



**CAPITALAND  
ASCENDAS  
REIT**

**20**

**INTEGRATED SUSTAINABILITY REPORT**

**22**





# WE REMAIN STEADFAST IN OUR COMMITMENT TO ACHIEVE THE TARGETS SET OUT IN THE CAPITALAND 2030 SUSTAINABILITY MASTER PLAN.



**WILLIAM TAY WEE LEONG**  
Chief Executive Officer

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# About this Report

CapitaLand Ascendas REIT (CLAR, the Trust or the Group), formerly known as Ascendas Real Estate Investment Trust, is Singapore's first and largest listed business space and industrial Real Estate Investment Trust (REIT) with presence in Singapore, Australia, the United Kingdom (UK) / Europe, and the United States (US). As of 31 December 2022, CLAR had a customer base of about 1,720 local and international companies across a wide range of industries.

Between 2013 and 2017, CLAR published five sustainability reports. In 2018, it improved its report by incorporating elements of the Integrated Reporting (IR) Framework of the International Integrated Reporting Council (which has been overseen by the International Financial Reporting Standards (IFRS) Foundation since August 2022) and renamed its report as 'Integrated Sustainability Report'. This is CLAR's sixth Integrated Sustainability Report (ISR). The report provides updates on its Environmental, Social, and Governance (ESG) performance.

## INTERNATIONAL STANDARDS AND GUIDELINES

This report has been prepared in accordance with the Singapore Exchange Securities Trading Limited's (SGX-ST) Listing Manual Rules 711A and 711B, and Global Reporting Initiative (GRI) Standards 2021. The GRI Standards have been selected as it is an internationally recognised reporting framework that covers a comprehensive range of sustainability disclosures that is relevant to CLAR's business. This report has also incorporated elements of the Value Reporting Foundation's Integrated Reporting (IR) Framework of the IFRS Foundation, and Sustainable Development Goals (SDGs) of the United Nations. Along with CapitaLand Investment Limited (CLI), CLAR will continue to adopt a progressive approach in improving the climate-related disclosures based on recommendations from the Task Force on Climate-related Financial Disclosures (TCFD).

## REPORTING SCOPE AND PERIOD

CLAR, a CLI-sponsored REIT, is managed by wholly owned subsidiaries of CLI, which include CapitaLand Ascendas REIT Management Limited (the Manager),

formerly known as Ascendas Funds Management (S) Limited and Asset & Property Managers who are responsible for the Trust and oversee daily property operations. CLI is a leading global real estate investment manager with a strong Asia foothold and is the listed investment management business arm of CapitaLand group.

CLAR does not have employees. References to employees in this report refer to employees of the Manager.

This report covers CLAR's portfolio for the financial period from 1 January 2022 to 31 December 2022, unless otherwise indicated. As of 31 December 2022, CLAR's portfolio comprises 95 properties in Singapore, 36 properties in Australia, 49 properties in the UK / Europe and 48 properties in the US.

Taking guidance from the operational control approach<sup>1</sup> as defined by the Greenhouse Gas (GHG) Protocol Corporate Standard, environmental performance of 96 properties under operational control have been covered in this report. As of 31 December 2022, about 52% of CLAR's portfolio was directly under the operational control of the Asset & Property Managers, in terms of Gross Floor Area (GFA).

The multi-segmented portfolio comprised 69.3% and 30.7% of multi-tenant and single-tenant properties respectively. Please refer to pages 58 to 99 of the Annual Report 2022 for the full list of CLAR's properties.

Every sustainability report published by CLAR undergoes a series of review and approvals. The sustainability committee (SC) of the Manager reviews the draft report before circulating it to the Board for approval prior to its publication. The Manager has not sought external independent assurance on this report specifically but its Sponsor, CLI, seeks external assurance on its report and the data is shared between the two entities.

The Manager welcomes all feedback as it facilitates continual improvement in the sustainability policies, processes, performance, and reporting. Please direct your questions and feedback to [clar@capitaland.com](mailto:clar@capitaland.com).

1 CLAR's Manager and its Asset & Property Managers did not have operational control of 132 properties in its portfolio during FY2022, including property under development (iQuest@IBP); hence emissions associated with fuel combustion and purchased electricity are Scope 3. Details can be found on pages 29-32 of the GHG Protocol: A Corporate Accounting and Reporting Standard at <https://www.ghgprotocol.org/corporate-standard>.

# Sustainability Highlights

*“CLAR places sustainability at the core of all initiatives across the properties globally and is aligned with CapitaLand’s sustainability objectives and goals. These efforts are also inclusive in that they extend to the tenants and the community at large.”*



## COMMITMENT TO THE ENVIRONMENT

CLAR demonstrates commitment towards creating a more sustainable environment based on the unique contexts and opportunities that present themselves across each market. Some of these efforts involves tenants driving their own initiatives, which were supported by CLAR.



### GREEN BUILDINGS

#### As of December 2022

Total green-certified properties – **70<sup>2</sup>**

Largest number of BCA Green Mark properties amongst S-REITs – **58<sup>2</sup>**



#### Achievements in 2022



**Singapore:** 19 newly certified properties and 27 re-certified properties



**Australia:** One property achieved 3.0 Star NABERS Energy Rating



**US:** Two properties achieved LEED Gold certifications



### RENEWABLE ENERGY

#### Solar Panels

**Singapore:** In 2022, 10 properties were installed with solar panels with projected energy generation of additional 6.8 GWh/year. As of December 2022, there were 17 properties with solar panel installations. CLAR targets to extend this initiative to seven more properties in 2023 that is estimated to generate additional 4.5 GWh of solar power annually.

Common facilities for five properties were also 100% powered by renewable energy in 2022, namely, Neuros & Immunos, Nexus@one-north, Galaxis, LogisTech and Nucleos.

For international portfolio, CLAR is working closely with tenants to explore feasibility of solar panel installation and utilisation of renewable energy. In Europe, the four data centres<sup>3</sup> which are under CLAR’s operational control, are 100% powered by electricity from renewable sources.

#### EV Charging Points

#### Total EV Charging Points – 273



**Singapore:** 76 EV charging points - Largest number of public EV charging points in Singapore by a S-REIT



**Australia:** 39 EV charging points



**US:** 138 EV charging points



**UK/EU:** 20 EV charging points

There have been ongoing engagements with tenants to explore the adoption of EVs, with many tenants expressing interest in the installation of EV charging points within CLAR’s properties.

<sup>2</sup> Includes non-landlord managed properties.

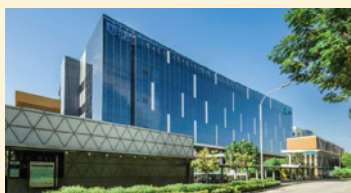
<sup>3</sup> Reynolds House, Paul van Vlissingenstraat (PVV), Cressex Business Park and Croydon.





## PREMIUM QUALITY PRODUCTS AND SERVICES

### Premium High Specification Industrial Building developed by CLAR



UBIX, Singapore is a BCA Green Mark Gold<sup>Plus</sup> certified building with a suite of green features including the use of three-tick Singapore Green Building Product (SGBP) certified concrete ready mix, smart sensor-controlled mechanical ventilation system in the carpark, energy efficient lighting and air-conditioning systems, and water efficient fixtures.



## PILOTING OF SUSTAINABILITY INNOVATIONS

CLAR continues to explore piloting and scaling of innovations that demonstrate potential commercial and technological feasibility. Following the launch of CapitaLand's Sustainability-X Challenge (CSXC), CLAR has rolled out several initiatives.

<b>Continewm Net</b>	An initiative that involves using ceramic and polyethylene nets in air handling units (AHUs) to reduce AHU energy consumption. The initiative will be scaled up to involve all AHUs in LogisTech, Singapore in 2023.
<b>Aeroseal</b>	An ongoing pilot project at 17 Changi Business Park Central, Singapore involving a duct sealing solution which improves heating, ventilation, and air conditioning (HVAC) efficiency and indoor air quality.
<b>INOVUES</b>	Ongoing CSXC INOVUES window retrofit project at Creekside 5, Portland, US for better insulation and energy performance.



## NOTABLE ESG ACHIEVEMENTS

CLAR continually strives for excellence in its commitment towards sustainability and has achieved several accolades in recognition for its efforts towards ESG.

- "A" rating for GRESB<sup>4</sup> Public Disclosure for three years running
- 3-Star rating for GRESB Real Estate Assessment 2022
- Achieved a score of "B" for CDP<sup>5</sup> Climate Change 2022
- Ranked 2<sup>nd</sup> on Singapore Governance and Transparency Index 2022 (REITs and Business Trust Category)



## NURTURING COMMUNITY

CLAR engages with the community at large, which comprises the Manager's employees, tenants and the local community. CLAR actively works towards creating inclusive spaces for these different stakeholders. CLAR aims to contribute to uplifting well-being of various factions of society.



Group photo of the Manager's Management team with judges and winners of the CLAR Sustainability Corner Competition

### Community Initiatives

Key Initiatives	
<b>CapitaLand Ascendas REIT Study Awards</b>	As a testament to its long-term commitment towards supporting the development of local communities that CLAR operates in, the Manager has pledged an additional S\$1.3 million in donations towards educational causes in key markets including Singapore, Australia, the UK, and the US. The total donation to date is S\$2.5 million.
<b>CLAR Sustainability Corner Competition</b>	23 students across five tertiary institutions participated in the competition to develop innovative designs for a sustainability corner, a physical installation or space to raise awareness about climate change and sustainability issues among tenants and visitors to CLAR properties.
<b>CapitaLand Well-being Programme (Global)</b>	This programme aimed to improve employees' quality of life in order to enhance their work performance. Attendees from CapitaLand Group across 13 countries globally have benefited from the programme and initiatives.
<b>CapitaLand's #LoveOurSeniors programme (Singapore)</b>	This programme entailed the contributions of more than 600 CapitaLand staff and 148 CLAR tenants to distribute bread and essential care packs to seniors and assist some in moving to their new homes through emotional and financial support.
<b>Blood Donation Drives (US)</b>	Blood donation drives were held in Portland and Raleigh. This initiative involved at least 40 tenants that could potentially save more than 120 lives.

<sup>4</sup> GRESB is an investor-led organisation providing standardised and validated ESG data.

<sup>5</sup> CDP is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states, and regions to manage their environmental impacts. The world's economy looks to CDP as the gold standard of environmental reporting with the richest and most comprehensive dataset on corporate and city action.



## Board Statement

Sustainability is at the core of CLAR's business strategy. We are committed to growing in a responsible manner, delivering long-term economic value, and contributing to the environmental and social well-being of our communities. The material environmental, social and governance (ESG) factors have been identified and encapsulated in the CapitaLand 2030 Sustainability Master Plan (SMP), which was launched in 2020, and will be reviewed every two years.

The CapitaLand 2030 SMP steers our efforts to maximise impact through building a resilient and resource efficient real estate portfolio, enabling thriving and future-adaptive communities, and accelerating sustainability innovation and collaboration. Ambitious ESG targets have been set which include carbon emissions reduction targets validated by the Science Based Targets initiative (SBTi). Following the first scheduled review in 2022, CLI revised its SMP targets to elevate its SBTi-approved targets in line with a 1.5°C scenario, incorporate its Net Zero commitment, and enhanced its focus on social indicators.

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

CLAR's sustainability performance has been recognised by global benchmarks and included in indices such as GRESB, the iEdge-UOB APAC Yield Focus Green REIT Index, Solactive ISS ESG Screened Paris Aligned Global Markets Index NTR and Solactive ISS ESG Screened Developed Markets Index NTR. As an industry leader, CLAR will continue to push the boundaries to adopt meaningful ESG practices and enhance sustainability in the industrial real estate sector.

## Board Message

### SUSTAINABILITY AT THE CORE

With the rising focus on climate change and ESG, CLAR has proactively developed and pursued initiatives to build a more resilient portfolio. The Board recognises the importance of ESG and has embedded ESG in the business operations and culture of the Manager. A multi-faceted approach was adopted which includes a dynamic approach in minimising our carbon footprint and collaboration with stakeholders, including tenants to achieve common sustainability goals.

### DYNAMIC APPROACH TO REDUCING ENVIRONMENTAL FOOTPRINT

CLAR prioritises environmental footprint reduction by exploring and implementing green initiatives to improve energy efficiency and/or reduce on-site energy consumption. These include continual efforts on green building certification (70 green-certified properties<sup>6</sup> in CLAR portfolio in total), installation of solar panels on 17 properties and installation of 273 electric vehicle charging points.

CLAR is committed to pursuing green initiatives in all the countries that CLAR operates in. Every green initiative implemented takes into consideration the different context and opportunities presented in each market and contributes towards reducing CLAR's environmental footprint. They demonstrate CLAR's commitment and contribute to realising our vision for environmental sustainability.

### WELL-BEING OF STAFF, TENANTS, SERVICE PROVIDERS AND COMMUNITY A CONSISTENT PRIORITY

The Manager also recognises the importance of fostering a sense of community among employees, customers, suppliers, and contractors, as well as with the wider society. Throughout the year, the Manager participated in various community-building programmes and initiatives such as the CapitaLand #LoveOurSeniors programme.

Within CapitaLand Group, there are initiatives for staff well-being such as mental health awareness month, as well as development-centric initiatives such as Coffee & Learn and the Knowledge Exchange Programme. Some of these initiatives also extend to the tenant community, such as futsal tournaments and community gatherings.

At the same time, CLAR is committed to giving back to society at large. Besides holding volunteering activities, the Manager has pledged S\$1.3 million of educational support in the key markets where CLAR operates. The Manager has also organised the CLAR Sustainability Corner Competition in FY2022, which challenges students from tertiary institutions in Singapore to develop innovation concepts and designs for a sustainability corner, a physical installation or space that seeks to raise awareness about climate change and sustainability issues among tenants and visitors to CLAR properties.

### STRONG ALIGNMENT IN THE BEST CORPORATE GOVERNANCE PRACTICES

Good corporate governance is the cornerstone of every business. The Manager aims to adopt best practices for maintaining effective leadership, structure, and overall culture within the organisation. The Manager believes that good corporate governance practices go hand in hand with sustainability, and by adopting transparent and ethical practices, CLAR can build trust with stakeholders and demonstrate our commitment to sustainability. CLAR's commitment to transparency, disclosure, and communication, has led to achievements such as an "A" rating for the GRESB Public Disclosure for three consecutive years, as well as 2<sup>nd</sup> position on the Singapore Governance and Transparency Index in 2022.

◀ **Namira Binte Ismail, Arts@Metta (Metta Welfare Organisation)**

In celebration of CLAR's 20<sup>th</sup> anniversary and in support of social causes, the Manager commissioned paintings of CLAR's buildings from the artist as gifts for tenants who had been with CLAR since inception.

<sup>6</sup> Includes non-managed properties.



# SUSTAINABILITY COMMITMENT

## MANAGING SUSTAINABILITY GLOBALLY



With the launch of the 2030 Sustainability Master Plan (SMP) by CapitaLand in 2020, there is greater clarity and alignment on the strategic directions and imperatives across geographies. Across its global portfolio, there are cohesive efforts that culminate towards bringing CLAR closer to CapitaLand's sustainability objectives and strategies.



CLAR is committed to improving the economic and social well-being of its stakeholders through management of human capital, asset, portfolio operations and project development. It also considers innovation as a key driver towards ensuring commercial viability without compromising the environment for future generations. The Manager works closely with the Asset, Property & Project Managers in carrying out these strategies and relevant activities across its portfolio where possible.

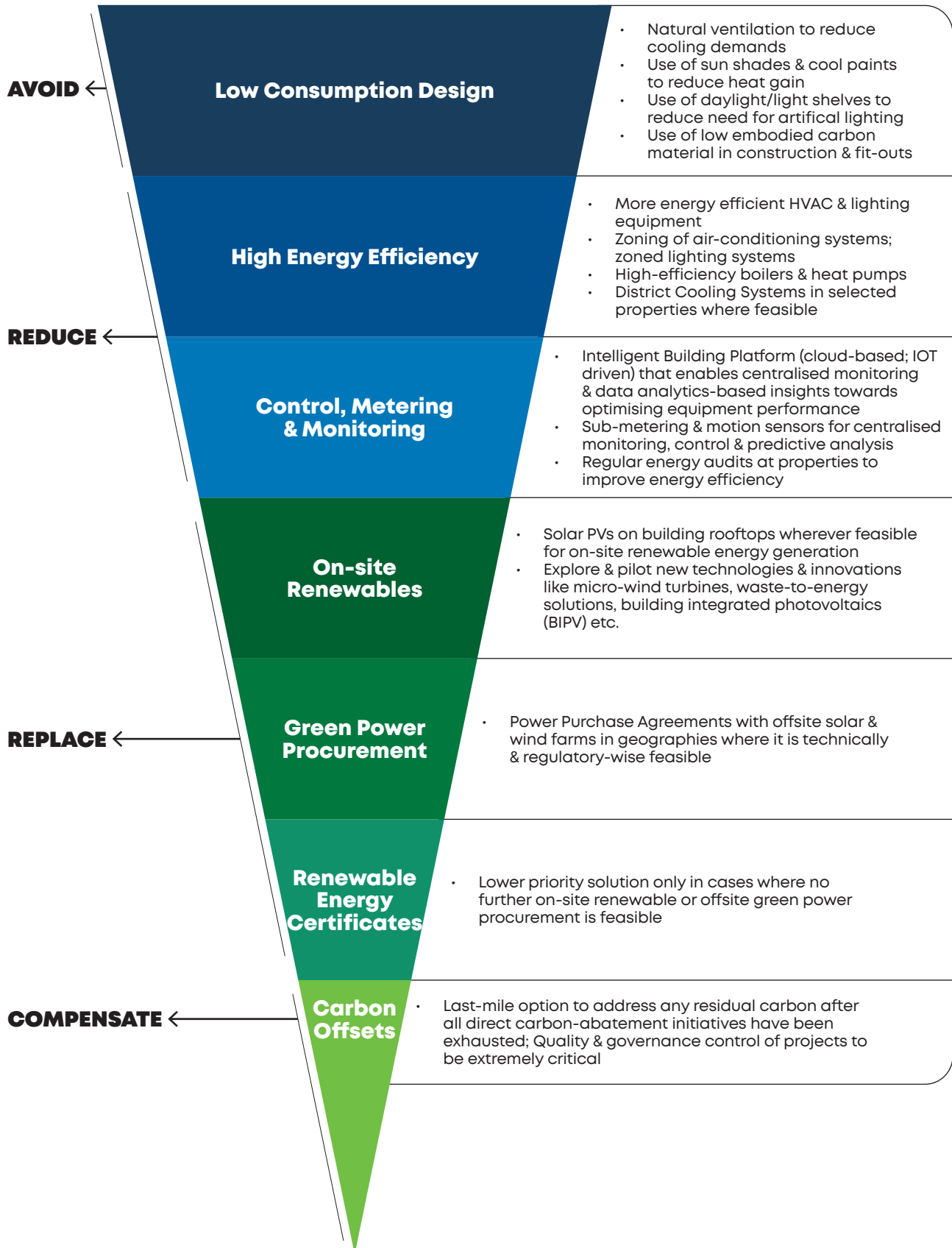
CLAR is aligned with CapitaLand's 2030 SMP unveiled in 2020 to elevate the CapitaLand Group's commitment to global sustainability in the built environment. The SMP drives CapitaLand's sustainability efforts in the ESG pillars, enabling the CapitaLand Group to create a larger positive impact for the environment and society.

CapitaLand's 2030 SMP is regularly reviewed and adjusted where necessary to complement its business strategy and align with climate science. The first scheduled review in 2022 is in progress and the outcome will be published before end May 2023.



# Sustainability Commitment

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





## Measured against global benchmarks

CapitaLand was one of the first companies in Singapore to voluntarily publish an annual Global Sustainability Report since FY2009 and has had the entire report externally assured since FY2010. CLAR had started its sustainability journey in 2012 and was also one of the first Singapore REITs to voluntarily publish its sustainability report before the reporting guidelines and requirements by the Singapore Exchange (SGX). Benchmarking against an international standard and framework that is externally validated helps CapitaLand to overcome the challenges in sustainability reporting that may arise from CapitaLand's portfolio of diverse asset types and geographical presence globally.

CapitaLand is also a signatory to the United Nations (UN) Global Compact and the Global Sustainability Report serves as CapitaLand's Communication on Progress, which will be made available at <https://www.unglobalcompact.org> when published.

For its efforts, CapitaLand is listed in the Global 100 Most Sustainable Corporations Index, Dow Jones Sustainability World Index and Asia-Pacific Index, GRESB, FTSE4Good Index Series, MSCI Global Sustainability Indexes and The Sustainability Yearbook. CLI Global Sustainability Report 2022 will be published by 31 May 2023.

CLI's sustainability reporting has evolved into a uniquely hybrid model using the Global Reporting Initiative (GRI) Standards and GHG Protocol (operational control method) since 2009, CDP since 2010, GRESB since 2013, Value Reporting Foundation's Integrated Reporting Framework since 2015, UN SDG

Reporting since 2016, Taskforce for Climate-related Financial Disclosure (TCFD) framework since 2017, and Sustainability Accounting Standards Board (SASB) Standards since 2020.

CLI will continue to enhance its disclosures in accordance with these standards and will be reporting in accordance with the updated GRI Universal Standards 2021 which came into effect for reports published on or after 1 January 2023. The report will continue to be externally assured to AA1000 Assurance Standard, and will cover the CLI Group's global portfolio and employees, including the listed REITs and business trusts – CLAR and CLI's other listed real estate investment trusts and business trusts.

CLAR strives to emulate CLI's achievements and leadership position in sustainability and will continue to pursue opportunities where it can make a positive and meaningful impact. As a testament to its sustainability commitment, CLAR has been a constituent of several sustainability benchmarks and indices such as GRESB, the iEdge-UOB APAC Yield Focus Green REIT Index, Solactive ISS ESG Screened Paris Aligned Global Markets Index NTR and Solactive ISS ESG Screened Developed Markets Index NTR. In FY2022, CLAR achieved an "A" rating in GRESB Public Disclosure for the third year in a row. CLAR also achieved a 3-Star rating for GRESB Real Estate Assessment 2022 with a score of 74 that is on par with the global average. In addition, CLAR achieved a score of "B" for CDP Climate Change 2022. As an industry leader, CLAR will continue to push the boundaries to adopt meaningful ESG practices and enhance sustainability in the industrial real estate sector.

# Sustainability Commitment

## BOARD, TOP MANAGEMENT SUPPORT AND EMPLOYEE INVOLVEMENT

### Strategic Sustainability Management Structure

The CLI Board recognises the importance of sustainability as a business imperative and ensures that sustainability considerations are factored into CLI's strategy development.

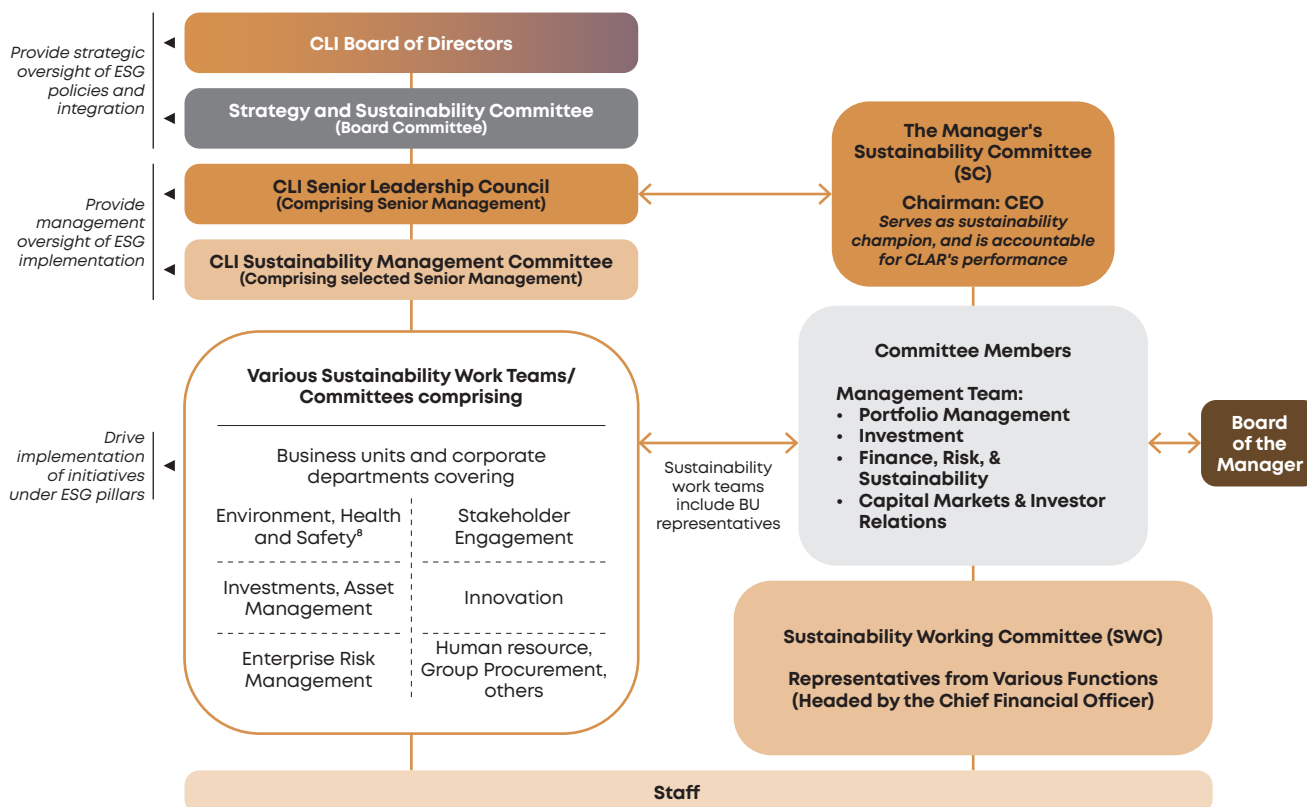
On a regular basis, the CLI Board is updated through the Strategy and Sustainability Committee (SSC)<sup>7</sup> on the sustainability management performance of the CLI Group, key material issues identified by stakeholders, and the planned follow-up measures. Additionally, through the Risk Committee and Audit Committee, the CLI Board is typically updated at least once a year and at ad hoc Board meetings on matters related to sustainability risks, and relevant performance metrics, including carbon emissions performance, progress on achieving the reduction targets, green certification, human capital development, as well as stakeholders' expectations on climate change and/or other social matters. They are also informed of any work-related

safety incidents, business malpractice incidents and environmental incidents, which may include climate-related damages or disruptions.

CLI SSC is responsible for overseeing its sustainability strategies and goals, including providing guidance to CLI Management and monitoring progress against achieving the goals of sustainability initiatives. The SSC typically meets twice a year, with additional meetings convened as necessary. The sustainability work teams comprise representatives from CLI business units and corporate functions. Each business unit also has its own Environmental, Health and Safety (EHS) Committee to drive initiatives in countries where it operates with support from various departments.

The Board of the Manager considers sustainability issues as part of its strategic formulation, confirms the material ESG factors listed by the Manager and oversees the management and monitoring of the material ESG factors. The Board is actively involved in discussions on climate-related initiatives and is updated on relevant climate-related topics. In FY2022, all directors of the Manager (Directors) completed the sustainability training as prescribed by the SGX-ST. Going forward, new Directors who are appointed to

### Sustainability Management Structure



<sup>7</sup> With effect from 1 January 2023, the CapitaLand Investment Board Committee, Strategy Committee, was renamed to Strategy and Sustainability Committee.

<sup>8</sup> Includes EHS Internal Audit Committee and Environmental Tracking System (ETS) Committee.



the Board from time to time will either have expertise in sustainability matters or will undergo further training required under Rule 720(7) of the Listing Manual<sup>9</sup>.

A sustainability committee (SC) which comprises senior management team members led by the CEO of the Manager oversees sustainability directly at the Business Unit level. The Manager works closely with the Asset, Property and Project Managers in carrying out strategies and relevant activities, abiding by CapitaLand's sustainability framework and policies.

### Maintaining Diversity on the Board

The CLI Board embraces diversity and has a Board Diversity Policy which provides for the Board to comprise talented and dedicated Directors with a wide mix of expertise, experience, perspectives, skills, and backgrounds, with due consideration given to diversity including but not limited to, business or professional experience, age and gender, ethnicity and culture, geographical backgrounds, and nationalities. With respect to female representation, the Nominating Committee (NC) notes the Council for Board Diversity's target of women making up 30% of the boards of SGX-ST listed companies by 2030. In its annual review of the Board's composition, the NC expressly considers and includes a commentary to the Board about diversity in the composition of the Board.

For the Manager, Board Diversity Policy and performance is disclosed under Principle 2: Board Composition and Guidance, Board Independence of Corporate Governance Report in pages 107 to 111 of Annual Report 2022. As at March 2023, female representation on the board is 25%.

### Materiality

CLAR is guided by CLI's materiality assessment process, which considers issues identified and assessed from various engagement with stakeholders through a myriad of programmes and channels made available. One key avenue to this is the annual Group-wide Risk and Control Self-Assessment exercise which entails the identification, assessment and documentation of material risks and corresponding internal controls. These material risks include fraud and corruption, environmental (e.g., climate change), health and safety, and human capital risks which are ESG-relevant.

Guided by the CapitaLand 2030 SMP to elevate the CapitaLand Group's commitment to global sustainability, CLI identifies and reviews material issues that are most relevant and significant to the company and its stakeholders. These ESG material issues are assessed and prioritised based on the likelihood and potential impact of issues affecting the business continuity of CLI. For external stakeholders, priority is given to issues important to the community and applicable to CLI.

The Manager has reviewed and adopted CLI's mapping of the material ESG issues as they were deemed to be relevant to CLAR's business and operating context. For more information on stakeholder engagement and sustainability strategy, please refer to the Environmental and Manufactured Capital, Human Capital, and Social and Relationship Capital chapters of this report.

### Prioritisation of ESG Material Issues

 <b>Environment</b>	 <b>Social</b>	 <b>Governance</b>
<b>Critical</b>		
<ul style="list-style-type: none"> <li>• Climate change and carbon reduction</li> <li>• Energy efficiency</li> <li>• Water management</li> </ul>	<ul style="list-style-type: none"> <li>• Occupational health and safety</li> <li>• Human capital</li> <li>• Stakeholder engagement</li> <li>• Products and services</li> <li>• Supply chain management</li> <li>• Diversity (Board and staff)</li> </ul>	<ul style="list-style-type: none"> <li>• Risk management</li> <li>• Business ethics</li> </ul>
<b>Moderate and emerging</b>		
<ul style="list-style-type: none"> <li>• Waste management</li> <li>• Biodiversity</li> </ul>	<ul style="list-style-type: none"> <li>• Human rights</li> </ul>	

<sup>9</sup> With effect from 22 February 2023, Ms Choo Oi Yee was appointed as Non-Executive Independent Director and Member of the Investment Committee. Ms Choo Oi Yee will undergo the requisite training under Rule 210(5)(a) of the Listing Manual before 22 February 2024 (being one year from the date of her appointment to the Board).

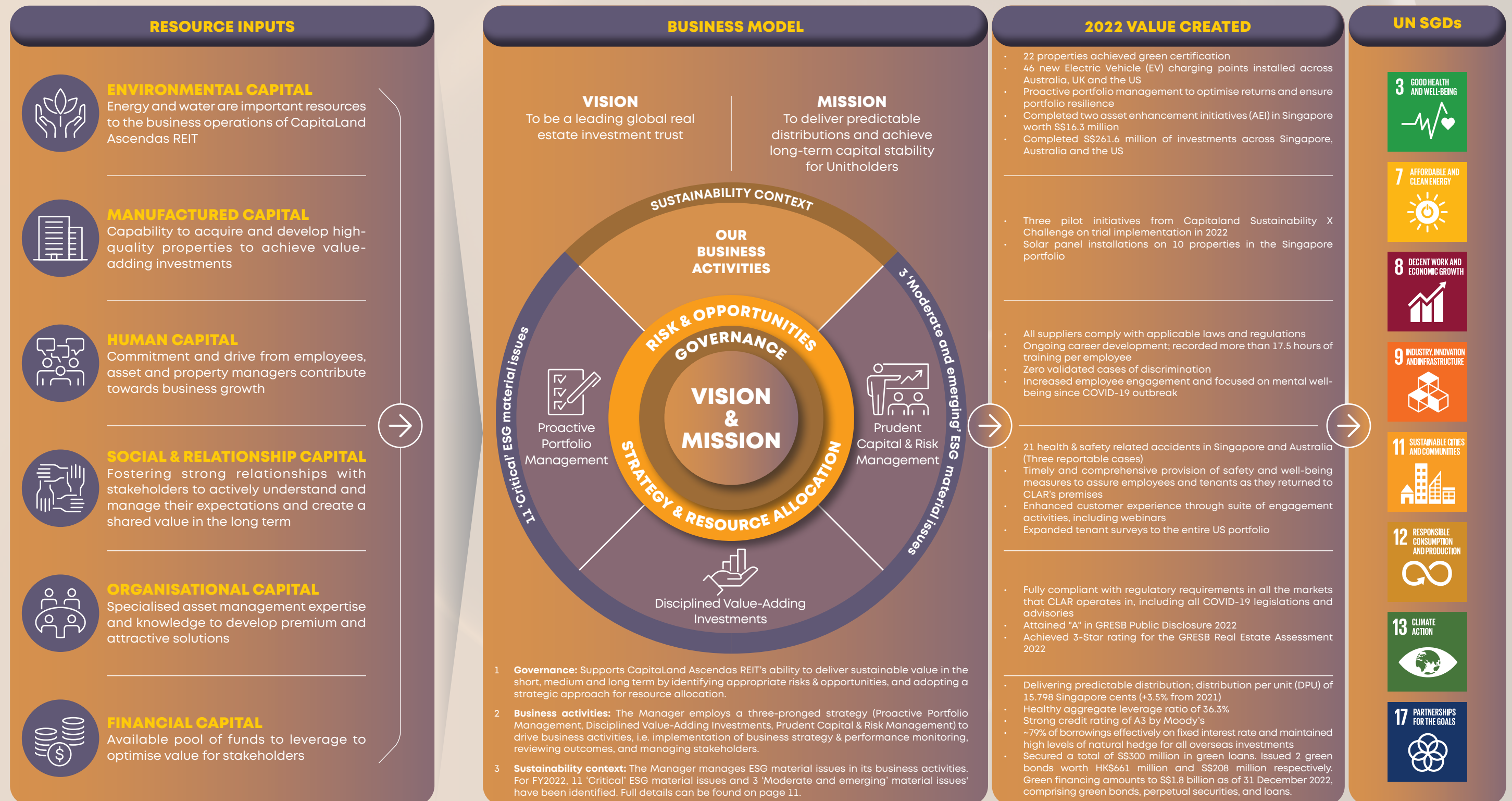
# Sustainability Commitment

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

CLAR's material ESG issues and the value created, aligned to CapitaLand's 2030 SMP focus areas and commitments<sup>10</sup>, are mapped to six integrated reporting Capitals – Environmental, Manufactured, Human, Social and Relationship, Organisational, and Financial. This is further mapped against eight UN SDGs that are most aligned with CapitaLand's 2030 SMP focus areas, and where CLAR can achieve the greatest positive impact.

The UN SDGs call on companies everywhere to advance sustainable development through the investments they make, the solutions they develop, and the business practices they adopt. In doing so, the goals encourage companies to reduce their negative impacts while enhancing their positive contributions to the sustainable development agenda.

## CLAR'S VALUE-CREATING BUSINESS MODEL



<sup>10</sup> CapitaLand's 2030 SMP is regularly reviewed and adjusted where necessary to complement the CapitaLand Group's business strategy and align with climate science. The first scheduled review in 2022 is in progress and will be published before end May 2023.

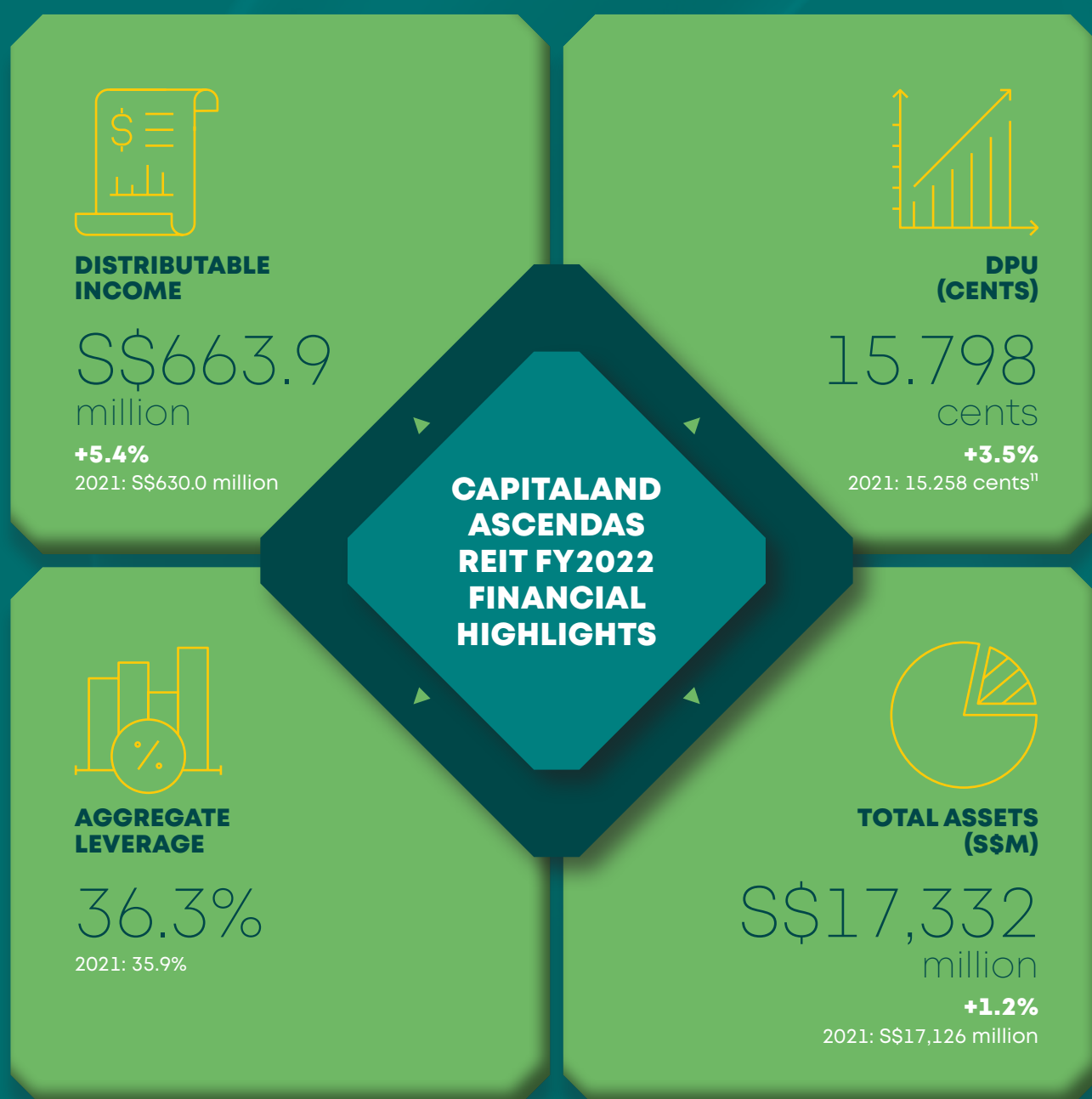


# Financial Capital

“CLAR facilitates the allocation of financial resources to ensure that the operations within the various geographies are **empowered** to delve into sustainability-centric innovations and collaborations. It draws on its available pool of funds to invest in properties, carry out asset enhancements and redevelop properties to **optimise value** for its Unitholders while maintaining alignment to CapitaLand’s sustainability objectives and goals.”

In FY2022, it delivered a Distribution per Unit of 15.798 Singapore cents, 3.5% higher than in FY2021.

**Figure 1: CapitaLand Ascendas REIT FY2022 Financial Highlights**



For a more details on CLAR’s financial performance and management of financial capital, please refer to page 33 to 34 of the Annual Report 2022.

<sup>11</sup> DPU after performance fee

CLAR's Green Finance Framework (the Framework) was established to secure funding from like-minded investors. The Framework was prepared in line with the Green Bond Principles (2018) as well as the Green Loan Principles (2020) and is publicly available at <https://investor.capitaland-ascendasreit.com/misc/>

Green-Finance-Framework\_Ascendas-REIT\_For-Publishing-2023.pdf. Proceeds from the green bonds or green loans will be used to fund Green Projects covering the areas of green buildings, renewable energy, energy efficiency, waste management, sustainable water management and clean transportation.

## 2020

- Under the Framework, CLAR made its first foray into green financing by securing a S\$100 million, ten-year Green Bond (S\$100 million 2.65% Fixed Rate 10-Year Senior Notes due 2030)
- Another S\$300 million was secured via Green Perpetual Securities (S\$300m 3.00% Fixed Rate Subordinated Green Perpetual Securities). This was also the first real estate green perpetual securities in Asia.

## 2021

- Secured 3 Green Loans amounting to US\$449 million
- Secured an A\$206 million Green Loan
- CLAR entered into its inaugural US\$150 million green interest rate swap (IRS) with Scotiabank. The green IRS was used to hedge an existing US\$150 million green loan, also with Scotiabank.

## 2022

- CLAR increased its commitment to green financing by issuing a HK\$661 million 10-year HKD Green Bond, a S\$208 million 7-year SGD Green Bond and securing a total of S\$300 million in Green Loans.

As of 31 December 2022, CLAR has approximately S\$1.8 billion worth of green financing instruments comprising green bonds, green loans, and green perpetual securities. All proceeds from the green bonds, green loans, and green perpetual securities have been fully allocated to partially refinance eligible properties that have been selected based on the Eligibility Criteria set out in the Framework.

Refer to Appendix D for details of eligible properties for green financing.

Refer to Appendix E for details of green financing instruments and use of proceeds.



# ENVIRONMENTAL

## ENVIRONMENTAL AND MANUFACTURED CAPITAL

*“Different regions will have varying opportunities and challenges when it comes to sustainability which may be shaped by a complex combination of cultural, economic, social, and political factors. CLAR’s sustainability efforts take these into consideration while guided by CapitaLand 2030 SMP.”*

### MATERIAL ISSUES

Critical

Moderate and Emerging



**Climate Change  
and Carbon  
Reduction**



**Energy  
Efficiency**



**Water  
Management**



**Waste  
Management**



**Biodiversity**

CLAR is aligned with CapitaLand’s commitment to minimise the environmental impact and contribute towards achieving the desired positive outcomes. Environmental-related matters for CLAR’s owned and managed properties in Singapore are being guided by the CapitaLand Environmental, Health and Safety Management System (EHSMS), a key tool in managing environmental footprint across its entire portfolio. The EHSMS covers the following:

<b>Policy</b>	<ul style="list-style-type: none"><li>• CapitaLand Environmental, Health and Safety (EHS) Policy</li><li>• Sustainable Building Guidelines</li></ul>
<b>Accountability</b>	<ul style="list-style-type: none"><li>• The CEO is accountable.</li><li>• Setting performance targets linked to remuneration for employees, and monitoring energy and water usage, waste generation and carbon emissions performance through the Environmental Tracking System (ETS)<sup>12</sup>.</li><li>• Use of the ISO 14001-certified CapitaLand EHS Management System (EHSMS) ensures accountability of relevant managers and all employees.</li></ul>
<b>Approach and Implementation</b>	<ul style="list-style-type: none"><li>• Compliance with local environmental laws and regulations.</li><li>• Identify significant environmental aspects and manage impact.</li><li>• Adopt Sustainable Building Guidelines (SBG), an in-house guide that ensures holistic incorporation of environmental considerations throughout all stages of our properties’ life cycles.</li><li>• Appointment of ISO 14001-certified main contractors or conduct CapitaLand EHSMS legal compliance on site.</li></ul>

The Manager strives to incorporate environmental sustainability throughout all stages of the real estate life cycle, from investment to operations, asset enhancements, developments, and redevelopment. Environmentally-friendly features are implemented where appropriate across the properties to improve overall energy efficiency and performance, while achieving cost savings. Monitoring environmental impact is integral to CLAR’s operations, as the efficient use and management of environmental resources such as energy, water and waste contributes to the operational efficiency and long-term sustainability of CLAR.

<sup>12</sup> Currently only environmental performance of Singapore properties is tracked through the ETS. CLAR has begun collecting environmental performance of overseas properties via ETS as well.



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

### Introduction

CLAR is making a 2022 progress update of its climate-related disclosure in line with Taskforce for Climate-related Financial Disclosure (TCFD) recommendations. CLAR's sponsor and substantial Unitholder, CLI, started to align its climate-related disclosures with TCFD recommendations in the four key areas of governance, strategy, risk management, and metric and targets in 2017 and further declared its support for TCFD and its recommendations in 2019. As such, CLAR is aligned to CLI's reporting where applicable and is committed to continue alignment with TCFD recommendations.

### Governance

The Board considers sustainability issues when formulating strategies, confirms the material ESG factors listed by the Manager and Property Managers and oversees the management and monitoring of the material ESG factors.

The Board also sets the Trust's risk appetite, which determines the nature and extent of material risks that CLAR is willing to take to achieve its strategic and business objectives. As part of the material risks being highlighted, climate change has been identified as critical. The Board regularly reviews climate change risks as part of its Enterprise Risk Management (ERM) Framework.

The Board is actively involved in discussions on climate-related initiatives and is regularly updated on relevant climate-related topics including the CapitaLand 2030 SMP and our green capital expenditure plan. The Board is further updated on relevant performance metrics such as carbon emissions performance, progress on the reduction targets, renewable energy usage, green building certifications, as well as stakeholders' expectations on climate change. This is done during the annual Board strategy session, business plan meetings and other scheduled Board meetings. Any environmental incidents, which may include climate-related damages or disruptions, are also reported to the Board. As EHS factors are considered as part of the asset investment evaluation process and strategy, they are presented to the Board where relevant. The Directors have also attended training on sustainability as required under SGX-ST's Listing Rules<sup>13</sup>.

Within the Manager, there is a Sustainability Committee (SC), chaired by the CEO. The SC comprises members of the Management team and is tasked to

develop, oversee, and implement CLAR's sustainability objectives and strategies directly at the Trust level. The SC periodically reviews the progress and effectiveness of these objectives and strategies. In alignment with CLI, the CEO of the Manager is responsible for CLAR's climate change-related targets. A key objective of CLAR is to transit to a low-carbon business and build a resilient and resource efficient portfolio. As part of these efforts, 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, as well as sustainability training courses prescribed by the SGX-ST conducted by providers that represent different constituencies in the capital market. Training programmes on sustainability-related topics are organised by the CapitaLand Institute of Management & Business (CLIMB) periodically for all employees to further build capacity with respect to climate-related risk and opportunity management.

The Property Manager under CLI has an EHS Committee championed by the CEO of Retail and Workspace. The Property Manager under CLI also has an Engineering, System and Sustainability team, whose role includes integrating sustainability into operations.

CLI groupwide sustainability management comes under the purview of a CLI Board Committee, the Strategy and Sustainability Committee (SSC). The CLI SSC, chaired by its Lead Independent Director, is responsible for overseeing sustainability strategies and goals including providing guidance to management and monitoring progress against achieving the goals of any sustainability initiatives. It is supported by the Group Sustainability Office and various work teams to drive continued progress and improvement in the areas of ESG. The work teams comprise representatives from CLI business units and corporate functions. This governance is cascaded from CLI to the Trust level.

Please refer to the Strategic Sustainability Management Structure section for the CLI and CLAR Sustainability Management Structure, Roles and Responsibilities.

### Strategy

As a CLI-sponsored REIT, CLAR's identified ESG issues are aligned and adapted from CLI's list. The selection of these issues is guided by CLI's regular ESG review, assessment, and feedback process. The Manager, with the support of the CLI Sustainability Office and various work teams, will also be driving its research into climate change issues.

Climate change and emissions reduction are key ESG material issues identified as relevant and critical for

<sup>13</sup> With effect from 22 February 2023, Ms Choo Oi Yee was appointed as Non-Executive Independent Director and Member of the Investment Committee. Ms Choo Oi Yee will undergo the requisite training under Rule 210(5)(a) of the Listing Manual before 22 February 2024 (being one year from the date of her appointment to the Board).

# Environmental

CLI and CLAR. These have been confirmed by this year's CLI ESG factors materiality review. Climate change risk was identified as a key risk under the ERM Framework and this includes both physical and transition risks. Physical risks result from climate change and can be acute or chronic in nature, such as rising sea levels, violent storms, long intense heat waves, flash floods and freshwater depletion. Transition risks result from a transition to a lower-carbon economy, which could entail potentially more stringent regulations and increased expectations from customers and stakeholders.

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

- All new investments into operational assets and development projects undergo the EHS Impact Assessment (EHSIA) during due diligence to identify any environmental (including climate change) risks and opportunities related to the asset/project site and its surroundings. The assessment covers performance metrics such as energy efficiency, as well as transition and physical risks and opportunity considerations. Significant findings from the assessment would be incorporated in the investment paper submitted to the Board for approval.
- Through the implementation of CLI's Sustainable Building Guidelines (SBG), the aim is to identify and address the risks and opportunities of climate change right from the design stage. The local context of each project will be studied in detail, and appropriate measures will be taken into consideration to adapt to climate change. SBG also sets guidelines for buildings to be more energy efficient, e.g., setting green rating targets, specifying minimum equipment efficiency, and requiring the use of onsite renewable energy whenever possible.
- At the operational asset level, the CLI Environmental, Health and Safety Management System (EHSMS), which is audited by a third-party accredited certification body with ISO 14001 standard, serves to monitor transition risks relating to climate regulations via EHS legal registers updates and regular stakeholder engagements. Operational issues pertaining to climate change, energy and water are also identified and managed through the EHSMS to strengthen the climate resilience of the Trust's portfolio.
- The CapitaLand 2030 SMP further outlines the targets and pathways for transition to a low-carbon business that is aligned with climate science. Energy use and carbon reduction targets, as well as green certification targets are set for its operational assets. Initiatives are put in place to improve the environmental performance, resilience, and durability of its assets through system upgrades, system optimisation, effective maintenance, and changes to user behaviour. The continued achievement of high green building ratings as well as energy and water efficiency measures put in place to achieve the reduction targets would help to mitigate the impact of changing weather conditions.
- As part of an annual review of its portfolio, CLAR strives to actively identify assets that are suitable for redevelopment and/or AEI, to deliver end-to-end premium quality real estate solutions for its customers. Where feasible, AEIs may be conducted for existing properties to promote sustainability features to improve customers' work experience and create live-work-learn-play environments. Notably, part of the AEI planning process will comprise the identification and evaluation of opportunities for climate-related risk mitigation and/or adaptation measures that includes seeking to obtain green certification for existing properties and have the buildings' environmental impact and performance evaluated.
- Other related initiatives and plans that CLAR has implemented includes investing in more green-certified assets, and developments that are earmarked for green certification. Tenants are encouraged to adopt sustainable business practices as well.
- In addition to the above-mentioned activities and existing measures, CLAR appreciates that data availability is one of the crucial elements of climate risk management. Hence, CLAR has augmented the implementation of green leases for new tenants. A 'Green Lease' is a lease agreement that incorporates clauses whereby the tenant and landlord undertake mutually agreed responsibilities or obligations with regards to sustainable operation or occupation of a property. It encourages collaborative efforts between the tenant and landlord in the adoption of environmental-friendly fittings and design in the property space. The adoption of sustainability features may potentially lower both landlord's and tenant's resource consumption through energy and/or water efficiencies achieved and therefore lower carbon emissions. It may also lead to positive impact to both landlord and tenant such as financial savings, improved health and well-being, and positive brand image.



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

CLI and its REITs, including CLAR, commenced its climate scenario analysis in 2022 for its global portfolio to understand how the identified climate-related risks and opportunities could impact future operations. This analysis considers scenarios based on the latest global and scientific developments,

and the scenarios from 1.5°C to 3°C scenarios for current to long-term time frames, to draw conclusions on the financially material physical and transition risks and validate its current strategy. CLI and the REITs will then review their mitigation and adaptation plans, and identify opportunities, in alignment with CapitaLand's 2030 SMP. The SMP was designed to build resilience throughout its operations and futureproof CLI Group's real estate portfolio to guard against climate change risks and to avoid premature obsolescence and adopt available opportunities.

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

The climate scenario analysis for its global portfolio considered the parameters listed below:

<b>Key physical risk scenarios</b>	NGFS <sup>[1]</sup>   1.5°C   Orderly NGFS   2°C   Orderly NGFS   3°C   Hot House World (NDC <sup>[2]</sup> )
<b>Key transition risk and opportunities scenarios</b>	CRREM <sup>[3]</sup>   1.5°C CRREM   2°C NGFS   3°C   SSP2 <sup>[4]</sup>   Hot House World
<b>Geographical coverage</b>	All assets* within operating regions, specific to CLAR <ul style="list-style-type: none"> <li>- Australia (AU)</li> <li>- France (FR)</li> <li>- Netherlands (NL)</li> <li>- Singapore (SG)</li> <li>- Switzerland (CH)</li> <li>- United Kingdom (UK)</li> <li>- United States (US)</li> </ul>
<b>Time horizon</b>	2050, 2100
<p>* As of 31 December 2022</p> <p>[1] The Network of Central Banks and Supervisors for Greening the Financial System (NGFS)</p> <p>[2] Nationally Determined Contributions (NDC)</p> <p>[3] Carbon Risk Real Estate Monitor (CRREM)</p> <p>[4] Shared Socioeconomic Pathways (SSP)</p>	

The analysis includes both quantitative and qualitative assessments. The quantitative assessments of potential financial impacts are being conducted based on available climate-related projections and assumptions on transition risks such as carbon pricing, under the above-mentioned scenarios. Six physical risks, including fluvial flooding, coastal flooding, extreme heat, tropical cyclones, wildfires and extreme cold and one transition risk, shifts in carbon price, were assessed during the process. For other risk areas which are identified to be material, but difficult to quantify, such as changes in consumer and investor preferences, a qualitative assessment is conducted based on internal stakeholder consultation within CLI and CLAR.

Potential impacts of climate-related risks and opportunities assessed across the portfolio are identified under different scenarios, as shown in Tables 1 and 2. CLAR faces more exposure to physical risks under the 3°C scenario in the long term, as minimal transition policies are expected to be in place while the development of low-carbon technology or related market changes may be slower. Under the 1.5°C and 2°C scenarios, the Trust faces higher levels of transition risks as more stringent climate-related policies are expected to be introduced and implemented.

The insights on both quantitative and qualitative assessments of the risks identified provides a basis for the next steps in understanding the severity of risk impacts across time horizons.

# Environmental

**Table 1: Material physical risks assessed under the 3°C scenario**

Risk type	Primary risk driver	Key impacted geography <sup>14</sup>	Potential impacts
<b>Coastal flooding</b>	Properties in coastal areas may be exposed to steady and continuous sea level rise	<ul style="list-style-type: none"> <li>NL</li> </ul>	<ul style="list-style-type: none"> <li>Increase in assets exposed to coastal flooding</li> <li>Increase in capital expenditures to construct coastal defense and flood control infrastructure</li> </ul>
<b>Fluvial flooding</b>	Water level rise of the river could occur due to excessive rain or snowmelt, leading to losses from assets located in high flood risk zones	<ul style="list-style-type: none"> <li>AU</li> <li>SG</li> <li>UK</li> <li>US</li> </ul>	<ul style="list-style-type: none"> <li>Increase in assets exposed to growing severity of river floods</li> <li>Increase in operating costs (e.g., repair costs, business interruption)</li> </ul>
<b>Tropical cyclones</b>	Properties may face more frequent and severe tropical cyclone	<ul style="list-style-type: none"> <li>AU</li> <li>NL</li> <li>SG</li> <li>UK</li> <li>US</li> </ul>	<ul style="list-style-type: none"> <li>Higher chance of damage to specific asset locations that are tropical cyclone-prone</li> <li>Increase in operating costs (e.g., business interruption)</li> </ul>
<b>Extreme heat</b>	Hot days and extreme heat could become more common and/or severe	<ul style="list-style-type: none"> <li>ALL</li> </ul>	<ul style="list-style-type: none"> <li>Increase in cooling demand leading to higher electricity costs</li> </ul>
<b>Wildfires</b>	Risk of wildfires could increase in extremely dry conditions, such as drought, and during high winds	<ul style="list-style-type: none"> <li>AU</li> <li>US</li> </ul>	<ul style="list-style-type: none"> <li>Increase in assets exposed to wildfires</li> <li>Increase in operating costs (e.g., filtration demand, business interruption)</li> </ul>
<b>Extreme cold</b>	Cold days and extreme cold could become more common and/or severe	<ul style="list-style-type: none"> <li>US</li> </ul>	<ul style="list-style-type: none"> <li>Increase in warming demand leading to higher electricity costs</li> </ul>

**Table 2: Material transition risks and opportunities under the 1.5°C scenario**

Risk type	Primary risk / opportunity driver	Potential impacts
<b>Shifts in carbon prices</b>	Carbon emissions are being priced through taxation or emissions trading schemes	<ul style="list-style-type: none"> <li>Increase in operational costs associated with carbon pricing</li> </ul>
<b>Changes in regulator expectations</b>	Regulators with more stringent policies and regulations around climate change for the buildings industry	<ul style="list-style-type: none"> <li>More comprehensive disclosures expected on climate change actions and metrics</li> </ul>
<b>Changes in customer expectations</b>	Consumer preferences could change and shift towards greener buildings	<ul style="list-style-type: none"> <li>Increase in number of tenants seeking for assets with high-performing green credentials</li> </ul>
<b>Shifts in electricity prices</b>	Growing adoption of renewable energy could drive changes in electricity costs	<ul style="list-style-type: none"> <li>Increase in capital investment in renewable energy</li> <li>Fluctuations in operating costs from electricity price variability</li> </ul>
<b>Use of new technologies</b>	Investment in technologies for improving energy and water	<ul style="list-style-type: none"> <li>Reduced exposure to carbon price, electricity price and water price increases</li> <li>Reduction in operating costs</li> </ul>
<b>Increased demand for green products and services</b>	Shift in consumer preferences and development of low emissions goods and services	<ul style="list-style-type: none"> <li>Increase in revenue by tapping on the green rental premium created by increased demand for green-certified buildings</li> <li>Increase in asset value for low carbon buildings</li> </ul>

<sup>14</sup> Refers to the geographies from CLAR's portfolio that present the highest increase in risk between now and 2050.



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

## Risk Management

The Manager conducts an annual Risk and Control Self-Assessment (RCSA) exercise to identify, assess and document material risks which includes ESG relevant risks, along with their key controls and mitigating measures. Material risks and their associated controls are consolidated and reviewed by Management before they are presented to the Audit and Risk Committee (ARC) and the Board. This exercise is based on CLI's annual Group-wide RCSA exercise, review of the Risk Appetite Statement and Key Risk Indicators on Climate Change and Environmental Risk. Such climate-related risks and opportunities are identified and mitigated through CLI's ERM framework that the Manager also adopts, and its externally certified ISO 14001 EHSMS.

CLAR's risk management process to address its key risks and uncertainties, including climate change, is discussed further in its Annual Report 2022, Enterprise Risk Management section on pages 135 to 141.

The Trust prioritises material ESG issues based on the likelihood and potential impact of the issues affecting business continuity and development. Notably, CLAR is cognisant of the risk posed by existing and emerging regulatory requirements relating to climate change as it is outlined in CLI's ERM Framework as a transitional climate change risk. Some of these risks include:

- Singapore
  - Regulatory or compliance risk, prompted by certain regulations in the countries of operation. These include, but are not limited to, the Environmental Risk Management Guidelines introduced by the Monetary Authority of Singapore (MAS) in 2020 requiring financial institutions and Asset Managers to place greater emphasis on both physical and transition environmental risks; and the Singapore Exchange mandate from December 2021 that all issuers must provide climate reporting that is aligned to the recommendations of the TCFD in their sustainability reports from the financial year commencing 2024 for the materials and buildings industry. For now, this requirement is on a 'comply or explain' basis for CLI and CLAR.
- Other developments, such as Singapore's Green Plan 2030 that charts ambitious and concrete targets that will strengthen Singapore's commitments under the United Nations 2030 Sustainable Development Agenda and Paris Agreement, and position Singapore to achieve its long-term Net Zero emissions aspiration by 2050, are also monitored by CLAR as they affect the day-to-day operations and practices of the Trust.
- In 2022, Singapore announced that to achieve the nation's climate ambitions, the carbon tax will be raised to S\$25/tCO<sub>2</sub>e in 2024 and 2025, and S\$45/tCO<sub>2</sub>e in 2026 and 2027, with a view to reaching S\$50-80/tCO<sub>2</sub>e by 2030. This will provide a strong price signal and impetus for businesses and individuals to reduce their carbon footprint in line with national climate goals.
- Australia: In 2019, Australia introduced a national plan "The Trajectory" that aims to achieve zero energy and carbon-ready commercial (including offices and industrial premises) and residential buildings. This is also a key initiative to address Australia's 40% energy productivity improvement target by 2030 under the National Energy Productivity Plan. Australia has committed to achieve Net Zero emissions by 2050.
- The United Kingdom and Europe: The EU has set its plan to reduce GHG by at least 55% by 2030 and achieve climate neutrality by 2050. Targets are currently being drafted to revise and expand the EU Emission Trading System, adapting the Effort Sharing Regulation and the framework for land use emissions, reinforcing energy efficiency and renewable energy policies. In the UK, a Net Zero Strategy sets out policies and proposals for decarbonising all sectors the UK economy to meet Net Zero target by 2050.
- The United States: In March 2021, the US introduced the CLEAN Future Act with an aim to achieve Net Zero emissions by 2050 with an interim target of at least 50% reduction by 2030 from carbon emission levels in 2005. There is also a push for stronger building energy codes that aim for all new buildings built by 2029 to use 50% less energy as compared to existing buildings built under current codes. The new energy codes will ensure that all new buildings built in and after 2030 should be "zero energy ready". This means that they are highly efficient and can meet their energy needs onsite or from nearby zero-emission energy sources. As of March 2022, the US Securities and Exchange Commission (SEC) has proposed rules for registrants to include climate-related disclosures in their registration statements and periodic reports. This proposal is still being reviewed and updates are expected in 2023.

# Environmental

- Another development to keep in view is the International Sustainability Standards Board (ISSB), which aims to form a comprehensive global baseline of sustainability disclosures and a harmonised set of standards for reporting on sustainability performance. CLAR will also monitor other jurisdictions' sustainability reporting standards and regulations.
- Market risks: including shifts in carbon and electricity prices, or customer expectations, prompted by the conclusions of conferences such as COP27 in November 2022, where it was further stressed that urgent action is needed to combat global warming, and this can only be done through global action from governments and businesses.

## Physical Risks

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

Climate-related physical risks occurring as extreme weather events, for example cases of floods, and changing climate patterns are regularly monitored across the portfolio.

In addition, through CLI's ERM Framework and the implementation of the Environmental Health Safety Impact Assessment (EHSIA) for all new investments, CLAR identifies and prioritises certain physical risks, e.g., floods. These are highlighted in the due diligence reports and plans and the aim is to integrate climate change resilience and adaptation considerations into the design, development, and management of its properties.

## Metrics & Targets

CLI has tracked and reduced the carbon emissions of its managed and owned operationally control properties, including those of CLAR, via its cloud-based Environmental Tracking System. All related metrics have been regularly disclosed in its annual Global Sustainability Report. Since 2010, CapitaLand has been disclosing Scope 1, 2 and 3 GHG emissions of its global portfolio and the data has been externally assured.

Furthermore, in 2022, CapitaLand Group had its carbon emissions reduction targets approved by the Science Based Targets initiative (SBTi) for a 1.5°C scenario. This target is in line with the goals of the Paris Agreement to keep global temperature rise to 1.5°C in this century. CLI has also committed to Net Zero by 2050 for its Scope 1 and 2 emissions, which includes the Trust's assets. Please refer to the CLI Global Sustainability Report 2022 which will be published by 31 May 2023.

At the Trust level, for FY2022, Direct Scope 1 carbon emissions amounted to 702 tCO<sub>2</sub>e. Indirect Scope 2 carbon emissions amounted to 49,007 tCO<sub>2</sub>e for FY2022. CLAR has increased the proportion of renewable energy usage for its portfolio in Singapore to 12.3%. To calculate its carbon emissions, CLAR takes guidance from the operational control approach as defined by the GHG Protocol Corporate Standard. For more information, please refer to Appendix A on page 53.

Aligned with CLI, CLAR has set sustainability and climate-related performance metrics and targets that are linked to the remuneration policies for Management, such as the Balance Scorecard (BSC) framework for FY2022 which had included both quantitative and qualitative targets relating to climate change, such as green building certification and renewable energy utilisation.

CLI has implemented a shadow internal carbon price since 2021 to quantify climate-related risks and opportunities for its new investments.

CLI will continue to explore new metrics to measure climate-related risks and opportunities which CLAR will assess and adopt where relevant for its portfolio.





### Risk Management

CapitaLand Environmental, Health and Safety Management System (EHSMS) provides a systematic approach to identify and manage significant potential environmental impacts from its business operations. In 2022, the integration of Singapore Property Manager's Environmental Management System (EMS) and CapitaLand's EMS systems was completed.

In 2022, three<sup>15</sup> cases of non-compliance of local EHS laws and regulations were reported.

**EHSMS  
accredited  
to ISO  
14001 and  
ISO 45001  
standards**



### Internal and External Audits

To ensure the conformance and effective implementation of CapitaLand EHSMS to ISO 14001 Standards, annual audits are conducted by internal EHSMS auditors and accredited third-party external auditors for Singapore owned and managed properties.

**100%**  
of properties<sup>16</sup> are in  
scope for audits



### Green Leases

When addressing sustainability in the business in a holistic manner, collaboration with tenants becomes extremely important. To influence and support their sustainability goals, CLAR has implemented a green lease<sup>17</sup> programme in Singapore, and progressively extending this to its overseas properties.

**47.3%**  
of Singapore portfolio  
(by NLA) with Green Lease  
implemented



### Training and Awareness Programmes

To facilitate effective implementation of EHSMS, the Asset & Property Manager team is required to attend training and awareness programmes.

To drive greater awareness on sustainability in the wider community, the Manager and Asset. Property and Project Managers engage with customers, service providers and the authorities.

**22.2%**  
participation rate  
in EHS-related  
trainings

<sup>15</sup> Despite efforts to ensure compliance, the Singapore operations incurred three non-compliant incidents relating to environmental health and safety. Corrective actions were taken immediately to address the incidents.

<sup>16</sup> Singapore owned and managed properties.

<sup>17</sup> A green lease is a lease agreement that incorporates clauses whereby the tenant and landlord undertake mutually agreed responsibilities or obligations with regards to sustainable operation or occupation of a property. It encourages collaborative efforts between the tenant and landlord such as the adoption of environmental-friendly fittings and design in the property space.

# Environmental

## MANAGING CLAR'S ENVIRONMENTAL FOOTPRINT

## HIGHLIGHTS



### CapitaLand Sustainable Building Guidelines (SBGs)

The SBG emphasises four main goals (reducing carbon footprint and energy consumption, enhancing water management, minimising waste generation, and promoting biodiversity) and offers a structured process where respective persons-in-charge are accountable.

The SBGs involve a mandatory Environmental Health Safety Impact Assessment (EHSIA), which will be carried out before any acquisition or development. It focuses on identifying any environmental threats or opportunities related to the project site and its surroundings, covering areas like floods, biodiversity, air quality, noise, connectivity, heritage, and resources. Significant findings of the EHSIA and their cost implications (if any) are incorporated in the investment paper submitted for approval.



### Green Buildings

Green building ratings and certifications help assure and demonstrate the quality of CLAR's portfolio. These ratings serve as an external validation that key environmental aspects have been considered in CLAR's development and operations. To date, CLAR has a total of 70<sup>18</sup> green-certified properties globally and has the largest number of BCA Green Mark properties amongst S-REITs (58<sup>18</sup> properties). Refer to Appendix E for the full list of green buildings.

**Zero**  
properties located  
in protected areas

**75.6%**  
of managed properties  
(by GFA) are green-certified

**44.5%**  
of total properties (by GFA)  
are green-certified

**19**  
additional properties with  
BCA Green Mark certifications  
achieved in 2022

### Case Study: MQX4, New South Wales, Australia



MQX4 is a new commercial office building in Macquarie Park in Sydney, Australia. The building is an innovative construction with a focus on smart features and sustainability. Every element of the building has been designed to exceed the compliance standards for sustainability and efficiency.

MQX4 is targeting a 6 Star Green Star rating – which is delivered by the Green Building Council of Australia – as well as a 5.5 Star NABERS rating for environmental impact. The building's electricity and gas will be certified to be 100% carbon neutral by the National Carbon Offset Standard, setting a new benchmark in sustainable buildings for CLAR's portfolio.

18 includes non-managed properties



## ENVIRONMENTAL PERFORMANCE

### Energy and Emissions

#### Singapore

The total energy consumption in the Singapore operations increased by 5.9% to 100.86 GWh in FY2022<sup>19</sup>. Energy intensity increased by 1.6% to 49.9 kWh/m<sup>2</sup> in FY2022. Carbon emissions increased by 0.1%, to 35,888 tonnes CO<sub>2</sub>e while carbon emissions intensity reduced by 4% to 17.77 kgCO<sub>2</sub>e/m<sup>2</sup>. The slight increase in total energy consumption is largely attributable to the addition of UBIX<sup>20</sup> in the reporting scope, as well as the inclusion of full-year data for Galaxis<sup>20</sup>. The reduction of carbon emission intensity is due to an approximate 4% increase in effective GFA netting off the effect of increased consumption due to higher occupancy.

About 12.3% (12.39 GWh) of CLAR's total energy use in Singapore was from renewable energy sources, which helped to mitigate about 5,025 tonnes of carbon emissions in the year.

#### Key Initiatives

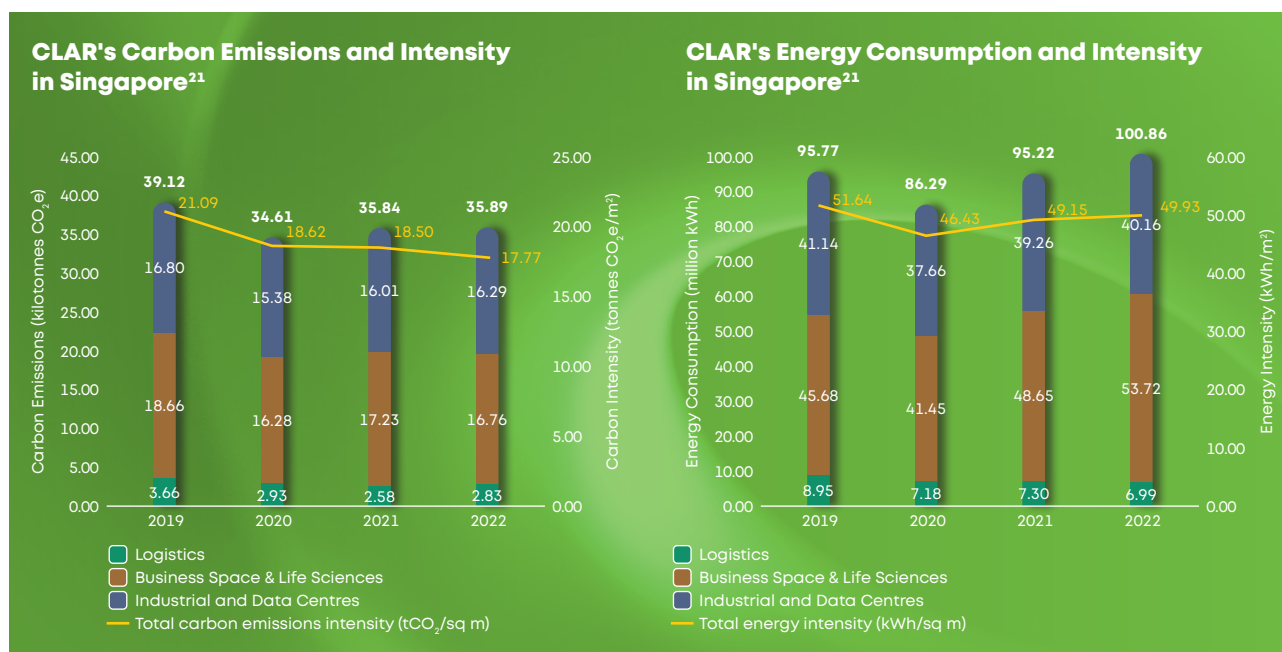
##### Continewm Net

An initiative that involves using ceramic and polyethylene nets in air handling units (AHUs), the Continewm Nets were found to reduce AHU energy consumption. The initiative will be scaled up to involve all AHUs in LogisTech, Singapore in 2023.

##### Aeroseal

An ongoing pilot project at 17 Changi Business Park Central 1, Singapore involving a duct sealing solution which improves heating, ventilation, and air conditioning (HVAC) efficiency and indoor air quality.

#### Energy and Emissions in Singapore<sup>19</sup>



<sup>19</sup> 2021 energy consumption and emissions figures have been restated to include consumption from district cooling.

<sup>20</sup> UBIX only obtained Temporary Occupation Permit (TOP) in January 2022, while Galaxis was only acquired in July 2021, resulting in only partial-year consumption figures being included in 2021.

<sup>21</sup> CLAR has undergone a reclassification exercise in FY2022. Courts Megastore and Giant Hypermart have been reclassified from Integrated development, amenities, and retail (IDAR) segment to Logistics and Aperia has been reclassified from IDAR segment to Industrial properties.

# Environmental

## Highlights: Renewable Energy



### Solar Panel Installations

As part of efforts to move towards greener sources of energy, CLAR has installed solar panels across its properties. In 2022, solar panel installation was completed on 10 properties in Singapore. This brings the total number of properties in Singapore with active solar installations to 17 as of 31 December 2022, with an estimated cumulative generation of about **18.4 GWh/year of renewable energy**. CLAR targets to extend the initiative to seven more properties in 2023, generating an additional estimated 4.5 GWh of solar power annually.

### Renewable Energy Targets

#### FY2022 Target:

Power the common facilities' electricity usage at Nucleos, Singapore in addition to three properties located at one-north (Galaxis, Neuros & Immunos, Nexus @one-north) and Singapore's first Super Low Energy building, LogisTech with renewable energy.

#### FY2025 Target:

Power the common facilities' electricity usage for properties\* located at Singapore Science Park 1 by 2025.

#### Performance:

Achieved

\* Owned and managed properties in Singapore Science Park 1.

### Australia

Energy consumption increased by 0.2%, to 11.16 GWh in FY2022. Energy intensity has decreased from 114.35 kWh/m<sup>2</sup> to 111.80 kWh/m<sup>2</sup>.

Total carbon emissions reduced by 9.8%, to 7,444 tonnes CO<sub>2</sub>e in FY2022. The corresponding carbon emissions intensity decreased by 12.0% to 74.54 kgCO<sub>2</sub>e/m<sup>2</sup>. The reduction in emissions is partially attributable to the increased efficiency of the Australian electrical grids and increase in usage of renewable energy.

### United States

Energy consumption reduced by 9.8%, to 22.96 GWh in FY2022, while energy intensity decreased by 6.3% to 109.44 kWh/m<sup>2</sup>.

Total carbon emissions reduced by 17.2% to 6,368 tonnes CO<sub>2</sub>e in FY2022. Similarly, carbon emissions intensity improved by 14% to 30.35 kgCO<sub>2</sub>e/ m<sup>2</sup> this year. This is mainly due to a lack of workers returning to the office as they continued to work from home even as COVID-19 restrictions were eased.

### Key Initiatives

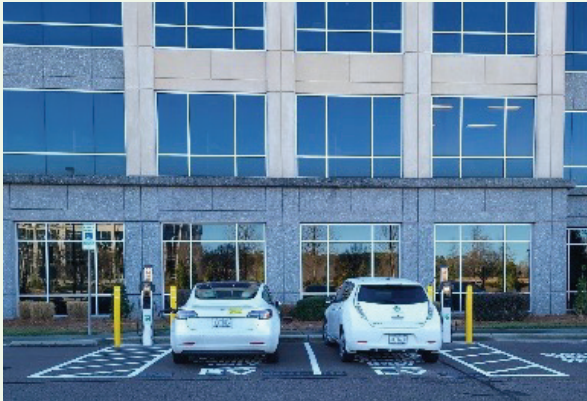
<b>LED Installations</b>	Upgrade works from conventional to LED lighting at 12 properties in Portland and three properties in Kansas.
<b>Energy Dashboard</b>	Implementation of a more accurate electricity consumption monitoring system at Perimeter 2 and Perimeter 4 in Raleigh.
<b>Window Retrofit</b>	Ongoing CSXC INOVUES window retrofit project at Creekside 5, Portland for better insulation and energy performance.
<b>CleanAir ALVI Pilot</b>	Energy-Efficient indoor air quality improvement system. (See Asset Enhancement section on page 45 for more details).
<b>Energy Efficient Roof Replacements</b>	Thermoplastic Polyolefin (TPO) roofing installed at two properties in Chicago and one in Kansas. TPO roofing reduces HVAC energy usage by providing better insulation.



## Highlight: Energy Infrastructure

### Charging ahead with Electric Vehicles

By the end of 2022, there were 138 EV charging points across the US portfolio, an increase of 27 EV charging points from the previous year. Of the new installations, 12 were installed in Raleigh, where the Property Manager was able to leverage municipal grants to partially offset the costs of installation.



EV charging points at Perimeter Two, Raleigh



EV charging points at Creekside Campus, Portland

## United Kingdom / Europe

A portfolio of 11 data centres was acquired in 2021, of which four properties (three in the UK and one in the Netherlands) are under CLAR's operational control. All electricity consumption was from renewable sources. Total energy consumption decreased 18.2% from 1.46 GWh in FY2021 to 1.19 GWh in FY2022, although consumption of renewable energy increased from 868.9 MWh to 1.15 GWh. Correspondingly, the energy intensity across the four data centres also decreased by 18.2%, to 39.12 kWh/m<sup>2</sup>. Total carbon emissions (Scope 1) were at 10 tonnes CO<sub>2</sub>e and a corresponding carbon emission intensity at 0.31 kgCO<sub>2</sub>e /m<sup>2</sup>, a 93.9% decrease from FY2021.

The increase in renewable energy usage is attributable to the fact that in 2022, the properties were under CLAR's control for the full year, whereas in 2021, consumption was only recorded from March onwards, after CLAR assumed operational control of the portfolio. The reduction in overall energy consumption and carbon emissions intensity was largely attributable to 92.3% decrease in diesel and natural gas usage in 2022.

## Highlights: Energy Efficiency

### Cool Vision Initiative in Croydon

- This initiative is an efficiency-improvement project that involves the modelling of multiple metrics, including the loading of different customers, and the ambient air temperature throughout the year.
- This allows for a modular, optimised usage of the fans, cooling, and computer room air conditioning (CRAC) units, which is expected to reduce power consumption per CRAC unit substantially.
- CLAR will explore the feasibility of implementing this initiative for other data centres in Europe.

## Highlights: Renewable Energy

Co-location data centres in Croydon, Cressex, Reynold's House in the UK and Paul van Vlissingraten in the Netherlands are **100% powered by renewable energy** (both landlord and tenant-controlled areas).

In 2022, a total of **387 tonnes** CO<sub>2</sub>e were avoided through the renewable energy usage.

# Environmental

## Water

Most of CLAR's properties are located in water-stressed areas where growing pressures of climate change continue to pose greater threats to society. As such, CLAR adopts a strategic approach to water management and quality to enhance the efficiency, resilience, and long-term value of its portfolio. The Manager is committed to reducing total water consumption, reusing, and recycling water where possible as well as preventing water pollution. Over the years, numerous water-saving initiatives have been introduced to reduce overall water intensity with an aim to achieve cost savings as well. All of CLAR's properties' water withdrawal is derived from municipal supplies, and all wastewater is responsibly disposed of via municipal facilities.

### Singapore

In FY2022, CLAR recorded a 15.1% increase in water consumption from 928.94 thousand m<sup>3</sup> to 1,069.59 thousand m<sup>3</sup>. Water intensity increased by 10.4%, to 0.53 m<sup>3</sup>/m<sup>2</sup>. The increase in water consumption was largely attributable to the inclusion of full-year data for Galaxis<sup>22</sup> and tenants returning to work following the easing of restrictions from the COVID-19 pandemic.

### Australia

In FY2022, CLAR recorded a 19% decrease in water consumption from 65.51 thousand m<sup>3</sup> to 53.06 thousand m<sup>3</sup>. Water intensity decreased by 21%, to 0.53 m<sup>3</sup>/m<sup>2</sup>. This was attributable to the various water management measures put in place to optimise water usage in the portfolio.




### United States

In FY2022, CLAR recorded a 2.9% decrease in water consumption from 155.52 thousand m<sup>3</sup> to 151.06 thousand m<sup>3</sup>. Water intensity increased by 0.9%, to 0.72 m<sup>3</sup>/m<sup>2</sup>. The decrease in water consumption but increase in water intensity was due to 4% decrease in effective GFA.

Property Managers continue to engage tenants to raise awareness of water conservation and encourage implementation of water saving initiatives within the premises. In the Portland and Raleigh properties, irrigation systems had been put in place, enabling a more efficient means for plants to receive water directly. For Raleigh, such systems filtered stormwater prior to channelling water for usage within the property.

### United Kingdom / Europe<sup>23</sup>

In FY2022, CLAR recorded a 57% decrease in water consumption from 6.38 thousand m<sup>3</sup> to 2.74 thousand m<sup>3</sup>. Water intensity decreased by 57%, to 0.09 m<sup>3</sup>/m<sup>2</sup>. The four co-location data centres are working towards rainwater harvesting, to potentially reduce water consumption within the portfolio.

Efforts	Features
<b>Consumption Reduction</b> 	<ul style="list-style-type: none"> <li>Across the entire portfolio: Use of flow regulators; self-closing delayed action faucets/motion-activated faucets; dual flush/low flush toilets</li> <li>Singapore: Use of certified water fittings across all properties with at least 2-tick Water Efficiency Labelling Scheme (WELS)</li> <li>Across the US: Use of drought-resistant landscaping, irrigation controllers and high efficiency irrigation systems</li> <li>Portland, US: Use of upgraded sprinkler heads with more efficient delivery systems, touchless faucets and soap dispensers in every common area restroom</li> </ul>
<b>Control, Metering and Monitoring</b> 	<ul style="list-style-type: none"> <li>Across the entire portfolio: Sub-metering to track consumption and early leak detection</li> <li>Singapore: Water audit</li> <li>Portland, US: Development of plan to install water sensors through working with the city of Beaverton</li> </ul>
<b>Recycling and reducing reliance on portable water</b> 	<ul style="list-style-type: none"> <li>Greywater recycling at 254 Wellington Road, Australia, as well as at 505 Brannan Street &amp; 510 Townsend Street in San Francisco, US; use of recycled water for cooling tower at UBIX, Singapore</li> <li>Rainwater harvesting systems installed at Aperia, Nexus @one-north and Nucleos in Singapore and 254 Wellington Road, Australia</li> <li>Stormwater system in properties located in San Francisco and Raleigh, US, to filter stormwater runoff before release to watershed or stormwater systems</li> </ul>

<sup>22</sup> Galaxis was acquired in June 2021, resulting in only partial-year consumption figures being included in 2021.

<sup>23</sup> There is ongoing clarification on the water consumption data with utility provider as of date of publication.

## Waste

Across CLAR's portfolio, waste is typically sent to landfills or recycling facilities. Exceptions are Singapore, where waste is sent to waste-to-energy incineration plants instead of landfills, and Australia which has composting programmes available for waste disposal. CLAR aims to manage waste responsibly by engaging its stakeholders to reduce and recycle.

### Singapore

CLAR has engaged in multiple waste management initiatives to explore how waste can be repurposed or collected and processed in environmentally friendly ways. Some of these are pilots with a potential to be scaled up, as CLAR is keen to explore various initiatives. The tenant waste digitalisation system is one such pilot that leverages on smart technology to weigh and track both non-recyclable and recyclable waste. This will enable greater visibility of waste generation trends, which can then drive more targeted recycling efforts. There are other ongoing pilots that look at waste management from different angles, such as reverse vending machines for bottles and cans, coffee capsule recycling, and e-waste recycling bins in partnership with TEE Environmental, a waste management services provider.

### Australia

Waste audits were carried out in Australia for greater visibility of waste generation trends. This enables the Property Managers to have more targeted conversations with the various tenant committees under their purview regarding the implementation of sustainability initiatives.

### United States

Waste management initiatives in the US largely revolve around recycling efforts. The property in Raleigh ensures that recycling remains accessible to all tenants through convenient mixed-use bin placements on every floor. These bins are used for general waste, as well as recyclable items sorted by material type.

### United Kingdom / Europe

Waste management initiatives in the UK/ Europe are managed by tenants. Property Managers engage with tenants frequently to encourage them to incorporate efforts such as recycling as part of working towards ISO14001. This would ensure that tenants are aligned as to the standards.

In FY2022, a total of 9,658 tonnes of non-hazardous waste was collected across Singapore, Australia, the US, and UK / Europe, of which 7.4% was recyclable waste comprising of paper, plastics, metals and other materials. This marks a decrease of 34% in total waste generated from last year and is attributed to the various waste management and tenant engagement efforts within our portfolios.

## Highlights: Recycling at CLAR, Singapore Portfolio

### Tenant Waste Digitalisation System

This is a pilot project under the CapitaLand Innovation Fund that leverages on a smart technology to weigh and track the non-recyclable and recyclable waste. This initiative focuses on providing visibility of the typical waste generation trends in Galaxis and The Siemens Centre, and benchmarking references for setting realistic waste reduction target.



The system generates automated emails monthly containing consolidated data after the non-recycled and recyclable waste data are weighed at the loadcell.

### Reverse Vending Machine

The Recycle and Save Programme is a joint effort by the National Environment Agency (NEA) and F&N to encourage the recycling of plastic bottles and aluminium cans in the community and incentivises members of the community by providing rewards for every 10 bottles and cans returned. Three CLAR properties – Aperia, Galaxis, and Plaza 8 were selected for the implementation of this initiative.



Reverse Vending Machine at Galaxis

As of December 2022, **160,676 bottles and cans** were collected in all three CLAR properties.

### E-Waste Recycling

CLAR continued its e-waste recycling programme in 2022, with e-waste recycling bins provided at 15 properties. An alternative initiative was also introduced, where CLAR partnered with e-waste collection vendors to arrange quarterly collection directly from tenants. This initiative was found to be more effective with minimal cross contamination observed.

Under this system, as of December 2022, **17,085 kg** of e-waste was collected from 63 CLAR buildings, with a participation rate of over 64.5% from tenants.

### Paper Recycling Station

Aperia and Galaxis were shortlisted for a trial by SGRecycle, with stations installed to collect paper waste including old newspapers, books, magazines, and corrugated cartons. An incentive of six cents per kg paper recycled is provided, which may be donated back to the community as an option.

As of December 2022, **21,883 kg** of paper waste had been collected at the recycling stations.





# SOCIAL

*“Health , safety and engagement with key stakeholders are of utmost priority to CLAR. These ensure that the concerns of these stakeholders, such as the well-being and safety of employees, tenants, workers ,and visitors at CLAR’s properties are adequately addressed. CLAR has been stepping up its efforts to engage tenants actively to adopt more sustainability-centric practices. This additional commitment with tenants to align them with CapitaLand’s overall sustainability direction enables a more cohesive effort to achieve collective targets.”*

## HUMAN CAPITAL

Critical



**Occupational Health and Safety**



**Human Capital**



**Stakeholder Engagement**



**Products and Services**



**Supply Chain Management**



**Diversity**

Moderate and Emerging



**Human Rights**

<b>Policy</b>	<ul style="list-style-type: none"> <li>• EHS Policy (available to all employees, customers, suppliers, service providers, and partners)</li> <li>• ISO 45001 (Occupational Health and Safety (“OHS”) Management System) as part of CapitaLand’s EHSMS</li> <li>• Procurement Policy</li> <li>• Supply Chain Code of Conduct</li> <li>• CapitaLand Social Charter</li> <li>• CapitaLand Diversity &amp; Inclusion Policy</li> <li>• CapitaLand Harrassment Policy</li> <li>• Investor Relations Policy</li> </ul>
<b>Accountability</b>	<ul style="list-style-type: none"> <li>• The CEO is accountable</li> <li>• ISO 45001 certified OHS Management System ensures accountability of relevant managers and all CapitaLand staff</li> <li>• Key performance indicators (KPIs) are linked to remuneration of all CapitaLand staff, including Management</li> </ul>
<b>Approach and Implementation</b>	<p>The OHS Management System is internally and externally audited once a year and sets out to achieve the following:</p> <ul style="list-style-type: none"> <li>• Provides assurance to Top Management and external investors about its legal compliance and alignment with the firm’s best practices.</li> <li>• Covers various business functions such as property management, property development, operations and corporate management.</li> <li>• Employs Hazards Identification and Risk Assessments (HIRA) to identify OHS hazards and secure the administration, development, and operational functions of CapitaLand’s businesses.</li> <li>• Adopts various standard operating procedures (SOPs) to minimise the occurrence of hazards identified such as poor ergonomics, falling from height, falling objects, and working in an enclosed space.</li> <li>• Adheres to CapitaLand’s Sustainable Building Guidelines – Design for Safety (DfS) to manage health and safety risks throughout the early stages of its buildings’ life cycles; thus, improving safety for the buildings’ contractors, maintenance teams, occupants, and demolition workers. Health and safety risks are also evaluated under the EHSIA during the feasibility study and due diligence stage for new acquisitions. Any significant findings and their cost implications are incorporated in the investment paper submitted for approval.</li> <li>• Involves training and awareness programmes for employees to facilitate effective implementation and partnerships with stakeholders to create a safe work environment; staff are also briefed on how to respond to OHS incidents at the workplace.</li> </ul>



### Top Management Commitment and Staff Involvement

The CEO of CLAR is accountable for overall OHS performance. All staff assume personal responsibility towards OHS and are encouraged to raise any instances of OHS-related incidents which can include non-compliances and non-conformities to the respective Business Units (BUs).



### Occupational Health and Safety Management

CapitaLand EHSMS, which is accredited to ISO 45001, provides a systematic approach to identify and manage hazards, assessing their risks, setting policies, ensuring accountability, developing action plans, and engaging various stakeholders.

Across the portfolio, the Property Managers have also adopted relevant standards such as bizSAFE Partner and bizSAFE Star in Singapore and other management systems such as SafeWork Australia National Standards and Model Codes of Practices in Australia. More information on safety-related management systems and practices are discussed under the Human Capital chapter.



### Internal and External Audits

To ensure the effective implementation of CapitaLand EHSMS to ISO 45001 Standards, annual audits are conducted by EHSMS internal auditors and accredited third-party external auditors for Singapore owned and managed properties.



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

CLAR incorporates OHS KPIs which are linked to the remuneration of all employees of the Manager, including Management.



### Stakeholder Engagement

CapitaLand is a member of the Workplace Safety and Health (Construction) committee in Singapore, which is responsible for workplace health and safety issues. Measures include:

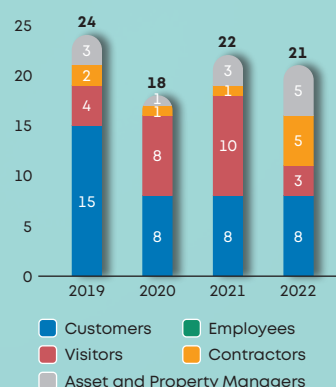
- Emergency response training for employees, customers, and suppliers
- Periodic briefings and emergency evacuation drills for customers
- CapitaLand's EHS Policy and house rules shared with supply chain vendors
- Risk assessments submitted for any potentially hazardous activity to any employee, customer, or visitor

► **Five near-miss events<sup>24</sup>**

**13.5 recordable work injury rate<sup>25</sup>**

► **21 accidents, in which 3 are reportable incidents<sup>26</sup>**

**Number of Accidents in CLAR's Portfolio**



**Zero**

**incidents resulting in staff permanent disability<sup>27</sup> or fatality**

<sup>24</sup> An unplanned event that did not result in any injury, illness or damage, but had the potential to do so. Data disclosed is for Singapore Asset and Property Manager.

<sup>25</sup> Recordable work-related injury rate (for Singapore Asset and Property Manager) is calculated by number of recordable work-related injuries over the number of hours worked, per million man-hours worked.

<sup>26</sup> Three reportable incidents (for Singapore Asset and Property Manager) mainly due to staff carelessness (i.e., slip and fall). Briefing was conducted and/or signage was put up to caution staff. Reportable cases are as defined by Singapore Ministry of Manpower (MOM).

<sup>27</sup> CapitaLand adopted the definition of permanent disability (PD) by the World Health Organisation (WHO) and the Singapore Ministry of Manpower (MOM) / Workplace Safety and Health Council (WSHC).

# Social

## Health, Hygiene and Safety

- Emergency preparedness
- Public health management (common areas)
- Safety training and awareness campaigns
- Safety risk assessments
- Incident reporting and investigation
- Safety performance monitoring
- First aid and personal protective equipment
- Regular safety inspections by management and staff

## Property Security

- Security of external areas and building perimeter is secured with gantry systems, guard patrol and/or security officer
- Centralised security command covering CLAR properties
- CCTV systems are installed at buildings. CCTVs come with the ability to detect unattended objects and alerts will be sent to the attending security guard as part of the Intelligent Building Platform (IBP). Within Science Park I & II, live security camera feeds are monitored 24/7 by security vendors. Any breach of security will trigger an alert to the Centralised Security Command.
- Electronic keypress system which restricts withdrawal of keys to authorised personnel only; allows traceability of the keys and triggers a notification when keys are not returned within the specified window. System installed at two more buildings in 2022.
- In UK data centres, both motion detectors and cameras are installed. Photo ID is required for anyone entering the site and all visitors must be scheduled prior. Entry is only allowed to specific areas. Entry information and CCTV footage is held for 3 years under Digital Service Standards (DSS) rules. A two-meter high fence acts as a physical deterrent to unwanted entry.

## PERFORMANCE

- **No validated cases of physical security breaches at properties in 2022**



## Screening for sustainability criteria

**Supply Chain Code of Conduct**

CapitaLand works closely with its contractors and suppliers who are committed to high quality environmental, health and safety standards. Contractors are only appointed for projects upon meeting the Group's stringent selection criteria. The Manager adopts CapitaLand's Sustainable Supply Chain Code of Conduct to influence its supply chain to operate responsibly.

**100%**  
of suppliers<sup>28</sup> screened  
using social criteria

**100%**  
of suppliers<sup>28</sup> screened  
using environmental criteria

**Checks and Balances**

A copy of CapitaLand's EHS policy will be sent to all vendors. Vendors must ensure that their employees have received sufficient training or are briefed on EHS measures. In cases where activities rendered may affect the occupational health and safety, vendors are required to submit a copy of their risk assessments. Contractors that carry out construction works are to adhere to requirements such as deploying personal protective equipment, reporting of safety incidents, and proper disposal of debris and toxic waste.

Tenders valued above S\$200,000 will be shortlisted to undergo CapitaLand's comprehensive financial check to ensure fiscal sustainability.

**Sustainability Standards**

Depending on the nature of their services, Property Management suppliers under Contracts & Procurement, Business Park Operations in Singapore are required to:

- Meet sustainability standards – e.g., ISO 9001, ISO 14001, bizSAFE Level 3, the NEA Clean Mark Silver
- Attain a minimum B grade licence issued by the Police Licensing and Regulatory Department
- Registered with the NParks Centre for Urban Greenery and Ecology and/or Adopt Progressive Wage Model

**FY2022 TARGET:**  
92% of vendors with Level 3  
in bizSAFE and above

**PERFORMANCE:**  
**(ATTAINED)**  
99.2%

**FY2023 TARGET:**  
95% of vendors with Level 3  
in bizSAFE and above

**Digitalised Procurement System**

Zycus, an online Procure-to-Pay platform, allows documents to be submitted virtually for approval online. Zycus also allows for screening of vendors during the approval process.

The Manager also uses Yardi, an end-to-end property management software, to track supplier performance and retrieve performance evaluations of past, present and new suppliers.

28 Covers suppliers engaged for Singapore owned and managed properties.

# Social

## MANAGEMENT OF HUMAN CAPITAL

CapitaLand has an integrated human capital strategy to recruit, mould and motivate its workforce. Key performance indicators (KPI), both for the business and people development, ensure that employee performance goals align with the Group's business objectives. Furthermore, given that this strategy is in line with frameworks and standards that are practiced globally, there would be alignment across different markets with regards to the implementation of relevant practices. Employees are provided with appropriate development opportunities to help them flourish in their jobs and unlock their full potential.



### Re-employment Opportunities

CapitaLand has a re-employment policy of extending employment to employees who have reached the mandatory retirement age but are still able and intend to continue contributing. There are programmes in place to facilitate the continued employability of employees such as pre-retirement planning for intended retirees, re-training for those intending to continue working after retiring, employment assistance, job placement services, as well as training and counselling on transitioning to a non-working life. The Manager is also aligned with the policy and will support such programmes for employees who become eligible.



### Human Rights

CLI has a Social Charter which sets out commitments to support the preservation of human dignity and self-respect of every individual, covering topics on human rights, child labour, forced labour, human trafficking, code of conduct, diversity and inclusion, and healthy work-life balance. Other human rights related policies such as grievance handling and harassment policies have been put in place. Applicable to all CLI employees, the Social Charter guides the company towards ensuring a supportive and respectful environment for individuals across all aspects of CLI's business and operations.



### Respect for Freedom of Association

CapitaLand respects its staff's right to freedom of association and being members of trade unions. In Singapore, it is guided by the Industrial Relations Act that allows employees to be represented by trade unions for collective bargaining. This allows an avenue for employees to seek redress in cases of industrial disputes.



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

CapitaLand is committed to be a workplace of choice for its staff. It is a signatory of the United Nations Global Compact and is committed to the 10 principles in the areas of human rights, labour, environment, and anti-corruption. It stands firmly against any form of coerced labour and discrimination and adheres to international human rights principles including the Universal Declaration of Human Rights and the International Labour Organisation (ILO) Conventions. None of CLAR's operations are at risk for child labour and forced labour.

#### 2022 Performance:

**Zero reported incidents relating to discrimination, child labour or forced labour in CLAR, and the company had no employees below the age of 16.**



### Fairness and Diversity

CapitaLand embraces diversity and inclusivity regardless of gender, race, nationality, and family status. The Manager believes that all employees can make significant contributions based on their diverse talent, expertise, and experience. CLAR, as a CLI-sponsored REIT, upholds this commitment and is committed to the five key principles of fair employment as a signatory of the Employers Pledge with the Tripartite Alliance for Fair and Progressive Employment Practices (TAFEP).

CLAR identifies talent internally and externally to build bench strength as well as talent pipeline for leadership succession planning. It recruits talents through a network of local and overseas universities and attracts young talent at an early stage through its Graduate Development Programme. Apart from fresh graduates, CLAR also employs experienced and mid-career professionals and industry veterans.

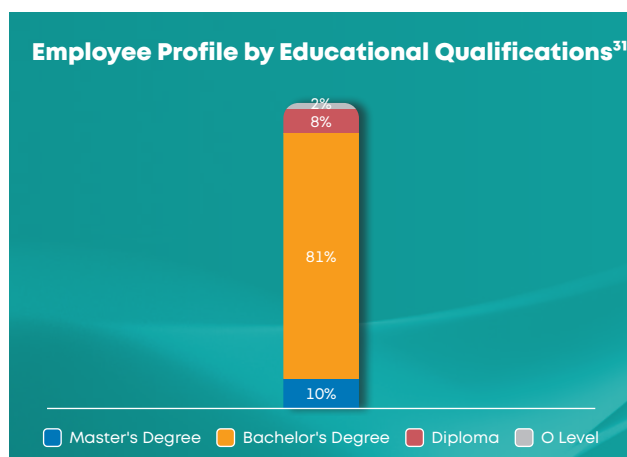
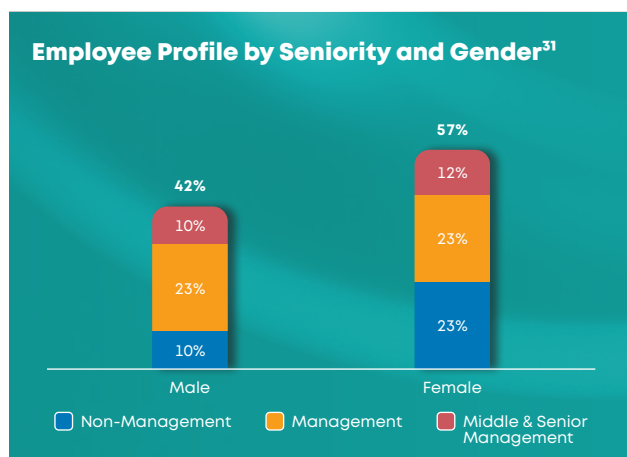
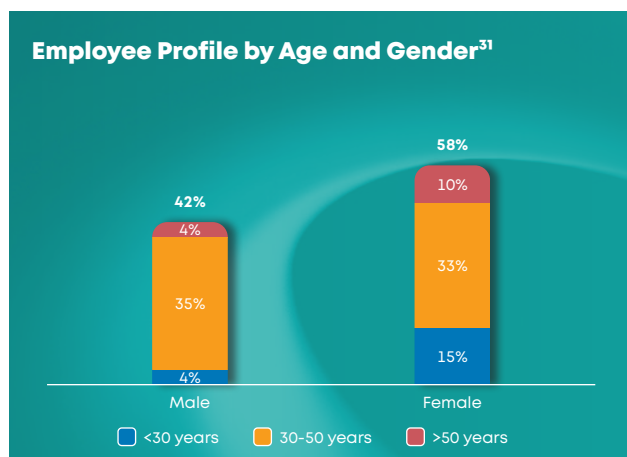
In FY2022, 13 new hires<sup>29</sup> joined the Manager (25%) while 11 employees left<sup>30</sup> the Manager (21%).

29 The 13 new hires comprised seven females (54%) and six males (46%). 46% of the new hires are below 30 years old and 54% between 30-50 years old. There were no new hires above 50 years old.

30 The 11 turnovers comprised three males (27%) and eight females (73%). 55% of the turnovers are below 30 years old and 45% between 30-50 years old. There were no turnovers above 50 years old.

## Employee Profiles

As of 31 December 2022, the Manager had a total employee strength of 52 full-time permanent employees in Singapore, comprising 22 males and 30 females. The Manager has no temporary or part-time employees.



## Positive Work Environment

CapitaLand recognises that a positive work environment is essential to attract, motivate and retain talent. Its total well-being programme promotes personal development, health and work-life harmony. Initiatives include a flexible medical and benefits plan, flexible work arrangements, staff engagement initiatives and subsidised rates for staff staying at Ascott's serviced residences and hotels. CapitaLand advocates a pay-for-performance philosophy to drive ownership of collective goals. This leads to a high-performance culture which creates long-term shareholder value. Its robust performance management system ensures that all staff receive regular performance and career development reviews.

Through the flexible work arrangement policy, employees may apply for flexible work hours, work from home or part-time work arrangements depending on their needs.

All eligible employees are entitled to parental leave. In FY2022, two employees went on maternity and one on paternity leave. All employees due to return to work in FY2022 did so, and of the employees who returned to work in FY2021, 100% remained employed during the reporting year.

### Highlight: CapitaLand Well-being Programme Refresh

In 2022, CapitaLand's Well-being Programme was revamped to approach employee well-being in a more holistic way. The new well-being framework identifies six overlapping facets of employee well-being that should be addressed through engagement measures to raise employees' quality of life and consequently strengthen their performance at work.



### 7 Programmes and initiatives

**257** Unique attendees from various business units and job levels

**Global participation by 13 countries**

<sup>31</sup> Slight discrepancies due to rounding issue.



# Social

## Caring for Employees

### Mental Health Awareness Month

In October 2022, emphasis was placed on CapitaLand employees' mental well-being, with the theme "Make Mental Health & Well-being for All a Global Priority". The month featured staff communications with links to CLI's available mental health resources, as well as reminders that "It's Okay to Reach Out".

In addition to that, a mental health programme was held on 26 October 2022. This was conducted by a principal psychologist. The programme was made available to all employees globally.



## Celebrating as One

### CapitaLand Staff Appreciation Dinner 2022

With business going back to normal after the pandemic, the CapitaLand Group hosted the first in-person annual dinner in three years for its employees. A total of 1,991 attendees – CLAR's staff among them – were treated to a night of performances by senior leadership as well as talent show contestants.



## Employee Engagement

The Manager recognises the importance of a highly engaged workforce in contributing to positive business outcomes and organisational excellence. Employee engagement is carried out through regular staff communication sessions and the CapitaLand intranet, which updates employees on the Group's latest development, employment policies, benefits, corporate governance and ethics.

Recognition and performance activities such as long-service awards serve to recognise employee contribution and service to the company. Under CapitaLand's robust performance management system, performance and career development reviews are conducted annually for all full-time employees, involving open discussions on the employee's performance, developmental needs, career plans and areas for improvement.

CapitaLand practises an open-door policy, allowing all staff to obtain a fair review and a prompt response to problems or concerns relating to any aspect of their employment with the Group. This includes harassment, grievance handling and whistle-blowing policies applicable to all staff. Staff can also raise their concerns to a higher level of management or to the HR department.

The Manager recognises that employee engagement is even more important as employees shift towards hybrid modes of working. Employees are provided with the flexibility of choosing whether to work remotely or in office, as well as the time at which they start work. Initiatives were tailored to engage employees meaningfully despite the hybrid and flexible work arrangements.

The following table provides the key highlights of employee engagement activities in FY2022:

### Communicating and Listening

#### Employee Engagement Survey 2022

In FY2022, CLI introduced the Employee Engagement Survey, which was launched virtually on an independent platform. The survey ran from 5 September 2022 to 3 October 2022 and achieved a participation rate of 91%. The survey garnered an employee engagement score of 83%.

One of the major objectives of the survey was to assess employees' concerns and comfort levels a year after the restructuring of CapitaLand into CapitaLand Investment and CapitaLand Development (CLD).



#### The Ambassador Programme

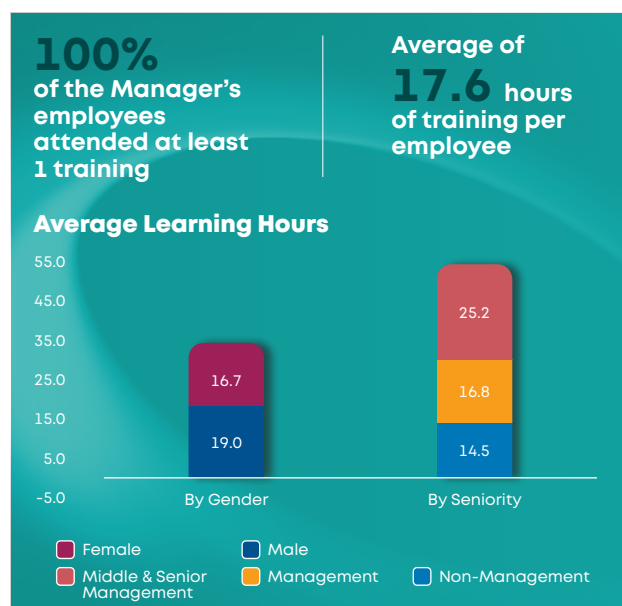
The Ambassador Programme was created to provide an additional channel of feedback to the management of the respective REITs in the CLI Group, allows for a more human touch in employee engagement. In addition to being a supplementary communication channel to the REITs' management, the Ambassadors provide moral support and a listening ear to their colleagues when necessary.



## Learning and Development

Appropriate training is provided to employees to improve their knowledge and expertise to contribute meaningfully and effectively to CLAR's performance. CapitaLand has an in-house training hub, CapitaLand Institute of Management and Business (CLIMB), which supports the training and development needs of staff. Besides on-the-job exposure, there are many opportunities for job rotation, mentoring and coaching to allow staff to reach their full potential. These programmes include CapitaLand Onboarding Programme, Data Protection Training, Managing Fraud, Bribery and Corruption, among others.

In compliance with Monetary Authority of Singapore (MAS) regulations, Capital Markets Services (CMS) Licensed Representatives also attend REIT Management courses on an ongoing basis organised by The REIT Association of Singapore (REITAS), contributing to Continuing Professional Development (CPD) training hours.



## Case Study: Upskilling the Workforce for the Future

CapitaLand recognises the impact of technology in the workplace. In August 2019, CLIMB implemented the 'Building Capabilities Framework' (BCF) to build a future-ready workforce with a digital mindset, competencies and capabilities to remain competitive in the future real estate landscape. Since FY2020, the Framework has been rolled out globally. Employee competencies were categorised according to different skillsets: Core, Functional, Adaptive, and Digital skills. Three levels of mastery: Aware, Apply, Ace were also identified.

### Listed Funds Symposium

Held in November 2022, the symposium ran for a full day and featured four separate panel discussions.

The event presented an opportunity for members of the different funds in the CapitaLand Listed Funds Family to exchange ideas, discuss progress and challenges, and showcase their achievements.

*A day for us to learn, mingle and 'Grow as One'*

**LISTED FUNDS SYMPOSIUM**

AGENDA, 17 November 2022, Thursday, 8:30 am - 5:00 pm  
Raffles City Convention Centre, Stamford Mall, Level 4

08:00 - 09:15	<b>Welcome and Opening Remarks</b> Lee Chee Kuan, CEO, CLF Moderator: Tan Teo Wai, CEO, CLF
09:15 - 10:15	<b>Panel Discussion 1: CLF Developed Market Listed Funds - The Opportunities and Challenges</b> Moderator: CLF CLF Panelists: Tan Teo Wai, CEO, CLF Tan Teo Wai, CEO, CLF Tan Teo Wai, CEO, CLF Discussion around the opportunities and challenges faced by our Developed Market Listed Funds.
10:20 - 10:40	<b>Break &amp; 30-minute break</b>
10:40 - 11:40	<b>Panel Discussion 2: CLF Operators - The Latest Trends and Inner Workings</b> Moderator: CLF CLF Panelists: Tan Teo Wai, CEO, CLF Tan Teo Wai, CEO, CLF Tan Teo Wai, CEO, CLF Discussion around the latest trends and inner workings of CLF operators.
11:40 - 12:15	<b>CLF Innovation Showcase - Introduction</b> Moderator: CLF CLF Panelists: Tan Teo Wai, CEO, CLF Tan Teo Wai, CEO, CLF Tan Teo Wai, CEO, CLF Showcasing the latest technological innovations of CLF and providing a glimpse of the future of real estate across various platforms.
12:15 - 12:30	<b>CLF Innovation Showcase &amp; Lunch</b> An opportunity for our colleagues to explore several booths showcasing some of CLF's latest technological innovations while enjoying a delicious lunch.
13:30 - 14:30	<b>Panel Discussion 3: CLF Emerging Market Listed Funds - The Opportunities and Challenges</b> Moderator: CLF CLF Panelists: Tan Teo Wai, CEO, CLF Tan Teo Wai, CEO, CLF Tan Teo Wai, CEO, CLF Discussion around the opportunities and challenges faced by our Emerging Market Listed Funds.
14:30 - 14:50	<b>Break &amp; 20-minute break</b>
14:50 - 15:40	<b>Panel Discussion 4: 2022 Outlook and How CLF Listed Funds Should Position Themselves</b> Moderator: CLF CLF Panelists: Tan Teo Wai, CEO, CLF Tan Teo Wai, CEO, CLF Tan Teo Wai, CEO, CLF Discussion around the 2022 outlook and how CLF Listed Funds should position themselves.
15:40 - 16:30	<b>CLF Listed Funds Quiz</b> Listed Funds will go head to head, testing their knowledge of CLF and CLF Listed Funds' values and facts with a chance to win \$500 Cashback voucher.
16:30 - 16:45	<b>Closing Remarks</b> Moderator: CLF CLF

### Coffee & Learn

This programme was launched to give CLF employees the opportunity to meet the leaders and department heads of CLF's listed REITs and tap on their knowledge and advice to learn about the real estate industry and the career opportunities available within.

**LISTED FUNDS**

**Coffee & Learn**

Have you always wondered how to become a CEO/CFO/MD?

Have you ever thought about how other CLF REITs work?

Do you just need someone who is not your manager to give you some career guidance?

**WE ARE HERE FOR YOU**

We are launching a new **Coffee & Learn** programme specially for you to meet new mentors, learn from them, and more importantly, connect across our Listed Funds family.

We have all been there and now we have created a platform for you to meet new mentors, learn from them, and more importantly, connect across our Listed Funds family.

16 of our leaders and team heads across the various functions have volunteered to be part of this programme. Find out more about them and this new initiative here:

**Visit Site Here**

**Yong Tan**  
CEO, CLF

**William Tay**  
CEO, CLF

**Tan Teo Wai**  
CEO, CLF

**Sanjay Chandra**  
CEO, CLF

And many more...



## Case Study: Upskilling the Workforce for the Future

### Knowledge Exchange Programme

The Knowledge Exchange Programme is a networking and information-sharing platform to explore topics relating to CLI's business. The programme allows employees to share their project initiatives and best practices to enhance internal communication, knowledge sharing, and promote business understanding and collaboration across teams. In addition, internal and external speakers were regularly invited to share experiences during the sessions.

In 2022, three sessions were held: "The Yin and Yang of Interest Rates and World Events", "Ascott and The Evolution of the Hospitality Industry", and "Five Business Lessons over 90 Years".

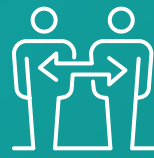


### Learning CAREnival

In prior years, the Learning CAREnival was held annually across a few days. In the interest of promoting lifelong learning and constant personal growth within the workforce, the frequency of the Learning CAREnival has been increased to a quarterly cadence for FY2022.

This provides greater learning opportunities for CLI's workforce, providing them with a selection of workshops, talks, and activities. These activities covers a multitude of topics including digital fluency, holistic well-being, career resilience, sustainability, lifestyle, and leisure.










# SOCIAL AND RELATIONSHIP CAPITAL

## STAKEHOLDER ENGAGEMENT

The Manager, as well as the Asset, Property and Project Managers engage with stakeholders all year round to understand their needs. Stakeholders includes personnel with vested interest in CLAR's operations and group of people that CLAR significantly impacts. Key stakeholders include employees, regulators, existing and potential customers, suppliers and contractors, the investment community, and the local community. Different engagement channels are utilised by the Manager, as well as the Asset, Property and Project

Managers, subject to stakeholders' preferences within a particular market. While these channels may vary, they collectively ensure stakeholders can comfortably share their views and concerns. At the same time, these channels would also serve as platforms for the Manager, as well as the Asset, Property and Project Managers to respond to these stakeholders, thereby creating an environment where varying needs can be meaningfully addressed.

Key Stakeholder Groups	 <b>Investment Community</b> Deliver sustainable distributions and achieve capital stability	 <b>Employees</b> Create a great work environment	 <b>Existing and Potential Customers</b> Deepen relationship through engagement and networking events and programmes	 <b>Suppliers and Contractors</b> Develop good partnerships	 <b>Community</b> Establish strong relationships to collectively build a sustainable business environment and be a responsible corporate citizen
Key Concerns/Interests	<ul style="list-style-type: none"> <li>Growth strategy, occupancy and rental outlook, risk management</li> <li>Impact on operations and business performance</li> </ul>	<ul style="list-style-type: none"> <li>Career development and progression, business and organisational updates, health and well-being</li> </ul>	<ul style="list-style-type: none"> <li>Property management and service-related gaps, safe working environment, customer experience</li> </ul>	<ul style="list-style-type: none"> <li>Fair competition and compliance to procurement policy</li> <li>Adherence to safety requirements</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with laws and regulations</li> <li>Best practice adoption</li> <li>Contribution to community</li> <li>Environmental issues</li> </ul>
Engagement Methods and Frequency	<ul style="list-style-type: none"> <li>Annual General Meeting, investor conferences, one-on-one meetings and teleconferences</li> <li>Results/ acquisitions/ business update media and analysts' briefings</li> <li>Timely media releases, print publications and online platforms</li> <li>Property tours</li> <li>CLAR's website and email alert service</li> <li>Engagement and outreach programme for interaction with management</li> </ul>	<ul style="list-style-type: none"> <li>Employee Engagement Survey and employee awards</li> <li>Ongoing consultations and conferences through various feedback channels, annual performance assessments for employees to track performance and identify training and development goals</li> <li>Engagement through one-on-one meetings and networking events</li> </ul>	<ul style="list-style-type: none"> <li>Engagement surveys</li> <li>Engagement programmes/activities and post event feedback</li> <li>Social media platforms/Digital Screens and Monthly Newsletters</li> <li>CapitaStar@Work mobile app</li> <li>Tenant appreciation gifts and long tenure gifts (where applicable)</li> </ul>	<ul style="list-style-type: none"> <li>Sharing of CapitaLand's EHS policy, contractor management guidelines and house rules and SOPs</li> <li>Annual HOST awards available</li> <li>Feedback channels throughout the year</li> </ul>	<ul style="list-style-type: none"> <li>Media releases/announcements throughout the year to update on key initiatives</li> <li>One-on-one meetings and dialogues with government, national agencies and non-governmental organisations as necessary</li> <li>CapitaLand Ascendas REIT Study Awards (annual)</li> <li>CLAR Sustainability Corner Competition</li> </ul>
CLAR's Response	<ul style="list-style-type: none"> <li>Proactive communications, timely and transparent disclosures</li> <li>Proactive portfolio and asset management</li> <li>Proactive capital management</li> <li>Disciplined approach to acquisitions and divestments for value creation</li> </ul>	<ul style="list-style-type: none"> <li>Stepping up of internal communications with staff (e.g., staff communication sessions, Employee Engagement Survey)</li> <li>Learning and Development programmes including digital initiatives</li> <li>CapitaLand's Well-being Programme, which includes on-site and virtual programmes (such as talks) to build a healthier workplace and a culture of holistic well-being</li> </ul>	<ul style="list-style-type: none"> <li>Use data analytics to identify and rectify issues promptly</li> <li>Train employees on issue resolutions and provide recognition for good service</li> <li>Active portfolio management and commitment to maintain / increase green building certifications</li> </ul>	<ul style="list-style-type: none"> <li>Price quality method evaluation criteria</li> <li>Performance feedback</li> <li>Supplier performance evaluation</li> </ul>	<ul style="list-style-type: none"> <li>Compliance monitoring</li> <li>Policies and practices review</li> <li>Public communications</li> <li>Three days of Volunteer Service Leave (VSL) for each employee per annum</li> <li>Employee participation in community engagement events</li> <li>Monitoring of environmental performance and commitment to maintain / increase green building certifications</li> <li>The Manager established the CapitaLand Ascendas REIT Study Awards with universities in countries that CLAR operates to support financially needy students in their undergraduate studies</li> <li>The Manager organised the CLAR Sustainability Corner Competition involving students from tertiary institutions to develop innovative designs for a physical installation or space to raise awareness on climate change or sustainability issues among tenants and visitors.</li> </ul>

# SOCIAL

## CUSTOMER EXPERIENCE

The Manager is committed to delivering an exceptional customer experience while enriching lives and the communities it operates in.

CLAR remains guided by its customer experience vision, which seeks to create value and experiences in response to its customers' evolving needs. **"CLAR makes a concerted effort to have a good understanding of how needs *differ and evolve across markets*, while ensuring *alignment* to an overarching customer experience vision."**

Since its listing in 2002, CLAR has built up its capabilities in activating its spaces, delivering service excellence, and engaging with stakeholders through digital means where possible, which has become increasingly crucial as COVID-19 ushers in new work trends. In conjunction with its 20<sup>th</sup> anniversary, CLAR (formerly known as Ascendas REIT) was renamed on 27 September 2022 under a unified branding. By amalgamating the name Ascendas REIT with Capitaland, this will provide CLAR greater visibility and global recognition, as well as augment CLAR's network and capabilities with its Sponsor globally. With stronger branding and support, CLAR will be able to serve communities better and provide greater customer experience.

### Community Engagement Activities

Organised programmes including lunchtime talks and live music sessions, and community festivals to build a tight knit workplace community



### Webinars and Learning Activities

Tabao Thursday webinars and Brown Bag virtual sessions



### Quality, well-maintained spaces that are effectively activated

#### Asset Enhancement Initiatives

Infrastructure upgrades at Changi Logistics Centre, Singapore and revamp of the main lobby and washrooms at 1 Changi Business Park Central 1, Singapore.



### Holistic programming that builds communities



### Social Media Campaigns & Content Creation

Implemented digital contests, online content, and engagement campaigns to drive follower acquisitions and engage with current followers

### Tenants' Treats

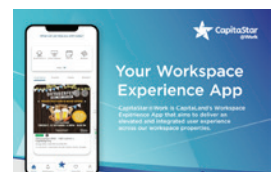
Distributed 15,700 treats across Workspace properties



### Service Excellence

#### Communications

Monthly newsletters, CEO messages, eDMs, digital screens, respective Facebook, Instagram and Telegram pages, CapitaStar@Work app





## Highlight: Singapore Anniversary Celebrations

With business returning to normalcy and fewer restrictions around physical gatherings, emphasis has been placed on organising in-person events for the community after having to rely largely on the digital medium for the past two years. This return to normalcy coincided with CLAR's 20<sup>th</sup> year of listing on the Singapore Exchange, and celebrations were amplified for the occasion.

### CBP 5v5 Futsal Challenge

A futsal tournament was organised to kick off CLAR's 20<sup>th</sup> anniversary celebrations. Held at The Ark Futsal at Plaza 8 @ Changi Business Park, the round-robin tournament featured 16 teams and 128 participants. The event spanned three days, with the finals being held on the third day. A variety of other activities were held on the sidelines for spectators who attended the tournament.



### Oktoberfest 2022

After a three-year hiatus, CapitaLand was once again able to carry out Oktoberfest celebrations. The events were held at 31 International Business Park, Ascent at Singapore Science Park, and for the first time this year, at Plaza 8 @ Changi Business Park. Over 1,100 participants were treated to a night of festivities, with live entertainment, food, and beer. To mark CLAR's 20<sup>th</sup> anniversary, a special game segment was also organised for the event.



### Tenants' Treats

CLAR's anniversary celebrations merited special treats for its tenants. For the occasion, CLAR partnered with Nasty Cookie (CLAR's tenant at Techview, Singapore), to curate an exclusive cookie and drink set for tenants. In line with CLAR's sustainability practices, the treats were packaged in a recyclable box. A total of 12,500 sets were distributed across 30 properties.

Over the course of 10 days, 365 tenants were also engaged to participate in a Spot, Snap & Win! social media contest which led to over over 9,000 new followers on related social media accounts.



## Customer Experience Overseas

### Bloom at Perimeter Park, Raleigh, US

Under this tenant engagement programme in the Raleigh portfolio, a variety of events were hosted in 2022. This included weekly food trucks, floral arranging, complimentary photoshoots, blood donation drives, cookies & crafts at the Perk (café in Perimeter Four), and a Holiday Jingle and Mingle breakfast event.



Cookies and Crafts event

### Wellness Month at Thomas Holt Drive, New South Wales, Australia

In May 2022, a Wellness Month was organised at 1-5 Thomas Holt Drive in New South Wales, Australia. One of the key programmes was Yoga in The Park, which was extended to tenants from surrounding buildings, including occupants of CLAR's properties.

# SOCIAL

## QUALITY, WELL-MAINTAINED SPACES

Providing quality end-to-end real estate solutions to meet the needs of customers



The Manager adopts a multi-pronged approach to deliver value to its customers. The approach includes value-adding investments through acquisitions, developments, and asset enhancement initiatives (AEIs), as well as delivering quality spaces and good customer services.

Asset enhancements and redevelopments are continuously undertaken to deliver end-to-end premium quality real estate solutions for CLAR's customers. These projects include providing community spaces as public gathering points, ensuring accessibility in the built environment to those of different age groups and varying mobility, promoting sustainability features to improve customers' work experience, and creating live-work-learn-play environments.

#### Highlight: Tenant Engagement across Australia Properties

##### **Establishment of Building Management Committees for all Australia properties**

In addition to Building Management Committee (BMC) previously established with tenant representatives from 1-5 Thomas Holt Drive, Sydney, this initiative was expanded in 2022 to all Australia properties. The BMC comprises key members from the third-party Property Manager and representatives from tenants within the property. The committee meets on a quarterly basis to discuss on sustainability initiatives which includes, but not limited to, collaboration of joint initiatives between landlord and tenants, knowledge sharing on sustainability, and key milestones and long-term planning for the respective properties.

#### Highlight: Asset Enhancement at Perimeter Four, Raleigh, US

##### **ALVI CleanAir Pilot**

In 2022, a contract was finalised to commence the pilot of CleanAir.ai's improved air filtration technologies at Perimeter Four. One of the winners of the 2022 CapitaLand Sustainability X Challenge, the technology utilises sensors and an air polarisation system to remove microparticulates of less than 0.007 microns. This includes viruses, volatile organic compounds, bacteria, and mold spores. The system is intended to improve the indoor air quality for building occupants, while also reducing energy consumption.

#### Highlight: Asset Enhancement at Changi Logistics Centre, Singapore

##### **Major upgrade of building power system and fire safety regularisation work**

Enhancement work involved transformer power upgrading, fire safety regularisation works and modernisation of building services such as toilets, cargo, and passenger lifts.

#### Highlight: Asset Enhancement at 17 Changi Business Park Central 1, Singapore

##### **Major revamp of main lobby to enhance overall user experience**

Enhancement work included a major revamp to the main lobby with drop-off points reconfigured to enhance the overall user experience. To provide better connectivity and convenience, a new sheltered access to the bus stop was constructed. Refurbishment works was also carried out to upgrade the washrooms with shower and locker facilities.



#### Highlight: Construction of Footpath between Zehnder Road and Science Park 2, Singapore



##### **Construction of footpath to address needs of tenants and residents**

CLAR has collaborated with the local community to construct a footpath linking from the end of Zehnder Road to Science Park Road. The area was originally an open field and would become muddy whenever it rained. Taking into consideration inputs from the community, CLAR started the construction in October 2021 and the project was completed in April 2022. With the completion of the project, it provided the residents and employees at Science Park 2 with a proper footpath. The path is also well-lit, which enables residents' usage even at night and reduced the travelling time between Zehnder Road and Science Park 2 considerably.



# SOCIAL

## Recent Community Development Investment and Value

### Advocating Staff and Tenant Volunteerism

In recognition of staff's social contribution as volunteers, CapitaLand Hope Foundation (CHF) donates S\$500 to an approved Institution of a Public Character (IPC) in Singapore or an International Non-Profit Organisation, or RMB1,000 to a China-based children's charity of the staff's choice when the staff has taken all three days of Volunteer Service Leave (VSL) within the year. 91.0% of employees volunteered in FY2022 and more than 233 hours were dedicated to community service, through the following initiatives:

#### Community Involvement Initiatives

##### Singapore

##### CapitaLand #LoveOurSeniors

In 2022, tenants participated in #LoveOurSeniors Bread Delivery, #LoveOurSeniors Essential Care Pack Delivery and #LoveOurSeniors Sin Ming 26 Resettlement Project from June to October. The activities were organised by CapitaLand Hope Foundation, the philanthropic arm of CapitaLand Group.

Around 5,000 seniors in Singapore have benefited from CapitaLand's #LoveOurSeniors programme, made possible with the time contributed by more than 600 CapitaLand staff and 148 tenant volunteers.

- **Bread Delivery**

Volunteers from various tenant companies participated to deliver wholemeal bread loaves to seniors in need while bonding through this volunteering initiative.



Volunteers participated as a company, and delivered bread to seniors in need

- **Essential Care Pack Delivery**

In its second edition, more than 140 tenants from seven companies delivered Essential Care Packs comprising of food items and daily essentials which were packed by CapitaLand staff volunteers. Care packs were delivered across Singapore to 5,000 vulnerable seniors, almost twice the number of senior beneficiaries compared to 2021.



CapitaLand Ascendas REIT's logistics tenants volunteered their time and provided their trucks to support the delivery of care packs

- **Sin Ming 26 Resettlement Project**

Due to redevelopment plans, more than 130 low-income senior residents of Block 26 Sin Ming were relocated to other rental blocks across Singapore in phases from July to December 2022. To ease the socio-emotional, financial, and mental stress that seniors may face during the move, CapitaLand Hope Foundation partnered with AMKFSC Community Services to provide financial support for the seniors to purchase furniture and appliances.

Over 50 staff volunteers and six tenant volunteers also assisted the senior residents with packing, unpacking, and arranging new furnitures in their new homes. The volunteers also accompanied them to purchase household items for their new homes and have a meal together.



Tenant volunteers (J.P. Morgan) came together to assist the senior residents to relocate to their new homes

## Community Involvement Initiatives

### Blood Donation Drives in Portland and Raleigh, US

In CLAR's US portfolio, blood donation drives were held in 2022, across the Portland campuses (Cornell Oaks and Creekside) and the Perimeter Park campus in Raleigh.

More than 40 tenants participated as donors, five of whom were first time blood donors, potentially saving up to 120 lives.



## LET'S GET DOWN TO EARTH

In 2022, Let's Get Down to Earth, a sustainability-themed festival, was held across CapitaLand's retail malls and workspace properties from 16 March to 1 May for the first time. The campaign was aimed at encouraging CapitaLand's community, comprising of its tenants, shoppers, and office workers, to adopt sustainable habits.

The highlight of the festival was the Let's Go Eco Challenge, which saw participants compete in challenges across participating malls and workspace properties, earning them digital stamps on the CapitaStar app, as well as the chance to win prizes worth up to S\$5,000.

Overall, the festival introduced almost 3,000 participants to sustainable activities over the duration of the campaign.



Tenants participating in a workshop to learn how to sew and mend their own clothes, rather than buying replacements

## LIVE IT UP!

In conjunction with the Singapore Tourism Board's (STB) Wellness and Community Festival, Live It Up! was held to promote holistic well-being for our community.

The collaboration with STB included exercise sessions and art therapy classes at participating malls and workspace properties. The event also included more than 50 wellness deals on the CapitaStar app for redemption.

The highlight activity was Power Up! Workout, a special workout dance medley activity exclusively created for Live It Up!, which was held simultaneously at seven retail malls and workspace properties.

Live It Up! took place between 3 June 2022 and 12 June 2022 and featured 66 partners and had over 700 participants.



Participants at Plaza 8 @ Changi Business Park in a mass dance workout

# SOCIAL

## Holistic Programmes that Build Communities

### CLAR Sustainability Corner Competition

The CapitaLand Ascendas REIT Sustainability Corner Competition was held as part of CLAR's 20<sup>th</sup> anniversary's community outreach initiatives. The competition challenged tertiary students to submit their innovative designs for a physical installation or space to raise awareness about climate issues among tenants and visitors to CLAR properties. 10 finalists were shortlisted and presented their concepts and prototypes to a distinguished panel of judges held on 9 November 2022. The winners received prizes worth up to S\$5,000 eCapitaVouchers and will have the opportunity to showcase their amazing works displayed at selected properties within CLAR's portfolio, including overseas assets.



### CLAR Study Award (formerly known as A-REIT Study Award)

Since 2013, the Manager has established the CLAR Study Award (Study Award) and has supported financially needy undergraduates from accountancy, business and law disciplines who are studying at various universities in Singapore, which includes Nanyang Technological University (NTU), Singapore Institute of Technology (SIT) and Singapore Management University (SMU).

To reaffirm its support and commitment in building long-term relationships and making a difference to the local communities that CLAR operates, the Manager has pledged an additional S\$1.3 million to expand the Study Award by increasing support for SIT and SMU and establishing new Study Awards with The University of Melbourne (Australia), The University of Manchester (UK) and The University of California, San Diego (US) in conjunction with CLAR's 20<sup>th</sup> anniversary. As the business environment evolves with greater focus on sustainability and digitalisation, the Study Award has also been extended to sustainability and technology-related disciplines in addition to the existing disciplines to benefit more deserving students.

The broadening of CLAR's community outreach efforts is timely as it repositions itself as a global REIT anchored in Singapore with a strong focus on technology and logistics properties in developed markets. As of 2022, CLARML has pledged over S\$2.5 million in donations towards educational causes and will continue to contribute towards uplifting the environmental and social well-being of its communities while delivering long-term value to Unitholders.





## Spotlight on Past Award Recipients

### COMING FULL CIRCLE TO A CAREER AT CAPITALAND

"This Study Award alleviated the financial pressures that came with university expenses, much to the relief of my family and myself.

As such, I was able to dedicate full attention to my studies and smoothly graduate from university. I was able to give my best in my education, which has enabled me to work towards my aspirations and career goals."



**Ang Hui Si**

Graduated in 2017 from Singapore Institute of Technology  
Currently employed by CLI



**If you believe in yourself, anything is possible.**



**Embrace your vulnerabilities and the limits of being human; Do your best and live life to the fullest.**



### RELIEVING FINANCIAL STRAIN FACED BY FAMILY

"This Study Award has helped my family a great deal beyond relieving the financial strain of my university's tuition fees.

My father's business prior to receiving the award was not doing well. As such, this award provided some ease to my family and my mental health, which empowered me to perform in school. I have graduated within the top 5% of my cohort!

My family is more positive about our future now. I hope to be able to pay this good deed forward."

**Asher Chew**

Graduated in 2019 from Singapore Management University



### BETTER FOCUS AND PRIORITISATION OF ACADEMICS

"Receiving this Study Award has boosted my morale and enabled me to focus better on my academic pursuits. Without the assistance, I would have had to take time away from my studies as I would have to work part-time to support my financial needs.

This Study Award reinforced my appreciation for giving back when you can to help others in your community improve their lives."



**Yap Kah Beng**

Graduated in 2017 from Nanyang Technological University, Singapore



**Study smart, enjoy your university life, always stay positive no matter what, press on, and go for it!**





# GOVERNANCE

*“CLAR embraces the tenets of good corporate governance, including accountability, transparency, and sustainability. The policies and practices in place provide a firm foundation for a trusted and respected business enterprise.”*

## MATERIAL ISSUES

### Critical



**Risk  
Management**



**Business  
Ethics**

<b>Policy</b>	<ul style="list-style-type: none"> <li>• Board Diversity Policy</li> <li>• Fraud, Bribery and Corruption (FBC) Risk Management Policy</li> <li>• Anti-Money Laundering and Countering the Financing of Terrorism Policy</li> <li>• Ethics and Code of Business Conduct Policies</li> <li>• Whistle-blowing Policy and other procedures</li> </ul>
<b>Accountability</b>	<ul style="list-style-type: none"> <li>• CEO of the Manager is accountable</li> <li>• Responsibility of all employees and supply chain/partners not to engage in FBC practices</li> </ul>
<b>Approach and Implementation</b>	<p><b>Employees</b></p> <ul style="list-style-type: none"> <li>• FBC guides made available to all employees via CLI's intranet</li> <li>• Annual declaration through the 'CapitaLand Pledge', to uphold CLI's core values, and not to engage in any corrupt practices</li> <li>• Relevant trainings on ESG provided, including FBC</li> <li>• Enterprise Risk Management Framework and relevant risk policies reviewed annually</li> <li>• Whistle-blowing reporting channels</li> </ul> <p><b>Supply chain / Partners</b></p> <ul style="list-style-type: none"> <li>• FBC Risk Management Policy</li> <li>• CapitaLand Supply Chain Code of Conduct and anti-corruption clause in key contracts</li> </ul>

## ORGANISATIONAL CAPITAL

## PERFORMANCE



### Organisational Capital

The Manager is committed to highest levels of corporate governance and transparency.

Guided by CLI's Core Values, CLAR's Board of Directors builds and maintains a robust organisational culture that guides employees in making the right decisions.

The profile for the Board of the Manager can be found in CLAR's Corporate Governance report (page 107) in the Annual Report.

**62.5%**  
independent directors  
on the Board

**25%**  
female directors within  
the Board<sup>32</sup>



### Fraud, Bribery and Corruption (FBC) Risk Management Framework

The Manager's employees adhere to CLI's Fraud, Bribery and Corruption Risk Management Policy (FBC Risk Management Policy), which 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.

FBC Risk Management Framework		
Board Oversight & Senior Management Involvement		
FBC Risk Management Strategy		
<b>Prevention</b> <ul style="list-style-type: none"> <li>• Process-specific Controls</li> <li>• Risk Assessment</li> <li>• Know &amp; Manage Third Party</li> <li>• Managing Conflicts of Interest</li> <li>• Hiring</li> </ul>	<b>Detection &amp; Monitoring</b> <ul style="list-style-type: none"> <li>• Detection of Irregularities</li> <li>• Monitoring of Fraud Risk Profile</li> <li>• Independent Review &amp; Audit</li> <li>• Report Fraud Incidents</li> </ul>	<b>Response</b> <ul style="list-style-type: none"> <li>• Investigation</li> <li>• Insurance &amp; Recovery</li> <li>• Protocol to observe when contacted by Authorities</li> <li>• Disclosure to Authorities &amp; Media</li> <li>• Disciplinary Actions</li> <li>• Review of Controls</li> </ul>
Risk-Aware Culture		



### Whistle-blowing Policy

Whistle-blowing policy provides employees and parties with well defined, accessible, and trusted channels to report suspected fraud, corruption, dishonest practices or other improprieties in the workplace, and for the independent investigation of any reported incidents and appropriate follow up action. The identity of the whistle-blower is kept confidential.

The ARC is responsible for oversight and monitoring of the investigation of whistle-blowing reports made in good faith. The ARC reviews all whistle-blowing complaints at its scheduled meetings.

**Zero**  
substantiated  
whistle-blowing cases  
in 2022



### Training

Appropriate trainings are provided to employees to support their professional development, including important topics such as data protection, anti-money laundering, managing fraud, bribery, and corruption, among others. This demonstrate CLAR's commitment to promoting a culture of compliance and integrity within the organisation.

**100%**  
employees have received  
ESG training (including  
anti-fraud, bribery, and  
corruption e-learning)

<sup>32</sup> As of March 2023



## RISK MANAGEMENT AND INTERNAL CONTROLS

## PERFORMANCE



### Enterprise Risk Management (ERM) Framework

The Manager's Enterprise Risk Management (ERM) Framework is adapted from the International Organization for Standardization (ISO) 31000 International Risk Management Standards and is benchmarked against other relevant best practices and guidelines and reviewed annually to ensure its continued relevance and practicality. It sets out the required environmental and organisational components needed to identify, assess, respond, monitor, and report material risks in an integrated, systematic, and consistent manner. For further details on the risk management process, please refer to pages 135 to 141 of the Enterprise Risk Management Report in the Annual Report 2022.

### Zero

cases of material non-compliance with applicable laws and regulations in the countries where CLAR operates in.

### Zero

incidents of PDPA breaches detected.



### Risk and Control Self-Assessment (RCSA) Exercise

A Risk and Control Self-Assessment (RCSA) exercise is conducted annually to identify the material risks, including new and emerging risks, the mitigating measures, and the opportunities that CLAR faces in delivering strategic objectives.

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



### Business Continuity Management (BCM) Programme

The BCM programme puts in place the prevention, detection, response, and business recovery and resumption measures to minimise the impact of adverse business interruptions or unforeseen events.



### Business Continuity Plan (BCP)

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 CLAR 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.

# Appendix A:

## Environmental Data Quantification Methodology

This section explains the calculation boundaries, methodologies and assumptions used in the computation of CLAR's energy, greenhouse gas (GHG) emissions, water, and waste.

### Reporting Scope and Period

CLAR adopts the operational control approach, as outlined in the GHG Protocol Corporate Standard, which is used to determine organisational boundaries. This attributes accountability for 100% of the GHG emissions from operations over which the organisation has control. There were five properties within the Australia portfolio, 21 properties within the United States portfolio, four within the United Kingdom/Europe portfolio and 66 properties under the Singapore portfolio under CLAR's operational control.

Data for energy and GHG emissions consumption from the following reporting periods have been included in the Integrated Sustainability Report 2022:

- 2022: 1 January 2022 to 31 December 2022
- 2021: 1 January 2021 to 31 December 2021
- 2020: 1 January 2020 to 31 December 2020

For properties that were acquired in FY2022, consumption data was only included from the completion of its acquisition during the year. The logistics properties from Chicago, US are not part of the reporting scope as CLAR does not have operational control.

### Energy Consumption within the Organisation

Energy consumption is consumed from purchased and renewable electricity, as well as diesel and natural gas in Singapore, Australia and United States, and UK/Europe. The total energy consumption is expressed in million kilowatt hours (kWh).

### Energy and Carbon Intensity

Energy consumption and carbon emissions is calculated for the common areas (chillers, corridors, perimeter lightings and centralised building facilities under CLAR's direct control). Intensity metrics are calculated relative to effective Gross Floor Area (GFA) in Singapore, and total property GFA for the rest of the portfolio in Australia, United States and UK/Europe, expressed as kWh/sq m. Effective GFA is calculated considering total GFA and occupancy rate. Effective GFA has been selected as the metric for intensity ratios (for Singapore) as a large proportion of energy consumed is attributed to shared services such as the building's chiller system.

### GHG Emissions

Scope 1 emissions are calculated from the consumption, natural gas and diesel in Singapore, Australia, the US, and UK/Europe, expressed in tonnes of CO<sub>2</sub>e.

Scope 2 emissions are calculated from the consumption of grid electricity in Singapore, Australia and the US expressed in tonnes of CO<sub>2</sub>e. There are no scope 2 emissions in UK as the four properties are 100% powered by renewable electricity.

### Emission Factors

Scope 1: Emission factors for direct energy consumption in Singapore are taken from the Intergovernmental Panel on Climate Change (IPCC) emission factor database (i.e., 74.1 tCO<sub>2</sub>e/TJ for diesel and 56.1 tCO<sub>2</sub>e/TJ for natural gas). 2022 Emissions factors for the UK were published by the UK government's department of Business, Energy, and Industrial Strategy, in 2022 (2.01574 kg CO<sub>2</sub>e/m<sup>3</sup> for natural gas and 2.55784 kg CO<sub>2</sub>e/litre for diesel). Emissions factors for Australia were published in the National Greenhouse Accounts Factors 2022 (51.53 kg CO<sub>2</sub>e/GJ for natural gas). Emissions factors in the US for natural gas (116.65 lb CO<sub>2</sub>e/BTU) for 2022 were published by the Energy Information Administration.

Scope 2: Emission factors for the calculation of electricity consumption are taken from the Singapore Energy Statistics 2022 published by the Energy Market Authority in Singapore (0.4057 kg CO<sub>2</sub>e/kWh), the National Greenhouse Accounts Factors 2022 for New South Wales (0.73 kg CO<sub>2</sub>e/kWh), Victoria (0.85 kg CO<sub>2</sub>e/kWh) and Queensland (0.73 kg CO<sub>2</sub>e/kWh), the Emission Factors for Greenhouse Gas Inventories published by the US Environmental Protection Agency (EPA) in October 2022 for Raleigh and San Diego (639.7 lb CO<sub>2</sub>e/MWh) and Portland (634.6 lb CO<sub>2</sub>e/MWh).

### Water Consumption

Sources of water withdrawn by CLAR properties include municipal water utilities across Singapore, Australia, the US and UK/Europe. In Singapore, NEWater, which is high-grade reclaimed water from treated used water supplied by Singapore's national water agency is also used across selected properties. Any wastewater is also discharged responsibly through municipal water utilities.

### Waste Management

Only non-hazardous waste is disposed by CLAR. Third-party certified waste contractors are engaged across Singapore, Australia, and the US. In Singapore, waste is disposed via recycling, sent to landfills, and incineration. In Australia, waste is disposed via recycling, composting (for grease traps) and sent to landfills. In the US and UK, waste is disposed via recycling and sent to landfills.

### Water Intensity

Water intensity ratio is calculated by the total volume of water consumed, relative to effective GFA, expressed as m<sup>3</sup>/m<sup>2</sup>.

Appendix B:  
Environmental Data

Indicator	Unit of Measure		Singapore			Australia			Europe DC		United States		
			2020	2021	2022	2020	2021	2022	2021	2022	2020	2021	2022
Coverage Area	sqm	Landlord	1,858,521	1,937,171	2,019,927	44,530	97,437	99,866	30,528	30,529	226,642	217,912	209,786
Energy Consumption	kWh	Landlord	86,291,100	95,217,073	100,862,178	9,087,883	11,141,885	11,164,967	1,459,196	1,194,178	26,836,478	25,458,712	22,958,580
Energy Intensity	kWh/m²	Landlord	46.43	49.15	49.93	204.08	114.35	111.80	47.80	39.12	118.41	116.83	109.44
Renewable Energy	kWh	Landlord	1,555,558	7,341,455	12,386,245	0	302,850	407,210	868,926	1,148,740	0	0	0
Water Withdrawal	m³	Landlord	923,470	928,936	1,069,587	51,124	65,510	53,063	6,375	2,741	157,678	155,522	151,056
Water Intensity	m³/m²	Landlord	0.51	0.48	0.53	1.15	0.67	0.53	0.21	0.09	0.70	0.71	0.72
Carbon Emissions	tonnes CO <sub>2</sub>	Scope 1	14	16	12	80	134	157	158	10	380	462	524
		Scope 2	34,593	35,828	35,876	7,042	8,118	7,287	0	0	7,956	7,226	5,844
		Scope 1 & 2	34,607	35,845	35,888	7,121	8,252	7,444	158	10	8,335	7,688	6,368
Carbon Emissions Intensity	kgCO <sub>2</sub> /m²	Scope 1 & 2	18.62	18.50	17.77	159.92	84.69	74.54	5.17	0.31	36.78	35.28	30.35
Waste Generation	tonnes	Landlord	7,665	12,670	7,920	50	205	200	35	52	1,765	1,729	1,485
Recycled Waste	tonnes	Landlord	77	158	226	20	57	57	8	15	265	385	417



## Appendix C: Key ESG Data Summary

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

### Environmental Data

Metric	Unit	2020	2021	2022
<b>Greenhouse Gas Emissions</b>				
Scope 1	tonnes CO <sub>2</sub> e	473	770	702
Scope 2	tonnes CO <sub>2</sub> e	49,590	51,172	49,007
Emission intensity, Scope 1, and Scope 2	kgCO <sub>2</sub> e/m <sup>2</sup>	23.51	22.75	21.06
<b>Energy Consumption</b>				
Total energy consumption	MWh	122,215	133,277	136,180
Direct fuel combustion	MWh	2,323	3,699	2,914
Natural gas	% of Total Energy	1.9%	2.3%	2.6%
Diesel fuel	% of Total Energy	0.0%	0.5%	0.0%
Purchased energy	MWh	119,889	129,578	132,231
Electricity	% of Total Energy	98.1%	92.8%	92.9%
Heat/steam/chilled Water	% of Total Energy	0.0%	4.4%	4.2%
Renewable electricity	% of Total Energy	1.3%	6.4%	10.2%
Energy consumption intensity	kWh/m <sup>2</sup>	57.39	58.38	57.70
<b>Water Consumption</b>				
Total water consumption	m <sup>3</sup>	1,132,273	1,156,343	1,276,447
Municipal water supply <sup>33</sup>	%	100.0%	100.0%	99.9%
Harvested rainwater	%	0.0%	0.0%	0.1%
Groundwater	%	0.0%	0.0%	0.0%
Water consumption intensity	m <sup>3</sup> /m <sup>2</sup>	0.53	0.51	0.54
<b>Waste and Recycling</b>				
Total waste generated	tonnes	9,479	14,638	9,658
Waste directed to disposal	tonnes	9,080	14,030	8,942
Recycling	tonnes	361	609	716
Waste diversion from disposal	%	3.8%	4.2%	7.4%
Waste intensity	kg/m <sup>2</sup>	4.45	6.41	4.09

<sup>33</sup> This includes the purchase of NEWater. NEWater is treated wastewater produced by PUB, the national water agency of Singapore, which has been further purified using advanced membrane technologies and ultraviolet disinfection, as well as recycled water from on-site wastewater treatment.

## Social Data

Metric	Unit	2020	2021	2022
<b>Diversity (gender &amp; age)</b>				
<b>Current employees</b>				
Male	Number, %	20 (56%)	18 (40%)	22 (42%)
Female	Number, %	16 (44%)	27 (60%)	30 (58%)
<30 years old	Number, %	3 (8%)	6 (13%)	7 (13%)
>30 - <50 years old	Number, %	31 (86%)	31 (69%)	35 (67%)
>50 years old	Number, %	2 (6%)	8 (18%)	10 (19%)
<b>New hires (gender &amp; age)</b>				
Male	Number, %	2 (50%)	4 (29%)	6 (46%)
Female	Number, %	2 (50%)	10 (71%)	7 (54%)
<30 years old	Number, %	3 (75%)	6 (43%)	6 (46%)
>30 - <50 years old	Number, %	1 (25%)	8 (57%)	7 (54%)
>50 years old	Number, %	0 (0%)	0 (0%)	0 (0%)
<b>Turnover (gender &amp; age)<sup>34</sup></b>				
Male	Number, %	0 (0%)	7 (39%)	3 (14%)
Female	Number, %	5 (31%)	4 (15%)	8 (27%)
<30 years old	Number, %	2 (67%)	1 (17%)	6 (86%)
>30 - <50 years old	Number, %	2 (6%)	10 (32%)	5 (14%)
>50 years old	Number, %	1 (50%)	0 (0%)	0 (0%)
<b>Employment</b>				
Total number of employees	Number	36	45	52
Total turnover	%	14	24	21
<b>Development &amp; Training</b>				
Average training hours per employee	Hours/ employee	>17	21.8	17.6
<b>Average training hours per employee by gender</b>				
Male	Hours/ employee	20.1	18.4	16.7
Female	Hours/ employee	13.9	24.0	19.0
<b>Occupational Health &amp; Safety</b>				
<b>Employee</b>				
Fatalities	Number of cases	0	0	0
High-consequence injuries (Injuries resulting in permanent disability)	Number of cases	0	0	0
Recordable injuries	Number of cases	0	0	0
Recordable work-related ill health cases (Occupational disease)	Number of cases	0	0	0
Recordable Injury Rate	per million manhours worked	0	0	0
Lost Day Rate	per million manhours worked	0	0	0

34 This % is against total headcount of the respective breakdown.

## Appendix C: Key ESG Data

Metric	Unit	2020	2021	2022
Absentee Rate	% of total workdays scheduled	Not available	0.3%	1.5%

### Governance Data

Metric	Unit	2020	2021	2022
<b>Board Composition</b>				
Board independence	%	62.5	62.5	62.5
Women on the board	%	62.5	12.5	25.0
<b>Management Diversity</b>				
Women in the management team	%	NA	51.5	51.4



## Appendix D: Eligible Properties for Green Financing

No.	Property	Country	Asset Class	Eligibility Criteria	Valuation S\$ million (as of 31 December 2022)
1	Galaxis	Singapore	Business Space and Life Sciences	BCA Green Mark Platinum	769.6
2	Nexus@one-north	Singapore	Business Space and Life Sciences	BCA Green Mark Platinum	202.8
3	The Galen	Singapore	Business Space and Life Sciences	BCA Green Mark Platinum	150.0
4	Aperia	Singapore	Industrial and Data Centres	BCA Green Mark Platinum	584.0
5	Corporation Place	Singapore	Industrial and Data Centres	BCA Green Mark Platinum	125.5
6	Logistech	Singapore	Logistics	BCA Green Mark Platinum	65.2
7	17 Changi Business Park Central 1	Singapore	Business Space and Life Sciences	BCA Green Mark Gold <sup>Plus</sup>	62.4
8	Cintech I	Singapore	Business Space and Life Sciences	BCA Green Mark Gold <sup>Plus</sup>	60.5
9	Cintech II	Singapore	Business Space and Life Sciences	BCA Green Mark Gold <sup>Plus</sup>	49.8
10	Cintech III & IV	Singapore	Business Space and Life Sciences	BCA Green Mark Gold <sup>Plus</sup> (Cintech III) BCA Green Mark Gold <sup>Plus</sup> (Cintech IV)	124.2
11	Nordic European Centre	Singapore	Business Space and Life Sciences	BCA Green Mark Gold <sup>Plus</sup>	121.1
12	Nucleos	Singapore	Business Space and Life Sciences	BCA Green Mark Gold <sup>Plus</sup>	355.4
13	The Capricorn	Singapore	Business Space and Life Sciences	BCA Green Mark Gold <sup>Plus</sup>	123.0
14	ONE@Changi City	Singapore	Business Space and Life Sciences	BCA Green Mark Gold <sup>Plus</sup>	504.5
15	The Alpha	Singapore	Business Space and Life Sciences	BCA Green Mark Gold <sup>Plus</sup>	96.0
16	Siemens Centre	Singapore	Industrial and Data Centres	BCA Green Mark Gold <sup>Plus</sup>	108.7
17	Techlink	Singapore	Industrial and Data Centres	BCA Green Mark Gold <sup>Plus</sup>	132.8
18	Techpoint	Singapore	Industrial and Data Centres	BCA Green Mark Gold <sup>Plus</sup>	151.0
19	Techview	Singapore	Industrial and Data Centres	BCA Green Mark Gold <sup>Plus</sup>	172.4
20	UBIX	Singapore	Industrial and Data Centres	BCA Green Mark Gold <sup>Plus</sup>	62.4
21	1 Thomas Holt Drive	Australia	Business Space	5.5 Stars NABERS Energy Rating	117.2
22	108 Wickham Street	Australia	Business Space	5.5 Stars NABERS Energy Rating	82.4
23	197-201 Coward Street	Australia	Business Space	5 Stars NABERS Energy Rating	171.3
24	254 Wellington Road	Australia	Business Space	5 Stars Green Star Design & As-Built	97.7
25	Unit 2, Wellesbourne Distribution Park	UK	Logistics	BREEAM <sup>35</sup> New Construction Excellent	26.8
26	Unit 4, Wellesbourne Distribution Park	UK	Logistics	BREEAM <sup>35</sup> New Construction Excellent	10.2
27	505 Brannan Street	US	Business Space	LEED Platinum (BD+C <sup>36</sup> )	292.9
28	510 Townsend	US	Business Space	LEED Platinum (BD+C <sup>36</sup> )	525.1
29	Perimeter Four	US	Business Space	LEED Gold (O+M <sup>37</sup> ) v4.1	58.5
<b>Total Valuation</b>					<b>5,403.5</b>

35 BREEAM, which stands for Building Research Environmental Assessment Method, is a widely used sustainability assessment method for buildings in areas of sustainable construction, operation, and design. BREEAM scores are categorised across six ratings: Unclassified; Pass; Good; Very Good; Excellent and Outstanding.

36 BD+C: Building Design & Construction

37 O+M: Building Operations & Maintenance

## Appendix E:

### Green Financing Instruments and Use of Proceeds

Green Financing Instrument	Maturity Date	Amount of Proceeds	Amount Allocated	Project Category	Description of Project	% of Green Building portfolio refinanced
S\$100m 2.65% Fixed Rate 10-Year Senior Notes due 2030	26-Aug-30	S\$100.0 million	S\$100.0 million	Green Buildings	Refinancing of Singapore Green building portfolio	1.85%
S\$300m 3.00% Fixed Rate Subordinated Green Perpetual Securities	Perpetual	S\$300.0 million	S\$300.0 million	Green Building	Refinancing of Singapore Green building portfolio	5.55%
HK\$661m 3.08% Fixed Rate 10-Year Senior Notes due 2032 (HK\$661m swapped to S\$115m)	17-Feb-32	S\$115.0 million	S\$115.0 million	Green Building	Refinancing of Singapore Green building portfolio	2.13%
S\$208m 3.47% Fixed Rate 7-Year Senior Notes due 2029	19-Apr-29	S\$208.0 million	S\$208.0 million	Green Building	Refinancing of Singapore Green building portfolio	3.85%
Green Loan	22-Dec-27	S\$200.0 million	S\$200.0 million	Green Building	Refinancing of Singapore Green building portfolio	3.70%
Green Loan	22-Jun-28	S\$100.0 million	S\$100.0 million	Green Building	Refinancing of Singapore Green building portfolio	1.85%
Green Loan	30-Jan-27	A\$205.5 million (S\$185.5 million)	A\$205.5 million (S\$185.5 million)	Green Building	Refinancing of Australia Green building portfolio	3.43%
Green Loan	26-Mar-26	US\$148.6 million (S\$203.7 million)	US\$148.6 million (S\$203.7 million)	Green Building	Refinancing of United States Green building portfolio	3.77%
Green Loan	26-Mar-26	US\$150.0 million (S\$205.6 million)	US\$150.0 million (S\$205.6 million)	Green Building	Refinancing of United States Green building portfolio	3.80%
Green Loan	26-Mar-27	US\$150.0 million (S\$205.6 million)	US\$150.0 million (S\$205.6 million)	Green Building	Refinancing of United States Green building portfolio	3.80%
<b>Total</b>		<b>S\$1,823.4 million</b>	<b>S\$1,823.4 million</b>			<b>33.74%</b>

## Appendix F: Green Building Certifications

No.	Property Name	Name of Certification	Certification Level	Gross Floor Area (sqm)	Asset Class Segment
Singapore					
1	Aperia	BCA Green Mark Award	BCA Green Mark Platinum	86,696	Industrial
2	Corporation Place	BCA Green Mark Award	BCA Green Mark Platinum	76,185	Industrial
3	Galaxis	BCA Green Mark Award	BCA Green Mark Platinum	68,835	Business Space & Life Science
4	LogisTech	BCA Green Mark Award	BCA Green Mark Platinum	39,078	Logistics
5	Nexus@one-north	BCA Green Mark Award	BCA Green Mark Platinum	25,511	Business Space & Life Science
6	The Galen	BCA Green Mark Award	BCA Green Mark Platinum	30,632	Business Space & Life Science
7	12, 14 & 16 Science Park Drive <sup>38</sup>	BCA Green Mark Award	BCA Green Mark Platinum (16 Science Park Drive only)	9,855	Business Space & Life Science
8	38A Kim Chuan Road <sup>38</sup>	BCA Green Mark Award	BCA Green Mark Platinum	33,745	Industrial
9	DBS Asia Hub <sup>38</sup>	BCA Green Mark Award	BCA Green Mark Platinum	45,857	Business Space & Life Science
10	Infineon Building <sup>38</sup>	BCA Green Mark Award	BCA Green Mark Platinum	27,278	Industrial
11	Schneider Electric Building <sup>38</sup>	BCA Green Mark Award	BCA Green Mark Platinum	18,970	Industrial
12	Cintech I	BCA Green Mark Award	BCA Green Mark Gold <sup>Plus</sup>	14,943	Business Space & Life Science
13	17 Changi Business Park Central 1	BCA Green Mark Award	BCA Green Mark Gold <sup>Plus</sup>	18,123	Business Space & Life Science
14	Cintech II	BCA Green Mark Award	BCA Green Mark Gold <sup>Plus</sup>	13,436	Business Space & Life Science
15	Cintech III & IV	BCA Green Mark Award	BCA Green Mark Gold <sup>Plus</sup> (Cintech III)	13,385	Business Space & Life Science
			BCA Green Mark Gold <sup>Plus</sup> (Cintech IV)	12,237	Business Space & Life Science
16	Nordic European Centre	BCA Green Mark Award	BCA Green Mark Gold <sup>Plus</sup>	28,378	Business Space & Life Science
17	Nucleos	BCA Green Mark Award	BCA Green Mark Gold <sup>Plus</sup>	46,174	Business Space & Life Science
18	ONE@Changi City	BCA Green Mark Award	BCA Green Mark Gold <sup>Plus</sup>	71,158	Business Space & Life Science
19	Siemens Centre	BCA Green Mark Award	BCA Green Mark Gold <sup>Plus</sup>	36,529	Industrial
20	Techlink	BCA Green Mark Award	BCA Green Mark Gold <sup>Plus</sup>	49,837	Industrial
21	Techpoint	BCA Green Mark Award	BCA Green Mark Gold <sup>Plus</sup>	56,107	Industrial
22	Techview	BCA Green Mark Award	BCA Green Mark Gold <sup>Plus</sup>	50,985	Industrial



## Appendix F: Green Building Certifications

No.	Property Name	Name of Certification	Certification Level	Gross Floor Area (sqm)	Asset Class Segment
23	The Alpha	BCA Green Mark Award	BCA Green Mark Gold <sup>Plus</sup>	29,126	Business Space & Life Science
24	The Capricorn	BCA Green Mark Award	BCA Green Mark Gold <sup>Plus</sup>	28,601	Business Space & Life Science
25	UBIX <sup>38</sup>	BCA Green Mark Award	BCA Green Mark Gold <sup>Plus</sup>	17,097	Industrial
26	Grab Headquarters <sup>38</sup>	BCA Green Mark Award	BCA Green Mark Gold <sup>Plus</sup>	42,290	Business Space & Life Science
27	1, 3 & 5 <sup>38</sup> Changi Business Park Crescent	BCA Green Mark Award	BCA Green Mark Gold (No. 1 Changi Business Park Crescent)	32,504	Business Space & Life Science
			BCA Green Mark Platinum (No. 3 Changi Business Park Crescent)	21,167	Business Space & Life Science
			BCA Green Mark Gold (No. 5 Changi Business Park Crescent)	20,988	Business Space & Life Science
28	138 Depot Road	BCA Green Mark Award	BCA Green Mark Gold	29,626	Industrial
29	21 Changi South Avenue 2	BCA Green Mark Award	BCA Green Mark Gold	13,120	Logistics
30	3 Changi Business Park Vista	BCA Green Mark Award	BCA Green Mark Gold	19,225	Business Space & Life Science
31	37A Tampines Street 92	BCA Green Mark Award	BCA Green Mark Gold	12,011	Industrial
32	80 Bendemeer Road	BCA Green Mark Award	BCA Green Mark Gold	43,435	Industrial
33	9 Changi South Street 3	BCA Green Mark Award	BCA Green Mark Gold	28,648	Logistics
34	FoodAxis@Senoko	BCA Green Mark Award	BCA Green Mark Gold	43,362	Industrial
35	Neuros & Immunos	BCA Green Mark Award	BCA Green Mark Gold	36,931	Business Space & Life Science
36	Xilin Districentre D	BCA Green Mark Award	BCA Green Mark Gold	18,619	Logistics
37	1 Changi Business Park Avenue 1	BCA Green Mark Award	BCA Green Mark Certified	11,555	Business Space & Life Science
38	1 Jalan Kilang	BCA Green Mark Award	BCA Green Mark Certified	7,158	Industrial
39	18 Woodlands Loop	BCA Green Mark Award	BCA Green Mark Certified	18,422	Industrial
40	2 Senoko South Road	BCA Green Mark Award	BCA Green Mark Certified	23,457	Industrial
41	20 Tuas Avenue 1	BCA Green Mark Award	BCA Green Mark Certified	44,449	Logistics
42	4 Changi South Lane	BCA Green Mark Award	BCA Green Mark Certified	18,794	Logistics
43	40 Penjuru Lane	BCA Green Mark Award	BCA Green Mark Certified	160,939	Logistics

No.	Property Name	Name of Certification	Certification Level	Gross Floor Area (sqm)	Asset Class Segment
44	52 Serangoon North Avenue 4	BCA Green Mark Award	BCA Green Mark Certified	14,767	Industrial
45	53 Serangoon North Avenue 4	BCA Green Mark Award	BCA Green Mark Certified	12,358	Industrial
46	Hansapoint	BCA Green Mark Award	BCA Green Mark Certified	19,448	Business Space & Life Science
47	KA Centre	BCA Green Mark Award	BCA Green Mark Certified	19,638	Industrial
48	KA Place	BCA Green Mark Award	BCA Green Mark Certified	10,163	Industrial
49	Pacific Tech Centre	BCA Green Mark Award	BCA Green Mark Certified	25,718	Industrial
50	Pioneer Hub	BCA Green Mark Award	BCA Green Mark Certified	91,048	Logistics
51	Techplace I	BCA Green Mark Award	BCA Green Mark Certified	81,981	Industrial
52	Techplace II	BCA Green Mark Award	BCA Green Mark Certified	115,162	Industrial
53	The Aries, Sparkle & Gemini	BCA Green Mark Award	BCA Green Mark Certified (The Aries)	14,695	Business Space & Life Science
			BCA Green Mark Certified (The Gemini)	33,013	Business Space & Life Science
54	The Kendall	BCA Green Mark Award	BCA Green Mark Certified	20,190	Business Space & Life Science
55	The Rutherford & Oasis	BCA Green Mark Award	BCA Green Mark Certified	27,217	Business Space & Life Science
56	Ubi Biz-Hub	BCA Green Mark Award	BCA Green Mark Certified	12,978	Industrial
57	Xilin Districentre A&B	BCA Green Mark Award	BCA Green Mark Certified	24,113	Logistics
58	Xilin Districentre C	BCA Green Mark Award	BCA Green Mark Certified	18,708	Logistics
<b>Australia</b>					
59	1-5 Thomas Holt Drive	NABERS	5.5 Star NABERS Energy Rating (No. 1 Thomas Holt Drive)	13,375	Business Space & Life Science
			4.5 Star NABERS Energy Rating (No. 3 Thomas Holt Drive)	13,476	Business Space & Life Science
60	100 Wickham Street	NABERS	3.0 Star NABERS Energy Rating	13,030	Business Space & Life Science
61	108 Wickham Street	NABERS	5.5 Star NABERS Energy Rating	11,854	Business Space & Life Science
62	197-201 Coward Street	NABERS	5.0 Star NABERS Energy Rating	22,563	Business Space & Life Science
63	254 Wellington Road	Green Star	5.0 Star Green Star Design & As-Built Rating	17,887	Business Space & Life Science

## Appendix F: Green Building Certifications

No.	Property Name	Name of Certification	Certification Level	Gross Floor Area (sqm)	Asset Class Segment
<b>United States</b>					
64	505 Brannan Street <sup>38</sup>	LEED	Platinum (BD + C) <sup>39</sup>	13,935	Business Space & Life Science
65	510 Townsend Street <sup>38</sup>	LEED	Platinum (BD + C) <sup>39</sup>	27,437	Business Space & Life Science
66	Perimeter 4	LEED	Gold (O+M) <sup>40</sup>	17,969	Business Space & Life Science
67	5005 Wateridge	LEED	Gold (O+M) <sup>40</sup>	5,710	Business Space & Life Science
68	15435 & 15445 <sup>38</sup> Innovation Drive	LEED	Gold (O+M) <sup>40</sup> (15445 Innovation Drive only)	4,785	Business Space & Life Science
<b>United Kingdom</b>					
69	Unit 2, Wellesbourne Distribution Park <sup>38</sup>	BREEAM	Excellent	12,282	Logistics
70	Unit 4, Wellesbourne Distribution Park <sup>38</sup>	BREEAM	Excellent	4,774	Logistics

38 Non-CLAR managed property

39 BD+C: Building Design & Construction

40 O+M: Building Operations & Maintenance

## Appendix G: GRI Content Index

GRI Standards	Disclosure Number	Disclosure Title	Section of Report	Page Reference
<b>General Disclosures</b>				
<b>GRI 2: General Disclosures 2021</b>	<b>The Organisation and its Reporting Practices</b>			
	2-1	Organisational details	Annual Report - Overview	Page 5
	2-2	Entities included in the organisation's sustainability reporting	About the Report	Page 1
	2-3	Reporting period, frequency and contact point	About The Report	Page 1
	2-4	Restatements of information	Not applicable.	
	2-5	External assurance	About the Report	Page 1
	<b>Activities and workers</b>			
	2-6	Activities, value chain, and other business relations	Annual Report - Business Model	Page 14 to 17
	2-7	Employees	Human Capital	Page 35
	2-8	Workers who are not employees	Singapore Asset and Property Manager - 127 workers	
	<b>Governance</b>			
	2-9	Governance structure and composition	Board, Top Management Support and Employee Involvement Corporate Governance Report	Page 10 Page 103
	2-10	Nomination and selection of the highest governance body	Corporate Governance Report – Board Membership	Page 112 to 115
	2-11	Chair of the highest governance body	Corporate Governance Report	Page 103
	2-12	Role of the highest governance body in overseeing the management of impacts	Board, Top Management Support and Employee Involvement	Page 10
	2-13	Delegation of responsibility for managing impacts	Board, Top Management Support and Employee Involvement	Page 10
	2-14	Role of the highest governance body in sustainability reporting	Board, Top Management Support and Employee Involvement	Page 10
	2-15	Conflicts of interest	Corporate Governance Report – Board Matters	Page 104
	2-16	Communication of critical concerns	Corporate Governance Report – Board Matters	Page 104 to 107
	2-17	Collective knowledge of the highest governance body	Board, Top Management Support and Employee Involvement	Page 10
	2-18	Evaluation of the performance of the highest governance body	Corporate Governance Report – Board Performance	Page 115
	2-19	Remuneration policies	Corporate Governance Report – Remuneration Matters	Page 116
	2-20	Process to determine remuneration	Corporate Governance Report – Remuneration Matters	Page 116 to 120



## Appendix G: GRI Content Index

GRI Standards	Disclosure Number	Disclosure Title	Section of Report	Page Reference
	2-21	Annual total compensation ratio	Not disclosing due to confidentiality constraints	
	<b>Reporting Practice</b>			
	2-22	Statement on sustainable development strategy	Board Statement	Page 4
	2-23	Policy commitments	Sustainability Commitment	Pages 6, 8
	2-24	Embedding policy commitments	Environmental and Manufactured Capital	Page 16
	2-25	Processes to remediate negative impacts	Human Capital Governance	Page 30 Page 50
	2-26	Mechanisms for seeking advice and raising concerns	Human Capital Social and Relationship Capital	Page 37 Page 40
	2-27	Compliance with laws and regulations	No significant incidents of non-compliance with laws and regulations during the reporting period	
	2-28	Membership associations	Institute of Policy Studies, REITAS (REIT Association of Singapore)	
	2-29	Approach to stakeholder engagement	Social and Relationship Capital	Page 40
	2-30	Collective bargaining agreements	Management of Human Capital	Page 34
<b>Material Topics</b>				
<b>GRI 3: Material Topics 2021</b>	3-1	Process to determine material topics	Materiality	Page 11
	3-2	List of material topics	Prioritisation of ESG Material Issues	Page 11
<b>Economic Benefits to Stakeholders</b>				
<b>GRI 201: Economic Performance 2016</b>	201-1	Direct economic value generated and distributed	Financial Capital	Page 14
	203-1	Infrastructure investments and services supported	Environmental and Manufactured Capital Environmental Performance Quality, Well-Maintained Spaces	Page 16 Page 25 Page 44
<b>Climate Change and Carbon Reduction</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Environmental and Manufactured Capital Energy and Emissions	Page 16 Pages 25 to 27
	305-1	Direct (Scope 1) GHG Emissions	Energy and Emissions	Pages 25 to 27
<b>GRI 305: Emissions 2016</b>	305-2	Energy indirect (Scope 2) GHG Emissions	Energy and Emissions	Pages 25 to 27
	305-4	GHG Emissions Intensity	Energy and Emissions	Pages 25 to 27
	305-5	Reduction of GHG emissions	Energy and Emissions	Pages 25 to 27
<b>Energy Efficiency</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Energy and Emissions	Pages 25 to 27

GRI Standards	Disclosure Number	Disclosure Title	Section of Report	Page Reference
<b>GRI 302: Energy 2016</b>	302-1	Energy consumption within the organisation	Energy and Emissions	Pages 25 to 27
	302-3	Energy intensity	Energy and Emissions	Pages 25 to 27
	302-4	Reduction of energy consumption	Energy and Emissions	Pages 25 to 27
	302-5	Reduction in energy requirements of products and services	Energy and Emissions	Pages 25 to 27
<b>Water Management</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Environmental and Manufactured Capital Water	Page 16 Page 28
<b>GRI 303: Water and Effluents 2018</b>	303-1	Management Approach: Interactions with water as a shared resource	Water	Page 28
	303-2	Management Approach: Management of water discharge-related impacts	Water	Page 28
	303-3	Water withdrawal	Water	Page 28
	303-4	Water discharge	Water	Page 28
	303-5	Water consumption	Water	Page 28
<b>Occupational Health and Safety</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Human Capital Health, Safety, and Security Protection	Page 30 Page 31
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1	Management Approach: Occupational health and safety management system	Health, Safety, and Security Protection	Pages 30 to 32
	403-2	Management Approach: Hazard identification, risk assessment, and incident investigation	Health, Safety, and Security Protection	Pages 30 to 32
	403-3	Management Approach: Occupational health services	Health, Safety, and Security Protection	Pages 30 to 32
	403-4	Management Approach: Worker participation, consultation, and communication on occupational health and safety	Health, Safety, and Security Protection	Pages 30 to 32
	403-5	Management Approach: Worker training on occupational health and safety	Health, Safety, and Security Protection	Pages 30 to 32
	403-6	Management Approach: Promotion of worker health	Health, Safety, and Security Protection	Pages 30 to 32
	403-7	Management Approach: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health, Safety, and Security Protection	Pages 30 to 32
	403-8	Workers covered by an occupational health and safety management system	Health, Safety, and Security Protection	Pages 30 to 32

## Appendix G: GRI Content Index

GRI Standards	Disclosure Number	Disclosure Title	Section of Report	Page Reference
GRI 403: Occupational Health and Safety 2018	403-9	Work-related injuries	Health, Safety, and Security Protection	Page 31
	403-10	Work-related ill health	Health, Safety, and Security Protection	Page 31
Human Capital				
GRI 3: Material Topics 2021	3-3	Management of material topics	Human Capital Management of Human Capital	Page 30 Page 34
GRI 401: Employment 2016	401-1	New hires and employee turnover	Management of Human Capital	Page 34
	401-3	Parental leave	Management of Human Capital	Page 35
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Learning and Development	Page 38
	404-2	Programs for upgrading employee skills and transition assistance programs	Learning and Development	Page 38
	404-3	Percentage of employees receiving regular performance and career development reviews	Employee Engagement	Page 37
Stakeholder Engagement				
GRI 3: Material Topics 2021	3-3	Management of material topics	Social and Relationship Capital	Page 40
GRI 413: Local Communities	413-1	Operations with local community engagement, impact assessments and development programmes	Social and Relationship Capital	Page 40 to 49
Supply Chain Management				
GRI 3: Material Topics 2021	3-3	Management of material topics	Human Capital	Page 30
GRI 308: GRI Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	Supply Chain Management	Page 33
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Supply Chain Management	Page 33
Diversity				
GRI 3: Material Topics 2021	3-3	Management of material topics	Human Capital	Page 30
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Management of Human Capital	Page 34
			Employee Profiles Organisational Capital	Page 35 Page 51
Human Rights				
GRI 3: Material Topics 2021	3-3	Management of material topics	Human Capital Management of Human Capital	Page 30 Page 34
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective action taken	Management of Human Capital	Page 34

GRI Standards	Disclosure Number	Disclosure Title	Section of Report	Page Reference
<b>GRI 408: Child Labour 2016</b>	408-1	Operations and suppliers at significant risk for incidents of child labour and measures taken to the effective abolition of child labour	Management of Human Capital	Page 34
<b>GRI 409: Child or Compulsory Labour 2016</b>	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour, and measures taken to eliminate it	Management of Human Capital	Page 34
<b>Products and Services</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Human Capital	Page 30
<b>GRI 416: Customer Health and Safety 2016</b>	416-1	Assessment of the health and safety impacts of product and service categories	Health, Safety, and Security Protection	Page 31 to 33
	416-2	Non-compliance regarding health and safety of products and services	Health, Safety, and Security Protection	Page 31 to 33
<b>Risk Management</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Governance	Page 50
<b>GRI 418: Customer Privacy 2019</b>	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	There were no substantiated complaints concerning breaches of customer privacy and losses of customer data.	
<b>Business Ethics</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Governance	Page 50
<b>GRI 205: Anti-corruption 2016</b>	205-1	Operations assessed for risks related to corruption	Organisational Capital	Page 51 to 52
	205-2	Communication and training about anti-corruption policies and procedures	Organisational Capital	Page 51 to 52
	205-3	Confirmed incidents of corruption and actions taken	Organisational Capital	Page 51 to 52
<b>Waste Management</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Environmental and Manufactured Capital	Page 16
<b>GRI 306: Waste 2020</b>	306-1	Waste generation and significant waste-related impacts	Waste	Page 29
	306-2	Management of significant waste-related impacts	Waste	Page 29
	306-3	Waste generated	Waste	Page 29
	306-4	Waste diverted from disposal	Waste	Page 29
	306-5	Waste directed to disposal	Waste	Page 29
<b>Biodiversity</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Environmental and Manufactured Capital	Page 16
<b>GRI 304: Biodiversity 2016</b>	304-1	Operational sites in or adjacent to protected areas or areas of high biodiversity value	None during the reporting period	



# Appendix H:

## United Nations Global Compact

### 10 PRINCIPLES OF THE UN GLOBAL COMPACT

Principles		Page Reference
<b>Human Rights</b>		
<b>Principle 1</b>	Businesses should support and respect the protection of internationally proclaimed human rights	Human Capital – Page 34
<b>Principle 2</b>	Make sure that they are not complicit in human rights abuses	Human Capital – Page 34
<b>Labour</b>		
<b>Principle 3</b>	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Human Capital – Page 34
<b>Principle 4</b>	The elimination of all forms of forced and compulsory labour	Human Capital – Page 34
<b>Principle 5</b>	The effective abolition of child labour	Human Capital – Page 34
<b>Principle 6</b>	The elimination of discrimination in respect of employment and occupation	Human Capital – Pages 34 to 35
<b>Environment</b>		
<b>Principle 7</b>	Businesses should support a precautionary approach to environmental challenges	Environmental and Manufactured Capital – Pages 16 to 22
<b>Principle 8</b>	Undertake initiatives to promote greater environmental responsibility	Environmental and Manufactured Capital – Pages 16 to 24
<b>Principle 9</b>	Encourage the development and diffusion of environmentally friendly technologies	Environmental and Manufactured Capital – Pages 16 to 24
<b>Anti-corruption</b>		
<b>Principle 10</b>	Businesses should work against corruption in all its forms, including extortion and bribery	Organisational Capital Pages 51 Annual Report 2022, Enterprise Risk Management Pages 131, 136 to 138

## Appendix I: SGX List of Core ESG Metrics

Topic	Metric	Unit	Remarks
<b>Environmental</b>			
Greenhouse Gas Emissions (“GHG”)	Absolute emissions by: (a) Total; (b) Scope 1, Scope 2; and (c) Scope 3, if appropriate	kgCO <sub>2</sub> e	Environmental Performance, Pages 25 to 27  *Scope 1 is considered to be negligible. It is disclosed in Appendix B.  Carbon emissions are computed referencing operational control approach as defined by the GHG Protocol Corporate Standard, in line with the CapitalLand Group.
	Emission intensities by: (a) Total; (b) Scope 1, Scope 2; and (c) Scope 3, if appropriate	kgCO <sub>2</sub> e/m <sup>2</sup>	Environmental Performance, Pages 25 to 27
Energy Consumption	Total energy consumption	kWh	Environmental Performance, Pages 25 to 27
	Energy consumption intensity	kWh/m <sup>2</sup>	Environmental Performance, Pages 25 to 27
Water Consumption	Total water consumption	m <sup>3</sup>	Environmental Performance, Page 28
	Water consumption intensity	m <sup>3</sup> /m <sup>2</sup>	Environmental Performance, Page 28
Waste Generation	Total waste generated	kg or tonnes	Environmental Performance, Page 29
<b>Social</b>			
Gender Diversity	Current employees by gender	Percentage (%)	Human Capital – Page 35
	New hires and turnover by gender	Percentage (%)	Human Capital – Page 34
Age-Based Diversity	Current employees by age groups	Percentage (%)	Human Capital – Page 35
	New hires and turnover by age groups	Percentage (%)	Human Capital – Page 34
Employment	Total turnover	Percentage (%)	Human Capital – Page 34
	Total number of employees	Number	Human Capital – Page 34
Development & Training	Average training hours per employee	Hours/employee	Human Capital – Page 38
	Average training hours per employee by gender	Hours/employee	Human Capital – Page 38

## Appendix I: SGX List of Core ESG Metrics

Topic	Metric	Unit	Remarks
Occupational Health & Safety	Fatalities	Number of cases	Human Capital – Page 31
	High-consequence injuries	Number of cases	
	Recordable injuries	Number of cases	
	Recordable work-related ill health cases	Number of cases	
Governance			
Board Composition	Board independence	Percentage (%)	Organisational Capital – Page 51
	Women on the board	Percentage (%)	Organisational Capital – Page 51
Management Diversity	Women in the management team	Percentage (%)	Human Capital – Page 35
Ethical Behaviour	Anti-corruption disclosures	Discussion and number of standards	Organisational Capital – Pages 50 to 51
	Anti-corruption training for employees	Number and Percentage (%)	Organisational Capital – Page 51
Certifications	List of relevant certifications	List	ISO 14001, ISO 31000 and ISO 45001 certification as well as green building certifications  Environmental and Manufactured Capital – Page 16  Human Capital – Page 30
Alignment with Frameworks	Alignment with frameworks and disclosure practices	GRI/ TCFD/ SASB/ SDGs/ others	About this Report - Page 1
Assurance	Assurance of sustainability report	Internal/ External/ None	CapitaLand engaged an independent third party to provide independent assurance on their report. The assurance engagement was conducted in accordance with the AA1000 Assurance Standards, and the scope of the assurance covered CLAR's portfolio.



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