

News Release

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CDL Leads the Way in Voluntarily Aligning its Social Responsibility Practices with ISO 26000:2010 Guidelines

On 1 November 2010, ISO (International Organisation for Standardisation) launched one of the most highly anticipated International Standards of recent years, **ISO 26000:2010, *Guidance on social responsibility***. This Standard, which is not certifiable, provides guidance to all organisations, regardless of their size or location, on Social Responsibility (SR).

ISO 26000 integrates international expertise on SR – what it means, what issues an organisation needs to address in order to operate in a socially responsible manner, and what is best practice in implementing SR. ISO 26000 will be a powerful SR tool to assist organisations to move from good intentions to good actions.

ISO 26000 addresses:

- The seven principles of SR – Accountability, Transparency, Ethical Behaviour, Respect for Stakeholder Interests, Respect for the Rule of Law, Respect for International Norms of Behaviour and Respect for Human Rights
- The seven core subjects of SR – Organisational Governance, Human Rights, Labour Practices, the Environment, Fair Operating Practices, Consumer Issues, Community Development and Involvement; and
- Provides guidance on the integration of SR throughout the organisation.

When approaching and practicing SR, the overarching goal for an organisation is to maximise its contribution to sustainable development.

Uniquely, ISO 26000, which started its development in 2005, distils a global consensus from a wide spectrum of stakeholder inputs, on the definitions and principles of SR, the core issues to be addressed in implementing SR and guidance on how to integrate SR throughout the operations of an organisation.

Since the formation of the ISO 26000 network, City Developments Limited (CDL), a pioneer in Corporate Social Responsibility (CSR) in Singapore, has been watchful of the developments of the ISO 26000 framework over the last couple of years. Despite ISO 26000 not being mandatory or a standard for certification, nor designed as a management system, Singapore's leading property developer has taken the initiative and started integrating its CSR strategies based on guidelines set out in the ISO 26000 framework. The Company has been preparing itself over the last year, studying and applying these guidelines in a bid to strengthen its CSR engagement.

"The establishment of the ISO 26000 guidelines is timely. The guidelines will enable CDL to align our business operations with a universal understanding of internationally accepted CSR best practices. This will help us to maximise our contribution towards sustainable development. It will also serve to complement other initiatives that our Company has already put in place in our roadmap as a means for continual improvement," said Ms Esther An, CDL's Head of CSR and Deputy General Manager of Corporate Affairs.

In October last year, CDL's CSR committee engaged CSR Asia, a leading provider of information, training, research and consultancy services on sustainable business practices in Asia, to explore how CDL could

further develop its CSR strategy, using the draft ISO 26000 guideline as a benchmark framework to assess its existing policies, identify the gaps and define the way forward.

Internal training on ISO 26000 for CDL's management and CSR committee members was conducted to assess CDL's current compliance with ISO 26000's seven core subjects. Self-assessment gap analysis was reviewed and action plans are being developed.

Based on the data collected through this series of internal assessments, CSR Asia helped CDL identify its current performance and gaps. Overall with respect to the application of the ISO 26000 principles, CDL's areas of strength lie in: Respect for the Rule of Law, Accountability, Ethical Behaviour and Transparency. These strengths are related to the current policies and disclosure of activities already articulated in CDL's Sustainability Reports. With respect to the core subjects, compliance in the subjects of Consumer Issues, Organisational Governance and Fair Operating Practices is highest.

Richard Welford, Chairman of CSR Asia said, "ISO 26000 is a significant development: it is a holistic and comprehensive guidance document for any organisation wishing to improve its long-term sustainability. We would encourage organisations to apply ISO 26000 as CDL has done to assess performance and to plan CSR strategies."

CDL is able to secure first-mover advantage in aligning its business practices with the ISO 26000 guidelines as it has been voluntarily publishing a dedicated annual Sustainability Report since 2008, highlighting its economic, social and environmental activities and tracking its performance.

CDL has been championing the push for sustainability reporting in Singapore. In 2008, CDL was the first Singapore company to publish a report that was successfully checked by Global Reporting Initiative (GRI) using its G3 Guidelines and verified to have met the Level C application level. GRI is the world's most widely-used sustainability reporting framework for organisations to measure and report their economic, environmental and social performance. In 2009, CDL raised its GRI disclosure to a Level B+ by releasing more data and also having its report externally assured. In addition, in CDL's Sustainability Report 2010, the Company has also achieved the AA1000AS (2008) Assurance Standard, making it the first local company to be assured under this internationally accepted standard which not only establishes the credibility and reliability of CDL's sustainability performance, but also raises the bar in CSR reporting in Singapore. CDL will be using both GRI Guidelines as well as articulating the ISO 26000 principles in its next Sustainability Report 2011, to be published in June.

CSR is an integral part of CDL's corporate vision and culture. With increased emphasis on the triple bottom line and the growing expectations of stakeholders, the Company continues to be nimble and evolve in anticipation of the changing business and CSR landscapes. The Company believes that reporting helps to reaffirm its commitment to stakeholders, achieve higher levels of corporate transparency, enables the Company to be more disciplined in tracking its CSR performance and provide motivation for continual improvements.

Other notable CSR achievements which CDL has garnered over the past year include being listed amongst the 2010 Global 100 Most Sustainable Corporations in the World by Corporate Knights, a magazine for clean capitalism. This prestigious global ranking was announced at the World Economic Forum in January 2010. In addition, the 2010 Asian Sustainability Rating™ ranked CDL a commendable 4th place amongst the 542 largest listed companies in Asia Pacific, making it the highest ranked company from Singapore.

CDL's current and previous copies of its Sustainability Reports are available online at www.cdl.com.sg

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For media queries, please contact:

Erin Lyon
Executive Director
CSR Asia

Email: elyon@csr-asia.com
Tel: 6884 5928

Vivian Lim
Corporate Communications Manager
City Developments Limited
(Regn No: 196300316Z)

Tel: 6428 9312