

Sustainability is at the core of everything we do

CapitaLand Investment Limited

BNP Paribas Sustainable Future Forum Corporate Access Days 2022

18 October 2022

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CapitaLand has been a sustainability first mover

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

2000

CapitaLand started environmental & philanthropic activities reporting

2006

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

2010

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

2011

External assurance of annual GSR (FY2010)

2013

External assurance elevated to **AA1000 Assurance Standard**

2015

Became signatory to **United Nations Global Compact**

2017

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

2018

Obtained 1st & largest Sustainability-Linked Loan in Asia

2019

Appointed as member of **ASEAN GRI Consortium**

2020

Launched **CapitaLand 2030 Sustainability Master Plan**

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

Science-based targets approved

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

2021

Implemented **an internal carbon price**

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

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

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

2022

Committed to **Net Zero by 2050**

Held 2nd edition, **CSXC 2022** - Chosen 10 innovations for piloting at selected CapitaLand properties



Logistech, Singapore

We are aligned to key international frameworks, and have consistently featured in globally renowned indices

International Standards & Guidelines

Annual CLI Global Sustainability Report adopts Global Reporting Initiative reporting framework & prepared in accordance with Standards: Core option

Applies guiding principles of International Integrated Reporting Framework, ISO 26000:2010 Guidance on Social Responsibility, & references UN Sustainable Development Goals (**UN SDGs)**

References real estate sector-specific standards

Signatory to **UN Global Compact** & committed to 10 principles

Participates in annual **CDP** (Carbon Disclosure Project) Climate Change Programme & carbon footprint calculated in accordance with Greenhouse Gas (**GHG**) Protocol[1] (operational control approach)

Aligned climate disclosures with Task Force on Climate-related Financial Disclosures (**TCFD**) in four key areas of governance, strategy, risk management, & metric & targets.

Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA

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

MSCI ESG RATINGS AAA

2021 MSCI ESG Leaders Indexes Constituent

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

Sustainability Yearbook Member 2022 S&P Global

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

GLOBAL 100 by Corporate Knights

- Constituent for 10th year

GRESB GRESB

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

FTSE4Good

- Constituent for 9th consecutive year

Carbon Clean 200™ by Corporate Knights & As You Sow

- Constituent for 4th year

[1] Developed by World Resources Institute & World Business Council for Sustainable Development, which sets global standard on how to measure, manage & report greenhouse gas emissions

CLI's 2030 Sustainability Master Plan Framework is our strategic blueprint to guide our ESG efforts

ENVIRONMENT

BUILD

Low Carbon Transition

Science-based targets validated by SBTi

- Carbon emissions intensity[1] by 78%
- Energy consumption intensity[1] by 35%
- Renewable energy consumption by 35%

Water Conservation & Resilience

- Water consumption intensity[1] by 45% in daily operations

Waste Management & Circular Economy

Daily operations 25% recycling rate in daily operations
Divert 75% construction waste from landfill

100% Green Certification

SOCIAL

ENABLE

Healthy & Safe Buildings

Target 0 fatality, permanent disability / major injury

Robust Supply Chain Management

Proactive Customer Relationship Management

Implement green lease
Customer satisfaction

Dynamic Human Capital

Equip employees with future-ready skills
Diverse mix of employees

MARKET LEADERSHIP

ACCELERATE

Sustainable Operational Excellence

Sustainability Innovation & Technology

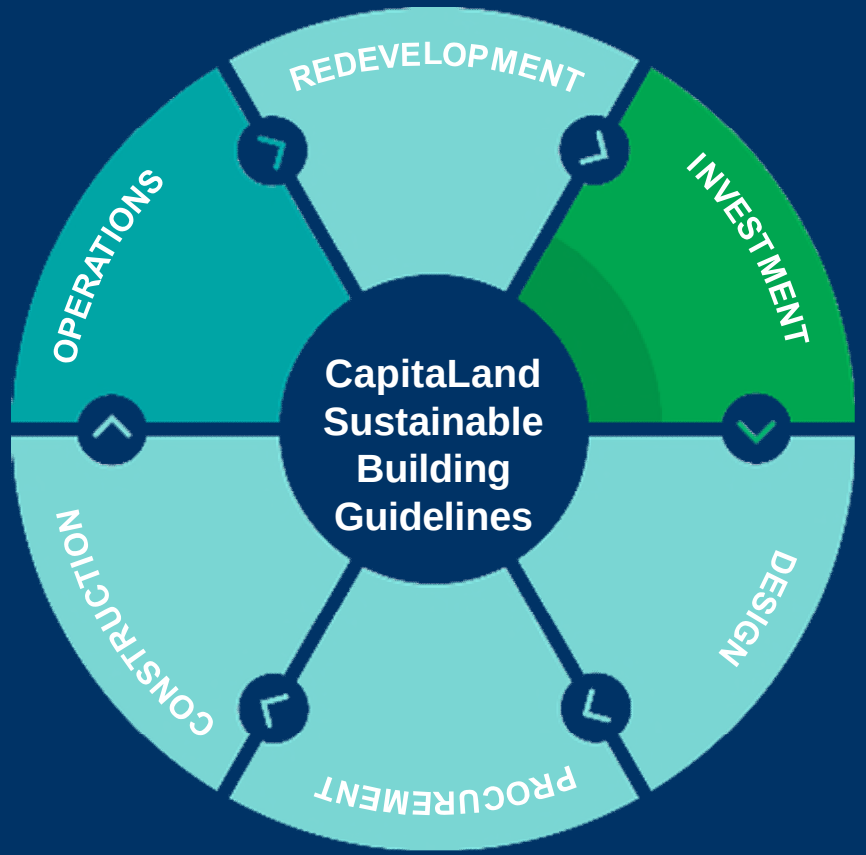
S$50 million CapitaLand Innovation Fund
CapitaLand Sustainability X Challenge

Sustainable Finance

Tripling the amount of sustainable finance to S$6 billion[2]

1. Reduction targets are relative to 2008 baseline
2. Includes sustainability-linked loans/bonds, derivative products and green financing.

We integrate sustainability in the entire real estate life cycle



#1 Investment

- Align with 2030 Sustainability Master Plan (SMP)
- Conduct Environment, Health & Safety Impact Assessment (EHSIA)
- Include an Internal Carbon Price in the financial evaluation
- Quantify proprietary Return on Sustainability (ROS)

#2 Design, Procurement, Asset Enhancement & Redevelopment

- Design in accordance with CapitaLand Sustainable Building Guidelines
- Testbed innovations
- Focus on reduction of embodied carbon

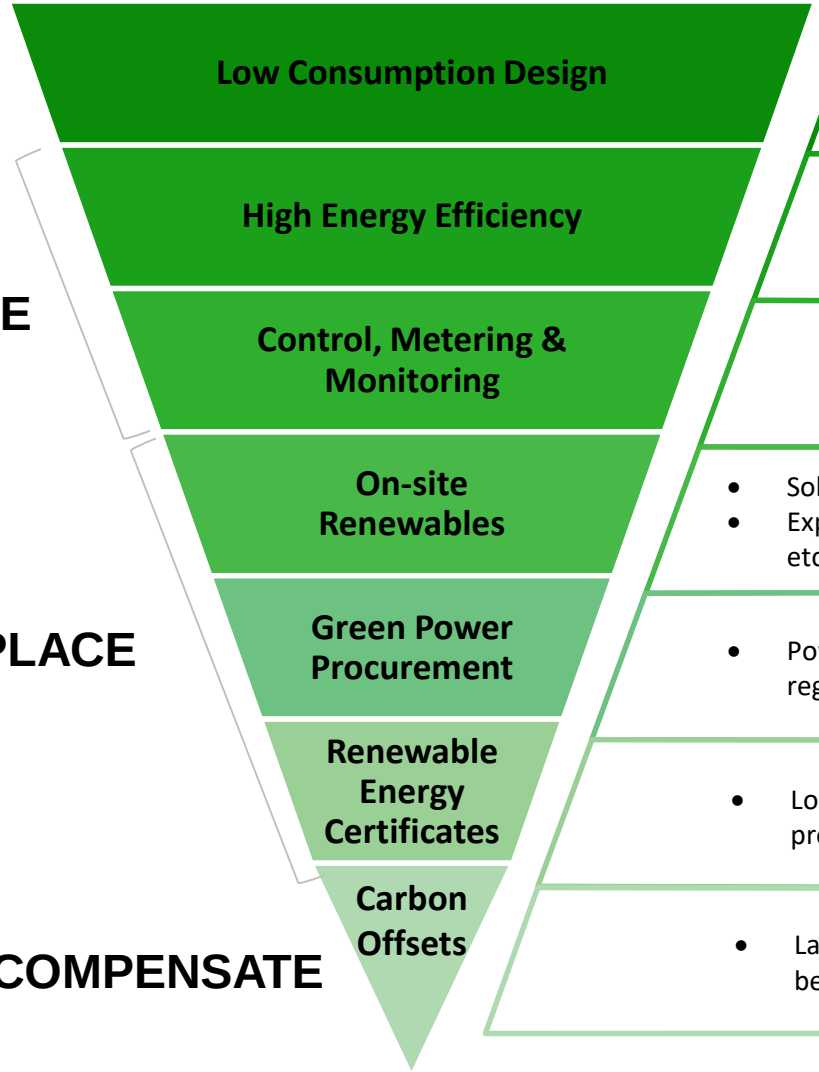
#3 Operations

- Align asset planning with 2030 SMP
- Sustainable operational excellence
- Innovate & collaborate
- Track & evaluate performance through Sustainability Implementation Committee

Sustainability targets included in CLI Balance Scorecard framework & Performance Share Plans

CLI's Carbon Mitigation Hierarchy

Not Exhaustive



- Natural ventilation to reduce cooling demands
- Use of sun shades & cool paints to reduce heat gain
- Use of daylight / light shelves to reduce need for artificial lighting
- Use of low embodied carbon material in construction & fit-outs

- More energy efficient HVAC & lighting equipment
- Zoning of air-conditioning systems; zoned lighting systems
- High-efficiency boilers & heat pumps
- District Cooling Systems in selected properties where feasible

- Intelligent Building Platform (cloud-based; IOT driven) that enables centralised monitoring & data analytics-based insights towards optimising equipment performance
- Sub-metering & motion sensors for centralised monitoring, control & predictive analysis
- Regular energy audits at properties to improve energy efficiency

- Solar PVs on building rooftops wherever feasible for on-site renewable energy generation
- Explore & pilot new technologies & innovations like micro-wind turbines, waste-to-energy solutions, BIPV etc.

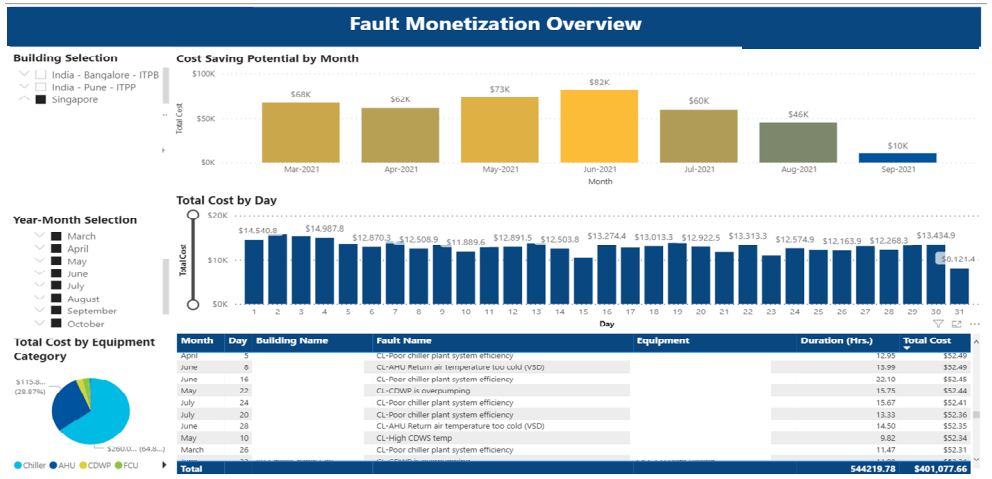
- Power Purchase Agreements with offsite solar & wind farms in geographies where it is technically & regulatory-wise feasible

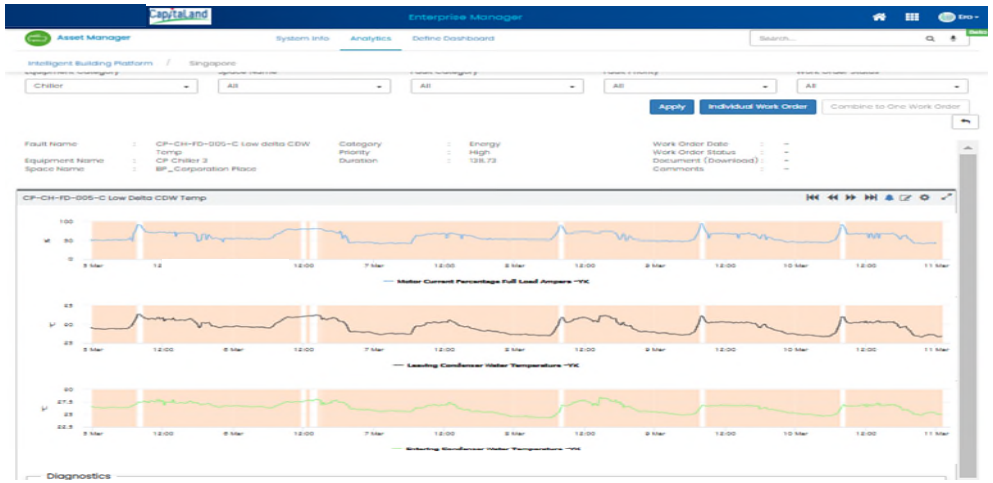
- Lower priority solution only in cases where no further on-site renewable or offsite green power procurement is feasible

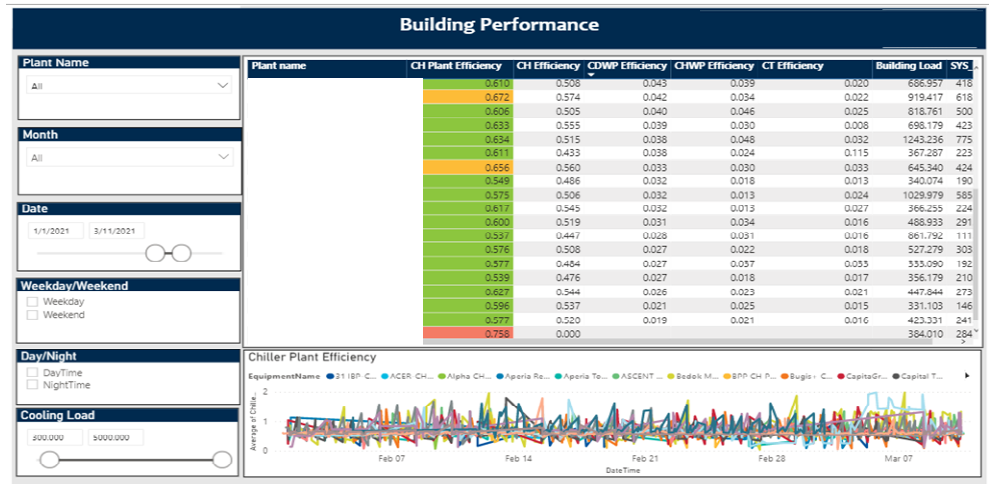
- Last-mile option to address any residual carbon after all direct carbon-abatement initiatives have been exhausted; Quality & governance control of projects to be extremely critical

Digitalization & IoT for optimizing energy consumption









CLI's Intelligent Building Platform

- ✓ Provides central linkage to 44 CapitaLand's building BMSs
- ✓ Centrally monitors key equipment efficiency (e.g., chiller plant)
- ✓ Provides Fault Detection; issue work order faster
- ✓ Running calculation of cost avoidance based on fault monetization
- ✓ 4 concurrent SaaS pilots in the works to compare against IBP

Accelerating renewable energy solutions

Europe

- Ascott's serviced residences in UK and Belgium source 100% of their electricity from renewable energy

- Ascott's serviced residences source 100% of their electricity from an off-site wind farm

India

- On-site generated & purchased solar energy accounted for ~50% of the total electricity consumption by business parks
- Rooftop solar panels totalling 3.1 MW in capacity installed across seven business parks

Carbon avoidance:
19,300 tonnes

Singapore

- >46,000m^2 of rooftop solar panels generating ~11,460 MWh of energy on 11 properties*

Carbon avoidance:
4,450 tonnes

- CLI's corporate office has been powered by 100% renewable energy since 2020

Carbon avoidance:
406 tonnes

* Installation of rooftop solar panels on seven of these properties are in a partnership with Sembcorp Industries

Sourcing globally for new sustainability technologies to pilot and scale through CSXC

CAPITALAND SUSTAINABILITY X CHALLENGE 2022

HIGH IMPACT AWARD

CLEANAIR.AI

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



To test

Filtration efficiency which removes up to

40X

smaller particulates compared to traditional MERV rated filters

MOST INNOVATIVE AWARD

ENEXOR BIOENERGY



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

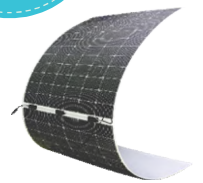
To test

⬇20%

Energy and waste cost

CARBON ACTION HERO AWARD

SUNMAN ENERGY



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

To test

⬇70%

Weight compared to standard glass solar panel with comparable performance

ECOFLOW



Air-compression valve to improve water meter accuracy

To test

⬇30%

Water cost

HYDROLEAP



On-site electro-oxidation to reduce cooling tower blowdown

To test

⬇40%

Blowdown water

LOH AND SONS PAINT CO (IN PARTNERSHIP WITH SOLCOLD)

Nanoparticle material using sunlight for active cooling.



To test

⬇10%

Energy consumption

PASSIVE EDGE TECH



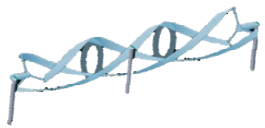
Phase-change material for thermal control and storage

To test

⬇25%

Air-conditioning energy consumption

MAINI RENEWABLES



Efficient micro wind turbine

To test

15,000kWh

Energy generation

SLIDELUVRE



Smart voltaic louvres

To test

⬇15%

Total electricity consumption

WI.PLAT



Intelligent building leak detection system

To test

⬇5%

Water usage

Targets as provided by innovators & CLI is currently working with them to establish the pilot savings targets for the pilots at CapitaLand assets

ION Orchard, Singapore

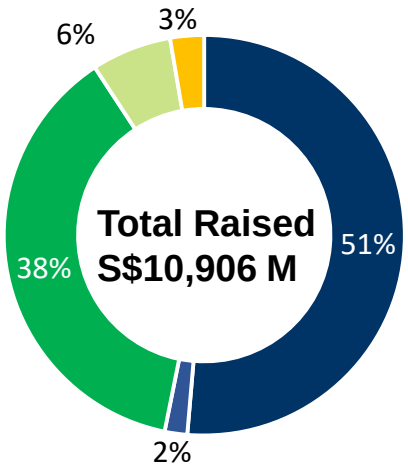
Leveraging sustainable finance for decarbonization

Over S$10B raised in sustainable finance since 2018 by CLI Group including its listed REITs and business trusts.

- **1st** and largest sustainability linked loan in Asia's real estate sector at that time (2018)
- **1st** loan facility agreement referencing Singapore Overnight Rate Average (SORA) in Singapore (2020)

Diverse product types…

- Sustainability-linked Loan
- Sustainability-linked Bond
- Green Loan
- Green Bond
- Green Perpetual Securities



*Available data as of September 2022

…across multiple banks…

ANZ | Bank of China | Bank of East Asia | CACIB | CIMB | DBS | HSBC | JPM | Maybank | Mizuho | MUFG | Natixis | OCBC | Scotiabank | Shanghai Pudong Development Bank | Société Générale | UOB

…pegged to specific targets

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

Benefits of Sustainable Financing

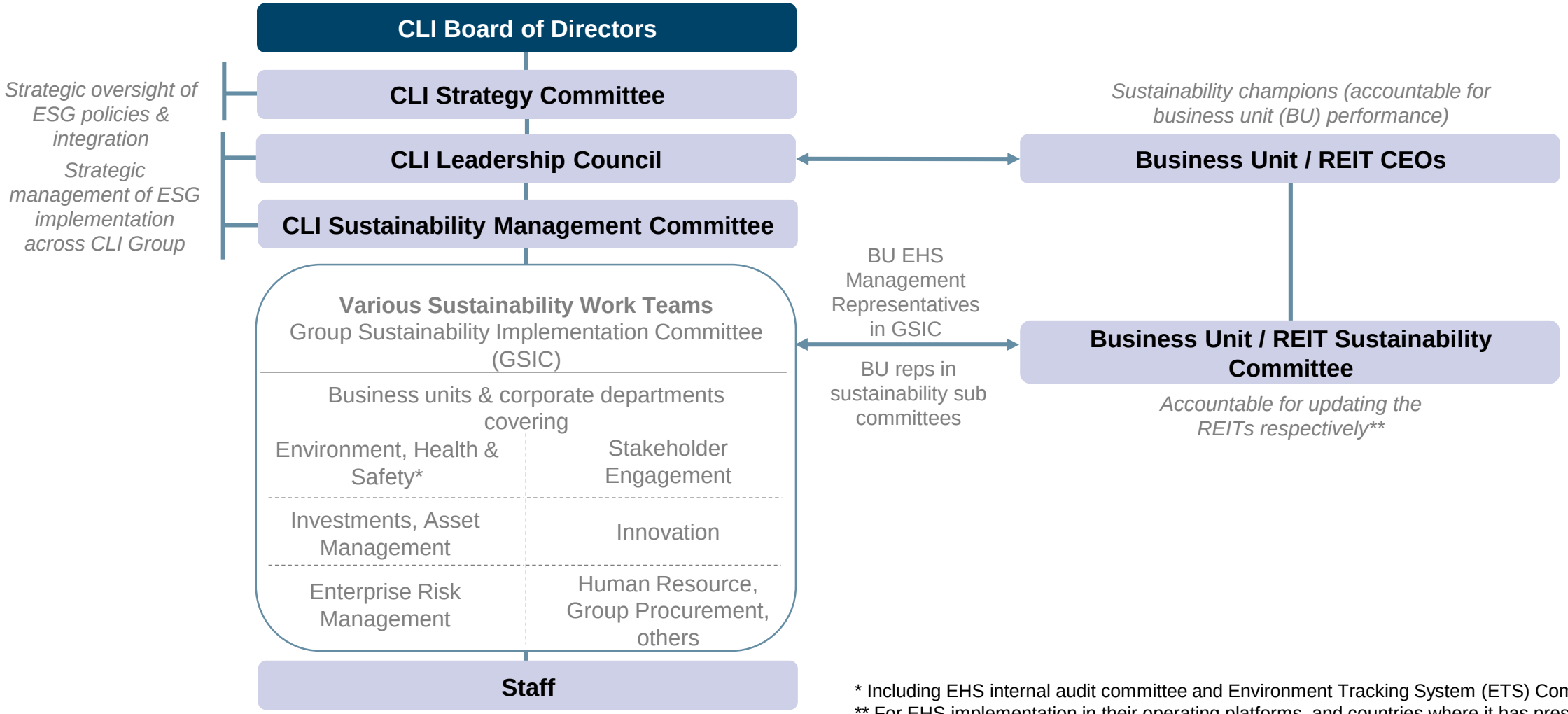
Interest rate savings from SLLs that can be channeled back into decarbonization investments

Expanding and deepening the pool of financing partners across geographies

Demonstrate CLI's sustainability leadership in the industry

CLI has a strong ESG governance structure led by the Board

Sustainability targets integrated into CLI Performance Share Plan & Balance Scorecard framework to determine executive remunerations



* Including EHS internal audit committee and Environment Tracking System (ETS) Committee
** For EHS implementation in their operating platforms, and countries where it has presence

Stakeholder engagement and partnerships are key to build awareness and gather feedback towards our 2030 targets

The Ascott Limited is first hospitality company globally to offer guests **global access to complimentary telehealth, telecounselling & travel security advisory services** through a global partnership with International SOS



CUSTOMERS

COMMITMENT TO OUR STAKEHOLDERS

INVESTORS

CLI maintains high levels of engagement with its shareholders, & investor community at large, to ensure **timely access to accurate information** to make sound judgements about the company & develop trust & confidence in CLI.



PEOPLE



Learning CAREnival promotes continuous learning among staff through bite-sized talks. **Over 3,000 learning places** were taken up by staff from **19 countries**

COMMUNITIES



The CLI Procurement Policy incorporated **sustainable procurement principles**. Suppliers are assessed & evaluated for **alignment & compliance** with our sustainability practices & policy

Sky Garden at CapitaSpring, Singapore

CapitaLand Hope Foundation as a vehicle to create social impact across our communities



donated

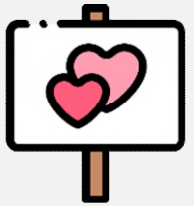
>S$51m



supported

>487,000

beneficiaries including children and seniors in need



Funded

>100

initiatives across geographies



donated

>S$9m

for global COVID-19 relief initiatives since 2020



refurbished

31

CapitaLand Hope Schools in China, India and Vietnam



contributed

>206,400

volunteer hours since 2007



supported communities in

>9

countries



worked with

>400

partners (including charities and schools) across geographies

Our 1H 2022 results demonstrate consistent progress

Net Zero by 2050

Global 2030 target validated by Science Based Targets initiative (SBTi) for 1.5ºC scenario

Energy and Water intensity reduction of

41% and 51%

(per m^2 from base year 2008) respectively

55%

carbon emissions intensity reduction since 2008

Cumulative utilities cost avoidance of

S$320* million

since 2008

49%

of CLIs global portfolio achieved green building certification

Implemented internal carbon price

for new investments and acquisitions

85*

nationalities are part of CapitaLand's global workforce

Close to

40%

of senior management were **women**

>173,000

training hours

>88%*

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

Supply Chain Code of Conduct

100%*

contractors & vendors committed to abide

**Available data as of December 2021*

S$10 billion

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

S$50 million

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

Second edition of CapitaLand Sustainability X Challenge received

>340

innovations from over

>50

countries

CLI's key ESG priority going forward – shifting focus from "What" to "How"

Focus on ***how*** to achieve our 2030 goals through:

1. **Scope 1 and 2 Emissions:**

   Executing "Decarbonization Pathways" for investment portfolios including capital expenditure estimates, RoI analysis, renewable energy procurement plans and last-mile offset strategy – by geography and asset type

2. **Scope 3 Emissions:**

   Improving coverage of full Scope 3 emissions for the most material categories especially for downstream leased assets, and expanding partnerships with tenants through green leases

3. **Social Impact:**

   Further deepening the efforts of CapitaLand Hope Foundation in building caring, inclusive and resilient communities as a trusted partner, and disclosing new social targets under SMP 2030

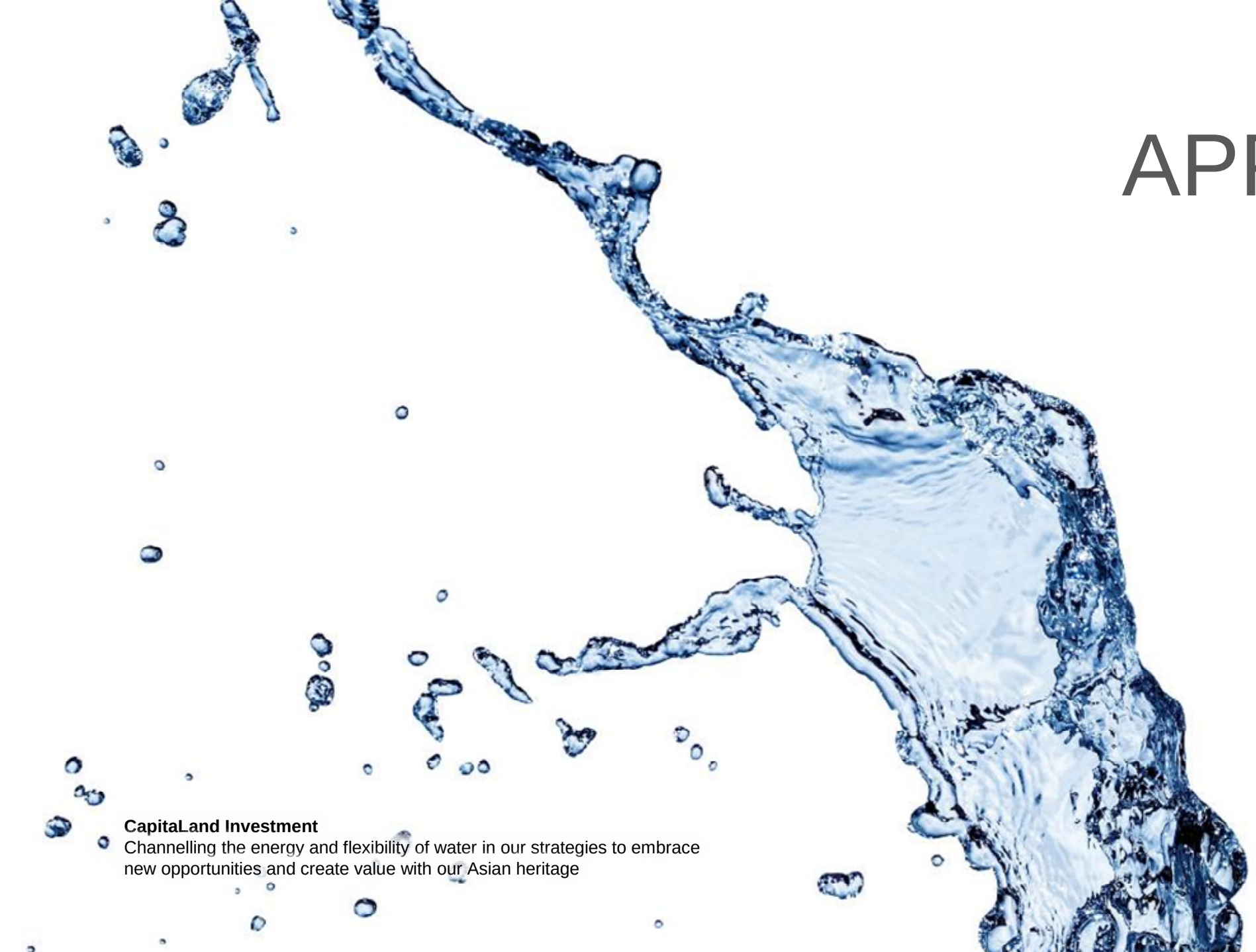
4. **Culture & Capabilities:**

   Continuing to strengthen a culture of sustainability within the organization and deepening ESG skillsets and capabilities in all parts of the business



Thank you

CapitaLand Investment



APPENDIX

CapitaLand Investment
Channelling the energy and flexibility of water in our strategies to embrace new opportunities and create value with our Asian heritage

CapitaLand Investment

Case Study #1



Reducing Embodied Carbon & Innovations in Low Energy Building Design: Raffles City The Bund, China

LEED Gold – CS (Core & Shell)

1. Materials with **recycled content** constituted **>24%** of total materials cost used during construction

2. **Low Impact Development (LID) systems** were implemented alongside **green infrastructure design**

3. Wide range of **energy-saving features** include natural ventilation & daylight sensors to minimize energy used for air conditioning & lighting



Case Study #2

Switching to Onsite & Offsite Renewable Energy: Business Park & Lodging in India

LEED Platinum or Indian Green Building Council (IGBC) Platinum

1. Rooftop solar panels totalling **3.1 MW** in capacity installed across **seven business parks**

2. Onsite & offsite solar power purchase agreements accounting for **25.7 mil kWh / ~50% of total electricity consumption** of our business parks in India

3. **Carbon avoidance of 19,300 tonnes** as a result of renewable energy procurement across the business parks

4. Ascott's serviced residences source **100% of their electricity**, totaling 5.5 mil kWh, **from an off-site wind farm**



Case Study #3

Green commercial buildings: CapitaGreen, Singapore

BCA Green Mark Platinum

1. **Extensive greenery** found throughout façade perimeter helping to diffuse strong sunlight, providing comfortable indoor working environment

2. **Double Skin Façade** helps reduce solar heat gain and diffuse strong sunlight penetrating the building. Expected to **cut heat gain by up to 26%** which translates to energy savings

3. Innovative central circulatory system known as **Cool Void** channels **higher-altitude, 2º cooler air** to air handling units & **reduces energy** to cool the building, resulting in energy cost savings

4. **Rainwater Harvesting system** reduces stormwater drainage & auto-drip irrigation system uses rainwater to water greenery



Case Study #4

Collaboration in Developing Green Building Certification: Somerset Kuala Lumpur, Malaysia

Excellence in Design for Greater Efficiencies (EDGE) Certification

S$65,000
Cost avoidance annually

Further optimise operational efficiency & reduce energy consumption by retrofitting centralised air-conditioning plant chilled water pumps with variable speed drives

26%
more energy-efficient

Optimised operational efficiency and achieved energy savings of 26% (698 MWh/year) with the installation of energy-saving light bulbs, and retrofitting centralised air-conditioning plant's chilled water pumps with variable speed drives

28%
more water-efficient

Reduced water consumption by 28% (3,300 m^3/year) by adopting water-efficient fixtures, such as low-flow faucets & dual flush closets in guest rooms & water-efficient kitchen faucets

Case Study #5



Community & sustainability in a retail mall: Funan, Singapore

1

1st retail mall to deploy a low global warming potential refrigerant chilled-water system

2

Low Energy & Energy Efficient Design

- Energy efficient façade designed to minimise solar heat transmission
- LED light fittings designed with intelligent scene control system

3

Renewable Energy

- Tenant's solar panels to power urban farm

4

Extensive Greenery & Rainwater Harvesting

- largest area for ***urban agriculture*** in the city with 18,000-sq-ft food garden & 5,000-sq-ft urban farm

5

Singapore's first commercial building allowing **cycling through the building with *indoor cycling path*** taking cyclists straight to Bicycle Hub, where end-of-trip amenities are provided

Case Study #6



Green Opportunities from Retrofitting Existing Buildings: 21 Collyer Quay, Singapore

BCA's Green Mark Platinum (April 2020)

Asset Enhancement Initiative (AEI) included

- refurbishment of essential equipment
- upgrading of common areas

1. **Improved energy & water performance** through installation of an energy-efficient chiller plant with an adaptive control algorithm
2. **Efficient lighting system** with motion sensor & water-efficient fittings
3. **New features such as monitoring systems** to improve indoor air quality (on each floor) & to achieve a more efficient energy monitoring plan with submetering systems

712 MWh/yr
of energy savings

S$107,000
Cost avoidance annually

Case Study #7



Improving Operating Efficiency through Continual Enhancement Initiatives: International Tech Park Bangalore* and CyberPearl Hyderabad, India*

LEED Platinum or Indian Green Building Council (IGBC) Platinum

1. **Improved energy efficiency** from upgrading to more efficient air-conditioning equipment & lighting
2. **Implementation of an IoT platform** in ITPB to opitimise HVAC equipment performance through advanced data analytics
3. **Improved water efficiency** through adoption of low flow water fixtures in restrooms; Discoverer at ITPB also test-bedded non-chemical and non-intrusive radio frequency based solution for chiller condenser water system descaling
4. **Tenant's health & safety enhanced** through Ultraviolet Germicidal Irradiation (UVGI) lamps installed in Air Handling Units (AHUs) of the buildings

*The buildings include Discoverer, Creator & Innovator in International Tech Park Bangalore (ITPB); & Block I & Block II in CyberPearl Hyderabad.



Case Study #8

Biophilic skyscraper integrating workspaces, retail & residential: CapitaSpring, Singapore

1. **Green Oasis** with **rich biodiversity** comprises >80,000 plants from >130 different species, with >60% native plants helps to **mitigate urban heat island effect** & **enhance workplace wellness** for building occupants
2. **Singapore's highest urban farm**, spanning ~5,000 sq ft provides farm-to-plate dining experience
3. 1st integrated Singapore development to **adopt prefabricated mechanical, electrical & plumbing systems** for common corridors, plant rooms & risers. **Achieved ~43% to 54% productivity savings/construction module**. Use of Building Information Modelling & Virtual Design & Construction, as part of digital construction technology, achieved >50% improvement in construction productivity
4. **Water condensate** from building's air-conditioners **harvested & recycled** for non-drinking use
5. Promotes active mobility in city with **165 bicycle lots & fully-equipped end-of-trip facilities**. Streetscape enhanced with widened walking pavements, a **600-metre cycling path** around the building's perimeter connecting the building to country's larger cycling network.