



News Release

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Call for Businesses to Respond to CSR and Holistic Disclosure

- CDL raises the bar by publishing a GRI-Checked Level A+ Sustainability Report; the First for a Singapore Property Developer

The business landscape in Singapore is heading for a timely transformation as more companies are being encouraged to address the importance of sustainability. This is in the wake of the revised Code of Corporate Governance issued by the Monetary Authority of Singapore on 2 May 2012 to promote a high standard of corporate governance among listed companies in Singapore, with various revisions that relate to Corporate Social Responsibility (CSR) issues. In particular, it adds that the Board's role is to "consider sustainability issues, e.g. environmental and social factors, as part of its strategic formulation⁽¹⁾."

This point is reiterated by the Singapore Exchange (SGX), citing in its "Policy Statement on Sustainability Reporting" that the Board "is responsible for guiding the strategic direction of a company. This includes integrating environmental, social and governance considerations in the company's strategy." It further adds that sustainability reporting is an important aspect of holistic disclosure by listed companies stating that "(I)ssuers should assess and disclose the environmental and social aspects of their organisational performance, in addition to the financial and governance aspects that are already part of the customary and regulatory disclosure practiced⁽²⁾".

While the regulatory changes and recommendations are recent, City Developments Limited (CDL) has been advocating the importance of CSR for business sustainability for over a decade. CSR is an integral part of CDL's corporate vision. The Company published its first CSR Report within its 2004 Annual Report with the objective of reaching out to its investors and sharing the Company's CSR efforts in light of the changing social, business and environmental climate. The Company has continued with this practice since.

In 2008, CDL took another significant step forward in disclosure when it became one of the first Singapore-based companies to voluntarily publish a dedicated Sustainability Report with greater details about its environmental and social data. It had the honour of being the first in Singapore to have a Level C report successfully checked by Global Reporting Initiative (GRI) – a widely used international sustainability reporting framework. CDL has continued to publish its Sustainability Report on an annual basis, with a view to improve on its performance and increasing the disclosure of more indicators.

This week, CDL released its latest Sustainability Report 2012 titled "***Ideas, Initiatives, Impacts***". The Company is the first Singapore property developer to successfully publish a GRI-checked Level A+ Sustainability Report using the GRI G3.1 guidelines and the Construction and Real Estate Sector Supplement (CRESS). CRESS was only released by GRI in September 2011 and the performance indicators included are better tailored to the real estate and construction industry for enhanced relevance and transparency. This includes areas such as building and material certification, CO₂ emissions as well as health and safety issues. The aim is to help organisations improve transparency of reporting disclosure with tools that can better communicate the impacts of the industry. The report covers CDL's environmental and social performance for the calendar year 2011.

⁽¹⁾ Monetary Authority of Singapore, [Code of Corporate Governance](#), May 2012, Page 2

⁽²⁾ Singapore Exchange, [Guide to Sustainability Reporting for Listed Companies](#), June 2011

“Sustainability reporting affirms our commitment to the triple bottom line. It is an effective tool to measure, improve and benchmark our CSR performance while enhancing corporate governance, transparency and stakeholder engagement. With the publication of each progressive report, we strive to improve on our CSR performance, close in on our gaps and enhance the quality of our sustainability reporting,” said Mr Kwek Leng Joo, Managing Director, CDL.

“For years, CDL has been proactively engaging the business community in CSR, and we are heartened to see increased interest and acceptance from our business peers and industry stakeholders, cognisant of the need to address more than just financial performance,” added Mr Kwek.

More companies in Singapore are responding to the need for greater transparency through sustainability reporting as key findings made last year by Singapore Compact for CSR found that 14% or 79 of 562 SGX Mainboard-listed companies engaged in sustainability reporting in 2010, representing a significant increase of 25% from the year before. CDL expects that this number will continually increase in time.

The Business Benefits

One key example is CDL’s advocacy for green buildings in Singapore which stems from its commitment towards sustainability. For over a decade, the Company has been championing the development of more sustainable buildings. It raised its target of achieving a minimum Building and Construction Authority (BCA) Green Mark Gold^{Plus} rating for all new developments in 2011 from a BCA Green Mark Gold. With concerted efforts to develop and manage properties in an energy-efficient and cost-efficient manner, coupled with influencing stakeholders through eco-outreach, CDL estimates that 37 of its BCA Green Mark certified buildings between 2008 and 2011 account for an estimated S\$19.7 million cost savings in electricity annually.

Other environmental and social impact highlights from CDL’s FY 2011 operations include:

- Reduction in total carbon intensity emissions by 7% from baseline year 2007
- Reduction in carbon emissions by 8% to 31,589 tonnes CO₂ (2010: 34,221 tonnes CO₂)
- Reduction in total water use by 11% to 682,519 m³ (2010: 764,643 m³)
- Increase in employee volunteer participation rate to 71% (2010: 60%)
- Employee turnover rate and average length of service per employee remained steady
- Inclusion of Corporate Statement on Human Rights

CDL’s Sustainability Report 2012 has integrated the ISO 26000:2010 Guidance on social responsibility and is externally verified by an independent Certified Sustainability Assurance Practitioner based on the AA1000 Assurance Standard. References have also been made to the United Nations (UN) Global Compacts 10 Universal Principles. Additional improvements included in this latest report comprise key areas such as Human Rights, Employee Engagement, Corporate Governance and Community Involvement.

CDL Sustainability Report 2012 is available online at: www.cdl.com.sg/sustainabilityreport2012.

About Global Reporting Initiative (GRI): www.globalreporting.org

The GRI drives sustainability reporting by all organisations and produces a comprehensive Sustainability Reporting Framework which is widely used around the world.

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