



# GLOBAL SUSTAINABILITY REPORT 2023

# Sustainability Is At The Core Of Everything We Do

CLI is committed to being a responsible company and places sustainability at the core of what it does. CLI has committed to achieving Net Zero carbon emissions for Scope 1 and 2 by 2050, contributing to the environmental and social well-being of the communities where it operates, as it delivers long-term economic value to its stakeholders.

## Vision

The preferred global real asset manager creating sustainable positive impact.

## Mission

Creating long-term sustainable returns through responsible capital stewardship and impactful investment in real assets globally.

## Core Values:

Winning Mindset

Enterprising

Respect

Integrity



### For our People

We develop high-performing people and teams through rewarding opportunities.



### For our Investors

We deliver sustainable shareholder returns and build a strong global network of capital partners.

Commitment To Our Stakeholders



### For our Customers

We create great customer value and experiences through high-quality products and services.

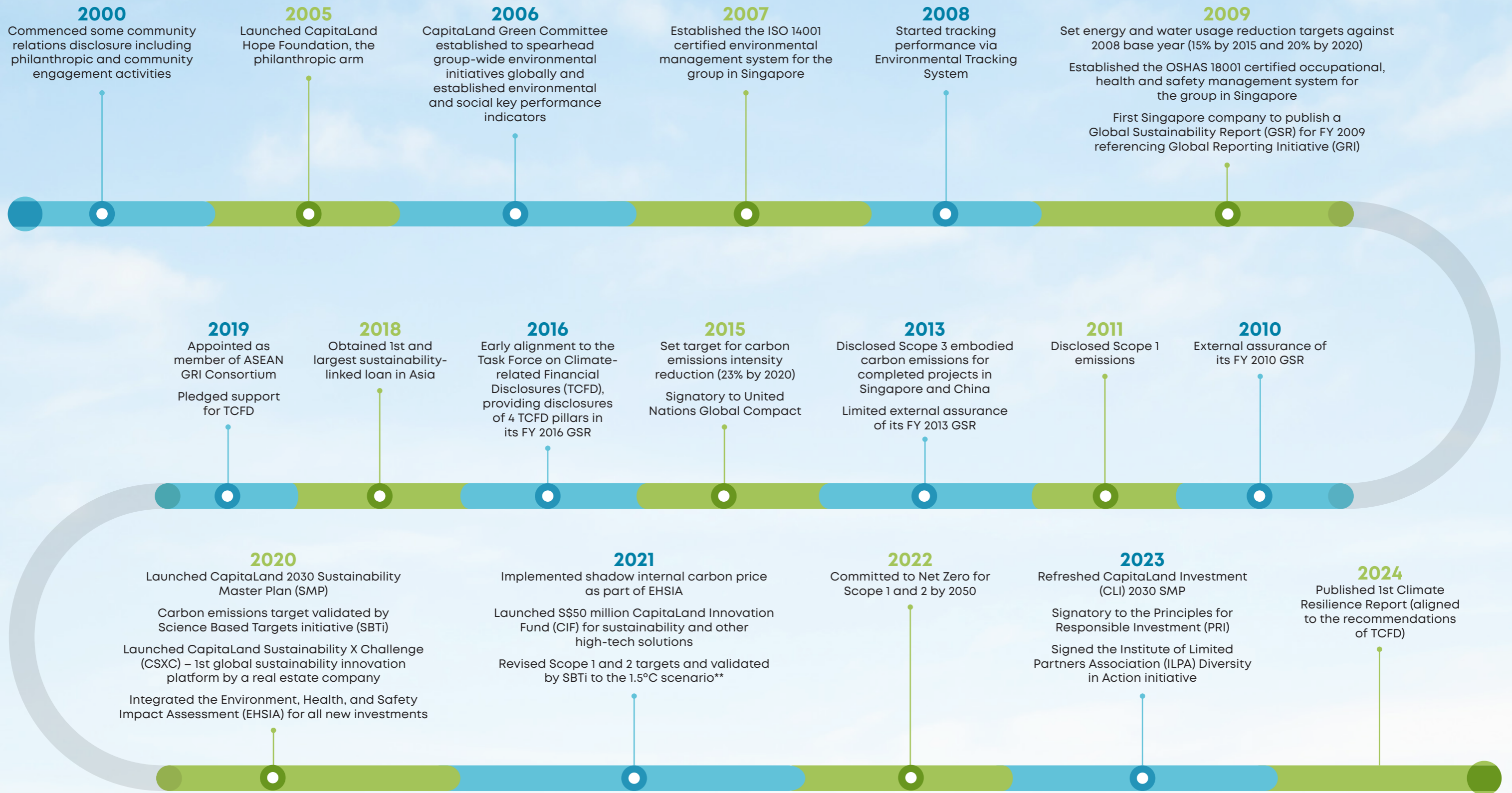


### For our Communities

We care for and contribute to the economic, environmental and social development of communities.

# A Sustainability Early Mover

Over 20 Years Since Its Formation\*



\* Initially listed as CapitaLand Limited in 2000, it acquired Ascendas Singbridge in 2019 to form the enlarged CapitaLand Limited. In September 2021, CapitaLand Limited restructured and privatised the development arm and CapitaLand's listed global real estate investment management business was named CapitaLand Investment.

\*\* SBTi-validated target for Scope 3 capital goods emissions is at the well below 2°C scenario.

# Key Highlights For 2023



**13.2%**

Scope 1 and 2 carbon emissions intensity<sup>1</sup> reduction since 2019



**24.0%**

water consumption intensity<sup>1</sup> reduction since 2019



**27%**

female board directors (as of 1 Jan 2024)



**~91%**

of staff attended Fraud, Bribery and Corruption Awareness training<sup>2</sup>



**13.4%**

energy consumption intensity<sup>1</sup> reduction since 2019



**11.4%**

recycling rate



**38%**

women in senior management



**100%**

of CLI's supply chain in Singapore, China, India & Malaysia, and 20 countries in Global Lodging acknowledged to abide by the CLI Supply Chain Code of Conduct



**60%**

of global portfolio<sup>3</sup> achieved green building certification



**92%**

of staff attended at least 1 ESG training



**Zero**

staff work-related fatality or permanent disability



**S\$4.5 billion**

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

## Accolades

Member of

**Dow Jones Sustainability Indices**

Powered by the S&P Global CSA

- Dow Jones Sustainability World Index for 12<sup>th</sup> consecutive year
- Dow Jones Sustainability APAC Index for 15<sup>th</sup> consecutive year
- 1<sup>st</sup> and longest standing company in Singapore to be listed

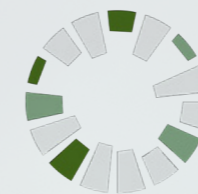
**MSCI**  
ESG RATINGS



CCC B BB BBB A AA AAA

**2023** MSCI ESG Leaders Indexes Constituent

- AAA rating for 3 years
- MSCI ESG Leaders index constituent



**GRESB**  
REAL ESTATE  
sector leader 2023

- Global Listed Sector (Diversified) Leader, 5<sup>th</sup> time
- Asia Listed Sector (Diversified) Leader, 10<sup>th</sup> time
- Consistent 5 star rating
- 'A' for public disclosure

CapitalLand Investment Limited  
Real Estate Management & Development

**Top 10%**

S&P Global Corporate Sustainability Assessment (CSA) Score 2023

S&P Global CSA Score 2023: 76/100  
Score date: February 7, 2024  
The S&P Global Corporate Sustainability Assessment (CSA) Score is the S&P Global ESG Score without the inclusion of any modelling approaches.  
Position and scores are industry specific and reflect exclusion screening criteria.  
Learn more at <https://www.spglobal.com/esg/csa/yearbook/methodology/>

S&P Global

Sustainable 1

- Constituent for 15<sup>th</sup> year
- 1<sup>st</sup> and longest standing company in Singapore to be listed

**Carbon Clean 200™**  
by Corporate Knights & As You Sow

- Constituent for 6<sup>th</sup> year



**FTSE4Good**

- Constituent for 11<sup>th</sup> consecutive year

<sup>1</sup> Intensity figures are computed for operational properties with full year data, and exclude new properties which have been in operation for less than 12 months, properties undergoing AEI and corporate offices.

<sup>2</sup> Training completion rate is monitored based on staff strength as at 21 Aug 2023 (training launch date).

<sup>3</sup> Percentage by m<sup>2</sup> of CLI's owned and operationally-managed properties

# We Integrate Sustainability In The Entire Fund Management Life Cycle

At CapitaLand Investment, we recognise the integral role that Environmental, Social, and Governance (ESG) factors play in driving long-term value and sustainability within the real estate investment landscape. As a responsible global real asset manager, we are committed to integrating ESG considerations into every stage of our fund management life cycle, from fund product development, through capital raising, investments, asset management and exits.



120, Spencer Street, Australia

## Fund Product Development

- ▶ We develop and customise specific ESG strategies tailored to meet the unique objectives of each portfolio. We engage closely with our investors and Limited Partners (LPs) to ensure alignment with their requirements and preferences. The fund sustainability strategies are also shaped by the asset class and geographical mandate of the fund. This customisation allows us to align our ESG efforts with the specific goals and preferences of our investors.
- ▶ The fund ESG strategies take reference from CLI's corporate level 2030 Sustainability Master Plan (SMP), which outlines clear pathways and targets across our portfolios.

## Capital Raising

- ▶ As we raise capital, our team closely collaborates with investors and LPs to integrate ESG considerations into their investment decisions where we ensure a thorough understanding of investors' and LPs' ESG queries and needs during the due diligence process. This also involves providing transparent disclosures on ESG risks and opportunities through discussions and investors' and LPs' due diligence questionnaires. We also share CLI's approach to ESG, together with our targets, decarbonisation pathways and case studies from across the Group.
- ▶ By proactively addressing investors concerns and aligning with industry standards, we foster trust and confidence in our sustainability commitments.

## Investments

- ▶ As part of CLI's standard investment process, we conduct a comprehensive Environment, Health, and Safety Impact Assessment (EHSIA) for every new investment. This assessment includes a thorough analysis of the environmental aspects of the asset compared to both the portfolio's ESG strategy and CLI's 2030 Sustainability Master Plan. The key objective is to ensure that sufficient capital expenditure (CAPEX) is allocated to the asset to attain the desired ESG outcomes.
- ▶ A shadow internal carbon price is used to quantify the future carbon value exposure of the asset, and wherever feasible, a Return on Sustainability is calculated for all the green investments.

## Asset & Portfolio Management

- ▶ CLI seeks to develop asset-level ESG plans leveraging its operational and asset management expertise. These plans encompass sustainable AEs, as well as sourcing and piloting climate-tech innovations globally. Additionally, they will incorporate social initiatives such as community and tenant engagement, health, and safety.
- ▶ CLI periodically conducts climate risk analysis for its asset portfolios, which then informs the green capital expenditure allocation strategy for the portfolio.
- ▶ Regular fund reporting to key stakeholders including ESG-related performance of the underlying assets in the portfolio and progress on transition pathways. Additionally, we actively participate in internationally recognised ESG frameworks such as GRESB.

Continuous ESG focus throughout the life cycle of our funds and portfolios through



# Decarbonisation Efforts In Our Funds

(Selected features)



Yokohama Blue Avenue, Japan



CapitaSky, Singapore

## CAPITALAND OPEN-ENDED REAL ESTATE FUND (COREF)

### 1 All four office buildings in COREF have attained Green Building Certifications as of December 2023:

- a. CapitaSky: Green Mark Platinum
- b. Yokohama Blue Avenue: CASBEE Superior (S) Rank<sup>1</sup>
- c. Sun Hamada: CASBEE Very Good (A) Rank
- d. 120 Spencer Street: NABERS Energy 6 Stars (with GreenPower), NABERS Water 3 Stars, NABERS Waste 2.5 stars<sup>2</sup>

### 2 Assets are to be powered by renewable energy where feasible:

- a. 120 Spencer Street – 100% of base building power is from renewable sources<sup>3</sup>

### 3 Decarbonisation plan:

- a. Completed decarbonisation plan for 120 Spencer Street where asset team has evaluated and planned for proposed interventions to reduce energy consumption and carbon emissions of the building
- b. Yokohama Blue Avenue's plan is in progress

<sup>1</sup> Highest rating in CASBEE is S rank, followed by A rank  
<sup>2</sup> Completing 3 out of 4 available Office NABERS rating is a Green Building Certification in GRESB  
<sup>3</sup> Tenants in the building have separate electricity contracts with their preferred electricity provider

## CAPITALAND LODGING FUNDS

### Ascott Service Residence Global Fund (ASRGF)

As of December 2023, five out of seven ASRGF operational assets had achieved Green Building Certification including achieving EDGE Advanced for Citadines Islington, London. The other two operating assets will obtain certification in 2024. Four other assets that are still in development stage have also committed to obtain Green Building certification upon completion.

Assets are to be powered by renewable energy where feasible, such as Citadines Islington, London, which is 100% powered by renewables.

### CapitaLand Ascott Residence Asia Fund II (CLARA II)

CLARA II – a new Ascott Private fund with focus on sustainability ambitions (and KPIs) such as to attain Green Building Certification for assets under management, participating in GRESB, fund specific ESG strategies through adoption of both CLI and Ascott's corporate ESG ambitions.

Citadines Islington, London



# CLI's Global Community Investment Initiatives

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

>1,500

CLI staff contributed

>13,500

volunteering hours

CLI contributed

>S\$3.1 million

to CHF and CHF India, and

>S\$0.5 million

to other community development initiatives

Showcasing selected philanthropic and volunteering initiatives in

- |   |  |
|---|--|
|  Bahrain   |  Philippines          |
|  Cambodia  |  Saudi Arabia         |
|  China     |  Singapore            |
|  India     |  South Korea          |
|  Indonesia |  Thailand             |
|  Japan     |  United Arab Emirates |
|  Kenya     |  UK                   |
|  Laos      |  Vietnam              |
|  Malaysia  |  |

For more information on CapitaLand Hope Foundation's social impact, refer to [https://www.capitaland.com/content/dam/capitaland-sites/international/about-capitaland/sustainability/capitaland\\_hope\\_foundation/social-impact-report/CHF-Social-Impact-Report-2023.pdf](https://www.capitaland.com/content/dam/capitaland-sites/international/about-capitaland/sustainability/capitaland_hope_foundation/social-impact-report/CHF-Social-Impact-Report-2023.pdf)

## Singapore

- **Staff volunteers** befriended >70 children from social service agencies supported by Yellow Ribbon Singapore across several afternoon camps to build their social-emotional resilience.
- >1,200 **CapitaLand staff, tenant and community volunteers**, as well as our charity partners came together to enhance the well-being of more than 3,100 seniors through distribution of special meals, wholemeal bread and daily essentials, as well as dining and shopping outings, and home improvement project.



## China

- **'My Schoolbag' initiative** – Around 200 staff volunteers distributed schooling essentials to 1,600 students under CapitaLand Hope School Programme (CHSP).
- **CapitaLand Kids Programme @ Education Bursary** – Supported >440 students in their academic pursuits from Grade 4 to university.



## India

- **CapitaLand International Volunteer Expedition** – Around 70 CapitaLand staff visited school supported under CHSP at Krishnarajapuram, Bangalore to enhance school environment and engage with the students.



## Japan

Ascott Japan supported

- **RFTC Japan's Run for the Cure® / Walk for Life** to promote breast cancer awareness in Japan.
- Its **contribution of JPY171,600** including room stay vouchers, Ascott staff participation fees and advertising, etc.
- **Caring for Furry Friends**, an Ascott's initiative to donate a portion of proceeds from pet-friendly room bookings. JPY53,209 was raised to support animal rescue efforts.



## Kenya

- **Somerset Westview Nairobi staff visited the Glory Christian Rescue Home**, a home for vulnerable children, during Christmas.
- KES 150,000 worth of **personal hygiene items, food and clothes were donated** to 60 children, also with the support of some guests and supply chain vendors.



## Malaysia

- **#GivingBersama 3.0 initiative** – RM200,000 worth of items were contributed to >2,300 beneficiaries, involving >130 staff volunteers.



## Philippines

- >50 Ascott staff participated in the **Haribon Foundation's Forests for Life Movement**, and planted 1,250 native tree seedlings in the Kaliwa Forest Reserve at Mt. Batulusong, Tanay Rizal.



## Vietnam

- **Scholarships** were awarded to 22 high-performing graduating fifth grade students in the academic year 2022-2023.
- >30 staff volunteers **distributed school essentials** to about 1,400 students under the CHSP.



## UK



- 9 UK team members participated in a **10km marathon organised by LandAid**, the property industry charity that works towards ending youth homelessness in the UK.

## Global



- ~600 volunteers from the Ascott Singapore corporate office and 51 properties in 12 countries took part in **World Clean-up Day**. This is an annual global social action programme aimed at combating the global solid waste problem. The volunteers, including Ascott staff, its guests and vendors, helped clear over 1,200 kg of litter from public areas including beaches, parks, streets, and waterways.
- Staff from 32 Ascott properties in 11 countries across Asia and the Middle East participated in **blood donation drives**.

The CapitaLand Sustainability X Challenge (CSXC) is a global platform to advance innovation and collaboration in sustainability within the built environment. Through the CSXC, CapitaLand aims to source for emerging solutions/technologies globally to solve sustainability challenges impacting the built environment. Visit [www.capitaland.com/csxc](http://www.capitaland.com/csxc) to find out more about all our CSXC innovations.



CSXC 2023:

**>680** entries  
from **>79** countries  
(>340 entries from >50 countries in 2022)



**30\***  
innovations being piloted or planned at



**46\***  
sites within CapitaLand properties in



**7\***  
countries

\* Figures are cumulative from 2021, as at 31 May 2024.

## CSXC 2023 selected innovations

IN PROGRESS

### Carbon Mineralization Concrete Tech

Carbon dioxide mineralised concrete technology that creates low-carbon green building materials with carbon dioxide captured and stored in concrete during its manufacturing process



**Trialling in**  
▶ China



**To test**

- ▶ Up to 85% reduction in CO<sub>2</sub> emissions throughout entire life cycle
- ▶ Strength of carbon reinforced concrete solid bricks to be >10MPa



### Automatic Flow Switch Testing System

Automated sprinkler system flow-switch test that can be activated with a key, reducing manpower required and energy and water usage



**Trialling in**  
▶ Singapore



**To test**

- ▶ 100% water savings from fire sprinkler flow switch test
- ▶ Reduce manpower from ~3-4 people to only 1 person from Term Contractor



### Disinfecting Filtration System

Patented low-pressure drop filtration technology that replaces existing media filters to improve performance and system-level filtration efficiency of existing air handling units while reducing energy load on fans' motors

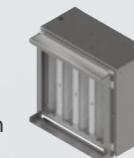


**Trialling in**  
▶ Singapore



**To test**

- ▶ DFS Particulate Matters (PM) filtration efficiency to be higher than MERV 16 (>95% at 0.3microns)
- ▶ DFS pressure drop to be < MERV 14 by 40%-60%
- ▶ 43% - 53% reduction in energy savings
- ▶ Bacteria removal efficiency of >95%



### Solar Hybrid Air-con

Air-conditioner solution that runs on solar power on a sunny day and integrates both solar and grid energy on a rainy day, thus reducing grid energy consumption



**Trialling in**  
▶ Singapore  
▶ Philippines



**To test**

- ▶ >30% energy savings



### Corrugated Solar Roof

Lightweight flexible solar module integrated with corrugated steel that can be installed horizontally or vertically as a Building Integrated Photovoltaic (PV) or as a conventional solar PV



**Trialling in**  
▶ Australia



**To test**

- ▶ Up to 10% improved solar power generation efficiency (average power/day/kW: kWh/kW) as compared with conventional solar modules
- ▶ No additional structural support or roof strengthening required



### Nano-crystal Reverse Scaling Technology

Nano-crystal reverse scaling technology that solves the scaling and wastewater challenges in central air-conditioning system cooling towers, effectively reducing water discharge and saving cooling water usage



**Trialling in**  
▶ China



**To test**

- ▶ Up to 95% reduction in total cooling tower blowdown
- ▶ To increase CoC to >5-6 to meet international standard
- ▶ Reduction of inorganic and organic fouling and scaling over pilot duration



### AI-powered Video Analytics

AI-powered video analytics tool to provide granular insights that enhance safety, productivity and compliance with environmental standards at the workplace



**Trialling in**  
▶ Singapore



**To test**

- ▶ 80% AI detection accuracy rate/use case
- ▶ Alerts from AI detection sent to Project team at <30s
- ▶ Online dashboard access via any devices connected to internet



IN PLANNING

### AI Building Optimization Platform

Chiller plant and air-side HVAC optimisation solution that integrates seamlessly with the building management systems and utilises artificial intelligence (AI) for energy optimisation and predictive fault diagnostics



**Trialling in**  
▶ China



**To test**

- ▶ To integrate with existing BMS, optimise chiller plant efficiency and achieve energy savings through advanced AI and machine learning algorithms



### Magorium

Technology that converts contaminated and unsorted plastic waste into a sustainable construction material that can potentially be used for the construction of roads within CapitaLand's business parks



**Trialling in**  
▶ Singapore



**To test**

- ▶ Collection of approximately 200kg/month of contaminated unsorted plastic to be recycled into NEWBitumen
- ▶ To pave at least 1 eco-road within CapitaLand property



### Refreshine Novel Heat-Reflecting Film

A clear and low absorption film that reflects solar heat, improves thermal insulation and can be installed on any smooth facade window or glass surface, minimising energy consumption



**Trialling in**  
▶ Singapore



**To test**

- ▶ Reduction of at least 2°C in indoor temperature after installation of film



## Featured Successful Pilot



**CONTINEWM®**  
(Patented ceramic net, scaling up at LogisTech, Singapore)

**ACHIEVED**



Up to **51%**  
reduction of fan energy usage



Up to **16%**  
reduction in cooling load energy usage



Up to **153 kWh/day**  
energy savings across 2 AHUs



# CLI 2030 Sustainability Master Plan (SMP)

## Build

### Portfolio Resilience and Resource Efficiency

#### Low Carbon Transition

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

Absolute scope 1 & 2 GHG emissions by **46%**<sup>1</sup>

Carbon emissions intensity by **72%**<sup>1</sup>

Energy consumption intensity by **15%**<sup>1</sup>

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



#### Water Conservation and Resilience



Reduce water consumption intensity in our day-to-day operations by **15%**<sup>1</sup>

#### Waste Management and Circular Economy

Reduce waste intensity in our day-to-day operations by **20%**<sup>1</sup>

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



## Enable

### Thriving and Future-Adaptive Communities

#### Social Impact

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

#### Human Capital Development



Female representation in senior management



Staff engagement score<sup>2</sup>



Staff to attend 1 ESG training

#### Health and Wellness

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



#### Customer and Supplier Partnerships

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

## Steward

### Responsible Business Conduct and Governance

#### Corporate Governance

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



#### Transparent Reporting

- ESG reporting aligned and externally assured to international standards



#### ESG Risk Management

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



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

<sup>1</sup> Using 2019 as the base year.

<sup>2</sup> Staff engagement with at least 85% participation.

# CLI 2030 SMP Pathways

## Build

Portfolio Resilience and Resource Efficiency



### Integrate sustainability in the entire real estate life cycle.

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



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

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



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

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



### Raise capital through sustainable finance instruments

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

## Enable

Thriving and Future-Adaptive Communities



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



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



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

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



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

## Steward

Responsible Business Conduct and Governance



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



**Monitor and report to ensure transparency of sustainability progress.** Continue to validate performance by external assurance and align Global Sustainability Report to international standards and frameworks.



**Integrate ESG into Balanced Scorecard Framework** and sustainability targets embedded in policies, processes, best practices, and key performance indicators.

# About Us

Headquartered and listed in Singapore, CapitaLand Investment Limited (CLI) is a leading global real asset manager with a strong Asia foothold. As at 31 December 2023, CLI had S\$134 billion of assets under management as well as nearly S\$100 billion of funds under management (FUM) held via six listed real estate investment trusts and business trusts and more than 30 private vehicles across Asia Pacific, Europe and USA. Its diversified real estate asset classes cover retail, office, lodging, business parks, industrial, logistics, self-storage and data centres.

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

As a responsible company, CLI places sustainability at the core of what it does and has committed to achieve Net Zero carbon emissions for Scope 1 and 2 by 2050. CLI contributes to the environmental and social well-being of the communities where it operates, as it delivers long-term economic value to its stakeholders.

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# Group CEO's Message

Dear stakeholders,

“Polycrisis<sup>1</sup>” was the defining word for 2023, a cluster of related global risks with compounding effects such that the overall impact exceeds the sum of each part. These included heightened geopolitical tensions, economic challenges from energy price increases and inflationary pressures, and continued natural disasters with global insured losses at a record US\$108 billion<sup>2</sup>. With 2023 being the hottest year on record<sup>3</sup> according to various sources, it was also a year which saw a rapidly evolving global sustainability landscape with pushback on ESG in the US, challenges in the voluntary carbon markets that result primarily from credits integrity, stricter ESG disclosure and regulatory requirement across different geographies.

Amidst such a tough macroeconomic environment, CapitaLand Investment (CLI) remains steadfast and focused on our sustainability goals. We firmly believe that embedding sustainability into our strategy and business will enhance our portfolio resilience and help guide our company and staff through these difficult times.

CLI is a signatory of the United Nations Principles for Responsible Investment (UN PRI) and United Nations Global Compact (UNGC). We take our commitments to UN PRI's six principles, and UNGC's universal principles on human rights, labour, the environment and anti-corruption seriously. We prioritise eight of the 17 United Nations Sustainable Development Goals (SDGs) that are most aligned with CLI's 2030 Sustainability Master Plan (SMP) targets. As a responsible global real asset manager, CLI is committed to integrating ESG considerations into every stage of our fund management life cycle, from fund product development to capital raising, investments, asset management and exits. The customised ESG strategies of our funds will take guidance from CLI's 2030 SMP.

2023 was a year of ramping up the execution of the roadmap charted by our 2030 SMP as we pivot towards a global real asset manager focused on generating resilient and recurring fee income. Beyond scaling up our Scope 1 and 2 decarbonisation efforts, we inventorised CLI's Scope 3 emissions footprint and reviewed our last mile carbon emissions strategy on the potential use of renewable energy certificates and carbon credits where relevant and feasible. We published our first Climate Resilience Report, which included a comprehensive climate scenario analysis of our diversified portfolio of more than 480 properties in 20 countries<sup>4</sup>. More training and awareness programmes were held as we stepped up our diversity, equity and inclusivity (DEI) initiatives. We also organised a series of sustainability roadshows to strengthen our culture of sustainability among our staff and a dedicated Sustainability Non-Deal Roadshow for our investors. Through all of this, we closely engaged our Board and its Sustainability and Strategy Committee to seek its feedback on our sustainability initiatives.

## RAMPING UP OUR DECARBONISATION EFFORTS

UN Sustainable Development Goal 13 calls for urgent action to combat climate change. We continue to intensify energy efficiency at our properties and despite our growing global portfolio, we were able to achieve a 13.4% energy intensity reduction against 2019. In 2023, 60% of buildings across CLI's global portfolio were green-rated<sup>5</sup>. In our efforts to tackle our Scope 3 emissions, we will continue to actively engage our tenants and supply chain partners.

We accelerated our innovation drive by collaborating with our tenants as sandbox partners in our third CapitaLand Sustainability X Challenge (CSXC), where we sought to globally crowdsource sustainable building solutions. The ten shortlisted innovations from CSXC 2023 are being piloted in four countries. Despite challenges around financial and technical feasibility for some pilots, we strive to expedite the scaling of successful pilots across our portfolio from all the previous shortlisted innovations.

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1 Highlighted in the World Economic Forum 2023 Global Risk Report.

2 Swiss RE Institute's Sigma Report “Natural catastrophes in 2023: gearing up for today's and tomorrow's weather risks”, April 2024.

3 According to NASA (National Aeronautics and Space Administration) and the European Union's Copernicus Climate Change Service (C3S).

4 CLI owned properties as at 31 December 2022.

5 This refers to CLI-owned and operationally managed properties by per m<sup>2</sup>.

# Group CEO's Message

We continue to align CLI's efforts with national level goals in the markets we have a presence in as we remain steadfast in advancing our low-carbon transition efforts. When it comes to procurement of renewable energy, there are certain regulatory, geographical and commercial restrictions and we strive to navigate these challenges as we expand our renewable energy deployment. We commissioned our first captive 21-megawatt (MW) solar power plant in Tamil Nadu, India, to power our assets there. In 2023, we expanded the use of green energy to 54 properties in Singapore, China, India, Australia, Belgium, Germany, Japan, Indonesia and the United Kingdom, mitigating about 41,000 tonnes of carbon emissions (equivalent to the annual emissions of over 8,900 petrol-powered cars<sup>6</sup>).

Sustainable financing remains an important lever for achieving our sustainability targets. CLI, together with our listed real estate investment trusts (REITs) and business trusts secured over S\$4.5 billion<sup>7</sup> in sustainable financing in 2023. Our leadership in renowned sustainability indices and our consistent sustainability performance have allowed us to expand and deepen our pool of financing partners and engender trust in our sustainability leadership. CLI also reaps interest savings from sustainability-linked loans which are channelled back into decarbonisation investments. This is especially important when faced with continued high interest rates and inflation, which makes it difficult for CLI to deploy green capital expenditure.

## SCALING UP OUR SOCIAL EFFORTS

Our diverse and dynamic workforce, coupled with a strong winning and enterprising mindset, are critical to the implementation of our 2030 SMP, and to CLI's success. We are a signatory to the Institute of Limited Partners Association (ILPA) Diversity in Action initiative, pledging to advance our DEI practices. Women comprise about 38% of our leadership team and our global staff strength comprises over 90 nationalities. To ensure a future-ready workforce in this fast-changing environment, we have invested over S\$2.5 million in training, with our staff clocking over 360,000 training hours. More than 92% of the staff have also attended at least one ESG training course.

As a global real asset manager, we aim to create a positive social impact in the communities where we have a presence. In 2023, CLI contributed more than S\$3.6 million to the CapitaLand Hope Foundation (CHF), CHF India, and other community causes. Over 1,500 CLI staff globally contributed over 13,500 volunteer hours for various activities.

Following our third-party due diligence ESG check on CLI critical suppliers, we strengthened our supply chain management by collaborating with the aforementioned platform provider to deploy a series of ESG-related capability-building programmes for supply chains with below-average ESG scores. Upon completion of the programme, these supply chains achieved an improved ESG scoring.

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

## STRENGTHENING OUR GOVERNANCE FOCUS

Underpinning CLI's 2030 SMP is our third focus pillar, which is to steward responsible business conduct and governance. Our sustainability targets remain embedded into our key performance indicators to which our compensation is tied. These annual targets are also cascaded down to the business units and REITs. The dedicated CLI Strategy and Sustainability Committee, chaired by our Lead Independent Director, Mr Anthony Lim, regularly updates and discusses with committee members on CLI's sustainability strategies and goals. ESG policies, trends, and CLI's sustainability performance are intrinsic to the regular board and top management deliberations.

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<sup>6</sup> This assumes that a typical passenger vehicle emits about 4.6 tonnes of CO<sub>2</sub>e per year. EPA Greenhouse Gas Emissions from a Typical Passenger Vehicle.

<sup>7</sup> More than S\$16.1 billion raised in sustainable finance by CLI and its listed REITs and business trusts as at 31 December 2023 since 2018.

# Group CEO's Message

## DECADE-LONG LEADERSHIP IN GLOBAL SUSTAINABILITY ENGENDERING TRUST

We are humbled by the global recognition of our leadership in sustainability, which has seen us listed on the Dow Jones Sustainability World Index for the 12th year. We regained our GRESB Global Sector Leader status (Diversified Sector) and retained our 'AAA' leader rating by MSCI ESG Research.

These accolades will spur us to focus on executing our sustainability strategy well during these tumultuous times. As this requires a global and ecosystem approach, we continue to actively seek partnerships and collaborations with local agencies, industry peers and like-minded entities. At CLI, sustainability will remain at the heart of our business, and we are determined to deliver measurable and sustainable value and uphold our reputation as a trusted ecosystem player and community partner.

We wish to thank all our stakeholders for their unwavering support, and our global workforce for their continued dedication to our sustainability principles. By journeying together, we can Think Big, Do Right, Make It Last, and Make A Positive Impact in our communities.



**Lee Chee Koon**  
Group Chief Executive Officer



Mr Lee Chee Koon, CLI's Group Chief Executive Officer (front left), leading a safety inspection at a CLI commercial office in Singapore

# About This Global Report

CapitaLand Investment Limited (CLI) was listed on the Singapore Exchange on 20 September 2021 following the restructuring of CapitaLand Limited into two distinct business entities – CLI, the listed real estate investment management business and CapitaLand Development, the privatised property development arm. Building on CapitaLand Limited's sustainability efforts, this 15<sup>th</sup> Global Sustainability Report (GSR) reinforces CLI's commitment to sustainability.<sup>1</sup>

The report outlines CLI's approach to integrating sustainability into its policies, structure, management, and operations. The report also documents CLI's sustainability journey and provides insights into its strategies. It further highlights the economic, environmental, social, and governance aspects of CLI's global operations. Through this report, CLI hopes to share its sustainability commitment with its various stakeholders, including CLI staff, investors, customers, business partners, supply chain partners and contractors, the community, and local authorities.



This report and previous editions are available online at:  
<https://ir.capitalandinvest.com/publications.html>

<sup>1</sup> The previous Global Sustainability Reports (GSR) prior to GSR 2022 were published under CapitaLand Limited.

<sup>2</sup> Refers to properties operationally managed by CLI, and excludes properties owned by CLI but operationally managed by third parties.

# About This Global Report

## INTERNATIONAL STANDARDS AND GUIDELINES

CapitaLand Limited was one of the first companies in Singapore to voluntarily publish its annual GSR and adopt the internationally recognised Global Reporting Initiative (GRI) reporting framework. CLI continues to adopt the GRI framework for this GSR.

Its sustainability reporting has evolved into a uniquely hybrid model using the GRI Standards and Greenhouse Gas (GHG) Protocol<sup>3</sup> (operational control method) since 2009, GRESB since 2013, Value Reporting Foundation's Integrated Reporting Framework since 2015, UN SDG Reporting since 2016, Taskforce for Climate-related Financial Disclosures (TCFD)<sup>4</sup> framework since 2017, and Sustainability Accounting Standards Board (SASB) Standards since 2020. It will continue to enhance its disclosures and work towards preparing for International Sustainability Standards Board's (ISSB) standards relating to climate reporting.

CLI is a signatory to the UN Global Compact and is committed to the 10 Principles in the areas of human rights, labour, environment and anti-corruption. Its Communication on Progress (COP) will be made available at [www.unglobalcompact.org](http://www.unglobalcompact.org). It is also a signatory of the United Nations-supported Principles for Responsible Investment (UN PRI), and the Institutional Limited Partners Association (ILPA) Diversity in Action initiative.

CLI continues to apply the Guiding Principles of the International Integrated Reporting Framework and, ISO 26000:2010 Guidance on Social Responsibility, and references the United Nations (UN) Sustainable Development Goals.

## GLOBAL REPORTING SCOPE AND PERIOD

This report covers CLI's global portfolio and staff in over 20 countries, including its six listed real estate investment trusts (REITs) and business trusts - CapitaLand Integrated Commercial Trust, CapitaLand Ascendas REIT, CapitaLand Ascott Trust, CapitaLand China Trust, CapitaLand India Trust and CapitaLand Malaysia Trust, from 1 January to 31 December 2023 unless otherwise indicated. The reporting period aligns with the Group's financial year. This report is to be read in conjunction with CLI's Annual Report 2023 and other sustainability-related disclosures which can be found at [www.capitalandinvest.com](http://www.capitalandinvest.com). In line with CLI's continued commitment to environmental sustainability, no hard copies of this GSR have been printed.

## INDEPENDENT ASSURANCE

To enhance data credibility and instil confidence in users of its report, CLI has externally assured its GSR, since the 2010 GSR under CapitaLand Limited. CapitaLand Limited was one of the first companies in Singapore to externally assure its GSR. Benchmarking against international standards and frameworks that are externally validated helps to overcome the challenges in sustainability reporting that may arise from CLI's portfolio of diverse asset types and geographical presence globally. CLI appointed an independent third party, a consulting company specialising in business sustainability, to provide independent assurance for this report.

The assurance engagement was conducted in accordance with the International Standard on Assurance Engagements 3000 (ISAE 3000). The assurance also covers the report's overall compliance with the Singapore Exchange's principles and rules on sustainability reporting. The independent assurance statement provides a summary of the audit report findings.

## FEEDBACK

Feedback from CLI's stakeholders is welcome as it enables continual improvement in the Group's sustainability policies, processes and performance. Please send your comments and suggestions via <https://www.capitalandinvest.com/contact-us.html>

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<sup>3</sup> This is developed by the World Resources Institute and World Business Council for Sustainable Development, which sets the global standard on how to measure, manage and report greenhouse gas emissions.

<sup>4</sup> The Financial Stability Board (FSB) set up the TCFD in 2015 to address concerns around insufficient disclosure of climate-related risks and opportunities. Following the publication of IFRS S1 and IFRS S2, and at the FSB's request, the TCFD is now subsumed into the International Sustainability Standards Board with the standard-setter taking over the monitoring of the progress on companies' climate-related disclosures from 2024.



# Managing Sustainability

## BOARD STATEMENT

At CapitaLand Investment, sustainability is at the core of everything we do. We are committed to growing in a responsible manner, delivering long-term economic value, and contributing to the environmental and social well-being of our communities. The material environmental, social and governance (ESG) factors have been identified and encapsulated in the CapitaLand Investment 2030 Sustainability Master Plan (SMP), which was refreshed in 2023 as part of the review by the Board of Directors together with Management.

The CapitaLand Investment 2030 Sustainability Master Plan steers our efforts on a common course to maximise impact 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, CapitaLand Investment revised its SMP targets to elevate its SBTi-approved targets in line with a 1.5° scenario, incorporate its Net Zero commitment, and enhance its focus on social indicators.

The Board is responsible for overseeing the Company’s sustainability efforts, and takes ESG factors into consideration in determining its strategic direction and priorities. The Board also approves the executive compensation framework based on the principle of linking pay to performance. The Group’s business plans are translated to both quantitative and qualitative performance targets, including sustainable corporate practices and are cascaded throughout the organisation.

Our sustainability performance has consistently been highly ranked by globally recognised indices such as Dow Jones Sustainability World Index and GRESB. As an industry leader, CapitaLand Investment will continue to push the boundaries to adopt meaningful ESG practices and enhance sustainability in the real estate sector.

## SUSTAINABILITY COMMITMENT

In 2023, CLI revised its 2030 SMP, to elevate its commitment to global sustainability. The SMP will be reviewed regularly and adjusted where necessary, to complement CLI’s business strategy and align with climate science. For each pillar and focus area in the SMP, CLI identified specific pathways to achieve its sustainability objectives and will adapt its strategies as technologies evolve and new climate innovations become available. The CLI 2030 Sustainability Master Plan can be found at: [https://www.capitaland.com/content/dam/capitaland-sites/international/about-capitaland/sustainability/revisedsmp/SMP\\_FINAL.pdf](https://www.capitaland.com/content/dam/capitaland-sites/international/about-capitaland/sustainability/revisedsmp/SMP_FINAL.pdf)

### CLI 2030 Sustainability Master Plan Focus Areas

Build	Enable	Steward
 <p>Portfolio Resilience and Resource Efficiency</p>	 <p>Thriving and Future-Adaptive Communities</p>	 <p>Responsible Business Conduct and Governance</p>
<ul style="list-style-type: none"> <li>✓ Low Carbon Transition</li> <li>✓ Water Conservation and Resilience</li> <li>✓ Waste Management and Circular Economy</li> </ul>	<ul style="list-style-type: none"> <li>✓ Social Impact</li> <li>✓ Human Capital Development</li> <li>✓ Health and Wellness</li> <li>✓ Customer and Supplier Partnerships</li> </ul>	<ul style="list-style-type: none"> <li>✓ Corporate Governance</li> <li>✓ Transparent Reporting</li> <li>✓ ESG Risk Management</li> </ul>

### Recognition by Global Benchmarks

CLI continues to be recognised by leading indices for its global sustainability leadership. It is listed on the Dow Jones Sustainability World Index and Asia-Pacific Index, GRESB (Global Sector Leader – Listed (Diversified) with the highest 5-star rating), FTSE4Good Index Series, MSCI ESG Leaders Index (AAA rating), and The Sustainability Yearbook.

# Managing Sustainability

## BOARD, TOP MANAGEMENT AND STAFF COMMITMENT AND INVOLVEMENT

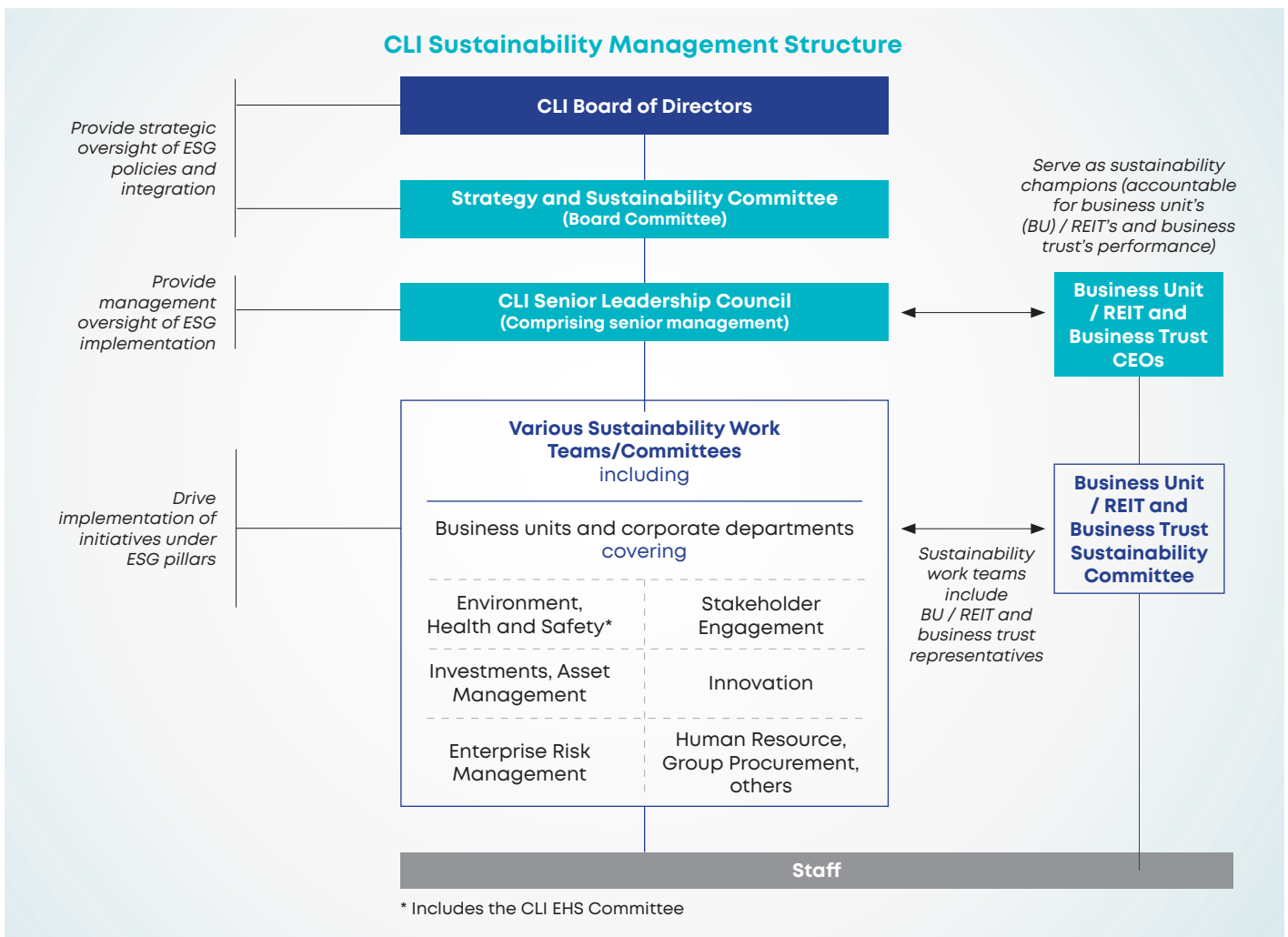
The Board recognises the importance of sustainability as a business imperative and ensures that sustainability considerations are factored into CLI's strategy development. This enables CLI to remain competitive and resilient in an increasingly challenging business environment.

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

Lead Independent Director Mr Anthony Lim chairs the SSC which is a Board Committee. The SSC is responsible for overseeing CLI's sustainability strategies and goals, including providing guidance to management and monitoring progress against achieving the goals of CLI's sustainability initiatives. The SSC typically meets twice a year, with additional meetings convened as necessary. These responsibilities are also detailed under Corporate Governance Board Matters Principle 1 on page 89 of the CLI Annual Report 2023.

The CLI Leadership Council makes strategic resource allocation decisions and meets on a regular basis. The CLI Leadership Council comprises the Group Chief Executive Officer (CEO), CEOs of the various business units and key management executives of the corporate office. The members of the council can be found on page 20 of the CLI Annual Report 2023.








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



# Managing Sustainability

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

CLI's material ESG issues and the value created, aligned to CLI's 2030 Sustainability Master Plan focus areas and commitments, are mapped to six Capitals – Environmental, Manufactured, Human, Social and Relationship, Organisational, and Financial. This is further mapped against eight UN SDGs that are most aligned with CLI's 2030 Sustainability Master Plan focus areas, and where CLI can achieve the greatest positive impact.





 <b>Environment</b>		
Our Commitments	2023 Value Created	
<ul style="list-style-type: none"> <li>• Transit to low-carbon business and reduce energy consumption through improved energy efficiency and increased use of renewable energy.</li> <li>• Reduce water consumption, reuse water and prevent water pollution, especially in countries where the availability of clean water and sanitation are of concern.</li> <li>• Green our global operational portfolio by 2030<sup>10</sup>.</li> <li>• Strengthen CLI portfolio's climate resilience by addressing climate-related risks and opportunities throughout the real estate life cycle</li> <li>• Actively embrace innovation to ensure commercial viability without compromising the environment for future generations.</li> <li>• Influence supply chain to operate responsibly in the area of environmental management through CLI's Supply Chain Code of Conduct.</li> </ul>	<ul style="list-style-type: none"> <li>• 13% reduction in Scope 1 and 2 carbon emissions intensity (per m<sup>2</sup> from 2019 baseline)<sup>5</sup>.</li> <li>• 13% and 24% reduction in energy and water intensity (per m<sup>2</sup> from 2019 baseline) respectively<sup>5</sup>.</li> <li>• Achieved green building certifications for 60% of CLI's portfolio<sup>6</sup>.</li> <li>• Published CLI Climate Resilience Report with climate risk assessment and scenario analysis for CLI's portfolio.</li> <li>• From the submissions received through the first two CapitaLand Sustainability X Challenge (CSXC) editions, 20 innovations are being piloted or planned at 24 CapitaLand properties in Singapore, China, India, Thailand, and the USA, with focus on improving building energy and water efficiency as well as indoor air quality.</li> <li>• Retained ISO 14001 certification in 15 countries, extended certification to four new countries.</li> </ul>	<p>Environmental Capital</p> <p>Manufactured Capital</p> <ul style="list-style-type: none"> <li> 7 AFFORDABLE AND CLEAN ENERGY</li> <li> 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</li> <li> 11 SUSTAINABLE CITIES AND COMMUNITIES</li> <li> 12 RESPONSIBLE CONSUMPTION AND PRODUCTION</li> <li> 13 CLIMATE ACTION</li> <li> 17 PARTNERSHIPS FOR THE GOALS</li> </ul>

5 Covers CLI operationally managed properties. Intensity figures are computed for operational properties with full year data, and exclude new properties which have been in operation for less than 12 months, properties undergoing AEI and corporate offices.  
 6 Covers CLI owned and operationally managed properties (by m<sup>2</sup>).

# Managing Sustainability



## Social

Our Commitments	2023 Value Created	
<ul style="list-style-type: none"> <li>• CLI believes staff can make a significant contribution based on their talent, expertise and experience, regardless of ethnicity, age or gender. We adopt consistent, equitable, and fair labour policies and practices in rewarding as well as developing staff under CLI's direct hire.</li> <li>• CLI aims to provide a safe work environment that contributes to the general well-being of our staff, tenants, contractors, suppliers and the communities that use our properties.</li> <li>• CLI's Supply Chain Code of Conduct influences its supply chain to operate responsibly in the areas of human rights, and health and safety.</li> <li>• CLI is committed to activities that are aligned with our focus on community investment. CLI engages its stakeholders to raise awareness in the areas of philanthropy, environment, health and safety, as well as promote sustainability within the tenant community.</li> </ul>	<ul style="list-style-type: none"> <li>• Global workforce (more than 9,900 staff).               <ul style="list-style-type: none"> <li>– More than 90 nationalities working within the Group.</li> <li>– Males and females at a ratio of about 47 : 53.</li> <li>– More than 67% of CLI's global workforce was aged between 30 and 50.</li> </ul> </li> <li>• More than 38% of senior management were women.</li> <li>• 84% staff engagement score, with 93% survey participation.</li> <li>• Close to 37 average training hours per staff.</li> <li>• More than 92% of staff attended at least one ESG training.</li> <li>• Zero staff work-related fatality and permanent disability incidents.</li> <li>• One contractor work-related fatality<sup>7</sup> and zero contractor work-related permanent disability incident.</li> <li>• No reported incidents relating to discrimination, child labour or forced labour in CLI.</li> <li>• Retained ISO 45001 certification in 15 countries, extended certification to four new countries.</li> <li>• CLI contributed more than S\$3.1 million to CapitaLand Hope Foundation (CHF) and CHF (India)<sup>8</sup>. CHF donated over S\$3.5 million<sup>9</sup> globally in 2023.</li> <li>• More than 1,500 CLI staff tapped on the volunteer service leave to contribute more than 13,500 hours for various activities.</li> </ul>	<p>Human Capital</p> <p>Social and Relationship Capital</p> <p>Manufactured Capital</p>    

<sup>7</sup> Despite CLI's best efforts to assure site safety, there was one workplace fatality involving CLI's contractor staff in Indonesia. This has undergone proper investigation. For more information, please refer to the Human Capital section of this report.


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

<sup>9</sup> This amount included donations made under CHF (India) which is a separate entity from CHF as well as CapitaLand Development.

# Managing Sustainability



## Governance

Our Commitments	2023 Value Created	
<ul style="list-style-type: none"> <li>• CLI has in place a Board Diversity Policy which ensures that the Board comprises talented and dedicated Directors with a wide mix of expertise (including industry, domain and functional expertise), skills, experience (including international experience) and perspectives. This is with due consideration to diversity in gender, age, tenure, ethnicity, culture and geographical background including nationality, as well as any other relevant aspects of diversity.</li> <li>• CLI is committed to meeting high standards of risk management in the way it conducts its business. All employees are required to understand and be responsible for ensuring that risks are managed effectively in their day-to-day work.</li> <li>• CLI requires third-party service providers and vendors to adhere to anti-bribery and anti-corruption provisions.</li> <li>• CLI's Supply Chain Code of Conduct influences its supply chain to operate responsibly in the area of anti-corruption.</li> </ul>	<ul style="list-style-type: none"> <li>• 20% of the Board were women<sup>10</sup>.</li> <li>• Close to 91% of staff attended Fraud, Bribery &amp; Corruption and Whistle-blowing training<sup>11</sup>.</li> </ul>	<p>Organisational Capital</p> <p>Human Capital</p> 



## Economic

Our Commitments	2023 Value Created	
<ul style="list-style-type: none"> <li>• Integrate CLI's ESG performance with financial metrics.</li> </ul>	<ul style="list-style-type: none"> <li>• CLI and its listed REITs and business trusts raised S\$4.5 billion in sustainable finance in FY 2023.</li> <li>• For more details, please refer to the following sections in CLI's Annual Report 2023:             <ul style="list-style-type: none"> <li>– Performance Highlights, page 6-7</li> <li>– Three-Year Financial Summary &amp; Performance Review, page 30-37</li> <li>– Value Added Statement, page 272</li> </ul> </li> </ul>	<p>Financial Capital</p>






10 Figure represents Board composition as at 31 December 2023. This proportion increased to 27% (or 3 female Directors out of a total of 11 Directors) with the appointment of Ms Belita Ong on 1 January 2024.

11 Training completion rate is monitored based on staff strength as at 21 Aug 2023 (training launch date).

# Managing Sustainability

## STAKEHOLDER ENGAGEMENT

Stakeholders are groups which CLI's business has a significant impact on and groups who have a vested interest in CLI's operations. Key stakeholders include staff, investors/shareholders, customers, business associates, contractors and suppliers, and the local community. Other groups include regulators and key government agencies, non-governmental organisations (NGOs), representatives of the capital market and the media. They are mapped into categories based on their impact on CLI. Through the various engagement channels, CLI seeks to understand its stakeholders' views, communicate effectively with them and respond to their concerns.

Commitment to CLI's Stakeholders	Engagement Channel	Topics	Capitals
<p><b>People</b> (Staff) <i>CLI develops high-performing people and teams through rewarding opportunities.</i></p> 	<ul style="list-style-type: none"> <li>Regular dialogue sessions with senior management</li> <li>Regular staff engagement surveys</li> <li>Recreation club activities</li> <li>Volunteer programmes</li> </ul>	<ul style="list-style-type: none"> <li>Work-life balance</li> <li>Remuneration and benefits</li> <li>Staff welfare</li> </ul>	<ul style="list-style-type: none"> <li>Human Capital</li> <li>Social and Relationship Capital</li> </ul>
<p><b>Investors</b> (Investors, analysts and media) <i>CLI delivers sustainable shareholder returns and builds a strong global network of capital partners.</i></p> 	<ul style="list-style-type: none"> <li>Annual general meetings</li> <li>Half yearly financial results announcements</li> <li>Media releases and interviews</li> <li>Annual reports and sustainability reports</li> <li>Company website</li> <li>Regular analyst and investor meetings</li> <li>Responses to sustainability surveys</li> </ul>	<ul style="list-style-type: none"> <li>Operational efficiency, monetary savings, cost avoidance</li> <li>Return on equity, earnings, business strategy, market outlook</li> <li>ESG risks and opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Organisational Capital</li> <li>Financial Capital</li> <li>Social and Relationship Capital</li> </ul>
<p><b>Customers</b> (Residents, tenants, shoppers) <i>CLI creates great customer value and experiences through high-quality products and services.</i></p> 	<ul style="list-style-type: none"> <li>Residents: activities including exercise and volunteer events</li> <li>Tenants: surveys, green fit-out guide, green lease, enrichment events such as Biz+ events</li> <li>Shoppers: mall campaigns, exhibitions, social media campaigns</li> <li>CLI's social media channels</li> </ul>	<ul style="list-style-type: none"> <li>Facilities management</li> <li>Customer experience</li> </ul>	<ul style="list-style-type: none"> <li>Environmental Capital</li> <li>Social and Relationship Capital</li> </ul>
<p><b>Community</b> (Supply chain partners – contractors, vendors, suppliers)</p> 	<ul style="list-style-type: none"> <li>CapitaLand's Supply Chain Code of Conduct</li> <li>Environmental, Health and Safety (EHS) management system</li> <li>Quarterly EHS monitoring</li> <li>Vendor evaluation, events, meetings and training</li> <li>Active engagement with supply chain</li> </ul>	<ul style="list-style-type: none"> <li>Occupational health and safety practices</li> <li>Workers' welfare and well-being</li> <li>Environmental compliance</li> </ul>	<ul style="list-style-type: none"> <li>Environmental Capital</li> <li>Human Capital</li> <li>Social and Relationship Capital</li> </ul>
<p><b>Community</b> (Government/ national agencies, the community and NGOs) <i>CLI cares for and contributes to the economic, environmental and social development of communities</i></p> 	<ul style="list-style-type: none"> <li>Senior management representation on the boards of various industry bodies and sustainability-related public discussions</li> <li>Regulatory readiness to support Singapore Government's commitment to manage carbon emissions</li> <li>Longstanding partner to various national programmes</li> <li>Global sustainability reports</li> <li>Participation in external conferences/forums/ workgroups/focus group discussions to express thought leadership, share experience and collaborate with government officials, academics, NGOs, business associations</li> <li>CapitaLand Sustainability X Challenge</li> </ul>	<ul style="list-style-type: none"> <li>Stakeholder programmes to advocate sustainable tenant/ guest/ customer behaviours</li> <li>Advocacy of best practices</li> <li>Sustainability innovation and collaboration</li> </ul>	<ul style="list-style-type: none"> <li>Social and Relationship Capital</li> </ul>

# Managing Sustainability




## MATERIALITY

CLI identifies and prioritises the management of material ESG issues that are most relevant and significant to the company and its stakeholders. It adopts a double materiality approach, considering issues which are material from either the impact perspective or financial perspective<sup>12</sup> or both.

Potentially material ESG issues arising from activities across CLI's value chain (including potential risks and opportunities in the immediate and longer-term) are primarily identified via ongoing engagement with CLI's business units and external stakeholders, and reviews of sources including investor questionnaires, as well as ESG surveys, sustainability benchmarks and frameworks such as Dow Jones Sustainability Indices, GRESB and SASB.

In addition, CLI has a regular review, assessment and feedback process in relation to ESG topics. Identified material issues are reported in its corporate risk register through the annual group-wide Risk and Control Self-Assessment (RCSA) exercise<sup>13</sup>, which identifies, assesses and documents material risks and the corresponding internal controls to manage those risks. These material risks include fraud and corruption, environmental (e.g. climate change), health and safety, and human capital risks which are ESG-relevant. Identified material ESG issues are then prioritised based on the likelihood and potential impact of issues affecting the business continuity of CLI. For external stakeholders, priority is given to issues important to the community and applicable to CLI. In FY 2023, the material ESG topics that were identified were approved by the SSC.

## Prioritisation of Material ESG Issues

 Environment	 Social	 Governance
<b>Critical</b>		
<ul style="list-style-type: none"> <li>• Climate change and carbon 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>a</sup></li> <li>• Products and services<sup>b</sup></li> <li>• Supply chain management</li> <li>• Diversity (Board and staff)</li> </ul>	<ul style="list-style-type: none"> <li>• Risk management<sup>c</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>d</sup></li> </ul>	

a This includes green leases and tenant engagement on ESG matters.

b This includes products and services promoting customer health and safety, and green certified buildings.

c This includes consideration of compliance, economic performance and cybersecurity.

d This relates to CLI's zero tolerance stance towards child/forced labour.

<sup>12</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.

<sup>13</sup> For more information on CLI's Enterprise Risk Management and Group-wide Risk and Control Self-Assessment exercise and risk management processes, please refer to the Organisational Capital section of this report, and page 83-87 of CLI Annual Report 2023 on Risk Management.

# Managing Sustainability

## INTEGRATING SUSTAINABILITY INTO CLI'S ENTIRE FUND MANAGEMENT LIFE CYCLE

CLI recognises the integral role that ESG factors play in driving long-term value and sustainability within the real estate investment landscape. As a responsible global real asset manager, CLI is committed to integrating ESG considerations into every stage of its fund management life cycle, from fund product development, through capital raising, investments, asset management and exits.









# Environmental And Manufactured Capital

## COMMITMENT TO MINIMISING ENVIRONMENTAL IMPACT

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

CLI incorporates environmental sustainability throughout the life cycle of its real estate investments, from acquisition, design, procurement, construction, operations to asset enhancement/redevelopment stages. It closely monitors and takes actions to mitigate the environmental impact of its business operations. The efficient use of environmental resources, such as energy and water, contributes to the operational efficiency and long-term sustainability of the Company, as well as enhances resilience to climate change.

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

Framework			
Material Issues			
Climate Change and Energy	Water	Waste	Biodiversity
 <ul style="list-style-type: none"> <li>Global greenhouse gas (GHG) emissions at unsustainable level</li> <li>Cost pressure from rising demand for energy</li> </ul>	 <ul style="list-style-type: none"> <li>Water scarcity, accessibility and security</li> </ul>	 <ul style="list-style-type: none"> <li>Waste generation at unsustainable rates</li> <li>Cost pressure from waste management and resource scarcity</li> </ul>	 <ul style="list-style-type: none"> <li>Interdependence between the natural environment and well-being of the community</li> </ul>
Policy and Objectives			
<ul style="list-style-type: none"> <li>Reduce carbon emissions and transit to low-carbon operations</li> <li>Build resilience for CLI's portfolio against the physical risks of climate change and transition risks such as changing regulations and external expectations towards a low-carbon economy</li> <li>Reduce energy consumption and transit to renewable energy sources</li> <li>Reduce water consumption and encourage the use of treated/recycled water and rainwater harvesting</li> <li>Minimise the generation of waste and increase rate of recycling</li> <li>Manage biodiversity to contribute positively to the natural environment</li> <li>Engage stakeholders to adopt environmentally sustainable behaviours</li> </ul>			
Accountability			
<ul style="list-style-type: none"> <li>Chief Executive Officers (CEOs) of respective business units (BUs) within CLI are Sustainability Champions and accountable for Environmental Management System (EMS) performance</li> <li>ISO 14001-certified EMS ensures accountability to all CLI staff</li> <li>Key performance indicators (KPIs) are linked to remuneration of all CLI staff; performance is tracked and disclosed regularly</li> </ul>			

# Environmental And Manufactured Capital

## Framework

### Method/Action Plan

#### Environmental Management System (EMS)

- Ensure legal compliance
- Identify environmental aspects, conduct risk assessment and manage impact
- Adopt CLI Sustainable Building Guidelines (SBG) - including the Environment, Health and Safety Impact Assessment (EHSIA) during the investment and asset enhancement initiative stage (includes reviewing of climate physical and transition risks, and shadow internal carbon price)
- Environmentally sustainable operations – EMS Standard Operating Procedures (SOPs)
- Engage CLI supply chain, require and indicate preference for ISO 14001 contractors/vendors and set environment targets/ requirements in the procurement of products and services

#### KPIs and Performance-linked Remuneration

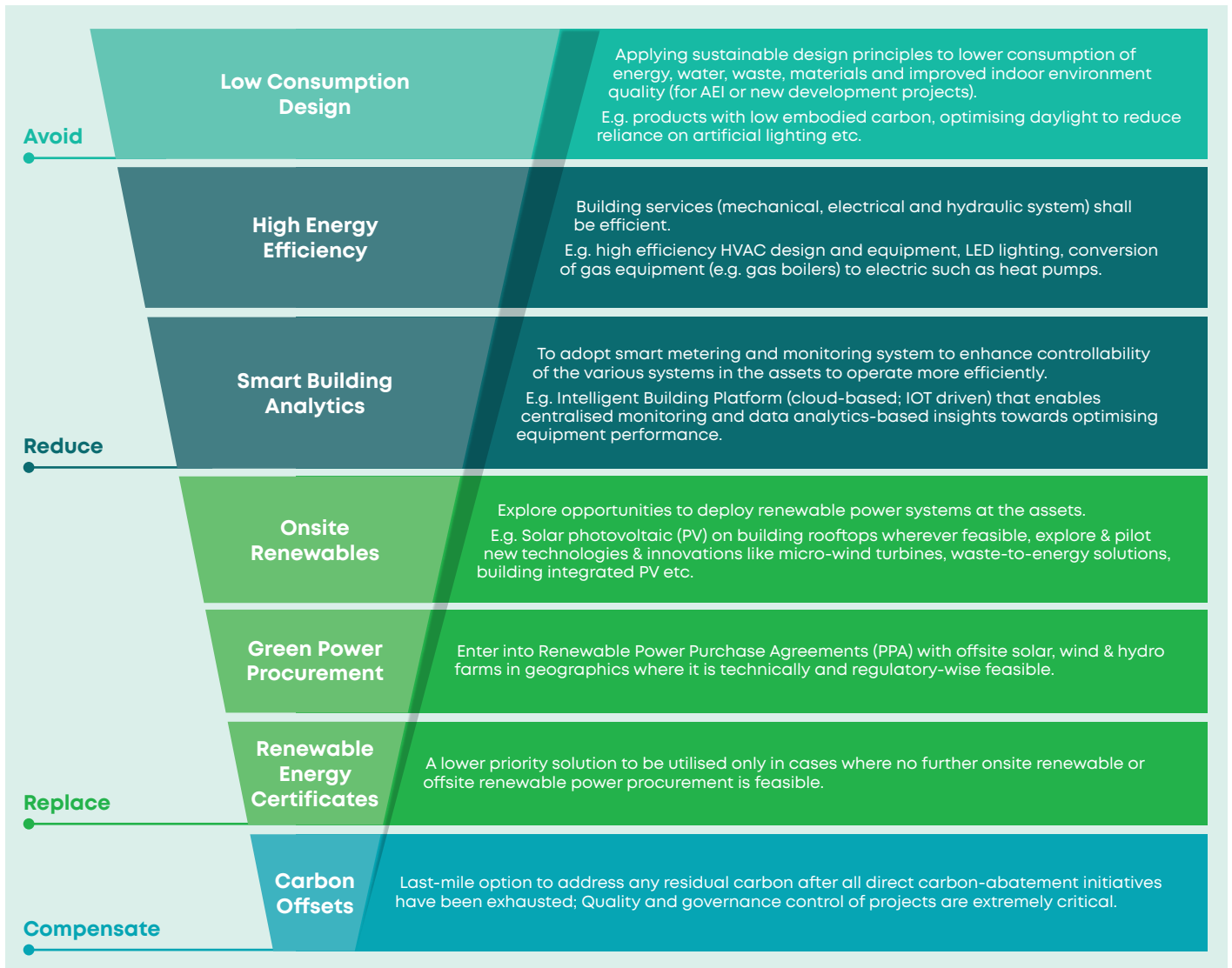
- Set eco-efficiency targets and improve performance through tracking of energy and water usage, waste generation and carbon emissions
- Set green rating for new acquisitions and major refurbishments
- Green existing property portfolio

### Stakeholder Engagement

- Be involved in national policymaking
- Engage supply chain on EMS matters and share CLI Environmental, Health and Safety (EHS) policy with supply chain
- Collaborate with non-governmental organisations
- Encourage key stakeholders, including tenants, shoppers, guests and the community, to adopt environmentally sustainable behaviour

# Environmental And Manufactured Capital

## CLI Carbon Mitigation Hierarchy



CLI follows the Avoid, Reduce, Replace, and Compensate hierarchy for decarbonisation across the real estate life cycle, including for all new build or asset enhancement projects. Project data is monitored during construction and operation through its CLI Environmental Tracking System (ETS). The first stage of carbon mitigation is to avoid the emission of carbon. This is accomplished with low-carbon design early in the stage of a project when major refinements can be made quickly and efficiently, drawing on its in-house CLI Sustainable Building Guidelines (SBG). The next stage focuses on reducing emissions through the use of high efficiency mechanical and engineering equipment and smart building analytics. Further down the hierarchy, it emphasises replacing grid electricity and onsite fuel consumption with onsite renewable energy as well as offsite green power procurement through corporate Power Purchase Agreements. Many of the latest smart building and onsite renewable solutions are also under pilot through the CapitaLand Sustainability X Challenge (CSXC) or CapitaLand Innovation Fund programmes. When neither onsite nor green power are sufficient to replace the building's energy consumption, CLI will consider utilising Renewable Energy Certificates where appropriate. This planned use will be in line with existing SBTi requirements.

CLI aims to address any remaining residual carbon with carbon offsets and is currently reviewing its carbon offsets strategy. The planned use of carbon offsets will be in line with the existing 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. They will be sourced from high quality reputable carbon credit projects that undergo the necessary verification and certification processes, aligned to international standards, with a preference for nature-based carbon removal solutions. CLI will work towards ensuring the credibility and integrity of the offsets that it plans to procure in the future.

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## Commitment to Net Zero by 2050 and Achieving Carbon Emissions Reduction Target in Line With 1.5°C Scenario

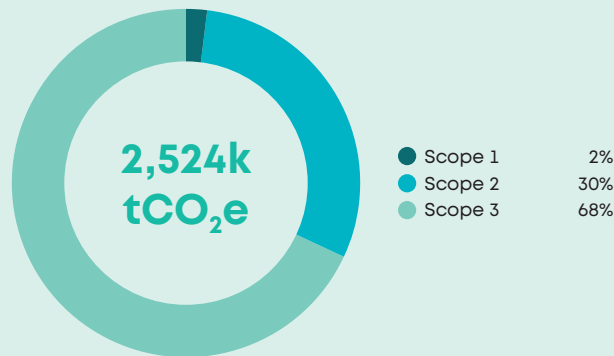
CLI's Scope 1 and 2 carbon emissions reduction targets were validated by the Science Based Targets initiative (SBTi) to be in line with a 1.5°C trajectory<sup>1</sup>, currently the most ambitious designation available through the SBTi process. This will translate to Net Zero by 2050.

CLI commits to reducing its absolute Scope 1 and 2 emissions by 46% by 2030 from a 2019 base year and aims to achieve Net Zero by 2050, consistent with the efforts required to limit global temperature increase to below 1.5°C.

CLI completed a comprehensive review of its Scope 3 emissions to better track and disclose its material Scope 3 emissions, and is working towards developing Scope 3 emission goals aligned to science-based targets.

Over the next decade, as part of CLI's roadmap towards Net Zero, CLI will prioritise the decarbonisation levers outlined in the CLI Carbon Mitigation Hierarchy above. It will continue to source globally for new ideas and technologies to achieve higher energy efficiency and intensify its renewable energy integration efforts.

### CLI 2023 Carbon Emissions Footprint



### Project Zero – Review of CLI's Scope 3 Emissions

In 2023, CLI conducted a comprehensive review of its full inventory of Scope 3 emissions. It commissioned a third-party consultant to identify its material Scope 3 categories, hotspots, and key decarbonisation levers across CLI's global portfolio. Of the Greenhouse Gas Protocol's 15 Scope 3 categories, 10 categories were identified as material to CLI's operations, up from the previously disclosed five categories. Please refer to the table below for more information.

<sup>1</sup> The carbon emissions reduction target in line with a 1.5°C trajectory was elevated from its target of a "well-below 2°C" trajectory set in 2020.

# Environmental And Manufactured Capital

Scope 3 Categories	Materiality Based on CLI's 2022 Footprint	Inclusion in 2023 Reporting Scope
1. Purchased goods and services	Medium	✓ New
2. Capital goods	Low	✓ Expanded scope*
3. Fuel- and energy-related activities	Medium	✓ New
4. Upstream transportation and distribution	Low	✓ New
5. Waste generated in own operations	Low	✓
6. Business travel	Low	✓
7. Employee commuting	Low	✗ Not disclosed in this report
8. Upstream leased assets	Not applicable - Consultant deemed this to be likely immaterial as CLI has accounted for the emissions from its leased spaces (e.g. admin offices) in its Scope 1 and 2 emissions.	✗
9. Downstream transportation and distribution	Not applicable - Consultant deemed this to be likely immaterial as CLI does not sell any products that would incur emissions from product transportation and distribution.	✗
10. Processing of sold products	Not applicable - Consultant deemed this to be likely immaterial as CLI does not sell any products that would incur emissions from further product processing.	✗
11. Use of sold products	Medium	✓
12. End-of-life treatment of sold products	Not applicable - Consultant deemed this to be likely immaterial to CLI as a real asset manager. CLI's main function is not a property developer or construction company and would not incur end-of-life embodied emissions of sold buildings.	✗
13. Downstream leased assets	High	✓ Expanded scope*
14. Franchises	Medium	✗ Not disclosed in this report
15. Investments	Not applicable - Consultant deemed this to be likely immaterial as CLI has accounted for landlord and tenant emissions of its owned and/ or operationally-managed properties in Scope 1, Scope 2, or other Scope 3 categories.	✗

\* For more information, please refer to the GHG Emissions Data Methodology in the Appendix.

# Environmental And Manufactured Capital

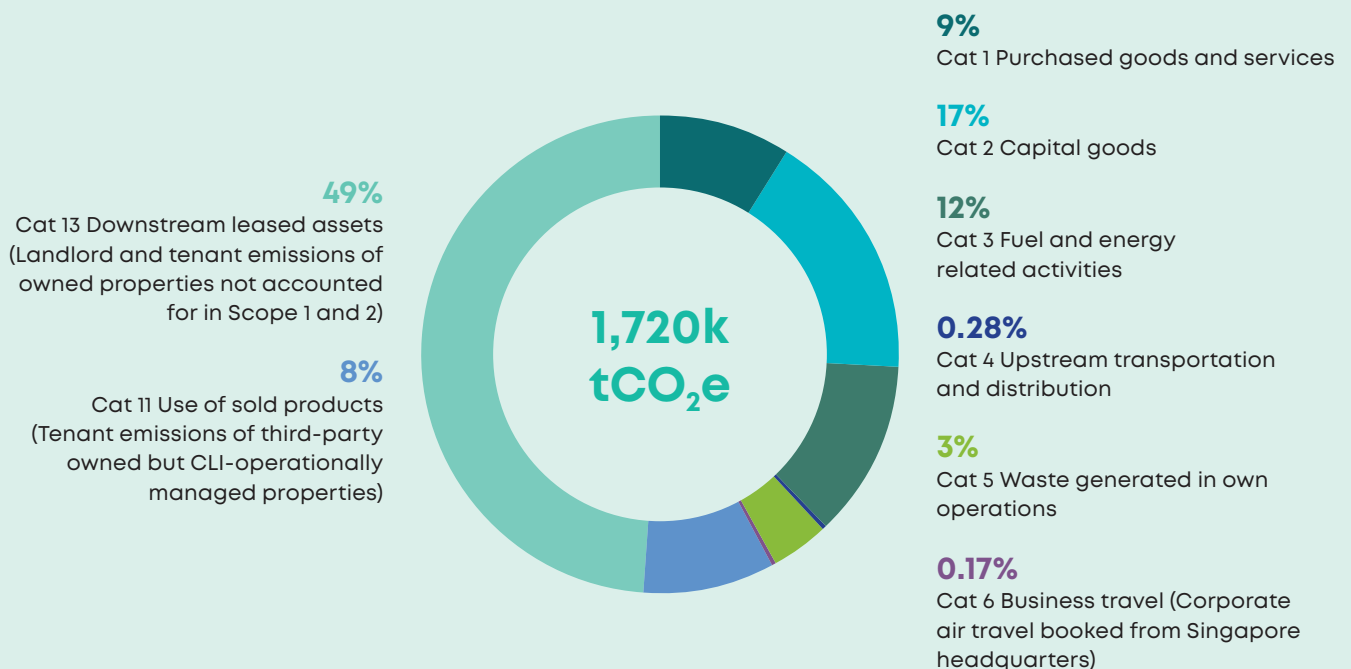
The three additional material categories are supply chain emissions reported under Purchased goods and services (Category 1), fuel and energy-related emissions (Category 3), and upstream transportation and distribution (Category 4). While these three categories are deemed material to CLI's operations, they are not as significant compared with CLI's tenant emissions (reported in Category 11 and 13) which remained the most material contributor to CLI's Scope 3 emissions. Tenant emissions accounted for 58% of CLI's Scope 3 emissions (please see pie chart below). This was followed by embodied carbon emissions from Capital goods reported in Category 2 (17%), fuel and energy-related emissions reported in Category 3 (12%), and supply chain emissions reported under Purchased goods and services in Category 1 (9%).

CLI's embodied carbon emissions (Category 2) were subject to significant fluctuations year-on-year due to its development projects, although such projects were not a major component of CLI's portfolio<sup>2</sup>. In 2023, the substantial increase in embodied carbon emissions (Category 2) compared to the previous year can largely be attributed to upfront embodied carbon from CLI's development projects in India, and the change in CLI's methodology to report upfront embodied carbon in the construction year, instead of reporting multi-year embodied carbon emissions only upon project completion year as per previous reports. With this update in methodology, fluctuations from upfront embodied carbon could be further mitigated to some extent, allowing for more timely disclosure and analysis.

Two categories - Employee community (Category 7) and Franchises (Category 14) were deemed as relevant but were not disclosed in this report as the data are unavailable and proxies were not used for disclosure. CLI is working towards expanding its data coverage and aims to disclose specific performance data on Scope 3 emissions when ready.

CLI remains committed to enhancing the tracking and disclosure of its material Scope 3 emissions and will continue to work closely with its value chain, especially tenants and suppliers, to decarbonise. For more information, please refer to the Key ESG Data Summary (Environmental data) and GHG Emissions Data Methodology in the Appendix.

## 2023 Scope 3 Emissions (tCO<sub>2</sub>e)



<sup>2</sup> CLI was listed in 2021 following the restructuring of CapitaLand Limited (CL), which saw the privatisation of its development arm. CLI's listing marked its transformation into a real asset investment manager which prioritises growth through fee income-related businesses (FRB) comprising Private Funds Management, Listed Funds Management, Lodging Management and Commercial Management.

# Environmental And Manufactured Capital

## KEY PERFORMANCE INDICATORS (KPIs) TIED TO REMUNERATION

CLI's 2030 SMP outlined the pathways to achieve its ESG targets. It includes targets to transit to a low-carbon business, improve resource use and enable a circular economy.

To measure its performance, CLI has incorporated KPIs, most of which are linked to remuneration for its staff, including top management.

### 2023 Key Performance Indicators

	2030 Target	2023 Performance
<b>Low-carbon Transition</b>	Achieve science-based target of reducing absolute carbon emissions (Scope 1 and 2) by 46% from 2019 baseline	10.1% increase against 2019 <sup>3</sup> [14.4% reduction against 2019 for same store / like-for-like assets <sup>4</sup> ]
	Reduce carbon emissions intensity by 72% per m <sup>2</sup> from 2019 baseline	13.2% reduction per m <sup>2</sup> against 2019 [104 tonnes CO <sub>2</sub> e/\$\$ mil (carbon emissions intensity by revenue under management)]
	Reduce energy consumption intensity by 15% per m <sup>2</sup> from 2019 baseline	13.4% reduction per m <sup>2</sup> against 2019
	45% of total electricity consumption from renewable sources	5.2%
	100% of existing buildings <sup>5</sup> to achieve a minimum green rating	60%
<b>Water Conservation and Resilience</b>	Reduce water consumption intensity by 15% from 2019 baseline	24.0% reduction against 2019
<b>Waste Management and Circular Economy</b>	Reduce waste intensity <sup>6</sup> by 20% from 2019 baseline	44.0% reduction against 2019
	Achieve 25% recycling rate in the day-to-day operations	11.4%
<b>Annual Target</b>		
<b>Sustainable Operation Excellence</b>	ISO 14001 certification for its EMS	<b>Achieved</b> - Expanded ISO 14001 certification from 15 to 19 countries
	Manage risks of environmental impact	CLI's EMS is externally audited annually, providing assurance to top management and external investors on CLI's compliance and alignment to best practice

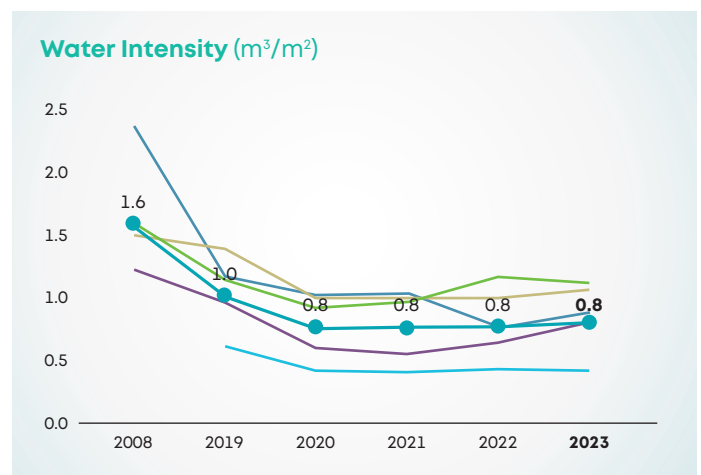
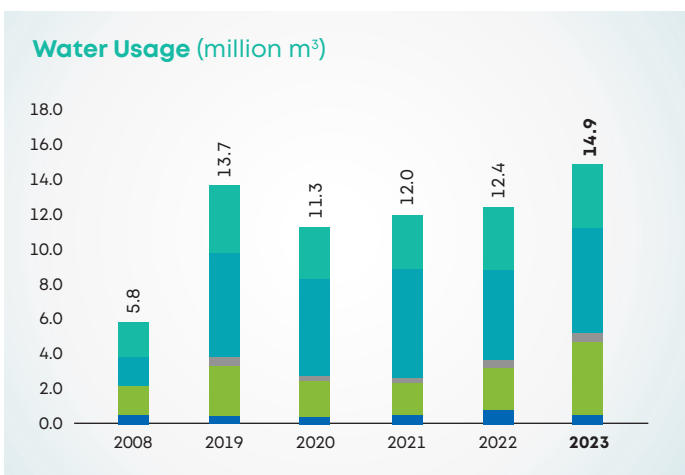
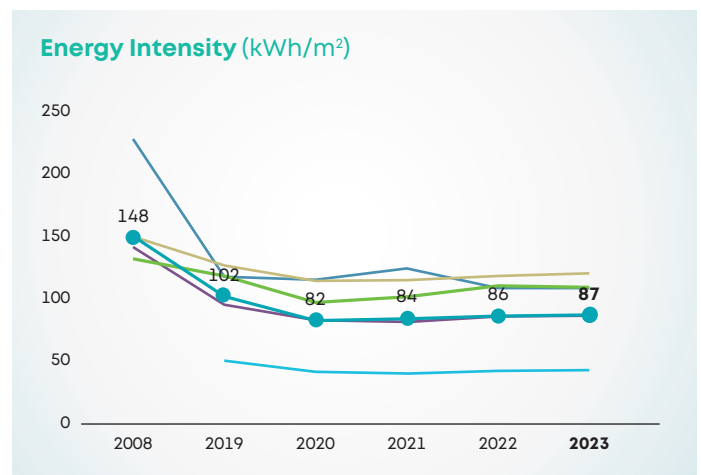
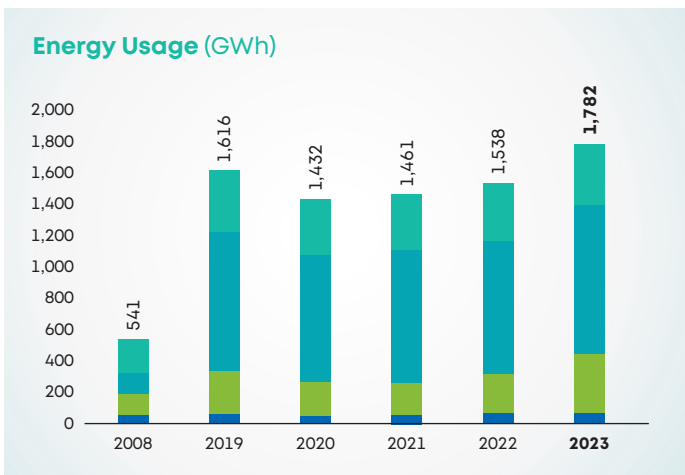
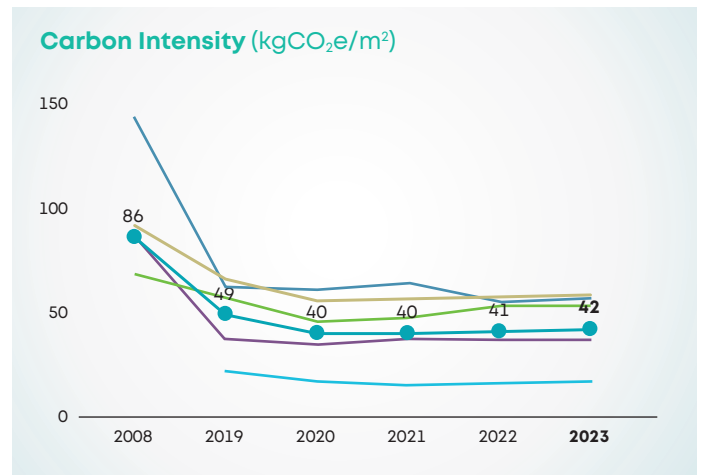
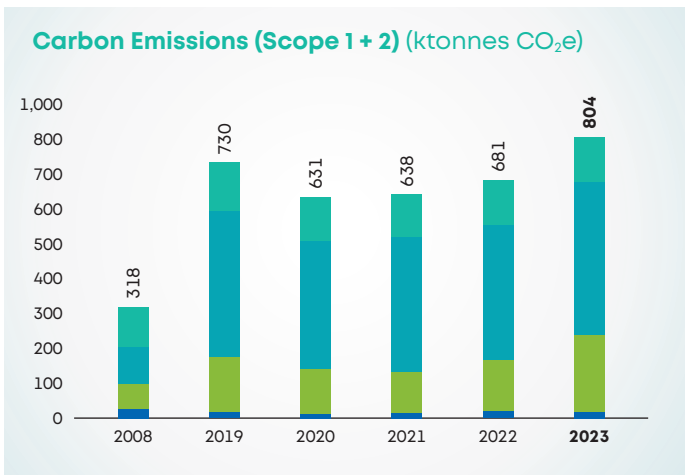
3 CLI extended its disclosure of Scope 1 emissions to include fugitive emissions from chiller top ups. In 2023, there were documented chiller top ups in 17 properties across Singapore, China, India, Malaysia and UK. Please refer to the appendix of this report for the emission factors used. CLI's Scope 2 absolute carbon emissions increase was due to the increase in the number of CLI operational properties from 353 in 2019 to 497 in 2023. The impact of COVID-19 resulting in the drop of activities for the portfolio in previous years (2020-2022) no longer affected its 2023 performance.

4 Between 2019 and 2023, there was an increase in the number of operational properties comprising 158 lodging properties, 11 business parks/logistics/data centres, 10 commercial/retail/integrated developments and two corporate office assets. This same-store / like-for-like comparison is to better reflect the decarbonisation performance of the same-store assets.

5 Refers to CLI-owned and CLI operationally-managed properties and includes all its asset classes such as retail, office, lodging, business parks, industrial, and logistics.

6 In 2023, CLI continued to expand its tracking of waste data. This saw an improvement in coverage from 313 properties in 2022 to 422 properties in 2023.

# Environmental And Manufactured Capital



- Singapore
- China
- India
- Other Asia
- International

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

- Notes:**
- a The number of operational properties increased from 142 in 2008 to 353 in 2019, 353 in 2020, 359 in 2021, 386 in 2022 and 497 in 2023.
  - b Intensity figures are computed for operational properties with full year data, and exclude new properties which have been in operation for less than 12 months, properties undergoing AEI and corporate offices. Slight increase in energy, water and waste intensities in 2023 was due to continued recovery of business activities from COVID-19 as compared to 2022.
  - c District heating and district cooling energy consumption are included in the computation of carbon intensity and energy intensity figures from 2019 onwards.
  - d Data centre is reported as part of business parks, industrial and logistics asset class.



# Environmental And Manufactured Capital

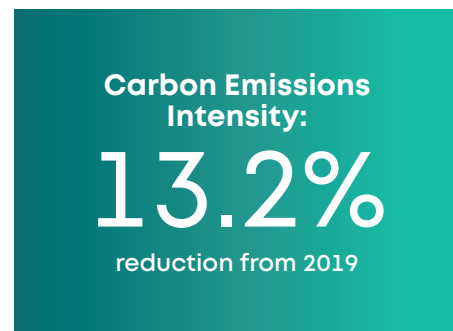
## Carbon Emissions Reduction

The built environment consumes an estimated 30% of the world's energy and is responsible for around 27% of global operational-related carbon emissions<sup>7</sup>. Reducing carbon emissions is a key part of CLI's strategy to mitigate transitional risks for a low-carbon economy. CLI is committed to reduce carbon emissions of its operations in line with a 1.5°C trajectory, with an aim to be Net Zero by 2050.

In 2023, CLI's total Scope 1 and 2 carbon emissions<sup>8</sup> were 804 ktonnes CO<sub>2</sub>e. It reduced its carbon emissions intensity to 41.7 kg CO<sub>2</sub>e/m<sup>2</sup>, a 13.2% reduction compared to 2019 baseline intensity.

In this report, CLI expanded its Scope 1 disclosure to include some fugitive emissions associated with refrigerant gas leakage.

CLI recognises the importance of monitoring and addressing its indirect Scope 3 emissions as well. With the restructuring of CapitaLand into CLI and CapitaLand Development (CLD), embodied carbon and construction emissions from its development projects are mostly tracked by CLD while CLI aims to better track and disclose its other material Scope 3 emissions. Since 2022, CLI has been disclosing emissions associated with properties which are not operationally managed by CLI as part of Scope 3 disclosures. In 2023, CLI conducted a comprehensive review of CLI's full inventory of Scope 3 emissions, and emissions associated to material scope 3 categories are disclosed in this report.



## Supporting Low-Carbon Transportation

The transport sector accounted for more than a third of CO<sub>2</sub> emissions from end-use sectors in 2022, nearly returning to 2019 levels<sup>9</sup>. It was also a main cause of air pollution in cities. Decarbonising transport was therefore instrumental for countries to achieve their commitments set out in the Paris Agreement.

As of end-2023, more than 1,900 electric vehicle (EV) charging stations were installed at 99 CLI-operationally managed properties in Singapore, China, India, Malaysia and Europe.

Over 82% of CLI's properties worldwide are conveniently located close to public transport hubs such as bus stops and train/subway stations. This allows for easy access to its properties without the use of privately-owned vehicles. More than 24,000 bicycle parking facilities are available at over 150 of its properties<sup>10</sup>.



EV charging stations at Capital Tower, Singapore



EV charging stations at Raffles City Shanghai, China

7 "2022 Global Status Report for Buildings and Construction – Towards a zero-emission, efficient, and resilient buildings and construction sector", United Nations Environment Programme.

8 This is computed mostly from purchased energy consumption under Scope 2, and some direct energy consumption under Scope 1 (mainly natural gas, and other fuels such as diesel, petrol and LPG) as defined by the GHG Protocol (operational control approach). Please refer to the appendix of this report for the emission factors used.

9 IEA: <https://www.iea.org/energy-system/transport>

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

# Environmental And Manufactured Capital

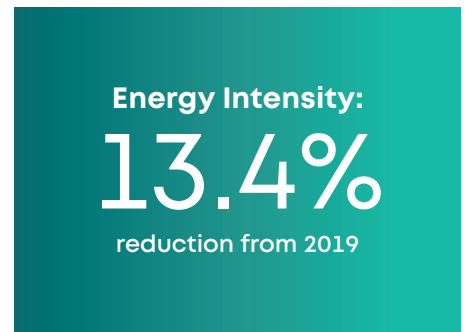
## Energy Efficiency and Renewables

Emissions from CLI's operational portfolio form the majority of its Scope 1 and 2 emissions. Improving energy efficiency and implementing onsite and offsite renewables are the most impactful and cost-effective ways to mitigate those emissions.

In 2023, the total energy consumption of CLI's operational properties was 1,782 GWh. Despite an increase in total energy use due to the expansion of its operational portfolio, CLI reduced its energy intensity measured in kWh per m<sup>2</sup> by 13.4% from base year 2019.

The reduction in energy intensity or energy usage per m<sup>2</sup> is computed at the property and BU level. Reduction targets are set as KPIs for property managers, BU CEOs and REIT and business trust CEOs.

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



Focus	Initiatives
<b>Consumption Reduction</b>	<ul style="list-style-type: none"> <li>Natural ventilation to reduce cooling demands</li> <li>Use of sun shades and cool paints to reduce heat gain</li> <li>Use of daylight, sun pipes/light shelves to reduce the need for artificial lighting</li> </ul>
<b>Energy Efficiency</b>	<ul style="list-style-type: none"> <li>Upgrade to more efficient air-conditioning equipment</li> <li>Use more efficient lighting such as LED, integrated with smart controls</li> <li>Install high-efficiency boiler and heat pump</li> <li>Adopt district cooling systems in selected properties in Singapore and China. CLI was one of the pioneers to join Singapore's first brownfield distributed district cooling network through Tampines Mall</li> </ul>
<b>Control, Metering and Monitoring</b>	<ul style="list-style-type: none"> <li>Conduct energy audits at the properties to improve energy efficiency</li> <li>Building management system and sub-metering</li> <li>Implement IoT platform in properties in Singapore, China and India, which leverage centralised monitoring and data analytics-based insights towards optimising equipment performance</li> </ul>
<b>Renewable Energy</b>	<ul style="list-style-type: none"> <li>Elevated its renewable electricity consumption target to 45% by 2030 to catalyse the transition to a low-carbon economy through onsite installation of renewable energy generation and purchase of green power</li> <li>Install solar PVs on building rooftops and purchase green power wherever feasible</li> </ul>

# Environmental And Manufactured Capital

## Digitalisation and IoT for Optimising Energy Consumption

CLI implements IoT platforms in properties across various asset classes in Singapore and India, which leverage centralised monitoring and data analytics-based insights towards optimising equipment performance. This includes central monitoring of key equipment efficiency, such as the chiller plant, as well as provide early fault detection and rectification.



## Singapore

CLI continued to review asset analytics platforms. In Singapore, two smart building software-as-a-service (SaaS) solutions will be trialled on high specification assets that are not connected to the current Intelligent Building Platform (IBP). These SaaS can potentially achieve significant energy and maintenance savings that will help CLI further decarbonise its current portfolio.

If proved successful, they can be scaled to CLI's remaining assets in Singapore that are not connected to the IBP as well as future assets. It can also serve as an alternative to IBP if its performance is better.



## China

In China, CLI has 19 assets connected to an IoT platform. The IoT platform collects building data from the installed indoor sensors and the asset level BMS to centralise and monitor the key energy consumption data of each asset. The platform enables dashboard-based energy management and remote fault detection.

In 2023, fully automated operation controls were implemented on the chiller and boiler plants of Pufa Tower and Minhong Plaza. By utilising the IoT platform for data transfer and interface with the asset-level BMS, a third-party professional energy services provider could optimise the chiller plant's operating performance using an AI algorithm and guarantee an improvement in annual chiller plant efficiency by 10-12%.



China IoT platform overview

# Environmental And Manufactured Capital

## Renewable Energy

Renewable energy is an essential level in the transit to a low-carbon economy. However, this remains challenging due to limited rooftop spaces at CLI properties where renewable sources of energy such as solar energy could be optimally generated. Green power remains limited in various markets, e.g. in Singapore, and can be more expensive in many jurisdictions.

In 2023, about 5.2% (72,000 MWh) of CLI's total electricity use was from renewable energy sources<sup>11</sup>, which helped to mitigate about 41,000 tonnes of carbon emissions. This was attributed to 44 properties in Singapore, China, India, Australia, Belgium, Germany, Indonesia, Japan and United Kingdom (UK), as well as 10 business parks in India that were fully or partially powered by renewable energy via onsite renewable energy systems or the purchase of full green power or partial green power. CLI's corporate offices in Singapore are also fully powered by renewable energy. CLI continues to explore renewable energy options for its global portfolio, including opportunities to purchase green power and carrying out feasibility studies to install solar panels across its portfolio.

## Onsite and Other Renewable Energy Solutions



11 Refers to CLI operationally managed properties.

# Environmental And Manufactured Capital

## Commissioning a 21-megawatt Captive Solar Plant in Tamil Nadu

CapitaLand India Trust (CLINT) has set up CLI's first captive 21MW solar power plant in Tamil Nadu, India. The power plant is anticipated to generate over 30 million kWh of electricity annually and estimated to meet the power supply needs of 2 million square feet (sq ft) equivalent of office space from early 2024 onwards. The power generated from the solar plant will be utilised predominantly for the common areas of CLINT's assets in Tamil Nadu. This will increase CLINT's green energy usage by over 70%, reduce its carbon emissions by more than 17,000 tonnes, as well as reduce its need to purchase power from the utility. The facility has an 8 MW expansion potential, bringing the solar plant's total power capacity to 29 MW.



CLINT's captive solar plant in Tamil Nadu will generate the power supply needed for 2 million sq ft equivalent of office space

## Expanding Onsite Solar Power Generation in Singapore

CapitaLand Integrated Commercial Trust (CICT) completed the two-phase installation of a solar photovoltaic (PV) system at IMM Building in Singapore which has been fully operational since August 2023. With a peak power rating of 2,359 kWp, this PV system is projected to produce around 2.9 GWh of renewable energy annually which will account for approximately 20% of the total annual landlord energy consumption of IMM Building.

CICT is exploring Phase 3 to extend this initiative to as many as 14 properties, with the potential to generate an estimated 2.7 GWh of renewable energy annually. The tender process is in progress and under review, with a target to finalise and award the project in 2Q 2024.



Solar panels on IMM Building's rooftop

## Expanding Onsite Solar Power Generation and Green Power Purchase in China

In China, the installation of rooftop solar panels at CapitaMall Taiyanggong, Beijing and Kunshan Bacheng Logistics Park, Kunshan was completed and a total of 150 MWh of renewable electricity is expected to be generated annually.

In 2023, CLI secured green power purchase agreements (PPAs) for the first time in China. Over 2,329 MWh of green energy purchased was utilised to power three properties: Ascendas Innovation Hub, Ascendas Innovation Towers and CapitaMall Xindicheng in Xi'an. As such, the renewable energy consumption for CLI's properties in China increased to 0.41% in 2023.



Rooftop solar panels atop Kunshan Bacheng Logistics Park

# Environmental And Manufactured Capital

## HIGH PERFORMANCE SUSTAINABLE ASSETS

Green building ratings and certifications help assure and demonstrate the quality of CLI's portfolio. These ratings serve as an external validation that key environmental aspects have been considered and incorporated in new acquisitions, refurbishment, development<sup>12</sup> and operations.

### Green Building Rating

CLI targets to green all its existing properties by 2030 with each property achieving a minimum certification level by a green rating system administered by a national government ministry/agency/the World Green Building Council. In 2023, 60% of CLI's global portfolio (by m<sup>2</sup>) achieved a minimum green rating<sup>13</sup>.



12 Green building rating targets are determined at the outset of CLI's projects. The minimum target for new buildings and major renovations is a certification by a green rating system administered by a national government ministry/agency/a Green Building Council recognised by the World Green Building Council.

13 This refers to CLI-owned and operationally-managed properties by per m<sup>2</sup>.

## GREEN OPPORTUNITIES FROM RETROFITTING EXISTING BUILDINGS – CHINA

In May 2023, one business park, two commercial towers and one mall across China underwent various asset enhancement initiatives (AEIs) and obtained US Green Building Council LEED certification.

Singapore-Hangzhou Science & Technology Park Block 1, 2 and 3, along with two buildings at Ascendas Innovation Towers, two buildings at Ascendas Innovation Hub, and CapitaMall Xizhimen attained LEED Gold. Additionally, Innov Center Building 2 and 3 in Shanghai, an asset held under the CapitaLand Asia Partners 1 (CAP1) fund, obtained LEED Platinum status, the highest level of LEED certification.

### Singapore-Hangzhou Science & Technology Park (SHSTP), Hangzhou

SHSTP (Phase I), an integrated business park comprising three office buildings (Block 1, 2 and 3) is located close to Hangzhou Metro Line 1 and Line 8 and adjacent to Zhejiang's largest university town. These three buildings obtained the US Green Building Council LEED O+M (Operations and Maintenance) Gold certification.

- Designed to achieve a 60.5% reduction in energy consumption with green features such as its higher performance variable refrigerant flow (VRF) units, a ductless, large-scale system for Heat, Ventilation and Air Conditioning (HVAC) performing at a high capacity, 100% LED lights, sub-metering of key equipment to optimise performance and vertical fins on the facade to minimise solar heat gain and glare. Its building management system (BMS) is also able to monitor the status of chillers, circulation pumps, air handling units (AHUs), fans, and submersible pumps.
- Installation of high-efficiency flush fixtures and smart water sensor taps will help the business park achieve a 37.1% reduction in water consumption (based on design).

6,639,639

kWh/year  
of energy savings

2,625

m<sup>3</sup>/year of water savings

\$856,327

cost avoidance annually



### Ascendas Innovation Towers, Xi'an

Ascendas Innovation Towers is a business park. It obtained the US Green Building Council LEED O+M Gold certification.

- Designed to reduce energy consumption by 58.8% with green features such as an intelligent building management system that allows for advanced HVAC control logic that includes demand-based ventilation and energy-efficient AHUs. Other initiatives included 100% LED lights, sub-metering of key equipment to optimise performance and vertical fins to minimise solar heat gain and glare.
- Chiller system using low global warming potential (GWP) refrigerant R410A
- Installation of high-efficiency flush fixtures will help reduce water consumption by 46.4% (based on design).

27,340,891

kWh/year  
of energy savings

40,445

m<sup>3</sup>/year of water savings

\$4,949,876

Cost avoidance annually



## GREEN OPPORTUNITIES FROM RETROFITTING EXISTING BUILDINGS – CHINA

### Ascendas Innovation Hub, Xi'an

The property comprises two office buildings, Building A and B which obtained the US Green Building Council LEED v4 O+M Gold certification.

- Designed to reduce energy consumption by 61% due to energy-efficient features such as magnetic bearing chillers, intelligent building management system, 100% LED lights, sub-metering of key equipment to optimise performance and vertical fins to minimise solar heat gain and glare.
- Installation of high-efficiency flush fixtures, smart water sensor taps, and automated irrigation systems will help the business park to achieve a 50.4% reduction in water consumption (based on design).
- Implemented a CO<sub>2</sub> monitoring system in densely occupied space to control fresh air supply, along with the installation of MERV 14 filters to improve indoor air quality.



9,254,762

kWh/year  
of energy savings

2,671

m<sup>3</sup>/year of water savings

\$S\$1,106,387

cost avoidance annually

### CapitaMall Xizhimen, Beijing

It is strategically located next to the Second Ring Road, served by Beijing's metro lines 2, 4 and 13, as well as the Beijing North Railway Station. The retail mall obtained US Green Building Council LEED v4 O+M Gold certification.

- Designed to achieve a 63.9% reduction in energy consumption due to its higher performance VRF units, a ductless, large-scale system for HVAC performing at a high capacity, 100% LED lights, sub-metering of key equipment to optimise performance and vertical fins to minimise solar heat gain and glare. It is also connected to a district cooling system.
- Its BMS system include an air conditioning control system, water supply and drainage monitoring system, power distribution and monitoring system, security monitoring system, temperature and humidity control system, ventilation system, lighting management system, and elevator system.
- Installation of high-efficiency flush fixtures and smart water sensor taps will help the mall achieve a 46.9% reduction in water consumption (based on design).
- Implemented a CO<sub>2</sub> monitoring system to control fresh air supply.



10,215,135

kWh/year  
of energy savings

12,216

m<sup>3</sup>/year of water savings

\$S\$1,465,302

cost avoidance annually

### Innov Center (Building 1, 2 and 3), Shanghai

Innov Center comprises five buildings. Building 1, 2 and 3 are office towers and Building 4 and 5 are retail and shared offices. Building 1, 2 and 3 achieved the US Green Building Council LEED O+M Platinum certification.

- Designed to achieve a 72% reduction in energy consumption due to its higher performance VRF units, a ductless, large-scale system for HVAC performing at a high capacity, 100% LED lights, sub-metering of key equipment to optimise performance and vertical fins to minimise solar heat gain and glare.
- Installation of high-efficiency flush fixtures and smart water sensor taps will enable a 33% reduction in water consumption (based on design).
- 27% of the building's area is dedicated for 42 native or adapted vegetation, promoting biodiversity



20,711,027

kWh/year  
of energy savings

10,950

m<sup>3</sup>/year of water savings

\$S\$3,181,196

cost avoidance annually



## GREEN OPPORTUNITIES THROUGH ASSET ENHANCEMENT INITIATIVES (AEIs) - CHINA

CapitaMall LuOne in Shanghai underwent AEI and obtained US Green Building Council LEED Gold Certification.

### Energy and Water Efficiency

- Designed to achieve more than 20% reduction in energy consumption which will help to mitigate more than 3,565 tonnes of carbon emissions per year.
- Utilises low global warming potential (GWP) refrigerants.
- Its wide range of energy-saving features include an on-demand ventilation system to reduce energy consumption of its air conditioning system, high-efficiency chillers with coefficient performance of 5.61, daylight sensors and high-efficiency lighting system, high performance building envelope and variable speed pumps.
- Its irrigation systems use harvested rainwater to reduce its dependency on potable water for irrigation of its external landscape. In addition, integrating low-flow water-saving features in the mall would result in a reduction in potable water use by 43%.

### Conductive Indoor Environmental Quality and Stakeholder Comfort

- Boosts the largest indoor garden atrium in Shanghai with over 16 species of vegetation, providing a biophilic environment to its shoppers and tenants.
- Achieved the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) indoor air quality standard with a 30% improvement against ASHRAE 62.1-2007 in fresh air ventilation rate to improve thermal comfort of the mall for tenants and shoppers. It used building materials such as concrete/glass with a high solar reflection to reduce ambient heat effect.

### Circularity - Sustainable Building Material and Construction Waste Management

- Materials with recycled content constituted more than 30% of total materials cost used during the AEI.
- 86% of the materials were locally sourced within 500 km.
- The contractors diverted more than 98% of its onsite generated construction waste from landfill.



6,251,478

kWh/year  
of energy savings

15,237

m<sup>3</sup>/year of water savings

\$876,937

cost avoidance annually

## GREENING THE LODGING INDUSTRY

In 2023, Ascott reaffirmed its dedication to pioneering green certification in the serviced residence industry by adding 16 properties worldwide to its EDGE certified portfolio<sup>14</sup>. Citadines Connect Fifth Avenue New York in the United States, Citadines Montparnasse Paris, and Citadines Islington London in Europe achieved EDGE Advanced certification<sup>15</sup>.

Citadines Connect Fifth Avenue New York is the first Ascott property in the United States to achieve EDGE Advanced certification and is expected to reduce annual energy and water consumption by 46% (639,360 kWh/year) and 20.5% (2,326 m<sup>3</sup>/year) respectively. It implemented various initiatives such as insulating the roof, ground, and walls to prevent heating and cooling loss, improvements to the cooling system's efficiency, as well as efficient water closets, faucets, and showerheads.

Citadines Montparnasse Paris is expected to achieve annual energy and water savings of 45.3% (267,360 kWh/year) and 49.3% (4,045 m<sup>3</sup>/year) respectively. Various initiatives were implemented, including the installation of energy-saving light bulbs and lighting controls for corridors. Water-efficient features such as dual-flush toilets, efficient flush systems and auto shut-off faucets were also fitted.

Citadines Islington London is projected to achieve annual energy and water savings of 41.8% (418,720 kWh/year) and 28.2% (2,979 m<sup>3</sup>/year) respectively. Key features implemented include high-efficiency boilers, smart energy meters, low-flow showerheads and low-flow faucets in guest rooms.



### Citadines Connect Fifth Avenue New York

**46.0%**  
more energy efficient

**20.5%**  
more water efficient

**\$\$67,095**  
cost avoidance annually



### Citadines Montparnasse Paris

**45.3%**  
more energy efficient

**49.3%**  
more water efficient

**\$\$51,375**  
cost avoidance annually



### Citadines Islington London

**41.8%**  
more energy efficient

**28.2%**  
more water efficient

**\$\$68,608**  
cost avoidance annually

<sup>14</sup> In 2018, CLI's wholly-owned lodging arm, The Ascott Limited (Ascott), signed a MoU with International Finance Corporation (IFC), a member of the World Bank Group, to pioneer a green certification for the serviced residence industry, as part of the IFC's Excellence in Design for Greater Efficiencies (EDGE) programme.

<sup>15</sup> A building must achieve at least 40% predicted energy savings in addition to at least 20% predicted (or estimated) savings in water and embodied energy (or embodied carbon) in materials to qualify for EDGE Advanced certification. The savings are compared to the base case in the EDGE assessment tool.

# Environmental And Manufactured Capital

## Water Conservation and Resilience

CLI takes a strategic approach to water management in its real estate portfolio. CLI is committed to reducing water consumption, reusing water and preventing water pollution, especially in countries where the availability of clean water and sanitation are of concern. A regular survey is conducted to better understand water source and discharge for each property. At almost all of CLI's operational properties, water is sourced from municipal supplies<sup>16</sup> and wastewater is responsibly disposed of via municipal facilities.

According to the World Resources Institute's Aqueduct Water Risk Atlas, India and parts of China are deemed to face extremely high water stress by 2050. For Singapore, water conservation and responsible use of water are key governmental concerns. To reduce reliance on potable water, CLI's properties in India have wastewater recycling facilities onsite and reuse the wastewater for non-potable uses where possible. CLI's SBG highlights the importance of water-efficient design and use of alternative water resources such as rainwater harvesting and greywater. Through CSXC and CIF, CLI is searching for and testing technologies to reduce its water footprint.

In 2023, CLI's operational properties' total water usage was about 14.9 million m<sup>3</sup>. The increase in water used compared to the previous year was largely attributed to higher occupancy at its properties resulting from post COVID-19 recovery. Most of its water usage comes from cooling towers, toilets, washing activities and landscaping.

CLI reduced its water intensity measured in m<sup>3</sup>/m<sup>2</sup> by 24.0% from base year 2019. In addition, 1.6 million m<sup>3</sup> of freshwater consumption was avoided with the use of water recycled onsite and via NEWater<sup>17</sup>. The reduction in water usage per m<sup>2</sup> is computed at the property and BU level. This forms a critical part of the KPIs for the property managers and the BU CEOs.



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

Focus	Initiatives
Consumption Reduction	<ul style="list-style-type: none"> <li>Flow regulators; self-closing delayed action faucets/motion-activated faucets; dual flush/low flush toilets</li> <li>Choice of local plant species and drought resistance plants; irrigate plants in the morning or late afternoon to minimise evaporation loss</li> <li>Source water reduction measures through CSXC to test acoustic leak detection, chemical and non-chemical cooling tower blowdown water treatment, and irrigation demand reduction</li> </ul>
Control, Metering and Monitoring	<ul style="list-style-type: none"> <li>Water audit; sub-metering to track consumption and early leak detection</li> </ul>
Recycling and Reducing Reliance on Potable Water	<ul style="list-style-type: none"> <li>Grey water recycling<sup>18</sup>; condensate recovery</li> <li>Rainwater harvesting for landscape irrigation</li> </ul>

16 Six properties extract groundwater for use with the appropriate treatment system in place. Meters are installed to monitor water usage. This usage accounts for 1.1% of CLI's total water usage. Surface water extraction due to rainwater harvesting accounts for about 0.01% of its total water usage.

17 NEWater is treated wastewater produced by PUB, the national water agency of Singapore, which has been further purified using advanced membrane technologies and ultraviolet disinfection, as well as recycled water from onsite wastewater treatment.

18 In 2023, onsite grey water recycling reduced almost 0.57 million m<sup>3</sup> of potable water consumption.

# Environmental And Manufactured Capital

## Water Resilience: Smart Irrigation at International Tech Park Gurgaon, India

International Tech Park Gurgaon has nine acres of landscaping, divided into 45 irrigation zones, each with multiple plant species. The Smart Irrigation system was piloted in 22 irrigation zones with the installation of a network of soil moisture sensors and replacement of existing butterfly valves with motorised valves. The entire system works without any human intervention to reduce the water and electricity consumption through automation.

Between April and November 2023, the Smart Irrigation System saved 3,800 m<sup>3</sup> of water and 4,324 kWh of electricity vs baseline conditions. The electricity savings were achieved from reduced irrigation water pumping.



International Tech Park Gurgaon, India

## Water Resilience: An Air To Water Atmospheric Generator solution at Citadines OMR Chennai, India

Citadines OMR Chennai, a serviced apartment in India, implemented an innovative solution for water resilience - Air To Water Atmospheric Generators (AWGs). AWGs produce drinking water directly from the humidity in the air, requiring no raw water input. This technology effectively reduced reliance on municipal water provided by the government or purchased bottled water. The solution helped the serviced apartment to reduce purchase of drinking water by 90% (2,100 litres per month).

By strategically placing these AWGs in four key high traffic areas; the lobby, banquet hall, gym/swimming pool, and at the staff entrance, it eliminated the need to provide bottled water in residents' rooms and in these high traffic areas for the guests and staff. Furthermore, the AWGs were powered by 86% renewable energy in 2023, with a target set to be 100% powered by renewable energy from 2024 onwards.



AWGs placed in four key high-traffic areas — the lobby, banquet hall, gym/swimming pool, and at the staff entrance

# Environmental And Manufactured Capital

## Waste Management and Circular Economy

CLI aims to manage waste at its properties responsibly. As waste generated at its operational properties is mostly from its tenants, guests and the general public, CLI engages its stakeholders through various means to reduce and recycle waste. For example, recycling bins are available at its properties for its tenants, shoppers and guests.

CLI implements waste management strategies as part of its EMS. However, data in certain countries and properties were not readily available or could not be easily consolidated due to local supply chain data tracking challenges. CLI aims to improve tracking of waste data at its properties and will continue implementing measures to reduce waste generation from its day-to-day operations. It targets to reduce waste generation (kg/m<sup>2</sup>) by 20% from its 2019 baseline and achieve 25% recycling rate by 2030. In 2023, more than 12,000 tonnes of waste<sup>19</sup> was collected for recycling from 364 properties in 22 countries, achieving a recycling rate of 11.4%.

According to Global E-waste Monitor 2024 by UNITAR, a record 62 million tonnes of e-waste was produced in 2022, up 82% from 2010. By 2030, it estimated a 32% increase to 82 million tonnes of e-waste. CLI has put in place e-waste recycling initiatives since 2014.

Globally in CLI properties, over 72 tonnes of e-waste was collected at 103 properties and disposed through appropriate recycling channels. This included the appointment of certified e-waste management companies or disposal at appropriate extended producer responsibilities (EPR) bins. More than 48 tonnes of e-waste was collected at 54 properties in Singapore in 2023, where CLI had implemented e-waste recycling initiatives since 2014.

In Singapore, CLI's Group Technology team also ensured that the digital devices procured by the Company were appropriately recycled through a waste management company specialising in metal and electronic waste management. In 2023, 6.8 tonnes of e-waste including laptops, desktops, monitors, and computer accessories were recycled.

## 6 Star NABERS Waste Rating: 100 Arthur Street, Australia

100 Arthur Street achieved a 6 Star NABERS Waste Rating as it had achieved more than 90% in recycling rate. The property is one of the nine properties across Australia to achieve this accolade.

In 2023, building waste and recycling streams which included dry waste, organics, mixed recycling, paper and cardboard, landfill and electronic waste were put in place. All bins were clearly demarcated with colour coded recycling hubs inside the premises of tenants, and they were actively engaged on how to correctly utilise the waste and recycling bins.

Additionally, a weighing device was installed in the loading dock where the cleaners could weigh the waste (and recycled waste) on a daily basis. The data was recorded on a portal, providing a secondary source of data. There was also regular verification of the recorded waste data against the waste and recycling figures disclosed by the appointed third-party waste collection contractor. The cleaners further segregated and decontaminated any incorrectly disposed items in the recycling bins before placing them in the main bins in the bin room. The waste was also sent to a dry waste processing centre which could furnish the necessary recycling information and provided a better chain of custody. These initiatives boosted the quality of the recycled waste and tracked data.

With better waste data quality, there were reduced waste collection charges dispute with the contractor, and savings were achieved from reduced fees for landfill waste disposal.



Weighing device in the loading dock, providing quality secondary source of waste data

19 Whilst recycling facilities are made available at CLI's properties, not all public waste collectors are able to furnish the recycled waste collected in weight as requested for reporting purposes. In 2023, about 108,558 tonnes of waste was collected at 422 properties.

# Environmental And Manufactured Capital

## Piloting Onsite Food Waste Digesters in Singapore Properties

In 2023, CLI initiated a pilot programme introducing food digesters at two malls, Funan and Tampines Mall, as well as at an industrial facility, 2 Senoko South Road. The digesters utilised aerobic digestion, employing microorganisms in the presence of oxygen and water, in order to recycle food waste into greywater and/or compost. The pilots were partially funded by the CIF, an internal platform to drive ideas and promote innovation within CLI.

The three pilots spanned between 5 to 11 months and saw an average recycling rate of 3.5% for the two malls and 15% for the industrial facility. In 2023, the total amount of food waste collected was 111,040 kg. The pilots faced several challenges which include higher than expected utilities consumption, odour and pest issues, digester downtime, input limitations (e.g. inability to process hard/fibrous materials), manpower requirements to ensure operation, high tenant staff turnover and data reporting limitations. Lessons learnt from this exercise were shared and CLI will continue to explore ways to address food waste.

This includes continued engagement with CLI's food and beverage tenants, and preparing for food waste collection to be processed at Tuas Nexus, Singapore's first integrated facility which is designed to treat food waste at an industrial scale. Tuas Nexus is currently expected to be completed in phases from 2026 onwards.



Funan



Tampines Mall



2 Senoko Road

## Value Chain Engagement and Low Carbon Initiatives

Scope 3 or value chain emissions are the next key area of focus for CLI's decarbonisation journey. Some key areas within Scope 3 that CLI will focus and continue to enhance upon include:

1. **Extend and enhance material Scope 3 data coverage.** For more information, please refer to Project Zero, pg XX of this report.
2. **Collaborate with tenants** in their decarbonisation journey.

Beyond operating environmentally sustainable properties, CLI understands the vital role that end-users of its buildings play. Collaboration with tenants is becoming more important so as to influence and support their sustainability goals. CLI implemented a green lease programme at its properties in Singapore, where minimum equipment and lighting efficiency requirements are stipulated to tenants. The green lease programme was also rolled out at its properties in China in 2022. As of end 2023, about 57%<sup>20</sup> of its tenants in Singapore and China have signed green leases. For its other properties globally, a green fit-out guide is provided to new tenants to encourage them to adopt greener fit-outs and promote green practices and behaviour. CLI aims to expand its green lease programme to its other properties globally and work with its tenants to improve their sustainability performance.

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

# Environmental And Manufactured Capital

## Test-bedding Sustainable and Circular Solutions in Tenant Fit-outs in Australia and Singapore

### 66 Goulburn Street, Australia

CapitaLand Integrated Commercial Trust (CICT) adopted the innovative practice of repurposing furniture for office fit-outs. Specifically, at 66 Goulburn Street, two office levels were refurbished using premium recycled materials, including glass dividers, workstations, and additional air conditioning units. This not only significantly reduced waste being sent to landfills but also enabled up to 50% savings in refurbishment expenses.

This strategy demonstrates how sustainability initiatives can harmoniously blend with high quality design aesthetics, proving that environmental stewardship and financial prudence can indeed go hand in hand.



Repurposed furniture used in refurbishment of 66 Goulburn Street, Sydney

### CLI Corporate Headquarters, Capital Tower, Singapore

#### Repurposing of used furniture, electronic appliances and carpets

- Used office furniture and electronic appliances (129,230 kg) were assessed to be in good condition and redistributed to various charities/NGOs or recycled by a third-party vendor that estimated 236,131 kg CO<sub>2</sub>e avoidance.
- 10,660 pieces of used carpets (100% of the original carpets in CapitaHub) were assessed to be in good condition, and were repurposed and deployed at NGOs and dormitories by the vendor.

#### Recycling and use of recycled products

- ~63 kg of coffee grounds and tea leaves were collected from the office's social pantries. An appointed vendor would collect and process these coffee grounds and tea leaves and upcycle them into compost and/or material for cups. The vendor is currently working with a local polytechnic to produce a table with over 50% of its composition made of coffee grounds.
- ~350,600 used bamboo chopsticks were collected and processed by another vendor and transformed into two commissioned tables as well as timbre finishings for its main reception area and walls of selected meeting rooms.
- The internal staircase raisers were made from waste wood chips (oak trees that have reached end of life) amounting to 117 kg of wood waste recycled.



Commissioned tables made of used bamboo chopsticks



Repurposed carpets in dormitories

# Environmental And Manufactured Capital

In 2023, CLI partnered with its tenants for its global CSXC to widen its sustainability impact. Selected CSXC innovations will have the opportunity to be piloted at the premises of CLI's tenant partners including DBS Bank and KPMG in Singapore.

3. **Influence supply chain** through strengthening CLI's ESG screening of suppliers and enhancing CLI supply chain's ESG awareness through targeted engagement sessions. Explore new emerging and innovative construction technologies/methods relating to embodied carbon targets and processes, in collaboration with its suppliers for the asset enhancement initiatives of CLI's properties. (CLI is already implementing specific climate-related requirements, including energy efficiency, reduced packaging and recycled content. There is also a continued requirement for main contractors to be ISO 14001 certified or implement onsite audit, and preference for vendors with EHS certifications.)

## MANAGING CLIMATE-RELATED RISKS AND OPPORTUNITIES

CLI recognises the risks that climate change can have on its global portfolio and the opportunities arising from it. It aims to better understand and respond to physical risks, such as extreme weather events and rising temperature, as well as transition risks towards a low-carbon economy. CLI is focused on low-carbon transition to mitigate transition risks, and on climate change adaption to build portfolio resilience against the physical risks from climate change.

### Climate Resilience – Task Force on Climate-related Financial Disclosures (TCFD<sup>21</sup>)

CLI pledged its support for the recommendations by the TCFD since 2019. It has voluntarily published climate-related financial disclosures in four key areas (i. governance, ii. strategy, iii. risk management, and iv. metrics and targets) since 2017 as recommended by the TCFD. For more details, please refer to CLI Climate Resilience Report 2023.

#### Governance

- CLI's group-wide sustainability management comes under the purview of a CLI Board Committee, the Strategy and Sustainability Committee (SSC). Please refer to the Introduction section of this report for more information on the CLI Sustainability Management Structure.
- CLI's senior management undergo appropriate training with respect to climate-related risk and opportunity management. All CLI Board members have undergone the prescribed SGX ESG training for 2023.

#### Strategy

- CLI's strategy to identify and address climate-related risks and opportunities spans across its entire real estate life cycle. Please refer to the Life Cycle Management section of this chapter for more information.
- CLI factors climate-related costs and opportunities in its evaluation of new investments or capital expenditure, quantifying it with a shadow internal carbon price which was implemented in 2021.
- All new investments undergo the EHSIA to identify any environmental risks and opportunities. The assessment also covers performance metrics such as energy efficiency, as well as climate transition and physical risk and opportunity considerations. Please refer to the Environment, Health, and Safety Impact Assessment section of this chapter for more information.
- CLI has conducted three climate scenario analyses so far. The third climate scenario analysis that was the widest in coverage and deepest in impact assessment considered scenarios based on the latest global and scientific developments (scenarios from 1.5°C to 3°C for current to long-term time frames). The analysis guides CLI in making informed decisions for its business with significant risk exposure, building resilience and reducing vulnerability of identified properties.

21 The Financial Stability Board (FSB) set up the TCFD in 2015 to address concerns around insufficient disclosure of climate-related risks and opportunities. Following the publication of IFRS S1 and IFRS S2, and at the FSB's request, the TCFD itself is now being subsumed into the ISSB with the standard-setter taking over the monitoring of the progress on companies' climate-related disclosures from 2024.



# Environmental And Manufactured Capital

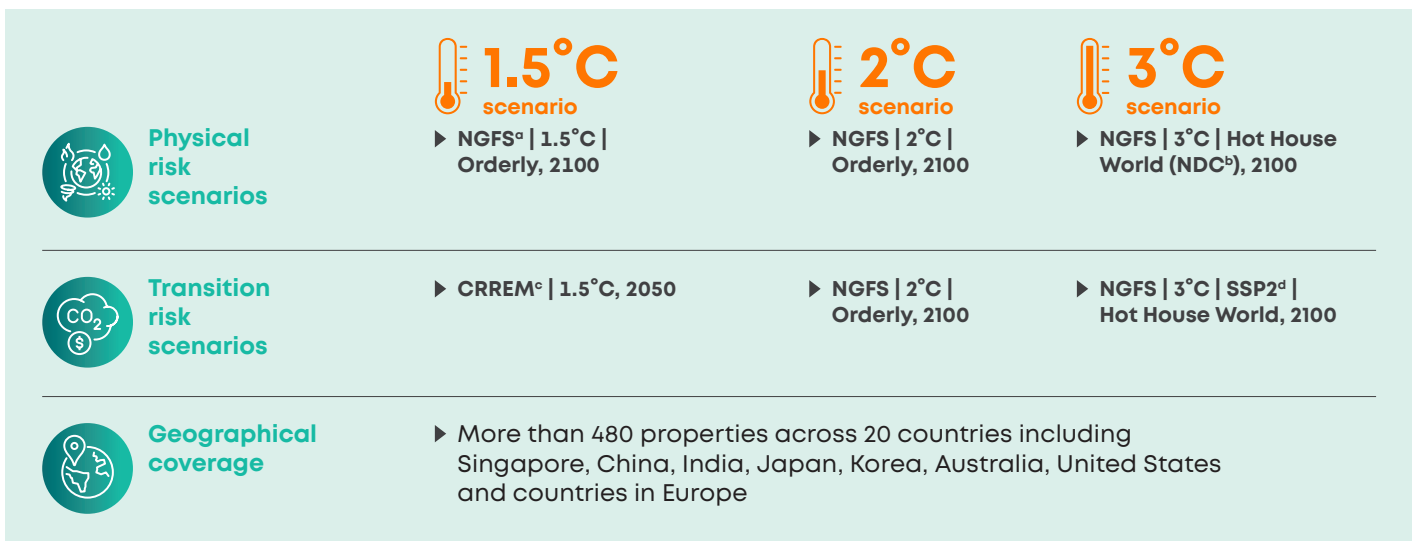
## Risk Management

- Climate change risks and opportunities are identified and managed through CLI's externally certified ISO 14001 EMS and Enterprise Risk Management (ERM) framework. This includes an annual Group-wide Risk and Control Self-Assessment exercise to identify, assess and document material risks including relevant ESG risks, along with their key controls and mitigating measures. Please refer to the Organisational Capital chapter of this report for more information on CLI's ERM framework.

## Metrics and Targets

- Since 2010, CLI has been disclosing Scope 1, 2 and 3 emissions of its global portfolio in its Global Sustainability Reports and the data has been externally assured.
- CLI's 2030 SMP outlines the targets and pathways for transition to a low-carbon business that is aligned with climate science. Targets to reduce energy and water usage and carbon emissions, as well as green certification targets are set for its operational assets. Please refer to the Introduction chapter in this report for more information on CLI's 2030 SMP.
- Sustainability and climate-specific performance metrics and targets are linked to the remuneration policies for members of senior management.

In 2023, CLI completed its third climate scenario analysis for its global portfolio, including its real estate investment trusts (REITs) and business trusts, to understand how the identified climate-related risks and opportunities could impact future operations. The insights on both quantitative and qualitative assessments of the risks identified provide a basis for the next steps in understanding the severity of risk impacts across time horizons. CLI and its REITs and business trusts will continue to review their mitigation and adaptation plans and identify opportunities that align with CLI's 2030 SMP.



a The Network of Central Banks and Supervisors for Greening the Financial System (NGFS)  
 b Nationally Determined Contributions (NDC)  
 c Carbon Risk Real Estate Monitor (CRREM)  
 d Shared Socioeconomic Pathways (SSP)

# Environmental And Manufactured Capital

## KEY ENABLERS

CLI's EMS is a key tool in managing its environmental footprint across its global and diverse portfolio. The EMS is integrated with CLI's Occupational, Health and Safety Management System (OHSMS) to form CLI's EHSMS. CLI's EHSMS is audited by a third-party accredited certification body to ISO 14001 and ISO 45001 standards. ISO 14001 and ISO 45001 are internationally recognised standards for the environmental management of businesses and occupational health and safety management of businesses, respectively.

CLI's Environmental, Health and Safety (EHS) Committee and its BUs' EHS Committees are responsible for implementing the EHSMS.

### CapitaLand Investment EHS Policy

As an international corporate social citizen, CLI is committed to protecting the environment and upholding the occupational health and safety of everyone in the workplace\*, and will:



Implement the  
CapitaLand  
Investment EHS  
Policy



Seek continual  
improvement on  
its EHS  
performance



Comply with  
pertinent  
legislations and  
other  
requirements



Implement the  
CapitaLand Investment  
Sustainable  
Building Guidelines and  
Occupational Health and  
Safety programmes

This policy is readily available to all staff, suppliers, service providers and partners.

\* This includes implementing the EHSMS.

In 2023, CLI expanded its ISO 14001 certification for its EMS from 15 countries to 19 countries. It was already implemented in Singapore, Australia, Belgium, China, France, Germany, India, Indonesia, Japan, Malaysia, Philippines, Spain, Thailand, UK and Vietnam. In 2023, CLI's wholly-owned lodging business unit, The Ascott Limited, extended implementation of its EHSMS to Bahrain, South Korea, Qatar, and the United Arab Emirates. Selected properties completed its external assurance process and met the international standards for its EMS. This encompasses all business functions including property development, property management as well as corporate management and operations.

## Top Management Commitment and Staff Involvement

CLI's EHS Committee helps maintain the EHS Management System. Each BU also has its own EHS Committee to drive initiatives in countries where they operate with support from various departments. The EHS Committee supports the work of CLI's Leadership Council. Please refer to the Introduction chapter in this report for details on the CLI Sustainability Management Structure. All staff are involved in reducing CLI's environmental footprint. They are encouraged to be forthcoming and to report all incidences of environmental-related issues and complaints, as well as incidences of non-compliances and non-conformities.

# Environmental And Manufactured Capital

## Risk Management of Environmental Aspects and Impact

CLI's EMS provides a systematic process to manage its portfolio's environmental impact and to continuously improve its environmental performance. It is important to identify and manage significant aspects of its business operations that can potentially have a negative impact on the environment. The significance levels and impact of each environmental aspect are determined using a risk assessment technique based on factors comprising the likelihood of occurrence, severity of the impact and control measures to be implemented.

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

CLI strives to minimise impacts from resource depletion, carbon emissions and waste generation. This is done by setting environmental targets such as green building rating targets; carbon emissions, energy, water and waste reduction targets; targets on stakeholder engagement activities; as well as implementing various measures to achieve them. The targets are linked to the remuneration for top management and staff. For more details, please refer to the table on "2023 Key Performance Indicators" above.

## Training

To facilitate the effective implementation of its EMS, training and awareness programmes are organised for all staff. Please refer to the Human Capital chapter of this report for more details on EHS training and awareness programmes.

## Global Internal and External Audits

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

### Environment Tracking System

CLI has been tracking the energy and water usage, waste generation and carbon emissions of its managed and owned operational properties via an online Environmental Tracking System (ETS) since 2008. CLI's ETS covers its global portfolio of integrated developments, retail, office, lodging, business parks, industrial, logistics and data centres. The ETS also tracks the energy and paper consumption of CLI's corporate offices in Singapore and overseas. CLI leverages this platform to monitor the various environmental initiatives implemented at its properties globally including energy and water efficiency measures, biodiversity and habitat risks, as well as physical risks, including flood risk and water management initiatives.

As a cloud-based platform, the ETS facilitates benchmarking on consumption patterns and helps identify opportunities for further operational efficiency improvements. It allows each property to conduct analysis against set targets and past trends to understand consumption patterns, compare against properties within the region, and identify areas for improvement. The consolidated data is also analysed at the BU, REIT and business trust, and CLI-levels against reduction targets. This facilitates a better understanding of consumption patterns and identification of areas for eco-efficiency improvements for its global portfolio. Regular desktop audits are conducted to ensure data completeness and accuracy. In preparation for this report, mandatory audit clauses to check on ETS and safety data were embedded into the annual EHS internal audit for its global portfolio. The Group Sustainability team also undertook a desktop audit of one month's energy data for 70% of its global portfolio in the ETS. The specific findings from the audit were shared with BUs to close the data gap, engage in best practices and highlight areas for improvement. There were also regular updates and discussions on ETS data completion and accuracy in the Group Sustainability Implementation Committee meetings involving various BUs.



# Environmental And Manufactured Capital

## CLI'S Sustainable Building Guidelines (SBG)

CLI's SBG is an in-house guide developed since 2007 to ensure environmental considerations are factored in all stages of a project, from feasibility, design, procurement, construction, operations to redevelopment. It covers new acquisitions, developments and refurbishments by CLI, as well as joint venture developments where CLI has management control and the largest stake in. The SBG is regularly reviewed to ensure continuous improvement, with a focus on four key objectives: minimising carbon footprint and energy consumption, water management, reducing the generation of waste, and promoting biodiversity in the real estate life cycle.

## Environment Health and Safety Impact Assessment (EHSIA)

A key component of the SBG is the mandatory EHSIA. An EHSIA is carried out during the feasibility study of CLI's investment in operational assets or development projects as part of its due diligence<sup>22</sup>. This involves establishing the baseline environmental performance metrics such as energy efficiency and comparing it against CLI's 2030 sustainability targets. The assessment also includes transition and physical risk and opportunity considerations, as well as the application of a shadow internal carbon price. This assessment would guide businesses to consider EHS risks and opportunities upfront and identify mitigation measures earlier. The significant findings of the EHSIA and their cost implications are incorporated in the investment paper submitted to CLI's Group Investment Management Committee and/or Board for approval.

### Biodiversity

Most CLI properties are located in urban and built-up areas. There are no sites located within protected areas and hence no material biodiversity risk is identified. CLI incorporates greenery within its properties as it enhances the wellness of its end-users and the vitality of the surrounding communities over the long term. CLI's SBG encourages the use of certified wood (e.g. wood products with Forest Stewardship Council, Program for the Endorsement of Forest Certification certifications) and other more sustainable wood materials and products such as composite wood, engineered wood and bamboo. As part of its EMS, CLI ensures wastewater is responsibly disposed of via municipal facilities to prevent water pollution and impact to biodiversity.



## Innovation as a Key Lever

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

Externally, CapitaLand Sustainability X Challenge (CSXC) is a platform where sustainable building solutions are crowdsourced globally to accelerate its innovation drive in its journey towards meeting CLI 2030 SMP targets. The four focus areas are low carbon transition, water conservation and resilience, waste management and circular economy, and health, safety and wellness in buildings. For more information, please refer to page v of this report.

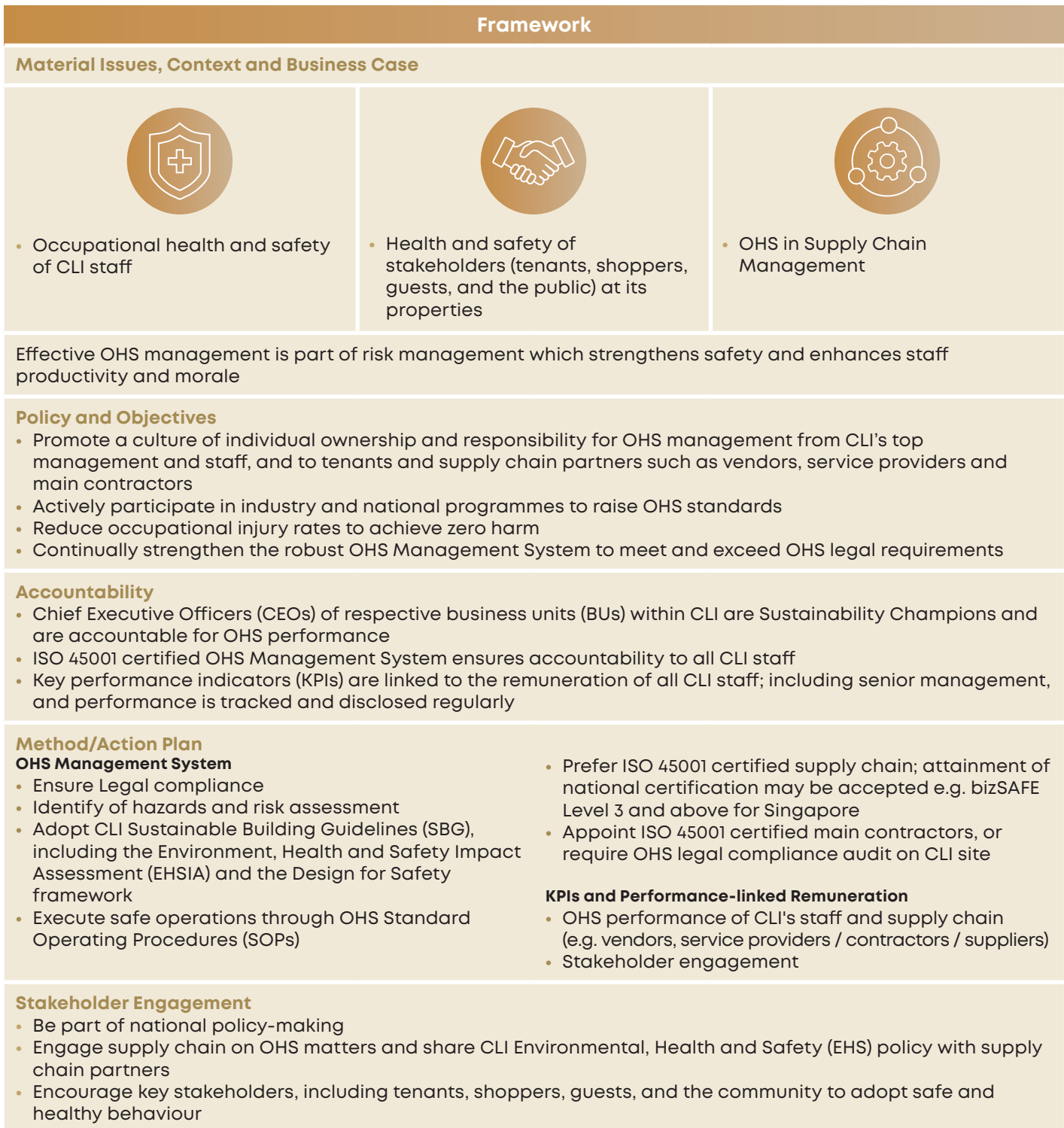
CLI also continues to be part of the Science Based Targets initiative (SBTi) Expert Advisory Group that contributes to the development of science-based target setting methodologies, tools and guidance for companies in the real estate sector and other stakeholders. CLI also contributed actively to the Building Sector Science-Based Target-Setting Guidance - Draft for Pilot Testing that was published in December 2023. CLI was shortlisted and actively participated in the SBTi Building Sector Guidance Pilot which commenced in end 2023.

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

# Human Capital

## COMMITMENT TO A HEALTHY AND SAFE WORKPLACE

CLI is committed to the occupational health and safety (OHS) of its staff, tenants, supply chain partners, and the communities where it operates. Effective OHS management reinforces safety and enhances staff productivity and morale. CLI's OHS framework includes identifying material issues, developing action plans, setting policies, ensuring accountability within CLI and engaging stakeholders.



# Human Capital

## TOP MANAGEMENT COMMITMENT AND STAFF INVOLVEMENT

CLI champions OHS with commitment from the top management and staff participation through an integrated EHS Management System as well as stakeholder engagement activities. CEOs are accountable for the OHS performance of their business units (BUs). Supplementing the EHS management system is a CLI Group Safety Council since 2020 that comprises members from the CLI Leadership Council. The Group Safety Council reviews major OHS incidents and guides the development of a strong CLI safety culture.

In CLI, staff are required to personal responsibility for their OHS and are encouraged to report OHS incidents, including non-compliance and non-conformity cases to the relevant BU management representatives. CLI engage to its staff globally through its various BU representatives.

### Top Leadership Commitment to Safety

Setting the tone from the top, CLI's senior management continued to lead safety inspections at its properties in Singapore, China and India. Such inspections also allow senior management and the portfolio and asset management teams to gain first-hand safety insights from the CLI ground teams and, identify potential safety improvement opportunities.



CEO, Lodging, CEO, Retail and Workspace (Singapore and Malaysia) and CEO, India Business Park, leading safety inspections at CLI properties in Singapore and India

### Key Performance Indicators (KPIs) Tied to Remuneration

CLI continues to incorporate OHS KPIs that are linked to the remuneration of all CLI staff, including its top management<sup>1</sup>.

## ROBUST OHS MANAGEMENT SYSTEM

CLI's approach to health and safety is guided by its OHS Management System. Established in Singapore in 2009 under the former CapitaLand Limited, it covers 19 countries - Australia, Bahrain, Belgium, China, France, Germany, India, Indonesia, Japan, Malaysia, Philippines, Singapore, South Korea, Spain, Thailand, Qatar, United Arab Emirates (UAE), the United Kingdom (UK), and Vietnam. CLI's EHS policy outlines CLI's commitment to managing OHS issues. Please refer to the EHS policy outlined in the Environmental Capital chapter of this report.

### OHS Recognition and Awards

In China, CLI properties have been recognised by various local government agencies at the municipal and provincial levels. Eighteen properties across asset classes such as shopping malls, office buildings, and integrated developments obtained 28 fire safety and safety-related awards for their commitment to fire safety and building safety. These properties included CapitaMall LuOne, Shanghai, Raffles City Beijing, CapitaMall Leshijie Chengdu; and Ascendas iHub Suzhou.

In India, CLI's operations and project development teams for business parks were conferred safety awards from the National Safety Council of India (NSCI) and The Infrastructure, Facility, Human Resource And Realty Association<sup>2</sup> (iNFHRA). The awards included the NSCI Safety Award for VITP, a Hyderabad project, as well as two awards for CLI India Business Parks, namely Best Health and Wellbeing Programme Award at the 6th Annual HSE Strategy Summit and Awards 2023 and the Gold award for the "Safety and Security category" at the iNFHRA Workplace Excellence Conference and Awards 2023-24.

CLI's Singapore operating platform for business parks was recognised as bizSAFE Partner by the Singapore Workplace Safety and Health Council<sup>3</sup> (WHSC), for supporting its small, medium enterprises (SMEs) in its supply chain in joining the bizSAFE programme and improve their workplace safety and health.

1 In 2024, CLI enhanced its Balanced Scorecard on workplace safety to encompass CLI staff lost day work-related incidents.

2 It is India's premier industry body for the workplace fraternity. It epitomises the interests of industry and trade, interfaces with the Government on policy issues and interacts with counterpart international partners to promote bilateral issues.

3 The Workplace Safety and Health (WSH) Council is a statutory body under the Singapore Ministry of Manpower that is supported by Tripartite Alliance Limited. It works closely with the industry, unions, professionals, trade associations and other government agencies to raise WSH standards in Singapore.

# Human Capital

## Certified to International Standards

The OHS Management System has been externally audited to recognised international standards for OHS Management Systems since 2009 by third-party accredited certification bodies. CLI retained its ISO 45001 OHS Management System certification in 15 countries and extended its coverage to four more countries<sup>4</sup>. This encompasses all business functions including property management and operations, project development and corporate office management.



## Global Internal and External Audits

CLI has an internal audit system to assure EHS conformance and effective implementation that is aligned with the ISO 14001 and 45001 standards.

Internal audits are scheduled at least once a year across 19 countries, covering 50% of the sites in each country. In addition, external audits are scheduled annually with an accredited third-party certification body. The annual EHS Management System (EHSMS) audits assure top management and external investors of CLI's EHS legal compliance and commitment to best practices. CLI completed the external and internal audits within its portfolio this accomplishment was driven by CLI's commitment to strong EHSMS, enabled by alternative audit modes such as virtual and a hybrid of virtual and physical site audits. In 2023, CLI's wholly-owned lodging business unit, The Ascott Limited, extended implementation of the EHSMS to Bahrain, South Korea, Qatar, and the UAE. The properties in these countries completed their external audit, in alignment to international standards for OHS Management Systems.

## Compliance

Legal requirements are reviewed quarterly, and compliance with these requirements is evaluated annually. Despite best efforts to ensure compliance, Singapore, China and the US incurred seven non-compliant incidents relating to fire safety and workplace safety and health. Root causes were identified through investigations, and corrective actions were taken immediately. Lessons learnt from the incidents were shared across BUs, reinforcing CLI's commitment to strengthening its safety culture.

## Risk Management of OHS Hazards

Identifying OHS hazards and assessing their risks are key components in CLI's OHS Management System. CLI strives to eliminate or minimise such risks. Hazard Identification and Risk Assessments (HIRA) are reviewed annually, or following an incident, or where there is a significant process change. OHS hazards are identified from the administration, development and operational functions of CLI's businesses, and their risks are assessed. Examples of hazards include slip, trip and fall, fall from height and falling objects. With OHS as a line function, the BUs establish SOPs to minimise the occurrence of such hazards.

Since October 2020, the EHSIA was implemented as a mandatory requirement when evaluating new investments. The results of the EHSIA enabled the investment teams to consider OHS risks and opportunities upfront and to identify mitigating measures earlier in the investment evaluation process.

To further strengthen safety, CLI introduced the Global Safety Guidelines (GSG), built on current CLI safety processes. New guidance was introduced as CLI continually seeks to strengthen its safety processes and practices across all CLI properties globally.

<sup>4</sup> CLI staff located in these 19 countries account for 98% of CLI's total staff strength.

# Human Capital

## Enhancing Workplace Safety at CLI Properties

In France and Spain, Ascott implemented various initiatives to reduce work related injuries in Citadines Trocadéro Paris, Citadines Les Halles Paris, Citadines La Défense Paris, and Citadines Ramblas Barcelona, Spain. This included:

- Replacing the use of A-frame ladders with light rolling working platforms,
- Installing “bed lifts” for easier bed-making which eliminated the need to lift heavy mattresses when making beds
- Housekeepers were equipped with motorised service carts which reduced the risk of sustaining muscular and skeletal injuries from heavy loads.
- A buzzer embedded in the safety vest that alerts the staff who has adopted an unsafe work posture.

In Singapore, the BU Safety Committee enhanced safety pathways with reflective paint to increase visibility in vehicular traffic zones at 40 Penjuru Lane.

At the roof where the solar panels are installed, non-load-bearing surfaces are marked out with bold yellow lines and warning signs.



Bed lift used in property (left) and vest fitted with buzzers to alert user to maintain safer postures (right)



Left to Right: Reflective paint on driveway and demarcated hazard area with paint and warning signage

## Training and Awareness

To facilitate effective implementation of its EHSMS, training and awareness programmes are organised for CLI staff. New staff are briefed on CapitalLand’s EHS policy and the roles of each staff. Heads of departments in administration, operations, and project development, including heads of operating properties, design managers and project managers, undergo more detailed training programmes. In 2023, more than 46% of CLI staff attended at least one EHS-related training amounting to over 49,000 training hours. These include first-aid, chemical handling, electrical safety, ergonomics, EHS incident and emergency response training.

To overcome the challenge of its growing international portfolio, CLI continued to put in place the “Train-the-Trainer” initiative for its “EHS Implementor Training Programme”. This expands the reach of trainers to countries where CLI operates.

CLI shares safety best practises and lessons learnt through safety advisories and bulletins and made available on the CLI intranet.



# Human Capital

## Reinforcing OHS Culture



Two digital solutions were deployed in Singapore, India and Malaysia

### Digitalising OHS Monitoring at CLI Properties

CLI leveraged digital solutions and an in-house developed iSafe app for CLI staff in Singapore, Malaysia, and India to submit safety improvement suggestions at CLI operationally managed properties in those countries. In 2023, over 650 alerts were received and channelled to the appropriate parties for follow-up actions.

In China, CLI continued to deploy its digital solution for EHS-related inspections that records observations and EHS scores. The solution was deployed across more than 55 CLI operationally managed properties in China. In 2023, over 640 EHS-related inspections were conducted.



EHS Dashboard for China properties

## Measuring Our Safety Performance

CLI's OHS performance monitoring extends to all staff (both full-time and part-time) and contractors involved in the daily operations. In 2023, there were 40 work-related injuries involving CLI staff, mostly from the operations teams. Slip, trip, and fall (excluding fall from height) incidents and incidents of striking against stationary objects accounted for more than 40% of the staff work-related injuries. The increase in the lost time injury frequency and lost day rates for 2023 could be attributed to six work-related incidents with longer medical leave. The impacted CLI staff have recovered and returned to work. Lessons learnt were shared and corrective actions were implemented using the hierarchy of controls, which included refresher safety training and installation of additional warning signs. To continually lift OHS performance, CLI continues to monitor its OHS performance, reinforce OHS standards, and improve its SOPs.

### 2023 CLI Staff Safety Performance Results



0

Staff work-related fatality and High-consequence injuries (permanent disability)



2.0

Lost Time Injury Frequency Rate (LTIFR) per million manhours worked



41.2

Lost Day Rate<sup>5</sup> Per million manhours



1.9

Absentee<sup>6</sup> Rate

<sup>5</sup> The increase in rates for 2023 could be attributed to six work-related incidents with longer medical leave of 60 days and above. The impacted CLI staff have recovered and returned to work.

<sup>6</sup> Absentee rate was based on medical leave taken by CLI staff, regardless of whether it was a work-related illness or not.

# Human Capital

## OHS AND WELLNESS OF STAKEHOLDERS

CLI understands the important role that end-users of its buildings and its supply chain play. It actively engages its staff, tenants, supply chain partners as well as the wider community to promote total well-being, health and safety.

### Staff Wellness

CLI aims to provide a work environment that is safe and contributes to the well-being of its staff. CapitaLand Wellbeing Strategy includes three components focus on Positive Mental Health, a Healthy Workplace, and a Safe and Inclusive Workplace, where each affect and overlaps the others. Through this, CLI seeks to uplift staff work performance, and and strengthen engagement and commitment to the company.

In 2023, 20 staff well-being programmes and initiatives were organised, with the participation of more than 440 staff attendees across 18 countries. These programmes and initiatives were well-aligned with the six dimensions of wellness (Mental Health, Physical Fitness, Career Wellness, Social Wellness, Financial Wellness) of the CLI Wellbeing Programme. This included an annual health screening in Singapore and China with close to 1,300 staff in Singapore<sup>7</sup> and more than 2,700 staff in China participation in 2023.

CLI also organised training sessions for change management resilience and mental wellness-related topics. More than 750 staff participants were clocked in over 1,600 hours for the sessions.

In addition to CLI's ongoing financial assistance programme (financial wellness), Employee Assistance Programme and global Mental Well-being Ambassadors (trained CLI staff on mental health and psychological resilience), CLI organised additional well-being workshops with close to 500 participants.

In Singapore, CLI piloted a psychological health, safety and well-being mobile app, FlourishDx, that provided on-demand education and positive psychology strategies for its staff on the go. This was discontinued after the pilot due to a low staff take up rate.

### Tenants and Community Wellness and Emergency Preparedness

Ensuring a safe and pleasant environment for occupants, CLI made efforts to design properties where possible with features such as biophilic design, high-efficient air filters to reduce pollutants, sensors, and monitoring systems to track and maintain good indoor air quality.

#### WELL CORE Platinum Certification: LuOne Office Tower, Shanghai, China

LuOne Office Tower obtained the WELL CORE<sup>®</sup> Platinum certification. Key features contributing to the following performance include:

##### Indoor Air Quality

MERV 14 high-efficiency filters and photocatalysts installed in the air-conditioning system to remove organic pollutants in the air and improve indoor experience.

##### Biophilic and multi-sensory features

Enclosed glass garden corners in four floors with trees planted in lobby to create vibrant and nature-inspired spaces.

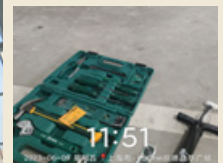
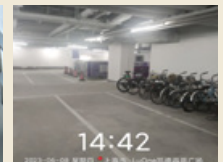
Large glass windows, high window to wall ratio, and low-partitions, coupled with intelligent lighting controls were introduced to optimise daylight into the space.

##### Healthier lifestyle

Dedicated tenant and public bicycle lots with basic bicycle maintenance tools made available.



Enclosed sky garden



Bicycle parking area and provision of bicycle maintenance tools

7 Based on the 2023 health screening profile in Singapore, high total cholesterol indicator has worsened slightly by 1% but remained better than the national average, whilst weight management remained an area of concern. To encourage healthy living, the Wellness Wednesday Programme that include a staff-led running club, exercise classes, etc. was introduced in Singapore to encourage CLI staff to take charge of their well-being. CLI staff are encouraged to participate in CLI wellness-related activities such as health talk on the management of three highs: "High Cholesterol, High Blood Pressure and High Blood Sugar", vision care, desk stretches workouts, yoga classes, running and circuit training. Tips on healthy living and exercise were also shared.

8 The WELL Building Standard (WELL) is a roadmap for creating and certifying spaces that advance human health and well-being. WELL Core Certification is a whole building certification and the complete area of the building is included in the project size boundary that includes both interior and exterior spaces.

# Human Capital

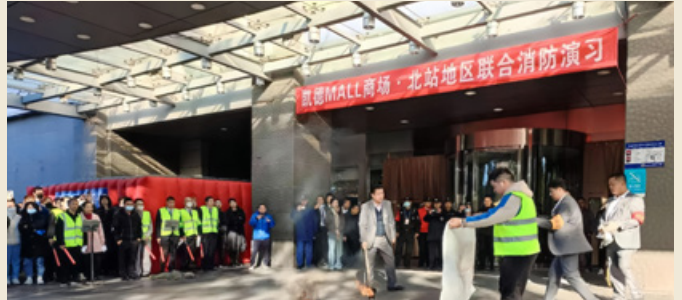
As part of CLI's OHS Management System, emergency response procedures are in place to address potential OHS risks. Periodic briefings and annual evacuation drills are conducted to continually familiarise tenants with emergency response actions.

## China

In China, CLI collaborated with over 100 local fire departments, government agencies, and associations to organise fire drills at 63 CLI's malls, offices, and business parks, involving over 52,000 staff, tenants and shoppers. CLI also conducted emergency response drills for lift and escalator rescues and anti-riot exercises involving more than 7,900 participants, including tenants.



Tenants participating in fire emergency evacuation exercise in Chengdu



Demonstration of kitchen fire extinguishing in Beijing

## India

85 tenants actively participated in a joint fire safety demonstration conducted by CLI and the local fire authority at the International Tech Park Pune (ITPP).



Demonstration from the fire rescue team from the local authority during a live drill at ITPP

## Global Lodging

CLI's wholly-owned lodging business unit conducted drills to familiarise occupants as well as CLI staff and onsite contractor staff, with emergency evacuation procedures.



Fire wardens combed through the building/ rooms to ensure all residents were evacuated during an evacuation drill at the Ascott Park Place Dubai

# Human Capital

## National Policy Making (Government Agencies and Regulators)

CLI actively participates in national OHS efforts. In Singapore, this includes being members of the Workplace Safety and Health (WSH) Council (Construction and Landscape) Committee, WSH Council (Facilities Management) Committee, and the Tripartite Oversight Committee on Workplace Safety and Health. CLI also co-chaired the Singapore WSH Council (Industry Capability Building) Committee which guides WSH capability development in Singapore.

## Supply Chain Management

CLI works closely with its supply chain (vendors / suppliers / contractors) who are committed to high quality EHS standards. To influence supply chain partners to operate responsibly in the areas of anti-corruption, human rights, health and safety, as well as environmental management, the CLI Procurement Policy<sup>9</sup> and the CLI Supply Chain Code of Conduct<sup>10</sup> (CoC) form the basis of CLI's engagement with them. Through a structured procurement process, contracts are awarded after rigorous tender selection that includes a balanced evaluation of financial and non-financial criteria, including safety requirements. For more information on CLI Supply Chain CoC, please refer to Social and Relationship Chapter on Supply Chain of this report.

Supply chain partners were appointed upon meeting these stringent environments, health and safety and other business-related requirements. CLI's in-house contractor management guidelines require all supply chain partners to comply with local government and other legal requirements. Preference was given to companies certified in ISO 14001 and ISO 45001 or its equivalent. Since 2012, CLI properties in Singapore aimed to appoint supply chain partners who are at least bizSAFE<sup>11</sup> Level 3-certified. Where applicable, CLI stipulates similar requirements for its overseas offices. In 2023, close to 95% of CLI-appointed contractors<sup>12</sup> in Singapore were at least bizSAFE Level 3-certified.

### Engaging Supply Chain Leadership on Safety in Singapore

CLI organised its Supply Chain CEO Luncheon in April 2023 in Singapore with more than 60 participants from 36 companies from the cleaning, security, mechanical and electrical maintenance industries. The programme included a briefing from General Managers from Workplace Safety and Health Council (WSHC), Singapore Ministry of Manpower (MOM) on the latest Singapore Approved Code of Practice on Chief Executives' and Board of Directors' WSH Duties. These companies were given a prelude to CLI's Global Safety Guidelines that sets the expectation for safe operation, including that by supply chain partners, at CLI.



General Manager, WSHC sharing at the Supply Chain CEO Luncheon

CLI's contractor management guidelines require all supply chain partners to comply with local government and other legal requirements. They are required to ensure that their staff are sufficiently trained or are briefed on EHS measures and abide by CLI's contractor house rules stipulating requirements such as the deployment of PPE, and the reporting of accidents.

Despite CLI's best efforts to assure site safety, there was one workplace fatality involving CLI's contractor staff in Indonesia in 2023. Detailed investigations were undertaken, and remedial, as well as improvement actions, were implemented on site. Lesson learnt from the incident were shared across BUs operations teams globally.

CLI measures its supply chain's health and safety performance at its properties globally. In 2023, there were 24 work-related injuries, of which close to 60% of the incidents involved, being cut by objects and slipping, tripping and falling (excluding fall from height). The injury rate and lost day rate for CLI's contractors<sup>13</sup> were 0.13 cases per million hours worked and 2.66 days lost per million hours worked respectively. Root causes were identified, and corrective actions using the hierarchy of controls were taken. In 2023, CLI extended the coverage of its supply chain OHS performance to include mechanical and electrical, pest control and landscaping companies. The evaluation of the supply chain safety performance was also expanded to include the computation of injury and lost day rates.

<sup>9</sup> This policy was approved by the CLI senior management.

<sup>10</sup> An extract of the CLI Supply Chain Code of Conduct is available on <https://www.capitaland.com/en/about-capitaland/sustainability.html#tab-0-social>.

<sup>11</sup> The bizSAFE programme is advocated by the WSH Council in Singapore to promote workplace safety and health in small and medium enterprises.

<sup>12</sup> This refers to all term contractors in Singapore who are working in properties or offices operationally managed by CLI.

<sup>13</sup> This refers to CLI's cleaning, security, M&E, pest control, and landscape contractors working in assets operationally managed by CLI in Singapore, China, India business parks, as well as the global lodging portfolio.

# Human Capital

## HUMAN RIGHTS

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

CLI has a Social Charter<sup>1</sup> approved by top management. It sets out commitments to support the preservation of human dignity and self-respect of every individual, covering topics on human rights, child labour, forced labour, human trafficking, code of conduct, diversity and inclusion, no discrimination, and healthy work-life balance. Other human rights-related policies such as grievance handling and harassment policies are also in place. The Social Charter applies to all CLI staff and guides the Company towards ensuring a supportive and respectful environment for individuals across all aspects of CLI's business and operations.

### Anti-Child Labour and Anti-Forced Labour

With a global workforce of more than 9,900 staff, CLI is committed to being a workplace of choice. CLI is a signatory of the United Nations Global Compact (UNGC) and is committed to the 10 principles in the areas of human rights, labour, environment and anti-corruption. These 10 Principles of the UNGC are derived from the Universal Declaration of Human Rights, the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention against Corruption.

In Singapore, CLI signed the Employers Pledge for Fair Employment Practices with the Tripartite Alliance for Fair and Progressive Employment Practices (TAFEP<sup>2</sup>) and is committed to the five key principles of fair employment<sup>3</sup>. CLI also actively participates in national efforts to promote harmonious labour-management relations, which is led by the Singapore Ministry of Manpower, and partners from the National Trades Union Congress and Singapore National Employers Federation.



Close to 240 CLI staff participated in person and online, in the September hybrid Learning C.A.R.E.nival series where one programme featured a speaker from TAFEP to raise the awareness of the Tripartite Guidelines on Fair Employment Practices (TGEP), and practical examples of how to implement such fair and progressive employment practices in CLI.



TAFEP speaker sharing on the TAFEP Fair Hiring Practices

CLI has a zero-tolerance approach against child labour, forced labour and unlawful discrimination, and had no reported incidents of such in 2023. There were no CLI staff below the age of 16.

1 CLI Social Charter can be found on <https://www.capitaland.com/en/about-capitaland/sustainability.html#tab-0-social>.  
2 TAFEP was formed in May 2006 to promote non-discriminatory employment practices and to shift mindset among employers, staff and the general public towards fair and progressive employment practices for all workers in Singapore. Members include employer representatives, union leaders and government officials.  
3 The five key principles of fair employment are:  
› Recruit and select staff based on merit, such as skills, experience and ability, regardless of age, race, gender, religion or family status.  
› Treat staff fairly and with respect and implement progressive human resource management systems.  
› Provide staff with equal opportunities for training and development based on their strengths and needs, to help them achieve their full potential.  
› Reward staff fairly based on their ability, performance, contribution and experience.  
› Abide by labour laws and adopt Tripartite Guidelines which promote fair employment practices.

# Human Capital

## Diversity, Equity and Inclusion (DEI)

As a global company, CLI embraces diversity, equity and inclusivity regardless of age, religion, gender, race, nationality and family status. CLI believes that its staff can make significant contributions based on their talent, expertise and experience. Having a gender-diverse mix of staff is also a target in CLI's 2030 Sustainability Master Plan. Performance is tracked and reported to relevant stakeholders periodically.

### Global Staff by Nationality



In 2023, there were more than 90 nationalities working in CLI.

## Recognition for Gender Equality

The Equileap's Gender Equality Global Report & Ranking<sup>4</sup> 2024 showcased CLI and three of its REITs (CICT, CLAR and CLAS) making it into the top 10 companies in Singapore for gender equality. CLI was ranked 7<sup>th</sup> in Singapore for gender equality.



**EQUILEAP**  
DATA FOR EQUALITY

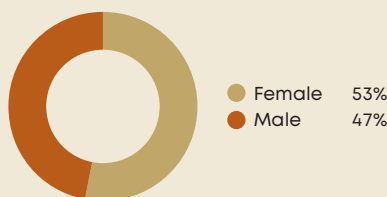
Where reasonable and practical, CLI adopts a localisation strategy for its overseas operations. This ensures that the teams on the ground have a good grasp of the local socio-political and cultural sensitivities to help deliver targeted business outcomes for CLI Group. In 2023, locals accounted for close to 80% of the staff based in Singapore, and over 99% of staff based in both China and India. Of these locals, more than 46%, 19% and 59% held managerial and senior management positions in Singapore, China and India respectively.

CLI identifies talent internally and externally to build bench strength as well as talent pipeline for leadership succession planning. CLI recruits talent through a network of local and overseas universities, and also attracts young talent with less than two years of working experience through its Graduate Development Programme. Apart from fresh graduates, CLI also employs experienced and mid-career professionals as well as industry veterans.

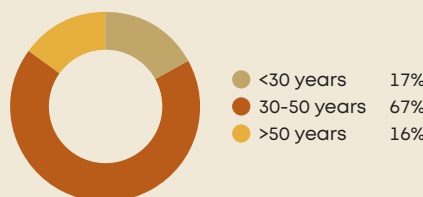
CLI's vibrant, motivated, and qualified workforce has given CLI Group a competitive edge. Close to 68% of CLI's global workforce is aged 30 to 50 years old, consistent with the past three years.

### Global Staff<sup>5</sup> by Gender, Age and Region

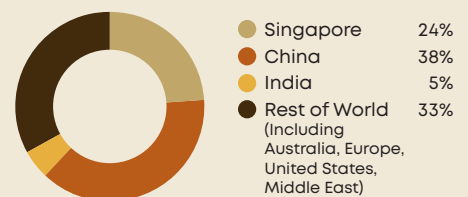
#### Gender



#### Age



#### Region



Ascott Malaysia implemented various visual aids and communication tools, such as sign language posters and digital messaging systems in support of an Ascott staff, a graphic designer with hearing impairment. Other initiatives included training her other colleagues on basic sign language, thus promoting a culture of empathy and support within the workplace.

<sup>4</sup> Equileap provides data on gender equality and diversity and inclusion in the corporate sector. They research 5,600 companies around the world using the unique and comprehensive Equileap Gender Equality Scorecard™, covering 21 indicators, including gender balance in the workforce, the gender pay gap, paid parental leave, anti-sexual harassment policies, race & ethnicity, support for gender-diverse employees, and more. More information can be found at <https://equileap.com/>. CICT was ranked 1<sup>st</sup> in Singapore and 52<sup>nd</sup> globally, CLAR and CLAS were ranked 4<sup>th</sup> and 5<sup>th</sup> respectively in Singapore.

<sup>5</sup> Based on global full-time staff count of 9,972 which accounts for 98% of CLI's global workforce.

# Human Capital

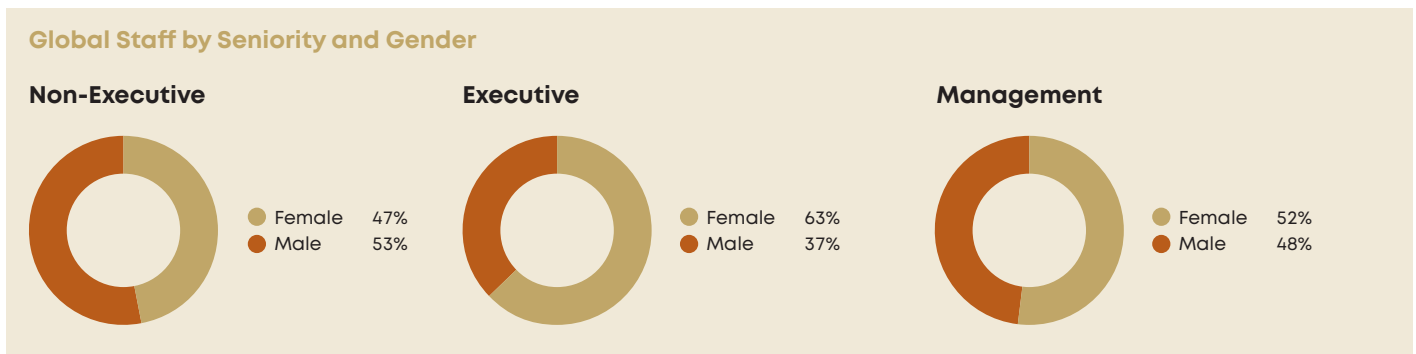
## Gender Diversity and Pay Parity

According to the Global Gender Gap Report 2023 by the World Economic Forum, whilst there was a 0.3% improvement in progress, it estimated another 131 years to reach full parity. Despite more women re(entering) the workforce and an increase in women taking up science, technology, engineering and mathematics (STEM) positions, the report highlighted persistent gaps in women in leadership, and workforce representation across industries as well as gender gaps in opportunities to attain skills of the future. The World Economic Forum's 2023 Future of Jobs Survey indicated that more than two-thirds of the surveyed organisations have implemented a Diversity, Equity and Inclusion (DEI) programme, and the majority (79%) of companies were implementing DEI programmes with a focus on women.

CLI's global workforce comprises close to equal proportion of males and females, at a ratio of 47:53. In the past three years, there were consistently more than 50% female management<sup>6</sup> staff. In 2023, more than 38% of senior management were female. In 2023, 12 of these female senior management<sup>7</sup> were holding a C-suite appointment within CLI Group, which was a 20% increase compared to the previous year. Over the past three years, female representation in the senior management has ranged between 38% and 40%.

CLI hires and rewards men and women fairly based on merit, ability, and experience for comparable roles across the CLI Group hierarchy. Its hiring and incentive system is gender-agnostic. Staff pay was benchmarked against the market based on job roles using gender-neutral pay surveys provided by independent remuneration consultants. From the 2023 benchmarking exercise, no major pay gap was shown for the CLI group.

More information on the basic salary and remuneration of women to men is in the Key ESG Data Summary of this report.



## Job Creation and Employment

CLI is dedicated to fostering a dynamic work environment that offers employees the chance to experience various roles, tailored to their abilities and the company's operational requirements. This approach embodies best practices and aligns with the local regulations in the countries that we operate in, for example, in Singapore where CLI adheres to the Tripartite Guidelines on Managing Excess Manpower and Responsible Retrenchment, as set forth by the Singapore Ministry of Manpower, the Singapore National Employers Federation, and the National Trade Union Congress. Furthermore, CLI upholds the principles of job security and conscientious workforce management in harmony with these guidelines.

CLI has a re-employment policy of extending employment to staff who have reached the mandatory retirement age but are still able and willing to continue contributing to CLI<sup>8</sup>. This policy is applicable to all staff globally. In 2023, there were 215 staff above the retirement age<sup>9</sup>, and all were rehired post-retirement.

<sup>6</sup> Management refers to CLI staff in the job grade managerial and above including C-suite level.

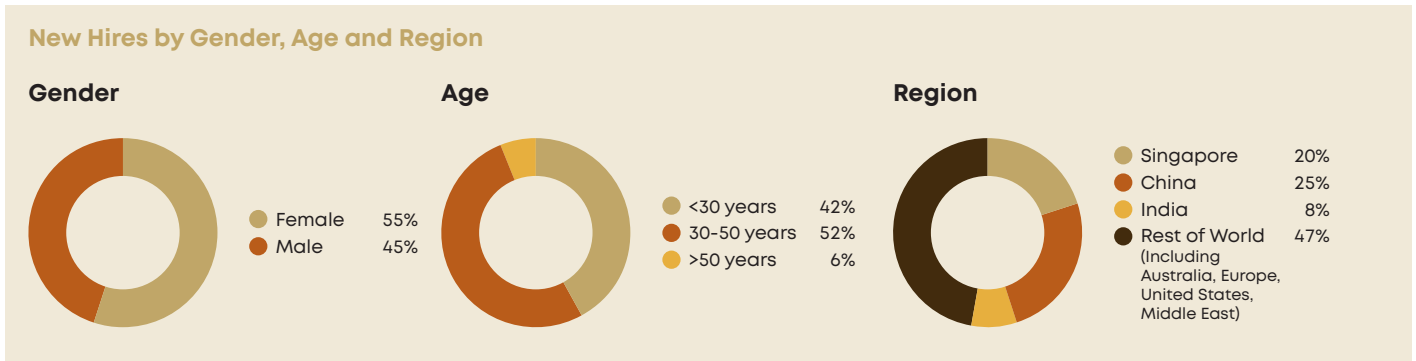
<sup>7</sup> Senior Management refers to CLI staff in the job grade Senior Vice President (SVP) and above including C-suite level.

<sup>8</sup> The Singapore government implemented the retirement and re-employment legislation in 2012 to enable more people to work beyond the current statutory retirement age of 63, up to 68 years old. However, even before the legislation, CLI already had a re-employment policy in place.

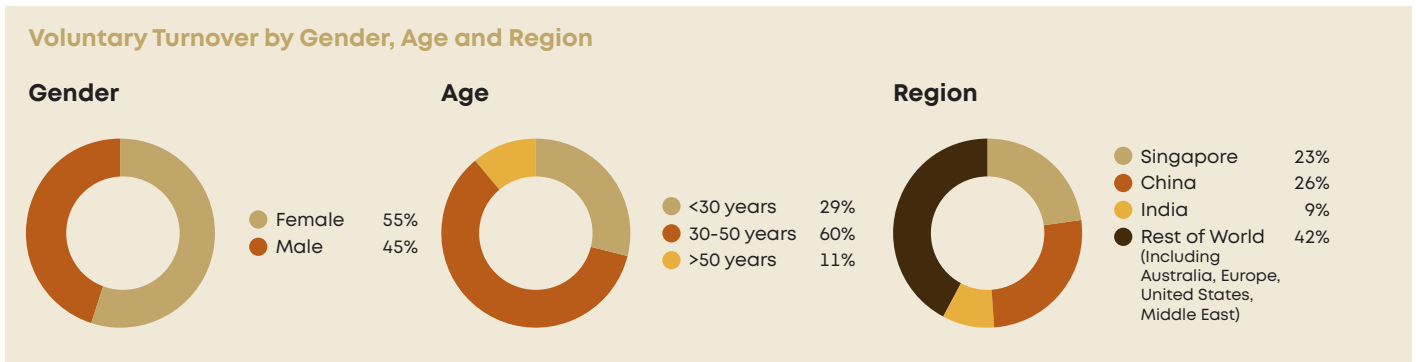
<sup>9</sup> This is based on the retirement age in the respective countries.

# Human Capital

In 2023, new hires represented 23% of the total headcount and 13% of the positions opened for recruitment were filled by internal candidates.



In 2023, the turnover<sup>10</sup> rate in Singapore was 14%, which was below the national average of 17%<sup>11</sup>. In China, the turnover rate was 10%, which was lower than the national average of 17%<sup>12</sup>. Given CLI's business in the labour-intensive hospitality industry through its lodging business unit, The Ascott Limited, and a large number of non-executive staff, this staff movement was deemed normal. In 2023, there were no major layoffs in CLI. More than 45% of staff globally have been with the Group for more than five years. CLI also interviews resigning staff as part of its continuing efforts to improve its retention policies and initiatives.



## Respect for Freedom of Association

CLI respect its employees' rights to freedom of association and trade union membership. For instance, in Singapore, roadshows and outreach programmes are held to drive membership, and CLI adheres to the Singapore Industrial Relations Act, which enables trade unions to represent CLI's bargainable workforce in collective bargaining and resolving industrial disputes. CLI collaborates with its union partners to foster a productive and positive working environment, prioritising workforce employability, and enhancing productivity for the mutual benefit of CLI and its employees.

About 57% of CLI's workforce in Singapore<sup>13</sup> and more than 22% of the global workforce are covered by collective agreements. In countries with strict legal limitations, CLI adheres to the industry's best practices and local regulations of these respective countries.

10 This refers to voluntary turnover and does not include figures attributable to internal transfers from one entity to another entity, non-renewal of contracts, etc.  
 11 Data by Ministry of Manpower, Singapore.  
 12 Data by an external human capital and management company.  
 13 This represents 100% of our bargainable workforce (staff who are entitled to join unions) in Singapore.



# Human Capital

## Talent Management

CLI seeks innovative, dynamic and talented staff to take CLI into its next phase of growth and adopts a multi-pronged approach to manpower planning, i.e. developing internal talent and hiring young talent, mid-career professionals and industry veterans. CLI continuously builds its management bench strength by identifying high potential talent as part of its regular succession planning process.

The CLI Board's Executive Resource and Compensation Committee (ERCC) regularly reviews the succession plans for the key positions in CLI including Group Chief Executive Officer (Group CEO) and other key management personnel in CLI. On an annual basis, CLI identifies and reviews suitably qualified candidates from both within and outside of CLI who could be considered for key positions when the need arises in the immediate, medium, and long term.

CLI also utilises a People Analytics Tool to offer insights into staff demographics, talent identification, promotion and transfer anomalies, staff performance, hiring and predictive attrition for better decision-making.

## Positive Work Environment

CLI recognises that a positive work environment is essential to attract, motivate and retain talent. Its overall well-being programme promotes personal development, health and work-life harmony. Initiatives include a flexible medical and benefits plan such as childcare contributions, gym membership, flexible working hours and arrangements i.e. working-from-home, and staff engagement initiatives. Part-time staff are also entitled to the same benefits on a pro-rata basis. Its robust performance management system which includes annual goal setting, 360° feedback, and ongoing performance conversation also ensures that all staff receive regular performance and career development reviews.

All CLI staff are entitled to parental leave<sup>14</sup>. Eligible working parents are entitled to childcare and extended childcare leave. To further demonstrate CLI's support of a family-friendly workplace, CLI's Singapore corporate headquarters at Capital Tower has purpose-built nursing rooms for use by its staff. CLI also provides paid leave<sup>15</sup> for staff to care for their loved ones, including children, spouses, parents, parents-in-law, or siblings. These initiatives are over and above the local legal requirement. To encourage staff to give back to the community, CLI also provides three days of Volunteer Service Leave for staff to participate in volunteering activities.

CLI adheres to the respective social security contribution or pension plan obligations of the countries where it operates. In Singapore, CLI contributes to the Central Provident Fund (CPF), a social security savings plan that ensures a secure retirement for salaried workers. In China, CLI adheres to mandatory social security schemes such as Basic Pension, Medical, and Work Injury Insurance. In Australia, CLI contributes to the country's superannuation. In the UK, CLI contributes to pension schemes and National Insurance contributions. In the USA, CLI contributes to employer-sponsored 401(k) plans. In Japan and Korea, CLI contributes to respective national pension, health, employment, and industrial accident compensation insurance. These contributions demonstrate CLI's commitment to responsible business practices and ensuring its staff's financial security.

CLI continues to provide its staff group-wide with proactive measures such as flexible working time and arrangements to empower staff with the autonomy of managing their schedules to achieve work-life harmony. Hybrid staff town hall meetings are also held where staff can hear directly from top management and at the same time have their questions answered. Various mental health awareness programme and initiatives continue to be organised to support CLI's staff well-being. More details can be found in the staff wellness and staff engagement section of this report.

<sup>14</sup> Eligible staff are entitled to paid parental leave in accordance with local regulations in the country they are employed in. In Singapore, this amounts to four months (or 16 weeks) for primary caregivers, and two weeks for non-primary caregivers.

<sup>15</sup> This is applicable for staff in the core markets of CLI: Singapore, China and India. In Australia, CLI's lodging arm, Ascott offers extended paid parental leave, fertility treatment, menopause, and menstrual leave for those who need it.

# Human Capital

## Fair Remuneration

All CLI staff have signed employment contracts with key employment terms and conditions clearly defined. This allows staff to understand both their rights and obligations, as well as those of the Company, thus minimising potential employment disputes in the future. Key employment terms specified in the employment contract include the job title and description, duration of employment, working hours, salary and allowances, statutory contributions/ deductions, leave entitlements, probation and notice periods, key insurance and medical benefits etc.

To ensure that CLI remains competitive and continues to attract and retain the right talent, CLI engages external independent remuneration consultants to benchmark the Company's compensation packages against the relevant talent markets. Salaries are reviewed against the benchmarks, and the specific job scope and responsibilities of each staff are taken into consideration. All regular full-time staff will undergo an annual performance appraisal/ review where there is an open discussion on the staff's performance, areas for improvement, developmental needs, and career plans.

CLI rewards and motivates staff with a comprehensive and competitive compensation package and benefits programme. It observes a pay-for-performance philosophy that rewards laudable performance, aligning staff and shareholder interests to deliver business results. Sustainability targets were integrated into the CLI Performance Share Plan and Balance Scorecard framework, which are used to determine individual performance and remuneration outcomes. CLI's overall annual variable bonus pool is determined based on the Group's achievement against a holistic set of quantitative and qualitative targets in the Balanced Scorecard dimensions of Financials, Execution, Future Growth, Talent Management and Sustainability (including Environment, Social and Governance factors). These are cascaded throughout the Company, creating alignment across CLI.

The amount of bonus awarded to staff is further based on their relative contributions and individual performance. Staff at managerial grades are also eligible to receive performance-based long-term share awards. The share awards will vest over three years and are subjected to the achievement of pre-determined Group profitability and shareholder return targets. The performance and remuneration of key management executives are based on both quantitative and qualitative targets within the Balanced Scorecard framework, including their efforts in building management bench strength and talent.

## Upskilling the Workforce for the Future

CLI is committed to empowering its future-ready workforce and education is key. It invested over S\$2.5 million in 2023 towards learning and development globally, delivering over 360,000 hours of training and the average training hours completed by each staff for the year was about 37 hours<sup>16</sup>.

>360,000

Total training hours in 2023

37

Average training hours per staff in 2023

>S\$2.5 million

In training investment in 2023

>92% of staff

attended at least one ESG-related training in 2023

<sup>16</sup> Average training hours were computed using total learning hours divided by average CLI staff strength in the year.

# Human Capital

Under the CLI “Building Capability Framework” (BCF) to build a future-ready workforce, CLI staff chart their development path with a choice of over 50 Core, Functional, Adaptive and Digital programmes delivered in various modes such as in-person and virtually. The virtual programmes enable staff to self-paced their digital learning for all. In 2023, close to 95% of CLI staff attended at least one programme under the BCF.



CLI continued to roll out training covering a broad range of sustainability-related topics including foundational training on sustainability, greening the CLI portfolio, incorporating ESG into the investment life cycle, emission reduction strategies, fundamentals of diversity, equity and inclusivity, managing and preventing harassment in the workplace, risk and compliance, etc. More than 92% of staff attended ESG training in 2023.

## Learning C.A.R.E.nival (Caring, Agility, Resilient and Ever-Ready)

With the aim of promoting continuous learning among all staff, the Learning Festival has been a yearly event since its first debut in 2017. Creatively coined as Learning C.A.R.E.nival (**C**aring, **A**gility, **R**esilient and **E**ver-Ready), the theme for 2023 was ‘Innovative Thinking. Sustainable Strategies’. A total of 16 bite-sized talks that centre around ESG, innovation, career resilience and digital technology were organised to help staff gain valuable insights on the latest trends and developments in the industry.

In 2023, with the normalisation of a hybrid work arrangement where staff return to the office, the learning festival was held twice in April and September. The hybrid event in September saw the return of physical booths and roadshows showcasing innovative and sustainable products and services deployed across CLI.

More than 1,200 staff from 14 countries participated in the Learning C.A.R.E.nival in-person and virtually.



Learning C.A.R.E.nival, April 2023



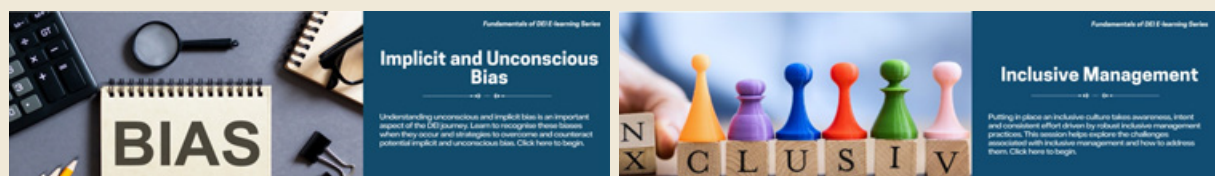
A virtual tour of Iyf, Ascott's experience-led social living property

## Enhanced Focus on DEI Training

In 2023, HR further enhanced its training relating to DEI with the roll out of a three-part e-learning module on Fundamentals of Diversity and garnered over 1,300 CLI staff participation. This training module included specific focus on raising awareness of unconscious or implicit bias as well as addressing concerns on potential sexual harassment at the workplace. There were other training sessions and talks relating to human rights and diversity-related topics, such as appreciating cultural diversity at the workplace, equal employment opportunity, etc.

There were also training modules on culture and diversity in the workplace to enhance the appreciation of multiculturalism and showcase the benefits of a diverse and multigenerational workforce.

Overall, more than 17% of CLI staff clocked in over 5,800 hours on DEI training.



# Human Capital

## Training the Rank and File

To ensure that the rank-and-file staff stay current on the latest trends, CLI formed a Training Committee in 2020, comprising the Singapore union to identify relevant courses to upskill the CLI rank and file group. In 2023, more than 200 technicians, digital services advocates and administrative assistants in Singapore attended a two day programme on “Work in a Diverse Service Environment”. Participants learnt to recognise the importance of inclusiveness and acquire skills and knowledge to use emotional intelligence, and resilience to handle diversity in the service environment, and monitoring one’s actions in handling diversity.

## Nurturing and Supporting the Young Talent

### Work-Study Diploma in Singapore

Since 2020, the Singapore data centre team has been collaborating with ITE<sup>17</sup> for its Work-Study Diploma apprenticeship programme, to enable graduates from ITE Nitec and Higher Nitec to work at CLI as full-time employees while pursuing their Diplomas. This allowed for on-the-job learning opportunities at CLI, complemented by off-the-job training at ITE. CLI provided mentorship as well as hands-on training. To date, CLI successfully onboarded three ITE graduates. One of them has completed the programme and is now employed as a Critical Facilities Engineer in the CLI’s Singapore team.



2022 Work-Study Diploma graduation ceremony

## STAFF ENGAGEMENT

CLI actively engages its staff through various avenues, including regular communication sessions held by senior management for effective flow of information and alignment of business goals and objectives across all levels of the workforce.

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

Quarterly staff communication sessions by the Group CEO allows CLI Group senior management team to interact with the staff. These sessions were webcasted live to CLI’s offices globally, and recordings were made available. During these staff communication sessions, information on CLI’s financial results and key business focus were shared. Staff could pose questions via an online platform prior to the session or ask in real time during the Q&A session. In 2023, on average more than 1,900 staff attended each session.

CLI practises an open-door policy, allowing all staff to obtain a fair review and a prompt response to problems or concerns relating to any aspect of their employment with the Group. This includes harassment, grievance handling, and whistle-blowing policies applicable to all staff. CLI Voice of Employees (VoE) platform provided a confidential avenue for anonymous feedback on any work-related matters. Staff could also raise their concerns to a higher level of management or the Human Resource (HR) department.



Global staff communications are held to share organization-wide news and initiatives. Live Q&A / feedback for both online and in-person attendees.

17 The Institute of Technical Education (ITE) is a post-secondary education institution under the purview of the Ministry of Education in Singapore.

# Human Capital

## Employee Engagement Survey

In 2023, CLI launched its regular company-wide Employee Pulse Survey (EPS) to measure staff well-being, amongst other factors. This survey was conducted through a third-party vendor to ensure confidentiality and to obtain authentic responses from its staff. CLI secured a global staff participation rate of 93%. This was also an improvement over its EPS conducted in 2022. It achieved a staff engagement score of 84%, which placed CLI in the 75<sup>th</sup> percentile against its peers. This was also higher than CLI's 2022 survey performance. With the detailed findings from the survey, various HR Business Partners have been working closely with the respective CEOs to address the key issues within their business units.

## 2030 Sustainability Master Plan Targets and Performance

CLI's 2030 Sustainability Master Plan outlined CLI's 2030 targets and pathways to maximise impact through building a resilient and resource efficient real estate portfolio, enabling thriving and future-adaptive communities, and promoting responsible business conduct and governance. To measure its performance, CLI has incorporated KPIs, most of which are linked to remuneration for its staff including top management.

	2030 Target <sup>18</sup>	2023 Performance
Gender Diversity	At least 40% female representation in Senior Management Level	38% female representation
Human Capital Development	Staff engagement score of at least 80% (with at least 85% participation)	<ul style="list-style-type: none"> <li>84% engagement rate</li> <li>93% participation rate</li> </ul>
	At least 85% of CLI's staff to attend one ESG training programme and be future-ready and productive through CLI Building Capability Framework (BCF)	92% of CLI's staff attended at least one ESG programme and be future-ready and productive through CLI BCF.
Supply Chain Management	Maintain 100% <sup>19</sup> commitment by supply chain to abide by CLI's Supply Chain Code of Conduct	100% <sup>19</sup> of CLI's supply chain in Singapore, China, India and Malaysia and 20 countries in Global Lodging acknowledged to abide by the CLI Supply Chain Code of Conduct.
Perpetual Target		
Human Rights	Zero tolerance of child/forced labour	<b>Achieved</b> - Zero child/forced labour
Occupational Health & Safety	Maintain ISO 45001 certification for its OHS Management System	<b>Achieved</b> - Retained ISO 45001 certification in 15 countries, extended certification to four new countries.
	Zero incident resulting in CLI staff fatality and permanent disability	<b>Achieved</b> - Zero CLI staff fatality and permanent disability
	Zero incident resulting in contractor staff fatality and permanent disability	<b>Did not achieve</b> - <ul style="list-style-type: none"> <li>One contractor staff fatality</li> <li>Zero contractor staff permanent disability</li> </ul>

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

19 This represents the supply chain vendors that signed a maintenance contract with CLI-owned and operationally managed properties and project development teams. The 20 countries in Global Lodging, include Australia, Bahrain, China, Indonesia, India, Japan, Kenya, Laos, Myanmar, Macau, Malaysia, Oman, Philippines, Qatar, Saudi Arabia, Singapore, Thailand, Turkey, United Arab Emirates, and Vietnam. This includes the supply chain complying with its code of conduct which is equivalent to or more stringent than the CLI Supply Chain Code of Conduct (CoC). The CoC does not apply to contracts with the government, inter-company, relating to property acquisitions/divestment transactions, etc.

# Social And Relationship Capital

CLI's social and relationship capital are built through its community efforts. Over the long term, this strengthens CLI's social license to operate and ability to deliver sustainable value to its stakeholders.

Stakeholders are groups on which CLI's business has a significant impact and those with a vested interest in its operations. CLI's key stakeholders include staff, customers, business associates, supply chain, and the local community. Other stakeholders include regulators and key government agencies, non-governmental organisations (NGOs), representatives of the capital market and the media.

CLI seeks to understand its stakeholders' views, communicate effectively with them and respond to their concerns through various engagement channels. The following sections outline areas that are of interest to its different stakeholders.

## STAKEHOLDER ENGAGEMENT

### Staff

CLI actively engages its staff through various avenues, including regular staff communication sessions held by senior management, to facilitate the effective exchange of information and ensure alignment of business goals and objectives across all levels of the workforce.

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

In 2023, over 1,500 CLI staff tapped on the VSL to contribute over 13,500 hours to various community activities globally.

For more information, please refer to the CHF Social Impact Report 2023 at <https://www.capitaland.com/en/about-capitaland/sustainability/capitaland-hope-foundation/Publications.html>.

### Investors

CLI maintains high levels of engagement with its shareholders and the investor community to provide timely access to accurate information. This helps them to make sound judgments about the company, developing trust and confidence in CLI. CLI manages this engagement via multiple touchpoints. To provide a clear framework for communication, CLI has an Investor Relations policy, accessible at [www.capitalandinvest.com](http://www.capitalandinvest.com).

In November 2023, CLI hosted a hybrid Sustainability Non-deal Roadshow following the refresh of CLI's 2030 Sustainability Master Plan (SMP). CLI's Chief Sustainability and Sustainable Investments Officer, and Group Chief Financial Officer, shared valuable insights on CLI's sustainability journey and progress towards its 2030 SMP targets. In addition, industry experts and participants, including CBRE's Senior Executive Director, Head of ESG Consulting & Sustainability Services, Singapore and Southeast Asia, and Marsh Asia's Climate & Sustainability Consulting Leader and Senior Vice President, contributed valuable industry perspectives to the discussions. Their insights enriched the dialogue on sustainability strategies and practices.

The event attracted 70 participants, and the recording was also shared on CLI's website.

For more information on CLI's investor engagement efforts, please refer the CLI Annual Report 2023, pages 63 to 75.



# Social And Relationship Capital

## Customers

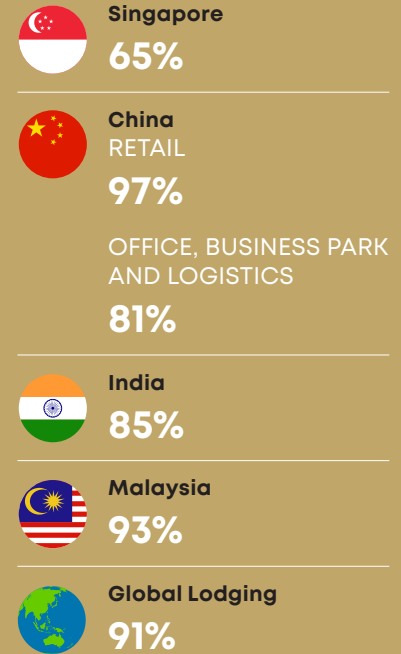
CLI conducts regular satisfaction surveys at its shopping malls, office buildings, business parks logistics and lodging properties. The feedback obtained is reviewed and relevant follow-up actions are taken to improve the experience and service levels rendered to shoppers, tenants and guests at CLI's properties.

CLI's wholly-owned lodging arm, The Ascott Limited (Ascott), tracks and monitors its properties' service performance via a Guest Rating Score™ (GRS™). GRS is an independent assessment of rating of individual properties based on more than 100 million consumer reviews in 40 languages from more than 100 leading online travel agencies and review sites. This allows Ascott to benchmark and respond by making the necessary operational and service improvements to create a better customer experience for its guests. For the past three years, the guest satisfaction rate achieved ranged between 90% and 91.4%.

A tenant satisfaction survey was conducted at over 180 CLI-owned and/or managed malls, offices, business parks, and logistics properties in Singapore, China, India, and Malaysia to assess tenants' satisfaction levels in areas such as building and services management and understanding their sustainability focus.

In 2023, tenants in CLI's properties in Singapore, China, India, Malaysia properties, and guests in CLI's global lodging portfolio were surveyed.

## Satisfaction Rate



## Upskilling Singapore Tenants:

### CLI SkillsFuture Queen Bee Programme (SFQB)

CLI's SkillsFuture<sup>1</sup> Queen Bee (SFQB) programme, launched in August 2022 in collaboration with SkillsFuture Singapore, aims to support retail industry tenants in enhancing their workforce's skills and capabilities. Designated as the SFQB for the retail sector, CLI provides tailored skills advisory and support to its tenants, particularly small and medium-sized retailers, fostering workplace learning and facilitating business transformation. Participating tenants have recognised the positive impact of the programme's initiatives on their staff.

Expanding beyond its initial scope, CLI now its tenants a range of workforce solutions. This includes organising career fairs, promoting disability hiring initiatives, and partnering with retail-focused recruitment firms to connect tenants with skilled talent. Additionally, CLI actively champions service excellence, evidenced by over 100 tenants being conferred the Excellent Service Award in 2023. Their achievements reflect CLI's commitment to catalysing its tenants' journey toward service excellence.



Training and Career Fair organised under the SFQB programme.

Onboarded

**108**

small and medium enterprise (SME) tenants\*

**468**

tenants' staff participated\*

**Over 60%**

of the tenants reported a **30% increase** in training participants\*

\*Since the programme's launch in August 2022 until end 2023

1 This is a Singapore government agency that drives the national SkillsFuture movement for lifelong learning and skills mastery, with the aim of uplifting the skills and capabilities of Singapore's retail sector.

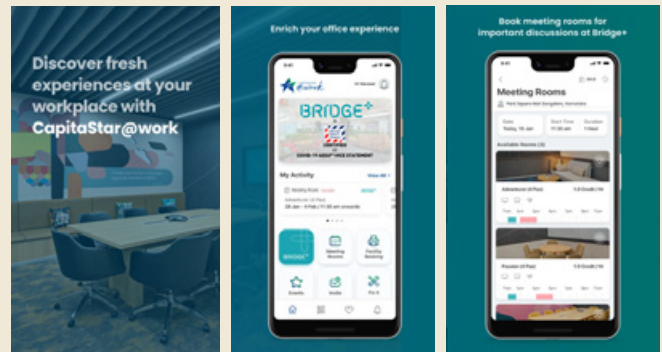
# Social And Relationship Capital

## Global Access to Health and Well-being Services for Lodging Guests

Ascott was the first hospitality company in the world to offer its guests global access to a comprehensive suite of complimentary telehealth, telecounselling and travel security advisory services through a global partnership with International SOS (ISOS). Since the launch of the services in 2021, ISOS has handled more than 350 assistance calls from Ascott's lodging guests as of the end of 2023. The increasing number of cases handled year-on-year was a testament to the positive reception by its' guests.

## Engaging Tenants in India

CapitaStar@Work India – The Park in Your Palm app provides CLI's tenants with quick and easy access to the workplace community and the amenities and privileges available. Tenants could use the app to invite guests to their office premises, book and pay for amenities, and participate in tenant engagement events. In addition, the app provides a platform for CLI's property managers to interact directly with tenant users through surveys and feedback.



## Engaging Guests in Global Lodging - Sustainability Passport at Somerset Properties

Ascott launched the Somerset Sustainability Passport Programme to involve guests in eco-friendly activities, wellness programmes, and community initiatives across its Somerset properties globally. This programme aims to foster a love for environmental preservation, especially among young guests. For instance, Somerset Suzhou Bay Suzhou in China and Somerset Rama 9 Bangkok in Thailand offered plant adoption and herb planting activities. Similarly, Somerset Ho Chi Minh City in Vietnam and Somerset Central Salcedo Makati in the Philippines organised arts and craft sessions and nature walks for guests to have a hands-on experience.



Somerset Sustainability Passport to engage young guests on daily sustainable practices.

## Government Agencies and Regulators

CLI participates in stakeholder consultations organised by key government agencies to provide feedback on proposed regulatory changes that may impact the company's business. This allows CLI to plan and prepare for any upcoming regulatory updates. Engaging regulators and relevant industry bodies has also allowed CLI to better manage the latest industry challenges, placing the company in a better position to leverage existing and future opportunities for growth.

CLI is committed to regulatory compliance. Procedures are in place to ensure that its activities and operations comply with existing regulatory requirements through regular monitoring, evaluation and audit of the CLI Environmental, Health and Safety management systems.

For more details, please refer to the Environmental and Manufactured, and the Human Capital chapter of this report.



# Social And Relationship Capital

## Supply Chain

### Supply Chain Management

CLI incorporated sustainable procurement principles in the CLI Procurement Policy, which aligns with its sustainability commitments as a signatory to the United Nations Global Compact (UNGC).

To influence CLI's supply chain to operate responsibly in the areas of anti-corruption, human rights, health and safety, as well as environmental management, the CLI Procurement Policy<sup>2</sup>, and the CLI Supply Chain Code of Conduct (CoC) form the basis of CLI's engagement with them. Through a structured procurement process, contracts were awarded after rigorous tender selection that included a balanced evaluation of financial and non-financial criteria, including safety requirements during the admission and pre-qualification stage for demonstrating ability to align with CLI's sustainability practices. CLI's in-house contractor management guidelines require all supply chains to comply with local government and other legal requirements, and preference is given to ISO 14001 and ISO 45001 certified or equivalent supply chains. Appointed supply chains were evaluated periodically on their performance to ensure their continuous compliance with procurement policy. Non-compliances will be flagged for correction and high sustainability risk suppliers with performance issues will be monitored closely for improvement. Suppliers that contravened or attempted to contravene any Anti-Corruption Laws will be subject to termination of contract<sup>3</sup>.

In 2023, the supply chain vendors that signed a maintenance contract<sup>4</sup> with CLI-owned and operationally managed properties and project development teams in non-lodging business in Singapore, China, India, and Malaysia, and 20 countries<sup>5</sup> in global lodging (Ascott), acknowledged to abide by CLI Supply Chain CoC or comply with their code of conduct which was equivalent to or more stringent than the CLI Supply Chain CoC. Ascott will work towards ensuring alignment in future contract renewals for its other markets.

### Diversified Supply Chain

In 2023, close to 70% of the appointed suppliers were in Singapore, China and India, the core markets of CLI.

#### Number of Suppliers in Core Markets

(As at 31 December 2023)



CLI continued to procure goods and services from a diversified supply chain network. A high proportion approximately 95% of CLI's procurement spend was on local suppliers..

For more information on the supplier type and procurement spend, please refer to the Key ESG Data Summary in the appendix.

<sup>2</sup> The CLI Procurement Policy was approved by the CLI top management.

<sup>3</sup> In 2023, CLI's vendors involved in three substantiated cases of FBC were blacklisted.

<sup>4</sup> CLI Supply Chain CoC does not apply to contracts with the government, inter-company, or relating to property acquisitions/divestment transactions, etc.

<sup>5</sup> Countries include Australia, Bahrain, China, Indonesia, India, Japan, Kenya, Laos, Myanmar, Macau, Malaysia, Oman, Philippines, Qatar, Saudi Arabia, Singapore, Thailand, Turkey, United Arab Emirates, and Vietnam.

# Social And Relationship Capital

## Third Party Due Diligence Check and Engagement on CLI Critical Supply Chain

CLI identified critical suppliers as high-spend, non-substitutable, or critical business component suppliers such as term contractors providing facility maintenance and property management services, IT service providers, and contractors for construction works. There were more than 6,400 critical suppliers with active contracts with CLI in 2023. For information relating to workplace safety performance of supply chain, please refer to “OHS and Wellness of Stakeholders” in the Human Capital Chapter of this report.

To strengthen CLI’s supply chain management on ESG performance, CLI commenced a pilot screening of close to 500 critical suppliers in Singapore, China, and India, the core markets of CLI since 2022 for their ESG performance based on the suppliers publicly available information through an ESG due diligence screening platform. The platform uses artificial intelligence (AI) to screen and rate the suppliers’ risk and resilience, giving them a score against each ESG pillar. Such pillars included corruption, human rights, politically exposed parties, sanctions, safety, environmental regulation breaches, etc. Post AI-screening, the third-party platform provider’s in-house ESG specialists would review the flagged ESG issues.

From the initial screening, 17 suppliers were rated as Leaders, and five suppliers had below average ESG scores. In 2023, CLI worked with this due diligence platform provider to deploy a series of ESG-related capability-building programmes to the identified five suppliers with below-average ESG scores. This programme included gap analysis and interviews with the five companies. Once the gaps were established, a tailored work plan was implemented to raise the suppliers awareness and improve their ESG performance. Post-programme, these five suppliers achieved an improved ESG scoring from below average to average and/or better.

## Safety Training and Wellness Programmes

In Singapore, 100 supply chain staff completed virtual training relating to high risk work activities, such as work from height. In China, more than 4,000 supply chain staff across 43 properties from the cleaning, engineering and security services were trained in emergency response relating to lift and escalator operations. In India, CLI organised safety training for more than 2,500 supply chain staff across seven business parks and four development projects. In Bangalore, health checks were extended to 730 supply chain staff.

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

## Community/NGOs

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

CLI organises activities aligned with its focus on community investment, raising awareness and stakeholder engagement in philanthropy, environment, health and safety. In Singapore, CLI offers venue sponsorship for events in collaboration with national agency Health Promotion Board to promote better health and wellness. Members of the public and tenants can sign up for these events at CLI’s malls and office buildings. The social capital generated in these focus areas supports CLI’s business and sustained growth.

# Social And Relationship Capital

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

CLI supports and contributes to initiatives by CapitaLand Group's philanthropic arm, CapitaLand Hope Foundation<sup>6</sup> (CHF). CHF's key focus area is contributing towards building resilience in communities where CLI has a presence, through supporting education, health and well-being initiatives, targeting children, youth and seniors.

In 2023, CLI contributed more than S\$3.1 million to CHF and CHF India<sup>7</sup>. CHF donated over S\$3.5 million<sup>8</sup> globally, benefitting over 14,000 beneficiaries in 2023. In addition, CLI also contributed over S\$500,000 to support other community development initiatives.

Over the years, CHF successfully launched several flagship initiatives such as CapitaLand Hope School Programme, #LoveOurSeniors Programme, CapitaLand-Bright Horizons Fund Ready-For-School Programme and CapitaLand #GivingAsOne global campaign.

For more details on CHF, please refer to the CHF Social Impact Report 2023 at <https://www.capitaland.com/en/about-capitaland/sustainability/capitaland-hope-foundation/Publications.html>

## CapitaLand Hope School Programme's Expansion to Pune and Collaboration With a Foundation in Bangalore

CHF contributed INR 19 million to refurbish the Government Marathi Medium Higher Primary School, located about 1.3 kilometres from CLI's International Tech Park Pune, Hinjawadi (ITPP-H). Together with the partners and local volunteers from Hinjawadi village, CLI staff volunteers from the CLI Pune operations contributed to the refurbishment of the 20,000-square-foot school over one year. The upgraded school facilities now include 16 classrooms, computer and science laboratories, a library, a multipurpose room, a playground, an art and crafts room, a staff room, a sick room, and proper lavatories, ensuring a safe and conducive learning environment for the students. The school conveyed that they were approached by over 250 parents from adjoining neighbourhoods who wished to enrol their children at this school.

In Bangalore, CHF collaborated with Pratham Education Foundation to expand its holistic "Hamara Gaon"<sup>9</sup> learning programme to benefit over 3,000 children from 62 underserved communities in Karnataka, India, as well as the two existing CapitaLand Hope Schools located in Bangalore.

In 2023, CHF programmes supported more than 4,800 students in India.



From top to bottom:  
Mr Uday Samant, Minister of Industry, Government of Maharashtra (centre) and CLI Pune India staff at the inauguration of the new school in Pune under CapitaLand Hope School Programme (CHSP). Children at the school under CHSP in Pune, India.

<sup>6</sup> CHF is a registered charity and grant maker regulated under the Singapore Charities Act. It engages with the Inland Revenue Authority of Singapore (IRAS) and Singapore's Ministry of Culture, Community and Youth to ensure legal compliance. CHF undergoes an annual audit of its financial accounts and statements for submission to the Commissioner of Charities, Singapore and IRAS, which is also filed with Accounting and Corporate Regulatory Authority (ACRA). It is aligned to CapitaLand's corporate governance including internal policies, procedures and codes of business conduct (e.g. anti-corruption and whistle-blowing policies). The CHF's constitution also states that no grant or assistance shall be given in aid of any political organisation or purpose.

<sup>7</sup> CapitaLand Hope Foundation (India) ('CHFI') is a non-government, private, unlisted Section 8 company, incorporated in April 2019 along with necessary registration under Indian Income Tax (IT) Act to carry out CSR activities that qualify as CSR expenditure under Indian Companies Act, 2013. CHFI also adopted CapitaLand's corporate governance framework including internal policies, procedures and codes of business conduct (e.g. anti-corruption and whistle-blowing policies). The CHFI constitution also states that no grant or assistance shall be given in aid of any political organisation or purpose.

<sup>8</sup> This amount included donations made under CHF (India) which is a separate entity from CHF as well as CapitaLand Development.

<sup>9</sup> This Hamara Gaon initiative aims to ensure self-learning communities and ownership in each of the targeted communities. The initiative includes multiple activities such as fairs in maths for the children.

# Social And Relationship Capital

## CapitaLand's #GivingAsOne in China

In Beijing, six CLI staff volunteers from Ascott Raffles City Beijing participated in a volunteer service project in Beixincang Community where they shared real-life examples of telephone scams, to equip the elderly residents with essential skills and strategies to prevent them from falling victim to such fraud. This empowering session aimed to enhance the elderly's ability to protect themselves. After the educational activity, the CLI volunteers, and the community staff, visited the homes of elderly individuals. They engaged in meaningful conversations, assisted with their household chores, and provided repairs for household appliances, to show care and meet the needs of the elderly.



CLI staff volunteer sharing on telephone scam.



CLI staff volunteer helping with household chores of a vulnerable elderly.

In Wuhan, four CLI staff volunteers from CapitaMall Westgate accompanied eight children of Wuhan Chun Miao School to the Museum of Hydrobiological Sciences and the Baiji Dolphin Conservation Museum to better appreciate aquatic biology science and raise their awareness of environmental sustainability to minimize marine pollution.



CLI staff volunteers and children from Wuhan Chun Miao School at the Museum of Hydrobiological Sciences, Wuhan.

## Doing Good with CLI's Tenants

Over 70 CLI tenant companies in Singapore participated in various CHF organised events and programmes, including #GivingAsOne and #LoveOurSeniors Essential Care Pack activity in 2023. These tenants provided in-kind sponsorships such as bedsheets, food, and gifts for the beneficiaries. Our 540 tenant staff also volunteered for activities such as delivering essential care packs and bread to seniors.



Tenant volunteers befriended seniors through an outing to IMM, a CLI retail mall in Singapore.

# Social And Relationship Capital

## Engaging Guests, Supply Chain and Staff in Ascott's World Clean-up Day 2023

In 2023, over 600 volunteers from the Ascott Singapore corporate office and 51 properties in 12 countries - Bahrain, China, India, Indonesia, Japan, Malaysia, Philippines, Saudi Arabia, South Korea, Thailand, United Arab Emirates, and Vietnam took part in World Clean-up Day. This is an annual global social action programme aimed at combating the global solid waste problem, including the problem of marine debris.

Collectively, the volunteers helped clear over 1,200 kg of litter from public areas including beaches, parks, streets, and waterways. By participating in these cleanup efforts, the volunteers witnessed firsthand the consequences of improper waste disposal, fostering a deeper understanding of the importance of personal responsibility toward proper waste management and environmental stewardship.

In Indonesia, over 40 staff from Ascott Indonesia took part in cleaning up the common areas of SOS Children's Village, Jakarta, on World Clean-up Day, and engaged the children in interactive activities. CHF also donated over S\$2,000 to SOS Children's Village, in support of tuition fees for the children and youth.



From left to right:  
HARRIS Hotel Batam Centre Batam team organised a Beach Clean-up activity at Nongsa beachfront, Indonesia.  
Singapore team organised a Beach Clean-up activity at the East Coast Park in collaboration with Stridy<sup>10</sup>.  
Ascott Dubai team participated in the "Clean UAE Campaign".  
Ascott Indonesia volunteers at SOS Children's Village Ciburur.

## Collaborating to Upskill the Tourism Industry in Sustainability

Ascott's global hospitality training centre Ascott Centre for Excellence (ACE) is a recognised Continuing Education and Training centre for hotel and accommodation services by SkillsFuture Singapore since 2008. ACE reinforced its dedication to driving sustainability in the Singapore hospitality industry when it joined forces with Temasek Polytechnic<sup>11</sup> and the Global Sustainable Tourism Council (GSTC)<sup>12</sup> to offer three specialised training programmes in 2023: Introduction to Sustainability through Behavioral Insights, Sustainable Tourism, and Sustainable Hotel.

These collaborations resulted in the successful training of 55 participants from 24 organisations in the hospitality industry.



Participants at one of the specialised training programme "Sustainable Tourism Course" at Ascott Centre for Excellence with CLI Lodging Chief Financial and Sustainability Officer (second from right).

<sup>10</sup> Stridy is a non-profit organisation headquartered in Singapore, building a global community of volunteers, passionate about tidying the environment.

<sup>11</sup> A tertiary education institution in Singapore which offers full-time and part-time diploma courses.

<sup>12</sup> GSTC establishes and manages global sustainable tourism standards with the aim of increasing sustainable tourism knowledge and practices among public and private stakeholders. The GSTC is an independent and neutral non-profit organisation that establishes and manages global baseline standards for sustainability in travel and tourism.

# Social And Relationship Capital

## SOCIAL INTEGRATION AT CLI'S PROPERTIES

CLI has taken the lead in implementing designs to promote social integration into its Sustainable Building Guidelines (SBG) to ensure that they are considered in new buildings and major renovations. CLI is committed to managing safe, accessible, vibrant and quality real estate to enhance the lives of its shoppers, tenants, guests and members of the community. Its social integration criteria in its SBG include:

- Ensuring accessibility in the built environment for people of different age groups and varying abilities;
- Providing connectivity to public transport, roads, amenities and between buildings; and
- Providing community spaces as public gathering points.

Universal Design (UD) considerations also help to ensure that public spaces in CLI properties are accessible to users of different age groups and varying abilities. These include:

- Seamless connectivity to the external surroundings, e.g. bus stops, adjacent buildings, streets and sidewalks;
- Accessible (handicapped) parking lots and family lots;
- Barrier-free access from accessible (handicapped) parking lots and family lots to lift lobbies;
- Sheltered and barrier-free drop-off areas;
- Designated pedestrian lanes in carparks; and
- Amenities such as accessible handicapped toilets, lifts and nursing rooms.

CLI's overseas properties must comply with local UD/barrier-free codes and guidelines, and are encouraged to adopt Singapore's Building and Construction Authority (BCA) UD Guide in the absence of local codes and guidelines when undergoing asset enhancement.

In its recent asset enhancement initiative at CQ @ Clarke Quay in Singapore, the team upgraded steps that double up as seats to the landing of Read Bridge. A new accessibility ramp was installed to make this heritage site more accessible for the wider public.



In response to the growing global trend of an ageing population and the need for more accessible accommodation, Quest Apartment Hotels, a member of The Ascott Limited, partnered with The Accessible Group<sup>13</sup> in Australia, to create inclusive environments for all travelers, regardless of physical limitations, disabilities, or age. As part of this effort, Quest Mont Albert and Quest Burwood East properties in Melbourne had their property and room features redesigned to provide accessible amenities, and staff underwent training on identifying and assisting guests with disabilities.

Currently, Quest Mont Albert offers three accessible rooms, rated as Tier 1<sup>14</sup>, while Quest Burwood East has five accessible rooms, rated as Tier 2<sup>15</sup>. Quest Burwood East will expand its accessible room offerings to include the Tier 3 category, which targets assisted wheelchair guests. This commitment showcases their dedication to providing accessible and inclusive accommodations for diverse guests.



*From left to right:*  
Staff underwent training on the safe evacuation of guests with disability using an evacuation chair.  
Grab rails in the washroom.

<sup>13</sup> The Accessible Group is an organisation in Australia that promotes accessible accommodation and experiences for people with disabilities and the aging "Baby Boomer" generation.

<sup>14</sup> Rooms equipped with handy features for guests with assisted walking needs e.g. walking frame or cane users.

<sup>15</sup> Rooms are equipped with features to aid independent wheelchair guests for self-transfer to bed, shower, and toilet.

# Social And Relationship Capital

The following key figures represent CLI's overall alignment to the social integration criteria in its SBG<sup>16</sup>.

## Location and Green Transportation



- ~82% of CLI's properties worldwide are conveniently located near transport hubs such as bus stops and train/subway stations. This allows for easy access to the nearby communities and facilities.
- Over 150 of its properties offer more than 24,000 bicycle parking spaces. Some of its properties in Singapore offer an electric car-sharing option in partnership with BlueSG.

## Universal Design and Community Access

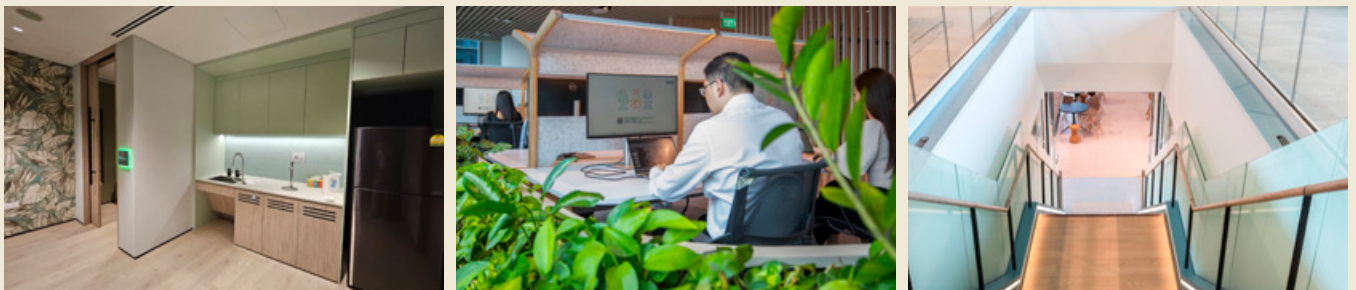


- ~84 % of CLI's properties worldwide have at least one access-enabled facility for the disabled. These facilities include accessible alighting and boarding bays, lifts, parking lots and public toilets. Its office buildings and shopping malls in Singapore are also guide dog-friendly.
- ~79 % of CLI's shopping malls, office buildings and integrated developments have atrium event spaces and/or children play areas. These communal spaces promote community engagement. Family or nursing rooms are also common features at CLI's shopping malls.

## Creating an Inclusive and Healthy Workplace for CLI's Staff in Singapore

CLI's staff in its Singapore corporate headquarters have access to four purpose-built nursing rooms. Mothers can book these nursing rooms through a centralised booking system which allows them to better schedule their time and avoid interruptions while using the rooms. Other inclusive facilities include a first aid room, a multi-faith room and a reflection room for CLI's staff to use.

During the office renovation, new features were installed, such as an internal staircase with usage tracker and appropriate signage for the visually impaired, some washing sinks, and main reception table for wheelchair users. Sufficient space was set aside for wheelchair users' ease of manoeuvring. Additionally, 59 IAQ sensors were installed enabling real-time monitoring and automated alerts to address air quality issues. Integration of greenery continued to play a part in improving the overall ambience and indoor air quality.



From left to right:  
Bookable nursing room with communal space.  
Biophilic spaces and internal spaces in the corporate office.

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

# Social And Relationship Capital

## Conserving and Enhancing the Heritage Features During Asset Enhancement Initiative at CQ @ Clarke Quay, Singapore

CQ @ Clarke Quay underwent an asset enhancement initiative (AEI). Efforts were made to preserve the rich culture and heritage of its location, in tandem with the urban renewal of the Singapore River precinct.

### Enhancing its Historic Warehouses

CQ @ Clarke Quay enhanced its historic warehouses, constructed between the 1860s and 1930s, through glass skylights installation to introduce natural light into the space. This also optimised spatial management, enhancing the end user experience at these shops.

Local artists Yip Yew Chong and Tobyato further enhanced the warehouses along Tan Tye Place with a mural inspired by Clarke Quay's heritage as a Teochew enclave.

### Upcycling Heritage Materials

The landing area of Read Bridge was upgraded, featuring additional steps designed to function as seating, paying tribute to its historical role as a communal space for storytelling.

Alongside a newly installed accessibility ramp, these seats incorporated upcycled wood pieces from the last two Twa Kows (sampans), historic cargo vessels that operated along the Clarke Quay riverfront from 2007 to 2023.

The Peddlers Walk showcased bronze heritage plaques, terracotta-coloured flooring, airwells, and jagged walls, which highlighted the area's past as back-to-back shophouses. The wood pieces from the Twa Kows were incorporated into timber stools and seats.

### Tenant Participation

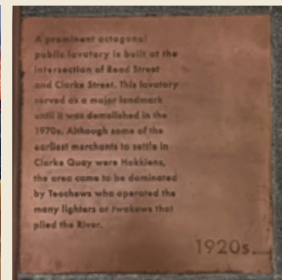
Tenants at Clarke Quay embraced concepts of integrating the site's heritage into its operations. *FairPrice Finest Clarke Quay* (supermarket) offers a wide range of products that are curated in collaboration with local partners. Its Grocer Food Hall curated cocktails infused with local flavours exclusive to CQ. The store paid tribute to Clarke Quay's riverine heritage through its interior design, incorporating nautical-themed elements that highlighted the company's milestones against the area's backdrop. Additionally, the store's warehouse-inspired layout reflected the area's rich history, with a mural depicting the Singapore River's significance as a trading port for essential goods entering Singapore.

*Swee Lee Clarke Quay* (homegrown music retailer with a long history of live music offerings) devoted approximately 60% of the repurposed warehouse unit to curate an experiential and community space. The store houses a bar and café, an artist lounge, vinyl listening stations, a creator corner with music editing set-ups and a large hall that doubles up as dining space and a performance venue.



Top row from left: Murals depicting Clarke Quay's heritage.

Wooden steps, doubled as seats, made from wood recycled from the Twa Kows, at the landing of Read Bridge. Twa Kows (sampans) were historical cargo vessels which used to operate at Clarke Quay.



Bottom row from left: Nautical-themed corner in the supermarket pays tribute to Clarke Quay's riverine heritage and sells local souvenirs.

Heritage panels and bronze plate tiles strategically positioned throughout the area, serving as educational elements for visitors.



# Organisational Capital

CLI has strived, where applicable, to align its policies, practices and reporting to regional and international standards, surveys or indices including:

- ISO 14001 – Environmental Management
- ISO 45001 – Occupational Health and Safety Management
- ISO 26000 – Guidance on Social Responsibility
- Dow Jones Sustainability Indices (DJSI)
- GRESB
- Carbon Disclosure Project (CDP)
- FTSE4Good Index Series
- MSCI ESG



In March 2024, Singapore Exchange Regulation (SGX RegCo) issued a consultation paper on details of how the International Sustainability Standards Board (ISSB)<sup>1</sup> standards are to be incorporated into its sustainability reporting rules for climate-related disclosures. CLI is preparing for the ISSB standards relating to climate reporting, and will continue to enhance its disclosures in accordance with global standards.

## CORPORATE GOVERNANCE

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

The values, ethics and practices of CLI provide the foundation for a trusted and respected business enterprise. CLI's Board of Directors (Board) is responsible for and plays a key role in setting CLI's corporate governance standards and policies. This sets the tone from the top and underscores the importance of strong corporate governance to CLI.

The Corporate Governance Report in the CLI Annual Report 2023 sets out the corporate governance practices for financial year (FY) 2023, benchmarked against the Code of Corporate Governance 2018 (last amended 11 January 2023) (Code).

For detailed disclosure on the CapitaLand Investment Governance Framework and application of its corporate governance practices with reference to the Code, please refer to the Corporate Governance Report on pages 88-134 in the CLI Annual Report 2023.

### Board Independence, Diversity and Performance

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

CLI recognises the importance of maintaining an appropriate level of independence and diversity of thought and background in the Board's composition to enable the Board to make decisions in the best interests of CLI. Its Board Charter provides that at least one-third of the Board shall comprise independent Directors. The Board Charter also provides that, in the event that the Chairman is not an independent Director, CLI will appoint a Lead Independent Director (LID) and ensure that the Board comprises a majority of independent Directors.

<sup>1</sup> The International Sustainability Standards Board (ISSB) is a standard-setting body established in 2021 under the IFRS Foundation, whose mandate is the creation and development of sustainability-related financial reporting standards to meet investors' needs for sustainability reporting. The ISSB builds on the work of market-led investor-focused reporting initiatives—including the Climate Disclosure Standards Board, Task Force on Climate-related Financial Disclosures (TCFD), the Value Reporting Foundation's Integrated Reporting Framework and industry-based Sustainability Accounting Standards Board (SASB) Standards, as well as the World Economic Forum's Stakeholder Capitalism Metrics. The IFRS Foundation has taken over the monitoring of progress on entities' climate-related disclosures from the TCFD as of 2024.

# Organisational Capital

CLI has a significant majority of independent Directors – 9 out of 11 Directors<sup>2</sup> are non-executive independent Directors (including a LID). The non-executive Chairman and the Group CEO are the only non-independent Directors. This exceeds the requirements in the Listing Manual, the Code, and the Board Charter.

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

As the Chairman is non-independent, a Lead Independent Director was appointed, whose main duties are to facilitate the functioning of, and provide leadership to, the Board if circumstances arise in which the Chairman may be (or is perceived to be) in conflict. The Lead Independent Director also supports effective Board objectivity in business judgement and oversight, and serves as an independent leadership contact for shareholders, Directors and Management especially where contact through the normal channels of communication with the Chairman or Management (as the case may be) is inappropriate or inadequate.

The Board, taking into account the views of the NC, assesses annually (and additionally as and when circumstances require) the independence of each Director, in accordance with the requirements of the Listing Manual of the SGX-ST, the Code, and where relevant, the recommendations set out in the Practice Guidance accompanying the Code, that are relevant in the determination as to whether a Director is independent. A Director is considered independent if he/she is independent in conduct, character and judgement, and has no relationship with CLI, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of his/her independent business judgement in the best interests of CLI.

CLI follows a rigorous process to evaluate the independence of the Directors whom it considers as independent. For more details, please refer to the Corporate Governance Report in CLI Annual Report 2023 pages 96-101.

CLI embraces diversity and has in place a Board Diversity Policy which provides for the Board to comprise talented and dedicated Directors with a wide mix of expertise (including industry, domain and functional expertise), skills, experience (including international experience) and perspectives, with due consideration to diversity in gender, age, tenure, ethnicity and culture, and geographical background including nationality, as well as any other relevant aspects of diversity. CLI values the benefits that diversity can bring to the Board in its deliberations by avoiding group-think and fostering constructive debate. Diversity enhances the Board's decision-making capability and ensures that CLI has the opportunity to benefit from all available talent and perspectives, which is essential to effective business governance and for ensuring long-term sustainable growth.

CLI's diversity targets, plans, timelines, and progress towards achieving these targets are described below. Further information on the progress achieved during FY 2023 can be found at "Board Composition and Renewal" under Principle 4 of the Corporate Governance Report in CLI Annual Report 2023 pages 105-109.

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<sup>2</sup> There were 11 Directors as at 15 March 2024. Ms Belita Ong was appointed as a Director on 1 January 2024. Mr Kee Teck Koon retired as Director on 25 April 2024. This report is aligned with the Corporate Governance Report in CLI Annual Report 2023. For data as at 31 December 2023, please refer to the Key ESG Data Summary (Governance data) in the Appendix.

# Organisational Capital

## Board Diversity

Diversity Targets, Plans and Timelines	Targets Achieved/Progress Towards Achieving Targets <sup>3</sup>
<p><b>Gender</b></p> <p>To have at least 2 female Directors on the Board during the period leading up to 2025.</p> <p>CLI 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 2 female Directors (out of 10 Directors) on the Board. This represents 20% of the Board.</p> <p>The proportion of female Directors on the Board increased to 27% (or 3 female Directors out of a total of 11 Directors) with the appointment of Ms Belita Ong on 1 January 2024.</p>
<p><b>Age</b></p> <p>To ensure that the Board comprises Directors across the following age groups:</p> <p>(a) 50 and below; (b) 51 to 60; and (c) 61 and above,</p> <p>and to maintain such level of age diversity during the period leading up to 2025.</p> <p>CLI believes that age diversity would provide a broad spectrum of thoughts and views in the Board's and Board Committee's deliberations.</p>	<p><b>Achieved</b> - As at the end of FY 2023, the Board comprised Directors across all 3 age groups, as follows:</p> <p>(a) 2 Directors aged 50 and below; (b) 3 Directors aged between 51 and 60; and (c) 5 Directors aged 61 and above.</p> <p>Ms Belita Ong, who was appointed as Director on 1 January 2024, is 66 years old as at 15 March 2024.</p>
<p><b>Tenure</b></p> <p>To ensure that the Board comprises Directors across the following tenure groups:</p> <p>(a) less than 3 years; (b) 3 to 6 years; and (c) more than 6 years,</p> <p>and to maintain such level of tenure diversity during the period leading up to 2025.</p> <p>CLI believes that tenure diversity would facilitate Board renewal progressively and in an orderly manner, while ensuring continuity in knowledge about the Company and its business operations and sustainability of corporate performance.</p>	<p><b>Achieved</b> - As at the end of FY 2023, the Board comprises Directors across all 3 tenure groups, as follows:</p> <p>As at the end of FY 2023, the Board comprises Directors across all 3 tenure groups, as follows:</p> <p>(a) 4 Directors' tenure being less than 3 years; (b) 2 Directors' tenure being between 3 and 6 years; and (c) 4 Directors' tenure being more than 6 years<sup>^</sup>.</p> <p><sup>^</sup> See footnote 3 on page 98 of CLI Annual Report 2023</p>

<sup>3</sup> There were 10 Directors as at 31 December 2023, and 11 Directors as at 15 March 2024. Ms Belita Ong was appointed as a Director on 1 January 2024. Mr Kee Teck Koon retired as Director on 25 April 2024. This report is aligned with the Corporate Governance Report in CLI Annual Report 2023.

# Organisational Capital

## Board Diversity

Diversity Targets, Plans and Timelines	Targets Achieved/Progress Towards Achieving Targets
<p><b>Skills &amp; Experience</b></p> <p>To ensure that the Directors, as a group, possess:</p> <ul style="list-style-type: none"> <li>(a) a variety of skill sets, including core competencies, domain knowledge and other fields of expertise, such as finance, banking, real estate, fund and investment management and technology; and</li> <li>(b) a mix of industry experience, management experience, business acumen and listed company board experience, particularly on organisational development, and ESG matters,</li> </ul> <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>CLI believes that diversity in skill sets would support the work of the Board and Board Committees and needs of CLI, and that an optimal mix of experience would help shape CLI's strategic objectives and provide effective guidance and oversight of Management and CLI's operations.</p> <p>CLI continually endeavours to deepen the bench strength of the Board with complementary and relevant expertise, including in the areas of fund and investment management, organisational development, and ESG matters.</p>	<p><b>In Progress</b> - As at the end of FY 2023, the Board comprises 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 finance, banking, real estate, fund management, international capital markets and technology.</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 the venture capital industry, and the international capital markets networks.</p> <p>The Board's collective skill sets in fund and investment management were further strengthened with the appointment of Ms Belita Ong on 1 January 2024.</p> <p>Efforts to identify new Board members continue. The NC also continues to look for opportunities to strengthen the collective skillsets of the Board.</p>

CLI 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 NC, in carrying out its duties of determining the optimal composition of the Board in its Board renewal process and addressing Board vacancies, considers candidates that bring a diversity of background and opinion with the appropriate training and industry or related expertise and experience. In identifying possible candidates and making recommendations of Board appointments to the Board, the NC's considerations include achieving an appropriate level of diversity in the Board composition having regard to diversity factors such as skills, experience, gender, age, tenure, ethnicity, culture, geographical background and nationality, as well as educational, business and professional background of its members. In its annual review of the Board's composition, the NC expressly considers and includes a commentary to the Board on the subject of diversity, including gender diversity, in the composition of the Board. In this regard, the Board, taking into account the views of the NC, is of the opinion that the Board's current size is appropriate with an appropriate balance and diversity of skills, experience, gender, age, tenure, ethnicity, culture, and geographical background including nationality, taking into account CLI's diversity targets, plans, timelines and objectives of the Board Diversity Policy and CLI's business needs and plans, for effective decision-making, quality discussions and constructive debate. For more information, please refer to the Corporate Governance Report in CLI Annual Report 2023 pages 102-104.

# Organisational Capital

For individual Directors, a formal evaluation is also carried out on an annual basis. For FY 2023, the Board Chairman and NC Chairman jointly evaluated each individual Director using an agreed evaluation framework as a guide. The evaluation criteria include Director's duties, contributions and conduct. Feedback from selected Senior Management members was also sought as part of the process. The NC Chairman also held one-to-one conversations with each of the Directors to discuss strengths and opportunities, with the sessions being received positively by the Directors. Formal evaluation is also carried out by the NC when a Director is due for retirement by rotation and is seeking reelection. The NC also considers the contributions and performance of individual Directors when it reviews Board composition.

The Board is committed to ethics and integrity of action and has adopted a Board Code of Business Conduct and Ethics which provides for every Director to, among other things, adhere to the highest standards of ethical conduct. All Directors are required to comply with the Board Code of Business Conduct and Ethics. This sets the appropriate tone at the top in respect of the desired organisational culture of ethics and integrity, and ensures proper accountability within the Company. In line with this, the Board has incorporated in the Board Code of Business Conduct and Ethics a standing policy that each Director must not allow himself/herself to get into a situation where his/her duty to the Company conflicts with his/her own interests. The Company also has a policy that it does not provide loans to Directors.

## Active Board Engagement on Sustainability and Climate Risks

Throughout 2023, CLI Board members were actively engaged on a range of sustainability and climate-related matters, ranging from regulatory and market developments to CLI's sustainability strategy and progress<sup>4</sup>. These engagements include internal and external briefings and training, and a regular ESG news digest on market, peers and regulatory trends.

Key engagement topics in 2023 included the findings and implications of CLI's third climate scenario analysis, which modelled the impact of various physical and transition risks for more than 480 properties in 20 countries, and informed CLI's climate transition plan. By identifying parts of the business with greater risk exposure, it served to guide CLI in making informed decisions on its green capital expenditure allocation, and in prioritising its measures to build resilience, reduce vulnerability, and harness opportunities.



ESG and Sustainability Topical Sharing Session conducted for CapitaLand Integrated Commercial Trust (CICT) Board members and staff

In June 2023, CapitaLand Integrated Commercial Trust (CICT) Management Ltd, the Manager of CICT, organised a half-day ESG and Sustainability Topical Sharing Session for its Board and staff. The educational session featured insights by external speakers from legal, consulting, and banking sectors on ESG-related regulations, sustainability reporting trends, and green financing in key markets in which CICT has a presence. The CLI Group Sustainability team also shared on the revised CLI 2030 Sustainability Master Plan, 2023 focus areas, and key sustainability innovations sourced from the CapitaLand Sustainability X Challenge piloted at CICT properties.

<sup>4</sup> For more information, please refer to the Introduction section of this report.

# Organisational Capital

## Sustainability Performance Metrics in Remuneration

The Board approves CLI's executive compensation framework based on the principle of linking pay to performance. CLI's business plans are translated to both quantitative and qualitative performance targets, including sustainable corporate practices and are cascaded throughout the organisation. For instance, CLI's Performance Bonus Plan is linked to the achievement of annual performance targets for each key management personnel as agreed at the beginning of the financial year with the Board and/or the Group CEO, as the case may be.

Using the Balanced Scorecard framework, CLI's strategy and goals are translated to performance outcomes comprising both quantitative and qualitative targets in the dimensions of Financial & Execution, Future Growth, People, Sustainability and Digitalisation & Innovation; these are cascaded down throughout the organisation, thereby creating alignment across the Group. The overall dimensions, performance measures and their relative weights are reviewed annually to reflect CLI's business priorities and focus for the relevant year.

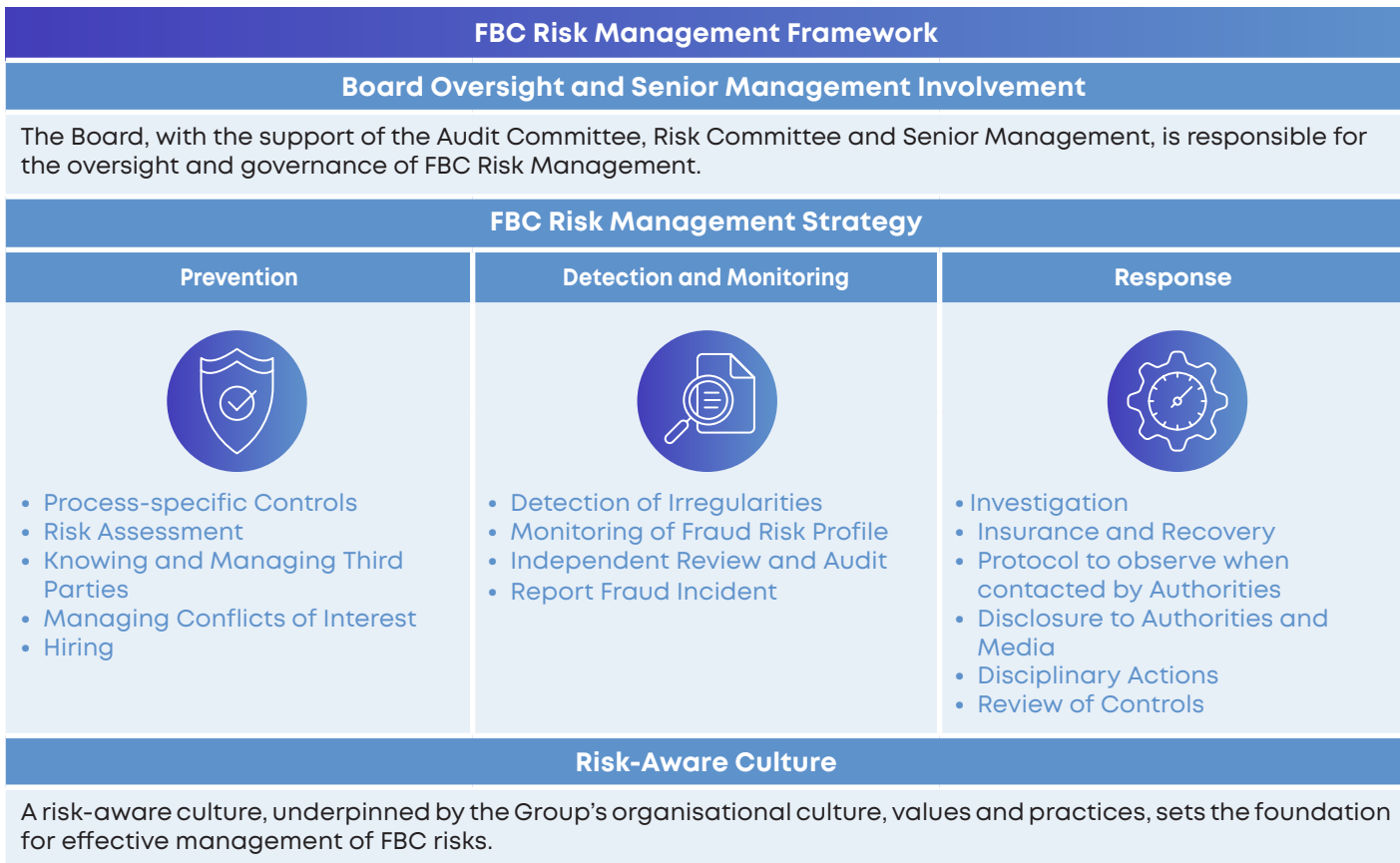
Balanced Scorecard Dimension	Financial & Execution	Future Growth	People	Sustainability	Digitalisation & Innovation
<b>Key Objectives</b>	<ul style="list-style-type: none"> <li>Driving sustainable growth by:               <ul style="list-style-type: none"> <li>Growing recurring cash Profit After Tax and Minority Interest (PATMI)</li> <li>Improving Return on Equity</li> <li>Effective capital recycling</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Growing assets/ funds under management</li> <li>Growing fee-related income</li> <li>Growing the lodging platform</li> </ul>	<ul style="list-style-type: none"> <li>Motivating and retaining talents</li> <li>Engaging employees for commitment, productivity and performance</li> </ul>	<ul style="list-style-type: none"> <li>Driving carbon emissions intensity reduction in line with CLI's 2050 Net Zero commitment for Scope 1 and 2 emissions</li> <li>Benchmarking against global sustainability indices</li> <li>Ensuring workplace safety</li> </ul>	<ul style="list-style-type: none"> <li>Driving operational efficiency</li> <li>Improving customer experience</li> </ul>
<b>Weightage</b>	← 60% →			← 40% →	

After the close of each year, the Board Executive Resource and Compensation Committee reviews the Group's achievements against the targets set in the Balanced Scorecard, determines the overall performance taking into consideration qualitative factors such as the quality of earnings, operating environment, regulatory landscape, industry trends and affordability to the Company, and approves a bonus pool that is commensurate with the performance achieved. For FY 2023, the bonus pool was smaller as compared to the bonus pool for the financial year ended 31 December 2022, due to the targets set having only been partially achieved by the Group. For more information regarding remuneration matters, please refer to the Corporate Governance Report in CLI Annual Report 2023 pages 112-120.

# Organisational Capital

## Fraud, Bribery and Corruption Risk Management Framework

CLI adopts a zero-tolerance stance against any Fraud, Bribery and Corruption<sup>5</sup> (FBC) in the conduct of its business activities and expects all its employees to be committed to the highest standards of integrity in their work and business dealings. The FBC Risk Management Framework has been set in place to manage FBC risks in an integrated, systematic and consistent manner.



Together with various CLI's policies and procedures, the FBC Risk Management Policy is published on CLI's intranet and is accessible by staff. The policies implemented aim to help detect and prevent FBC by:

- Offering a fair compensation package to staff, based on practices of pay-for-performance and promotion based on merit; and providing various healthcare subsidies and financial assistance schemes to alleviate the common financial pressures faced by its staff.
- Documenting policies and work procedures which incorporate internal controls to ensure that adequate checks and balances are in place. Periodic audits are also conducted to evaluate the efficacy of these internal controls.
- Building and maintaining the right organisational culture through its core values, and educating its staff on business conduct and ethical values.

5 (a) Fraud is the use of deception with the intention of obtaining an advantage, or avoiding an obligation or causing loss to another party. Fraud can be perpetrated by employees, third parties or a collusion between employees and third parties.  
 (b) Bribery and Corruption is the offering, promising, giving, accepting or soliciting of an undue advantage of any value (which could be financial or non-financial), directly or indirectly, and irrespective of location, in violation of applicable law. These are usually made as an inducement or reward for a person acting or refraining from acting in relation to the performance of that person's duties.

# Organisational Capital

In addition, these various policies and guidelines call upon the staff to observe ethical principles in the conduct of business activities which include:

- Abiding by CLI's Ethics and Code of Business Conduct Policies which deal with matters such as confidentiality, conduct and work discipline, corporate gifts and concessionary offers. Clear policies and guidelines on how to handle workplace harassment and grievances are also in place. Donations are not to be made to any political causes through CLI and/or the Group's philanthropic arm, CapitaLand Hope Foundation (CHF).
- Abiding by the Anti-Money Laundering and Countering the Financing of Terrorism Policy;
- Acting professionally and with integrity;
- Practising fair competition;
- Honouring contractual commitments made;
- Not making inaccurate or misleading statements;
- Making decisions or representations only when duly authorised;
- Ensuring appropriateness of frequency and venue when conducting business activities;
- Maintaining security and confidentiality of data and information;
- Not manipulating business relationships for personal gains or interests.

CLI's zero-tolerance policy on FBC extends to its business dealings with third parties (including contractors, subcontractors, consultants, agents, representatives and others performing work or services for or on behalf of CLI). Pursuant to this policy, it requires that certain agreements of the Company incorporate anti-corruption provisions.

	Staff	Supply Chain / Partners
<b>Communication/ Signing of Code of Conduct</b>	<ul style="list-style-type: none"> <li>• FBC Risk Management Policy</li> <li>• Annual declaration through the "CLI Pledge" to uphold CLI's core values, and not to engage in any corrupt practices</li> <li>• Relevant training</li> </ul>	<ul style="list-style-type: none"> <li>• FBC Risk Management Policy</li> <li>• CLI Supply Chain Code of Conduct, and anti-corruption clause in key contracts</li> </ul>
<b>Feedback Channels</b>	<ul style="list-style-type: none"> <li>• Whistle-blowing reporting</li> </ul>	<ul style="list-style-type: none"> <li>• Whistle-blowing reporting</li> </ul>

A whistle-blowing policy and other procedures, including grievance handling, are in place to provide CLI's staff and external parties who have dealings with the Company, with a well-defined, accessible and trusted channel to report grievances, suspected FBC, dishonest practices or other improprieties in the workplace. It also allows for the independent investigation of any reported incidents and determination of appropriate actions for follow up. The objective of the whistle-blowing policy is to encourage the reporting of such matters – that staff or external parties making any report in good faith will be able to do so with confidence, that they will be treated fairly, and to the furthest extent possible, be protected from reprisal if any.

The Board, with the assistance of the Audit Committee (AC) and Risk Committee (RC), as well as support from Senior Management, is responsible for the oversight and governance of FBC Risk Management. In conjunction with the assessment by the RC, the AC assesses the adequacy and effectiveness of the internal controls (including financial, operational, compliance and information technology controls) and risk management systems established by management to manage risks. CLI's anti-corruption policies and procedures are communicated to all Board members through various formats including board induction training. Directors also refresh their knowledge annually through their approval of the Corporate Governance Report.



<sup>6</sup> This includes the Securities Dealing Policy. It sets out prohibitions against dealings in the Company's securities (i) while in possession of material unpublished price-sensitive information, (ii) during the one month preceding, and up to the time of announcement of the Company's results for the full financial year. Directors and/or staff are also required to refrain from dealing in securities of the Company and other relevant listed entities in the Group if they are in possession of unpublished price-sensitive information of the Company and other listed entities by virtue of their status as Directors and/or staff. As and when appropriate, they would be issued an advisory to refrain from dealing in the relevant securities. Under the policy, Directors and staff are also discouraged from trading on short-term or speculative considerations. They are also prohibited from using any information with respect to other companies or entities obtained in the course of their employment, in connection with securities transactions of such companies or entities.



# Organisational Capital

Substantiated cases are reported on a quarterly basis to both the AC and RC and shared with the risk management champions regularly. Actions taken in relation to these cases include termination of employment contract, and/or reporting to the appropriate external authorities. In 2023, 15 cases were substantiated<sup>7</sup>. CLI staff involved in 12 of these cases were disciplined, dismissed or reported to external authorities. Some also resigned on their own accord. CLI vendors involved in three of these cases were blacklisted. There were no cases involving anti-competition or money laundering behaviour. There were also no public legal cases regarding corruption brought against CLI or CLI staff.

CLI made no payment and donation to politicians or political parties as it expects to be judged on its own merits. CHF's constitution also states that no grant or assistance shall be given in aid of any political organisation or purpose.



## Other Ethical Management Issues

CLI is committed to best practices and complies with the relevant legislations and requirements. Marketing activities relating to shopping malls and office spaces, such as advertisements and promotions (A&P), are generally guided by external A&P consultants, and are in compliance with local marketing requirements as stipulated by CLI.

## Training

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

In 2023,

- Close to 91%<sup>8</sup> (>8,600) of CLI staff received Fraud, Bribery and Corruption (FBC) and Whistle-blowing training covering topics such as ethics and code of conduct, anti-corruption, preventing and detecting fraud, money laundering, profiling and investigation techniques, and professional judgment and obligations relating to whistle-blowing.
- 83% of CLI staff who have email access<sup>9</sup> attended cyber awareness training to acquire and refresh their knowledge on how to detect potential cyber breaches, especially with the increased reliance on digital services. For all CLI staff, this would be 65% (>6,400) who attended cyber awareness training.
- At least 1,100 CLI staff underwent training on CLI's core values and principles as part of new staff onboarding.



<sup>7</sup> These cases were disclosed regardless of the financial amount, and even if there were no loss to the Company.

<sup>8</sup> Training completion rate is monitored based on staff strength as at 21 Aug 2023 (training launch date).

<sup>9</sup> CLI staff with email access were identified as having a higher risk exposure to cyber threats.

# Organisational Capital

## Enterprise Risk Management (ERM)

Risk management is an integral part of CLI's business at both the strategic and operational level. CLI takes measured risks in a prudent manner for justifiable business reasons, with the objective of optimising opportunities within known and agreed risk appetite levels set by the Board. The Board of Directors maintains responsibility for risk governance across the Company.

CLI's ERM Framework is adapted from the ISO 31000 International Risk Management Standards. It is also guided by the Committee of Sponsoring Organisations of the Treadway Commission Internal Control-Integrated Framework as well as other relevant best practices and guidelines. It specifies the required environmental and organisational components needed to manage risks in an integrated, systematic and consistent manner. The ERM Framework and related risk management policies are reviewed annually.

A robust internal control system, as well as an effective and independent review and audit process, underpin the Company's ERM Framework. While line management is responsible for the design and implementation of effective internal controls using a risk-based approach, the Internal Audit team reviews such design and implementation to provide reasonable assurance to the AC on the adequacy and effectiveness of the risk management and internal control systems.

Annually, the Group Risk Management (GRM) department coordinates a group-wide Risk and Control Self-Assessment (RCSA) exercise that requires business units and corporate functions to identify, assess and document material risks which include ESG-related risks, along with their key controls and mitigating measures. Material risks and their associated controls are consolidated and reviewed at the CLI level before they are presented to the RC, AC and CLI Board.

Awareness of and preparedness for potential risks affecting its business continuity help CLI minimise the impact of disruption to its business operations. CLI has a Business Continuity Management Policy to guide the business units in the implementation of business continuity plans. Periodic exercises have been conducted with the results recorded for continual improvements to be made.

## Reinforcing the Importance of Risk and Understanding the Changing Risk Environment - CLI Risk and Compliance Forum 2023



Navigating the ever-evolving landscape of geopolitical conflicts, regulatory changes, cybersecurity challenges, and other complexities is crucial for ensuring CLI's success. In July 2023, CLI held its inaugural Risk and Compliance Forum, with the theme "Embrace Changing Risk Environment". Setting the tone for the forum, CLI's Group Chief Financial Officer and Group Chief Operating Officer emphasised that every staff member had a part to play in identifying, managing, and embracing risks. The hybrid forum saw over 400 in-person and online attendees from various CLI business units spending a full day learning from external speakers and CLI management about risks arising from geopolitics, sanctions, climate change, cybersecurity as well as other key topics. CLI staff also learned about effective risk management measures, and CLI's journey in addressing key risks and building organisational resilience. Post-event, the event recording and materials were uploaded onto the intranet for CLI staff who were unable to attend, or who wished to refresh on certain topics.

# Organisational Capital

CLI has in place group-wide policies and procedures which set out the governance and controls of information technology (IT)/cyber security risks<sup>10</sup>.

Ongoing digitalisation of the business exposes CLI to IT-related threats, which may result in compromising the confidentiality, integrity and availability of the Company's information, assets and/or systems. This could also have a negative impact on customer experience, financials and/or regulatory compliance. To build a cyber resilient infrastructure and network, and to harness the full potential of innovation and digital transformation of CLI's business processes, CLI has in place the following key mitigation actions:

- Execute CLI's Cyber Security Strategy through ongoing review against existing/evolving threat landscapes and institute measures to minimise exposure to vulnerability and manage threat vectors;
- Roll out ongoing staff IT Security Awareness Training to reduce the probability of staff being targeted by cyber threats;
- Periodically review and update group-wide IT Security Policy and Data Protection Framework to ensure relevancy;
- Maintain and test IT Security Incident Management Procedure to ensure prompt response and timely remediation of cyber security incident;
- Conduct annual Disaster Recovery Plan exercise to ensure timely recoverability of business-critical IT systems;
- Engage independent security service providers to conduct vulnerability assessment to further strengthen the IT systems;
- Regularly update the RC on the state of cybersecurity risk activities and key control improvements.

## Strengthening Cyber Resilience Through Training

In 2023, 83%<sup>11</sup> of CLI staff who have email access (or 65% of all CLI staff) attended cyber awareness training to acquire and refresh their knowledge on how to detect and respond to potential cyber threats. Topics included Social Engineering, Phishing, Smishing, Ransomware, Security of Smart Things and IT Security Fundamentals among others.

Under CLI's Business Continuity Management programme, simulated hacker attacks were also conducted as part of cybersecurity vulnerability analysis in 2023. This served to ensure organisational and staff preparedness and readiness to deal with adverse business disruptions arising from cyberattacks, and helped to stress-test the effectiveness of CLI's processes, procedures and escalation protocols.



CLI believes that having the right risk culture and people with the right attitude, values and knowledge are fundamental to the Company's success. Therefore, the GRM continues to proactively enhance risk management knowledge by conducting regular workshops targeted at different management levels and functions. It also promotes a culture of risk awareness which embeds risk management principles in decision-making and business processes. The ESG risks identified include FBC risk, environmental risk, health and safety risk as well as regulatory and compliance risk.

For more information regarding Enterprise Risk Assessment, please refer to the CLI Annual Report 2023 pages 83-87.

<sup>10</sup> This is under the purview of Group Technology and overseen by a member of the CLI Leadership Council, Kevin Goh, CEO, Lodging, CLI, who also oversees the Centre of Excellence for Digital and Technology. With effect from 1 April 2024, Quah Ley Hoon, Group Chief Corporate Officer will oversee Digital and Technology as part of Corporate Functions to drive the advancement of CLI's digital and technology initiatives. She will spearhead data analytics and AI initiatives to enhance CLI's productivity and efficiency, and partnering business units to leverage AI as a value proposition to CLI's stakeholders. She will chair the Group Technology Panel (GTP) to review technology project proposals across CLI group.

<sup>11</sup> CLI staff with email access were identified as having a higher risk exposure to cyber threats.

# Organisational Capital

## CLI 2030 SUSTAINABILITY MASTER PLAN (SMP) TARGETS AND PERFORMANCE

One of the key themes that drives CLI's 2030 Sustainability Master Plan (SMP) is to steward responsible business conduct and governance with the 2030 targets and pathways outlined clearly in the SMP.

	2030 Target <sup>12</sup>	2023 Performance
Corporate Governance	At least 85% of CLI staff to attend one compliance related training.	<ul style="list-style-type: none"> <li>Close to 91%<sup>13</sup> of staff attended FBC and whistle-blowing training.</li> <li>65% of staff attended Cybersecurity training (83%<sup>11</sup> of staff who have email access).</li> </ul>
	Ensure sustainability targets are integrated into CLI Performance Share Plan and Balanced Scorecard framework to determine executive remuneration and business units KPIs.	<ul style="list-style-type: none"> <li>Under the Balanced Scorecard framework, CLI's strategy and goals are translated to performance outcomes comprising both quantitative and qualitative targets in various dimensions including sustainability. These are cascaded down throughout the organisation, thereby creating alignment across CLI.</li> <li>For more information regarding executive remuneration, please refer to the CLI Annual Report 2023 pages 113-117.</li> </ul>
Transparent Reporting	Ensure reporting is aligned to international standards such as TCFD and GRI with disciplined internal checks as well as external assurance of data by accredited bodies.	<ul style="list-style-type: none"> <li>CLI's sustainability reporting has been aligned to GRI Standards and Greenhouse Gas (GHG) Protocol (operational control method) since 2009, GRESB since 2013, VRF's Integrated Reporting Framework since 2015, UN SDG Reporting since 2016, TCFD framework since 2017, and SASB Standards since 2020.</li> <li>CLI's Global Sustainability Report has been externally assured since 2010. Please refer to Appendix of this report for the Independent Assurance Statement.</li> </ul>
Risk Reporting	Ensure processes to identify, assess, and manage sustainability risks and opportunities in the short-, medium-, and long-term are integrated into overall enterprise risk management processes.	<ul style="list-style-type: none"> <li>Annual group-wide RCSA exercise requires business units and corporate functions to identify, assess and document material risks which include ESG-related risks and opportunities; along with their key controls and mitigating measures.</li> <li>For more information on CLI's RCSA exercise and risk management processes, please refer to the CLI Annual Report 2023 pages 83-87.</li> </ul>
	Ensure sustainability risks and opportunities are managed in line with overall risk appetite and strategy.	<ul style="list-style-type: none"> <li>CLI's revised 2030 SMP was launched in May 2023 after a regular review to ensure that it remains relevant to CLI's business strategy and is aligned with climate science.</li> <li>Performance against CLI 2030 SMP targets and Balanced Scorecard targets is tracked and reported to CLI Management and Board at least annually.</li> </ul>

<sup>12</sup> These targets are intended to reflect the organisation-wide goals set by CLI on a group basis, and are intended to be implemented subject to and taking into account (i) fair and equitable employment practices and principles under applicable laws and market practice and (ii) the business and operational needs of the Company and the organisation, as applicable.

<sup>13</sup> Training completion rate is monitored based on staff strength as at 21 Aug 2023 (training launch date).

# Financial Capital

In FY 2023, CLI achieved a 1.2% return on equity with PATMI of S\$181 million, comprising Operating PATMI of S\$568 million and portfolio gains of S\$213 million, partially impacted by impairment and revaluation losses of S\$600 million. Amidst a challenging macroeconomic environment, CLI generated a resilient Operating PATMI. This was 7% lower than last year, mainly attributable to higher interest expense, lower contribution from China and lower event-driven fees from funds. These were partially mitigated by the absence of foreign exchange losses recognised in FY 2022, as well as better contribution from the lodging business.

CLI remained proactive in its asset recycling efforts, achieving a gross divestment value of S\$2.1 billion and recording portfolio gains of S\$213 million in FY 2023. The portfolio gains were mainly from the divestments of properties across various asset classes such as lodging, retail, office and new economy, located in Europe and Asia Pacific. In terms of revaluation of investment properties, CLI registered a non-cash unrealised revaluation loss of approximately S\$600 million for FY 2023. This arose mostly from CLI's properties located in China, the UK and the USA, partially offset by revaluation gains mainly from malls in Singapore and business parks in India. Valuation of CLI's properties in China were impacted due to weaker rents and market outlook, while valuation of properties in the USA and the UK were mainly impacted by the expansion of capitalisation rates amidst a high-interest rate environment.

Year	2023	2022
Revenue under management (S\$ million) <sup>14</sup>	7,768	7,557
Revenue (S\$ million) <sup>15</sup>	2,784	2,876
Earnings before interest, tax, depreciation and amortisation (EBITDA) (S\$ million)	1,104	1,966
Profit attributable to shareholders (PATMI) (S\$ million)	181	861
Operating PATMI (S\$ million)	568	609
Earnings per share (cents)	3.5	16.8
Net Asset Value per share (S\$)	2.74	2.74
Return on Equity (ROE) (%)	1.2	5.5
Ordinary dividend per share (cents)	12.0	12.0
Special dividend per share (cents)	-	6.1 <sup>16</sup>
Total dividend per share (cents)	12.0	18.1

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

14 Revenue under management includes full revenue of CLI's global portfolio, including revenue of its non-consolidated funds and its six listed real estate investment trusts and business trusts - CapitaLand Integrated Commercial Trust (CICT), CapitaLand Ascendas REIT (CLAR), CapitaLand Ascott Trust (CLAS), CapitaLand China Trust (CLCT), CapitaLand India Trust (CLINT) and CapitaLand Malaysia Trust (CLMT). This aligns with the reporting scope of the CLI Global Sustainability Report 2023, and is used to derive CLI's carbon intensity by revenue under management, which is calculated by total Scope 1 and 2 carbon emissions from its global portfolio divided by revenue under management.

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

16 Derived based on distribution of 0.057013 CapitaLand Ascott Trust (CLAS) unit per ordinary share and the closing market price of S\$1.07 per CLAS unit on 11 May 2023.

# Financial Capital

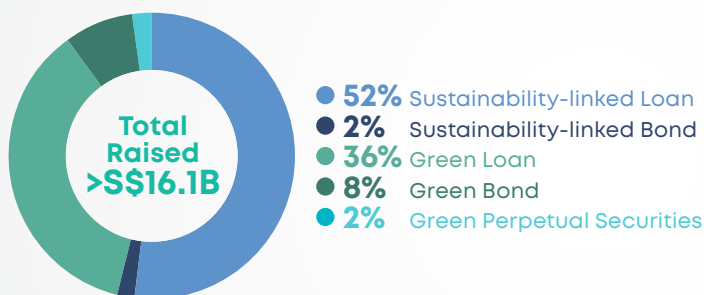
CLI maintains a prudent capital structure and actively reviews its cashflows, debt maturity profile and overall liquidity position on an ongoing basis. The main sources of the Company's operating cashflows are derived from fees and rental income from its commercial, business parks, integrated developments, shopping malls, fund management and lodging businesses. To support its funding requirements, investment needs and growth plans, CLI actively diversifies its funding sources by putting in place a combination of bank facilities and capital market issuances.

CLI continued to explore new ways to improve its financial flexibility and resilience through sustainable financing instruments, reinforcing CLI's commitment towards responsible growth. Besides sustainability-linked loans (SLL) and bonds, CLI, including its listed REITs and business trusts, have also secured green loans, bonds and perpetual securities. In FY 2023, CLI, including its listed REITs and business trusts, obtained S\$4.5 billion in sustainable finance, which included sustainability-linked loans and bonds tied to their respective achievements on globally-recognised indices. With CLI maintaining its listing on the Dow Jones Sustainability Indices (DJSI) World Index and GRESB Real Estate Assessment, along with the achievement of other ESG indicators in 2023, CLI continues to achieve savings from the reduced interest rates on its sustainability-linked loans and bonds. The savings would be redeployed to support CLI's ESG initiatives, spurring better sustainability outcomes.

## LEVERAGING SUSTAINABLE FINANCE FOR DECARBONISATION

Since 2018, over S\$16.1 billion in sustainable finance has been raised by CLI, including its listed REITs and business trusts.

### Diverse product types...



As at 31 December 2023

### ...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 CLI SMP 2030

### Benefits of Sustainable Financing

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

For a detailed breakdown of CLI's FY 2023 financial results, three-year financial summary, economic value-added statement, and value-added statement, please refer to the following sections in the CLI Annual Report 2023:

- Performance Highlights, pages 6-7
- Three-Year Financial Summary & Performance Review, pages 30-37
- Value-Added Statement, page 272

## APPENDIX

# Material Topics And Boundaries

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

# GHG Emissions Data Methodology

CLI's methodology for computing Scope 1, 2, and 3 GHG emissions are listed below.

GHG Emissions Data Methodology	
<b>Approach</b>	<p>CLI computes Scope 1, 2 and 3 emissions using Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004), and Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011), unless otherwise stated.</p> <p>CLI uses the operational control approach as defined by the GHG Protocol, and determined that it has operational control over the properties that it operationally manages.</p> <p>Gases included in computation are carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulphur hexafluoride (SF<sub>6</sub>), where applicable, and where the relevant emission factor inclusive of these gases is available in the emission factor databases used by CLI.</p>
<b>Scope 1 GHG Emissions</b>	<p>Scope 1 GHG emissions relate to direct emissions from direct fuel combustion (Natural Gas, Compressed Natural Gas, Diesel, Liquefied Petroleum Gas) and fugitive emissions from refrigerant use from chiller top-ups and refrigerant gas leakage. 2023 data for direct fuel combustion and fugitive emissions covered 497 properties and 17 properties respectively.</p> <p><b>Emission and Conversion factors</b> For computation of 2023 emissions from fuel combustion, emission factors used were from UK DEFRA GHG Conversion Factors for Company Reporting 2023. For computation of 2023 emissions from refrigerants, global warming potential (GWP) rates used were from IPCC Assessment Report 5.</p> <p><b>Changes in reporting period</b> In 2023, this category was expanded to newly include fugitive emissions where data was available, from documented chiller top ups in 17 properties in Singapore, China, India, Malaysia and UK.</p>
<b>Scope 2 GHG Emissions</b>	<p>Scope 2 GHG emissions relate to indirect emissions from purchased electricity, district heating, and district cooling. 2023 data covered 497 properties.</p> <p><b>Emission and Conversion factors</b> Emission factors used for computation of 2023 emissions were from IEA 2023 v1.1 (AR4 Applied). Renewable energy, including offsite renewable energy via retired Renewable Energy Certificates (RECs) and virtual Power Purchase Agreements (PPAs), have an emissions factor of 0.</p> <p><b>Changes in reporting period</b> No significant changes.</p>
<b>Scope 3 GHG Emissions</b>	<p>In 2023, CLI commissioned a third-party comprehensive Scope 3 inventories exercise assessing all 15 GHG Protocol Scope 3 categories, to identify its material Scope 3 categories. 10 categories were deemed to be relevant. CLI expanded its scope of reporting from five to eight categories. Two categories - Employee commuting (Category 7) and Franchises (Category 14) - were deemed as relevant but were not disclosed in this report as the data are unavailable and proxies were not used for disclosure.</p> <p>CLI will continue to enhance its coverage, accuracy and clarity of its Scope 1, 2, and 3 emissions disclosures. This is contingent on the availability/ accessibility of data upstream and downstream of its value chain (including tenants and suppliers).</p> <p><b>Cat 1 Purchased goods and services</b> Relates to emissions from operational expenditure by corporate and business unit country teams on three procurement systems. The three procurement systems covered FY 2023 group procurement spend in 18 countries, and lodging procurement spend in 31 countries, including CLI's core markets of Singapore, China, and India.</p> <p><b>Emission and Conversion factors</b> Spend-based emission factors used for computation of 2023 emissions were from US EPA Supply Chain Greenhouse Gas Emission Factors v1.2.</p> <p><b>Changes in reporting period</b> New disclosure category in 2023.</p> <p><b>Cat 2 Capital Goods</b> Relates to emissions from capital expenditure by business unit country teams that on three procurement systems; and embodied carbon from CLI's development projects in India relating to diesel, purchased electricity, and building materials used in construction activities. The building materials included in the computation are concrete, cement, sand and aggregate, steel, bricks, aluminium, glass, paint, ceramic tiles and granite.</p> <p><b>Emission and Conversion factors</b> For computation of 2023 emissions from capital expenditure, spend-based emissions factors used were from US EPA Supply Chain Greenhouse Gas Emission Factors v1.2. For computation 2023 emissions from diesel and purchased electricity used in construction activities, emission factors used were from UK DEFRA GHG Conversion Factors for Company Reporting 2023 and IEA 2023 v1.1 (AR4 Applied). For computation of 2023 embodied carbon emissions of construction materials, densities and coefficients used were from the Inventory of Carbon &amp; Energy (ICE) Version 2.0.</p> <p><b>Changes in reporting period</b> In 2023, this category was expanded to include emissions from capital expenditure.</p> <p>Additionally, prior to 2023, multi-year embodied carbon emissions for development projects were only reported in the project completion year. In 2023, CLI changed its methodology to report upfront embodied carbon in the construction year, to allow for more timely and regular disclosure and analysis.</p> <p>There were no restatements of prior year data.</p>



# GHG Emissions Data Methodology

GHG Emissions Data Methodology							
<b>Scope 3 GHG Emissions</b>	<p><b>Cat 3 Fuel- and energy-related activities</b> Relates to emissions from the production and transmission and distribution of fuels and energy consumed by CLI, that are not accounted for in Scope 1 and 2. District cooling related Cat 3 emissions were excluded as its corresponding Well-to-Tank (WTT) emission factor was unavailable. District cooling related Cat 3 emissions will be included upon availability of the emission factor.</p> <p><b>Emission and Conversion factors</b> WTT and transmission and distribution loss emission factors used for computation of 2023 emissions were from UK DEFRA GHG Conversion Factors for Company Reporting 2023, and UK DEFRA GHG Conversion Factors for Company Reporting 2021 where country-specific emission factor was unavailable in the 2023 database.</p> <p><b>Changes in reporting period</b> New disclosure category in 2023.</p>						
	<p><b>Cat 4 Upstream transportation and distribution</b> Relates to emissions from the upstream transportation and distribution of purchased goods.</p> <p><b>Emission and Conversion factors</b> Spend-based emission factors used for computation of 2023 emissions were from US EPA Supply Chain Greenhouse Gas Emission Factors v1.2.</p> <p><b>Changes in reporting period</b> New disclosure category in 2023.</p>						
	<p><b>Cat 5 Waste generated in own operations</b> Relates to emissions from the disposal of landlord and tenant waste generated at properties. For non-recycled waste, the following waste disposal methods have been assumed for the various operating markets.</p> <table border="1"> <thead> <tr> <th>Assumed non-recycled waste disposal method</th> <th>Operating markets</th> </tr> </thead> <tbody> <tr> <td>Incineration</td> <td>Austria, Belgium, France, Germany, Ireland, Japan, Netherlands, Singapore, South Korea, Switzerland</td> </tr> <tr> <td>Landfill</td> <td>Australia, Bahrain, Cambodia, China, Fiji, Georgia, India, Indonesia, Kazakhstan, Kenya, Laos, Malaysia, New Zealand, Oman, Philippines, Qatar, Saudi Arabia, Spain, Thailand, Turkey, United Arab Emirates, UK, USA, Vietnam</td> </tr> </tbody> </table> <p>For recycled waste, emissions were computed for recycled paper, metal, plastic, glass, e-waste, food waste, and other recycled waste.</p> <p><b>Emission and Conversion factors</b> Emission factors used for computation of 2023 emissions were from US EPA Emission Factors Hub 2024.</p> <p><b>Changes in reporting period</b> Prior to 2023, emission factors used were from Singapore's Fourth National Communication and Third Biennial Update Report and US EPA Emission Factors Hub, and the assumed non-recycled waste disposal methods were waste incineration in Singapore, and disposal to landfill in China, India and other countries. In 2023, following CLI's third party comprehensive Scope 3 study, the emission factors and non-recycled waste disposal assumptions have been updated.</p> <p>There were no restatements of prior year data.</p>	Assumed non-recycled waste disposal method	Operating markets	Incineration	Austria, Belgium, France, Germany, Ireland, Japan, Netherlands, Singapore, South Korea, Switzerland	Landfill	Australia, Bahrain, Cambodia, China, Fiji, Georgia, India, Indonesia, Kazakhstan, Kenya, Laos, Malaysia, New Zealand, Oman, Philippines, Qatar, Saudi Arabia, Spain, Thailand, Turkey, United Arab Emirates, UK, USA, Vietnam
	Assumed non-recycled waste disposal method	Operating markets					
Incineration	Austria, Belgium, France, Germany, Ireland, Japan, Netherlands, Singapore, South Korea, Switzerland						
Landfill	Australia, Bahrain, Cambodia, China, Fiji, Georgia, India, Indonesia, Kazakhstan, Kenya, Laos, Malaysia, New Zealand, Oman, Philippines, Qatar, Saudi Arabia, Spain, Thailand, Turkey, United Arab Emirates, UK, USA, Vietnam						
<p><b>Cat 6 Business travel (Corporate air travel booked from Singapore headquarters)</b> Relates to emissions from corporate air travel by CLI employees booked from Singapore headquarters, based on air travel distance provided by air travel agencies.</p> <p><b>Emission and Conversion factors</b> Emission factors used for computation of 2023 emissions were from UK DEFRA GHG Conversion Factors for Company Reporting 2023.</p> <p><b>Changes in reporting period</b> Prior to 2023, air travel distance was estimated based on airport location coordinates. In 2023, following CLI's third party comprehensive Scope 3 study, air travel distance was obtained directly from the air travel agency, and emission factors were updated.</p> <p>There were no restatements of prior year data.</p>							
	<p><b>Cat 7 Employee commuting</b> <i>Excluded from reporting scope based on limited data availability and expected insignificant contribution to total Scope 3 emissions. CLI will monitor the proxy computation methods for this category. When more data is available and proxy computations more commonly used, CLI will consider preparing the disclosure.</i></p>						
	<p><b>Cat 8 Upstream leased assets</b> <i>Not applicable – Consultant deemed this to be likely immaterial as CLI has accounted for the emissions from its leased spaces (e.g., admin offices) in its Scope 1 and 2 emissions</i></p>						

# GHG Emissions Data Methodology

GHG Emissions Data Methodology	
Scope 3 GHG Emissions	<p><b><u>Cat 9 Downstream transportation and distribution</u></b>  <i>Not applicable - Consultant deemed this to be likely immaterial as CLI does not sell any products that would incur emissions from product transportation and distribution.</i></p>
	<p><b><u>Cat 10 Processing of sold products</u></b>  <i>Not applicable - Consultant deemed this to be likely immaterial as CLI does not sell any products that would incur emissions from further product processing.</i></p>
	<p><b><u>Cat 11 Use of sold products (Tenant emissions of third-party owned but CLI-operationally managed properties)</u></b>            Relates to tenant in-use operational emissions of third-party owned but CLI-operationally managed properties. 2023 data covered 74 properties.</p> <p><b>Emission and Conversion factors</b>            Emission factors used for computation of 2023 emissions were from IEA 2023 v1.1 (AR4 Applied).</p> <p><b>Changes in reporting period</b>            Prior to 2023, tenant in-use operational emissions of third-party owned but CLI-operationally managed properties were reported together with tenant in-use operational emissions of CLI-owned and -operationally managed properties, under the category "Tenants' energy consumption". In 2023, following CLI's third party comprehensive Scope 3 study, tenant in-use operational emissions of CLI-owned and -operationally managed properties was re-categorised and reported together with landlord and tenant emissions of CLI-owned but third-party operationally managed properties in Cat 13.</p> <p>Additionally, 2023 data coverage increased to cover 74 third-party owned but CLI-operationally managed properties. This was an increase in coverage from 2022 data, which was based on tenant data of 54 third-party owned but CLI-operationally managed properties.</p> <p>There were no restatements of prior year data.</p>
	<p><b><u>Cat 12 End-of-life treatment of sold products</u></b>  <i>Not applicable - Consultant deemed this to be likely immaterial to CLI as a real asset manager. CLI's main function is not a property developer or construction company and would not incur end-of-life embodied emissions of sold buildings.</i></p>
	<p><b><u>Cat 13 Downstream leased assets (Landlord and tenant emissions of owned properties not accounted for in Scope 1 and 2)</u></b>            Relates to landlord and tenant in-use operational emissions of CLI-owned but third-party operationally managed properties (including single-lease buildings); and tenant in-use operational emissions of CLI-owned and -operationally managed properties. 2023 data covered 335 properties.</p> <p><b>Emission and Conversion factors</b>            Emission factors used for computation of 2023 emissions were from IEA 2023 v1.1 (AR4 Applied).</p> <p><b>Changes in reporting period</b>            Prior to 2023, tenant in-use operational emissions of third-party owned but CLI-operationally managed properties were reported together with tenant in-use operational emissions of CLI-owned and -operationally managed properties, under the category "Tenants' energy consumption". In 2023, following CLI's third-party comprehensive Scope 3 study, tenant in-use operational emissions of CLI-owned and -operationally managed properties was re-categorised and reported together with landlord and tenant emissions of CLI-owned but third-party operationally managed properties in Cat 13.</p> <p>Additionally, 2023 data coverage increased to cover available tenant data of 171 CLI-owned and -operationally managed properties, available tenant data of 59 single-lease buildings, and available landlord and tenant data of CLI-owned but third-party operationally managed property emissions of 105 properties. This was an increase in coverage from 2022 data, which was based on available data of 294 properties.</p> <p>There were no restatements of prior year data.</p>
<p><b><u>Cat 14 Franchises</u></b>  <i>Excluded from reporting scope due to lack of data and limited influence. However, CLI is working towards collecting actual data for future disclosures.</i></p>	
<p><b><u>Cat 15 Investments</u></b>  <i>Not applicable - Consultant deemed this likely to be immaterial as CLI has accounted for landlord and tenant emissions of its owned and/or operationally-managed properties in Scope 1, Scope 2, or other Scope 3 categories.</i></p>	

# APPENDIX

## Key ESG Data Summary

The report's ESG data summary list is aligned with SGX recommendations on a common and standardised set of ESG metrics.

### ENVIRONMENTAL DATA

Metric	Unit	2020	2021	2022	2023
<b>GREENHOUSE GAS EMISSIONS<sup>1</sup></b>					
<b>Scope 1</b>	t CO <sub>2</sub> e	23,300	24,862	28,941	38,225 <sup>2</sup>
<b>Scope 2</b>	t CO <sub>2</sub> e	607,547	613,314	651,786	765,973 <sup>3</sup>
<b>Same-store Scope 1 and 2 carbon emissions against 2019<sup>4</sup></b>	t CO <sub>2</sub> e	575,541	579,593	591,442	592,512
<b>Scope 3 comprising the following<sup>5</sup>:</b>					
Cat 1 Purchased goods and services	t CO <sub>2</sub> e	-	-	-	158,826
Cat 2 Capital Goods	t CO <sub>2</sub> e	-	2,199	2,628	290,577 <sup>6</sup>
Cat 3 Fuel- and energy-related activities	t CO <sub>2</sub> e	-	-	-	213,062
Cat 4 Upstream transportation and distribution	t CO <sub>2</sub> e	-	-	-	4,807
Cat 5 Waste generated in own operations	t CO <sub>2</sub> e	-	-	44,039	56,046
Cat 6 Business travel (Corporate air travel booked from Singapore headquarters)	t CO <sub>2</sub> e	83	52	504	3,002
Cat 11 Use of sold products (Tenant emissions of third-party owned but CLI-operationally managed properties)	t CO <sub>2</sub> e	-	676,606	876,648	145,274 <sup>7</sup>
Cat 13 Downstream leased assets (Landlord and tenant emissions of owned properties not accounted for in Scope 1 and 2)	t CO <sub>2</sub> e	-	-	-	848,639 <sup>7</sup>
<b>Emission intensity, Scope 1 and Scope 2<sup>8</sup></b>	kgCO <sub>2</sub> e/m <sup>2</sup>	39.7	39.7	40.7	41.7
<b>Emission intensity, Scope 1 and Scope 2</b>	t CO <sub>2</sub> e/\$\$ million Revenue under management <sup>9</sup>	-	95	90	104

1 For more information on CLI's GHG emissions methodology and scope, please refer to the GHG Emissions Data Methodology section in the Appendix.

2 CLI extended its disclosure of Scope 1 emissions to include fugitive emissions from chiller top ups. In 2023, there were documented chiller top ups in 17 properties in Singapore, China, India, Malaysia and UK.

3 CLI's Scope 2 absolute carbon emissions increase was also due to the increase in the number of CLI operational properties from 353 in 2019 to 497 in 2023. The impact of COVID-19 resulting in the drop of activities in the portfolio in the previous years (2020-2022) was no longer impacting its 2023 performance.

4 This refers to the same-store assets between 2019 and 2023. In 2019, Scope 1 and 2 emissions for the same-store assets was 692,185 tCO<sub>2</sub>e. Between 2019 to 2023, there was an increase in 159 lodging, 11 business parks/logistics/data centre, 10 commercial/retail/integrated developments and two corporate office assets. This same-store / like-for-like comparison is to better reflect the decarbonisation performance of the same-store assets.

5 Scope 3 comprises Scope 3 categories deemed to be material and/or optical to CLI, and is based on currently available data. In 2023, CLI commissioned a third-party comprehensive Scope 3 inventurisation exercise to identify its material Scope 3 categories, and has expanded its scope of reporting from five to eight categories. CLI will continue working to improve the coverage, accuracy and clarity of its Scope 1, 2, and 3 emissions disclosures.

6 Increase in 2023 emissions mainly relates to upfront embodied carbon from CLI's development projects in India and the change in CLI's methodology. Prior to 2023, multi-year embodied carbon emissions for development projects were only reported in the project completion year. In 2023, CLI changed its methodology to report upfront embodied carbon in the construction year, to allow for more timely disclosure and analysis.

7 Prior to 2023, emissions of third-party owned but CLI-operationally managed properties were reported together with tenant emissions of CLI-owned and -operationally managed properties, under the category "Tenants' energy consumption". In 2023, following CLI's third party comprehensive Scope 3 study, tenant emissions of CLI-owned and -operationally managed properties was re-categorised and reported together with landlord and tenant emissions of CLI-owned but third-party operationally managed properties in Cat 13. Increase in 2023 emissions is mainly due to increased data coverage. For more information, please refer to GHG Emissions Data Methodology section in the Appendix.

8 2019 emission intensity figure was updated in 2022 to align with its science-based target baseline.

9 Revenue under management for FY2021, FY2022, and FY2023 is S\$6,706 million, S\$7,557 million, and S\$7,768 million respectively. These values include revenue from CLI's six listed real estate investment trusts and business trusts (CICT, CLCT, CLAR, CLAS, CLMT and CLINT).

# APPENDIX

## Key ESG Data Summary

### ENVIRONMENTAL DATA

Metric	Unit	2020	2021	2022	2023
<b>ENERGY CONSUMPTION</b> (landlord-controlled areas for CLI operationally-managed properties)					
<b>Total energy consumption</b>	million MJ	5,155	5,260	5,538	6,417
	GWh	1,432	1,461	1,538	1,782
<b>Direct fuel combustion</b>	million MJ	445	476	555	603
	GWh	124	132	154	168
Natural gas	% of Total Energy	8.0%	8.5%	9.4%	8.5%
Diesel fuel	% of Total Energy	0.5%	0.5%	0.5%	0.5%
Other fuels (petrol, LPG)	% of Total Energy	0.2%	0.1%	0.2%	0.4%
<b>Purchased energy</b>	million MJ	4,711	4,784	4,983	5,813
	GWh	1,309	1,329	1,384	1,615
Electricity	% of Total Energy	76.2%	76.0%	76.5%	78.0%
Heat/steam/chilled water	% of Total Energy	15.2%	15.0%	13.4%	12.6%
<b>Proportion of electricity from renewables</b>	% of electricity	3.2%	4.3%	5.0%	5.2%
<b>Energy consumption intensity</b>	kWh/m <sup>2</sup>	82.7	84.1	85.9	87.2
<b>WATER WITHDRAWAL</b> (landlord-controlled areas for CLI operationally-managed properties)					
<b>Total water withdrawal</b>	million m <sup>3</sup> (or '000 megaliters)	11.3	12.0	12.4	14.9
Municipal water supply <sup>10</sup>	%	99.6%	99.6%	99.0%	98.9%
Harvested rainwater	%	0.01%	0.01%	0.01%	0.01%
Groundwater	%	0.4%	0.4%	1.0%	1.1%
<b>On-site grey water recycling</b>	million m <sup>3</sup> (or '000 megaliters)	0.42	0.19	0.36	0.57
<b>Water consumption intensity</b>	m <sup>3</sup> /m <sup>2</sup>	0.76	0.76	0.77	0.77
<b>WASTE AND RECYCLING</b>					
<b>Total waste generated</b>	tonnes	103,880	99,895	94,796	108,558
Waste disposed	tonnes	98,500	90,825	86,652	96,219
Landfill					56,722
Incineration <sup>11</sup>					39,497
Recycling	tonnes	5,380	8,070	8,144	12,339
	% of total waste	5.2%	8.1%	8.6%	11.4%
<b>Waste intensity</b>	kg/m <sup>2</sup>	-	-	6.2	6.3

### SOCIAL DATA

Metric	Unit	2021	2022	2023
<b>EMPLOYMENT</b>				
Total number of staff <sup>12</sup>	Number	9,934	9,731	9,972
Total new hire rate and number	% (number)	25%	30% (2,905)	23% (2,305)
Total turnover rate and number (includes voluntary and involuntary)	% (number)	28%	29% (2,829)	19% (1,927)
No. of incidents relating to unlawful discrimination	No. of cases	0	0	0
No. of incidents relating to child/forced labour	No. of cases	0	0	0

10 This includes the purchase of NEWater. NEWater is treated wastewater produced by PUB, the national water agency of Singapore, which has been further purified using advanced membrane technologies and ultraviolet disinfection, as well as recycled water from on-site wastewater treatment.

11 Includes incineration with energy recovery

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

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## Key ESG Data Summary

### SOCIAL DATA

Metric	Unit	2021	2022	2023
<b>DIVERSITY (GENDER, AGE, REGION, SENIORITY AND NATIONALITY)</b>				
<b>Total staff at year-end</b>				
Male	% (number)	47%	47% (4,559)	47% (4,635)
Female	% (number)	53%	53% (5,137)	53% (5,318)
<30 years old	% (number)	17%	17% (1,618)	17% (1,673)
30 - 50 years old	% (number)	70%	69% (6,719)	67% (6,709)
>50 years old	% (number)	13%	14% (1,382)	16% (1,542)
<b>By Region</b>				
Singapore	Number	-	2,281	2,351
China	Number	-	3,957	3,806
India	Number	-	444	478
Rest of World	Number	-	3,049	3,337
<b>By Nationality</b>				
Singapore	Number	-	-	1,888
China	Number	-	-	3,841
India	Number	-	-	442
Rest of World	Number	-	-	3,801
<b>By Seniority</b>				
Women in Non-Executive	%	47%	45%	47%
Women in Executive	%	62%	63%	63%
Women in Management	%	53%	52%	52%
Women in junior management	%	-	59%	59%
Women in top management	%	-	40%	38%
Women in management in revenue-generating functions	%	-	57%	54%
Women in science, technology, engineering, and mathematics position	%	-	15%	18%
<b>Full-Time Staff</b>				
Male	Number	-	4,510	4,574
Female	Number	-	5,055	5,196
<b>By Region</b>				
Singapore	Number	-	2,275	2,345
China	Number	-	3,952	3,806
India	Number	-	444	478
Rest of World	Number	-	2,928	3,159
<b>Part-Time/Non-Guaranteed Hours Staff</b>				
Male	Number	-	49	61
Female	Number	-	82	122
<b>By Region</b>				
Singapore	Number	-	6	6
China	Number	-	5	0
India	Number	-	0	0
Rest of World	Number	-	121	178

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## Key ESG Data Summary

### SOCIAL DATA

Metric	Unit	2021	2022	2023		
<b>DIVERSITY (GENDER, AGE, REGION, SENIORITY AND NATIONALITY)</b>						
<b>Permanent Staff</b>						
Male	Number	-	3,253	3,595		
Female	Number	-	3,318	3,778		
<b>By Region</b>						
Singapore	Number	-	2,072	2,132		
China	Number	-	1,596	1,773		
India	Number	-	444	478		
Rest of World	Number	-	2,487	3,005		
<b>Contract/ Temporary Staff</b>						
Male	Number	-	1,306	1,040		
Female	Number	-	1,819	1,540		
<b>By Region</b>						
Singapore	Number	-	209	219		
China	Number	-	2,361	2,033		
India	Number	-	0	0		
Rest of World	Number	-	562	332		
<b>BASIC SALARY &amp; REMUNERATION OF WOMEN TO MEN (SENIORITY, REGION)</b>						
Non-Executive	Group	%	13% in favour of female	8% in favour of female	8% in favour of female	
	Singapore	%	8% in favour of male	10% in favour of male	13% in favour of male	
	China	%	8% in favour of male	7% in favour of male	7% in favour of male	
	India	%	-	-	3% in favour of female	
	Rest of World	%	-	-	23% in favour of female	
Executive	Group	%	6% in favour of female	1% in favour of female	3% in favour of female	
	Singapore	%	2% in favour of female	0.1% in favour of male	2% in favour of female	
	China	%	1% in favour of male	1% in favour of male	Pay parity	
	India	%	-	-	11% in favour of male	
	Rest of World	%	-	-	6% in favour of male	
Management	Managerial	Group	%	9% in favour of male	4% in favour of male	11% in favour of male
		Singapore	%	11% in favour of male	14% in favour of male	11% in favour of male
		China	%	10% in favour of male	6% in favour of male	12% in favour of male
		India	%	-	-	75% in favour of male <sup>13</sup>
		Rest of World	%	-	-	43% in favour of male
	Senior Management	Group <sup>14</sup>	%	12 and 17% <sup>15</sup> in favour of male	17.5% <sup>15</sup> in favour of male	25% <sup>16</sup> in favour of male

<sup>13</sup> Female representation accounts for less than 20% of the total staff strength in this category.

<sup>14</sup> Ratio is only provided at CLI group level as most of the Senior Management is based in Singapore, where CLI is headquartered.

<sup>15</sup> This is only referring to levels with female representation, and there were two levels of senior management with no female representation. For 2022, the reported figure is the consolidated average of the levels with female representation.

<sup>16</sup> There remains a lower representation of women at the senior levels of the organisation where there are three levels of senior management with no female representation.

# APPENDIX

## Key ESG Data Summary

### SOCIAL DATA

Metric	Unit	2021	2022	2023
<b>NEW HIRES RATE (GENDER, AGE, SENIORITY, REGION &amp; NATIONALITY)<sup>17</sup></b>				
Male	% (number)	23%	29% (1,317)	22% (1,028)
Female	% (number)	26%	30% (1,542)	24% (1,259)
<30 years old	% (number)	61%	74% (1,197)	58% (963)
30 – 50 years old	% (number)	18%	23% (1,550)	18% (1,203)
>50 years old	% (number)	9%	11% (146)	9% (139)
Non-Executive	Number	-	-	1,114
Executive	Number	-	-	805
Management	Number	-	-	384
<b>By Region</b>				
Singapore	% (number)	-	28% (629)	19% (458)
China	% (number)	-	13% (512)	15% (576)
India	% (number)	-	36% (161)	40% (190)
Rest of World	% (number)	-	53% (1,603)	32% (1,081)
<b>By Nationality</b>				
Singapore	%	-	-	18%
China	%	-	-	16%
India	%	-	-	16%
Rest of World	%	-	-	34%
Average Hiring Cost	S\$/staff	-	>S\$1,500	>S\$1,800
<b>VOLUNTARY TURNOVER RATE (GENDER, AGE, SENIORITY, REGION &amp; NATIONALITY)</b>				
Overall Rate	% (number)	20%	20% (1,987)	14% (1,430)
Male	% (number)	19%	18% (822)	14% (638)
Female	% (number)	21%	22% (1,152)	15% (784)
<30 years old	% (number)	37%	37% (593)	26% (428)
30 - 50 years old	% (number)	18%	18% (1,222)	13% (875)
>50 years old	% (number)	9%	12% (167)	8% (127)
Non-Executive	Number	-	-	658
Executive	Number	-	-	519
Management	Number	-	-	253
<b>By Region</b>				
Singapore	% (number)	-	21% (480)	14% (333)
China	% (number)	-	15% (600)	10% (375)
India	% (number)	-	25% (110)	25% (121)
Rest of World	% (number)	-	26% (797)	18% (601)
<b>By Nationality</b>				
Singapore	%	-	-	14%
China	%	-	-	10%
India	%	-	-	21%
Rest of World	%	-	-	18%

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

# APPENDIX

## Key ESG Data Summary

### SOCIAL DATA

Metric	Unit	2021	2022	2023
<b>DEVELOPMENT &amp; TRAINING</b>				
Average training hours <sup>18</sup>	Hours/staff	41	37	37
Training hours by gender, age, staff category & nationality <sup>19</sup>				
Male	Hours/staff	44	37	34
Female	Hours/staff	39	33	33
<30 years old	Hours/staff	-	31	24
30 - 50 years old	Hours/staff	-	37	36
>50 years old	Hours/staff	-	30	38
Non-Executive	Hours/staff	-	42	35
Executive	Hours/staff	-	33	36
Management	Hours/staff	-	25	30
<b>By Nationality</b>				
Singapore	Hours/staff	-	22	41
China	Hours/staff	-	63	56
India	Hours/staff	-	21	6
Rest of World	Hours/staff	-	14	12
% of staff who received ESG-specific training	%	-	83%	92%
Average training cost	S\$/staff	-	-	>S\$250
<b>EMPLOYEE ENGAGEMENT SURVEY ENGAGEMENT SCORE (GENDER, AGE &amp; SENIORITY)</b>				
Male	%	-	86%	86%
Female	%	-	81%	82%
<30 years old	%	-	80%-85%	61%-83%
30 - 50 years old	%	-	82%-83%	83%-85%
>50 years old	%	-	84%-94%	87%-96%
Non-Executive	%	-	90%	89%
Executive	%	-	83%	83%
Management	%	-	77%-82%	78%-81%
<b>OCCUPATIONAL HEALTH &amp; SAFETY</b>				
<b>Staff</b>				
Fatalities	Number of cases (rate per million manhours worked)	0 (0)	0 (0)	0 (0)
High-consequence injuries (Injuries resulting in permanent disability)	Number of cases (rate per million manhours worked)	0 (0)	0 (0)	0 (0)
Recordable injuries & Lost-Time Injury Frequency Rate	Number of cases (rate per million manhours worked)	31 (1.4)	31 (1.5)	40 (2.0)
Recordable work-related ill health cases (Occupational disease)	Number of cases	0	0	0
Lost day rate (relating to lost man-days)	Rate per million manhours worked	53.6	19.8	41.2
Absentee Rate <sup>20</sup>	% of total workdays scheduled	1.9%	1.9%	1.9%
Total staff scheduled working hours <sup>21</sup>	Hours	-	-	>19,732,000

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

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

20 Absentee rate was based on medical leave taken by CLI staff, regardless of whether it was a work-related illness or not. The Group Overall Absentee Rate was 1.1% of scheduled workdays in 2020.

21 This is an estimate based on standard hours of work for CLI staff globally. It does not include paid leave of absence from work e.g., annual leave.



# APPENDIX

## Key ESG Data Summary

### SOCIAL DATA

Metric	Unit	2021	2022	2023
<b>SUPPLY CHAIN (CONTRACTORS)</b>				
Fatalities <sup>22</sup>	Number of cases	0	1	1
High-consequence injuries <sup>28</sup> (Injuries resulting in permanent disability)	Number of cases	0	0	0
Recordable injuries & Lost-Time Injury Frequency Rate	Number of cases (rate per million manhours worked)	-	(0.2) <sup>23</sup>	24 <sup>24</sup> (0.3 <sup>25</sup> )
Lost day rate (relating to lost man-days)	Rate per million manhours worked	-	7.3 <sup>23</sup>	6.1 <sup>24</sup>
Total number of contractor staff (working in properties operationally managed by CLI)	Number	-	>12,000 <sup>23</sup>	>34,000 <sup>24</sup>
Total contractor scheduled working hours	Hours	-	>43,800,000 <sup>23</sup>	>75,800,000 <sup>24</sup>
<b>SUPPLY CHAIN MANAGEMENT</b>				
Total suppliers	Number	-	-	>14,200
Total suppliers (Tier-1 <sup>26</sup> )	Number	-	-	>11,500
Total significant suppliers (Tier-1)	Number	-	-	>3,700
Total significant suppliers (Tier-1 and non Tier-1 <sup>27</sup> )	Number	-	-	>6,400
% suppliers in significant locations (core markets – Singapore, China & India)	%	-	-	68%
% spend on Tier-1 significant suppliers	%	-	-	58%
Local supplier (by spend)	%	-	-	95%

### GOVERNANCE DATA

Metric	Unit	2021	2022	2023
<b>BOARD COMPOSITION</b>				
Board independence	%	82%	78%	80% (82% as at 1 Jan 2024 with the appointment of Ms Belita Ong)
Women on the board	%	27%	22%	20% (27% as at 1 Jan 2024 with the appointment of Ms Belita Ong)
<b>MANAGEMENT DIVERSITY</b>				
Women in leadership (management team)	%	40%	40%	38%

22 This covers all the supply chain (contractors) staff in property management and project development.

23 This covers CLI's cleaning and security contractors working in assets operationally managed by CLI in Singapore, China, India business parks, as well as the global lodging portfolio. The number of workers was computed using full-time equivalents based on the information in the maintenance contracts.

24 CLI extended the coverage of its supply chain OHS performance to include mechanical and electrical (M&E), pest control and landscaping companies. Total number of cases covers CLI's cleaning, security, mechanical and electrical (M&E), pest control, and landscape contractors working in properties operationally managed by CLI in Singapore, China, India business parks, as well as the global lodging portfolio.

25 This rate was computed based on 22 cases for which data on total scheduled working hours was available.

26 This refers to active suppliers that directly supply goods, materials, or services to CLI in the reporting year.

27 Non tier 1 suppliers include suppliers that provided their products and services through Tier 1 suppliers to CLI.

# APPENDIX

## Key ESG Data Summary

### GOVERNANCE DATA

Metric	Unit	2021	2022	2023
<b>ETHICAL BEHAVIOUR</b>				
Anti-corruption disclosures	Discussion and number of standards	CLI Global Sustainability Report 2021 – Pg 49-51	CLI Global Sustainability Report 2022 – Pg 64-66	CLI Global Sustainability Report 2023 – Pg 76-78
Anti-corruption training for staff (% of staff who received related training by staff category & region) <sup>28</sup>	% (number)	88% (>8,750)	88% (>8,500)	91% (>8,600)
Non-Executive	% (number)	-	-	86% (>3,300)
Executive	% (number)	-	-	94% (>2,900)
Management	% (number)	-	-	93% (>2,200)
<b>By Region</b>				
Singapore	% (number)	-	-	98% (>2,200)
China	% (number)	-	-	97% (>3,600)
India	% (number)	-	-	77% (>300)
Rest of World	% (number)	-	-	78% (>2,300)

28 Training completion rate is monitored based on staff strength as at 21 Aug 2023 (training launch date).

# SASB Disclosure Index

## SASB REAL ESTATE INDUSTRY DISCLOSURE

CapitaLand Investment (CLI) seeks to provide material sustainability information in line with the recommendations of the Sustainability Accounting Standards Board (SASB). It considered SASB's Real Estate Sustainability Accounting Standards in developing the following table of key sustainability metrics for its global managed properties, it is aligned to the reporting scope as detailed in CapitaLand Investment Global Sustainability Report (CLI GSR) page 5, which includes coverage of about 500 operating properties in over 20 countries, covering all asset types including commercial, shopping malls, business park, industrial and logistics, integrated development and serviced residences.

SASB Code	Accounting Metric	CapitaLand 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	Close to 100% coverage of CLI owned and operationally-managed properties, as aligned to CLI GSR reporting scope. (pg 5)																								
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	<p>Total energy consumed by CLI's global portfolio was 6,401 million MJ in 2023, of which grid electricity accounted for 74% and percentage renewable was 4% of total energy.</p> <table border="1"> <thead> <tr> <th></th> <th>Total energy (million MJ)</th> <th>% Total energy from grid electricity</th> <th>% Total energy from renewable</th> </tr> </thead> <tbody> <tr> <td>Commercial</td> <td>242</td> <td>73%</td> <td>0.1%</td> </tr> <tr> <td>Shopping malls</td> <td>1,608</td> <td>82%</td> <td>1.0%</td> </tr> <tr> <td>Serviced residences</td> <td>2,118</td> <td>77%</td> <td>3.0%</td> </tr> <tr> <td>Integrated development</td> <td>1,405</td> <td>67%</td> <td>0.0%</td> </tr> <tr> <td>Business park, industrial and logistics</td> <td>1,027</td> <td>63%</td> <td>17.3%</td> </tr> </tbody> </table>		Total energy (million MJ)	% Total energy from grid electricity	% Total energy from renewable	Commercial	242	73%	0.1%	Shopping malls	1,608	82%	1.0%	Serviced residences	2,118	77%	3.0%	Integrated development	1,405	67%	0.0%	Business park, industrial and logistics	1,027	63%	17.3%
	Total energy (million MJ)	% Total energy from grid electricity	% Total energy from renewable																							
Commercial	242	73%	0.1%																							
Shopping malls	1,608	82%	1.0%																							
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Integrated development	1,405	67%	0.0%																							
Business park, industrial and logistics	1,027	63%	17.3%																							
IF-RE-130a.3	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	<p>Like-for-like change in energy consumption changed is 1.97% for 2022-2023.</p> <table border="1"> <thead> <tr> <th></th> <th>Like-for-like % change in energy consumption for 2022-2023</th> </tr> </thead> <tbody> <tr> <td>Commercial</td> <td>0.34%</td> </tr> <tr> <td>Shopping malls</td> <td>1.32%</td> </tr> <tr> <td>Serviced residences</td> <td>3.28%</td> </tr> <tr> <td>Integrated development</td> <td>2.16%</td> </tr> <tr> <td>Business park, industrial and logistics</td> <td>0.31%</td> </tr> </tbody> </table>		Like-for-like % change in energy consumption for 2022-2023	Commercial	0.34%	Shopping malls	1.32%	Serviced residences	3.28%	Integrated development	2.16%	Business park, industrial and logistics	0.31%												
	Like-for-like % change in energy consumption for 2022-2023																									
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Shopping malls	1.32%																									
Serviced residences	3.28%																									
Integrated development	2.16%																									
Business park, industrial and logistics	0.31%																									
IF-RE-130a.5	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	CLI integrates energy management considerations in all stages of the real estate life cycle, 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	<p>Close to 100% coverage of CLI owned and operationally-managed properties as aligned to CLI GSR reporting scope. (pg 5)</p> <p>CLI notes that Singapore, China and India will be among the top 50 most water-stressed countries by 2040.</p>																								
IF-RE-140a.3	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	<p>CLI monitors its total water consumption. Like-for-like change in water consumption is 7.27% for 2022-2023.</p> <table border="1"> <thead> <tr> <th></th> <th>Like-for-like % change in water consumption for 2022-2023</th> </tr> </thead> <tbody> <tr> <td>Commercial</td> <td>13.68%</td> </tr> <tr> <td>Shopping malls</td> <td>4.63%</td> </tr> <tr> <td>Serviced residences</td> <td>18.76%</td> </tr> <tr> <td>Integrated development</td> <td>12.87%</td> </tr> <tr> <td>Business park, industrial and logistics</td> <td>-14.06%</td> </tr> </tbody> </table>		Like-for-like % change in water consumption for 2022-2023	Commercial	13.68%	Shopping malls	4.63%	Serviced residences	18.76%	Integrated development	12.87%	Business park, industrial and logistics	-14.06%												
	Like-for-like % change in water consumption for 2022-2023																									
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Shopping malls	4.63%																									
Serviced residences	18.76%																									
Integrated development	12.87%																									
Business park, industrial and logistics	-14.06%																									
IF-RE-140a.4	Description of water management risks and discussion of strategies and practices to mitigate those risks	CLI takes a strategic approach to water management to enhance the efficiency, resilience and long-term value of the Group's portfolio. (pg 32-33)																								

# APPENDIX

## SASB Disclosure Index

SASB Code	Accounting Metric	CapitaLand Information and Page Reference
<b>MANAGEMENT OF TENANT SUSTAINABILITY IMPACTS</b>		
IF-RE-410a.3	Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants	CLI aims to work together with its tenants to improve their sustainability performance. Green lease is implemented at its business park tenants, office and retail tenants in Singapore. For its other properties in Singapore and globally, a green fit-out guide is given to new tenants to encourage tenants to adopt green fit out and promote green practices and behaviour. (pg 35)
<b>CLIMATE CHANGE ADAPTATION</b>		
IF-RE-450a.1	Area of properties located in 100-year flood zones, by property subsector	In 2023, CLI completed its third climate scenario analysis for its global portfolio, including its real estate investment trusts (REITs) and business trusts, which assessed asset-level exposure to fluvial and coastal flooding as part of its physical risk analysis. This analysis considered 1.5°C to 3°C scenarios for current to long term time frames. CLI and the REITs will review the current and planned flood risk mitigation and adaptation measures to understand the severity of risk impacts across time horizons.
IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	CLI has pledged its support for Task Force on Climate-Related Financial Disclosure (TCFD) recommendations and has voluntarily disclosed some of its climate-related financial disclosures in four key areas as recommended by the TCFD since 2017. (pg 37-38)

# GRI Content Index

## GRI STANDARDS CONTENT INDEX FOR 'IN ACCORDANCE'

CapitaLand Investment Limited has reported in accordance with the GRI Standards for the period 1 January 2023 to 31 December 2023. The GRI Content Index references CapitaLand Investment Limited Sustainability Report 2023 and the Annual Report 2023 (AR).

GRI Standards	Disclosure Number	Disclosure Title	Page Reference and Remarks	External Assurance <sup>29</sup> (pg 106-113)
<b>GRI 1: Foundation 2021</b> (GRI 1 does not include any disclosures)				
<b>GENERAL DISCLOSURES</b>				
<b>GRI 2: General Disclosures 2021</b>	2-1	Organisational details	About Us Introduction (pg 3) AR (pg 2-5)	
	2-2	Entities included in the organisation's sustainability reporting	Introduction (pg 3) Financial Capital (pg 82)	
	2-3	Reporting period, frequency and contact point	Reporting period is FY 1 January to 31 December 2023 This report was published on 31 May 2024 Introduction (pg 4-5)	
	2-4	Restatements of information	Not applicable - No restatements	
	2-5	External assurance	Introduction (pg 5) Independent Assurance Statement (pg 106-113)	
	2-6	Activities, value chain and other business relationships	About Us Introduction (pg 11, 13) AR (pg 2-7, 30-62)	
	2-7	Employees	Human Capital (pg 51) Key ESG Data Summary	✓
	2-8	Workers who are not employees	Social and Relationship Capital (pg 62-63) Key ESG Data Summary	
	2-9	Governance structure and composition	AR (pg 12-26, 90, 107)	
	2-10	Nomination and selection of the highest governance body	AR (pg 96-109)	
	2-11	Chair of the highest governance body	AR (pg 104-105)	
	2-12	Role of the highest governance body in overseeing the management of impacts	Introduction (pg 6-7)	
	2-13	Delegation of responsibility for managing impacts	Introduction (pg 7)	
	2-14	Role of the highest governance body in sustainability reporting	Introduction (pg 6-7, 12)	
	2-15	Conflicts of interest	AR (pg 96-101, 143-144, 255-256, 273-285)	
	2-16	Communication of critical concerns	Introduction (pg 7) Organisational Capital (pg 76-78)	
	2-17	Collective knowledge of the highest governance body	AR (pg 91-92)	
	2-18	Evaluation of the performance of the highest governance body	AR (pg 109-111)	
	2-19	Remuneration policies	AR (pg 112-120)	
	2-20	Process to determine remuneration	AR (pg 112-120)	
	2-21	Annual total compensation ratio	Undisclosed due to confidentiality constraints.	
	2-22	Statement on sustainable development strategy	Introduction (pg 1-3, 5)	

<sup>29</sup> External assurance is only for this Global Sustainability Report pg 1 to 103, and does not cover CapitaLand Investment Limited Annual Report 2023.

# APPENDIX

## GRI Content Index

GRI Standards	Disclosure Number	Disclosure Title	Page Reference and Remarks	External Assurance <sup>29</sup> (pg 106-113)
<b>GRI 1: Foundation 2021</b> (GRI 1 does not include any disclosures)				
<b>GENERAL DISCLOSURES</b>				
<b>GRI 2: General Disclosures 2021</b>	2-23	Policy commitments	Environmental and Manufactured Capital (pg 14) Human Capital (pg 42, 49-50) Social and Relationship Capital (pg 67-68) Organisational Capital (pg 76) United Nations Global Compact (pg 104)  CLI's policy commitments are also available on its website: <a href="https://www.capitaland.com/en/about-capitaland/sustainability.html#tab-0-environment-health-and-safety">https://www.capitaland.com/en/about-capitaland/sustainability.html#tab-0-environment-health-and-safety</a> , <a href="https://www.capitaland.com/en/about-capitaland/sustainability.html#tab-0-social">https://www.capitaland.com/en/about-capitaland/sustainability.html#tab-0-social</a> Policy commitments are approved by the Board, relevant Board Committee, or top management.	
	2-24	Embedding policy commitments	Environmental and Manufactured Capital (pg 14-41) Human Capital (pg 42-58) Social and Relationship Capital (pg 59-69) Organisational Capital (pg 70-81) Financial Capital (pg 82-83)	
	2-25	Processes to remediate negative impacts	Environmental and Manufactured Capital (pg 14-15) Human Capital (pg 42, 46, 49, 57) Organisational Capital (pg 77)  The CLI Audit Committee is responsible for oversight and monitoring of whistle-blowing.	
	2-26	Mechanisms for seeking advice and raising concerns	Organisational capital (pg 77)	
	2-27	Compliance with laws and regulations	<b>Environmental Compliance</b> In 2023, CLI complied with the environmental laws and regulations in Australia, Bahrain, Belgium, China, France, Germany, India, Indonesia, Japan, Philippines, Qatar, South Korea, Spain, Thailand, The United Arab Emirates, UK, USA, and Vietnam. There were 14 environmental non-compliances incidents which includes mosquito breeding, and water quality test exceeding limit. The total fines paid in 2023 (occurring in current and previous reporting periods) was more than S\$2,500 in Singapore, and Malaysia. <b>Health and Safety Compliance</b> In 2023, there were seven non-compliant incidents relating to fire safety, workplace safety, and health in Australia, China, Singapore, and US. The total fines paid in 2023 (occurring in current and previous reporting periods) was approximately S\$32,000. <b>Others</b> Please refer to GRI 205-3, 417-3 and 418-1 in this GRI content index.	
	2-28	Membership associations	Introduction (pg 5-6) Environmental and Manufactured Capital (pg 41) Human Capital (pg 50) Social and Relationship Capital (pg 62-63) Organisational Capital (pg 70)	
	2-29	Approach to stakeholder engagement	Introduction (pg 11) Social and Relationship Capital (pg 59-66)	
	2-30	Collective bargaining agreements	Human Capital (pg 53)	
	<b>MATERIAL TOPICS</b>			
<b>GRI 3: Material Topics 2021</b>	3-1	Process to determine material topics	Introduction (pg 12)	✓
	3-2	List of material topics	Introduction (pg 12)	✓

29 External assurance is only for this Global Sustainability Report pg 1 to 103, and does not cover CapitaLand Investment Limited Annual Report 2023.

## GRI Content Index

GRI Standards	Disclosure Number	Disclosure Title	Page Reference and Remarks	External Assurance <sup>29</sup> (pg 106-113)
<b>TOPIC-SPECIFIC STANDARDS</b>				
<b>Economic Performance and Benefit to Stakeholders</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Financial Capital (pg 82-83)	
<b>GRI 201: Economic Performance 2016</b>	201-1	Direct economic value generated and distributed	Financial Capital (pg 82-83) AR (pg 30-35, 151-152)	
<b>GRI 202: Market Presence 2016</b>	202-2	Proportion of senior management hired from local community	Human Capital (pg 51)	
<b>GRI 203: Indirect Economic Impacts 2016</b>	203-1	Infrastructure investments and services supported	Environmental and Manufactured Capital (pg 22) Social and Relationship Capital (pg 67-68)	
<b>Business Ethics</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Organisational Capital (pg 70-81)	
<b>GRI 205: Anti-Corruption 2016</b>	205-1	Operations assessed for risks related to corruption	Organisational Capital (pg 76)	✓
	205-2	Communication and training on anti-corruption policies and procedures	Organisational Capital (pg 77-78)	✓
	205-3	Confirmed incidents of corruption and actions taken	Organisational Capital (pg 77-78)	✓
<b>GRI 415: Public Policy 2016</b>	415-1	Political contributions	Organisational Capital (pg 78)	
<b>GRI 417: Marketing and Labeling 2016</b>	417-3	Incidents of non-compliance concerning marketing communications	No instances of non-compliance with regulations and voluntary codes concerning product and service information and labeling during the reporting period.	
<b>GRI 418: Customer Privacy 2016</b>	418-1	Substantiated complaints regarding breaches of customer privacy and losses of customer data	No substantiated complaints regarding breaches of customer privacy and losses of customer data.	
<b>Energy Efficiency</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Environmental and Manufactured Capital (pg 14-31, 39-41)	
<b>GRI 302: Energy 2016</b>	302-1	Energy consumption within the organization	Environmental and Manufactured Capital (pg 20-21) Key ESG Data Summary	✓
	302-3	Energy intensity	Environmental and Manufactured Capital (pg 20-21) Key ESG Data Summary	✓
	302-4	Reduction of energy consumption	Environmental and Manufactured Capital (pg 20-21, 23-24, 28-31)	✓
	302-5	Reductions in energy requirements of products and services	Environmental and Manufactured Capital (pg 28-31)	
<b>Water Management</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Environmental and Manufactured Capital (pg 14-15, 20-21, 27-33, 39-41)	
<b>GRI 303: Water and Effluents 2018</b>	303-1	Interactions with water as a shared resource	Environmental and Manufactured Capital (pg 27-33)	
	303-2	Management of water discharge-related impacts	Environmental and Manufactured Capital (pg 27-33)	
	303-3	Water withdrawal	Environmental and Manufactured Capital (pg 32-33) Key ESG Data Summary	✓
	303-4	Water discharge	Wastewater is discharged into the public sewerage system or sewage treatment plant.	✓
	303-5	Water consumption	Majority of water usage is for cooling towers, toilets, washing activities, water features, and irrigation. Total water consumption is assumed to be the same as total water withdrawn.	✓

29 External assurance is only for this Global Sustainability Report pg 1 to 103, and does not cover CapitaLand Investment Limited Annual Report 2023.

## GRI Content Index

GRI Standards	Disclosure Number	Disclosure Title	Page Reference and Remarks	External Assurance <sup>29</sup> (pg 106-113)
<b>TOPIC-SPECIFIC STANDARDS</b>				
<b>Biodiversity</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Environmental and Manufactured Capital (pg 14-15, 39-41)	
<b>GRI 304: Biodiversity 2016</b>	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	None during the reporting period. Environmental and Manufactured Capital (pg 41)	
	304-2	Significant impacts of activities, products, and services on biodiversity		
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		
<b>Climate Change and Emissions</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Environmental and Manufactured Capital (pg 14-31, 39-41)	
<b>GRI 305: Emissions 2016</b>	305-1	Direct (Scope 1) greenhouse gas (GHG) emissions	Environmental and Manufactured Capital (pg 17, 20-22) Key ESG Data Summary	✓
	305-2	Energy indirect (Scope 2) GHG emissions	Environmental and Manufactured Capital (pg 17, 20-22) Key ESG Data Summary	✓
	305-3	Other indirect (Scope 3) GHG emissions	Environmental and Manufactured Capital (pg 17-19) Key ESG Data Summary	✓
	305-4	GHG emissions intensity	Environmental and Manufactured Capital (pg 20-22) Key ESG Data Summary	✓
	305-5	Reduction of GHG emissions	Environmental and Manufactured Capital (pg 20-22)	✓
<b>GRI 201: Economic Performance 2016</b>	201-2	Financial implications and other risks and opportunities due to climate change	Environmental and Manufactured Capital (pg 28-31, 37-38)	
<b>Waste Management</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Environmental and Manufactured Capital (pg 14-15, 34-36, 39-41)	
<b>GRI 306: Waste 2020</b>	306-1	Waste generation and significant waste-related impacts	Environmental and Manufactured Capital (pg 34-36)	
	306-2	Management of significant waste-related impacts	Environmental and Manufactured Capital (pg 34-36)	
	306-3	Waste generated	Environmental and Manufactured Capital (pg 34-36) Key ESG Data Summary	✓
	306-4	Waste diverted from disposal		
	306-5	Waste directed to disposal		
<b>Supply Chain Management</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Environmental and Manufactured Capital (pg 14-15) Human Capital (pg 42, 49, 58) Social and Relationship Capital (pg 62-63)	
<b>GRI 308: Supplier Environmental Assessment 2016</b>	308-1	New suppliers screened using environmental criteria	Environmental and Manufactured Capital (pg 14-15) Social and Relationship Capital (pg 62-63)	✓
	308-2	Negative environmental impacts in the supply chain and actions taken	Environmental and Manufactured Capital (pg 14-15) Social and Relationship Capital (pg 62-63)	✓
<b>GRI 414: Supplier Social Assessment 2016</b>	414-1	New suppliers that were screened using social criteria	Human Capital (pg 42, 49) Social and Relationship Capital (pg 62-63)	✓

29 External assurance is only for this Global Sustainability Report pg 1 to 103, and does not cover CapitaLand Investment Limited Annual Report 2023.



# APPENDIX

## GRI Content Index

GRI Standards	Disclosure Number	Disclosure Title	Page Reference and Remarks	External Assurance <sup>29</sup> (pg 106-113)						
<b>TOPIC-SPECIFIC STANDARDS</b>										
<b>Human Capital</b>										
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Human Capital (pg 42-58)							
<b>GRI 401: Employment 2016</b>	401-1	New employee hires and employee turnover	Human Capital (pg 53) Key ESG Data Summary	✓						
<b>GRI 402: Labor/Management Relations 2016</b>	402-1	Minimum notice periods regarding operational changes	Human Capital (pg 54-55) In the event of significant operational changes, CLI will ensure the unions and staff are engaged in advance for consultation and minimise potential operational disruption and impact to affected.							
<b>GRI 404: Training and Education 2016</b>	404-1	Average hours of training per year per employee	Human Capital (pg 55) Key ESG Data Summary	✓						
	404-2	Programs for upgrading employee skills and transition assistance programs	Human Capital (pg 52, 55-57)							
	404-3	Percentage of employees receiving regular performance and career development reviews	Human Capital (pg 54)							
<b>Occupational Health &amp; Safety</b>										
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Human Capital (pg 42-49)							
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1	Occupational health and safety management system	Human Capital (pg 42-44)							
	403-2	Hazard identification, risk assessment, and incident investigation	Human Capital (pg 43-44, 49)							
	403-3	Occupational health services	Human Capital (pg 47-49)							
	403-4	Worker participations, consultation, and communication on occupational health and safety	Human Capital (pg 43-49, 54) During the year, the unions did not express any concerns on staff health and safety issues and the CapitaLand OHS management system is externally audited.							
	403-5	Worker training on occupational health and safety	Human Capital (pg 45, 48-49)							
	403-6	Promotion of worker health	Human Capital (pg 47-49)							
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Human Capital (pg 43)							
	403-8	Workers covered by an occupational health and safety management system	Human Capital (pg 43)							
	403-9	Work-related injuries	Human Capital (pg 46, 49) Key ESG Data Summary	✓						
<b>Diversity and Human Rights</b>										
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Human Capital (pg 50-53)							
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1	Diversity of governance bodies and employees	Human Capital (pg 51-52) Organisational Capital (pg 72-73)  <b>Board diversity (by age category) as at 31 Dec 2023</b> <table border="1"> <tr> <td>&lt;30 years old</td> <td>0%</td> </tr> <tr> <td>30 - 50 years old</td> <td>20%</td> </tr> <tr> <td>&gt;50 years old</td> <td>80%</td> </tr> </table>	<30 years old	0%	30 - 50 years old	20%	>50 years old	80%	✓
	<30 years old	0%								
30 - 50 years old	20%									
>50 years old	80%									
405-2	Ratio of basic salary and remuneration of women to men	Human Capital (pg 52) Key ESG Data Summary	✓							

29 External assurance is only for this Global Sustainability Report pg 1 to 103, and does not cover CapitaLand Investment Limited Annual Report 2023.

# APPENDIX

## GRI Content Index

GRI Standards	Disclosure Number	Disclosure Title	Page Reference and Remarks	External Assurance <sup>29</sup> (pg 106-113)
<b>TOPIC-SPECIFIC STANDARDS</b>				
<b>Diversity and Human Rights</b>				
<b>GRI 406: Non-discrimination 2016</b>	406-1	Incidents of discrimination and corrective action taken	Human Capital (pg 50)	✓
<b>GRI 408: Child Labour 2016</b>	408-1	Operations and suppliers at significant risk for incidents of child labour	Human Capital (pg 49-50) Social and Relationship Capital (pg 62-63)	
<b>GRI 409: Forced or Compulsory Labor 2016</b>	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour, and measures taken to eliminate it	Human Capital (pg 49-50) Social and Relationship Capital (pg 62-63) CLI mandates no forced labour or child labour at its sites and regular updates on safety performance are conducted on site. CLI embeds key principles where supply chain vendors and contractors must comply with prevailing legal compliance requirements to ensure contractors remain vigilant on new standards expected.	
<b>GRI 413: Local Communities 2016</b>	413-1	Operations with local community engagement, impact assessments, and development programmes	Environmental and Manufactured Capital (pg 41) Social and Relationship Capital (pg 59-69)	
<b>GRI 414: Supplier Social Assessment 2016</b>	414-1	Suppliers screened using social criteria	Human Capital (pg 42, 49) Social and Relationship Capital (pg 62-63) CLI requires its main contractors of its development sites to be ISO 14001 and ISO 45001 certified (or equivalent), or to be audited by an independent accredited assessor for EHS legal compliance. CLI leverages these third-party certifications to ensure that the EHS conditions on site follow the best practices in the industry. The management system requires risks and opportunities to be evaluated to prevent work-related injury and ill-health to workers. CLI also encourages its main contractors to implement innovative solutions to further enhance onsite safety.	✓
<b>Products and Services</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Human Capital (pg 42, 47-49) Social and Relationship Capital (pg 59-69)	
<b>GRI 416: Customer Health and Safety 2016</b>	416-1	Health and safety impacts assessment of products and services	Human Capital (pg 42, 47-49) Social and Relationship Capital (pg 60-63)	
	416-2	Incidents of non-compliance	Human Capital (pg 44)	
<b>GRI 413: Local Communities 2016</b>	413-1	Operations with local community engagement, impact assessments, and development programmes	Environmental and Manufactured Capital (pg 41) Social and Relationship Capital (pg 59-69)	

This report may contain forward-looking statements. Forward-looking statement is subject to inherent uncertainties and is based on numerous assumptions. Actual performance, outcomes and results may differ materially from those expressed in forward-looking statements. Representative examples of factors which may cause the actual performance, outcomes and results to differ materially from those in the forward-statements include (without limitation) changes in general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate investment opportunities, competition from other companies, shifts in customers' demands, changes in operating conditions, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management of future events.

<sup>29</sup> External assurance is only for this Global Sustainability Report pg 1 to 103, and does not cover CapitaLand Investment Limited Annual Report 2023.

## APPENDIX

# United Nations Global Compact

### 10 PRINCIPLES OF THE UN GLOBAL COMPACT

Principles		Report Page
<b>HUMAN RIGHTS</b>		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights	50
Principle 2	Make sure that they are not complicit in human rights abuses	
<b>LABOUR</b>		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	53
Principle 4	Elimination of all forms of forced and compulsory labour	50-52
Principle 5	Effective abolition of child labour	
Principle 6	Elimination of discrimination in respect of employment and occupation	
<b>ENVIRONMENT</b>		
Principle 7	Businesses should support a precautionary approach to environmental challenges	14-41
Principle 8	Undertake initiatives to promote greater environmental responsibility	
Principle 9	Encourage the development and diffusion of environmentally friendly technologies	
<b>ANTI-CORRUPTION</b>		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery	76-78

# ISO 26000 Guidance On Social Responsibility

Core Subjects		Report Page
6.2	<b>Organisational governance</b> The system by which an organisation makes and implements decisions to achieve its objectives.	Introduction (pg 6-12), Social and Relationship Capital (pg 59-66), Organisational Capital (pg 70-81), AR (pg 88-134)
6.3	<b>Human rights</b> Respect for human rights including civil and political rights as well as economic, social and cultural rights.	Human Capital (pg 50, 53), Social and Relationship Capital (pg 62-63)
6.4	<b>Labour practices</b> Policies and practices relating to work performed within, by or on behalf of the organisation, including sub-contracted work.	Human Capital (pg 42-58)
6.5	<b>The environment</b> Environmental impact of an organisation's decisions and activities, such as use of resources, generation of pollution and wastes.	Environmental and Manufactured Capital (pg 14-41)
6.6	<b>Fair operating practices</b> Ethical conduct in dealings with other organisations such as anti-corruption, socially responsible behaviour, fair competition and respect for property rights.	Social and Relationship Capital (pg 62), Organisational Capital (pg 76-78)
6.7	<b>Consumer issues</b> Responsibilities to customers including having accurate, fair and transparent marketing information and contractual processes, as well as promoting sustainable consumption and designing products that are accessible by all.	Environmental and Manufactured Capital (pg 14-15, 27-35), Social and Relationship Capital (pg 67-69), Organisational Capital (pg 78)
6.8	<b>Community involvement and development</b> Support for and building relationship with the community, so as to contribute to community development.	Social and Relationship Capital (pg 63-69)

# Independent Assurance Statement

To the Management of CapitaLand Investment Limited

CapitaLand Investment Limited (CLI) engaged Ere-S Pte Ltd (Ere-S) to carry out an independent assurance of CapitaLand Investment Limited Global Sustainability Report 2023 (the Report). The engagement encompassed two levels of assurance, reasonable and limited, and took place between March and May 2024.

## **SCOPE**

The assurance encompassed the quantitative values of the key performance indicators on environmental, social and governance topics covering CLI's global operations and portfolios of properties, which include the properties under CLI's six listed real estate investment trusts and business trusts, CapitaLand Integrated Commercial Trust, CapitaLand Ascendas REIT, CapitaLand Ascott Trust, CapitaLand China Trust, CapitaLand India Trust and CapitaLand Malaysia Trust.

Ere-S assessed the performance data for the period January to December 2023 within the following operational boundaries.

Type of performance data	Boundaries	Level of assurance
Environmental • <b>Energy</b> • <b>Scope 1 and Scope 2 GHG emissions</b>	All CLI's admin offices and landlord-controlled areas for 497 operationally managed properties. New properties under development or properties acquired after 2023 or divested before 2023 are excluded.	Reasonable
Environmental • <b>Water</b> • <b>Waste</b>	Same as above	Limited
Environmental • <b>Scope 3 GHG emissions</b>	Same as above but includes new properties under development.	Limited
Social and Governance	All CLI's operations and workforce, with topic-specific limitations or extensions (e.g., supply chain and OHS), as indicated in the Report.	Limited

The complete lists of covered environmental performance indicators and their values can be found in [Table A](#) and [Table B](#), which are provided as appendices to this assurance statement. The Social and Governance topics, along with page references in the Report for their performance indicators, are listed in [Table C](#).

Ere-S also examined the following qualitative information to assess whether the categorisation and prioritisation of the performance disclosures and the relevant underlying data management and reporting processes are appropriate and consistent throughout the organisation and follow industry best practices.

- CLI's materiality assessment methodology described in the Introduction / Managing Sustainability / Materiality section of the Report
- CLI's GHG emissions data methodology
- CLI's systems for performance measurement and data collection and processing, as well as additional quality control mechanisms to ensure data quality and integrity.

# Independent Assurance Statement

## **LEVELS OF ASSURANCE**

Ere-S evaluated the performance data under a reasonable level of assurance for figures on energy and Scope 1 and Scope 2 GHG emissions and a limited level of assurance for the remaining disclosures. A reasonable assurance provides a high level of confidence in the completeness and accuracy of the reported information by performing an in-depth evaluation of underlying data collection, reporting and quality control structure, with a collection of sufficient evidence to reduce the risk of material misstatement to an acceptably low level. A limited assurance supports the plausibility of the reported information and relies on a restricted and aggregated form of sampling and fewer tests of the data management structure.

## **SGX AND GRI ALIGNMENT**

Verification of the alignment of the entire Report with the Singapore Exchange (SGX) rules on sustainability reporting for listed companies was also included as part of the assurance process. Ere-S also assessed whether the GRI topic disclosures found in the GRI Content Index of the Report and associated with the assured data are reported in line with the requirements of the GRI Standards.

## **EXCLUSIONS**

Besides the mechanisms CLI implemented for materiality assessment, performance data collection, calculation and quality control, the assurance excluded the procedures, management approaches, initiatives and studies mentioned in the Report. Neither did it include historical data, financial data and statements or corporate governance and risk management structures described under the Report's Organisational Capital and Financial Capital sections and technical descriptions of buildings, equipment and production processes or other information not related to the assessed performance indicators.

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

## **STANDARDS AND CRITERIA**

The reasonable assurance and the limited assurance were conducted in accordance with the International Standard on Assurance Engagements 3000 (ISAE 3000) and the International Standard on Assurance Engagements, Assurance Engagements on Greenhouse Gas Statements (ISAE 3410).

All performance figures and data sources, including CLI's GHG emissions inventories and the associated calculation and classification methods, were evaluated on the criteria of the following standards:

- GRI reporting principles (GRI 1: Foundation 2021) of Accuracy, Completeness and Verifiability
- The Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, including the separate technical documents for calculating Scope 2 emissions and Scope 3 emissions

The alignment with SGX's reporting rules was verified based on clauses 3 to 6 of the "SGX-ST Listing Rules Practice Note 7.6 Sustainability Reporting Guide", which include the SGX reporting principles and the required primary components of a report.

# Independent Assurance Statement

## **LIMITATIONS**

The restricted extent, timeline and precision of audit procedures can leave minor misstatements undetected, particularly in a limited assurance. In addition, sustainability-related evidence being more persuasive than conclusive, the assurance findings are more constrained to the judgement of the assurance practitioner. To mitigate the associated risk of material misstatement in the information being assessed during this engagement, and to provide greater confidence in the accuracy of the final disclosures, Ere-S sought further confirmation of the presented evidence (including application of the management approach, data collection methods, criteria and assumptions) from multiple data owners and against the notes and results from previous assurance engagements with CLI, as well as other internal and external sources.

## **ASSURANCE METHODOLOGY**

The assurance procedures and principles used for this engagement are compliant with ISAE 3000 and were drawn from a methodology developed by Ere-S, which consists of the following steps:

1. Carry out interviews with ETS Leaders, key functional managers and other data owners from CLI's corporate office in Singapore and business units in China and India. Data verification included the following:
  - Enquiring about the quantitative and qualitative aspects of the Report disclosures, including performance information, policies, procedures and underlying management systems.
  - Sampling quantitative data to validate relevant sources and other supporting documents.
  - Requesting evidence and explanation of the data sources and relevant collection and calculation methods to substantiate the figures and claims.

For statements about the number (or absence) of complaints, incidents, impacts, and cases of non-compliance to policies and regulations, Ere-S assessment was founded on confirmation by key managers and, where applicable, non-compliance reports and other internal documents from CLI's accounting, internal audit, feedback and reporting systems.

  - Challenging the claims made in the Report and, where possible, confirming the presented evidence, including calculation methods, criteria and assumptions, with multiple data owners and other documentation from internal and external sources.
2. Assess the collected information and provide recommendations for immediate correction or future improvement to the Report content.

For reasonable assurance, Ere-S used a mix of random and selective sampling, prioritising region and energy sources with higher materiality, such as purchased grid electricity, which represents about 95% of CLI's total combined Scope 1 and Scope 2 emissions. The reported energy figures of each sampled property were methodically cross verified from multiple onsite sources, such as invoices from purchased electricity/fuel, the property's internal energy meter reading reports, tenants' energy consumption records/bills and other applicable procurement records. Ere-S also compared the performance data with verified historical data sets and findings from our previous assurance engagements on CLI's portfolio.

Site visits were not carried out for this assurance due to the large number of locations and the low materiality that misstatements at property-level would represent for the entire portfolio. We also considered in-person site visits to be less effective at large scale than remote confirmation of standard operating procedures and cross verification of multiple onsite sources.

# Independent Assurance Statement

## **RESPONSIBILITY AND INDEPENDENCE**

This statement represents the independent opinion of Ere-S, whose responsibility was to provide assurance, express conclusions according to the agreed scope, and prepare this assurance statement and the assurance report for the management of CLI alone and no other purpose. The management of CLI has been responsible for preparing the Report and all statements and figures contained within it. Ere-S has not been involved in the development of the Report or the disclosed management processes; neither has Ere-S been engaged by CLI for other projects. The activities of Ere-S are independent of CLI and contain no financial interest in CLI's business operations.

## **FINDINGS AND OBSERVATIONS**

In Ere-S' opinion, the Report provides an overall complete and accurate coverage of CLI's environmental and social performance for all its key operations and locations. The assessed performance disclosures and the underlying data collection and calculation processes present a relatively good level of verifiability, mainly through the Group environmental data tracking system and other internal data management systems. We only found a limited number of inconsistencies in the disclosures during the sampling and assessment of the data sources. These inconsistencies had mainly no material impact and were promptly corrected by the relevant teams.

Regarding the environmental information, the completeness of the water figures is found to be high, with consumption data collected and reported for 475 properties out of the portfolio (497 properties). Comparatively, the waste data shows a lesser level of completeness due to 75 properties (15% of the portfolio) not having data.

Figures on energy and Scope 2 emissions also achieve high accuracy and completeness, with missing data for only 18 properties (3.6% of the portfolio) and few errors of negligible materiality.

We could, however, not confirm the accuracy and completeness of the total Scope 1 GHG emissions figure (38,225 tCO<sub>2</sub>e or 5% of total Scope 1 and Scope 2 emissions) due to the uncertainty inherent to fugitive emissions from the use of refrigerant gases, which made about 17% of CLI's total Scope 1 emissions and were only reported for 17 properties<sup>1</sup> (3.4% of the portfolio) during 2023. We believe these numbers indicate that the reported figure for Scope 1 emissions is significantly lower than the actual value for the whole portfolio.

Similar limitations were also identified in the following disclosures:

- The value of '100% commitment by the supply chain to abide by CLI's Supply Chain Code of Conduct' is limited to a sub-group of CLI's supply chain and cannot be quantified, as it relies solely on the confirmation from the business units that all relevant suppliers are contractually required to sign the commitment clause.
- The total figure for Scope 3 GHG emissions Category 2 emissions (290,577 tCO<sub>2</sub>e or 17% of total Scope 3 emissions) is incomplete as it only includes the GHG emissions from seven development projects out of a total of 12 projects active during 2023.

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<sup>1</sup> The number of properties using and measuring refrigerant gases is likely higher than 17, as other properties may have yet to report any data due to the absence of refrigerant top-ups during 2023.



# Independent Assurance Statement

## CONCLUSIONS

### **Reasonable assurance**

In our opinion, the environmental performance figures on energy and Scope 2 GHG emissions, but excluding Scope 1 GHG emissions, reported in CapitaLand Investment's Global Sustainability Report 2023 and referenced in [Table A](#) of this document have been prepared, in all material respects, in accordance with the criteria defined above.

### **Limited assurance**

Based on the collected evidence and assessment performed, nothing has come to our attention that causes us not to believe that, in all material respects, the environmental and social performance figures reported in CapitaLand Investment's Global Sustainability Report 2023 and referenced in [Table B](#) and [Table C](#) of this document have been prepared in accordance with the criteria defined above.

The assurance findings also provide confidence that the Report has been prepared in accordance with SGX's reporting requirements and that the GRI topic disclosures associated with the assessed performance indicators are adequately presented in accordance with the relevant GRI reporting requirements.

The findings summarised in this assurance statement and additional suggestions for improvement have been presented to the management of CLI in a more detailed assurance report.

Singapore, 29 May 2024



Reg no. 201003736W

A handwritten signature in blue ink, appearing to read "JDallaPalma".

**Jean-Pierre Dalla Palma**

Director and Lead Certified Sustainability Assurance Practitioner

*Ere-S Pte Ltd is a Singapore-based consulting company specialising in business sustainability. It provides reporting, verification, and assurance services. Our assurance team is composed of assurance practitioners with expertise in corporate sustainability. Each member is required to follow Ere-S' assurance code of conduct, which can be found at [www.ere-s.com/assurance-code-of-conduct](http://www.ere-s.com/assurance-code-of-conduct). Ere-S is not responsible for any actions taken by other parties resulting from the findings presented in this assurance statement.*

# Independent Assurance Statement

TABLE A: Environmental performance data subject to reasonable assurance																										
Topics	Performance indicators	Figures reported for 2023	Associated standards disclosures																							
Energy consumption	Total energy consumption	6,417 million MJ 1,782 GWh	GRI 302-1, 302-3 SASB IF-RE-130a.2																							
	Direct fuel combustion	603 million MJ 168 GWh																								
	<ul style="list-style-type: none"> <li>• Natural gas</li> <li>• Diesel fuel</li> <li>• Other fuels (petrol, LPG)</li> </ul>	8.5% of Total Energy 0.5% of Total Energy 0.4% of Total Energy																								
	Purchased energy	5,813 million MJ 1,615 GWh																								
	Proportion of electricity from renewables	5.2%																								
	Energy consumption intensity	87.2%																								
	Total energy consumed by portfolio area with data coverage, percentage grid electricity, and percentage renewable, by property subsector	<table border="1"> <thead> <tr> <th></th> <th>Total energy (million MJ)</th> <th>% Total energy from grid electricity</th> <th>% Total energy from renewable</th> </tr> </thead> <tbody> <tr> <td>Commercial</td> <td>242</td> <td>73%</td> <td>0.1%</td> </tr> <tr> <td>Shopping malls</td> <td>1,608</td> <td>82%</td> <td>1.0%</td> </tr> <tr> <td>Serviced residences</td> <td>2,118</td> <td>77%</td> <td>3.0%</td> </tr> <tr> <td>Integrated development</td> <td>1,405</td> <td>67%</td> <td>0.0%</td> </tr> <tr> <td>Business park, industrial and logistics</td> <td>1,027</td> <td>63%</td> <td>17.3%</td> </tr> </tbody> </table>			Total energy (million MJ)	% Total energy from grid electricity	% Total energy from renewable	Commercial	242	73%	0.1%	Shopping malls	1,608	82%	1.0%	Serviced residences	2,118	77%	3.0%	Integrated development	1,405	67%	0.0%	Business park, industrial and logistics	1,027	63%
	Total energy (million MJ)	% Total energy from grid electricity	% Total energy from renewable																							
Commercial	242	73%	0.1%																							
Shopping malls	1,608	82%	1.0%																							
Serviced residences	2,118	77%	3.0%																							
Integrated development	1,405	67%	0.0%																							
Business park, industrial and logistics	1,027	63%	17.3%																							
Greenhouse Gas Emissions	Scope 1	38,225 tCO <sub>2</sub> e	GRI 305-1, 305-2, 305-4																							
	Scope 2	765,973 tCO <sub>2</sub> e																								
	Emission intensity, Scope 1 and Scope 2	41.7 kgCO <sub>2</sub> e/m <sup>2</sup> 104 tCO <sub>2</sub> e /S\$m revenue																								

The above indicators are disclosed in the Key ESG Data Summary table on pages 88 to 97 of the Report.

# Independent Assurance Statement

TABLE B: Environmental performance data subject to limited assurance				
Topics	Performance indicators	Figures reported for 2023	Associated standards disclosures	
Low-carbon Transition 2030 targets	Reduction of absolute carbon emissions (Scope 1 and 2)	10.1% increase against 2019 14.4% reduction against 2019 for same store / like-for-like assets	GRI 305-4, 305-5	
	Reduction of carbon emissions intensity per m <sup>2</sup>	13.2% reduction per m <sup>2</sup> against 2019		
	Reduction of energy consumption intensity per m <sup>2</sup>	13.4% reduction per m <sup>2</sup> against 2019	GRI 302-4	
Greenhouse Gas Emissions	Same-store Scope 1 and 2 carbon emissions against 2019	592,512 tCO <sub>2</sub> e	-	
	Scope 3	Category 1	158,826 tCO <sub>2</sub> e	GRI 305-3
		Category 2	290,577 tCO <sub>2</sub> e	
		Category 3	213,062 tCO <sub>2</sub> e	
		Category 4	4,807 tCO <sub>2</sub> e	
		Category 5	56,046 tCO <sub>2</sub> e	
		Category 6	3,002 tCO <sub>2</sub> e	
		Category 11	145,274 tCO <sub>2</sub> e	
Category 13	848,639 tCO <sub>2</sub> e			
Water withdrawal	Total water withdrawal	14.9 million m <sup>3</sup>	GRI 303-3, 303-4, 303-5	
	• Municipal water supply	98.9%		
	• Harvested rainwater	0.01%		
	• Groundwater	1.1%		
	On-site grey water recycling	0.57 million m <sup>3</sup>		
	Water consumption intensity	0.77 million m <sup>3</sup> /m <sup>2</sup>		
Waste and Recycling	Total waste generated	108,558 tonnes	GRI 306-3, 306-4, 306-5	
	Waste disposed	96,219 tonnes		
	Landfill	56,722 tonnes		
	Incineration	39,497 tonnes		
	Recycling	12,339 tonnes		
	% of total waste	11.4%		
	Recycled e-waste	72 tonnes		
	Waste intensity	6.3 kg/m <sup>2</sup>		
	Waste intensity reduction from 2019 baseline	44.0%		
Governance	Green building ratings	60% of global portfolio achieved green rating 46% certified LEED Gold and above or equivalent 56% green rated lodging properties globally Singapore – 86% green rated China – 44% green rated India – 77% green rated	-	

The above indicators are disclosed in the Key ESG Data Summary table on pages 88 to 97, and the Environmental and Manufactured Capital chapter on pages 14 to 41, of the Report.

# Independent Assurance Statement

**TABLE C: Social and Governance performance data subject to limited assurance**

Topics	Performance indicators	Performance indicators' page references in the Report	Associated standards disclosures
Social	Employment	Page 89	GRI 2-7
	Diversity	Pages 90-91	GRI 405-1
	Basic salary and remuneration of women to men	Page 91	GRI 405-2
	New hires rate	Page 92	GRI 401-1
	Voluntary turnover rate	Page 92	
	Development and training	Page 93	GRI 404-1
	Occupational health and safety	Pages 93-94	GRI 403-9
	Supply chain management Diversified supply chain Third-party due diligence check and engagement on CLI critical supply chain 100% commitment by the supply chain to abide by CLI's Supply Chain Code of Conduct	Page 94 Page 62 Page 63 Page 58	GRI 308-1, 308-2, 414-1
	Governance	Board composition/diversity	Page 94 Page 72
Management diversity		Page 94	
Ethical behaviour		Page 95	GRI 205-1, 205-2, 205-3
List of ESG-related certifications		Page 70	-

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