liability company, domiciled and incorporated in Singapore.

The registered office and principal place of business of the Company is located at 168 Robinson Road, #30-01 Capital Tower, Singapore 068912.

The principal activities of the Company are those relating to investment advisory, property fund management and to act as fund manager and trustee for CapitaLand India Trust ("CLINT"), a business trust listed on the Singapore Exchange Securities Trading Limited.

For financial reporting purposes, the immediate, intermediate, penultimate and ultimate holding companies of the Company are CLI Asset Management Pte. Ltd. (formerly known as CLI FM Pte. Ltd.), CapitaLand Investment Limited ("CLI"), CapitaLand Group Pte. Ltd. and Temasek Holdings (Private) Limited respectively. All companies are incorporated in Singapore.

## 2. MATERIAL ACCOUNTING POLICIES

### 2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars, which is the Company's functional currency. All financial information presented in Singapore Dollars have been rounded to the nearest thousand ("'\$'000") except when otherwise indicated.

### 2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial period except in the current financial year, the Company has applied the new FRS, amendments to and interpretations of FRS that are effective for annual financial period beginning on or after 1 January 2023. The adoption of these standards did not have any effect on the financial statements of the Company.

- FRS 117 *Insurance Contracts* and amendments to FRS 117: *Insurance Contracts*
- *Disclosure of Accounting Policies* (Amendments to FRS 1 and FRS Practice Statement 2)
- *Definition of Accounting Estimates* (Amendments to FRS 8)
- *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* (Amendments to FRS 12)
- *International Tax Reform - Pillar Two Model Rules* (Amendments to FRS 12)

The application of these amendments to standards and interpretations does not have a material effect on the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2. MATERIAL ACCOUNTING POLICIES (continued)

### 2.3 New standards and interpretations not yet adopted

A number of new accounting standards and amendments to standards are effective for annual periods beginning after 1 January 2023 and earlier application is permitted. However, the Company has not early adopted the new or amended accounting standards in preparing these financial statements.

These Changes are not expected to have a significant impact on the Company's financial statements.

- *Non-current Liabilities with Covenants* (Amendments to FRS 1)
- *Classification of Liabilities as Current or Non-current* (Amendments to FRS 1)

### 2.4 Material accounting policies information

The Company adopted Amendments to FRS 1 and FRS Practice Statement 2: Disclosure of Accounting Policies for the first time in 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments required the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in note 2.4 Material accounting policies (2022: Significant accounting policies) in certain instances in line with the amendments.

### 2.5 Revenue recognition

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised service to the customer, which is when the customer obtains control of the service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation. The following specific recognition criteria must also be met before revenue is recognised:

#### (a) Management fee

Management fees comprise of fund management fee, trustee fee and performance fee which is recognised in profit or loss as and when services are rendered.

#### (b) Acquisition and divestment fee

Acquisition and divestment fee is recognised in profit or loss as and when services are rendered.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2. MATERIAL ACCOUNTING POLICIES (continued)

### 2.6 Other income

#### (a) Distribution income

Distribution income is recognised in profit or loss on the date on which the Company's right to receive payment is established in the manner intended.

#### (b) Government grants

Government grants related to assets are initially recognised as deferred income at fair value when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant. These grants are then recognised in profit or loss as "other income" on a systematic basis over the useful life of the asset. Grants that compensate the Company for expenses incurred are recognised in profit or loss as "other income" on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

#### (c) Interest income

Interest income is recognised as it accrues, using the effective interest rate method.

### 2.7 Plant and equipment

#### (a) Measurement

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses (Note 2.8).

The cost of an item of plant and equipment includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended.

#### (b) Depreciation

Depreciation on plant and equipment is calculated using the straight line method to allocate their depreciable amounts over the estimated useful lives as follows:

	<b>Useful lives</b>
Computers, furniture and equipment	3 to 5 years

The residual values, depreciation method and estimated useful lives of plant and equipment are reviewed, and adjusted as appropriate, at each end of reporting period. The effects of any revision are recognised in profit or loss when the changes arise.

#### (c) Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All repair and maintenance expenses are recognised in profit or loss when incurred.

#### (d) Disposal

On disposal of an item of plant and equipment, the difference between the net disposal proceeds and its carrying amount is recognised in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2. MATERIAL ACCOUNTING POLICIES (continued)

### 2.8 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed for impairment at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the assets in the CGU on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

### 2.9 Financial assets

#### (a) Initial recognition and measurement

Financial assets are recognised when, and only when, the entity becomes a party to the contractual provisions of the financial instrument.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised services to a customer, excluding amounts collected on behalf of a third party, if the trade receivables do not contain a significant financing component at initial recognition.

#### (b) Subsequent measurement

##### (i) *Financial assets at amortised cost*

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

##### (ii) *Equity investments at fair value through other comprehensive income ("FVOCI")*

On initial recognition of an investment in equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in other comprehensive income. Gains or losses recognised in other comprehensive income are never reclassified from equity to profit or loss. However, the Company may transfer the FVOCI equity reserves within equity. Dividends from such investments are to be recognised in profit or loss when the Company's right to receive payments is established.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2. MATERIAL ACCOUNTING POLICIES (continued)

### 2.9 Financial assets (continued)

#### (c) Derecognition

Financial assets are derecognised if the Company's contractual rights to the cash flows from the financial assets expire or if the Company transfers the financial assets to another party without retaining control or transfers substantially all the risks and rewards of the assets. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

#### (d) Impairment

The Company assesses on a forward looking basis the expected credit losses ("ECLs") associated with its financial assets carried at amortised cost. For trade receivables, the Company applies the simplified approach permitted by the FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables. For other receivables, the general approach is applied. A loss allowance is recognised based on 12-month ECL if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime ECL will be calculated and recognised.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowance for financial assets measured at amortised cost, are deducted from the gross carrying amount of these assets.

#### (e) Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2. MATERIAL ACCOUNTING POLICIES (continued)

### 2.10 Financial liabilities

#### (a) Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

#### (b) Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost, using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

#### (c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

### 2.11 Offsetting

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

### 2.12 Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities) are based on quoted market prices at the end of reporting period. The quoted market prices used for financial assets held by the Company are the current bid prices; the appropriate quoted market prices for financial liabilities are the current asking prices.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts due to their short-term nature.

Transfers between levels of the fair value hierarchy are deemed to have occurred on the date of the event or change in circumstances that caused the transfers.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2. MATERIAL ACCOUNTING POLICIES (continued)

### 2.13 Income taxes

Tax expense comprises current and deferred tax. Tax expense is recognised in the profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Company to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2. MATERIAL ACCOUNTING POLICIES (continued)

### 2.14 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### 2.15 Employee compensation

#### (a) Defined contribution plans

Contribution to post-employment benefits under defined contribution plans are recognised as an expense in profit or loss in the period during which the related services are rendered by employees.

#### (b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the end of reporting period.

#### (c) Employee compensation scheme

The Company operates the following share-based employee compensation schemes: CLINTMPL Performance Unit Plan 2019, and CLINTMPL Restricted Unit Plan 2019 (collectively referred to as the "CLINTMPL Unit Plans").

For cash-settled share-based payment transactions, the fair value of the services received is recognised as an expense with a corresponding increase in liability. The fair value of the services received is determined by reference to the fair value of the liability. Until the liability is settled, the fair value of the liability is re-measured at each reporting date and at the date of settlement, with any changes in fair value recognised for the period.

#### (d) Share-based payment

For equity-settled share-based payment transactions, the fair value of the services received is recognised as an expense with a corresponding increase in equity over the vesting period during which the employees become unconditionally entitled to the equity instrument. The fair value of the services received is determined by reference to the fair value of the equity instrument granted at the grant date. At each reporting date, the number of equity instruments that are expected to be vested are estimated. The impact on the revision of original estimates is recognised as an expense and as a corresponding adjustment to equity over the remaining vesting period, unless the revision to original estimates is due to market conditions. No adjustment is made if the revision or actual outcome differs from the original estimate due to market conditions. The Company recognises the effect of modification that increase the total fair value of the share-based payment arrangement. The incremental fair value granted is included in the measurement of the amount recognised for services received over the period from modification date until the date when the modified equity-settled share-based payments transactions vest.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2. MATERIAL ACCOUNTING POLICIES (continued)

### 2.15 Employee compensation (continued)

#### (d) Share-based payment (continued)

For cash-settled share-based payment transactions, the fair value of the goods or services received is recognised as an expense with a corresponding increase in liability. The fair value of the services received is determined by reference to the fair value of the liability. Until the liability is settled, the fair value of the liability is re-measured at each reporting date and at the date of settlement, with any changes in fair value recognised in profit or loss for the period.

### 2.16 Currency translation

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are generally recognised in profit or loss. However, foreign currency differences arising from the translation of an investment in equity securities designated as FVOCI are recognised in other comprehensive income.

### 2.17 Cash and cash equivalents

For the purpose of presentation in the cash flow statement, cash and cash equivalents comprise cash at bank with financial institutions which are subject to an insignificant risk of change in value, but exclude balances which are subjected to restriction.

### 2.18 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against share capital.

### 2.19 Dividend

Interim dividends are recorded in the financial year in which the dividends are declared payable. Final dividends are recorded in the financial year in which the dividends are approved by the shareholders.

## 3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires Management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods. Management is of the opinion that there is no significant judgement made in applying accounting policies and no estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 4. REVENUE

	2023 \$'000	2022 \$'000
Fund management fee from CLINT	12,030	11,539
Trustee fee from CLINT	466	462
Performance fee from CLINT	6,877	6,386
Acquisition fee from CLINT	2,403	1,037
	<b>21,776</b>	<b>19,424</b>

## 5. OTHER INCOME

	2023 \$'000	2022 \$'000
Distribution income from CLINT	5,997	5,607
Government grants	14	12
Interest income	155	53
	<b>6,166</b>	<b>5,672</b>

## 6. EMPLOYEE COMPENSATION

	2023 \$'000	2022 \$'000
Salaries, wages and employee benefits	3,525	3,569
Employer's contributions to defined contribution plans including Central Provident Fund	436	412
Unit-based expenses:		
- Unit-settled	788	818
- Cash-settled	97	-
Share-based expenses:		
- Equity-settled	167	153
- Cash-settled	14	46
	<b>5,027</b>	<b>4,998</b>

## 7. OTHER OPERATING EXPENSES

	2023 \$'000	2022 \$'000
Professional fees		
- related company	2,455	2,976
- non-related parties	24	4
Audit fees	6	6
Insurance	88	81
Directors' fees	479	546
Others	176	126
	<b>3,228</b>	<b>3,739</b>



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 8. TAX EXPENSES

### (a) Income tax expenses

	2023 \$'000	2022 \$'000
Tax expense attributable to profit is made up of:		
Current tax expense		
- based on current year's results	1,961	1,892
	<u>1,961</u>	<u>1,892</u>
Deferred tax expense		
- origination and reversal of temporary differences	(2)	1
	<u>(2)</u>	<u>1</u>
Income tax expenses recognised in profit or loss	<u>1,959</u>	<u>1,893</u>

A reconciliation between tax expenses and the product of accounting profit multiplied by the applicable corporate tax rate for the financial year ended 31 December 2023 is as follows:

	2023 \$'000	2022 \$'000
Profit before tax	17,380	15,838
Income tax using the statutory tax rate of 17% (2022: 17%)	2,955	2,692
Effect of partial tax exemption	(17)	(17)
Tax effect of non-deductible expenses	45	172
Income not subject to tax	(1,024)	(954)
Income tax expenses recognised in profit or loss	<u>1,959</u>	<u>1,893</u>

### (b) Deferred tax assets

	2023 \$'000	2022 \$'000
Plant and equipment	(4)	(2)
Provisions	16	12
	<u>12</u>	<u>10</u>

Movements in the deferred tax account are as follows:

	Balance as at 1 January 2022 \$'000	Recognised in profit or loss \$'000	Balance as at 31 December 2022 \$'000	Recognised in profit or loss \$'000	Balance as at 31 December 2023 \$'000
Plant and equipment	*	(2)	(2)	(2)	(4)
Provisions	11	1	12	4	16
	<u>11</u>	<u>(1)</u>	<u>10</u>	<u>2</u>	<u>12</u>

\* Less than \$1,000

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 9. PLANT AND EQUIPMENT

<b>Computers, furniture and equipment</b>	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cost</b>		
Balance at beginning of financial year	59	47
Additions	11	12
Disposals	(34)	-
Balance at end of financial year	<u>36</u>	<u>59</u>
<b>Accumulated depreciation</b>		
Balance at beginning of financial year	48	45
Depreciation charge	6	3
Disposals	(34)	-
Balance at end of financial year	<u>20</u>	<u>48</u>
<b>Net book value</b>		
Balance at end of financial year	<u>16</u>	<u>11</u>
Balance at beginning of financial year	<u>11</u>	<u>2</u>

## 10. INVESTMENT SECURITIES

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Balance at beginning of financial year	<b>82,796</b>	95,219
Fair value changes recognised in equity (Note 16)	<b>773</b>	(20,240)
Additions	<b>8,831</b>	8,772
Subscription of preference offering units in CLINT	<b>9,829</b>	-
Disposals	<b>(772)</b>	(955)
Balance at end of financial year	<u><b>101,457</b></u>	<u>82,796</u>

During the year ended, the Company subscribed 9,270,921 preferential offering units (2022: nil) in CapitalLand India Trust ("CLINT"), amounting to \$9.8 million (2022: nil) as part of CLINT's fund raising activities.

## 11. TRADE AND OTHER RECEIVABLES

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Trade receivables		
- CLINT	<b>13,005</b>	9,504
Advances		
- other related company	<b>4,700</b>	8,639
Other receivables		
- CLINT	<b>103</b>	114
- immediate holding company	-	1
- other related companies	<b>151</b>	10
	<b>254</b>	125
	<u><b>17,959</b></u>	<u>18,268</u>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 11. TRADE AND OTHER RECEIVABLES (continued)

Trade receivables are non-interest bearing and are to be settled in the form of cash and/or units from CLINT as the Company elects. As at 31 December 2023, trade receivables arising from CLINT amounting to \$5,234,000 (2022: \$4,612,000) are arranged to be settled via the issuance of units by CLINT.

Advances to other related company are unsecured, bear interest rate of 2.25% to 2.635% (2022: 0.04% to 2.43%) per annum at the reporting date and are repayable on demand in cash. Interest rate is repriced on a monthly basis.

Other receivables from CLINT, immediate holding company and other related companies are unsecured, interest-free and repayable on demand in cash.

### Expected credit losses

At the end of the reporting year, the Company has assessed its ECL of its receivables and the amount is immaterial.

## 12. CASH AND CASH EQUIVALENTS

	2023 \$'000	2022 \$'000
Cash at bank	<u>1,099</u>	4,339

## 13. TRADE AND OTHER PAYABLES

	2023 \$'000	2022 \$'000
<b>Current</b>		
Trade payable	127	59
Other payables		
- immediate holding company	919	128
- intermediate holding company	9	13
- other related companies	81	581
- non-related parties	<u>1,856</u>	<u>1,702</u>
	<b>2,865</b>	<b>2,424</b>
Accrued operating expenses	<u>614</u>	723
	<b>3,606</b>	3,206
GST payables	<u>177</u>	145
	<b>3,783</b>	<b>3,351</b>

Other payables to immediate holding company, intermediate holding company and other related companies are unsecured, interest-free and repayable on demand in cash.

Other payables to non-related parties represent mainly accrued employee bonus and sundry payables.

Included in accrued operating expenses is an amount of \$561,000 (2022: \$680,000) that relates to Directors' fees for the current financial year.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 14. EMPLOYEE BENEFITS

	2023 \$'000	2022 \$'000
<b>Current liability</b>		
Employee benefits	795	681
<b>Non-current liability</b>		
Employee benefits	413	451
	<u>1,208</u>	<u>1,132</u>

The Ascendas Property Fund Trustee Pte. Ltd. ("APFT") Performance Unit Plan 2019 and the APFT Restricted Unit Plan 2019 (collectively referred to as the "APFT Unit Plans") were approved by the Board of Directors of APFT on 25 July 2019. With effect from 27 September 2022, APFT has been renamed to CapitaLand India Trust Management Pte. Ltd. ("CLINTMPL"), and accordingly, the APFT Units Plans have been renamed to CLINTMPL Performance Unit Plan and CLINTMPL Restricted Unit Plan (collectively referred to as the "CLINTMPL Unit Plans").

The Board of CLINTMPL has instituted a set of unit ownership guidelines for senior management who receive units under the CLINTMPL Unit Plans. Under these guidelines, members of the senior management team are required to retain a portion of the total number of units received under the CLINTMPL Unit Plans, which will vary according to their respective job grade and salary.

During the financial year ended 31 December 2023, the Company recognised unit-based expenses in relation to the CLINTMPL Unit Plans of \$885,000 (2022: \$818,000) in the profit or loss.

### CLINTMPL Performance Unit Plan

This relates to compensation costs of the Company's Performance Unit Plan awards that reflect the benefits accruing to the participants over the service period to which the performance criteria relate.

The final number of units to be released will depend on the achievement of pre-determined relative total unitholder return targets over a three-year performance period. No unit will be released if the threshold targets are not met at the end of the performance period. Conversely, if superior targets are met, up to a maximum of 200% of the baseline award could be released. Participants will receive fully paid units at no costs upon vesting.

### CLINTMPL Restricted Unit Plan

This relates to compensation costs of the Company's Restricted Unit Plan awards that reflect the benefits accruing to the participants over the service period to which the performance criteria relate.

The final number of units to be released will depend on the achievement of pre-determined distribution per unit targets over a one-year performance period. No unit will be released if the threshold targets are not met at the end of the performance period. Conversely, if superior targets are met, up to a maximum of 150% of the baseline award could be released. The units will equally vest over three years. Participants will receive fully paid units at no cost upon vesting. An additional number of units of a total value equal to the value of the accumulated distributions which are declared during each of the vesting periods and deemed forgone due to the vesting mechanism of the Restricted Unit Plan, will also be released upon the final vesting.

Units vested to participants under the CLINTMPL Unit Plans will be delivered using existing units held by the Company. No new units will be issued by CLINT to meet the obligations under the CLINTMPL Unit Plans.

During the year ended 31 December 2023, 632,037 units amounting to \$646,000 (2022: 726,854 units, \$734,000) were issued to employees as part of the CLINTMPL Unit Plans.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 14. EMPLOYEE BENEFITS (continued)

### Share Plans of the CapitaLand Group Pte. Ltd. (CL)

The Company's employees participate in the share-based incentive plans of CapitaLand Group Pte. Ltd. which comprise the Performance Share Plan (CL PSP) and Restricted Share Plan (CL RSP). The Share Plans are administered by CapitaLand Group Pte. Ltd.'s Executive Resource and Compensation Committee (CL ERCC).

Pursuant to the strategic restructuring in 2021, CL ERCC has approved the following in relation to the unvested share award payout of CL Share Plans as at 17 September 2021.

- (a) The outstanding contingent CL PSP awards granted to the employees were replaced by awards under the CLI Share Plan on 1 October 2021 in accordance with a conversion ratio and released in accordance with the original vesting schedule. The number of awards to be granted have also been finalised at 200% of the baseline awards.
- (b) The outstanding CL RSP awards were converted to cash-settled based awards with an implied value of S\$4.102 per CL share. Contingent awards granted under the CL RSP have been finalised at 150% of the baseline awards based on the same implied value. The cash payment will be released to eligible employees according to the original vesting schedule of respective CL RSP awards.

### Share Plans of the CapitaLand Investment Limited (CLI)

CapitaLand Investment Limited Executive Resource and Compensation Committee (CLI ERCC) as formed on 3 July 2021 and has been designated as the Committee responsible for the administration of the Share Plans. The CLI ERCC members at the date of this statement are Ms Judy Hsu Chung Wei (Chairman), Mr Miguel Ko, Mr Anthony Lim Weng Kin and Ms Belita Ong.

The CLI Performance Share Plan 2021 (CLI PSP 2021) and CLI Restricted Share Plan 2021 (CLI RSP 2021) were approved by CapitaLand Group Pte. Ltd., the immediate holding company of CLI on 17 July 2021. The duration of each share plan is 10 years commencing on 1 September 2021.

The CLI ERCC has instituted a set of share ownership guidelines for members of senior management who receive shares under the CLI Restricted Share Plans and CLI Performance Share Plans. Under these guidelines, members of senior management are required to retain a portion of the total number of CLI shares received under the aforementioned share-based plans, which will vary according to their respective job grade and salary.

The total number of new shares which may be allotted, issued and/or delivered pursuant to awards granted under the Share Plans on any date, when aggregated with existing shares (including treasury shares and cash equivalents) delivered and/or to be delivered, pursuant to the CLI Share Plans and all shares, options or awards granted under any other share schemes of CLI then in force, shall not exceed 8% of the total number of issued shares (excluding treasury shares) from time to time.

#### i) **Special CLI Founders Performance Share Plan Award (Special PSP) Equity-settled/Cash-settled**

This relates to the compensation costs of the Special PSP granted under CLI PSP 2021 reflecting the benefits accruing to the employees over the service period to which the performance criteria relate.

Pursuant to the CLI PSP, the Special PSP award granted to selected key executives of the Company and/or companies within CLI Group is conditional on a performance target based on longer term wealth creation objectives. Participants will receive a specified number of performance shares after the end of the performance period conditional on achievement of performance conditions.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 14. EMPLOYEE BENEFITS (continued)

### Share Plans of the CapitaLand Investment Limited (CLI) (continued)

#### i) **Special CLI Founders Performance Share Plan Award (Special PSP)** (continued)

The CLI ERCC grants an initial number of shares (baseline award) which are conditional on the target of the CLI's share price expressed as a multiple of CLI's net asset value per share (Price/NAV) set for a five-year performance period. A specified number of shares will only be released by the CLI ERCC to the recipients at the end of the qualifying performance period, provided the pre-specified minimum target is achieved. No share will be released if the minimum target is not met at the end of the performance period. On the other hand, if the superior target is met, more shares than the baseline award can be delivered up to a maximum of 300% of the baseline award. In the event of early achievement of the targets within the first three years of the performance period, a maximum of 20% to 50% of the baseline award can be released after the third year, with any balance in excess of 50% of the baseline award to be released only after the fifth year. The CLI ERCC has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors. Recipients can receive fully paid shares, their equivalent cash value or combinations thereof, at no cost.

A one-time special contingent award was granted to selected key executives in the Company and CL group companies as at 1 October 2021. As a hiring strategy, such one-time special contingent award may (at the absolute discretion of the ERCC) also be extended to key executives joining the Company and/or companies within CLI Group on a date after 1 October 2021 but not later than 19 September 2022.

Movements in the number of shares outstanding under Special PSP were summarised below:

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
At 1 January/31 December	<b>354</b>	354

The fair values of the shares are determined using Monte Carlo simulation method which projects future share price assuming log normal distribution based on Geometric Brownian Motion Theory at measurement date. The fair values and assumptions are set out below:

<b>Year of award</b>	<b>2022</b>
<i>Weighted average fair value of shares and assumptions</i>	
Weighted average fair value at measurement date	\$3.52 to \$3.90
Grant date	4 January 2022, 4 May 2022 and 1 June 2022
Share price at grant date	\$3.66 to \$4.12
Expected volatility of CLI's share price (assuming the average volatility of 1040-Day/780-Day closing unit price from 6 CLI REITs)	24.67% to 26.46%
Expected dividend yield over the vesting period	3.61% to 4.22%
Risk-free interest rate equal to the implied yield on zero-coupon Singapore Government bond with a term equal to the length of vesting period	1.11% to 2.51%
Net asset value per share	\$2.82 to \$3.99

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 14. EMPLOYEE BENEFITS (continued)

### Share Plans of the CapitaLand Investment Limited (CLI) (continued)

#### ii) CLI Restricted Share Plans - Equity-settled/Cash-settled

This relates to compensation costs of the CLI's RSP 2021 reflecting the benefits accruing to the employees over the service period to which the performance criteria relate.

Movements in the number of shares outstanding under CLI RSP were summarised below:

	2023 ('000)	2022 ('000)
At 1 January	20	34
Released <sup>@</sup>	(12)	(14)
At 31 December	<u>8</u>	<u>20</u>

<sup>@</sup> The number of shares released during the year was 12,159 (2022: 14,191) were cash-settled.

The fair values of the shares granted to employees are determined using discounted cashflow method at the measurement date. The fair values and assumptions are set out below:

Year of award	2023	2022
<i>Weighted average fair value of shares and assumptions</i>		
Weighted average fair value at measurement date	<b>\$3.38</b>	\$3.84
Grant date	<b>14 April 2023 and 1 June 2023</b>	4 May 2022
Share price at grant date	<b>\$3.31 to \$3.71</b>	\$4.12
Expected volatility of CLI's share price (assuming the average volatility of 780-Day closing unit price from 6 CLI REITs)	-	26.46%
Expected dividend yield over the vesting period	<b>3.44% to 3.73%</b>	3.94%
Risk-free interest rate equal to the implied yield on zero-coupon Singapore Government bond with a term equal to the length of vesting period	-	1.72% to 2.34%

## 15. SHARE CAPITAL

The Company's share capital comprises fully-paid up 1,000,000 (2022: 1,000,000) ordinary shares with no par value, amounting to a total of \$1,000,000 (2022: \$1,000,000).

The holder of ordinary shares is entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 16. FAIR VALUE RESERVE

Fair value reserve represents the cumulative fair value changes of financial assets at FVOCI.

## 17. DIVIDENDS

	2023 \$'000	2022 \$'000
<b>Declared and paid/payable during the financial year</b>		
Dividends on ordinary shares:		
- Final tax exempt (one-tier) dividend for financial year ended 31 December 2023 paid/payable of \$2.00 (2022: dividend for financial year ended 31 December 2022 paid/payable of \$2.00) per share	<u>2,000</u>	2,000
<b>Proposed but not recognised as a liability as at end of year</b>		
Dividends on ordinary shares, subject to shareholders' approval at the Annual General Meeting:		
- Final tax exempt (one-tier) dividend proposed in respect of the financial year of \$1.90 (2022: \$2.00) per share	<u>1,900</u>	2,000

## 18. RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions took place between the Company and related parties at terms agreed between the parties during the financial year:

	2023 \$'000	2022 \$'000
<b>Directors:</b>		
- Directors' fees	<u>561</u>	680
<b>Key management personnel compensation (excluding Directors' fees)</b>		
- salaries and other employee benefits	1,924	1,922
- contribution to CPF	36	35
- share-based compensation benefits*	862	630
	<u>2,822</u>	2,587

\* Payable by the Company in the form of units in CapitalLand India Trust under the CLINTMPL Unit Plans.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company's risk management approach seeks to minimise the potential material adverse effects from these exposures. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

### (a) Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will have on the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

#### (i) Currency risk

The Company's exposure to currency risk is minimal as its revenue, expenses, assets and liabilities are substantially denominated in SGD.

#### (ii) Equity price risk

The Company has investments in equity securities at FVOCI and is exposed to equity price risk. These securities are listed on Singapore Stock Exchange.

#### Sensitivity analysis for price risk

If prices for the equity securities listed in Singapore change by the percentages indicated below with all other variables including tax rates being held constant, the effects on profit after tax and equity will be as follows:

	2023		2022	
	Profit After Tax \$'000	Equity \$'000	Profit After Tax \$'000	Equity \$'000
<b>Equity securities</b>				
Listed in Singapore				
- increased by 30% (2022: 25%)	-	<b>30,437</b>	-	20,699
- decreased by 30% (2022: 25%)	-	<b>(30,437)</b>	-	(20,699)

#### (iii) Interest rate risk

The Company's exposure to market risk for changes in interest rates relates primarily to its interest-bearing advance to related company.

The Company's policy on interest rate management follows that of its intermediate holding company, CapitaLand Investment Limited. CapitaLand Investment Limited manages the interest rate exposure by maintaining a prudent mix of fixed and floating rate borrowings. It actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### (a) Market risk (continued)

#### (iii) Interest rate risk (continued)

##### Exposure to interest rate risk

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments, as reported to the management, was as follows:

	Nominal amount	
	2023	2022
	\$'000	\$'000
<b>Variable rate instruments</b>		
Advance to related company	4,700	8,639

##### Cash flow sensitivity analysis for variable rate instruments

A change of 50 basis points (2022: 300 basis points) in interest rates at the reporting date would have increased/(decreased) profit or loss by the amounts shown below. The analysis assumed that all other variables remain constant.

	Profit or loss	
	50 bp increase	50 bp decrease
	\$'000	\$'000
<b>2023</b>		
<b>Variable rate instruments</b>		
Advance to related company	24	(24)
<b>2022</b>		
<b>Variable rate instruments</b>		
Advance to related company	259	(259)

### (b) Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company has guidelines governing the process of granting credit as a service or product provider in its respective segments of business. Investments and financial transactions are restricted to counterparties that meet the appropriate credit criteria and of high credit standing.

At the reporting date, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of that class of financial instruments presented on the balance sheet.

For trade receivables, the Company adopts the policy of dealing only with customer of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. The Company considers that trade receivables from CLINT embodies low credit default probability as CLINT has a relatively healthy financial position and Management does not expect CLINT to fail to meet its obligations.

The Company assesses on a forward-looking basis the expected credit loss associated with all financial assets at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### (b) Credit risk (continued)

The Company considers that other receivables inherently embodies low credit risk as the Company deals only with high credit quality counterparties. Loss allowance on these balances has been measured on the 12-month expected loss basis which reflects the low credit risk of the exposures. The credit loss on these balances is subject to immaterial credit loss. Other receivables is written off when there is no reasonable expectation of recovery.

The Company held cash and cash equivalents of \$1,099,000 at 31 December 2023 (2022: \$4,339,000). Cash and cash equivalents are placed with banks and financial institutions which are regulated.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is negligible.

### (c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Excess cash in the Company will be transferred to a related company for efficient cash management. To meet payment obligations in a timely manner, the related company makes fund transfers back to the Company as and when the need arises.

The Company's policy on liquidity risk management follows that of its intermediate holding company, CapitaLand Investment Limited. CapitaLand Investment Limited actively manages the debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met.

The table below analyses the maturity profile of the Company's financial liabilities into relevant maturity groupings based on the remaining period from the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Within 1 year \$'000	After 1 year but within 5 years \$'000	Total \$'000
<b>2023</b>			
Trade and other payables*	<u>3,606</u>	-	<u>3,606</u>
<b>2022</b>			
Trade and other payables*	<u>3,206</u>	-	<u>3,206</u>

\* Excludes GST payables

### (d) Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholder, issue new shares, obtain new borrowings or sell assets to reduce borrowings.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### (d) Capital management (continued)

Management monitors capital based on the debt equity ratio, which is calculated as total external borrowings divided by total equity. As at end of reporting period, the Company does not have any external borrowings.

The Company is not subject to any externally imposed capital requirements for the financial year ended 31 December 2023.

## 20. FAIR VALUE OF ASSETS AND LIABILITIES

### (a) Fair value hierarchy

The Company categories fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used. The different levels have been defined as follows:

- (i) Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- (ii) Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- (iii) Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

### (b) Assets measured at fair value

The following table presents the assets measured at fair value at the end of the reporting period:

	Level 1 2023 \$'000	Level 1 2022 \$'000
<b>Assets</b>		
<u>Financial assets</u>		
Equity securities at FVOCI		
- Quoted equity securities	<u>101,457</u>	<u>82,796</u>

The carrying amounts of financial instruments with a maturity of less than one year approximate their fair values because of the short period to maturity. The carrying amounts of other financial assets and liabilities at amortised cost are a reasonable approximation of fair value.

The Company recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred. There was no transfer between levels in the fair value hierarchy during the year.

## 21. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements for the financial year ended 31 December 2023 were authorised for issue in accordance with a resolution of the Directors on 23 February 2024.

# STATISTICS OF UNITHOLDINGS

As at 29 February 2024

## ISSUED AND FULLY PAID UNITS

1,338,430,967 Units (voting rights: 1 vote per Unit)

Market Capitalisation: S\$1,351,815,276 (based on closing Unit price of S\$1.01 as at 29 February 2024)

## DISTRIBUTION OF UNITHOLDINGS

Size of Unitholdings	No. of Unitholders	%	No. of Units	%
1 - 99	29	0.29	717	0.00
100 - 1,000	2,916	28.61	2,793,487	0.21
1,001 - 10,000	4,466	43.82	21,675,882	1.62
10,001 - 1,000,000	2,752	27.00	122,870,961	9.18
1,000,001 and above	29	0.28	1,191,089,920	88.99
<b>Total</b>	<b>10,192</b>	<b>100.00</b>	<b>1,338,430,967</b>	<b>100.00</b>

## LOCATION OF UNITHOLDERS

Country	No. of Unitholders	%	No. of Units	%
Singapore	9,907	97.20	1,331,153,463	99.46
Malaysia	120	1.18	3,273,839	0.24
Others	165	1.62	4,003,665	0.30
<b>Total</b>	<b>10,192</b>	<b>100.00</b>	<b>1,338,430,967</b>	<b>100.00</b>

## TWENTY LARGEST UNITHOLDERS

No.	Name	No. of Units	%
1	Citibank Nominees Singapore Pte Ltd	232,240,249	17.35
2	CLI India Pte. Ltd.	231,076,629	17.26
3	Raffles Nominees (Pte.) Limited	158,106,839	11.81
4	DBS Nominees (Private) Limited	142,266,216	10.63
5	HSBC (Singapore) Nominees Pte Ltd	129,486,328	9.67
6	CapitaLand India Trust Management Pte. Ltd.	94,398,452	7.05
7	DBSN Services Pte. Ltd.	89,341,904	6.68
8	BPSS Nominees Singapore (Pte.) Ltd.	40,259,414	3.01
9	OCBC Securities Private Limited	13,160,989	0.98
10	ABN AMRO Clearing Bank N.V.	8,370,806	0.63
11	Phillip Securities Pte Ltd	6,062,447	0.45
12	iFAST Financial Pte. Ltd.	5,244,905	0.39
13	DB Nominees (Singapore) Pte Ltd	5,096,498	0.38
14	Nomura Singapore Limited	4,263,000	0.32
15	United Overseas Bank Nominees (Private) Limited	4,024,371	0.30
16	Yim Chee Chong	3,240,400	0.24
17	Hong Leong Finance Nominees Pte Ltd	3,119,000	0.23
18	OCBC Nominees Singapore Private Limited	3,065,299	0.23
19	Maybank Securities Pte. Ltd.	3,047,298	0.23
20	DBS Vickers Securities (Singapore) Pte Ltd	2,697,256	0.20
	<b>Total</b>	<b>1,178,568,300</b>	<b>88.04</b>

# STATISTICS OF UNITHOLDINGS

As at 29 February 2024

## DIRECTORS' INTERESTS IN UNITS AND CONVERTIBLE SECURITIES AS AT 21 JANUARY 2024

Based on the Register of Directors' Unitholdings, the interests of Directors in Units and convertible securities issued by CLINT are as follows:

Name of Director	No. of Units		Contingent Awards of Units <sup>1</sup> under the Trustee-Manager's	
	Direct Interest	Deemed Interest	Performance Unit Plan	Restricted Unit Plan
Manohar Khiatani	-	-	-	-
Sanjeev Durjhati Prasad Dasgupta	1,134,398	-	0 to 1,091,862 <sup>2</sup>	235,181 <sup>3,4</sup>
Tan Soon Neo Jessica	31,563	-	-	-
Deborah Tan Yang Sock	10,178	-	-	-
Zia Jaydev Mody	-	-	-	-
Ernest Kan Yaw Kiong	33,768	-	-	-
Vishnu Shahaney	-	-	-	-
Goh Soon Keat Kevin	-	-	-	-

Notes:

- This refers to the number of Units which are the subject of contingent awards granted but not released under the Trustee-Manager's Performance Unit Plan and Restricted Unit Plan ("RUP").
- The final number of Units to be released will depend on the achievement of pre-determined targets at the end of the three-year performance period. The final number of Units that will be released will range from 0% to 200% of the baseline award.
- Being the unvested Units under the RUP.
- On the final vesting, an additional number of Units of a total value equal to the value of the accumulated distributions which are declared during each of the vesting periods and deemed foregone due to the vesting mechanism of RUP, will also be released.

## SUBSTANTIAL UNITHOLDERS' UNITHOLDINGS AS AT 29 FEBRUARY 2024

Based on the information available to the Trustee-Manager as at 29 February 2024, the unitholdings of Substantial Unitholders of CLINT are as follows:

Name of Substantial Unitholder	Direct Interest		Deemed Interest	
	No. of Units	% <sup>1</sup>	No. of Units	% <sup>1</sup>
Temasek Holdings (Private) Limited <sup>2</sup> ("Temasek")	-	-	331,799,976	24.79
Tembusu Capital Pte. Ltd. <sup>2</sup> ("Tembusu")	-	-	325,475,081	24.31
Bartley Investments Pte. Ltd. <sup>2</sup> ("Bartley")	-	-	325,475,081	24.31
Mawson Peak Holdings Pte. Ltd. <sup>2</sup> ("Mawson")	-	-	325,475,081	24.31
Glenville Investments Pte. Ltd. <sup>2</sup> ("Glenville")	-	-	325,475,081	24.31
TJ Holdings (III) Pte. Ltd. <sup>2</sup> ("TJHIII")	-	-	325,475,081	24.31
CLA Real Estate Holdings Pte. Ltd. <sup>3</sup> ("CLA")	-	-	325,475,081	24.31
CapitaLand Group Pte. Ltd. <sup>3</sup> ("CLG")	-	-	325,475,081	24.31
CapitaLand Investment Limited <sup>4</sup> ("CLI")	-	-	325,475,081	24.31
CLI India Pte. Ltd. <sup>4</sup> ("CLII")	231,076,629	17.26	-	-
CLI Asset Management Pte. Ltd. <sup>4</sup> ("CLIAM")	-	-	94,398,452	7.05
CapitaLand India Trust Management Pte. Ltd. <sup>4</sup> ("CLINTMPL")	94,398,452	7.05	-	-

Notes:

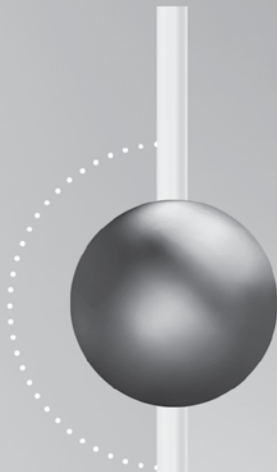
- The percentage is based on 1,338,430,967 Units in issue as at 29 February 2024. The figures are rounded down to the nearest 0.01%.
- Temasek is deemed to have an interest in the units in which CLA and certain associated companies of Temasek have direct or deemed interests, by virtue of Section 4 of the Securities and Futures Act 2001 (the "SFA"). Each of Tembusu, Bartley, Mawson, Glenville, TJHIII is deemed to have an interest in the Units in which CLA is deemed to have an interest, by virtue of Section 4 of SFA. Temasek holds 100% equity interest in Tembusu, which holds 100% of the equity interest in Bartley, which holds 100% of the equity interest in Mawson, which holds 100% of the equity interest in Glenville, which holds 100% of the equity interest in TJHIII, which holds 100% equity interest in CLA.
- CLA holds 100% equity interest in CLG. CLG holds approximately 53.12% of the issued shares in CLI. CLG is deemed to have an interest in the Units in which CLI is deemed to have an interest, by virtue of Section 4 of the SFA.
- CLI, through its subsidiaries CLII and CLIAM, is deemed to have an interest in the Units held by CLII and CLINTMPL, by virtue of Section 4 of the SFA. CLIAM is deemed to have an interest in the Units held by CLINTMPL, by virtue of Section 4 of the SFA. CLIAM is a subsidiary of CLI and holds 100% equity interest in CLINTMPL.

## PUBLIC FLOAT

Based on the information available to the Trustee-Manager, approximately 75.12% of the Units in CLINT were held in the hands of the public as at 29 February 2024. Accordingly, Rule 723 of the Listing Manual of the SGX-ST has been complied with.

# GLOSSARY

<b>ACRA</b>	Accounting and Corporate Regulatory Authority	<b>FY 2024</b>	Financial Year Ended 31 December 2024
<b>Adjusted EBITDA</b>	Earnings Before Interest Expenses, Tax, Depreciation and Amortisation (excluding gains/losses from foreign exchange translation and mark-to-market revaluation from settlement of loans). Earnings include interest income.	<b>FY 2025</b>	Financial Year Ended 31 December 2025
<b>AGM</b>	Annual General Meeting	<b>FY 2026</b>	Financial Year Ended 31 December 2026
<b>AIGP</b>	Ascendas India Growth Programme	<b>FY 2027</b>	Financial Year Ended 31 December 2027
<b>AITPCL</b>	Ascendas IT Park (Chennai) Limited	<b>FY 2028</b>	Financial Year Ended 31 December 2028
<b>AIFMR</b>	United Kingdom's Alternative Investment Fund Managers Regulations 2013 (as amended)	<b>GDP</b>	Gross Domestic Product
<b>ARC</b>	Audit and Risk Committee	<b>GFA</b>	Gross Floor Area
<b>Arshiya Panvel</b>	Arshiya Panvel warehouses/Arshiya Free Trade Warehousing Zone, Panvel	<b>GRI</b>	Global Reporting Initiative
<b>ASB FS</b>	Ascendas-Firstspace	<b>Group</b>	CLINT and its subsidiaries
<b>aVance Hyderabad</b>	aVance, HITEC City, Hyderabad	<b>GST</b>	Goods and Services Tax
<b>aVance Pune</b>	aVance Hinjawadi, Pune	<b>HIPL</b>	Hyderabad Infratech Pvt. Ltd.
<b>Board</b>	Board of Directors	<b>HKD</b>	Hong Kong Dollar
<b>BCP</b>	Business Continuity Plan	<b>IC</b>	Investment Committee
<b>BSBP</b>	Balanced Scorecard Bonus Plan	<b>ICD</b>	Inter-corporate deposit
<b>BT</b>	Business Trust	<b>ID</b>	Independent Director
<b>BTA</b>	Business Trusts Act	<b>IF1, MWC</b>	Industrial facility 1, Mahindra World City, Chennai
<b>BTR</b>	Business Trust Regulations	<b>IF2, MWC</b>	Industrial facility 2, Mahindra World City, Chennai
<b>CAGR</b>	Compound Annual Growth Rate	<b>IF3, MWC</b>	Industrial facility 3, Mahindra World City, Chennai
<b>CapitaLand</b>	CapitaLand Group Limited	<b>IGBC</b>	Indian Green Building Council
<b>CapitaLand DC Chennai</b>	Data centre development at Ambattur, Chennai	<b>IMF</b>	International Monetary Fund
<b>CapitaLand DC ITPB</b>	Data centre development at ITPB	<b>INR</b>	Indian Rupee
<b>CapitaLand DC ITPH</b>	Data centre development at ITPH	<b>IPT</b>	Interested Person Transactions
<b>CapitaLand DC Navi Mumbai 1</b>	Data centre development at Airoli, Navi Mumbai	<b>IT</b>	Information Technology
<b>CEO</b>	Chief Executive Officer	<b>IT-BPM</b>	Information Technology and Business Process Management
<b>CESTAT</b>	Customs Excise and Service Tax Appellate Tribunal	<b>IT SEZ</b>	Information Technology Special Economic Zone
<b>CFO</b>	Chief Financial Officer	<b>ITES</b>	Information Technology Enabled Services
<b>CGU</b>	Cash Generating Units	<b>ITPB</b>	International Tech Park Bangalore
<b>CIS Code</b>	Code on Collective Investment Schemes	<b>ITPC</b>	International Tech Park Chennai, Taramani
<b>CLI/Sponsor</b>	CapitaLand Investment Limited	<b>ITPH</b>	International Tech Park Hyderabad
<b>CLI IA</b>	CLI's Internal Audit Department	<b>ITPL</b>	Information Technology Park Ltd
<b>CLINT/the Trust</b>	CapitaLand India Trust	<b>ITPP-H</b>	International Tech Park Pune, Hinjawadi
<b>CLINTMPL/Trustee-Manager</b>	CapitaLand India Trust Management Pte. Ltd.	<b>JPY</b>	Japanese Yen
<b>Code</b>	Code of Corporate Governance 2018	<b>LEED</b>	Leadership in Energy and Environmental Design
<b>CP</b>	CyberPearl, Hyderabad	<b>Listing Manual</b>	The Listing Manual of SGX-ST
<b>CPF</b>	Central Provident Fund	<b>LOMA 1</b>	Loma Co-Developers 1 Private Limited
<b>CPI</b>	Consumer Price Index	<b>MAS</b>	Monetary Authority of Singapore
<b>CSIPL/Property Manager</b>	CapitaLand Services (India) Private Limited	<b>MAT</b>	Minimum Alternative Tax
<b>CV</b>	CyberVale, Chennai	<b>MTN</b>	Medium Term Note
<b>CY</b>	Calendar Year	<b>NAV</b>	Net Asset Value
<b>DPU</b>	Distribution per Unit	<b>NCDs</b>	Non-convertible Debentures
<b>DSRPL</b>	Datascape Realty Private Limited	<b>NCR</b>	National Capital Region
<b>ECL</b>	Expected Credit Losses	<b>NRC</b>	Nominating & Remuneration Committee
<b>ERM</b>	Enterprise Risk Management	<b>PMA</b>	Property Management Agreement
<b>ESG</b>	Environment, Social and Governance	<b>PSP</b>	Performance Share Plan
<b>FBC</b>	Fraud, Bribery and Corruption	<b>PUP</b>	Performance Unit Plan
<b>FCCD</b>	Fully & Compulsorily Convertible Debentures	<b>RBI</b>	Reserve Bank of India
<b>FDI</b>	Foreign Direct Investment	<b>RDB</b>	Rupee Denominated Bond
<b>FTWZ</b>	Free Trade Warehousing Zone	<b>REIT</b>	Real Estate Investment Trust
<b>FY 19/20</b>	Fiscal Year 2019/20	<b>ROFR</b>	Right of First Refusal
<b>FY 20/21</b>	Fiscal Year 2020/21	<b>RUP</b>	Restricted Unit Plan
<b>FY 21/22</b>	Fiscal Year 2021/22	<b>SBA</b>	Super Built-up Area
<b>FY 22/23</b>	Fiscal Year 2022/23	<b>SEZ</b>	Special Economic Zone
<b>FY 23/24</b>	Fiscal Year 2023/24	<b>SFA</b>	Securities and Futures Act
<b>FY 24/25</b>	Fiscal Year 2024/25	<b>SFRS(I)</b>	Singapore Financial Reporting Standards (International)
<b>FY 25/26</b>	Fiscal Year 2025/26	<b>SGD/S\$</b>	Singapore Dollar
<b>FY 2020</b>	Financial Year Ended 31 December 2020 (from 1 January 2020 to 31 December 2020)	<b>SGX/SGX-ST</b>	Singapore Exchange Securities Trading Limited
<b>FY 2021</b>	Financial Year Ended 31 December 2021	<b>SPV</b>	Special Purpose Vehicle
<b>FY 2022</b>	Financial Year Ended 31 December 2022	<b>sq ft</b>	Square foot/feet
<b>FY 2023</b>	Financial Year Ended 31 December 2023	<b>Trust Deed</b>	Trust deed constituting CLINT dated 7 December 2004 (as amended, varied or supplemented from time to time)
		<b>UK</b>	United Kingdom
		<b>US/USA</b>	United States of America
		<b>US\$/ USD</b>	United States Dollar
		<b>USGBC</b>	U.S. Green Building Council
		<b>VAT</b>	Value Added Tax
		<b>VITP</b>	VITP Private Limited
		<b>YoY</b>	Year-on-year



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# INDIA: ECONOMIC & COMMERCIAL REAL ESTATE OVERVIEW

SOURCE: SAVILLS RESEARCH

## INDIA POLICY OVERVIEW

The Indian Government has unveiled 'Amrit Kaal,' a vision for India in 2047, which aims for a technology-driven economy with significant public investment in infrastructure. Several priority sectors have been identified to accomplish this goal, including sustainable and inclusive development, infrastructure and investment, harnessing youth potential, and strengthening the financial sector. Accordingly, there has been an increase in infrastructure investment and policy changes over the past few years.

The following are the key highlights of some of the significant reforms by the Indian government:

### i. Denotification of SEZs

The Indian government announced the policy to allow partial and floor-wise denotification of SEZ buildings in December 2023. This decision helped remove uncertainty around regulation and is expected to reduce the overhang in the SEZ inventory across major markets in the country.

### ii. Infrastructure Status to Data Centres

The government announced infrastructure status for data centres >5MW capacity. This would enable better access to foreign funding, refinancing of the existing loans at lower interest rates and overall enhanced credit availability from domestic investors for development of data centres.

### iii. Regulatory framework for Micro, Small and Medium REITs

Security & Exchange Board of India (SEBI) has proposed a framework for regularization of Fractional Ownership Platforms (FOP). The proposal suggests the platforms to adhere to the "REIT Regulations, 2014" laid by SEBI and is expected to institutionalise the segment.

### iv. REIT and InvIT Index

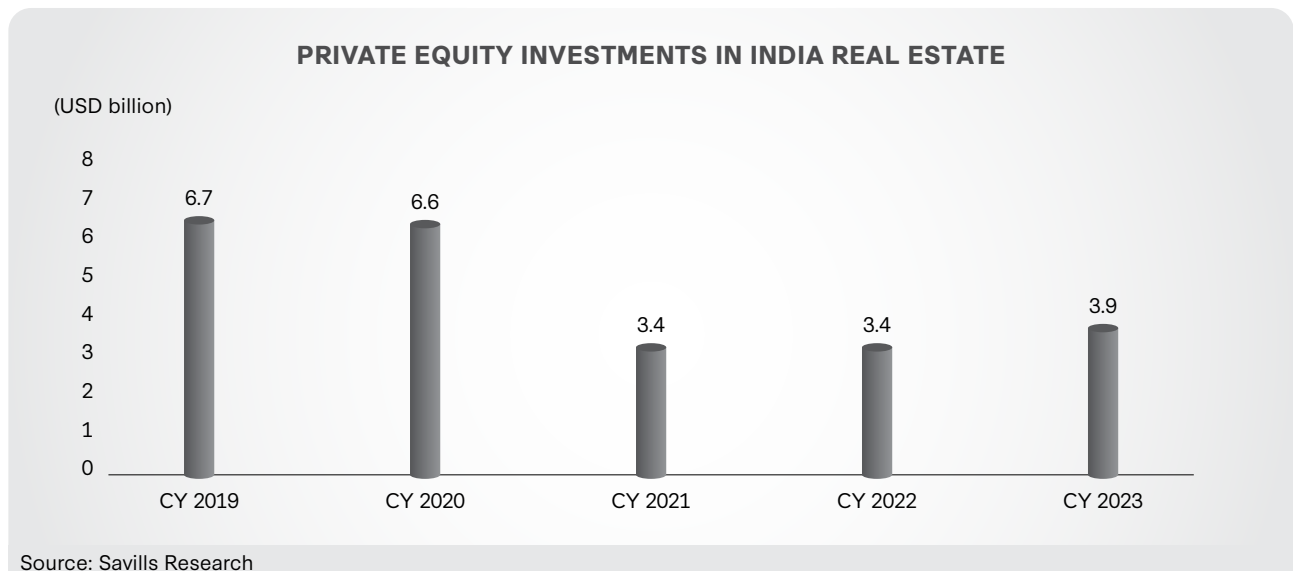
National Stocks Exchange (NSE) launched Nifty REITs & InvITs, a new index for tracking the returns of REITs and Infrastructure Investment Trusts (InvITs) listed in India. This will provide a transparent and well-governed platform for trading in listed real estate and infrastructure securities.

# INDIA: ECONOMIC & COMMERCIAL REAL ESTATE OVERVIEW

SOURCE: SAVILLS RESEARCH

## INDIA INVESTMENT OVERVIEW

India attracted a cumulative Foreign Direct Investment (FDI) inflow of USD 972 billion (INR 80.9 trillion)<sup>1</sup> from April 2000 to December 2023. Equity inflows constituted nearly 69% of the cumulative FDI, while the rest constituted retained earnings. FDI equity inflows from January 2023 to December 2023 stood at USD 41.3 billion<sup>2</sup> (INR 3.4 trillion) as compared to FDI inflows of USD 52.3 billion<sup>2</sup> (INR 4.1 trillion) from January 2022 to December 2022.



Private Equity (PE) investments in the Indian real estate sector recorded USD 3.9 billion<sup>3</sup> (INR 324.2 billion) in inflow in CY 2023, a 14% YoY growth. Foreign investors remained the primary contributors to investment activity in India in CY 2023, at 75%.

Capital inflows are expected to increase in the coming year, with institutional investors focusing on not just commercial office assets but also the industrial and logistics segment. The investor base is also expected to widen as new investors are expected to enter the Indian market.

1 USD = INR 83.2814

2 Department of Industrial Policy and Promotion, September 2023

3 Savills Research, 2023

# BANGALORE COMMERCIAL MARKET OVERVIEW

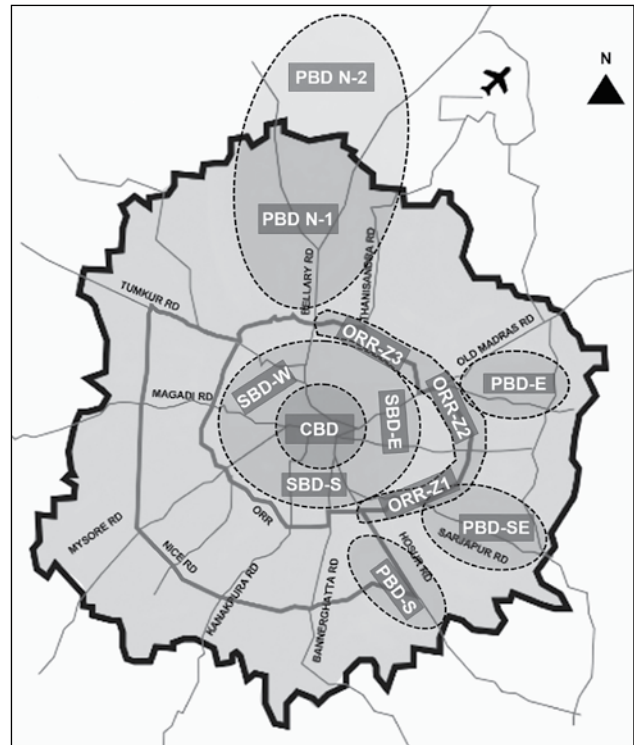
SOURCE: SAVILLS RESEARCH

## CITY OVERVIEW

Bangalore is the capital city and commercial centre of the state of Karnataka, and is the third most populous city in India. In terms of economic development, Bangalore is ranked the third fastest-growing city in the world, and with a projected annual GDP growth rate of 8.5%<sup>4</sup>, is set to be the fastest-growing city by 2035. Apart from the IT/ITES sector being the city's main economic driver, Bangalore's other economic growth sectors include biotechnology, pharmaceuticals, research and development, construction, food processing and aerospace.

Bangalore has flourished due to timely incentives and proactive policies of the government, as well as the availability of talented pool. Besides being a hub for a new wave of start-ups and other IT companies, Bangalore maintains a strong legacy of science and engineering. IT growth in Bangalore was initially about cost arbitrage, but it has since moved up the value chain and is now a core tech research and development centre.

The large talent pool, pro-business policies, well-developed transport infrastructure and low cost of living make Bangalore the preferred office space destination in India. Occupiers in IT, financial services and start-ups sectors drove the demand for commercial office space in the city in 2023.



Map Not to Scale

4 World Economic Forum, 2019

# BANGALORE COMMERCIAL MARKET OVERVIEW

SOURCE: SAVILLS RESEARCH

## Bangalore micro-market classification and key commercial hubs

Bangalore has been classified into different activity zones based on the concentration and profile of development activity, as defined below:

Micro-market	Locations Included	Description
<b>Central Business District (CBD)</b>	<ul style="list-style-type: none"> <li>• MG Road</li> <li>• Millers Road</li> <li>• Vittal Mallya Road</li> <li>• Dickenson Road</li> <li>• Cubbon Road</li> <li>• Infantry Road</li> <li>• Residency Road</li> <li>• Brigade Road</li> </ul>	<ul style="list-style-type: none"> <li>• Primary commercial business district of Bangalore with many BFSI companies</li> <li>• Prominent companies include Apple, Amazon and Deloitte</li> <li>• At the end of CY2023, total Grade-A office stock in CBD is at 13.3 million sq ft</li> <li>• Vacancy at the end of CY2023 was estimated at 6.8%</li> <li>• During CY2023, CBD witnessed rentals in the range of INR 90-250 per sq ft per month</li> </ul>
<b>Secondary Business District (SBD)</b>	<ul style="list-style-type: none"> <li>• Indiranagar</li> <li>• Old Airport Road</li> <li>• CV Raman Nagar</li> <li>• Koramangala</li> <li>• Jayanagar</li> <li>• Rajajinagar</li> <li>• Malleswaram</li> </ul>	<ul style="list-style-type: none"> <li>• Located 4-6 km from the CBD, SBD houses financial institutes and IT/ITES companies</li> <li>• Prominent companies include Accenture, Bosch and Dell</li> <li>• At the end of CY2023, total Grade-A office stock in SBD is at 37.1 million sq ft</li> <li>• Vacancy at the end of CY2023 was estimated at 12.1%</li> <li>• During CY2023, SBD witnessed rentals in the range of INR 75-175 per sq ft per month</li> </ul>
<b>Outer Ring Road (ORR)</b>	<ul style="list-style-type: none"> <li>• Zone 1 – Sarjapura to Marathahalli</li> <li>• Zone 2 – Marathahalli to KR Puram</li> <li>• Zone 3 – KR Puram to Hebbal Flyover</li> </ul>	<ul style="list-style-type: none"> <li>• Located 10 km from the CBD, ORR houses prominent banks, financial institutes and IT/ITES companies</li> <li>• Prominent companies include Cognizant, Google and KPMG</li> <li>• At the end of CY2023, total Grade-A office stock in ORR is at 93.6 million sq ft</li> <li>• Vacancy at the end of CY2023 was estimated at 12.6%</li> <li>• During CY2023, ORR witnessed rentals in the range of INR 75-120 per sq ft per month</li> </ul>
<b>Peripheral Business District - East (PBD - East)</b>	<ul style="list-style-type: none"> <li>• Whitefield (including Mahadevapura, EPIP Zone, Varthur, Brookefield)</li> </ul>	<ul style="list-style-type: none"> <li>• Located 20 km from the CBD, PBD - East houses IT/ITES companies and corporates</li> <li>• Prominent companies include Legato, Mercedes Benz and Société Générale</li> <li>• At the end of CY2023, total Grade-A office stock in PBD - East is at 51.9 million sq ft</li> <li>• Vacancy at the end of CY2023 was estimated at 21.4%</li> <li>• During CY2023, PBD - East witnessed rentals in the range of INR 48-85 per sq ft per month</li> </ul>
<b>Peripheral Business District - North (PBD - North)</b>	<ul style="list-style-type: none"> <li>• Bellary Road</li> <li>• Thanisandra Road</li> <li>• Tumkur Road</li> <li>• Hebbal - Airport Road</li> <li>• Yelahanka</li> </ul>	<ul style="list-style-type: none"> <li>• Located 14 km from the CBD, PBD - North primarily serves IT/ITES and R&amp;D companies</li> <li>• Prominent companies include Cognizant, Gallager and IBM</li> <li>• At the end of CY2023, total Grade-A office stock in PBD - North is at 13.6 million sq ft</li> <li>• Vacancy at the end of CY2023 was estimated at 35.3%</li> <li>• During CY2023, PBD - North witnessed rentals in the range of INR 45-89 per sq ft per month</li> </ul>

# BANGALORE COMMERCIAL MARKET OVERVIEW

SOURCE: SAVILLS RESEARCH

Micro-market	Locations Included	Description
<b>Peripheral Business District - South (PBD - South)</b>	<ul style="list-style-type: none"> <li>• Sarjapur Road</li> <li>• Electronic City</li> <li>• Hosur Road</li> <li>• Mysore Road</li> </ul>	<ul style="list-style-type: none"> <li>• Located 20-22 km from CBD, PBD - South is the IT/ITES hub of the city</li> <li>• Prominent companies include Infosys, MindTree, and Wipro</li> <li>• At the end of CY2023, total Grade-A office stock in PBD - South is at 12.4 million sq ft</li> <li>• Vacancy at the end of CY2023 was estimated at 30.6%</li> <li>• During CY2023, PBD - South witnessed rentals in the range of INR 45-85 per sq ft per month</li> </ul>

Source: Savills Research

## WHITEFIELD MICRO-MARKET OVERVIEW

Whitefield is located in the eastern part of Bangalore. Within the micro-market, ITPL Main Road witnessed record growth in the past few years due to its self-sustaining infrastructure, availability of land parcels, and strong connectivity with the rest of the city. Connectivity with CBD is further expected to improve with the development of Phase-2 of the Metro Rail. Furthermore, ITPL Main Road lies in proximity to the west side of the proposed Peripheral Ring Road (PRR). The PRR would be the key accessibility linkage to the radial roads of the city and give quick access to the international airport and key hubs of Sarjapur Road and Electronic City. In addition, Whitefield Main Road and Graphite India Road are two key corridors of commercial development for this micro-market, transforming it into a key development vector of the city.

Prominent commercial developments in the region include International Tech Park Bangalore, Brigade Tech Park, and Kalyani Tech Park. In addition, the commercial and residential developments in the micro-market are supported by social infrastructure in the form of retail malls, such as Park Square Mall, Nexus Shantiniketan Mall, Phoenix Market City and Nexus Whitefield.

The Whitefield micro-market is expected to continue being an attractive investment destination, with strong demand across all real estate segments.

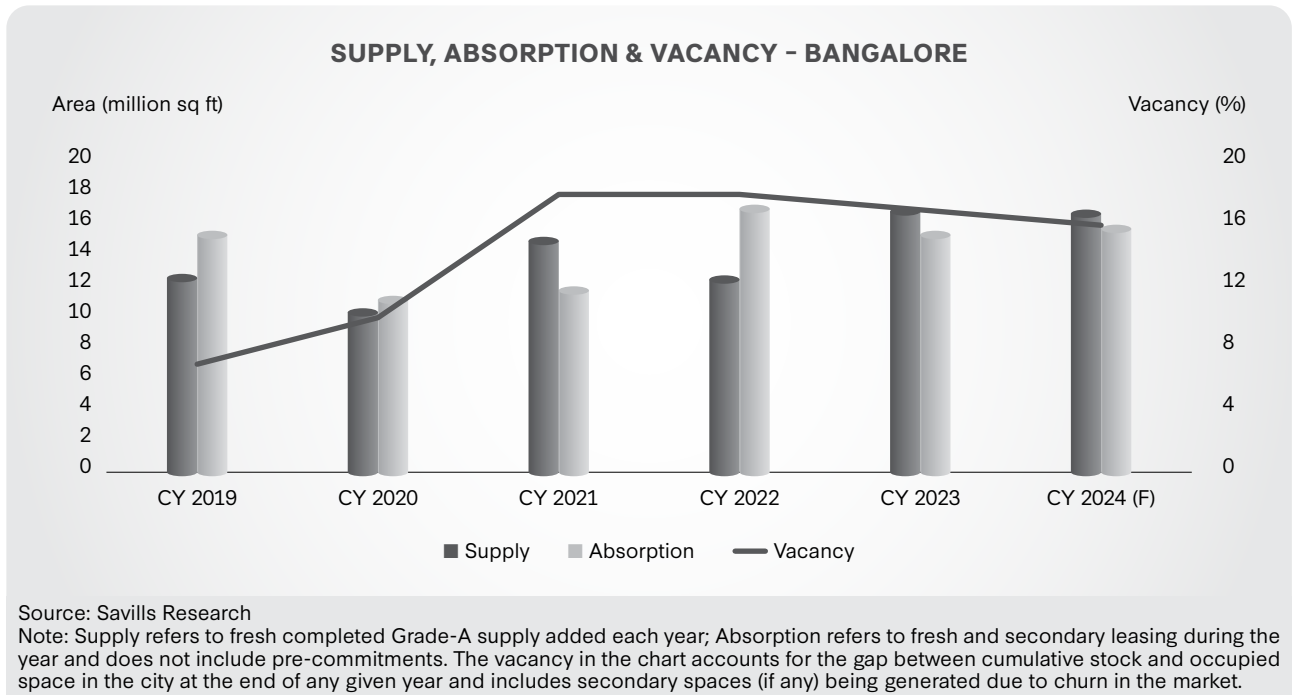
## SUPPLY, ABSORPTION & VACANCY TRENDS: BANGALORE

Grade-A Office Stock Breakup	Bangalore	Whitefield
Total Completed Stock	221.9 million sq ft	39.2 million sq ft
Breakup - SEZ & Non SEZ	SEZ - 57.8 million sq ft Non SEZ - 164.1 million sq ft	SEZ - 10.1 million sq ft Non SEZ - 29.1 million sq ft

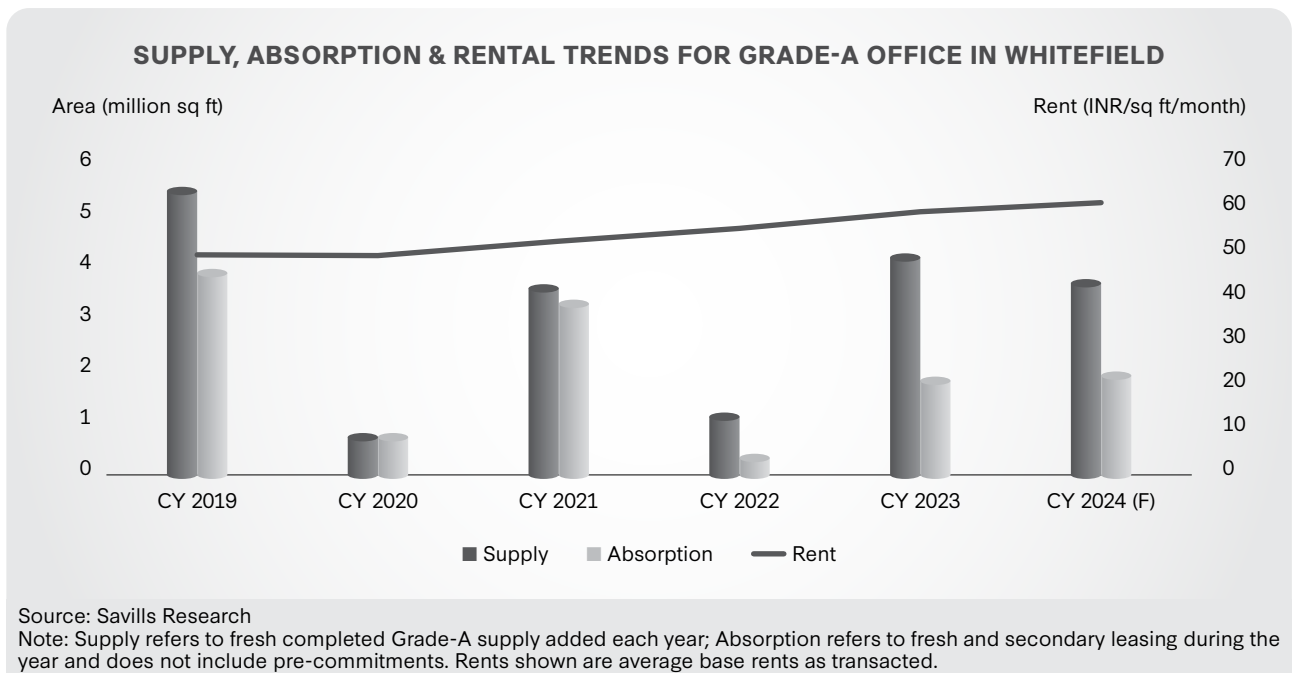
Source: Savills Research

# BANGALORE COMMERCIAL MARKET OVERVIEW

SOURCE: SAVILLS RESEARCH



## SUPPLY, ABSORPTION & RENTAL TRENDS: WHITEFIELD MICRO-MARKET



# BANGALORE COMMERCIAL MARKET OVERVIEW

SOURCE: SAVILLS RESEARCH

## ANALYSIS OF DEVELOPMENTS IN WHITEFIELD

### Current Commercial Developments in Whitefield

Building Name	Developer	Year of Completion	Leasable Area (million sq ft)	Vacancy (% of Leasable Area)	Main Occupiers
Prestige Shantiniketan	Prestige Developers	2011	3.6	10-15%	Capgemini, UST Global
Kalyani Platina	Kalyani Developers	2011	1.8	15-20%	HP, Delphi
Prestige Technostar	Prestige Developers	2018	1.0	-	Annalect, Stratus Technologies
Sattva Knowledge Court	Salarpuria Group	2021	1.2	15-20%	Harman International, Tata Medical and Diagnostics, Aecom
Bagmane Solarium City – Argon, Neon, Xenon	Bagmane Group	2022	3.2	45-50%	Shell, Cognizant, Baker Huges
Primeco Union City	SJR Prime Corporation	2022	1.3	5-10%	Marlabs, Netcracker, Tablespace
Sumadhura Capitol Towers	Sumadhura	2023	1.4	100%	-

Source: Savills Research

### Upcoming Commercial Developments in Whitefield

Building Name	Developer	Leasable Area (million sq ft)	Expected Completion
Bagmane Solarium - Helium West	Bagmane Developers	0.6	2024
SKAV Raha	SKAV Developers	0.3	2024
Brigade Padmini Tech Valley-Tower 3	Brigade Group	0.3	2024

Source: Savills Research

# BANGALORE COMMERCIAL MARKET OVERVIEW

SOURCE: SAVILLS RESEARCH

## Current Retail Developments in Whitefield

Building Name	Developer	Year of Completion	Leasable Area (million sq ft)	Main Occupiers
Nexus Neighbourhood Mall	Prestige Group	2009	0.3	Inox, Loyal World, Arvind Lifestyle
Phoenix Market City	Phoenix	2011	1.4	PVR, Marks & Spencer
VR Bangalore	VR Developers	2016	0.6	PVR, H&M
Nexus Shantiniketan	Prestige Group	2018	0.6	Cinopolis, Max Hyper Market, Lifestyle

Source: Savills Research

## Upcoming Retail Developments in Whitefield

Building Name	Developer	Expected Completion	Leasable Area (million sq ft)
SBR Keerthi	SBR Group	2024	0.16

Source: Savills Research

## OUTLOOK

Bangalore is developing rapidly as it continues to upgrade city infrastructure, including the introduction of electric buses and the construction of the metro line. In 2024, approximately 16.5-17.5 million sq ft of Grade-A office space supply is forecasted, and absorption of 15.5-16.5 million sq ft is expected. Vacancy levels are projected to remain at 16-17%.

The Whitefield micro-market is anticipated to witness increased demand for Grade-A office space over the next two to three years due to its ideal location and self-sufficiency within the micro-market. In 2024, approximately 3.5-4.0 million sq ft of Grade-A office space supply is expected, as well as absorption of 1.8-2.2 million sq ft. Rentals are expected to increase slightly to the range of INR 60-65 per sq ft per month over the next two years.



# CHENNAI COMMERCIAL MARKET OVERVIEW

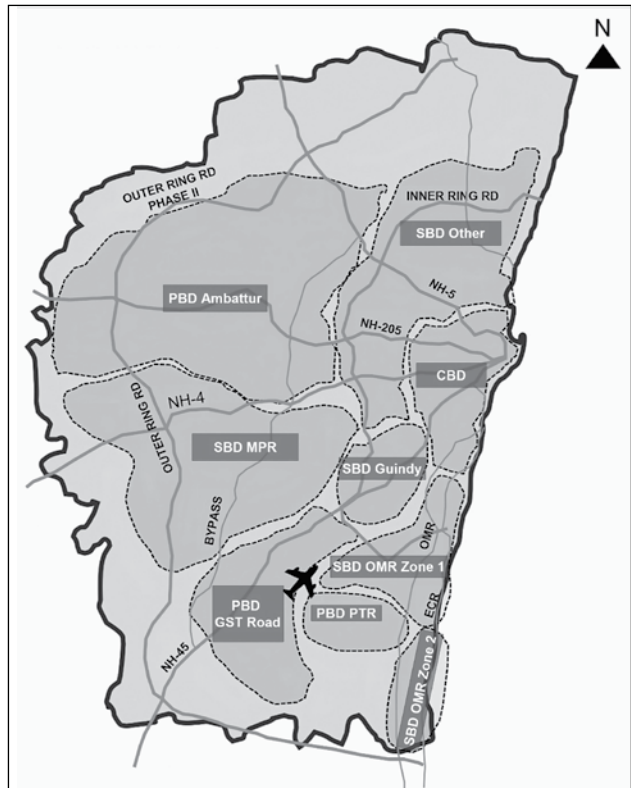
SOURCE: SAVILLS RESEARCH

## CITY OVERVIEW

Chennai, the capital of Tamil Nadu, is located on the coast of the Bay of Bengal and is home to the second-largest container port in India. It is the sixth most populous city and fifth most populous urban agglomerate in India. The city, together with the adjoining regions, constitute the Chennai Metropolitan Area, which spreads over 5,904 sq km.

Chennai is a hub for automobile manufacturing and allied industries, contributing to over a third of India's auto component production. Additionally, it hosts key sectors such as SaaS, IT/ITES, hardware engineering & manufacturing, software services, and financial services.

The focus on infrastructure development in the city has led to the development of road, rail, sea and air transport networks, enabling excellent connectivity to other major business hubs. This has allowed Chennai to gain global significance and led to various businesses setting up base in the city. In addition, the increasing growth of e-commerce platforms, expanding third-party logistics sector, and greater implementation of technology is catalysing the growth of logistics and warehousing in Chennai.



Map Not to Scale

# CHENNAI COMMERCIAL MARKET OVERVIEW

SOURCE: SAVILLS RESEARCH

## Chennai micro-market classification and key commercial hubs

Chennai has been classified into different activity zones based on the concentration and profile of development activity, as defined below:

Micro-market	Locations Included	Description
<b>Central Business District (CBD)</b>	<ul style="list-style-type: none"> <li>• T Nagar</li> <li>• Egmore</li> <li>• Teynampet</li> <li>• Anna Salai</li> <li>• RK Salai</li> <li>• Greams Road</li> <li>• Nungambakkam</li> <li>• Chetpet</li> <li>• MRC Nagar</li> </ul>	<ul style="list-style-type: none"> <li>• Strategically located with well-developed physical and social infrastructure, and excellent connectivity to the prime residential locations</li> <li>• Prominent companies include PWC, RR Donnelley and Standard Chartered Bank</li> <li>• At the end of CY2023, total Grade-A office stock in CBD is at 13.6 million sq ft</li> <li>• Vacancy at the end of CY2023 was estimated at 7.7%</li> <li>• As of CY2023, CBD witnessed rentals in the range of INR 65-120 per sq ft per month</li> </ul>
<b>Secondary Business Districts (SBD)</b>	<ul style="list-style-type: none"> <li>• Guindy</li> <li>• Mount Poonamallee -Road (MPR)</li> <li>• Taramani</li> <li>• Perungudi</li> <li>• Pre-Toll Old Mahabalipuram Road (OMR)</li> <li>• Velachery</li> </ul>	<ul style="list-style-type: none"> <li>• Located in the south and southwestern regions of the city</li> <li>• In proximity to Chennai International Airport and has excellent connectivity to major nodes of the city</li> <li>• Preferred office destination by IT/ITES sector and major coworking office spaces</li> <li>• Prominent companies include TCS, Accenture, and IBM</li> <li>• At the end of CY2023, total Grade-A office stock in SBD is at 46.2 million sq ft</li> <li>• Vacancy at the end of CY2023 was estimated at 11.6%</li> <li>• As of CY2023, SBD witnessed rentals in the range of INR 55-115 per sq ft per month</li> </ul>
<b>Peripheral Business Districts (PBD)</b>	<ul style="list-style-type: none"> <li>• Post-Toll OMR</li> <li>• Perungalathur</li> <li>• Grand Southern Trunk Road</li> <li>• Pallavaram Thoraipakkam Road (PTR)</li> <li>• Ambattur</li> </ul>	<ul style="list-style-type: none"> <li>• Located to the north and northwestern peripheral along with south and southwest peripheral of the city</li> <li>• Prominent companies include DHL, First Source and Standard Chartered Bank</li> <li>• At the end of CY2023, total Grade A office stock in PBD is at 28.8 million sq ft</li> <li>• Vacancy at the end of CY2023 was estimated at 21.7%</li> <li>• As of CY2023, PBD witnessed rentals in the range of INR 40-78 per sq ft per month</li> </ul>

Source: Savills Research

# CHENNAI COMMERCIAL MARKET OVERVIEW

SOURCE: SAVILLS RESEARCH

## OLD MAHABALIPURAM ROAD (OMR) OVERVIEW

Old Mahabalipuram Road (OMR), or Rajiv Gandhi Salai, spans 45 km and has many prominent IT/ITES firms situated along this stretch. It is an established IT corridor with large-scale IT parks such as International Tech Park Chennai, Ramanujan IT City, RMZ Millenia and Global Infocity. Strong occupier interest is expected to continue in this micro-market due to its cost-effective and high-quality spaces.

## GRAND SOUTHERN TRUNK (GST) ROAD OVERVIEW

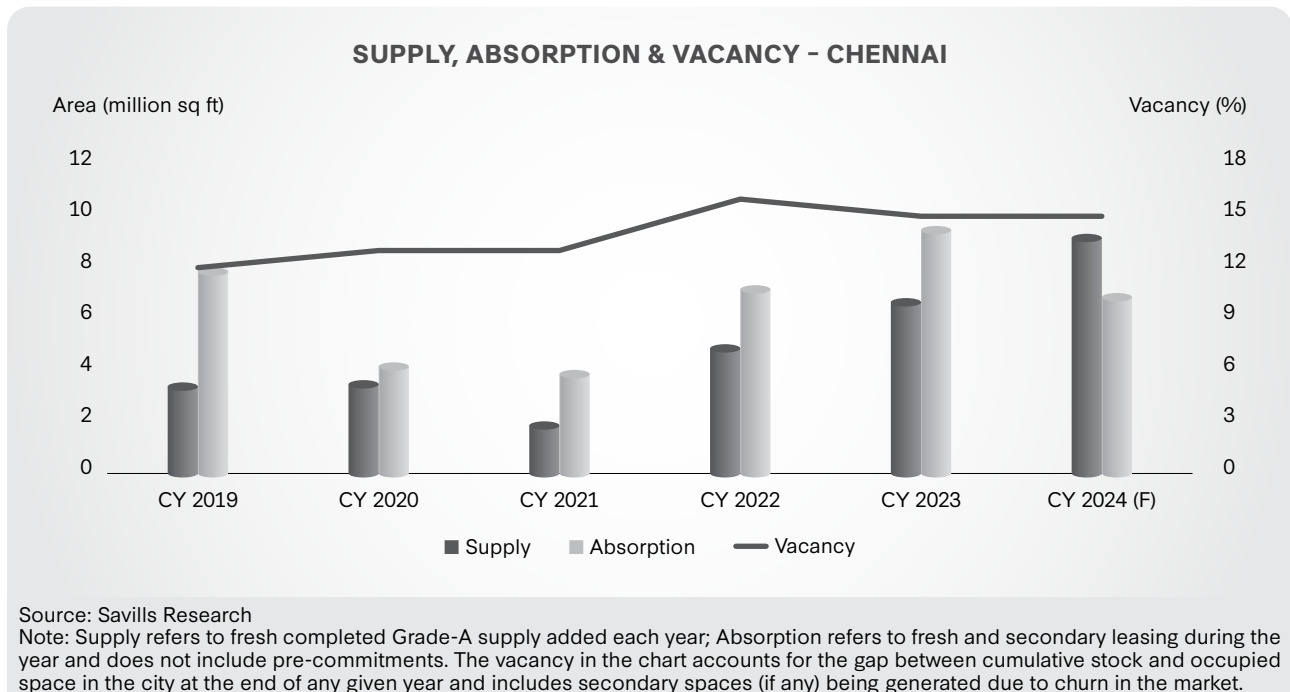
Also known as National Highway 32 (NH-32), the GST Road is situated to the southwest of Chennai and is an upcoming residential and commercial hub. It is one of the most prominent roads in Chennai and is considered one of the busiest national highways in South India.

GST Road encompasses three major SEZs: Gateway SEZ, Madras Export Processing Zone, and Mahindra World City. Prominent occupiers include Renault Nissan, Sutherland, Accenture, and ReDIM Information Technologies. The current rentals vary from INR 47-50 per sq ft for SEZ developments and INR 60-65 per sq ft non SEZ developments. The industrial developments situated within the micro-market comprises of electronics, automobile & auto-ancillary manufacturing companies and third-party logistics firms.

## SUPPLY, ABSORPTION & VACANCY TRENDS: CHENNAI

Grade-A Office Stock Breakup	Chennai	OMR	GST Road
Total Completed Stock	88.6 million sq ft	36.6 million sq ft	4.7 million sq ft
Breakup - SEZ & Non SEZ	SEZ - 44.1 million sq ft Non SEZ - 44.5 million sq ft	SEZ - 9.2 million sq ft Non SEZ - 27.4 million sq ft	SEZ - 3.6 million sq ft Non SEZ - 1.1 million sq ft

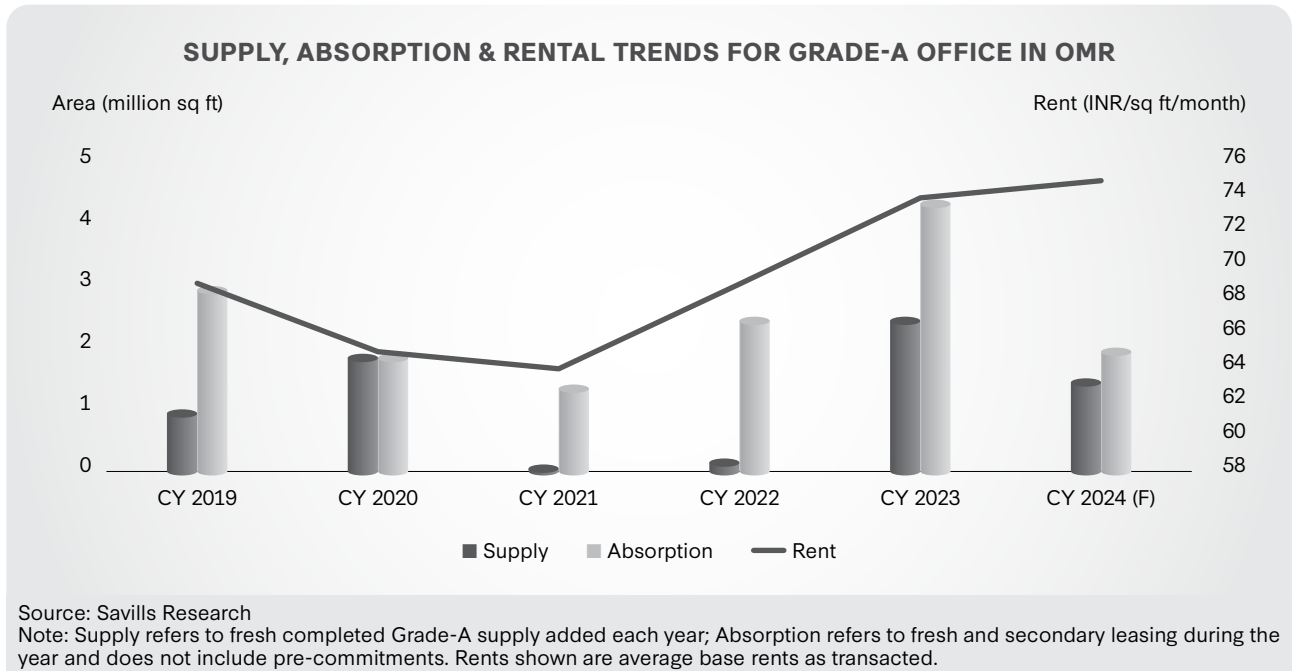
Source: Savills Research



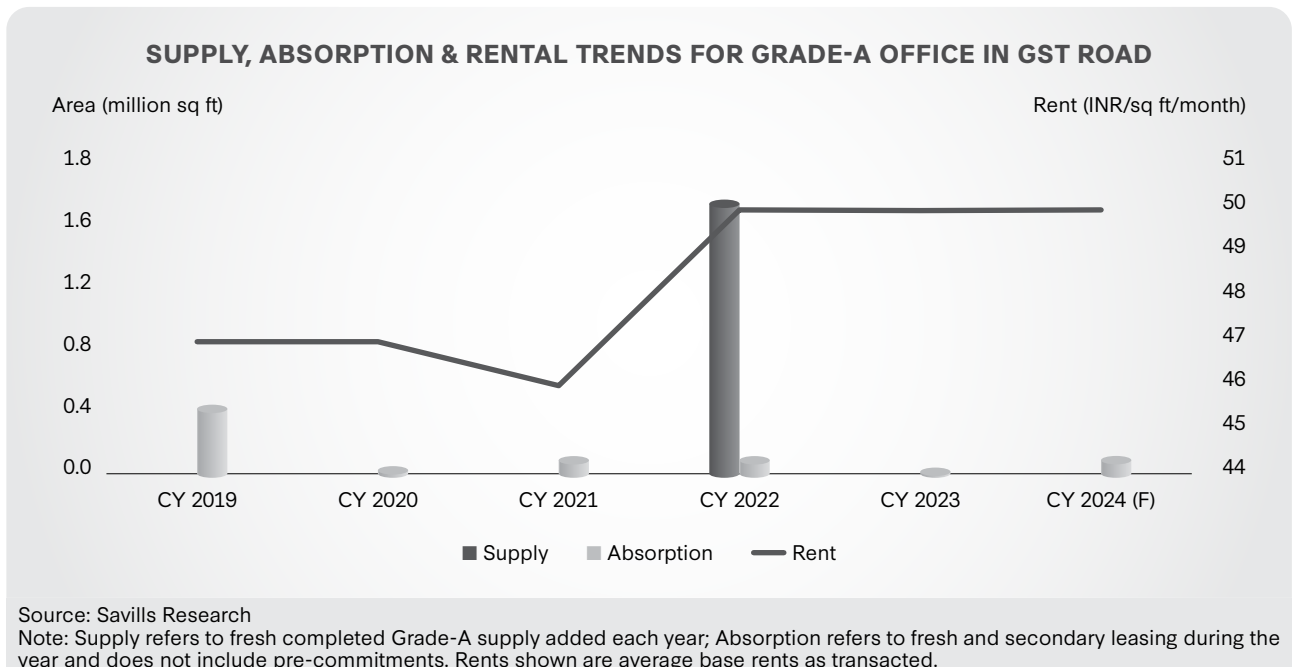
# CHENNAI COMMERCIAL MARKET OVERVIEW

SOURCE: SAVILLS RESEARCH

## SUPPLY, ABSORPTION & RENTAL TRENDS: OLD MAHABALIPURAM ROAD (OMR) MICRO-MARKET



## SUPPLY, ABSORPTION & RENTAL TRENDS: GRAND SOUTHERN TRUNK (GST) ROAD MICRO-MARKET



# CHENNAI COMMERCIAL MARKET OVERVIEW

SOURCE: SAVILLS RESEARCH

## ANALYSIS OF DEVELOPMENTS IN OLD MAHABALIPURAM ROAD (OMR) AND GRAND SOUTHERN TRUNK (GST) ROAD

### Current Commercial Developments in OMR

Building Name	Developer	Year of Completion	Leasable Area (million sq ft)	Vacancy (% of Leasable Area)	Main Occupiers
Tidel Park	TIDCO & ELCOT	2000	1.1	-	TCS, SIFY Technologies, Ernst & Young LLP
Pacifica Techpark	Pacifica Group of Companies	2007	1.1	27%-30%	Infosys Limited, Capgemini Engineering
RMZ Millennia	RMZ Corp	2008	2.8	14%-16%	Walmart Global Tech, Emayam International, CoWrks
Global Infocity Park	Shapoorji & Pallonji	2015	2.7	15%-17%	Gensys Cloud Services, Freshworks, BNP Paribas
Intellion Tech Park	Tata Realty	2017	4.9	18%-20%	Thryve Digital, Latent View Analytics
Chennai One IT SEZ	IG3 Infra Ltd	2019	3.8	8%-10%	Comcast, DHL, Ensono
Brigade World Trade Center	Brigade	2020	1.9	5%-8%	Caterpillar India Pvt. Ltd., Amazon Development Center

Source: Savills Research

### Upcoming Commercial Developments in OMR

Building Name	Developer	Expected Completion	Leasable Area (million sq ft)
Olympia Crest	Olympia Group	2024	0.2
Mint - 76 Krea	Mint Developers Pvt. Ltd.	2024	0.1
DLF Downtown Phase 2	DLF Ltd.	2024	1.0
ASV Novo	ASV Constructions	2024	0.1
ASTA	ASTA Properties	2025	0.3

Source: Savills Research

Overview

Leadership

Strategy

Performance

Portfolio

ESG Framework

Financials

Other Information

# CHENNAI COMMERCIAL MARKET OVERVIEW

SOURCE: SAVILLS RESEARCH

## Current Commercial Developments in GST Road

Building Name	Developer	Year of Completion	Leasable Area (million sq ft)	Vacancy (% of Leasable Area)	Main Occupiers
The Gateway	Shriram / Xander	2008	3.7	59%-62%	Accenture, Sutherland

Source: Savills Research

## OUTLOOK

Leasing activity in Chennai is expected to reach approximately 6.0-7.0 million sq ft in 2024, and pre-commitments of around 2.0 million sq ft are anticipated, particularly in the SBD area. Infrastructure projects like the Bangalore-Chennai Expressway and Metro Phase II are likely to increase real estate prices in areas like Porur, Madhavaram, and OMR. The IT-BPM and BFSI sectors are anticipated to be the primary drivers of office demand in Chennai in 2024. Energy and chemicals, and engineering and manufacturing sectors are also expected to contribute to office demand, underlining Chennai's diverse industrial and manufacturing landscape.

Rentals are expected to remain stable in the short term. Across micro-markets, the vacancy rate is anticipated to increase slightly as supply of Grade-A office space is expected to outpace demand. The city is poised to witness new supply of around 9.3 million sq ft in 2024.

### Old Mahabalipuram Road (OMR)

OMR boasts excellent social infrastructure, with several renowned educational, health and entertainment centres. Upcoming projects, such as the Metro Phase II and the OMR elevated corridor, are expected to reduce traffic congestion in the micro-market.

Overall, OMR is expected to have good absorption with strong demand from IT/ITES, e-commerce and coworking occupiers. In 2024, approximately 1.3-1.8 million sq ft of Grade-A office space supply is forecasted, and absorption of 1.8-2.2 million sq ft is expected. Market rentals in Pre-Toll OMR is expected to witness an upward trend to the range of INR 70-100 per sq ft per month, while rentals in the Post-Toll OMR are expected to witness a gradual increase to INR 50-70 per sq ft per month.

### Grand Southern Trunk (GST) Road

The GST Road micro-market encompasses established residential catchment areas and is an attractive development area for the IT/ITES and business process outsourcing industries. The micro-market is well-connected in terms of roads and railway infrastructure, which will improve further as the area develops.

The demand for office space is expected to increase moderately in the next two years, as the proposed Chengalpattu-Tambaram elevated expressway would ease connectivity in South Chennai along the IT corridor and provide better connectivity to the airport. Thereafter, rentals are expected to increase slightly.

# HYDERABAD COMMERCIAL MARKET OVERVIEW

SOURCE: SAVILLS RESEARCH

## CITY OVERVIEW

Hyderabad is the joint capital of the states of Telangana and Andhra Pradesh. The Hyderabad Metropolitan area covers an area of 7,257 sq km. Hyderabad is the fourth fastest-growing city in the world, with a projected annual GDP growth rate of 8.5%<sup>5</sup>. An established destination for IT/ITES, Hyderabad is the second largest nationwide contributor to IT exports at INR 2.4 trillion in FY 22/23, with an YoY growth of 31.4%<sup>6</sup>.

The availability of quality physical infrastructure, increased inflow of working professionals and a mature industrial ecosystem are the key drivers attracting investments to the city. Government initiatives include the development of an Information Technology Investment Region in and around Hyderabad, the creation of hardware parks, knowledge parks, biotech parks, and establishment of financial districts. The city has well-established connectivity to the major nodes of the city via the metro and road, as well as international connectivity via the Rajiv Gandhi International Airport.



Map Not to Scale

5 Oxford Economics  
6 Ministry of Administration and Urban Development, Telangana

# HYDERABAD COMMERCIAL MARKET OVERVIEW

SOURCE: SAVILLS RESEARCH

## Hyderabad micro-market classification and key commercial hubs

Hyderabad has been classified into different activity zones based on the concentration and profile of development activity, as defined below:

Micro-market	Locations Included	Description
<b>Central Business District (CBD) and Extended Business District (EBD)</b>	<ul style="list-style-type: none"> <li>Banjara Hills</li> <li>Jubilee Hills</li> <li>Begumpet Panjagutta</li> </ul>	<ul style="list-style-type: none"> <li>CBD is a prime commercial business district of the city and houses IT, non-bank financial companies, construction, and pharmaceutical companies</li> <li>EBD is located 2-5 km from the CBD. It primarily houses regional, sales and marketing offices of companies of various industries</li> <li>Prominent companies in CBD and EBD include HSBC, Uninor, Schneider Electric, Aurobindo Pharma and Airtel</li> <li>At the end of CY2023, total office stock in CBD and EBD is at 4.8 million sq ft</li> <li>Vacancy at the end of CY2023 was estimated at 7.0%</li> <li>During CY2023, CBD witnessed rentals in the range of INR 50-55 per sq ft per month, while EBD witnessed rentals in the range of INR 45-50 per sq ft per month</li> </ul>
<b>Secondary Business District (SBD)</b>	<ul style="list-style-type: none"> <li>Madhapur</li> <li>Gachibowli</li> <li>Nanakramguda</li> <li>Raidurg</li> </ul>	<ul style="list-style-type: none"> <li>SBD is an IT corridor and financial district of Hyderabad. It primarily houses offices of IT/ITES and financial services companies</li> <li>Prominent companies include TCS, IBM and Deloitte</li> <li>At the end of CY2023, total Grade-A office stock in the SBD is at 112.0 million sq ft</li> <li>Vacancy at the end of CY2023 was estimated at 21.9%</li> <li>During CY2023, SBD witnessed rentals in the range of INR 65-70 per sq ft per month</li> </ul>
<b>Peripheral Business District (PBD) - East &amp; South</b>	<ul style="list-style-type: none"> <li>Pocharam</li> <li>Shamshabad</li> <li>Uppal</li> </ul>	<ul style="list-style-type: none"> <li>PBD - East &amp; South is located 15-20 km from the CBD and is an emerging hub for commercial activity</li> <li>At the end of CY2023, total Grade-A office stock in PBD - East &amp; South is at 3.2 million sq ft</li> <li>Vacancy at the end of CY2023 was estimated at 34%</li> <li>During CY2023, PBD - East &amp; South witnessed rentals in the range of INR 35-50 per sq ft per month</li> </ul>

Source: Savills Research

## MADHAPUR OVERVIEW

Madhapur is in the northwest region of Hyderabad. This micro-market has excellent connectivity via the 150-foot Hitec City Main Road, which connects to the Nehru Outer Ring Road and further connects to Rajiv Gandhi International Airport.

Madhapur witnessed total Grade-A commercial office supply of approximately 9.4 million sq ft and recorded significant leasing of 7.0 million sq ft. The micro-market mainly constitutes IT/ITES developments in the technology, financial services and coworking segments. It houses several Grade-A commercial office developments like International Tech Park Hyderabad, Salarpuria Sattva Knowledge City and RMZ Skyview. The micro-market also has strong retail, entertainment and hospitality infrastructure.



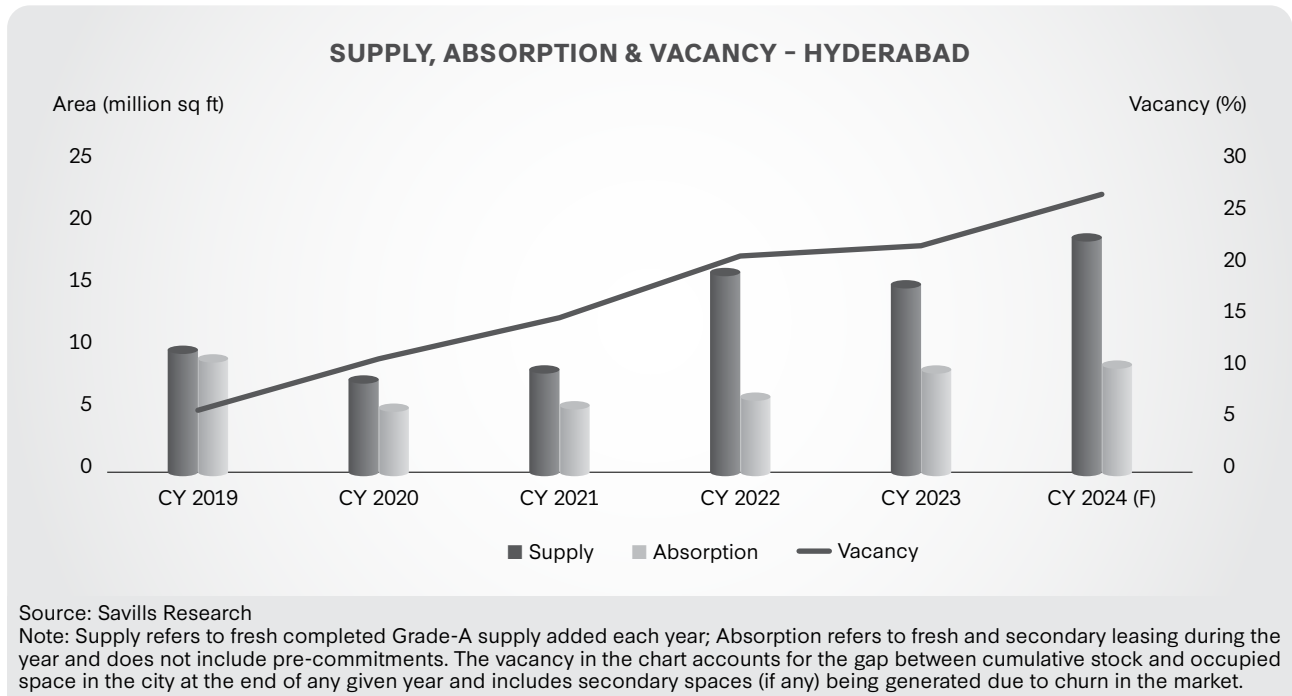
# HYDERABAD COMMERCIAL MARKET OVERVIEW

SOURCE: SAVILLS RESEARCH

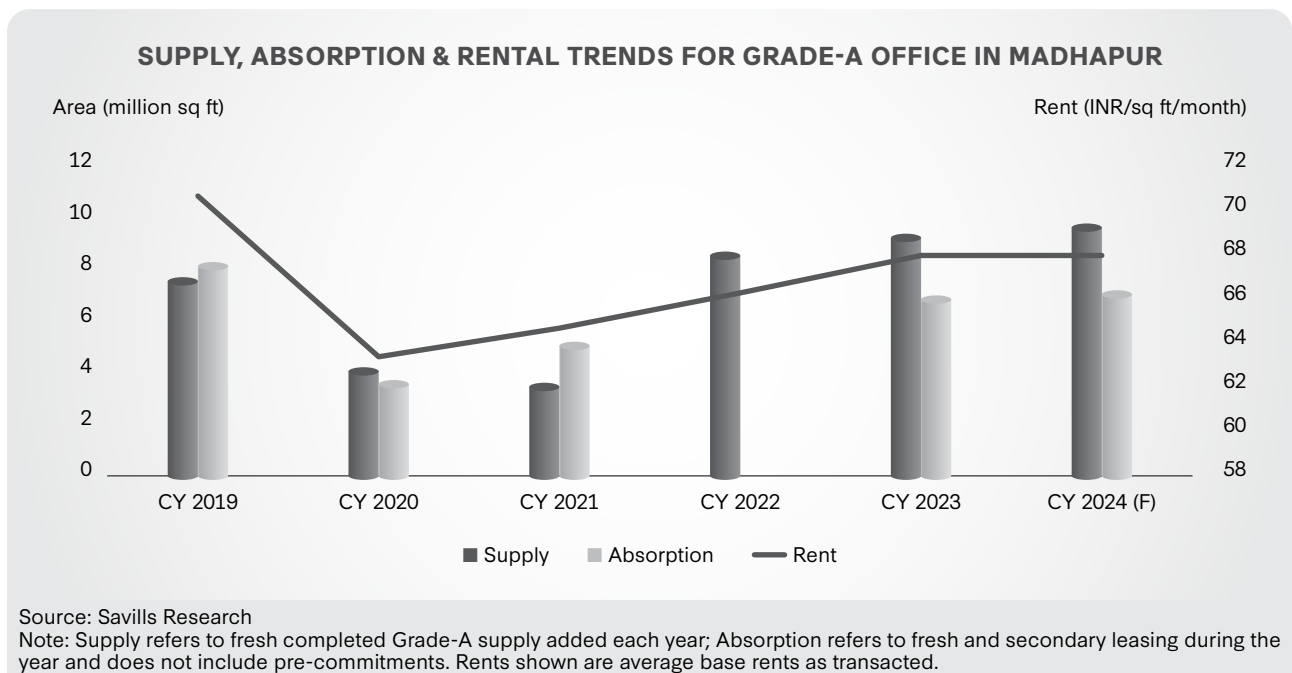
## SUPPLY, ABSORPTION & VACANCY TRENDS: HYDERABAD

Grade-A Office Stock Breakup	Hyderabad	Madhapur
Total Completed Stock	115.3 million sq ft	66.8 million sq ft
Breakup - SEZ & Non SEZ	SEZ - 48.1 million sq ft Non SEZ - 67.2 million sq ft	SEZ - 20.0 million sq ft Non SEZ - 46.8 million sq ft

Source: Savills Research



## SUPPLY, ABSORPTION & RENTAL TRENDS: MADHAPUR MICRO-MARKET



# HYDERABAD COMMERCIAL MARKET OVERVIEW

SOURCE: SAVILLS RESEARCH

## ANALYSIS OF DEVELOPMENTS IN MADHAPUR

### Current Commercial Developments in Madhapur

Building Name	Developer	Year of Completion	Leasable Area (million sq ft)	Vacancy (% of Leasable Area)	Main Occupiers
Divyasree Omega	Divyasree	2014	1.5	6-7%	Google, Ashland, Synopsis
Divyasree Orion	Divyasree	2014	6.0	14-15%	IBM, Wells Fargo, Salesforce
The Sky View	RMZ Corp	2018	3.8	2-3%	LTI Mindtree, Mphasis Limited, Facebook
Salarpuria Sattva Knowledge City	Salarpuria Sattva	2019	7.5	9-10%	JP Morgan Chase, Service Now, Novartis

Source: Savills Research

### Upcoming Commercial Developments in Madhapur

Building Name	Developer	Expected Completion	Leasable Area (million sq ft)
Phoenix Equinox	Phoenix Group	2024	2.7
RMZ Nexity 20	RMZ	2024	0.9
RMZ Spire 110	RMZ	2024	1.0
Phoenix H 10 (Tower 3 & 4)	Phoenix Group	2025	2.0
Image Towers	Salarpuria Sattva	2025	1.6
KRC Building 1 (Redevelopment)	K Raheja Corp	2027	1.0

Source: Savills Research

## OUTLOOK

Hyderabad, with its robust infrastructure, ample availability of talent pool, and relatively low rentals for Grade-A commercial office space, is attracting major office space occupiers. The city is expected to witness Grade-A commercial office space supply of approximately 19.0 million sq ft in 2024. Approximately 50% of the upcoming supply is expected to come up in Madhapur and Gachibowli. Based on pre-commitments and market enquiries for office space, absorption is estimated to be in the range of approximately 9.0 million sq ft in 2024.

Demand for office space is expected to stay strong over the next two years, driven by improved economic conditions. New supply of approximately 9.5 million sq ft in Grade-A office space is expected to come up by the end of 2024 in Madhapur. While the IT-BPM sector will still be the largest occupier, the BFSI and healthcare sectors are also set to become major occupiers. The proposed Raidurg metro station extension and the proposed Regional Ring Road (RRR) are expected to substantially enhance the city's connectivity and improve demand. Rentals are expected to be stable at INR 65-70 per sq ft per month in this micro-market, with strong demand from IT/ITES, e-commerce and coworking occupiers.

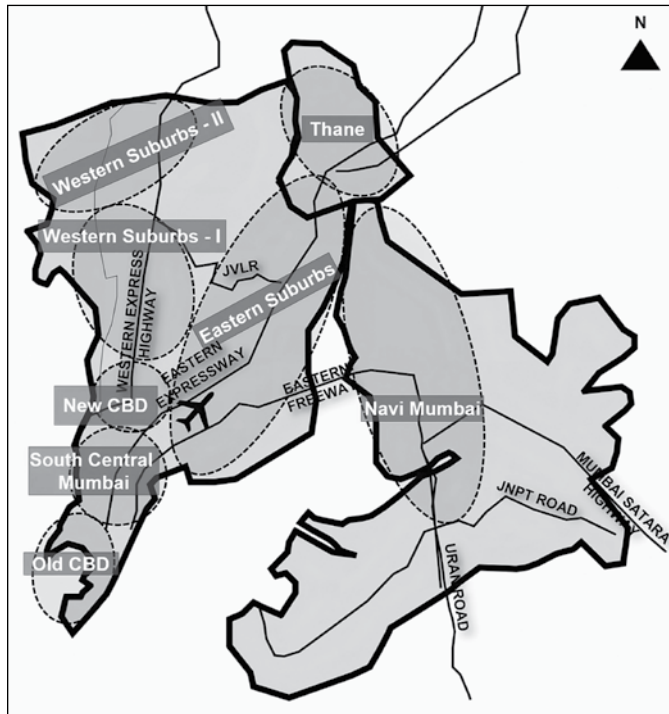
# MUMBAI COMMERCIAL MARKET OVERVIEW

SOURCE: SAVILLS RESEARCH

## CITY OVERVIEW

Mumbai, the capital city of Maharashtra and the financial capital of India, is located on India's west coast, and is a major political, cultural, and economic hub. The Greater Mumbai Region (GMR) is at the core of the economic development for the Mumbai Metropolitan Region (MMR). The GMR consists of premium residential and commercial precincts in MMR, industrial and warehousing hubs in Bhiwandi, and suburban developments in Navi Mumbai. Mumbai is the largest GDP contributor of India at 6.2%<sup>7</sup>.

As the business capital of India, Mumbai offers great potential to prospective national and international investors. Its indisputable position as the financial capital of India has attracted well-known multinational and national corporate houses to set up their headquarters.



Map Not to Scale

# MUMBAI COMMERCIAL MARKET OVERVIEW

SOURCE: SAVILLS RESEARCH

## Mumbai micro-market classification and key commercial hubs

Mumbai has been classified into different activity zones based on the concentration and profile of development activity, as defined below:

Micro-market	Locations Included	Description
<b>Old Central Business District (CBD)</b>	<ul style="list-style-type: none"> <li>• Colaba</li> <li>• Nariman Point</li> <li>• Fort</li> <li>• Cuffe Parade</li> </ul>	<ul style="list-style-type: none"> <li>• Traditional CBD of the city and characterised by head offices of major corporate and government offices</li> <li>• Limited scope for additional supply</li> <li>• Prominent companies include Life Insurance Corporation of India, DBS Bank and HSBC</li> <li>• At the end of CY2023, total Grade-A office stock in Old CBD is at 2.1 million sq ft</li> <li>• Vacancy at the end of CY2023 was estimated at 4.9%</li> <li>• At the end of CY2023, Old CBD witnessed rentals in the range of INR 240-330 per sq ft per month</li> </ul>
<b>Central Mumbai</b>	<ul style="list-style-type: none"> <li>• Lower Parel</li> <li>• Mahalaxmi</li> <li>• Worli</li> <li>• Prabhadevi</li> </ul>	<ul style="list-style-type: none"> <li>• Re-development of mill lands primarily provides for the stock in this micro-market</li> <li>• Areas like Lower Parel have been considered for expansion of business activities by corporates with head offices in the CBD area</li> <li>• Prominent companies include Ernst &amp; Young, Loreal and Cipla</li> <li>• At the end of CY2023, total Grade-A office stock in Central Mumbai is at 17.6 million sq ft</li> <li>• Vacancy at the end of CY2023 was estimated at 14.0%</li> <li>• At the end of CY2023, Central Mumbai witnessed rentals in the range of INR 160-350 per sq ft per month</li> </ul>
<b>New CBD - Bandra Kurla Complex (BKC) and BKC Periphery</b>	<ul style="list-style-type: none"> <li>• Bandra Kurla Complex (BKC)</li> <li>• Khar</li> <li>• Santacruz</li> </ul>	<ul style="list-style-type: none"> <li>• BKC developed as the new CBD in the late 1970s and is currently one of the most sought-after office destinations</li> <li>• Prominent companies include Deutsche Bank, UBS and Bank of America</li> <li>• As on CY2023, total Grade-A office stock in New CBD - BKC and BKC Periphery is at 11.7 million sq ft and 5.3 million sq ft respectively</li> <li>• Vacancy at the end of CY2023 in New CBD - BKC and BKC Periphery was estimated at 7.3% and 3.4% respectively</li> <li>• At the end of CY2023, New CBD - BKC and BKC Periphery witnessed rentals in the range of INR 250-600 per sq ft per month and INR 115-225 per sq ft per month respectively</li> </ul>
<b>Western Suburbs - I</b>	<ul style="list-style-type: none"> <li>• Andheri</li> <li>• Jogeshwari</li> <li>• Vile Parle</li> <li>• Goregaon</li> </ul>	<ul style="list-style-type: none"> <li>• The development of office space on the Andheri - Kurla Road has driven growth in this micro-market</li> <li>• Prominent companies include P&amp;G, DHL and Hindustan Unilever</li> <li>• At the end of CY2023, total Grade-A office stock in Western Suburbs - I is at 15.4 million sq ft</li> <li>• Vacancy at the end of CY2023 was estimated at 3.9%</li> <li>• At the end of CY2023, Western Suburbs - I witnessed rentals in the range of INR 100-180 per sq ft per month</li> </ul>

# MUMBAI COMMERCIAL MARKET OVERVIEW

SOURCE: SAVILLS RESEARCH

Micro-market	Locations Included	Description
<b>Western Suburbs - II</b>	<ul style="list-style-type: none"> <li>Malad</li> <li>Kandivali</li> <li>Borivali</li> </ul>	<ul style="list-style-type: none"> <li>Western Suburbs - II is one of the few master planned areas in Mumbai, a contrast to the rest of un-zoned Mumbai city</li> <li>Prominent companies include HP, Citibank and KPMG</li> <li>At the end of CY2023, total Grade-A office stock in Western Suburbs - II is at 17.4 million sq ft</li> <li>Vacancy at the end of CY2023 was estimated at 3.5%</li> <li>At the end of CY2023, Western Suburbs - II witnessed rentals in the range of INR 85-180 per sq ft per month</li> </ul>
<b>Eastern Suburbs</b>	<ul style="list-style-type: none"> <li>Powai</li> <li>Vikroli</li> <li>Kanjurmarg</li> </ul>	<ul style="list-style-type: none"> <li>The Eastern Suburbs continue to see older industrial areas being redeveloped into commercial offices</li> <li>Prominent companies include Colgate, Godrej and CRISIL</li> <li>At the end of CY2023, total Grade-A office stock in Eastern Suburbs is at 17.2 million sq ft</li> <li>Vacancy at the end of CY2023 was estimated at 9.0%</li> <li>At the end of CY2023, Eastern Suburbs witnessed rentals in the range of INR 95-175 per sq ft per month</li> </ul>
<b>Thane</b>	<ul style="list-style-type: none"> <li>Thane</li> </ul>	<ul style="list-style-type: none"> <li>Thane was earlier an industrial and residential area, with large scale redevelopment into office spaces now taking place</li> <li>Prominent companies include Willis, IDFC First Bank and TCS</li> <li>At the end of CY2023, total Grade-A office stock in Thane is at 7.8 million sq ft</li> <li>Vacancy at the end of CY2023 was estimated at 8.2%</li> <li>At the end of CY2023, Thane witnessed rentals in the range of INR 55-80 per sq ft per month</li> </ul>
<b>Navi Mumbai</b>	<ul style="list-style-type: none"> <li>Airoli</li> <li>CBD Belapur</li> <li>Mahape</li> <li>Turbhe</li> </ul>	<ul style="list-style-type: none"> <li>Navi Mumbai is a city developed by CIDCO across the Thane Creek, aimed at being the 'satellite city' of Mumbai</li> <li>Prominent companies include Axis Bank, Capgemini and UBS</li> <li>At the end of CY2023, total Grade-A office stock in Navi Mumbai is at 19.9 million sq ft</li> <li>Vacancy at the end of CY2023 was estimated at 13.1%</li> <li>At the end of CY2023, Navi Mumbai witnessed rentals in the range of INR 50-95 per sq ft per month</li> </ul>

Source: Savills Research

## NAVI MUMBAI MICRO-MARKET OVERVIEW

Navi Mumbai was envisioned and developed on the mainland parallel to the Greater Mumbai region across the Thane Creek, based on the concept of 'satellite city' or 'twin city'. Navi Mumbai has robust infrastructure and is well connected to the rest of the MMR. Navi Mumbai witnessed a spurt of growth in the IT/ITES segment, on account of availability of land at comparatively lower prices compared to the Mumbai city region. The region has many prominent IT/ITES firms and is an established IT corridor, with large scale IT parks such as Aurum Q Parc, Mindspace Airoli, Reliable Tech Park, and Rupa Renaissance Major. Occupiers include large MNCs, banks & financial institutions, and IT & software firms. Some of the prominent companies include Axis Bank, Capgemini and UBS Bank.

The Trans Thane Creek (TTC) Industrial Area of Navi Mumbai is spread over a total area of 2,562 hectares. The area is divided in different zones, primarily for the engineering, chemical, and textile and food processing sectors. Some of the major companies include Reliance, Siemens and Pfizer.

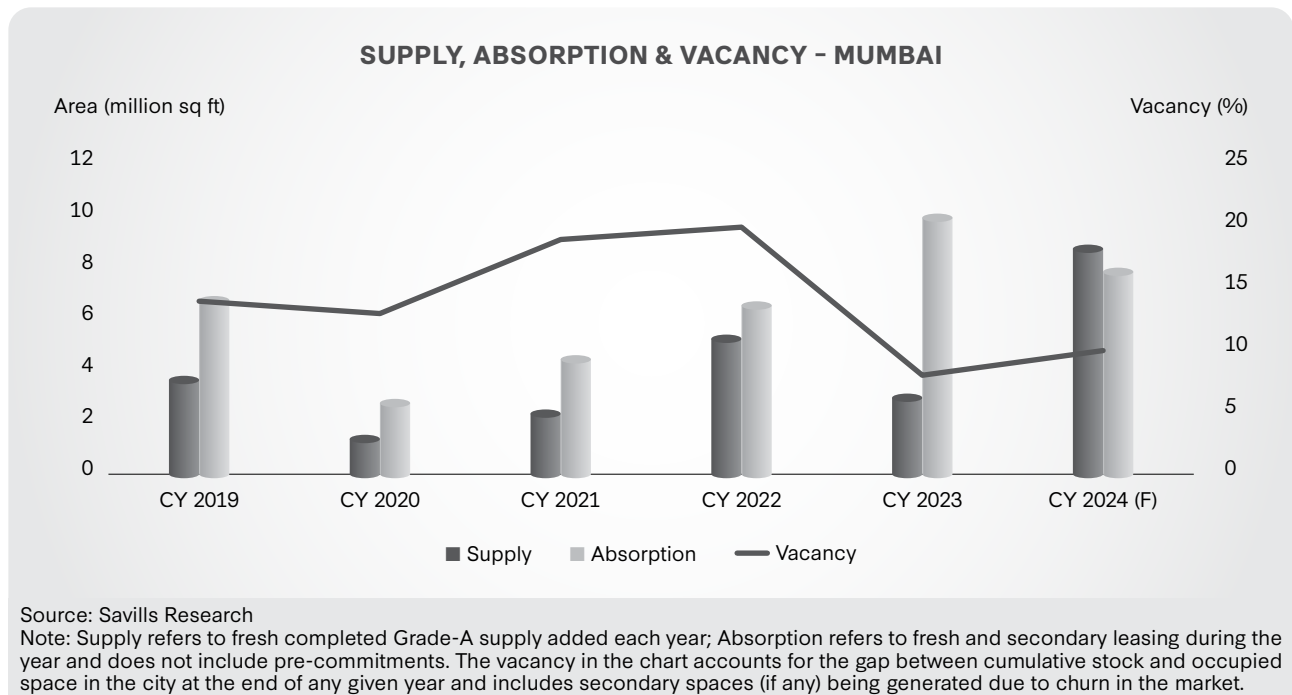
# MUMBAI COMMERCIAL MARKET OVERVIEW

SOURCE: SAVILLS RESEARCH

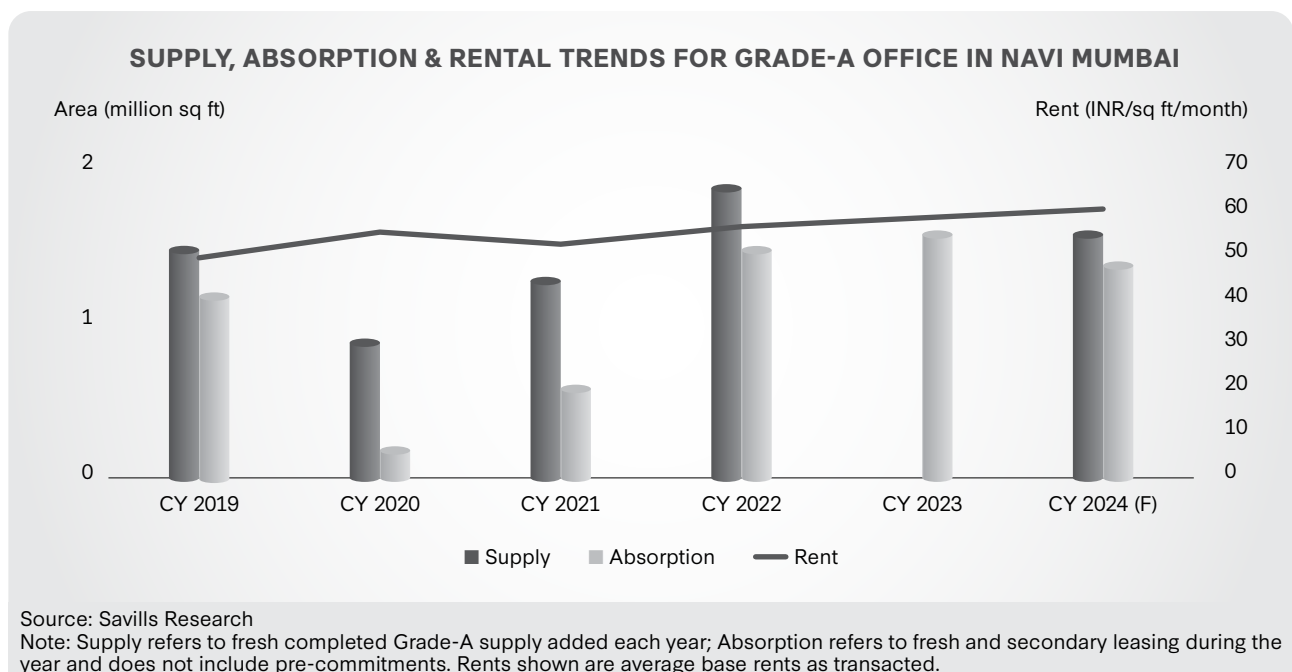
## SUPPLY, ABSORPTION & VACANCY TRENDS: MUMBAI

Grade-A Office Stock Breakup	Mumbai	Navi Mumbai
Total Completed Stock	114.7 million sq ft	20.0 million sq ft
Breakup - SEZ & Non SEZ	SEZ - 10.1 million sq ft Non SEZ - 104.6 million sq ft	SEZ - 8.5 million sq ft Non SEZ - 11.5 million sq ft

Source: Savills Research



## SUPPLY, ABSORPTION & RENTAL TRENDS: NAVI MUMBAI



# MUMBAI COMMERCIAL MARKET OVERVIEW

SOURCE: SAVILLS RESEARCH

## ANALYSIS OF DEVELOPMENTS IN NAVI MUMBAI

### Current Commercial Developments in Navi Mumbai

Building Name	Developer	Year of Completion	Leasable Area (million sq ft)	Vacancy (% of Leasable Area)	Main Occupiers
Mindspace Building No. 11	K. Raheja Corp	2011	0.5	0%-5%	eClerx, L&T, WNS Global Services
Reliable Tech Park	Reliable Spaces	2011	0.9	8%-10%	DST Worldwide, Fincity Technologies
Gigaplex	K. Raheja Corp	2015	2.2	0%-5%	Accenture, Capgemini
Empire Tower	Reliable Spaces	2017	1.5	8%-10%	Lupin, Tech Mahindra, Yes Bank

Source: Savills Research

### Upcoming Commercial Developments in Navi Mumbai

Building Name	Developer	Expected Completion	Leasable Area (million sq ft)
Cyber Mahape	Greenscape Developers	2024	0.4
Primus	Destination India	2024	0.6
Shreeji Destiny	Spring Group	2024	0.5

Source: Savills Research

## OUTLOOK

A steady return of employees to offices was witnessed in 2023, and the same momentum is expected in 2024. Gross absorption of Grade-A office space is estimated to be at 8.0 million sq ft in 2024. Owing to new supply infusion, the micro-markets of Central Mumbai and Eastern Suburbs will likely be preferred by occupiers looking for large contiguous spaces. We expect the conventional demand driver of the BFSI segment, along with IT firms, to drive office leasing demand in 2024.

The Navi Mumbai region is expected to witness strong demand in the coming years due to global tenant base, strategic location, and upcoming infrastructure initiatives.

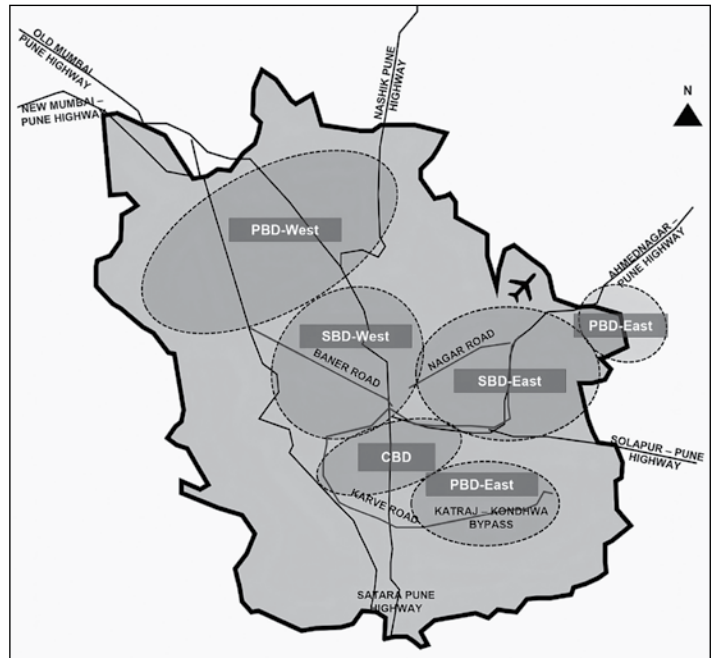
By 2024, approximately 9.0-10.0 million sq ft of Grade-A office space is anticipated in Mumbai, out of which supply in Navi Mumbai is expected to be 1.5-1.7 million sq ft. Navi Mumbai is expected to witness strong absorption from IT/ITES occupiers, with rentals expected to see a slight upward trend.

# PUNE COMMERCIAL MARKET OVERVIEW

SOURCE: SAVILLS RESEARCH

## CITY OVERVIEW

Pune is located approximately 150 km from Mumbai and is the second largest city in the state of Maharashtra. Known for its established educational institutes, high standard of living and availability of skilled workforce, Pune has witnessed strong industrial and economic growth, with many information technology and automotive companies setting up office campuses and factories in and around the city. Pune is well connected to other prominent cities of India by rail and air. Pune is known for various cultural activities, such as classical music, theatre, sports and literature.



Map Not to Scale



# PUNE COMMERCIAL MARKET OVERVIEW

SOURCE: SAVILLS RESEARCH

## Pune micro-market classification and key commercial hubs

Pune can be classified into different activity zones based on the concentration and profile of development activity, as defined below:

Micro-market	Locations Included	Description
<b>Central Business District (CBD)</b>	<ul style="list-style-type: none"> <li>Bund Garden</li> <li>Koregaon Park</li> <li>FC Road</li> </ul>	<ul style="list-style-type: none"> <li>Primary commercial business district of Pune with many BFSI companies and corporates</li> <li>Prominent companies include Bharat Forge, Regus and Snapdeal</li> <li>At the end of CY2023, total office stock in CBD is at 11.8 million sq ft</li> <li>Vacancy at the end of CY2023 was estimated at 5.0%</li> <li>During CY2023, CBD witnessed rentals in the range of INR 80-135 per sq ft per month</li> </ul>
<b>Secondary Business District - East (SBD - East)</b>	<ul style="list-style-type: none"> <li>Kharadi</li> <li>Nagar Road</li> <li>Viman Nagar</li> </ul>	<ul style="list-style-type: none"> <li>Located approximately 10 km from CBD, SBD - East is a key commercial and IT/ITES business district of Pune with several MNCs</li> <li>Prominent companies include Barclays, Mastercard and NVIDIA</li> <li>At the end of CY2023, total office stock in SBD - East is at 29.7 million sq ft</li> <li>Vacancy at the end of CY2023 was estimated at 8.4%</li> <li>During CY2023, SBD - East witnessed rentals in the range of INR 65-105 per sq ft per month</li> </ul>
<b>Secondary Business District - West (SBD - West)</b>	<ul style="list-style-type: none"> <li>Aundh</li> <li>Baner</li> <li>Balewadi</li> </ul>	<ul style="list-style-type: none"> <li>Located approximately 12 km from CBD, SBD - West is a prominent commercial business district</li> <li>Prominent companies include Cummins, Siemens and Veritas</li> <li>At the end of CY2023, total office stock in SBD - West is at 9.4 million sq ft</li> <li>Vacancy at the end of CY2023 was estimated at 4.0%</li> <li>During CY2023, SBD - West witnessed rentals in the range of INR 60-95 per sq ft per month</li> </ul>
<b>Peripheral Business District - East (PBD - East)</b>	<ul style="list-style-type: none"> <li>Wagholi</li> <li>Saswad Road</li> <li>Katraj</li> </ul>	<ul style="list-style-type: none"> <li>Located approximately 14 km from CBD, PBD - East is a prominent IT/ITES business district with key multinational IT/ITES occupants</li> <li>Prominent companies include Accenture, Amdocs and IBM</li> <li>At the end of CY2023, total office stock in PBD - East is at 3.0 million sq ft</li> <li>Vacancy at the end of CY2023 was estimated at 49.3%</li> <li>During CY2023, PBD - East witnessed rentals in the range of INR 55-75 per sq ft per month</li> </ul>
<b>Peripheral Business District - West (PBD - West)</b>	<ul style="list-style-type: none"> <li>Hinjawadi</li> <li>Wakad</li> <li>Pimpri</li> </ul>	<ul style="list-style-type: none"> <li>Located approximately 20 km from CBD, PBD - West is a prominent IT/ITES business district with major national and multinational IT/ITES occupants</li> <li>Prominent companies include Cognizant, Infosys and Wipro</li> <li>At the end of CY2023, total office stock in PBD - West is at 16.1 million sq ft</li> <li>Vacancy at the end of CY2023 was estimated at 23%</li> <li>During CY2023, PBD - West witnessed rentals in the range of INR 40-60 per sq ft per month</li> </ul>

Source: Savills Research

# PUNE COMMERCIAL MARKET OVERVIEW

SOURCE: SAVILLS RESEARCH

## HINJAWADI OVERVIEW

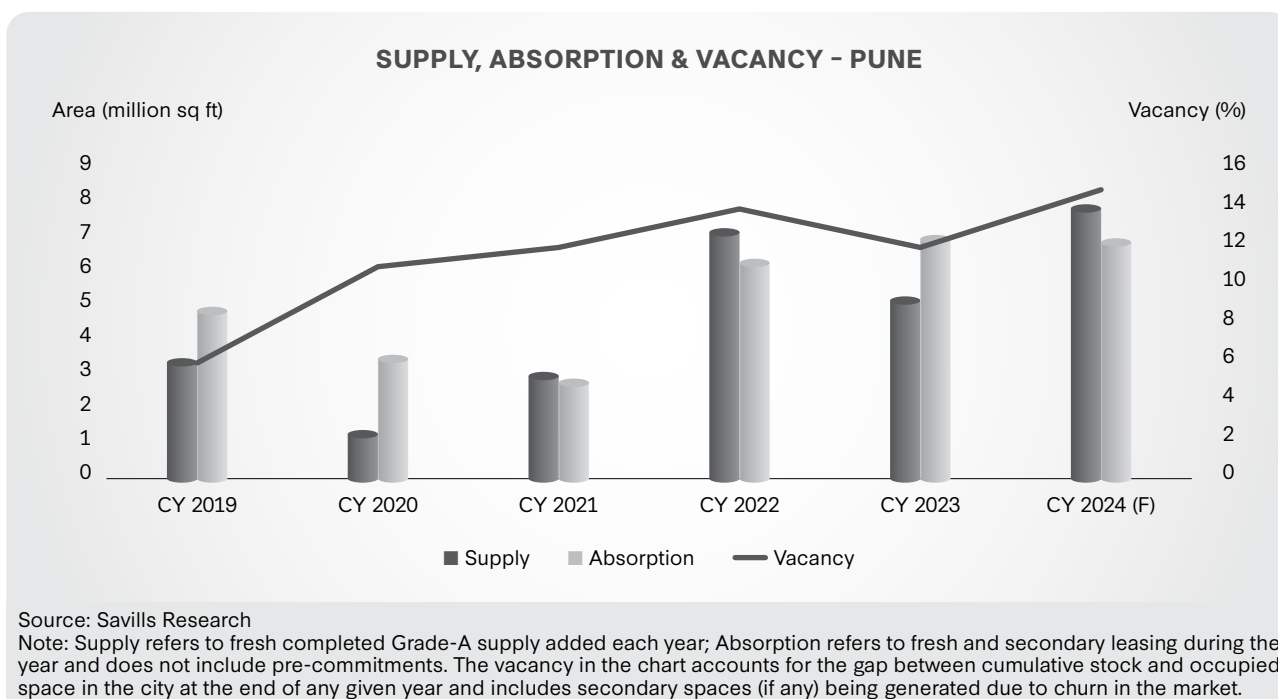
Hinjawadi, located along the north-western periphery of Pune, is well connected to other parts of Pune via a network of internal city roads. It is directly connected to the Mumbai-Pune Expressway, connecting the city to Mumbai in the north, and further connects to Bangalore in the south. The nearest airport is Pune Airport, located approximately 25 km from the Hinjawadi region.

Prominent IT/ITES developments in Hinjawadi include aVance Pune, International Tech Park - Hinjawadi, Embassy Quadron Business Park and Embassy Tech Zone. Some of the largest IT/ITES occupants in the market include Infosys, Cognizant and Capgemini.

## SUPPLY, ABSORPTION & VACANCY TRENDS: PUNE

Grade-A Office Stock Breakup	Pune	Hinjawadi- PBD West
Total Completed Stock	70.2 million sq ft	16.1 million sq ft
Breakup - SEZ & Non SEZ	SEZ - 21.9 million sq ft Non SEZ - 48.3 million sq ft	SEZ - 11.5 million sq ft Non SEZ - 4.6 million sq ft

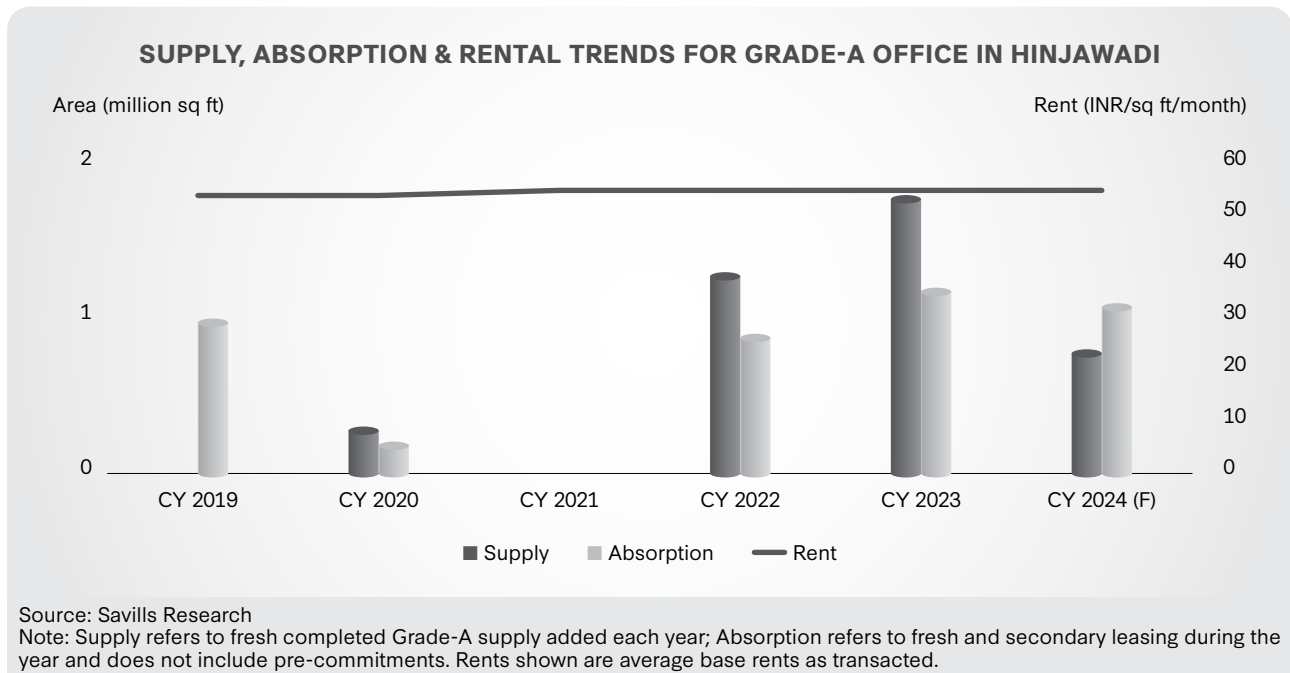
Source: Savills Research



# PUNE COMMERCIAL MARKET OVERVIEW

SOURCE: SAVILLS RESEARCH

## SUPPLY, ABSORPTION & RENTAL TRENDS: HINJAWADI MICRO-MARKET



## ANALYSIS OF DEVELOPMENTS IN HINJAWADI

### Current Commercial Developments In Hinjawadi

Building Name	Developer	Year of Completion	Leasable Area (million sq ft)	Vacancy (% of Leasable Area)	Main Occupiers
Embassy Quadron Business Park	Cubix Constructions	2006	1.7	30%-35%	Cognizant, eClerx Services Limited
Panchshil Tech Park	Panchshil Realty & Developers Pvt. Ltd.	2009	0.2	10%-15%	Infosys, 3D PLM, Idea Cellular
Quantum Towers	Abil Group	2010	0.1	100%	-
Blue Ridge IT Park	Paranjape Schemes Pvt. Ltd.	2011	3.0	5%-10%	Accenture, Persistent
Midas	Pesh Group	2011	0.3	15%-20%	Coindelta, MSys Technologies
Embassy Qubix	Paranjape Schemes	2015	2.9	5%-10%	Accenture, Crisil
Gera Imperium Rise	Gera Developers	2020	0.2	25%-30%	Green Banyan Co-working, Deepmind Infotech
Embassy Tech Zone SEZ	Embassy Group	2022	3.0	10%-15%	Flextronics Technologies, IBM
IndiaLand Global Tech Park	Global Group	2022	0.4	45%-50%	Atlas-Copco, Steepgraph Systems
Global SEZ Tech Park	Global Group	2025	0.4	90%-95%	Atlas Copco, ZScaler

Source: Savills Research

# PUNE COMMERCIAL MARKET OVERVIEW

SOURCE: SAVILLS RESEARCH

## Upcoming Commercial Developments in Hinjawadi

Building Name	Developer	Expected Completion	Leasable Area (million sq ft)
Deron Business Square	Deron Properties	2024	0.1
CB Global IT Park - SEZ	A Chordia - Bhandari Venture	2024	0.4
Suratwala Mark Plazzo Phase - 2	Suratwala Housing	2024	0.1
Blue Ridge Phase - III	Flagship Developers	2025	1.0

Source: Savills Research

## OUTLOOK

Demand for office space in Pune is expected to stay strong in upcoming years, driven by continued return of employees to workplaces. The proposed metro line in Hinjawadi is expected to improve the connectivity to other nodes of the city.

In the backdrop of continued return of employees to workplaces, we expect Pune office market to continue building the momentum during 2024. Driven by pre-commitments, we expect 2024 to record around 7.0 million sq ft of gross absorption. Continued interest from technology occupiers as well as flexible workspace operators to drive leasing activity in 2024. Micro-markets of SBD - East and SBD - West are likely to witness strong demand due to expected infusion of quality supply offering large contiguous spaces.

The Hinjawadi region is expected to witness strong demand in the coming years due to its strategic location, quality supply, and upcoming infrastructure initiatives such as the Pune Metro.

By the end of 2024, approximately 7.0-9.0 million sq ft of Grade-A office space is anticipated in Pune, out of which supply in Hinjawadi is expected to be 0.7-0.9 million sq ft. The PBD - West region is expected to witness absorption with strong demand from IT/ITES occupiers, with rentals expected to see an upward trend to the range of INR 40-60 per sq ft per month.

# ABBREVIATIONS

BFSI	Banking, Financial Services and Insurance
BKC	Bandra Kurla Complex
BSE	Bombay Stock Exchange
CBD	Central Business District
CY	Calendar Year
FDI	Foreign Direct Investment
FOP	Fractional Ownership Platform
FY	Financial Year
INR	Indian Rupee
InvIT	Infrastructure Investment Trust
IT/ITES	Information Technology/ Information Technology Enabled Services
Km	Kilometres
MMR	Mumbai Metropolitan Region
MMRDA	Mumbai Metropolitan Region Development Authority
MNC	Multi-National Company
MW	Mega Watt
NCR	National Capital Region
NH	National Highway
NSE	National Stock Exchange
ORR	Outer Ring Road
PBD	Peripheral Business District
PE	Private Equity
PRR	Peripheral Ring Road
REIT	Real Estate Investment Trust
SBD	Secondary Business District
SEBI	Security & Exchange Board of India
SEZ	Special Economic Zone
SPV	Special Purpose Vehicle
sq ft	Square Feet
sq km	Square Kilometres
USD	United States Dollar

# CORPORATE INFORMATION

## CAPITALAND INDIA TRUST

### REGISTERED ADDRESS

168 Robinson Road  
#30-01 Capital Tower  
Singapore 068912  
Tel : +65 6713 2888  
Fax : +65 6713 2999

### WEBSITE AND EMAIL ADDRESS

www.clint.com.sg  
enquiries@clint.com.sg

### STOCK CODE

SGX Code: CY6U  
Bloomberg Code: CLINT:SP

### AUDITOR

#### Deloitte & Touche LLP

Public Accountants and  
Chartered Accountants  
6 Shenton Way  
OUE Downtown 2 #33-00  
Singapore 068809  
Tel : +65 6224 8288  
Fax : +65 6538 6166  
Partner-in-charge:  
Ms Tay Hwee Ling  
(With effect from financial year  
ended 31 December 2022)

### PROPERTY MANAGER

#### CapitaLand Services (India) Private Limited

1st Floor, Unit No. 7 & 8  
Pinnacle Building  
International Tech Park Chennai  
CSIR Road  
Taramani, Chennai 600113  
Tamil Nadu, India

### UNIT REGISTRAR

#### Boardroom Corporate & Advisory Services Pte. Ltd.

1 Harbourfront Avenue  
#14-07, Keppel Bay Tower  
Singapore 098632  
Tel : +65 6536 5355  
Fax: +65 6536 1360

For updates or change of mailing  
address, please contact:

#### The Central Depository (Pte) Limited

Website: <https://www1.cdp.sgx.com>  
Email: asksgx@sgx.com  
Tel : +65 6535 7511  
Fax: +65 6535 0775

### TRUSTEE-MANAGER

#### CapitaLand India Trust Management Pte. Ltd.

### REGISTERED ADDRESS

168 Robinson Road  
#30-01 Capital Tower  
Singapore 068912  
Tel : +65 6713 2888  
Fax: +65 6713 2999

### BOARD OF DIRECTORS

#### Manohar Khiatani

Chairman & Non-Executive  
Non-Independent Director

#### Sanjeev Durjhati Prasad Dasgupta

Chief Executive Officer &  
Executive Non-Independent  
Director

#### Tan Soon Neo Jessica

Non-Executive Lead Independent  
Director

#### Deborah Tan Yang Sock (Mrs Deborah Ong)

Non-Executive Independent  
Director

#### Zia Jaydev Mody

Non-Executive Independent  
Director

#### Ernest Kan Yaw Kiong

Non-Executive Independent  
Director

#### Vishnu Shahaney

Non-Executive Independent  
Director

#### Goh Soon Keat Kevin

Non-Executive Non-Independent  
Director

### AUDIT AND RISK COMMITTEE

Deborah Tan Yang Sock  
(Mrs Deborah Ong) (Chairman)  
Zia Jaydev Mody  
Ernest Kan Yaw Kiong  
Vishnu Shahaney

### INVESTMENT COMMITTEE

Manohar Khiatani (Chairman)  
Tan Soon Neo Jessica  
Zia Jaydev Mody  
Goh Soon Keat Kevin

### NOMINATING AND REMUNERATION COMMITTEE

Tan Soon Neo Jessica (Chairman)  
Manohar Khiatani  
Deborah Tan Yang Sock  
(Mrs Deborah Ong)

### COMPANY SECRETARY

Hon Wei Seng





**CAPITALAND INDIA TRUST MANAGEMENT PTE. LTD.**

As Trustee-Manager of CapitaLand India Trust  
Company Registration Number: 200412730D

168 Robinson Road  
#30-01 Capital Tower  
Singapore 068912

Tel: +65 6713 2888

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