CapitaLand Integrated Commercial Trust

BECAUSE TOMORROW MATTERS

ANNUAL REPORT 2020

CORPORATE PROFILE

CapitaLand Integrated Commercial Trust (CICT or the Trust) is the first and largest real estate investment trust (REIT) listed on Singapore Exchange Securities Trading Limited (SGX-ST) with a market capitalisation of S$14.0 billion as at 31 December 2020. It made its debut on SGX-ST as CapitaLand Mall Trust (CMT) in July 2002 and was renamed CICT in November 2020 following the merger with CapitaLand Commercial Trust (CCT).

CICT owns and invests in quality income-producing assets primarily used for commercial (including retail and/or office) purpose, located predominantly in Singapore. As the largest proxy for Singapore commercial real estate, CICT's portfolio comprises 22 properties in Singapore and two in Frankfurt, Germany.

CICT is managed by CapitaLand Integrated Commercial Trust Management Limited, which is a wholly owned subsidiary of Singapore-listed CapitaLand Limited, one of Asia's largest diversified real estate groups.

ABOUT THE REPORT

CICT Annual Report 2020 has been prepared in accordance with the International Integrated Reporting Council (IIRC) Framework and the Global Reporting Initiative (GRI) Standards: Core option. CICT welcomes stakeholders to send comments concerning our disclosures to ask-us@cict.com.sg. A copy of CICT's integrated report can also be downloaded from www.cict com.sg.

Any discrepancies in the table and charts between the listed figures and totals thereof are due to rounding. Where applicable, figures and percentages are rounded to one decimal place. All necessary safe management measures were adhered to during photography and videography sessions conducted for the purpose of the Annual Report and Annual General Meeting, in accordance with guidelines issued by the relevant authorities.

OUR MISSION

To deliver stable distributions and sustainable total returns to Unitholders

OUR VALUES

› **Winning Mindset**

› **Integrity**

› **Respect**

› **Enterprising**

Underpinning the breadth of CapitaLand's activities is our continuous dialogue with our stakeholders which helps to shape our business as we aim to build sustainable communities. We place significance on our conversations and share our story with care and consideration for all involved. This annual report is part of that process and the motif we have chosen for this year's report reflects our focus on maintaining communication with our stakeholders with transparency and clarity.

CAPITALAND INTEGRATED COMMERCIAL TRUST (CICT), FORMERLY CMT, WAS CREATED IN RESPONSE TO EVOLVING REAL ESTATE TRENDS, SHIFTING MARKET OPERATING ENVIRONMENT AND CHANGING STAKEHOLDER DEMANDS. WE AIM TO GENERATE STABLE AND SUSTAINABLE RETURNS, UNDERPINNED BY OUR COMMITMENT TO ENVIRONMENT, SOCIAL AND GOVERNANCE (ESG) ISSUES. BECAUSE TOMORROW MATTERS, WE TRANSFORM TODAY TO ENSURE THAT WE ARE FUTURE-READY.

BECAUSE TOMORROW MATTERS

WE ARE AGILE AND RESPONSIVE TO BUSINESS DISRUPTIONS AND GLOBAL TRENDS. WE PROACTIVELY PROVIDE FLEXIBLE OPTIONS TO OUR TENANTS TO HELP THEM NAVIGATE THROUGH CHALLENGES.

WE ARE PROACTIVE AND AGILE BECAUSE CHANGE IS THE NEW NORMAL

CapitaLand supported us in remapping our space requirements and provided us with various innovative options that meet our needs both in the short and medium term.

GUAN YEOW KWANG
Singapore Branch CEO
Managing Director
Head, Asia & Oceania
Administration
Mizuho Bank, Ltd.

WE CREATE PORTFOLIO VALUE TO ENSURE THE RELEVANCE AND PERFORMANCE OF OUR ASSETS THROUGH MARKET CYCLES. STAKEHOLDERS' TRUST IN US DEEPENS AS WE OVERCOME ADVERSITY AND CYCLES TO EMERGE STRONGER.

WE VALUE RESILIENCE BECAUSE TRUST IS BUILT OVER TIME

I have always been impressed by the track record and quality of the CMT and CCT management as well as their open and transparent communication with investors. With a more diversified asset base and larger financial power in CICT, investors like me will be assured of stability while navigating through this uncertain world.

GERARD AH HOT
A retail Unitholder

"We continue to focus on growth with discipline and reinforce our presence in Singapore, leveraging opportunities to generate sustainable returns for our Unitholders.

WE SEEK GROWTH BECAUSE GENERATING SUSTAINABLE TOTAL RETURN IS OUR GOAL

CICT's in-depth experience and expertise, extensive scale in retail and office properties in Singapore and balance sheet will enable the REIT to embark on acquisitions and redevelopments in strategic locations.

JONATHAN KOH
Director, Research
UOB KAY HIAN PTE LTD

Genuine and authentic focus on all ESG outcomes is mission critical for the future of our planet, successful commercial activities and personal well-being.

TONY LEWIS
A volunteer at
Funan's Edible Garden

WE ARE COMMITTED TO UPHOLDING OUR ESG PRINCIPLES AND ACHIEVING OUR SUSTAINABILITY GOALS. WE RECOGNISED THAT OUR EFFORTS TODAY WILL GO A LONG WAY TO CREATE A BETTER TOMORROW.

WE COMMIT TO ESG BECAUSE WE WANT A BETTER TOMORROW

“ BECAUSE TOMORROW MATTERS

Tomorrow absolutely matters. For businesses struggling with COVID-19, what we do today will make a lot of difference to the survival of our companies. For TSMP, we aim to reinvent ourselves, in part by ramping up our client services. It is vital that our clients receive customised solutions to their legal issues. Collaborating with the right business partners is also an imperative. There have been talks about whether Singapore businesses still need offices and whether working from home is going to be permanent. I think how we work is going to be more flexible in the future, but an office will remain critical. It is a place where you can aggregate tenants, people can learn from one another and meet to share ideas, and grow the culture of the company together in a close and collegiate ecosystem.

Stefanie Yuen Thio
Joint Managing Partner
TSMP Law Corporation
(Tenant)

Tomorrow could unfold in various scenarios. If we have conviction of our vision for tomorrow after studying the various forces shaping the potential outcome, then we should start preparing and positioning ourselves to benefit from the journey towards tomorrow.

Jonathan Koh
Director, Research
UOB Kay Hian Pte Ltd
(Analyst)

Never lose sight of what is really important in life for all of us - good physical and mental health, the well-being of our communities and our environment and to never, ever, forget to be grateful and thankful for who we are, where we are and what we have. Many people are not so privileged and fortunate.

Because tomorrow matters, I want to enable my children to be aware and confident enough to make a positive difference in our community, for our environment and for those less fortunate and to be massively happy and fulfilled whilst doing it!

Tony Lewis
A Volunteer at Funan’s Edible Garden

As a forward-thinking company with a focus on global sustainability, tomorrow matters greatly to us. Building upon our expertise, we are expanding our product lines beyond anti-microbial coating and air purification and providing value-added services to our customers. Beyond products and services, support from like-minded partners is essential for us to realise our green living ambition.

May Cheng
Head of Sales
De-Novo Private Limited
(Business Partner)

At the Coalition team, tomorrow is a keyword for us. Our vision is to always be on the forefront of technology and innovation and to achieve this, we constantly challenge ourselves to reimagine, reinvent and rejuvenate our omnichannel retail experiences to be ever-ready for the consumer of tomorrow.

Fuelled by our drive in partnering retailers to unlock their business potential through data-driven insights for sales and marketing optimisation, and married with our dedication in fortifying a seamless offline-to-online shopping experience, we are confident to strengthen CapitaLand Retail's digital capabilities as a retail ecosystem provider while defining the retail landscape of the future.

Reuben Yong
Head, Coalition
CapitaLand Singapore
(Staff)

Every day is important. That is why we make it a point to treat every customer's visit like it is their first - good food with the freshest ingredients complemented by good service every day.

Takanori Takegawa
Director
Sushiro GH Singapore Pte Ltd
(Tenant)

If there isn't tomorrow then all hopes will simply vanish. But to live tomorrow well we must prepare for it well today by becoming more innovative, collaborative and incisive.

Guan Yeow Kwang
Singapore Branch CEO
Managing Director
Head, Asia & Oceania Administration
Mizuho Bank, Ltd.
(Tenant)

Investing is always about anticipating the future. It is crucial to understand how the company in which we invest will face the secular trends like ecommerce, more work from home or sustainable energies. It is a balance between quality of execution in the short term and long term strategies in view of this evolving environment. We expect the management to be forward thinking and innovative even if mistakes can be made along the way. For instance, I appreciate the CapitaStar platform to capture the online sales of our tenants. The new mall concept at Funan is also a testimony of innovation.

Gerard Ah Hot
A Unitholder of CICT

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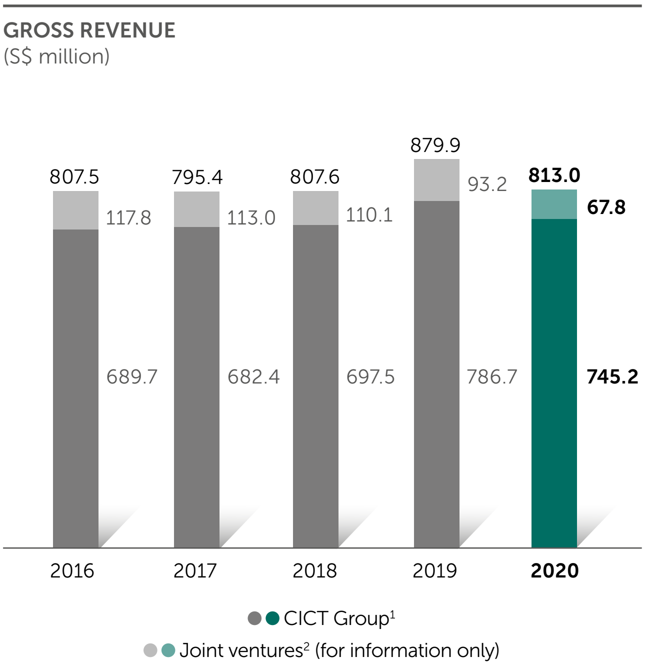
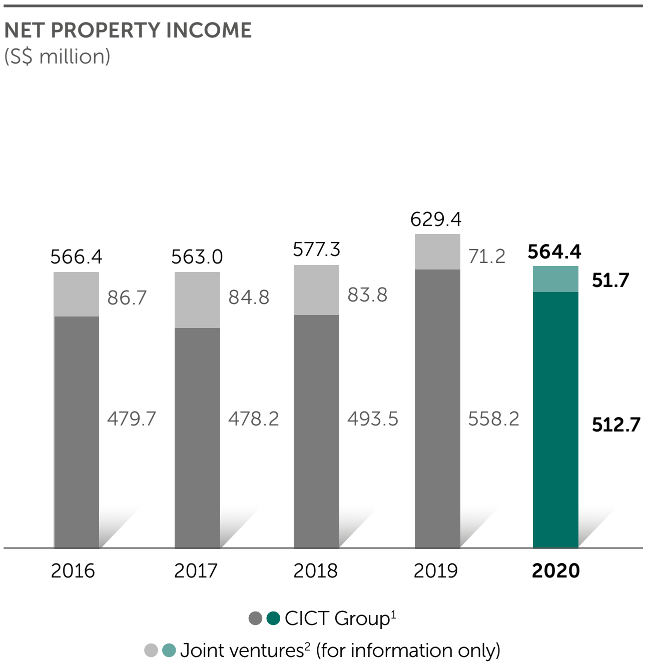
2020 HIGHLIGHTS

All information as at 31 December 2020

1 Based on value of the investment properties and proportionate interests.

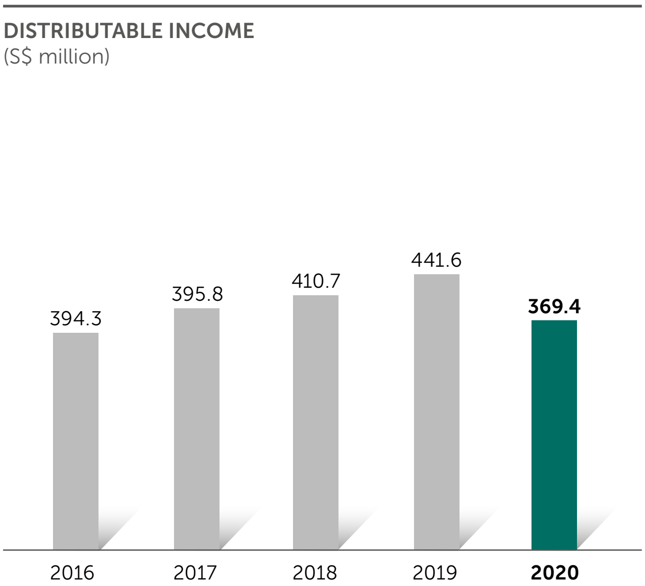
FINANCIAL HIGHLIGHTS

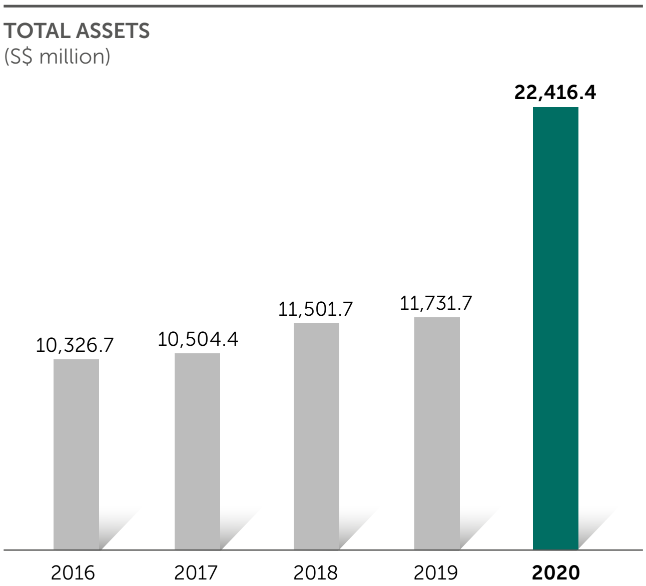




1 CICT Group refers to CICT and its subsidiaries. On 21 October 2020, CapitaLand Mall Trust and CapitaLand Commercial Trust were merged by way of a trust scheme of arrangement with the merged entity renamed CICT on 3 November 2020.

2 Joint ventures refer to CICT's 50.0% interest in One George Street LLP, 45.0% interest in Glory Office Trust and 45.0% interest in Glory SR Trust (all with effect from 21 October 2020), 40.0% interest in RCS Trust (until 20 October 2020), 30.0% interest in Infinity Mall Trust (until 31 October 2018) and 30.0% interest in Infinity Office Trust.





GROUP For the Financial Year	2016	2017	2018	2019	2020[1]
SELECTED STATEMENT OF TOTAL RETURN AND DISTRIBUTION DATA (S$ MILLION)					
Gross Rental Income	639.6	629.4	639.2	722.4	**697.6**
Car Park Income	17.1	19.9	20.2	19.8	**17.7**
Other Income	33.0	33.1	38.1	44.5	**29.9**
Gross Revenue	**689.7**	**682.4**	**697.5**	**786.7**	**745.2**
Net Property Income	479.7	478.2	493.5	558.2	**512.7**
Distributable Income	394.3	395.8	410.7	441.6	**369.4**
SELECTED STATEMENT OF FINANCIAL POSITION DATA (S$ MILLION)					
Total Assets	10,326.7	10,504.4	11,501.7	11,731.7	**22,416.4**
Total Borrowings[2]	3,169.0	3,192.1	3,638.0	3,547.0	**8,632.0**
Net Asset Value Per Unit[3] (S$)	1.86	1.92	2.00	2.07	**2.00**
Unitholders' Funds	6,692.2	6,928.0	7,429.3	7,767.2	**13,037.6**
Market Capitalisation	6,678.7	7,553.9	8,332.4	9,074.5	**13,976.7**
Investment Properties[4]	8,509.0	8,770.4	10,075.6	10,415.8	**21,366.1**
KEY FINANCIAL INDICATORS					
Earnings Per Unit (cents)	13.25	18.55	18.96	18.90	**8.36**
Distribution Per Unit (cents)	11.13	11.16	11.50	11.97	**8.69**
Management Expense Ratio[5] (%)	0.7	0.7	0.7	0.7	**0.6**
Unencumbered Assets as % of Total Assets (%)	100.0	100.0	89.8	100.0	**95.8**
Aggregate Leverage (%)	34.8	34.2	34.2	32.9	**40.6**
Net Debt / EBITDA (times)	6.3	6.3	6.8	6.4	**N.M.**
Interest Coverage (times)	4.8	4.9	5.2	4.7	**3.8**
Average Term to Maturity (years)	5.3	4.9	4.4	5.0	**4.1**
Average Cost of Debt (%)	3.2	3.2	3.1	3.2	**2.8**

N.M.: Not meaningful

1 On 21 October 2020, CapitaLand Mall Trust and CapitaLand Commercial Trust were merged by way of a trust scheme of arrangement with the merged entity renamed CICT on 3 November 2020.
2 Includes foreign currency denominated notes which have been swapped to Singapore dollars at their respective swapped rates and fixed rate foreign currency bank loans.
3 Excluded the distribution to be paid for the last quarter of the respective financial years except for 2018 and 2020 which excluded the distribution for the period from 8 November 2018 to 31 December 2018 and 21 October 2020 to 31 December 2020 respectively.
4 Includes carrying amount of lease liabilities under Financial Reporting Standard (FRS) 116 Leases from 31 December 2019 onwards.
5 Refers to the expenses excluding property expenses and finance costs but including performance component of management fees, expressed as a percentage of weighted average net assets.

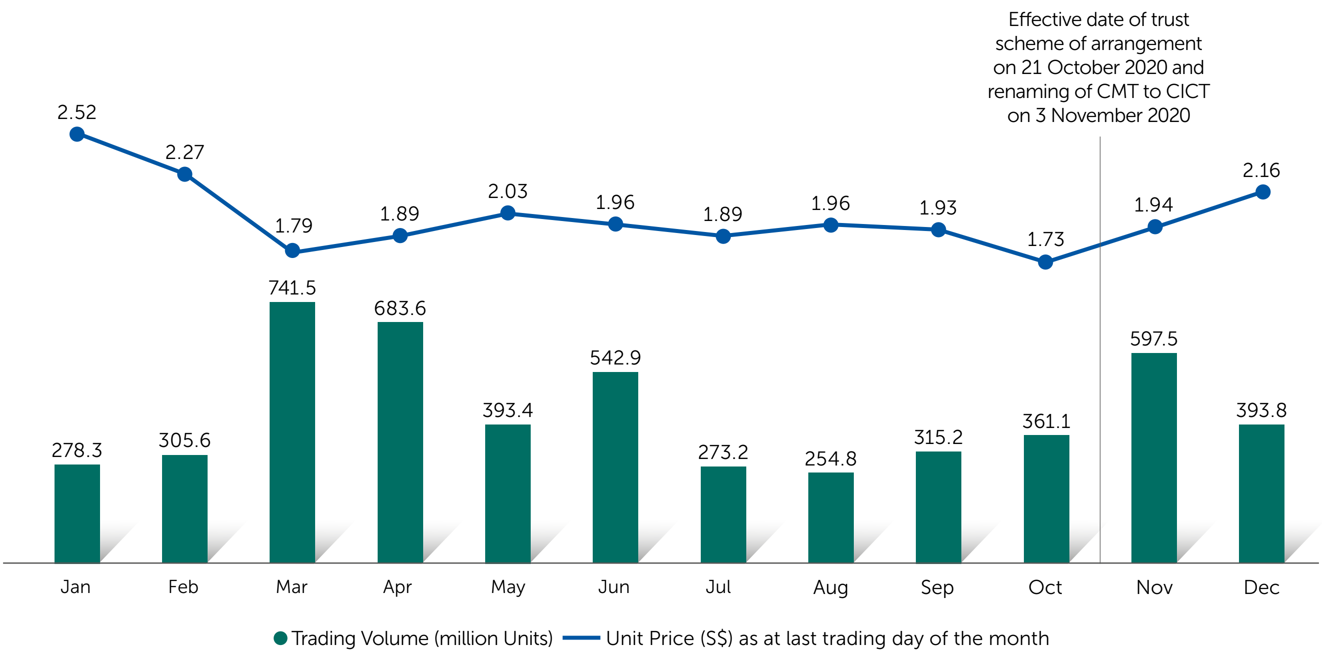
TRADING PERFORMANCE

2020 TRADING PERFORMANCE

CICT's Units traded in the price range of S$1.52 to S$2.62 in 2020. Total trading volume for the year reached 5.1 billion Units, translating to an average daily trading volume of approximately 20.6 million Units. With a closing unit price of S$2.16 as at 31 December 2020, CICT registered a drop of 12.2% compared to S$2.46 as at 31 December 2019.

As at 31 December 2020, the Straits Times Index, FTSE ST REIT and FTSE ST Real Estate Index dipped 11.8%, 7.7% and 11.3% respectively.

2020 TRADING PERFORMANCE



TOTAL UNITHOLDER RETURN

Total Unitholder Return	1-year (from 1 Jan 2020 to 31 Dec 2020)	3-year (from 1 Jan 2018 to 31 Dec 2020)	5-year (from 1 Jan 2016 to 31 Dec 2020)
Closing unit price on the last trading day prior to the commencement of the period (S$)	2.46	2.13	1.93
Capital appreciation (%)	(12.20)	1.41	11.92
Distribution yield (%)	3.53	15.10	28.21
Total return as at 31 Dec 2020 (%)	(8.66)	16.51	40.13
Total return (assuming dividends reinvested) (%) [1]	(8.10)	16.05	42.56

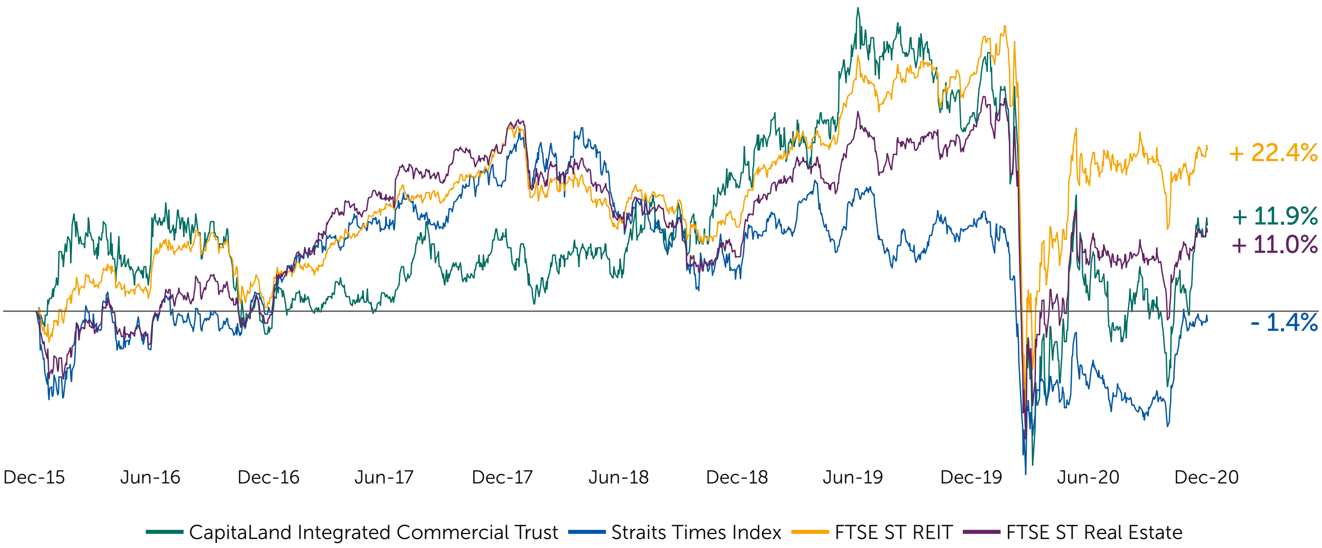
1 Based on Bloomberg data.
Numbers may not add up due to rounding.

FIVE-YEAR TRADING PERFORMANCE

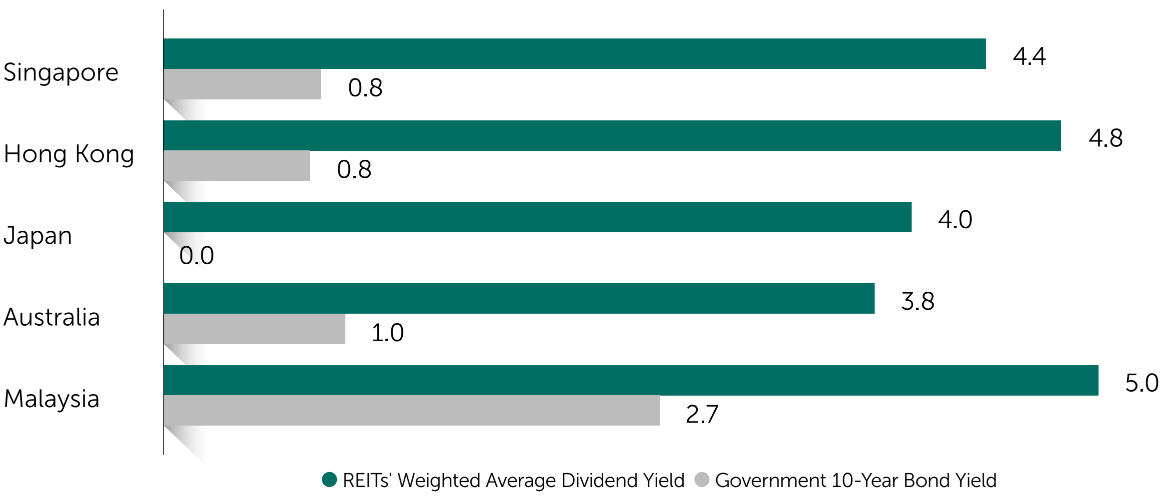
	2016	2017	2018	2019	2020
Opening price on first trading day of the year (S$)	1.94	1.90	2.13	2.27	**2.44**
Closing price on last trading day of the year (S$)	1.89	2.13	2.26	2.46	**2.16**
Highest closing price (S$)	2.22	2.17	2.31	2.74	**2.62**
Lowest closing price (S$)	1.87	1.92	1.95	2.26	**1.52**
Trading Volume (million Units)	2,427.4	2,563.5	2,821.3	2,543.9	**5,141.1**
Net Asset Value Per Unit[1] (S$)	1.86	1.92	2.00	2.07	**2.00**

1 Excluding distribution to be paid for the last quarter of the respective financial year.

FIVE-YEAR COMPARATIVE PRICE TRENDS



SINGAPORE REITS OFFER RELATIVELY ATTRACTIVE YIELD SPREADS VERSUS ASIAN REITS (%)



Source: Bloomberg, 31 December 2020.

YEAR IN BRIEF

JANUARY 2020

22 January

- Reported FY 2019 DPU of 11.97 cents.
- Announced the proposed merger with CapitaLand Commercial Trust (CCT) by way of a trust scheme of arrangement, subject to CMT and CCT unitholders' approval.

30 January

- JCube certified BCA Green Mark Platinum.

FEBRUARY 2020

18 February

- Lot One Shoppers' Mall certified BCA Green Mark Gold.

MARCH 2020

11 March

- Bukit Panjang Plaza certified BCA Green Mark Gold^{PLUS}.

31 March

- Bugis+ certified BCA Green Mark Platinum.

APRIL 2020

April

- Converted three existing bank borrowings totaling S$600.0 million to green loans for Asia Square Tower 2.

27 April

- Raffles City Singapore certified BCA Green Mark Gold^{PLUS}.

30 April

- Reported 1Q 2020 DPU of 0.85 cents.

MAY 2020

25 May

- Gallileo, Germany certified LEED Gold.

JUNE 2020

1 June

- Funan certified BCA Universal Design Mark Gold^{PLUS}.

26 June

- Unitholders approved all resolutions at virtual Annual General Meeting.

JULY 2020

22 July

- Reported 2Q 2020 DPU of 2.11 cents.

AUGUST 2020

4 August

- CCT and CMT ranked first and second respectively under the REIT and Business Trust category, Singapore Governance and Transparency Index.

SEPTEMBER 2020

2 September

- Funan won the 2020 ULI Asia Pacific Awards for Excellence by Urban Land Institute Asia Pacific.

8 September

- Converted S$200.0 million existing facilities to first sustainability-linked loan.

29 September

- Unitholders approved the merger with CCT at the virtual Extraordinary General Meeting.

OCTOBER 2020

14 October

- CCT and CMT ranked fourth (total score of 74) and seventh (total score of 73.5) respectively in the Governance Index for Trusts (GIFT) 2020.

22 October

- Reported 3Q 2020 DPU of 3.10 cents.

28 October

- Issuance of 2,780,549,536 new CMT Units to CCT Unitholders as consideration units.

30 October

- Announced clean-up distribution of 0.89 cents per Unit for the period from 1 October 2020 to 20 October 2020.

NOVEMBER 2020

3 November

- CCT delisted and removed from the Official List of Singapore Exchange Securities Trading Limited.
- CMT renamed CapitaLand Integrated Commercial Trust (CICT) with effect from 3 November 2020.
- Announced the reconstitution of the Board with effect from 3 November 2020:
  - Appointment of Mrs Quek Bin Hwee as Non-Executive Independent Director and member of the Audit Committee (AC);
  - Appointment of Mr Ng Wai King as Non-Executive Independent Director and member of the AC;
  - Retirement of Mr Tan Kian Chew as Non-Executive Non-Independent Director;
  - Retirement of Mr Ng Chee Khern as Non-Executive Independent Director and member of the AC;
  - Retirement of Mr Fong Kwok Jen as Non-Executive Independent Director and member of the AC; and
  - Retirement of Mr Gay Chee Cheong as Non-Executive Independent Director.

24 November

- Awarded Megatrend Deal of the Year – Property by FinanceAsia Achievement Awards 2020.

26 November

- Global Real Estate Sustainability Benchmark 2020 (GRESB):
  - CICT awarded 5-star rating in Asia Retail-Listed category with a total score of 85 and 'A' for public disclosure.
  - CCT awarded 5-star rating in the Asia Office category with a total score of 84 and 'A' for public disclosure.

27 November

- CMT MTN Pte. Ltd. issued HKD426.0 million fixed rate notes due 27 November 2030 through its unsecured S$7.0 billion Multicurrency Medium Term Note Programme (MTN Programme) at 2.50% per annum. The proceeds from the HKD denominated notes were swapped to S$75.2 million at 2.156% per annum.

DECEMBER 2020

1 December

- Plaza Singapura awarded Gold for Best Retail / Shopper Event and Silver for Best Venue Experience at Marketing Events Awards Singapore 2020 by MARKETING Magazine.
- 21 Collyer Quay certified BCA Green Mark Platinum.

7 December

- CMT MTN Pte. Ltd. issued S$250.0 million fixed rate notes due 7 December 2032 through its unsecured MTN Programme at 2.15% per annum.

30 December

- Capital Tower certified BCA Green Mark Platinum.

31 December

- Announced the following changes to the Board and Board Committees composition with effect from 1 January 2021:
  - Appointment of Mr Leo Mun Wai as Non-Executive Independent Director and member of the AC;
  - Appointment of Mr Lim Cho Pin Andrew Geoffrey as Non-Executive Non-Independent Director and member of the EC;
  - Retirement of Mr Jason Leow Juan Thong as Non-Executive Non-Independent Director and Chairman of the EC; and
  - Appointment of Mr Jonathan Yap Neng Tong as Chairman of the EC.

GLOBAL TRENDS

We strive to keep abreast and monitor the ever-changing trends and industry disruptors, such as increasing global connectivity, rapid advancements in technology and artificial intelligence and their resulting impact to our lives and environment. In 2020, COVID-19 has also brought about a new normal to the world. We aim to embrace the opportunities that these trends present over time and manage their associated risks to our business, workforce and customers.

SUSTAINABILITY

Trend Description

Sustainability or Environmental, Social and Governance (ESG) is a growing focus of our stakeholders. The financial impact of pandemic, climate change, coupled with increasing occurrences of extreme weather events, present palpable business risks. Emergency preparedness and business continuity plans are essential to ensure the sustainability of our business.

Our Response

- Committed to reducing our environmental footprint by improving energy and water efficiency across our properties and reducing carbon emissions
- Obtained GRESB 5-star Rating
- Integrated sustainability focus into our operations
- Put in place emergency protocols for our properties and business continuity plans for our employees

EVOLVING REAL ESTATE TRENDS

Trend Description

The rise of industry disruptors and the millennial generation, who have different spending habits and aspirations and are entering the workforce, have influenced the transformation of real estate. These changes are further catalysed by COVID-19 which have facilitated the adoption of ecommerce and flexible work arrangements that will have a lasting impact on space utilisation and requirements.

The uses of retail spaces and workspaces have become more integrated as lines are blurred between work and play.

Our Response

- Leveraging CapitaLand's CapitaStar loyalty programme, eCapitaMall, Capita3Eats and linking up CapitaStar@Work to create a strong ecosystem that offers synergies and cross-selling opportunities for shoppers and tenants
- Repositioned and introduced new product offerings such as a multi-functional space at Level 9 of Capital Tower for events, talks, bazaars and movie screenings
- Leveraging CapitaLand Group's joint venture with The Work Project to offer flexible space solutions to our tenants

TECHNOLOGY

Trend Description

New technologies are transforming the way we live, work and play. This creates opportunities for us to innovate and support our customers in their growth, while tailoring delightful customer and shopper experiences.

Our Response

- Investing in systems and processes to improve resource efficiency and connectivity across different spaces and locations
- Creating safe and secure work and shopping environments and enhancing digital security
- Leveraging CapitaLand Group's ecosystem of online platforms offering loyalty programmes, digital payment through e-vouchers or points, online purchases and delivery of products
- Investing in a safe and contactless security access through facial recognition or QR Code

MESSAGE TO UNITHOLDERS

DEAR UNITHOLDERS

2020 was an unprecedented year. The global pandemic affected not just our lives, but entire economies and industries. Governments implemented strict measures to curb the spread of COVID-19. Fiscal support was given to economies given the material economic and social impact.

Despite the pandemic, 2020 marked a new chapter for us. CapitaLand Mall Trust (CMT) was renamed CapitaLand Integrated Commercial Trust (CICT) on 3 November 2020. The renaming took place after our merger with CapitaLand Commercial Trust (CCT) under a trust scheme of arrangement, whereby all units of CCT were acquired by us. We are now the largest Singapore REIT and one of the largest REITs in Asia-Pacific based on our market capitalisation of S$14.0 billion as at 31 December 2020. As the proxy for Singapore commercial real estate, CICT is better positioned to leverage real estate trends and opportunities in retail, office, and integrated developments locally. We also have the flexibility to acquire assets overseas of up to 20% of our total portfolio property value of S$22.3 billion[1]. However, we will judiciously evaluate opportunities beyond Singapore given the current uncertain global situation.

DRIVING SUSTAINABLE RETURN POST-MERGER

We are committed to deliver stable distributions and sustainable total return to CICT unitholders. To achieve this, we will capitalise our leading platform, continue to build portfolio resilience and focus on value creation and growth. In the near term, we drive organic growth by actively managing the combined portfolio of properties. Concurrently, we ensure the smooth execution of ongoing asset enhancement initiatives as well as the leasing and completion of CapitaSpring.

Meanwhile, we have started our portfolio reconstitution strategy, to review and evaluate our existing properties for other enhancement opportunities or potential divestments to recycle capital. We also seek acquisition opportunities in Singapore and overseas, in developed markets, guided by our strategic rationale, value and potential distribution-per-unit accretion. Underpinning these engines of growth will be a prudent cost and capital management strategy to ensure a robust balance sheet, and ability to obtain attractive interest rates to capitalise market opportunities.

KEEPING EVERYONE SAFE

From the onset of the pandemic, our priority was to ensure the health and safety of our stakeholders and support tenants in need. Our stakeholders include shoppers, tenants and employees at our properties. During Singapore's circuit breaker from 7 April to 1 June 2020, all offices and retail outlets were closed except for those providing takeaway food and essential services. Singapore reopened the economy progressively with phase 2 from 2 June 2020 and phase 3 from 28 December 2020.

We worked closely with our service partners to provide safe shopping and office environments. Frequency of cleaning was increased, innovative solutions were used to disinfect high contact points, and enhanced safety measures were put in place. To further protect our employees and visitors to our properties, protective acrylic screens were installed in the retail concierge counters and reception area of most office buildings. Tenants can also use CapitaStar@Work, our mobile application for office community, to roster staff coming to the office.

SUPPORTING IMPACTED TENANTS

With the passing of the COVID-19 legislation bill effective from June 2020, we readily passed on government's cash grants and rebates and provided financial support to qualifying businesses. We also proactively extended support beyond the requirements to other tenants that were adversely affected by the pandemic but did not qualify under the bill. An aggregate rental relief of S$128.4 million in total was granted by us to tenants in FY 2020. We continue to monitor the performances of our tenants that are materially affected and render support where needed beyond 2020.


Ensuring the health and safety of tenants and visitors at our properties.

1 Based on value of the investment properties and proportionate interests.

MESSAGE TO UNITHOLDERS

STABLE PORTFOLIO OCCUPANCY

96.4%

TONY TAN TEE HIEONG
Chief Executive Officer

DELIVERING OPERATIONAL RESULTS

Singapore's economy contracted by 5.4% in 2020 due to COVID-19 and with uneven impacts across industry sectors. Leasing activities in the retail and office market environment, from viewing to handing over of space to tenants and tenants' fit-out works were disrupted. Similarly, real estate leasing and investment activities in Frankfurt, Germany experienced a slowdown due to the pandemic.

Against this backdrop, CICT recorded gross revenue of S$745.2 million and net property income of S$512.7 million in the financial year 2020. Distributable income for FY 2020 was S$369.4 million, resulting in a DPU of 8.69 cents. Gross revenue and net property income for 4Q 2020 was up 36.0% and 36.4% respectively to S$276.5 million and S$191.9 million. Distributable income for the quarter jumped 26.8% to S$145.4 million despite S$22.4 million of rental waivers. The significant increase was attributed to the enlarged portfolio of assets and contribution from Raffles City Singapore which became a 100.0% owned property instead of a joint venture post-merger.

SHARPENING FINANCIAL ACUITY

Our sources of funding are well-diversified and debt maturity is stretched to a maximum term of 12 years till 2033. We have certainty over our interest expense as 83% of CICT's total borrowings are on fixed rates and our average cost of debt is 2.8% per annum.

With enhanced liquidity, we enjoy potential interest savings in debt refinancing. Since the completion of the merger, we had issued new medium-term notes totalling S$450.2 million at lower interest rates of around 2.15% per annum for longer dated maturities. We also increased the percentage of our sustainability funding with an aggregate of S$1.25 billion green and sustainability-linked loans.

To mitigate the financial impacts of COVID-19 in the year, we deliberately took prudent steps to manage costs and conserve cash. This is through deferment of non-essential capital expenditure works and tightening of operating expenses. We believe the aggregate leverage of 40.6% post-merger is still within a manageable range in the short-term and will remain disciplined in managing the leverage profile of CICT.

BUILDING PORTFOLIO RESILIENCE

We maintained a stable portfolio occupancy of 96.4% despite easing of leasing activities during the pandemic. The diversity of tenant mix and the good standing of our key tenants had cushioned our earnings from the full impact of the muted economic environment. Our top 10 tenants contributed 21.1% of CICT's monthly rental income.

CICT's weighted average lease term to expiry is 3.0 years by monthly gross rental income. About 16.3% of retail leases and 8.5% of office leases on income basis are due in 2021. We remain proactive, working closely with our tenants and offering flexibility and optionality to address their space and leasing requirements. We target portfolio stability by signing both longer and shorter-term leases, and through retaining existing tenants and attracting new tenants.

Our portfolio retail tenants' sales per square foot in 4Q 2020 recovered to 94.5% of 4Q 2019 level. Average retail tenants' sales in 4Q 2020 recovered to 101.3% at our suburban malls and improved to 83.7% at our downtown malls. The better 4Q 2020 retail tenants' sales year-on-year indicated some positive signs of recovery compared to the lower tenants' sales in 1H 2020 due to circuit breaker.

We achieved positive rent reversions on the back of lower expiring rents for office leases signed in FY 2020. Some 43% of our office portfolio community had returned for the week ended 15 January 2021, notwithstanding that work-from-home is the default mode of working.

ENHANCING FOR GROWTH

Our current asset enhancement initiatives (AEIs) and redevelopment works have either started before the pandemic or had to proceed due to committed timeline. Circuit breaker disrupted the original schedule and work gradually resumed after phase 2 reopening, leading to the respective revised completion schedules.

Six Battery Road. AEI commenced in January 2020 after Standard Chartered Bank ended its 30-year lease. The S$35 million AEI's target completion has been revised to end-2021 from 3Q 2021. Leasing of the upgraded space is expected to take longer due to the phased works.

21 Collyer Quay. WeWork committed to a seven-year lease and expected to start from early 4Q 2021, after a S$45 million upgrading. With the upgrading works, the building achieved BCA Green Mark Platinum.

Lot One Shoppers' Mall. Upgraded space was handed over to most tenants for internal fit-out work in end-October 2020. The cinema and library are expected to open in 2H 2021.

CapitaSpring. The development achieved topping-out milestone at Level 51 on 19 January 2021. Committed occupancy was 38% with another 22% under advanced negotiation. Project is on track to complete in 2H 2021.

We proactively review our portfolio, ensuring we have an optimised portfolio of well-located assets, relevant to our occupiers and bringing new and exciting trade mix and experience to our shoppers.

LEVERAGING CAPITALAND'S CAPITASTAR PLATFORM

The pandemic resulted in the increased adoption rates of ecommerce. To keep up with the trend, we leveraged CapitaLand's CapitaStar platform, an existing ecosystem of retailers and shoppers. The pace of enhancement is accelerated with the introduction of two new digital platforms, Capita3eats and eCapitaMalls to CapitaStar. In 2020, the platforms onboarded over 550 brands, giving them direct access

TEO SWEE LIAN
Chairman

MESSAGE TO UNITHOLDERS

to CapitaStar's 1.1 million members. It increased the retail options for shoppers on CapitaStar and provided the retailers a reliable digital channel to build brand awareness and grow online sales.

To enrich retail experience for online shoppers, CapitaStar premiered the shoppertainment "CapitaStar Live SG: Flight 24/7" in July 2020. Over three days, some 50 brands from CapitaLand malls were showcased in a six-hour live streaming watched by 90,000-over viewers.

DOING GOOD SOCIALLY

We are fully committed to sustainable operations and sound practices in Environment, Social and Governance (ESG). CICT achieved a reduction in energy, water and carbon emission intensities of 35.7%, 42.9% and 52.8% respectively in FY 2020, meeting CapitaLand Group's FY 2020 targets of 20%, 20% and 23% respectively. About 96% of CICT's assets are minimally Green Mark certified or LEED (Leadership in Energy and Environment Design) Gold.

The social aspect of ESG was especially key in FY 2020 as we navigated through the challenges arising from the pandemic. We organised and participated in several physical and virtual community programmes in the year and ensured the safety of our stakeholders. Two noteworthy activities were BYOBClean exercise and Gifts of Joy – *The Essential Edition*.

As a group, CapitaLand participated in Temasek Foundation's *Stay Prepared* initiative to dispense free hand sanitisers under the #BYOBClean exercise in March 2020. Our volunteers spent some 6,000 hours over five days dispensing free hand sanitisers to more than 600,000 households at 16 CapitaLand malls. We launched a special *Gifts of Joy – The Essentials Edition* in collaboration with Giving.sg. We invited office tenants to join us in raising funds to purchase grocery vouchers for 388 families of children from Rainbow Centre that had fallen on hardship due to the pandemic. The donations were matched dollar for dollar by CapitaLand Hope Foundation. In total, we raised S$58,665, exceeding the target of S$20,000.

For more details of our sustainability efforts, please see pages 151 to 186 of this annual report.

EARNING INDUSTRY RECOGNITIONS

We are deeply honoured that our efforts were acknowledged by the industry with the following awards:

- FinanceAsia 2020
  Megatrend Deal of the Year – Property (for the merger of CMT and CCT)
- Global Real Estate Sustainability Benchmark (the global ESG benchmark for real estate)
  Highest 5-star rating (for both CMT and CCT)
- Singapore Governance and Transparency Index (SGTI)
  Ranked 1st (CCT) and 2nd (CMT)

EMERGING STRONGER TOGETHER

In the immediate term, both the retail and office markets in Singapore would be supported by a lack of supply or limited new completions. Market rentals are expected to continue to be under pressure in the short term with the ongoing pandemic and challenging business operating environment. While we have seen encouraging sign of economic activities recovering in 2H2020, all eyes are on the international front as the world continues to battle the ongoing pandemic. These developments will inevitably affect the pace of Singapore's economic recovery and the consequential impact to leasing momentum in our retail and office market.

We will harness CICT's potential as one of Asia Pacific's largest REITs, offering leadership, resilience and scale (growth). Nevertheless, given current global condition and uncertainties, we continue to closely monitor the pandemic situation as Singapore enters phase 3 re-opening and rolls out vaccination to the population. In addition, we remain proactive, nimble and flexible to support and look after the well-being of our stakeholders, as we continue to steer through the unprecedented challenges brought about by the COVID-19 pandemic together.

ACKNOWLEDGEMENTS

As we embark on this new chapter of our journey, we would like to take the opportunity to welcome aboard the CICT Board and Management and express our gratitude to the former Board and Management of CMT and CCT respectively for their valuable contributions. We are truly humbled by Unitholders' trust in us, especially in the resounding support of the merger. We are also thankful for our employees, partners and tenants who have journeyed with us over the years. Because tomorrow matters, CICT will continue our focus on sustainability efforts for our communities and strive to deliver stable returns to our Unitholders.

TEO SWEE LIAN
Chairman

TONY TAN TEE HIEONG
Chief Executive Officer

23 February 2021

致信托单位持有人之信函

尊敬的信托单位持有人,

2020年是史无前例的一年。肆虐全球的冠病疫情不仅影响了人们的日常生活,还严重打击了各国经济和和整个行业。各国政府为了控制2019冠状病毒的传播,采取了严厉的措施,也为了减低疫情对经济和社会所带来的冲击,提供了不同的财政支援。

尽管疫情肆虐,我们在2020年开启了新篇章。凯德商用新加坡信托(CMT)于2020年11月3日,在收购了凯德商务产业信托(CCT)所有的信托单位与CCT合并后,改名为凯德综合商业信托(CICT)。截至2020年12月31日,CICT以140亿新元的市值,成为新加坡最大的房地产投资信托基金与亚太地区最大的房地产投资信托基金之一。作为新加坡商业房地产的指标,CICT能更有效的把握房地产的趋势与本地购物商场、办公楼和综合发展项目的商机,也可以灵活的使用不超过223亿新元[1]资产组合总价值的20%来收购海外资产。 但鉴于当前不明确的全球局势,我们将会谨慎地评估新加坡之外的商机。

推动可持续回报

我们将致力为CICT单位持有人提供稳定的派息和可持续的总回报。通过利用我们领先的资产及产业管理平台,继续增强资产组合的强韧性,并专注于价值创造和增长。在短期内,我们将通过积极管理合并的资产组合来推动有机增长。同时,我们将确保现有的资产增值计划与CapitaSpring的租赁和完工能顺利的执行。

与此同时,我们开始了资产组合重组策略,审查和评估现有的产业,以寻求增值或脱售以回收资本的商机。根据我们的战略部署、资产价值与增升派息的潜力,在新加坡和海外的发达市场中寻求收购商机。推动这些增长因素需要谨慎的成本和资本管理策略,以确保稳健的负债表和更好的银行利率以便抓住新商机。

以大众健康为先

自从疫情开始,我们的首要任务是确保利益相关者的健康和安全和协助受疫情影响的租户。利益相关者包括了我们产业里的购物者、租户和员工。新加坡在2020年4月7日至2020年6月1日的　阻断措施期间,除了那些提供外卖食品和基本服务的行业,所有的办公室和零售店均关闭。新加坡逐步的从2020年6月2日起进入第二阶段解封,而在2020年12月28日进入第三阶段解封。

我们与服务合作伙伴紧密配合,提供安全的购物和办公环境。我们增加清洁频率,采用创新的解决方案为高接触点表面消毒,和增强安全措施。为了进一步保护员工和访客,我们在大多数商场和办公楼的接待处安装了透明的丙烯隔屏。租户可以使用我们为办公室社群所开发的CapitaStar@Work应用程序,安排回到办公室的员工。

协助租户度过难关

随着新加坡国会于2020年6月通过冠状病毒疾病(临时援助措施)(修正)法令的租金减免框架,我们把政府所拨出的现金补助和产业税回扣直接转交给租户们,并为合格的企业提供财务援助。我们也积极的扩大援助范围,帮助那些受到疫情负面影响但不受到法令框架保护的租户。我们在2020财政年度为租户提供了总计1.284亿新元的租金减免。我们将继续观察受到疫情负面影响的租户的状况,以便提供及时的援助。

实现营运成果

疫情使新加坡的经济在2020年萎缩了5.4%,对各行业的影响也不均匀。购物商场和办公楼的租赁活动,从观览到接手单位以至装修工作等都受到影响。同样的,我们在德国法兰克福的资产租赁和投资活动也由于疫情而放缓。

尽管营运环境复杂多变,CICT在2020财政年度取得了7.452亿新元的总收入和5.127亿新元的房地产净收入。可派发收入为3.694亿新元,每单位派息为8.69分。2020年第四季度的总收入和房地产净收入分别增长36.0%和36.4%达至2.765亿新元和1.919亿新元。第四季度的可派发收入,虽然减免了2240万新元的租金,还是显著的增长了26.8%,达到1.454亿新元。这主要归因于资产组合的扩大,以及原本是合资的来福士城,在合并后成为信托100%所有权的资产。

增强财务能力

我们的资金来源多样化,贷款也被延长了12年最长期限至2033年。因为CICT的总贷款中有83%是固定利率,所以我们能够确定利息的支出,维持每年2.8%的平均贷款成本。

1　根据资产的价值和相应权益

致信托单位持有人之信函

有了更多的流动资金，我们可以在债务再融资方面取得更好的利率。自合并以来，我们以大约2.15%较低的利率和较长的到期日发行了总额4.502亿新元的中期票据。我们有总计12.5亿新元的绿色和可持续挂钩贷款，从而提高了可持续发展资金的比例。

为减轻疫情对财务的影响，我们特意采取了谨慎的措施来管理成本和节制现金流量，并延迟不必要的资本支出工程和收紧营运支出。我们认为合并后的40.6%资产负债比率在短期内仍处于可控制的范围内，并会继续严格的管理CICT的债务状况。

巩固资产组合的韧性

尽管租赁活动在疫情期间有所减少，但我们仍保持96.4%的稳定资产组合出租率。多元化的租户组合，以及我们主要租户的良好信誉，使我们的收入能在疲弱经济环境的全面影响中得到缓冲。我们前10位大租户就占了CICT每月租金收入的21.1%。

按月租总收入计算，CICT的加权平均租赁到期日为3年。按收入计算，约有16.3%的购物商场租约和8.5%的办公楼租约将于2021年到期。我们保持积极主动，与租户紧密合作，并提供具有灵活性和选择性的空间和租赁方案。我们通过长期和短期的租约，以及保留现有租户和吸引新租户，来稳定资产组合。

于2020年第四季度，资产组合的购物商场租户的每平方英尺销售额恢复至2019年第四季度的94.5%。而邻里和市区购物中心的平均零售租户销售额则分别恢复至101.3%和83.7%。与2020年上半年由于阻断措施而导致租户销售额的下降相比，2020年第四季度的零售租户销售额同比较好，这显示一些复苏的积极迹象。


CapitaSpring项目预计在2021年后半年竣工。

在2020财政年度续约的办公楼租户，由于合约到期时的租金低于新签订的租金，使我们取得了租金调升率。截至2021年1月15日的一周，约43%的办公资产组合社区已回归，尽管居家办公仍是政府提倡的办公形式。

促进资产增值

我们目前的资产增值计划和重建工作，有些在疫情之前已经开始动工，有些则是因为项目进度的承诺而必须进行。阻断措施打乱了原来的进度表，工程在第二阶段解封后才逐步恢复，而竣工日期得以重新安排。

百得利路6号 – 于2020年1月，在渣打银行终止其30年租约后，进行耗资3500万新元得资产增值计划。项目竣工的日期从2021的第三季度改至年底。由于工程在分阶段进行，租赁也随着进度被放缓。

哥烈码头21号 – WeWork所签的7年租约预计会在2021年第四季度初，经过4500万新元的翻新后开始。升级工程也为该建筑取得了建设局的绿色建筑标志白金奖。

第一乐广场 – 2020年10月底，大多数租户接手升级后的空间，为内部进行装修工作。电影院和图书馆预计将在2021年后半年开放。

CapitaSpring – 项目于2021年1月19日达到了第51层的平顶里程碑。已承诺入住率为38%，而另外22%正在密切商讨中。项目预计在2021年后半年竣工。

我们会主动审查资产组合，确保位置优越的优质资产组合继续迎合市场的需求，以及为购物者添加新颖与精彩的租户组合和购物体验。

借助凯德集团的凯德星平台

疫情提高了电子商务的采用率。为了跟上这趋势，我们利用凯德星平台现有的零售商和购物者生态系统，推出两个新的电子商务平台Capita3Eats和eCapitaMall，加快数码化的步伐。这些平台在年内吸引了超过五百五十个品牌，让他们可以直接接触凯德星的110万会员。平台也增加了购物者在凯德星里的零售选择，并为零售商提供了可靠的数据渠道来建立品牌知名度与促进在线销售。

为了提供在线购物者更丰富的零售经验，凯德星于2020年7月首度推出了“CapitaStar Live SG：Flight 24/7”的购物体验。由来自凯德商场的约50个品牌在三天里，通过六个小时的直播，展示商品给超过9万个观众观看。

为善为绿为乐

我们全力致力于可持续运营，以及环境、社会与治理（ESG）的良好实践。在2020财政年度，CICT的能源、水利和碳排放度分别降低了35.7%、42.9%和52.8%，实现了凯德集团的20%、20%和23%目标。约96%的CICT资产获得了绿色建筑标志金奖或美国绿色建筑委员会LEED颁发的能源与环境设计先锋奖金级认证。

在我们应对疫情所带来的挑战时，ESG的社会这一环在2020财年尤其重要。年内，我们组织了一系列实体和线上的社区项目，以及确保利益相关者的健康安全。两项主要的活动分别是#BYOBClean和Gifts of Joy。

凯德集团参与了淡马锡基金会组织的“未雨绸缪行动”。于2020年3月，通过#BYOBClean的社区活动，分配免费的手部消毒液给民众。凯德集团的志愿者花了大约6,000小时，在五天里分别在16个凯德购物商场分配消毒液给超过60万户家庭。

我们与Giving.sg合作，为常年的Gifts of Joy公益项目举办了一届名为“欢乐礼物–必需品版”的特别活动。我们邀请办公室租户一起筹集捐款，为彩虹中心388个儿童因疫情而陷入困境的家庭购买必需品补助券。凯德希望基金也对捐赠做对等的配对。我们总共筹集了58,665新元，数额超过了2万新元的目标。

有关我们的可持续发展的事项，请参阅本年度报告151-186页。

业界的殊荣

CICT的努力再次得到业界的肯定。年内，我们很荣幸的获得了以下的奖项：

- 亚洲金融2020
  年度最佳房地产大趋势交易（CMT和CCT的合并）
- 全球房地产可持续评估体系（全球房地产企业ESG表現的平台）
  最高的五星级别（CMT和CCT）
- 新加坡治理与透明度指数
  第一名（CCT）和第二名（CMT）

齐力越战越勇

短期内，新加坡的零售和办公市场会因为有限的新供应而获得支撑。市场租赁在短期内预计会因为持续的疫情和艰难的营运环境而继续面对压力。尽管我们在2020下半年看到了一些经济复苏的迹象，全球仍在密切注视各国与疫情的搏斗。这些国际发展将影响新加坡经济复苏的步伐，以及零售和办公楼市场的租赁趋势。

我们将利用CICT作为亚太最大房地产信托基金之一的优势，发挥领导力，应变能力和规模效应（增长）。然而，鉴于当前全球的状况和不稳定性，随着新加坡进入第三阶段解封和民众开始接种疫苗，我们将继续密切观察疫情的发展。此外，我们将在保护利益相关者的福利时，保持积极与灵活，和大家一起应对疫情所带来的前所未有的挑战。

致谢

在翻开旅程新篇章的同时，我们想借此机会欢迎CICT董事会和管理层的加入，并感谢CMT和CCT的前董事会和管理层所做出的宝贵贡献。让我们倍感欣慰的是单位持有人对我们的信任，尤其是对合并的大力支持。我们衷心感谢多年以来与我们一起并肩作战的员工、合作伙伴与租户。因为未来是宝贵的，所以CICT将继续专注于可持续的发展和为单位持有人争取稳定的回报。

张瑞莲
主席

陈智雄
首席执行官

2021年2月23日

Q&A

IN CONVERSATION WITH CEO

What is your 3-year plan for CICT?

CEO The ongoing pandemic has caused business operating environment to be uncertain. Our immediate task is to protect portfolio occupancy and ensure the sustainability of our tenants or bring in new tenants which will in turn attract shoppers (malls) or generate business (workspace). We also take this opportunity to reposition our malls and bring in exciting new trade offerings. For workspace, we work closely with our tenants to manage their real estate needs and offer flexible arrangements.

Concurrently, we are evaluating each asset's plan while considering the overall portfolio plan. It is timely to conduct this review. We can then identify which asset to enhance or redevelop by spending some capital expenditure and which ones to divest should there be opportunities to recycle capital and acquire other value-added assets. This planning could take one to two years as there will be some areas requiring engagements with the authorities and feasibility studies, before decisions can be made. This time frame suits us as we have AEI works and development projects in progress completing in 2021. In addition, any estimated quotes for work to be done during this pandemic period is expected to be higher and require a longer timeline than usual.

As part of the portfolio plan, we are proactively seeking acquisition opportunities in Singapore as well as other developed markets in a disciplined manner. In Germany where CICT already owns two properties, we would ideally like to deepen our presence there. However, we will also consider other developed markets when opportunities arise. Evaluation of such growth opportunities will include expected DPU-accretion, strategic fit and any value creation opportunities. We are open to acquire from both CapitaLand Group and third parties.

ESG will also remain a key focus area for us with our full commitment on sustainable growth and sound corporate governance. We want to mitigate any negative impacts of our assets and operations on communities and the environment.

Finally, we value financial flexibility with a strong balance sheet and ability to tap multiple sources of funding at attractive interest rates when opportunities arise. We expect to have interest cost savings in 2021 as our maturing debts have higher rates compared to the new debts raised in recent months.

In three to five years' time, we want to continue to be the leading REIT, deepen our established track record of value creation and deliver sustainable return to our unitholders.

What is the future of offices and malls in this current COVID-19 environment and how is CICT preparing for the change?

CEO COVID-19 has brought about far-reaching effects on a global scale, disrupting lifestyles, businesses, international supply chains and travel. People demand a shift towards more flexible work arrangements, place higher emphasis on health and wellness and increase online consumption amidst the pandemic.

We firmly believe that malls and offices are essential and here to stay, the question is: in what form. As the proxy for Singapore commercial real estate, we remain proactive, nimble and flexible to face these challenges and play our part in shaping the future of malls and offices, including the increasing focus on integrated developments.

In Singapore, CICT has a portfolio of strategically-located prime assets, in both central and decentralised locations island-wide to capture evolving demand. The combination of domain expertise and dynamism of the management and property teams will also enable CICT to unlock synergies through its enlarged portfolio and platform capabilities.

Through active portfolio management, we tap on the broader retail and office leasing network to drive effective tenant negotiations and harness opportunities in flexible space solutions and ecommerce platforms. In current challenging times, we provide flexible lease structures to support tenants' needs for operational agility and business continuity. Simultaneously, we also manage our portfolio's occupancy and cashflow. We expect that post-pandemic, typical lease structures could resume as there are other value-add such as network, variety of trade offerings, shopper traffic, safety and security that we bring to the malls and offices.

Partnering CapitaLand, we future-proof our retail ecosystem by strengthening our online membership, offerings and applications such as CapitaStar and CapitaStar@work, enabling cross-selling among office and retail users.

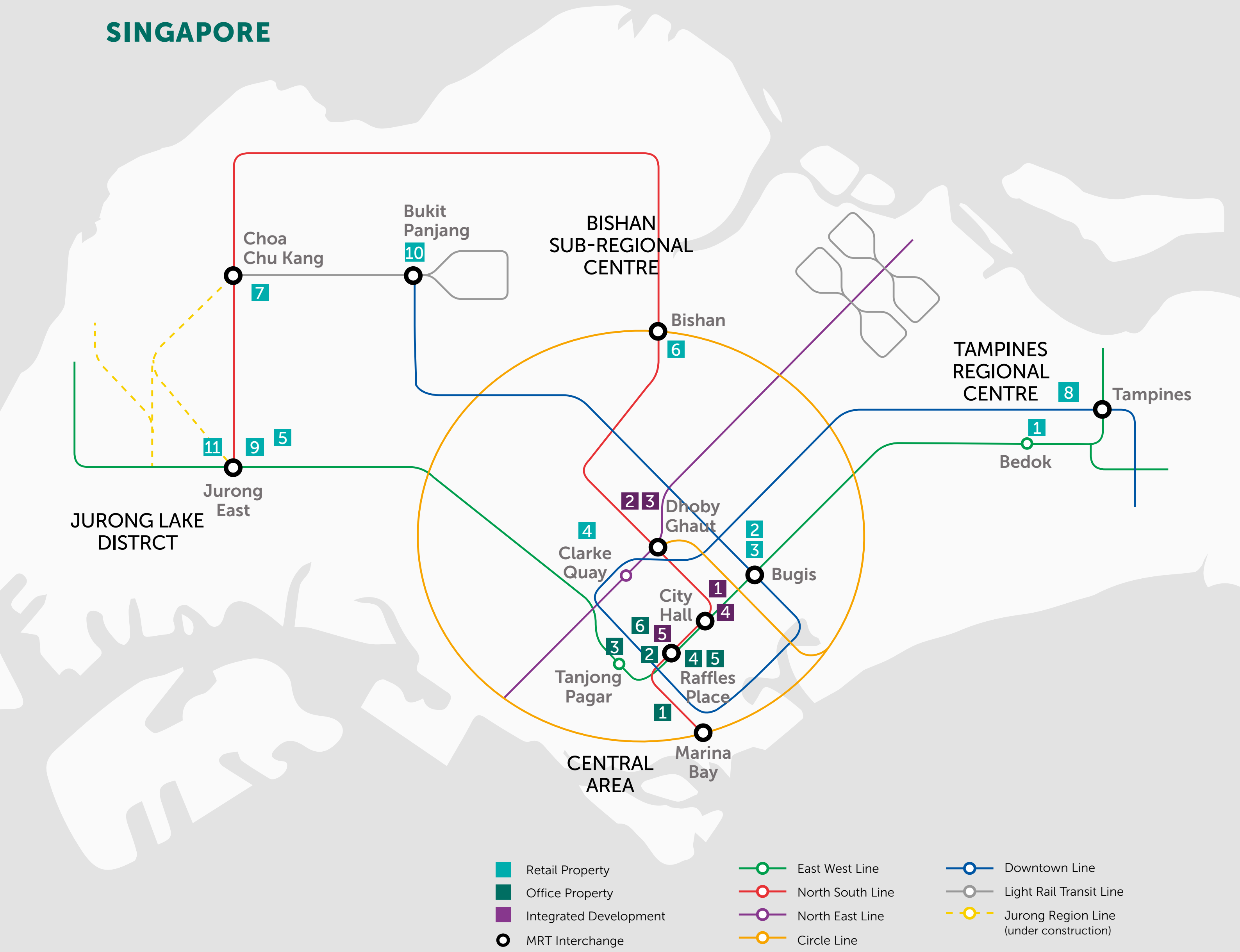
PROPERTY PORTFOLIO

PORTFOLIO STATISTICS

As at 31 December	2020
Number of Properties	24
Total Net Lettable Area[1] (million sq ft)	10.4
Portfolio Property Value based on Proportionate Interests (S$ billion)	22.3
Number of Tenants	3,092
Portfolio Committed Occupancy (%)	96.4

1 Excludes CapitaSpring

SINGAPORE



PROPERTY PORTFOLIO

RETAIL


1 Bedok Mall


2 Bugis+


3 Bugis Junction


4 Clarke Quay


5 IMM Building


6 Junction 8


7 Lot One Shoppers' Mall


8 Tampines Mall


9 Westgate


10 Bukit Panjang Plaza


11 JCube

OFFICE


1 Asia Square Tower 2


2 CapitaGreen


3 Capital Tower


4 Six Battery Road


5 21 Collyer Quay


6 One George Street (50.0% interest)

INTEGRATED DEVELOPMENTS


1 Funan


2 Plaza Singapura

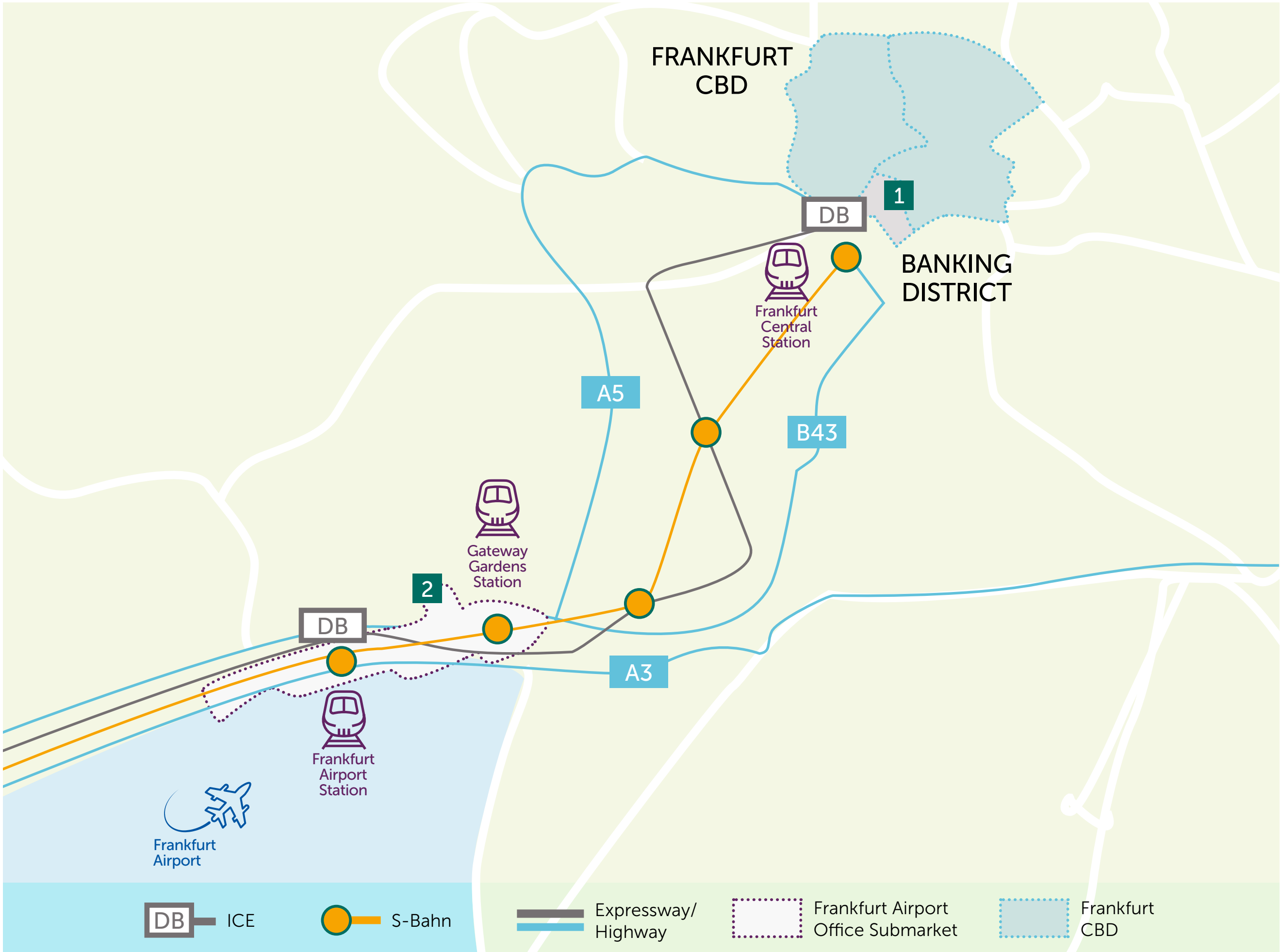

3 The Atrium@Orchard


4 Raffles City Singapore


5 CapitaSpring (45.0% interest) (Under Development)

PROPERTY PORTFOLIO

FRANKFURT, GERMANY



Close proximity between Frankfurt airport and city centre

20 MINS BY CAR
Via A3 / A5 motorways

11 MINS BY TRAIN
Inter City Express (ICE) high speed trains offer 204 domestic and regional connections

15 MINS BY S-BAHN COMMUTER RAILWAY
4 stops to city centre (Frankfurt central station)

1 Gallileo (94.9% interest)

2 Main Airport Center (94.9% interest)

SUSTAINABILITY APPROACH

REPORTING SCOPE AND PERIOD

Following the merger of CapitaLand Mall Trust (CMT) and CapitaLand Commercial Trust (CCT) which effected on 21 October 2020, CMT was renamed CapitaLand Integrated Commercial Trust (CICT). CICT's portfolio comprises 22 properties in Singapore and two properties in Germany. This report covers CICT's enlarged portfolio for the period 1 January to 31 December 2020. The past years' data have also been restated to show the combined portfolio data of CMT and CCT.

OUR COMMITMENT AND APPROACH

As a CapitaLand-sponsored Real Estate Investment Trust (REIT), CICT is managed externally by wholly owned subsidiaries of CapitaLand which include the Manager (CICTML) and Property Managers who oversee daily property operations. The Manager and Property Managers are responsible for the Trust, property and portfolio operations of CICT, and their respective teams are identified as employees of the Trust.

The Manager and the Property Managers abide by CapitaLand's sustainability framework, policies and guidelines, as well as ethics and code of business conduct. Adhering to CapitaLand's core values, CICT's sustainability objectives and strategies are aligned with CapitaLand's credo, 'Building People, Building Communities'. CICT upholds this approach and implements it across human capital strategies, asset and portfolio strategies, operations management, stakeholders' engagements and community development. In a fast-evolving business landscape, we actively embrace innovation to ensure commercial viability without compromising the environment for future generations.

CICT maintains high standards of corporate governance and transparency to safeguard Unitholders' interests. As a testament of our efforts to strengthen environmental, social and governance (ESG) standards, CICT is listed in the FTSE4Good Developed Index, FTSE4Good ASEAN 5 Index, iEdge ESG Leaders Index, iEdge ESG Transparency Index, STOXX® Global ESG Leaders and Global ESG Governance Leaders. Both CMT and CCT achieved the highest 5-star rating in the Global Real Estate Sustainability Benchmark (GRESB) 2020 and have also scored 'A' for public disclosure in the same assessment.

BOARD STATEMENT

CICT places sustainability at the core of what it does. As a responsible REIT, CICT contributes to the environmental and social well-being of the communities where it operates, as it delivers long-term returns to its stakeholders

The Board of the Manager of CICT sets the Trust's risk appetite, which determines the nature and extent of material risks that the Manager of CICT is willing to take to achieve its strategic and business objectives. The risk appetite incorporates ESG factors such as fraud, corruption and bribery, environment, health and safety.

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.

CICT is aligned with CapitaLand Group's 2030 Sustainability Master Plan unveiled in 2020 to elevate the Group's commitment to global sustainability in the built environment. The Master Plan focuses on the following three key pillars to drive CapitaLand's sustainability efforts in the environment, social and governance (ESG) pillars, enabling the Group to create a larger positive impact for the environment and society.

- Building portfolio resilience and resource efficiency
- Enabling thriving and future-adaptive communities
- Accelerating sustainability innovation and collaboration

SUSTAINABILITY APPROACH

There are five identified pathways to get us there. We will adapt our strategies as technologies evolve and new scientific data becomes available.

1. **Integrating Sustainability in CapitaLand's Real Estate Life Cycle**
   From the earliest stage of our investment process, to design, procurement, construction, operations and redevelopment or divestment, sustainability targets will be embedded in policies, processes, best practices, and key performance indicators of our business operations.

2. **Strengthening Innovation and Collaboration to Drive Sustainability**
   We will continue to source globally for new ideas and technologies to meet our sustainability ambitions and work with like-minded partners to create shared values.

3. **Leveraging Sustainability Trends and Data Analytics**
   This allows CapitaLand to track critical performance and progress in water, waste, energy, carbon emissions, and health and safety. These measurements, along with social indicators are key to driving performance improvement across our operating properties and development projects.

4. **Monitoring and Reporting To Ensure Transparency**
   As CapitaLand tracks its sustainability progress, CapitaLand will continue to validate performance by external assurance and align its Global Sustainability Report with international standards.

5. **Increasing Stakeholder Engagement and Communication With Key Stakeholder Groups**
   It is key to build awareness and collectively effect transformational change to achieve our 2030 targets.

PUSH BOUNDARIES OF CHANGE

CapitaLand will transit to a low-carbon business that is aligned with climate science. In November 2020, CapitaLand had its emissions reduction targets approved by the Science Based Targets initiative (SBTi) for a 'well-below 2°C' scenario. The targets are in line with the goals of the Paris Agreement to keep global temperature rise well below 2°C in this century. CapitaLand is also developing a new metric, Return on Sustainability, in addition to the regular financial return to measure the Group's ESG impact.

CapitaLand has launched the inaugural CapitaLand Sustainability X Challenge (CSXC), an innovation challenge to enable CapitaLand to accelerate our sustainability efforts and meet our 2030 targets. The CSXC covers seven challenge statements and reflect the key themes and goals in CapitaLand's 2030 Sustainability Master Plan.

In addition, CapitaLand aims to be a leader in sustainable finance and secure S$6 billion through sustainable finance by 2030. For CICT, we increased the percentage of our sustainability funding with an aggregate of S$1.25 billion green and sustainability-linked loans.

CAPITALAND DNA

CORE VALUES			
Winning Mindset	Integrity	Respect	Enterprising
Commitment to our Stakeholders			
We create great customer value and experiences through high-quality products and services.	We deliver sustainable unitholder returns and build a strong global network of capital partners.	We develop high-performing people and teams through rewarding opportunities.	We care for and contribute to the economic, environmental and social development of communities.
For our Customers (Tenants & Shoppers)	For our Investors (Investors & Business Partners)	For our People (Employees)	For our Communities (Government agencies, NGOs, public, environment, suppliers)

BOARD, TOP MANAGEMENT AND STAFF COMMITMENT AND INVOLVEMENT

The CapitaLand Sustainability Council comprises independent board members and CapitaLand Executive Committee (EXCO) members. Chaired by Ms Goh Swee Chen, who is also the president of Global Compact Network Singapore (local chapter of the United Nations Global Compact), the Council is supported by the Group Sustainability Office and various work teams to drive continued progress and improvement in the areas of Environment, Social and Governance (ESG). The work teams comprise representatives from all CapitaLand business units and corporate functions.

Each business unit also has its own Environmental, Health and Safety (EHS) Committee to drive initiatives in countries where they operate with support from various departments. CICT's CEO is the environmental, health and safety (EHS) champion and is accountable for the Trust's EHS performance. CICT's Board is updated regularly on the REIT's sustainability matters.

STRATEGIC SUSTAINABLITY MANAGEMENT STRUCTURE

CapitaLand Board of Directors

Sustainability Council

CapitaLand Management Council

Various sustainability work teams covering investments, environment, health and safety, innovation, stakeholder engagement, enterprise risk management

All Staff

MATERIALITY

The Manager and Property Managers have a regular review, assessment and feedback process in relation to ESG topics. One key avenue is the Group-wide Risk and Control Self-Assessment exercise, which entails the identification, assessment and documentation of material risks and corresponding internal controls. These material risks include fraud and corruption, environmental (e.g. climate change), health and safety, and human capital risks which are ESG-relevant.

We also engage our stakeholders regularly through various programmes and channels to identify and assess material issues which significantly impact business operations and stakeholders. These engagements include facilitating regular dialogue/ feedback sessions with relevant government agencies through member representations in these agencies such as the Building and Construction Authority (BCA), National Environment Agency (NEA) and Ministry of Manpower (MOM); participation in public forums and conferences; customer engagements and employee engagement surveys; and other engagements where relevant with SGX-ST. The Trust also gains insight into potential material issues identified by industry associations, investment bodies as well as sustainability surveys and benchmarks.

Through these channels, we identified key areas deemed material to our business and operations. These areas are prioritised based on the likelihood and potential impact of issues affecting business continuity and development. For external stakeholders, we give priority to issues important to the society and applicable to CICT. The material topics and boundaries are summarised on page 188.

PRIORITISATION OF ESG MATERIAL ISSUES

	Environment	Social/Labour Practices	Governance
Critical	› Energy efficiency › Climate change and emissions reduction › Water management	› Occupational health & safety › Employment › Stakeholder engagement › Supply chain management	› Compliance › Business ethics › Products and services*
Moderate and emerging	› Building materials › Construction and operational waste › Biodiversity	› Diversity › Human rights	

* This includes customer health and safety.

SUSTAINABILITY APPROACH

BUSINESS MODEL AND VALUE CREATION STRATEGY

OUR VALUE DRIVERS	VALUE CREATED
› Organic growth › AEIs and redevelopments › Acquisitions › Portfolio reconstitution › Cost and capital management	**SUSTAINABLE RETURNS**
› Upkeep high standards of corporate governance › Engage employees regularly › Encourage learning and development	**HIGH STANDARDS OF GOVERNANCE & ACCOUNTABILITY**
› Maximise potential and enhance portfolio › Enhance accessibility (Social integration) › Embrace innovation	**QUALITY ASSETS & DIFFERENTIATED OFFERINGS**
› Manage resources efficiently › Upkeep green buildings (Climate resilience) › Ensure health and safety	**PARTNER OF CHOICE, THRIVING COMMUNITIES & HIGH PERFORMANCE CULTURE**
› Create delightful customer experience › Engage stakeholders regularly › Engage supply chain	**LANDLORD OF CHOICE & THRIVING COMMUNITIES**

SUSTAINABILITY APPROACH

Value Creation Strategy

Organic Growth	AEIs and Redevelopment	Acquisition	Portfolio Reconstitution	Prudent Cost and Capital Management
› Driving occupancy and rents › Harnessing evolving synergies between retail and office › Unifying digital platforms to enhance analytics capability and generate higher quality insights › Enhancing tenant stickiness	› Achieving the highest and best use for properties › Repositioning or repurposing single use assets in line with changing real estate trends and consumers' preferences › Redeveloping properties from single use to integrated projects	› Investing through property market cycles and across geographies › Seeking opportunities from both third parties and CapitaLand Limited	› Undertaking appropriate divestment of assets that have reached their optimal life cycle › Redeploying divestment proceeds into higher yielding properties or other growth opportunities	› Procuring services in bulk and optimising supply chain to generate operational cost savings › Optimising aggregate leverage and financing costs › Managing foreign exchange risks › Tapping on a wider range of financing options, including sustainable finance to diversify funding sources and manage cost of debt

OBJECTIVES FOR CONTINUED SUCCESS

The Trust maintains differentiated investment objectives for each property type within its portfolio to ensure the competitiveness and optimum value of its portfolio.

The Trust aims to ensure that its suburban and downtown malls remain attractive destinations for experiences, online and offline shopping and communities. This will be achieved by leveraging technology and the CapitaStar ecosystem, curating the right tenant mix and ensuring the malls' relevance to the shoppers and other stakeholders. In the mid to long term, financial performance and asset value will be augmented.

With its Grade A and prime office buildings, the Trust aims to drive financial performance and consolidate the standing of these properties as the preferred office locations in the CBD. This will be achieved by leveraging technology to improve on customer experience and managing our properties in an efficient and environmentally sustainable manner.

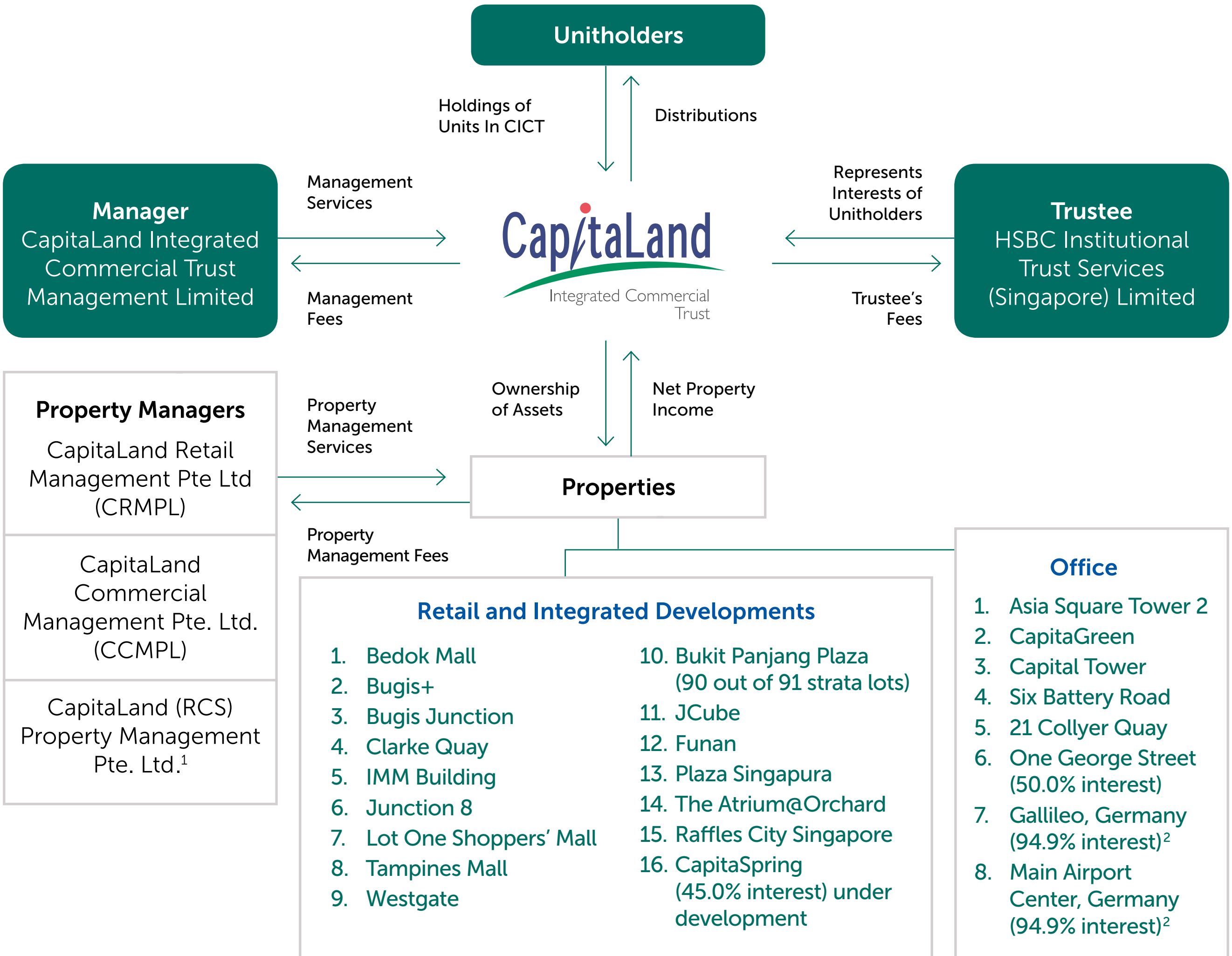
Likewise, the Trust aims to enhance the financial returns from its strategically located Integrated Developments. This will be achieved by leveraging the sustainable work-live-play ecosystems within the developments while curating comprehensive and complementary offerings for tenants and consumers.

ALIGNMENT TO UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGS)

We have mapped our ESG issues and main efforts against the eight key UN SDGs that are most aligned with CapitaLand's Master Plan 2030 targets, and where the greatest positive impact can be achieved.

Our Resources	What We Do	Material Issues	UN SDGs
Financial	› We generate operating income from our portfolio, leverage a mix of debt, equity and sustainable financing to invest in our assets or grow our portfolio › We proactively manage our portfolio by disciplined execution of the various value drivers for our assets		
Organisational	› We uphold the highest standards of governance and accountability › We adopt consistent, equitable and fair labour policies and practices, and strive to deepen the talent pool through training and learning opportunities to develop a high performance work environment	› Compliance › Business ethics › Stakeholder engagement › Employment › Diversity › Human rights	3 GOOD HEALTH AND WELL-BEING 8 DECENT WORK AND ECONOMIC GROWTH
Properties	› We actively manage and build environmentally sustainable assets through proactive asset management and enhancements to create safe, accessible and quality spaces › We leverage technology to innovate, improve processes and create new offerings for our stakeholders	› Products and services (include customer health and safety)	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES
Environment	› We consciously manage our portfolio and strive to achieve more efficient resource management to minimise our environment impact › We are committed to providing a safe and healthy environment at CICT properties for all stakeholders	› Energy efficiency › Climate change and emissions reduction › Water management › Building materials › Construction and operational waste › Biodiversity › Stakeholder engagement › Occupational health & safety › Supply chain management	3 GOOD HEALTH AND WELL-BEING 7 AFFORDABLE AND CLEAN ENERGY 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 13 CLIMATE ACTION
Stakeholders & Communities	› We invest in the communities we operate in, to encourage connectivity, inclusivity and build vibrant, thriving communities › We actively engage our stakeholders to build strong relationships and lasting partnerships	› Stakeholder engagement › Products and services (include customer health and safety)	1 NO POVERTY 2 ZERO HUNGER 3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 11 SUSTAINABLE CITIES AND COMMUNITIES 17 PARTNERSHIPS FOR THE GOALS

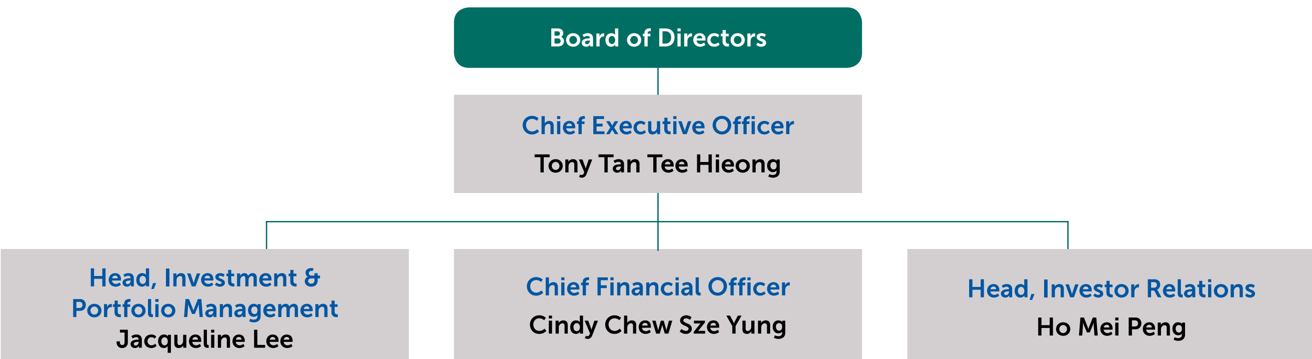
TRUST STRUCTURE



1 CapitaLand (RCS) Property Management Pte. Ltd. only manages Raffles City Singapore.
2 Managed by third party service provider in Germany.

ORGANISATION STRUCTURE

THE MANAGER
CAPITALAND INTEGRATED COMMERCIAL TRUST MANAGEMENT LIMITED



BOARD OF DIRECTORS

TEO SWEE LIAN

TONY TAN TEE HIEONG

LEE KHAI FATT, KYLE

QUEK BIN HWEE

NG WAI KING

LEO MUN WAI
(Appointed with effect from
1 January 2021)

JONATHAN YAP NENG TONG

LIM CHO PIN ANDREW GEOFFREY
(Appointed with effect from
1 January 2021)

JASON LEOW JUAN THONG
(Retired with effect from
1 January 2021)

BOARD OF DIRECTORS

TEO SWEE LIAN, 61

CHAIRMAN

NON-EXECUTIVE INDEPENDENT DIRECTOR

- Bachelor of Science (First Class Honours) in Mathematics, Imperial College of Science and Technology, University of London, UK
- Master of Science in Applied Statistics, University of Oxford, UK

Date of first appointment as a Director
12 April 2019
Date of appointment as Chairman
12 April 2019
Length of service as a Director (as at 31 December 2020)
1 year 8 months

Present directorships in other listed companies
- AIA Group Limited
- Singapore Telecommunications Limited

Present principal commitments
- Asian Bureau of Finance & Economic Research, National University of Singapore (Council Member)
- Avanda Investment Management Pte. Ltd. (Director)
- CCSS Agape Fund, Caritas Singapore Community Council Limited (Member of the Board of Trustees)
- Clifford Capital Holdings Pte. Ltd. (Director)
- Clifford Capital Pte. Ltd. (Director)
- Dubai Financial Services Authority, United Arab Emirates (Director)
- Duke-NUS Medical School (Member of Governing Board)

Background and working experience
- Special Advisor, Managing Director's Office of Monetary Authority of Singapore (MAS) (From September 2013 to June 2015)
- Deputy Managing Director, Financial Supervision of MAS (From April 2010 to August 2013)
- Deputy Managing Director, Prudential Supervision of MAS (From March 2005 to March 2010)

Awards
- The Public Administration Medal (Gold) (Bar) (2012)
- The Public Administration Medal (Gold) (2006)
- The Public Administration Medal (Silver) (1999)

TONY TAN TEE HIEONG, 53

CHIEF EXECUTIVE OFFICER

EXECUTIVE NON-INDEPENDENT DIRECTOR

- Bachelor of Accountancy, National University of Singapore
- Master of Business Administration, University of Manchester, UK

Date of first appointment as a Director
1 May 2017
Length of service as a Director (as at 31 December 2020)
3 years 8 months

Board committee served on
- Executive Committee (Member)

Background and working experience
- Senior Vice President, CEO's Office of CapitaLand Mall Asia Limited (From 1 April 2017 to 30 April 2017)
- CEO of CapitaLand Retail China Trust Management Limited (From July 2010 to 31 March 2017)
- Deputy CEO of CapitaRetail China Trust Management Limited (From April 2010 to June 2010)
- Head, Finance of CapitaRetail China Trust Management Limited (From September 2007 to June 2010)
- Asia Pacific Treasurer of IKEA (From August 1998 to September 2007)
- Treasury Accountant of Wearnes International (From May 1995 to August 1998)
- Money Market Dealer of Credito Italiano Bank (From April 1994 to May 1995)
- Money Market Broker of Harlow Ueda Sassoon (From November 1992 to April 1994)
- Auditor of Ernst & Young (From June 1991 to October 1992)

LEE KHAI FATT, KYLE, 69

NON-EXECUTIVE INDEPENDENT DIRECTOR

- MSc (Distinction) International Management (SOAS), UK
- MBA and Diploma in Management (Imperial College), UK
- Fellow of the Institute of Chartered Accountants in England and Wales
- Fellow of the Institute of Singapore Chartered Accountants
- Fellow of the Singapore Institute of Directors

Date of first appointment as a Director
1 November 2012
Length of service as a Director (as at 31 December 2020)
8 years 2 months

Board committee served on
- Audit Committee (Chairman)

Present directorships in other listed companies
- ComfortDelgro Corporation Limited
- Great Eastern Holdings Limited

Present principal commitments
- FEO Hospitality Asset Management Pte. Ltd. (manager of Far East Hospitality Real Estate Investment Trust)
- FEO Hospitality Trust Management Pte. Ltd. (trustee-manager of Far East Hospitality Business Trust)
- The Great Eastern Life Assurance Company Limited

Background and working experience
- Partner of PricewaterhouseCoopers LLP and Price Waterhouse (From June 1990 to June 2010)

QUEK BIN HWEE, 63

NON-EXECUTIVE INDEPENDENT DIRECTOR

- Bachelor of Accountancy (Honours), University of Singapore
- Chartered Accountant of Singapore

Date of first appointment as a Director
3 November 2020
Length of service as a Director (as at 31 December 2020)
2 months

Board committee served on
- Audit Committee (Member)

Present principal commitments
- Certis Cisco Security Pte. Ltd. (Director and Chairman of Audit Committee)
- Health Promotion Board (Board Member and Chairman of Audit Committee)
- Mapletree Oakwood Holdings Pte. Ltd. (Director)
- National Heritage Board (Board Member and Chairman of Audit Committee)
- The Hongkong and Shanghai Banking Corporation Limited (Director and Member of Remuneration Committee)

Past directorship in other listed company held over the preceding three years
- CapitaLand Commercial Trust Management Limited (manager of CapitaLand Commercial Trust[1])

Background and working experience
- Vice Chairman of PricewaterhouseCoopers (PwC) Singapore (From 2013 to 2017)
- PwC Asia Leadership Team (From 2012 to 2016)
- Partner of PwC and Price Waterhouse (From 1991 to 2017)
- Board Member and Member of Audit, Investment and Personnel Committees of Maritime and Port Authority of Singapore (From 2015 to 2021)
- Member of Governing Board and Chairman of Audit Committee of Duke-NUS Medical School (From 2013 to 2020)
- President of Singapore Anti-Narcotics Association (From 2013 to 2019)
- Board Member and Member of Audit Committee of Housing & Development Board (From 2002 to 2012)

Awards
- The Public Service Star (BBM) (2017)
- The Public Service Medal (PBM) (2012)

1 Delisted from the Official List of the SGX-ST on 3 November 2020.

NG WAI KING, 54

NON-EXECUTIVE INDEPENDENT DIRECTOR

- Bachelor of Laws (Honours), National University of Singapore
- Master of Laws, Columbia University, USA
- Advocate & Solicitor

Date of first appointment as a Director
3 November 2020

Length of service as a Director (as at 31 December 2020)
2 months

Board committee served on
- Audit Committee (Member)

Present directorship in other listed company
- Singapore Exchange Limited

Present principal commitments
- National University of Singapore (Member of Board of Trustees)
- Singapore Institute of Directors (Director)
- Wah Hin and Company Private Limited (Director)
- WongPartnership LLP (Managing Partner)

Past directorship in other listed company held over the preceding three years
- CapitaLand Commercial Trust Management Limited (manager of CapitaLand Commercial Trust[1])

Background and working experience
- Wai King has been in private practice for more than 29 years, with a focus on M&A and private equity transactions. He also serves on the board of a voluntary welfare organisation - Lakeside Family Centre.

Awards
- "Lawyer of the Year" for Corporate Law in the 2020 edition of Best Lawyers in Singapore
- Who's Who Legal (WWL) Thought Leader: Global Elite 2020 for Mergers & Acquisition
- Financial Times: Asia-Pacific Innovative Lawyers Outstanding Individuals Awards 2016
- International Law Office Client Choice Awards 2015

LEO MUN WAI, 54

NON-EXECUTIVE INDEPENDENT DIRECTOR

- Bachelor of Accountancy, National University of Singapore
- Master of Finance, International Finance, RMIT University, Singapore

Date of first appointment as a Director
1 January 2021

Board committee served on
- Audit Committee (Member)

Present principal commitments
- Great Eastern General Insurance Limited (Director and Chairman of Audit Committee and Member of Sustainability Committee)
- The Great Eastern Life Assurance Company Limited (Director and Chairman of Audit Committee and Member of Sustainability Committee)
- Casino Regulatory Authority (Member of Board Disciplinary Committee)

Background and working experience
- Self-employed consultancy work (From April 2012 to Present)
- Managing Director and Advisor of State Street Bank and Trust Company (From May 2015 to November 2015)
- Senior Partner of Capelle Consulting Pte. Ltd. (From February 2014 to March 2015)
- Monetary Authority of Singapore Academy (From April 2012 to January 2014)
- Assistant Managing Director (Capital Markets) of Monetary Authority of Singapore (From April 2010 to March 2012)

1 Delisted from the Official List of the SGX-ST on 3 November 2020.

JONATHAN YAP NENG TONG, 53

NON-EXECUTIVE NON-INDEPENDENT DIRECTOR

- Bachelor of Science in Estate Management (Honours), National University of Singapore
- Master of Science in Project Management, National University of Singapore

Date of first appointment as a Director
10 October 2019
Length of service as a Director (as at 31 December 2020)
1 year 2 months

Board committees served on
- Audit Committee (Member)
- Executive Committee (Chairman)

Present directorships in other listed companies
- Ascendas Property Fund Trustee Pte. Ltd. (trustee-manager of Ascendas India Trust)
- CapitaLand Malaysia Mall REIT Management Sdn. Bhd. (manager of CapitaLand Malaysia Mall Trust)

Present principal commitments
- CapitaLand Limited (President, CapitaLand Financial)
- Institute of South Asian Studies, National University of Singapore (Member of Management Board)
- REIT Association of Singapore (President of Executive Committee)

Past directorship in other listed company held over the preceding three years
- CapitaLand Commercial Trust Management Limited (manager of CapitaLand Commercial Trust[1])

Background and working experience
- Group Chief Operating Officer of Ascendas-Singbridge Pte. Ltd. (From July 2018 to June 2019)
- Group Chief Financial Officer of Ascendas-Singbridge Pte. Ltd. (From September 2017 to June 2019)
- Chief Investment Officer and Head of Real Estate Funds of Ascendas-Singbridge Pte. Ltd. (From June 2015 to November 2017)
- Assistant Group Chief Executive Officer for Overseas Funds & India of Ascendas Pte Ltd (From July 2012 to May 2015)
- Head of Real Estate Funds of Ascendas Pte Ltd (From January 2008 to May 2015)
- Executive Director and Chief Executive Officer of Ascendas Property Fund Trustee Pte. Ltd. (From June 2007 to September 2014)

1 Delisted from the Official List of the SGX-ST on 3 November 2020.

LIM CHO PIN ANDREW GEOFFREY, 51

NON-EXECUTIVE NON-INDEPENDENT DIRECTOR

- Bachelor of Commerce (Economics), University of Toronto, Canada
- Master in Business Administration, Rotman School of Business, University of Toronto, Canada
- Chartered Financial Analyst® and Member, CFA Institute

Date of first appointment as a Director
1 January 2021

Board committee served on
- Executive Committee (Member)

Present directorships in other listed companies
- Ascendas Funds Management (S) Limited (manager of Ascendas Real Estate Investment Trust)
- Ascott Business Trust Management Pte. Ltd. (trustee-manager of Ascott Business Trust)
- Ascott Residence Trust Management Limited (manager of Ascott Real Estate Investment Trust)
- CapitaLand China Trust Management Limited (manager of CapitaLand China Trust)
- CapitaLand Malaysia Mall REIT Management Sdn. Bhd. (manager of CapitaLand Malaysia Mall Trust)

Present principal commitments
- Accounting for Sustainability Circle of Practice (Member)
- CapitaLand Group (Group Chief Financial Officer)
- Institute of Singapore Chartered Accountants' CFO Committee (Member)
- Sport Singapore (Singapore Sports Council) (Director and Chairman of Audit Committee)

Past directorships in other listed companies held over the preceding three years
- CapitaLand Commercial Trust Management Limited (manager of CapitaLand Commercial Trust[1])
- CapitaLand Mall Trust Management Limited (manager of CapitaLand Mall Trust) (from 1 May 2017 to 9 October 2019)

Background and working experience
- Group Chief Financial Officer (Designate) of CapitaLand Limited (From 25 November 2016 to 31 December 2016)
- Managing Director and Head of SEA Coverage Advisory of HSBC Global Banking (From January 2016 to December 2016)
- Managing Director and Head of SEA Real Estate of HSBC Global Banking (From January 2015 to December 2015)
- Managing Director, SEA Investment Banking of HSBC Global Banking (From April 2013 to December 2014)
- Director, SEA Investment Banking of HSBC Global Banking (From April 2010 to March 2013)
- Associate Director, Investment Banking of HSBC Global Banking (From April 2007 to March 2010)
- Associate, Investment Banking of HSBC Global Banking (From July 2004 to March 2007)

TRUST MANAGEMENT TEAM

TONY TAN TEE HIEONG
Chief Executive Officer

Tony is the Chief Executive Officer of CapitaLand Integrated Commercial Trust Management Limited (CICTML, formerly CapitaLand Mall Trust Management Limited), since 1 May 2017. Assisted by the management, he is responsible for executing CICT's strategy and its day-to-day operations, including sustainability topics such as environmental, social and governance factors.

Prior to this appointment, he was the Chief Executive Officer of CapitaLand Retail China Trust Management Limited (CRCTML) from July 2010 to 31 March 2017. Prior to becoming CEO of CRCTML, Tony has over 19 years of experience in international treasury, finance and risk management. Before joining CRCTML as Head of Finance in 2007, Tony was with IKEA for more than nine years, during which he held the positions of Treasurer and Finance Manager for the Asia Pacific region. During those tenures, he also concurrently sat on IKEA's finance committee for Asia Pacific that oversaw the group's strategic finance and tax matters. His other experiences prior to joining IKEA included Treasury Accountant for Wearnes International, the trading and distribution arm for WBL and various trading positions with international banks.

Tony holds a Master of Business Administration (Distinction) from the University of Manchester, United Kingdom, and a Bachelor of Accountancy degree from the National University of Singapore.

CINDY CHEW SZE YUNG
Chief Financial Officer

Cindy heads the Finance team and is responsible for financial management functions and the sourcing and management of funds for CICT. She oversees matters involving treasury, accounting and capital management, ensuring alignment with the Trust's investment strategy and its portfolio management, with a focus on driving revenue and delivering investment returns.

The Finance team works with the Investment & Portfolio Management team to review, evaluate and execute appropriate acquisitions, divestments and annual business plans to optimise the value of the portfolio and ensure these are implemented in accordance with the Trust's investment and asset management strategies to create value for Unitholders. The team is responsible for the accounting, taxation, treasury, capital management and financial reporting functions of CICT.

Cindy has over 18 years of experience in the finance industry. She joined the CapitaLand Group in 2006, and prior to her current appointment, she was Deputy Head, Finance, CMTML (renamed CICTML) from 2011 to end March 2019. She holds a Bachelor of Accountancy (Honours) degree from Nanyang Technological University.

JACQUELINE LEE
**Head,
Investment & Portfolio Management**

Jacqueline heads the Investment & Portfolio Management function at CICTML and is responsible for creating value for Unitholders through acquisitions, divestments, redevelopment and portfolio management.

The Investment & Portfolio Management team proposes and executes appropriate acquisitions, divestments, redevelopment and other portfolio reconstitution and optimisation initiatives to enhance the value of the portfolio. The team also monitors, analyses and reports on valuation, performance metrics and trends. It also sets targets and reviews the annual business plan and asset enhancement initiatives proposed by the asset management team to ensure that operating performance is optimised.

Jacqueline has extensive experience in real estate including investment, corporate finance and engineering. Prior to joining CMTML (renamed CICTML), she worked in a public listed company handling mergers, acquisitions, divestments and business valuation. Jacqueline started her career as an electrical engineer, and was involved in the planning, design and construction of major building and infrastructure projects. She holds a Master of Business Administration from the University of Sydney, Australia; as well as a Master of Arts and a Bachelor of Arts (Honours) in Engineering Science from the University of Oxford, United Kingdom.

HO MEI PENG
**Head,
Investor Relations**

Mei Peng heads the Investor Relations team of CICT and is responsible for cultivating relationships and facilitating clear, timely communications and engagement with CICT unitholders and stakeholders including analysts, potential and existing investors.

The Investor Relations team ensures clear and timely communications with Unitholders and stakeholders through various communication channels. Together with the management, the Investor Relations team engages investors and analysts through regular meetings, conferences and events, property visits and produces communication collaterals such as results news releases, annual reports and presentations.

Mei Peng has been working in the real estate industry and brings about 20 years of experience in investor relations, communications and marketing. Mei Peng graduated with an Honours degree in Japanese Studies from the National University of Singapore.

CORPORATE GOVERNANCE

OUR ROLE

We, as the manager of CICT (Manager), set the strategic direction of CICT and its subsidiaries (CICT Group) and make recommendations to HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of CICT (Trustee), on any investment or divestment opportunities for CICT and the enhancement of the assets of CICT in accordance with the stated investment strategy for CICT. The research, evaluation and analysis required for this purpose are coordinated and carried out by us as the Manager.

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

Our other functions and responsibilities as the Manager include:

(a) using our best endeavours to conduct CICT's business in a proper and efficient manner;
(b) preparing annual business plans for review by the directors of the Manager (Directors), including forecasts on revenue, net income, and capital expenditure, explanations on major variances to previous years' financial results, written commentaries on key issues and underlying assumptions on rental rates, operating expenses and any other relevant assumptions;
(c) ensuring compliance with relevant laws and regulations, including the Listing Manual of Singapore Exchange Securities Trading Limited (SGX-ST) (Listing Manual), the Code on Collective Investment Schemes (CIS Code) issued by the Monetary Authority of Singapore (MAS) (including Appendix 6 of the CIS Code (Property Funds Appendix)), the Securities and Futures Act (Chapter 289 of Singapore) (SFA), written directions, notices, codes and other guidelines that MAS may issue from time to time, the tax rulings issued by the Inland Revenue Authority of Singapore on the taxation of CICT and Unitholders and the United Kingdom's Alternative Investment Fund Managers Regulations 2013 (as amended) (AIFMR);
(d) attending to all regular communications with Unitholders; and
(e) supervising CapitaLand Retail Management Pte Ltd and CapitaLand Commercial Management Pte. Ltd. (the Property Managers), the property managers which perform the day-to-day property management functions (including leasing, marketing, promotion, operations coordination and other property management activities) for CICT's properties; with regard to Raffles City Singapore (RCS), the Property Managers hold the entire interest in CapitaLand (RCS) Property Management Pte. Ltd. which provides property management services to RCS. As a result of their interest in CapitaLand (RCS) Property Management Pte. Ltd., the Property Managers are able to play a key role in directing the property management function for RCS.

The Manager also considers sustainability issues (including environmental and social factors) as part of its responsibilities. CICT's environmental sustainability and community outreach programmes are set out on pages 151 to 185 of this Annual Report.

CICT, constituted as a trust, is externally managed by the Manager. The Manager appoints experienced and well qualified personnel to run its day-to-day operations.

The Manager was appointed in accordance with the terms of the trust deed constituting CICT dated 29 October 2001 (as amended, varied or supplemented from time to time) (Trust Deed). The Trust Deed outlines certain circumstances under which the Manager can be removed, including by notice in writing given by the Trustee upon the occurrence of certain events, or by resolution passed by a simple majority of Unitholders present and voting at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed.

The Manager is a wholly owned subsidiary of CapitaLand Limited (CL) which holds a significant unitholding interest in CICT. CL is a long-term real estate developer and investor, with a vested interest in the long-term performance of CICT. CL's significant unitholding in CICT demonstrates its commitment to CICT and as a result, CL's interest is aligned with that of other Unitholders. The Manager's association with CL provides the following benefits, among other things, to CICT:

(a) a stable pipeline of property assets through CL's development activities;
(b) wider and better access to banking and capital markets on favourable terms;
(c) fund raising and treasury support; and
(d) access to a bench of experienced management talent.

OUR CORPORATE GOVERNANCE FRAMEWORK AND CULTURE

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

Our corporate governance framework is set out below:

Board of Directors

5 Independent Directors (ID) and
3 Non-Independent Directors (Non-ID)
Led by ID, Ms Teo Swee Lian, Chairman

Key Responsibility: Oversee the Manager's strategic direction, performance and affairs and foster the success of CICT so as to deliver sustainable value over the long term to Unitholders

Audit Committee (AC)

4 IDs and 1 Non-ID
Led by Mr Lee Khai Fatt, Kyle, AC Chairman

Key Responsibility: Assist the Board in its oversight of the financial reporting process, internal controls system, internal and external audit processes, and management of compliance with legal, regulatory and company policies

Executive Committee (EC)

3 Non-IDs
Led by Mr Jonathan Yap Neng Tong, EC Chairman

Key Responsibility: Assist the Board in its oversight of the day-to-day activities of the Manager and CICT

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

This corporate governance report (Report) sets out the corporate governance practices for the financial year (FY) 2020 with reference to the Code of Corporate Governance 2018 (Code).

Throughout FY 2020, the Manager has complied with the principles of corporate governance laid down by the Code and also, substantially, with the provisions underlying the principles of the Code. Where there are deviations from the provisions of the Code, appropriate explanations are provided in this Report. This Report also sets out additional policies and practices adopted by the Manager which are not provided in the Code.

CICT has received accolades from the investment community for excellence in corporate governance and corporate governance-related efforts.

In FY 2020, CICT was ranked first and second (under CapitaLand Commercial Trust (CCT) and CapitaLand Mall Trust (CMT) respectively) in the REIT and Business Trust category on the Singapore Governance and Transparency Index

(SGTI) and retained its top 10 rankings (at fourth and seventh positions under CCT and CMT respectively) in the same category on the Governance Index for Trusts (GIFT).

As testament to our commitment to environment, social and corporate governance, CICT achieved a 5-star rating for Global Real Estate Sustainability Benchmark (GRESB) in the Asia 'Retail - Listed' and Asia Office categories and also scored 'A' for public disclosure for GRESB 2020. In addition, CICT was awarded Megatrend Deal of the Year - Property by FinanceAsia Achievement Awards 2020 given the successful merger of CMT and CCT. CICT has been included by SGX in the Fast Track Programme list. The scheme recognises listed companies with good governance standards and compliance practices, and accords prioritised clearance for selected corporate-action submissions.

BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

Board's Duties and Responsibilities

The Board oversees the strategic direction, performance and affairs of the Manager, in furtherance of the Manager's primary responsibility to foster the success of CICT so as to deliver sustainable value over the long term to Unitholders. It provides overall guidance to the management team (Management), led by the Chief Executive Officer (CEO). The Board works with Management to achieve CICT's objectives and long term success and Management is accountable to the Board for its performance. Management is responsible for the execution of the strategy for CICT and the day-to-day operations of CICT's business.

The Board establishes goals for Management and monitors the achievement of these goals. It ensures that proper and effective controls are in place to assess and manage business risks and compliance with requirements under the Listing Manual, the Property Funds Appendix, as well as any other applicable guidelines prescribed by the SGX-ST, MAS or other relevant authorities, and applicable laws. It also sets the disclosure and transparency standards for CICT and ensures that obligations to Unitholders and other stakeholders are understood and met.

The Board has adopted a set of internal controls which establishes financial approval limits for capital expenditure, investments, divestments, bank borrowings and issuance of debt instruments and this is clearly communicated to Management in writing. The Board has reserved authority to approve certain matters including:

(a) material acquisitions, investments and divestments;
(b) issue of new units in CICT (Units);
(c) income distributions and other returns to Unitholders; and
(d) matters which involve a conflict of interest for a controlling unitholder or a Director.

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

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

Furthermore, the Directors have the responsibility to act with due diligence in the discharge of their duties and ensure that they have the relevant knowledge to carry out and discharge their duties as directors, including understanding their roles as executive, non-executive, and independent directors, the business of CICT and the environment in which CICT operates. The Directors are also required to dedicate the necessary effort, commitment and time to their work as directors, and are expected to attend all meetings of the Board, except if unusual circumstances make attendance impractical.

Directors' Development

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

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

Following their appointment, the Directors are provided with opportunities for continuing education in areas such as director's duties and responsibilities, changes to regulations and accounting standards, and industry-related matters, so as to be updated on matters that affect or may enhance their performance as Directors or Board Committee members. The Directors may also recommend suitable training and development programmes to the Board. In FY 2020, the training and professional development programmes for the Directors included seminars conducted by experts and senior business leaders on board practices and issues faced by boards. The Directors also regularly receive reading materials on topical matters or subjects as well as updates on regulatory changes and their implications.

Board Committees

The Board has established various Board Committees to assist it in the discharge of its functions. These Board Committees are the Audit Committee (AC) and the Executive Committee (EC).

All the Board Committees have clear written terms of reference setting out their respective composition, authorities and duties, including reporting back to the Board. Each of the Board Committees operates under delegated authority from the Board with the Board retaining overall oversight. The decisions and significant matters discussed at the respective Board Committees are reported to the Board on a periodic basis. The minutes of the Board Committee meetings which record the key deliberations and decisions taken during these meetings are also circulated to all Board members for their information. The composition of the various Board Committees is set out on page 75 and the inside back cover of this Annual Report. The duties and responsibilities of the Board Committees are set out in this Report.

The Board may form other Board Committees from time to time. The composition of each Board Committee is also reviewed as and when there are changes to Board membership. Where appropriate, changes are made to composition of the Board Committees, with a view to ensuring there is an appropriate diversity of skills and experience, and fostering active participation and contributions from Board Committee members.

Meetings of Board and Board Committees

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

In addition to scheduled meetings, the Board may also hold ad hoc meetings as required by business imperatives. The Directors (excluding the CEO) also meet from time to time without the presence of Management.

At each scheduled Board meeting, the Board is apprised of the following:

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

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

The Manager adopts and practises the principle of collective decisions and therefore, no individual Director influences or dominates the decision-making process. There is mutual respect and trust among the Directors and therefore the Board benefits from a culture of frank and rigorous discussions. Such discussions conducted on a professional basis contribute to the dynamism and effectiveness of the Board. The Board composition is such that there is diversity in views and perspectives which enriches deliberations and contributes to better decision-making of the Board in the best interests of CICT. At Board and Board Committee meetings, all the Directors actively participate in discussions, in particular, they engage in open and constructive debate and challenge Management on its assumptions and recommendations.

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

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

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

A total of nine Board meetings and seven AC meetings were held in FY 2020. The key deliberations and decisions taken at Board and Board Committee meetings are minuted.

A record of the Directors' attendance at Board and Board Committee meetings for FY 2020 is set out on page 76 of this Annual Report. The CEO who is also a Director attends all Board meetings. He also attends all AC meetings on an ex officio basis. Other members of Management attend Board and Board Committee meetings as required to brief the Board and Board Committees on specific business matters.

There is active interaction between the Directors and Management during and outside Board and Board Committee meetings. The Directors have separate, independent and unfettered access to Management for any information that they may require. The Board and Management share a productive and harmonious relationship, which is critical for good governance and organisational effectiveness.

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

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

Principle 2: Board Composition and Guidance

Board Independence

The Board has a strong independent element as five out of eight directors, including the Chairman, are non-executive IDs. Other than the CEO who is the only executive Director on the Board, non-executive Directors make up the rest of the Board. None of the Directors have served on the Board for nine years or longer. No lead ID is appointed as the Chairman is an ID. Profiles of the Directors, their respective Board Committee memberships and roles are set out on pages 41 to 45 of this Annual Report. Key information on the Directors is also available on CICT's website at www.cict.com.sg (Website).

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

The Board assesses annually (and as and when circumstances require) the independence of each Director in accordance with the requirements of the Listing Manual and the guidance in the Code, the Securities and Futures (Licensing and Conduct of Business) Regulations (SFR) and where relevant, the recommendations set out in the Practice Guidance accompanying the Code (Practice Guidance). A Director is considered independent if he or she is independent in conduct, character and judgement and:

(a) has no relationship with the Manager, its related corporations, its substantial shareholders, CICT's substantial Unitholders (being Unitholders who have interests in voting Units with 5% or more of the total votes attached to all voting Units) or the Manager's officers that could interfere, or be reasonably perceived to interfere with the exercise of his or her independent business judgement in the best interests of CICT;
(b) is independent from the management of the Manager and CICT, from any business relationship with the Manager and CICT, and from every substantial shareholder of the Manager and every substantial unitholder of CICT;
(c) is not a substantial shareholder of the Manager or a substantial unitholder of CICT;
(d) is not employed and has not been employed by the Manager or CICT or their related corporations in the current or any of the past three financial years;
(e) does not have an immediate family member who is employed or has been employed by the Manager or CICT or their related corporations in the current or any of the past three financial years and whose remuneration is or was determined by the Board; and
(f) has not served on the Board for a continuous period of nine years or longer.

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

(a) each ID provides information of his or her business interests and confirms, annually, that there are no relationships which interfere with the exercise of his or her independent business judgement with a view to the best interests of the Unitholders as a whole, and such information is then reviewed by the Board; and

(b) the Board also reflects on the respective IDs' conduct and contributions at Board and Board Committee meetings, in particular, whether the relevant ID has exercised independent judgement in discharging his or her duties and responsibilities.

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

The Board has carried out the assessment of the independence of its IDs for FY 2020 as well as Mr Leo Mun Wai who was appointed on 1 January 2021, and the paragraphs below set out the outcome of the assessment. Each of the IDs had recused himself or herself from the Board's deliberations on his or her independence.

Ms Teo Swee Lian

Ms Teo is a non-executive director of Singapore Telecommunications Limited (Singtel) which provides telecommunication services to the CICT Group and CL and its subsidiaries (CL Group). Singtel is also a tenant of some shopping malls in CICT's portfolio. All of these transactions with the CICT Group and CL Group are conducted in the ordinary course of business, on arm's length and based on normal commercial terms and market rates. Ms Teo's role in Singtel is non-executive in nature and she is not involved in the business operations of Singtel.

In addition to her directorship in Singtel which is a subsidiary of Temasek Holdings (Private) Limited (Temasek), Ms Teo also serves as a non-executive director of certain associated companies of Temasek. Temasek is deemed to be a substantial Unitholder through its direct and indirect interest in CL, which is a substantial unitholder of CICT. Ms Teo's role in these corporations is non-executive in nature and she is not involved in the day-to-day conduct of the business of these corporations.

The Board has considered the conduct of Ms Teo in the discharge of her duties and responsibilities as a Director, and is of the view that the relationships set out above did not impair her ability to act with independent judgement in the discharge of her duties and responsibilities as a Director. Save for the relationships stated above, Ms Teo does not have any other relationships and is not faced with any of the circumstances identified in the Code, SFR and Listing Manual, or any other relationships which may affect her independent judgement. The Board is therefore of the view that Ms Teo has exercised independent judgement in the discharge of her duties and responsibilities. Based on the above, the Board arrived at the determination that Ms Teo is an ID. Ms Teo will recuse herself from participating in any Board's deliberation on any transactions that could potentially give rise to a conflict of interest.

Mr Lee Khai Fatt, Kyle

Mr Lee serves as a non-executive director of The Great Eastern Life Assurance Company Limited (GEL), which had purchased STAR$® under the CapitaStar app (CL's lifestyle and loyalty app) from the CL Group during the course of the year. CL Group has also provided campaign management and marketing services through the CapitaStar app to GEL. Mr Lee's role in GEL is non-executive in nature and he was not involved in the process, negotiations or approval of the sale of STAR$® by the CL Group to GEL or the provision of campaign management and marketing services through the CapitaStar app by the CL Group to GEL.

The Board has considered the conduct of Mr Lee in the discharge of his duties and responsibilities as a Director, and is of the view that the relationship set out above did not impair his ability to act with independent judgement in the discharge of his duties and responsibilities as a Director. Save for the relationship stated above, Mr Lee does not have any other relationships and is not faced with any of the circumstances identified in the Code, SFR and Listing Manual, or any other relationships which may affect his independent judgement. The Board is therefore of the view that Mr Lee has exercised independent judgement in the discharge of his duties and responsibilities. Based on the above, the Board arrived at the determination that Mr Lee is an ID. Mr Lee will recuse himself from participating in any Board's deliberation on any transactions that could potentially give rise to a conflict of interest.

Mrs Quek Bin Hwee

Mrs Quek serves as a non-executive Director of The Hongkong and Shanghai Banking Corporation Limited (HSBC) which provides banking services to the CICT Group and CL Group; HSBC's wholly owned subsidiary, the Trustee, provides trustee services to the CICT Group. In FY 2020, HSBC was also a tenant at The Atrium@Orchard, which is a property in CICT's portfolio. The transactions with HSBC and the Trustee, were carried out in the ordinary course of business, on an arm's length basis and based on normal commercial terms. Mrs Quek's role in HSBC is non-executive in nature and she is not involved in the day-to-day conduct of the business of HSBC and the Trustee. Mrs Quek is also a non-executive Director of Mapletree Oakwood Holdings Pte Ltd (MOH) and Certis Cisco Security Pte. Ltd. (CCS), subsidiaries of Temasek. Mrs Quek's role in MOH and CCS is non-executive in nature and she is not involved in the day-to-day conduct of the business of MOH and CCS. MOH invests in a different asset class from CICT and so this role does not pose any conflict of interest issues for Mrs Quek. The services provided by CCS are in the ordinary course of business, on arm's length basis and based on normal commercial terms. The Board therefore considers that the relationships set out above did not impair her independence and objectivity.

The Board has considered the conduct of Mrs Quek in the discharge of her duties and responsibilities as a Director, and is of the view that the relationships set out above did not impair her ability to act with independent judgement in the discharge of her duties and responsibilities as a Director. Save for the relationships stated above, Mrs Quek does not have any other relationships and is not faced with any of the circumstances identified in the Code, SFR and Listing Manual, or any other relationships which may affect her independent judgement. The Board is therefore of the view that Mrs Quek has exercised independent judgement in the discharge of her duties and responsibilities. Based on the above, the Board arrived at the determination that Mrs Quek is an ID. Mrs Quek will recuse herself from participating in any Board's deliberation on any transactions that could potentially give rise to a conflict of interest.

Mr Ng Wai King

Mr Ng is currently the managing partner of WongPartnership LLP which is one of the law firms that the CICT Group and CL Group engage to provide legal services. These services were provided in the ordinary course of business, on arm's length basis and based on normal commercial terms. The Board therefore considers that the relationship set out above did not impair his independence and objectivity.

The Board has considered the conduct of Mr Ng in the discharge of his duties and responsibilities as a Director, and is of the view that the relationship set out above did not impair his ability to act with independent judgement in the discharge of his duties and responsibilities as a Director. Save for the relationship stated above, Mr Ng does not have any other relationships and is not faced with any of the circumstances identified in the Code, SFR and Listing Manual, or any other relationships which may affect his independent judgement. The Board is therefore of the view that Mr Ng has exercised independent judgement in the discharge of his duties and responsibilities. Based on the above, the Board arrived at the determination that Mr Ng is an ID. Mr Ng will recuse himself from participating in any Board's deliberation on any transactions that could potentially give rise to a conflict of interest.

Mr Leo Mun Wai

Mr Leo Mun Wai serves as a non-executive director of Great Eastern General Insurance Limited (GEGIL), which provided a range of corporate insurance plans and coverage for Industrial All Risks and Property Damages and Business Interruprtion and claim settlement services. Mr Leo also serves as a non-executive director of GEL, which had purchased STAR$® under the CapitaStar app (CL's lifestyle and loyalty app) from the CL Group during the course of the year. CL Group has also provided campaign management and marketing services through the CapitaStar app to GEL. Mr Leo's roles in GEGIL and GEL are non-executive in nature and he was not involved in the process, negotiations or approval of (i) the engagement by CL Group of GEGIL for the provision of corporate insurance plans and coverage and claim settlement services, and (ii) the sale of STAR$® by the CL Group to GEL or the provision of campaign management and marketing services through the CapitaStar app by the CL Group to GEL.

The Board has considered the conduct of Mr Leo in the discharge of his duties and responsibilities as a Director, and is of the view that the relationships set out above did not impair his ability to act with independent judgement in the discharge of his duties and responsibilities as a Director. Save for the relationships stated above, Mr Leo does not have any other relationships and is not faced with any of the circumstances identified in the Code, SFR and Listing Manual, or any other relationships which may affect his independent judgement. The Board is therefore of the view that Mr Leo has exercised independent judgement in the discharge of his duties and responsibilities. Based on the above, the Board arrived at the determination that Mr Leo is an ID. Mr Leo will recuse himself from participating in any Board's deliberation on any transactions that could potentially give rise to a conflict of interest.

The Board is of the view that as at the last day of FY 2020, each of Ms Teo, Mr Lee, Mrs Quek and Mr Ng was able to act in the best interests of all the Unitholders in respect of the period in which they served as directors in FY 2020.

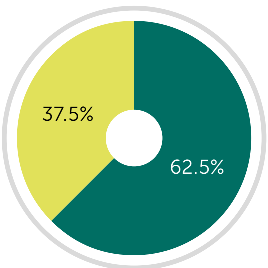
Board Diversity

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

The Board believes in diversity and values the benefits that diversity can bring to the Board in its deliberations by avoiding groupthink and fostering constructive debate. Diversity enhances the Board's decision-making capability and ensures that the Manager has the opportunity to benefit from all available talent and perspectives.

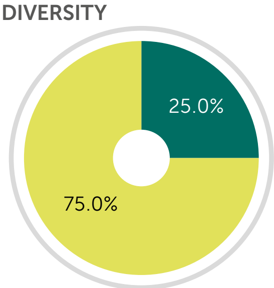
The Board, in carrying out its duties of determining the optimal composition of the Board in its Board renewal process, identifying possible candidates and making recommendations of board appointments to the Board, considers diversity factors such as age, educational, business and professional backgrounds of its members. Female representation is also considered an important aspect of diversity. The current Board comprises eight members who are corporate and business leaders, and are professionals with varied backgrounds, expertise and experience including in finance, banking, retail management, investment, real estate, legal, accounting and general management. The current Board has two female members, one of whom is the Chairman of the Board. For further information on the Board's work in this regard, please refer to "Board Membership" under Principle 4 in this Report.

BOARD INDEPENDENCE



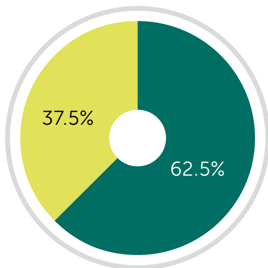
●	Independent	5
●	Non-Independent	3

BOARD GENDER DIVERSITY



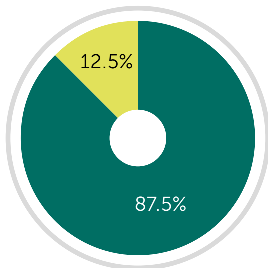
●	Female	2
●	Male	6

AGE SPREAD



●	51 – 60 years	5
●	61 – 70 years	3

TENURE MIX



●	0 to < 3 years	7
●	7 to < 9 years	1

Principle 3: Chairman and Chief Executive Officer

The roles and responsibilities of the Chairman and the CEO are held by separate individuals, in keeping with the principles that there be a clear division of responsibilities between the leadership of the Board and Management and that no one individual has unfettered powers of decision-making. The non-executive independent Chairman is Ms Teo Swee Lian, whereas the CEO is Mr Tony Tan Tee Hieong. They do not share any family ties. The Chairman and the CEO enjoy a positive and constructive working relationship between them, and support each other in their respective leadership roles.

The Chairman provides leadership to the Board and facilitates the conditions for the overall effectiveness of the Board, Board Committees and individual Directors. This includes setting the agenda of Board meetings, ensuring that there is sufficient information and time at meetings to address all agenda items, and promoting open and constructive engagement among the Directors as well as between the Board and the CEO on strategic issues.

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

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

The CEO has full executive responsibilities to manage the CICT Group's business and to develop and implement policies approved by the Board.

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

As the roles of the Chairman and the CEO are held by separate individuals who are not related to each other, and the Chairman is an ID, no lead ID has been appointed. Moreover, the Board has a strong independent element as five out of eight directors (including the Chairman) are non-executive IDs. There are also sufficient measures in place to address situations where the Chairman is conflicted as the Directors are required to recuse themselves from deliberations and abstain from voting on any matters that could potentially give rise to conflict. Accordingly, the foregoing is consistent with the intent of Principle 3 of the Code.

Principle 4: Board Membership

The Board undertakes the functions of a nominating committee and therefore, the Manager does not have a separate nominating committee. The Board performs the functions that such a committee would otherwise perform.

The Board is able to undertake the functions of a nominating committee because:

(a) the Manager is a dedicated manager to CICT and in general, REITs (including CICT) have a more focused scope and scale of business compared to those of listed companies. For this reason, the Board's capacity would not be unduly stretched if the responsibilities of a nominating committee were also undertaken by the Board as the Board would be able to give adequate attention to such issues;

(b) the focused scope of the business of CICT also means a manageable competency requirement for the Board such that the Board is able to manage the duties of a nominating committee; and

(c) IDs form at least half of the Board and the Chairman is an ID, which demonstrates that the IDs play a substantive role, and assure the objectivity and independence of the decision-making process concerning nomination. This also mitigates any concerns of conflict which can be managed by having the conflicted Directors abstain from the decision-making process. Further, conflict situations are less likely to arise in matters of nomination.

The SGX-ST has also issued a Practice Note which provides that the requirement for the establishment of nominating and remuneration committees under the Listing Manual does not apply to REITs if the REIT complies with regulations made under the SFA relating to board composition of a REIT manager. As the Manager complies with Regulation 13D of the SFR relating to the composition of the Board of the Manager, the Manager is of the opinion that the corporate governance requirements relating to the nominating and remuneration committees have been substantively addressed.

The Board has a formal and transparent process for the appointment and re-appointment of Directors, taking into account the need for progressive renewal of the Board. All Board appointments are made based on merit and approved by the Board. The Board's scope of duties and responsibilities includes:

(a) reviewing the size and composition of the Board, the succession plans for Directors, and the structure and membership of the Board Committees;
(b) reviewing the process and criteria for the evaluation of the performance of the Board, Board Committees and Directors;
(c) ensuring the provision of training and professional development programmes for the Board;
(d) considering annually and, as and when circumstances require, if a Director is independent;
(e) reviewing whether a Director has been adequately carrying out his or her duties as a Director; and
(f) considering the appointment and re-appointment of directors.

Board Composition and Renewal

The Board strives to ensure that there is an optimal blend in the Board of backgrounds, experience and knowledge in business and general management, expertise relevant to the CICT Group's business and track record, and that each Director can bring to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made in the interests of the CICT Group. The Board has a few members who have prior working experience in the sector that CICT operates in.

There is a structured process for determining Board composition and for selecting candidates for appointment as Directors. The Board evaluates the Board's competencies on a long term basis and identifies competencies which may be further strengthened in the long term. Board succession planning takes into account the need to maintain flexibility to effectively address succession planning and to ensure that the Manager continues to attract and retain highly qualified individuals to serve on the Board. The process ensures that the Board composition is such that the Board has capabilities and experience which are aligned with CICT's strategy and environment, and includes the following considerations: (a) the current size of the Board and Board Committees, composition mix and core competencies, (b) the candidate's/Director's independence, in the case of an independent director, (c) the composition requirements for the Board and relevant Board Committees (if the candidate/Director is proposed to be appointed to any Board Committee), and (d) the candidate's/Director's age, gender, track record, experience and capabilities and such other relevant factors as may be determined by the Board, which would provide an appropriate balance and contribute to the collective skills of the Board.

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

Board succession planning is carried out through the annual review of the Board's composition as well as when a Director gives notice of his or her intention to retire or resign. The Board seeks to refresh its membership progressively and in an orderly manner, whilst ensuring continuity and sustainability of corporate performance. The Board also has in place guidelines on the tenure of Directors. The guidelines provide that an ID should serve for no more than a maximum of two three-year terms and any extension of tenure beyond six years will be reviewed by the Board on a yearly basis up to a period of nine years (inclusive of the initial two three-year terms served).

Searches for possible candidates are conducted through contacts and recommendations. The Board may retain external consultants from time to time to assist the Board in identifying suitable candidates for appointment to the Board. Candidates are identified based on the needs of CICT and the relevant skills required, taking into account, among other things, the requirements in the Listing Manual and the Code, as well as the factors in the Board Diversity Policy. The candidates will be assessed against a range of criteria including their demonstrated business sense and judgement, skills and expertise, and market and industry knowledge (and may include elements such as financial, sustainability or other specific competency, geographical representation and business background). The Board also considers the qualities of the candidates, in particular whether they are aligned to the strategic directions and values of CICT. In addition, the Board assesses the candidates' ability to commit time to the affairs of CICT, taking into consideration their other current appointments.

In FY 2020, no alternate director to any Director was appointed. In keeping with the principle that a Director must be able to commit time to the affairs of the Manager, the Board has adopted the principle that it will generally not approve the appointment of alternate directors.

Board Changes

Following the merger of CMT and CCT, the Board of the Manager was reconstituted with effect from 3 November 2020. The reconstituted Board comprises members from the respective boards of the managers of CMT and CCT, reflecting an optimal balance of experience, skills and knowledge relevant to CICT's business.

As part of the board reconstitution, Mrs Quek Bin Hwee and Mr Ng Wai King were appointed as Non-Executive IDs and members of the AC, with effect from 3 November 2020, following the retirement of (a) Mr Ng Chee Khern and Mr Fong Kwok Jen as Non-Executive IDs (and relinquishment of their respective roles as AC members), (b) Mr Gay Chee Cheong as Non-Executive ID and (c) Mr Tan Kian Chew and Non-Executive Non-Independent Director.

On 1 January 2021, Mr Leo Mun Wai joined the Board as Non-Executive ID and member of the AC. Mr Lim Cho Pin Andrew Geoffrey joined the Board as Non-Executive Non-Independent Director and member of the EC and Mr Jason Leow Juan Thong stepped down from the Board.

Directors who are appointed to the Board from time to time either have prior experience as a director of an issuer listed on the SGX-ST or will undergo the training required under Rule 210(5)(a) of the Listing Manual. Mr Leo Mun Wai will undergo the requisite training under Rule 210(5)(a) of the Listing Manual before 1 January 2022 (being one year from the date of his appointment to the Board). As Mrs Quek Bin Hwee, Mr Ng Wai King and Mr Lim Cho Pin

Andrew Geoffrey have prior experience as a director of an issuer listed on the SGX-ST, they are not required to undergo the requisite training under Rule 210(5)(a) of the Listing Manual.

Review of Directors' Ability to Commit Time

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

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

Each of the Directors is required to make his or her own self-assessment and confirm that he or she is able to devote sufficient time and attention to the affairs of the Manager. For FY 2020, all non-executive Directors had undergone the self-assessment and provided the confirmation.

The Board assesses each Director's ability to commit time to the affairs of the Manager annually and, where appropriate, when there is a change of circumstances involving a Director. In conducting the assessment, the Board takes into consideration each Director's confirmation, his or her commitments, attendance record at meetings of the Board and Board Committees, as well as conduct and contributions (including preparedness and participation) at Board and Board Committee meetings.

The Directors' listed company directorships and principal commitments are disclosed on pages 41 to 45 of this Annual Report and their attendance record for FY 2020 is set out on page 76 of this Annual Report. In particular, the CEO does not serve on any listed company board outside of the CICT Group. For FY 2020, the Directors achieved high meeting attendance rates and have contributed positively to discussions at Board and Board Committee meetings. Based on the above, the Board has determined that each Director has been adequately carrying out his or her duties as a Director and noted that no Director has a significant number of listed directorships and principal commitments.

Principle 5: Board Performance

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

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

As part of the Manager's commitment towards improving corporate governance, the Board has approved and implemented a process to evaluate annually the effectiveness of the Board as a whole and that of each of its Board Committees and individual Directors. As part of the process, a questionnaire is sent to the Directors, and the evaluation results are aggregated and reported to the Chairman of the Board. The overall evaluation results are also shared with the Board and follow up action is taken where necessary with a view to enhancing the effectiveness of the Board and individual Directors in the discharge of its and their duties and responsibilities. Following the merger of CMT and CCT, the Board of the Manager was reconstituted with effect from 3 November 2020. For FY 2020, given the reconstitution of the Board, the evaluation was conducted in respect of the existing Directors of the Board, save for the new Directors who were appointed with effect from 3 November 2020 and 1 January 2021 respectively (collectively, the Relevant Directors). The new Directors will be participating in the performance evaluation process for FY 2021.

Board and Board Committees

The evaluation categories covered in the questionnaire include Board composition, Board processes, strategy, performance and governance, access to information and Board Committee effectiveness. As part of the questionnaire, the Board also considers whether the creation of value for Unitholders has been taken into account in the decision-making process. For FY 2020, the outcome of the evaluation was satisfactory and the Relevant Directors on the whole provided affirmative ratings across all the evaluation categories.

Individual Directors

The evaluation categories covered in the questionnaire include Director's duties, contributions, conduct and interpersonal skills, as well as strategic thinking and risk management. For FY 2020, the outcome of the evaluation was satisfactory and each of the Relevant Directors on the whole received affirmative ratings across all the evaluation categories.

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

Board Evaluation as an Ongoing Process

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

REMUNERATION MATTERS

Principles 6, 7 and 8: Procedures for Developing Remuneration Policies, Level and Mix of Remuneration and Disclosure on Remuneration

The Board undertakes the functions of a remuneration committee and therefore, the Manager does not have a separate remuneration committee. The Board performs the functions that such a committee would otherwise perform.

The Board is able to undertake the functions of a remuneration committee because:

(a) the Manager is a dedicated manager to CICT and in general, REITs (including CICT) have a more focused scope and scale of business compared to those of listed companies. For this reason, the Board's capacity would not be unduly stretched by reason of it undertaking the responsibilities of a remuneration committee and the Board would be able to give adequate attention to such issues relating to remuneration matters; and

(b) the IDs form at least half of the Board and the Chairman is an ID, which demonstrate that the IDs play a substantive role and assure the objectivity and independence of the decision-making process concerning remuneration. This also mitigates any concerns of conflict which can be managed by having the conflicted Directors abstain from the decision-making process. Further, conflict situations are less likely to arise in matters of remuneration.

In undertaking this function, the Board considers all aspects of remuneration, including overseeing the design and implementation of the remuneration policy, the framework of remuneration and the specific remuneration packages for each Director and for key management personnel and termination terms (if any) to ensure they are fair. No Director, however, is involved in any decision of the Board relating to his or her own remuneration.

The Board has a formal and transparent procedure for developing policies on Director and executive remuneration, and for fixing the remuneration packages of individual Directors and key management personnel. These policies are in line with the CICT Group's business strategy and the executive compensation framework is based on the key principle of linking pay to performance, which is aligned with the long-term success of CICT. Pay-for-performance is emphasised by linking total remuneration to the achievement of corporate and individual goals and objectives. The Board has access to independent remuneration consultants for advice on remuneration matters as required.

In terms of the process adopted by the Manager for developing and reviewing policies on remuneration and determining the remuneration packages for Directors and key management personnel, the Manager, through an independent remuneration consultant, takes into account compensation benchmarks within the industry, as appropriate, so as to ensure that the remuneration packages payable to Directors and key management personnel are in line with the objectives of the remuneration policies. It also considers the compensation framework of CL as a point of reference. The Manager is a subsidiary of CL which also holds a significant stake in CICT. The association with the CL Group puts the Manager in a better position to attract and retain better qualified management talent; it provides an intangible benefit to the Manager such that it allows its employees to associate themselves with an established corporate group which can offer them the depth and breadth of experience and enhanced career development opportunities.

In FY 2020, an independent remuneration consultant, Willis Towers Watson, provided professional advice on Board and executive remuneration. Willis Towers Watson is a leading global advisory, broking and solutions company with over 45,000 employees serving more than 140 countries and markets. The consultant is not related to the Manager, its controlling shareholder, its related corporations or any of its Directors.

Accordingly, the Board's procedures for developing remuneration policies are consistent with the intent of Principle 6 of the Code.

Remuneration Policy for Key Management Personnel

The remuneration framework and policy is designed to support the implementation of the CICT Group’s strategy and deliver sustainable Unitholder value. The principles governing the Manager’s key management personnel remuneration policy are as follows:

Business Alignment

- Focus on generating rental income and enhancing asset value over time so as to maximise returns from investments and ultimately the distributions and total returns to Unitholders
- Provide sound and structured funding to ensure affordability and cost-effectiveness in line with performance goals
- Enhance retention of key talents to build strong organisational capabilities

Motivate Right Behaviour

- Pay for performance - align, differentiate and balance rewards according to multiple dimensions of performance
- Strengthen line-of-sight linking rewards and performance

Fair & Appropriate

- Ensure competitive remuneration relative to the appropriate external talent markets
- Manage internal equity such that remuneration is viewed as fair across the CICT Group
- Significant and appropriate portion of pay-at-risk, taking into account risk policies of the CICT Group, symmetrical with risk outcomes and sensitive to the risk time horizon

Effective Implementation

- Maintain rigorous corporate governance standards
- Exercise appropriate flexibility to meet strategic business needs and practical implementation considerations
- Facilitate employee understanding to maximise the value of the remuneration programme

Remuneration for Key Management Personnel

Remuneration for key management personnel comprises fixed components, a variable cash component, unit-based components and employee benefits. A significant proportion of key management personnel's remuneration is in the form of variable compensation, awarded in a combination of short-term and long-term incentives, in keeping with the principle that the interests of key management personnel align with those of Unitholders and that the remuneration framework links rewards to business and individual performance.

A. Fixed Components:

The fixed components comprise the base salary, fixed allowances and compulsory employer contribution to an employee's Central Provident Fund.

B. Variable Cash Component:

The variable cash component comprises the Balanced Scorecard Bonus Plan (BSBP) that 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.

Under the Balanced Scorecard framework, the CICT Group's strategy and goals are translated to performance outcomes comprising both quantitative and qualitative targets in the dimensions of:

Financial	This includes targets relating to profitability and distributions, capital structure, capital recycling and risk management;
Execution	This includes targets relating to occupancy rates, operational efficiency and stakeholder engagement;
Future Growth	This includes targets relating to portfolio reconstitution and assets enhancements; and
Sustainability	This includes targets relating to talent management, succession planning, competency development and sustainable corporate practices.

These are cascaded down throughout the organisation, thereby creating alignment across the CICT Group.

After the close of each financial year, the Board reviews the CICT Group's achievements against the targets set in the Balanced Scorecard and determines the overall performance taking into consideration qualitative factors such as the quality of earnings, operating environment, regulatory landscape and industry trends.

In determining the payout quantum for each key management personnel under the BSBP, the Board considers the overall business performance and individual performance as well as the affordability of the payout for the Manager.

C. Unit-based Components:

Unit awards were granted in FY 2020 pursuant to the CapitaLand Mall Trust Management Limited Performance Unit Plan and the CapitaLand Mall Trust Management Limited Restricted Unit Plan (now known as the CapitaLand Integrated Commercial Trust Management Limited Performance Unit Plan (PUP) and the CapitaLand Integrated Commercial Trust Management Limited Restricted Unit Plan (RUP)) (together, the Unit Plans), approved by the Board. The Manager believes that the Unit-based components of the remuneration for key management personnel serve to align the interests of such key management personnel with that of Unitholders and CICT's long-term growth and value. The obligation to deliver the Units is expected to be satisfied out of the Units held by the Manager.

All outstanding unit awards granted to the relevant employees of CapitaLand Commercial Trust Management Limited pursuant to the CapitaLand Commercial Trust Management Limited Performance Unit Plan and the CapitaLand Commercial Trust Management Limited Restricted Unit Plan prior to the Merger will be replaced by Unit awards pursuant to the Unit Plans. The obligation to deliver the Units is expected to be satisfied out of the Units held by CapitaLand Commercial Trust Management Limited.

To promote the alignment of Management's interests with that of Unitholders in the longer term, senior members of Management are subject to Unit ownership guidelines to instill stronger identification with the longer-term performance and growth of the CICT Group. Under these guidelines, senior members of Management are required to retain a prescribed proportion of Units received under the Unit Plans worth up to at least one year of basic salary.

CapitaLand Integrated Commercial Trust Management Limited Performance Unit Plan
In FY 2020, the Board granted awards which are conditional on targets set for a three-year performance period. A specified number of Units will only be released to the recipients at the end of the qualifying performance period, provided that minimally the threshold target is achieved. An initial number of Units (PUP baseline award) is allocated conditional on the achievement of a pre-determined target in respect of the Relative Total Unitholder Return (TUR) of the CICT Group measured by the percentile ranking of the TUR of the CICT Group relative to the constituent REITs in the FTSE ST REIT Index.

The above performance measure has been selected as a key measurement of wealth creation for Unitholders. The final number of Units to be released will depend on the CICT Group's performance against the pre-determined targets over the three-year qualifying performance period. This serves to align Management's interests with that of Unitholders in the longer term and to deter short-term risk taking. No Units will be released if the threshold target is not met at the end of the qualifying performance period. On the other hand, if superior targets are met, more Units than the PUP baseline award can be delivered up to a maximum of 200% of the PUP baseline award. The Board has the discretion to adjust the number of Units released taking into consideration other relevant quantitative and qualitative factors. The recipient will receive fully paid Units at no cost.

For FY 2020, the relevant award for assessment of the performance achieved by the CICT Group is the award granted in FY 2018 where the qualifying performance period was FY 2018 to FY 2020. Based on the Board's assessment that the performance achieved by the CICT Group has met the pre-determined performance targets for such performance period, the resulting number of Units released has been adjusted accordingly to reflect the performance level.

In respect of the Unit awards granted under the PUP in FY 2019 and FY 2020, the respective qualifying performance periods have not ended as at the date of this Report.

CapitaLand Integrated Commercial Trust Management Limited Restricted Unit Plan
In FY 2020, the Board granted awards which are conditional on targets set for a one-year performance period. A specified number of Units will only be released to recipients at the end of the qualifying performance period, provided that minimally the threshold targets are achieved.

Under the RUP, an initial number of Units (RUP baseline award) is allocated conditional on the achievement of pre-determined targets in respect of the following performance conditions:

(a) Net property income of the CICT Group; and
(b) Distribution per Unit of the CICT Group.

The above performance measures have been selected as they are the key drivers of business performance and are aligned to Unitholder value. The final number of Units to be released will depend on the CICT Group's performance against the pre-determined targets at the end of the one-year qualifying performance period. The Units will be released in equal annual tranches over a vesting period of three years. No Units will be released if the threshold targets are not met at the end of the qualifying performance period. On the other hand, if superior targets are met, more Units than the RUP baseline award can be delivered up to a maximum of 150% of the RUP baseline award. The Board has the discretion to adjust the number of Units released taking into consideration other relevant quantitative and qualitative factors. Recipients will receive fully paid Units at no cost.

In respect of the Unit awards granted under the RUP in FY 2020, based on the Board's assessment that the performance achieved by the CICT Group has met the pre-determined performance targets for FY 2020, the resulting number of Units released has been adjusted accordingly to reflect the performance level.

The Unit Plans of the Manager are performance-based and vest over a period of three years. Coupled with interlocking annual grants, this ensures ongoing alignment between remuneration and sustainable business performance in the longer term.

D. **Employee Benefits:**
The benefits provided are comparable with local market practices.

At present, there are four key management personnel (including the CEO). Each year, the Board evaluates the extent to which each of the key management personnel has delivered on the business and individual goals and objectives, and based on the outcome of the evaluation, approves the compensation for the key management personnel. In such evaluation, the Board considers whether the level of remuneration is appropriate to attract, retain and motivate key management personnel to successfully manage CICT for the long term. The CEO does not attend discussions relating to his performance and remuneration.

The CEO's remuneration amount in a band of S$250,000 and the aggregate of the total remuneration of the other key management personnel (excluding the CEO), together with a breakdown of their respective remuneration components in percentage terms, are set out in the Key Management Personnel's Remuneration Table on page 76 of this Annual Report.

While the disclosure of the CEO's exact remuneration amount and the requisite remuneration band for each of the other key management personnel (who are not also Directors or the CEO) would be in full compliance with Provision 8.1 of the Code, the Board has considered carefully and decided that such disclosure would not be in the interests of the Manager or Unitholders due to the intense competition for talents in the industry, as well as the need to balance the confidential and commercial sensitivities associated with remuneration matters. The Manager is of the view that despite this partial deviation from Provision 8.1 of the Code, the disclosures on page 76 of this Annual Report are consistent with the intent of Principle 8 of the Code and would provide sufficient information and transparency to the Unitholders on the Manager's remuneration policies and the level and mix of remuneration accorded to the key management personnel, and enable the Unitholders to understand the relationship between CICT's performance, value creation and the remuneration of the key management personnel. In addition, the remuneration of the key management personnel is not borne by CICT as it is paid out of the fees that the Manager receives (the quantum and basis of which have been disclosed).

Apart from the key management personnel and other employees of the Manager, the Manager outsources various other services to a wholly owned subsidiary of CL (CL Subsidiary). The CL Subsidiary provides the services through its employees and employees of CL Group (together, the Outsourced Personnel). This arrangement is put in place so as to provide flexibility and maximise efficiency in resource management to match the needs of CICT from time to time, as well as to leverage on economies of scale and tap on the management talent of an established corporate group which can offer enhanced depth and breadth of experience. However, notwithstanding the outsourcing arrangement, the responsibility for due diligence, oversight and accountability continues to reside with the Board and Management. In this regard, the remuneration of such Outsourced Personnel, being employees of the CL Subsidiary and CL Group, is not included as part of the disclosure of remuneration of key management personnel of the Manager in this Report.

The Board seeks to ensure that the remuneration of the CEO and other key management personnel is strongly linked to the achievement of business and individual performance targets. The performance targets approved by the Board are set at realistic yet stretched levels each year to motivate a high degree of business performance with emphasis on both shorter-term and longer-term quantifiable objectives.

In FY 2020, no termination, retirement or post-employment benefits were granted to Directors, the CEO and other key management personnel. There was also no special retirement plan, 'golden parachute' or special severance package for any of the key management personnel.

In FY 2020, there were no employees of the Manager who were substantial shareholders of the Manager, substantial unitholders of CICT or immediate family members of a Director, the CEO, any substantial shareholder of the Manager or any substantial unitholder of CICT. "Immediate family member" refers to the spouse, child, adopted child, step-child, sibling or parent of the individual.

Disclosures under AIFMR

On 22 January 2020, the Manager announced the proposed merger of CMT and CCT. The merger is effected through the acquisition by CMT of all the issued and paid-up units in CCT by way of a trust scheme of arrangement and this was completed on 21 October 2020. For information relating to the merger, please refer to the circular dated 4 September 2020 issued by the Manager in connection with the extraordinary general meeting of CMT (now known as CICT) convened on 27 September 2020.

The Manager is also required under the AIFMR to make quantitative disclosures of remuneration. Disclosures are provided in relation to (a) the staff of the Manager; (b) staff who are senior management; and (c) staff who have the ability to materially affect the risk profile of CICT.

All individuals included in the aggregated figures disclosed are rewarded in line with the Manager's remuneration policies described in this Report.

The aggregate amount of remuneration awarded by the Manager to its staff (including CEO and non-executive Directors) in respect of FY 2020 was approximately S$2.77 million. This figure comprised fixed pay of S$1.61 million, variable pay of S$1.03 million (including Units issued under the Unit Plans, where applicable) and allowances and benefits-in-kind of S$0.13 million. There was a total of 15 beneficiaries of the remuneration described above. In respect of FY 2020, the aggregate amount of remuneration awarded by the Manager to its senior management (which are also members of staff whose actions have a material impact on the risk profile of CICT) was approximately S$2.20 million, comprising six individuals identified having considered, among others, their roles and decision-making powers.

Remuneration for Non-Executive Directors

The non-executive Directors' fees for FY 2020, together with a breakdown of the components, are set out in the Non-Executive Directors' Remuneration Table on page 77 of this Annual Report. The CEO who is an executive Director is remunerated as part of the key management personnel of the Manager and does not receive any Director's fees. The non-executive Directors who are employees of the CL Group also do not receive any Directors' fees.

The compensation policy for non-executive Directors is based on a scale of fees divided into basic retainer fees for serving as Director and additional fees for attendance and serving on Board Committees. The framework for the non-executive Directors' fees has remained unchanged from that of the previous financial year.

The compensation package is benchmarked against market, taking into account the effort, time spent and demanding responsibilities on the part of the non-executive Directors in light of the scale, complexity and geographic scope of the CICT Group's business. The remuneration of non-executive Directors is reviewed from time to time to ensure that it is appropriate to attract, retain and motivate the non-executive Directors to provide good stewardship of the Manager and CICT.

The non-executive Directors' fees are paid in cash (about 80%) and in the form of Units (about 20%), save that (i) a non-executive Director (not being an employee of the CL Group) who steps down from the Board during a financial year will be paid fees fully in cash; and (ii) Mr Ng Chee Khern's fees are paid fully in cash to a government agency, The Directorship & Consultancy Appointments Council. The Manager believes that the payment of a portion of the non-executive Directors' fees in Units will serve to align the interests of non-executive Directors with the interests of Unitholders and CICT's long-term growth and value. In order to encourage the alignment of the interests of the non-executive Directors with the interests of Unitholders, a non-executive Director is required to hold the number of Units worth at least one year of his or her basic retainer fee or the total number of Units awarded to him or her, whichever is lower, at all times during his or her Board tenure.

In solidarity with CICT's stakeholders, the Board agreed to a voluntary 5% reduction in the total FY 2020 fees for each Director.

ACCOUNTABILITY AND AUDIT

Principle 9: Risk Management and Internal Controls

The Manager maintains adequate and effective systems of risk management and internal controls addressing material financial, operational, compliance and information technology (IT) risks to safeguard Unitholders' interests and the CICT Group's assets.

The Board has overall responsibility for the governance of risk and oversees the Manager in the design, implementation and monitoring of the risk management and internal controls systems. The AC assists the Board in carrying out the Board's responsibility of overseeing CICT's risk management framework and policies for CICT Group.

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

(a) making recommendations to the Board on the Risk Appetite Statement (RAS) for CICT Group;
(b) assessing the adequacy and effectiveness of the risk management and internal controls systems established by the Manager to manage risks;
(c) overseeing the formulation, updating and maintenance of an adequate and effective risk management framework, policies and strategies for managing risks that are consistent with CICT Group's risk appetite and reports to the Board on its decisions on any material matters concerning the aforementioned;
(d) making the necessary recommendations to the Board such that an opinion regarding the adequacy and effectiveness of the risk management and internal controls systems can be made by the Board in the Annual Report in accordance with the Listing Manual and the Code; and
(e) considering and advising on risk matters referred to it by the Board or Management, including reviewing and reporting to the Board on any material breaches of the RAS, any material non-compliance with the approved framework and policies and the adequacy of any proposed action.

The Manager adopts an Enterprise Risk Management (ERM) Framework which sets out the required environmental and organisational components for managing risks in an integrated, systematic and consistent manner. The ERM Framework and related policies are reviewed annually.

As part of the ERM Framework, the Manager undertakes and performs a Risk and Control Self-Assessment (RCSA) annually to identify material risks along with their mitigating measures.

The adequacy and effectiveness of the systems of risk management and internal controls are reviewed at least annually, by Management, the AC and the Board, taking into account the best practices and guidance in the Risk Governance Guidance for Listed Boards issued by the Corporate Governance Council and the Listing Manual.

The CICT Group's RAS, incorporating CICT's risk limits, addresses the management of material risks faced by the CICT Group. Alignment of the CICT Group's risk profile to the RAS is achieved through various communication and monitoring mechanisms (including key risk indicators set for Management) put in place across the various functions within the Manager.

More information on the Manager's ERM Framework including the material risks identified can be found in the ERM section on pages 78 to 83 of this Annual Report.

The internal and external auditors conduct reviews of the adequacy and effectiveness of the material internal controls (including financial, operational, compliance and IT controls) and risk management systems. This includes testing, where practicable, material internal controls in areas managed by external service providers. Any material non-compliance or lapses in internal controls together with corrective measures recommended by the internal and external auditors are reported to and reviewed by the AC. The AC also reviews the adequacy and effectiveness of the measures taken by the Manager on the recommendations made by the internal and external auditors in this respect.

The Board has received assurance from the CEO and the Chief Financial Officer (CFO) of the Manager that the financial records of the CICT Group have been properly maintained and the financial statements for FY 2020 give a true and fair view of the CICT Group's operations and finances. It has also received assurance from the CEO and the relevant key management personnel who have responsibility regarding various aspects of risk management and internal controls that the systems of risk management and internal controls in place for CICT Group are adequate and effective to address the risks (including financial, operational, compliance and IT risks) which the Manager considers relevant and material to the current business environment.

The CEO, the CFO and the relevant key management personnel of the Manager have obtained similar assurances from the respective risk and control owners.

In addition, in FY 2020, the Board received quarterly certification by Management on the integrity of financial reporting and the Board provided a negative assurance confirmation to Unitholders as required by the Listing Manual.

Based on the ERM Framework established and the reviews conducted by Management and both the internal and external auditors, as well as the assurance from the CEO and the CFO, the Board is of the opinion that the systems of risk management and internal controls within CICT Group are adequate and effective to address the risks (including financial, operational, compliance and IT risks) which CICT Group considers relevant and material to its current business environment as at 31 December 2020. The AC concurs with the Board in its opinion. No material weaknesses in the systems of risk management and internal controls were identified by the Board or the AC in the review for FY 2020.

The Board notes that the systems of risk management and internal controls established by the Manager provide reasonable assurance that the CICT Group, as it strives to achieve its business objectives, will not be significantly affected by any event that can be reasonably foreseen or anticipated. However, the Board also notes that no system of risk management and internal controls can provide absolute assurance in this regard, or absolute assurance against poor judgement in decision-making, human error, losses, fraud or other irregularities.

Principle 10: Audit Committee

At present, the AC comprises five non-executive Directors, four of whom (including the chairman of the AC) are IDs. The AC Chairman is a Director other than the Chairman of the Board. The AC Chairman and members bring with them invaluable recent and relevant managerial and professional expertise in accounting, auditing and related financial management domains.

The AC does not comprise former partners of CICT's incumbent external auditors, KPMG LLP (a) within a period of two years commencing from the date of their ceasing to be partners of KPMG LLP; or (b) who have any financial interest in KPMG LLP.

The AC has explicit authority to investigate any matter within its terms of reference. Management provides the fullest co-operation in providing information and resources, and in implementing or carrying out all requests made by the AC. The AC has direct access to the internal and external auditors and full discretion to invite any Director or key management personnel to attend its meetings. Similarly, both the internal and external auditors have unrestricted access to the AC.

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

(a) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of CICT Group and any announcements relating to the CICT Group's financial performance;
(b) reviewing and reporting to the Board at least annually the adequacy and effectiveness of the Manager's internal controls (including financial, operational, compliance and IT controls) and risk management systems;
(c) reviewing the scope and results of the external audit and the independence and objectivity of the external auditors;
(d) reviewing the adequacy and effectiveness of the Manager's internal audit and compliance functions;
(e) making recommendations to the Board on the proposals to Unitholders on the appointment, re-appointment and removal of the external auditors, and approving the remuneration of the external auditors;
(f) reviewing and approving processes to regulate transactions between an interested person (as defined in Chapter 9 of the Listing Manual) and/or interested party (as defined in the Property Funds Appendix) (each, an Interested Person) and CICT and/or its subsidiaries (Interested Person Transactions), to ensure compliance with the applicable regulations. The regulations include the requirements that Interested Person Transactions are on normal commercial terms and are not prejudicial to the interests of CICT and its minority Unitholders. In respect of any property management agreement which is an Interested Person Transaction, the AC also carries out reviews at appropriate intervals to satisfy itself that the Manager has reviewed the property manager's compliance with the terms of the property management agreement and has taken remedial actions where necessary; and
(g) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be raised, and independently investigated, for appropriate follow up action to be taken.

The AC undertook a review of the independence of the external auditors, taking into consideration, among other factors, CICT's relationships with the external auditors in FY 2020, as well as the processes and safeguards adopted by the Manager and the external auditors relating to audit independence. Based on the review, the AC is satisfied that the external auditors are independent. The external auditors have also provided confirmation of their independence to the AC. The amount of audit and audit related fees paid or payable to the external auditors for FY 2020 amounted to S$579,902. The external auditors did not provide any non-audit services in FY 2020.

The AC holds at least four scheduled meetings in a year and met seven times in FY 2020. At all scheduled AC meetings in FY 2020, the CEO and the CFO were in attendance. During each of these meetings, among other things, the AC reviewed the financial statements including the relevance and consistency of the accounting principles adopted and any significant financial reporting issues. It recommended the financial statements and corresponding announcements to the Board for approval. In FY 2020, the AC also reviewed and assessed the adequacy and effectiveness of the internal controls and risk management systems established by the Manager to manage risks, taking into consideration the outcome of reviews conducted by Management and both the internal and external auditors, as well as the assurances from the CEO and the CFO.

The AC also meets with the external auditors and with the internal auditors, without the presence of Management, at least once a year. In FY 2020, the AC met with the external auditors and internal auditors twice, separately and without Management's presence, to discuss the reasonableness of the financial reporting process, the internal controls and risk management systems, and the significant comments and recommendations by the auditors.

Where relevant, the AC makes reference to the best practices and guidance for audit committees in Singapore including practice directions issued from time to time in relation to the Financial Reporting Surveillance Programme administered by the Accounting and Corporate Regulatory Authority of Singapore.

Key Audit Matter

In the review of the financial statements of CICT Group for FY 2020, the AC has discussed with Management the accounting principles that were applied and their judgement of items that might affect the integrity of the financial statements and also considered the clarity of key disclosures in the financial statements. The AC reviewed, amongst other matters, the following key audit matters as reported by the external auditors for FY 2020.

Key Audit Matters	How these Issues were Addressed by the AC
Valuation of investment properties	The AC considered the valuation methodologies and key assumptions applied by the valuers for investment properties in arriving at the valuations and also evaluated the valuers' objectivity and competency. In order to provide fresh perspectives to the valuation process, the valuers do not value the same property for more than two consecutive years. This practice has been consistently adhered to over time, save for FY 2020 where as part of the measures introduced to help property funds navigate challenges posed by COVID-19, property funds were permitted under the Property Funds Appendix to appoint a valuer to value the same property for a third consecutive financial year if that financial year ends on or before 31 December 2020 and this fact is disclosed in the property fund's annual report. The AC reviewed the outputs from the valuation process of the investment properties and held discussions with Management and the external auditors to review the valuation methodologies, focusing on significant changes in fair value measurement and key drivers of the changes including assessing the reasonableness of the capitalisation rates, discount rates, terminal yield rates and transacted prices adopted by the valuers. The valuation of investment properties was also an area of focus for the external auditors. The AC considered the findings of the external auditors, including their assessment of the appropriateness of valuation methodologies and the key assumptions applied in the valuation of investment properties. The AC was satisfied with the valuation process, the methodologies used and the valuation of the investment properties.

Key Audit Matters	How these Issues were Addressed by the AC
Accounting for acquisition of CCT	Management updated the AC on the accounting treatment for and the financial impact from the acquisition of CCT. The AC considered Management's use of independent valuation specialists to assist Management in arriving at its purchase price allocation (PPA) assessment. The PPA assessment involved the use of valuation methodologies and certain assumptions to derive the fair value estimates of identified assets and liabilities and the resulting negative goodwill. The AC also considered the findings of external auditors on the PPA assessment performed by Management, including their assessment of the appropriateness of the methodologies and key assumptions used in determining the fair values of the identified assets acquired and liabilities assumed. The AC was satisfied with the methodologies and key assumptions used in determining the fair values of the identified assets acquired and liabilities assumed.

The Manager confirms, on behalf of CICT, that CICT complies with Rules 712 and 715 of the Listing Manual.

Internal Audit

The Manager has in place an internal audit function supported by CL's Internal Audit Department (CL IA). CL IA is independent of the activities it audits and has unfettered access to the CICT Group's documents, records, properties and employees, including access to the AC, and has appropriate standing with respect to the Manager. The primary reporting line of CL IA in respect of CICT Group is to the AC, however, the AC does not decide on the appointment, termination and remuneration of the head of CL IA as it operates at the CL Group level. While this is a deviation from Provision 10.4 which requires the AC to decide on the appointment, termination and remuneration of the head of the internal audit function, CL IA is able to carry out its role effectively for the reasons below and is accordingly consistent with the intent of Principle 10 of the Code.

The AC monitors and assesses the role and effectiveness of the internal audit function through reviewing the internal audit process from time to time and may make recommendations to the Board for any changes to the internal audit process. The AC also reviews to ensure that the internal audit function is adequately resourced and skilled in line with the nature, size and complexity of the Manager and CICT's business, and that an adequate budget is allocated to the internal audit function to assure its proper functioning. In respect of FY 2020, the AC has carried out a review of the internal audit function and is satisfied that the internal audit function performed by CL IA is adequately resourced, effective and independent.

CL IA plans its internal audit schedules in consultation with, but independently of, Management and its plan is submitted to the AC for approval prior to the beginning of each year. During FY 2020, the AC reviewed the results of audits performed by CL IA based on the approved audit plan. The AC also reviewed reports on whistle blower complaints reviewed by CL IA to ensure independent and thorough investigation and adequate follow up. The AC also received reports on Interested Person Transactions reviewed by CL IA that they were on normal commercial terms and are not prejudicial to the interests of CICT and its minority Unitholders.

CL IA is adequately resourced and staffed with persons with the relevant qualifications and experience. CL IA is a corporate member of The Institute of Internal Auditors Inc. (IIA), Singapore, which is an affiliate of the IIA with its headquarters in the United States of America (USA). CL IA subscribes to, and is guided by, the International Standards for the Professional Practice of Internal Auditing (Standards) developed by IIA, and has incorporated these Standards into its audit practices.

To ensure that internal audits are performed by competent professionals, CL IA recruits and employs suitably qualified professional staff with the requisite skill sets and experience. For instance, CL IA staff who are involved in IT audits have the relevant professional IT certifications and are also members of the ISACA Singapore Chapter, a professional body administering information systems audit and information security certifications that is headquartered in the USA. The ISACA Information Systems Auditing Standards provide guidance on the standards and procedures to be applied in IT audits. CL IA identifies and provides training and development opportunities for its staff to ensure their technical knowledge and skill sets remain current and relevant.

UNITHOLDER RIGHTS AND ENGAGEMENT

Principles 11, 12 and 13: Shareholder Rights and Conduct of General Meetings, Engagement with Shareholders, Managing Stakeholder Relationships

The Manager is committed to treating all Unitholders fairly and equitably. All Unitholders enjoy specific rights under the Trust Deed and the relevant laws and regulations. These rights include, among other things, the right to participate in profit distributions.

General Meetings

In view of the COVID-19 pandemic, the previous general meetings held in FY2020 were, and the forthcoming AGM to be held on 14 April 2021 (AGM 2021) will be, held via electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (COVID-19 Temporary Measures Order). Alternative arrangements relating to attendance at the AGM 2021 (including arrangements by which the AGM 2021 can be electronically accessed via live audio-visual webcast or live audio-only stream, submission of questions in advance of the AGM 2021, addressing of substantial and relevant questions prior to or at the AGM 2021 and voting by appointing the chairman of the meeting as proxy at the AGM 2021) are set out in the Manager's notice of AGM dated 19 March 2021. The description below sets out CICT's usual practice for Unitholders' meetings when there are no pandemic risks and the COVID-19 Temporary Measures Order is not in operation.

Unitholders are entitled to attend general meetings and are accorded the opportunity to participate effectively and vote at general meetings (including through the appointment of up to two proxies, if they are unable to attend in person or in the case of a corporate Unitholder, through its appointed representative). Unitholders such as nominee companies which provide custodial services for securities are not constrained by the two proxy limitation, and are able to appoint more than two proxies to attend, speak and vote at general meetings of CICT.

CICT supports the principle of encouraging Unitholder participation and voting at general meetings. CICT's Annual Report is provided to Unitholders within 120 days from the end of CICT's financial year. Unitholders may download the Annual Report from the Website and printed copies of the Annual Report are available upon request. More than the legally required notice period for general meetings is generally provided. Unitholders will receive the notices of general meetings and may download these notices from the Website. Notices of the general meetings are also advertised in the press and issued on SGXNet. The rationale and explanation for each agenda item which requires Unitholders' approval at a general meeting are provided in the notice of the general meeting or in the accompanying circular (if any) issued to Unitholders in respect of the matter(s) for approval at the general meeting. This enables Unitholders to exercise their votes on an informed basis.

At AGMs, Management makes a presentation to Unitholders to update them on CICT's performance, position and prospects. The presentation materials are made available to Unitholders on the Website and also on SGXNet.

Unitholders are informed of the rules governing general meetings and are given the opportunity to communicate their views, ask questions and discuss with the Board and Management on matters affecting CICT. Representatives of the Trustee, Directors (including the chairman of the respective Board Committees), key management personnel and the external auditors of CICT, are present for the entire duration of the AGMs to address any queries that the Unitholders may have, including queries about the conduct of CICT's external audit and the preparation and contents of the external auditors' report. Directors and Management also interact with Unitholders after the AGMs.

All Directors attended the general meetings held during their tenure in FY 2020. A record of the Directors' attendance at the general meetings in FY 2020 can be found in their meeting attendance records as set out on page 76 of this Annual Report.

To safeguard the Unitholders' interests and rights, a separate resolution is proposed for each substantially separate matter to be approved at a general meeting.

To ensure transparency in the voting process and better reflect Unitholders' interests, CICT conducts electronic poll voting for all the resolutions proposed at general meetings. One Unit is entitled to one vote. Voting procedures and the rules governing general meetings are explained and vote tabulations are disclosed at the general meetings.

An independent scrutineer is also appointed to validate the vote tabulation procedures. Votes cast, for or against and the respective percentages, on each resolution are tallied and displayed 'live' on-screen to Unitholders immediately after each resolution is voted on at the general meetings. The total number of votes cast for or against each resolution and the respective percentages are also announced on SGXNet after the general meetings.

Provision 11.4 of the Code requires an issuer's Constitution to allow for absentia voting at general meetings of shareholders. CICT's Trust Deed currently does not permit Unitholders to vote at general meetings in absentia (such as via mail or email). The Manager will consider implementing the relevant amendments to CICT's Trust Deed to permit absentia voting after it has carried out careful study and is satisfied that the integrity of information and the authentication of the identity of Unitholders through the internet will not be compromised, and after the implementation of legislative changes to recognise remote voting. The Manager is of the view that despite the deviation from Provision 11.4 of the Code, Unitholders nevertheless have opportunities to communicate their views on matters affecting CICT even when they are not in attendance at general meetings. For example, Unitholders may appoint proxies to attend, speak and vote, on their behalf, at general meetings.

Minutes of the general meetings recording the substantial and relevant comments made, questions raised and answers provided, are prepared and are available to Unitholders for their inspection upon request. Minutes of AGMs are also made available on the Website. Accordingly, the rights of the Unitholders are consistent with the intent of Principle 11 of the Code.

Distribution Policy

CICT's distribution policy is to distribute at least 90.0% of its taxable income (other than gains from the sale of real estate properties by CICT which are determined to be trading gains), with the actual level of distribution to be determined at the Manager's discretion. Distributions are generally paid within 35 market days after the relevant record date.

Timely Disclosure of Information

The Manager is committed to keeping all Unitholders, other stakeholders, analysts and the media informed of CICT's performance and any changes in the CICT Group or its business which would likely to materially affect the price or value of the Units.

The Manager provides Unitholders with periodic and annual financial statements within the relevant periods prescribed by the Listing Manual. In particular, for FY 2020, full unaudited quarterly financial statements have been released. These periodic and annual financial statements were reviewed and approved by the Board prior to release to Unitholders by announcement on SGXNet. The release of periodic and annual financial statements were accompanied by news releases issued to the media and which were also made available on SGXNet. In presenting the periodic and annual financial statements to Unitholders, the Board sought to provide Unitholders with a balanced, clear and comprehensible assessment of CICT and the CICT Group's performance, position and prospects.

In addition to the release of financial statements, the Manager also keeps CICT's Unitholders, stakeholders and analysts informed of the performance and changes in the CICT Group or its business which would likely materially affect the price or value of the Units on a timely and consistent basis, so as to assist Unitholders and investors in their investment decisions. This is performed through the release on SGXNet of announcements in compliance with regulatory reporting requirements and news releases for the media, on a timely and consistent basis. These announcements and news releases are also posted on the Website. In addition, the Manager also conducts analysts' and media briefings, and the materials used for such briefings are uploaded on SGXNet.

The Manager has a formal policy on corporate disclosure controls and procedures to ensure that CICT complies with its disclosure obligations under the Listing Manual. These controls and procedures incorporate the decision-making process and an obligation on internal reporting of the decisions made.

The Manager believes in conducting the business of CICT in ways that seek to deliver sustainable value to Unitholders. Best practices are promoted as a means to build an excellent business for CICT and the Manager's accountability to Unitholders for CICT's performance. Prompt fulfilment of statutory reporting requirements is but one way to maintain Unitholders' confidence and trust in the capability and integrity of the Manager.

Investor Relations

The Manager has in place an Investor Relations department which facilitates effective communication with Unitholders and analysts. The Manager also maintains the Website which contains information on CICT including but not limited to its Prospectus, current and past announcements and news releases, financial statements, investor presentations and Annual Reports.

The Manager actively engages with Unitholders with a view to solicit and understand their views, and has put in place a Unitholders' Communication and Investor Relations Policy to promote regular, effective and fair communications with Unitholders. The Unitholders' Communication and Investor Relations Policy, which sets out the mechanism through which Unitholders may contact the Manager with questions and through which the Manager may respond to such questions, is available on the Website. Unitholders are welcomed to engage with the Manager beyond general meetings and they may do so by contacting the Investor Relations department whose details may be found on the Website via the Manager Contacts channel on the Website.

More information on the Manager's investor and media relations efforts can be found in the Stakeholders and Communities - Investors section on pages 178 to 179 of this Annual Report.

The Manager also has in place a corporate communications function supported by CL's Group Communications department which works closely with the media and oversees CICT's media communications efforts.

Managing Stakeholder Relationships

The Board's role includes considering sustainability as part of its strategic formulation. The Manager adopts an inclusive approach for CICT by considering and balancing the needs and interests of material stakeholders, as part of the overall strategy to ensure that the best interests of CICT are served. The Manager is committed to sustainability and incorporates the key principles of environmental and social responsibility, and corporate governance in CICT's business strategies and operations. The Manager has arrangements in place to identify and engage with material stakeholder groups from time to time to gather feedback on the sustainability issues most important to them and to manage its relationships with such groups. Such arrangements include maintaining the Website, which is kept updated with current information, to facilitate communication and engagement with CICT's stakeholders. More details of CICT's sustainability strategy and stakeholder engagement can be found on pages 151 to 185 of this Annual Report.

ADDITIONAL INFORMATION

Executive Committee

In addition to the AC, the Board has also established an EC.

The EC oversees the day-to-day activities of the Manager and that of CICT, on behalf of the Board. The EC is guided by its terms of reference, in particular, the EC:

(a) approves specific budgets for capital expenditure on development projects, acquisitions and enhancements/ upgrading of properties within its approved financial limits;
(b) reviews management reports and operating budgets; and
(c) awards contracts for development projects.

The members of the EC also meet informally during the course of the year.

Dealings with Interested Persons

Review Procedures for Interested Person Transactions

The Manager has established internal control procedures to ensure that all Interested Person Transactions are undertaken on an arm's length basis and on normal commercial terms, which are generally no more favourable than those extended to unrelated third parties, and are not prejudicial to the interests of CICT and Unitholders. In respect of such transactions, the Manager would have to demonstrate to the AC that such transactions are undertaken on normal commercial terms and are not prejudicial to the interests of CICT and Unitholders which may include obtaining (where practicable) third party quotations or obtaining valuations from independent valuers (in accordance with applicable provisions of the Listing Manual and the Property Funds Appendix). The internal control procedures also ensure compliance with Chapter 9 of the Listing Manual and the Property Funds Appendix.

In particular, the procedures in place with effect from 1 January 2021 include the following:

Interested Person Transactions [1]	Approving Authority, Procedures and Disclosure
S$100,000 and above per transaction (which singly, or when aggregated with other transactions[2] with the same Interested Person in the same financial year is less than 3.0% of CICT's latest audited net tangible assets/net asset value)	› Management › Audit Committee
Transaction [2] which: (a) is equal to or exceeds 3.0% of CICT's latest audited net tangible assets/net asset value; or (b) when aggregated with other transactions[2] with the same Interested Person in the same financial year is equal to or exceeds 3.0% of CICT's latest audited net tangible assets/net asset value	› Management › Audit Committee › Immediate Announcement
Transaction [2] which: (a) is equal to or exceeds 5.0% of CICT's latest audited net tangible assets/net asset value; or (b) when aggregated with other transactions[2,3] with the same Interested Person in the same financial year is equal to or exceeds 5.0% of CICT's latest audited net tangible assets/net asset value	› Management › Audit Committee › Immediate Announcement › Unitholders [3]

1 This table does not include the procedures applicable to Interested Person Transactions falling under the exceptions set out in Rules 915 and 916 of the Listing Manual.
2 Any transaction of less than S$100,000 in value is disregarded.
3 In relation to approval by Unitholders for transactions that are equal to or exceed 5.0% of CICT's latest audited net tangible assets/net asset value (whether singly or aggregated), any transaction which has been approved by Unitholders, or is the subject of aggregation with another transaction that has been approved by Unitholders, need not be included in any subsequent aggregation.

A summary of Interested Person Transactions of S$100,000 and above entered into within each financial quarter will be reviewed by the Trustee on a quarterly basis, while the summary of all Interested Person Transactions within the financial year will be submitted by CL IA to the AC for review on an annual basis. Guidelines and procedures established to monitor Interested Person Transactions will be audited by CL IA on a periodic basis.

Role of the Audit Committee for Interested Person Transactions

The Manager's internal control procedures are intended to ensure that Interested Person Transactions are conducted at arm's length, on normal commercial terms and are not prejudicial to CICT and Unitholders' interests.

The Manager maintains a register to record all Interested Person Transactions which are entered into by CICT (and the basis on which they are entered into, including the quotations obtained to support such basis). All Interested Person Transactions are subject to regular periodic reviews by the AC, which in turn obtains advice from CL IA, to ascertain that the guidelines and procedures established to monitor Interested Person Transactions, including the relevant provisions of the Listing Manual and the Property Funds Appendix, as well as any other guidelines which may from time to time be prescribed by the SGX-ST, MAS or other relevant authorities, have been complied with. The review includes an examination of the nature of the transaction and its supporting documents or such other information deemed necessary by the AC. If a member of the AC has an interest in a transaction, he or she is to abstain from participating in the review and approval process in relation to that transaction. In addition, the Trustee also reviews such audit reports to ascertain that the Listing Manual and the Property Funds Appendix have been complied with.

Details of all Interested Person Transactions (equal to or exceeding S$100,000 each in value) entered into by CICT in FY 2020 are disclosed on pages 298 to 299 of this Annual Report.

Dealing with Conflicts of Interest

The following principles and procedures have been established to deal with potential conflicts of interest which the Manager (including its Directors, key management personnel and employees) may encounter in managing CICT:

(a) the Manager is a dedicated manager to CICT and will not manage any other REIT or be involved in any other real property business;
(b) all resolutions at meetings of the Board in relation to matters concerning CICT must be decided by a majority vote of the Directors, including at least one ID;

(c) in respect of matters in which CL and/or its subsidiaries have an interest, whether direct or indirect, any nominees appointed by CL and/or its subsidiaries to the Board will abstain from voting. In such matters, the quorum must comprise a majority of IDs and shall exclude such nominee Directors of CL and/or its subsidiaries;
(d) in respect of matters in which a Director or his or her associates have an interest, whether direct or indirect, such interested Director will abstain from voting. In such matters, the quorum must comprise a majority of the Directors and shall exclude such interested Director(s);
(e) if the Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of CICT with an affiliate of the Manager, the Manager is obliged to consult with a reputable law firm (acceptable to the Trustee) which shall provide legal advice on the matter. If the said law firm is of the opinion that the Trustee, on behalf of CICT, has a *prima facie* case against the party allegedly in breach under such agreement, the Manager is obliged to pursue the appropriate remedies under such agreement; and
(f) at least one-third of the Board shall comprise IDs.

In respect of voting rights where the Manager would face a conflict between its own interests and that of Unitholders, the Manager shall cause such voting rights to be exercised according to the discretion of the Trustee.

Dealings in Securities

The Manager has adopted a securities dealing policy for the officers and employees which applies the best practice recommendations in the Listing Manual. Under this policy, Directors and employees of the Manager as well as certain relevant executives of the CL Group (together, the Relevant Persons) are required to refrain from dealing in CICT's securities (i) while in possession of material unpublished price-sensitive information, and (ii) during a prescribed period in accordance with the Listing Manual (Black-out Period) immediately preceding, and up to the time of each announcement of CICT's financial statements during a financial year. Prior to the commencement of each Black-out Period, an email would be sent to all the Relevant Persons to inform them of the duration of the Black-out Period. The Manager also does not deal in CICT's securities during the same Black-out Period. In addition, employees and Capital Markets Services Licence Appointed Representatives (CMSL Representatives) of the Manager are required to give a pre-trading notification to the CEO and the Compliance department before any dealing in CICT's securities.

This policy also provides for the Manager to maintain a list of persons who are privy to price-sensitive information relating to the CICT Group as and when circumstances require such a list to be maintained.

Directors and employees of the Manager are also required to refrain from dealing in CICT's securities if they are in possession of unpublished price-sensitive information of CICT arising from their appointment as Directors and/or in the course of performing their duties. As and when appropriate, they would be issued an advisory to refrain from dealing in CICT's securities.

Under this policy, Directors and employees of the Manager are also discouraged from trading on short-term or speculative considerations. They are also prohibited from using any information with respect to other companies or entities obtained in the course of their employment in connection with securities transactions of such companies or entities.

A Director is required to notify the Manager of his or her interest in CICT's securities within two business days after (a) the date on which he or she becomes a Director or (b) the date on which he or she acquires an interest in CICT's securities. A Director is also required to notify the Manager of any change in his or her interests in CICT's securities within two business days after he or she becomes aware of such change.

Dealings by the Directors are disclosed in accordance with the requirements in the SFA and the Listing Manual. In FY 2020, based on the information available to the Manager, save as disclosed in accordance with such requirements and other than the awards of Units in part payment of Directors' fees, there were no dealings by the Directors in CICT's securities.

Code of Business Conduct

The Manager adheres to an ethics and code of business conduct policy which deals with issues such as confidentiality, conduct and work discipline, corporate gifts and concessionary offers. Clear policies and guidelines on how to handle workplace harassment and grievances are also in place.

The policies and guidelines are published on CL Group's intranet, which is accessible by all employees of the Manager.

The policies that the Manager has implemented aim to help to detect and prevent occupational fraud in mainly three ways, as set out below.

First, the Manager offers fair compensation packages, based on practices of pay-for-performance and promotion based on merit to its employees. The Manager also provides various healthcare subsidies and financial assistance schemes to alleviate the common financial pressures its employees may face.

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

Finally, the Manager seeks to build and maintain the right organisational culture through its core values, educating its employees on good business conduct and ethical values.

Fraud, Bribery and Corruption Risk Management Policy

In line with its core values, the Manager is committed to doing business with integrity. This is reflected in its longstanding zero tolerance stance against fraud, bribery and corruption. Consistent with this commitment, various policies and guidelines are in place to guide all employees of the Manager to maintain the highest standards of integrity in their work and business dealings. This includes clear guidelines and procedures for the giving and receipt of corporate gifts and concessionary offers, and an annual pledge by all employees of the Manager to uphold the Manager's core values and to not engage in any corrupt or unethical practices. The Manager's zero tolerance policy on bribery and corruption extends to its business dealings with third parties. Pursuant to this policy, the Manager requires that certain agreements incorporate anti-bribery and anti-corruption provisions.

The Manager's employees adhere to CL's Fraud, Bribery and Corruption Risk Management Policy (FBC Risk Management Policy). The FBC Risk Management Policy reiterates the strong stance against fraud, bribery and corruption, and sets the overarching approach and standards in managing fraud, bribery and corruption risks in an integrated, systematic and consistent manner. The Manager's stance against bribery and corruption is also reiterated by Management during its regular staff communication sessions.

Whistle-Blowing Policy

A whistle-blowing policy and other procedures are put in place to provide the Manager's employees and parties who have dealings with the Manager with well defined, accessible and trusted channels to report suspected fraud, corruption, dishonest practices or other improprieties in the workplace, and for the independent investigation of any reported incidents and appropriate follow up action. The objective of this policy is to encourage the reporting of such matters so that employees or external parties making any reports in good faith will be able to do so with the confidence that they will be treated fairly and, to the extent possible, be protected from reprisal. The AC reviews all whistle-blowing complaints at its scheduled meetings. Independent, thorough investigation and appropriate follow up actions are taken. The outcome of each investigation is reported to the AC. All employees of the Manager are informed of this policy which is made available on CL Group's intranet.

Business Continuity Management

The Manager has implemented a Business Continuity Management (BCM) programme that puts in place the prevention, detection, response and, business recovery and resumption measures to minimise the impact of adverse business interruptions or unforeseen events on the CICT Group's operations and also has in place a Business Continuity Plan (BCP). Under the BCP, Management has identified the critical business functions, processes and resources, and is able to tap on a pool of CL Group's employees who are trained under a Business Psychological Resilience Programme to provide peer support to colleagues following the occurrence of adverse events. As part of the BCP, periodic desktop exercises and drills, simulating different scenarios, are carried out to stress-test the effectiveness of processes, procedures and escalation protocols. This holistic approach under the BCP serves to ensure organisational and staff preparedness and readiness to deal with adverse business disruptions such as acts of terrorism, cyber attacks, data breaches and epidemics. This approach aims to minimise financial loss to CICT, allow the Manager to continue to function as the manager of CICT and mitigate any negative effects that the disruptions could have on the Manager's reputation, operations and ability to remain in compliance with relevant laws and regulations. The Manager has also acquired insurance policies for the CICT Group on business interruption events.

Anti-Money Laundering and Countering the Financing of Terrorism Measures

As a holder of a Capital Markets Services Licence issued by MAS, the Manager abides by the MAS' guidelines on the prevention of money laundering and countering the financing of terrorism. Under these guidelines, the main obligations of the Manager are:

(a) evaluation of risk;
(b) customer due diligence;
(c) suspicious transaction reporting;
(d) record keeping;
(e) employee and CMSL Representative screening; and
(f) training.

The Manager has in place a policy on the prevention of money laundering and terrorism financing and remains alert at all times to suspicious transactions. Enhanced due diligence checks are performed on counterparties where there is a suspicion of money laundering or terrorism financing. Suspicious transactions will also be reported to the Suspicious Transaction Reporting Office of the Commercial Affairs Department.

Under this policy, all relevant records or documents relating to business relations with the CICT Group's customers or transactions entered into must be retained for a period of at least five years following the termination of such business relations or the completion of such transactions.

All prospective employees, officers and CMSL Representatives of the Manager are also screened against various money laundering and terrorism financing information sources and lists of designated entities and individuals provided by MAS. Periodic training is provided by the Manager to its Directors, employees and CMSL Representatives to ensure that they are updated and aware of applicable anti-money laundering and countering of terrorism financing regulations, the prevailing techniques and trends in money laundering and terrorism financing and the measures adopted by the Manager to combat money laundering and terrorism financing.

COMPOSITION OF BOARD COMMITTEES IN FY 2020

Board Members	Audit Committee	Executive Committee[#]
Teo Swee Lian, C	–	–
Tony Tan Tee Hieong, CEO	–	M
Tan Kian Chew[1]	–	–
Ng Chee Khern[2]	M[2]	–
Lee Khai Fatt, Kyle	C	–
Fong Kwok Jen[3]	M	–
Gay Chee Cheong[4]	M[4]	–
Quek Bin Hwee[5]	M	–
Ng Wai King[6]	M	–
Jason Leow Juan Thong[7]	–	C
Jonathan Yap Neng Tong[8]	M	M

Denotes: C - Chairman M - Member CEO - Chief Executive Officer

Given the nature and scope of the work of the EC, their business was discussed/transacted primarily through conference call, correspondence and informal meetings.
1 Mr Tan Kian Chew stepped down as Non-Executive Non-Independent Director with effect from 3 November 2020.
2 Mr Ng Chee Khern was appointed as member of the AC with effect from 4 June 2020. Mr Ng stepped down as Non-Executive Independent Director with effect from 3 November 2020 and relinquished his role as member of the AC on the same day.
3 Mr Fong Kwok Jen stepped down as Non-Executive Independent Director with effect from 3 November 2020. Mr Fong also relinquished his role as member of the AC on the same day.
4 Mr Gay Chee Cheong was on leave of absence with effect from 4 June 2020 and relinquished his role as member of the AC on the same day. Mr Gay stepped down as Non-Executive Independent Director with effect from 3 November 2020.
5 Mrs Quek Bin Hwee was appointed as Non-Executive Independent Director and member of the AC with effect from 3 November 2020.
6 Mr Ng Wai King was appointed as Non-Executive Independent Director and member of the AC with effect from 3 November 2020.
7 Mr Jason Leow Juan Thong stepped down as Non-Executive Non-Independent Director with effect from 1 January 2021. Mr Leow also relinquished his role as Chairman of the EC on the same day.
8 Mr Jonathan Yap Neng Tong was appointed as Chairman of the EC with effect from 1 January 2021.

ATTENDANCE RECORD OF MEETINGS OF UNITHOLDERS, BOARD AND BOARD COMMITTEES IN FY 2020[1]

	Board[8]	Audit Committee[9]	AGM	EGM
No. of Meetings Held	9	7	1	1
Board Members				
Teo Swee Lian	100%	–	100%	100%
Tony Tan Tee Hieong	100%	–	100%	100%
Tan Kian Chew[2]	100%	–	100%	100%
Ng Chee Khern[3]	87.50%	100%	100%	100%
Lee Khai Fatt, Kyle	100%	100%	100%	100%
Fong Kwok Jen[4]	100%	100%	100%	100%
Gay Chee Cheong[5]	100%	100%	100%	–
Quek Bin Hwee[6]	100%	100%	N.A.	N.A.
Ng Wai King[7]	100%	100%	N.A.	N.A.
Jason Leow Juan Thong	88.89%	–	100%	100%
Jonathan Yap Neng Tong	100%	100%	100%	100%

N.A.: Not Applicable.

1 All Directors are required to attend Board and/or Board Committee meetings called, in person or via audio or video conference, unless required to recuse. Attendance is marked against the Board and Board Committee meetings each Director is required to attend, and the percentage computed accordingly.
2 Mr Tan Kian Chew stepped down as Non-Executive Non-Independent Director with effect from 3 November 2020.
3 Mr Ng Chee Khern was appointed as member of the AC with effect from 4 June 2020. Mr Ng stepped down as Non-Executive Independent Director with effect from 3 November 2020 and relinquished his role as member of the AC on the same day.
4 Mr Fong Kwok Jen stepped down as Non-Executive Independent Director with effect from 3 November 2020. Mr Fong also relinquished his role as member of the AC on the same day.
5 Mr Gay Chee Cheong was on leave of absence with effect from 4 June 2020 and relinquished his role as member of the AC on the same day. Mr Gay stepped down as Non-Executive Independent Director with effect from 3 November 2020.
6 Mrs Quek Bin Hwee was appointed as Non-Executive Independent Director and member of the AC with effect from 3 November 2020 (which was after the AGM and the EGM).
7 Mr Ng Wai King was appointed as Non-Executive Independent Director and member of the AC with effect from 3 November 2020 (which was after the AGM and the EGM).
8 Included five ad hoc Board Meetings.
9 Included three ad hoc AC Meetings.

KEY MANAGEMENT PERSONNEL'S REMUNERATION TABLE

Key Management Personnel's Remuneration Table for FY 2020

Remuneration	Components of remuneration			
	Salary and employer's CPF	Bonus and other benefits inclusive of employer's CPF[1]	Award of Units[2]	Total
CEO				
Tony Tan Tee Hieong	41%	30%	29%	**100%**
Remuneration band for CEO: Above S$750,000 to S$1,000,000				
Key Management Personnel (excluding CEO)				
Cindy Chew Sze Yung **Lo Mun Wah**[3] (for the period from 1 January 2020 to 27 October 2020) **Ho Mei Peng**[4] (for the period from 28 October 2020 to 31 December 2020) **Jacqueline Lee Yu Ching**	59%	27%	14%	**100%**
Aggregate of total remuneration for key management personnel (excluding CEO): S$1,215,904				

1 The amounts disclosed include bonuses earned which have been accrued for in FY 2020.
2 The proportion of value of the Unit awards is based on the fair value of the Units comprised in the contingent awards under the CapitaLand Integrated Commercial Trust Management Limited Restricted Unit Plan (RUP) and CapitaLand Integrated Commercial Trust Management Limited Performance Unit Plan (PUP) at the time of grant in FY 2020. The final number of Units released under the contingent awards of Units for the RUP and PUP will depend on the achievement of pre-determined targets and subject to the respective vesting period under the RUP and PUP.
3 Ms Lo Mun Wah was transferred from the Manager to take on a position in CL Group with effect from 28 October 2020.
4 Ms Ho Mei Peng was appointed as Head, Investor Relations, with effect from 28 October 2020.

NON-EXECUTIVE DIRECTORS' REMUNERATION TABLE FOR FY 2020

	Components of Directors' fees [1, 2] (S$)		
	Cash component	Unit component [2]	Total (S$)[3]
Non-Executive Directors			
Teo Swee Lian	93,480	23,370	116,850
Tan Kian Chew[5]	51,059	0	51,059
Ng Chee Khern[6]	60,777	0	60,777
Lee Khai Fatt, Kyle	81,320	20,330	101,650
Fong Kwok Jen[7]	74,412	0	74,412
Gay Chee Cheong[8]	55,194	0	55,194
Quek Bin Hwee[9]	10,392	2,598	12,990
Ng Wai King[10]	10,392	2,598	12,990
Jason Leow Juan Thong	N.A.[4]	N.A.[4]	N.A.[4]
Jonathan Yap Neng Tong	N.A.[4]	N.A.[4]	N.A.[4]
Aggregate of remuneration for Non-Executive Directors: S$485,922.00			

N.A.: Not Applicable.

1 Inclusive of attendance fees of (a) S$2,000 (local meeting) and S$5,000 (overseas meeting) per meeting attendance in person, (b) S$1,700 per meeting attendance via audio or video conference, (c) S$1,000 per meeting attendance at project and verification meetings, and (d) S$500 per meeting attendance via audio or video conference at project and verification meetings. Attendance fees at project and verification meetings are subject to a maximum of S$10,000 per Director per annum.

2 Each non-executive Director (save for non-executive Directors who are employees of CL Group) shall receive up to 20% of his or her Director's fees in the form of Units (subject to truncation adjustments). The remainder of the Director's fees shall be paid in cash. No new Units will be issued for this purpose as these Units will be paid by the Manager from the Units it holds.

3 In solidarity with CICT's stakeholders, the Board agreed to a voluntary 5% reduction in the total FY 2020 fees for each Director.

4 Non-executive Directors who are employees of CL Group do not receive Directors' fees.

5 Mr Tan Kian Chew stepped down as Non-Executive Non-Independent Director with effect from 3 November 2020. Mr Tan will receive all his Director's fees for FY 2020 in cash.

6 Mr Ng Chee Khern was appointed as member of the AC with effect from 4 June 2020. Mr Ng stepped down as Non-Executive Independent Director with effect from 3 November 2020 and relinquished his role as member of the AC on the same day. All Director's fees payable to Mr Ng, a public officer, will be paid in cash to a government agency, The Directorship & Consultancy Appointments Council.

7 Mr Fong Kwok Jen stepped down as Non-Executive Independent Director with effect from 3 November 2020. Mr Fong also relinquished his role as member of the AC on the same day. Mr Fong will receive all his Director's fees for FY 2020 in cash.

8 Mr Gay Chee Cheong was on leave of absence with effect from 4 June 2020 and relinquished his role as member of the AC on the same day. Mr Gay stepped down as Non-Executive Independent Director with effect from 3 November 2020. Mr Gay will receive all his Director's fees for FY 2020 in cash.

9 Mrs Quek Bin Hwee was appointed as Non-Executive Independent Director and member of the AC with effect from 3 November 2020.

10 Mr Ng Wai King was appointed as Non-Executive Independent Director and member of the AC with effect from 3 November 2020.

ENTERPRISE RISK MANAGEMENT

CapitaLand Integrated Commercial Trust and its subsidiaries (CICT Group) takes a proactive approach to risk management, making it an integral part of CICT Group's business – both strategically and operationally. The objective is not risk minimisation, but rather the optimisation of opportunities within the known and agreed risk appetite levels set by our Board of Directors (Board). We take measured risks in a prudent manner for justifiable business reasons.

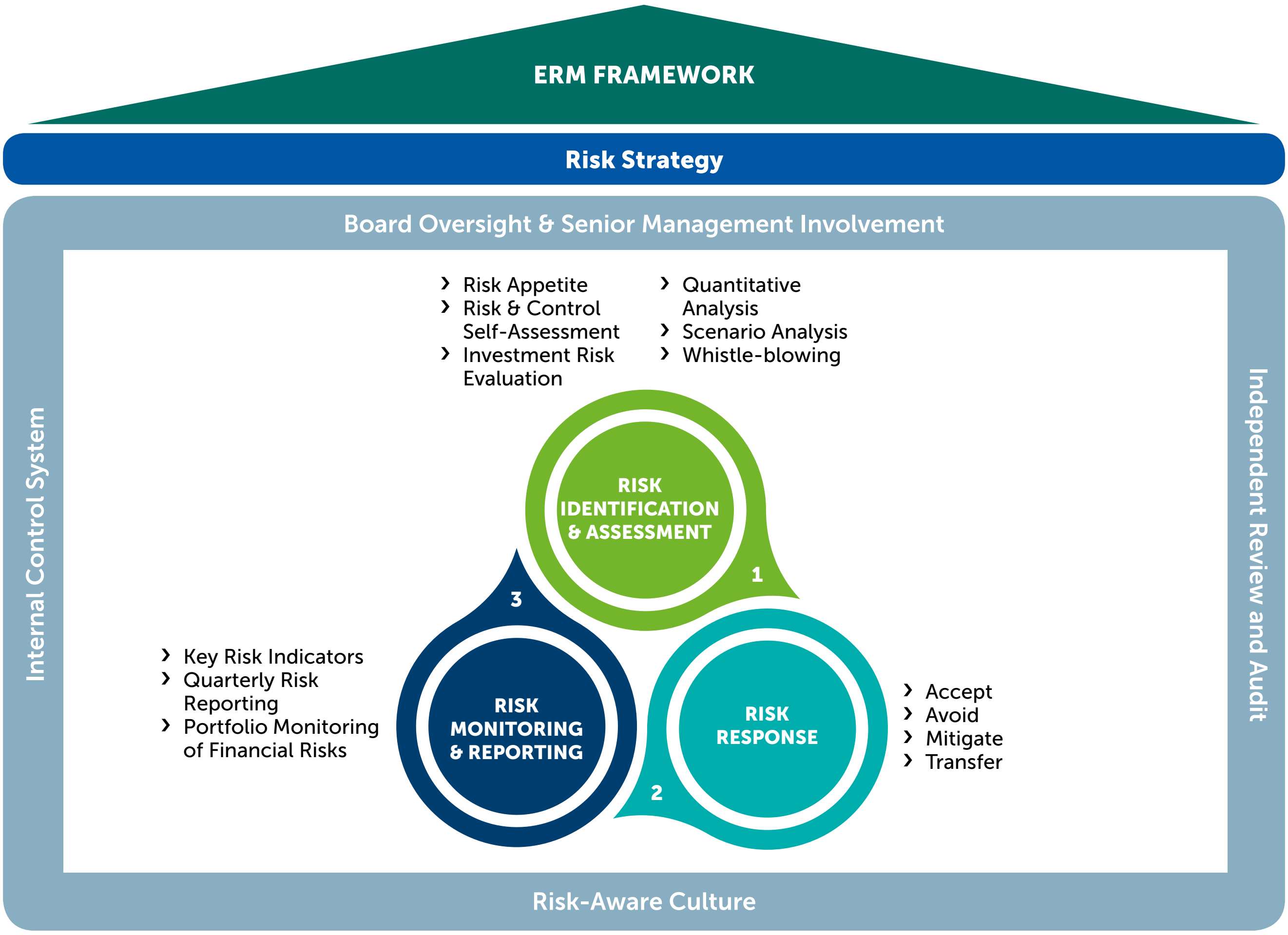
GOVERNANCE

The Board is responsible for the governance of risks across the CICT Group. The role of the Board includes determining CICT Group's risk appetite; overseeing the Manager's Enterprise Risk Management (ERM) Framework; regularly reviewing CICT Group's risk profile, material risks and mitigation strategies; and ensuring the adequacy and effectiveness of the risk management framework and policies. For these purposes, the Board is assisted by the Audit Committee (AC) which provides dedicated oversight of risk management at the Board level, including adhoc risk matters referred to it by the Board.

The AC, made up of four independent Board members and one non-independent Board member, meets on a regular basis. The meetings are attended by the Chief Executive Officer (CEO) as well as other key management personnel of the Manager.

The Board approves CICT Group's risk appetite, which determines the nature and extent of material risks that CICT Group is willing to take to achieve its strategic and business objectives. CICT Group's Risk Appetite Statement (RAS) is expressed via formal, high-level and overarching statements and accompanying risk limits which determine specific risk boundaries established at an operational level. Taking the interests of all key stakeholders into consideration, the RAS sets out explicit and forward-looking views of CICT Group's desired risk profile and ensures it is aligned with CICT Group's strategies and business plans.

The CEO, together with a team of other key management personnel, is responsible for directing and monitoring the development, improvement, implementation and practice of ERM across CICT Group.



CICT Group's ERM Framework is adapted from the International Organisation for Standardisation (ISO) 31000 International Risk Management Standards. It is also guided by the Committee of Sponsoring Organisations of the Treadway Commission (COSO) Internal Control-Integrated Framework and 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 and updated in compliance with latest regulatory requirements as well as best practices in the industry.

A robust internal control system and an effective, independent review and audit process underpin the Manager's ERM Framework. While line management is responsible for the design and implementation of effective internal controls using a risk-based approach, CapitaLand's Internal Audit function 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.

CICT Group's ERM programme is based on fostering the right risk culture. The Manager works closely with CapitaLand's Group Risk Management Department (GRM) to conduct regular workshops to enhance risk management knowledge and promote a culture of risk awareness. Risk management principles are embedded in all our decision-making and business processes. Once a year, the Manager coordinates a CICT Group's Risk and Control Self-Assessment (RCSA) exercise. This requires the respective risk and control owners to identify, assess and document material risks which include Environment, Social and Governance (ESG)- relevant risks; along with their key controls and mitigating measures. Material risks and their associated controls are consolidated and reviewed by the Manager before they are presented to the AC and the Board.

MANAGING MATERIAL RISKS

The Manager takes a comprehensive, iterative approach in identifying, managing, monitoring and reporting material risks across CICT Group. These material risks include:

Material Risks	Details	Key Mitigating Actions
Business Interruption	› Exposure to sudden and major disaster events such as pandemic, terrorist attacks, fires, prolonged power outages or other major infrastructure or equipment failures could cause business interruption which may significantly disrupt operations at the properties. › Business disruptions arising from COVID-19 pandemic has negatively impacted the real estate industry, particularly the retail and office and resulting in potential structural disruption shifts in these asset classes. › It accelerated the pace of pre-existing trends on digital adoption, which has disrupted and transformed the real estate industry to an even greater extent. › It also spurred stakeholders' attention on the diversification and resilience in CICT Group's supply chain.	› Ensure that there are emergency preparedness and standard operating procedures in place at each of our properties. › Our Property Managers are prepared to manage the situations together with the police and civil defence force in the event of terrorist attacks and sabotages. › Ensure business interruption insurance coverage are adequately purchased. › Continue to place well-being of our tenants, shoppers and customers as top priority by adopting contactless technologies and innovative tech solutions to enhance the safety, cleanliness and hygiene at CICT Group's properties. › Future proof CICT Group's business through digitalisation of business operations and processes, innovation and flexibility in CICT Group's product offerings such as accelerating our omnichannel solutions, assisting our customers with digital transition, optimising the use-of-space, providing flexible work space and extending offerings in the new norm. › Lookout for counter-cyclical opportunities that will strategically uplift CICT Group's growth trajectory. › Build collaborative relationships and work closely with supply chain contractors, vendors and suppliers to achieve environmental and social goals through CapitaLand's Supply Chain Code of Conduct.

ENTERPRISE RISK MANAGEMENT

Material Risks	Details	Key Mitigating Actions
Climate Change	› Physical risks such as rising sea levels, violent storms, long intense heat waves, flash floods and fresh water depletion. › Transitional risks including potentially more stringent regulations and increased expectations from stakeholders.	› Regularly review CICT Group's mitigation and adaptation efforts, which include future proofing our portfolio and improving the operational efficiency of our properties by setting targets for carbon emissions, water, energy and waste efficiency. › CapitaLand has in place a Group environmental management system which is externally certified to ISO 14001.
Competition	› Keen industry competition from established and new players who are able to attract our customers' attention by meeting their expectations or reacting aptly to market trends.	› Constantly strive to differentiate ourselves from our peers by engaging customers with customer-centric initiatives and loyalty programmes. › Focus on building key enablers that give CICT Group a competitive advantage amidst competition and digital disruption, such as embarking on digital transformation in our processes, enhancing our data analytics capabilities to speed up data-driven decisions, and leveraging on innovation tools and solutions to assist our customers to pivot to the new digital operating model. › Leverage an in-house team of industry analysts to keep CICT Group on top of latest market trends. › Actively monitor relevant leasing transactions in the market to ensure rental competitiveness of CICT Group's properties. › Constant stream of customer-centric initiatives and a shopper loyalty programme also help set us apart. › Achieve tenant retention through tenant-centric management and engagements.
Credit	› Exposure to potential volatility in earnings caused by tenants' failure to fulfil their contractual lease payment obligations, as and when these are due.	› Minimise credit risk through a stringent collection policy. › Collect upfront payment of security deposit of an amount typically equivalent to three months' rent. › Maintain vigilant debt monitoring and collection procedures.
Economic	› Exposure to event risks, such as pandemic, political leadership uncertainties/changes, trade wars, economic downturns and sudden changes in real estate-related regulations, in major economies as well as key financial and property markets.	› Disciplined approach to financial management and a well-balanced portfolio. › Actively monitor macroeconomic trends, policies and regulatory changes in key markets.

Material Risks	Details	Key Mitigating Actions
Fraud, Bribery & Corruption	› Any forms of fraud, bribery and corruption that could be perpetuated by employees, third parties or collusion between employees and third parties.	› Promote an ethical culture at all levels of the CapitaLand Group that builds strong foundations for a leading real estate company through constant education and awareness exercises. › Adopt a zero-tolerance stance against fraud, bribery and corruption in the conduct of business and reinforce the importance of integrity – one of CapitaLand Group's core values. › Communicate the commitment to integrity from the top through policies in place, such as Fraud, Bribery & Corruption (FBC) Risk Management Policy, Whistle-blowing Policy, Ethics and Code of Business Conduct Policies and Anti-Money Laundering and Countering the Financing of Terrorism Policy. › All employees are to sign the CapitaLand Pledge to renew their commitment to uphold the Group's core values annually.
Information Technology/ Cyber Security	› Ongoing business digitalisation exposes the business to IT-related threats, which may result in compromising the confidentiality, integrity and availability of CICT Group's information assets and/ or systems. This may have negative impact to customer experience, financials and/or regulatory compliance.	› The outsourced Information Technology (IT) from CapitaLand executes its Cyber Security Strategy through ongoing review against existing/evolving threat landscapes and institute measures to minimise vulnerability exposure and manage threat vectors. › Roll out ongoing staff IT Security Awareness Training to counter human intervention in the information security chain. › Maintain and test IT Security Incident Management Procedure to ensure prompt response and timely remediation to cyber security incident. › Conduct annual Disaster Recovery Plan (DRP) 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.
Interest Rate & Foreign Currency	› Exposure to interest rate volatility from floating rate debts. › Exposure to foreign exchange volatility for bonds issued in foreign currencies.	› Adopt natural hedging where possible, by borrowing in the same currency as the revenue stream generated from our investments. › Actively review and maintain an optimal mix of fixed and floating rate borrowings. › Seek to minimise the level of interest rate risk by borrowing at fixed rate or hedging through interest rate swaps. › Seek to minimise foreign currency risks by entering into cross currency swaps to hedge the foreign currency denominated bonds into SGD for both the principal amount and the periodic interest payments.

ENTERPRISE RISK MANAGEMENT

Material Risks	Details	Key Mitigating Actions
Investment & Divestment	› Deployment of capital into loss-making or below target return investments such as asset enhancement initiatives, property acquisition or redevelopment, and greenfield developments. › Inadequate planning to identify suitable divestment opportunities.	› Evaluate all investments against a rigorous set of investment criteria which includes potential for growth in yield, rental sustainability and potential for value creation. › Board reviews and approves all major investment and divestment decisions. › Conduct rigorous due diligence reviews on all investment and divestment proposals where key financial assumptions are reviewed, and sensitivity analysis are performed on key variables. › Identify potential risks associated with proposed projects and issues that may affect smooth implementation or attainment of projected outcomes at the evaluation stage and devise action plans to mitigate such risks as early as possible.
Sales & Leasing	› Strong competition, poor economic and market conditions are some key factors that could result in key tenants not renewing their leases, adversely affecting the leasing performance of CICT Group's properties.	› Establish and maintain a diversified tenant base and sustainable trade mix. › Proactive tenant management strategies to understand and address customers' changing needs. › Proactive tenant management strategies in line with the malls and workspaces' positioning are in place. › Closely monitor tenants' sales performance and maintain positive relationships and rapport with retailers to build loyalty with CICT Group's properties. › Plan asset enhancement initiatives (AEIs) to maintain relevance and appeal of CICT Group's assets.
Funding & Liquidity	› Poor management of cash flows can result in funding gaps which may lead to financial losses and defaults, delays in project completion and negative reputational impact.	› Actively monitor CICT's Group's debt maturity profile, operating cash flows and the availability of funding to ensure that there are sufficient liquid reserves, in the form of cash and banking facilities, to finance CICT Group's operations and AEIs. › Access to various sources of funds from both banks and capital markets to minimise over-reliance on single source of funds for any funding or refinancing requirements.

Material Risks	Details	Key Mitigating Actions
Political & Policy	› Exposure to political leadership uncertainty, inconsistent public policies, social unrest, change in property-related events and others. › Such risks may have a direct impact to the economic and sociopolitical environment, which may in turn affect the financial viability of CICT Group' investments.	› Focus on investments in developed markets such as Singapore and other key gateway cities, with the latter comprising up to 20% of CICT's portfolio property value. › Keeping abreast with economic and political development and policy changes. › CICT Group's Operations are managed by experienced managers and teams familiar with local conditions and cultures.
Project Management	› Inability to meet the project's key deliverables in relation to cost, quality and time to completion which may adversely impact profitability of CICT Group.	› Conduct regular site visits to closely monitor progress of development projects. › Appoint vendors through a stringent pre-qualification procedure to assess key criteria such as vendors' track records and financial performance. › Leverage CapitaLand's in-house teams of experienced technical staff to provide guidance and independent audit checks on safety, quality of architectural design, and mechanical and electrical engineering detailing.
Regulatory & Compliance	› Non-compliance to applicable laws and regulations in the markets CICT Group operates in which may lead to hefty penalties/fines and negative publicity.	› Maintain a framework that proactively identifies the applicable laws and regulations, and embeds compliance into day-to-day operations. › Leverage CapitaLand's in-house specialised teams such as compliance and tax that provide advisory services and updates on latest changes to laws and regulations. › Report significant regulatory non-compliance cases to the AC on a quarterly basis for oversight by the Board.
Safety, Health & Well-being	› Increased expectations from stakeholders to provide safe and healthy environment, including well-being, at our development projects and operating properties.	› Regularly review CICT Group's mitigation efforts which include work-related safety targets applicable to both CICT Group and its supply chains. › CapitaLand has in place a Group, health and safety management system which is externally certified to ISO 45001.

OPERATIONS REVIEW

GEOGRAPHIC EXPOSURE BY PORTFOLIO PROPERTY VALUE

96% Singapore

4% Germany

Predominantly Singapore-focused

4Q 2020 NET PROPERTY INCOME BY ASSET TYPE

45.7% Retail

28.9%[1] Office

25.4%[2] Integrated Development

TOTAL NET LETTABLE AREA

10.4 million sq ft

RETAIL PORTFOLIO INFORMATION

RETAIL OCCUPANCY RATE

98.0%

RETAIL WEIGHTED AVERAGE LEASE EXPIRY BY MONTHLY GROSS RENTAL INCOME

1.8 Years

4Q 2020 TENANTS' SALES

101.3% Suburban Mall Average Recovery

83.7% Downtown Mall Average Recovery

OFFICE PORTFOLIO INFORMATION

OFFICE OCCUPANCY RATE

94.9%

OFFICE WEIGHTED AVERAGE LEASE EXPIRY BY MONTHLY GROSS RENTAL INCOME

2.9 Years

RETURNING SINGAPORE OFFICE COMMUNITY

Approximately 43%

for the Week Ended 15 Jan 2021

INTEGRATED DEVELOPMENT PORTFOLIO INFORMATION

INTEGRATED DEVELOPMENT OCCUPANCY RATE

97.8%

INTEGRATED DEVELOPMENT WEIGHTED AVERAGE LEASE EXPIRY BY MONTHLY GROSS RENTAL INCOME

4.7 Years

1 Income contribution from office assets is from 21 October to 31 December 2020 but excludes One George Street, a joint venture.
2 Income contribution from Raffles City Singapore is from 21 October to 31 December 2020.

Note: Above information is as at 31 December 2020, unless otherwise stated.

Following the merger between CMT and CCT, CICT has a portfolio property value of S$22.3 billion as at 31 December 2020 comprising 11 retail assets, eight office assets and five integrated development assets. The operating assets have a total net lettable area of 10.4 million sq ft. Predominantly Singapore-focused, CICT has 4% of its portfolio property value in Germany.

As a leading integrated commercial REIT underpinned by resilience and growth, CICT's value creation strategy aims to deliver stable distributions and sustainable returns to Unitholders. The immediate-term plan is to complete ongoing asset enhancement initiatives (AEIs) and redevelopments as well as to continue with proactive leasing and tenant mix repositioning, while the medium-to-long-term plan is to identify potential assets for AEIs and redevelopment.

In 2020, the transformation of a former anchor-tenant space at Westgate's Basement 1 and 2 was completed. With approximately 31,000 sq ft reconfigurated space at Basement 1, Harvey Norman and Timezone opened in December 2020. Timezone has its largest outlet in Westgate offering many exciting games as well as a mini bowling alley. At Basement 2, Eccellente by HAO mart opened in October 2020. The supermarket retailer sources popular international products from around the world apart from having an extensive range of daily necessities, providing a fresh grocery shopping experience for shoppers in the West.

Positioning for long-term growth, Lot One Shopper's Mall (Lot One), Six Battery Road and 21 Collyer Quay are undergoing AEIs. The completion of these AEIs were delayed by the COVID-19 pandemic and circuit breaker[1] .

To innovate learning experiences, the library at Lot One is expanding from Level 4 to Level 5. On Level 5 and 6, the cinema is reformatting its four big halls into eight smaller halls with a refreshed look and an upgrade in facilities. Temporary Operation Permit for the additional space was obtained on 29 October 2020 and handed over to most tenants for internal fit-out works. Both library and cinema are targeted to open in 2H 2021.

At Six Battery Road, the podium commenced its facelift in January 2020 to debut new F&B offerings and Standard Chartered Bank's new flagship branch. Meanwhile, most of the office tower remains in operation and the AEI is targeted to complete in end-2021.

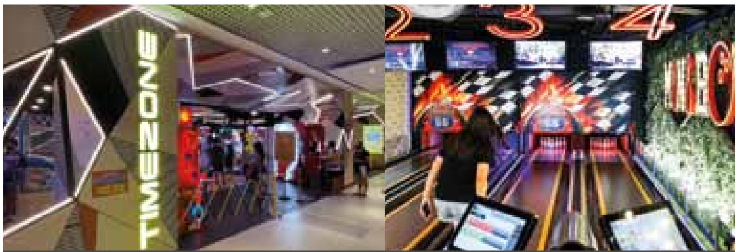
Over at 21 Collyer Quay, with the end of the HSBC's lease in April 2020, upgrading works commenced post-circuit breaker. The seven-year lease to WeWork is expected to commence in early 4Q 2021. Recognised for its building enhancements, 21 Collyer Quay was certified BCA Green Mark Platinum on 1 December 2020.

Progressing with redevelopment works at Market Street, the 51-storey CapitaSpring achieved its topping out on 19 January 2021. On track for completion in 2H 2021, CapitaSpring had achieved a committed occupancy of 38% as at 19 January 2021, with another 22% under advanced negotiation. Tenants who have committed their leases at CapitaSpring include J.P. Morgan, Square Point, Saxo Markets and The Work Project.

TRANSFORMATION OF FORMER ANCHOR TENANT SPACE AT WESTGATE

Basement 1

Harvey Norman opened in December 2020



Timezone opened its largest outet in December 2020

Basement 2

Eccellente by HAO mart opened in October 2020

Brands such as CHICHA SAN CHEN and Beverly Hills Cheesecake within the supermart.

1 The circuit breaker was a partial lockdown with a stay-at-home order and cordon sanitaire implemented as a preventive measure by the Government of Singapore in response to the COVID-19 pandemic in the country from 7 April 2020 to 1 June 2020. Officially, the circuit breaker was enforced by the COVID-19 (Temporary Measures) (Control Order) Regulations 2020 published on 7 April 2020.

PORTFOLIO VALUATIONS AND CAP RATE ASSUMPTIONS LARGELY UNCHANGED

Although a REIT is only required to value its assets once a year, both CICT (formerly CMT) and CCT conducted independent valuation of its portfolio both in June and December 2020. Effective financial year 2021, CICT will report its independent valuation once a year, unless required otherwise. The methodologies applied to the independent valuations in FY 2020 includes the discounted cashflow method, the income capitalisation approach, the residual land value approach and the market comparable approach.

Independent valuations for Retail and Integrated Development properties (excluding CapitaSpring) as at 30 June 2020 declined as compared to 31 December 2019 mainly due to the effects of the COVID-19 pandemic on the market rental rate assumptions as well as the provision of one-off rental rebates to qualified tenants. The independent valuations for the same properties as at 31 December 2020 were largely stable or increased slightly as the economic situation stabilises. The exception was Raffles City Singapore which declined further partly attributed to the pre-termination of Robinsons' lease.

For the Office properties and CapitaSpring which were acquired in the second half of 2020, independent valuations as at 31 December 2020 versus six months ago were largely stable with some marginal declines of certain properties due to lower market rental rate assumptions of office properties as a result of the ongoing COVID-19 pandemic.

RETAIL PORTFOLIO VALUATIONS

	Valuation as at 31 Dec 20	Valuation as at 30 Jun 20	Valuation as at 31 Dec 19	Variance (31 Dec 20 vs 30 Jun 20)		Variance (31 Dec 20 vs 31 Dec 19)		Valuation as at 31 Dec 20 S$ per sq ft
	S$ million	S$ million	S$ million	S$ million	%	S$ million	%	NLA
Bugis Junction	1,087.0	1,087.0	1,106.0	0.0	0.0	(19.0)	(1.7)	2,742
Westgate	1,087.0	1,087.0	1,131.0	0.0	0.0	(44.0)	(3.9)	2,657
Tampines Mall	1,074.0	1,072.0	1,085.0	2.0	0.2	(11.0)	(1.0)	3,015
Junction 8	794.0	794.0	799.0	0.0	0.0	(5.0)	(0.6)	3,125
Bedok Mall	779.0	779.0	794.0	0.0	0.0	(15.0)	(1.9)	3,502
IMM Building	670.0	660.0	675.0	10.0	1.5	(5.0)	(0.7)	695
Lot One Shoppers' Mall	531.0	531.0	537.0	0.0	0.0	(6.0)	(1.1)	2,332
Clarke Quay	394.0	394.0	414.0	0.0	0.0	(20.0)	(4.8)	1,344
Bugis+	353.0	353.0	357.0	0.0	0.0	(4.0)	(1.1)	1,647
Bukit Panjang Plaza	334.5	324.0	330.0	10.5	3.2	4.5	1.4	2,044
JCube	276.0	276.0	288.0	0.0	0.0	(12.0)	(4.2)	1,314
Total	**7,379.5**	**7,357.0**	**7,516.0**	**22.5**	**0.3**	**(136.5)**	**(1.8)**	

INTEGRATED DEVELOPMENT PORTFOLIO VALUATIONS

	Valuation as at 31 Dec 20	Valuation as at 30 Jun 20	Valuation as at 31 Dec 19	Variance (31 Dec 20 vs 30 Jun 20)		Variance (31 Dec 20 vs 31 Dec 19)		Valuation as at 31 Dec 20
	S$ million	S$ million	S$ million	S$ million	%	S$ million	%	S$ per sq ft NLA
Raffles City Singapore	3,179.0	3,266.0[1]	3,384.0	(87.0)	(2.7)	(205.0)	(6.1)	N.M.[2]
Plaza Singapura[3]	1,300.0	1,300.0	1,349.0	0.0	0.0	(49.0)	(3.6)	2,684
The Atrium@ Orchard[3]	750.0	740.0	764.0	10.0	1.4	(14.0)	(1.8)	1,939
Funan	742.0	742.0	775.0	0.0	0.0	(33.0)	(4.3)	1,396
CapitaSpring (45.0%)[4]	466.7	466.7[1]	477.9	0.0	0.0	(11.3)	(2.4)	N.M.
Total	**6,437.7**	**6,514.7**	**6,749.9**	**(77.0)**	**(1.2)**	**(312.3)**	**(4.6)**	

1 For properties acquired as part of the merger, which was completed on 21 October 2020, the amount presented here represents the valuation as at 30 June 2020.
2 Not meaningful because Raffles City Singapore comprises retail and office components, hotels and convention centre.
3 Plaza Singapura and The Atrium@Orchard are considered an integrated development.
4 Based on land value including the differential premium paid for the change of use and increase in plot ratio.

N.M.: Not meaningful
Figures may not add up due to rounding.

OFFICE PORTFOLIO VALUATIONS

	Valuation as at 31 Dec 20 S$ million	Valuation as at 30 Jun 20[3] S$ million	Valuation as at 31 Dec 19 S$ million	Variance (31 Dec 20 vs 30 Jun 20) S$ million	Variance (31 Dec 20 vs 30 Jun 20) %	Variance (31 Dec 20 vs 31 Dec 19) S$ million	Variance (31 Dec 20 vs 31 Dec 19) %	Valuation as at 31 Dec 20 S$ per sq ft NLA
Asia Square Tower 2	2,128.0	2,134.0	2,186.0	(6.0)	(0.3)	(58.0)	(2.7)	2,739
CapitaGreen	1,611.0	1,618.0	1,646.0	(7.0)	(0.4)	(35.0)	(2.1)	2,300
Six Battery Road	1,414.0	1,414.0	1,438.0	0.0	0.0	(24.0)	(1.7)	2,832
Capital Tower	1,389.0	1,389.0	1,394.0	0.0	0.0	(5.0)	(0.4)	1,890
One George Street (50.0%)	561.0	561.0	572.0	0.0	0.0	(11.0)	(1.9)	2,517
21 Collyer Quay	468.0	465.5	466.1	2.5	0.5	1.9	0.4	2,335
Singapore Office	**7,571.0**	**7,581.5**	**7,702.1**	**(10.5)**	**(0.1)**	**(131.1)**	**(1.7)**	
Gallileo, Germany (94.9%)[1]	546.7	558.0	527.6	(11.3)	(2.0)	19.0	3.6	-
Main Airport Center, Germany (94.9%)[2]	399.1	404.8	385.2	(5.8)	(1.4)	13.8	3.6	-
Total	**8,516.7**	**8,544.4**	**8,615.0**	**(27.6)**	**(0.3)**	**(98.3)**	**(1.1)**	

1 Valuation for 100.0% interest in Gallileo was EUR369.8 million as at 31 December 2019, EUR364.7 million as at 30 June 2020 and EUR361.1 million as at 31 December 2020. The conversion rates used for the 31 December 2019 valuation and 31 December 2020 valuation was EUR1 = S$1.504 and EUR1 = S$1.595 respectively.

2 Valuation for 100.0% interest in Main Airport Centre was EUR270.0 million as at 31 December 2019, EUR264.6 million as at 30 June 2020 and EUR263.6 million as at 31 December 2020. The conversion rates used for the 31 December 2019 valuation and 31 December 2020 valuation was EUR1 = S$1.504 and EUR1 = S$1.595 respectively.

3 For properties acquired as part of the merger, which was completed on 21 October 2020, the amount presented here represents the valuation as at 30 June 2020. The Singapore dollar equivalent of the two German assets value was based on conversion rate of EUR1 = S$1.612 as at 20 October 2020 being the date preceding the completion of the merger.

Figures may not add up due to rounding.

In 2020, independent valuations of the properties were conducted by CBRE Pte. Ltd. (CBRE), Colliers International Consultancy & Valuation (Singapore) Pte Ltd (Colliers), Cushman & Wakefield VHS Pte. Ltd. (Cushman), C&W (U.K.) LLP-German Branch (C&W), Jones Lang LaSalle Property Consultants Pte Ltd (JLL), Knight Frank Pte Ltd (Knight Frank) and Savills Valuation and Professional Services (S) Pte Ltd (Savills).

	Valuer as at 31 Dec 20	Valuer as at 30 Jun 20	Cap Rate as at 31 Dec 20 %	Cap Rate as at 30 Jun 20 %
Bugis Junction	Colliers	JLL	4.70	4.70
Westgate	Savills	Colliers[1]	4.50	4.50
Tampines Mall	CBRE	Knight Frank[1]	4.70	4.70
Junction 8	Knight Frank	CBRE	4.70	4.70
Bedok Mall	CBRE	Knight Frank[1]	4.60	4.60
IMM Building	Knight Frank[1]	Knight Frank[1]	Retail: 6.20 Warehouse: 7.00	Retail: 6.20 Warehouse: 7.00
Lot One Shoppers' Mall	Cushman	Knight Frank	4.70	4.70
Clarke Quay	Colliers	CBRE[1]	4.85	4.85
Bugis+	Colliers	JLL	5.20	5.20
Bukit Panjang Plaza	Cushman	Knight Frank	4.80	4.80
JCube	Savills	Knight Frank[1]	4.75	4.85
Raffles City Singapore	Knight Frank	CBRE[1]	Retail: 4.70 Office: 3.95 Hotel: 4.75	Retail: 4.70 Office: 3.95 Hotel: 4.75
Plaza Singapura	Savills	Colliers[1]	4.40	4.40
The Atrium@ Orchard	Savills	Colliers[1]	Retail: 4.65 Office: 3.75	Retail: 4.65 Office: 3.75
Funan	Colliers	CBRE[1]	Retail: 4.85 Office: 3.90	Retail: 4.85 Office: 3.90
CapitaSpring (45.0% interest)	Colliers	Knight Frank	N.M.	N.M.
Asia Square Tower 2	Knight Frank	CBRE	3.45	3.45
CapitaGreen	Colliers	CBRE[1]	3.95	3.95
Six Battery Road	Cushman	CBRE[1]	3.45	3.45
Capital Tower	Cushman	Cushman	3.55	3.55
One George Street (50.0% interest)	CBRE	Knight Frank	3.55	3.55
21 Collyer Quay	CBRE	Cushman[1]	3.45	3.45
Gallileo, Germany (94.9% interest)	C&W[1]	C&W[1]	3.90[2]	3.90[2]
Main Airport Center, Germany (94.9% interest)	C&W	C&W	4.25[2]	4.25[2]

1 Valuers were appointed for a third consecutive year as per Property Fund Guidelines in Appendix 6 of the CIS Code which states that a property fund may appoint a valuer to value the same property for a third consecutive financial year only if that financial year ends on or before 31 December 2020 and this fact is disclosed in the property fund's annual report.
2 Refers to exit capitalisation rate at the end of the discounted cash flow.

CICT PORTFOLIO OPERATIONS REVIEW

CICT's portfolio comprises three asset types, namely Retail, Office and Integrated Development. In this review, we have classified our information into four sections – Portfolio Operations Review, Retail Operations Review, Office Operations Review and Integrated Development Operations Review. The retail and office information included the respective retail and office components of integrated developments, unless stated otherwise, in order to show the operating metrics and trends of the sectors.

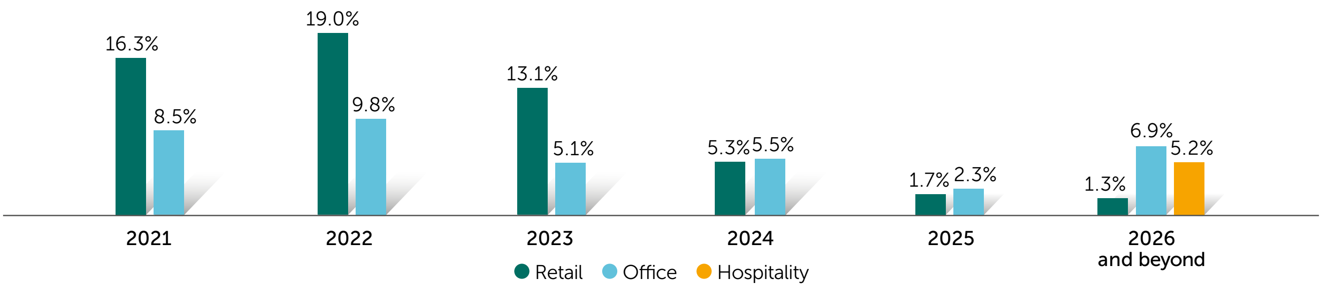
Of the 24 properties in CICT's portfolio, three are freehold namely Plaza Singapura, Gallileo and Main Airport Center while the remaining 21 are leasehold properties.

Well Spread Portfolio Lease Expiry Profile

The portfolio lease expiry profile as at 31 December 2020 is well spread out, with 24.8% and 28.8% of the leases by gross rental income excluding gross turnover rents due for renewal in 2021 and 2022 respectively. The portfolio weighted average lease expiry (WALE) by gross rental income was 3.0 years[1], with the retail leases at 1.8 years, office leases at 2.9 years and the integrated development portfolio at 4.7 years.

1 Based on leases entered into and commenced in 2020, the portfolio WALE would be 2.5 years.

CICT PORTFOLIO LEASE EXPIRY PROFILE[1]



1 Based on 50.0% interest in One George Street, Singapore and 94.9% interest in Gallileo and Main Airport Center, Frankfurt; and WeWork's 7-year lease at 21 Collyer Quay which is expected to commence by early 4Q 2021.

Portfolio Top 10 Tenants

CICT has a diversified mix of retail and office tenants. As at 31 December 2020, no single tenant contributed more than 6.0% to the total monthly gross rental income. Collectively, the top 10 tenants accounted for approximately 21.1% of the total monthly gross rental income.

10 LARGEST TENANTS OF CICT[1]
(As at 31 December 2020)

Tenant	Trade Sector	% of Gross Rental Income[1]
RC Hotels (Pte) Ltd	Hotel	5.7
NTUC Enterprise Co-operative Limited	Supermarket / Beauty & Health / Services / Food & Beverage / Education / Warehouse	2.1
Temasek Holdings (Private) Limited	Financial Services	2.0
Commerzbank AG[2]	Banking	1.8
GIC Private Limited	Financial Services	1.7
BreadTalk Group Limited	Food & Beverage	1.7
Cold Storage Singapore (1983) Pte Ltd	Supermarket / Beauty & Health / Services / Warehouse	1.7
Al-Futtaim Group[3]	Department Store / Fashion / Beauty & Health / Sporting Goods	1.6
Mizuho Bank, Ltd	Banking	1.6
JPMorgan Chase Bank, N.A. (JPM)	Banking	1.2
Total		**21.1**

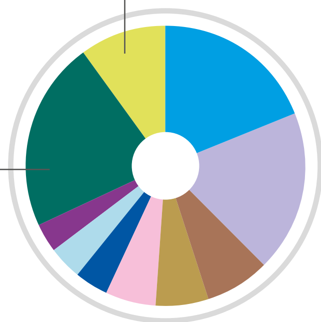
1 Based on gross rental income for the month of December 2020 and excludes gross turnover rent.
2 Based on 94.9% interest in Gallileo, Frankfurt.
3 Includes Robinsons lease which ended on 10 January 2021. About two-thirds of the vacated space will be operational for a short term under the collaboration with BHG and other existing retailers who are signing direct leases with Raffles City Singapore.

Portfolio Trade Mix

CICT's portfolio comprises a varied range of trade sectors as detailed below. As at 31 December 2020, Food & Beverage (F&B) is the largest contributor at 19.0% of portfolio monthly gross rental income, while Banking, Insurance and Financial Services is the second largest contributor at 18.6% of portfolio monthly gross rental income.

TRADE MIX[1] OF CICT PORTFOLIO
(For the month of December 2020)

Other Office Trades	
Energy & Commodities	2.6%
Manufacturing & Distribution	2.1%
Government	2.0%
Legal	1.4%
Maritime & Logistics	1.0%
Others	0.9%
Other Retail and Product Trades	
Services	2.9%
Gifts & Souvenirs / Toy & Hobbies / Books & Stationery / Sporting Goods	2.9%
Supermarket	2.6%
IT & Telecommunications	2.3%
Leisure & Entertainment / Music & Video	2.0%
Home Furnishing	2.0%
Shoes & Bags	2.0%
Electrical & Electronics	1.5%
Jewellery & Watches	1.3%
Others	1.2%
Education	1.0%



Food & Beverage	19.0
Banking, Insurance & Financial Services	18.6
Beauty & Health	7.6
Travel & Hospitality	6.0
Fashion	5.8
Real Estate & Property Services	4.0
IT, Media & Telecommunications	3.9
Department Store	3.4
Other Retail & Product Trades	21.7
Other Office Trades	10.0

1 Based on monthly gross rental income and excludes gross turnover rent.

Sensitivity Analysis

Assuming that the monthly average rental rate is maintained for each month in 2020, it is estimated that 0.5% increase or decrease in occupancy in each month of 2020 would correspondingly result in S$6.3 million increase or decrease in rental income for FY 2020.

The impact on rental income for every 10.0% increase or decrease in rental rates for leases committed in 2020 for renewals, rent reviews and vacant units would be a variance of approximately S$8.6 million for FY 2020.

Sensitivity Analysis: Estimated Rental Income Impact Per Annum	
0.5% increase in occupancy	S$6.3m
0.5% decrease in occupancy	(S$6.3m)
10.0% increase in committed rental rates	S$8.6m
10.0% decrease in committed rental rates	(S$8.6m)

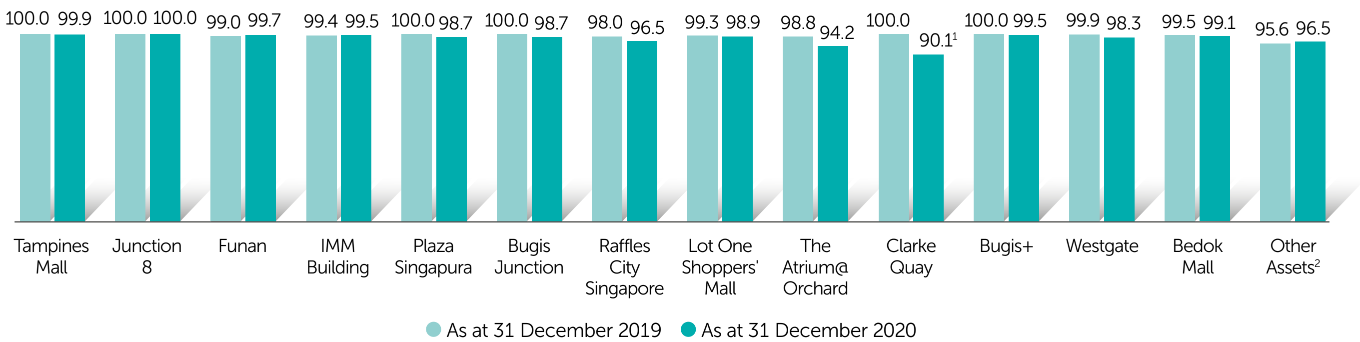
OPERATIONS REVIEW

RETAIL OPERATIONS REVIEW

Healthy Retail Occupancy Maintained

Due to our active asset management and proactive leasing strategy, we maintained a healthy occupancy rate of 98.0% for CICT's retail portfolio as at 31 December 2020. This was above Singapore's retail market occupancy rate of 91.2% for 4Q 2020 based on URA's islandwide retail space occupancy rate.

OCCUPANCY RATE (%)



1 Clarke Quay's occupancy was affected by government-stipulated restrictions on trading hours and sales of alcohol at nightlife venues like clubs, karaoke joints and bars without food licenses.
2 Comprises JCube and Bukit Panjang Plaza.

Balancing Occupancy and Rental Reversion

For FY 2020, CICT's retail portfolio achieved a healthy tenant retention rate of 84.5%. Incoming first year rents for new and renewed leases registered an average decline of 6.6% against outgoing final year rents in FY 2020. Our ongoing priority is to balance occupancy and rental rates in each property while continuing to refresh and adjust tenant mix in the malls to remain relevant and appealing to shoppers.

SUMMARY OF RENEWALS / NEW LEASES[1]
From 1 January to 31 December 2020 (excluding newly created and reconfigured units)

	Number of Renewals/ New Leases	Retention Rate %	Net Lettable Area (NLA) Area sq ft	Net Lettable Area (NLA) Percentage of Property %	Change in Incoming Year 1 Rents vs Outgoing Final Rents[2] %
Tampines Mall	36	83.3	58,149	16.3	(4.9)
Junction 8	33	69.7	47,493	18.7	(4.1)
Funan	5	80.0	2,422	0.8	(5.8)
IMM Building	56	82.1	48,511	11.4	(2.5)
Plaza Singapura	50	80.0	159,557	32.9	(3.9)
Bugis Junction	48	89.6	62,821	15.8	(7.0)
Raffles City Singapore	38	86.8	55,989	12.9	(22.2)
Lot One Shoppers' Mall	48	85.4	40,150	17.6	(3.3)
The Atrium@Orchard	9	77.8	11,840	8.8	(11.1)
Clarke Quay	5	100.0	11,791	4.2	(10.8)
Bugis+	17	76.5	18,030	8.4	(4.5)
Bedok Mall	40	90.0	33,277	15.0	(4.2)
Westgate	54	94.4	51,599	12.6	(6.8)
Other assets[3]	65	83.1	77,719	21.0	(4.5)
CICT Retail Portfolio	**504**	**84.5**	**679,348**	**15.1**	**(6.6)**

1 Based on retail leases only.
2 Typically includes annual step-ups.
3 Comprises JCube and Bukit Panjang Plaza.

Well Spread Retail Lease Expiry Profile

The average retail lease has a three-year term. As at 31 December 2020, the retail lease expiry profile remained well spread with 28.8% and 33.4% of the leases by gross rental income due for renewal in 2021 and 2022 respectively. The WALE by gross rental income for the month of December 2020 was 1.8 years. For new leases signed in 2020 for retail properties, including retail components of Integrated Developments (Plaza Singapore, The Atrium@Orchard, Funan and Raffles City Singapore), the WALE was 2.6 years[1] and accounted for 22.4% of the retail portfolio gross rental income for the month of December 2020.

RETAIL LEASE EXPIRY PROFILE[1]
(As at 31 December 2020)

	Number of Leases	% of Gross Rental Income[2]
2021	960	28.8
2022	992	33.4
2023	681	23.1
2024	188	9.3
2025	31	3.0
2026 and beyond	15	2.4
Total	**2,867[3]**	**100.0**

1 Based on committed leases in retail properties and retail components in integrated developments.
2 Excludes gross turnover rent.
3 Of which 2,530 leases are retail leases.

RETAIL LEASE EXPIRY PROFILE FOR 2021[1]
(As at 31 December 2020)

Property	Number of Leases	% of Property NLA[2]	% of Property Income[3]
Tampines Mall	64	31.5	30.2
Junction 8	61	25.6	33.0
Funan	34	6.5	7.1
IMM Building[4]	204	34.7	33.1
Plaza Singapura	90	17.7	24.9
Bugis Junction	63	14.7	19.4
Raffles City Singapore	77	34.3	38.0
Lot One Shoppers' Mall	41	24.0	25.9
The Atrium@Orchard	35	45.4	45.8
Clarke Quay	21	31.4	32.3
Bugis+	40	38.2	44.0
Bedok Mall	53	28.7	25.1
Westgate	82	26.0	26.1
Other assets[5]	95	25.7	32.9
Total	**960[6]**	**26.9**	**28.8**

1 Based on committed leases in retail properties and retail components in integrated developments.
2 As a percentage of NLA for each respective property as at 31 December 2020.
3 As a percentage of gross rental income for each respective property and excludes gross turnover rent.
4 IMM Building has 87 retail leases and 117 non-retail leases.
5 Comprises JCube and Bukit Panjang Plaza.
6 Of which 843 leases are retail leases.

1 Based on date of lease commencement in 2020, the WALE would be 2.6 years and accounted for 26.7% of the retail portfolio gross rental income for the month of December 2020.

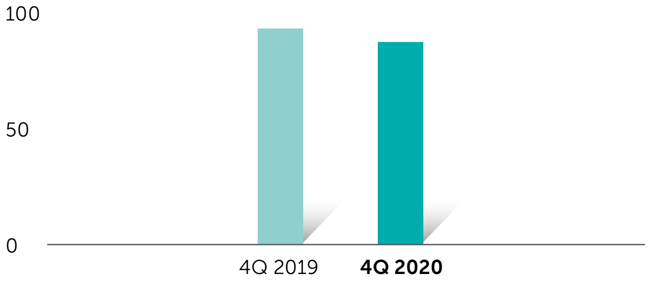
Positive Signs in Tenants' Sales

Tenants' sales were impacted by weak consumer sentiment arising from the COVID-19 situation, significantly in the first half of 2020. With improved consumer sentiment in the second half of the year as the number of COVID-19 community cases fell, tenants' sales (psf/month) in FY 2020 recovered to about 88.8% of the level in 2019.

Suburban malls witnessed a stronger recovery compared to downtown malls due to spending by the local population. Typically, the fourth quarter is a seasonally strong quarter, and it is heartening to note that tenants' sales recovered to 94.5% in 4Q 2020 compared to the level in 4Q 2019.

Gross turnover rent pegged to tenants' sales and part of the rent structure for retail leases accounts for a small percentage of the retail gross revenue. Typically, the gross turnover rent constitutes 4.0% to 5.0% of the retail gross revenue.

4Q 2020 TENANTS' SALES[1]
(S$ psf per month)



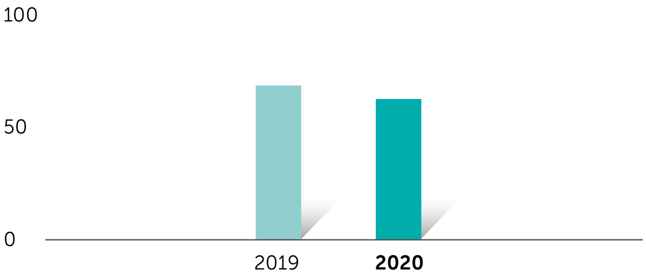
Suburban Mall Recovery

88.6% to 109.4%
Average: 101.3%

Downtown Mall Recovery

40.1% to 101.4%
Average: 83.7%

FY 2020 TENANTS' SALES[1]
(S$ psf per month)

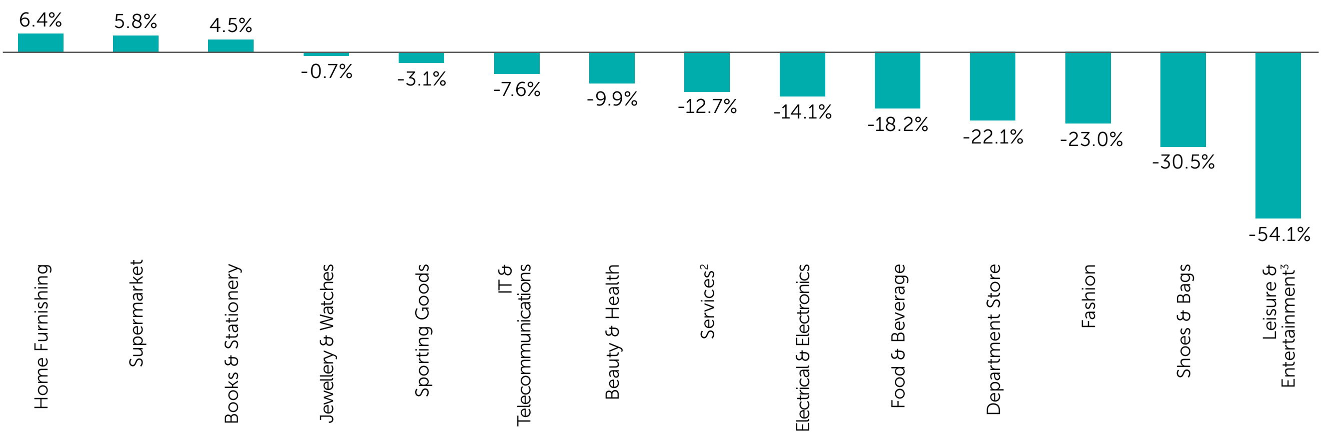


1 For comparable basis, CICT Retail portfolio excludes Funan which was closed on 1 July 2016 for redevelopment and reopened in June 2019. Tenants' sales were adjusted for non-trading days.

Performance of Tenants' Sales by Trade Categories

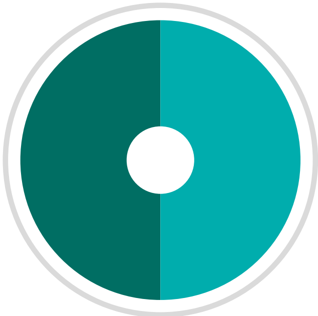
Although most of the retail trade categories registered negative growth in the challenging FY 2020, the trade categories of Home Furnishing, Supermarket and Books & Stationery maintained steady growth. Two of the largest contributors to the retail gross rental income - Food & Beverage and Beauty & Health - registered negative growth of 18.2% and 9.9% respectively in FY 2020 compared to FY 2019. The top five retail trade categories which collectively accounted for more than 70% of FY 2020 retail gross rental income (excluding gross turnover rent) include Food & Beverage, Fashion, Beauty & Health, Department Store and Supermarket. These top five retail trade categories registered a 11.8% decline in FY 2020 on a combined basis.

YEAR-ON-YEAR VARIANCE OF TENANTS' SALES S$ PSF PER MONTH[1]



1 For comparable basis, the retail portfolio excludes Funan which was closed in July 2016 for redevelopment and reopening in June 2019. Adjusted for non-trading days.
2 Services include convenience stores, bridal shops, optical shops, film processing shops, florists, magazine stores, pet shops, travel agencies, cobblers/locksmiths, laundromats and clinics.
3 Leisure & Entertainment was impacted by the government stipulated restrictions on trading hours and sales of alcohol at nightlife venues like clubs, karaoke joints and bars without food licenses.

RETAIL PORTFOLIO (DOWNTOWN VS SUBURBAN MALLS)
By NLA (As at 31 December 2020)



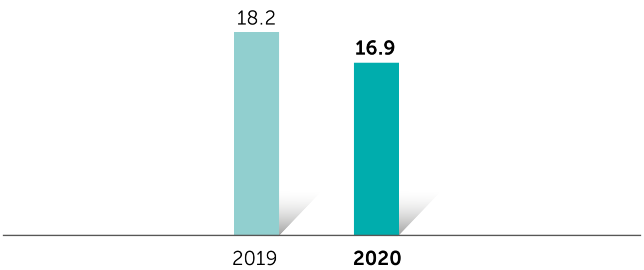
Suburban[1]	50.0%
Downtown[2]	50.0%

1 Includes Tampines Mall, Junction 8, Lot One Shoppers' Mall, Bukit Panjang Plaza, JCube, Bedok Mall, Westgate and retail component of IMM Building.
2 Includes Bugis Junction, Bugis+, Clarke Quay, Plaza Singapura, and retail components of Raffles City Singapore, The Atrium@Orchard and Funan.

Retail Occupancy Cost

CICT's occupancy cost for the retail properties was 16.9% in FY 2020, a decline from FY 2019's cost of 18.2%. The drop in occupancy cost was largely due to the rental waivers provided to tenants in FY 2020. Occupancy cost is also dependent on various factors including trade mix and type of tenants in the portfolio.

OCCUPANCY COST[1] OF CICT RETAIL PORTFOLIO[2]
(%)



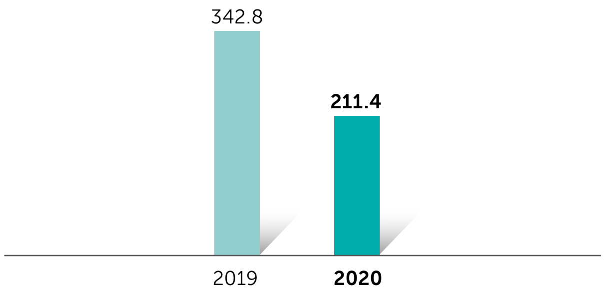
1 Occupancy cost is defined as a ratio of gross rental (inclusive of service charge, advertising & promotional charge and gross turnover rent) to tenants' sales.
2 For comparable basis, the portfolio excludes Funan which was closed on 1 July 2016 for redevelopment and reopened in June 2019.

Recovering Shopper Traffic

In FY 2020, shopper traffic recovered to 61.7% of the level a year ago, as the retail environment improved in the second half of the year on the back of falling new COVID-19 community cases and phased reopenings.

In 4Q 2020, shopper traffic recovered to 67.9% of the level in 4Q 2019, boosted by the festive season. Recovery for suburban and downtown malls was similar in the quarter. Footfall in suburban malls recovered to between 56.4% and 87.6% of the level a year ago, averaging 69.7% in 4Q 2020, while shoppers to downtown malls recovered to between 48.9% and 84.8% of the level a year ago, averaging 65.7% in 4Q 2020.

SHOPPER TRAFFIC OF CICT RETAIL PORTFOLIO[1]
(million)



1 For comparable basis, the portfolio excludes Funan which was closed on 1 July 2016 for redevelopment and reopened in June 2019.

OPERATIONS REVIEW

OFFICE OPERATIONS REVIEW

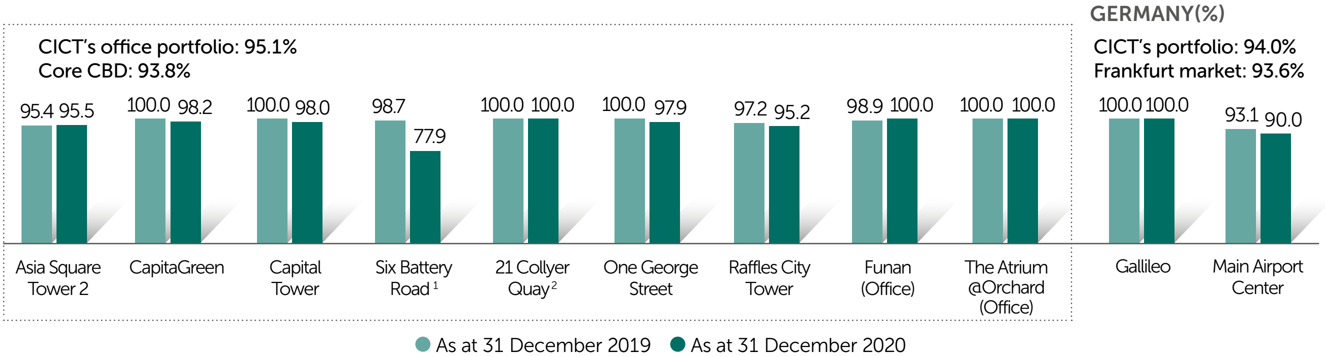
Stable Committed Occupancy

Despite subdued office demand in the wake of the pandemic and the commencement of Six Battery Road's asset enhancement initiative in January 2020, CICT's Singapore office portfolio committed occupancy of 95.1% surpassed CBRE's CBD Core market occupancy rate of 93.8% as at 31 December 2020. This was a result of our proactive tenant management and targeted marketing and leasing approach. CICT's office portfolio committed occupancy stands at 94.9% (including German assets).

Expected to be completed in 2H 2021, CapitaSpring has attracted steady interest with committed occupancy as at 19 January 2021 at 38.0%, with another 22.0% under advanced negotiations.

OCCUPANCY FOR SINGAPORE (%)

OCCUPANCY FOR GERMANY(%)



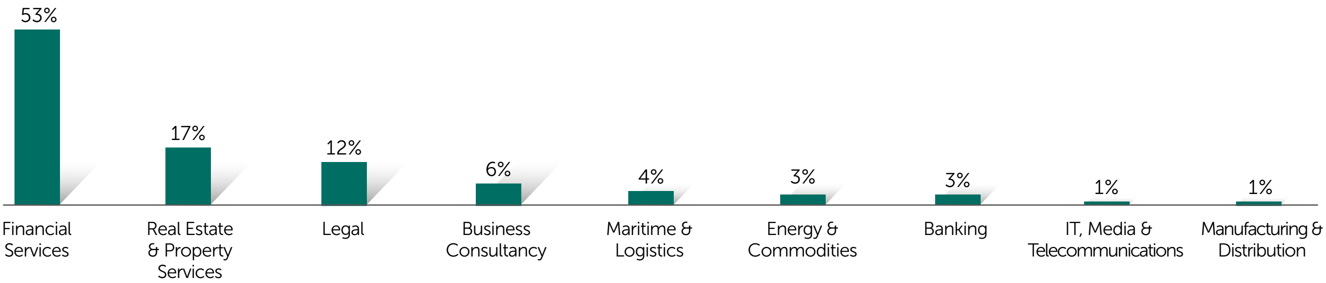
1 Six Battery Road's occupancy expected to remain as such until partial upgrading is completed in phases.
2 21 Collyer Quay is undergoing upgrading currently; WeWork has leased the entire NLA and the term is expected to commence in early 4Q 2021 on a gross rent basis.

Active Leasing Despite Challenging Market

Over 880,000 sq ft of new and renewed office leases were signed in 2020 and a tenant retention rate of 63% was achieved. The lower rate was largely due to the expiry of Standard Chartered Bank's lease at Six Battery Road, although the bank will continue to keep a smaller footprint at the building. Retained tenants include Economic Development Board, Nikko Asset Management Asia Limited, Her Majesty The Queen In Right Of Canada As Represented By The Minister Of Foreign Affairs, The Executive Centre Singapore Pte Ltd, Schonfeld Strategic Advisors (Singapore) Pte. Ltd. and DLI Asia Pacific Pte. Ltd..

CICT continued to attract new tenants from diverse trade sectors, of which the three largest sectors are 1) Financial Services, 2) Real Estate and Property Services and 3) Legal. New tenants include Beijing Hualian Mall (Singapore) Commercial Management Pte. Ltd., ESR Singapore Pte. Ltd. and MFS International Singapore Pte. Ltd.. The WALE of office leases entered into in 2020 is 4.0 years[3]. The proportion of revenue attributed to these leases stands at approximately 19% of the office portfolio's committed gross rental income for the month of December 2020, and includes the proportionate interest in the joint venture and German assets.

BUSINESS SECTORS OF NEW LEASES SIGNED IN 2020[4]
(Based on NLA of new leases; approximately 164,000 sq ft)



3 Based on office leases signed and commenced in 2020, the WALE would be 3.6 years and the proportion of revenue attributed to these leases would be approximately 10.4% of the office portfolio gross rental income for the month of December 2020.
4 Excluding new leases committed for German properties.

Steady Average Office Gross Rent

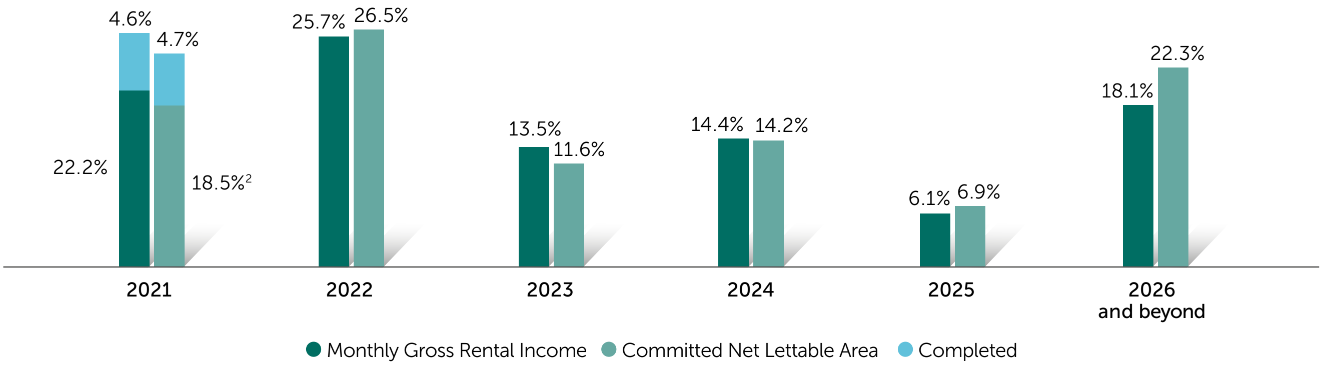
CICT has consistently achieved office rents above market rental rates reported by property consultants for renewals and new leases. During the year, the average monthly rent for CICT's Singapore office properties excluding Funan and The Atrium@Orchard, continued on an upward trajectory, from S$10.08 psf as at 31 December 2019 to S$10.27 psf as at 31 December 2020 after adjusting for Raffles City Tower's interest from 60.0% to 100.0%. The uplift was largely due to the result of higher reversions committed in the previous quarters. Including Funan and The Atrium@Orchard, the average monthly office portfolio rent would be S$9.98 psf.

Building	Average Expired Rents (S$psf)	Committed Rents in 2020 (S$psf)
Asia Square Tower 2	10.65	10.80 – 12.50
CapitaGreen	9.48	11.00 – 12.80
Six Battery Road	11.04	10.32 – 14.00
One George Street	9.65	9.30 – 10.30
Raffles City Tower	8.50	9.00 – 10.50

Well Spread Lease Expiry Profile

CICT's office portfolio has a WALE (based on NLA) of 3.1 years as at 31 December 2020. This is attributed to CICT's proactive leasing strategy, which includes active tenant engagement, forward lease renewals and managing the portfolio lease expiry profile. As at 31 December 2020, about 4.7% (based on NLA) of the office leases expiring in 2021 have been successfully committed.

TOTAL OFFICE PORTFOLIO[1] LEASE EXPIRY PROFILE
(As at 31 December 2020)



1 Includes Raffles City Tower, Funan (office), The Atrium@Orchard (office), Gallileo and Main Airport Center's leases; and WeWork's 7-year lease at 21 Collyer Quay which is expected to commence by early 4Q 2021.
2 Includes JPM's lease which constitutes 4% of total office NLA and Allianz who have signed a lease extension till 1Q 2021.

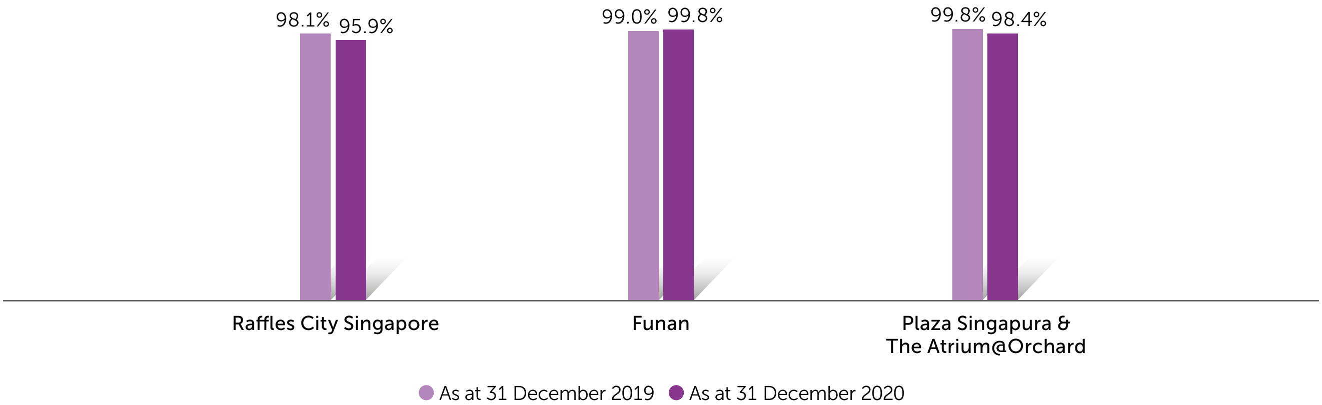
CICT'S KEY OFFICE BUILDINGS' EXPIRY PROFILES AS A PERCENTAGE OF OFFICE PORTFOLIO COMMITTED GROSS RENTAL INCOME

	2021		2022		2023	
	% of Expiring Leases	Average Gross Rent (psf)	% of Expiring Leases	Average Gross Rent (psf)	% of Expiring Leases	Average Gross Rent (psf)
Asia Square Tower 2	6.3	11.97	4.9	11.13	3.7	11.15
Capital Tower	3.8	8.28	4.5	6.15	0.2	8.56
CapitaGreen	7.6	11.48	3.2	11.53	4.2	10.61
Six Battery Road	3.0	10.74	3.3	12.20	1.9	11.90
Total	**20.7**	**10.75**	**15.9**	**9.25**	**10.0**	**10.96**

INTEGRATED DEVELOPMENT OPERATIONS REVIEW

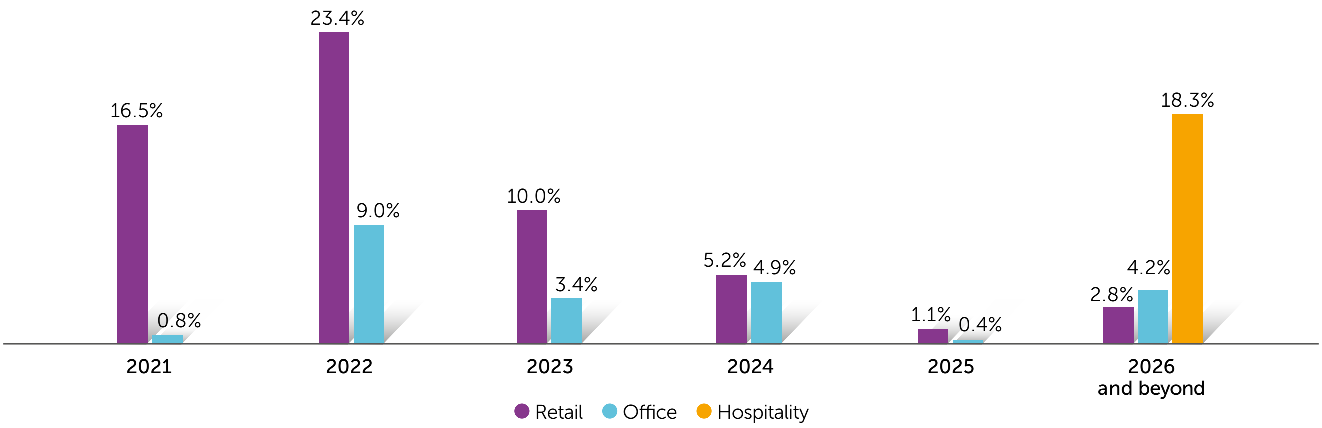
Stable Occupancy Rate

Our integrated development properties registered stable occupancies amidst a challenging year. The overall occupancy rate was 97.8 % as at 31 December 2020 based on the blended occupancy rates of the retail and office components.



Long Lease Expiry Profile for Integrated Developments

For our integrated development portfolio, comprising retail, office and hotel components, the weighted average lease expiry profile by monthly gross rental income is 4.7 years.



FINANCIAL REVIEW

GROSS REVENUE

Gross revenue for Financial Year (FY) 2020 was S$745.2 million, a decrease of S$41.5 million or 5.3% from FY 2019. On 22 January 2020, the Manager announced the proposed merger of CMT and CCT (Merger). The Merger is effected through the acquisition by CMT of all the issued and paid-up units in CCT by way of a trust scheme of arrangement and this was completed on 21 October 2020. The consideration for each CCT unit (Scheme Consideration) comprises 0.720 new units in CMT and S$0.2590 in cash. After the Merger, a total of eight properties comprising seven office properties and Raffles City Singapore (after acquiring CCT's 60.0% interest in RCS Trust) were added to the portfolio and the merged entity was renamed CICT on 3 November 2020.

Excluding the effect of the Merger, gross revenue was S$143.0 million lower mainly due to the lower gross rental income arising from rental waivers granted by landlord to tenants as well as lower occupancy and rental rates contracted on new and renewed leases. In addition, gross turnover and other income decreased year-on-year. The lower gross revenue was partially offset by Funan's full year contribution of S$54.7 million to the FY 2020 gross revenue of CICT and its subsidiaries (CICT Group).

NET PROPERTY INCOME

Net Property Income (NPI) for FY 2020 was S$512.7 million, a decrease of S$45.5 million or 8.1% from FY 2019. Excluding the effect of Merger, NPI of S$439.1 million was lower than last year by S$119.1 million mainly due to the lower gross revenue in FY 2020. The lower NPI was partially offset by Funan's full year contribution of S$37.3 million to the total NPI of the Group.

Property	Gross Revenue (S$' million)		Net Property Income (S$' million)	
	FY 2019	FY 2020	FY 2019	FY 2020
Retail				
Tampines Mall	82.9	**64.7**	61.8	**46.0**
Junction 8	61.2	**49.8**	44.5	**34.4**
IMM Building	86.8	**72.5**	60.5	**48.2**
Westgate	74.9	**57.1**	53.8	**38.7**
Bugis Junction	84.9	**64.7**	61.7	**44.4**
Bugis+	33.7	**24.4**	24.1	**15.9**
Clarke Quay	40.1	**21.5**	26.1	**10.2**
Lot One Shoppers' Mall	43.2	**32.7**	30.0	**21.4**
Bedok Mall	57.9	**46.1**	42.8	**33.0**
Other assets[1]	50.5	**40.8**	31.4	**25.6**
	616.1	**474.3**	436.7	**317.8**
Office				
Asia Square Tower 2	-	**20.2**	-	**15.5**
CapitaGreen	-	**18.4**	-	**14.6**
Capital Tower	-	**13.1**	-	**9.6**
Six Battery Road	-	**10.6**	-	**8.3**
21 Collyer Quay[2]	-	**-**	-	**(0.4)**
Gallileo[3]	-	**5.4**	-	**4.6**
Main Airport Center[3]	-	**5.5**	-	**3.3**
	-	**73.2**	-	**55.5**
Integrated Developments				
Raffles City Singapore[4]	-	**28.2**	-	**18.1**
Funan	28.5	**54.7**	15.1	**37.3**
Plaza Singapura	92.1	**70.7**	68.9	**51.1**
The Atrium@Orchard	50.0	**44.1**	37.5	**32.9**
	170.6	**197.7**	121.5	**139.4**
CICT Group	786.7	**745.2**	558.2	**512.7**

1 Bukit Panjang Plaza and JCube are classified under Other Assets.
2 21 Collyer Quay is currently undergoing upgrading.
3 CICT owns 94.9% interest in Gallileo and Main Airport Center. The reported figure is 100.0% basis.
4 As a result of the Merger, with effect from 21 October 2020, RCS Trust is a wholly owned subsidiary of CICT. FY 2020 relates to gross revenue and NPI from RCS Trust on 100.0% basis from 21 October 2020 to 31 December 2020.

FINANCIAL REVIEW

CICT's Interest in Joint Ventures' Gross Revenue and NPI are Shown Below for Information:

Property	Gross Revenue (S$' million) FY 2019	Gross Revenue (S$' million) FY 2020	Net Property Income (S$' million) FY 2019	Net Property Income (S$' million) FY 2020
Raffles City Singapore (40.0% interest)	93.2	**63.0[1]**	71.2	**48.0[1]**
One George Street (50.0% interest)	-	**4.8[2]**	-	**3.8[2]**
CapitaSpring (45.0% interest)	-	**-**	-	**(0.1)[3]**
Total	93.2	**67.8**	71.2	**51.7**

1 For the period from 1 January 2020 to 20 October 2020, CICT owned 40.0% of the units in RCS Trust and these figures relate to 40.0% of the gross revenue and NPI for relevant period respectively.
2 For the period from 21 October 2020 to 31 December 2020, CICT held 50.0% interest in One George Street LLP ("OGS LLP") through CCT and these figures relate to 50.0% of the gross revenue and NPI for relevant period respectively.
3 For the period from 21 October 2020 to 31 December 2020, CapitaSpring is under development and held through CICT's 45.0% interest in Glory Office Trust and CCT's 45.0% interest in Glory SR Trust.

DISTRIBUTIONS

Distribution for FY 2020 was S$369.4 million, a decrease of S$72.2 million or 16.4% compared to FY 2019. The decrease was mainly attributable to lower NPI due to lower gross revenue. CICT had retained capital distribution and tax-exempt income of S$12.5 million received from CapitaLand China Trust for general corporate and working capital purposes.

On 28 October 2020, 2,780,549,536 new units in CICT were issued in connection with the Scheme Consideration which were paid to the CCT Unitholders as consideration units. Prior to the issuance of the consideration units, CICT declared a cumulative distribution per Unit (DPU) of 3.99 cents comprising (i) DPU of 3.10 cents for the period 1 July 2020 to 30 September 2020, and (ii) clean-up DPU of 0.89 cents for the period from 1 October 2020 to 20 October 2020, the day immediately prior to the completion of the Merger. The cumulative distribution was paid on 19 November 2020.

Breakdown of the Unitholders' DPU in cents for FY 2020 as compared to FY 2019 are as follows:

2020	1 January to 31 March	1 April to 30 June	1 July to 30 September	1 October to 20 October	21 October to 31 December	1 January to 31 December
DPU (cents)	0.85	2.11	3.10	0.89	1.74[1]	8.69
			← 3.99 →			
				← 2.63 →		

1 DPU for 21 October 2020 to 31 December 2020 was based on the enlarged number of 6,470,704,116 Units as at 31 December 2020 after the issuance of 2,780,549,536 Units in connection with the payment of the Scheme Consideration on 28 October 2020.

2019	1 January to 31 March	1 April to 30 June	1 July to 30 September	1 October to 31 December	1 January to 31 December
DPU (cents)	2.88	2.92	3.06	3.11	11.97

ASSETS

As at 31 December 2020, the total assets for the Group were S$22.4 billion compared with S$11.7 billion as at 31 December 2019. Following the completion of the Merger, CCT and its subsidiaries' financials were consolidated into CICT Group's financial results with effect from 21 October 2020. In addition, RCS Trust, a joint venture of CICT prior to the Merger, is now a direct wholly owned subsidiary of CICT upon the completion of the Merger.

CAPITAL MANAGEMENT

KEY FINANCIAL INDICATORS

	As at 31 December 2019	As at 31 December 2020
Unencumbered Assets as % of Total Assets (%)	100.0	**95.8**
Aggregate Leverage (%)[1]	32.9	**40.6**
Net Debt / EBITDA (times)[2]	6.4	**N.M.[3]**
Interest Coverage (times)[4]	4.7	**3.8**
Average Term to Maturity (years)	5.0	**4.1**
Average Cost of Debt (%)[5]	3.2	**2.8**
CICT's Issuer Rating[6]	'A2' by Moody's	**'A3' by Moody's 'A-' by S&P**

1 In accordance with Property Funds Appendix, CICT's proportionate share of its joint ventures' borrowings and deposited property values are included when computing aggregate leverage. Correspondingly, the ratio of total gross borrowings to total net assets is 71.6%. Aggregate leverage is higher than 31 December 2019 mainly due to the higher borrowings as a result of loan drawdowns of S$1.0 billion to fund the cash consideration relating to the Merger. The Manager is of the view that the higher aggregate leverage will not have a material impact on the risk profile of CICT as the aggregate leverage of 40.6% is still within a manageable range in the short-term and the Manager will remain disciplined in managing the leverage profile of CICT.

2 Net Debt comprises gross debt less total cash and EBITDA refers to earnings of CICT Group, before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, foreign exchange translation and non-operational gain/loss), on a trailing 12-month basis.

3 N.M.: Not meaningful for information as at 31 December 2020 as net debt includes CCT's and RCS Trust's borrowings but the incremental EBITDA from the acquired entities after the Merger is only from 21 October 2020 to 31 December 2020.

4 Ratio of earnings of CICT Group, before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, foreign exchange translation and non-operational gain/loss), over interest expenses and borrowing-related costs, on a trailing 12-month basis.

5 Ratio of interest expense over weighted average borrowings.

6 Moody's Investors Service downgraded CICT's issuer rating to 'A3' on 1 October 2020. S&P Global Ratings assigned 'A-' issuer rating to CICT on 30 September 2020.

CAPITAL MANAGEMENT

In 2020, CMT MTN Pte. Ltd. (CMT MTN) issued a HKD denominated note and Singapore dollar denominated note under the unsecured S$7.0 billion Multicurrency Medium Term Note Programme (MTN Programme) as follows:

1. HKD426.0 million fixed rate notes due 27 November 2030 at 2.50% per annum on 27 November 2020, which was swapped to S$75.2 million at 2.156% per annum; and
2. S$250.0 million fixed rate notes due 7 December 2032 at 2.15% per annum on 7 December 2020.

The above fixed rate notes were used to partially repay bank loans of S$99.2 million and refinance S$226.0 million of the MTN notes due in FY 2020.

On 22 January 2020, the Manager announced the proposed Merger, to be effected through the acquisition by CMT of all the issued and paid-up units in CCT by way of a trust scheme of arrangement. The consideration for each CCT unit (Scheme Consideration) comprises 0.720 new units in CMT and S$0.2590 in cash (Cash Consideration). To fund the Cash Consideration, CMT has drawn down bank loans of S$1.0 billion. Following the completion of the Merger, the merged entity was renamed CapitaLand Integrated Commercial Trust (CICT) on 3 November 2020.

CICT Group hold derivative financial instruments to hedge its currency and interest rate risk exposures. The fair value derivative for FY 2020, which was included in the financial statements as financial derivatives assets and financial derivatives liabilities were S$37.4 million and S$68.9 million respectively. These net financial derivatives liabilities of S$31.5 million represented 0.2% of the net assets of CICT Group as at 31 December 2020.

CAPITAL MANAGEMENT

The total borrowings of CICT Group as at 31 December 2020 are as follows:-

TOTAL BORROWINGS OF CICT GROUP

	S$ million	%
Bank loans	3,030.1	35.1
Retail bonds	350.0	4.1
Unsecured Medium term notes and Euro-Medium term notes[1]	4,855.4	56.2
Total unsecured borrowings at CICT Group	**8,235.5**	**95.4**
Secured bank loans[1]	396.5	4.6
Total borrowings at CICT Group	**8,632.0**	**100.0**

1 Includes foreign currency denominated notes which have been swapped to Singapore dollars at their respective swapped rates and fixed rate foreign currency bank loans.

FOR INFORMATION ONLY

CICT's 50.0% interest in One George Street LLP and 45.0% interest in Glory Office Trust and Glory SR Trust	S$ million	%
Secured bank loans at One George Street LLP (OGS LLP)	290.0	39.8
Secured bank loans at Glory Office Trust and Glory SR Trust	438.3	60.2
Total	**728.3**	**100.0**

CICT'S 50.0% INTEREST IN ONE GEORGE STREET LLP AND 45.0% INTEREST IN GLORY OFFICE TRUST AND GLORY SR TRUST

CICT has a 50.0% interest in OGS LLP indirectly held through CCT. As at 31 December 2020, borrowings at OGS LLP amount to S$580.0 million comprising secured bank loans. CICT's 50.0% share thereof is S$290.0 million.

CICT has a 45.0% direct interest in Glory Office Trust (GOT) and Glory SR Trust (GSRT) which is held indirectly through CCT. As at 31 December 2020, borrowings at GOT and GSRT amount to S$974.0 million comprising secured bank loans. CICT's 45.0% share thereof is S$438.3 million.

FUNDING SOURCES[2]
(As at 31 December 2020)

83.0% borrowings on fixed rate

Proforma impact on:	Assuming +0.1% p.a. increase in interest rate
Estimated additional annual interest expense	**+S$1.6 million p.a.[3]** **-0.02 cents per Unit[4]**

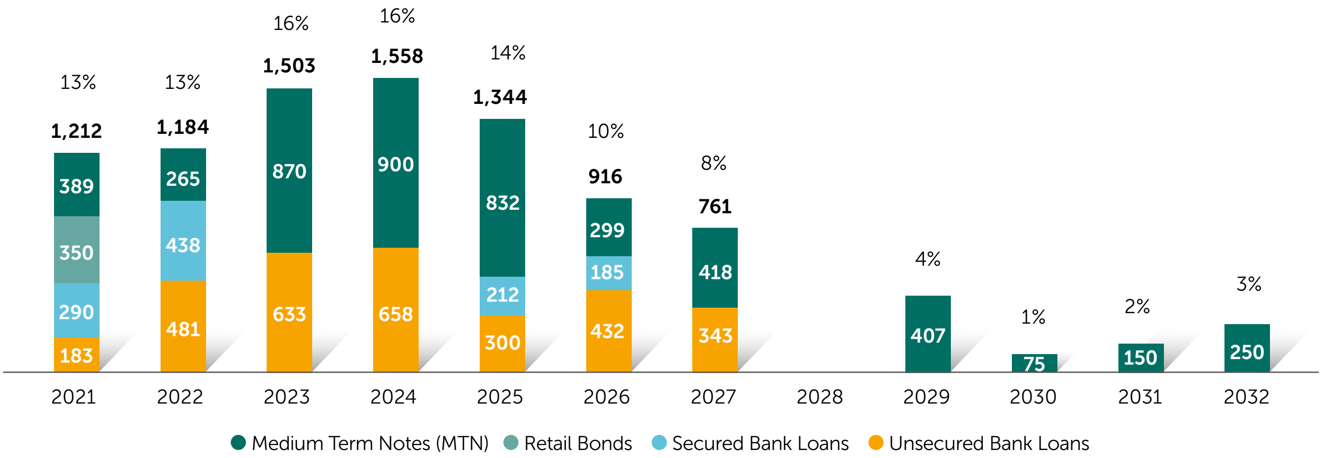
2 Based on CICT Group's borrowings, including proportionate share of joint ventures' borrowings.
3 Computed on full year basis on floating rate borrowings of CICT Group (including proportionate share of joint ventures' borrowings) as at 31 December 2020.
4 Based on the number of units in issue as at 31 December 2020.

In summary, the total borrowings of CICT Group as at 31 December 2020 were S$8,632.0 million with aggregate leverage at 40.6% and 95.4% were unsecured borrowings. Average cost of debt was at 2.8% as at 31 December 2020 compared to 3.2% as at 31 December 2019 mainly due to lower cost of debt of CCT and RCS Trust.

As at 31 December 2020, 10.7% or S$922.5 million of CICT Group's borrowings will mature in 2021. CICT has sufficient internal resources and bank facilities to cover the repayments due in 2021. The Manager will continue to adopt a rigorous and focused approach to capital management.

The Manager is also committed to diversifying funding sources and will continue to review its debt profile to reduce refinancing risk.

DEBT MATURITY PROFILE AS AT 31 DECEMBER 2020
(Including CICT Group's 50.0% Interest in OGS LLP and 45.0% interest in GOT and GSRT) (S$ million)



CASH FLOWS AND LIQUIDITY

CICT Group takes a proactive role in monitoring its cash flow position and requirements to ensure sufficient liquidity and adequate funding is available for distribution to the Unitholders as well as to meet any short-term obligations.

As at 31 December 2020, the value of cash and cash equivalents of CICT Group stood at S$183.6 million, a decrease of S$18.6 million compared with S$202.2 million as at 31 December 2019.

Net cash generated from operating activities for FY 2020 was S$379.7 million. This was a decrease of S$131.8 million compared to FY2019 and was mainly due to lower net income in FY 2020.

In FY 2020, net cash used in investing activities was S$922.4 million mainly attributed to the Merger.

Net cash generated from financing activities for FY 2020 was S$524.2 million, largely due to the drawdown of the S$1.0 billion bank loans to fund the Cash Consideration.

FOREIGN EXCHANGE RISK MANAGEMENT

CICT Group manages foreign exchange risks through natural and forward hedges. For CICT Group's German properties, Euro denominated borrowings were obtained as a hedge for CICT's net investment value. In addition, anticipated net dividends from the German properties were hedged with forward foreign exchange contracts.

ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the *Statement of Recommended Accounting Practice 7 Reporting Framework for Unit Trusts (RAP 7)* issued by the Institute of Singapore Chartered Accountants, the applicable requirements of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore and the provisions of the Trust Deed. RAP 7 requires that accounting policies adopted generally comply with the principles relating to recognition and measurement of the Singapore Financial Reporting Standards.

INDEPENDENT MARKET REVIEW

SINGAPORE

Economic Overview

2020 was a challenging year with the COVID-19 pandemic impacting global economies. Singapore GDP contracted 5.4%, annual average unemployment rate rose to 3.0% from 2.3% in 2019 and total population saw a 0.3% decline year-on-year (y-o-y) to 5.7 million.

There are signs of optimism in the economic indicators as Singapore entered Phase 3 on 28 December 2020. On a y-o-y basis, Singapore's economy contracted 2.4% in 4Q 2020, an improvement from the 5.8% contraction in 3Q 2020, whilst overall unemployment rate in 4Q 2020 was at 3.2%, 0.4 percentage points lower than the 3.6% in 3Q 2020. Majority of the services sectors also saw improvements in 4Q 2020. The information & communication sector saw y-o-y growth coming in at 2.6% for 4Q 2020, supported by resilient demand from enterprises for IT solutions. The finance & insurance sector expanded by 4.9% y-o-y supported in part by healthy expansions in the banking and insurance segments. Overall, the finance & insurance sector and information & communication sector recorded growth of 5.0% and 2.1% y-o-y respectively for 2020.

Manufacturing was the best performing sector with 7.3% growth for full year 2020. Growth was mainly contributed by output expansions in the electronics, biomedical manufacturing, precision engineering and chemicals clusters. On the other hand, the construction sector contracted sharply by 35.9% for 2020, impeded by delays in construction works in the public and private sector.

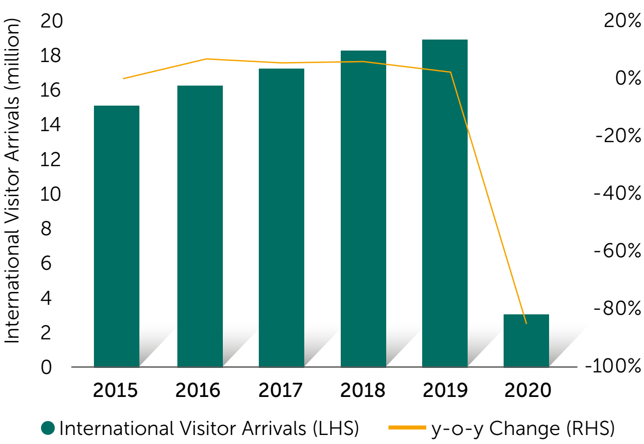
For full year 2020, the service producing industries registered a contraction of 6.9% y-o-y, backpedalling from the 2.0% growth in 2019. Majority of the service sectors recorded a full year contraction due to the global economic impact from the COVID-19 pandemic. The wholesale trade and retail trade sectors saw a contraction of 2.4% and 16.0% y-o-y respectively in 2020. The food & beverage services sector shrank by 19.0% y-o-y, impacted by the requirement for safe distancing measures. The transport sector continued to see lacklustre external demand and travel restrictions with a decline of 25.4% for 2020.

In 2021, while major economies will continue to face curve balls thrown by the COVID-19 pandemic casting global uncertainty, Singapore has been keeping its domestic COVID-19 situation under control and vaccination programme underway. In addition, sectors like retail trade and food & beverage are expected to benefit from an improvement in consumer sentiments and gradual turnaround in labour market conditions. As such, rosy prospects are expected for the local economy towards the latter half of 2021. International travel may also return to some degree. Ministry of Trade and Industry (MTI) expects the economy to expand by 4 to 6% in 2021. The inflation outlook for 2021 seems to indicate optimism in tandem with the gradual recovery of the economy. MTI expects core inflation to average between 0% and 1% in 2021.

Singapore Tourism Overview

Following the unprecedented global travel restrictions and border closures amid the COVID-19 pandemic, visitor arrivals in Singapore in 2020 fell to 2.74 million, representing a 85.7% drop compared to that of 2019. This was the lowest record in the last four decades. A boost to international travel would be the progressive roll-out of vaccination programmes worldwide. Singapore's position as a safe, attractive leisure and business destination will support the medium to long term prospects of the tourism sector. CBRE expects Singapore hotel occupancy to start improving in 2021 and potentially reach pre-COVID level by late 2023/early 2024.

INTERNATIONAL VISITOR ARRIVALS



Source: Singapore Tourism Board, CBRE Singapore, 4Q 2020

To support domestic tourism, the Singapore Tourism Board (STB) kickstarted a "Reimagine Travel in Singapore" initiative, partnering with tourism establishments and the local community to revitalise Singapore's tourism. This is in tandem with the Singapore Rediscover domestic campaign which encourages local Singaporeans to be in touch with the hidden gems and experiences in Singapore. STB has also announced new initiatives such as "Reimagine Travel- Global Conversations" to share and exchange ideas with global counterparts on creating new possibilities for visitors with the aim to revive the travel industry and make travel safe again in 2021.

In October 2020, the Event Industry Resilience Roadmap was introduced to steer the restoration process and strengthen Singapore's capabilities to play host to global events. In addition, Singapore is preparing to host the World Economic Forum in 2021 for the first time in Asia, moving from Davos, Switzerland in view of COVID-19. This annual global event will give a timely boost to the meetings, incentives, conferences and exhibitions (MICE), as well as the hospitality sectors.

COVID-19 Impact
To mitigate the severity and impact of COVID-19, the Ministry of Finance (MOF) has announced financial and statutory assistance through four relief budget measures totaling S$99.7 billion, or about 20.0% of GDP, from February to May 2020.

On 5 June 2020, the COVID-19 (Temporary Measures) (Amendment) Bill was passed to resolve financial concerns and support eligible Small and Medium Enterprises (SMEs) as well as affected landlords and businesses by provision of additional relief. The key amendments include rental support for eligible SMEs via a new rental relief framework; relief for tenants that are unable to vacate the business premises due to COVID-19; and a cap on late payment interest or charges for specific contracts.

Additional loan and cashflow support schemes were also available for landlords and businesses affected by COVID-19. Landlords could defer both principal and interest repayments till 31 December 2020, should they be required to provide rental waivers or repayment rescheduling to affected tenants. More flexibility was also extended to Singapore-listed REITs, where they are permitted to extend their timelines for distribution of their taxable income. Lastly, project completion period for residential, commercial and industrial projects have been extended.

In the mid to long term, some development slippages and delay in construction activities are expected due to manpower shortages from quarantine order imposed on foreign dormitories. For landlords, under the COVID-19 (Temporary Measures) Act, temporary relief from inability to perform contractual obligations without any liability will be provided.

While STB rolled out campaigns to support domestic tourism, Singapore's travel borders remain largely closed to date. However, the country is looking to gradually reopen its borders, with 'fast lane' agreement signed with China effective 8 June 2020, restricted only to essential business travel. Moving forward, subject to the pandemic situation, Singapore will regularly review its boarder measures to manage risk and may progressively introduce green lane or travel bubbles with more countries. Reopening of international borders is envisioned to happen more gradually than earlier anticipated given the protracted COVID-19 situation globally. In December 2020, Singapore was the first country in Asia Pacific to approve the PFIZER-BIONTECH vaccine. The vaccine has been rolled out in phases since end- December 2020.

Retail Market Overview

Retail Sales Index[1]
2020 was an unusual year for retail sales. Trade sectors such as supermarkets and household equipment were generally better performers, while others, such as department stores, were more affected.

The total retail sales index (excluding motor vehicles) for December 2020 recorded a 3.9% decline y-o-y, slightly higher than the 2.4% y-o-y decline registered in November 2020. With COVID-19 social distancing measures still in place, December 2020 saw declines in most retail industries mainly due to the high sales generated in November 2020 through various sale events such as Single's Day and Black Friday. However, low visitor arrivals continued to impact retailers.

Some components continued to show y-o-y declines including department stores (-24.6%) food retailers (-36.0%), wearing apparel & footwear (-19.0%) and watches and jewellery (-18.3%). However, certain resilient segments recorded y-o-y increases, including recreational goods (10.4%), supermarkets & hypermarkets (27.5%), furniture & household equipment (20.9%) and computer & telecommunications equipment (24.5%).

Affected by the social distancing measures which dictates the maximum number of people allowed to dine-in to be 8 people, the Food & Beverage Services Index registered a decline of 15.5% y-o-y in December 2020. This declining trend is consistent across components including restaurants (-17.4%), food caterers (-73.8%) and other eating places (-6.2%) showing declines, apart from fast-food outlets showing an increase of 3.9% due to higher demand and consumption.

With the increased shopper's adoption of online purchase of products and services, the overall proportion of online retail trade (excluding motor vehicles) increased by 5.1 percentage points y-o-y to 12.6%[2] in December

1 Retail Sales Index (2017=100), in Chained Volume Terms (seasonally adjusted), Monthly, SA (SSIC 2015 Version 2018).
2 Excluding motor vehicles.

INDEPENDENT MARKET REVIEW

2020. While the proportion of online supermarket and hypermarket sales have risen by 3.3 percentage points to 11.8%, the proportion of online sales for computer and telecommunications equipment and furniture and household equipment grew significantly by 7.4 percentage points to 35.2% and 11.1 percentage points to 23.4% y-o-y respectively in December 2020.

Shopper's Consumption and Behavioral Trends

While the retail sector continues to face obstacles because of social distancing measures and travel restrictions, there are signs of a slow recovery in retail consumption activities. With travel restrictions, domestic shoppers have naturally turned to local purchases. Singapore has witnessed an increase in domestic shopping activities and shoppers have rallied in full swing to procure big ticket items and discretionary items. Luxury brands and local retailers have reported an uptick in business in tandem with reopening of economy.

Online food delivery accounted for some 23% of overall F&B sales in 2020[3]. Consumers embraced new and creative F&B concepts such as ordering in airplane food, and supporting local brands and food produce.

A recent survey conducted by United Overseas Bank stated that half of Singapore consumers would prefer to shop with local brands, with an aim to support local retailers. This trend has buttressed the growth of selected Singaporean brands, garnering popularity through social media platforms. For instance, home-grown retailer Love, Bonito opened its fourth store at VivoCity in September 2020. Spanning 4,300 sq ft, the store caters to mothers and kids, apart from their main clientele of fashion-conscious ladies.

Many retailers are also reinventing their customer experience to inject freshness and capture new customers, while activity-based tenants continue to drive retail space demand. Social distancing measures have propelled Singaporeans to prioritise health and fitness by venturing outdoors. To capture this trend, and better utilise existing venues, local boutique gyms like Absolute Cycle partnered with Zouk to capitalise on the branding and to give a different experience to attract more members. Full sized gyms like Virgin Active have also jumped on the bandwagon, conducting high intensity classes at outdoor atrium instead of their traditional indoor venues.

2020 saw some prominent store expansions. For instance, Apple opened its third store of 17,000 sq ft in Marina Bay Sands Singapore to much fanfare. Foot Locker opened its sixth and largest outlet spanning five stories and features half a basketball court at Orchard Gateway @ Emerald. Other noteworthy store expansions included Eccellente by HAO mart at Westgate, which features its first ever grocery and food hybrid concept. Entertainment brand Timezone opened its largest outlet in Westgate, taking up 18,000 sq ft and features a variety of activities from carnival zones to bowling alleys. Orchard Road maintains its position as a pre-eminent shopping belt flanked by a large number of high-end shopping centres housing flagship stores from international brands.

Online Retail Sales in other Asia Pacific Markets

COVID-19 has changed consumer purchasing and consumption habits. This has led to an increase in online sales across major markets in Singapore and Asia Pacific. With the shift to online shopping due to COVID-19 and the ensuing various stages of lockdown, Australia saw an 67.1% y-o-y increase in total online sales in the period of March to November 2020.

Similarly, South Korea's online transactions have reached a new high as a result of the resurgence of COVID-19 spread. Its proportion of online retail trade out of the total retail sales increased 23.1% y-o-y to 29.2% in November 2020[4]. In China, economic activities have resumed as its pandemic situation has largely been under control. Its national online retail sales increased by 11.5% y-o-y in November 2020[5]. The overall proportion of online retail trade out of the total retail sales of consumer goods[6] was 25.0% in November 2020.

Singapore's overall proportion of online retail sales was 12.6% in December 2020, relatively low compared to the other major cities in Asia Pacific. Social media and online platforms for advertising and sales also became more prevalent. While consumers are increasingly enjoying the convenience of online shopping, many shoppers continue to prefer physical shopping. CBRE estimates shopper traffic has recovered to between 60% and 80% of pre-COVID-19 levels. While social distancing measures have limited the capacity at shopping centres, shoppers are still keen to shop at physical stores for the retail experience that is impossible to replicate online.

3 Proportion for Jan-Nov 2020.
4 Source: Statistics Korea.
5 Source: National Bureau of Statistics China.
6 The total retail sales of consumer goods include online retail sales of physical goods, exclude online retail sales of non-physical goods.

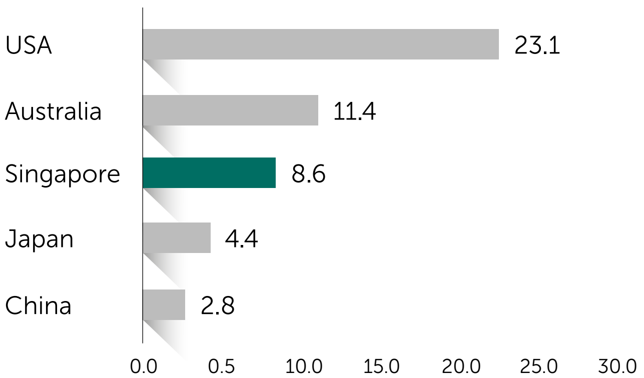
Existing Supply
As at 4Q 2020, islandwide retail stock decreased by 1.4% y-o-y to 66.1 million sq ft due to the removal of stock from the renovation works at Changi Airport Terminal 2 and Wilkie Edge. In all, about 74% (49.2 million sq ft) of total retail stock is private retail stock. Due to the circuit breaker restrictions, construction schedules for majority of the new projects have been delayed. The retail podium of both ARTRA development and Centrium Square attained Temporary Occupation Permit (TOP) in 2020. Overall, new supply stood at an estimated 211,800 sq ft for 2020.

As at 4Q 2020, private retail stock in Orchard Road reduced by 0.4% y-o-y, due to removal of some stock for redevelopment, to 7.3 million sq ft, accounted for 11.1% of total islandwide stock.

The Downtown Core region, which comprises Bugis, City Hall, Marina Centre, Raffles Place and Shenton Way is another major retail precinct. As at 4Q 2020, private retail stock increased by 8.1% y-o-y to 7.7 million sq ft in the Downtown Core, accounted for 11.7% of the islandwide stock

Shopping Centre Floor Space per Capita
The provision of shopping centre floor space per capita in Singapore[7] is estimated to be approximately 8.6 per million sq ft net lettable area (NLA). Comparing the latest research by the International Council of Shopping Centres (ICSC), Singapore's shopping centre floor space provision is moderate, significantly lower than countries such as the USA and Australia but higher than Japan and China.

SHOPPING CENTRE FLOOR SPACE PER CAPITA
(million sq ft)



Source: ICSC Research (2019), CBRE Singapore

Private Retail Stock Ownership
Overall, new supply stood at an estimated 211,800 sq ft for 2020. Private retail stock ownership remained more or less unchanged as two developments (ARTRA, 21,600 sq ft) and Centrium Square, 32,400 sq ft) completed in 2020 were relatively small in size.

The largest owners of private retail stock in Singapore continue to be corporations and developers, e.g. CapitaLand, Lendlease and Frasers Property Group, with a combined estimated 22.7% of private retail stock NLA[8]. The second-largest owners are REITs, including CapitaLand Integrated Commercial Trust (CICT), Frasers Centrepoint Trust and SPH REIT, comprising an estimated 20.9% of private retail stock. . The remaining 56.4% of private retail stock is owned by funds and insurance houses, strata-titled owners and others.

CICT, which owns approximately 9.2% of the total private retail stock, is the largest owner of private retail stock in Singapore.

BREAKDOWN OF PRIVATE RETAIL STOCK OWNERSHIP IN SINGAPORE (%)

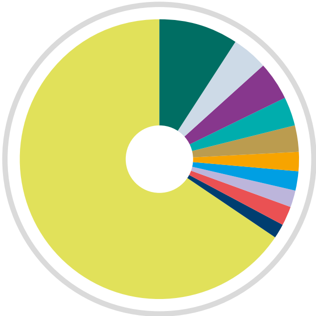
Corporation/ Developers	22.7	Strata-titled	14.1
Funds/ Insurance	7.1	Others/ Unknown	35.2
REIT	20.9		

Source: Urban Redevelopment Authority, CBRE Singapore, 4Q 2020

7 Derived from CBRE Singapore's basket of private retail stock and latest population numbers as at end-June 2020, subject to change by Singstat.
8 Based on URA's total private stock.

INDEPENDENT MARKET REVIEW

ESTIMATED SHARE OF PRIVATE RETAIL STOCK BY OWNER (%)



CapitaLand Integrated Commercial Trust	9.2	City Developments Limited	2.2
Frasers Centrepoint Trust	4.4	United Industrial Corporation Limited	2.0
Mercatus	4.3	Changi Airport Group	2.0
Far East Organization	3.3	Suntec REIT	1.9
Lendlease	3.0	Others	65.3
Mapletree Commercial Trust	2.4		

Source: CBRE Singapore, 4Q 2020

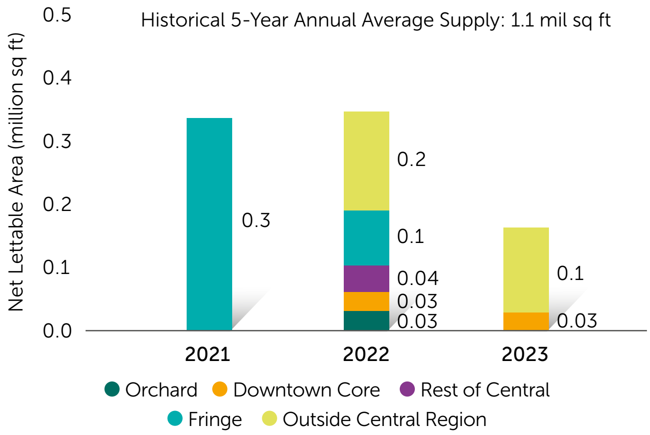
Future Supply

Total supply between 2021 and 2023 averages approximately 0.28 million sq ft per annum, which is significantly lower than the last five-year annual average supply of 1.1 million sq ft. The limited retail supply pipeline will help to cushion the level of vacancies. With the pandemic-enforced circuit breaker period delaying construction timelines, projects that were slated to complete by end 2020 were delayed to 1H 2021.

Some 0.3 million sq ft is scheduled to complete in 2022, with the majority of the projects located in Outside Central Region (OCR), including the retail components of mixed-use projects such as Sengkang Grand Mall, Forest Town and Komo Shoppes. In 2023, approximately 0.2 million sq ft will be completed. These include the retail component of Dairy Farm Residences, and the retail component of Central Boulevard Towers, estimated to be completed in 2H 2023.

In the submarket's category for 2021 - 2023, the OCR and Fringe markets are the largest contributors to future supply, accounting for 34.4% and 50.0% respectively. The Orchard Road, Downtown Core and Rest of Central Region markets, in totality, account for the remaining 15.8% of the upcoming pipeline within the same period.

ISLANDWIDE FUTURE RETAIL SUPPLY (2021-2023)



Source: CBRE Singapore, 4Q 2020

MAJOR FUTURE RETAIL SUPPLY

	2021: (0.3 million sq ft)	2022: (0.3 million sq ft)	2023: (0.2 million sq ft)
Orchard	N.A	› Boulevard 88: 32,000	N.A
Downtown Core	N.A	› Guoco Midtown: 30,000 sq ft	› Central Boulevard Towers: 30,000 sq ft
Rest of Central Region	N.A	› Club Street Retail: 30,000 sq ft › Wilkie Edge: 21,200 sq ft	N.A
Fringe	› Grantral Mall @ Macpherson: 67,500 sq ft › Shaw Plaza: 68,900 sq ft 112 Katong: 202,400	› One Holland Village: 87,300 sq ft	N.A
Outside Central Region	N.A	› Komo shoppes: 24,800 sq ft › Forest Town: 74,100 sq ft › Sengkang Grand Mall: 58,700 sq ft	› Dairy Farm Residences: 32,300 sq ft The Woodleigh Mall: 103,800 sq ft

Source: CBRE Singapore, 4Q 2020

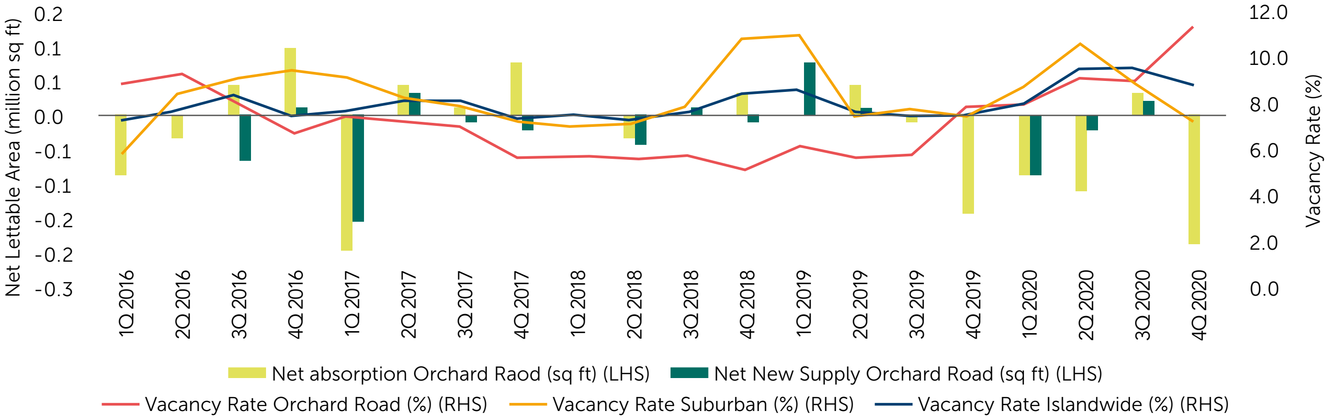
In addition, the redevelopment of Liang Court is expected to yield some 96,900 sq ft of new retail spaces. It is expected to complete by 2024.

Demand & Vacancy

Although retail sales and foot traffic are gaining traction with the resumption of shopping mall operations and activities, store closures and downsizing were notable in 2020. For example, retailers such as Charles & Keith and Naiise downsized their footprint. Department store Robinsons announced closure of its last two remaining stores in Singapore. The absence of international travelers and work from home measures will continue to pose challenges to the retail market.

Retailers have remained cautious on future expansion plans. New-to-market retailers are re-strategising their expansion plans in Singapore. Against this backdrop, the 4Q 2020 islandwide retail market registered a net absorption of 269,098 sq ft. The overall vacancy in Orchard Road increased y-o-y by 3.5 percentage points to 11.4% in 4Q 2020, while that in the islandwide areas increased by 1.3 percentage points y-o-y to 8.8%. On a brighter note, Suburban vacancy decreased 0.2 percentage points y-o-y to 7.3%.

ORCHARD ROAD SUPPLY AND DEMAND



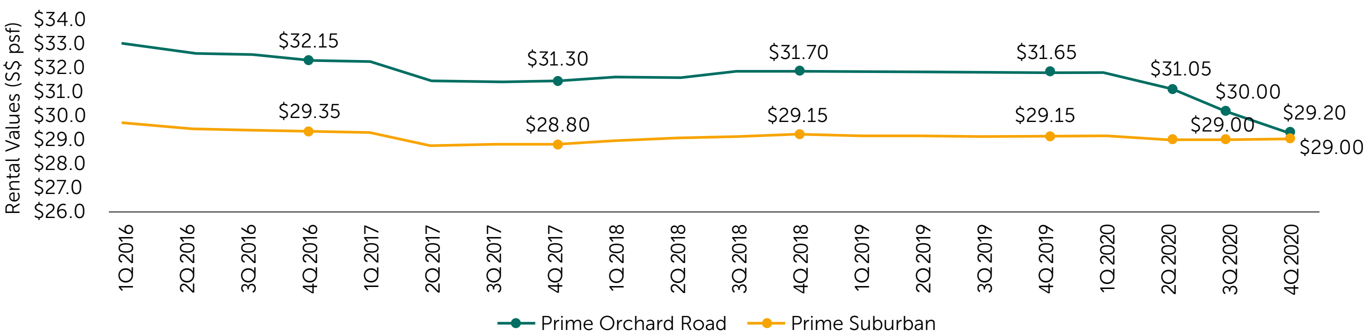
Source: CBRE Singapore, 4Q 2020

Rental Values

Cognisant of the retail environment, landlords have adopted a pragmatic stance towards rental expectations. As balancing rental and occupancy remains an imperative, landlords have provided flexible leasing arrangements such as shorter lease terms and reasonable changes to rental structure, where needed.

With the expiry of government's rental rebates in 3Q 2020, CBRE expects rental correction to accelerate. Average islandwide prime retail rents fell 8.6% y-o-y for 2020. Affected by the weak tourism market, Orchard Road experienced a sharper decrease in rents compared to that of the Suburban market. Prime rents in Orchard Road have declined by 7.9% y-o-y to S$29.20 psf/month in 4Q 2020. On the other hand, prime rents in Suburban market have remained resilient and withstood market rental compression due to strong shopper traffic recovery, standing at S$29.00 psf/month in 4Q 2020. As challenges in the tourism sector continue to weigh on the short term retail outlook, rental gap between the Suburban market and Orchard Road could constrict further. CBRE expects prime retail rents to gradually stabilise throughout 2021.

PRIME ORCHARD ROAD AND PRIME SUBURBAN MONTHLY RENTAL VALUES



Source: CBRE Singapore, 4Q 2020

INDEPENDENT MARKET REVIEW

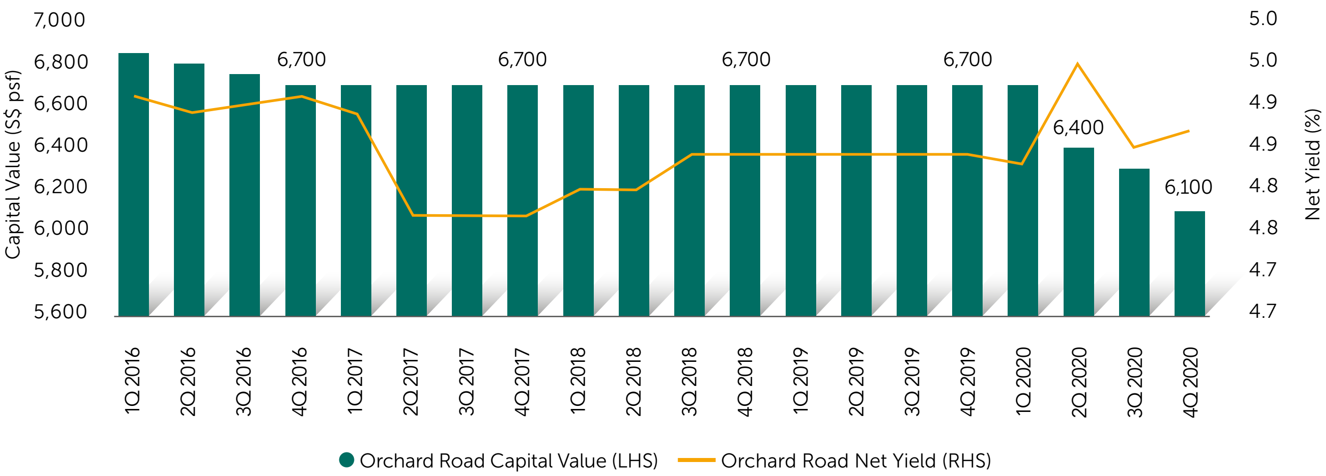
Capital Values

The investment market for retail asset in 2020 was lackluster, totaling S$1.1 billion for 2020, a 46.5% decline from the S$2.1 billion in 2019. Major retail investment transactions in 2020 included the sale of Northpoint City (South Wing) by Frasers Property to Bright Bloom Capital Limited, a wholly owned subsidiary of TCC Prosperity Limited for S$550.0 million (S$3,786 psf). In 2H 2020, a 3.8% stake of Jem shopping mall was acquired by Lendlease Global Commercial REIT for S$45.0 million (S$2,042 psf) and multiple strata commercial units at Viio@Balestier was sold to an undisclosed buyer for S$32.8 million (S$2,728 psf).

In addition, Frasers Group undertook asset reallocation within its portfolio. Frasers Centrepoint Trust (FCT) sold Bedok Point to Frasers Property for S$108 million (S$1,306 psf) while Frasers Property's 63.1% stake in PGIM's Asia Retail Fund (ARF) was sold to FCT for S$1.06 billion. ARF's Singapore portfolio includes Tiong Bahru Plaza, White Sands, Hougang Mall, Century Square and Tampines 1.

Uncertainties brewing from COVID-19 have compelled potential buyers to be more prudent. In 4Q 2020, CBRE estimates Orchard Road capital values to have decreased by 9.0% y-o-y to S$6,100 psf and net yields to have increased by 3 bps y-o-y to 4.87%. Overall, CBRE expects investors to take advantage on low valuations, low interest rates or target retail assets that has enhancement potentiality or active place-making.

ORCHARD ROAD CAPITAL VALUE AND NET YIELD



Source: CBRE Singapore, 4Q 2020

Retail Market Outlook

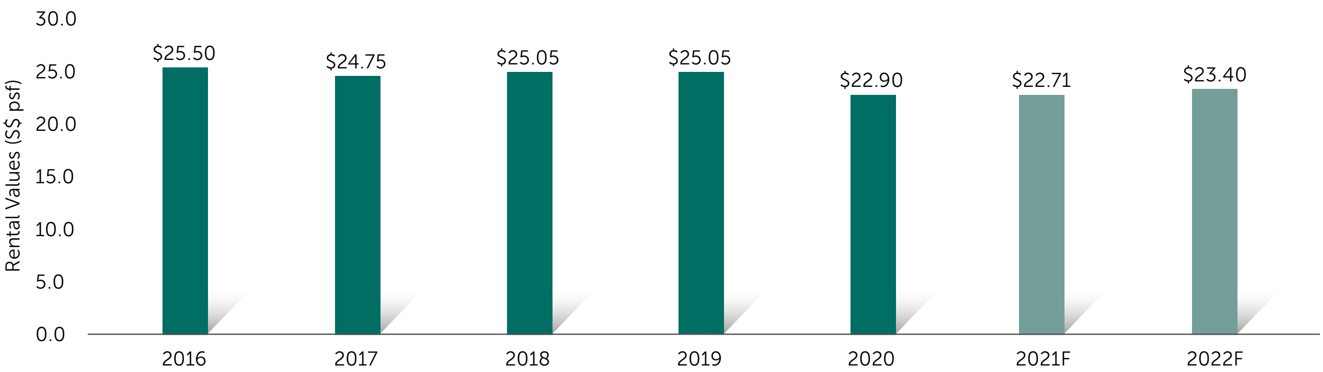
COVID-19 has presented macro uncertainty in most countries, affecting business confidence. With vaccination programs being executed in major countries, there is a glimmer of hope that travel can resume and tourism may return. With Singapore entering Phase Three of easing restrictions, coupled with ongoing negotiations for potential green lanes to allow for more leisure and business travels, these could provide some uplift to the retail market.

The recovery for the retail market is expected to be a long-drawn process with the current challenges. While shoppers are reportedly spending more locally, it would not elevate retail sales to pre-COVID levels due to the absence of tourist spending.

Landlords have taken cue and started to re-strategise their mall offerings to draw and retain foot traffic. For example, CapitaLand launched a 15-month campaign to promote the CapitaStar App where it unveiled a new upgraded identity and launched a "CapitaLand malls spend and win big draw" in collaboration with Tan Chong Motors International Limited with attractive prizes. In addition, CapitaLand have taken a long-term retail outlook to strengthen the CapitaStar/ retail eco-system in a post-COVID 19 realm by ramping up its twin digital platforms eCapitaMall and Capita3Eat, to help retailers adapt and achieve brick-and-click sales by leveraging on these platforms.

Forging ahead, landlords will focus on balancing rental expectations and occupancy, which may impact prime islandwide retail rents. Landlords are beginning to be more flexible in terms of rental structures, e.g. by introducing a higher gross turnover rent component and a lower base rent during this period, to attract and retain tenants. This is especially for strategic tenants and trades that are not performing well. Leasing activities have gained traction with new openings of mostly F&B concepts expected to pick up in 2021. Landlords and tenants alike are re-strategising their plans and looking for gaps to establish a first mover advantage and gain foothold. Store expansions and new openings are expected to move forward as retailers look to redefine retail experience. Landlords are prioritising occupancy and while vacancies are likely to increase in the short term, this in turn provides an opportunity for landlords to re-strategise their mall positioning and curate their tenant mix in response to the changing consumption patterns and behavioral trends befitting the "new normal" in the long run.

PROJECTED ISLANDWIDE MONTHLY RENTAL



Source: CBRE Singapore, 4Q 2020

Office Market Overview

Existing Supply

Islandwide office stock totalled 61.6 million sq ft as at 4Q 2020. The Central Business District (CBD) Core[10] office stock accounted for 31.2 million sq ft (or 50.7% of islandwide office stock) with 14.1 million sq ft being Grade A CBD Core[11] office space. Fringe CBD office stock stood at 16.1 million sq ft (or 26.1%) while the Decentralised Area accounts for 14.3 million sq ft (or 23.2%).

Approximately 1.2 million sq ft of office stock was completed in 2020. Major developments completed include 79 Robinson Road (518,000 sq ft), 30 Raffles Place (310,400 sq ft), post-AEI works at 55 Market Street (76,600 sq ft) and HD 139 (87,600 sq ft) in the CBD Core.

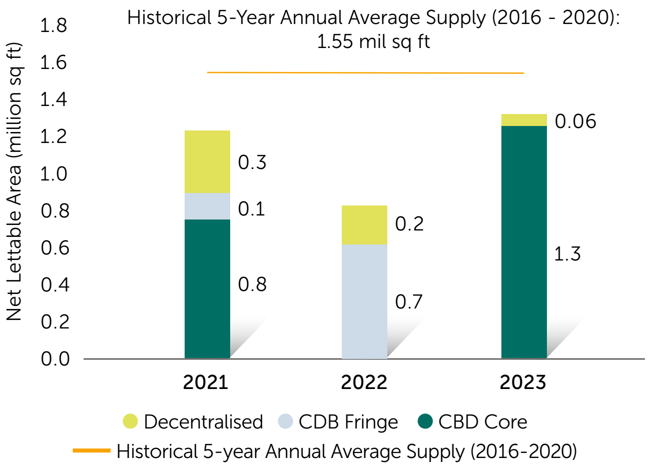
Future Supply

For 2021 to 2023, islandwide new office supply is projected at 3.4 million sq ft[12]. The CBD Core market accounts for 59.9% of the pipeline supply, while the Decentralised[13] market and CBD Fringe[14] markets account for the remaining 17.1% and 23.0% of future supply respectively. Total supply between 2021 and 2023 averages approximately 1.13 million sq ft annually, which is slightly lower the last five-year historical average supply of 1.55 million sq ft (on gross completions).

10 The CBD Core area comprises the four micro-markets: Raffles Place, Shenton Way, Marina Bay and Marina Bay Centre.
11 A revision of CBRE's basket was conducted in 1Q 2019 with figures from 1Q 2019 onwards reflecting the revision of numbers. Historical figures are unchanged.
12 The net lettable area and TOP dates are preliminary estimates and are subject to change.
13 The Decentralised markets are anchored mainly by clusters of office in Alexandra/HarbourFront, Western Suburban area and Eastern Suburban area.
14 The CBD Fringe area includes Tanjong Pagar, Beach Road/City Hall as well as Orchard Road.

Delay in office development projects in the supply pipeline may be affected due to slower than expected resumption of construction activities in light of the existing COVID-19 situation. Moving forward, there may be a further reduction in office stock as landlords evaluate redevelopment opportunities to leverage the CBD Incentive Scheme and Strategic Development Incentive Scheme aimed for older properties. Two announced redevelopments are the 38-storey Fuji Xerox Tower office building (NLA: 353,575 sq ft) and the seven-storey Central Mall office (NLA: 131,465 sq ft) and retail complex (NLA: 14,305 sq ft), to be redeveloped into mixed-use commercial projects.

ISLANDWIDE FUTURE OFFICE SUPPLY



Source: CBRE Singapore, 4Q 2020

MAJOR FUTURE OFFICE SUPPLY[15]

	2021: (1.2 million sq ft)	2022: (0.8 million sq ft)	2023: (1.3 million sq ft)
CBD Core	› CapitaSpring: 635,000 sq ft		› Central Boulevard Towers: 1,258,000 sq ft
CBD Fringe	› Hub Synergy Point: 131,200 sq ft	› Guoco Midtown: 650,000 sq ft	
Decentralised	› Surbana Jurong Campus: 207,700 sq ft	› Rochester Commons: 195,000 sq ft	› One Holland Village: 58,600 sq ft

Source: CBRE Singapore, 4Q 2020

15 The net lettable area and TOP dates are preliminary estimates and are subject to change.

In addition, the redevelopments of Keppel Tower (522,800 sq ft) and Shaw Towers (407,000 sq ft) are expected to complete in 2024.

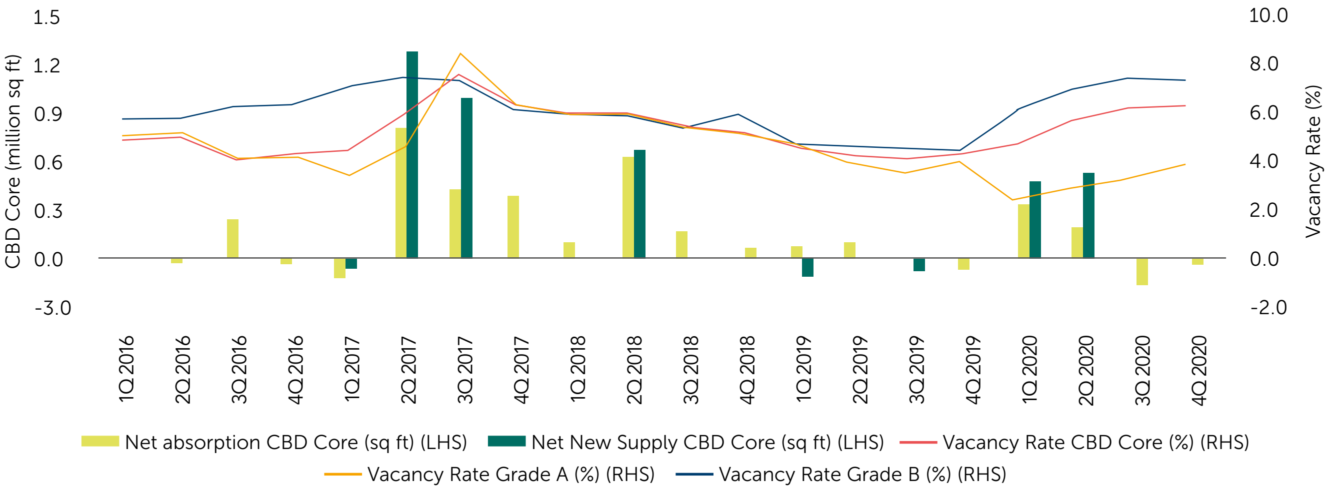
Demand & Vacancy

The CBD Core remains the preferred location for business headquarters and corporates looking to house their front offices in good quality office space with access to well-connected transportation nodes and proximity to numerous well-established local firms and global multinational corporations (MNCs). Apart from the typical banking and legal firms, sectors like technology, financial services and professional services sectors will help support demand for quality office spaces in the CBD.

With the challenges dealt by COVID-19, cost efficiency was the top priority for some firms in 2020. Sectors such as Banking and Finance and Insurance largely adopted a downsizing approach to their office needs. Activity from co-working firms was relatively muted as some co-working operators seek to postpone their new workplace openings.

On a positive note, digital acceleration will continue to spur strong demand from the technology sector. There is a growing emphasis on expanding and strengthening digital capabilities within firms to help support business continuity plans such as working from home arrangements, amongst others. Particularly, the technology sector has been seeking sizeable office space expansion and upgrading. Several Chinese technology firms are looking to shift their global or Asia Pacific headquarter to Singapore. Global political uncertainties and US data security concerns have created an added impetus for these firms to relocate to Singapore. This validates Singapore's strong and stable market fundamentals. In the longer term, Singapore's digital transformation plans will further drive and support demand.

CBD CORE OFFICE SUPPLY AND DEMAND



Source: CBRE Singapore, 4Q 2020

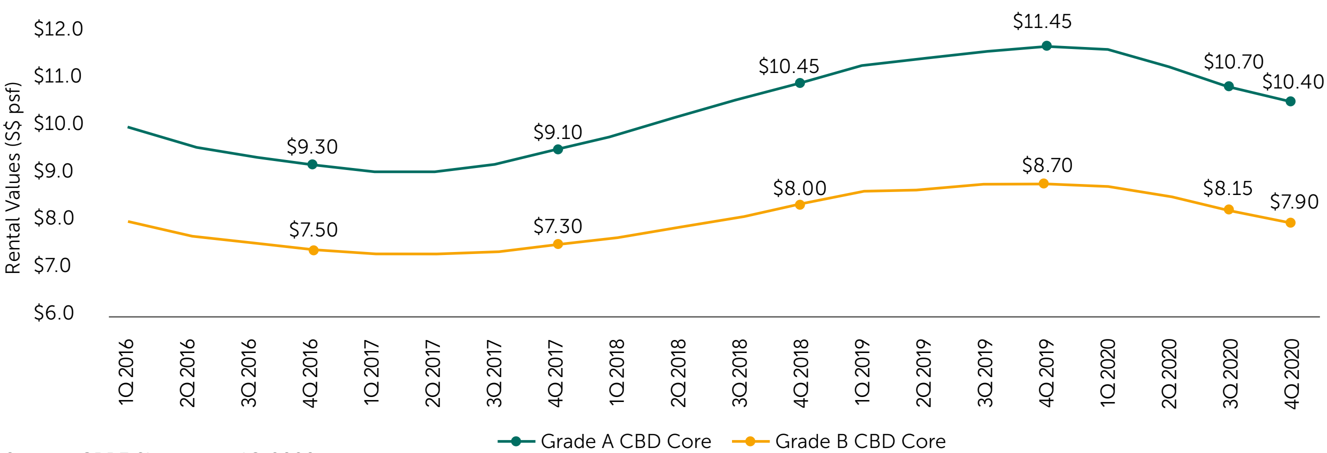
Historical islandwide office average annual net absorption for the last five years (2016 – 2020) was 0.3 million sq ft. Islandwide net absorption for whole of 2020 stood at -0.6 million sq ft, mainly contributed by the removal of some older office developments and a reduction in office space requirements from occupiers with the Core CBD and Fringe CBD. Given the Central Business District (CBD) Incentive Scheme to rejuvenate older commercial assets, developers are reassessing their ageing office portfolio and redeveloping the older assets. Demand has been driven mainly through renewals or relocations as firms continue to reassess their footprint. With high occupancy costs and impending cost cutting exercise, firms may seek to relocate to other buildings with similar quality that are able to offer more competitive rents.

Against a negative net supply, islandwide vacancy rates in Singapore's office market was 6.0% in 4Q 2020, an increase from 4.6% y-o-y. Vacancy in the CBD Core expanded to 6.3% from 4.3% y-o-y in the same period.

Rental Values

Office rents witnessed a further market correction for a fourth consecutive quarter in 4Q 2020, after posting ten and nine consecutive quarters of rental growth for Grade A CBD Core and Grade B CBD Core respectively since 2Q 2017. In 4Q 2020, Grade A CBD Core rents contracted 2.8% q-o-q or 10.0% y-o-y to S$10.40 psf/month. Similarly, Grade B CBD Core rents fell 3.1% q-o-q or 9.2% y-o-y to S$7.90 psf/month.

CBD CORE MONTHLY RENTAL VALUES

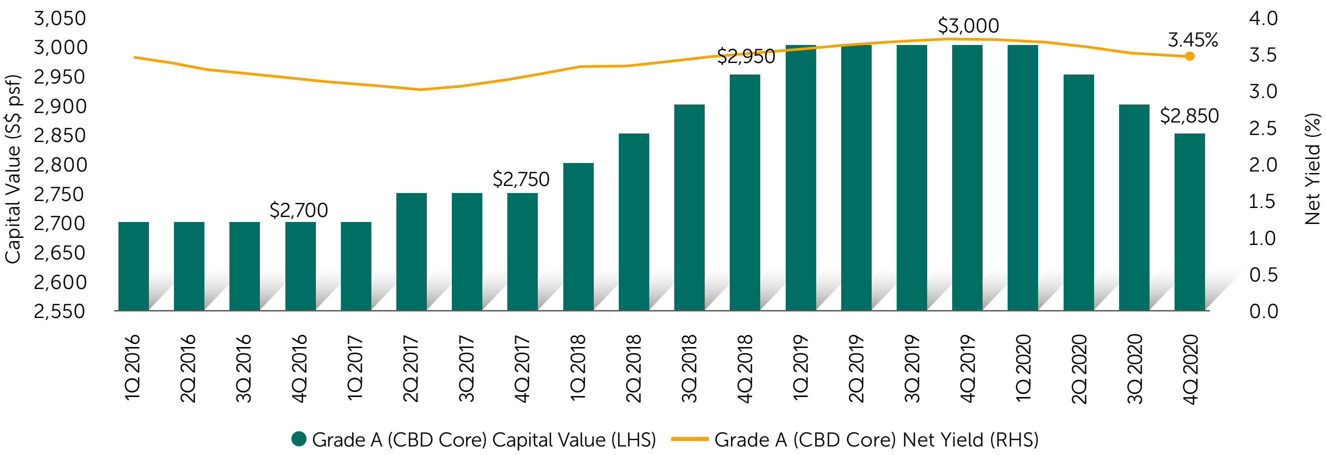


Source: CBRE Singapore, 4Q 2020

Office Investment Market and Capital Values

Office investments totalled S$2.9 billion in 2020, a 57.2% decline y-o-y. Notable transactions included the sale of two major deals by Perennial Real Estate Holdings (Perennial) in 2Q 2020. The Perennial-led consortium divested a 50% stake in AXA Tower to Alibaba Singapore for S$840.0 million. Perennial also divested its remaining 30% stake in TripleOne Somerset to a unit of Shun Tak Holdings for S$342.0 million. In 3Q 2020, Tuan Sing Holdings sold Robinson Point to an entity incorporated in the British Virgin Islands for S$500.0 million ($3,736 psf) and MYP Ltd. sold ABI Plaza to Artemis Ventures, a CapitaLand fund for S$200.0 million ($1,896 psf). Transaction volume in 4Q 2020 mainly consisted of strata deals totaling S$48.5 million, representing a 93.2% decline q-o-q.

GRADE A CBD CORE OFFICE CAPITAL VALUE AND NET YIELD



Source: CBRE Singapore, 4Q 2020

In 4Q 2020, Grade A CBD Core capital values contracted by 5.0% y-o-y to S$2,850 psf. Similarly, implied Grade A CBD Core net spot yields dipped 24 bps to 3.45%, over the same period. Given the tightening office supply pipeline, continued occupier activity from displaced redevelopment projects and well diversified occupier profile, Singapore's office sector still remains relatively healthy and is poised to benefit from the gradual economic recovery, as well as continued employment opportunities.

Office Market Outlook

Global market uncertainties are likely to persist. The impact and severity of COVID-19 weighed heavily on global economies, leading to delayed business opening and/or expansions, rising unemployment and a standstill in the aviation and travel industry.

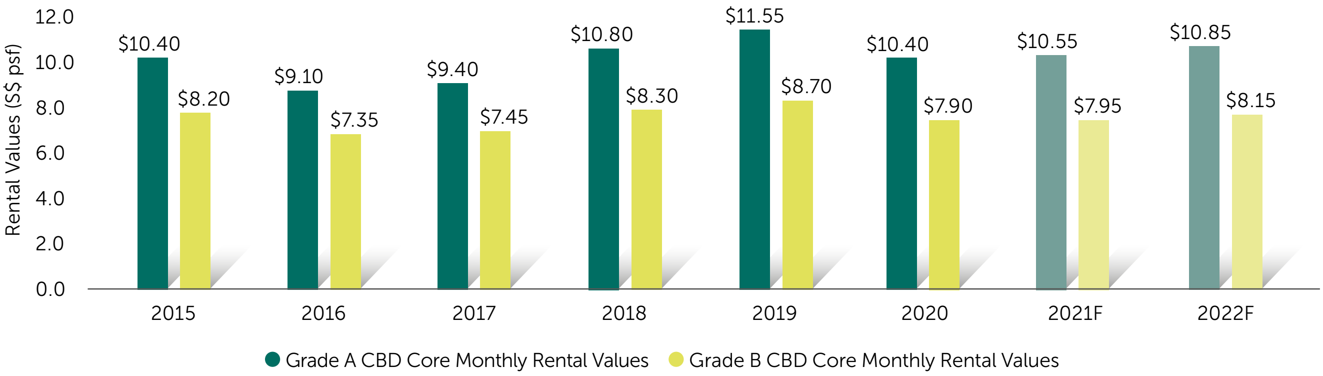
Moving forward, occupier demand will be driven mainly by renewals and displaced tenants affected by the redevelopment of their existing office buildings. Nonetheless, occupiers from the technology and non-bank financial sectors will continue to drive leasing activity, particularly from MNCs looking to set up regional headquarters and firms expanding their space requirements. In addition, the highly diversified occupier profile has shaped demand within the office market, highlighting resilience in the sector.

With cost containment as a key strategy amongst businesses, landlords will need to manage rental expectations to mitigate vacancy levels.

The Grade A office market, however, is expected to remain highly sought-after due to their tech-enabled specifications and prime location. The resilience in the Grade A market was reflected in its relatively stable vacancy rate, vis-à-vis that for Grade B and the islandwide market. In addition, a reduced supply pipeline and potential construction delay in office completions may help to augment demand and reduce vacancy levels in the short term. Strong pre-commitment levels are expected for the anticipated supply entering the market in 2021. Underpinned by the tightened supply pipeline and potential slippages especially in the Grade A market, office rents may have reached its trough in 2020. In line with the expected economic recovery, CBRE projects that rental levels will gradually rebound in 2021.

The COVID-19 outbreak has undeniably changed the future of office spaces, with companies now reviewing their working models and arrangements. They are exploring office-based, remote working, or a combination of both. Remote working is expected to impact future office demand and working spaces, considering social distancing measures. Moving forward, CBRE envisions the office market to steer towards a hybrid format, as remote working will not be able to replicate or replace the benefits of community, collaboration, culture and organisation growth that an office environment potentially creates, With digital acceleration, businesses will continue to leverage technology to upscale their operations and upskill their workers to adapt to the new norm.

PROJECTED CBD CORE MONTHLY RENTAL



Source: CBRE Singapore, 4Q 2020

Integrated Development Market Overview

There has been a demand shift towards a live-work-play environment. This has spurred strong demand for integrated developments that are well-connected to transportation nodes and features high-quality, green and open spaces for the public. Creating a sustainable and vibrant ecosystem, integrated developments are well supported by a working population as well as an immediate residential catchment.

While mixed-use developments typically comprise a residential component in addition to a commercial component, integrated developments are often seen as superior to other mixed-use developments, as they:

- typically feature a mix of different, yet synergistic uses such as retail, office, residential and hospitality, managed under one management;
- offer a mix of uses which provides a "campus-like" or "precinct-type" environment;
- in most instances, possess excellent connectivity to transportation nodes;
- have high-quality green features and open spaces for the community; and
- offer value-added services for tenants and other stakeholders, such as benefits from programming, which includes integrated services across different parts of the integrated development, tenant offers and events, access to certain privileges such as discounts and updates, and the use of other facilities and amenities within the larger integrated development.

Considering the dynamic urban landscape, landlords have an increasing appetite for integrated developments, evident from recent completion of integrated developments such as DUO, Funan and Jewel Changi Airport, and the upcoming pipeline developments such as One Holland Village, CapitaSpring and Guoco Midtown.

The growing popularity of integrated developments is also aligned with the Urban Redevelopment Authority (URA)'s strategy of introducing more mixed-use precincts and integrated developments through Government Land Sales (GLS) programme, CBD Incentive Scheme and Strategic Development Incentive Scheme that was announced in URA Draft Master Plan 2019. In the 1H 2021 GLS Programme, there are three potential integrated development sites comprising three sizable "white sites" at Marina View, Woodlands Avenue 2 and Kampung Bugis on the Reserve List. According to URA, the land supply has been 'carefully calibrated to take into account the COVID-19 and macroeconomic situation'. The gradual shift in introducing more mixed-use precincts and integrated developments reflects a growing emphasis in creating integrated spaces for residential, office, hospitality, retail and leisure uses.

Integrated developments foster communities. The trends of collaborative environment, authentic experiences and car-lite society supports the value proposition of integrated developments. The synergy and community that these integrated developments offer also provides more opportunities for place-making, which will create a sense of belonging and ensure vibrancy.

INDEPENDENT MARKET REVIEW

Advantages of Integrated Developments

There are certain notable advantages across larger integrated developments, especially in the decentralised locations. Integrated developments often elevate the quality of real estate offerings in sub-regional centres, where there is limited quality stock. A well planned mix of complementary amenities and uses within the integrated development will attract a similar profile of occupiers and patrons, promoting a larger ecosystem and community.

There are also advantages within each component and synergies across the integrated development:

- the office component, particularly within the Fringe CBD and Decentralised markets, benefits from the conveniences gained in being located within an integrated development. This includes the provision of integrated amenities and uses, such as a diverse retail and F&B mix, as well as hospitality in certain instances within the integrated development; Consequently, such office component can potentially command rental premiums of approximately 10%-20% over Grade B office spaces in similar locations.
- for the retail component, there would be a local catchment to serve and this community could include office workers, residents, hotel guests or serviced apartment residents. This aspect is an important draw for prospective retailers who are looking to landlords and developers to enhance their brands and products visibility through a sustainable and vibrant ecosystem;
- integrated developments offer attractive work-live-play proposition with comprehensive and complementary offerings. However, to a certain extent, this may be less relevant in Core CBD locations, where office tenants already have easy access to a range of competitive offerings within the vicinity; and
- the hotel and serviced apartments will benefit from the proximity to amenities and ease to access the complementary office component. Aligning the positioning of the different components will create an attractive proposition for shoppers, tenants, office workers and hotel/service residence guests. While this is likely to support the occupancy of the hotel component, the average daily rate (ADR) will still be subjected to market demand in view of Singapore's competitive hotel market.

Future Supply

From 2021 to 2023, four new integrated development projects are expected to complete, with CapitaSpring in the Core CBD market in 2021, Guoco Midtown in the Fringe CBD and Rochester Commons in the Decentralised markets in 2022. In addition, the retail and office components of One Holland Village will enter the Decentralised market in 2022 and 2023 respectively.

MAJOR FUTURE INTEGRATED DEVELOPMENTS SUPPLY

Project	Developer	City Area	Office Est. NLA (sq ft.)	Retail Est. NLA (sq ft.)	No. Residential Units	No. Hotel/ Serviced Apartment Units	Est. Year of Completion
CapitaSpring	CapitaLand, CapitaLand Integrated Commercial Trust and Mitsubishi Estate Co., Ltd	Core CBD	635,000	11,700	Nil	299	2021
Guoco Midtown	GuocoLand	Fringe CBD	650,000	30,000	219	Nil	2022
Rochester Commons	CapitaLand	Decentralised	195,000	15,000	Nil	135	2022
One Holland Village	Far East Organization, Sekisui House, Sino Group	Decentralised	58,600	87,300	269	27	2022/2023

Source: CBRE Singapore, 4Q 2020

Investment Sales and Transactions
There were no notable integrated development transactions in 2020.

Integrated Developments Market Outlook
As the government encourages more mixed-use and integrated development precincts through its planning policies, and with the increasing drive for the development of sub-regional centres and decentralised locations, we expect more integrated developments will be built in the future.

Additionally, we expect the competition for prospective integrated development land sites to intensify, with increased interests from developers with scale and experience across different uses, or a consortium of developers specialising in different components.

The quality of integrated developments, in terms of offerings, activities and events, and public spaces is also expected to improve. As competition in the integrated development markets intensifies, we expect developers to continue investing in innovation and technology to capture demand.

FRANKFURT OFFICE MARKET

Despite the pandemic lockdown-phases in 2020, Frankfurt's office market reported relatively positive leasing with 330,200 sq m office space take-up, although it was 40% below the previous year. 4Q 2020 proved to be the strongest quarter with 128,100 sq m of office space take-up.

The uncertainties of the pandemic, as well as the changing demand for workplace concepts in the future, amongst other things, have led to a high volume of lease extensions, which amounted to 92,700 sq m in 2020, 9% higher than the five-year average.

With a 25% share of the cumulative letting volume, or 81,600 sq m, the Banking District was the submarket with the highest demand, followed by Eschborn (15%) and Frankfurt East (13%). Together, the CBD submarkets accounted for 36% or 118,200 sq m of the leasing volume. The most important business sectors were banking and financial services with 13% share, consultants (legal advisor, chartered accountant) with 15%, as well as real estate companies with 12%. Largest deals in 2020 took place in the final quarter, including the letting of Samsung Electronics in the project development Eschborn Gate with more than 17,600 sq m of office space, and Land Hessen with around 17,000 sq m in MC-30 office center in Mertonviertel submarket.

While prime rent remained stable compared with the previous year at €44.00 psm per month, the weighted average rent increased by 7% to €23.13 psm / month due to the higher-priced leases signed in the past 12 months in the sought-after CBD office buildings. Prime rent in the Airport District remained stable compared with previous year at €27.00 psm / month, the weighted average rent decreased slightly by 5% to €21.71 psm / month. The vacancy rate declined year-on-year by 0.4 percentage points to 6.4%, mainly due to conversions of nearly 150,000 sq m of office space, including the Lurgi-Haus in Mertonviertel submarket with 64,800 sq m of office space being converted into residential use.

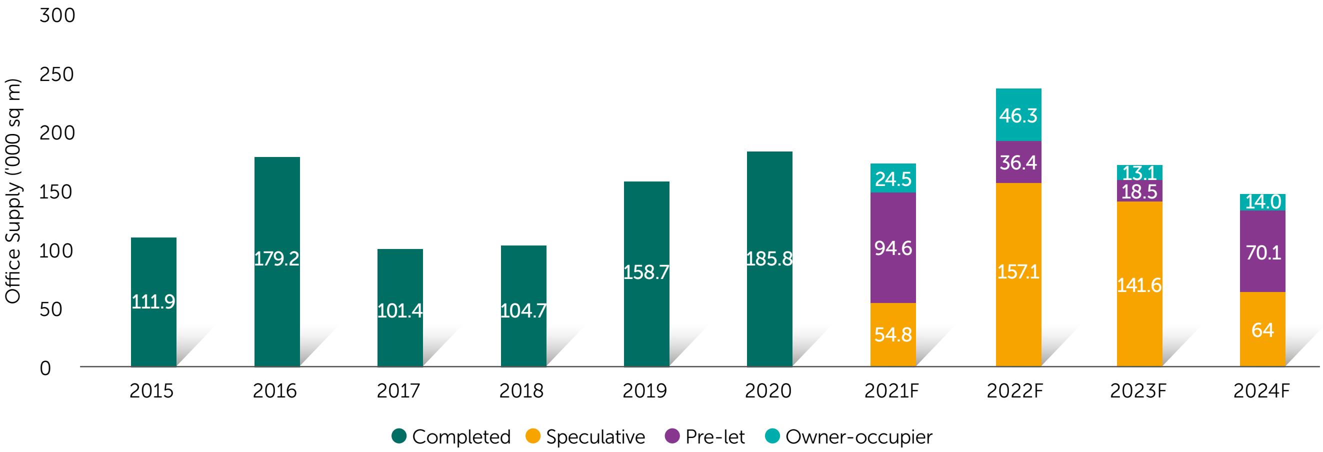
In 2020, 185,800 sq m of new or refurbished office spaces have been completed, including projects Grand Central, DB Tower and The Brick totalling 94,600 sq m which were all leased to Deutsche Bahn. In the Airport District, 24,800 sq m of office has been completed, including Air Park, Jackie & Jerrie and the new Goldbeck office building.

With a 63% share of the office take-up in 2020, high-quality office space and project developments under construction continued to receive high demand. This is also reflected in a high pre-letting rate for projects to be completed in 2021 which is already at 68%. Until the end of 2023, there is approximately 586,900 sq m of office space in the project pipeline, of which 40% has already been absorbed by the market. Over at the Airport District, more than 80% of the 71,700 sq m in the pipeline is speculative office space, including the Europa-Center (more than 32,000 sq m).

Frankfurt's transaction volume (including 50 or more residential units) accounted for €7.7 billion, representing a 14% decline. €5.6 billion or 72% of the investment volume was attributable to office properties. Foreign investors, especially from the European continent, were responsible for more than half of the total transaction volume in 2020. Meanwhile, Frankfurt's commercial transaction volume increased by 3% to €7.2 billion. This is the third record performance after 2007 and 2018. Office prime yield remained stable at 2.90%.

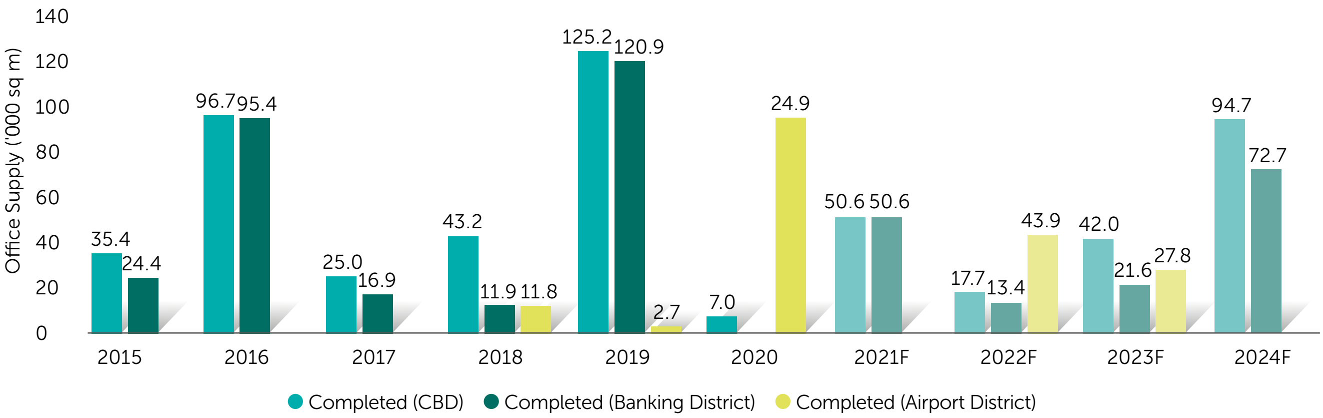
INDEPENDENT MARKET REVIEW

FRANKFURT COMPLETIONS AND OFFICE SPACE FUTURE SUPPLY (OVERALL MARKET)



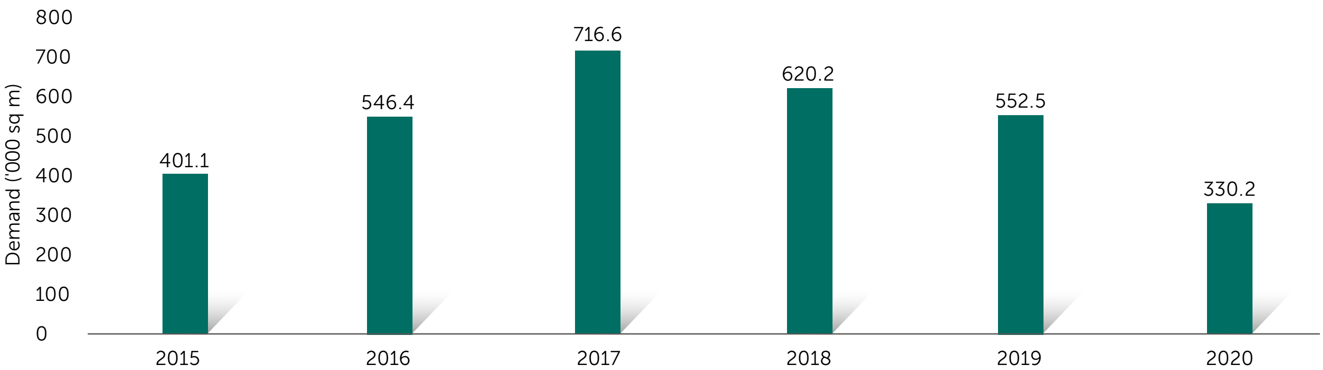
Source: CBRE Germany Research, 4Q 2020

FRANKFURT COMPLETIONS AND OFFICE SPACE FUTURE SUPPLY (CBD & BANKING DISTRICT & AIRPORT DISTRICT)



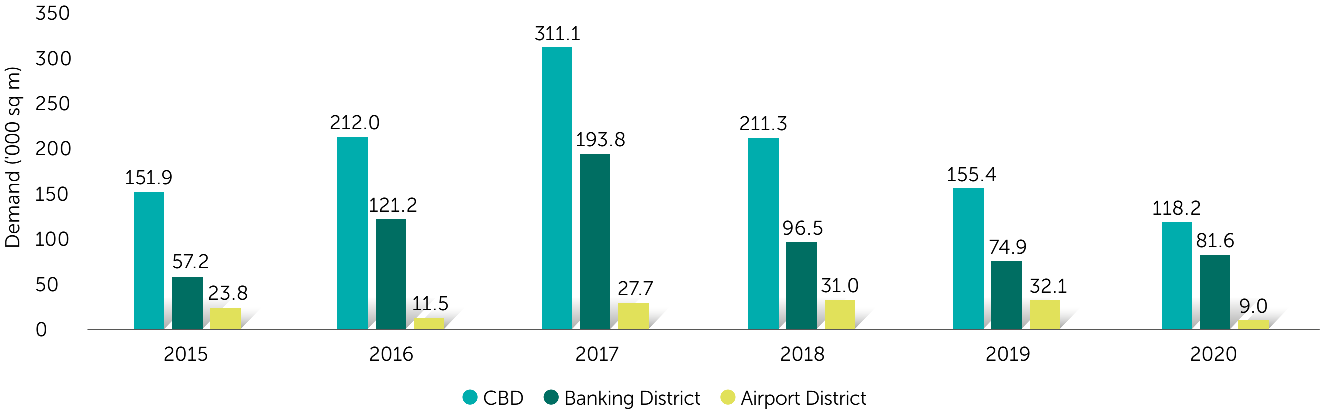
Source: CBRE Germany Research, 4Q 2020

FRANKFURT DEMAND (OVERALL MARKET)



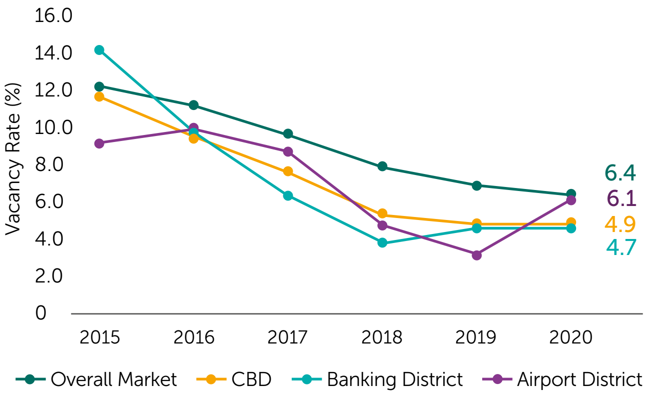
Source: CBRE Germany Research, 4Q 2020

FRANKFURT DEMAND (CBD & BANKING DISTRICT & AIRPORT DISTRICT)



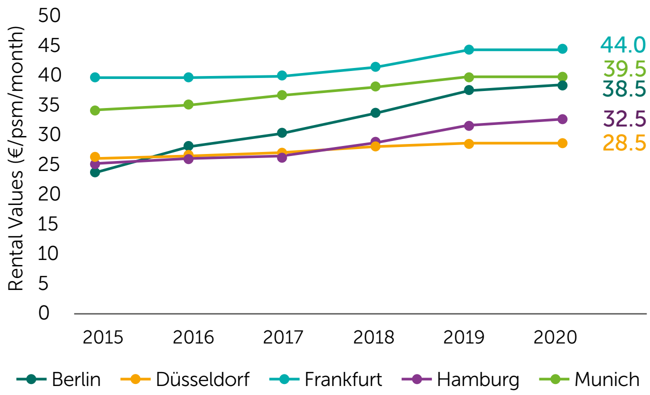
Source: CBRE Germany Research, 4Q 2020

FRANKFURT VACANCY RATES (OVERALL MARKET, CBD & BANKING DISTRICT & AIRPORT DISTRICT)



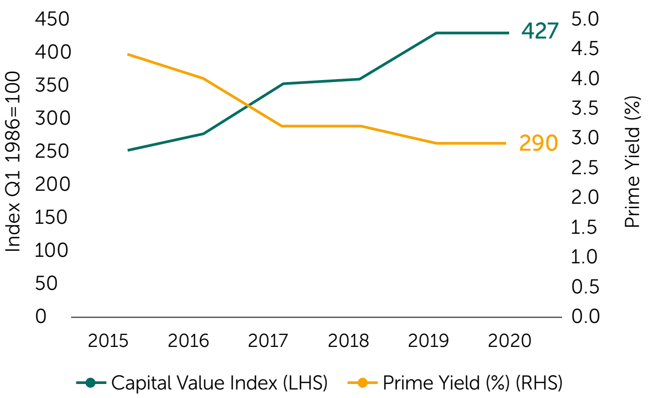
Source: CBRE Germany Research, 4Q 2020. Note*: Without Subletting

GERMANY PRIME OFFICE RENTS



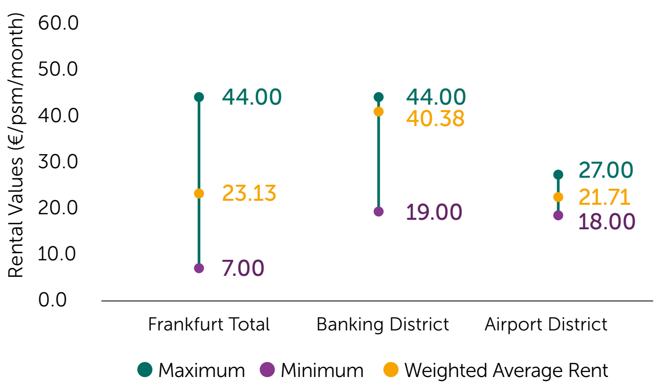
Source: CBRE Germany Research, 4Q 2020

FRANKFURT PRIME YIELD/ CAPITAL VALUE INDEX



Source: CBRE Germany Research, 4Q 2020

FRANKFURT RENTAL BAND (OVERALL, BANKING & AIRPORT DISTRICT)



Source: CBRE Germany Research, 4Q 2020

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Market Volatility

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a global pandemic on the 11th March 2020, is causing heightened uncertainty in both local and global market conditions. Our assignment is based on the information available to us at the date of assessment. You acknowledge that our reports may include clauses highlighting the heightened market uncertainty if appropriate, and we recommend our assessment is kept under frequent review.

Both governments and companies are initiating travel restrictions, quarantine and additional safety measures in response to the COVID-19 pandemic. If, at any point, our ability to deliver the services under the LOE are restricted due to the pandemic, we will inform you within a reasonable timeframe and work with you on how to proceed. Whilst we will endeavour to meet the required timeframe for delivery, you acknowledge any Government or company-imposed restrictions due to the virus may impede our ability to meet the timeframe and/or deliverables of this engagement, and delays may follow. Any delays or inability to deliver on this basis would not constitute a failure to meet the terms of this engagement.

PROPERTIES

One of our key resources is our portfolio of quality assets that provide sustainable income to the Trust. We create long-term value for our stakeholders by building on our competitive advantages, investing in timely asset enhancements, and by providing quality spaces and differentiated offerings to our tenants. Through proactive and long-term planning for each asset, we ensure that our properties continue to remain relevant and future-ready.

Our Resources	Our Value Drivers	2020 Value Created
Properties	› Maximise potential and enhance portfolio › Product safety and customer well-being › Enhance accessibility (Social integration) › Embrace innovation	› Maintained seven properties with BCA Universal Design awards › Improved mobile app CapitaStar@Work › Leveraged technology to safeguard our properties

PRODUCTS AND SERVICES

Enhancing our Portfolio

CICT has a dedicated portfolio management strategy to upkeep and upgrade each of our assets. Our goal is to maximise the value and enhance the offerings of each asset throughout its property life cycle. Over the years, we have successfully rejuvenated our properties through various asset enhancement initiatives (AEIs).

Rejuvenation Works at Lot One Shoppers' Mall

Timeline:
- Commencement: July 2019
- Temporary Operation Permit (TOP) obtained on 29 October 2020 and handed over to most tenants for internal fit-out works.
- Cinema and library to open in 2H 2021.

AEIs:
- The library is expanding from Level 4 to Level 5 courtyard area.
- On Level 5 and 6, the cinema is reformatting its four big halls into eight smaller halls with a refreshed look and an upgrade in facilities.

NEW LIBRARY EXPANSION ON LEVEL 5 WILL OCCUPY PART OF THE EXISTING COURTYARD SPACE

Courtyard space pre-AEI

Artist's impression of new courtyard space

PROPERTIES

Revitalising Six Battery Road

Timeline:
- Commencement: January 2020
- Target completion in end-2021
- Cost: Approximately S$35 million and target return on investment of about 8%

AEIs:
- Facelift for podium block which includes new F&B offerings and Standard Chartered Bank's new flagship branch
- New 24/7 through-block link connecting Raffles Place to Singapore River

Update:
- Works underway albeit slightly delayed by the COVID-19 pandemic, while most of the office tower remains in operations
- Leasing to be in tandem with phased works


Artist's impression of new podium facade


Artist's impression of the new 24/7 through-block link

Enhancement of 21 Collyer Quay


Artist's impression of new podium facade

Timeline:
- Commencement: 3Q 2020
- 7-year lease to WeWork expected to commence in early 4Q 2021

AEIs:
- Enhancements to essential equipment and common/lettable areas.
- Cost: Approximately S$45 million and target return on investment of about 9%

Update:
- Property is closed for enhancement works albeit slightly delayed by COVID-19.
- Achieved BCA Green Mark Platinum on 1 December 2020 while retrofitting the property

Redevelopment of Golden Shoe Car Park into CapitaSpring


CapitaSpring topping-out at level 51

Timeline:
- Redevelopment of Golden Shoe Car Park announced in July 2017
- Groundbreaking ceremony held in February 2018
- Achieved topping-out milestone on 19 January 2021
- Target completion in 2H 2021

New Building Details:
- 51-storey integrated development comprising Grade A office, serviced residence with 299 rooms, ancillary retail and a food centre
- Gross floor area of 1,005,000 sq ft

Update:
- Achieved committed occupancy of 38.0% as at 19 January 2021, with another 22.0% under advanced negotiation
- Committed tenants include J.P. Morgan, Square Point, Saxo Markets and The Work Project

Innovation & Technology

We leverage technology to innovate and improve processes as well as to create new offerings for our stakeholders.

GET INTO YOUR FUTURE WORKSPACE AT THE CAPITASPRING SHOW SUITE

Located on level 20 of Capital Tower, the CapitaSpring show suite offers prospective tenants, investors and VIPs an engaging and immersive preview of the future of work in the 51-storey ultra-modern integrated development. Using customised design solutions and interfaces, including a panoramic display and a large-scale building model, the show suite successfully creates an interactive and informative virtual experience that brings to life exciting features of CapitaLand's Office of the Future initiative. Features include the core-flex workplace solution, active placemaking activities and smart-building technologies. The innovative use of technology for the show suite has earned CapitaSpring the Singapore Good Design Mark 2020 Award for Experience Design.


Panoramic display at CapitaSpring show suite


Large scale building model of CapitaSpring integrated with interactive display featuring different parts of the building

INSIDE CAPITASPRING: EMPOWERING THE FUTURE OF WORK & THE SAFETY OF WORKPLACE

CapitaSpring is thoughtfully designed to offer fully integrated workspace solutions that marry the convenience of amenities with the nimbleness of core-flex workspace. With the pandemic changing the conventional office-centric work norm, a new hybrid workplace concept has evolved that is supported by CapitaSpring's value proposition as a flexible, sustainable and connected workplace ecosystem. CapitaSpring will have a dedicated Community Manager to actively foster a collaborative platform to connect and co-create. The Community Manager will also work with CapitaSpring's partners, such as The Work Project and 1-Group, to create unique events and experiences tailored to the needs of tenants.

Artist's impression of CapitaSpring

SCAN ME

Scan QR code to view CapitaSpring's Journey on its transformation, concept and construction to bring work-live-play elements into this iconic architecture.

- Equipped with the latest WiFi 6 technology across the entire development, and ample power points, users can plug-and-work at common areas, like the City Room on Level 1, Green Oasis on Levels 17 to 20 and Sky Garden on Level 51.
- CapitaSpring will roll out a long-range wide area network to enable the deployment of IoT sensors throughout the integrated development. There will also be fully automated smart-cleaning robots integrated with the access control system to operate within the building.
- Tenants can use the CapitaStar@Work app to book flexible amenities located on Levels 21, 39 and 40, as well as the City Room on Level 1, the Amphitheatre and Yoga Alcove on Level 18, the multi-purpose hall and meeting rooms on Level 20, and the Sky Cube on Level 51 for corporate functions.
- Tenants can also use the CapitaStar@Work app to invite their guests to pre-register before meetings in CapitaSpring. Each guest will receive a QR code, via SMS or email, to be scanned at the turnstiles for direct access into the building. From entry to exit, the guests will enjoy seamless access supported by facial recognition turnstiles and destination-controlled lift systems. These technologies serve to minimise contact and keep everyone safe.
- Other health and safety safeguards include the Ultraviolet Germicidal Irradiation system and high-efficiency MERV-14 filters fitted in Air Handling Units to improve indoor air quality and reduce airborne viruses.

CAPITASTAR@WORK

Following the successful pilot of the CapitaStar@Work mobile application in 2019, the app was launched on 1 July 2020 to five office properties: Capital Tower, Asia Square Tower 2, CapitaGreen, Six Battery Road and One George Street. The following new features were added to enhance the app:

- **Contact Tracing, Pulse Survey**, Declaration and Office Pre-Check in - these were developed to assist tenants' safe management measures at the workplace, in line with COVID-19 regulations.
- **Visitor Invitation** – Tenant users at Capital Tower can now invite their guests using the app. A QR code will be sent to the guest via SMS or email that would grant direct access at the turnstile. This feature will be introduced to more properties progressively.
- **Retail Deals** – Besides the exclusive deals in CapitaStar@Work, tenant users can link the app with their personal CapitaStar account to view STAR$ and redeem CapitaStar deals.

We will be introducing more exciting features to enhance our tenants' experience and convenience.

Achieved
5X User Base Growth
from the pilot in 2019


Transforming the experience of working in our office properties

Customer Health & Safety

Customer health and safety is CapitaLand's top priority in providing a safe and enjoyable retail and office experience. We are constantly innovating and improving by leveraging technology and collaborating with strategic partners. Tenant satisfaction surveys are conducted annually for our malls to gain timely insights on areas for further improvements. Similarly for offices, we gather tenants' feedback through surveys and other engagements with them.

A COAT OF ASSURANCE: KEEPING TENANTS AND SHOPPERS SAFE DURING THE PANDEMIC

We collaborated with De-Novo to treat high-touch areas, such as entrance and exit points, doorknobs and escalators railings, at our retail and office properties with an anti-microbial coating to keep our shoppers, tenants and properties safe. The coating uses the AirTum^R Proprietary Anti-Microbial Fusion Technology, which is proven to be 99.99% efficient in degrading bacteria, viruses, moulds and fungi upon direct contact, and contains active ingredients that are safe to human. The coating is also self-cleaning, even with routine wiping and cleaning of treated surfaces. This reduces the need for constant cleaning using disinfectants that could also emit harmful fumes.


Application of anti-microbial coating for high contact areas such as digital screens.

PROPERTIES

SOCIAL INTEGRATION

As satellite hubs, CICT's properties are strategic channels for community engagement. We are committed to building safe, accessible, vibrant and quality developments to enhance the lives of communities around our operations.

Our social integration criteria, which factor universal design considerations include:

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

These design considerations are also integrated with CapitaLand's universal design principles and Sustainable Building Guidelines (SBG) to ensure that they are considered from the start of the project development process. Universal design considerations ensure that public spaces in our properties are accessible to users of different age groups and varying abilities. These include:

- Seamless connectivity to the external surroundings, such as bus-stops, adjacent buildings, streets and sidewalks
- Barrier-free access from accessible (handicapped) and family parking lots to lift lobbies
- Sheltered and barrier-free drop-off areas
- Accessible (handicapped) and family lots
- Designated pedestrian lanes in car parks
- Amenities such as accessible toilets, lifts and nursing rooms
- Atrium spaces, libraries and play areas for children

CICT's Singapore portfolio comprises 22 operating retail, office and integrated developments, most of which either offer direct access to public transport hubs or are close to MRT stations, bus stops and taxi stands.

All our properties have at least one facility for disability access. These include accessible alighting and boarding bays, lifts, parking lots and public toilets. Our properties are also guide-dog friendly.

To encourage greener transportation modes, the Trust has allocated over 1,000 bicycle bays as well as green parking lots with charging stations across our properties. For tenants who cycle to work, shower facilities are available in some properties.

We have also continued the partnership with BlueSg on electric car sharing at six of our malls, namely Clarke Quay, Funan, Lot One Shoppers' Mall, Plaza Singapura, Tampines Mall and Westgate.

Type of Amenities	No of Retail Properties	No of Office Properties
Facilities with disability access	15	5
Guide dog-friendly policy	15	4
Family and nursing rooms	15	2
Shower facilities	2	4
Accessible public toilets	15	5
Bicycle-sharing parking zones	1	4
Electric vehicle charging stations	4	4
Community spaces	11	3

Properties	Award	Year of Award
Bedok Mall	BCA Universal Design Mark Gold^{PLUS}	2016
Westgate	BCA Universal Design Mark Platinum	2015
JCube	BCA Universal Design Mark Gold^{PLUS}	2013
CapitaGreen	BCA Universal Design Mark Platinum	2016
Capital Tower	BCA Universal Design Mark Gold	2017
Funan	BCA Universal Design Mark Gold^{PLUS}	2020
CapitaSpring (under development)	BCA Universal Design Mark Gold^{PLUS} (Design)	2018

PROPERTY DETAILS

BEDOK MALL

Bedok Mall is the first major mall in Bedok, one of Singapore's most populous housing estates. In the heart of the Bedok Town Centre, Bedok Mall is home to over 200 shops spanning four floors, serving everyday essentials, food & beverage, lifestyle and fashion options. As part of a retail-residential-transport hub development, Bedok Mall enjoys excellent connectivity with direct connection to Bedok Mass Rapid Transit (MRT) station and bus interchange.

PROPERTY INFORMATION

Address	311 New Upper Changi Road
Land Tenure	Leasehold tenure of 99 years with effect from 21 November 2011
Agreed property value in 2015	S$780.0 million
Carpark Lots	265
Bicycle Lots	200
Award	› BCA Universal Design Mark Gold^PLUS (2016) › BCA Green Mark Platinum (2017)

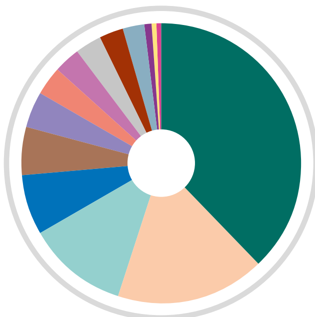
As at 31 December	2019	2020
Valuation (S$ million)	794.0	**779.0**
Gross Floor Area (sq ft)	335,877	**335,877**
Net Lettable Area (sq ft)	222,469	**222,469**
Number of Tenants	175	**191**
Committed Occupancy (%)	99.5	**99.1**
Annual Shopper Traffic (million)	20.2	**14.4**
Gross Revenue[1] (S$ million)	57.9	**46.1**
Net Property Income (S$ million)	42.8	**33.0**

1 Gross revenue comprises gross rental income, car park income and other income.

TOP 5 TENANTS[2]

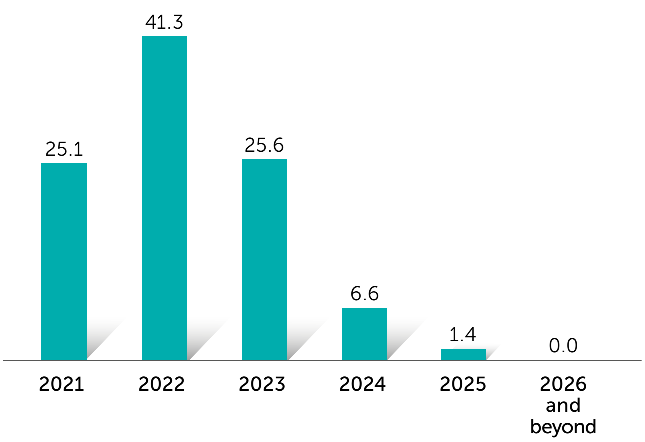
1	NTUC Enterprise Co-Operative Ltd
2	Wing Tai Retail Management Pte. Ltd.
3	Hanbaobao Pte. Ltd.
4	Cotton On Singapore Pte. Ltd.
5	Best Denki (Singapore) Pte. Ltd.

TRADE MIX[2] (%)



Food & Beverage	37.8
Beauty & Health	17.3
Fashion	11.7
Supermarket	7.0
Services	5.5
IT & Telecommunications	4.3
Home Furnishing	3.2
Gifts & Souvenirs/Toys & Hobbies/Books & Stationery / Sporting Goods	3.1
Shoes & Bags	2.9
Electrical & Electronics	2.8
Jewellery & Watches	2.5
Education	0.8
Department Store	0.8
Leisure & Entertainment/ Music & Video	0.3

LEASE EXPIRY PROFILE[3] (%)



2 Based on gross rental income for the month of December 2020 and excludes gross turnover rent.
3 As at 31 December 2020, based on committed gross rental income for the expiry month of the lease and excludes gross turnover rent.

PROPERTY DETAILS

BUGIS+

Bugis+ is strategically located within Singapore's Civic and Cultural District and directly opposite Bugis Junction. Easily accessible via Bugis MRT Station, Bugis+ is connected by an overhead link bridge to the second storey of Bugis Junction. The integration of the two malls further strengthens its overall appeal to shoppers with a combined retail space of more than 600,000 sq ft. Bugis+ exudes vibrancy with endless entertainment, exciting food & beverage options and stylish fashion offerings, creating a dynamic magnet for fun-seeking trendy youth in the heart of Bugis.

PROPERTY INFORMATION

Address	201 Victoria Street
Land Tenure	Leasehold tenure of 60 years with effect from 30 September 2005
Purchase price in 2011	S$295.0 million
Carpark Lots	325
Bicycle Lots	15
Award	BCA Green Mark Platinum (2020)

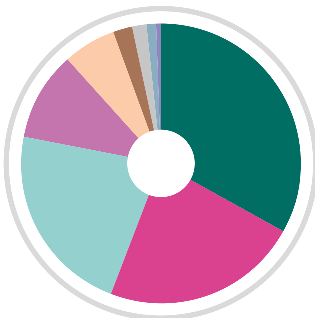
As at 31 December	2019	2020
Valuation (S$ million)	357.0	**353.0**
Gross Floor Area (sq ft)	319,652	**319,652**
Net Lettable Area (sq ft)	214,408	**214,376**
Number of Tenants	81	**87**
Committed Occupancy (%)	100.0	**99.5**
Annual Shopper Traffic (million)	20.5	**10.2**
Gross Revenue[1] (S$ million)	33.7	**24.4**
Net Property Income (S$ million)	24.1	**15.9**

1 Gross revenue comprises gross rental income, car park income and other income.

TOP 5 TENANTS[2]

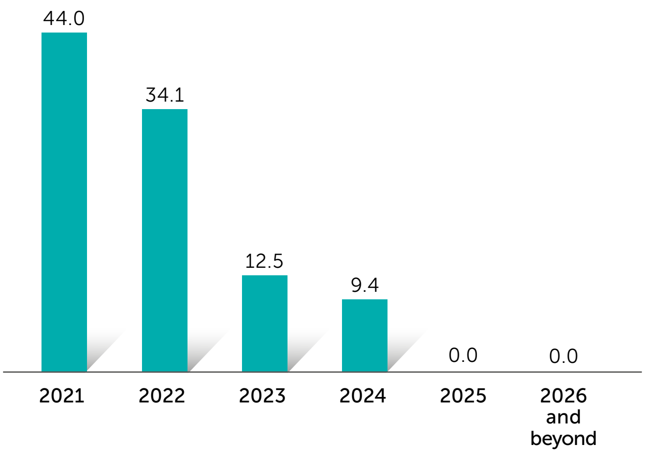
1	Hansfort Investment Pte. Ltd.
2	Wing Tai Retail Management Pte. Ltd.
3	JD Sports Fashion Pte. Ltd.
4	Diamond Dining Singapore Pte. Ltd.
5	Creative Eateries Pte Ltd Limited

TRADE MIX[2] (%)



Food & Beverage	33.2
Leisure & Entertainment/ Music & Video	22.8
Fashion	22.2
Gifts & Souvenirs/Toys & Hobbies/Books & Stationery / Sporting Goods	10.4
Beauty & Health	6.1
Services	2.1
Shoes & Bags	1.7
Jewellery & Watches	1.0
IT & Telecommunications	0.5

LEASE EXPIRY PROFILE[3] (%)



2 Based on gross rental income for the month of December 2020 and excludes gross turnover rent.
3 As at 31 December 2020, based on committed gross rental income for the expiry month of the lease and excludes gross turnover rent.

BUGIS JUNCTION

Bugis Junction is directly connected to Bugis MRT station, an interchange for the East West Line and Downtown Line. Located within Singapore's Civic and Cultural District, the property is an integrated development comprising a hotel, an office tower and a retail mall. Positioned as a modern fashion destination mall with exciting dining choices for young adults and professionals, Bugis Junction features Singapore's first and only air-conditioned sky-lit shopping streets flanked by rows of historic shophouses, integrating new- and old-world charm. With an overhead link bridge to Bugis+, shoppers can enjoy a wider range of retail, food & beverage and entertainment offerings.

PROPERTY INFORMATION

Address	200 Victoria Street
Land Tenure	Leasehold tenure of 99 years with effect from 10 September 1990
Purchase price in 2005	S$605.8 million
Carpark Lots	648
Bicycle Lots	20
Award	BCA Green Mark Platinum (2017)

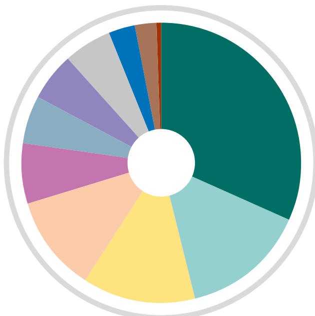
As at 31 December	2019	2020
Valuation (S$ million)	1,106.0	**1,087.0**
Gross Floor Area (sq ft)	577,025	**577,025**
Net Lettable Area (sq ft)	396,604	**396,419**
Number of Tenants	203	**220**
Committed Occupancy (%)	100.0	**98.7**
Annual Shopper Traffic (million)	39.9	**21.0**
Gross Revenue[1] (S$ million)	84.9	**64.7**
Net Property Income (S$ million)	61.7	**44.4**

1 Gross revenue comprises gross rental income, car park income and other income.

TOP 5 TENANTS[2]

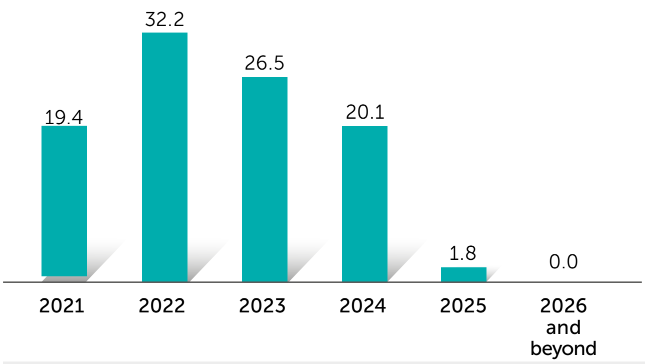
1	BHG (Singapore) Pte. Ltd.
2	Breadtalk Group Limited
3	Cold Storage Singapore (1983) Pte Ltd
4	Challenger Technologies Limited
5	Japan Foods Holding Ltd.

TRADE MIX[2] (%)



Food & Beverage	31.8
Fashion	14.5
Department Store	12.9
Beauty & Health	11.2
Gifts & Souvenirs/Toys & Hobbies/Books & Stationery / Sporting Goods	7.0
Jewellery & Watches	5.6
IT & Telecommunications	5.5
Shoes & Bags	5.4
Supermarket	3.2
Services	2.4
Electrical & Electronics	0.5

LEASE EXPIRY PROFILE[3] (%)



2 Based on gross rental income for the month of December 2020 and excludes gross turnover rent.
3 As at 31 December 2020, based on committed gross rental income for the expiry month of the lease and excludes gross turnover rent.

PROPERTY DETAILS

CLARKE QUAY

Clarke Quay is a unique conserved historical landmark located along the Singapore River and at the fringe of Singapore's Central Business District. The development comprises five blocks of restored shophouses and warehouses infused with funky art-deco structures. Conveniently located within walking distance of Clarke Quay MRT station and Fort Canning MRT station, Clarke Quay offers differentiated dining and entertainment experiences and is a popular lifestyle destination for both locals and tourists.

PROPERTY INFORMATION

Address	3A/B/C/D/E River Valley Road
Land Tenure	Leasehold tenure of 99 years with effect from 13 January 1990
Purchase price in 2010	S$268.0 million
Carpark Lots	424
Bicycle Lots	-
Award	BCA Green Mark Certified (2019)

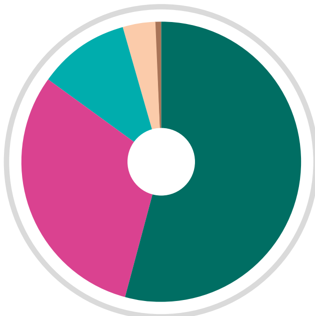
As at 31 December	2019	2020
Valuation (S$ million)	414.0	**394.0**
Gross Floor Area (sq ft)	366,600	**366,600**
Net Lettable Area (sq ft)	293,248	**293,248**
Number of Tenants	58	**59**
Committed Occupancy (%)	100.0	**90.1**
Annual Shopper Traffic (million)	12.4	**5.6**
Gross Revenue[1] (S$ million)	40.1	**21.5**
Net Property Income (S$ million)	26.1	**10.2**

1 Gross revenue comprises gross rental income, car park income and other income.

TOP 5 TENANTS[2]

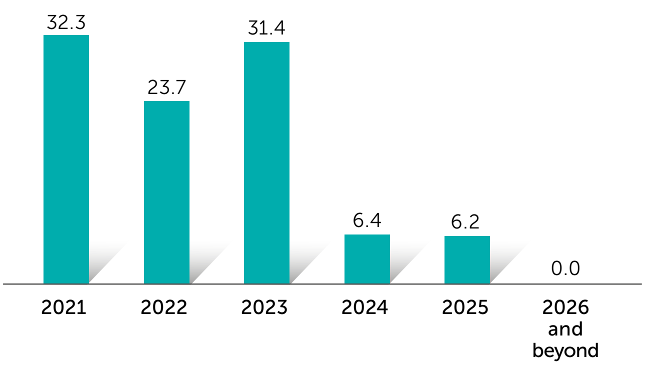
1. Zouk Clarke Quay Pte. Ltd.
2. Huone Singapore Pte. Ltd.
3. Funlab Singapore Holdings Pte Ltd
4. HR Millennium Pte. Ltd.
5. Singapore Hai Di Lao Dining Pte. Ltd.

TRADE MIX[4] (%)



Food & Beverage	54.4
Leisure & Entertainment/ Music & Video	30.6
Office	10.8
Beauty & Health	3.9
Services	0.3

LEASE EXPIRY PROFILE[3] (%)



2 Based on net lettable area as at 31 December 2020.
3 As at 31 December 2020, based on committed gross rental income for the expiry month of the lease and excludes gross turnover rent.
4 Based on gross rental income for the month of December 2020 and excludes gross turnover rent.

IMM BUILDING

IMM Building (IMM) is Singapore's largest outlet mall providing a wide variety of value shopping and dining options for families, professionals and young adults. Strategically located adjacent to Jurong Gateway within the Jurong Lake District, IMM is seamlessly connected via an elevated covered walkway to Jurong East MRT station, an interchange for the East West Line and North South Line, bus interchange and major developments such as Westgate and Ng Teng Fong General Hospital. Besides its proximity to the surrounding residential estates, IMM is close to several office and industrial developments.

PROPERTY INFORMATION

Address	2 Jurong East Street 21
Land Tenure	Leasehold tenure of 30 + 30 years with effect from 23 January 1989[1]
Purchase price in 2003	S$247.4 million
Carpark Lots	1,324
Bicycle Lots	30
Award	BCA Green Mark Gold$^{\text{PLUS}}$ (2019)

1 30 year extension was effected from 23 January 2019.

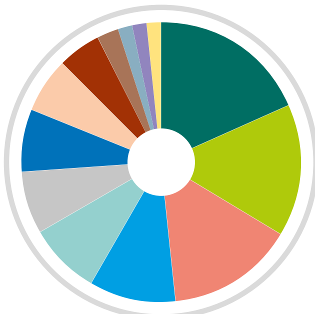
As at 31 December	2019	2020
Valuation (S$ million)	675.0	**670.0**
Gross Floor Area (sq ft)	1,426,504	**1,426,504**
Net Lettable Area (sq ft)	Total: 963,174 Retail: 424,161 Warehouse: 539,013	**Total: 963,378** **Retail: 424,408** **Warehouse: 538,970**
Number of Tenants	428	**470**
Committed Occupancy (%)	Total: 96.0 Retail: 99.4 Warehouse: 93.3	**Total: 94.3** **Retail: 99.5** **Warehouse: 90.3**
Annual Shopper Traffic (million)	16.1	**12.2**
Gross Revenue[2] (S$ million)	86.8	**72.5**
Net Property Income (S$ million)	60.5	**48.2**

2 Gross revenue comprises gross rental income, car park income and other income.

TOP 5 TENANTS[3]

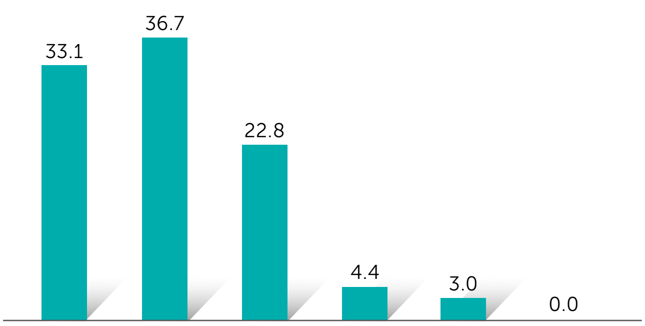
1	Cold Storage Singapore (1983) Pte Ltd
2	Best Denki (Singapore) Pte. Ltd.
3	Extra Space Jurong Pte. Ltd.
4	NTUC Enterprise Co-Operative Ltd
5	Daiso Singapore Pte. Ltd.

TRADE MIX[3] (%)



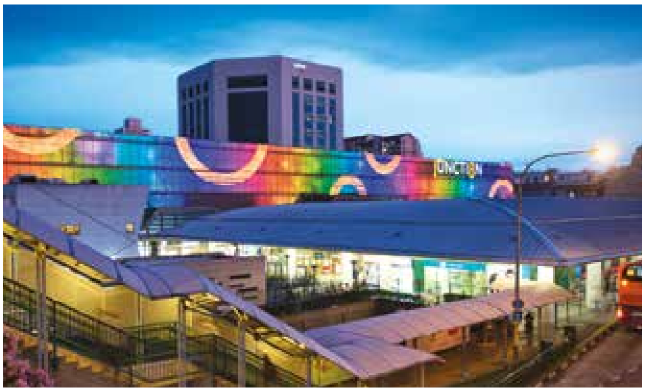
Food & Beverage	18.5	Supermarket	7.2
Warehouse	15.3	Beauty & Health	6.3
Home Furnishing	14.6	Electrical & Electronics	5.0
Fashion	10.2	Services	2.5
Gifts & Souvenirs/Toys & Hobbies/Books & Stationery / Sporting Goods	8.2	Jewellery & Watches	1.8
Shoes & Bags	7.3	IT & Telecommunications	1.5
		Department Store	1.6

LEASE EXPIRY PROFILE[4] (%)



3 Based on gross rental income for the month of December 2020 and excludes gross turnover rent.
4 As at 31 December 2020, based on committed gross rental income for the expiry month of the lease and excludes gross turnover rent.

PROPERTY DETAILS



JUNCTION 8

Junction 8 is located in the heart of Bishan and is well connected to the bus interchange and Bishan MRT station which serves the North South Line and Circle Line. Positioned as the preferred, one-stop shopping, dining and entertainment destination, Junction 8 caters to the needs and aspirations of residents from the surrounding estates, office crowd in the area and students from nearby schools.

PROPERTY INFORMATION

Address	9 Bishan Place
Land Tenure	Leasehold tenure of 99 years with effect from 1 September 1991
Purchase price in 2002	S$295.0 million
Carpark Lots	305
Bicycle Lots	10
Award	BCA Green Mark Platinum (2017)

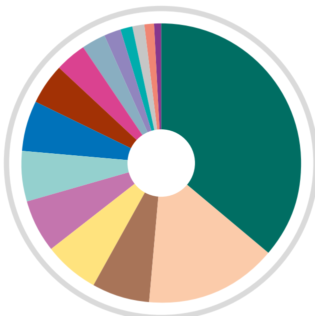
As at 31 December	2019	2020
Valuation (S$ million)	799.0	**794.0**
Gross Floor Area (sq ft)	376,551	**376,552**
Net Lettable Area (sq ft)	254,209	**254,105**
Number of Tenants	152	**164**
Committed Occupancy (%)	100.0	**100.0**
Annual Shopper Traffic (million)	33.6	**18.9**
Gross Revenue[1] (S$ million)	61.2	**49.8**
Net Property Income (S$ million)	44.5	**34.4**

1 Gross revenue comprises gross rental income, car park income and other income.

TOP 5 TENANTS[2]

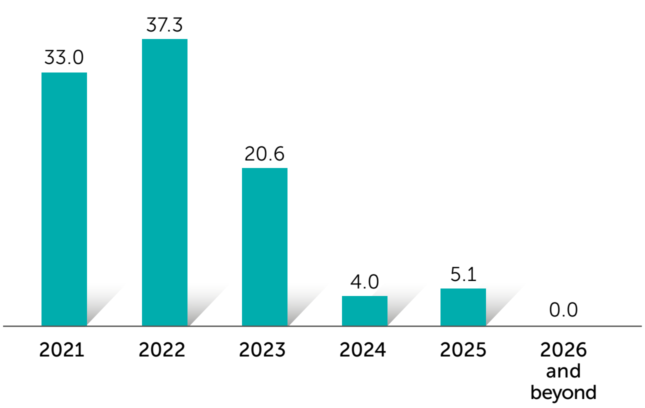
1	Breadtalk Group Limited
2	NTUC Enterprise Co-Operative Ltd
3	BHG (Singapore) Pte. Ltd.
4	Best Denki (Singapore) Pte. Ltd.
5	Golden Village Multiplex Pte Ltd

TRADE MIX[2] (%)



Food & Beverage	36.3
Beauty & Health	15.3
Services	6.7
Department Store	6.2
Gifts & Souvenirs/Toys & Hobbies/Books & Stationery / Sporting Goods	6.1
Fashion	6.0
Supermarket	5.8
Electrical & Electronics	4.7
Leisure & Entertainment/ Music & Video	3.6
Jewellery & Watches	2.7
IT & Telecommunications	2.0
Office	1.5
Shoes & Bags	1.3
Home Furnishing	1.2
Education	0.6

LEASE EXPIRY PROFILE[3] (%)



2 Based on gross rental income for the month of December 2020 and excludes gross turnover rent.
3 As at 31 December 2020, based on committed gross rental income for the expiry month of the lease and excludes gross turnover rent.

LOT ONE SHOPPERS' MALL

Lot One Shoppers' Mall is in the heart of the Choa Chu Kang housing estate, located in the north-western region of Singapore. The mall is well connected by major arterial roads and is next to Choa Chu Kang MRT station, light rail transit (LRT) station as well as bus interchange. The mall enjoys a large catchment, comprising residents from the Choa Chu Kang, Bukit Panjang, Bukit Batok and Upper Bukit Timah precincts, uniformed personnel from military camps in the vicinity, as well as students from nearby schools.

PROPERTY INFORMATION

Address	21 Choa Chu Kang Avenue 4
Land Tenure	Leasehold tenure of 99 years with effect from 1 December 1993
Agreed property value in 2007	S$243.8 million
Carpark Lots	321
Bicycle Lots	-
Award	BCA Green Mark Gold (2020)

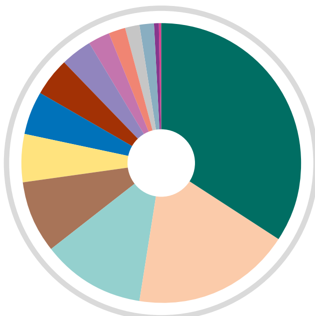
As at 31 December	2019	2020
Valuation (S$ million)	537.0	**531.0**
Gross Floor Area (sq ft)	333,804	**333,804**
Net Lettable Area (sq ft)	227,671	**227,664**
Number of Tenants	132	**143**
Committed Occupancy (%)	99.3	**98.9**
Annual Shopper Traffic (million)	16.8	**10.2**
Gross Revenue[1] (S$ million)	43.2	**32.7**
Net Property Income (S$ million)	30.0	**21.4**

1 Gross revenue comprises gross rental income, car park income and other income.

TOP 5 TENANTS[2]

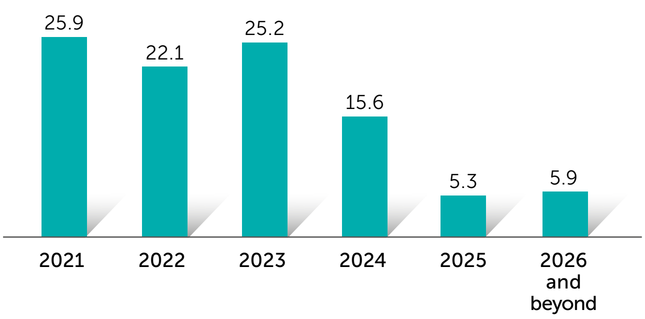
1	NTUC Enterprise Co-Operative Ltd
2	Breadtalk Group Limited
3	BHG (Singapore) Pte. Ltd.
4	Courts (Singapore) Pte. Ltd.
5	Beauty One International Pte. Ltd.

TRADE MIX[2] (%)



Food & Beverage	34.2
Beauty & Health	18.4
Fashion	11.9
Services	8.5
Department Store	5.4
Supermarket	5.1
Electrical & Electronics	4.5
IT & Telecommunications	3.4
Gifts & Souvenirs/Toys & Hobbies/Books & Stationery / Sporting Goods	2.7
Home Furnishing	1.8
Shoes & Bags	1.7
Jewellery & Watches	1.6
Education	0.6
Leisure & Entertainment/ Music & Video	0.2

LEASE EXPIRY PROFILE[3] (%)



2 Based on gross rental income for the month of December 2020 and excludes gross turnover rent.
3 As at 31 December 2020, based on committed gross rental income for the expiry month of the lease and excludes gross turnover rent.

PROPERTY DETAILS

TAMPINES MALL

Tampines Mall, located in the densely populated residential area of Tampines, is one of Singapore's leading suburban malls. Conveniently situated within the Tampines Regional Centre, the first and most developed centre in Singapore, the mall is accessible via Tampines MRT station and bus interchange. To meet the needs of consumers living and working around the bustling Tampines Regional Centre, Tampines Mall provides a wide variety of shopping, regional dining and entertainment options for families, professionals and young adults.

PROPERTY INFORMATION

Address	4 Tampines Central 5
Land Tenure	Leasehold tenure of 99 years with effect from 1 September 1992
Purchase price in 2002	S$409.0 million
Carpark Lots	637
Bicycle Lots	70
Award	BCA Green Mark Gold (2019)

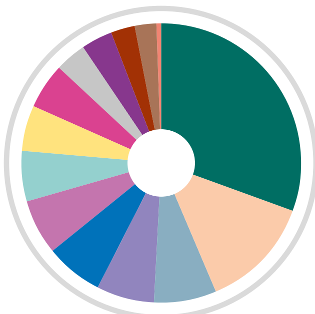
As at 31 December	2019	2020
Valuation (S$ million)	1,085.0	**1,074.0**
Gross Floor Area (sq ft)	507,324	**507,324**
Net Lettable Area (sq ft)	356,228	**356,228**
Number of Tenants	151	**164**
Committed Occupancy (%)	100.0	**99.9**
Annual Shopper Traffic (million)	25.8	**17.9**
Gross Revenue[1] (S$ million)	82.9	**64.7**
Net Property Income (S$ million)	61.8	**46.0**

1 Gross revenue comprises gross rental income, car park income and other income.

TOP 5 TENANTS[2]

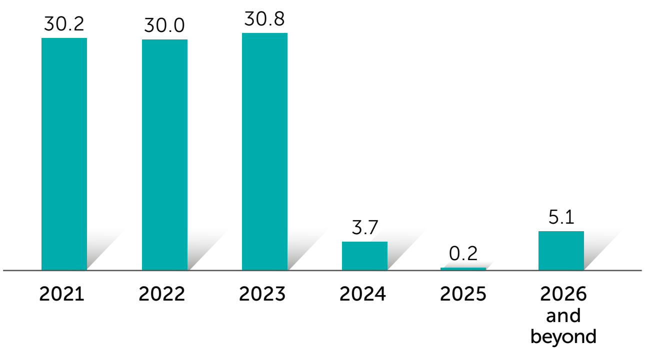
1	NTUC Enterprise Co-Operative Ltd
2	Isetan (Singapore) Limited
3	Golden Village Multiplex Pte Ltd
4	Courts (Singapore) Pte. Ltd.
5	Breadtalk Group Limited

TRADE MIX[2] (%)



Food & Beverage	30.8
Beauty & Health	13.0
Jewellery & Watches	7.1
IT & Telecommunications	6.7
Supermarket	6.6
Gifts & Souvenirs/Toys & Hobbies/Books & Stationery / Sporting Goods	6.5
Fashion	5.7
Department Store	5.5
Leisure & Entertainment	5.1
Shoes & Bags	3.7
Education	3.7
Electrical & Electronics	2.7
Services	2.5
Home Furnishing	0.4

LEASE EXPIRY PROFILE[3] (%)



2 Based on gross rental income for the month of December 2020 and excludes gross turnover rent.
3 As at 31 December 2020, based on committed gross rental income for the expiry month of the lease and excludes gross turnover rent.

WESTGATE

Westgate is CICT's first greenfield project. Strategically located in Jurong Gateway, within the Jurong Lake District, Westgate is a premier family and lifestyle mall in the west of Singapore. Directly connected to both Jurong East MRT station and bus interchange, Westgate is surrounded by a suite of amenities such as the Ng Teng Fong General Hospital. Offering a holistic and city lifestyle shopping experience with many popular brands, Westgate encompasses unique features such as The Courtyard, which is naturally ventilated, alfresco dining options and a thematic children's playground.

As at 31 December	2019	2020
Valuation (S$ million)	1,131.0	**1,087.0**
Gross Floor Area (sq ft)	593,906	**593,906**
Net Lettable Area (sq ft)	410,535	**409,087**
Number of Tenants	235	**246**
Committed Occupancy (%)	99.9	**98.3**
Annual Shopper Traffic (million)	51.1	**33.5**
Gross Revenue[3] (S$ million)	74.9	**57.1**
Net Property Income (S$ million)	53.8	**38.7**

3 Gross revenue comprises gross rental income, car park income and other income.

PROPERTY INFORMATION

Address	3 Gateway Drive
Land Tenure	Leasehold tenure of 99 years with effect from 29 August 2011
Agreed property value (S$ million)	2011[1]: 227.5 2018[2]: 789.6
Carpark Lots	610
Bicycle Lots	10
Award	› BCA Universal Design Mark Platinum (2015) › BCA Green Mark Platinum (2018)

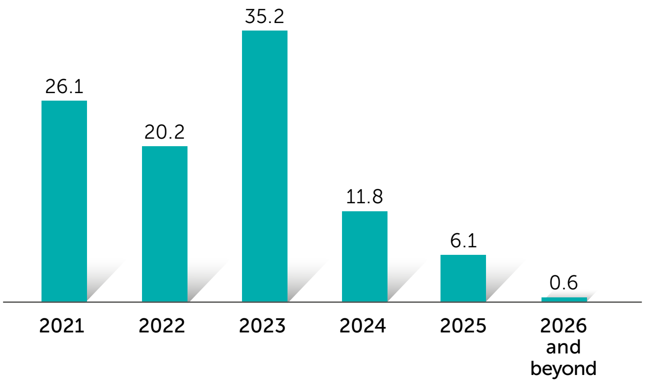
1 The integrated development site (land) was acquired in 2011 at S$969.0 million, of which S$758.3 million pertained to the retail component (CMT's 30.0% interest at S$227.5 million).

2 The acquisition of the balance 70.0% of the units in Infinity Mall Trust which holds Westgate was completed on 1 November 2018, at an agreed property value of S$1,128.0 million, on a completed basis (70.0% interest at S$789.6 million).

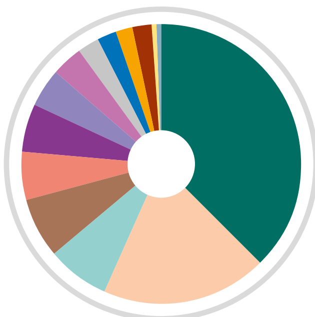
TOP 5 TENANTS[4]

1	Breadtalk Group Limited
2	L Catterton Singapore Pte. Ltd.
3	Paradise Group Holdings Pte. Ltd.
4	HAO Mart Pte. Ltd.
5	Fitness First Singapore Pte. Ltd.

LEASE EXPIRY PROFILE[5] (%)



TRADE MIX[4] (%)



Food & Beverage	37.7
Beauty & Health	19.0
Fashion	7.3
Services	6.9
Home Furnishing	5.7
Education	5.4
IT & Telecommunications	4.4
Gifts & Souvenirs/Toys & Hobbies/Books & Stationery / Sporting Goods	3.6
Shoes & Bags	2.5
Supermarket	2.3
Electrical & Electronics	2.1
Leisure & Entertainment/ Music & Video	2.0
Department Store	0.7
Jewellery & Watches	0.4

4 Based on gross rental income for the month of December 2020 and excludes gross turnover rent.

5 As at 31 December 2020, based on committed gross rental income for the expiry month of the lease and excludes gross turnover rent.

PROPERTY DETAILS

BUKIT PANJANG PLAZA

Bukit Panjang Plaza (BPP) is located in the residential area of Bukit Panjang, in the north-western region of Singapore.Besides the surrounding estates of Bukit Panjang, Cashew Park, Chestnut Drive and Hillview, the mall also serves residents from the Teck Whye, Choa Chu Kang and Upper Bukit Timah precincts. The mall is conveniently located next to Bukit Panjang Integrated Transport Hub, which incorporates an air-conditioned bus interchange with Bukit Panjang MRT and LRT stations.

PROPERTY INFORMATION

Address	1 Jelebu Road
Land Tenure	Leasehold tenure of 99 years with effect from 1 December 1994
Agreed property value in 2007	S$161.3 million
Carpark Lots	326
Bicycle Lots	60
Award	BCA Green Mark GoldPLUS (2020)

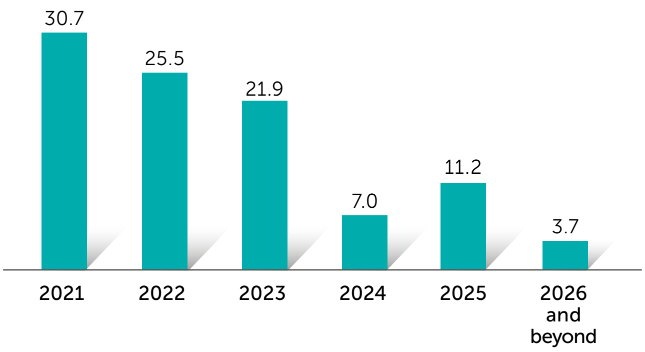
As at 31 December	2019	2020
Valuation (S$ million)	330.0	**334.5**
Gross Floor Area (sq ft)	247,545	**247,545**
Net Lettable Area (sq ft)	163,625	**163,652**
Number of Tenants	109	**117**
Committed Occupancy (%)	99.3	**99.8**
Annual Shopper Traffic (million)	12.2	**8.8**
Other Assets (Bukit Panjang Plaza & JCube)		
Gross Revenue[1] (S$ million)	50.5	**40.8**
Net Property Income (S$ million)	31.4	**25.6**

1 Gross revenue comprises gross rental income, car park income and other income.

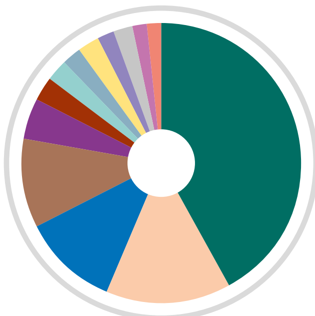
TOP 5 TENANTS[2]

1	NTUC Enterprise Co-Operative Ltd
2	Kentucky Fried Chicken Management Pte Ltd
3	Hanbaobao Pte. Ltd.
4	National Library Board
5	Cold Storage Singapore (1983) Pte Ltd

LEASE EXPIRY PROFILE[3] (%)



TRADE MIX[2] (%)



Food & Beverage	42.1
Beauty & Health	14.3
Supermarket	11.3
Services	10.1
Education	4.9
Electrical & Electronics	2.7
Fashion	2.4
Jewellery & Watches	2.4
Department Store	2.3
IT & Telecommunications	2.2
Shoes & Bags	2.1
Gifts & Souvenirs/Toys & Hobbies/Books & Stationery / Sporting Goods	1.6
Home Furnishing	1.6

2 Based on gross rental income for the month of December 2020 and excludes gross turnover rent.
3 As at 31 December 2020, based on committed gross rental income for the expiry month of the lease and excludes gross turnover rent.

JCUBE

JCube is a leisure and edutainment mall located in Jurong Gateway, within the Jurong Lake District. Situated across the road from Jurong East MRT station and the bus interchange, the mall houses Singapore's one and only Olympic-sized ice rink and the first IMAX theatre in the suburbs. In addition, JCube offers a good variety of food & beverage and educational options which appeal to young families in the neighbourhood.

PROPERTY INFORMATION

Address	2 Jurong East Central 1
Land Tenure	Leasehold tenure of 99 years with effect from 1 March 1991
Purchase price in 2005	S$68.0 milllion
Carpark Lots	341
Bicycle Lots	-
Award	› BCA Universal Design Mark GoldPLUS (2013) › BCA Green Mark Platinum (2020)

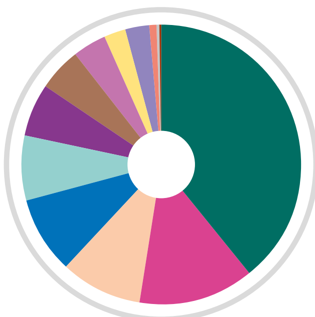
As at 31 December	2019	2020
Valuation (S$ million)	288.0	**276.0**
Gross Floor Area (sq ft)	316,741	**316,741**
Net Lettable Area (sq ft)	206,938	**210,043**
Number of Tenants	128	**117**
Committed Occupancy (%)	92.8	**94.0**
Annual Shopper Traffic (million)	13.9	**8.9**
Other Assets (Bukit Panjang Plaza & JCube)		
Gross Revenue[1] (S$ million)	50.5	**40.8**
Net Property Income (S$ million)	31.4	**25.6**

1 Gross revenue comprises gross rental income, car park income and other income.

TOP 5 TENANTS[2]

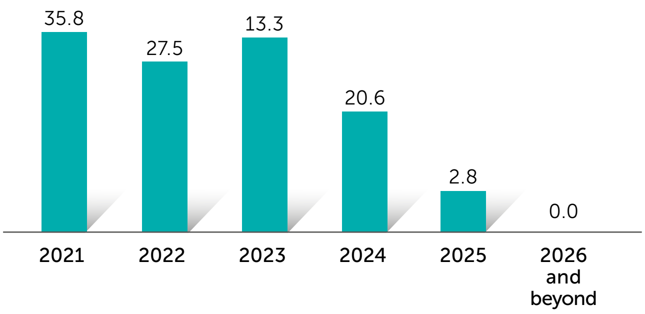
1	Pan Pacific Retail Management (Singapore) Pte. Ltd.
2	Shaw Theatres Pte. Ltd.
3	Aston Food & Beverage Specialities Pte. Ltd.
4	Singapore Sports Council
5	Hanbaobao Pte. Ltd.

TRADE MIX[2] (%)



Food & Beverage	38.8
Leisure & Entertainment/ Music & Video	13.3
Beauty & Health	9.2
Supermarket	8.7
Fashion	7.4
Education	6.1
Services	5.0
Gifts & Souvenirs/Toys & Hobbies/Books & Stationery / Sporting Goods	3.9
Department Store	3.5
IT & Telecommunications	2.8
Home Furnishing	1.0
Shoes & Bags	0.2
Electrical & Electronics	0.1

LEASE EXPIRY PROFILE[3] (%)



2 Based on gross rental income for the month of December 2020 and excludes gross turnover rent.
3 As at 31 December 2020, based on committed gross rental income for the expiry month of the lease and excludes gross turnover rent.

ASIA SQUARE TOWER 2

Asia Square Tower 2 is a 46-storey integrated development comprising premium Grade A offices with ancillary retail space and hotel premises (owned by an unrelated third party). Completed in September 2013, it is one of the newest buildings in the Marina Bay area and offers high quality office space through its large, efficient and column-free floor plates of up to 31,300 sq ft.

PROPERTY INFORMATION

Address	12 Marina View
Land Tenure	Leasehold tenure of 99 years with effect from 3 March 2008 (land lot only)
Agreed property value in 2017	S$2,094.0 million
Carpark Lots	266
Bicycle Lots	87
Awards	› LEED Shell & Core Platinum (2014) › BCA Green Mark Platinum (2021)

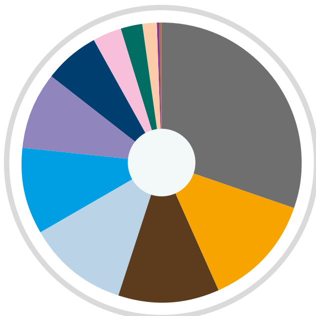
As at 31 December	2019	2020
Valuation (S$ million)	2,186.0	**2,128.0**
Gross Floor Area (sq ft)	916,923	**916,923**
Net Lettable Area (sq ft)	777,413	**776,909**
Number of Tenants	65	**70**
Committed Occupancy (%)	95.4	**95.5**
Gross Revenue[1] (S$ million)	110.3	**103.1**
Net Property Income[1] (S$ million)	83.4	**79.6**

1 Financial information shown is for reference. Property's contribution to CICT was from 21 October to 31 December 2020 post merger. Gross revenue comprises gross rental income, car park income and other income.

TOP 5 TENANTS[2]

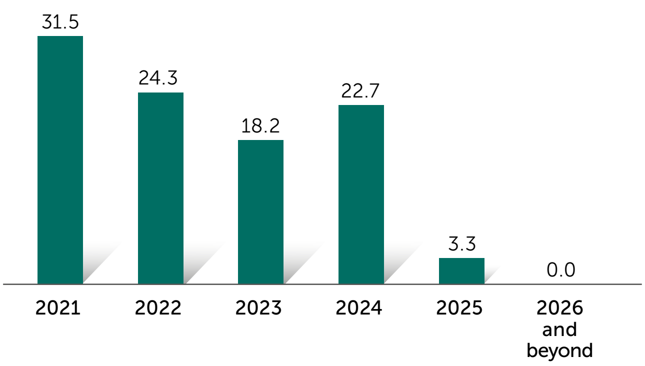
1	Mizuho Bank, Ltd
2	Allianz Group
3	Mitsui Group
4	The Work Project (Commercial) Pte. Ltd.
5	Westpac Banking Corporation

TRADE MIX[2] (%)



Banking	30.4
Insurance	13.0
Financial Services	11.7
Real Estate & Property Services	11.6
Energy & Commodities	10.2
IT, Media & Telecommunications	8.8
Maritime & Logistics	6.4
Manufacturing & Distribution	3.4
Food & Beverage	2.5
Beauty & Health	1.7
Education	0.2
Services	0.1

LEASE EXPIRY PROFILE[3] (%)



2 Based on gross rental income for the month of December 2020 and excludes gross turnover rent.
3 As at 31 December 2020, based on committed effective gross rental income and excludes gross turnover rent.

CAPITAGREEN

CapitaGreen is a 40-storey Grade A office tower located in the heart of Singapore's CBD, near the Raffles Place MRT interchange station and Telok Ayer MRT station. The tower was designed by Pritzker Prize winner Toyo Ito. CapitaGreen's environmentally sustainable and inclusive design has garnered numerous local and international awards, including Best Tall Building (Asia and Australasia) 2015 by The Council on Tall Buildings and Urban Habitat.

PROPERTY INFORMATION

Address	138 Market Street
Land Tenure	Leasehold tenure of 99 years with effect from 1 April 1974
Purchase price in 2016	S$1,600.5 million
Carpark Lots	184
Bicycle Lots	75
Awards	› BCA Universal Design Mark Platinum (2016) › BCA Green Mark Platinum (2018)

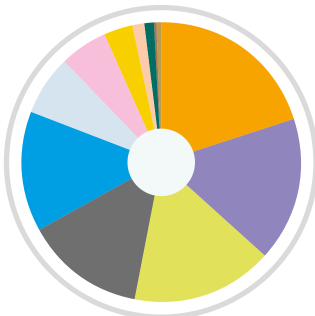
As at 31 December	2019	2020
Valuation (S$ million)	1,646.0	**1,611.0**
Gross Floor Area (sq ft)	882,673	**882,681**
Net Lettable Area (sq ft)	701,048	**700,372**
Number of Tenants	48	**52**
Committed Occupancy (%)	100.0	**98.2**
Gross Revenue[1] (S$ million)	91.4	**92.1**
Net Property Income[1] (S$ million)	72.0	**74.2**

1 Financial information shown is for reference. Property's contribution to CICT was from 21 October to 31 December 2020 post merger. Gross revenue comprises gross rental income, car park income and other income.

TOP 5 TENANTS[2]

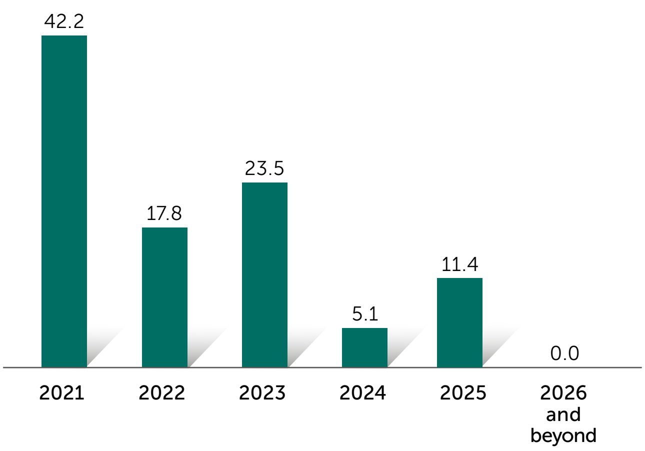
1	Lloyd's of London (Asia) Pte Ltd
2	Cargill International Trading Pte Ltd
3	Schroder Investment Management (Singapore) Ltd.
4	Rakuten Asia Pte. Ltd.
5	South32 Marketing Pte. Ltd.

TRADE MIX[2] (%)



Insurance	20.2
IT, Media & Telecommunications	16.7
Financial Services	16.3
Banking	13.9
Energy & Commodities	13.8
Real Estate & Property Services	6.9
Manufacturing & Distribution	5.7
Legal	3.3
Beauty & Health	1.3
Food & Beverage	1.2
Services	0.4
Business Consultancy	0.3

LEASE EXPIRY PROFILE[3] (%)



2 Based on gross rental income for the month of December 2020 and excludes gross turnover rent.
3 As at 31 December 2020, based on committed effective gross rental income and excludes gross turnover rent.

PROPERTY DETAILS

CAPITAL TOWER

Capital Tower is a 52-storey Grade A office building set in a landscaped plaza, integrated with meeting and conference facilities, flexible workspaces, fitness centre, retail and F&B outlets. It is seamlessly linked to the Tanjong Pagar MRT station and surrounding buildings via an underground pedestrian network.

PROPERTY INFORMATION

Address	168 Robinson Road
Land Tenure	Leasehold tenure of 99 years with effect from 1 January 1996
Purchase price in 2004	S$793.9 million
Carpark Lots	415
Bicycle Lots	35
Awards	› BCA Universal Design Mark Gold (2017) › BCA Green Mark Pearl (2018) › BCA Green Mark Platinum (2020)

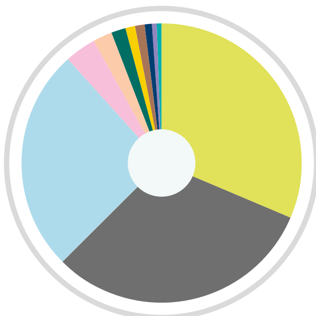
As at 31 December	2019	2020
Valuation (S$ million)	1,394.0	**1,389.0**
Gross Floor Area (sq ft)	1,026,426	**1,026,426**
Net Lettable Area (sq ft)	734,696	**734,739**
Number of Tenants	30	**29**
Committed Occupancy (%)	100.0	**98.0**
Gross Revenue[1] (S$ million)	73.1	**70.0**
Net Property Income[1] (S$ million)	56.3	**52.7**

1 Financial information shown is for reference. Property's contribution to CICT was from 21 October to 31 December 2020 post merger. Gross revenue comprises gross rental income, car park income and other income.

TOP 5 TENANTS[2]

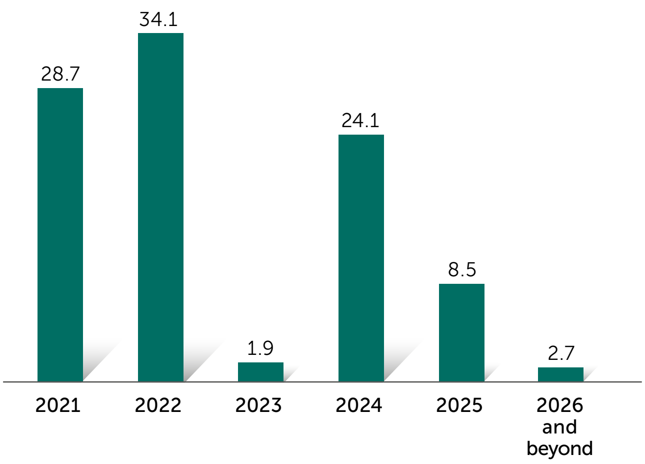
1	GIC Private Limited
2	JPMorgan Chase Bank, N.A.
3	CapitaLand Group
4	The Work Project (Commercial) Pte. Ltd.
5	Credit Agricole Corporate and Investment Bank

TRADE MIX[2] (%)



Financial Services	31.4
Banking	31.2
Real Estate & Property Services	26.0
Manufacturing & Distribution	3.5
Beauty & Health	2.3
Food & Beverage	1.5
Legal	1.3
Services	1.0
Maritime & Logistics	0.9
IT, Media & Telecommunications	0.5
Others	0.4

LEASE EXPIRY PROFILE[3] (%)



2 Based on gross rental income for the month of December 2020 and excludes gross turnover rent.
3 As at 31 December 2020, based on committed effective gross rental income and excludes gross turnover rent.

SIX BATTERY ROAD

Six Battery Road is a 42-storey Grade A office building and a Raffles Place landmark. Combining prime location with towering views, excellent amenities and revitalised interiors, it is the first operating CBD office building to attain the Green Mark Platinum accolade. Six Battery Road is well connected to other developments within the Raffles Place precinct and the Raffles Place MRT interchange station. It also boasts the first vertical indoor garden in Singapore. The podium and a few lower office floors are currently undergoing AEI, expected to complete in 4Q 2021.

PROPERTY INFORMATION

Address	6 Battery Road
Land Tenure	Leasehold tenure of 999 years with effect from 20 April 1826
Purchase price in 2004	S$675.2 million
Carpark Lots	191
Bicycle Lots	18
Award	BCA Green Mark Platinum (2017)

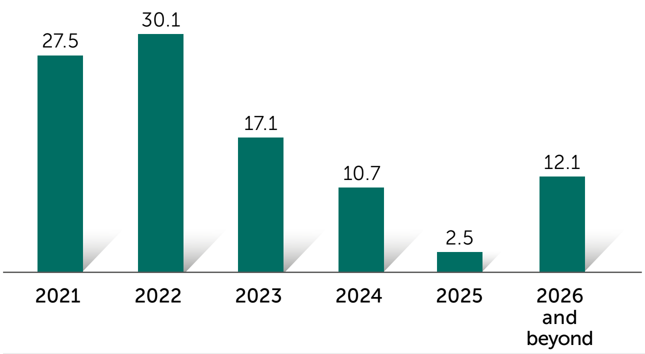
As at 31 December	2019	2020
Valuation (S$ million)	1,438.0	**1,414.0**
Gross Floor Area (sq ft)	658,359	**658,359**
Net Lettable Area (sq ft)	494,341	**499,365**
Number of Tenants	98	**99**
Committed Occupancy (%)	98.7	**77.9**[1]
Gross Revenue[2] (S$ million)	67.2	**54.3**
Net Property Income[2] (S$ million)	52.8	**40.9**

1 Six Battery Road's occupancy expected to remain as such until partial upgrading is completed in phases.
2 Financial information shown is for reference. Property's contribution to CICT was from 21 October to 31 December 2020 post merger. Gross revenue comprises gross rental income, car park income and other income.

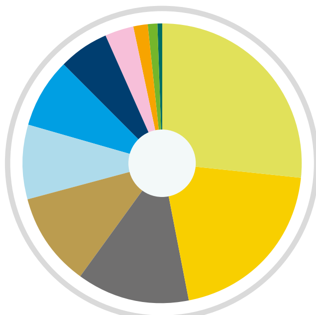
TOP 5 TENANTS[3]

1	Standard Chartered Bank
2	Mayer Brown (Singapore) Pte. Ltd.
3	Servcorp Battery Road Pte Ltd
4	The Executive Centre Singapore Pte Ltd
5	Sanetti Pte Ltd

LEASE EXPIRY PROFILE[4] (%)



TRADE MIX[3] (%)



Financial Services	26.7
Legal	20.4
Banking	13.0
Business Consultancy	10.8
Real Estate & Property Services	8.7
Energy & Commodities	7.9
Maritime & Logistics	6.1
Manufacturing & Distribution	3.1
Insurance	1.7
Government	1.2
Food & Beverage	0.4

3 Based on gross rental income for the month of December 2020 and excludes gross turnover rent.
4 As at 31 December 2020, based on committed effective gross rental income and excludes gross turnover rent.

PROPERTY DETAILS

21 COLLYER QUAY

21 Collyer Quay is a 21-storey office tower with views of Marina Bay and is in close proximity to Raffles Place MRT station.

The lease with The Hongkong and Shanghai Banking Corporation Limited (HSBC) ceased in end-April 2020. Upgrading work for the property was delayed due to circuit breaker and the pandemic but commenced in 3Q 2020. A new seven-year lease commencing 4Q 2021 was signed with WeWork Singapore Pte. Ltd..

PROPERTY INFORMATION

Address	21 Collyer Quay
Land Tenure	Leasehold tenure of 999 years with effect from 19 December 1850
Purchase price in 2005	S$153.9 million
Carpark Lots	53
Bicycle Lots	10
Award	BCA Green Mark Platinum (2020)

As at 31 December	2019	2020
Valuation (S$ million)	466.1	**468.0**
Gross Floor Area (sq ft)	276,837	**276,837**
Net Lettable Area (sq ft)	200,469	**200,469**
Number of Tenants	1	**1**
Committed Occupancy (%)	100.0	**100.0**
Gross Revenue[1] (S$ million)	25.3	**9.2**
Net Property Income[1] (S$ million)	24.7	**7.6**

1 Financial information shown is for reference. Property's contribution to CICT was from 21 October to 31 December 2020 post merger. Gross revenue comprises gross rental income, car park income and other income.

ONE GEORGE STREET

One George Street is a 23-storey Grade A office building conveniently located close to Raffles Place MRT interchange station, Clarke Quay MRT station and Chinatown MRT station. The building features eco-friendly attributes, large and efficient floor plates, advanced building automation, generous car parking, spacious sky gardens and excellent views. It houses amenities including F&B outlets, a clinic, a fitness centre and a swimming pool.

PROPERTY INFORMATION

Address	1 George Street
Land Tenure	Leasehold tenure of 99 years with effect from 22 January 2003
Joint Venture Partners' Interests	CICT: 50.0% OGS (II) Limited: 50.0%
Purchase price in 2008	S$1,165.0 million
Divestment price in 2017 (S$ million)	1,183.2
Carpark Lots	178
Bicycle Lots	10
Award	BCA Green Mark Gold^{PLUS} (2018)

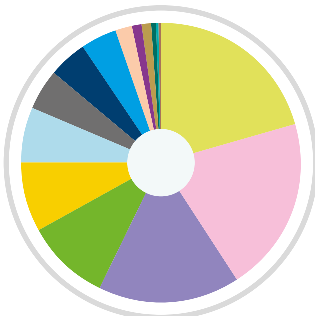
As at 31 December (on a 100.0% basis)	2019	2020
Valuation (S$ million)	1,144.0	**1,122.0**
Gross Floor Area (sq ft)	556,639	**556,639**
Net Lettable Area (sq ft)	445,835	**445,735**
Number of Tenants	52	**52**
Committed Occupancy (%)	100.0	**97.9**
Gross Revenue[1] (S$ million)	51.3	**51.0**
Net Property Income[1] (S$ million)	40.0	**40.1**

1 Financial information shown is for reference. Property's contribution to CICT was from 21 October to 31 December 2020 post merger. Gross revenue comprises gross rental income, car park income and other income.

TOP 5 TENANT[2]

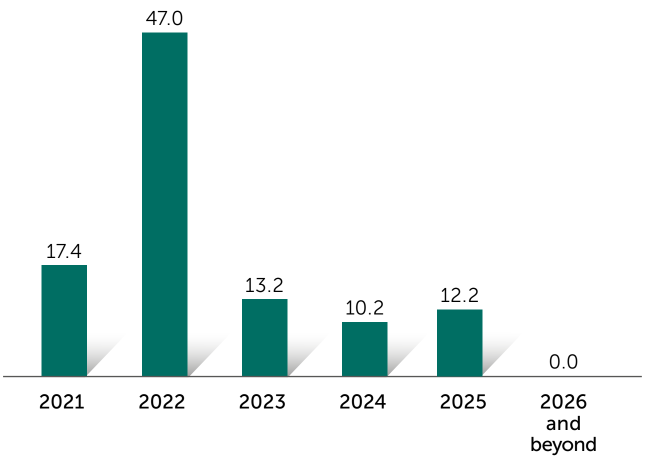
1	Amazon Asia-Pacific Resources Private Limited
2	Borouge Pte. Ltd.
3	L'Oreal Singapore Pte. Ltd.
4	Her Majesty the Queen in right of Canada as represented by the Minister of Foreign Affairs
5	The George Offices Pte. Ltd.

TRADE MIX[2] (%)



Financial Services	20.6
Manufacturing & Distribution	20.4
IT, Media & Telecommunications	16.3
Government	9.8
Legal	8.0
Real Estate & Property Services	6.4
Banking	4.7
Maritime & Logistics	4.5
Energy & Commodities	4.2
Beauty & Health	1.9
Education	1.1
Business Consultancy	1.1
Food & Beverage	0.5
Others	0.4
Services	0.1

LEASE EXPIRY PROFILE[3] (%)



2 Based on gross rental income for the month of December 2020 and excludes gross turnover rent.
3 As at 31 December 2020, based on committed effective gross rental income and excludes gross turnover rent.

PROPERTY DETAILS

GALLILEO

Gallileo is a 38-storey Grade A commercial building with ancillary retail and a 4-storey heritage building for office use. It is strategically located in the Banking District of Frankfurt's CBD.

Commerzbank AG contributed 98.3% of gross rental income in the month of December 2020. The bank's lease expires in 2029 and the rent is adjusted based on an inflation index every two years. It has an option to terminate the lease in 2024 with a 24-month notice.

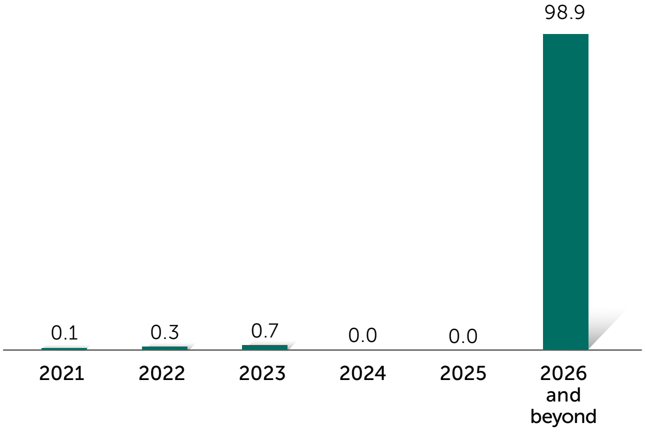
PROPERTY INFORMATION

Address	Gallusanlage 7/Neckarstrasse 5, 60329 Frankfurt am Main, Germany
Land Tenure	Freehold
Joint Venture Partners' Interests	CICT: 94.9% CapitaLand: 5.1%
Agreed property value in 2018	EUR356.0 million
Carpark Lots	43
Bicycle Lots	46
Award	› LEED Building Operations and Maintenance: Existing Buildings Gold (2020)

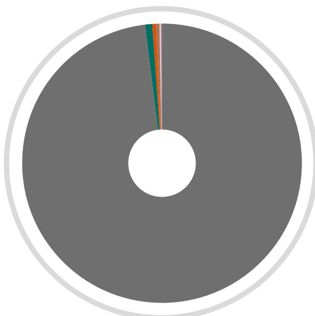
As at 31 December (on a 100.0% basis)	2019	2020
Valuation (EUR million)	369.8[1]	**361.1[1]**
Valuation (S$ million)	556.0[1]	**576.0[1]**
Gross Floor Area (sq ft)	668,618[2]	**668,618[2]**
Net Lettable Area (sq ft)	436,179	**436,179**
Number of Tenants	7	**7**
Committed Occupancy (%)	100.0	**100.0**
Gross Revenue[3] (S$ million)	27.2	**27.9**
Net Property Income[3] (S$ million)	22.5	**23.0**

1 Based on an exchange rate of EUR1 to S$1.504 in December 2019 and EUR1 to S$1.595 in December 2020.
2 Gross floor area excludes car park.
3 Financial information shown is for reference. Property's contribution to CICT was from 21 October to 31 December 2020 post merger. Gross revenue comprises gross rental income, car park income and other income.

LEASE EXPIRY PROFILE[4] (%)



TRADE MIX[5] (%)



Banking	98.3	Services	0.3
Food & Beverage	0.9	Beauty & Health	0.1
Sporting Goods	0.3	IT, Media & Telecommunications	0.1

4 As at 31 December 2020, based on committed effective gross rental income.
5 Based on gross rental income for the month of December 2020.

MAIN AIRPORT CENTER

Main Airport Center (MAC) is a freehold multi-tenanted office building comprising 11 storeys and two basement levels located in the vicinity of Frankfurt airport, Germany. MAC was well designed such that all parts of the building have direct views of the neighbouring Frankfurt airport, the adjacent Stadtwald forest or the Frankfurt skyline. Located approximately 800 metres north of Frankfurt airport terminal 2 and forming part of the Frankfurt airport office submarket, it is well served by comprehensive transportation infrastructure. Frankfurt's city centre is a 20-minute drive via motorways.

PROPERTY INFORMATION

Address	Unterschweinstiege 2-14, 60549 Frankurt, Germany
Land Tenure	Freehold
Joint Venture Partners' Interests	CICT: 94.9% CapitaLand: 5.1%
Agreed property value in 2019	EUR265 million
Carpark Lots	1,513
Bicycle Lots	120
Award	-

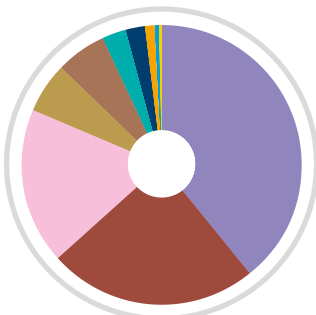
As at 31 December (on a 100.0% basis)	2019	2020
Valuation (EUR million)	270.0[1]	**263.6[1]**
Valuation (S$ million)	406.0[1]	**420.5[1]**
Gross Floor Area (sq ft)	719,602[2]	**719,602[2]**
Net Lettable Area (sq ft)	648,466	**649,462**
Number of Tenants	33	**33**
Committed Occupancy (%)	93.1	**90.0**
Gross Revenue[3] (S$ million)	7.7[4]	**26.8**
Net Property Income[3] (S$ million)	5.0[4]	**18.1**

1 Based on an exchange rate of EUR1 to S$1.504 in December 2019 and EUR1 to S$1.595 in December 2020.
2 Gross floor area excludes car park.
3 Financial information shown is for reference. Property's contribution to CICT was from 21 October to 31 December 2020 post merger. Gross revenue comprises gross rental income, car park income and other income.
4 For the period 18 September 2019 after the completion of acquisition to 31 December 2019.

TOP 5 TENANTS[5]

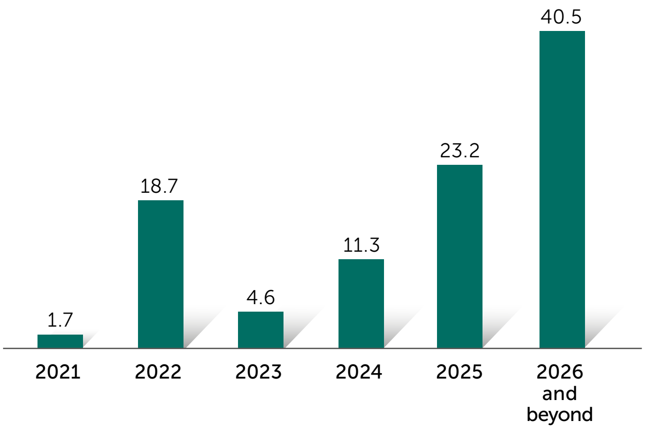
1	IQVIA Commercial GmbH & Co. OHG
2	Dell GmbH
3	Miles & More
4	Deutsche Lufthansa AG
5	Beam Suntory Deutschland GmbH

TRADE MIX[5] (%)



IT, Media & Telecommunications	39.2
Travel & Hospitality	24.3
Manufacturing & Distribution	17.9
Business Consultancy	5.9
Services	5.8
Others	3.0
Maritime & Logistics	2.0
Insurance	1.1
Energy & Commodities	0.5
Legal	0.3

LEASE EXPIRY PROFILE[6] (%)



5 Based on gross rental income for the month of December 2020.
6 As at 31 December 2020, based on committed effective gross rental income.

PROPERTY DETAILS

FUNAN

Redeveloped and opened in June 2019, Funan is an integrated development comprising retail component, two office blocks and lyf Funan Singapore, a serviced residence for the millennials. Right in the heart of the Civic and Cultural District, Funan enjoys excellent connectivity, including a direct underpass linking to City Hall MRT interchange station opening in 2021. As a new paradigm for live, work and play in Singapore's city centre, Funan offers a synergistic combination of retail, office and serviced residence components that is designed to appeal to savvy consumers pursuing quality life in a socially-conscious and creative environment.

As at 31 December	2019	2020
Valuation (S$ million)	775.0	**742.0**
Gross Floor Area (sq ft)	767,281[1]	**767,280[1]**
Net Lettable Area (sq ft)	Total: 531,922 Retail: 317,387 Offce: 214,535	**Total: 531,558** **Retail: 317,430** **Offce: 214,128**
Number of Tenants	193	**207**
Committed Occupancy (%)	Total: 99.0 Retail: 99.0 Office: 98.9	**Total: 99.8** **Retail: 99.7** **Office: 100.0**
Annual Shopper Traffic (million)	7.9	**8.0**
Gross Revenue[2] (S$ million)	28.5	**54.7**
Net Property Income (S$ million)	15.1	**37.3**

1 Excludes the serviced residence component after the completion of the divestment of all the units of Victory SR Trust on 31 October 2017.
2 Gross revenue comprises gross rental income, car park income and other income.

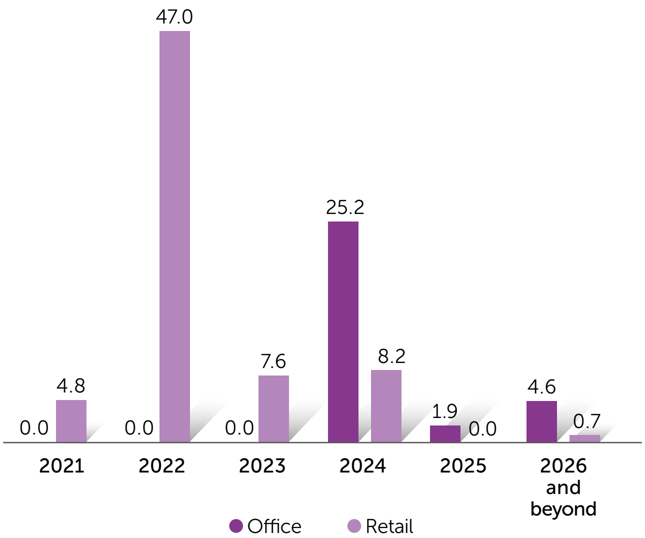
PROPERTY INFORMATION

Address	107 and 109 North Bridge Road
Land Tenure	Leasehold tenure of 99 years with effect from 12 December 1979
Purchase price in 2002	S$191.0 million
Carpark Lots	404
Bicycle Lots	174
Award	› BCA Green Mark GoldPLUS (2018) › BCA Universal Design Mark GoldPLUS (2020)

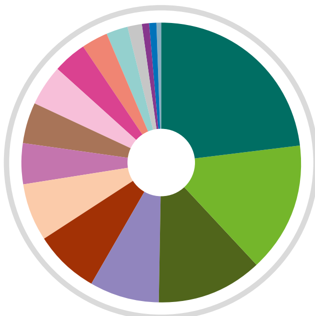
TOP 5 TENANTS[3]

1	WeWork Singapore Pte. Ltd.
2	Department Of Statistics
3	Adidas Singapore Pte Ltd
4	NTUC Enterprise Co-Operative Ltd
5	Attorney-General's Chambers

LEASE EXPIRY PROFILE[4] (%)



TRADE MIX[3] (%)



Food & Beverage	23.2
Government	15.0
Real Estate & Property Services	12.3
IT & Telecommunications	7.9
Electrical & Electronics	7.5
Beauty & Health	6.7
Gifts & Souvenirs/Toys & Hobbies/Books & Stationery / Sporting Goods	4.9
Services	4.7
Manufacturing & Distribution	4.5
Leisure & Entertainment/ Music & Video	4.1
Home Furnishing	2.9
Fashion	2.6
Shoes & Bags	1.5
Education	0.9
Supermarket	0.9
Jewellery & Watches	0.4

3 Based on gross rental income for the month of December 2020 and excludes gross turnover rent.
4 As at 31 December 2020, based on committed gross rental income for the expiry month of the lease and excludes gross turnover rent.

PLAZA SINGAPURA

Plaza Singapura is strategically located along Orchard Road and within the Civic and Cultural District. The mall is conveniently linked to Dhoby Ghaut MRT station, an interchange which connects to three MRT lines – the North South Line, North East Line and Circle Line, via a direct passageway. Plaza Singapura and the retail podium of The Atrium@Orchard are seamlessly integrated as an all-encompassing retail, dining and entertainment destination that appeals to a wide profile of shoppers from all over Singapore.

PROPERTY INFORMATION

Address	68 Orchard Road
Land Tenure	Freehold
Purchase price in 2004	S$710.0 million
Carpark Lots	695
Bicycle Lots	-
Award	BCA Green Mark Gold (2019)

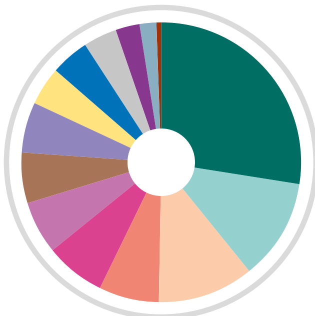
As at 31 December	2019	2020
Valuation (S$ milion)	1,349.0	**1,300.0**
Gross Floor Area (sq ft)	757,203	**757,203**
Net Lettable Area (sq ft)	484,154	**484,439**
Number of Tenants	222	**230**
Committed Occupancy (%)	100.0	**98.7**
Annual Shopper Traffic (million)	25.7	**16.1**
Gross Revenue[1] (S$ million)	92.1	**70.7**
Net Property Income (S$ milion)	68.9	**51.1**

1 Gross revenue comprises gross rental income, car park income and other income.

TOP 5 TENANTS[2]

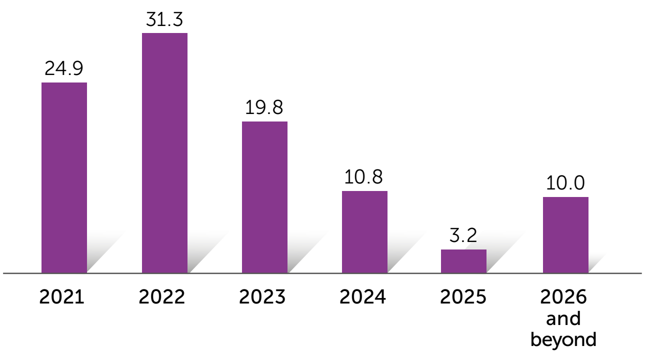
1	Golden Village Multiplex Pte Ltd
2	Cold Storage Singapore (1983) Pte Ltd
3	NTUC Enterprise Co-Operative Ltd
4	Spotlight Pte. Ltd.
5	Wing Tai Retail Management Pte. Ltd.

TRADE MIX[2] (%)



Food & Beverage	27.5
Fashion	11.9
Beauty & Health	11.0
Home Furnishing	7.0
Leisure & Entertainment/ Music & Video	6.9
Gifts & Souvenirs/Toys & Hobbies/Books & Stationery / Sporting Goods	6.1
Services	5.9
IT & Telecommunications	5.7
Department Store	4.6
Supermarket	4.4
Shoes & Bags	3.8
Education	2.9
Jewellery & Watches	2.0
Electrical & Electronics	0.3

LEASE EXPIRY PROFILE[3] (%)



2 Based on gross rental income for the month of December 2020 and excludes gross turnover rent.
3 As at 31 December 2020, based on committed gross rental income for the expiry month of the lease and excludes gross turnover rent.

PROPERTY DETAILS

THE ATRIUM@ORCHARD

The Atrium@Orchard is a mixed-use development which comprises a retail podium and two office towers. The development enjoys direct connectivity to Dhoby Ghaut MRT station, which serves three MRT lines – North South Line, North East Line and Circle Line. The retail podium is seamlessly integrated with Plaza Singapura as an all encompassing retail, dining and entertainment destination that appeals to a wide profile of shoppers from all over Singapore.

PROPERTY INFORMATION

Address	60A and 60B Orchard Road
Land Tenure	Leasehold tenure of 99 years with effect from 15 August 2008
Purchase price in 2008	S$839.8 million
Carpark Lots	127
Bicycle Lots	7
Award	BCA Green Mark Gold (2019)

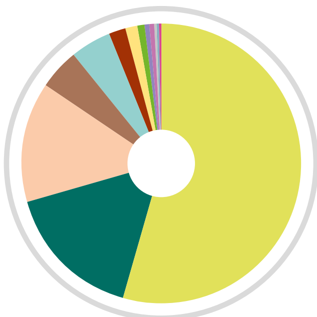
As at 31 December	2019	2020
Valuation (S$ million)	764.0	**750.0**
Gross Floor Area (sq ft)	576,755	**576,612**
Net Lettable Area (sq ft)	Total: 385,332 Retail: 133,024 Office: 252,308	**Total: 386,892** **Retail: 134,584** **Office: 252,308**
Number of Tenants	79	**74**
Committed Occupancy (%)	Total: 99.6 Retail: 98.8 Office: 100.0	**Total: 98.0** **Retail: 94.2** **Office: 100.0**
Annual Shopper Traffic (million)	24.6	**17.4**
Gross Revenue[1] (S$ million)	50.0	**44.1**
Net Property Income (S$ million)	37.5	**32.9**

1 Gross revenue comprises gross rental income, car park income and other income.

TOP 5 TENANTS[2]

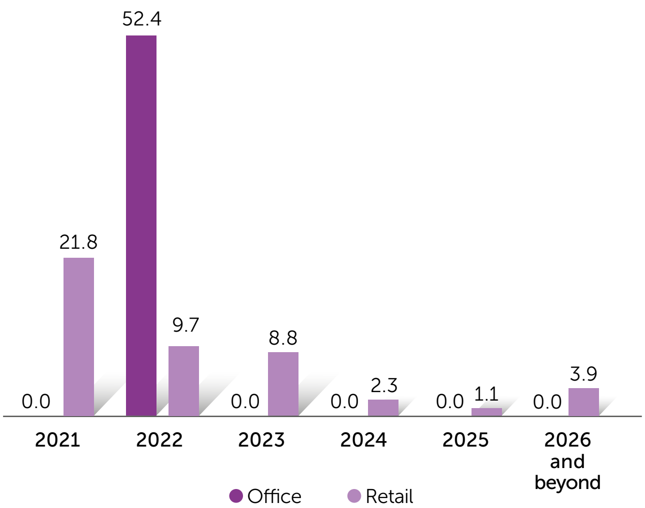
1	Temasek Holdings (Private) Limited
2	Creative Eateries Pte Ltd Limited
3	Beauty One International Pte. Ltd.
4	HSBC Bank (Singapore) Limited
5	Wing Tai Retail Management Pte. Ltd.

TRADE MIX[2] (%)



Financial Services	54.6
Food & Beverage	16.2
Beauty & Health	13.9
Services	4.7
Fashion	4.5
Electrical & Electronics	2.0
Department Store	1.5
Government	0.7
IT & Telecommunications	0.6
Gifts & Souvenirs/Toys & Hobbies/Books & Stationery / Sporting Goods	0.5
Shoes & Bags	0.3
Jewellery & Watches	0.3
Leisure & Entertainment/ Music & Video	0.2

LEASE EXPIRY PROFILE[3] (%)



2 Based on gross rental income for the month of December 2020 and excludes gross turnover rent.
3 As at 31 December 2020, based on committed gross rental income for the expiry month of the lease and excludes gross turnover rent.

RAFFLES CITY SINGAPORE

Raffles City Singapore is a prime landmark within the Civic and Cultural District and one of Singapore's largest integrated developments. Served by three MRT lines including City Hall MRT interchange station, it comprises the 42-storey Raffles City Tower, 5-storey Raffles City Shopping Centre, Raffles City Convention Centre, the 73-storey Swissôtel The Stamford Singapore and the 28-storey twin-towers Fairmont Singapore. The breakdown of major usage mix[1] is 22.1%, 40.4% and 37.5% for the office, retail and hotels & convention centre respectively.

As at 31 December (on a 100.0% basis)	2019	**2020**
Valuation (S$ million)	3,384.0	**3,179.0**
Gross Floor Area (sq ft)	3,449,726	**3,449,726**
Net Lettable Area (sq ft)	Total: 808,717 Retail: 427,400 Office: 381,317	**Total: 808,200** **Retail: 426,833** **Office: 381,367**
Number of Tenants	244	**260**
Committed Occupancy (%)	Total: 98.1 Retail: 98.9 Office: 97.2	**Total: 95.9** **Retail: 96.5** **Office: 95.2**
Annual Shopper Traffic (million)	30.1	**16.2**
Gross Revenue[1] (S$ million)	233.1	**185.7**
Net Property Income[1] (S$ million)	177.9	**138.2**

1 Financial information is shown for reference. RCS' contribution was on 40.0% interest for FY 2019 and from 1 January to 20 October 2020, and 100.0% interest from 21 October to 31 December 2020. Gross revenue comprises gross rental income, car park income and other income.

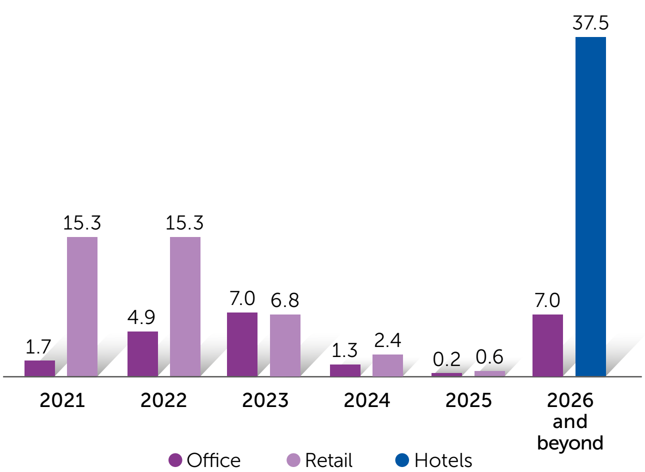
PROPERTY INFORMATION

Address	250 & 252 North Bridge Road, 2 Stamford Road and 80 Bras Basah Road
Land Tenure	Leasehold tenure of 99 years with effect from 16 July 1979
Purchase price in 2006	S$2,166.0 million
Carpark Lots	1,051
Bicycle Lots	10
Award	BCA Green Mark Gold^{PLUS} (2020)

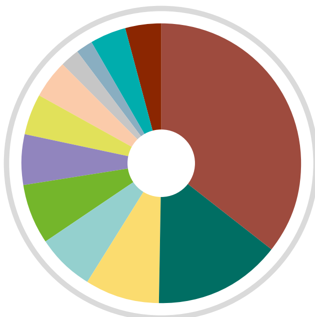
TOP 5 TENANTS[2]

1	RC Hotels (Pte) Ltd
2	Economic Development Board
3	Accenture Pte Ltd
4	Breadtalk Group Limited
5	Minor Food Group (Singapore) Pte. Ltd.

LEASE EXPIRY PROFILE[3] (%)



TRADE MIX[2] (%)



Travel & Hospitality	35.6	Financial Services	4.5
Food & Beverage	14.7	Beauty & Health	4.5
Department Store	8.7	Shoes & Bags	2.3
Fashion	6.8	Luxury	1.9
Government	6.7	Other Office[4]	4.1
IT, Media & Telecommunications	6.1	Other Retail[4]	4.1

2 Based on gross rental income for the month of December 2020 and excludes gross turnover rent.
3 As at 31 December 2020, based on committed gross rental income and excludes gross turnover rent.
4 Other office and retail trade categories include Services (1.5%), Supermarket (1.4%), Energy & Commodities (1.2%), Manufacturing & Distribution (1.0%), Business Consultancy (0.8%), Gifts & Souvenirs, Toys & Hobbies, Books & Stationery, Sporting Goods (0.5%), Real estate & Property Services (0.5%), Home Furnishing (0.3%), Art Gallery (0.3%), Insurance (0.3%), Maritime & Logistics (0.2%), Jewellery & Watches (0.1%), Banking (0.1%).

PROPERTY DETAILS

CAPITASPRING (UNDER DEVELOPMENT)

The new 280-metre integrated development will offer work, live, play spaces in a vertically connected environment. Between the premium Grade A office floors and the modern serviced residences is a Green Oasis with a height of more than 35 metres. Designed with social and activity spaces spread out over four storeys of lush greenery and trees, the Green Oasis offers a re-connection with nature in the middle of the city. Featuring an iconic façade and harnessing the latest workplace and lifestyle innovations, the new integrated development will redefine Singapore's city skyline. In support of the government's drive toward a car-lite society and to promote healthy living, a cycling path, 165 bicycle lots and end-of-trip facilities will be included in the development.

PROPERTY INFORMATION

Address	86 & 88 Market Street
Land Tenure	Leasehold tenure of 99 years with effect from 1 February 1982
Joint Venture Partners' Interests	CICT: 45.0% CapitaLand: 45.0% Mitsubishi Estate Co., Ltd.: 10.0%
Project Development Estimate	S$1,820.0 million
Carpark Lots	350 (inclusive of family and green lots)
Bicycle Lots	165
Awards	› BCA Universal Design Mark Gold^{PLUS} (Design) (2018) › BCA Green Mark Platinum (2018)

As at 31 December	2020
Valuation (S$ million)[1]	**1,037.0** **(2019: 1,062.0)**
Gross Floor Area (sq ft)	**1,005,000**
Net Lettable Area (sq ft)	**Total: 647,000** **Retail: 12,000** **Office: 635,000**
Committed Occupancy (%)	**38.0** **(as at 19 Jan 2021)**

1 Based on land value including the differential premium paid for the change of use and increase in plot ratio.

ENVIRONMENT

CICT is committed to environmental sustainability and value creation as a real estate owner. By leveraging technologies and analytics in optimising the usage of energy, water and waste management across our properties, we believe that we can manage our business more sustainably and create long-term value for all stakeholders.

Our Resources	Our Value Drivers	2020 Value Created
Environment	› Manage resources efficiently › Upkeep green buildings (climate resilience) › Ensure health & safety of stakeholders	› CapitaLand established new carbon emissions reduction targets approved by the Science Based Targets initiative (SBTi) for a 'well-below 2°C' scenario and CICT to align to new 2030 targets › 52.8% reduction[1] in carbon emission intensity › 35.7% reduction[1] in energy intensity › 42.9% reduction[1] in water intensity › 96% of CICT's portfolio achieved green rating › Refer to OHS Performance on pages 157-159

Policy & Objectives

- Identify and respond to climate change risks
- Reduce energy consumption
- Reduce water consumption, encourage use of recycled water and rainwater harvesting
- Manage waste through construction efficiency and encourage recycling
- Manage biodiversity to contribute positively to the natural environment
- Engage stakeholders to make a difference

Accountability

- BU CEOs are Environment, Health and Safety (EHS) Champions
- Use of the ISO 14001-certified Environmental Management System (EMS) ensures accountability of relevant managers and all staff
- Setting performance targets linked to remuneration for staff, and monitoring energy and water usage, waste generation and carbon emissions performance through the Environmental Tracking System (ETS)

Approach & Implementation

Environmental Management System (EMS)

- Legal compliance
- Identify environmental aspects and manage impact
- Sustainable Building Guidelines – including Environmental Impact Assessment and stakeholder consultation to ensure holistic incorporation of environmental considerations throughout our properties' life cycles
- Appoint ISO 14001-certified main contractors or conduct EMS legal compliance on site
- Green operations – EMS Standard Operating Procedures

Key Performance Indicators:

- Green rating targets set for new buildings and major refurbishments
- Green existing property portfolio
- Eco-efficiency targets: improve performance through tracking of energy and water usage, waste generation and carbon emissions
- Stakeholder engagement

MANAGING OUR ENVIRONMENTAL FOOTPRINT

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

1 Compared to base year 2008

ENVIRONMENT

ENVIRONMENTAL, HEALTH AND SAFETY POLICY

CICT is committed to protecting the environment and upholding the occupational health and safety (OHS) of everyone in the workplace, and will:

- Carry out exemplary Environmental, Health and Safety practices to minimise pollution and health and safety risks
- Seek continual improvement on its Environmental, Health and Safety performance
- Comply with pertinent legislations and other requirements
- Implement the CapitaLand Sustainable Building Guidelines and Occupational Health and Safety programmes

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

Risk Management of Environmental Aspects and Impact

Risk management of environmental aspects and impacts involves identifying and managing significant environmental aspects of our business operations that can potentially have a negative impact on the environment. The EMS provides a systematic approach to assess the significance of each environmental aspect and impact based on factors such as the likelihood of the occurrence, severity of the impact and control measures implemented. Climate change risks and opportunities are also identified and mitigated through CICT's ERM framework and the externally certified ISO14001 Environmental Management System.

Training and Awareness Programmes

Employees attend training and awareness programmes to facilitate effective implementation of CapitaLand's EHSMS. In 2020, 18.5% of employees attended EHS-related training, clocking over 1,750 training hours. New employees are introduced to CapitaLand's EHS policy and EHSMS.

Our efforts in addressing environmental issues extend beyond the Trust to our stakeholders. To drive greater awareness on sustainability, we engage with our tenants, service providers and the authorities as partners to foster a strong culture of sustainability aimed at benefiting the environment and the economy.

Internal and External Audits

CapitaLand has in place an internal audit system to ensure the conformance and effective implementation of its EMS to ISO 14001 international standards. External audits are conducted annually by a third-party accredited certification body.

SUSTAINABLE DEVELOPMENTS AND ASSETS

CapitaLand Sustainable Building Guidelines

CICT refers to CapitaLand's Sustainable Building Guidelines (SBG), an in-house guide developed since 2007, for guidance on incorporating environmental considerations throughout all stages of its properties' life cycles – from feasibility, design, procurement, construction, operation to redevelopment. It also covers developments and refurbishments. The SBG is regularly reviewed to ensure continuous improvement.

Specifically, the SBG emphasise four main goals – reducing carbon footprint and energy consumption, enhancing water management, minimising waste generation and promoting biodiversity – and offer a structured process where the respective persons-in-charge are accountable.

Mitigating Climate Change Challenges and Identifying Opportunities through Design

As countries rally for action to mitigate climate change, we expect more stringent regulations and increased expectations from stakeholders. By adopting the SBG, CICT aims to future-proof its developments by addressing the risks of climate change right from the design stage.

Every project is studied in detail and appropriate measures are adopted in consideration of climate change. The SBG also sets guidelines for buildings to be less energy reliant, for example, setting green building certification targets above statutory requirements, as well as encouraging the use of renewable energy, whenever possible.

Environmental Impact Assessment

A key component of the SBG is the Environmental Impact Assessment (EIA) which is conducted during the feasibility stage of a development project. Significant findings of the EIA and their cost implications, if any, are incorporated in the investment paper and submitted to the Board of Directors for approval.

The EIA identifies environmental threats and opportunities related to the project site and its surroundings, covering areas such as floods, biodiversity, air quality, noise, connectivity, heritage and resources. There are no properties in the portfolio located within protected areas and no material biodiversity risk has been identified.

Green Building Rating

Green building ratings help affirm the quality of CICT's properties. They serve as an external validation that key environmental aspects have been considered in CICT's project design, development and operations. With targets set from the early stage of design and development, green buildings, with a lower lifecycle carbon footprint through the adoption of sustainable design and materials, are more resource efficient. The minimum target certification for our new developments in Singapore is BCA Green Mark Gold^PLUS.

CICT is committed to actively renew and maintain our green certifications and achieve minimum BCA Green Mark certification for all properties in support of the Singapore government's Green Building Master Plan. The Trust has also set a target to green all its existing properties outside Singapore by 2030 with each achieving minimum certification level by a green rating system administered by a national government ministry/agency or a Green Building Council recognised by World Green Building Council (WGBC).

Property	Award Category	Year of Award/Renewal
Retail		
Bedok Mall	BCA Green Mark Platinum	2017[1]
Bugis+	BCA Green Mark Platinum	2020
Bugis Junction	BCA Green Mark Platinum	2017[1]
Bukit Panjang Plaza	BCA Green Mark Gold^PLUS	2020
Clarke Quay	BCA Green Mark Certified	2019
IMM Building	BCA Green Mark Gold^PLUS	2019
JCube	BCA Green Mark Platinum	2020
Junction 8	BCA Green Mark Platinum	2017[1]
Lot One Shoppers' Mall	BCA Green Mark Gold	2020
Tampines Mall	BCA Green Mark Gold	2019
Westgate	BCA Green Mark Platinum	2018
Integrated Development		
Funan	BCA Green Mark Gold^PLUS	2018
Plaza Singapura	BCA Green Mark Gold	2019
The Atrium@Orchard	BCA Green Mark Gold	2019
Raffles City Singapore	BCA Green Mark Gold^PLUS	2020
CapitaSpring (under development)	BCA Green Mark Platinum	2018
Office		
Asia Square Tower 2	BCA Green Mark Platinum LEED Shell & Core Platinum	2021 2014
CapitaGreen	BCA Green Mark Platinum	2018
Capital Tower	BCA Green Mark Pearl BCA Green Mark Platinum	2018 2020
Six Battery Road	BCA Green Mark Platinum	2017[1]
21 Collyer Quay	BCA Green Mark Platinum	2020
One George Street	BCA Green Mark Gold^PLUS	2018
Gallileo, Germany	LEED Building Operations and Maintenance: Existing Buildings Gold	2020
Main Airport Center, Germany	-	-

1 Renewal of certification in progress

OPERATIONAL EFFICIENCY

At CICT, the usage of environmental resources is closely monitored as part of our eco-efficiency objectives and long-term sustainability. Energy and water consumption, waste generation and carbon emissions at our properties are monitored via CapitaLand's Environmental Tracking System (ETS). All CICT Property Managers are required to submit monthly reports with supporting documentary evidence through the ETS. The system's control and monitoring tool allows the Property Managers to conduct analysis against set targets and past trends to facilitate a better understanding of consumption patterns and identify potential areas for improvement.

TARGETS

CICT is aligned with CapitaLand's science based targets which forms part of the CapitaLand's 2030 Sustainability Master Plan that outlines the targets and pathways for our transition to a low-carbon business. CapitaLand's revised carbon emissions intensity reduction target is computed from the approved science based target, to better track our day-today operations efficiency improvements.

Using 2008 as base year:

	2020	2030 New Targets
CARBON EMISSION INTENSITY:	23%	78%
ENERGY INTENSITY:	20%	35%
WATER INTENSITY:	20%	45%

Reporting Scope

The global COVID-19 pandemic resulted in lockdowns across cities and work-from-home as the default mode of operation in 2020. In Singapore, a circuit breaker was imposed from April to June 2020 where only essential services were allowed to operate. Safe management measures were also put in place in view of the pandemic to limit capacity of people at our properties. This impacted the footfall and physical occupancy in the malls and offices, resulting in the lower consumption of energy and water in 2020. A similar trend was observed in Frankfurt, Germany. The 2020 data is an anomaly compared to the normal operational performance.

2018[1] and 2019[2] data has been restated to combine the operating assets of CCT and CMT. In 2020[3], CICT's Singapore operating properties comprise 22 properties across retail, office and integrated developments and CapitaSpring which is an asset under development. Of the 2020 operating properties, Bugis Village was managed by the Trust from January to March 2020 until the one-year lease with the State ended. 21 Collyer Quay was managed by a third party until April 2020 and commenced upgrading works thereafter. Hence, 21 Collyer Quay only reported consumption data from May to December 2020.

The German assets, Gallileo and Main Airport Center are third-party managed. They reported consumption data from January to November 2020. December 2020 data was not available as at time of reporting and was excluded.

As the targets are relative to base year of 2008, the baseline has also been updated to combine the portfolios of CCT and CMT.

All intensity data[4] excluded assets under stabilisation or assets that do not have the full year consumption data for the reporting year.

1 Operating properties for 2018 include **Retail**: Bedok Mall, Bugis Junction, Bugis+, Bukit Panjang Plaza, Clarke Quay, IMM Building, JCube, Junction 8, Lot 1 Shoppers' Mall, Plaza Singapura, Raffles City Singapore, Sembawang Shopping Centre (up to completion of divestment), Tampines Mall, The Atrium@Orchard and Westgate; and **Office**: Asia Square Tower 2, Capital Tower, CapitaGreen, Six Battery Road, One George Street, Raffles City Tower (office), Twenty Anson (up to completion of divestment) and Bugis Village. CapitaSpring was reported as an asset under development.

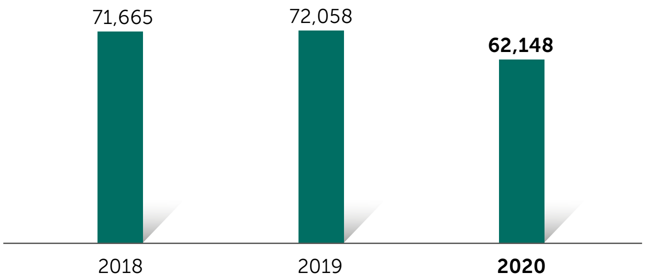
2 Operating properties for 2019 include **Retail**: Bedok Mall, Bugis Junction, Bugis+, Bukit Panjang Plaza, Clarke Quay, Funan (reopened in June 2019), IMM Building, JCube, Junction 8, Lot 1 Shoppers' Mall, Plaza Singapura, Raffles City Singapore, Tampines Mall, The Atrium@Orchard and Westgate; and **Office**: Asia Square Tower 2, Capital Tower, CapitaGreen, Six Battery Road, One George Street, Raffles City Tower (office) and Bugis Village. CapitaSpring was reported as an asset under development.

3 Operating properties for 2020 include **Retail**: Bedok Mall, Bugis Junction, Bugis+, Bukit Panjang Plaza, Clarke Quay, Funan, IMM Building, JCube, Junction 8, Lot 1 Shoppers' Mall, Plaza Singapura, Raffles City Singapore, Tampines Mall, The Atrium@Orchard and Westgate; and **Office**: Asia Square Tower 2, Capital Tower, CapitaGreen, Six Battery Road, One George Street, Raffles City Tower (office), Bugis Village (January to March 2020) and 21 Collyer Quay (May to December 2020). CapitaSpring was reported as an asset under development. German operating properties are reported separately.

4 2018 intensities included all Singapore operating properties except Sembawang Shopping Centre and Twenty Anson which were divested in June 2018 and August 2018 respectively, and Asia Square Tower 2 which was on its first year of stabilisation.
2019 intensities included all Singapore operating properties except Funan which started operations in June 2019 and Asia Square Tower 2's district cooling consumption.
2020 intensities included all Singapore operating properties except Funan which was on its first year of stabilisation, Bugis Village, 21 Collyer Quay and Asia Square Tower 2's district cooling consumption.
CapitaSpring, an asset under development, has been excluded in all intensities calculation.

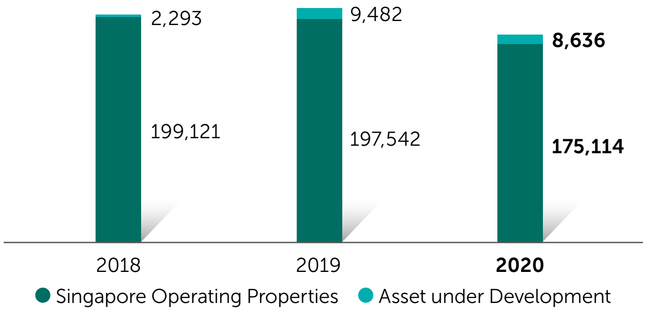
Carbon Emissions

CARBON EMISSIONS
(tonnes CO_2e)

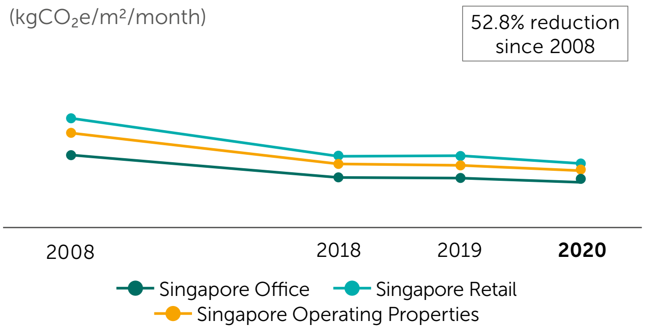


Energy

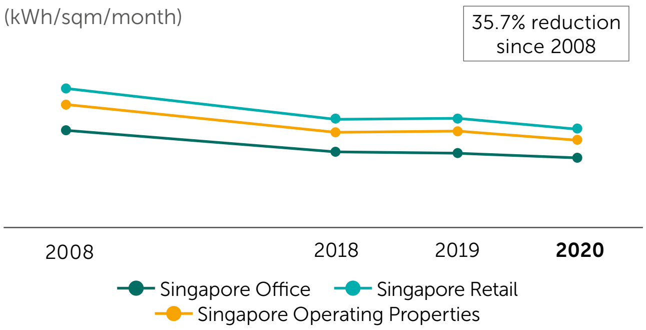
ENERGY CONSUMPTION
('000 kWh)



CARBON EMISSION INTENSITY
($kgCO_2e/m^2$/month)



ENERGY INTENSITY
(kWh/sqm/month)



CICT seeks to address the challenges of climate change by reducing our energy usage and carbon footprint across our business operations. Our focus is on minimising greenhouse gas emissions (GHG) from our properties.

Scope 2 emissions in 2020 from purchased energy consumption was 62,148 tonnes. This is a 13.8% reduction from the 2019 restated data of 72,058 tonnes based on the combined portfolio.

Scope 3 emissions from a project under development and business travel via air by CCT and CMT employees in FY 2020 was 3,376 tonnes, contributing about 5.2% of total overall carbon emissions.

For 2020, carbon emission intensity for the Singapore operating properties declined to 4.29 $kgCO_2e/m^2$, representing a 52.8% reduction compared to base year 2008. This reduction exceeded the FY 2020 target of 23%.

In 2020, around 175,114,000 kilowatt hours (kWh) was consumed across the Singapore operating properties, and about 8,636,000 kWh for CapitaSpring, a project under development which used diesel and generator sets for its energy requirements. The overall energy usage was 11.2% lower year-on-year largely attributable to the decreased business activities due to the pandemic.

We achieved an energy intensity reduction of 35.7% compared to base year 2008 for Singapore operating properties, higher than the FY 2020 target of 20%.

We recognise that as buildings become more energy efficient, the reduction in energy intensity inevitably becomes less significant. Collaboration with tenants becomes all the more important. A green fit-out guide, along with other materials are included in the handover kit which are given to new tenants. This is to encourage tenants to adopt green fit out and promote green practices and behaviour.

The German assets reported a total energy consumption of about 11,024,000 kWh including renewable energy and district heating from January to November 2020.

ENVIRONMENT

Renewable Energy

CICT has more than 1,700 m² of solar panels at Bedok Mall, Bugis Junction, JCube, and Asia Square Tower 2. These solar panels have helped our properties to tap around 131,500 kWh of renewable energy source.

CICT continues to implement various energy and water conservation measures which focus on regular maintenance and innovation to achieve operational savings. The measures are listed in the tables below.

ENERGY CONSERVATION MEASURES

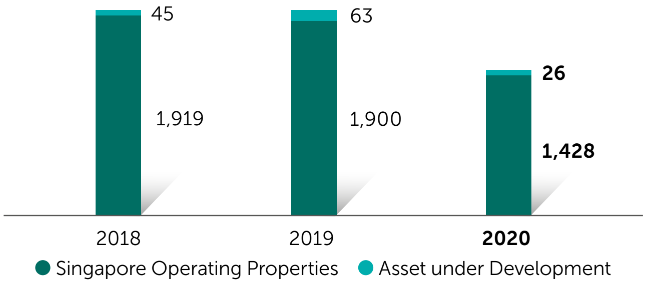
Focus	Measures
Central Air Conditioning System	› Installed with Measurement & Verification (M&V) System to monitor system performance daily › Perform preventive and periodic servicing and maintenance › Auto tube-cleaning system › Conduct energy audit periodically
Lighting	› Replacing existing non-LED type with LED type › Lighting power budget of not more than 22 Watts per m² for tenanted areas
Control, Metering and Monitoring	› Building Management System › Sub-metering
Renewable Energy	› Photovoltaic (PV) system
Equipment	› Replace equipment with higher efficiencies

WATER CONSERVATION EFFORTS

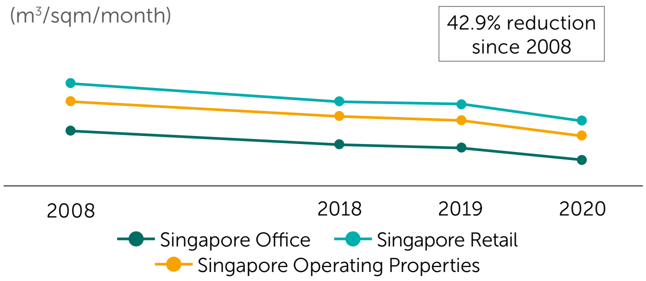
Focus	Measures
Control, Metering and Monitoring	› Install digital water meters for leakage detection and automatic meter readings in malls › To monitor water usage system › Conduct technical assessment periodically
Equipment	› Replace equipment with higher efficiencies
Rainwater Harvesting	› Reuse of storm water in some properties

Water

WATER CONSUMPTION
('000 m³)



WATER INTENSITY
(m³/sqm/month)



The main water source for CICT's portfolio is from Public Utilities Board (PUB), Singapore's national water agency.

In 2020, CICT's total water consumption (including recycled water) amounted to around 1,428,000 m³ from the Singapore operating properties and CapitaSpring, a project under construction. The 26.0% drop year-on-year was largely attributable to decreased business activities due to the pandemic.

As a result, CICT's operating properties reported lower water intensity. A 42.9% savings in water intensity was achieved compared to the base year 2008 and the savings was above the FY 2020 target of 20%.

To reduce water consumption, we also utilised NEWater in the cooling towers and sprinkler systems at selected properties in Singapore. Five office properties, including Raffles City Tower, used about 141,000 m³ of NEWater or 9.9% of the total water consumption in 2020.

For properties with storage tanks, rainwater is harvested for plant irrigation and hi-jetting of car park decks and ramps, amongst other uses. The malls (Bedok Mall, Clarke Quay, IMM Building, JCube, Plaza Singapura, Tampines Mall, Westgate, Raffles City Singapore) utilised recycled water of about 424,000 m³ or 29.7% of the total amount of water used in 2020. We adopt stringent monitoring of the consumption and water intensity to ensure that fluctuations are duly accounted for and issues are promptly addressed.

For our German assets, Gallileo reported around 22,000 m³ of water consumption from January to November 2020.

Waste Management

CICT is committed to the proper disposal of waste generated at our properties. We consolidated waste data for 20 Singapore operating properties in 2020 comprising all Singapore operating retail malls and office buildings. The collection and disposal of waste at these properties are being carried out by licensed contractors for recyclable waste.

About 18,660 tonnes of non-recyclable waste and 1,780 tonnes of recyclable waste were collected in 2020. Recyclable waste comprised approximately 1,700 tonnes of paper, 33 tonnes of plastic, 40 tonnes of metal, 8 tonnes of glass and 0.4 tonnes of other materials.

At CICT, we encourage and support our stakeholders' waste recycling efforts, by placing recycling bins in our operational properties.

In our continuing partnership with StarHub for retail malls and Cimelia Resource Recovery for office properties for the collection and management of electronic waste, a total of 4.9 tonnes was collected in 2020 (FY 2019: 25.4 tonnes) from our Singapore operating properties.

For the period of January to November 2020, Gallileo and Main Airport Center recorded around 170 tonnes of waste, of which around 150 tonnes of waste were recycled.

Occupational Health and Safety

Occupational health and safety (OHS) of our stakeholders are of utmost importance. An effective OHS management system is part of risk management and is deemed to enhance productivity, morale and well-being.

CICT adopts CapitaLand's Occupational Health and Safety Management System (OHSMS) which is accredited to the international OHSAS 18001 OHS Management System. The framework involves identifying and reviewing OHS hazards, assessing their risks, establishing policies, ensuring accountability, developing action plans and engaging stakeholders.

OCCUPATIONAL HEALTH AND SAFETY

Policy & Objectives

- Reduce occupational injury rates with the aim to achieve zero harm
- Provide a robust OHS Management System
- Meet or exceed OHS legal requirements
- Promote a culture of individual ownership and responsibility for OHS management
- Seek proactive support and participation from stakeholders including top management, employees, contractors, suppliers and tenants
- Drive continuous improvement in OHS performance

Accountability

- BU CEOs are accountable for their OHS performance
- The OHSAS 18001 OHS Management System secures the accountability of relevant managers and staff KPIs linked to remuneration of all staff:
  - OHS performance of staff
  - Stakeholder engagement

Approach & Implementation

Environmental Management System (EMS)

- Legal compliance
- Identify hazards & risk assessment through regular Hazards, Identification and Risk Assessments (HIRA)
- Sustainable Building Guidelines – Design for Safety (DfS) to manage health and safety risks throughout the buildings' life cycles
- Safe operations – OHS Standard Operating Procedures (SOPs) to minimise the incidence of hazards such as poor ergonomics or falling from height
- Training and awareness to facilitate effective implementation and partnerships with stakeholders to create a safe work environment
- Appoint OHSAS 18001/ International Organization for Standardization (ISO) 45001 certified main contractors or carry out OHS legal compliance audit on-site
- Give preference to OHSAS 18001/ ISO 45001 certified supply chain (vendors/ suppliers); in Singapore, non-OHSAS 18001/ ISO 45001 certified supply chain (vendors/ suppliers) are encouraged to achieve bizSAFE Level 3 and above.

Key Performance Indicators

- OHS performance of staff
- Stakeholder engagement

ENVIRONMENT

Stakeholders	Approach	As at 31 December 2020
Employees	› OHS key performance indicators are linked to the remuneration of all employees and top management. › All employees take ownership of OHS issues and are proactive in reporting all OHS-related incidences alongside non-compliance and non-conformities. › The Manager and Property Managers have instituted a series of SOPs to respond to epidemic/pandemic outbreaks, including a 24 hours emergency response team. › The HR department regularly updates employees about medical advice and travel alerts where necessary.	› Absentee rate of 6.0 days. › Seven reported work-related injuries. Remedial actions were taken to ensure precautionary measures are in place to prevent future incidents. All affected employees have recovered and returned to work. › No work-related fatalities were reported. › 27.2% of employees attended ESG related training courses including 18.5% of employees who attended EHS-related training › No breach of local OHS laws and regulations.
Suppliers – vendors and service providers	› CapitaLand's contractor management guidelines require the supply chain vendors to comply with local government and other legal requirements. › Risk assessments are submitted if activities contain OHS hazards that may affect employees, tenants or visitors to the buildings. › CapitaLand EHS Policy and House Rules on safety requirements are shared with the supply chain vendors. › CapitaLand Supply Chain Code of Conduct initiative sets out the requirements for its supply chain vendors in the areas of legal compliance, anti-corruption, human rights, health and safety, as well as environmental management.	› Preference is given to OHSAS 18001-certified vendors, suppliers and service providers. › Non-OHSAS 18001-certified vendors, suppliers and service providers are encouraged to achieve bizSAFE Level 3 certification and above. › All cleaning contractors at our properties are OHSAS 18001-certified. › 96.3% of CICT's term contractors was minimally bizSAFE Level 3 and above. › Worked with term contractors to use green-labelled cleaning and servicing products across CICT properties.
Customers – shoppers, tenants and visitors	› Emergency response procedures are in place to manage OHS risks. › Periodic briefings such as safety talks and biannual emergency evacuation drills are conducted to familiarise tenants with the emergency response plan. › Timely circulars & advisories on safe management measures serve as an effective communication tool to disseminate vital information.	› Biannual evacuation drills were exempted and only virtual briefings were held for fire wardens in 2020 due to the pandemic. › Deployment of thermal cameras for temperature screening at our properties › Implementation of technologies such as anti-microbial coating, UV disinfection robots at Tampines Mall and Funan, automatic escalator handrail disinfection, and air disinfection system using PhotoPlasma.

SAFEGUARDING OUR STAKEHOLDERS

Following the DORSCON Orange announcement in February 2020, our malls and offices swiftly complied with the government's regulations for safe distancing and contact tracing. Ensuring the safety of our shoppers and tenants remains a key priority. With the gradual reopening of business activities, our operations team continues to enhance the safety measures across our properties, including:

1. **Anti-Microbial Coating Technology** applied on all high-touch surfaces for all malls and offices. Treated surfaces can guard against bacteria and virus for up to six months, compared with general cleaning and disinfection which is effective only at the point of application. Complementing the anti-microbial coating, the frequency of cleaning and disinfection at our properties will also be increased. Hand sanitisers are provided in all public areas. Manual water taps at some property common areas have also been replaced with sensor operated taps.

2. **Protective acrylic screens** installed at concierges and tenant service centres to safeguard visitors and staff during face-to-face interactions.

3. **Autonomous UV Disinfection Robots** are deployed daily at Tampines Mall and Funan to conduct disinfection of high shopper traffic floors.

4. **Disinfection Floor Mats** installed at 43 mall entrances where disinfection solution will be poured over the floormats, allowing shoppers' soles to be cleaned and dried when they step on runner mats as they enter the malls.

5. **PhotoPlasma Air Disinfection System** fitted into passenger lifts at all malls. This technology will energise atmospheric air into a plasma state, in turn eliminating air-borne and surface microorganisms such as virus and bacteria. In addition, building facilities such as air-conditioning systems, cooling towers, water tanks and pipes will also undergo regular purging and flushing to ensure good air and water quality.

Fitting PhotoPlasma Air Disinfection System into passenger lifts

6. **Temperature screening, contact tracing and safe distancing** in line with guidance from authorities were implemented. Thermal scanners are deployed to expedite access into our office buildings and shopping malls. To facilitate the one-metre social distancing regulations, directional floor markings were placed at shop entrances, lift lobbies and walkways to prevent crowding and bottlenecks.

Deployment of thermal scanners for temperature screening and disinfection floor mats at mall entrances.

7. **Emergency response plans** are in place where isolation rooms with pre-determined access routes in our properties identified, to minimise contact in the event of suspected COVID-19 cases.

Scan QR codes below to view the retail and office experience amidst safe management measures.

Capital Tower | CapitaGreen | Plaza Singapura & The Atrium@Orchard | Bedok Mall

STAKEHOLDERS AND COMMUNITIES

A key pillar in CICT's sustainability focus is our ability to create value for our stakeholders. Stakeholders are those who are most directly impacted by, or have most direct impact on our operations. Our stakeholders comprise shoppers, tenants, communities, investors, employees, and suppliers. We endeavour to develop strong stakeholder relationships by actively engaging with the various groups, and being attuned to the issues that matter to each group. Our ultimate goal is to work with relevant stakeholder groups to address issues and/or derive solutions that benefit stakeholders in our community. To engage our stakeholders in line with safe management measures arising from the pandemic, we adopted more engagement channels such as virtual platforms. On-site meetings and events were also limited in 2020.

Our Resources	Our Value Drivers	2020 Value Created
Stakeholders & Communities	› Regular stakeholder engagement › Positive customer experience	› Regular community engagement activities and mall promotions › Collaboration with CapitaLand Hope Foundation to raise a total of S$58,665 for the adopted beneficiary, Rainbow Centre Singapore › 1,851.5 volunteer hours clocked in 2020 › Reverse vending machines at our malls collected more than 287,000 drink containers for recycling as at end-2020 › Partnerships/collaboration with tenants, suppliers and social enterprises for various activities/product offerings › Ensuring health and safety of stakeholders in our properties

ENGAGING OUR COMMUNITY AND VOLUNTEERING

CICT's community and stakeholder activities, including our philanthropic efforts and environment, health and safety programmes, are aligned with the guidelines set by CapitaLand. The Trust collaborates with CapitaLand Hope Foundation (CHF), the philanthropic arm of CapitaLand, to support the social growth and development of vulnerable children in the areas of education, healthcare and proper shelter. CHF also strives to improve the quality of life for the vulnerable elderly through healthcare, deeper social integration and better living conditions.

The Trust communicates its community and sustainability initiatives to its stakeholders, and invites them to participate in various activities. Our tenants and employees may also serve as volunteers in such activities, while their contributions-in-kind are given directly to the specific beneficiaries involved.

To encourage volunteerism, CapitaLand employees are also granted Volunteer Service Leave (VSL) of up to three days. In recognition of our employees' social contribution, CHF donates S$500 to an approved Institution of a Public Character in Singapore or international non-profit organisation for each employee who fully utilised three days of VSL within the year.

In 2020, 21.5% of employees have volunteered generously towards community and social causes, putting in a total of 1,851.5 volunteer hours. The commitment level varies with the number of activities held each year, the length of time involved for each event and when they are held.

STAKEHOLDER GROUP

SHOPPERS

To understand our shoppers' needs and improve the appeal of our malls

Engagement Channels

- Marketing and promotional events
- Loyalty programmes
- Online and mobile platforms
- Social media
- Shopper interview

Focus Areas

- Quality and well-managed shopping malls
- Ensuring environment, health and safety measures in properties
- Omnichannel shopping
- Experiential shopping
- New retail concepts
- Family-friendly facilities
- Easy access to public transport
- Positive customer experience
- Vibrant communities

Response

- Maintain efficient Green Mark certified buildings
- Keep buildings relevant through proactive portfolio reconstitution and create an attractive tenant mix
- Leverage technology and digital platforms such as CapitaStar ecosystem with Capita3eats and eCapitaMalls to build loyalty and tap on ecommerce trend
- Co-creation of concepts and shopper experience with tenants to differentiate offerings

TENANTS

To become a landlord of choice through understanding our tenants' needs and concerns

Engagement Channels

- Engagement programmes/ activities
- Post event feedback
- Meetings with key existing and new tenants and other informal tenant gatherings
- Tenant shop openings
- Joint promotions and strategic partnerships
- Value added initiatives by centralising resources and leveraging technology
- Tenant satisfaction survey
- Office Tenant Relations Specialists (TRS) serve as regular contact points for tenants
- Fortnightly tenant newsletter – your Workplace Community
- Social media platforms

Focus Areas

- Quality and well-managed shopping malls and office buildings
- Ensuring environment, health and safety measures in properties
- Share knowledge and keep abreast of market trends
- Enhance operational efficiency
- Positive customer experience
- Vibrant communities

Response

- Maintain efficient Green Mark certified buildings
- Keep buildings relevant through an active portfolio reconstitution strategy
- Leverage technology to enhance product and service offerings and build tenant loyalty
- Regular tenant engagement to build relationships and ensure prompt responses to tenants' needs
- Leverage mobile application CapitaStar@Work and link up with CapitaStar to extract synergies and cross selling opportunities

COMMUNITIES

To be a responsible corporate citizen and contribute to the communities in which we operate

Engagement Channels

- Collaboration with CHF to contribute to non-profit organisations
- Management of ESG issues
- Corporate social responsibility programmes
- Senior Managing Director, Operations, CapitaLand Singapore and Head, Operations Management (Business parks & Commercial) are members of various taskforce teams and committees in the Building and Construction Authority and Ministry of Manpower
- Partnerships with government, national agencies and non-governmental organisations

Focus Areas

- Volunteerism and philanthropy
- Environment
- Sustainable buildings
- Community programmes to generate wider awareness of sustainability, health and wellness
- Ensuring environment, health and safety measures in properties

Response

- Commitment to pursue green rating for properties in portfolio
- An employee has three days of volunteer leave
- Participation in community programmes with social/charity objectives
- Raised S$58,665 for Rainbow Centre through Gifts of Joy - The Essentials Edition in collaboration with CHF
- Partnered government/ national agencies and tenants to promote sustainability and healthy living through Live It Up!

STAKEHOLDERS AND COMMUNITIES

INVESTORS

To provide timely and consistent communication to investors, and be a choice investment

Engagement Channels

- CICT website (www.cict.com.sg)
- Annual general meetings
- SGXNet announcements
- Annual reports
- Biannual media and analysts results briefings
- Roadshows, conferences, meetings, teleconferences
- Tours of CICT's properties

Focus Areas

- Long-term sustainable distribution and total returns
- Business performance, expectations and strategies
- ESG risks and opportunities

Response

- Proactive portfolio and asset management
- Proactive capital management
- Strong corporate governance
- Disciplined approach to acquisitions and divestments for value creation
- Seek investor feedback during or after investor meetings and teleconferences
- Committed to annual sustainability reporting
- Participate in GRESB's annual sustainability survey
- Build win-win partnerships

EMPLOYEES

To develop a high-performance work culture that embraces diversity and teamwork

Engagement Channels

- Informal and formal staff communications
- Employee engagement programmes - volunteer and recreation club activities
- Employee engagement surveys
- Performance appraisals
- Teambuilding workshops/training courses

Focus Areas

- Communicate business strategies and developments
- Reward and recognition
- Training and development
- Work-life balance, employee welfare, health and well-being

Response

- Financial performance, target performance indicators, business strategy and employee engagement plan are shared at communication sessions
- Annual performance assessment for managers and direct reports to review performance and identify training and development goals
- Monitor occupational health and safety issues
- Identify action plans to improve employee welfare and well-being

SUPPLIERS

To be a fair and reasonable buyer of goods and services and share industry best practices

Engagement Channels

- Term contractor/vendor evaluation system
- Collaborate with suppliers to manage EHS challenges
- Sharing of the following information with supply chain:
- CapitaLand's EHS Policy
- Standard operating procedures, contractor management guidelines and house rules for compliance

Focus Areas

- Fair and reasonable treatment
- Ensure alignment with EHS objectives and OHS practices

Response

- Feedback system to recognise supply chain for exceeding standards in design and quality
- Collaborate to manage EHS challenges such as an epidemic outbreak
- Quarterly EHS monitoring and reporting
- Half-yearly term contractor/vendor evaluation system including events, meetings and training sessions
- CapitaLand Supply Chain Code of Conduct initiative sets out the requirements for its supply chain in the areas of legal compliance, anticorruption, human rights, health and safety, as well as environmental management
- Build win-win partnerships

STAKEHOLDER ENGAGEMENT PROGRAMMES

CICT actively engages with the stakeholders and communities across the retail and office properties through programmes and activities. These activities range from knowledge sharing sessions on health and well-being to events for charitable causes. In response to the pandemic outbreak during the year, the retail campaigns to strengthen brand affinity of our malls, and physical activities for our tenant engagement programmes had to be safely and responsibly organised. In spite of the challenges, the team implemented a wide variety of events for our retail and office communities. Most engagement events took on a virtual format to draw communities closer, despite being physically apart.

Initiatives	Stakeholders					Objective Met				
	Shoppers	Tenants	Employees	Supply chain	Community	Raising Awareness & Knowledge Sharing	Environment Health and Safety	Health & Wellness	Volunteerism and Charity	Enhanced Customer experience
Retail Promotions										
Portfolio-wide - CapitaLand&You - Largest LEGO® Festive Carnival in Southeast Asia - Fashion Friday	●	●			●					●
CapitaStar Shoppertainment	●	●								●
Funan G.O.A.T	●	●								●
Mall-centric Promotions 14 events	●	●								●
Office Activities										
Tenants' Treats		●		●						●
Lease Anniversary Gifts		●		●						●
CapitaLand Wellness Wednesday			●			●		●		
Earth Hour	●	●				●	●			
Community Activities										
#BYOBclean - Free Hand Sanitiser	●	●	●		●	●	●		●	●
Safer Dining with Table Shields	●	●			●	●	●			●
Break the (Work from Home) Circuit Challenge		●			●	●		●		●
CapitaSpring Colouring contest		●			●	●		●		●
Gifts of Joy – The Essentials Edition		●	●		●	●	●		●	●
CApp EZ Challenge (for CapitaStar@Work)		●			●	●				●
National Day Sticker Scramble on Instagram		●			●					●
Live It Up!		●	●		●	●	●	●		●
CapitaLand #MealOnMe	●	●	●		●	●	●		●	
#CareKitWithLove			●		●	●	●		●	
E-Waste collection and management	●	●	●	●	●	●	●			●
NEA Reverse Vending Machines	●	●		●	●	●	●			●

Note: 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 CapitaLand.

STAKEHOLDERS AND COMMUNITIES

LEVERAGING CAPITASTAR'S ECOSYSTEM

Strengthening our Retail Ecosystem Through Phygital Engagements with CapitaStar

A REFRESHED CAPITASTAR

More than **1.1 million** CapitaStar Members	Approximately **4.2 million** Monthly Traffic

LAUNCH OF ECAPITAMALL AND CAPITA3EATS

More than **550 brands** Onboard	**15X Growth** in Gross Merchandise Value since launch in June 2020

The CapitaStar platform is the main digital enabler of CapitaLand's new retail ecosystem. CapitaLand has been progressively expanding its capabilities, evolving it from a traditional loyalty programme into a dynamic omnichannel shopping and lifestyle rewards platform, where shoppers earn cashback in the form of STAR$® when they dine and shop across CapitaLand malls and online at eCapitaMall and Capita3Eats.

Key features on the CapitaStar App include seamless digital payments through eCapitaVoucher, where CapitaStar members can purchase, gift and use eCapitaVouchers at over 2,700 retailers across 17 CapitaLand malls islandwide and online at eCapitaMall and Capita3Eats.

Further to our vision in driving digitisation and impactful omnichannel retail transformation, eCapitaMall and Capita3Eats - ecommerce and food ordering platform respectively, were launched in June 2020 as part of CapitaStar's new verticals. This enabled shoppers to enjoy a rewarding retail experience while allowing for our retailers to access business opportunities 24/7. Adding to the ease and convenience of using CapitaStar, members can also enjoy attractive partner perks, enticing rewards and promotions together with new entertainment and community engagement features – making CapitaStar a holistic omnichannel retail experience.

The performance of eCapitaMall and Capita3Eats has been very encouraging, with a 15X growth in gross merchandise value since its launch in June 2020. Major campaigns such as "10.10" drove an 8X uplift in daily sales while the acceptance of eCapitaVoucher on both platforms has also contributed positively towards the sales of our onboarded retailers. We are committed towards improving these outcomes to increase shoppers' lifetime value within our retail ecosystem by keeping up with industry trends and evolving consumer behaviours.

eCapitaVoucher remains a popular gifting and digital payment option, making it an important growth lever for CapitaStar. Key enhancements were introduced such as micropayments down to $0.01, the use of a static QR code to be implemented across more than 2,700 participating stores and acceptance of eCapitaVoucher on eCapitaMall and Capita3Eats – allowing for added flexibility and a seamless offline-to-online shopping experience, further cementing our lead position in retail.

Refreshed CapitaStar Identity

The CapitaStar logo was updated and the brand's lifestyle and rewards positioning was redefined in August 2020 to heighten the platform's appeal to target consumer segments. The new logo features a more contemporary and vibrant feel in simpler and cleaner lines, to reflect the ease and accessibility of the app's new interface. We have retained the familiar star symbol to connect loyal followers to its improved interface and performance.

CapitaCard

The American Express® CapitaCard, CapitaLand's co-brand credit card with American Express, registered healthy membership growth and monthly transactions. CapitaCard members get to earn up to 13X STAR$® at selected stores, equivalent to a 6.5% rebate in CapitaVoucher, as well as members-only promotions and events, gift redemptions and complimentary parking at CapitaLand malls. These have helped to drive shopper traffic to the malls and encourage stronger in-store spending.

Launched Raffles Prestige

In September 2020, Raffles Prestige was introduced to meet the diverse needs of our growing CapitaStar base. Enrolment is by invitation only, and members are granted exclusive event invites and privileges such as accelerated STAR$® earn rate, two hours of complimentary parking at Raffles City Singapore as well as shopping and dining promotions. They also enjoy curated lifestyle partner perks from Ascott, BMW, Jewel Changi Airport, and more.

CAPITASTAR LIVE 247

CapitaLand is constantly pushing the boundaries of retail with innovative offerings. We premiered our first livestream shoppertainment show in Singapore with well-loved media personalities such as Michelle Chong, Mongchin Yeoh and Benjamin Kheng on 31 July to 2 August. The shoppertainment show attracted close to 90,000 views and successfully drove up daily sales by 10X. Through this live show, CapitaLand brought the experience of shopping in the mall to the comfort of the home, showcasing our malls' brands and products in an entertaining and authentic manner.

Rounding off the year with a bang, CapitaStar LIVE 247 featured its second iteration of a livestream shoppertainment show in collaboration with Night Owl Cinematics on 13 to 14 December 2020. Titled CapitaStar LIVE 247: Festive Hacks, the shoppertainment show attracted more than 240,000 views and 80,000 engagements on our social channels which led to even stronger sales conversion than the first iteration.

STAKEHOLDERS AND COMMUNITIES

RETAIL PROMOTIONS

Portfolio-Wide Promotions

CapitaLand&You (凯德为你加油)
March to April

CapitaLand launched **CapitaLand&You** campaign to encourage Singaporeans and share the good cheer with a series of amazing rewards and deals when shopping at CapitaLand malls. Shoppers could offset purchases with a minimum of S$50 CapitaVouchers to receive 5,000STAR$® and receive S$40 eCapitaVoucher with a minimum spend of S$100 in CapitaLand malls.

Spend and Win Big
October 2020 to December 2021

The "CapitaLand Malls Spend and Win Big Draw" is a 15-month campaign that was launched in collaboration with Tan Chong International Limited. Attractive prizes valued at more than S$580,000, including six brand new Nissan and Subaru cars and S$15,000 worth of eCapitaVouchers, will be given away across six draws from 16 October 2020 to 31 December 2021. Shoppers receive one lucky draw chance for every S$50 spend at any of the 17 participating malls, eCapitaMall and Capita3Eats. This is CapitaLand's largest consumer giveaway in Singapore in terms of prize value and the number of participating malls and platforms.

Largest LEGO® Festive Carnival in Southeast Asia
November to December

CapitaLand presented a massive LEGO® showcase comprising carnival-themed installations in 13 CapitaLand malls across the island. Shoppers could also send festive greetings to loved ones with CapitaLand's exclusive set of WhatsApp sticker pack featuring lovable LEGO® minifigures perfect for the holidays. Attractive promotions include festive cashback with eCapitaVoucher and exclusive LEGO® eDeal to reward shoppers.

Fashion Friday
December 2020 to February 2021

Members of CapitaStar were treated to a fashion week, every week! Shoppers are rewarded with S$5 eCapitaVouchers with a minimum spend of S$80 at participating fashion stores every Friday from December 2020 to February 2021.

Mall-Centric Promotions

Bedok Mall and Tampines Mall

East Meets Best

September

Shoppers who dined on Mondays and Tuesdays with a minimum spend of S$50 at any F&B outlet received a S$5 eCapitaVoucher and shoppers who shopped from Wednesdays to Sundays with a minimum spend of S$100 at any retailer (non F&B outlets) received a S$10 eCapitaVoucher.

Bukit Panjang Plaza and Lot One Shoppers' Mall

Revel in Rewards

October to November

Bukit Panjang Plaza and Lot One Shoppers' Mall embraced the new normal with a campaign in October that enabled shoppers to enjoy greater convenience. Shoppers were encouraged to use a minimum of S$30 eCapitaVouchers to offset their purchases in the mall and be rewarded with more eCapitaVouchers.

Bugis Junction and Bugis+

Bounce Back with Bugis

August

In celebration of Singapore's 55th birthday and to welcome shoppers back to Bugis Junction and Bugis+, shoppers were treated to a variety of special offers. Perks included rewards of S$5 eCapitaVouchers with minimum S$50 spend, 1-hour complimentary parking and exclusive CapitaStar eDeals with deals up to 50% off at participating tenants.

Bugis Town Guilt Free Shopping Spree

November

Bugis Town ran its first ever online & in-mall shopping event across Bugis Junction, Bugis+ and new to portfolio, Bugis Street. The three-day shopping spree saw CapitaStar members rewarded with S$110 eCapitaVouchers for a minimum in-mall spend of S$1,100, and up to 50% cashback off participating fashion brands in-mall and on eCapitaMall. In partnership with DBS, CapitaStar members also enjoyed an additional 10% cashback of purchases made via DBS PayLah!.

STAKEHOLDERS AND COMMUNITIES

Mall-Centric Activities (Cont'd)

Clarke Quay

Celebrate Together
November to December

Clarke Quay welcomed all to #CelebrateTogether and indulge in an extensive selection of riverfront dining choices during the festive season. Attractive weekday promotions included **ThirstFree Days**, where customers could enjoy a free first drink or appetiser with any order at participating outlets. **Festive Cashback** gave S$15 eCapitaVoucher with S$120 spent from Sundays to Thursdays.

Funan

G.O.A.T (Greatest Of All Times)
November

Funan G.O.A.T adopted both online and offline Black Friday Sale in 2020 to capture audiences from eCapitaMall and in-store. Partnering with Tech360tv, Funan launched its inaugural lunch-time Facebook live streaming where shoppers joined in the sneak preview of selected products exclusively available on eCapitaMall under "Pre-Black Friday Sale".

Junction 8

Earn with Cashback
September to October

Junction 8 ran a two-month cashback campaign that drew over 140 participating outlets with shoppers enjoying up to 50% savings in the form of cashback.

Plaza Singapura

Beautiful You, Beautiful World
January to February

Plaza Singapura collaborated with beauty retailers such as The Body Shop, Clarins, Innisfree, Kiehl's, Etude House, and L'OCCITANE to hold beauty upcycling workshops and offered special beauty bundles with great discounts. Shoppers who spent a minimum S$80 in participating outlets could sign up for the upcycling workshops.

To encourage recycling, shoppers also traded in their used skincare beauty bottles and won attractive prizes as part of Plaza Singapura's Spend and Redeem scheme from 1 to 23 February 2020.

West Cluster Malls (JCube, IMM Building and Westgate)

West The Sale?
October

A '3-in-1' mega sale campaign "West The Sale?" offered shoppers up to 90% off at participating retail stores and value-for-money promotions both offline and online.

The event drew over 70 participating outlets stores at IMM Building, with shoppers enjoying additional 30% savings above everyday discounts. During the promotion, the first 210 shoppers per day who met the minimum spend of S$300 at participating outlet stores were each rewarded with S$50 worth of eCapitaVoucher and a 1-for-1 admission ticket to The Rink worth S$18.

With a minimum spend of S$150 at JCube or Westgate, shoppers were rewarded with a S$20 eCapitaVoucher and a 1-for-1 admission ticket to The Rink.

The sale was also made available online via eCapitaMall. With a minimum S$60 spent on brands available at the west cluster malls virtually, shoppers were rewarded with S$30 off when they use the promo code 'West30'.

Raffles City Singapore

Raffles City Singapore rings in the Lunar New Year in collaboration with Shanghai Tang
January

Raffles City Singapore ushered in Spring 2020 in the city with an exciting first-ever collaboration with international modern Chinese chic fashion label, Shanghai Tang. The collaboration included a set of limited-edition Raffles City x Shanghai Tang red packets and red packet organiser, crafted and designed by the brand's creative director, Victoria Tang-Owen. Marking the first stop on its Asian city tour, Shanghai Tang launched its first pop-up store at Raffles City Singapore, with highlights such as complimentary embroidery service with purchase.

Swarovski celebrates 125 years of heritage and a sparkling Christmas with Raffles City Singapore
November to December

Raffles City Singapore partnered with Austria jewellery brand, Swarovski, in celebration of the brand's 125th anniversary and to welcome 2021 with hopes and wishes. The partnership brought the magic and delight of the festive season to 'the city in the city'. The highlight of the collaboration saw an impressive 15-metre tall Raffles City x Swarovski tree light up the bustling junction of Stamford Road and North Bridge Road.

STAKEHOLDERS AND COMMUNITIES

OFFICE ACTIVITIES

Curated 95 Activities

Introduced your Workplace Community

eDM, Facebook and Instagram to connect with our community more regularly

Established >180 partnerships

tenant partnerships through various engagement campaigns

Tenants' Treats

Tenants' Treats took on a different form in 2020. In consideration of the current pandemic situation, the treats were hand-delivered to every office tenant at their premises, instead of the usual lobby distribution. We distributed 14,500 treats across CICT properties. The treats were procured from Glico, who is one of our tenants.

Lease Anniversary Gifts

Distribution of treats at tenants' offices

The distribution of lease anniversary gifts is a long-standing tradition and an invaluable opportunity for us to meet our valued customers. For 2020, we commissioned a new series of gifts — porcelain plates that were produced in collaboration with a local company, Supermama, illustrated by local artist, MessyMsxi, and made in Arita, a southern Japanese town renowned for its high-quality porcelain craft. The plate design features different themes, like community, technology and sustainability, to communicate and share the focus and commitments of CICT. "Technology" was showcased in the inaugural gifts for 2020.


The Technology Plate illustrated CICT's aspiration to create a great workplace for productivity and growth through harnessing technologies, like facial recognition, Internet of Things and smart building technologies.

Retail Campaigns

We organised two campaigns to support retail outlets in our properties. In "50% off with CapitaStar@Work", tenants enjoyed 50% off at more than 20 participating F&B outlets in our office buildings from 5 October to 30 November 2020. "Take $5 at Asia Square", as the name implied, was a $5 retail promotion at Asia Square Tower 2. Both campaigns saw over 4,100 redemptions.

COMMUNITY ACTIVITIES

MARCH

Supporting A Nationwide Free Hand Sanitiser Initiative

CapitaLand supported Temasek Foundation's Stay Prepared initiative to distribute free zero-alcohol hand sanitiser to Singapore residents at 16 participating CapitaLand malls from March to April. CapitaLand staff volunteers contributed about 6,000 hours towards the initiative by sticking bottle labels, as well as manning registration booths and sanitiser dispensing stations in the malls.

In a show of solidarity and support to the community, CapitaLand took the lead as the first corporate donor to contribute to Community Chest's Courage Fund, which would go to support vulnerable groups in Singapore that were adversely affected by COVID-19.

Each household could collect up to 500ml of hand sanitiser by bringing their clean and dry reusable bottle(s) and the #BYOBclean collection pamphlets to the malls.

APRIL-MAY

Break the (Work from Home) Circuit Challenge

Break the (WFH) Circuit Challenge was designed to keep the office community engaged online and to cheer them on during the circuit breaker. A series of weekly messages and challenges were presented to the office community on our Facebook page 'your Workplace Community', where attractive prizes were up for grabs.

Weekly challenges and tips and tricks to make the most of working from home were shared with the community during the Break the (WFH) Circuit Challenge.

CapitaLand #MealOnMe

Through 'CapitaLand #MealOnMe' initiative and in collaboration with The Food Bank Singapore, CapitaStar members were able to support meals for the vulnerable elderly, underprivileged children and community care staff by donating 5,000 STAR$® (equivalent to S$5) via the CapitaStar mobile app. CHF also matched the contribution, 1:1.

In about a week, 5,000 contributions from CapitaStar members were made. In addition to donations from CHF, a total contribution of S$350,000 was made to provide over 38,000 meals and 6,000 food bundles to vulnerable groups. CapitaLand malls' F&B tenants such as ABR Holdings, Creative Eateries Group, Katrina Group and The Minor Food Group that operate the likes of Bali Thai, Bangkok Jam, ThaiExpress and Tip Top are also part of the initiative. Over 150 CapitaLand staff volunteers and their family members have gone door to door to deliver these meals.

The meals were delivered to vulnerable elderly, children from low-income families, and community care staff.

STAKEHOLDERS AND COMMUNITIES

COMMUNITY ACTIVITIES (CONT'D)

6 MAY – 1 JUNE

By
Art Lim Kiat Guan, 49,
Digital
One of the winners
in Open Category

By
Sarah Tan Xuan Lin, 10,
Colour pencils
One of the winners
in Junior Category

CapitaSpring Colouring Contest

During the circuit breaker, CapitaSpring partnered local artist Danielle Tay to create a colouring contest for budding and closet home artists. Danielle's artwork was inspired by the name, CapitaSpring. The word "spring" means to bring forth water, the essential element for life to exist. As lives flourish around the water spring, so will the city rise at CapitaSpring. The winning artworks were hand-picked by Danielle.

Close to 600 participants for two rounds

Junior & Open Categories

Participants' Age Range

3 - 88

years old

The Colour Me Contest by CapitaSpring enabled the community to stay creative with a meaningful stay-home activity to benefit one's mental wellness.

JUNE

Safer Dining with Table Shields

We partnered Temasek Foundation in a pilot project to install transparent table shields on over 500 dining tables in selected Kopitiam and Food Junction food courts. The shields, which were individually treated with a self-disinfecting anti-microbial coating, would enhance customer safety while dining in CapitaLand malls during Phase 2.

Table shields put up at dining areas in selected food courts.

JUNE

Recycling with our Shoppers

Partnered with National Environment Agency to roll out 11 reverse vending machines (RVMs) across our malls, offering a convenient and rewarding way to recycle. For every ten drink containers recycled, shoppers can redeem 10 STAR$® to redeem eCapitaVouchers and eDeals on the CapitaStar mobile application.

As of 31 December 2020, the RVMs collected more than 287,000 drink containers.

JUNE-JULY

Gifts of Joy - The Essentials Edition

Gifts of Joy is a community outreach programme that rallies our office community to bring joy to the underprivileged. Inaugurated in 2013, Gifts of Joy started as a charity drive to spread love and joy to underprivileged children. Over the years, it grew to become an annual tenant engagement initiative for the office community.

In 2020, we organised a special "Gifts of Joy – The Essentials Edition" on Giving.sg, to rally our office tenants to stand shoulder to shoulder and raise funds to support beneficiaries of Rainbow Centre, our adopted charity for the past four years.

The campaign was launched in response to the financial challenges that the students of Rainbow Centre and their families were experiencing in light of the pandemic. Along with the dollar-for-dollar matching by CHF and the donations from the tenant community, we raised S$58,665 to provide the beneficiaries and their families with grocery vouchers to purchase the essentials they needed.

S$58,665
raised
above target of S$20,000

More than
210
donors

Providing financial support for students of Rainbow Centre and their families was the aim of Gifts of Joy - The Essentials Edition.

Many in our community such as children and youth have been affected during this trying time. We recognise that much help and support is needed to ensure that no one is left behind.

ANNIE CHIN
Cluster Director for Southeast Asia at Ferring, tenant at Capital Tower

Gifts of Joy is a privileged opportunity for us to highlight what is at the heart of our core values – working every day in the interest of our customers and society. With this donation, we joined forces with CapitaLand to support this good cause, to care for those who may need a helping hand.

JEAN-PIERRE MICHALOWSKI
Senior Country Officer for Singapore, Credit Agricole Corporate & Investment Bank, tenant at Capital Tower

We have been partnering CapitaLand since 2017 in building communities that are more inclusive for persons with disabilities. Over the years, its teams have shown care to build meaningful relationships with us, by cultivating knowledge and understanding, good communication, and fruitful collaborations. It embodies what Rainbow Centre values in good partnerships, where its advocacy for our clients comes through in its volunteering and fund-raising efforts and tenant events, and in rallying others to do the same.

TAN SZE WEE (MS)
Executive Director, Rainbow Centre, Singapore

Mdm Suriati receiving the grocery vouchers with Raihan and Rasul, students of Rainbow Centre Yishun Park School
Photo credit: Rainbow Centre Singapore

Thank you for helping my family. We have been living a simple life. With these vouchers, I am able to purchase more food items for my children, who are growing teenagers and need more nutrition.

MDM SURIATI
Homemaker and caregiver to Raihan and Rasul, students of Rainbow Centre Singapore

COMMUNITY ACTIVITIES (CONT'D)

JULY

CApp EZ Challenge

More than 220 participants

We celebrated the rollout of the CapitaStar@ Work mobile application with a two-week-long challenge called "CApp EZ Challenge" with attractive prizes. There were two rounds of challenges where participants would complete tasks using CapitaStar@Work. These tasks were designed to help users discover the ease and convenience of the mobile application, as well as explore the functionalities such as redeeming deals and signing up for events at their fingertips.

AUGUST

National Day Sticker Scramble on Instagram

In celebration of National Day and the launch of @yourworkplacecommunity on Instagram, we ran a contest encouraging the office community to share with us something locally related and they would stand to win attractive prizes.

SEPTEMBER - NOVEMBER

#CareKitWithLove

A community initiative by CapitaLand and CHF in support of President's Challenge, it is organised together with key partners, Metta Welfare Association, Heartware Network, BERNINA (Singapore) and Funan. Funan collaborated with our tenant BERNINA (Singapore) to provide their space for volunteers to sew the mask pouches. The initiative rallied the community to sew over 9,000 mask pouches for children and youths with special needs and frontline staff from special education schools.

The initiative is also a platform to showcase the talents and abilities of persons with special needs through the sale of the limited-edition mask pouches.

NOVEMBER - DECEMBER

Live It Up!

Live It Up!, our annual wellness and environmental sustainability movement completed its second edition in December 2020. This year, the event took on a fresh format and went fully digital. We curated a series of content over 12 days to encourage and empower the office community to live a healthier and greener lifestyle.

Lve It Up! curated a series of content to share knowledge, tips and creative ideas on wellness and sustainability.

> **Great event to raise awareness of good living and sustainability.**
>
> **TENANT FROM EDB**
> Raffles City Tower

> **Thanks for providing us a platform to care about our personal well-being.**
>
> **TENANT FROM AXA XL**
> CapitaGreen

WATER THE PLANT CHALLENGE

To encourage the community to create positive change to the environment and their well-being by pledging to take on the daily challenges.

Total Pledges Received:
More than 900

Total Participants:
More than 380
(including 51 CICT tenants)

22 Partnerships

(including 5 commercial tenants, 5 retail mall tenants, 2 government agencies – National Environment Agency and Health Promotion Board)

10 Content Articles and Engagement Pieces were made available

Content Articles:
> 4,900 views

Engagement Pieces:
> 3,300 views

#WAYSITAKECHARGE CONTEST

Participants sharing examples of healthy and sustainable habits they have embarked on during Live It Up! 2020.

To inspire the CapitaLand Workspace community to share the ways they take charge of their well-being or the environment online, with prizes to be won.

SCAN ME

Scan QR code to check out the highlights of Live it Up! 2020.

It's a great idea! Live It Up! helps me realise the things we take for granted. Knowing the impact of our actions also reminds us what we should and should not do.

TENANT FROM
Six Battery Road

STAKEHOLDERS AND COMMUNITIES

OUR SHOPPERS

JUNCTION 8

We stay near Junction 8 and are here today for the outdoor playground. We usually come here for food as well as grocery shopping at FairPrice Finest. We do feel safe in the mall especially with the safe distancing ambassadors around.

Joey Tan and Children

IMM BUILDING

We live in Kallang but are here in IMM Building for lunch, having visited Science Centre earlier. There are a variety of food options that cater to our needs. We visited the mall a few times as there were some good deals. While there is some inconvenience as we have to access certain floors from the carpark to visit the mall, I think the precaution is essential to ensure that the mall is safe for shoppers.

Fazlin Said and Family

TAMPINES MALL

We come to Tampines Mall weekly as it is very convenient being 10 minutes away from our house. There are a lot of choices here, be it F&B outlets or fashion retailers. In particular, we like NTUC FairPrice for grocery shopping. There are multiple safe management measures taken by the mall that make us feel safe.

Jade Lee and Choo Hao Xiang

WESTGATE

We live in the northeast of Singapore but are here today for Timezone as we heard that it is newly opened and is huge. Westgate is family-orientated, spacious and well-equipped with a wide variety of shops and eateries. You do not have to venture downtown as you can get everything here. In general, the mall is very clean and we feel safe coming to the mall.

Susan Cai, Aloysius Chee and Children

PLAZA SINGAPURA / THE ATRIUM@ ORCHARD

I received some CapitaVouchers and so I am here at the mall to do some shopping with my friend. I come to Plaza Singapura quite regularly with friends and family. I like the Hai Di Lao here and it is less crowded on weekdays. I do feel safe coming to the mall as it is sanitary and has safe management measures in place.

Lim Li Yan and Agnes Teh

BUGIS JUNCTION

Today, we are here to shop for Christmas presents as well as to spend time with the children as it is their school holiday. Bugis Junction has quite a good range of stores. I like the food, clothing, accessories and children-related offerings. We feel safe coming into the mall with the safe management measures in place.

Emily Chow and Family

RAFFLES CITY SINGAPORE

We are on a staycation and decided to come by the mall to get some food and coffee. We like Raffles City Singapore and visit about twice monthly because of the convenient location. We also enjoy dining at some of the restaurants here. We particularly are not worried about the safety and hygiene brought about by COVID-19 situation and have been going out.

Damien Sim and Family

FUNAN

I come to Funan quite often because it is near my workplace. After the revamp, Funan is much livelier and there are a lot of new shops and food stalls. The safe distancing measures being employed in the mall make me feel safe to visit.

Vincent Yeo

Funan is convenient as it is centrally located and just beside my workplace. I visit the mall daily, even on weekends if I need to come back for work and it is crowded. Every morning when I come to work before 8am, I observed there are robot cleaners going around the mall. I have no doubts about the hygiene standards in Funan.

Max Lim

OUR TENANTS

Takanori Takegawa, Director

SUSHIRO

Founded in 1984, Sushiro is the #1 'Kaiten sushi' restaurant chain in Japan. In 2019, we opened our first outlet in Singapore with the desire to bring authentic Japanese sushi at affordable prices to everyone.

CapitaLand's collaborative approach to partnership has enabled us to accelerate our efforts in strengthening the Sushiro brand to make its mark in Singapore's sushi culture. We appreciate the support received in achieving our goals and look forward to building a long-term partnership with CapitaLand as we continue to expand our presence in Singapore.


Daren Lau, Chief Executive Officer

TAMJAI SAMGOR MIXIAN

The opening of our first TamJai SamGor outlet in Singapore at Bedok Mall has brought our exciting range of fragrant, numbing, hot and spicy flavours to our target demographic. We believe that the alignment in business mindsets and reciprocal understanding between TamJai SamGor and CapitaLand are key drivers that will mark the beginning of a successful long-term partnership. Tomorrow matters - We have been and will continually introduce new and creative elements into the Chinese noodle culture through original flavours and dedicated service for a better tomorrow.

MIZUHO BANK, LTD.

As landlord, CapitaLand is fully committed to collaborating with us to co-create solutions that best meet our needs. CapitaLand supported us in remapping our space requirements and provided us with various innovative options that meet our needs both in the short and medium term. In addition to excellent amenities and a great location, the building management also makes a conscious effort to create a vibrant atmosphere and a warm environment through initiatives such as the occasional treats like fruits, nuts and ice cream, which our staff appreciate very much. During the pandemic, CapitaLand was highly vigilant in keeping the premises safe. We received prompt alerts from the building management of pertinent developments and the safe management measures adopted were sound and well-designed.

Guan Yeow Kwang
Singapore Branch CEO, Managing Director, Head, Asia & Oceania Administration

Dr Tan Kim Yong, Group Chairman & Chief Executive Officer

ECCELLENTE BY HAO MART

As one of the modern players in Singapore's grocery scene, HAO has a network of close to 50 stores islandwide. Working closely with CapitaLand, we brought our latest retail format, Eccellente by HAO mart, to Westgate in 2020. The Westgate outlet is fast becoming one of our defining stores to shoppers in the West, offering a refreshed grocery buying experience and access to brands such as CHICHA SAN CHEN, Andersen's Ice Cream and Windowsill Pies within the supermarket. Looking ahead, HAO is excited to develop a deeper partnership with CapitaLand and to extend our unique offerings to shoppers across Singapore.


Stefanie Yuen Thio, Joint Managing Partner

TSMP LAW CORPORATION

CapitaLand has been our invaluable partner for two decades and their support especially throughout the COVID-19 pandemic, has been a real blessing. From promptly passing on the government's property tax rebate, to working closely with us on our operational needs as Singapore slowly reopened for business, CapitaLand has helped us to navigate this crisis smoothly. We're appreciative of how they have supported us in client servicing, taking the necessary safety measures without placing undue burden on our clients. We look forward to many more years of partnership and collaboration with CapitaLand as we expand our business in 2021 and beyond.

INVESTORS

Delivering timely, objective and transparent information to stakeholders is a commitment we uphold at CICT. Guided by our Unitholders' Communication and Investor Relations Policy, we aim to promote regular, effective and fair communication with our investors comprising Unitholders, potential retail and institutional investors, analysts and media journalists. To that end, the senior management and investor relations team proactively engage with the investment community to articulate strategy, business performance and prospects to aid them in their investment decisions.

In 2020, the senior management and the investor relations team engaged with over 600 equity investors from over 400 companies locally and globally through participation, largely virtually, in meetings, post-results investor briefings, conferences and roadshows.

CICT connected with retail Unitholders virtually via small and large group meetings prior to the Annual General Meeting (AGM) and Extraordinary General Meeting (EGM). We also partnered with Securities Investors Association (Singapore) (SIAS) to engage retail Unitholders through pre-AGM and pre-EGM virtual sessions.

For CICT's AGM and EGM in June 2020 and September 2020 respectively, the meetings were held by electronic means as Unitholders were not allowed to attend in person due to COVID-19 restriction orders in Singapore. Unitholders were invited to submit substantial and relevant questions ahead of the AGM and EGM and to vote by appointing the Chairman of the Meeting as proxy at the meetings. All resolutions were passed at both the meetings. The results were published on SGXNet and CICT's corporate website. Minutes of the meetings were uploaded on the website for greater transparency.

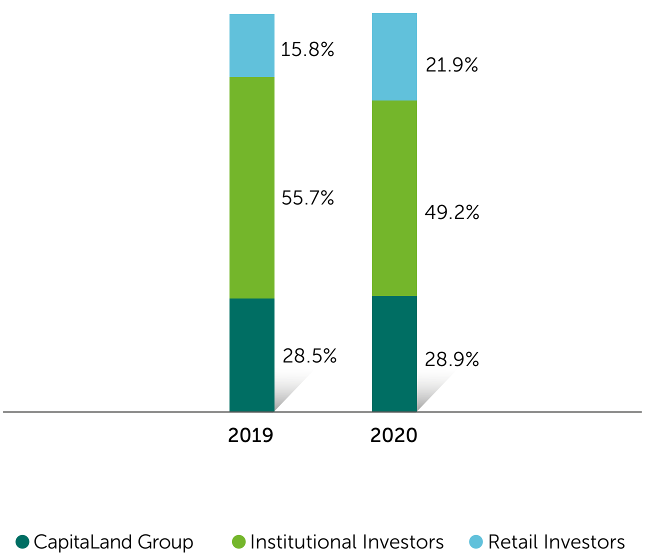
To provide updates on business operations amidst the COVID-19 situation, several analyst and investor calls were held in the year in addition to the routine half-year and full-year results briefings. The results briefings were also streamed 'live' via webcast where investors could view the presentation by CICT's CEO Mr Tony Tan and post questions online. Following each briefing, the webcast is made available on demand on CICT's website.

The website was revamped following the merger with CCT to keep investors abreast of updates on CICT on a timely basis. All news releases and announcements are also uploaded on CICT's website apart from SGXNet. Investors may also sign up for email alerts to receive CICT's latest updates.

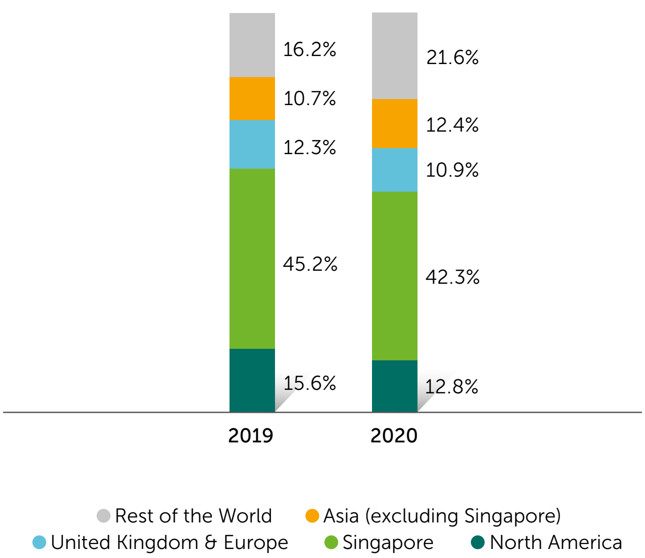
Exemplifying good investor relations and corporate governance practices, CCT and CMT were placed first and second respectively in the Singapore Governance and Transparency Index (REIT and Business Trust category), prior to the merger.

CICT remains in the FTSE Straits Times Index, FTSE4Good Index Series, MSCI Global Standard Indices, GPR General Indices and GPR 250 Indices as well as other indices.

UNITHOLDINGS BY INVESTOR TYPE
(As at 31 December)



UNITHOLDINGS BY GEOGRAPHY
(As at 31 December)



STAKEHOLDERS AND COMMUNITIES

In recognition of our good practices, both CCT and CMT won the following awards in 2020 prior to the merger:

› Singapore Governance and Transparency Index (SGTI) Award (REIT and Business Trust category)
- CCT ranked 1st
- CMT ranked 2nd

› Governance Index for Trusts (GIFT) (REITs and Business Trusts category)
- CCT ranked fourth with a total score of 74
- CMT ranked seventh with a total score of 73.5

› Global Real Estate Sustainability Benchmark (GRESB) 2020
- CCT awarded GRESB 5-star rating in the Asia Office category with a total score of 84 and also scored 'A' for public disclosure
- CMT awarded GRESB 5-star rating in the Asia Retail – Listed category with a total score of 85 and also scored 'A' for public disclosure

CALENDAR OF UPCOMING RESULTS AND UPDATES FOR FY 2021
SUBJECT TO CHANGES BY THE MANAGER WITHOUT PRIOR NOTICE

	Indicative Month
CICT Annual General Meeting	Apr 2021
First Quarter Business Operation Update	Apr 2021
First Half 2021 Results Announcement	Jul 2021
First Half 2021 Distribution To Unitholders	Sep 2021
Third Quarter Business Operation Update	Oct 2021
Second Half and Full Year 2021 Results Announcement	Jan 2022
Second Half 2021 Distribution To Unitholders	Mar 2022

INVESTOR & MEDIA RELATIONS CALENDAR 2020

1st Quarter	Analyst and media briefing for announcement of the merger between CMT and CCT
	FY 2019 post-results investor meetings
	Investor meetings in Singapore, London, Amsterdam and Hong Kong/Bangkok (virtual)
2nd Quarter	Citi Pan-Asia Corporate Forum 2020 (virtual)
	First Quarter 2020 post-results investor group call
	Pre-Annual General Meeting Unitholders engagement session (virtual)
	Annual General Meeting (virtual)
	Morgan Stanley Virtual ASEAN Best Conference
3rd Quarter	First Half 2020 post-results investor group call
	Macquarie ASEAN Virtual Conference
	Citi-REITAS-SGX C-Suite Singapore REITS & Sponsors Forum (virtual)
	Pre-Extraordinary General Meeting Unitholders engagement session (virtual)
	Extraordinary General Meeting (virtual)
4th Quarter	Third Quarter 2020 post-results investor group call
	Morgan Stanley Virtual Asia Pacific Summit

UNITHOLDERS' ENQUIRIES

If you have any enquiries or would like to find out more about CICT, please contact:

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Group Communications
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Email: ask-us@cict.com.sg
SGX Ticker Code: CapLand IntCom T

EMPLOYEES

CICT is managed by the Manager and Property Managers, which are wholly owned subsidiaries of CapitaLand. The teams behind the Manager and Property Managers are responsible for CICT's property and portfolio operations in Singapore. The workforce comprises mainly full-time and permanent employees who are citizens and permanent residents based in Singapore.

Leveraging CapitaLand's integrated human capital strategy, CICT recruits, develops and motivates employees and has in place, aligned key performance indicators for both employees and the business. The total headcount for 2020 is 665 (2019 (restated): 655).

Fairness and Diversity

CICT has a performance-oriented work culture that values diversity and teamwork while upholding CapitaLand's commitment to be a workplace of choice. Employees can make strong contributions based solely on their talent, expertise and experience, regardless of gender, ethnicity, culture, nationality and family status. To draw high-calibre talent, job opportunities with the Manager and Property Managers are advertised publicly via online job portals, with selections based on individual merit, in line with CapitaLand's non-discriminatory employment practices.

CICT is against any form of coerced labour and discrimination, and adheres to the tenets of global human rights conventions that include the Universal Declaration of Human Rights and the International Labour Organisation (ILO) Conventions. Singapore has ratified 28 ILO Conventions, spanning four critical aspects of employment standards: child labour, forced labour, collective bargaining and equal remuneration.

CapitaLand complies with five key principles of fair employment as a signatory of the Employers Pledge with the Tripartite Alliance for Fair Employment Practices:

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

In 2020, there was no reported incident relating to discrimination or human rights violation.

Fair Remuneration

Fair remuneration is vital for CICT to stay competitive, attract and retain talent, and aligned with employee performance targets with corporate objectives. CapitaLand engages external human resource consultants to benchmark the Trust's compensation and benefit packages across different markets and local industry peers. Beyond base salaries, other components of the compensation packages include short-term cash bonuses and long-term equity-based reward plans.

The Singapore Central Provident Fund (CPF) enables all working Singaporeans and Permanent Residents to set aside a portion of their monthly income as savings for retirement. In line with prevailing regulations, both CapitaLand and its employees make monthly contributions to employees' CPF accounts as part of the employees' compensation.

Employment contracts with clearly-stated terms and conditions are signed with all confirmed employees. In the event of termination or employee resignation, a minimum notice period of one month must be fulfilled, depending on the employee's job grade.

Exit interviews are conducted with employees who have tendered their resignations as part of continuing efforts to improve retention policies and initiatives.

CapitaLand's robust performance management system is adopted to ensure that all employees receive regular performance and career development reviews. Annual performance reviews involve open discussions on the employee's performance, developmental needs, areas for improvement and career planning. Supervisors are encouraged to provide regular feedback on employee performance. Key performance indicators are set to drive employee performance. Employees participate in the setting of team and individual goals to clearly define performance and compensation expectations.

In 2020, employees in senior management roles participated in a 360-degree feedback survey, with a view towards strengthening teams, encouraging better working relationships, and building a work culture that aligns with the Group's leadership competencies and core values.

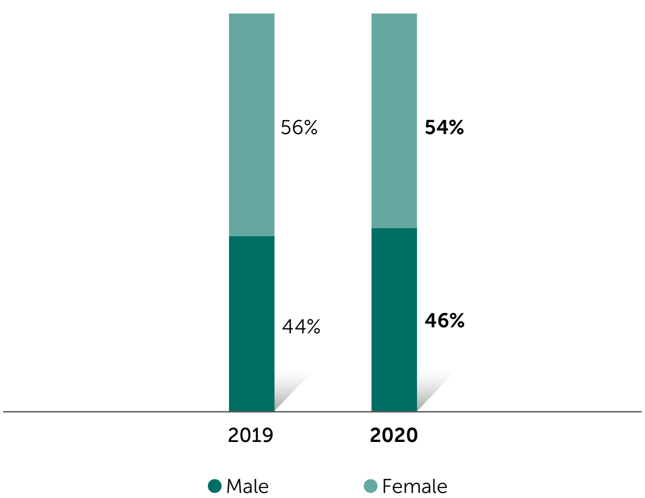
Re-employment Opportunities

Subject to business needs and work performance, employees who are able and willing can continue their employment with CICT beyond the statutory retirement age of 62. The Group continues to employ these individuals at their last drawn salary if their work scope and responsibilities remain unchanged under its re-employment policy. The efforts and initiatives are in line with the Tripartite Guidelines on Managing Excess Manpower, which covers the retraining and redeployment of workers, the implementation of flexible work arrangements and a flexible wage system to manage wage costs. The guideline was jointly established by the Singapore Ministry of Manpower together with its tripartite partners, Singapore National Employers Federation and the National Trades Union Congress. 18 employees aged 62 and above were re-employed in 2020.

Freedom of Association

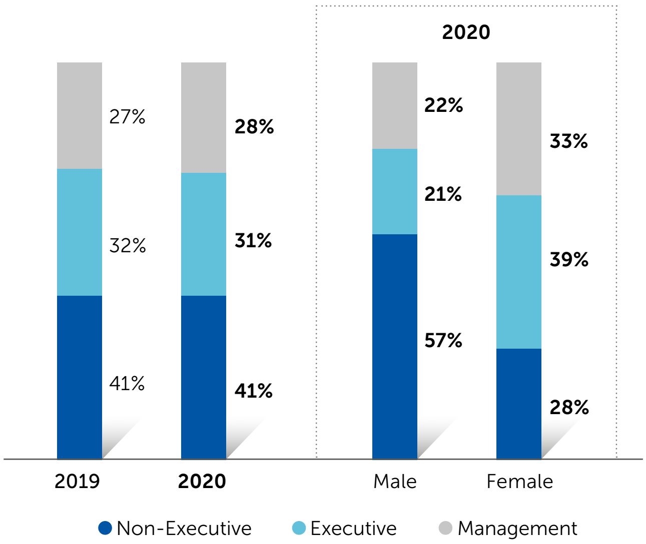
CICT upholds employees' rights to freedom of association and adheres to the Industrial Relations Act by permitting employees to be represented by trade unions for collective bargaining. CapitaLand and the Singapore Industrial & Services Employees' Union maintains a harmonious relationship and work together cordially, seeking to foster positive work environments and raise productivity for the mutual benefit of the staff and the firm. No employee health and safety concerns were raised by the union in 2020.

EMPLOYEE BY GENDER



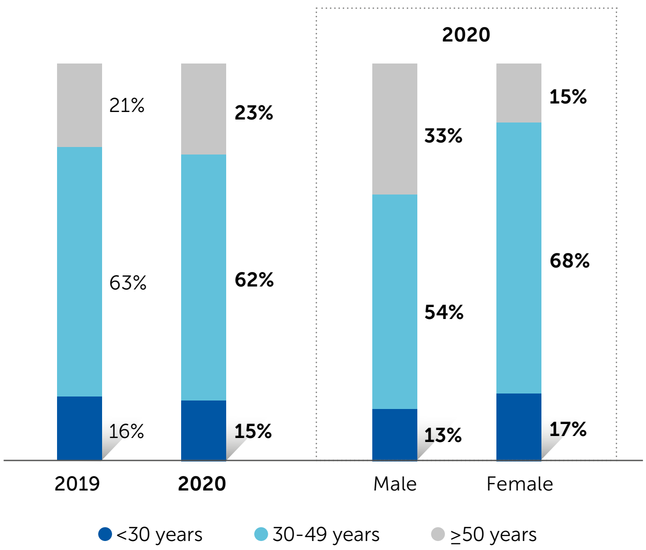
In 2020, there were 303 and 362 male and female employees respectively.

EMPLOYEE PROFILE BY SENIORITY AND GENDER



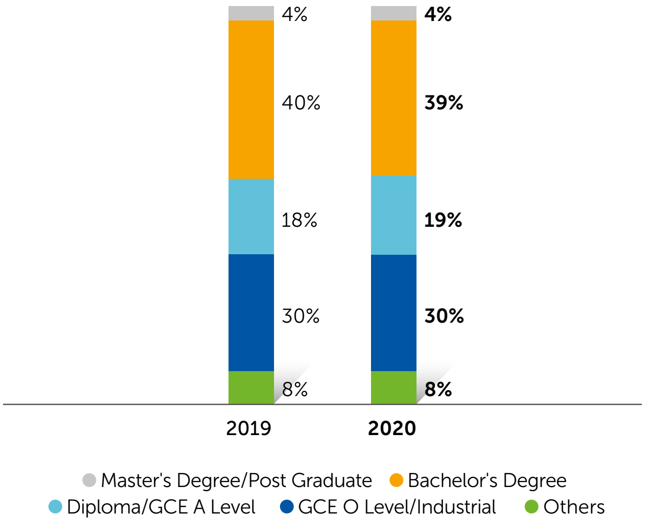
In 2020, about 33% of female employees were represented in the management level (manager & above). 100% of the senior management (C-suite & Department Heads) were locals.

EMPLOYEE PROFILE BY AGE AND GENDER



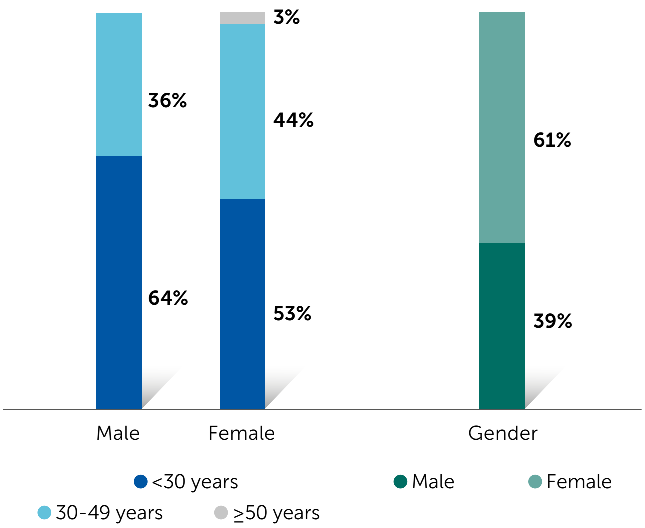
Employees between the ages of 30 to 50 accounted for 62% of the workforce, while those below the age of 30 were around 15%. As at 31 December 2020, more than 60% of our employees had been with the Trust for five years or longer.

EMPLOYEE PROFILE BY EDUCATIONAL QUALIFICATIONS



About 43% of the workforce possessed tertiary qualifications (Bachelor's Degree, Master's Degree/ Post Graduate).

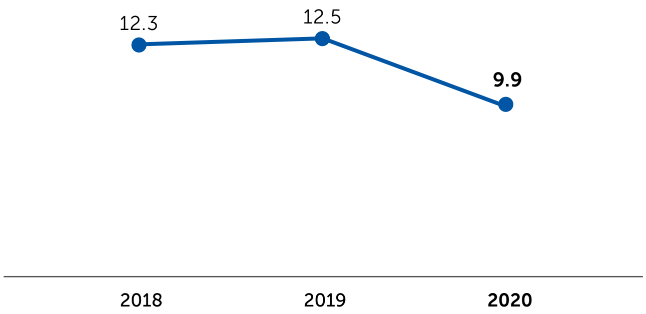
NEW HIRES BY AGE AND GENDER (2020)



New hires represented 8.4% of the total headcount of 665 in 2020.

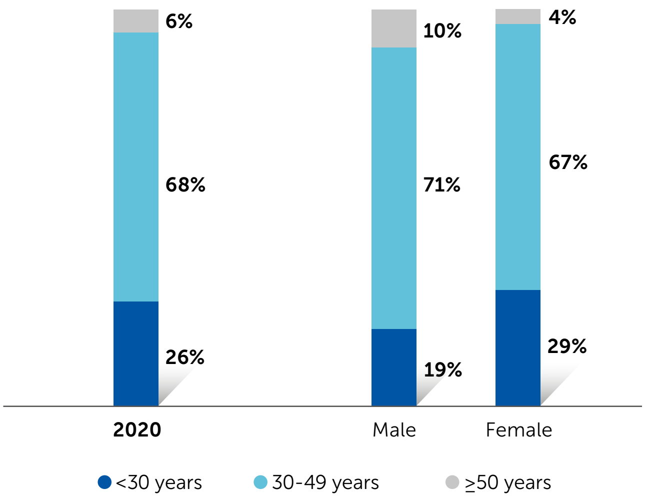
EMPLOYEE TURNOVER RATE

(%)



The employee turnover rate for 2020 was lower at 9.9% compared to 12.5% for 2019.

VOLUNTARY TURNOVER BY AGE AND GENDER (2020)



Positive Work Environment

CICT is committed to providing a positive and vibrant workplace that promotes personal development, employee health and well-being, and fulfilling careers. This is achieved through initiatives such as flexible hours and work arrangements, comprehensive medical benefits, and employee engagement programmes.

Eligible employees enjoy a holistic compensation and benefits programme. The incentives include paid maternity/paternity leave, time off for volunteer work, complimentary flu vaccinations, and a flexible medical and insurance plan that can be customised based on the needs of the employees and their families. Part-time employees are entitled to the same benefits as full-time employees, on a pro-rated basis.

There were 17 employees who took maternity leave in 2020, and 14 of them returned to work in the same year. Paid paternity leave is also granted to male employees. 12 male employees took paternity leave during the year.

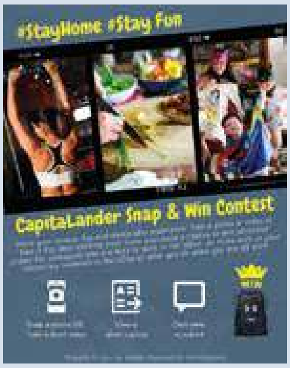
Employee Engagement

CICT supports opportunities for management-employee engagements to foster a vibrant and productive workforce. Employees can highlight issues and other feedback through various communication channels such as the staff communication session, which allows BUs and CICT's CEO and management team to update employees on the Trust's business results and operational performance and to address any work concerns.

Another platform is the CapitaLand intranet, which updates employees on the Group's latest developments, employment policies, benefits, corporate governance and ethics. In 2020, the CapitaLand Intranet was revamped to include some new features such as event and news posting, leadership chat, appreciation board, polls, survey and gamification.

CREATING A CARING WORKPLACE

Employee engagement activities took on a virtual format amidst the pandemic. Many online programmes were conducted during the Circuit Breaker period to support employees across the Group who were working from home. The programme topics ranged from work-life integration and stress management, to personal wellness and well-being, and tips on staying connected through communication and digital initiatives.



Promoting Wellness

The **#StayHome #StayFun CapitaLander Snap & Win Contest** called for employees to submit a photograph or video of what they did during the Circuit Breaker period. The best entries won limited-edition CapitaLand Under Armour gym bags.

The **CapitaLand Cares Quiz** was a fun way to help Singapore-based employees learn more about the COVID-19 pandemic. A CapitaLand Care Hamper was couriered to all the winners at their homes.

Wellness Wednesdays, a healthy lifestyle initiative by the CapitaLand Recreation Club, went online during the Circuit Breaker period to engage with employees who were working from home. The activities for these weekly sessions ranged from yoga, Zumba and HIIT workouts, to seminars on ergonomics, relationships and mindfulness.

Staying In Touch

Pulse surveys were conducted remotely in April and July to "check-in" on all employees. The surveys enabled the management team to find out how employees were doing, better understand their needs and challenges, and to gather constructive feedback for improving their work-from-home experience.

Going Digital

Digital CapitaLand aims to reduce paper wastage and drive process efficiencies by consolidating regular transactions like claims, payrolls and staff orientation programmes into a cohesive digital ecosystem.

The new staff intranet, Click, will feature increased connectivity as it can be accessed through mobile apps and mobile optimised websites. Gamification will be incorporated into an onboarding app for new hires. Digital apps will also be used to bring Augmented Reality exhibitions and events to all employees through their mobile devices.

Talent Management
Innovative, dynamic and talented individuals with the right experience levels are actively sought to support CICT's growth. This is managed by developing internal talents and recruiting external talent across different career stages, from entry-level graduates to mid-career professionals and industry veterans. All new hires are required to undergo an orientation programme that assimilates them to CapitaLand's business operations, strategy, core values and management philosophy. As part of succession planning, high-potential talents are identified and developed to build our management bench strength.

Attracting Talent
The Group has an ongoing Graduate Development Programme (GDP) which nurtures promising young graduates for future leadership positions within CapitaLand. The programme offers a holistic structure with prospects for personal growth and development, with a comprehensive learning roadmap through job rotations within the Group. During the year, a retail track was introduced to allow graduates to specialise in the retail sector to gain relevant expertise. In 2020, the Trust also participated in the government initiative - SG United Traineeships to support fresh graduates.

Learning and Development
Employees are provided appropriate training to have the knowledge and expertise to contribute effectively to the Trust's performance. Employees' training and development needs are discussed at the annual performance reviews with their immediate superior and updated throughout the year.

CapitaLand channels up to 3% of its annual wage bill towards learning and development programmes for employees. Employees can participate in certified skills training programmes, personal development courses as well as industry seminars and conferences. Eligible employees may apply for a maximum of 10 days of paid leave annually for examinations supported by the company.

About 84% of employees completed at least one learning session during the year. The average number of training hours per employee was 16.5 hours in 2020. CICT's employees who are also the licensed representatives under Monetary Authority of Singapore (MAS) recorded 17.3 training hours per employee, which was above the minimum requirement by MAS.

DIGITAL LEARNING

CapitaLand's in-house training hub, CapitaLand Institute of Management and Business (CLIMB), provides professional and personal development opportunities through digital learning events that encourage employees to build capabilities and skills in various areas. Activities included a Learning CAREnival in October 2020, with close to 20 virtual sessions focusing on engaging virtual teams, showing gratitude and empathy, maintaining wellness, developing digital fluency and having fun at work. CLIMB also introduced DigiLearn, a curated catalogue of digital training modules where employees can learn at their own pace using their mobile device, and earn badges by clocking learning hours.

73%
of Employees
participated in Digital Learning

2,260
of Training Hours
clocked in Digital Learning

STAKEHOLDERS AND COMMUNITIES

SUPPLIERS

Supply Chain Management

We work closely with our contractors and suppliers who are committed to high quality, environmental, health and safety standards.

Contractors are only appointed upon meeting the Group's stringent selection criteria, including environment, health and safety requirements. CICT adopts the CapitaLand Supply Chain Code of Conduct to influence and encourage its supply chain to operate responsibly in the areas of anti-corruption, human rights, health and safety, as well as environmental management. We also ensure our suppliers and service providers comply with local regulations and other legal requirements. We share CapitaLand's EHS policy with our suppliers and service providers to ensure that they are sufficiently trained in or briefed on EHS measures.

All main contractors appointed must be ISO 14001 and OHSAS 18001 certified. Majority of our contractors and service providers are minimum bizSAFE Level 3 certified.

For more information on our occupational health and safety performance, please refer to the Environment section on pages 157-158.

KEEPING CAPITASPRING WORKSITE COVID-SAFE

Several measures are implemented to keep the worksite at CapitaSpring COVID-safe.

- **Raising awareness of worksite safety.** All workers are required to attend the BCA's Online COVID Safe Training Course and Examination before they could be mobilised on site. We also conducted a COVID-19 Safety Induction Session to brief workers on their roles and responsibilities and good practices in personal hygiene. A monthly refresher briefing is conducted to reinforce good hygiene practices.

- **Enforcing health monitoring and contact tracing.** All workers are required to take their temperatures twice a day and a COVID test once every 14 days. To ensure all workers are traceable and accessible, besides the mandatory Safe Entry and Trace Together apps, we also use geolocation devices to monitor movements, control the density of workers and minimise interaction between teams within the worksite.

- **Minimising interaction within the worksite.** The workers are split into separate teams for different colour-coded work zones. To minimise interaction between the teams, the teams have designated toilets and rest areas, as well as staggered schedules, off days, and usage of shared facilities.

- **Worksite sanitation.** Stringent cleaning measures are enforced at the worksite. At the site entrances, thermal cameras are deployed for temperature monitoring, and a disinfection chamber will automatically sanitise a person.The ventilation of confined areas is improved. All machines are cleaned daily and common facilities every two hours. The emergency evacuation plan is updated to cordon off and disinfect affected areas immediately, and a dedicated sickbay and isolation facilities provided for any suspected or confirmed COVID-19 cases.

Safe distancing measures at site entrance

Conducting COVID-19 safety sessions for the workers

REFERENCES

UNITED NATIONS GLOBAL COMPACT

10 Principles of the UN Global Compact

Principles		Page Reference
Human Rights		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights	Employees (pg 181-185)
Principle 2	Make sure that they are not complicit in human rights abuse	Employees (pg 181-185)
Labour		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Employees (pg 181-185)
Principle 4	Elimination of all forms of forced and compulsory labour	Employees (pg 181-185)
Principle 5	Effective abolition of child labour	Employees (pg 181-185)
Principle 6	Elimination of discrimination in respect of employment and occupation	Employees (pg 181-185)
Environment		
Principle 7	Businesses should support a precautionary approach to environmental challenges	Environment (pg 151-159)
Principle 8	Undertake initiatives to promote greater environmental responsibility	Environment (pg 151-159)
Principle 9	Encourage the development and diffusion of environmentally friendly technologies	Environment (pg 151-159)
Anti-corruption		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery	Corporate Governance (pg 73-75) Enterprise Risk Management (pg 78-83)

MATERIAL TOPICS AND BOUNDARIES

Material topics (GRI 102-47)	Topics Boundary Internal and External	Management Approach References (GRI 103)
Economic Performance		
Economic Performance	CICT	Financial Highlights (pg 14-15) Financial Review (pg 99-100) Capital Management (pg 101-103) Financial Statements (pg 194-297)
Indirect Economic Impacts	CICT, Communities	Properties (pg 121-126) Stakeholders & Communities (pg 160-178)
Environmental		
Energy	CICT, Suppliers	Environment (pg 151-159)
Water	CICT, Suppliers	
Biodiversity	CICT, Suppliers	
Emissions	CICT, Suppliers	
Effluents and Waste	CICT, Suppliers	
Environmental Compliance	CICT, Suppliers	
Supplier Environmental Assessment	CICT, Suppliers	
Social		
Employment	CICT	Employees (pg 181-185)
Labour/Management Relations	CICT	Employees (pg 181-185)
Occupational/Health and Safety	CICT	Environment - OHS (pg 157-159)

REFERENCES

MATERIAL TOPICS AND BOUNDARIES

Material topics (GRI 102-47)	Topics Boundary Internal and External	Management Approach References (GRI 103)
Social		
Training and Education	CICT	Employees (pg 181-185)
Diversity and Equal Opportunity	CICT	Employees (pg 181-185)
Non-discrimination	CICT	Employees (pg 181-185)
Child Labour	CICT	Employees (pg 181-185)
Forced or Compulsory Labour	CICT	Employees (pg 181-185)
Human Rights Assessment	CICT, Suppliers	Environment - OHS (pg 157-159)
Local Communities	CICT, Communities	Environment (pg 151-159) Properties - Social Integration (pg 126) Stakeholders & Communities (pg 160-178) Suppliers (pg 186)
Supplier Social Assessment	CICT, Suppliers	Environment – OHS (pg 157-159) Suppliers (pg 186)
Governance		
Anti-corruption	CL, Investors, Tenants, Shoppers, Communities	Corporate Governance (pg 74)
Customer Health and Safety	CICT, Tenants, Shoppers, Suppliers and Community	Properties (pg 125) Environment – OHS (pg 157-159)
Marketing and Labelling	CICT, Tenants	Stakeholders & Communities (pg 160-178)
Customer Privacy	CICT, Tenants, Shoppers, Investors	We respect the confidentiality of personal data and privacy of individuals and are committed to complying with the Singapore Personal Data Protection Act (Act 26 of 2012). Please see our Personal Data Protection Policy on our website: https://www.cict.com.sg/personal-data-protection-policy.html
Socioeconomic Compliance	CICT, Investors, Employees	Corporate Governance (pg 47-77) Enterprise Risk Management (pg 78-83) Employees (pg 181-185)

GRI STANDARDS CONTENTS INDEX

Disclosure Number	Title	Page Reference and Remarks
General Disclosures		
102-1	Organisation's name	CapitaLand Integrated Commercial Trust
102-2	Primary brands, products, and services	Corporate Profile (inside front cover (IFC))
102-3	Location of headquarters	Corporate Information (Inside back cover(IBC))
102-4	Location of operations	Corporate Profile (IFC) Property Portfolio (pg 29-32)
102-5	Nature of ownership and legal form	Trust Structure & Organisation Structure (pg 40)
102-6	Markets served	Corporate Profile (IFC)
102-7	Scale of the organisation	Corporate Profile (IFC) Employees (pg 181-185)
102-8	Information on employees and other workers	Employees (pg 181-185)
102-9	Organisation's supply chain	Environment- OHS (pg 157-159) Stakeholders & Communities (pg 160-178) Suppliers (pg 186)

GRI STANDARDS CONTENTS INDEX

Disclosure Number	Title	Page Reference and Remarks
General Disclosures		
102-10	Significant changes during the reporting period	About the Report (IFC) Message to Unitholders (pg 21-24) Sustainability Approach (pg 33) Environment (pg 154)
102-11	Report whether and how the precautionary approach or principle is addressed by the organization	Sustainability Approach (pg 33-39) Enterprise Risk Management (pg 78-83) Environment (pg 151-159)
102-12	List externally-developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes	Environment – OHS (pg 157-159)
102-13	Memberships of associations and national or international advocacy organisations	Sustainability Approach (pg 33) Corporate Governance (pg 47-77)
102-14	Statement from senior decision-maker	Message to Unitholders (pg 21-24)
102-15	Description of key impacts, risks, and opportunities	Sustainability Approach (pg 33-39) Corporate Governance (pg 47-77) Enterprise Risk Management (pg 78-83) Environment (pg 151-159) Stakeholders & Communities (pg 160-178)
102-16	Organisation's values, principles, standards and norms of behaviour	Corporate Profile (IFC) Sustainability Approach (pg 33-39) Corporate Governance (pg 47-77) Enterprise Risk Management (pg 78-83)
102-17	Internal and external mechanisms for advice and concerns about ethics	Corporate Governance - Whistle-Blowing Policy (pg 74)
102-18	Governance structure	Sustainability Approach (pg 33-39) Corporate Governance (pg 47-77)
102-19	Delegating authority	Sustainability Approach (pg 33-39)
102-20	Executive-level responsibility for economic, environmental and social topics	Sustainability Approach (pg 33-39) Trust Management Team (pg 46)
102-40	List of stakeholder groups	Environment - OHS (pg 157-159) Stakeholders & Communities (pg 160-178)
102-41	Collective bargaining agreements	Employees (pg 181-185)
102-42	Identification and selection of stakeholders	Environment - OHS (pg 157-159) Stakeholders & Communities (pg 160-178)
102-43	Approach to stakeholder engagement	Materiality (pg 35) Environment (pg 151-159) Stakeholders & Communities (pg 160-178)
102-44	Key topics and concerns raised through stakeholder engagement	Materiality (pg 35) Stakeholders & Communities (pg 160-178) Environment - OHS (pg 157-159)
102-45	Entities included in the organisation's consolidated financial statements	Sustainability Approach (pg 33) Financial Statements (pg 194-297)
102-46	Defining the report content and the aspect boundaries	Sustainability Approach (pg 33-39) Environment (pg 154)
102-47	List of material topics	Materiality (pg 35) Material Aspects and Boundaries (pg 187-188)
102-48	Effect of any restatements of information provided in previous reports	Restated Energy, Water, Carbon data in 2018, 2019 and 2020.

REFERENCES

GRI STANDARDS CONTENTS INDEX

Disclosure Number	Title	Page Reference and Remarks
General Disclosures		
102-49	Significant changes from previous reports in the scope and aspect boundaries	Scope expanded due to merger with CCT.
102-50	Reporting period	Sustainability Approach (pg 33) Environment (pg 154) 1 January to 31 December 2020
102-51	Date of most recent previous report	1 January to 31 December 2019
102-52	Reporting cycle	Annual. Sustainability Approach (pg 33)
102-53	Contact point	About the Report (IFC) Corporate Information (IBC)
102-54	Claims of reporting in accordance with GRI Standards	About the Report (IFC)
102-55	GRI Content Index	GRI Index (pg 188-192)
102-56	Assurance	No external assurance. We rely on the external assurance of CapitaLand Group Sustainability Report. CICT's portfolio and employees are part of the Group's reporting.

GRI Standards	Disclosure Number	Title	Page Reference and Remarks
Topic-Specific Standards			
Management Approach			
Management Approach	103-1	Explanation of the material topic and its boundary	Environment (pg 151-159)
	103-2	The management approach and its components	Sustainability Approach (pg 33-39) Corporate Governance (pg 47-77) Enterprise Risk Management (pg 78-83) Environment (pg 151-159) Stakeholders & Communities (pg 160-178)
	103-3	Evaluation of management approach	Sustainability Approach (pg 33-39) Corporate Governance (pg 47-77) Enterprise Risk Management (pg 78-83) Environment (pg 151-159) Stakeholders & Communities (pg 160-178)
Economic			
Economic Performance	201-1	Direct economic value generated and distributed	Financial Highlights (pg 14-15) Financial Review (pg 99-100) Capital Management (pg 101-103) Financial Statements (pg 194-297)
	201-2	Financial implications, risk and opportunities due to climate change	Enterprise Risk Management (pg 78-83) Environment (pg 151-159)
Market Presence	202-2	Proportion of senior management hired from local community	Employees (pg 181-185)
Indirect Economic	203-1	Development and impact of infrastructure investments and services supported	Environment (pg 151-159) Properties - Social Integration (pg 126)

GRI Standards	Disclosure Number	Title	Page Reference and Remarks
Topic-Specific Standards			
Business Ethics			
Anti-corruption	205-1	Risk assessment for corruption	Corporate Governance (pg 47-77) Enterprise Risk Management (pg 78-83)
	205-2	Communication and training on anti-corruption policies and procedures	Corporate Governance (pg 47-77) Employees (pg 181-185)
	205-3	Incidents and action taken	Corporate Governance (pg 47-77)
Marketing Communications	417-2	Incidents of non-compliance concerning product and service information and labeling	No incidents of non-compliance with regulations and voluntary codes concerning product and service information and marketing communications.
	417-3	Incidents of non-compliance concerning marketing communications	
Customer Privacy	418-1	Substantiated complaints regarding breaches of customer privacy and losses of customer data	No substantiated complaints during the reporting period.
Environment			
Energy	302-1	Energy consumption within the organisation	Environment (pg 151-159)
	302-2	Energy consumption outside of the organisation	None reported during the reporting period.
	302-3	Energy intensity	Environment (pg 151-159)
	302-4	Reduction of energy consumption	Environment (pg 151-159)
	302-5	Reductions in energy requirements of products and services	Environment (pg 151-159)
Water	303-1	Interactions with water as a shared resource	Environment (pg 151-159)
	303-2	Management of water discharge-related impacts	None during the reporting period.
	303-3	Water withdrawal	Environment (pg 151-159)
	303-5	Water consumption	Environment (pg 151-159)
Biodiversity	304-1	Operational sites in or adjacent to protected areas or areas of high biodiversity value	None during the reporting period.
	304-2	Significant impact on biodiversity	Environment (pg 151-159)
Emissions	305-2	Energy indirect (Scope 2) GHG emissions	Environment (pg 151-159)
	305-3	Other indirect (Scope 3) GHG emsisions	Environment (pg 151-159)
	305-4	GHG emissions intensity	Environment (pg 151-159)
	305-5	Reduction of GHG emissions	Environment (pg 151-159)
Effluents and Waste	306-1	Water discharge by quality and destination	Wastewater is discharged into the public sewerage system or sewage treatment plant.
	306-2	Waste management	Environment (pg 151-159)
	306-3	Waste generated	Environment (pg 151-159)
Environmental Compliance	307-1	Fines and non-monetary sanctions for non-compliance with environmental laws and regulations	No non-compliance reported.
Supplier Environmental Assessment	308-1	New suppliers screened using environmental criteria	Environment - OHS (pg 157-159) Suppliers (pg 186)
Social			
Labour Practices, Diversity and Human Rights			
Employment	401-1	New hires and employee turnover	Employees (pg 181-185)
	401-3	Parental leave	Employees (pg 181-185)

REFERENCES

GRI Standards	Disclosure Number	Title	Page Reference and Remarks
Social			
Labour Practices, Diversity and Human Rights			
Labour/ Management Relations	402-1	Minimum notice periods regarding operation changes	Employees (pg 181-185)
Occupational/ Health and Safety	403-1	Occupational health and safety management system	Environment - OHS (pg 157-159)
	403-2	Hazard identification, risk assessment, and incident investigation	Environment - OHS (pg 157-159)
	403-3	Occupational health services	Environment - OHS (pg 157-159)
	403-4	Worker participations, consultation, and communication on occupational health and safety	Environment - OHS (pg 157-159)
	403-5	Worker training on occupational health and safety	Environment - OHS (pg 157-159)
	403-6	Promotion of worker health	Environment - OHS (pg 157-159)
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Environment - OHS (pg 157-159)
	403-8	Workers covered by an occupational health and safety management system	Environment - OHS (pg 157-159)
	403-9	Work-related injuries	Environment - OHS (pg 157-159)
Training and Education	404-1	Average hours of training	Employees (pg 181-185)
	404-2	Employee skills upgrade and transition assistance programmes	Employees (pg 181-185)
	404-3	% of employees receiving regular performance and career development reviews	Employees (pg 181-185)
Diversity and Human Rights	405-1	Diversity of governance bodies and employees	Employees (pg 181-185)
Non-discrimination	406-1	Incidents of discrimination and corrective action taken	Employees (pg 181-185)
Child Labour	408-1	Operations and suppliers identified as having significant risk for incidents of child labour and measures taken to the effective abolition of child labour	Employees (pg 181-185)
Forced or Compulsory Labour	409-1	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures taken to eliminate it	Employees (pg 181-185)
Human Rights Assessment	412-1	Operations subjected to human rights reviews or impact assessments	Environment - OHS (pg 157-159)
Supplier Social Assessment	414-1	% of suppliers screened using social criteria	Environment - OHS (pg 157-159)
Products and Services			
Local Communities	413-1	Operations with local community engagement, impact assessments and development programmes	Environment (pg 151-159) Stakeholders & Communities (pg 160-178) Properties - Social Integration (pg 126)
Customer Health and Safety	416-1	Health and safety impacts assessment of products and services	Environment - OHS (pg 157-159) Properties - Social Integration (pg 126)
	416-2	Incidents of non-compliance	No non-compliance reported.

FINANCIAL STATEMENTS

REPORT OF THE TRUSTEE

HSBC Institutional Trust Services (Singapore) Limited (the "Trustee") is under a duty to take into custody and hold the assets of CapitaLand Integrated Commercial Trust (formerly known as CapitaLand Mall Trust) (the "Trust") and its subsidiaries (the "Group") in trust for the Unitholders. In accordance with the Securities and Futures Act, Chapter 289 of Singapore, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of CapitaLand Integrated Commercial Trust Management Limited (formerly known as CapitaLand Mall Trust Management Limited) (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the deed of trust dated 29 October 2001 constituting the Trust (as amended)[1] between the Manager and the Trustee (the "Trust Deed") in each annual accounting period and report thereon to Unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Trust during the period covered by these financial statements, set out on pages 200 to 297 in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee,
HSBC Institutional Trust Services (Singapore) Limited

Tan Ling Cher
Senior Manager

Singapore
23 February 2021

[1] As amended by the First Supplemental Deed dated 26 December 2001, the Second Supplemental Deed dated 28 June 2002, the Amending and Restating Deed dated 29 April 2003, the Fourth Supplemental Deed dated 18 August 2003, the Second Amending and Restating Deed dated 9 July 2004, the Sixth Supplemental Deed dated 18 March 2005, the Seventh Supplemental Deed dated 21 July 2005, the Eighth Supplemental Deed dated 13 October 2005, the Ninth Supplemental Deed dated 20 April 2006, the Third Amending and Restating Deed dated 25 August 2006, the Eleventh Supplemental Deed dated 15 February 2007, the Twelfth Supplemental Deed dated 31 July 2007, the Thirteenth Supplemental Deed dated 20 May 2008, the Fourteenth Supplemental Deed dated 13 April 2010, the Fifteenth Supplemental Deed dated 25 March 2013, the Sixteenth Supplemental Deed dated 3 February 2014, the Seventeenth Supplemental Deed dated 6 May 2015, the Eighteenth Supplemental Deed dated 12 April 2016, the Fourth Amending and Restating Deed dated 27 July 2018, the Twentieth Supplemental Deed dated 8 April 2019, the Twenty-First Supplemental Deed dated 6 April 2020, the Twenty-Second Supplemental Deed dated 29 September 2020 and the Twenty-Third Supplemental Deed dated 21 October 2020.

STATEMENT BY THE MANAGER

In the opinion of the directors of CapitaLand Integrated Commercial Trust Management Limited (formerly known as CapitaLand Mall Trust Management Limited), the accompanying financial statements set out on pages 200 to 297 comprising the Statements of Financial Position of the Group and the Trust and Portfolio Statement of the Group as at 31 December 2020, the Statement of Total Return, Distribution Statement and Statement of Cash Flows of the Group and the Statements of Movements in Unitholders' Funds of the Group and the Trust for the year then ended, and a summary of significant accounting policies and other explanatory information of the Group and of the Trust, are drawn up so as to present fairly, in all material respects, the financial positions of the Group and of the Trust and the portfolio holdings of the Group as at 31 December 2020, and the total return, distributable income, and cash flows of the Group and the movements in Unitholders' funds of the Group and of the Trust for the year then ended in accordance with the recommendations of *Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts"* issued by the Institute of Singapore Chartered Accountants and the provisions of the Trust Deed. At the date of this statement, there are reasonable grounds to believe that the Group and the Trust will be able to meet their financial obligations as and when they materialise.

For and on behalf of the Manager,
CapitaLand Integrated Commercial Trust Management Limited

Tan Tee Hieong
Director

Singapore
23 February 2021

INDEPENDENT AUDITORS' REPORT

Unitholders of CapitaLand Integrated Commercial Trust
(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 29 October 2001 (as amended))

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of CapitaLand Integrated Commercial Trust (formerly known as CapitaLand Mall Trust) (the "Trust") and its subsidiaries (the "Group"), which comprise the Statements of Financial Position of the Group and the Trust and the Portfolio Statement of the Group as at 31 December 2020, the Statement of Total Return, Distribution Statement, and Statement of Cash Flows of the Group and the Statements of Movements in Unitholders' Funds of the Group and the Trust for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 200 to 297.

In our opinion, the accompanying consolidated financial statements of the Group and the financial statements of the Trust present fairly, in all material respects, the financial position of the Group and of the Trust and the portfolio holdings of the Group as at 31 December 2020, the total return, distributable income, and cash flows of the Group and the movements in Unitholders' funds of the Group and of the Trust for the year ended on that date in accordance with the recommendations of *Statement of Recommended Accounting Practice 7 Reporting Framework for Unit Trusts ("RAP 7")* issued by the Institute of Singapore Chartered Accountants.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the '*Auditors' responsibilities for the audit of the financial statements'* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investment properties
(Refer to Note 5 to the financial statements)

Risk:

The Group's and Trust's investment portfolios comprise a number of investment properties located in Singapore and Germany. Investment properties represent the largest asset on the Statements of Financial Position.

In accordance with the accounting policy adopted by the Group, investment properties are stated at fair values based on independent external valuations.

The valuation of investment properties involves significant judgement and estimation uncertainty. Judgement is required in determining the valuation methodologies applicable as well as in estimating the appropriate assumptions to be applied.

The valuations are sensitive to key assumptions on capitalisation rates, discount rates and terminal yield rates and any changes in the key assumptions could have a significant impact on the valuations.

The valuation reports obtained from the external valuers also highlighted that given the unprecedented set of circumstances on which to base a judgement, less certainty and a higher degree of caution, should be attached to their valuations than would normally be the case. Given the unknown future impact that the novel coronavirus ("COVID-19") pandemic might have on the real estate market, the external valuers have also recommended to keep the valuation of these properties under frequent review.

Our response:

We evaluated the valuers' objectivity and competency. We also discussed with the valuers their scope of work and basis of valuation to understand if any matters may have impacted their objectivity.

We independently considered the valuation methodologies applied by the valuers, comparing these methodologies to those applied by other valuers for similar properties. We compared the net income applied by the valuer to historical levels of net income. We also compared the capitalisation rates, discount rates and terminal yield rates against those applied by other valuers for similar properties, and analysed trends of these key inputs.

Where the amounts and rates were beyond the expected range, we performed procedures to understand the reasons and drivers. We also discussed with the Manager and external valuers to understand how they have considered the implications of COVID-19 and market uncertainty in the valuations.

We also considered the adequacy of disclosures in the financial statements in describing the inherent degree of subjectivity and the key assumptions used in the valuations. This includes the relationships between the key unobservable inputs and fair values.

Our findings:

The Group has adopted a structured process in selecting valuers and in considering and challenging the valuations derived. The valuers belong to generally-recognised professional bodies for valuers.

The valuation methodologies applied were consistent with generally accepted market practices. The key inputs and assumptions were comparable to those used by other valuers of similar investment properties.

The disclosures in the financial statements are proportionate to the degree of subjectivity inherent in valuations.

Accounting for the acquisition of CapitaLand Commercial Trust
(Refer to Note 32 to the financial statements)

Risk:

On 21 October 2020, the merger with CapitaLand Commercial Trust ("CCT") was completed by way of a trust scheme of arrangement (the "Merger"). The Trust acquired all the issued and paid-up units in CCT held by the unitholders of CCT.

The Merger is a material non-routine transaction which is complex and requires judgement in determining whether the transaction is a business combination or an acquisition of an asset, each of which requires different accounting treatments. In accounting for a business combination, there is further judgment involved and inherent uncertainty in the estimation used by the Manager in allocating the overall purchase price to the assets acquired, liabilities assumed and goodwill or negative goodwill recognised in the acquisition.

Our response:

We have assessed the accounting of the Merger by examining the scheme implementation agreement and other legal and contractual documents to determine whether the Merger is a business combination or an acquisition of an asset.

We read the purchase price allocation report prepared by the Manager's expert. Together with our internal valuation specialist, we discussed with the Manager on the purchase price allocation to understand their basis of identifying and valuing the identified assets and liabilities. We also considered the objectivity, independence and competency of the Manager's expert, and the scope of their engagement.

We compared the methodologies and key assumptions used in determining the fair values of the identified assets acquired and liabilities assumed to generally accepted market practices and market data. We checked the computations for allocating the purchase price to those assets acquired, liabilities assumed, and negative goodwill recognised.

INDEPENDENT AUDITORS' REPORT

Unitholders of CapitaLand Integrated Commercial Trust
(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 29 October 2001 (as amended))

Our findings:

The Manager's expert is a member of recognised professional bodies and has considered their own independence in carrying out their work.

The judgements exercised by the Manager in the accounting for the Merger as a business combination were balanced. The methods and key assumptions used in estimating the fair values of significant identified assets acquired and liabilities assumed in the Merger and the resulting allocation in the purchase price were appropriate.

Other information

The Manager is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager for the financial statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of RAP 7 issued by the Institute of Singapore Chartered Accountants, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to terminate the Group or to cease operations of the Group, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Koh Wei Peng.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
23 February 2021

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2020

	Note	Group 2020 $'000	Group 2019 $'000	Trust 2020 $'000	Trust 2019 $'000
Non-current assets					
Plant and equipment	4	7,064	3,290	2,638	1,849
Investment properties	5	21,366,075	10,415,843	8,028,300	8,203,845
Subsidiaries	6	–	–	9,410,942	2,130,270
Joint ventures	7	508,119	840,851	208,875	593,041
Equity investments at fair value	8	218,686	214,742	185,399	214,742
Financial derivatives	9	31,064	25,001	–	–
Deferred tax asset	10	10,412	–	–	–
Other non-current asset		1,975	3,343	890	1,927
		22,143,395	11,503,070	17,837,044	11,145,674
Current assets					
Trade and other receivables	11	83,000	26,391	82,463	32,990
Cash and cash equivalents	12	183,617	202,198	29,320	156,097
Financial derivatives	9	6,366	–	–	–
		272,983	228,589	111,783	189,087
Total assets		**22,416,378**	**11,731,659**	**17,948,827**	**11,334,761**
Current liabilities					
Financial derivatives	9	8,677	2,542	–	–
Trade and other payables	13	293,008	166,857	134,442	144,712
Current portion of security deposits		90,533	62,532	41,450	48,140
Loans and borrowings	14	931,932	259,807	414,492	261,880
Lease liabilities	15	2,248	2,865	2,008	2,107
Provision for taxation		7,435	167	–	–
		1,333,833	494,770	592,392	456,839
Non-current liabilities					
Financial derivatives	9	60,285	31,137	9,980	775
Trade and other payables	13	1,467	–	633,900	–
Loans and borrowings	14	7,794,313	3,301,070	4,132,420	3,278,070
Lease liabilities	15	6,442	8,457	6,442	8,217
Non-current portion of security deposits		147,394	128,986	69,474	105,294
Deferred tax liability	10	4,706	–	–	–
		8,014,607	3,469,650	4,852,216	3,392,356
Total liabilities		**9,348,440**	**3,964,420**	**5,444,608**	**3,849,195**
Net assets		**13,067,938**	**7,767,239**	**12,504,219**	**7,485,566**
Represented by:					
Unitholders' funds	16	13,037,638	7,767,239	12,504,219	7,485,566
Non-controlling interests ("NCI")	17	30,300	–	–	–
		13,067,938	**7,767,239**	**12,504,219**	**7,485,566**
Units in issue ('000)	18	**6,470,704**	**3,688,804**	**6,470,704**	**3,688,804**
Net asset value per unit attributable to Unitholders ($)		**2.01**	**2.11**	**1.93**	**2.03**

The accompanying notes form an integral part of these financial statements.

STATEMENT OF TOTAL RETURN

Year ended 31 December 2020

	Note	Group 2020 $'000	Group 2019 $'000
Gross revenue	19	745,209	786,736
Property operating expenses	20	(232,469)	(228,521)
Net property income		**512,740**	**558,215**
Interest and other income	21	2,247	7,099
Investment income	22	12,511	–
Management fees	23	(50,676)	(50,236)
Professional fees		(442)	(492)
Valuation fees		(728)	(613)
Trustee's fees		(1,806)	(1,493)
Audit fees		(432)	(359)
Transaction costs relating to the Merger[1]		(10,834)	–
Finance costs	24	(133,431)	(118,491)
Other expenses		(1,747)	(1,018)
Net income before share of results of associate and joint ventures	25	**327,402**	**392,612**
Share of results (net of tax) of:			
– Associate[2]		–	18,388
– Joint ventures		(14,106)	70,835
Net income		**313,296**	**481,835**
Net change in fair value of investment properties		(393,620)	232,913
Dilution loss on investment in associate		–	(217)
Net loss on derecognition of investment in associate		–	(17,601)
Gain relating to negative goodwill arising from the Merger		430,003	–
Total return for the year before tax		**349,679**	**696,930**
Taxation	26	61	–
Total return for the year		**349,740**	**696,930**
Total return attributable to:			
Unitholders		349,819	696,930
Non-controlling interest		(79)	–
Total return for the year		**349,740**	**696,930**
Earnings per unit (cents)			
Basic	27	8.36	18.90
Diluted	27	8.35	18.90

1 On 21 October 2020, the Manager announced the completion of the merger between CapitaLand Mall Trust ("CMT") and CapitaLand Commercial Trust ("CCT") ("the Merger") through acquisition by CMT of all the issued and paid-up units in CCT by way of a trust scheme of arrangement ("Trust Scheme"), in accordance with the Singapore Code on Take-overs and Mergers.

2 For year ended 31 December 2019, this relates to the Group's share of CapitaLand China Trust ("CLCT") (formerly known as CapitaLand Retail China Trust)'s results before it was reclassified to equity investments at fair value.

DISTRIBUTION STATEMENT

Year ended 31 December 2020

	Group 2020 $'000	Group 2019 $'000
Amount available for distribution to Unitholders at beginning of the year	121,717	64,436
Total return attributable to unitholders	349,819	696,930
Net tax and other adjustments (Note A)	(7,006)	(311,332)
Distribution from associate	–	13,645
Distribution from joint ventures	32,832	62,658
	375,645	461,901
Amount available for distribution to Unitholders	497,362	526,337
Distributions to Unitholders during the year:		
Distribution of 1.56 cents per unit for period from 08/11/2018 to 31/12/2018	–	(57,516)
Distribution of 2.88 cents per unit for period from 01/01/2019 to 31/03/2019	–	(106,223)
Distribution of 2.92 cents per unit for period from 01/04/2019 to 30/06/2019	–	(107,703)
Distribution of 3.06 cents per unit for period from 01/07/2019 to 30/09/2019	–	(112,873)
Distribution of 3.11 cents per unit for period from 01/10/2019 to 31/12/2019	(114,722)	–
Distribution of 0.85 cents per unit for period from 01/01/2020 to 31/03/2020	(31,366)	–
Distribution of 2.11 cents per unit for period from 01/04/2020 to 30/06/2020	(77,862)	–
Distribution of 3.10 cents per unit for period from 01/07/2020 to 30/09/2020	(114,661)	–
Distribution of 0.89 cents per unit for period from 01/10/2020 to 20/10/2020	(32,576)	–
	(371,187)	(384,315)
Amount retained for general corporate and working capital purposes (Note B)	(12,511)	(20,305)
Release of taxable income retained at RCS Trust[1]	6,250	–
Amount available for distribution to Unitholders at end of the year	**119,914**	**121,717**
Distribution per unit (cents)[2]	**8.69**	**11.97**

1 Relates to taxable income retained in the period from 1 January to 30 June 2020 when RCS Trust was a joint venture of the Trust.

2 The Distribution per unit relates to the distributions in respect of the relevant financial year. The distribution relating to the period 21 October to 31 December 2020 will be paid after 31 December 2020.

The accompanying notes form an integral part of these financial statements.

Note A – Net tax and other adjustments comprise:

	Group	
	2020 $'000	2019 $'000
– Management fees paid and payable in Units	6,194	–
– Trustee's fees	1,806	1,457
– Amortisation of transaction costs	2,756	1,982
– Net change in fair value of investment properties	393,620	(232,913)
– (Profit)/Loss from subsidiaries	(8,734)	1,263
– Share of result (net of tax) of associate	–	(18,388)
– Share of results (net of tax) of joint ventures	14,106	(70,835)
– Taxation	(61)	–
– Dilution loss on investment in associate	–	217
– Net loss on decognition of investment in associate	–	17,601
– Gain relating to negative goodwill arising from the Merger	(430,003)	–
– Temporary differences and other adjustments	13,692	(11,716)
– Rollover adjustments	(461)	–
– Effect of non-controlling interest ("NCI") arising from the above	79	–
Net tax and other adjustments	(7,006)	(311,332)

Note B

Amount retained for general corporate and working capital in financial year 2020 relates to the capital distribution and tax-exempt income received from CapitaLand China Trust ("CLCT") (formerly known as CapitaLand Retail China Trust) of $12.5 million for the period from 14 August 2019 to 25 November 2020.

Amount retained for general corporate and working capital in financial year 2019 relates to the capital distribution and tax-exempt income received from CLCT of $13.6 million and capital distribution received from Infinity Office Trust ("IOT") of $6.7 million.

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

Year ended 31 December 2020

	Group		Trust	
	2020 $'000	2019 $'000	**2020 $'000**	2019 $'000
Net assets at beginning of the year	**7,767,239**	**7,429,300**	**7,485,566**	**7,148,117**
Operations				
Total return attributable to Unitholders for the year	349,819	696,930	108,553	700,301
Hedging reserves				
Effective portion of changes in fair value of cash flow hedges	(25,518)	19,998	(10,496)	(780)
Net change in fair value of cash flow hedges reclassified to Statement of Total Return	23,357	(18,635)	1,291	5
Share of movements in hedging reserves of associate and joint ventures	874	(1,260)	–	–
Movement in foreign currency translation reserves ("FCTR")	(462)	8,372	–	–
Movement in general reserves	–	(5,389)	–	–
Movement in fair value reserves	(26,321)	17,766	(29,345)	17,766
Unitholders' transactions				
Creation of units				
– Units issued in respect of RCS Trust's management fees	3,275	4,472	3,275	4,472
– Units issued in respect of the Merger	5,310,850	–	5,310,850	–
– Units to be issued in respect of management fees	6,194	–	6,194	–
Issue expenses	(482)	–	(482)	–
Distributions to Unitholders	(371,187)	(384,315)	(371,187)	(384,315)
Net increase/(decrease) in net assets resulting from Unitholders' transactions	4,948,650	(379,843)	4,948,650	(379,843)
Net assets attributable to Unitholders at end of the year	**13,037,638**	**7,767,239**	**12,504,219**	**7,485,566**

The accompanying notes form an integral part of these financial statements.

Non-controlling interests

	Group	
	2020	2019
	$'000	$'000
At beginning of the year	–	–
Total return attributable to non-controlling interests	(79)	–
Acquisition of subsidiary (Note 32)	30,682	–
Translation differences from financial statements of foreign operations	(303)	–
At end of the year	**30,300**	**–**

PORTFOLIO STATEMENT

As at 31 December 2020

Group

Description of Property	Tenure of Land	Term of Lease	Remaining Term of Lease
Investment properties in Singapore			
Retail			
Westgate	Leasehold	99 years	90 years
Bugis Junction	Leasehold	99 years	69 years
Tampines Mall	Leasehold	99 years	71 years
Junction 8	Leasehold	99 years	70 years
Bedok Mall	Leasehold	99 years	90 years
IMM Building	Leasehold	60 years	28 years
Lot One Shoppers' Mall	Leasehold	99 years	72 years
Clarke Quay	Leasehold	99 years	68 years
Bugis+	Leasehold	60 years	45 years
Bukit Panjang Plaza	Leasehold	99 years	73 years
JCube	Leasehold	99 years	69 years
Office			
Asia Square Tower 2[1]	Leasehold	99 years	86 years
CapitaGreen[2]	Leasehold	99 years	52 years
Six Battery Road	Leasehold	999 years	804 years
Capital Tower	Leasehold	99 years	74 years
21 Collyer Quay	Leasehold	999 years	829 years
Integrated Developments			
Raffles City Singapore	Leasehold	99 years	58 years
Plaza Singapura	Freehold	NA	NA
The Atrium@Orchard	Leasehold	99 years	87 years
Funan[3]	Leasehold	99 years	58 years
Investment properties in Germany			
Office			
Gallileo[4]	Freehold	NA	NA
Main Airport Center[5]	Freehold	NA	NA
Investment properties, at valuation			
Other assets and liabilities (net)			
Net assets of the Group			
Non-controlling interests			
Net assets attributable to Unitholders			

NA Not Applicable
1 Asia Square Tower 2 is held by Asia Square Tower 2 Pte. Ltd. ("AST2 Co."), which is in turn held through MVKimi (BVI) Limited, (collectively referred to as "AST2 Group").
2 CapitaGreen is held by MSO Trust.
3 The retail component of Funan is held through the Trust and the office components are held through Victory Office 1 Trust and Victory Office 2 Trust.
4 Gallileo is held by Gallileo Property S.a.r.l. ("Gallileo Co.").
5 Main Airport Center is held by MAC Property Company B.V.

Location	Existing Use	Carrying Value 2020 $'000	Carrying Value 2019 $'000	Percentage of Total Net Assets 2020 %	Percentage of Total Net Assets 2019 %
3 Gateway Drive	Commercial	1,087,000	1,131,000	8.3	14.6
200 Victoria Street	Commercial	1,087,000	1,106,000	8.3	14.2
4 Tampines Central 5	Commercial	1,074,000	1,085,000	8.2	14.0
9 Bishan Place	Commercial	794,000	799,000	6.1	10.3
311 New Upper Changi Road	Commercial	779,000	794,000	6.0	10.2
2 Jurong East Street 21	Commercial Warehouse	670,000	675,000	5.1	8.7
21 Choa Chu Kang Avenue 4	Commercial	531,000	537,000	4.1	6.9
3A/B/C/D/E River Valley Road	Commercial	394,000	414,000	3.0	5.3
201 Victoria Street	Commercial	353,000	357,000	2.7	4.6
1 Jelebu Road	Commercial	334,500	330,000	2.6	4.2
2 Jurong East Central 1	Commercial	276,000	288,000	2.1	3.7
12 Marina View	Commercial	2,128,000	–	16.3	–
138 Market Street	Commercial	1,611,000	–	12.4	–
6 Battery Road	Commercial	1,414,000	–	10.8	–
168 Robinson Road	Commercial	1,389,000	–	10.7	–
21 Collyer Quay	Commercial	468,000	–	3.6	–
250 and 252 North Bridge Road, 2 Stamford Road and 80 Bras Basah Road	Commercial	3,179,000	–	24.4	–
68 Orchard Road	Commercial	1,300,000	1,349,000	10.0	17.4
60A & 60B Orchard Road	Commercial	750,000	764,000	5.8	9.8
107 & 109 North Bridge Road	Commercial	742,000	775,000	5.7	10.0
Gallusanlage 7	Commercial	576,034	–	4.4	–
Unterschweinstiege 2-14	Commercial	420,500	–	3.2	–
		21,357,034	10,404,000	163.8	133.9
		(8,289,096)	(2,636,761)	(63.6)	(33.9)
		13,067,938	7,767,239	100.2	100.0
		(30,300)	–	(0.2)	–
		13,037,638	7,767,239	100.0	100.0

PORTFOLIO STATEMENT

As at 31 December 2020

On 31 December 2020, independent valuations of Bedok Mall, Tampines Mall and 21 Collyer Quay were undertaken by CBRE Pte. Ltd. ("CBRE"), independent valuations of Junction 8, IMM Building, Raffles City Singapore and Asia Square Tower 2 were undertaken by Knight Frank Pte Ltd ("Knight Frank"), independent valuations of The Atrium@ Orchard, Plaza Singapura, JCube and Westgate were undertaken by Savills Valuation and Professional Services (S) Pte Ltd ("Savills"), independent valuations of Bugis Junction, Bugis+, Funan, Clarke Quay and CapitaGreen were undertaken by Colliers International Consultancy & Valuation (Singapore) Pte Ltd ("Colliers"), independent valuations of Bukit Panjang Plaza, Lot One Shoppers' Mall, Capital Tower and Six Battery Road were undertaken by Cushman & Wakefield VHS Pte. Ltd. ("C&W"), while the independent valuations of Gallileo and Main Airport Center were undertaken by C&W (U.K.) LLP German Branch.

On 31 December 2019, independent valuations of Funan, Junction 8 and Clarke Quay were undertaken by CBRE, independent valuations of Tampines Mall, IMM Building, JCube, Lot One Shoppers' Mall, Bukit Panjang Plaza and Bedok Mall were undertaken by Knight Frank, independent valuations of Bugis Junction and Bugis+ were undertaken by Jones Lang LaSalle Property Consultants Pte Ltd ("JLL") while the independent valuations of Plaza Singapura, The Atrium@Orchard and Westgate were undertaken by Colliers.

The valuations as at 31 December 2020 include the capitalisation method and discounted cash flow method. The valuations as at 31 December 2019 include the capitalisation method, discounted cash flow method and direct comparison method. The Manager believes that the independent valuers have appropriate professional qualifications and experience in the location and category of the properties being valued. The net change in fair value of the properties has been recognised in the Statement of Total Return.

Investment properties comprise commercial properties that are leased to external customers. Generally, the leases contain an initial non-cancellable period of three years. Subsequent renewals are negotiated with the lessees. Contingent rents recognised in the Statement of Total Return of the Group is $26,476,000 (2019: $35,739,000).

STATEMENT OF CASH FLOWS

Year ended 31 December 2020

	Group	
	2020 **$'000**	2019 $'000
Cash flows from operating activities		
Total return for the year	349,740	696,930
Adjustments for:		
Amortisation of leasing incentives	556	–
Assets written off	–	6
Depreciation and amortisation	2,324	1,726
Dilution loss on investment in associate	–	217
Finance costs	133,431	118,491
Gain relating to negative goodwill arising from the Merger	(430,003)	–
Gain on disposal of plant and equipment	(2)	(5)
Interest and other income	(2,247)	(7,099)
Investment income	(12,511)	–
Management fees payable in units	6,194	–
Net change in fair value of investment properties	393,620	(232,913)
Net loss on derecognition of investment in associate	–	17,601
Allowance for impairment loss on receivables/(written back)	1,973	(11)
Share of results of:		
– Associate	–	(18,388)
– Joint ventures	14,106	(70,835)
Taxation	(61)	–
Operating income before working capital changes	457,120	505,720
Changes in working capital:		
Trade and other receivables	(16,985)	(495)
Trade and other payables	(10,255)	(2,517)
Security deposits	(49,887)	10,433
Cash generated from operations	379,993	513,141
Income tax paid	(312)	(1,627)
Net cash from operating activities	379,681	511,514
Cash flows from investing activities		
Capital expenditure on investment properties	(54,181)	(29,621)
Capital expenditure on investment properties under development	–	(96,120)
Distributions received from:		
– Associate	–	13,645
– Joint ventures	44,323	63,303
Distribution income from equity investment	12,511	–
Interest received	1,941	6,948
Investment in equity investment	–	(15,372)
Net cash outflow on acquisition of subsidiary (Note 32)	(925,504)	–
Purchase of plant and equipment	(1,506)	(974)
Proceeds from disposal of plant and equipment	2	6
Net cash used in investing activities	(922,414)	(58,185)
Cash flows from financing activities		
Distributions to Unitholders	(371,187)	(384,315)
Interest paid	(121,629)	(116,597)
Payment of issue and financing expenses	(9,576)	(4,037)
Payment of lease liabilities	(2,682)	(3,706)
Proceeds from loans and borrowings	1,774,525	908,800
Repayment of loans and borrowings	(745,299)	(999,779)
Net cash from/(used) in financing activities	524,152	(599,634)

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CASH FLOWS
Year ended 31 December 2020

	Group	
	2020	2019
	$'000	$'000
Net decrease in cash and cash equivalents	(18,581)	(146,305)
Cash and cash equivalents at beginning of the year	202,198	348,503
Cash and cash equivalents at end of the year (Note 12)	**183,617**	**202,198**

Note:

(A) Significant Non-Cash Transactions

- In 2020, 2,780,549,536 units were issued as consideration units for the Merger, amounting to a value of $5,310,850,000.
- In 2020, 1,350,480 (2019: 1,901,785) units were issued to the Manager as payment for the management fees payable in units, amounting to a value of $3,275,000 (2019: $4,472,000).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Manager and the Trustee on 23 February 2021.

1 GENERAL

CapitaLand Integrated Commercial Trust (the "Trust"), formerly known as CapitaLand Mall Trust ("CMT") is a Singapore-domiciled unit trust constituted pursuant to the trust deed dated 29 October 2001 (as amended) (the "Trust Deed") between CapitaLand Integrated Commercial Trust Management Limited (the "Manager"), formerly known as CapitaLand Mall Trust Management Limited and HSBC Institutional Trust Services (Singapore) Limited (the "Trustee"). The Trust Deed is governed by the laws of the Republic of Singapore. The Trustee is under a duty to take into custody and hold the assets of the Trust and its subsidiaries (the "Group") in trust for the holders ("Unitholders") of units in the Trust (the "Units").

The Trust was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 17 July 2002 ("Listing Date") and was included under the Central Provident Fund ("CPF") Investment Scheme on 13 September 2002.

On 22 January 2020, the Manager and the manager of CapitaLand Commercial Trust ("CCT") jointly announced the proposed merger of CMT and CCT (the "Merger") through the acquisition by CMT of all the issued and paid-up units of CCT by way of a trust scheme of arrangement ("Trust Scheme"), to be effected in accordance with the Singapore Code on Take-overs and Mergers. On 29 September 2020, unitholders of both CMT and CCT voted in favour of the Merger and the Trust Scheme (as the case may be) at their respective unitholders meetings. The Trust Scheme was sanctioned by the High Court on 12 October 2020 and became effective and binding in accordance with its terms on 21 October 2020. Following the completion of the Merger, CCT was delisted from SGX-ST and the merged entity renamed "CapitaLand Integrated Commercial Trust" ("CICT") on 3 November 2020.

The principal activity of CICT is to invest, directly or indirectly, in real estate which is income producing and is used or primarily used for commercial purposes (including retail and/or office purposes), located predominantly in Singapore. The principal activities of the subsidiaries and joint ventures are set out in Notes 6 and 7.

The consolidated financial statements relate to the Trust and its subsidiaries (the "Group") and the Group's interests in its joint ventures.

For financial reporting purposes, with effect from 28 June 2019, the intermediate and ultimate holding companies of the Group are CapitaLand Limited and Temasek Holdings (Private) Limited respectively. The intermediate and ultimate holding companies are incorporated in Singapore. Prior to 28 June 2019, the ultimate holding company of the Group was CapitaLand Limited.

The Trust has entered into several service agreements in relation to management of the Trust and its property operations. The fee structures of these services are as follows:

1.1 Property management fees

Under the property management agreement with CapitaLand Retail Management Pte Ltd (the "Property Manager"), property management fees are charged as follows:

(a) 2.00% per annum of the gross revenue of the properties;

(b) 2.00% per annum of the net property income of the properties; and

(c) 0.50% per annum of the net property income of the properties, in lieu of leasing commissions.

The property management fees are payable monthly in arrears.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

1 GENERAL (continued)

1.2 Management fees

Pursuant to the Trust Deed, the management fees shall not exceed 0.70% per annum of the Deposited Property or such higher percentage as may be fixed by an Extraordinary Resolution at a meeting of Unitholders. Deposited Property refers to all the assets of the Trust, including all its Authorised Investments (as defined in the Trust Deed) for the time being held or deemed to be held upon the trusts of the Trust Deed. The management fees comprise:

(a) in respect of Authorised Investments which are in the form of real estate, a base component of 0.25% per annum of Deposited Property and a performance component of 4.25% per annum of net property income of the Trust for each financial year; and

(b) in respect of all other Authorised Investments which are not in the form of real estate, 0.5% per annum of the investment value of the Authorised Investment, unless such Authorised Investment is an interest in a property fund (either a real estate investment trust or private property fund) wholly managed by a wholly-owned subsidiary of CapitaLand Limited, in which case no management fee shall be payable in relation to such Authorised Investment.

In respect of all Authorised Investments which are in the form of real estate acquired by the Trust:

(a) the base component shall be paid to the Manager in the form of cash and/or Units (as the Manager may elect); and

(b) the performance component shall be paid to the Manager in the form of cash, in the form of Units or a combination of both (as the Manager may elect).

When paid in the form of Units, the Manager shall be entitled to receive such number of Units as may be purchased for the relevant amount of the management fee at the market price (as defined in the Trust Deed). The base and performance components of the management fees are payable quarterly and yearly in arrears respectively.

For all acquisitions or disposals of properties or investments, the Manager is entitled to receive acquisition fee of 1.0% of the purchase price and a divestment fee of 0.5% of the sale price.

1.3 Trustee's fees

Pursuant to the Trust Deed, the Trustee's fees shall not exceed 0.10% per annum of the Deposited Property (subject to a minimum sum of $15,000 per month) payable out of the Deposited Property of the Trust. The Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the Trust Deed.

The Trustee's fees are payable quarterly in arrears.

2 BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements have been prepared in accordance with the *Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" ("RAP 7")* issued by the Institute of Singapore Chartered Accountants ("ISCA"), the applicable requirements of the Code on Collective Investment Schemes ("CIS Code") issued by the Monetary Authority of Singapore ("MAS") and the provisions of the Trust Deed. RAP 7 requires that accounting policies adopted generally comply with the principles relating to recognition and measurement of the Singapore Financial Reporting Standards ("FRS").

2 BASIS OF PREPARATION (continued)

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis, except as otherwise disclosed in the notes below.

2.3 Functional and presentation currency

The financial statements are presented in Singapore dollars, which is the Trust's functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with RAP 7 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainty that have a significant risk of resulting in a material adjustment within the next financial year is included in the following notes:

- Note 5 – Valuation of investment properties
- Note 32 – Acquisition of subsidiary (determination of fair value of assets acquired and liabilities assumed)

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

2 BASIS OF PREPARATION (continued)

2.4 Use of estimates and judgements (continued)

Measurement of fair values *(continued)*

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 5 – Valuation of investment properties
- Note 30 – Valuation of financial instruments
- Note 32 – Acquisition of subsidiary

2.5 Changes in accounting policies

New standards and amendments

The Group has applied the principles of the following standards, amendments to and interpretations of standards for the annual period beginning on 1 January 2020.

- *Amendments to References to Conceptual Framework in FRS Standards*
- *Definition of a Business (Amendments to FRS 103)*
- *Definition of Material (Amendments to FRS 1 and FRS 8)*
- *Covid-19-Related Rent Concessions (Amendments to FRS 116)*

Other than the amendments relating to definition of a business, the application of these amendments to standards and interpretations does not have a material effect on the financial statements.

The Group applied the amendments relating to definition of a business to business combinations whose acquisition dates are on or after 1 January 2020 in assessing whether it had acquired a business or a group of assets. The details of accounting policies are set out in note 3.1. See also note 32 for details of the Group's acquisition of subsidiary during the year.

The Group has early adopted COVID-19-Related Rent Concessions – Amendment to FRS 116 issued on 28 May 2020. The amendment introduces an optional practical expedient for leases in which the Group is a lessee – i.e. for leases to which the Group applies the practical expedient, the Group is not required to assess whether eligible rent concessions that are a direct consequence of the COVID-19 coronavirus pandemic are lease modifications. The Group has applied the amendment retrospectively. The amendment has no impact on Unitholders' Funds at 1 January 2020. The details of accounting policies are set out in note 3.8.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Group, except as explained in note 2.5, which addresses changes in accounting policies.

3.1 Basis of consolidation

Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.1 Basis of consolidation (continued)

***Business combinations** (continued)*

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The Group measures goodwill at the date of acquisition as:

- the fair value of the consideration transferred; plus
- the recognised amount of any NCI in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,

over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

When the excess is negative, a gain relating to negative goodwill is recognised immediately in the Statement of Total Return.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the Statement of Total Return.

Any contingent consideration payable is recognised at fair value at the date of acquisition and included in the consideration transferred. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in the Statement of Total Return.

NCI that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the date of acquisition. The measurement basis taken is elected on a transaction-by-transaction basis. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by FRSs.

Costs related to the acquisition, other than those associated with the issue of debt or equity investments, that the Group incurs in connection with a business combination are expensed as incurred.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.1 Basis of consolidation (continued)

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in the Statement of Total Return. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Investments in joint ventures (equity-accounted investees)

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and other comprehensive income of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that joint control commences until the date that joint control ceases.

When the Group's share of losses exceeds its investment in an equity-accounted investee, the carrying amount of that investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Subsidiaries and joint ventures in the separate financial statements

Investments in subsidiaries and joint ventures are stated in the Trust's Statement of Financial Position at cost less accumulated impairment losses.

3.2 Plant and equipment

Recognition and measurement

Items of plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

If significant parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

Any gain or loss on disposal of an item of plant and equipment is recognised in the Statement of Total Return.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Plant and equipment (continued)

Subsequent costs

The cost of replacing a component of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in the Statement of Total Return as incurred.

Depreciation

Depreciation is based on the cost of an asset less its residual value. Depreciation is recognised as an expense in the Statement of Total Return on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment.

Depreciation is recognised from the date that the plant and equipment are installed and are ready for use.

The estimated useful lives for the current and comparative years are as follows:

Furniture, fittings and equipment – 2 to 5 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.3 Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are measured at cost on initial recognition and subsequently at fair value with any change therein recognised in the Statement of Total Return.

Cost includes expenditure that is directly attributable to the acquisition of the investment property, which includes transaction costs.

Fair value is determined in accordance with the Trust Deed, which requires the investment properties to be valued by independent registered valuers in the following events:

- in such manner and frequency required under the CIS Code issued by MAS; and

- at least once in each period of 12 months following the acquisition of each parcel of real estate property.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in the Statement of Total Return.

Any increase or decrease on revaluation is credited or charged to the Statement of Total Return as a net change in fair value of the investment properties.

Investment properties are not depreciated. The properties are subject to continued maintenance and regularly revalued on the basis set out above. For income tax purposes, the Group and the Trust may claim capital allowances on assets that qualify as plant and machinery under the Income Tax Act.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 Foreign currency

Foreign currency transactions

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity (the functional currency).

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are generally recognised in Statement of Total Return. However, foreign currency differences arising from the translation of the following items are recognised in the Statement of Movements in Unitholders' funds:

- an equity investment designated as at fair value through Unitholders' fund ("FVOCI");
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent the hedge is effective.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in the Statement of Movements in Unitholders' Funds. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to the Statement of Total Return as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to the Statement of Total Return.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of a net investment in a foreign operation. These are recognised in the Statement of Movements in Unitholders' Funds and are presented in the foreign currency translation reserve within Unitholders' Funds.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 Foreign currency (continued)

Hedge of net investment in foreign operation

The Group applies hedge accounting to foreign currency differences arising between the functional currency of the foreign operation and the Trust's functional currency (Singapore Dollars) for certain foreign investments.

In the Trust's financial statements, foreign currency differences arising from the translation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised in the Statement of Total Return. On consolidation, such differences are recognised in the foreign currency translation reserve in Unitholders' funds, to the extent that the hedge is effective. To the extent that the hedge is ineffective, such differences are recognised in the Statement of Total Return. When the hedged net investment is disposed of, the cumulative amount in the foreign currency translation reserve is transferred to the Statement of Total Return as part of the gain or loss on disposal.

3.5 Financial instruments

Initial recognition

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

Classification and subsequent measurement

Non-derivative financial assets

The Group classifies its non-derivative financial assets into the following measurement categories:

- amortised costs; or
- fair value through Unitholders' fund ("FVOCI").

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

The Group reclassifies financial assets when and only when its business model for managing those assets changes.

Financial assets at amortised cost

Initial measurement

A financial asset at amortised cost is initially measured at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent measurement

Financial assets at amortised cost that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are subsequently measured at amortised cost. Interest income, foreign exchange gains and losses and impairment are recognised in the Statement of Total Return. Any gain or loss on derecognition is recognised in the Statement of Total Return.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Financial instruments (continued)

Equity investments at FVOCI

Initial measurement

On initial recognition of an equity investment that is not held-for-trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in the Statement of Movement in Unitholders' Funds. This election is made on investment-by-investment basis.

Subsequent measurement

These assets are subsequently measured at fair value. Dividends are recognised as income in the Statement of Total Return unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in the Statement of Movement in Unitholders' Funds and are never reclassified to the Statement of Total Return.

Non-derivative financial liabilities

The Group classifies non-derivative financial liabilities under the other financial liabilities category. Such financial liabilities are initially measured at fair value less directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the Statement of Total Return.

Derecognition

Financial assets

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in the Statement of Total Return.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Financial instruments (continued)

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits.

Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value and any directly attributable transaction costs are recognised in the Statement of Total Return as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the Statement of Total Return, unless it is designated in a hedge relationship that qualifies for hedge accounting.

The Group designates certain derivatives and non-derivative financial instruments as hedging instruments in qualifying hedging relationships. At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Hedges directly affected by interest rate benchmark reform

For the purpose of evaluating whether there is an economic relationship between the hedge items(s) and the hedging instrument(s), the Group assumes that the benchmark interest rate is not altered as a result of interest rate benchmark reform.

For a cash flow hedge of a forecast transaction, the Group assumes that the benchmark interest rate will not be altered as a result of interest rate benchmark reform for the purpose of assessing whether the forecast transaction is highly probable and presents an exposure to variations in cash flows that could ultimately affected Statement of Total Return. In determining whether a previously designated forecasted transaction in a discontinued cash flow hedge is still expected to occur, the Group assumes that the interest rate benchmark cash flows designated as a hedge will not be altered as a result of interest rate benchmark reform.

The Group will cease to apply the specific policy for assessing the economic relationship between the hedge item and the hedging instrument (i) to a hedge item or hedging instrument when the uncertainty arising from interest rate benchmark reform is no longer present with respect to the timing and the amount of the interest rate benchmark-based cash flows of the respective item or instrument or (ii) when the hedging relationship is discontinued. For its highly probable assessment of the hedge item, the Group will no longer apply the specific policy when the uncertainty arising from interest rate benchmark reform about the timing and the amount of the interest rate benchmark-based future cash flows of the hedge item is no longer present, or when the hedging relationship is discontinued.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Financial instruments (continued)

Cash flow hedges

The Group designates certain derivatives as hedging instruments to hedge the cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in the Statement of Movements in Unitholders' Funds and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in the Statement of Movements in Unitholders' Funds is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the Statement of Total Return.

For all hedged transactions, the amount accumulated in the hedging reserve is reclassified to the Statement of Total Return in the same period or periods during which the hedged expected future cash flows affect the Statement of Total Return.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in unitholders' funds until it is reclassified to the Statement of Total Return in the same period or periods as the hedged expected future cash flows affect the Statement of Total Return.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve are immediately reclassified to the Statement of Total Return.

Net investment hedges

The Group designates certain derivatives and non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of, for a derivative, changes in the fair value of the hedging instrument or, for a non-derivative, foreign exchange gains and losses is recognised in the Statement of Movements in Unitholders' Funds and presented in the foreign currency translation reserve within Unitholders' Funds. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains and losses on the non-derivative is recognised immediately in the Statement of Total Return. The amount recognised in Unitholders' Funds is reclassified to the Statement of Total Return as a reclassification adjustment on disposal of the foreign operation.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 Impairment

Non-derivative financial assets

The Group recognises loss allowances for expected credit loss ("ECLs") on financial assets measured at amortised costs.

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for shorter period if the expected life of the instrument is less than 12 months); or

- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improve such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or

- the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 Impairment (continued)

Non-derivative financial assets *(continued)*

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 Impairment (continued)

Non-financial assets *(continued)*

Impairment losses are recognised in the Statement of Total Return. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. A CGU is the smallest identifiable asset group that generates cash flows from continuing use that are largely independent from other assets or CGUs. Impairment losses are recognised in the Statement of Total Return unless it reverses a previous revaluation, credited to Unitholders' funds, in which case it is charged to Unitholders' Funds.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Subsidiaries and joint ventures

An impairment loss in respect of a subsidiary or joint venture is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with the requirements for non-financial assets. An impairment loss is recognised in the Statement of Total Return. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount and only to the extent that the recoverable amount increase.

3.7 Loans and borrowings

Loans and borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, loans and borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the Statement of Total Return over the period of the borrowings on an effective interest basis.

3.8 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset (classified as plant and equipment or investment properties) and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Leases (continued)

The right-of-use asset (classified as plant and equipment) is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset (classified as plant and equipment) reflects that the Group will exercise a purchase option. In that case the right-of-use asset (classified as plant and equipment) will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset (classified as plant and equipment) is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The right-of-use asset (classified as plant and equipment) is subsequently stated at cost less accumulated depreciation and impairment losses, except for right-of-use assets (classified as investment properties) that meet the definition of investment property are carried at fair value in accordance with note 3.3.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate. Generally, the Group uses the lessee's incremental borrowing rate as the discount rate.

The Group determines the lessee's incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments; and
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in Statement of Total Return if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'plant and equipment' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Leases (continued)

COVID-19-related rent concessions

The Group has applied COVID-19-Related Rent Concessions – Amendment to FRS116. The Group applies the practical expedient allowing it not to assess whether eligible rent concessions that are a direct consequence of the COVID-19 pandemic are lease modifications. The Group applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances. For rent concessions in leases to which the Group chooses not to apply the practical expedient, or do not qualify for the practical expedient, the Group assesses whether there is a lease modification.

As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies the principles of FRS 115 to allocate the consideration in the contract.

The Group recognises lease payments received from investment properties under operating leases as income on a straight-line basis over the lease term as part of 'revenue'.

3.9 Unitholders' funds

Unitholders' funds represent the Unitholders' residual interest in the Group's net assets upon termination and is classified as equity.

Incremental costs directly attributable to the issue of units are recognised as a deduction from Unitholders' funds.

3.10 Revenue recognition

Rental income

Rental income from investment properties is recognised in the Statement of Total Return on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased assets. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Contingent rentals, which include gross turnover rental, are recognised as income in the accounting period on a receipt basis. No contingent rentals are recognised if there are uncertainties due to the possible return of amounts received.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.10 Revenue recognition (continued)

Car park income

Car park income is recognised as it accrues on a time apportioned basis.

3.11 Expenses

Property operating expenses

Property operating expenses consist of property taxes, utilities, property management fees, property management reimbursements, marketing, maintenance and other property outgoings in relation to investment properties where such expenses are the responsibility of the Group.

Property management fees are recognised on an accrual basis based on the applicable formula, stipulated in Note 1.1.

Management fees

Management fees are recognised on an accrual basis using the applicable formula, stipulated in Note 1.2.

Trustee's fees

The Trustee's fees are recognised on an accrual basis using the applicable formula, stipulated in Note 1.3.

3.12 Interest income, investment income and finance costs

Interest income is recognised as it accrues, using the effective interest method.

Investment income is recognised in the Statement of Total Return when the Group's right to receive distribution income is established.

Finance costs comprise interest expense on borrowings and amortisation of borrowings related transaction costs, and are recognised in the Statement of Total Return using the effective interest method over the period of borrowings.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset, or the amortised cost of the financial liability.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the Statement of Total Return using the effective interest method.

3.13 Government grants

Government grants related to assets are initially recognised as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. These grants are then recognised in Statement of Total Return on a systematic basis over the useful life of the asset. Grants that compensate the Group for expenses incurred are recognised in Statement of Total Return on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.14 Income tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the Statement of Total Return except to the extent that it relates to a business combination, or items directly in Unitholders' Funds.

Current tax is the expected tax payable on the taxable income for the year, measured using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and

- temporary differences related to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting period, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the carrying amount of the investment property is presumed to be recovered through sale, and the group has not rebutted this presumption. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date, and reflects uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.14 Income tax (continued)

The Inland Revenue Authority of Singapore (the "IRAS") has issued a tax ruling on the tax treatment of the Trust. Subject to meeting the terms and conditions of the tax ruling which includes a distribution of at least 90.0% of the taxable income of the Trust, the Trustee is not subject to tax on the taxable income of the Trust to the extent of the amount distributed. Instead, the distributions made by the Trust out of such taxable income are subject to tax in the hands of Unitholders, unless they are exempt from tax on the Trust's distributions. This treatment is known as the tax transparency treatment.

Individuals and qualifying Unitholders, i.e. companies incorporated and tax resident in Singapore, Singapore branches of companies incorporated outside Singapore, bodies of persons registered or constituted in Singapore, certain international organisations that are exempt from tax on distributions from the Trust and real estate investment trust exchange-traded funds which have been accorded the tax transparency treatment, are entitled to gross distributions from the Trust. For distributions made to foreign non-individual Unitholders and qualifying foreign funds managed by Singapore fund managers, the Trustee is required to withhold tax at the reduced rate of 10.0%. For other types of Unitholders, the Trustee is required to withhold tax at the prevailing corporate tax rate on the distributions made by the Trust. Such other types of Unitholders are subject to tax on the re-grossed amounts of the distributions received but may claim a credit for the tax deducted at source at the prevailing corporate tax rate by the Trustee.

The Trust has a distribution policy to distribute at least 90.0% of its taxable income, other than gains from the sale of real estate properties that are determined by the IRAS to be trading gains. For the taxable income that is not distributed, referred to as retained taxable income, tax will be assessed on the Trustee. Where such retained taxable income is subsequently distributed, the Trustee need not deduct tax at source.

3.15 Earnings per unit

The Group presents basic and diluted earnings per unit data for its units. Basic earnings per unit is calculated by dividing the total return by the weighted-average number of units outstanding during the year. Diluted earnings per unit is determined by adjusting the total return and the weighted-average number of ordinary units outstanding, for the effects of all dilutive potential units.

3.16 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Chief Executive Officer of the Manager (the Group's "Chief Operating Decision Maker" or "CODM") to make decisions about the resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

3.17 New standards and interpretations not adopted

A number of new standards and interpretations and amendments to standards are effective for annual periods beginning after 1 January 2020 and earlier application is permitted; however, the Group has not early adopted the new or amended standards and interpretations in preparing these financial statements.

The Group has assessed and does not expect the application of these standards to have a significant impact on the financial statements.

4 PLANT AND EQUIPMENT

	Group		Trust	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
Furniture, fittings and equipment				
Cost				
At 1 January	9,523	9,159	7,599	7,307
Recognition of right-of-use-asset on initial application of FRS 116	–	30	–	30
Adjusted balance at 1 January	9,523	9,189	7,599	7,337
Acquisition of subsidiary (Note 32)	3,054	–	–	–
Additions	1,506	974	1,427	896
Disposals	(75)	(95)	(65)	(92)
Assets written off	(125)	(531)	(122)	(528)
Reclassification	–	(14)	–	(14)
Translation difference	(15)	–	–	–
At 31 December	13,868	9,523	8,839	7,599
Accumulated depreciation				
At 1 January	6,233	6,346	5,750	5,893
Charge for the year	786	506	638	474
Disposals	(75)	(94)	(65)	(92)
Assets written off	(125)	(525)	(122)	(525)
Translation difference	(15)	–	–	–
At 31 December	6,804	6,233	6,201	5,750
Carrying amounts				
At 1 January	3,290	2,813	1,849	1,414
At 31 December	7,064	3,290	2,638	1,849

5 INVESTMENT PROPERTIES

	Group		Trust	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
At 1 January	10,415,843	9,411,000	8,203,845	7,499,000
Recognition of right-of-use asset on initial application of FRS 116	–	9,594	–	9,594
Adjusted balance at 1 January	10,415,843	9,420,594	8,203,845	7,508,594
Acquisition of subsidiary (Note 32)	11,309,546	–	–	–
Capital expenditure	45,877	45,610	28,494	40,374
Net change in fair value of investment properties	(393,620)	232,913	(204,039)	180,086
Reclassified from investment properties under development[1]	–	716,726	–	474,791
Effects of lease incentives amortisation	(1,024)	–	–	–
Translation difference	(10,547)	–	–	–
At 31 December	21,366,075	10,415,843	8,028,300	8,203,845

[1] Funan has been reclassified to investment properties upon obtaining the temporary occupation permit in 2019.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

5 INVESTMENT PROPERTIES (continued)

Security

As at 31 December 2020, the Group's investment properties with a total carrying amount of $996.5 million (2019: Nil) was pledged as security to banks to secure bank facilities (refer to Note 14).

As at 31 December 2020 and 2019, all investment properties held by the Trust are unencumbered.

Fair value hierarchy

The fair value of investment properties was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the properties being valued. External valuation of the investment properties is conducted at least once a year.

The fair value measurement for investment properties for the Group and Trust have been categorised as Level 3 fair values based on the inputs to the valuation techniques used.

	Group		Trust	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
Fair value of investment properties (based on valuation reports)	21,357,034	10,404,000	8,019,500	8,193,000
Add: Carrying amount of lease liabilities	9,041	11,843	8,800	10,845
Carrying amount of investment properties	21,366,075	10,415,843	8,028,300	8,203,845

Valuation technique

Investment properties are stated at fair value based on valuation performed by independent professional valuers. In determining the fair value, the methodology adopted by the valuers includes capitalisation method, discounted cash flow method and comparison method.

The capitalisation method is an investment approach whereby the estimated gross passing income (on both a passing and market rent basis) is adjusted to reflect anticipated operating costs and a natural vacancy to produce the net income on a fully leased basis. The adopted fully leased net income is capitalised over the remaining term of the lease from the valuation date at an appropriate investment yield.

The discounted cash flow method involves the estimation and projection of a net income stream over a period and discounting the net income stream with an internal rate of return to arrive at the market value. The discounted cash flow method requires the valuer to assume a rental growth rate indicative of market and the selection of a target internal rate of return consistent with current market requirements.

Where applicable, the comparison method provides an indication of value by comparing the investment property with identical or similar properties where reliable sales evidence of assets of similar nature is available.

The above valuation methods involve certain estimates. The Manager reviews the key valuation parameters and underlying data including market-corroborated capitalisation rates, discount rates and terminal yield rates adopted by the valuers and is of view that they are reflective of the market conditions as at the reporting dates.

The outbreak of the novel coronavirus ("COVID-19") has impacted market activity in many property sectors. As the impact of COVID-19 is fluid and evolving, significant market uncertainty exists. Consequently, the valuations of investment properties are currently subject to material valuation uncertainty. The carrying amounts of the investment properties were current as at 31 December 2020 only. Values may change more rapidly and significantly than during standard market conditions.

5 INVESTMENT PROPERTIES (continued)

Significant unobservable inputs

The following table shows the valuation techniques and significant unobservable inputs used in measuring level 3 fair values of investment properties:

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Capitalisation method	**Capitalisation rate** <u>Group</u> *Singapore* Retail 2020: 4.50% to 7.00% (2019: 4.50% to 7.00%) Integrated Developments 2020: 3.75% to 4.85% (2019: 3.75% to 4.85%) <u>Group</u> Office 2020: 3.45% to 3.95% (2019: Nil) <u>Trust</u> *Singapore* Retail 2020: 4.70% to 7.00% (2019: 4.70% to 7.00%) Integrated Developments 2020: 3.75% to 4.85% (2019: 3.75% to 4.85%)	The estimated fair value would increase/(decrease) if the capitalisation rates were lower/ (higher).
Discounted cash flow method	**Discount rate** <u>Group</u> *Singapore* Retail 2020: 7.00% to 7.50% (2019: 7.00% to 7.50%) Integrated Developments 2020: 6.75% to 7.25% (2019: 6.75% to 7.25%) Office 2020: 6.75% (2019: Nil) *Germany* Office 2020: 3.13% to 4.00% (2019: Nil) <u>Trust</u> *Singapore* Retail 2020: 7.00% to 7.50% (2019: 7.00% to 7.50%) Integrated Developments 2020: 7.25% (2019: 6.75% to 7.25%)	The estimated fair value would increase/(decrease) if the discount rates were lower/ (higher).

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Year ended 31 December 2020

5 INVESTMENT PROPERTIES (continued)

Significant unobservable inputs (continued)

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Discounted cash flow method	**Terminal yield rate** <u>Group</u> *Singapore* Retail 2020: 4.75% to 6.55% (2019: 4.75% to 6.55%) Integrated Developments 2020: 4.00% to 5.10% (2019: 4.00% to 5.10%) Office 2020: 3.45% to 4.20% (2019: Nil) *Germany* Office 2020: 3.90% to 4.25% (2019: Nil) <u>Trust</u> *Singapore* Retail 2020: 4.95% to 6.55% (2019: 4.95% to 6.55%) Integrated Developments 2020: 4.00% to 5.10% (2019: 4.00% to 5.10%)	The estimated fair value would increase/(decrease) if the terminal yield rates were lower/(higher).

6 SUBSIDIARIES

	Trust 2020 $'000	Trust 2019 $'000
Unquoted equity investments, at cost	7,218,201	285,763
Less: Allowance for impairment loss	(43,184)	–
	7,175,017	285,763
Loans to subsidiaries		
– Interest-bearing	1,774,742	1,776,604
– Non-interest-bearing	471,903	67,903
	2,246,645	1,844,507
Less: Allowance for impairment loss	(10,720)	–
	2,235,925	1,844,507
	9,410,942	2,130,270

Loans to subsidiaries are unsecured and are not expected to be repaid in the next twelve months from the reporting date. The interest-bearing loans bear interest rates of 2.14% to 3.26% (2019: 1.86% to 3.26%) per annum. Interest rates are determined by the Trust from time to time.

6 SUBSIDIARIES (continued)

In 2020, allowance for impairment loss amounting to $43,184,000 was recognised in respect of the Trust's investments in Brilliance Mall Trust ("BMT"), Infinity Mall Trust ("IMT") and MSO Trust taking into consideration the fair value of the underlying properties held by BMT, IMT and MSO Trust. The recoverable amount was assessed based on fair value less costs to sell estimated using the revalued net assets of BMT, IMT and MSO Trust and categorised as level 3 on the fair value hierarchy.

The movements in the allowance for impairment loss are as follows:

	Trust	
	2020 **$'000**	**2019** **$'000**
At the beginning of the year	–	2,574
Impairment loss recognised	53,904	–
Reversal of impairment loss	–	(2,574)
At the end of the year	53,904	–

Details of the subsidiaries are as follows:

Name of subsidiaries	Principal place of business/ Country of incorporation	Ownership interest 2020 %	2019 %
CMT MTN Pte. Ltd.[1]	Singapore	100.0	100.0
Brilliance Mall Trust[1]	Singapore	100.0	100.0
Victory Office 1 Trust[1]	Singapore	100.0	100.0
Victory Office 2 Trust[1]	Singapore	100.0	100.0
Infinity Mall Trust[1]	Singapore	100.0	100.0
RCS Trust[1]	Singapore	100.0	40.0
MSO Trust[1]	Singapore	100.0	–
CapitaLand Commercial Trust[1]	Singapore	100.0	–
CCT MTN Pte. Ltd.[1, 2]	Singapore	100.0	–
MVKimi (BVI) Limited[2,3]	Singapore/British Virgin Islands	100.0	–
Asia Square Tower 2 Pte. Ltd.[1, 2]	Singapore	100.0	–
CCT Galaxy One Pte. Ltd.[1,2]	Singapore	100.0	–
CCT Galaxy Two Pte. Ltd.[1,2]	Singapore	100.0	–
CCT Mercury One Pte. Ltd.[1,2]	Singapore	100.0	–
Gallileo Property S.a.r.l.[2,4]	Germany/Luxembourg	94.9	–
MAC Property Company B.V.[2,5]	Germany/Netherlands	94.9	–
MAC Car Park Company B.V.[2,3]	Germany/Netherlands	94.9	–

1 Audited by KPMG LLP Singapore
2 Indirectly held through CapitaLand Commercial Trust
3 These are non-significant entities and are not subject to audit by laws of countries of incorporation
4 Audited by KPMG Luxembourg, Société cooperative
5 Auditors have not been appointed as at 31 December 2020

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

6 SUBSIDIARIES (continued)

CMT MTN Pte. Ltd.

CMT MTN Pte. Ltd. ("CMT MTN") was incorporated on 23 January 2007. The principal activity of this subsidiary is to issue notes under unsecured multi-currency medium term note programmes. The proceeds from such issuances are used by CMT MTN and the Group to refinance the existing borrowings of the Group, to finance the investments comprised in the Trust, to on-lend to any trust, fund or entity in which the Trust has an interest, to finance any asset enhancement works initiated in respect of the Trust or such trust, fund or entity, and to finance the general corporate and working capital purposes in respect of the Group.

Brilliance Mall Trust

BMT is an unlisted special purpose trust established under a trust deed ("BMT Trust Deed") dated 1 September 2010. The principal activity of BMT is to invest in income producing real estate, which is used or substantially used for retail purposes with the primary objective of achieving an attractive level of return from rental income and for long-term capital growth. BMT holds Bedok Mall.

BMT has entered into several service agreements in relation to the management of BMT and its property operations. The fee structures of these services are as follows:

(a) Property management fees

Under the property management agreement, property management fees are charged as follows:

(i) 2.00% per annum of the gross revenue of the property;

(ii) 2.00% per annum of the net property income of the property; and

(iii) 0.50% per annum of the net property income of the property, in lieu of leasing commissions.

The property management fees are payable monthly in arrears.

(b) Management fees

Pursuant to the BMT Trust Deed, the management fees (including the base and performance fee), acquisition fee and divestment fee payable to the Manager pursuant to the Trust's Trust Deed are as stipulated in Note 1.2.

(c) Trustee fees

Pursuant to the BMT Trust Deed, Brilliance Trustee Pte. Ltd. ("BMT Trustee") is entitled to receive trustee's fees of a sum as may be agreed between parties for the provision of trustee services, until the earlier of the removal or resignation of the BMT Trustee, and the termination of BMT, in each case, in accordance with the BMT Trust Deed. BMT Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the BMT Trust Deed.

BMT Trustee's fees are payable annually in arrears.

6 SUBSIDIARIES (continued)

Victory Office 1 Trust

Victory Office 1 Trust ("VO1 Trust") is an unlisted special purpose trust established under a trust deed ("VO1T Trust Deed") dated 30 August 2016.

The principal activity of VO1 Trust is to invest in income producing real estate, which is used or substantially used for commercial purposes with the primary objective of achieving an attractive level of return from rental income and for long-term capital growth. VO1 Trust holds Funan Office 1.

VO1 Trust has entered into several service agreements in relation to the management of VO1 Trust and its property operations. The fee structures of these services are as follows:

(a) Property management fees

Under the property management agreement, property management fees are charged as follows:

(i) 2.00% per annum of the gross revenue of the property;

(ii) 2.00% per annum of the net property income of the property; and

(iii) 0.50% per annum of the net property income of the property, in lieu of leasing commissions.

The property management fees are payable monthly in arrears.

(b) Management fees

Pursuant to the VO1T Trust Deed, the management fees (including the base and performance fee), acquisition fee and divestment fee payable to the Manager pursuant to the Trust's Trust Deed are as stipulated in Note 1.2.

(c) Trustee fees

Pursuant to the VO1T Trust Deed, HSBC Institutional Trust Services (Singapore) Limited as trustee of VO1 Trust ("VO1T Trustee")'s fees is presently charged at a scaled basis of up to 0.03% per annum of the deposited property (subject to a minimum sum of $5,000 per month upon the investment property under development obtaining Temporary Occupation Permit). VO1T Trustee's fee is payable out of the deposited property of VO1 Trust on a quarterly basis, in arrears. VO1T Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the VO1T Trust Deed.

VO1T Trustee's fees are payable quarterly in arrears.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

6 SUBSIDIARIES (continued)

Victory Office 2 Trust

Victory Office 2 Trust ("VO2 Trust") is an unlisted special purpose trust established under a trust deed ("VO2T Trust Deed") dated 30 August 2016.

The principal activity of VO2 Trust is to invest in income producing real estate, which is used or substantially used for commercial purposes with the primary objective of achieving an attractive level of return from rental income and for long-term capital growth. VO2 Trust holds Funan Office 2.

VO2 Trust has entered into several service agreements in relation to the management of VO2 Trust and its property operations. The fee structures of these services are as follows:

(a) Property management fees

Under the property management agreement, property management fees are charged as follows:

(i) 2.00% per annum of the gross revenue of the property;

(ii) 2.00% per annum of the net property income of the property; and

(iii) 0.50% per annum of the net property income of the property, in lieu of leasing commissions.

The property management fees are payable monthly in arrears.

(b) Management fees

Pursuant to the VO2T Trust Deed, the management fees (including the base and performance fee), acquisition fee and divestment fee payable to the Manager pursuant to the Trust's Trust Deed are as stipulated in Note 1.2.

(c) Trustee fees

Pursuant to the VO2T Trust Deed, HSBC Institutional Trust Services (Singapore) Limited as trustee of VO2 Trust ("VO2T Trustee")'s fees is presently charged at a scaled basis of up to 0.03% per annum of the deposited property (subject to a minimum sum of $5,000 per month upon the investment property under development obtaining Temporary Occupation Permit). VO2T Trustee's fee is payable out of the deposited property of VO2 Trust on a quarterly basis, in arrears. VO2T Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the VO2T Trust Deed.

VO2T Trustee's fees are payable quarterly in arrears.

6 SUBSIDIARIES (continued)

Infinity Mall Trust

Infinity Mall Trust ("IMT") is an unlisted special purpose trust established under a trust deed ("IMT Trust Deed") dated 25 May 2011 entered into between the Trustee, CMA Singapore Investments (4) Pte. Ltd., CL JM Pte. Ltd. and JG Trustee Pte. Ltd. (as trustee of Infinity Mall Trust). IMT was 30.0% owned by the Trust, 50.0% by CMA Singapore Investments (4) Pte. Ltd. and 20.0% by CL JM Pte. Ltd.

On 27 August 2018, the Trustee, entered into a conditional unit purchase agreement with CMA Singapore Investments (4) Pte. Ltd. and CL JM Pte. Ltd. to acquire the balance 70.0% of the units in IMT ("Acquisition"). The Acquisition was completed on 1 November 2018 and as a result, IMT became a wholly-owned subsidiary of the Trust.

The principal activity of IMT is to invest in income producing real estate, which is used or substantially used for retail purposes with the primary objective of achieving an attractive level of return from rental income and for long-term capital growth. IMT holds Westgate.

IMT has entered into several service agreements in relation to the management of IMT and its property operations. The fee structures of these services are as follows:

(a) Property management fees

Under the property management agreement, property management fees are charged as follows:

(i) 2.00% per annum of the gross revenue of the property;

(ii) 2.00% per annum of the net property income of the property; and

(iii) 0.50% per annum of the net property income of the property, in lieu of leasing commissions.

The property management fees are payable monthly in arrears.

(b) Management fees

Pursuant to the IMT Trust Deed, the management fees (including the base and performance fee), acquisition fee and divestment fee payable to the Manager pursuant to the Trust's Trust Deed are as stipulated in Note 1.2.

(c) Trustee fees

Pursuant to the IMT Trust Deed, JG Trustee Pte. Ltd. ("IMT Trustee") is entitled to receive trustee's fees of a sum as may be agreed between parties for the provision of trustee services, until the earlier of the removal or resignation of the IMT Trustee, and the termination of IMT, in each case, in accordance with the IMT Trust Deed. IMT Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the IMT Trust Deed.

IMT Trustee's fees are payable annually in arrears.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

6 SUBSIDIARIES (continued)

CapitaLand Commercial Trust

CapitaLand Commercial Trust ("CCT") is an unlisted special purpose trust established under a trust deed dated 6 February 2004 ("CCT Trust Deed").

Following the completion of the Merger on 21 October 2020, CCT became a wholly-owned subsidiary of the Trust and the Manager has replaced CapitaLand Commercial Trust Management Limited as manager of CCT. A new trust deed has been entered into between the Manager and CCT Trustee dated 3 November 2020 ("CCT Trust Deed"), which replaces the trust deed dated 6 February 2004.

The principal activity of CCT is to invest in income producing real estate and real estate related assets, which are used or substantially used for commercial purposes, with the primary objective of achieving an attractive level of return from rental income and for long-term capital growth.

CCT has entered into several service agreements in relation to the management of CCT and its property operations. The fee structures of these services are as follows:

(a) Property management fees

Under the property management agreements, property management fees are charged at 3.00% per annum of the net property income of the properties held under CCT.

The property management fees are payable monthly in arrears.

(b) Management fees

Pursuant to the CCT Trust Deed, the Manager is entitled to receive the amount of management fees which comprise a base component of 0.10% per annum of deposited property of CCT and a performance component of 5.25% per annum of net investment income of CCT for each financial year.

The base and performance components of the management fees are payable quarterly and yearly in arrears respectively.

The Manager's fees shall be paid in the form of cash, in the form of Units or a combination of both as the Manager may elect.

(c) Acquisition fee and divestment fee

Pursuant to the CCT Trust Deed, the Manager is entitled to receive acquisition fee at the rate of 1.0% (or such lower percentage as may be determined by the Manager in its absolute discretion) of the acquisition price and a divestment fee at the rate of 0.5% (or such lower percentage as may be determined by the Manager in its absolute discretion) of the sale price.

The acquisition fee or the divestment fees may, at the option of the Manager, be paid wholly in the form of cash, wholly in the form of Units or a combination of both.

6 SUBSIDIARIES (continued)

CapitaLand Commercial Trust *(continued)*

(d) Trustee fees

Pursuant to the CCT Trust Deed, HSBC Institutional Trust Services (Singapore) Limited as trustee of CCT ("CCT Trustee")'s fees shall not exceed 0.10% per annum of the value of deposited property, subject to a minimum sum of $8,000 per month payable out of the deposited property of CCT. The CCT Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the CCT Trust Deed.

The CCT Trustee's fees are payable quarterly in arrears.

RCS Trust

RCS Trust is an unlisted special purpose trust established under a trust deed ("RCS Trust Trust Deed") dated 18 July 2006 (as amended) entered into between HSBC Institutional Trust Services (Singapore) Limited as trustee-manager ("Trustee-Manager") of RCS Trust, HSBC Institutional Trust Services (Singapore) Limited as trustee of CapitaLand Commercial Trust ("CCT Trustee"), the Trustee, CapitaLand Commercial Trust Management Limited (CCTML as manager of CCT) and the Manager. RCS Trust was 40.0% owned by the Trust and 60.0% owned by CCT. RCS Trust is structured as a separate vehicle and the Group has a residual interest in its net assets. For the year ended 31 December 2019 (FY 2019), the Group had classified its interest in RCS Trust as a joint venture which was equity accounted. Please refer to Note 7.

Following the completion of the Merger on 21 October 2020, all the units held by CCT (which holds CCT's 60.0% interest in Raffles City Singapore) in RCS Trust are now held directly by CICT with CCT Trustee and CCTML removed as parties to the RCS Trust Trust Deed. RCS Trust became a wholly-owned subsidiary of the Trust.

The principal activity of RCS Trust is to invest in income producing real estate, which is used or substantially used for commercial purposes with the primary objective of achieving an attractive level of return from rental income and for long-term capital growth. RCS Trust holds Raffles City Singapore.

RCS Trust has entered into several service agreements in relation to the management of RCS Trust and its property operations. The fee structures of these services are as follows:

(a) Property management fees

Under the property management agreement, property management fees are charged as follows:

(i) 2.00% per annum of the property income of the property; and

(ii) 2.50% per annum of the net property income of the property.

The property management fees are payable monthly in arrears.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

6 SUBSIDIARIES (continued)

***RCS Trust** (continued)*

(b) Management fees

Pursuant to the RCS Trust Trust Deed, the management fees comprise a base component of 0.25% per annum of the value of deposited property of RCS Trust and a performance component of 4.00% per annum of the net property income of RCS Trust, including all its authorised investments for the time being held or deemed to be held upon the trusts of the RCS Trust Trust Deed.

The management fees shall be paid entirely in the form of units or, with the approval of the Manager, either partly in units and partly in cash or wholly in cash.

The base and performance components of the management fees are payable quarterly and yearly in arrears respectively.

(c) RCS Trust Trustee-Manager's fees

Pursuant to the RCS Trust Trust Deed, the RCS Trust Trustee-Manager's fees shall not exceed 0.10% per annum of the value of deposited property of RCS Trust, as defined in the RCS Trust Trust Deed (subject to a minimum sum of $15,000 per month), payable out of the deposited property of RCS Trust. The RCS Trust Trustee-Manager is also entitled to reimbursement of expenses incurred in the performance of its duties under the RCS Trust Trust Deed.

RCS Trust Trustee-Manager's fees are payable quarterly in arrears.

MSO Trust

MSO Trust is an unlisted special purpose trust constituted under a trust deed ("MSOT Trust Deed") dated 15 June 2011.

Following the completion of the Merger on 21 October 2020, all the units held by CCT in MSO Trust are now held directly by CICT. MSO Trust became a wholly-owned subsidiary of the Trust and the Manager has replaced CapitaLand Commercial Trust Management Limited as manager of MSO Trust.

The principal activity of MSO Trust is to invest in income producing real estate and real estate related assets, which are used or substantially used for commercial purposes, with the primary objective of achieving an attractive level of return from rental income and for long-term capital growth. MSO Trust holds CapitaGreen.

MSO Trust has entered into several service agreements in relation to the management of MSO Trust and its property operations. The fee structures of these services are as follows:

(a) Property management fee

Under the property management agreement, property management fees are charged at 3.00% per annum of the net property income of the property.

The property management fees are payable monthly in arrears.

6 SUBSIDIARIES (continued)

***MSO Trust** (continued)*

(b) Management fees

Pursuant to the MSOT Trust Deed, the Manager is entitled to receive the amount of management fees which comprise a base component of 0.10% per annum of the value of deposited property of MSO Trust and a performance component of 5.25% per annum of the net investment income of the MSO Trust for each financial year.

The base and performance components of the asset management fees are payable quarterly and yearly in arrears, respectively.

(c) Trustee's fees

Pursuant to the MSOT Trust Deed, HSBC Institutional Trust Services (Singapore) Limited as trustee of MSO Trust ("MSOT Trustee")'s fees shall not exceed 0.10% per annum of the value of deposited property of MSO Trust, subject to a minimum sum of $8,000 per month payable out of the deposited property of MSO Trust. MSOT Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the MSOT Trust Deed.

The MSOT Trustee's fees are payable quarterly in arrears.

7 JOINT VENTURES

	Group		Trust	
	2020 $'000	2019 $'000	**2020 $'000**	2019 $'000
Investment in joint ventures	338,669	840,851	61,925	593,041
Loans to joint ventures	169,450	–	146,950	–
	508,119	840,851	208,875	593,041

Loans to joint ventures are unsecured and are not expected to be repaid in the next twelve months from the reporting date. The loans bear interest rate of 2.5% per annum (2019: Nil). Interest rates are determined by the Trust from time to time.

Details of the joint ventures are as follows:

Name of joint ventures	Principal place of business/Country of incorporation	Ownership interest	
		2020 %	2019 %
RCS Trust[1,2]	Singapore	100.0	40.0
Infinity Office Trust[1]	Singapore	30.0	30.0
One George Street LLP[1,3]	Singapore	50.0	–
Glory Office Trust[1]	Singapore	45.0	–
Glory SR Trust[1,3]	Singapore	45.0	–

1 Audited by KPMG LLP Singapore
2 On 21 October 2020, the Group's equity interest in RCS Trust increased from 40.0% to 100.0% and RCS Trust became a subsidiary from that date (see notes 6 and 32).
3 Indirectly held through CapitaLand Commercial Trust

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

7 JOINT VENTURES (continued)

RCS Trust

Following the completion of the Merger on 21 October 2020, all the units held by CCT (which holds CCT's 60.0% interest in Raffles City Singapore) in RCS Trust are now held directly by CICT with CCT Trustee and CCTML removed as parties to the RCS Trust Trust Deed. RCS Trust became a wholly-owned subsidiary of the Trust. Please refer to Note 6.

Infinity Office Trust

Infinity Office Trust is an unlisted special purpose trust established under a trust deed ("Infinity Office Trust Trust Deed") dated 25 May 2011 entered into between the Trustee, CMA Singapore Investments (5) Pte. Ltd., CL JO Pte. Ltd. and JG2 Trustee Pte. Ltd. (as trustee of Infinity Office Trust). Infinity Office Trust is 30.0% owned by the Trust, 50.0% by CMA Singapore Investments (5) Pte. Ltd. and 20.0% by CL JO Pte. Ltd. Infinity Office Trust is structured as a separate vehicle and the Group has a residual interest in its net assets. Accordingly the Group has classified its interest in Infinity Office Trust as a joint venture which is equity accounted.

On 23 January 2014, JG2 Trustee Pte. Ltd., in its capacity as trustee of Infinity Office Trust and JG Trustee Pte. Ltd., in its capacity as trustee of Infinity Mall Trust entered into a sale and purchase agreement to sell all the office strata units in Westgate Tower to Westgate Commercial Pte. Ltd. and Westgate Tower Pte. Ltd. for an aggregate consideration of $579.4 million. On 20 October 2016, the strata titles of the office strata units were issued and the sale of all the office strata units in Westgate Tower was completed. Following the sale of all the office strata units in Westgate Tower, Infinity Office Trust became dormant.

One George Street LLP

One George Street LLP ("OGS LLP") is a limited liability partnership formed on 28 April 2017 between HSBC Institutional Trust Services (Singapore) Limited as Trustee of CapitaLand Commercial Trust ("CCT Trustee") and OGS (II) Limited (the "JV Partner"), a special purpose vehicle owned by insurer FWD Group (which is unrelated to the Trust). OGS LLP is 50.0% owned by CCT Trustee and the JV Partner respectively. OGS LLP holds One George Street, a Grade A office tower.

As at 31 December 2020, secured bank loans at OGS LLP amount to $580.0 million. The Group's 50.0% interest thereof is $290.0 million.

Glory Office Trust and Glory SR Trust

Glory Office Trust ("GOT") and Glory SR Trust ("GSRT") are unlisted special purpose trusts constituted under trust deed dated 28 February 2017, entered between CL Office Trustee Pte. Ltd. and Glory SR Trustee Pte. Ltd. as trustee-manager of GOT and GSRT respectively, the CCT Trustee and CapitaLand Commercial Trust Management Pte Ltd ("CCT Manager").

On 12 July 2017, the CCT Trustee and the CCT Manager entered into a joint venture agreement with CapitaLand Singapore Limited ("CLS") and Mitsubishi Estate Asia Pte. Ltd. ("MEA"). Under the agreement, CCT, CLS and MEA own 45.0%, 45.0% and 10.0% equity interest respectively in GOT and GSRT respectively.

The special purpose trusts will carry out the re-development of the former Golden Shoe Car Park to an integrated commercial and serviced residence development, CapitaSpring.

On 21 October 2020, following the completion of the Merger, all the units held by CCT in GOT are now held directly by CICT.

7 JOINT VENTURES (continued)

Glory Office Trust and Glory SR Trust *(continued)*

Based on the unitholder's loan agreements dated 22 September 2017 between CCT Trustee, GOT and GSRT respectively, CCT agreed to make available to GOT and GSRT one or more loans up to an aggregate principal amount of $536.0 million, for the purpose of joint re-development. The unitholder loan agreement between CCT and GOT with outstanding principal of $136.4 million was novated to CICT with effect from 21 October 2020.

As at 31 December 2020, the Group and Trust had provided $22.5 million (2019: Nil) and $136.4 million (2019: Nil) as unitholder's loans to GSRT and GOT respectively.

The Group has also provided sponsors' undertakings on cost overrun, interest shortfall, security margin and project completion, in respect of its 45.0% interest in each of GOT and GSRT, on the $1,180.0 million bank facility granted to GOT and GSRT, the Group's 45.0% interest is $531.0 million. As at 31 December 2020, the amount drawn down under the bank facility is $974.0 million, Group's 45.0% interest is $438.3 million (2019: Nil).

Immaterial joint ventures

The Group has interests in a number of individually immaterial joint ventures. The following table summarises, in aggregate, the share of total return for the year and movements in Unitholders' Funds of these immaterial joint ventures that are accounted for using the equity method:

	Group	
	2020	2019
	$'000	$'000
Carrying amount of interests in individually immaterial joint ventures at the beginning of the year	840,851	828,545
Group's share of total return for the year	(14,106)	70,835
Acquisition during the year (Note 32)	337,994	–
Derecognition during the year	(797,387)	–
Distributions received and receivable during the year	(32,832)	(62,658)
Group's share of movement in Unitholders' funds	4,149	4,129
Carrying amount of interests in individually immaterial joint ventures at the end of the year	338,669	840,851
Group's share of joint ventures' capital commitments	57,146	3,288

8 EQUITY INVESTMENTS AT FAIR VALUE

	Group		Trust	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
Quoted equity investments at FVOCI	218,686	214,742	185,399	214,742

The Group designated the investments shown below as equity investments at FVOCI because these equity investments represent investments that the Group intends to hold for the long-term for strategic purposes.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

8 EQUITY INVESTMENTS AT FAIR VALUE (continued)

	Group Fair value 2020 $'000	Group Fair value 2019 $'000
Investment in CapitaLand China Trust ("CLCT") (formerly known as CapitaLand Retail China Trust)	185,399	214,742
Investment in Sentral REIT (formerly known as MRCB-Quill REIT)	33,287	–
	218,686	214,742

Quoted equity investments represents the Group's and the Trust's 8.9% (2019: 11.0%) interest in CLCT and the Group's 10.9% (2019: Nil) interest in Sentral REIT.

The principal activities of CLCT are those relating to investment on a long-term basis in a diversified portfolio of income-producing real estate and real estate-related assets in China, Hong Kong and Macau that are used primarily for retail, office and industrial purposes (including business parks, logistics facilities, data centres and integrated developments). The principal activities of Sentral REIT are to own and invest in commercial properties, primarily in Malaysia.

The fair value of the investments in CLCT and Sentral REIT represent 0.8% (2019:1.8%) and 0.1% (2019: Nil) of the Group's total assets as at 31 December 2020 respectively.

9 FINANCIAL DERIVATIVES

	Group		Trust	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Non-current asset				
Cross currency swaps	31,064	25,001	–	–
Current asset				
Cross currency swaps	6,366	–	–	–
Current liabilities				
Cross currency swaps	2,791	2,542	–	–
Interest rate swaps	5,275	–	–	–
Forward exchange contracts	611	–	–	–
	8,677	2,542	–	–
Non-current liabilities				
Cross currency swaps	47,718	30,362	–	–
Interest rate swaps	12,567	775	9,980	775
	60,285	31,137	9,980	775
Total financial derivative assets	37,430	25,001	–	–
Total financial derivative liabilities	68,962	33,679	9,980	775

9 FINANCIAL DERIVATIVES (continued)

At the reporting date, the notional principal amounts of the financial derivatives were as follows:

	Group		Trust	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
Cross currency swaps	1,875,402	1,524,098	–	–
Interest rate swaps	1,260,000	180,000	180,000	180,000
Forward exchange contracts	15,107	–	–	–
	3,150,509	1,704,098	180,000	180,000

Offsetting financial assets and financial liabilities

The disclosures set out in the tables below include financial assets and financial liabilities that are subject to an enforceable master netting arrangement, irrespective of whether they are offset in the Statement of Financial Position.

The Group entered into International Swaps and Derivatives Association ("ISDA") Master Agreements with various bank counterparties ("ISDA Master Agreement"). In certain circumstances following the occurrence of a termination event as set out in an ISDA Master Agreement, all outstanding transactions under such ISDA Master Agreement may be terminated and the early termination amount payable to one party under such agreements may be offset against amounts payable to the other party such that only a single net amount is due or payable in settlement of all transactions.

In accordance with accounting standards, the swaps presented below are not offset in the Statement of Financial Position as the right of set-off of recognised amounts is enforceable only following the occurrence of a termination event as set out in such ISDA Master Agreement. In addition the Group and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

9 FINANCIAL DERIVATIVES (continued)

Financial instruments that are subject to an enforceable master netting arrangements

	Gross amounts of recognised financial instruments $'000	Gross amounts of recognised financial instruments offset in the Statement of Financial Position $'000	Net amounts of financial instruments presented in the Statement of Financial Position $'000	Related amounts not offset in the Statement of Financial Position – Financial instruments $'000	Net amount $'000
Group					
31 December 2020					
Financial assets					
Cross currency swaps	37,430	–	37,430	(8,897)	28,533
Financial liabilities					
Cross currency swaps	50,509	–	50,509	(8,897)	41,612
Interest rate swaps	17,842	–	17,842	–	17,842
Forward exchange contracts	611	–	611	–	611
31 December 2019					
Financial assets					
Cross currency swaps	25,001	–	25,001	(4,922)	20,079
Financial liabilities					
Cross currency swaps	32,904	–	32,904	(4,922)	27,982
Interest rate swaps	775	–	775	–	775
Trust					
31 December 2020					
Financial liabilities					
Interest rate swaps	9,980	–	9,980	–	9,980
31 December 2019					
Financial liabilities					
Interest rate swaps	775	–	775	–	775

10 DEFERRED TAX

	At 1 January 2020 $'000	Acquisition of subsidiary (Note 32) $'000	Recognised in Statement of Total Return (Note 26) $'000	Translation differences $'000	At 31 December 2020 $'000
Group					
Deferred tax asset					
Revaluation loss from acquisition of subsidiary	–	10,412	–	–	10,412
Deferred tax liability					
Fair value changes of investment properties	–	(5,390)	618	66	(4,706)
Net deferred tax assets	–	5,022	618	66	5,706

Deferred tax liabilities and assets are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The amounts determined after appropriate offsetting are included in the Statement of Financial Position as follows:

	Group	
	2020 $'000	2019 $'000
Deferred tax asset	10,412	–
Deferred tax liability	(4,706)	–

Deferred tax liability relates to the taxable temporary differences in respect of the fair value changes of overseas investment properties held by the Group, with the fair value change only becoming taxable upon an eventual disposal of the investment properties.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

11 TRADE AND OTHER RECEIVABLES

	Group		Trust	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
Trade receivables	62,294	8,031	14,303	6,703
Less: Allowance for impairment loss	(3,117)	–	(1,208)	–
Net trade receivables	59,177	8,031	13,095	6,703
Amounts due from related parties (non-trade)	822	14,635	132	14,624
Amounts due from subsidiaries (non-trade)	–	–	62,024	8,532
Amounts due from joint ventures (non-trade)	4,606	–	–	–
Deposits	1,413	637	604	588
Interest receivables	747	257	4,286	153
Other receivables	3,231	909	922	868
	69,996	24,469	81,063	31,468
Prepayments	13,004	1,922	1,400	1,522
	83,000	26,391	82,463	32,990

The non-trade amounts due from related parties, subsidiaries and joint ventures are unsecured, interest-free and repayable on demand.

12 CASH AND CASH EQUIVALENTS

	Group		Trust	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
Cash at bank and in hand	183,617	9,947	29,320	8,466
Fixed deposits with financial institutions	–	192,251	–	147,631
Cash and cash equivalents in the statements of cash flows	183,617	202,198	29,320	156,097

The weighted average effective interest rate relating to cash and cash equivalents at the reporting date for the Group and Trust are 0.20% (2019: 1.79%) and 0.23% (2019: 1.84%) per annum respectively.

13 TRADE AND OTHER PAYABLES

	Group		Trust	
	2020 $'000	2019 $'000	**2020 $'000**	2019 $'000
Current				
Trade payables and accrued operating expenses	178,623	92,313	77,706	78,599
Amounts due to related parties (trade)	44,919	33,825	19,158	27,501
Deposits and advances	22,478	11,732	8,143	9,625
Interest payable	46,988	28,987	29,435	28,987
	293,008	166,857	134,442	144,712
Non-current				
Amount due to a subsidiary (non-trade)	–	–	633,900	–
Amount due to non-controlling interest (non-trade)	439	–	–	–
Deferred income	1,028	–	–	–
	1,467	–	633,900	–

Included in the trade payables and accrued operating expenses of the Group and the Trust was an amount due to the Trustee of $814,000 (2019: $347,000) and $389,000 (2019: $347,000) respectively.

The amounts due to related parties (trade) of the Group mainly relate to amounts due to the Manager of $40,416,000 (2019: $30,309,000) and the Property Manager and CapitaLand Commercial Management Pte. Ltd. of $2,011,000 (2019: $2,645,000). The amounts due to related parties (trade) of the Trust mainly relate to amounts due to the Manager of $17,139,000 (2019: $24,607,000) and the Property Manager of $674,000 (2019: $2,164,000).

The non-trade amount due to a subsidiary is unsecured, interest-free, and not repayable within the next twelve months.

The non-trade amount due to non-controlling interest is unsecured, bears a fixed interest rate of 2.7% per annum and is repayable by 27 June 2038.

14 LOANS AND BORROWINGS

	Group		Trust	
	2020 $'000	2019 $'000	**2020 $'000**	2019 $'000
Current				
Medium term notes ("MTN notes")	399,544	223,927	–	–
Retail bonds	350,000	–	350,000	–
Bank loans	183,000	36,210	3,000	36,210
Term loans	–	–	62,000	226,000
Unamortised transaction costs	(612)	(330)	(508)	(330)
	931,932	259,807	414,492	261,880

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

14 LOANS AND BORROWINGS (continued)

	Group 2020 $'000	Group 2019 $'000	Trust 2020 $'000	Trust 2019 $'000
Non-current				
MTN notes	3,440,141	2,349,129	–	–
Euro-Medium term notes ("EMTN notes")	1,091,184	351,969	–	–
Retail bonds	–	350,000	–	350,000
Bank loans	3,277,216	256,700	1,199,947	256,700
Term loans	–	–	2,941,287	2,678,098
Unamortised transaction costs	(14,228)	(6,728)	(8,814)	(6,728)
	7,794,313	3,301,070	4,132,420	3,278,070
Total loans and borrowings	8,726,245	3,560,877	4,546,912	3,539,950

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

	Nominal interest rate %	Year of maturity	2020 Face value $'000	2020 Carrying amount $'000	2019 Face value $'000	2019 Carrying amount $'000
Group						
Unsecured						
Retail bonds	3.08	2021	350,000	349,958	350,000	349,657
USD fixed rate MTN notes	3.61	2029	396,510	395,597	404,106	403,090
JPY fixed rate MTN and EMTN notes	0.73 – 1.04	2020 to 2027	128,610	128,432	123,927	123,893
JPY floating rate MTN notes	3 months JPY LIBOR + Margin	2021 to 2023	366,253	366,181	168,541	168,417
HKD fixed rate MTN and EMTN notes	2.27 – 3.84	2021 to 2030	1,011,004	1,009,804	848,451	847,244
SGD fixed rate MTN notes	2.15 – 3.75	2020 to 2032	3,028,492	3,024,794	1,380,000	1,377,736
SGD bank loans	SOR + Margin	2020 to 2027	2,506,682	2,500,492	292,910	290,840
EUR bank loans	0.48 – 1.18	2023 to 2026	526,704	525,391	–	–
			8,314,255	8,300,649	3,567,935	3,560,877
Secured						
EUR bank loans	0.75 – 1.33	2025 to 2026	426,830	425,596	–	–
			426,830	425,596	–	–
Total loans and borrowings			8,741,085	8,726,245	3,567,935	3,560,877

14 LOANS AND BORROWINGS (continued)

	Nominal interest rate %	Year of maturity	2020 Face value $'000	2020 Carrying amount $'000	2019 Face value $'000	2019 Carrying amount $'000
Trust						
Unsecured						
Retail bonds	3.08	2021	350,000	349,958	350,000	349,657
SGD fixed rate term loans from CMT MTN	2.15 – 3.75	2020 to 2032	3,003,287	2,998,706	2,904,098	2,899,453
SGD bank loans	SOR + Margin	2020 to 2027	1,202,947	1,198,248	292,910	290,840
Total loans and borrowings			4,556,234	4,546,912	3,547,008	3,539,950

JPY LIBOR – Japanese Yen London Interbank Offered Rate
SOR – Swap Offer Rate

The loans and borrowings comprise the following:

(1) *Unsecured retail bonds of the Trust*

On 20 February 2014, the Trustee issued $350.0 million in principal amount of bonds under the $2.5 billion Retail Bond Programme which carry an interest of 3.08% per annum, fully repayable on 20 February 2021.

(2) *Unsecured bank loans of the Trust*

As at 31 December 2020, the Trust has drawn on $1,202.9 million (2019: $292.9 million) of unsecured bank loans with maturities up to 7 years (2019: up to 7 years) from various banks.

(3) *Unsecured MTN notes and EMTN notes of CMT MTN*

The Group has a $7.0 billion Multicurrency Medium Term Note Programme ("MTN Programme") and a USD3.0 billion Euro-Medium Term Note Programme ("EMTN Programme").

At 31 December 2020, notes issued by CMT MTN were as follows:

– under the MTN Programme:

(i) $1,530.0 million (2019: $1,380.0 million) of fixed rate notes maturing from 2023 to 2032 (2019: 2020 to 2031);

(ii) JPY13.6 billion (2019: JPY13.6 billion) of floating rate notes maturing from 2021 to 2023 (2019: 2021 to 2023);

(iii) HKD3.3 billion (2019: HKD2.9 billion) of fixed rate notes maturing from 2025 to 2030 (2019: 2025 to 2027); and

(iv) USD300.0 million (2019: USD300.0 million) of fixed rate notes maturing in 2029 (2019: 2029).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

14 LOANS AND BORROWINGS (continued)

(3) Unsecured MTN notes and EMTN notes of CMT MTN (continued)

– under the EMTN Programme:

(i) HKD2.0 billion (2019: HKD2.0 billion) of fixed rate notes maturing from 2022 to 2023 (2019: 2022 to 2023).

CMT MTN has entered into cross currency swaps to swap the abovementioned foreign currency notes to Singapore dollars proceeds.

(4) Unsecured MTN notes of CCT MTN

The Group has a $2.0 billion Multicurrency Medium Term Note Programme ("CCT MTN Programme").

At 31 December 2020, notes issued by CCT MTN were as follows:

(i) $725.0 million (2019: Nil) of fixed rate notes maturing from 2021 to 2025;

(ii) JPY14.9 billion (2019: Nil) of floating rate notes maturing from 2021 to 2023;

(iii) JPY10.0 billion (2019: Nil) of fixed rate notes maturing in 2027; and

(iv) HKD585.0 million (2019: Nil) of fixed rate notes maturing in 2021.

CCT has entered into cross currency swaps to swap the abovementioned foreign currency notes to Singapore dollars proceeds.

(5) Unsecured bank loans of CCT

As at 31 December 2020, CCT has drawn on $1,317.4 million (2019: Nil) of unsecured bank loans with maturities up to 7 years (2019: Nil) from various banks.

(6) Secured bank loans

a) Loan facilities for Gallileo Co.

Under the loan agreement between the bank and Gallileo Co., the bank has granted Gallileo Co. secured loan facilities of EUR140.0 million.

As at 31 December 2020, Gallileo Co. has drawn down EUR140.0 million (2019: Nil), at a fixed interest rate of 1.33% per annum (2019: Nil).

As security for the facilities granted to Gallileo Co., Gallileo Co. has granted in favour of the banks the following:

(i) Land charges over Gallileo;
(ii) Assignment of claims for restitution; and
(iii) Assignment of rights and claims arising from rental and lease agreements.

14 LOANS AND BORROWINGS (continued)

(6) Secured bank loans (continued)

b) Loan facilities for MAC Property Company B.V. and MAC Car Park Company B.V. (MAC entities)

Under the loan agreement between the bank and the MAC entities, the bank has granted the MAC entities secured loan facilities of EUR121.9 million.

As at 31 December 2020, MAC entities has drawn down EUR121.9 million (2019: Nil), at a fixed interest rate of 0.75% per annum (2019: Nil).

As security for the facilities granted to MAC entities, the MAC entities have granted in favour of the banks the following:

(i) Land charges over Main Airport Center;
(ii) Assignment of claims for return of security;
(iii) Assignment of rights and claims arising under lease agreements; and
(iv) Pledge of account balances.

(7) Euro Medium Term Note Programme ("EMTN") of RCS Trust

RCS Trust has a USD2.0 billion Euro-Medium Term Note Programme ("RCS EMTN Programme").

At 31 December 2020, notes issued under RCS EMTN Programme comprised $725.0 million (2019: Nil) of fixed rate notes maturing from 2023 to 2025.

(8) Unsecured bank loans of RCS Trust

As at 31 December 2020, RCS Trust has drawn on $513.0 million (2019: Nil) of unsecured bank loans with maturities up to 6 years (2019: Nil) from various banks.

Reconciliation of movements of liabilities to cash flows arising from financing activities:–

			Non-cash changes					
	1 January 2020 $'000	Financing cashflows[1] $'000	Interest expense $'000	Acquisition of subsidiary $'000	Foreign exchange movement $'000	Change in fair value $'000	Other changes $'000	31 December 2020 $'000
Group								
Loans and borrowings[2]	3,589,864	905,256	133,121	4,174,950	(26,977)	–	(2,981)	8,773,233
Lease liabilities	11,322	(2,993)	310	–	–	–	51	8,690
Financial derivatives	8,678	(6,924)	–	5,447	–	25,518	(1,187)	31,532
	3,609,864	895,339	133,431	4,180,397	(26,977)	25,518	(4,117)	8,813,455

			Non-cash changes					
	Adjusted balance at 1 January 2019 $'000	Financing cashflows[1] $'000	Interest expense/ capitalised $'000	Acquisition of subsidiary $'000	Foreign exchange movement $'000	Change in fair value $'000	Other changes $'000	31 December 2019 $'000
Group								
Loans and borrowings[2]	3,655,704	(204,149)	119,774	–	25,744	–	(7,209)	3,589,864
Lease liabilities	9,624	(4,061)	354	–	–	–	5,405	11,322
Financial derivatives	35,784	(7,109)	–	–	–	(19,998)	1	8,678
	3,701,112	(215,319)	120,128	–	25,744	(19,998)	(1,803)	3,609,864

[1] Net of proceeds from loans and borrowings, repayment of loans and borrowings, settlement of financial derivatives, payment of lease liabilities, interest paid and payment of transactions costs related to loans and borrowings.
[2] Includes interest payable.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

15 LEASE LIABILITIES

	Group		Trust	
	2020 **$'000**	2019 $'000	**2020** **$'000**	2019 $'000
Current				
Lease liabilities	2,248	2,865	2,008	2,107
Non-current				
Lease liabilities	6,442	8,457	6,442	8,217
Total lease liabilities	8,690	11,322	8,450	10,324

Amounts recognised in Statement of Total Return

	2020 **$'000**	2019 $'000
Group		
Leases under the principles of FRS 116		
Expenses relating to short-term leases	861	868
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	1	1

Amounts recognised in Statement of Cash Flows

	2020 **$'000**	2019 $'000
Group		
Total cash outflow for leases	3,854	4,929

16 UNITHOLDERS' FUNDS

Hedging reserves

Hedging reserves comprise the effective portion of the cumulative net change in the fair value of hedging instruments related to hedged transactions that have yet to mature.

Foreign currency translation reserves

Foreign currency translation reserves comprise the foreign exchange differences arising from the translation of the financial statements of foreign entities, the effective portion of the hedging instrument which is used to hedge against the Group's net investment in foreign currencies as well as from the translation of foreign currency loans that are considered to form part of the Group's net investments in foreign subsidiaries.

Fair value reserves

Fair value reserves comprise the cumulative net change in the fair value of equity investments at FVOCI until the asset is derecognised.

17 NON-CONTROLLING INTERESTS

Non-controlling interests relate to 5.1% ownership interest held by NCI in MAC entities and Gallileo Co. respectively. There is no material NCI to the Group.

18 UNITS IN ISSUE

	Group and Trust	
	2020	2019
	'000	'000
Units in issue:		
At 1 January	3,688,804	3,686,902
Units created:		
– payment of management fees in relation to the Trust's 40.0% interest in RCS Trust[(a)]	1,350	1,902
– consideration units in respect of the Merger[(b)]	2,780,550	–
Total issued units at 31 December	6,470,704	3,688,804
Units to be issued:		
– payment of management fees	2,889	–
Total issued and issuable units at 31 December	6,473,593	3,688,804

Units issued during the year were as follows:

(a) 1,350,480 (2019: 1,902,785) Units were issued at issue price of $2.4248 (2019: $2.2892 to $2.6265) per Unit, amounting to $3,274,644 (2019: $4,471,721) issued as payment of the 50.0% base component of the management fee for the period from 1 October 2019 to 31 December 2019 (2019: 1 October 2018 to 30 September 2019) and the performance component of the management fee for the period from 1 January 2019 to 31 December 2019 (2019: 1 January 2018 to 31 December 2018) in relation to the Trust's 40.0% interest in RCS Trust when it was a joint venture. The remaining 50.0% of the base component of the management fee were paid in cash.

(b) On 28 October 2020, 2,780,549,536 Units, amounting to $5,310,850,000 were issued to the unitholders of CCT as partial consideration in respect of the Merger. The balance consideration was settled in cash.

Each unit in the Trust represents an undivided interest in the Trust. The rights and interests of Unitholders are contained in the Trust Deed and include the right to:

- Receive income and other distributions attributable to the units held;

- Participate in the termination of the Trust by receiving a share of all net cash proceeds derived from the realisation of the assets of the Trust less any liabilities, in accordance with their proportionate interests in the Trust. However, a Unitholder has no equitable or proprietary interest in the underlying assets of the Trust and is not entitled to the transfer to it of any assets (or part thereof) or of any estate or interest in any asset (or part thereof) of the Trust;

- Attend all Unitholders meetings. The Trustee or the Manager may (and the Manager shall at the request in writing of not less than 50 Unitholders or one-tenth in number of the Unitholders, whichever is lesser) at any time convene a meeting of Unitholders in accordance with the provisions of the Trust Deed; and

- One vote per unit.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

18 UNITS IN ISSUE (continued)

The restrictions of a Unitholder include the following:

- A Unitholder's right is limited to the right to require due administration of the Trust in accordance with the provisions of the Trust Deed; and
- A Unitholder has no right to request the Manager to redeem his units while the units are listed on SGX-ST.

A Unitholder's liability is limited to the amount paid or payable for any units in the Trust. The provisions of the Trust Deed provide that no Unitholders will be personally liable for indemnifying the Trustee or any creditor of the Trustee in the event that liabilities of the Trust exceed its assets.

19 GROSS REVENUE

	Group	
	2020	2019
	$'000	$'000
Gross rental income	697,617	722,437
Car park income	17,665	19,842
Others	29,927	44,457
	745,209	786,736

Gross rental income includes rental waivers granted by landlord to tenants affected by Covid-19 pandemic of $128,410,000 (2019: Nil).

20 PROPERTY OPERATING EXPENSES

	Group	
	2020	2019
	$'000	$'000
Property tax	68,574	67,501
Utilities	19,397	18,086
Property management fees	26,765	29,912
Property management reimbursements	42,954	43,235
Marketing	17,538	20,249
Maintenance	49,334	44,163
Others	7,907	5,375
	232,469	228,521

21 INTEREST AND OTHER INCOME

	Group	
	2020	2019
	$'000	$'000
Interest income:		
– financial institutions	979	6,446
– joint ventures	783	–
Other income	485	653
	2,247	7,099

22 INVESTMENT INCOME

	Group	
	2020	2019
	$'000	$'000
Distribution income from equity investment at fair value	12,511	–

23 MANAGEMENT FEES

	Group	
	2020	2019
	$'000	$'000
Base fees	29,153	26,637
Performance fees	21,523	23,599
	50,676	50,236

24 FINANCE COSTS

	Group	
	2020	2019
	$'000	$'000
Interest expense	130,139	115,705
Transaction costs	2,982	2,432
Interest from lease liabilities	310	354
	133,431	118,491

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

25 NET INCOME BEFORE SHARE OF RESULTS OF ASSOCIATE AND JOINT VENTURES

In FY 2020, net income before share of results of associate and joint ventures includes government grant income and government grant expense in relation to the rental relief from Singapore Government of $104,562,000 and $96,100,000 respectively.

26 TAXATION

	Group	
	2020	2019
	$'000	$'000
Current tax expense		
Current year	700	–
Over provision in prior years	(143)	–
	557	–
Deferred tax expense		
Origination and reversal of temporary difference	(618)	–
Total taxation	(61)	–
Reconciliation of effective tax rate		
Total return for the year before tax	349,679	696,930
Tax calculated using Singapore tax rate of 17%	59,445	118,478
Effects of results of equity-accounted investees presented net of tax	6,918	(4,516)
Effect of tax rates in foreign jurisdictions	82	–
Tax deductible items	(3,568)	(37,758)
Non-taxable income	–	(1,133)
Tax transparency	(62,795)	(75,071)
Over provision in prior years	(143)	–
	(61)	–

27 EARNINGS PER UNIT

Basic earnings per unit

The calculation of basic earnings per unit is based on the total return attributable to Unitholders for the year and weighted average number of units during the year.

	Group	
	2020 **$'000**	2019 $'000
Total return attributable to Unitholders	349,819	696,930

	Group	
	2020 **'000**	2019 '000
Issued units at beginning of the year	3,688,804	3,686,902
Creation of new units during the year:		
– management fees in relation to the Trust's 40.0% interest in RCS Trust	1,136	1,397
– consideration units in respect of the Merger	493,814	–
– issuable as payment of management fees	8	–
Weighted average number of units at the end of the year	4,183,762	3,688,299

	Group	
	2020 **cents**	2019 cents
Basic earnings per unit	8.36	18.90

Diluted earnings per unit

In calculating diluted earnings per unit, the weighted average number of units during the year are adjusted for the effects of all dilutive potential units, calculated as follows:

	Group	
	2020 **'000**	2019 '000
Weighted average number of units		
Weighted average number of units used in calculation of basic earnings per unit	4,183,762	3,688,299
– effect of payment of management fees	2,881	–
Weighted average number of units at the end of the year	4,186,643	3,688,299

	Group	
	2020 **cents**	2019 cents
Diluted earnings per unit	8.35	18.90

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Year ended 31 December 2020

28 RELATED PARTIES

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the parties or exercise significant influence over the parties in making financial and operating decisions, or vice versa, or where the Group and the parties are subject to common significant influence. Related parties may be individuals or other entities. The Manager, Property Manager and Project Manager (CapitaLand Project Management Pte Ltd) are subsidiaries of a substantial Unitholder of the Trust. In the normal course of the operations of the Trust, management fees and trustee's fees have been paid or are payable to the Manager and Trustee respectively. The property management fees and property management reimbursements are payable to the Property Manager.

During the financial year, other than those disclosed elsewhere in the financial statements, the following were significant related party transactions carried out in the normal course of business:

	Group	
	2020	2019
	$'000	$'000
Asset enhancement works and consultancy fees paid/payable to related companies of the Manager	152	1,318
Other expenses paid/payable to related companies of the Manager	9,920	7,714
Rental and other income received/receivable from related companies of the Manager	1,563	2,303

29 FINANCIAL RISK MANAGEMENT

Capital management

The board of directors of the Manager ("the Board") proactively reviews the Group's and the Trust's capital and debt management and financing policy regularly so as to optimise the Group's and the Trust's funding structure. Capital consists of Unitholders' funds of the Group. The Board also monitors the Group's and the Trust's exposure to various risk elements and externally imposed requirements by closely adhering to clearly established management policies and procedures.

The Trust is subject to the aggregate leverage limit as defined in the Property Funds Appendix of the CIS code. The CIS code stipulates that the total borrowings and deferred payments (together the "Aggregate Leverage") of a property fund should not exceed 50.0% (2019: 45.0%) of the fund's Deposited Property. The Trust has complied with the Aggregate Leverage limit of 50.0% (2019: 45.0%) during the financial year. There were no changes in the Group's and the Trust's approach to capital management during the financial year.

Overview of risk management

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The Manager continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Audit Committee oversees how the Manager monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

29 FINANCIAL RISK MANAGEMENT (continued)

Credit risk

Credit risk is the potential financial loss resulting from the failure of a tenant or a counterparty to settle its financial and contractual obligations to the Group, as and when they fall due.

Exposure to credit risk

Trade receivables

The Manager has established credit limits for customers and monitors their balances on an ongoing basis. Credit evaluations are performed by the Manager before lease agreements are entered into with tenants.

At 31 December 2020 and 31 December 2019, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying value of each financial asset on the Statement of Financial Position.

During the year ended 31 December 2020, the Group considered the impact of the Covid-19 pandemic on the creditworthiness of its tenants according to their credit characteristics in monitoring tenant credit risk.

Concentration of credit risk relating to trade receivables is limited due to the Group's many varied tenants. These tenants comprise retailers engaged in a wide variety of consumer trades or engaged in diversified business who are of good quality and strong credit standing. The Group's historical experience in the collection of accounts receivable falls within the recorded allowances. Due to these factors, the Manager believes that no additional credit risk beyond amounts provided for collection losses is inherent in the Group's trade receivables.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

	Group		Trust	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
At 1 January	–	8	–	8
Acquisition of subsidiary	1,147	–	–	–
Impairment loss recognised	1,973	–	1,208	–
Amounts written off	(3)	–	–	–
Reversal of impairment loss	–	(8)	–	(8)
At 31 December	3,117	–	1,208	–

The Manager believes that, apart from the above, no impairment allowance is necessary in respect of the remaining trade receivables as these receivables arose mainly from tenants that have a good record with the Group and have sufficient security deposits as collateral.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

29 FINANCIAL RISK MANAGEMENT (continued)

***Credit risk** (continued)*

Trade receivables (continued)

Expected credit loss assessment for tenants

The credit quality of trade receivables is assessed based on credit policies established by the Group. Trade receivables with high credit risk will be identified and monitored by the respective property management team. The Group's risk exposure in relation to trade receivables are set out in the provision matrix as follows:

	Not past due		<——Past due——>			
	Not under deferment scheme $'000	Under deferment scheme $'000	Within 30 days $'000	31 to 90 days $'000	More than 90 days $'000	Total $'000
2020						
Group						
Trade receivables	22,556	28,238	4,772	4,686	2,042	62,294
Loss allowance	134	962	211	1,078	732	3,117
Expected loss rate	0.6%	3.4%	4.4%	23.0%	35.8%	
Trust						
Trade receivables	6,771	1,279	2,359	2,611	1,283	14,303
Loss allowance	68	10	125	528	477	1,208
Expected loss rate	1.0%	0.8%	5.3%	20.2%	37.2%	
2019						
Group						
Trade receivables	6,710	–	1,130	173	18	8,031
Loss allowance	–	–	–	–	–	–
Expected loss rate	–	–	–	–	–	
Trust						
Trade receivables	5,596	–	922	167	18	6,703
Loss allowance	–	–	–	–	–	–
Expected loss rate	–	–	–	–	–	

No ageing analysis of other receivables are presented as the majority of outstanding balances as at 31 December 2020 and 31 December 2019 are current.

29 FINANCIAL RISK MANAGEMENT (continued)

Loans to subsidiaries and joint ventures and non-trade amounts due from subsidiaries, joint ventures and related parties

The Group and the Trust held loans to and non-trade receivables due from its related parties, subsidiaries and joint ventures to meet their funding requirements. Impairment on these balances has been measured on a 12-month and lifetime expected loss basis. The amount of the allowance for impairment loss on loans to subsidiaries is set out in note 6. There is no allowance for impairment loss arising from the remaining outstanding balances as the ECL is not assessed to be material.

Financial derivatives

The financial derivatives are entered into with bank and financial institution counterparties, which are regulated.

Cash and cash equivalents

Cash and fixed deposits are placed with financial institutions which are regulated. The Group limits its credit risk exposure in respect of investments by only investing in liquid securities and only with counterparties that have sound credit ratings, thus the Manager does not expect any counterparty to fail to meet its obligations.

The Group and the Trust held cash and cash equivalents of $183,617,000 and $29,320,000 respectively at 31 December 2020 (2019: $202,198,000 and $156,097,000 respectively). The cash and cash equivalents are held with banks and financial institution counterparties which are rated A to AA-, based on Standard & Poor's and Fitch's ratings.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is not assessed to be material.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Manager monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations. In addition, the Manager also monitors and observes the CIS Code issued by MAS concerning limits on total borrowings.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

29 FINANCIAL RISK MANAGEMENT (continued)

***Liquidity risk** (continued)*

Exposure to liquidity risk

The following are the expected contractual undiscounted cash outflows of financial liabilities and derivative financial instruments including interest payments and excluding the impact of netting agreements:

	Carrying amount $'000	Contractual cash flows $'000	Cash flows Within 1 year $'000	Within 2 to 5 years $'000	More than 5 years $'000
Group					
31 December 2020					
Non-derivative financial liabilities					
Secured					
EUR bank loans	425,596	440,322	4,429	240,299	195,594
Unsecured					
Retail bonds	349,958	355,434	355,434	–	–
USD fixed rate MTN notes	395,597	518,165	14,271	57,358	446,536
JPY fixed rate MTN notes	128,432	131,122	939	3,756	126,427
JPY floating rate MTN notes	366,181	350,473	139,763	210,710	–
HKD fixed rate MTN and EMTN notes	1,009,804	1,145,620	143,257	627,867	374,496
SGD fixed rate MTN notes	3,024,794	3,400,539	239,138	2,384,470	776,931
SGD bank loans	2,500,492	2,628,000	214,435	1,709,840	703,725
EUR bank loans	525,391	538,715	5,147	451,157	82,411
Trade and other payables	294,475	294,519	293,020	1,076	423
Security deposits	237,927	237,927	90,534	144,971	2,422
Lease liabilities	8,690	8,690	2,248	4,559	1,883
	8,841,741	9,609,204	1,498,186	5,595,764	2,515,254
	9,267,337	10,049,526	1,502,615	5,836,063	2,710,848
Derivative financial assets					
Cross currency swaps (gross-settled)	37,430				
– Inflow		847,962	155,979	691,983	–
– Outflow		(826,778)	(159,981)	(666,797)	–
	37,430	21,184	(4,002)	25,186	–
Derivative financial liabilities					
Cross currency swaps (gross-settled)	(50,509)				
– Inflow		1,196,583	131,535	207,678	857,370
– Outflow		(1,250,174)	(133,710)	(221,538)	(894,926)
	(50,509)	(53,591)	(2,175)	(13,860)	(37,556)
Forward exchange contracts (gross-settled)	(611)				
– Inflow		15,107	15,107	–	–
– Outflow		(15,718)	(15,718)	–	–
	(611)	(611)	(611)	–	–
Interest rate swaps (net-settled)	(17,842)	(18,368)	(8,904)	(9,054)	(410)

29 FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk *(continued)*

Exposure to liquidity risk (continued)

			Cash flows		
	Carrying amount $'000	Contractual cash flows $'000	Within 1 year $'000	Within 2 to 5 years $'000	More than 5 years $'000
Group					
31 December 2019					
Non-derivative financial liabilities					
Unsecured					
Retail bonds	349,657	366,244	10,810	355,434	–
USD fixed rate MTN notes	403,090	542,756	14,664	58,337	469,755
JPY fixed rate MTN notes	123,893	125,218	125,218	–	–
JPY floating rate MTN notes	168,417	169,554	452	169,102	–
HKD fixed rate MTN and EMTN notes	847,244	981,227	26,520	435,565	519,142
SGD fixed rate MTN notes	1,377,736	1,645,591	145,670	841,290	658,631
SGD bank loans	290,840	326,416	43,675	178,646	104,095
Trade and other payables	166,857	166,857	166,857	–	–
Security deposits	191,518	191,518	62,532	127,217	1,769
Lease liabilities	11,322	11,322	2,865	5,545	2,912
	3,930,574	4,526,703	599,263	2,171,136	1,756,304
Derivative financial assets					
Cross currency swaps (gross-settled)	25,001				
– Inflow		623,753	16,305	495,852	111,596
– Outflow		(598,513)	(17,564)	(470,904)	(110,045)
	25,001	25,240	(1,259)	24,948	1,551
Derivative financial liabilities					
Cross currency swaps (gross-settled)	(32,904)				
– Inflow		1,166,748	153,555	166,476	846,717
– Outflow		(1,201,862)	(157,485)	(164,507)	(879,870)
	(32,904)	(35,114)	(3,930)	1,969	(33,153)
Interest rate swaps (net-settled)	(775)	(757)	(174)	(891)	308

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Year ended 31 December 2020

29 FINANCIAL RISK MANAGEMENT (continued)

***Liquidity risk** (continued)*

Exposure to liquidity risk (continued)

			Cash flows		
	Carrying amount $'000	Contractual cash flows $'000	Within 1 year $'000	Within 2 to 5 years $'000	More than 5 years $'000
Trust					
31 December 2020					
Non-derivative financial liabilities					
Unsecured					
Retail bonds	349,958	355,434	355,434	–	–
SGD fixed rate term loans	2,998,706	3,456,010	154,964	1,760,489	1,540,557
SGD bank loans	1,198,248	1,290,517	21,930	609,015	659,572
Amounts due to a subsidiary (unsecured)	633,900	633,900	–	–	633,900
Trade and other payables	134,442	134,442	134,442	–	–
Security deposits	110,924	110,924	41,450	67,781	1,693
Lease liabilities	8,450	8,450	2,008	4,559	1,883
	5,434,628	5,989,677	710,228	2,441,844	2,837,605
31 December 2020					
Derivative financial liabilities					
Interest rate swaps (net-settled)	(9,980)	(10,676)	(2,623)	(7,643)	(410)
31 December 2019					
Non-derivative financial liabilities					
Unsecured					
Retail bonds	349,657	366,244	10,810	355,434	–
SGD fixed rate term loans	2,899,453	3,445,966	320,720	1,476,700	1,648,546
SGD bank loans	290,840	326,416	43,675	178,646	104,095
Trade and other payables	144,712	144,712	144,712	–	–
Security deposits	153,434	153,434	48,140	103,743	1,551
Lease liabilities	10,324	10,324	2,107	5,304	2,913
	3,848,420	4,447,096	570,164	2,119,827	1,757,105
Derivative financial liabilities					
Interest rate swaps (net-settled)	(775)	(757)	(174)	(891)	308

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

29 FINANCIAL RISK MANAGEMENT (continued)

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to foreign currency risk on loans and borrowings and its operations in foreign countries that were denominated in a currency other than the respective functional currencies of the Group entities. The currencies giving rise to this risk are United States Dollars ("USD"), Hong Kong Dollars ("HKD"), Euro ("EUR") and Japanese Yen ("JPY"). The Group hedges this risk by entering into cross currency swaps with notional contracts amounting to USD0.3 billion, HKD5.9 billion and JPY38.5 billion. All sums payable in respect of the cross currency swaps under CMT MTN are guaranteed by the Trustee.

Foreign exchange risks related to the loans and borrowings of the Group's USD, HKD and JPY notes, issued by Singapore Dollars ("SGD") functional currency Group entities, have been fully hedged using cross currency swaps that mature on the same dates that the loans are due for repayment. These cross currency swaps are designated as cash flow hedges. The Group also used its EUR loans to hedge against the foreign currency risk arising from the Group's net investments in the foreign subsidiaries.

The Group applies a hedge ratio of 1:1 to its cross currency swaps to hedge its currency risk. The Group's policy is for the critical terms of the cross currency swaps to align with the hedged item.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Group assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method.

In these hedge relationships, the main potential sources of ineffectiveness are:

- the effect of the counterparty and the Group's own credit risk on the fair value of the cross currency swaps, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in exchange rates; and

- changes in timing of the hedged transactions.

Net investment hedge

The Group designates the loan to hedge the changes in the value of the net investment that is attributable to changes in the EUR/SGD spot rate. The Group's policy is to hedge the net investment only to the extent of the debt principal.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency and amount. The Group assesses the effectiveness of each hedging relationship by comparing changes in the carrying amount of the debt that is due to a change in the spot rate with changes in the investment in the foreign operation due to movements in the spot rate (the offset method).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

29 FINANCIAL RISK MANAGEMENT (continued)

Foreign currency risk (continued)

Exposure to foreign currency risk

The Group's exposure to foreign currency risk is as follows:

	USD $'000	HKD $'000	EUR $'000	JPY $'000
Group				
31 December 2020				
Cash & cash equivalents	–	–	607	–
Loans and borrowings	(407,100)	(1,006,637)	(523,381)	(461,665)
Net Statement of Financial Position exposure	(407,100)	(1,006,637)	(522,774)	(461,665)
Add: Effect of cross currency swaps	407,100	1,006,637	–	461,665
Add: Loans designated as net investment hedge	–	–	515,214	–
Net exposure	–	–	(7,560)	–
31 December 2019				
Loans and borrowings	(407,100)	(828,998)	–	(288,000)
Net Statement of Financial Position exposure	(407,100)	(828,998)	–	(288,000)
Add: Effect of cross currency swaps	407,100	828,998	–	288,000
Net exposure	–	–	–	–

Sensitivity analysis

A 10.0% weakening of the Singapore dollar, as indicated below, against the following foreign currencies at 31 December would have increased the Statement of Total Return and Unitholders' Funds by the amounts shown below. This analysis assumes that all other variables, in particular, interest rates, remain constant.

	Statement of Total Return $'000	Unitholders' Funds $'000
Group		
2020		
USD	–	9,410
HKD	–	11,923
EUR	756	–
JPY	–	9,918
	756	31,251
2019		
USD	–	6,319
HKD	–	5,696
JPY	–	404
	–	12,419

A 10.0% strengthening of the Singapore dollar against the above currencies would have had an opposite effect of similar quantum on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

29 FINANCIAL RISK MANAGEMENT (continued)

Interest rate risk

The Group adopts a policy of ensuring that at least 80.0% of its interest rate risk exposure is at a fixed-rate. This is achieved partly by entering into fixed-rate instruments and partly by borrowing at a float rate and using interest rate swaps and cross currency swaps as hedges of the variability in cash flows attributable to interest rate risk. The Group applies a hedge ratio of 1:1.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and maturities and the notional or par amounts. If a hedging relationship is directly affected by uncertainty arising from interest rate benchmark reform, then the Group assumes for this purpose that the benchmark interest rate is not altered as a result of interest rate benchmark reform.

The Group assesses whether the derivative designated in each hedging relationship is expected to be effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method.

In these hedge relationships, the main potential sources of ineffectiveness are:

- the effect of the counterparty and the Group's own credit risk on the fair value of the swaps, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in interest rates; and

- differences in repricing dates between the swaps and the borrowings.

Hedging relationship that are impacted by interest rate benchmark reform may experience ineffectiveness because of a timing mismatch between the hedge item and the hedging instrument regarding interest rate benchmark reform transition. For further details, see 'Managing interest rate benchmark reform and associated risks' below.

Managing interest rate benchmark reform and associated risks

Overview

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates (IBORs) with alternative nearly risk-free rates (referred to as 'IBOR reform'). The Group has exposures to IBORs on its financial instruments that will be replaced or reformed as part of these market-wide initiatives. There is uncertainty over the timing and the methods of transition in some jurisdictions that the Group operates in. The Group anticipates that IBOR reform will impact its risk management and hedge accounting. The Manager monitors and manages the Group's transition to alternative rates. The Manager evaluates the extent to which contracts reference IBOR cash flows, whether such contacts will need to be amended as a result of IBOR reform and how to manage communication about IBOR reform with counterparties.

Derivatives

The Group holds cross currency swaps and interest rate swaps for risk management purposes which are designated in cash flow hedging relationship. The cross currency swaps and interest rate swaps have floating legs that are indexed to JPY LIBOR or SOR. The Group's derivative instruments are governed by contracts based on the International Swaps and Derivatives Association (ISDA)'s master agreements. ISDA is currently reviewing its standardised contracts in the light of IBOR reform. When ISDA has completed its review, the Group expects to negotiate the inclusion of new fall-back clauses with its derivative counterparties. No derivative instruments have been modified as at 31 December 2020.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

29 FINANCIAL RISK MANAGEMENT (continued)

Interest rate risk (continued)

Managing interest rate benchmark reform and associated risks (continued)

Hedge accounting

The Group has evaluated the extent to which its cash flow hedging relationships are subject to uncertainty driven by IBOR reform as at 31 December 2020. The Group's hedge items and hedging instruments continue to be indexed to IBOR benchmark rates which are JPY LIBOR and SOR. These benchmark rates are quoted each day and the IBOR cash flows are exchanged with its counterparties as usual.

The Group's JPY LIBOR and SOR cash flow hedging relationships extend beyond the anticipated cessation date for IBOR. However, there is uncertainty about when and how replacement may occur with respect to the relevant hedge items and hedging instruments. Such uncertainty may impact the hedging relationship. The Group applies the principles of amendments to FRS 109 issued in December 2019 to those hedging relationships directly affected by IBOR reform.

Hedging relationships impacted by IBOR reform may experience ineffectiveness attributable to market participants' expectations of when the shift from the existing IBOR benchmark rate to an alternative benchmark interest rate will occur. This transition may occur at different times for the hedged item and hedging instruments, which may lead to hedge ineffectiveness. The Group has measured its hedging instruments indexed to JPY LIBOR or SOR using available quoted market rates for JPY LIBOR or SOR-based instruments of the same tenor and similar maturity and has measured the cumulative change in the present value of hedged cash flows attributable to changes in JPY LIBOR and SOR on a similar basis.

The Group's exposure to SOR designated in a hedging relationships is limited to a notional amount of $1,260,000,000 (2019: $180,000,000) at 31 December 2020, attributable to the interest rate swaps which pay fixed interest rates averaging 2.18% (2019: 2.47%) per annum and receive variable rates equal to the SOR on the notional amount, hedging SOR cash flows on the Group's SGD floating rate bank loans maturing between 2021 to 2026 (2019: 2024 to 2026).

The Trust's exposure to SOR designated in a hedging relationships is limited to a notional amount of $180,000,000 (2019: $180,000,000) at 31 December 2020, attributable to the interest rate swaps which pay fixed interest rates averaging 2.47% (2019: 2.47%) per annum and receive variable rates equal to the SOR on the notional amount, hedging SOR cash flows on the Trust's SGD floating rate bank loans maturing between 2024 to 2026 (2019: 2024 to 2026).

The Group's exposure to JPY LIBOR designated in a hedging relationships is limited to a notional amount of $337,000,000 (2019: $162,000,000) at 31 December 2020, attributable to the cross currency swaps which pay fixed interest rates averaging 2.99% (2019: 2.96%) per annum and receive variable rates equal to JPY LIBOR on the notional amount, hedging JPY LIBOR cash flows on the Group's JPY floating rate MTN notes maturing between 2021 to 2023 (2019: 2021 to 2023).

The Group is actively engaging with lenders to include appropriate fall-back provisions in its floating-rate liabilities with maturities after 2021. We expect that the hedging instruments will be modified as outlined under 'Derivatives' above.

Exposure to interest rate risk

The Group's exposure to changes in interest rates relates primarily to interest-bearing financial liabilities. Interest rate risk is managed on an ongoing basis with the primary objective of limiting the extent to which net interest expense could be affected by adverse movements in interest rates. The Group manages its interest rate exposure through the use of interest rate swaps, cross currency swaps and fixed rate borrowings.

29 FINANCIAL RISK MANAGEMENT (continued)

At the reporting date, the interest rate profile of the interest-bearing financial instruments, as reported to the management, was as follows:

	Group		Trust	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
Fixed rate instruments				
Loans to subsidiaries	–	–	1,774,742	1,776,604
Loans to joint ventures	169,450	–	146,950	–
Loans and borrowings	(5,868,150)	(3,106,484)	(3,353,287)	(3,254,098)
Loans from non-controlling interest	(439)	–	–	–
Effect of interest rate swaps and cross currency swaps	(1,626,253)	(348,541)	(180,000)	(180,000)
	(7,325,392)	(3,455,025)	(1,611,595)	(1,657,494)
Variable rate instruments				
Loans and borrowings	(2,872,935)	(461,451)	(1,202,947)	(292,910)
Effect of interest rate swaps and cross currency swaps	1,626,253	348,541	180,000	180,000
	(1,246,682)	(112,910)	(1,022,947)	(112,910)

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate instruments at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, in respect of the fixed rate instruments, a change in interest rates at the reporting date would not affect the Statement of Total Return.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rate at the reporting date would have increased/(decreased) the Statement of Total Return and Unitholders' Funds by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Statement of Total Return		Unitholders' Funds	
	100 bp increase $'000	**100 bp decrease $'000**	**100 bp increase $'000**	**100 bp decrease $'000**
Group				
31 December 2020				
Variable rate instruments	(28,729)	28,729	–	–
Interest rate swaps and cross currency swaps	16,263	(16,263)	17,150	(17,150)
Cash flow sensitivity (net)	(12,466)	12,466	17,150	(17,150)
31 December 2019				
Variable rate instruments	(4,615)	4,615	–	–
Interest rate swaps and cross currency swaps	3,485	(3,485)	13,715	(13,715)
Cash flow sensitivity (net)	(1,130)	1,130	13,715	(13,715)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

29 FINANCIAL RISK MANAGEMENT (continued)

	Statement of Total Return		Unitholders' Funds	
	100 bp increase $'000	100 bp decrease $'000	100 bp increase $'000	100 bp decrease $'000
Trust				
31 December 2020				
Variable rate instruments	(12,029)	12,029	–	–
Interest rate swaps	1,800	(1,800)	8,839	(8,839)
Cash flow sensitivity (net)	(10,229)	10,229	8,839	(8,839)
31 December 2019				
Variable rate instruments	(2,929)	2,929	–	–
Interest rate swaps	1,800	(1,800)	9,886	(9,886)
Cash flow sensitivity (net)	(1,129)	1,129	9,886	(9,886)

Equity price risk

The Group's exposure to change in equity price relates to equity investments at FVOCI in quoted equity securities listed in Singapore and Malaysia.

Sensitivity analysis

As at 31 December 2020, if the price for the quoted equity securities increased by 5% with all other variables being held constant, the increase in Unitholders' Funds would be $10.9 million (2019: $10.7 million). A similar 5% decrease in the price would have an equal but opposite effect.

Hedge accounting

Cash flow hedges

The Group and the Trust held the following instruments to hedge exposures to changes in foreign currency and interest rates.

	Maturity	
	Within 1 year	More than 1 year
Group		
2020		
Foreign currency risk		
Cross currency swaps		
Net exposure ($'000)	239,450	1,635,952
Average SGD:HKD forward contract rate	0.1751	0.1696
Average SGD:JPY forward contract rate	0.0121	0.0119
Average SGD:USD forward contract rate	–	1.3570
Interest rate risk		
Interest rate swaps		
Net exposure ($'000)	605,000	655,000
Average fixed interest rate %	2.80	1.61

29 FINANCIAL RISK MANAGEMENT (continued)

Hedge accounting (continued)

	Maturity	
	Within 1 year	More than 1 year
Group		
2019		
Foreign currency risk		
Cross currency swaps		
Net exposure ($'000)	126,000	1,398,098
Average SGD:HKD forward contract rate	–	0.1690
Average SGD:JPY forward contract rate	0.0126	0.0119
Average SGD:USD forward contract rate	–	1.3570
Interest rate risk		
Interest rate swaps		
Net exposure ($'000)	–	180,000
Average fixed interest rate %	–	2.47
Trust		
2020 and 2019		
Interest rate risk		
Interest rate swaps		
Net exposure ($'000)	–	180,000
Average fixed interest rate %	–	2.47

The following table provides a reconciliation by risk category of components of Unitholders' Funds resulting from cash flow hedge accounting.

	Group	Trust
	Hedging reserve	
	$'000	$'000
Cash flow hedges		
Balance at 1 January 2019	(29,377)	–
Changes in fair value:		
Foreign currency risk	19,724	–
Interest rate risk	274	(780)
Amounts reclassified to Statement of Total Return:		
Foreign currency risk	(18,640)	–
Interest rate risk	5	5
Share of movements in hedging reserves of associate and joint venture	(1,260)	–
Balance at 31 December 2019	(29,274)	(775)
Changes in fair value:		–
Foreign currency risk	(12,425)	–
Interest rate risk	(12,809)	(10,496)
Forward exchange contract	(284)	–
Amounts reclassified to Statement of Total Return:		
Foreign currency risk	19,662	–
Interest rate risk	3,695	1,291
Share of movements in hedging reserves of joint ventures	874	–
Balance at 31 December 2020	(30,561)	(9,980)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

29 FINANCIAL RISK MANAGEMENT (continued)

Hedge accounting (continued)

The amounts relating to items designated as hedged items and hedging instruments (excluding share of hedging reserves of associate and joint venture) were as follows:

		Carrying amount		Line item in the Statement of Financial Position where	
	Nominal amount $'000	Assets $'000	Liabilities $'000	the hedging instrument is included	the hedged item is included
Group					
2020					
Foreign currency risk					
Cross currency swaps	1,875,402	37,430	(50,509)	Financial derivatives	Loans and borrowings
Interest rate risk					
Interest rate swaps	1,260,000	–	(17,842)	Financial derivatives	Loans and borrowings
2019					
Foreign currency risk					
Cross currency swaps	1,524,098	25,001	(32,904)	Financial derivatives	Loans and borrowings
Interest rate risk					
Interest rate swaps	180,000	–	(775)	Financial derivatives	Loans and borrowings
Trust					
2020					
Interest rate risk					
Interest rate swaps	180,000	–	(9,980)	Financial derivatives	Loans and borrowings
2019					
Interest rate risk					
Interest rate swaps	180,000	–	(775)	Financial derivatives	Loans and borrowings

Cash flow hedge reserve $'000	Changes in the fair value of the hedging instrument recognised in Unitholders Funds $'000	Amounts reclassified from Hedging Reserve to Statement of Total Return $'000	Line item in Statement of Total Return affected by the reclassification
(21,592)	(12,425)	19,662	Finance costs
(10,686)	(12,809)	3,695	Finance costs
(28,829)	19,724	(18,640)	Finance costs
411	274	5	Finance costs
(9,980)	(10,496)	1,291	Finance costs
(755)	(780)	5	Finance costs

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

29 FINANCIAL RISK MANAGEMENT (continued)

Net investment hedges

The Group has foreign currency exposures from the net investment in its foreign subsidiaries in Luxembourg and Netherlands that has EUR functional currency.

The risk arises from fluctuation in spot exchange rates between EUR and SGD that will result in a fluctuation in the carrying amount of the Group's net investment in its foreign subsidiaries in Luxembourg and Netherlands.

As at reporting date, the Group's net investment in its foreign subsidiaries is hedged by EUR-denominated unsecured bank loans of carrying amount of $517,183,000 (2019: Nil), which mitigates the foreign currency risk arising from the subsidiaries' net assets. The fair value of the borrowings at 31 December 2020 is $519,497,000 (2019: Nil). These loans are designated as a hedging instrument for the changes in the value of the net investment that is due to changes in the EUR/SGD spot rate.

The amounts related to items designated as hedging instruments were as follows:

	Nominal amount $'000	Carrying amount – assets $'000	Carrying amount – liabilities $'000
Group			
2020			
Foreign exchange denominated debt (EUR)	(518,496)	–	(517,183)

The amounts related to items designated as hedged items were as follows:

Group
2020

EUR net investment

N/A Not applicable

Line item in the Statements of Financial Position where the hedging instrument is included	Changes in the fair value of the hedging instrument recognised in Unitholders Funds $'000	Amounts reclassified from Hedging Reserve to Statement of Total Return $'000	Line item in Statement of Total Return affected by the reclassification
Loans and borrowings	(5,529)	–	N/A

Change in value used for calculating hedge ineffectiveness $'000	FCTR $'000	Balances remaining in the FCTR from hedging relationships for which hedge accounting is no longer applied $'000
(5,355)	(13,893)	–

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

30 CLASSIFICATION AND FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. Their carrying amount is a reasonable approximation of fair value.

		Carrying amount		
	Note	Fair value – hedging instruments $'000	Amortised cost $'000	FVOCI – equity investments $'000
Group				
31 December 2020				
Financial assets not measured at fair value				
Loans to joint ventures	7	–	169,450	–
Trade and other receivables[1]	11	–	69,996	–
Cash and cash equivalents	12	–	183,617	–
		–	423,063	–
Financial assets measured at fair value				
Financial derivatives	9	37,430	–	–
Equity investments at FVOCI	8	–	–	218,686
		37,430	–	218,686
Financial liabilities not measured at fair value				
Trade and other payables[2]	13	–	–	–
Security deposits		–	–	–
Loans and borrowings	14	–	–	–
		–	–	–
Financial liabilities measured at fair value				
Financial derivatives	9	(68,962)	–	–

1 Excluding prepayments
2 Excluding deferred income

		Fair value			
Other financial liabilities $'000	Total $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
–	169,450				
–	69,996				
–	183,617				
–	423,063				
–	37,430	–	37,430	–	37,430
–	218,686	218,686	–	–	218,686
–	256,116				
(293,447)	(293,447)				
(237,927)	(237,927)				
(8,726,245)	(8,726,245)	(350,000)	(9,213,280)	–	(9,563,280)
(9,257,619)	(9,257,619)				
–	(68,962)	–	(68,962)	–	(68,962)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

30 CLASSIFICATION AND FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

		Carrying amount		
	Note	Fair value – hedging instruments $'000	Amortised cost $'000	FVOCI – equity investments $'000
Group				
31 December 2019				
Financial assets not measured at fair value				
Trade and other receivables[1]	11	–	24,469	–
Cash and cash equivalents	12	–	202,198	–
		–	226,667	–
Financial assets measured at fair value				
Financial derivatives	9	25,001	–	–
Equity investment at FVOCI	8	–	–	214,742
		25,001	–	214,742
Financial liabilities not measured at fair value				
Trade and other payables	13	–	–	–
Security deposits		–	–	–
Loans and borrowings	14	–	–	–
		–	–	–
Financial liability measured at fair value				
Financial derivatives	9	(33,679)	–	–

1 Excluding prepayments

		Fair value			
Other financial liabilities $'000	Total $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
–	24,469				
–	202,198				
–	226,667				
–	25,001	–	25,001	–	25,001
–	214,742	214,742	–	–	214,742
–	239,743				
(166,857)	(166,857)				
(191,518)	(191,518)				
(3,560,877)	(3,560,877)	(358,050)	(3,558,378)	–	(3,916,428)
(3,919,252)	(3,919,252)				
–	(33,679)	–	(33,679)	–	(33,679)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

30 CLASSIFICATION AND FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

	Note	Carrying amount		
		Fair value – hedging instruments $'000	Amortised cost $'000	FVOCI – equity investments $'000
Trust				
31 December 2020				
Financial assets not measured at fair value				
Loans to subsidiaries[1]	6	–	2,235,925	–
Loans to joint ventures	7	–	146,950	–
Trade and other receivables[2]	11	–	81,063	–
Cash and cash equivalents	12	–	29,320	–
		–	2,493,258	–
Financial asset measured at fair value				
Equity investments at FVOCI	8	–	–	185,399
Financial liabilities not measured at fair value				
Trade and other payables[3]	13	–	–	–
Amount due to a subsidiary (non-trade)	13	–	–	–
Security deposits		–	–	–
Loans and borrowings	14	–	–	–
		–	–	–
Financial liability measured at fair value				
Financial derivatives	9	(9,980)	–	–

1 Relates to loans to Brilliance Mall Trust ("BMT"), Infinity Mall Trust ("IMT"), Victory Office 1 Trust, Victory Office 2 Trust and MSO Trust
2 Excluding prepayments
3 Excluding non-trade amount due to a subsidiary

		Fair value			
Other financial liabilities $'000	Total $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
–	2,235,925				
–	146,950				
–	81,063				
–	29,320				
–	2,493,258				
–	185,399	185,399	–	–	185,399
(134,442)	(134,442)				
(633,900)	(633,900)				
(110,924)	(110,924)				
(4,546,912)	(4,546,912)	(350,000)	(4,372,557)	–	(4,722,557)
(5,426,178)	(5,426,178)				
–	(9,980)	–	(9,980)	–	(9,980)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

30 CLASSIFICATION AND FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

	Note	Carrying amount		
		Fair value – hedging instruments $'000	Amortised cost $'000	FVOCI – equity investments $'000
Trust				
31 December 2019				
Financial assets not measured at fair value				
Loans to subsidiaries[1]	6	–	1,844,507	–
Trade and other receivables[2]	11	–	31,468	–
Cash and cash equivalents	12	–	156,097	–
		–	2,032,072	–
Financial asset measured at fair value				
Equity investment at FVOCI	8	–	–	214,742
Financial liabilities not measured at fair value				
Trade and other payables	13	–	–	–
Security deposits		–	–	–
Loans and borrowings	14	–	–	–
		–	–	–
Financial liability measured at fair value				
Financial derivatives	9	(775)	–	–

1 Relates to loans to Brilliance Mall Trust ("BMT"), Infinity Mall Trust ("IMT"), Victory Office 1 Trust and Victory Office 2 Trust

2 Excluding prepayments

		Fair value			
Other financial liabilities $'000	Total $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
–	1,844,507				
–	31,468				
–	156,097				
–	2,032,072				
–	214,742	214,742	–	–	214,742
(144,712)	(144,712)				
(153,434)	(153,434)				
(3,539,950)	(3,539,950)	(358,050)	(3,282,674)	–	(3,640,724)
(3,838,096)	(3,838,096)				
–	(775)	–	(775)	–	(775)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

30 CLASSIFICATION AND FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Measurement of fair values

Financial instruments that are measured at fair value

Financial derivatives

The fair values of cross currency swaps and interest rate swaps (Level 2 fair values) are based on banks' quotes. These quotes are assessed for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market rates for a similar instrument at the measurement date. Fair values reflect the credit risk of the instrument and include adjustments to take into account the credit risk of the Group and counterparties when appropriate.

The fair values of forward exchange contracts are determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curve in the respective currencies.

Financial instruments that are not measured at fair value

Other non-derivative financial liabilities are measured at fair value at initial recognition and for disclosure purposes, at each annual reporting date. The fair value of quoted loans and borrowings is their quoted ask price at the reporting date. Fair value for unquoted loans and borrowings is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date. Other non-derivative financial liabilities include loans and borrowings.

Interest rates used in determining fair values

The interest rates used to discount estimated cash flows, where applicable, are based on forward rates as at 31 December plus a credit spread, and are as follows:

	2020 **%**	2019 %
Loans and borrowings	0.84 – 2.16	2.27 – 2.98

Financial instruments for which fair value is equal to the carrying value

These financial instruments include loans to subsidiaries and joint venture, trade and other receivables, cash and cash equivalents, trade and other payables and security deposits. The carrying amounts of these financial instruments are an approximation of their fair values because they are either short term in nature, effect of discounting is immaterial or reprice frequently.

31 OPERATING SEGMENTS

With effect from 1 January 2020, the Group has re-organised its reporting structure into strategic divisions to more accurately reflect the way the Group manage its business. For the purpose of making resource allocation decisions and the assessment of segment performance, the Group's Chief Operating Decision Maker ("CODM") reviews internal/management reports of its strategic divisions. This forms the basis of identifying the operating segments of the Group consistent with the principles of FRS 108 *Operating Segments*.

The Group's reportable operating segments are as follows:

- Retail: management of retail properties in Singapore
- Office: management of office properties in Singapore and Germany
- Integrated Developments: management of retail and office properties in Singapore

Segment revenue comprises mainly income generated from its tenants. Segment net property income represents the income earned by each segment after allocating property operating expenses. This is the measure reported to the CODMs for the purpose of assessment of segment performance. In addition, the CODMs monitor the non-financial assets as well as financial assets attributable to each segment when assessing segment performance.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income-earning assets and revenue, loans and borrowings and expenses, related assets and expenses. Segment capital expenditure is the total cost incurred during the year to acquire segment assets that are expected to be used for more than one year.

Geographical segments

Segment information in respect of the Group's geographical segments is not presented, as the Group's activities for the year ended 31 December 2020 and 31 December 2019 are primarily related to properties located in Singapore.

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Year ended 31 December 2020

31 OPERATING SEGMENTS (continued)

Operating segments

	Retail $'000	Office $'000	Integrated Developments $'000	Group $'000
2020				
Gross revenue	474,316	73,230	197,663	745,209
Segment net property income	317,796	55,484	139,460	512,740
Interest and other income				2,247
Investment income				12,511
Finance costs				(133,431)
Unallocated expenses				(66,665)
Share of results (net of tax) of				
– Joint ventures				(14,106)
Net income				313,296
Net change in fair value of investment properties	(161,521)	(37,837)	(194,262)	(393,620)
Gain relating to negative goodwill arising from the Merger				430,003
Total return for the year before tax				349,679
Taxation				61
Total return for the year				349,740
Assets and liabilities				
Segment assets	7,425,120	8,105,009	6,019,557	21,549,686
Investment in joint ventures				508,119
Equity investments at fair value				218,686
Unallocated assets:				
– financial derivatives				37,430
– others				102,457
				139,887
Total assets				22,416,378
Segment liabilities	180,029	173,456	141,122	494,607
Unallocated liabilities				
– loans and borrowings				8,726,245
– financial derivatives				68,962
– others				58,626
				8,853,833
Total liabilities				9,348,440

31 OPERATING SEGMENTS (continued)

***Operating segments** (continued)*

	Retail $'000	Office $'000	Integrated Developments $'000	Group $'000
2020				
Other segmental information				
Depreciation and amortisation	383	88	1,853	2,324
Plant and equipment – capital expenditure	458	–	1,048	1,506
Investment properties – capital expenditure	22,383	15,048	8,446	45,877
Receivable written off	1,005	109	859	1,973
2019				
Gross revenue	616,093	–	170,643	786,736
Segment net property income	436,670	–	121,545	558,215
Interest and other income				7,099
Finance costs				(118,491)
Unallocated expenses				(54,211)
Share of results (net of tax) of				
– Associate				18,388
– Joint ventures				70,835
Net income				481,835
Net change in fair value of investment properties	134,240	–	98,673	232,913
Dilution loss on investment in associate				(217)
Net loss on derecognition of investment in associate				(17,601)
Total return for the year before tax				696,930
Taxation				–
Total return for the year				696,930

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Year ended 31 December 2020

31 OPERATING SEGMENTS (continued)

Operating segments *(continued)*

	Retail $'000	Office $'000	Integrated Developments $'000	Group $'000
2019				
Assets and liabilities				
Segment assets	7,567,998	–	2,903,200	10,471,198
Investment in associate and joint ventures				840,851
Equity investment at fair value				214,742
Unallocated assets				
– financial derivatives				25,001
– others				179,867
				204,868
Total assets				11,731,659
Segment liabilities	227,665	–	80,312	307,977
Unallocated liabilities				
– loans and borrowings				3,560,877
– financial derivatives				33,679
– others				61,887
				3,656,443
Total liabilities				3,964,420
Other segmental information				
Depreciation and amortisation	468	–	1,258	1,726
Plant and equipment – capital expenditure	433	–	541	974
Investment properties and investment properties under development – capital expenditure	25,842	–	71,918	97,760
Receivable written back	(8)	–	(3)	(11)

32 ACQUISITION OF SUBSIDIARY

The Group acquires subsidiaries that own real estate. At the time of acquisition, the Group considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. The Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the property. Typically, the Group assesses the acquisition as a purchase of business when the strategic management function and the associated processes were purchased along with the underlying property.

In 2020, the Group had the following significant business combination:

Acquisition of subsidiary

On 21 October 2020, the Group acquired 100.0% of the units and voting interests in CCT by way of a trust scheme arrangement ("Trust scheme"), effected in accordance with the Singapore Code on Take-overs and Mergers. Following the acquisition, CCT became a wholly owned subsidiary of the Trust.

Included in the identifiable assets and liabilities acquired at the date of acquisition of CCT are inputs, processes and an organised workforce. The Group has determined that together the acquired inputs and processes significantly contribute to the ability to create revenue. The Group has concluded that the acquired set is a business.

With the acquisition of CCT, the Group's aggregate equity interests in RCS Trust increased from 40.0% to 100.0%. As a result, the Group also consolidated RCS Trust. Prior to the acquisition of CCT, RCS Trust was equity accounted for as joint venture by the Group.

The acquisition is part of the Group's ongoing business development and is in line with the Group's strategy to invest in income producing real estate which are used or substantially used for commercial purposes to achieve an attractive level of return from rental income and for long-term capital growth.

From the date of acquisition to 31 December 2020, CCT, RCS Trust and MSO Trust contributed revenue of $101.5 million and total loss of $56.7 million to the Group's results. If the acquisition had occurred on 1 January 2020, the Manager estimates that consolidated revenue would have been $1,215.6 million and consolidated total loss for the year would have been $946.6 million. In determining these amounts, the Manager has assumed that the fair value adjustments determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2020.

Purchase consideration

The consideration for the acquisition was $6,311.1 million and was settled as follows:

(i) $1,000.2 million in cash, being 15.8% of the consideration; and

(ii) Allotted and issued 2,780,549,536 units amounting to $5,310.9 million, being the remaining 84.2% of the consideration.

The Group has performed purchase price allocation exercise (PPA) for the acquisition of CCT Group. Based on the PPA performed, a gain relating to negative goodwill arising from the Merger of $430.0 million was recognised in the Statement of Total Return, as a result of the difference between consideration transferred and the fair value of the assets acquired and liabilities assumed.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

32 ACQUISITION OF SUBSIDIARY (continued)

Effects of acquisition

The identifiable assets acquired, liabilities assumed and effect of cash flows are presented as follows:

	2020 Group $'000
Plant and equipment	3,054
Investment properties	11,309,546
Investments in joint ventures	337,994
Loan to joint venture	158,851
Equity investment at fair value	30,265
Financial derivative assets	10,055
Deferred tax asset	10,412
Other non-current asset	44
Trade and other receivables	80,165
Cash and cash equivalents	74,722
Loans and borrowings	(4,165,035)
Financial derivative liabilities	(15,502)
Current tax payable	(7,024)
Trade and other payables	(157,651)
Security deposits	(95,358)
Deferred tax liability	(5,390)
Investment in RCS Trust previously equity accounted for as a joint venture	(797,387)
Net assets	6,771,761
Less: Non-controlling interest	(30,682)
Total identifiable net assets acquired	6,741,079
Gain relating to negative goodwill arising from the Merger	(430,003)
Total purchase consideration	6,311,076
Settlement by way of issuance of new shares	(5,310,850)
Cash of subsidiaries acquired	(74,722)
Net cash outflow on acquisition of subsidiary	925,504

Acquisition-related costs

The Group incurred acquisition-related costs of $10.8 million, which mainly relates to the legal, due diligence, financial advisory service and other professional fees. These costs have been recognised in the Statement of Total Return and presented as 'Transaction costs relating to the Merger'.

32 ACQUISITION OF SUBSIDIARY (continued)

Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired and liabilities assumed were as follows:

Assets acquired and liabilities assumed	Valuation Technique
Investment properties	The fair value of investment properties approximate the carrying value of the investment properties as at the date of acquisition. The carrying value of investment properties are supported by the desktop valuations performed by independent professional valuers as at 30 June 2020, adjusted for capital expenditure capitalised from 1 July 2020 to the date of acquisition. The valuation of the investment properties as at 30 June 2020 has been determined using one or more of the following methods: (i) Capitalisation method; (ii) Discounted cash flow method; and/or (iii) Direct comparison method.
Investments in joint ventures	The fair value of investments in non-listed joint ventures were determined based on their respective adjusted net asset values as at the date of acquisition. The fair value of the investment properties held by these joint ventures are supported by the desktop valuations performed by independent professional valuers as at 30 June 2020, adjusted for capital expenditure capitalised from 1 July 2020 to date of acquisition. The fair value of fixed rate medium term notes held by these joint ventures has been determined based on quoted market prices as at the date of acquisition.
Other current assets and liabilities	Other current assets and liabilities include trade and other receivables, cash and cash equivalents, trade and other payables and other current liabilities. The fair value of these assets and liabilities are assessed to approximate the carrying amounts since they are short term in nature.
Loans and borrowings	Loans and borrowings consist of floating and fixed rate term loans and medium term notes. The carrying amount of floating rate loans and borrowings are determined to approximate the fair values as floating rate instruments are re-priced to market interest rates on or near the date of acquisition. The fair value of fixed rate term loans is estimated by discounting expected future principal and interest cash flows at market rates as at the date of acquisition. The fair value of fixed rate medium term notes has been determined based on quoted market prices as at the date of acquisition.

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33 COMMITMENTS

	Group		Trust	
	2020 $'000	2019 $'000	**2020 $'000**	2019 $'000
Capital commitments				
– contracted but not provided for	111,003	41,668	23,203	38,372

Operating lease rental receivable

The Group leases out its investment properties. The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

Rental income from investment property recognised by the Group in FY 2020 was $671,141,000 (2019: $686,698,000).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	Group	
	2020 $'000	2019 $'000
Operating leases under the principles of FRS 116		
Less than one year	1,111,991	660,143
One to two years	767,269	489,623
Two to three years	476,583	262,562
Three to four years	244,377	95,369
Four to five years	177,800	49,089
More than five years	872,996	23,261
	3,651,016	1,580,047

34 FINANCIAL RATIOS

	Group	
	2020 %	2019 %
Expenses to weighted average net assets[1]		
– including performance component of Manager's management fees	0.63	0.71
– excluding performance component of Manager's management fees	0.38	0.40
Portfolio turnover rate[2]	–	–

1 The annualised ratios are computed in accordance with the guidelines of Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the Group, excluding property expenses and finance costs.

2 The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of average net asset value.

35 SUBSEQUENT EVENTS

On 1 February 2021, CMT MTN issued HKD713,000,000 2.53% fixed rate notes due 2033 through its MTN programme (the "Notes"). CMT MTN has entered into swap transactions to swap the HKD proceeds of the Notes into Singapore dollar proceeds of S$125,000,000 at a SGD fixed interest rate of 2.15% per annum.

The proceeds from the issuance of the Notes will be used by CMT MTN and the Group to refinance the existing borrowings of the Group, to finance the investments comprised in the Trust, to on-lend to any trust, fund or entity in which the Trust has an interest, to finance any asset enhancement works initiated in respect of the Trust or such trust, fund or entity, and to finance the general corporate and working capital purposes in respect of the Group.

ADDITIONAL INFORMATION

INTERESTED PERSON TRANSACTIONS

The transactions entered into with interested persons during the financial year, which fall under the Listing Manual of the Singapore Exchange Securities Trading Limited (SGX–ST) and the Property Funds Appendix of the Code on Collective Investment Schemes (excluding transactions less than S$100,000 each), are as follows:

Nature of Interested Persons	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) S$'000	Aggregate value of all interested person transactions during the financial year under review conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000) S$'000
CapitaLand Limited and its subsidiaries or associates	Controlling shareholder of the Manager and controlling Unitholder, and its subsidiaries and associates		
– Management fees[1]		55,688	–
– Property management fees and reimbursables, and leasing and marketing fees and accounting fees[1]		75,783	–
– Rental and service income[1]		1,530	–
– General services		12,329	–
– Acquisition of units of CapitaLand Commercial Trust (CCT) from certain associates of CapitaLand Limited pursuant to the merger of CapitaLand Mall Trust (CMT) and CCT		1,856,941	–
Temasek Holdings (Private) Limited and its associates	Controlling shareholder of the Manager and controlling Unitholder, and its subsidiaries and associates		
– Rental and service income[1]		3,876	–
– General services		392	–
HSBC Institutional Trust Services (Singapore) Limited	Trustee		
– Trustee fees[1]		1,932	–

[1] This includes CICT's interest in joint ventures

INTERESTED PERSON TRANSACTIONS (continued)

Saved as disclosed above, there were no additional interested person transactions (excluding transactions less than S$100,000 each) entered into during the financial year under review.

The amounts disclosed above includes CCT's interested person transactions from 21 October 2020 onwards, which is the effective date of the merger.

On 10 February 2004, the SGX–ST had granted a waiver to CMT (currently known as CICT) from Rules 905 and 906 of the Listing Manual of the SGX–ST (the "Listing Manual") in relation to, inter alia, payments for management fees, payments for acquisition and divestment fees, as well as payments of trustee's fees. Similarly, CCT is deemed to have obtained the approval of the unitholders of CCT on 12 April 2004 through the approval of the shareholders of CapitaLand Limited (as outlined in CCT's Introductory Document dated 16 March 2004) in relation to payments of asset management fees and acquisition and divestment fees to the manager of CCT as well as payment of trustee fees. Such payments are therefore not included in the aggregate value of interested person transactions as governed by Rules 905 and 906 of the Listing Manual as long as there are no changes to the terms, rates and/or bases for such fees and expenses.

In addition, the entry into CMT's (currently known as CICT) Master Property Management Agreement 2011 dated 1 December 2011 was approved by the Unitholders at an extraordinary general meeting held on 13 April 2011 and the total property management fees and reimbursements to the property manager in respect of payroll and related expenses payable thereunder were aggregated for the purpose of Rule 905 of the Listing Manual in financial year 2011. Similarly, CCT's property management agreement dated 1 March 2004 entered into between the trustee of CCT, the manager of CCT and the property manager of CCT was subsequently renewed for 5 years commencing 1 March 2014 and another 5 years commencing 1 March 2019. The total property management fees and reimbursements to the property manager for each of the first renewal term of 5 years and the second renewal term of 5 years were aggregated for the purposes of Rules 905 and 906 of the Listing Manual in financial years 2014 and 2019 respectively. Accordingly, such fees and expenses will not be subject to aggregation or further Unitholders' approval requirements under Rules 905 and 906 of the Listing Manual of the SGX–ST, to the extent that there is no subsequent change to the rates and/or bases for such fees and expenses.

The merger between CMT (currently known as CICT) and CCT, including the acquisition of units of CCT from certain associates of CapitaLand Limited (the "Interested CCT Units Acquisition"), was approved by the Unitholders at an extraordinary general meeting held on 29 September 2020. Accordingly, the consideration payable for the Interested CCT Units Acquisition will not be subject to aggregation under Rules 905 and 906 of the Listing Manual.

Please also see Note 28 on Related Parties in the financial statements.

SUBSCRIPTION OF CICT UNITS

For the financial year ended 31 December 2020, an aggregate of 2,781,900,016 CICT units were issued and subscribed for. As at 31 December 2020, 6,470,704,116 CICT units were in issue and outstanding.

ADDITIONAL DISCLOSURE FOR OPERATING EXPENSES

The total operating expenses incurred by CICT Group and CICT's proportionate share of operating expenses incurred by its joint ventures amounted to $306.6 million in 2020, which was equivalent to 2.3% of CICT Group's net asset value as at 31 December 2020. The amount included all fees and charges paid to the Manager and interested parties.

ADDITIONAL INFORMATION

CBRE

CBRE Pte. Ltd.

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Paya Lebar Quarter
Singapore 437161

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F (65) 6225 1987

www.cbre.com.sg

Co. Reg. No.: 197701161R
Agency License No.: L3002163I

31 December 2020

HSBC Institutional Trust Services (Singapore) Limited
As Trustee of CapitaLand Integrated Commercial Trust
10 Marina Boulevard
#45-01 Marina Bay Financial Centre Tower 2
Singapore 018983

CapitaLand Integrated Commercial Trust Management Limited
As Manager of CapitaLand Integrated Commercial Trust
168 Robinson Road
#30-01 Capital Tower
Singapore 068912

Dear Sirs

LETTER OF INDEPENDENT DECLARATION – CAPITALAND INTEGRATED COMMERCIAL TRUST

We, CBRE Pte. Ltd., being the Valuer of CapitaLand Integrated Commercial Trust ("CICT"), hereby declare and confirm that:

1. Our valuations are independent opinions of the market values of the properties based on our reported assumptions;

2. We are independent of CICT, CapitaLand Integrated Commercial Trust Management Limited in its capacity as Manager of CICT, HSBC Institutional Trust Services (Singapore) Limited in its capacity as Trustee of CICT, each of the significant holders of CICT, adviser or other party whom CICT is contracting with;

3. We do not have any pending business transactions, contracts under negotiation or other arrangements with the Manager, adviser or other party whom the Trustee is contracting with, and there are no other factors that would interfere with our ability to give an independent and professional valuation of 21 Collyer Quay and Tampines Mall;

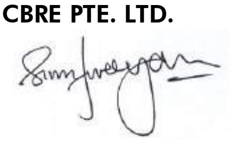
4. We confirm that we are authorized under the law of the state or country where the valuation takes place to practice as a valuer and issue a valuation report;

5. We confirm that we have the necessary expertise and experience in valuing properties of the type in question and in the relevant area; and

6. All of our directors are persons of good repute and have the necessary experience for the performance of their duties.

We have no objection to include the above declaration in your Annual Report.

Yours faithfully
For and on behalf of
CBRE PTE. LTD.



SIM HWEE YAN
Executive Director
Valuation & Advisory Services

CBRE Pte. Ltd.

2 Tanjong Katong Road #06-01
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Agency License No.: L3002163I

31 December 2020

HSBC Institutional Trust Services (Singapore) Limited
As Trustee of CapitaLand Integrated Commercial Trust
10 Marina Boulevard #45-01 Marina Bay Financial Centre Tower 2
Singapore 018983

Brilliance Trustee Pte. Ltd.
As Trustee of Brilliance Mall Trust
168 Robinson Road #30-01 Capital Tower
Singapore 068912

CapitaLand Integrated Commercial Trust Management Limited
As Manager of CapitaLand Integrated Commercial Trust and Brilliance Mall Trust
168 Robinson Road #30-01 Capital Tower
Singapore 068912

Dear Sirs

LETTER OF INDEPENDENT DECLARATION – CAPITALAND INTEGRATED COMMERCIAL TRUST

We, CBRE Pte. Ltd., being the Valuer of CapitaLand Integrated Commercial Trust (“CICT”) and Brilliance Mall Trust ("BMT"), hereby declare and confirm that:

1. Our valuations are independent opinions of the market values of the properties based on our reported assumptions;

2. We are independent of CICT, CapitaLand Integrated Commercial Trust Management Limited in its capacity as Manager of CICT and BMT, HSBC Institutional Trust Services (Singapore) Limited in its capacity as Trustee of CICT, each of the significant holders of CICT and BMT, adviser or other party whom CICT or BMT is contracting with;

3. We do not have any pending business transactions, contracts under negotiation or other arrangements with the Manager, adviser or other party whom the Trustee is contracting with, and there are no other factors that would interfere with our ability to give an independent and professional valuation of Bedok Mall;

4. We confirm that we are authorized under the law of the state or country where the valuation takes place to practice as a valuer and issue a valuation report;

5. We confirm that we have the necessary expertise and experience in valuing properties of the type in question and in the relevant area; and

6. All of our directors are persons of good repute and have the necessary experience for the performance of their duties.

We have no objection to include the above declaration in your Annual Report.

Yours faithfully
For and on behalf of
CBRE PTE. LTD.

SIM HWEE YAN
Executive Director
Valuation & Advisory Services

ADDITIONAL INFORMATION

CBRE Pte. Ltd.

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Paya Lebar Quarter
Singapore 437161

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Agency License No.: L3002163I

31 December 2020

HSBC Institutional Trust Services (Singapore) Limited
As Trustee of CapitaLand Integrated Commercial Trust
10 Marina Boulevard #45-01 Marina Bay Financial Centre Tower 2
Singapore 018983

CapitaLand Integrated Commercial Trust Management Limited
As Manager of CapitaLand Integrated Commercial Trust
168 Robinson Road #30-01 Capital Tower
Singapore 068912

One George Street LLP
168 Robinson Road #30-01 Capital Tower
Singapore 068912

Dear Sirs

LETTER OF INDEPENDENT DECLARATION – CAPITALAND INTEGRATED COMMERCIAL TRUST

We, CBRE Pte. Ltd., being the Valuer of CapitaLand Integrated Commercial Trust ("CICT") and One George Street LLP, hereby declare and confirm that:

1. Our valuations are independent opinions of the market values of the properties based on our reported assumptions;

2. We are independent of CICT, CapitaLand Integrated Commercial Trust Management Limited in its capacity as Manager of CICT, HSBC Institutional Trust Services (Singapore) Limited in its capacity as Trustee of CICT and One George Street LLP, each of the significant holders of CICT, adviser or other party whom CICT is contracting with;

3. We do not have any pending business transactions, contracts under negotiation or other arrangements with the Manager, adviser or other party whom the Trustee is contracting with, and there are no other factors that would interfere with our ability to give an independent and professional valuation of One George Street;

4. We confirm that we are authorized under the law of the state or country where the valuation takes place to practice as a valuer and issue a valuation report;

5. We confirm that we have the necessary expertise and experience in valuing properties of the type in question and in the relevant area; and

6. All of our directors are persons of good repute and have the necessary experience for the performance of their duties.

We have no objection to include the above declaration in your Annual Report.

Yours faithfully
For and on behalf of
CBRE PTE. LTD.

SIM HWEE YAN
Executive Director
Valuation & Advisory Services

Colliers International Consultancy & Valuation (Singapore) Pte Ltd
12 Marina View
#19-02, Asia Square Tower 2
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RCB No. 198105965E

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EMAIL Singapore.Valuation@colliers.com

31 December 2020

HSBC Institutional Trust Services (Singapore) Limited
As Trustee of CapitaLand Integrated Commercial Trust
10 Marina Boulevard
#45-01 Marina Bay Financial Centre Tower 2
Singapore 018983

CapitaLand Integrated Commercial Trust Management Limited
As Manager of CapitaLand Integrated Commercial Trust
168 Robinson Road
#30-01 Capital Tower
Singapore 068912

LETTER OF INDEPENDENT DECLARATION – CAPITALAND INTEGRATED COMMERCIAL TRUST

We, Colliers International Consultancy & Valuation (Singapore) Pte Ltd, being the Valuer of CapitaLand Integrated Commercial Trust hereby declare and confirm that:

1. We are independent of CapitaLand Integrated Commercial Trust, CapitaLand Integrated Commercial Trust Management Limited As Manager of CapitaLand Integrated Commercial Trust, HSBC Institutional Trust Services (Singapore) Limited As Trustee of CapitaLand Integrated Commercial Trust, each of the significant holders of CapitaLand Integrated Commercial Trust, adviser or other party whom CapitaLand Integrated Commercial Trust is contracting with;

2. We do not have any pending business transactions, contracts under negotiation or other arrangements with the manager, adviser or other party whom CapitaLand Integrated Commercial Trust is contracting with, and there are no other factors that would interfere with the valuer's ability to give an independent and professional valuation of the property;

3. We confirm that we are authorized under the law of the state or country where the valuation takes place to practice as a valuer and issue a valuation report;

4. We confirm that we have the necessary expertise and experience in valuing properties of the type in question and in the relevant area; and

5. All of our directors are persons of good repute and have the necessary experience for the performance of their duties.

6. We have no objection to include the above declaration in your Annual Report.

Faithfully,

Tan Keng Chiam
Executive Director
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

ADDITIONAL INFORMATION

Colliers International Consultancy & Valuation (Singapore) Pte Ltd
12 Marina View
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EMAIL Singapore.Valuation@colliers.com

31 December 2020

CL Office Trustee Pte. Ltd.
As Trustee - Manager of Glory Office Trust
168 Robinson Road
#30-01 Capital Tower
Singapore 068912

Glory SR Trustee Pte. Ltd.
As Trustee - Manager of Glory SR Trust
168 Robinson Road
#30-01 Capital Tower
Singapore 068912

CapitaLand Integrated Commercial Trust Management Limited
As Manager of CapitaLand Integrated Commercial Trust
168 Robinson Road
#30-01 Capital Tower
Singapore 068912

LETTER OF INDEPENDENT DECLARATION – GLORY OFFICE TRUST AND GLORY SR TRUST

We, Colliers International Consultancy & Valuation (Singapore) Pte Ltd, being the Valuer Glory Office Trust and Glory SR Trust hereby declare and confirm that:

1. We are independent of Glory Office Trust, Glory SR Trust, CapitaLand Integrated Commercial Trust Management Limited As Manager of CapitaLand Integrated Commercial Trust, CL Office Trustee Pte. Ltd. As Trustee - Manager of Glory Office Trust and Glory SR Trustee Pte. Ltd. As Trustee - Manager of Glory SR Trust, each of the significant holders of Glory Office Trust or Glory SR Trust, adviser or other party whom Glory Office Trust or Glory SR Trust is contracting with;

2. We do not have any pending business transactions, contracts under negotiation or other arrangements with the manager, adviser or other party whom Glory Office Trust or Glory SR Trust is contracting with, and there are no other factors that would interfere with the valuer’s ability to give an independent and professional valuation of the property;

3. We confirm that we are authorized under the law of the state or country where the valuation takes place to practice as a valuer and issue a valuation report;

4. We confirm that we have the necessary expertise and experience in valuing properties of the type in question and in the relevant area; and

5. All of our directors are persons of good repute and have the necessary experience for the performance of their duties.

6. We have no objection to include the above declaration in your Annual Report.

Faithfully,

Tan Keng Chiam
Executive Director
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Colliers International Consultancy & Valuation (Singapore) Pte Ltd
12 Marina View
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31 December 2020

HSBC Institutional Trust Services (Singapore) Limited
As Trustee of CapitaLand Integrated Commercial Trust, Victory Office 1 Trust and Victory Office 2 Trust
10 Marina Boulevard
#45-01 Marina Bay Financial Centre Tower 2
Singapore 018983

CapitaLand Integrated Commercial Trust Management Limited
As Manager of CapitaLand Integrated Commercial Trust, Victory Office 1 Trust and Victory Office 2 Trust
168 Robinson Road
#30-01 Capital Tower
Singapore 068912

LETTER OF INDEPENDENT DECLARATION – CAPITALAND INTEGRATED COMMERCIAL TRUST, VICTORY OFFICE 1 TRUST AND VICTORY OFFICE 2 TRUST

We, Colliers International Consultancy & Valuation (Singapore) Pte Ltd, being the Valuer of CapitaLand Integrated Commercial Trust hereby declare and confirm that:

1. We are independent of CapitaLand Integrated Commercial Trust, Victory Office 1 Trust, Victory Office 2 Trust, CapitaLand Integrated Commercial Trust Management Limited As Manager of CapitaLand Integrated Commercial Trust, Victory Office 1 Trust and Victory Office 2 Trust, HSBC Institutional Trust Services (Singapore) Limited As Trustee of CapitaLand Integrated Commercial Trust, Victory Office 1 Trust and Victory Office 2 Trust), each of the significant holders of CapitaLand Integrated Commercial Trust or Victory Office 1 Trust or Victory Office 2 Trust, adviser or other party whom CapitaLand Integrated Commercial Trust or Victory Office 1 Trust or Victory Office 2 Trust is contracting with;

2. We do not have any pending business transactions, contracts under negotiation or other arrangements with the manager, adviser or other party whom CapitaLand Integrated Commercial Trust or Victory Office 1 Trust or Victory Office 2 Trust is contracting with, and there are no other factors that would interfere with the valuer's ability to give an independent and professional valuation of the property;

3. We confirm that we are authorized under the law of the state or country where the valuation takes place to practice as a valuer and issue a valuation report;

4. We confirm that we have the necessary expertise and experience in valuing properties of the type in question and in the relevant area; and

5. All of our directors are persons of good repute and have the necessary experience for the performance of their duties.

6. We have no objection to include the above declaration in your Annual Report.

Faithfully,

Tan Keng Chiam
Executive Director
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

ADDITIONAL INFORMATION

Cushman & Wakefield VHS Pte. Ltd.
3 Church Street
#09-03 Samsung Hub
Singapore 049483
Tel +65 6535 3232
Fax +65 6535 1028
cushmanwakefield.com

Company Registration No. 200709839D

31 December 2020

HSBC Institutional Trust Services (Singapore) Limited
As Trustee of CapitaLand Integrated Commercial Trust
10 Marina Boulevard
#45-01 Marina Bay Financial Centre Tower 2
Singapore 018983

CapitaLand Integrated Commercial Trust Management Limited
As Manager of CapitaLand Integrated Commercial Trust
168 Robinson Road
#30-01 Capital Tower
Singapore 068912

Dear Sirs,

LETTER OF INDEPENDENT DECLARATION – CAPITALAND INTEGRATED COMMERCIAL TRUST

We, Cushman & Wakefield VHS Pte Ltd., being the Valuer of CapitaLand Integrated Commercial Trust ("CICT"), hereby declare and confirm that:

1. Our valuations are independent opinions of the market values of the properties based on our reported assumptions;

2. We are independent of CICT, CapitaLand Integrated Commercial Trust Management Limited in its capacity as Manager of CICT, HSBC Institutional Trust Services (Singapore) Limited in its capacity as Trustee of CICT, each of the significant holders of CICT, adviser or other party whom CICT is contracting with;

3. We do not have any pending business transactions, contracts under negotiation or other arrangements with the Manager, adviser or other party whom the Trustee is contracting with, and there are no other factors that would interfere with our ability to give an independent and professional valuation of the properties;

4. We confirm that we are authorized under the law of the state or country where the valuation takes place to practice as a valuer and issue a valuation report;

5. We confirm that we have the necessary expertise and experience in valuing properties of the type in question and in the relevant area;

6. All of our directors are persons of good repute and have the necessary experience for the performance of their duties.

We have no objection to include the above declaration in your Annual Report.

Yours faithfully
For and on behalf of
Cushman & Wakefield VHS Pte. Ltd.

Chew May Yenk
Executive Director

Knight Frank

31 December 2020

HSBC Institutional Trust Services (Singapore) Limited
As Trustee of CapitaLand Integrated Commercial Trust
10 Marina Boulevard
#45-01 Marina Bay Financial Centre Tower 2
Singapore 018983

CapitaLand Integrated Commercial Trust Management Limited
As Manager of CapitaLand Integrated Commercial Trust
168 Robinson Road
#30-01 Capital Tower
Singapore 068912

Dear Sirs,

LETTER OF INDEPENDENT DECLARATION - CAPITALAND INTEGRATED COMMERCIAL TRUST FOR FY2020

We, Knight Frank Pte Ltd, being the Valuer of CapitaLand Integrated Commercial Trust ("CICT") hereby declare and confirm that:

1. We are independent of CICT, CapitaLand Integrated Commercial Trust Management Limited, in its capacity as Manager of CICT, HSBC Institutional Trust Services (Singapore) Limited, in its capacity as Trustee of CICT, each of the significant holders of CICT, adviser or other party whom CICT is contracting with;

2. We do not have any pending business transactions, contracts under negotiation or other arrangements with the Manager, adviser or other party whom CICT is contracting with, and there are no other factors that would interfere with our ability to give an independent and professional valuation of the property;

3. We confirm that we are authorised under the law of the state or country where the valuation takes place to practice as a valuer and issue a valuation report;

4. We confirm that we have the necessary expertise and experience in valuing properties of the type in question and in the relevant area; and

5. All of our directors are persons of good repute and have the necessary experience for the performance of their duties.

We have no objection to include the above declaration in your Annual Report.

Yours faithfully
For and on behalf of
Knight Frank Pte Ltd

Low Kin Hon
Deputy Group Managing Director
Head, Valuation & Advisory

ADDITIONAL INFORMATION

31 December 2020

HSBC Institutional Trust Services (Singapore) Limited
As Trustee-Manager of RCS Trust
10 Marina Boulevard
#45-01 Marina Bay Financial Centre Tower 2
Singapore 018983

CapitaLand Integrated Commercial Trust Management Limited
As Manager of CapitaLand Integrated Commercial Trust
168 Robinson Road
#30-01 Capital Tower
Singapore 068912

Dear Sirs,

LETTER OF INDEPENDENT DECLARATION - CAPITALAND INTEGRATED COMMERCIAL TRUST FOR FY2020

We, Knight Frank Pte Ltd, being the Valuer of CapitaLand Integrated Commercial Trust ("CICT") hereby declare and confirm that:

1. We are independent of CICT, CapitaLand Integrated Commercial Trust Management Limited, in its capacity as Manager of CICT, HSBC Institutional Trust Services (Singapore) Limited, in its capacity as Trustee-Manager of RCS Trust, each of the significant holders of CICT, adviser or other party whom CICT is contracting with;

2. We do not have any pending business transactions, contracts under negotiation or other arrangements with the Manager, adviser or other party whom CICT is contracting with, and there are no other factors that would interfere with our ability to give an independent and professional valuation of the property;

3. We confirm that we are authorised under the law of the state or country where the valuation takes place to practice as a valuer and issue a valuation report;

4. We confirm that we have the necessary expertise and experience in valuing properties of the type in question and in the relevant area; and

5. All of our directors are persons of good repute and have the necessary experience for the performance of their duties.

We have no objection to include the above declaration in your Annual Report.

Yours faithfully
For and on behalf of
Knight Frank Pte Ltd

Low Kin Hon
Deputy Group Managing Director
Head, Valuation & Advisory

Knight Frank Pte Ltd 10 Collyer Quay #08-01 Ocean Financial Centre Singapore 049315
Tel: +65 6222 1333 Fax: +65 6224 5843 Reg. No: 198205243Z CEA Licence No: L3005536J
KnightFrank.com.sg

Other Offices:

Knight Frank Property Asset Management Pte Ltd 160 Paya Lebar Road #05-05 Orion@Paya Lebar Singapore 409022
KF Property Network Pte Ltd 10 Collyer Quay #08-01 Ocean Financial Centre Singapore 049315

Newmark Knight Frank

Savills Valuation And
Professional Services (S) Pte Ltd
Reg No: 200402411G

30 Cecil Street
#20-03 Prudential Tower
Singapore 049712

T: (65) 6836 6888
F: (65) 6536 8611

savills.com

31 December 2020

HSBC Institutional Trust Services (Singapore) Limited
as Trustee of CapitaLand Integrated Commercial Trust
10 Marina Boulevard
Marina Bay Financial Centre
Tower 2 #45-01
Singapore 018983

CapitaLand Integrated Commercial Trust Management Limited
As Manager of CapitaLand Integrated Commercial Trust
168 Robinson Road
#30-01 Capital Tower
Singapore 068912

Dear Sirs,

LETTER OF INDEPENDENT DECLARATION – CAPITALAND INTEGRATED COMMERCIAL TRUST

We, Savills Valuation and Professional Services (S) Pte Ltd, being the Valuer of CapitaLand Integrated Commercial Trust ("CICT") hereby declare and confirm that:

1. We are independent of CICT, CapitaLand Integrated Commercial Trust Management Limited (in its capacity as Manager of CICT), HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of CICT), each of the significant holders of CICT, adviser or other party whom CICT is contracting with;

2. We do not have any pending business transactions, contracts under negotiation or other arrangements with the manager, adviser or other party whom CICT is contracting with, and there are no other factors that would interfere with the valuer's ability to give an independent and professional valuation of JCube, Plaza Singapura and The Atrium@Orchard;

3. We confirm that we are authorized under the law of the state or country where the valuation takes place to practice as a valuer and issue a valuation report;

4. We confirm that we have the necessary expertise and experience in valuing properties of the type in question and in the relevant area;

5. All of our directors are persons of good repute and have the necessary experience for the performance of their duties; and

6. We have no objection to include the above declaration in your Annual Report.

Yours faithfully
For and on behalf of
Savills Valuation And Professional Services (S) Pte Ltd

Cynthia Ng
Managing Director

ADDITIONAL INFORMATION

31 December 2020

Savills Valuation And
Professional Services (S) Pte Ltd
Reg No: 200402411G

30 Cecil Street
#20-03 Prudential Tower
Singapore 049712

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F: (65) 6536 8611

savills.com

HSBC Institutional Trust Services (Singapore) Limited
as Trustee of CapitaLand Integrated Commercial Trust
10 Marina Boulevard
Marina Bay Financial Centre
Tower 2 #45-01
Singapore 018983

JG Trustee Pte. Ltd.
As Trustee of Infinity Mall Trust
168 Robinson Road
#30-01 Capital Tower
Singapore 068912

CapitaLand Integrated Commercial Trust Management Limited
As Manager of CapitaLand Integrated Commercial Trust and Infinity Mall Trust
168 Robinson Road
#30-01 Capital Tower
Singapore 068912

Dear Sirs,

LETTER OF INDEPENDENT DECLARATION – CAPITALAND INTEGRATED COMMERCIAL TRUST

We, Savills Valuation and Professional Services (S) Pte Ltd, being the Valuer of CapitaLand Integrated Commercial Trust ("CICT") and Infinity Mall Trust ("IMT") hereby declare and confirm that:

1. We are independent of CICT, IMT, CapitaLand Integrated Commercial Trust Management Limited (in its capacity as Manager of CICT), HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of CICT), JG Trustee Pte. Ltd. (in its capacity as Trustee of IMT), each of the significant holders of CICT and IMT, adviser or other party whom CICT or IMT is contracting with;

2. We do not have any pending business transactions, contracts under negotiation or other arrangements with the manager, adviser or other party whom CICT or IMT is contracting with, and there are no other factors that would interfere with the valuer's ability to give an independent and professional valuation of Westgate;

3. We confirm that we are authorized under the law of the state or country where the valuation takes place to practice as a valuer and issue a valuation report;

4. We confirm that we have the necessary expertise and experience in valuing properties of the type in question and in the relevant area;

5. All of our directors are persons of good repute and have the necessary experience for the performance of their duties; and

6. We have no objection to include the above declaration in your Annual Report.

Yours faithfully
For and on behalf of
Savills Valuation And Professional Services (S) Pte Ltd

Cynthia Ng
Managing Director

31 December 2020

HSBC Institutional Trust Services (Singapore) Limited
As Trustee of CapitaLand Integrated Commercial Trust
10 Marina Boulevard #45-01 Marina Bay Financial Centre Tower 2
Singapore 018983

CapitaLand Integrated Commercial Trust Management Limited
As Manager of CapitaLand Integrated Commercial Trust
168 Robinson Road #30-01 Capital Tower
Singapore 068912

Dear Sirs,

LETTER OF INDEPENDENT DECLARATION – CAPITALAND INTEGRATED COMMERCIAL TRUST

We, C & W (U.K.) – German Branch, being the Valuer of CapitaLand Integrated Commercial Trust ("CICT") hereby declare and confirm that:

1. Our valuations are independent opinions of the market values of the properties based on our reported assumptions;

2. We are independent of CICT, CapitaLand Integrated Commercial Trust Management Limited, in its capacity as Manager of CICT, HSBC Institutional Trust Services (Singapore) Limited, in its capacity as Trustee of CICT, each of the significant holders of CICT, adviser or other party whom CICT is contracting with;

3. We do not have any pending business transactions, contracts under negotiation or other arrangements with the Manager, adviser or other party whom the Trustee is contracting with, and there are no other factors that would interfere with our ability to give an independent and professional valuation of the properties;

4. We confirm that we are authorised under the law of the state or country where the valuation takes place to practice as a valuer and issue a valuation report;

5. We confirm that we have the necessary expertise and experience in valuing properties of the type in question and in the relevant area;

6. Our compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of CICT, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event; and

7. All of our directors are persons of good repute and have the necessary experience for the performance of their duties.

We have no objection to include the above declaration in your Annual Report.

Yours faithfully
For and on behalf of
C & W (U.K.) – German Branch

Dipl.-Ing. Torben Möller M.Eng. MRICS

STATISTICS OF UNITHOLDINGS

As at 23 February 2021

ISSUED AND FULLY PAID UNITS

6,470,704,116 units (voting rights: 1 vote per unit)
Market Capitalisation S$13,329,650,479 (based on closing unit price of S$2.06 on 23 February 2021)

DISTRIBUTION OF UNITHOLDINGS

SIZE OF UNITHOLDINGS	NO. OF UNITHOLDERS	%	NO. OF UNITS	%
1 - 99	669	1.22	24,950	0.00
100 - 1,000	11,761	21.47	6,903,060	0.11
1,001 - 10,000	32,112	58.63	135,249,151	2.09
10,001 - 1,000,000	10,186	18.60	409,555,055	6.33
1,000,001 AND ABOVE	42	0.08	5,918,971,900	91.47
TOTAL	**54,770**	**100.00**	**6,470,704,116**	**100.00**

LOCATION OF UNITHOLDERS

	NO. OF UNITHOLDERS	%	NO. OF UNITS	%
SINGAPORE	52,958	96.69	6,452,579,361	99.72
MALAYSIA	1,110	2.03	10,164,493	0.16
OTHERS	702	1.28	7,960,262	0.12
TOTAL	**54,770**	**100.00**	**6,470,704,116**	**100.00**

TWENTY LARGEST UNITHOLDERS

	NAME	NO. OF UNITS	%
1	CITIBANK NOMINEES SINGAPORE PTE LTD	1,290,427,001	19.94
2	DBS NOMINEES (PRIVATE) LIMITED	1,018,726,245	15.74
3	DBSN SERVICES PTE. LTD.	603,120,846	9.32
4	HSBC (SINGAPORE) NOMINEES PTE LTD	586,301,432	9.06
5	PYRAMEX INVESTMENTS PTE LTD	571,784,814	8.84
6	SBR PRIVATE LIMITED	537,585,792	8.31
7	ALBERT COMPLEX PTE LTD	279,300,000	4.32
8	RAFFLES NOMINEES (PTE.) LIMITED	237,247,389	3.67
9	E-PAVILION PTE LTD	155,426,214	2.40
10	PREMIER HEALTHCARE SERVICES INTERNATIONAL PTE LTD	150,954,660	2.33
11	CAPITALAND COMMERCIAL TRUST MANAGEMENT LIMITED	124,684,949	1.93
12	BPSS NOMINEES SINGAPORE (PTE.) LTD.	99,162,178	1.53
13	CAPITALAND INTEGRATED COMMERCIAL TRUST MANAGEMENT LIMITED (FORMERLY CAPITALAND MALL TRUST MANAGEMENT LIMITED)	49,395,849	0.76
14	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	38,163,256	0.59
15	DB NOMINEES (SINGAPORE) PTE LTD	18,432,759	0.28
16	OCBC SECURITIES PRIVATE LIMITED	17,840,886	0.28
17	PHILLIP SECURITIES PTE LTD	15,926,434	0.25
18	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	14,731,093	0.23
19	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	13,901,576	0.21
20	IFAST FINANCIAL PTE. LTD.	9,078,156	0.14
	TOTAL	**5,832,191,529**	**90.13**

DIRECTORS' INTERESTS IN UNITS AND CONVERTIBLE SECURITIES AS AT 21 JANUARY 2021

Based on the Register of Directors' Unitholdings, the interests of the Directors in Units and convertible securities issued by CICT are as follows:

	No. of Units		Contingent Awards of Units[1] under the Manager's	
Name of Director	Direct Interest	Deemed Interest	Performance Unit Plan	Restricted Unit Plan
Teo Swee Lian	9,352	–	–	–
Tony Tan Tee Hieong	195,533	–	0 to 372,770[2]	106,507[3,4] 0 to 110,892[2,4]
Lee Khai Fatt, Kyle	69,830	–	–	–
Quek Bin Hwee	61,050	–	–	–
Ng Wai King	18,994	–	–	–
Leo Mun Wai	–	–	–	–
Jonathan Yap Neng Tong	19,000	44,000	–	–
Lim Cho Pin Andrew Geoffrey	22,800	–	–	–

1 This refers to the number of Units which are the subject of contingent awards granted but not released under the Manager's Performance Unit Plan (PUP) and Restricted Unit Plan (RUP). The final number of Units that will be released could range from 0% to a maximum of 200% of the baseline award under the PUP and from 0% to a maximum of 150% of the baseline award under the RUP.

2 The final number of Units to be released will depend on the achievement of pre-determined targets at the end of the respective performance periods for the PUP and RUP.

3 Being the unvested Units under the RUP.

4 On the final vesting, an additional number of Units of a total value equal to the value of the accumulated distributions which are declared during each of the vesting periods and deemed foregone due to the vesting mechanism of the RUP, will also be released.

STATISTICS OF UNITHOLDINGS

As at 23 February 2021

SUBSTANTIAL UNITHOLDERS' UNITHOLDINGS AS AT 23 FEBRUARY 2021

Based on the information available to the Manager, as at 23 February 2021, the unitholdings of Substantial Unitholders of CICT are as follows:

Name of Substantial Unitholder	Direct Interest No. of Units	Direct Interest %[1]	Deemed Interest No. of Units	Deemed Interest %[1]
Temasek Holdings (Private) Limited (THPL)[2]	–	–	1,958,485,860	30.26
Tembusu Capital Pte. Ltd. (Tembusu)[3]	–	–	1,944,402,184	30.04
Bartley Investments Pte. Ltd. (Bartley)[4]	–	–	1,869,538,258	28.89
Mawson Peak Holdings Pte. Ltd. (Mawson)[4]	–	–	1,869,538,258	28.89
Glenville Investments Pte. Ltd. (Glenville)[4]	–	–	1,869,538,258	28.89
TJ Holdings (III) Pte. Ltd. (TJ Holdings (III))[4]	–	–	1,869,538,258	28.89
CLA Real Estate Holdings Pte. Ltd. (CLA)[5]	–	–	1,869,538,258	28.89
CapitaLand Limited (CL)[6]	–	–	1,869,538,258	28.89
CapitaLand Singapore Limited (CLS)[7]	–	–	1,695,051,480	26.19
CL Retail Singapore Pte. Ltd. (CLRS)[8]	–	–	1,002,039,474	15.48
CapitaLand (Office) Investments Ptd Ltd (COI)[9]	–	–	537,585,792	8.30
SBR Private Limited (SBR)	537,585,792	8.30	–	–
Pyramex Investments Pte Ltd (PIPL)	571,784,814	8.83	–	–
BlackRock, Inc.[10]	–	–	349,467,264	5.40

1 The percentages are rounded down to the nearest 0.01%.
2 THPL is deemed to have an interest in the unitholdings in which its subsidiaries and associated companies (including but not limited to CLA) have or are deemed to have an interest pursuant to Section 4 of the Securities and Futures Act, Chapter 289 of Singapore (SFA).
3 Tembusu is deemed to have an interest in the unitholdings in which its subsidiaries (including but not limited to CLA) have or are deemed to have an interest pursuant to Section 4 of the SFA.
4 THPL holds 100% of the equity interest in Tembusu, which holds 100% of the equity interest in Bartley, which holds 100% of the equity interest in Mawson, which holds 100% of the equity interest in Glenville, which holds 100% of the equity interest in TJ Holdings (III), which holds 100% of the equity interest in CLA. CLA holds approximately 51.86% of the issued shares in CL.
Each of Bartley, Mawson, Glenville and TJ Holdings (III) is deemed to have an interest in the unitholdings in which CLA is deemed to have an interest pursuant to Section 4 of the SFA.
5 CLA is deemed to have an interest in the unitholdings that CL is deemed to have an interest pursuant to Section 4 of the SFA.
6 CL is deemed to have an interest in the unitholdings of its indirect wholly owned subsidiaries, namely PIPL, Albert Complex Pte Ltd (ACPL), Premier Healthcare Services International Pte Ltd (PHSIPL), SBR, E-Pavilion Pte. Ltd. (E-Pavilion), CapitaLand Integrated Commercial Trust Management Limited (CICTML), CapitaLand Commercial Trust Management Limited (CCTML) and Carmel Plus Pte. Ltd. (Carmel). PHSIPL holds 150,954,660 Units, E-Pavilion holds 155,426,214 Units, CICTML holds 49,395,849 Units, CCTML holds 124,684,949 Units and Carmel holds 405,980 Units.
7 CLS is deemed to have an interest in the unitholdings of its indirect wholly owned subsidiaries, namely PIPL, ACPL and PHSIPL through its direct wholly owned subsidiary, CLRS; E-Pavilion through its direct wholly owned subsidiary, CapitaLand Investments Pte. Ltd.; and SBR through its direct wholly owned subsidiary, COI.
8 CLRS is deemed to have an interest in the unitholdings of its direct wholly owned subsidiaries, namely PIPL, ACPL and PHSIPL.
9 COI is deemed to have an interest in the unitholdings of its direct wholly owned subsidiary, SBR.
10 BlackRock, Inc. is deemed to have an interest in the unitholdings through its subsidiaries of which it has indirect control.

PUBLIC FLOAT

Based on the information made available to the Manager, approximately 64.00% of the Units were held in the hands of the public as at 23 February 2021. Accordingly, Rule 723 of the Listing Manual of the SGX-ST has been complied with.

CORPORATE INFORMATION

CAPITALAND INTEGRATED COMMERCIAL TRUST

Registered Address
HSBC Institutional Trust Services (Singapore) Limited
10 Marina Boulevard
Marina Bay Financial Centre
Tower 2 #48-01
Singapore 018983

Website & Email Address
www.cict.com.sg
ask-us@cict.com.sg

Counter Name
CapLand IntCom T

Stock Code
C38U

Trustee
HSBC Institutional Trust Services (Singapore) Limited
10 Marina Boulevard
Marina Bay Financial Centre
Tower 2 #45-01
Singapore 018983
Tel: (65) 6658 6667

AUDITOR
KPMG LLP
Public Accountants and
Chartered Accountants
16 Raffles Quay
#22-00 Hong Leong Building
Singapore 048581
Tel: (65) 6213 3388
Fax: (65) 6225 0984
Partner-In-Charge:
Koh Wei Peng
(With effect from financial year ended 31 December 2017)

THE MANAGER

Registered Address
CapitaLand Integrated Commercial Trust Management Limited
168 Robinson Road
#30-01 Capital Tower
Singapore 068912
Tel: (65) 6713 2888
Fax: (65) 6713 2999

BOARD OF DIRECTORS

Ms Teo Swee Lian
Chairman & Non-Executive Independent Director

Mr Tony Tan Tee Hieong
Chief Executive Officer & Executive Non-Independent Director

Mr Lee Khai Fatt, Kyle
Non-Executive Independent Director

Mrs Quek Bin Hwee
Non-Executive Independent Director

Mr Ng Wai King
Non-Executive Independent Director

Mr Leo Mun Wai
Non-Executive Independent Director

Mr Jonathan Yap Neng Tong
Non-Executive Non-Independent Director

Mr Lim Cho Pin Andrew Geoffrey
Non-Executive Non-Independent Director

AUDIT COMMITTEE

Mr Lee Khai Fatt, Kyle (Chairman)
Mrs Quek Bin Hwee
Mr Ng Wai King
Mr Leo Mun Wai
Mr Jonathan Yap Neng Tong

EXECUTIVE COMMITTEE

Mr Jonathan Yap Neng Tong (Chairman)
Mr Tony Tan Tee Hieong
Mr Lim Cho Pin Andrew Geoffrey

COMPANY SECRETARIES

Ms Lee Ju Lin, Audrey
Ms Tee Leng Li

THE PROPERTY MANAGERS

CapitaLand Retail Management Pte Ltd
168 Robinson Road
#30-01 Capital Tower
Singapore 068912
Tel: (65) 6713 2888
Fax: (65) 6713 2999

CapitaLand Commercial Management Pte. Ltd.
168 Robinson Road
#30-01 Capital Tower
Singapore 068912
Tel: (65) 6713 2888
Fax: (65) 6713 2400

CapitaLand (RCS) Property Management Pte. Ltd.
252 North Bridge Road
#B1-44D Raffles City
Shopping Centre
Singapore 179103
Tel: (65) 6338 7766
Fax: (65) 6337 3618

Unit Registrar
Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623
Tel: (65) 6536 5355
Fax: (65) 6536 1360

For updates or change of mailing address, please contact:
The Central Depository (Pte) Ltd
11 North Buona Vista Drive
#01-19/20 The Metropolis
Singapore 138589
Tel: (65) 6535 7511
Email: asksgx@sgx.com
Web: https://investors.sgx.com

This Annual Report to Unitholders 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-looking 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 the current views of management on future events.

CAPITALAND INTEGRATED COMMERCIAL TRUST MANAGEMENT LIMITED

Company Registration Number: 200106159R
Incorporated in the Republic of Singapore

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