

CREATING VALUE FOR THE FUTURE

**CITY
DEVELOPMENTS
LIMITED**

SUSTAINABILITY
REPORT 2015

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CDL FUTURE VALUE 2.0

At City Developments Limited (CDL), we believe in building a sustainable future by creating lasting value for our business, stakeholders, community and the environment.

Over the past 20 years, our commitment to “Conserving as we Construct” has built a strong Corporate Social Responsibility foundation for CDL. Moving forward, we strive to “Create Future Value” by harnessing our capitals to achieve sustainable growth.

It is about value creation with tomorrow in mind. We call this **CDL Future Value 2.0.**

Top Management's Commitment – Executive Statement



Dear Stakeholders,

2014 was the warmest year ever recorded¹. Human influence has been deemed as “extremely likely” the dominant cause of global warming². Extreme weather events have claimed numerous lives, destroyed communities and put businesses in jeopardy. The world urgently needs to mitigate climate change, and calls for greater actions and transparency from global corporations have intensified. Increasingly, consumers are also demanding that companies operate in a more responsible manner.

Against this backdrop, 2015 is an important year for sustainable development and climate change solutions, as world leaders will meet in September to approve the Sustainable Development Goals to guide national and global policies to 2030. In December 2015, leaders will also assemble in Paris to adopt a global agreement on the growing dangers of human-induced climate change.

Locally, in October 2014, the Singapore Exchange announced its plan to adopt the “comply or explain” approach for sustainability reporting for all listed companies. This will make sustainability reporting not just a “nice-to-have”, but a “must-have” for Singapore-listed firms soon.

While CDL has long moved beyond regulatory compliance for sustainability practices and reporting, we continue to be watchful of the developments in this growing expectation. We are committed to sharpening our frameworks and closing in on our gaps as we work towards achieving greater and more lasting value for our stakeholders – customers, investors, regulators, suppliers, employees and the community.

Celebrating 20 Years of Corporate Social Responsibility

2015 is a special year for CDL as we commemorate 20 years of our Corporate Social Responsibility (CSR) journey. This year will also mark Singapore's 50 years of independence and nation building.

As one of Singapore's largest listed companies and leading eco-developer, CDL's sustainable development has gone hand in hand with our nation's rapid progress from third world to first. Through pioneering strategies, championing groundbreaking innovations and setting new sustainability benchmarks, our CSR journey has progressed by leaps and bounds over the past two decades.

We have embraced our position as impetus to innovate, invest in and improve the ways buildings sustain life, and our efforts have helped place Singapore on the world map for sustainability. We are honoured to be the first Singapore corporation to be listed on three of the world's leading sustainability benchmarks – FTSE4Good Index Series (since 2002), Global 100 Most Sustainable Corporations in the World (since 2010) and the Dow Jones Sustainability Indices (since 2011).

In 2014, CDL was included as a constituent of the MSCI Global Sustainability Indexes, and was also listed on the Global Real Estate Sustainability Benchmark (GRESB). In Singapore and Asia, CDL was ranked the top property developer in the inaugural Channel NewsAsia Sustainability Ranking 2014. Testament to our Environmental, Social and Governance (ESG) performance, these listings have helped CDL attract global investors and partners, contributing to our sustained growth.

¹ According to the National Aeronautics and Space Administration, the US National Oceanic and Atmospheric Administration and the Japan Meteorological Agency.

² Intergovernmental Panel on Climate Change Fifth Assessment Report (2013).



Integrating CSR into our corporate vision and strategy has created business value and long-term sustainability for CDL. To advance our commitment, we have adopted the Integrated Reporting (IR) approach for this year's report, connecting our social and environmental performance with financial impact.

Integrated Reporting Approach with an Expanded Scope

Integrating CSR into our corporate vision and strategy has created business value and long-term sustainability for CDL. To advance our commitment, we have adopted the Integrated Reporting (IR) approach for this year's report, connecting our social and environmental performance with business and financial impact. This approach will further strengthen the tracking and communication of our sustainability strategy and performance, complementing the Global Reporting Initiative (GRI) G4 guidelines that focus on issues material to our business. With valuable inputs from our internal and external stakeholders, a materiality assessment was completed in 2014 to identify and connect material issues to our strategy and life cycle management.

A strategic risk assessment workshop was also carried out in 2014 to evaluate key risks that are of impact to our business. Besides business-related risks, ESG risks such as fraud and corruption as well as ineffective Environmental, Health and Safety (EHS) management were identified as strategic risks of business concern. We will continue to review and ensure that effective controls and mitigating measures are put in place to manage these risks.

In the process of adopting the IR approach, we have come across opportunities and challenges. However, we are committed to raising the bar for our reporting journey and will strive to find ways to address gaps.

In this year's report, we have also expanded the scope of our reporting. We have included the measurement and disclosure of the environmental performance of our key subsidiaries – Millennium & Copthorne Hotels plc (M&C), CDL Hospitality Trusts, CBM Pte Ltd, City Serviced Offices, Le Grove Serviced Apartments and Tower Club. We will strive towards improving our environmental targets across all operations.

Setting New Green Building and Sustainability Benchmarks

New sustainability benchmarks were established in the year under review. CDL's Tree House condominium achieved a Guinness World Record for the largest vertical garden in April 2014. Beyond an aesthetic feature, the 24-storey vertical garden provides tangible benefits. Air-conditioning energy savings of between 15% and 30% annually are expected for the 48 west-facing master bedrooms insulated by the garden.

As we continue to push the frontier of sustainable building methods, we announced our plan to adopt the advanced construction technology, Prefabricated Prefinished Volumetric Construction (PPVC), for the development of a new Executive Condominium with 638 apartments. Over 5,000 building modules will be used in what is likely the world's largest PPVC application for a large-scale residential development. Productivity is expected to increase by more than 40%, saving some 55,000 man days. In addition, homebuyers can look forward to better quality as the building modules are prefabricated offsite using highly-engineered techniques under controlled conditions. For workers and the environment, PPVC will also create safer, cleaner and less polluted construction sites.

Our promise to deliver quality green homes was re-affirmed as CDL was awarded the Green Mark³ Quality Champion (Platinum) by the Building and Construction Authority (BCA)⁴ in 2014, earning us the distinction of being the only developer to have received

³ Developed by BCA in 2005, the Green Mark rating is the national assessment system of green building performance based on key areas of energy efficiency, water efficiency, environmental protection, indoor environment quality and green features and innovation. Green Mark certified buildings are re-assessed once every three years to determine if they maintain the Green Mark status.

⁴ BCA is an agency under the Ministry of National Development and functions as the regulator of Singapore's building and construction industry.

this highest honour for two consecutive years. As at end 2014, CDL has over 70 BCA Green Mark developments, including 33 Platinum projects – the highest number amongst private developers in Singapore. All our new developments will continue to be assessed under BCA's Construction Quality Assessment System (CONQUAS) and we remain committed to quality excellence. These accolades have helped differentiate our brand and products, positioning us to attract an emerging market that is prepared to pay a premium for quality and green spaces.

Partnering Stakeholders, Empowering Our Community

In line with BCA's 3rd Green Building Masterplan and the latest Sustainable Singapore Blueprint which focus on user engagement, CDL formed a Tenant Engagement Taskforce in July 2014. The CDL Green Lease Partnership Programme was also launched in October to encourage our commercial tenants to reduce their carbon footprint. Research has shown that human behaviour is as important as the physical infrastructure when it comes to energy use⁵. CDL has always believed that stakeholder engagement is key to the success of our sustainability drive. We are pleased that 66% of our tenants have signed the CDL Green Lease Memorandum of Understanding (MOU) as at December 2014, pledging their commitment to monitor, manage and reduce energy consumption⁶.

Safety of not only our employees, but also our contractors and their workers, is a key priority. 2014 marked the 10th Anniversary of CDL's 5-Star EHS awards, where we introduced the inaugural Safe Worker Award to recognise the contributions of the unsung heroes of our industry, and to further strengthen our efforts to promote workers' well-being holistically. The Award aims to recognise exemplary workers who live the safety message and inspire fellow colleagues to be more safety conscious. We also announced that construction workers at our new construction sites with onsite living quarters will receive computers and free Wi-Fi connectivity.



As a listed company, we are committed to continually create value for investors and stakeholders. However, it is not enough for us to just do well financially. We must also do good for the community and our environment.

Community building is the soul of CDL's CSR strategy. This is why CDL has been investing in developing today's youths to become tomorrow's leaders. By partnering education institutions and creating knowledge sharing platforms, CDL hopes to cultivate a strong sense of social responsibility in our future leaders. Some examples include our support for Nanyang Technological University's inaugural Sustainable Enterprise Challenge 2014, and our sustained efforts in the 4th CDL-Singapore Compact Young CSR Leaders Award.

Through CDL's longstanding support for the arts, we have helped shape the local arts scene by nurturing young creative talents at a national level. Our 5th CDL Singapore Young Photographer Award in 2014 received over 1,500 entries.

In celebration of Singapore's 50th birthday, CDL is a presenting sponsor of the Singapore Garden Photographer of the Year. In partnership with National Parks Board, this year-long national photo competition is based on themes surrounding our City in a Garden. We hope this initiative will create greater appreciation and awareness of Singapore's natural heritage through the lens of the community. In addition, CDL has partnered the National Museum of Singapore to launch the first open call for a special SG50 commemorative public sculpture. The winning artwork, centred on the theme "The Red Dot, Today & Tomorrow", will be CDL's gift to Singapore's Golden Jubilee in 2015.

⁵ Source: World Business Council for Sustainable Development's Energy Efficiency in Buildings Summary Report on www.wbcsd.org

⁶ As of April 2015, close to 80% of CDL's commercial tenants have signed the Green Lease MOU.

CDL Future Value 2.0

Even though it has been two decades since we started our sustainability journey, there is still much more to do. As a listed company, we are committed to continually create value for investors and stakeholders. However, it is not enough for us to just do well financially. We must also do good for the community and our environment.

We understand that the availability, quality and affordability of our capitals can affect the long-term viability of our business and, in turn, our ability to create value over time. As such, we are committed to managing all our capitals – Financial, Manufactured, Organisational, Social and Relationship, Human, and Natural – prudently and effectively to build future value. CDL, with over 50 years of proven track record, has harnessed invaluable goodwill and trusted reputation, earned from our management of these capitals. We will and must continue to build on this trust.

Despite challenges in the global and domestic economies, CDL remained resilient with strong earnings of \$770 million for 2014, while maintaining our commitment to CSR and sustainable development. 2015 is expected to be another challenging year for the Singapore property market, and the outlook of the global economy remains fragile. Nevertheless, we believe that there will be pockets of opportunity. We remain poised to capitalise on this down cycle by expanding on our know-how, diversifying our products and markets, and carving out new opportunities both locally and abroad.

To address pressing issues such as climate change and labour crunch, we will continue to seek green building innovations and game-changing technologies to raise productivity and quality. Recognising the crucial role CDL plays in mitigating the effects of climate change, we took our commitment to environmental best practices one step further and formalised a Climate Change Policy which is available on our company website.



As we enter the next chapter of our CSR journey, our focus is to “Create Future Value” for generations to come, building upon our ethos of “Conserving as we Construct”. By harnessing our capitals, we strive to complement Singapore’s vision to be a clean, green, sustainable and smart nation.

We will further step up stakeholder engagement efforts to change behaviour and raise performance in EHS across our supply chain as government agencies ramp up enforcements in these areas. Efforts will be made to encourage the adoption of CDL’s CSR values and commitment to best practices across our subsidiaries and associated companies. With collective effort, this will further strengthen our leadership in sustainability as a Group.

We see unlimited possibilities to create a lasting and positive impact on our stakeholders, the community and the environment. Through our sustainability efforts, we hope to create stronger brand equity, product differentiation as well as investor and consumer value. As we enter the next chapter of our CSR journey, our focus is to “Create Future Value” for generations to come, building upon our ethos of “Conserving as we Construct”. By harnessing our capitals, we strive to complement Singapore’s vision to be a clean, green, sustainable and smart nation. Together, we build tomorrow, today.

Kwek Leng Joo
Deputy Chairman

24 April 2015

CDL
FUTURE
VALUE 2.0

**BUILDING NEW
FRONTIERS FOR
SUSTAINED VALUE
CREATION**

CDL at a Glance

As at 24 April 2015

52  years of
track record


////////////////////////////////////

20 years of 
**CSR
Excellence**

////////////////////////////////////

34th  on Corporate Knights'
**Global 100 Most Sustainable
Corporations** in the World

////////////////////////////////////

Record Group revenue in 2014
\$3.76  **billion**

////////////////////////////////////

**Top Property
Developer
in Asia** 
on Channel NewsAsia
Sustainability Ranking 2014

////////////////////////////////////

Listed on
**FTSE4Good
& Dow Jones
Sustainability
Indices** 

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Sustainable Business
Awards (SBA) 2014 
**Best
Environmental
Disclosure Award**

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More than **70** 
Green Mark properties awarded by the
Building and Construction
Authority (BCA)

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Performance Overview for 2014

ENVIRONMENTAL IMPACT



**ENVIRONMENTAL
EFFICIENCY**

\$36.5 million

worth of savings from annual electricity consumption from 57 Green Mark awarded buildings, between 2008 and 2014



**CLIMATE
CHANGE**

21%

reduction in GHG emissions since 2007
2013: 18%



**ENERGY
USED**

54,629 MWh

2013: 61,398 MWh



**WATER
USED**

508,820 m³

2013: 717,033 m³



**WATER
CONSERVED**

244,608 m³

at construction sites
2013: 121,715 m³



**CONSTRUCTION
WASTE GENERATED**

12,323 tonnes

2013: 4,544 tonnes

SOCIAL IMPACT



**EMPLOYEE
TURNOVER**

15.9%

National Average: 24.3%
2013: 14.1%



DIVERSITY

40%

female Heads of Departments
2013: 44%



**ACCIDENT
FREQUENCY RATE**

0.66

number of workplace accidents per million manhours worked
Industry Average: 2.1
2013: 0.72



**WORKPLACE
INJURY RATE**

182

number of fatal and non-fatal workplace injuries per 100,000 persons employed
Industry Average: 594
2013: 178



**EMPLOYEE
VOLUNTEERISM**

2,944 hours

2013: 2,664 hours



**CUSTOMER
SATISFACTION**

65%

satisfaction level amongst homebuyers
2013: 60%

About CDL

Since its inception in 1963, City Developments Limited (CDL) has been Singapore's property pioneer. The legacy of CDL's past five decades has been one of sustained growth and accomplishment. Today, CDL is a Singapore-listed international property and hospitality conglomerate with businesses in real estate development and investment, hotel ownership and management, facilities management and the provision of hospitality solutions. It is one of Singapore's largest companies by market capitalisation.

With an extensive network of more than 400 subsidiaries and associated companies under its wings, the Group has five companies listed on notable stock exchanges in New Zealand, Hong Kong, London and Philippines. The Group currently owns and manages a solid portfolio of residential and investment properties, in addition to hotels, across Asia, Europe, the Middle East, North America and New Zealand/Australia. The Group's global network spans 91 locations across 25 countries.

CDL holds an impressive track record of having developed over 36,000 luxurious and quality homes across diverse market segments. As one of Singapore's biggest landlords, it owns close

to 7.2 million square feet of floor/lettable area of office, industrial, retail, residential and hotel space locally and globally. Amongst private developers in Singapore, the Group possesses one of the largest land banks, with more than 2.7 million square feet, which can be potentially developed into over 7.6 million square feet of gross floor area.

The Group's global presence is led by its diversification into hospitality management and the acquisition of hotel assets through CDL's London-listed subsidiary, Millennium & Copthorne Hotels plc (M&C). As one of the world's largest global hospitality management and real estate groups, M&C owns, asset manages and/or operates 120 hotels globally. In 2006, the Group was also the first to establish a hospitality trust in Singapore. CDL Hospitality Trusts currently owns hotels in Singapore, Australia, New Zealand, Japan and the Maldives.

CDL China Limited, CDL's China operations and wholly-owned subsidiary, has been strategically making inroads in China's key cities. CDL has also established a real estate platform in the UK which focuses on acquisitions of real estate in Greater and Central London for development and investment.

Vision and Strategy

Since the 1990s, CSR has been integrated into CDL's corporate vision and mission to create business value and sustainability.

Corporate Vision

To maintain industry leadership in innovation, product quality, service standards, profitability and CSR.

CSR Vision

To be a leader in business and a champion of CSR.

CSR Mission

To be a responsible corporate citizen who believes in creating value for stakeholders, conducting sustainable business practices, caring for the community and protecting the environment.

Corporate Mission

Customers

To provide quality and innovative products, unsurpassed service and value for money.

Investors

To maintain profitability and achieve optimum returns for their investment.

Builders and Suppliers

To select based on quality work and their ability to complement our commitment to environment, health and safety.

Employees

To maximise their potential and care for their personal well-being and career development.

Community

To serve the community we operate in, so as to create a better place for all, especially caring for the less fortunate, enhancing youth development, promoting the arts and conserving the environment.

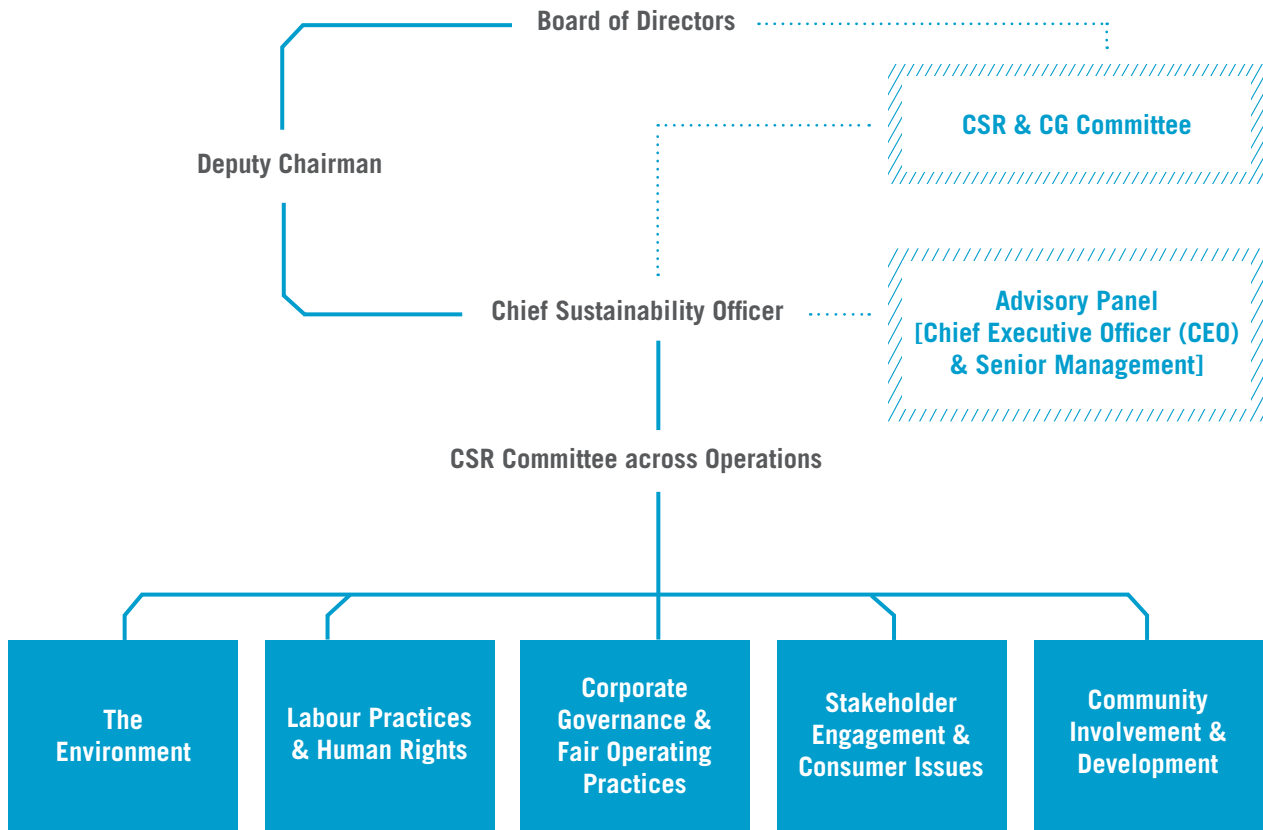
CSR Approach

CDL continues to refine our management approach to adapt to the changing business and CSR landscape. The Senior Management has, within the scope of CDL's corporate operations, determined that the Environment, Employee Relations, Corporate Governance (CG) and Risk Management, Stakeholder Relations and Community constitute key CSR areas material to our business.

A company-wide CSR Committee was set up in 2008 and is responsible for mapping out CSR strategies

and measuring key performance. This Committee cuts across all corporate and operational units that are material to the business. It initiates, drives and monitors various aspects of our CSR practices, ensuring that these are integrated into our business operations and complement corporate objectives. Above this committee, at the Board Level, is a CSR & CG Committee that assumes an advisory role for the Company's CSR strategy. The CSR & CG Committee comprises our Deputy Chairman, who is Chairman of the Committee, and two independent Directors.

CSR Committee Structure



Aligned with ISO 26000: Guidance on social responsibility

CSR Objectives

Corporate

- Raise awareness of CSR within and outside the Company
- Maintain industry leadership position in CSR in Singapore
- Establish a business framework for sustainable management and innovation
- Align with international best practices and standards

Financial, CG and Risk Management

- Maintain profitability and optimum returns for investors
- Ensure good CG and sound risk management
- Create value for investors through financial and non-financial performance
- Ensure the maintenance of an internationally-based management system such as Singapore Quality Class for business excellence

Human Resource

- Improve employees' competencies and maximise their potential for career development
- Create a work environment that supports a corporate culture of work-life harmony
- Improve employees' health, safety and well-being
- Achieve industry leadership position in workplace health and work-life initiatives in Singapore

Environment, Health and Safety (EHS)

- Ensure the maintenance of an international management system for the environment
- Achieve industry leadership position in developing and managing green buildings in Singapore
- Achieve ISO 14001 Environmental Management System targets at both corporate and operational levels

Product Responsibility

- Focus and reinforce on delivering quality and innovative products
- Focus on and reinforce commitment to the development of green buildings
- Create products that are value for money
- Provide quality customer service

Supply Chain

- Proactively engage builders and suppliers on quality of work and commitment to EHS
- Engage consultants and builders to adopt game-changing innovations

Community

- Serve and create a better and more gracious environment for the community to live, work and play in
- Proactively engage the community through synergistic collaborations and sustainable CSR programmes
- Develop CSR champions of tomorrow

Value Creation

Creating Value for 20 Years and Beyond

For over 20 years of our CSR journey, CDL has championed groundbreaking innovations and set new sustainability benchmarks to deliver a positive impact for our business, the community and the environment. In the next lap of our sustainability journey, we aim to create greater value for our brand, business and stakeholders as well as enhance the marketability of our products, in addition to creating enduring societal benefits.

1995 – 1999

Integrated CSR Vision into CDL's Corporate Vision and Mission

1995:

Established CSR-centric vision and adopted business model of "Conserving as we Construct"

1996:

First developer in Singapore to launch a corporate website – a milestone to connect with global stakeholders

1998:

First developer in Singapore to install energy-saving lifts in a residential development – The Florida Executive Condominium

1999:

Established City Sunshine Club (CSC), CDL's employee volunteer programme

2000 – 2004

Aligned CSR Initiatives with Global Benchmarks and Championed Stakeholder Engagement

2001:

First private developer to structure a comprehensive, audited and appraised approach towards Environmental, Health and Safety (EHS) by pioneering the CDL 5-Star EHS Assessment System for builders

2002:

Pioneered Singapore's first major office greening programme, Project: Eco-Office, with Singapore Environment Council

Launched Singapore's first Eco-Condominium, Savannah CondoPark

2003:

First private property developer in Singapore to receive ISO 14001 Environmental Management System and OHSAS 18001 Occupational Health and Safety System certifications

2004:

Pioneered "Let's Live Green!" eco-outreach programme for CDL homeowners

2005 – 2009

Strengthened Commitment to EHS, Green Building and Innovation

2005:

Became signatory to the United Nations Global Compact and founding member of Singapore Compact for CSR

Launched the CDL 5-Star EHS Awards to recognise builders that excelled in the 5-Star EHS Assessment System

2008:

Published Singapore's first Global Reporting Initiative (GRI)-checked Social and Environment Report

2009:

Launched the first CarbonNeutral® development in Singapore and Asia Pacific, 11 Tampines Concourse

Launched Singapore's First Eco-mall, City Square Mall

Launched 7 & 9 Tampines Grande, which embraces one of the largest and most extensive use of solar technology in a commercial property in Singapore

2010 – 2014

Raised the Bar for CSR and Rigorous Sustainability Reporting for Transparent Disclosure

2012:

First Singapore property developer to publish a GRI-checked Level A+ Sustainability Report

Launched the first Singapore landed housing development with a solar energy system in each unit, HAUS@SERANGOON GARDEN

2013:

Built My Tree House – World’s 1st Green Library for Kids, and Singapore’s first zero energy green gallery, CDL Green Gallery @ Singapore Botanic Gardens Heritage Museum

D’Nest condominium entered Singapore Book of Records for the “Largest Solar Panels in a Condominium”

2014:

Tree House condominium achieved Guinness World Record for largest vertical garden

First developer in Asia to adopt Prefabricated Prefinished Volumetric Construction (PPVC) for a large-scale residential development

First developer in Singapore to achieve the ISO 50001 Energy Management System (EnMS) certification

Celebrated 10th anniversary of CDL
5-Star EHS Awards

2015 and Beyond

Future Value 2.0: Creating Greater Value, Today for Tomorrow

2015 onwards:

Increase the use of productive and green technologies such as PPVC and solar energy systems

Raise tenants’ environmental commitment via CDL Green Lease Partnership Programme

Heighten outreach activities to promote responsible consumerism and influence future buyers

Enhance tracking of environmental performance and improve carbon disclosure for sustainability best practices

Align CSR goals with key subsidiaries for greater access to eco-conscious markets and to reflect synergised corporate branding and leadership

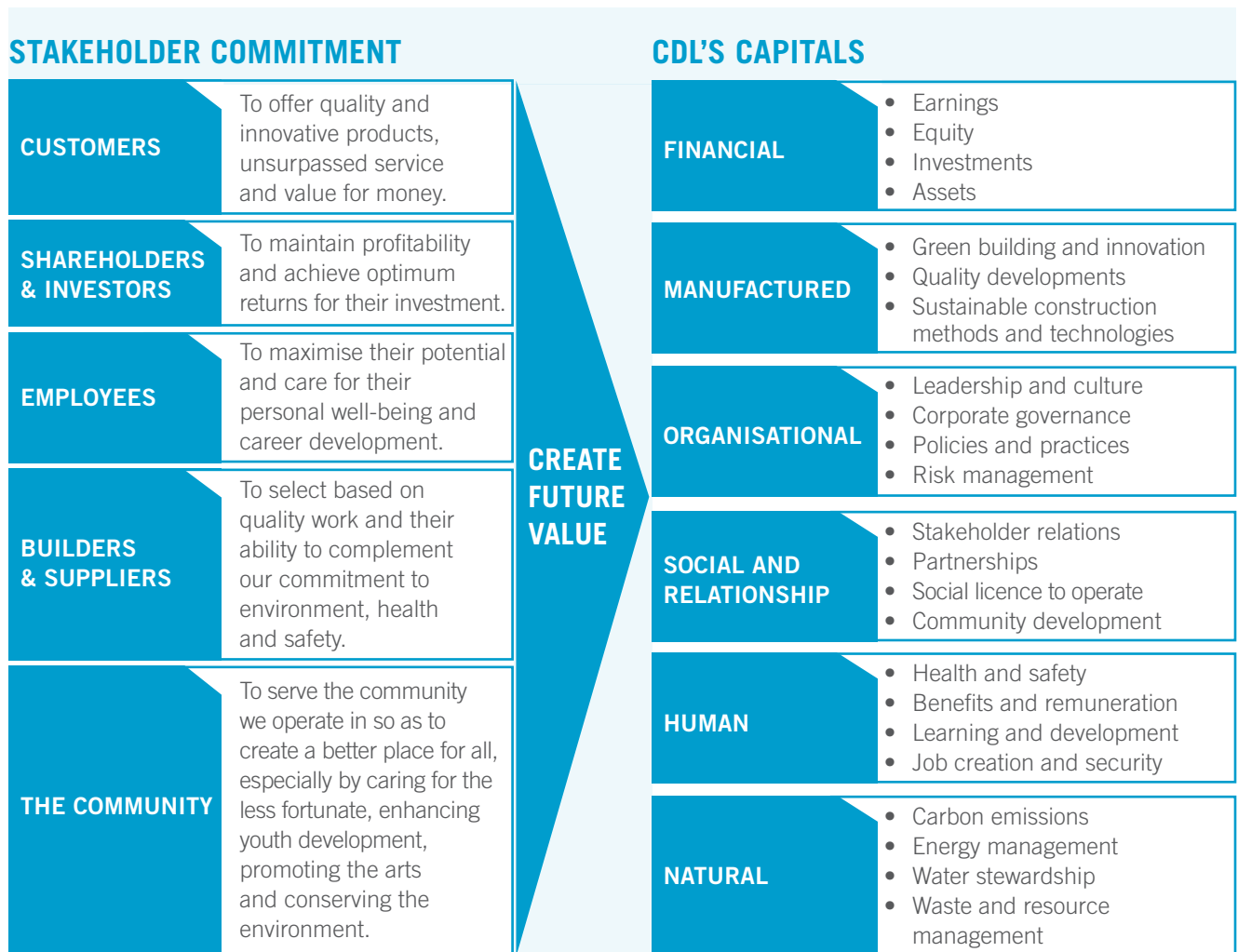
Sustain and value-add to efforts and investments in the areas of community and youth development

Formalise and publish our Climate Change Policy

Building Capitals for Value Creation

More than just a builder of living spaces, we are also a developer of lives and communities. By managing and building our capitals, we seek to create lasting value for stakeholders, and fulfil our promise to deliver quality and responsible products and services.

Our capitals extend beyond our assets and resources to include relationships and goodwill that CDL has built over the past 52 years. Following the International Integrated Reporting Council's (IIRC) Integrated Reporting framework, we categorise our capitals into six areas – Financial, Manufactured, Organisational, Social and Relationship, Human, and Natural.



Risks, Challenges and Opportunities Ahead

Globally, sustainable development is increasingly important to governments and businesses. With the latest Sustainable Singapore Blueprint (SSB) 2015 released in November 2014, the Singapore government has called for greater efforts in green building, skyrise greenery, smart technologies, recycling and the use of solar power. The Building and Construction Authority (BCA) targets to have at least 80% of all buildings in Singapore achieve the Green Mark certification by 2030. The Ministry of Environment and Water Resources has also announced regulations to mandate water reporting for large commercial premises with high water consumption of at least 60,000 m³ from January 2015, and to increase the adoption of solar power in new buildings to 350 MWp by 2020. Greater emphasis has also been placed on changing behaviour and practices of end-users, as highlighted in Singapore's 3rd and latest Green Building Masterplan.

These new developments and mandates will have little impact on CDL as the Company already has in place a voluntary target to achieve a minimum rating of Green Mark Gold^{PLUS} for all new developments, two levels beyond the mandatory Green Mark certification requirement. We are also committed to adopting solar and photovoltaic panels to harness renewable energy wherever possible. In line with the SSB 2015's focus on "heartware", we have also launched the CDL Green Lease Partnership Programme to engage and encourage commercial tenants to manage and reduce energy consumption.

Our commitment towards green building and innovation goes beyond new developments. We continue to retrofit and upgrade our existing commercial and industrial buildings to improve energy and water efficiency. In 2014, nine out of 15 of these buildings were retrofitted to enhance energy and water efficiency, which in turn generated utility savings.

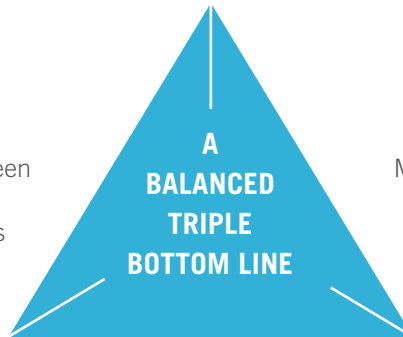
While the long-term plans for Singapore's built industry present exciting prospects and opportunities, the immediate future is not without challenges. Headwinds are expected to persist for Singapore's private property market. Property cooling measures, a mounting supply of new homes, a weak rental market and an impending rise in interest rates are expected to curtail demand and prices. The supply of foreign labour is expected to remain tight, and will continue to put pressure on the local built industry which relies heavily on foreign labour for building and construction work.

Despite these uncertainties, CDL will leverage our expertise and proven track record in sustainable building to convert challenges ahead into pockets of opportunity. As we enter a new chapter of our sustainability journey with a revamped CSR mission to "Create Future Value", we continue to reinvent our strategy and revitalise our approach for a future-proof business model. Our three-pronged sustainability strategy can be found on the next page.

Our Three-Pronged Sustainability Strategy

DEVELOP

Continue commitment to green building and innovation with game-changing technologies to raise quality, productivity and sustainability



MANAGE

Manage buildings with energy and resource efficiency as priority

ENGAGE

Actively engage stakeholders to adopt good practices for the environment, health and safety

In 2014, CDL made deliberate efforts to focus on diversification through geographic expansion to countries including the US, UK, Italy, Japan and China. As we continue to expand geographically, we are poised to attract opportunities with partners who appreciate our long-standing reputation and track record in green building and sustainability.

Increasingly, international and institutional investors are monitoring companies' Environmental, Social and Governance (ESG) practices and demanding for sustainability performance to be factored into investment decisions. Today, sustainability reporting is mandatory in 12 stock exchanges globally. Recognising the growing importance of sustainability

reporting, in October 2014, the Singapore Exchange (SGX) announced its plan to adopt the “comply or explain” approach for sustainability reporting for all listed companies. This new requirement will have no impact on CDL as we have been consistently reporting our sustainability performance since 2008.

Yet, we continue to keep abreast of the latest global reporting standards and improve on our sustainability disclosure. For this edition of CDL's sustainability report, we have adopted Global Reporting Initiative's (GRI) G4 guidelines and the Integrated Reporting approach – an emerging trend in corporate reporting. More details on our approach can be found in the next section.

Reporting Approach

Starting from 2015, we are transitioning our sustainability reporting to an integrated approach as outlined in the International Integrated Reporting Council's (IIRC) Integrated Reporting Framework by connecting social and environmental performance with business and financial impact for a more meaningful and all-rounded corporate reporting. Centred around six capitals – Financial, Manufactured, Organisational, Social and Relationship, Human, and Natural – this new approach aims to present a holistic picture to our investors and stakeholders on how the interrelation between our business and sustainability performance leads to value creation over the short-, medium- and long-term. We have outlined the Company's efforts in creating and sustaining value on pages 12 to 14.

As the first Singapore company to produce a GRI-checked report in 2008, CDL continues to improve on the quality of our reporting by aligning with GRI's latest G4 Guidelines at the Comprehensive level.

The new G4 guidelines focus on materiality, which refers to issues of relevance and importance to the Company. Similarly, Integrated Reporting focuses on material information that can affect a company's long-term viability and influence its stakeholders' assessments and decisions. Responding to the increased emphasis on materiality, we conducted an in-depth review, engaging key internal and external stakeholders to evaluate and prioritise our material issues.

This Report focuses on the economic, environmental and social aspects that have been identified as material to our business and stakeholders. Materiality also applies across the value chain where CDL has considerable influence, but not direct control.

This Report has successfully completed the GRI Materiality Disclosures service which verifies that the General Standard Disclosures G4-17 to G4-27 were correctly located in both the GRI Content Index and in the text of this Report.

Materiality Assessment

Guided by an independent sustainability consultant, we conducted a rigorous materiality assessment from July to November 2014 with inputs from internal and external stakeholders. Based on the methodology of AA1000's materiality process⁷, the assessment first took into account the sustainability context to identify an extensive list of issues potentially material to CDL and our stakeholders. We prioritised these issues based on the materiality principles, and engaged key stakeholders throughout the process. The analysis also helped to connect material issues to CDL's overall strategy and life-cycle management.

Stage 1: Preliminary Matrix Based on Internal Review and Engagement

An extensive list of potential issues was generated based on the Company's policies and commitments, stakeholder expectations, peer-based standards and regulatory frameworks. This list was then prioritised through feedback from key internal stakeholders, including our Senior Management Team, through an online survey.

Stage 2: Internal Stakeholder Workshop Review

A materiality workshop was organised on 23 July 2014 with 26 participants from the CSR Committee and Senior Management from key functions and

business units. The significant issues from the review were ranked on a materiality matrix according to their importance.

Stage 3: External Stakeholder Consultation








Between August and September 2014, we sought feedback from key external stakeholders on our initial prioritisation. Through an online survey, we engaged our customers, contractors, suppliers, investors, business partners, government agencies, non-governmental organisations, and the media. Respondents were asked to rank the key material issues and to inform us on any additional issues which they deemed to be of significance to our business. The positive response rate of 70% reflected the willingness of our external stakeholders to engage CDL on sustainability-related matters, and verified the importance of these issues to our business performance in the long-term.

Stage 4: Board of Directors' Approval

Following the materiality workshop and external stakeholder consultation, a final materiality matrix and a list of material issues across our value chain were presented to the Board of Directors for their feedback and sign-off. This Report focuses on the material issues identified as detailed in the matrix on page 20.

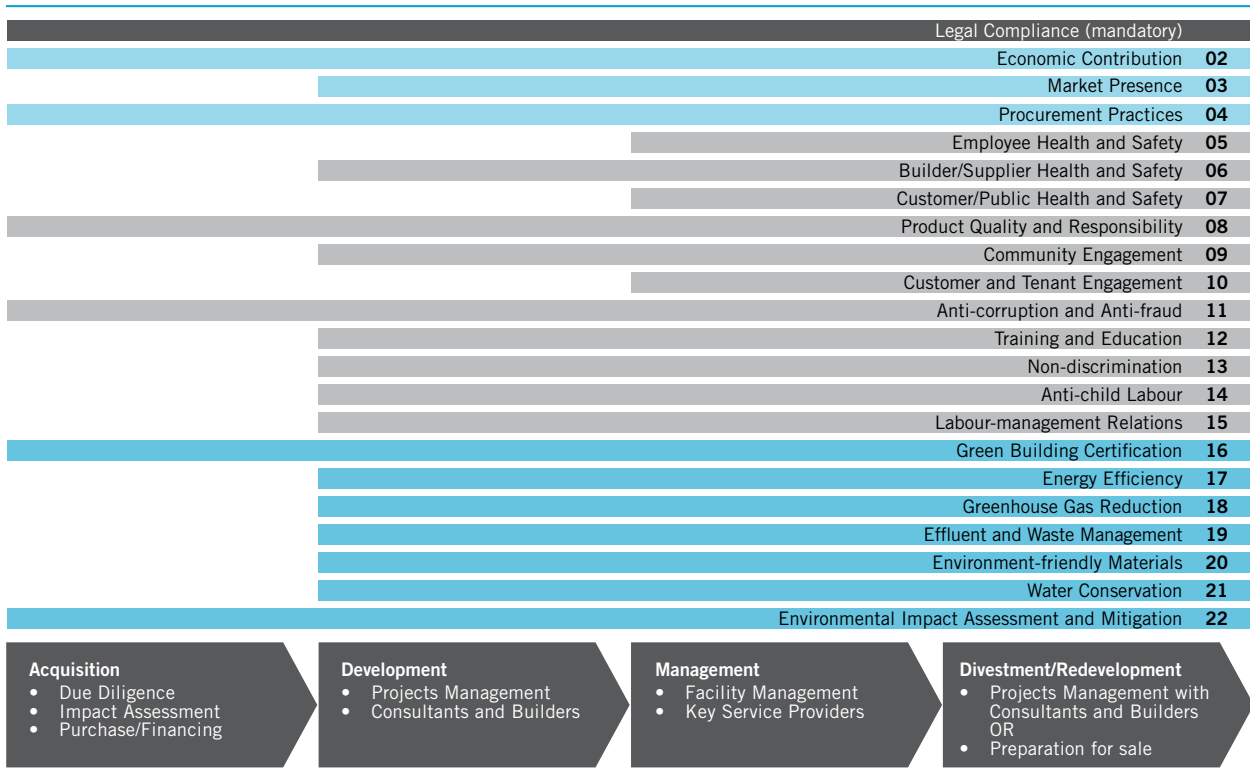
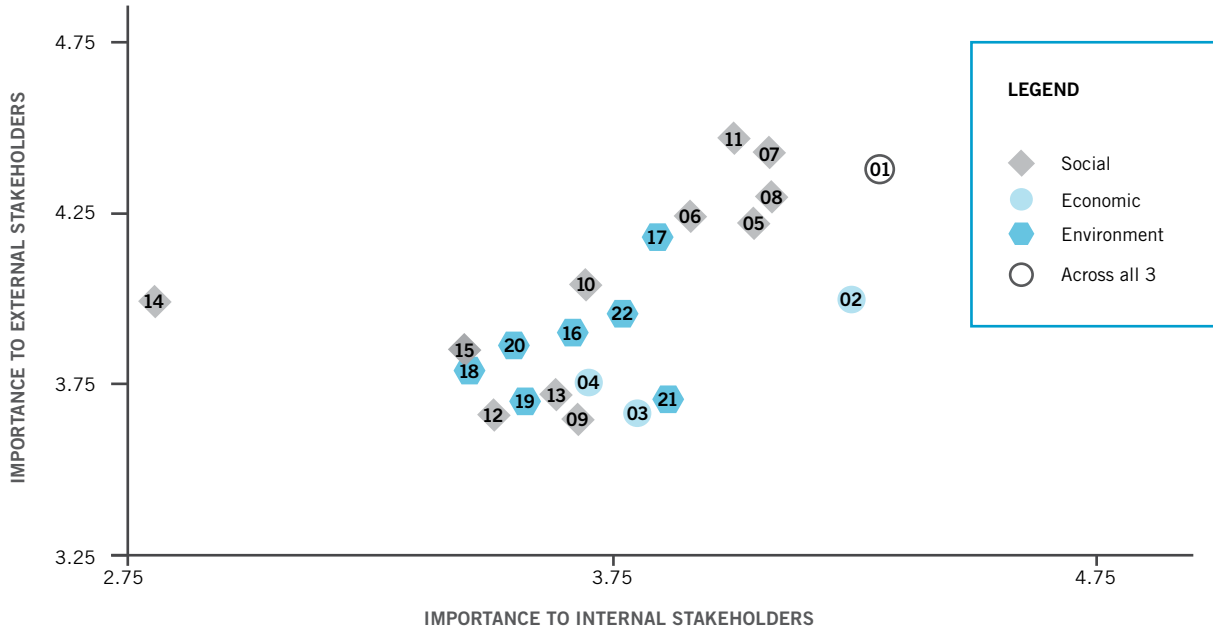
⁷ Redefining Materiality, AccountAbility (2003) and Redefining Materiality II, AccountAbility (2013)

We define our stakeholders as groups whom our business has a significant impact on and those with a vested interest in our operations. By assessing the significance and impact of their interest on CDL's business, we have identified seven key stakeholder groups.

STAKEHOLDER GROUPS	IMPACT AND SIGNIFICANCE
 <p>OUR EMPLOYEES</p>	<p>Our employees are part of our human capital whose competencies are fundamental to CDL's operational effectiveness. We aim to develop their potential to drive innovation and organisational excellence.</p>
 <p>OUR CUSTOMERS</p>	<p>Our promise is to create inspiring spaces and deliver quality homes in line with the rising expectations and lifestyle aspirations of tenants and homebuyers. CDL seeks to deliver sustainable solutions and exceptional service levels to delight our customers.</p>
 <p>OUR BUILDERS AND SUPPLIERS</p>	<p>CDL works closely with partners in our value chain – our builders and suppliers – to ensure that construction activities are carried out in line with industry safety standards and sustainable building methods.</p>
 <p>OUR COMMUNITY</p>	<p>Our developments shape public spaces and impact the interaction between people and their broader environment. CDL seeks to create a sense of shared space that can benefit diverse community groups and activities through sustainable development and community investment.</p>
 <p>OUR INVESTORS</p>	<p>To maximise shareholder returns, maintain good corporate governance and improve levels of transparency through sustainability reporting and timely communication.</p>
 <p>THE GOVERNMENT AND REGULATORS</p>	<p>Beyond compliance, to partner key agencies in jointly elevating industry standards for green building, sustainable practices as well as health and safety standards.</p>
 <p>THE MEDIA</p>	<p>As news and information outlets are one of the primary sources of information for our stakeholders and members of the public, we aim to engage the media in promoting the sustainability and green building agenda to raise eco-consciousness.</p>

The aspect boundary and impact of CDL's material issues are defined in the table on page 21.

Materiality Matrix⁺



LIFE CYCLE OF CDL'S BUSINESS

Note: ⁺ The above matrix is based on the materiality assessment conducted with internal and external stakeholders.

Material Issues

MATERIAL ASPECTS	ASPECT BOUNDARY AND IMPACT
COMPLIANCE	
ECONOMIC PERFORMANCE	<p>Applicable to the Company's operations in Singapore and overseas, legal compliance with national and international standards, in areas including corporate governance, environment, safety, product responsibility and society, as well as sustainable financial performance are material to all our stakeholders.</p>
HEALTH AND SAFETY	<p>Applicable to CDL's operations and supply chain in Singapore, occupational and customer health and safety are important issues to all stakeholders.</p>
ENVIRONMENTAL IMPACT <ul style="list-style-type: none"> • Material Use • Energy Efficiency • Greenhouse Gas Reduction • Water Management • Effluents and Waste Management • Sustainable Products and Services • Environmental Impact Assessment and Mitigation 	<p>Applicable to CDL's operations in Singapore and overseas, environmental aspects including the use of environmentally-friendly materials, energy and water conservation, reduction in carbon emissions, efficient effluents and waste management, Biodiversity Impact Assessment as well as sustainable products and services such as green building certification, are vital to addressing and mitigating climate change which is a global issue. Environmental issues are material to all our stakeholders.</p>
SOCIAL RESPONSIBILITY <ul style="list-style-type: none"> • Anti-corruption and Anti-fraud • Product Quality and Responsibility • Customer and Tenant Engagement • Community Engagement 	<p>CDL strives to maintain industry leadership in CSR by developing and contributing to the communities in which we operate in Singapore. Business ethics, product stewardship as well as customer and community engagement are important to all our stakeholders.</p>
LABOUR PRACTICES <ul style="list-style-type: none"> • Training and Education • Labour-management Relations • Non-discrimination 	<p>Good and fair employment practices are vital to attracting, retaining and developing our talent pool under the direct hire of CDL's offices and operations in Singapore. These are issues of interest to our employees, investors, regulators and the community.</p>
MARKET PRESENCE <ul style="list-style-type: none"> • Procurement Practices • Wages and Local Hiring 	<p>Applicable to CDL's operations in Singapore where the Company has direct control, responsible procurement practices and legally binding minimum wages are material to all our stakeholders.</p>
HUMAN RIGHTS <ul style="list-style-type: none"> • Anti-child Labour 	<p>Prohibition of child labour is an issue of increasing importance to investors, regulators and the community. Its relevance in Singapore is effectively addressed through strict local child labour laws. But as CDL expands its overseas business operations, we recognise that this will be an emerging issue of importance to the Company.</p>

Report Period and Scope

This is CDL's eighth Sustainability Report. It replaces the CDL Sustainability Report 2014 as our latest annual publication dedicated to providing information on financial, social and environmental performance that are of relevance and importance to CDL's business and key stakeholders.

This Report contains a full year's data from 1 January to 31 December 2014 and focuses primarily on our Singapore operations. It covers our principal business as a property developer comprising operational functions such as project development and property and facilities management of residential and commercial developments, and our corporate headquarters in Singapore. In 2014, property development was the main contributor to CDL's pre-tax profit.

Recognising the financial relevance and environmental impact of CDL's local and overseas subsidiary companies, the reporting scope has been expanded to disclose 2014 carbon emission data from our key subsidiaries, including:

- Hotels owned and managed by Millennium & Copthorne Hotels plc (M&C)
- CDL Hospitality Trusts
- CBM Pte Ltd
- City Serviced Offices
- Le Grove Serviced Apartments
- Tower Club

M&C has 120 hotels across 22 countries, including gateway cities like London, New York, Paris, Auckland, Dubai, Beijing and Singapore. While CDL has a 61% interest in M&C, the Company has its own Board of Directors that oversees its policies and operations. The Board has adopted a number of policies, collectively referred to as Responsible Hospitality, which are designed to recognise M&C's wider impact on the communities in which it operates. M&C's CSR activities and full year carbon footprint are included in its Annual Report available at www.millenniumhotels.com.

Monetary values in this Report are presented in Singapore dollars, which is CDL's functional currency. Where possible, we have provided up to five years of historical data for comparison.

CDL voluntarily discloses the information as we believe in upholding the principles of corporate transparency, disclosure and communication with our stakeholders. Any variance in data from the CDL Annual Report 2014 is due to updates following the external assurance of this Sustainability Report. For additional information on our comprehensive initiatives on sustainability, please refer to our website www.cdl.com.sg.

Report Content

In each reporting cycle, CDL's CSR Committee reviews the content of the Report to determine its relevance to our business. Efforts are also made to ensure that current and emerging material issues pertaining to sustainability and the interests of our stakeholders are addressed.

Other operational committees oversee existing management systems and certifications such as the ISO 14001 Environmental Management System, ISO 50001 Energy Management System and Singapore Quality Class. Relevant targets and key performance indicators are established, tracked and disclosed within this Sustainability Report.

Our Report continues to integrate ISO 26000: 2010 Guidance on social responsibility, and the Company actively promotes compliance with internationally adopted standards and regulations in the fields of occupational standards, environmental protection and the fight against corruption.

Reporting Boundaries and Standards

This Report is aligned with the GRI's G4 Comprehensive level reporting guidelines and GRI's guidance for the Construction and Real Estate Sector, and is prepared in accordance with G4 principles for the defining report content, including:

- Materiality: focusing on issues that impact business growth and are of utmost importance to stakeholders;
- Stakeholder Inclusiveness: responding to stakeholder expectations and interests;
- Sustainability Context: presenting performance in the wider context of sustainability;
- Completeness: including all information that are of significant economic, environmental and social impact to enable stakeholders to assess the Company's performance

This Report has successfully completed the GRI Materiality Disclosures service which verifies that the General Standard Disclosures G4-17 to G4-27 were correctly located in both the GRI Content Index and in the text of this Report. The GRI Content Index can be found on pages 96 to 104.

Since 2005, CDL has been a signatory to the United Nations Global Compact and we are committed to its 10 principles. Our annual Sustainability Report also serves as our Communication on Progress (COP) and we have addressed our progress in the areas of human rights, labour, environment and anti-corruption, which is available at www.unglobalcompact.org.

Our carbon footprint is calculated in accordance with the World Business Council for Sustainable Development and World Resources Institute's (WBCSD/WRI) Greenhouse Gas (GHG) Protocol, a Corporate Accounting and Reporting Standard. This protocol is considered current best practice for corporate or organisational emissions reporting, and we measure our emissions across three "scopes":

- Scope 1 – direct GHG emissions from sources that are owned such as company-owned vehicles and refrigerants
- Scope 2 – GHG emissions from purchased electricity
- Scope 3 – indirect emissions such as our business travel, employee commute and outsourced services

In addition to the GHG Protocol, our carbon emissions are also calculated based on The CarbonNeutral® Protocol, a set of guidelines to meet the global standard for managing our offset-inclusive programmes. The Protocol includes requirements for GHG assessments, emission reduction planning, carbon credit eligibility, management of carbon

credits through registration and retirement, and communication of CarbonNeutral® programmes.

We use an operational consolidation approach to determine organisational boundaries. For example, our carbon and energy data includes only the distribution impacts. Data is consolidated from a number of sources, including our project sites and fuel use information, and is analysed centrally. Our baseline year is 2007 and our emissions are independent of any GHG trades.

Assurance

The CDL Sustainability Report 2015 continues to be externally assured to validate the accuracy and reliability of its content. Ernst & Young LLP (EY) was engaged to provide independent limited assurance of this Report. The assurance covered figures and statements found in this Report that are related to the Subject Matters approved by CDL's Chief Sustainability Officer and agreed as per the Assurance Statement. EY reviewed the underlying systems and processes that support the Subject Matters in this Sustainability Report. The assurance is in accordance with ISAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information. The assurance, including the scope of work and conclusions, can be found in the Independent Limited Assurance Statement on pages 92 to 95.

Accessibility

CDL continues to print only limited copies of this Sustainability Report as part of our environmental conservation efforts. Current and previous editions of the reports are available at www.cdl.com.sg.

Feedback Channel

Feedback from our stakeholders is vital to allow us to continually improve our reporting and sustainability practices. We welcome your views, comments or feedback, which may be directed to:

Ms Esther An
Chief Sustainability Officer
City Developments Limited
9 Raffles Place, #36-00 Republic Plaza,
Singapore 048619
Email: csrenquiries@cdl.com.sg

CDL
FUTURE
VALUE 2.0

**TRANSFORMING
CAPITALS TO
CREATE LASTING
VALUE**

Financial Capital

Market Review and Performance

We assess our market performance beyond our financial bottom line. Apart from strong earnings and shareholder returns, our capacity to create a positive impact on our community forms part of the wider economic value we create for the society.

For the year ended 2014, the Group achieved its highest ever revenue of \$3,764 million, up 17.1% from 2013. CDL's profit after tax and non-controlling interests also increased by 12.2% to \$770 million. Basic earnings per share increased from 74.0 cents restated for 2013 to 83.2 cents for 2014.

The various Singapore government cooling measures, in particular, the Total Debt Servicing Ratio (TDSR) framework and Additional Buyer's Stamp Duty (ABSD), have adversely impacted both sales volumes and prices of residential units. According to data from the

Urban Redevelopment Authority (URA), developers sold 7,316 private residential units, excluding Executive Condominiums (ECs) – a significant drop of 51.1% in 2014 compared to 2013. If ECs are included, developers sold 8,894 units – a fall of 52.0% compared to previous year.

In general, property consultants share the view that sentiment will remain negative in 2015, with private home sales volume expected to hover around 7,000 to 8,000 units.

Despite the tough market conditions, CDL, together with our joint venture associates, sold 1,378 units including ECs at a value of about \$1.4 billion, maintaining the Group's position as Singapore's top-selling private developer for 2014 (2013: 3,210 units with total sales value of \$3.32 billion).

Key Financial Information

YEAR	2010 ⁽³⁾	2011	2012	2013 ⁽³⁾	2014
Revenue	\$3,103 m	\$3,280 m	\$3,354 m	\$3,213 m	\$3,764 m
Income tax paid	\$106 m	\$162 m	\$204 m	\$135 m	\$115 m
Staff costs	\$664 m	\$647 m	\$665 m	\$705 m	\$763 m
Profit before income tax	\$1,067 m	\$1,136 m	\$960 m	\$948 m	\$1,004 m
Profit for the year attributable to owners of the Company	\$784 m	\$799 m	\$678 m	\$686 m	\$770 m
Return on equity	12.5%	11.7%	9.3%	8.9%	9.2%
Net asset value per share	\$6.89	\$7.51	\$8.03	\$8.50	\$9.25
Basic earnings per share	84.8 cents	86.4 cents	73.2 cents	74.0 cents	83.2 cents
DIVIDENDS					
Ordinary dividend (gross) per share					
- final	8.0 cents ⁽¹⁾	8.0 cents ⁽¹⁾	8.0 cents ⁽¹⁾	8.0 cents ⁽¹⁾	8.0 cents⁽²⁾
- special interim	-	5.0 cents ⁽¹⁾	-	8.0 cents ⁽¹⁾	4.0 cents⁽¹⁾
- special final	10.0 cents ⁽¹⁾	5.0 cents ⁽¹⁾	5.0 cents ⁽¹⁾	-	4.0 cents⁽²⁾
Preference dividend (net) per share	3.90 cents ⁽¹⁾	3.90 cents ⁽¹⁾	3.90 cents ⁽¹⁾	3.90 cents ⁽¹⁾	3.90 cents⁽¹⁾

Notes

⁽¹⁾ Dividends declared were tax-exempt (one-tier).

⁽²⁾ Final and special final tax-exempt (one-tier) ordinary dividends for the financial year ended 31 December 2014 were approved by the ordinary shareholders at the Annual General Meeting held on 22 April 2015.

⁽³⁾ Certain accounting policies or accounting standards had aligned in the financial years 2011 and 2014. Only the financial information above presented for each of the years immediately preceding 2011 and 2014 had been restated to reflect the relevant changes in accounting policies or accounting standards.

Prudent Capital Management and Sustainable Dividend Policy

CDL's primary objective in capital management is to maintain a strong capital base to uphold investor, creditor and market confidence and to sustain our business growth.

We manage and adjust our capital structure in response to changes in economic conditions. For this purpose, CDL defines "capital" as all components of equity, including non-controlling interests.

The Company's dividend policy aims to provide a return to shareholders at least once a year through the payment of dividends, after taking into account the Group's financial performance, short and long-term capital requirements, future investment plans, general global and business economic conditions and any regulatory factors. The CDL Board endeavours to maintain a balance between meeting shareholders' expectations and prudent capital management with a sustainable dividend policy; and will review the policy from time to time and reserves the right to modify, amend and update the policy.

To maintain or adjust the capital structure, we may modify the dividend payment to shareholders or issue new shares or other financial instruments.

CDL monitors capital using a net debt equity ratio, which is defined as net borrowings divided by total capital employed. Despite headwinds in 2014, we maintained a strong balance sheet with cash and cash equivalents of \$3.9 billion and a healthy net gearing ratio of 26%, without factoring the fair value surplus of our investment properties. A strong position, together with banking facilities, provides us with capital to seize opportunities for acquisitions and other platforms for growth.

Capital Management

	As at 31/12/2010	As at 31/12/2011	As at 31/12/2012	As at 31/12/2013 ^(a)	As at 31/12/2014
Cash and cash equivalents	\$1,874 m	\$2,603 m	\$2,162 m ^(c)	\$2,720 m	\$3,898 m
Net borrowings	\$2,346 m	\$1,816 m	\$2,357 m	\$2,589 m	\$2,820 m
Net gearing ratio ^(b)	0.29	0.21	0.25	0.25	0.26
Net gearing ratio - if fair value gains on investment properties are taken into consideration	0.21 ^(d)	0.15	0.18	0.18	0.19
Interest cover ratio	21.3 times ^(d)	21.8 times	17.4 times	13.7 times	12.1 times

Notes:

^(a) The 2013 comparative figures were restated to take into account the retrospective adjustments arising from the adoption of *FRS 110 – Consolidated Financial Statements*.

^(b) Excludes fair value gains on investment properties as the Group's accounting policy is to state its investment properties at cost less accumulated depreciation and impairment losses.

^(c) Includes cash and cash equivalents classified as assets held for sale.

^(d) Restated to take into account the retrospective adjustments arising from the adoption of *INT FRS 115 – Agreements for the Construction of Real Estate*.

CDL's financial information is described in more detail in our Annual Report 2014. Current and previous reports are available at www.cdl.com.sg

Geographical Diversification

As headwinds are expected to persist for the domestic market, in 2014, CDL made very deliberate efforts to focus on our diversification strategy via both geographic expansion and development of new investment platforms. Several groundbreaking acquisitions were made during the year under review.

In September, CDL made its maiden foray into residential development in Japan. It acquired majority interest in a prime freehold land site in Tokyo for ¥30.5 billion (or approximately \$355.5 million). The expansive 16,815 m² (approximately 4.2 acres) land parcel is located in the prestigious residential enclave of the Shirokane area in Tokyo's Minato ward, where the offices of many multinational corporations and numerous foreign embassies are situated. The lushly landscaped site houses a mansion, the former residence of Seiko's founder, Mr Kintaro Hattori. CDL plans to develop luxurious, high-end condominiums on the site.

In December, CDL China Limited (CDL China), a wholly-owned subsidiary of the CDL Group, gained a foothold in Shanghai by acquiring Shanghai Jingwen Zhaoxiang Real Estate Limited (Jingwen) for RMB 799 million. Jingwen's completed 120-unit luxury residential development in Qingpu district's affluent residential corridor is built on a 163,837 m² land parcel with lush, well-landscaped greenery. 85 units remain unsold and CDL China intends to re-launch the sales programme with the creation of three new showflats, in addition to the existing two. This is CDL China's fourth investment in China. Its other projects currently under development include two projects in Chongqing's Yuzhong district – the 126-unit Eling Residences, and the mixed-use Huang Huayuan project comprising three high-rise residential towers, a 150-room hotel, and a mall.

In addition, it has the Hong Leong City Center, a mixed-use development next to Jinji Lake, in Suzhou Industrial Park. This project has two phases. Phase 1 will comprise a 462-unit residential tower and 899-unit SOHO tower; Phase 2 encompasses a 362-unit residential tower, office tower, retail mall and hotel.

On the hospitality front, Millennium & Copthorne Hotels plc (M&C), CDL Group's London-listed subsidiary, made three acquisitions in key gateway cities in 2014, one of which was the £65 million acquisition of The Chelsea Harbour Hotel in London, an all-suite hotel in the upscale Chelsea district. Bordering the River Thames, it offers 154 suites and four penthouses. M&C also acquired Novotel New York Times Square comprising 480 rooms, some office and retail space and a penthouse apartment in the heart of Manhattan's theatre district for US\$274 million, and its first property in Italy – Boscolo Palace Roma (now re-branded as Grand Hotel Palace Rome) in Rome's upscale Via Veneto district for €66 million, which features 87 luxury guest rooms and suites.

CDL Hospitality Trusts, the stapled hospitality trusts of M&C, entered the Japan market by acquiring two hotels in Tokyo – the 138-room Hotel MyStays Asakusabashi and the 116-room Hotel MyStays Kamata for ¥5.8 billion.

Since CDL established its UK real estate platform in 2013, setting aside up to £300 million for investment, to date, it has acquired six prime freehold properties in UK, amounting to an investment of £157 million. These include two sites in Knightsbridge and one each in Croydon, Belgravia, Chelsea and Reading. All these sites are "off-market" deals and they comprise a multi-storey car park site, residential and investment properties.

Fund Management

In 2014, we partnered investment firm Blackstone's Tactical Opportunities Fund and CIMB Bank Berhad, Labuan Offshore Branch, to unveil a first-of-its-kind investment platform in Singapore that invests in the cashflows of the Group's high quality assets on Sentosa Cove, called the Quayside Collection.

The Quayside Collection comprises W Singapore – Sentosa Cove hotel; Quayside Isle, a waterfront F&B and retail property; and the luxury apartments of The Residences at W Singapore – Sentosa Cove. Through this investment instrument called Profit Participation Securities (PPS) which has an aggregated value of \$750 million, investors will receive a fixed payout based on 5% interest per annum for a period of five years, in addition to participation in the cashflows over the period they hold the PPS.

The transaction raised a total of \$1.5 billion, enabling the Group to build and deploy capital for our global plans, demonstrating our ability to develop well-structured products that create value for our shareholders and strategic partners.

Looking Ahead

We tackled our challenges in the domestic market by going offshore in our core property development business, and also developed an unlisted funds management business. We have made significant progress in 2014. Together with the acquisition of new hotels under M&C, the CDL Group has acquired \$1.3 billion worth of assets in US, UK, Italy, Japan and China; and additionally, created new products in fund management such as the \$1.5 billion PPS. We have demonstrated our ability to be nimble and innovative, building value for our shareholders.

Reinforcing these developments has been the injection of fresh perspectives via new Senior Management appointments (refer to Organisational Capital on page 34).

Moving forward, we will apply the following decision rules in terms of geographic expansion: (i) The deal must preferably be in one of the five target markets of Australia, Japan, China, UK and US as these markets, in our view, offer the best long-term risk-adjusted returns for property investors; (ii) It must be one of the asset classes where CDL has scale – which we define as residential, office or hotel. In terms of funds management, we will seek to raise traditional Private Equity capital via a series of discretionary funds.

Manufactured Capital

For over 50 years, creating spaces for people to live, work and play in has been CDL's core business. As Singapore embarks on its twin goals of becoming a green and smart nation, CDL will continue to develop sustainably-built and marketable properties to create long-term value for owners and occupants throughout our life cycle management.

Value of Green Buildings

Our commitment to sustainability has gained traction as the business case for green property investment becomes increasingly evident. According to a 2014 Building and Construction Authority (BCA) study⁸ of 40 commercial properties in Singapore, existing buildings retrofitted to a Green Mark Gold, Gold^{PLUS} or Platinum status can achieve 20% energy savings on average. Another study by BCA and the National University of Singapore reinforced this finding and concluded that green office buildings can achieve an average reduction of 17% in total operating expenses and realise capital value gains of 2.7% within a payback period of about 6.3 years after the retrofit.

Sustainable Construction

We consider applying sustainable construction methods and technologies as a way to enhance the financial value of our properties. Mindful of the environmental impact of our developments, we continuously review and proactively manage the use of natural resources through adopting innovative construction methods and green features. To optimise environmental benefits, sustainability considerations are factored into the entire life cycle starting from land acquisition to the conceptualisation of building design.

With a commitment towards environmental conservation that extends beyond compliance, CDL positions itself to seize opportunities that arise from the increasing regulatory changes. Since 2011, CDL has set a minimum target for all our new developments to be certified BCA Green Mark Gold^{PLUS}, two levels above the mandatory Green Mark certification requirement. To date, we have amassed a portfolio comprising over 70 Green Mark certified developments and buildings, of which 33 are awarded with the highest Green Mark Platinum rating. This will complement BCA's target of greening at least 80% of Singapore's building stock by 2030.

Apart from greening our urban-scape, our efforts have also translated to an estimated energy savings of \$36.5 million for 57 of our Green Mark certified buildings between 2008 and 2014. For CDL's longstanding commitment to green building excellence, we received the inaugural BCA Built Environment Leadership Award in 2009 and the BCA Green Mark Platinum Champion Award in 2011, and we remain as the most Green Mark-accorded private developer in Singapore to date. Please refer to page 86 to 87 for the full list of CDL's Green Mark awarded properties.

Retrofitting Existing Buildings

New developments aside, CDL has also set the pace for greening existing buildings. Over the past few years, we retrofitted several of our commercial buildings by upgrading chiller plants, introducing motion sensors, and replacing energy-efficient lighting and recladding façades. On average, this yielded an estimated annual energy savings of close to 14 million kWh which is equivalent to almost

⁸ Source: Snippets of 3rd Green Building Masterplan: Featuring the Business Case for Green Buildings

\$3.6 million in 2014. In fact, seven out of the 12 Green Mark Platinum awards in 2014 were for existing buildings that demonstrated improved environmental performance during the re-certification process.

Delivering Quality Spaces

The quality of our developments determines how well we perform in the marketplace. We recognise that each property purchase is a significant investment to our customers and we make it a priority to deliver innovative green designs, high standards of workmanship and buildability, without compromising on functionality or price.

Established in 1989, the BCA Construction Quality Assessment System (CONQUAS)⁹ has been the industry benchmark for quality and workmanship of construction projects in Singapore. Although it is not mandatory for private sector projects to subscribe to CONQUAS, CDL has consistently submitted all our projects for assessment since the inception of the system. Our commitment to the highest quality standards was evident with 368 Thomson. Completed in 2014, the development clinched the top score of 98.9 and was the first project under the CONQUAS 8th Edition to be awarded the CONQUAS STAR¹⁰ rating. Seven out of the top 10 private sector residential projects in the CONQUAS ranking were developed by CDL.

For two years in a row, CDL has also been accorded BCA's top honours of the Quality Excellence Award – Quality Champion (Platinum) for our sustained leadership and commitment to delivering quality homes. We are the only developer to have achieved this highest tier of accolade.

Investing in Resource-efficient Technologies

Singapore's built sector consumes up to 38% of the nation's electricity¹¹ and employs close to 322,000 foreign workers¹². To meet the challenges of skilled labour shortage and the rising cost of resources, CDL has invested in greener and more productive methods of building.

For over a decade, CDL has been investing 2% to 5% of a new development's construction cost on eco-friendly designs and sustainable construction methods such as drywalls and Prefabricated Bathroom Units (PBUs)¹³. The use of PBUs improves construction productivity by up to 80% when compared with conventional bathroom construction methods and reduces construction waste while improving water tightness of the bathrooms. To date, CDL has installed more than 10,000 PBUs in our residential developments.

In October 2014, CDL announced that we would be the first developer in Asia to apply advanced construction technology, Prefabricated Prefinished Volumetric Construction (PPVC)¹⁴, for a large-scale residential development with 638 apartment units. Likely the largest application of PPVC of its kind in the world, over 5,000 building modules will be used to build CDL's upcoming Executive Condominium at Canberra Drive in Sembawang, Singapore. Apart from mitigating environmental impact onsite, this technology is expected to raise construction productivity by over 40%, saving some 55,000 man days.

In another remarkable feat, our Tree House condominium achieved a Guinness World Record for the largest vertical garden in April 2014.

⁹ CONQUAS assessment is compulsory for all public sector building projects with contract sum above \$5 million under the Bonus Scheme for Construction Quality (BSCQ) and private projects with CONQUAS requirement under URA/SLA/HDB/JTC land sale agreement. It is voluntary for all other private sector building projects. Source: www.bca.gov.sg

¹⁰ BCA CONQUAS STAR is accorded to a project that has attained a CONQUAS score of at least 95 points.

¹¹ Source: BCA Energy Building Benchmarking Report 2014

¹² Source: Ministry of Manpower (MOM) foreign workforce statistics, as at December 2014

¹³ PBUs are completed bathroom units preassembled off-site before installing in position onsite. Source: www.bca.gov.sg

¹⁴ PPVC are building modules that are made of multiple units complete with internal finishes, fixtures and fittings which are manufactured in factories before installation onsite in a lego-like manner. Source: www.bca.gov.sg

CASE STUDY

TREE HOUSE CONDOMINIUM – WORLD'S LARGEST VERTICAL GARDEN

A BCA Green Mark Platinum award-winning development, Tree House is a 429-unit eco-inspired condominium comprising four 24-storey towers and a vertical garden measuring 2,289 m². Approximately 2.7% of the total construction cost was invested in green innovations, which has translated into an estimated annual energy savings of over 2.4 million kWh and water savings of 30,000 m³. By reducing heat absorption, the 24-storey, 2,289 m² vertical garden is estimated to achieve air-conditioning energy savings of between 15% and 30%.

GREEN FEATURES

BENEFITS

Designed for Energy Efficiency

- Energy-efficient inverter air-conditioning (NEA energy label with four ticks) and gas heaters for all apartments
- Heat-reducing laminated green tinted windows
- Lifts with Variable Voltage and Variable Frequency motor drive and sleep mode programming
- Motion sensors at staircases that will activate lights automatically
- T5 and LED lighting for common areas, lobbies and car parks

- Energy savings from the energy efficient air-conditioners
- Reduction of external heat gain

Designed for Water Efficiency

- Installation of water-efficient sanitary fixtures and fittings (with Water Efficiency Labelling Scheme) such as tap fittings, shower mixers and water closets
- Use of water sub-meters to monitor water usage for key common areas
- Rainwater harvesting system for irrigation of landscape

- Water savings
- Water usage is monitored to help reduce wastage

Designed for Good Indoor Environmental Quality and Environmental Protection

- Construction of vertical garden (extended to the west façade) that will act as bioshading device
- Use of low formaldehyde adhesive for woodworks such as wardrobes, doors and kitchen cabinets
- Use of low Volatile Organic Compound (VOC) paints for all internal walls and ceilings

- Cools the environment and reduces the estate's carbon footprints by filtering pollutants and carbon dioxide from the air
- Improves air quality

Design Innovation and Other Green Features

- Dual-chute pneumatic waste collection system (for the segregation of domestic and recyclable waste)
- Takes advantage of the site's naturally sloping terrain by introducing bioswales¹⁵ that aid in the collection of rainwater for landscape irrigation purposes
- Construction of green sky gardens at the 7th, 13th and 19th storeys of each block to create fresh and healthy living spaces

- Encourages recycling to protect the environment
- Treats surface runoff water by cleansing and filtration of pollutants before being used for other purposes

¹⁵ Bioswales are densely vegetated open channels constructed with gentle slopes to allow runoff to be filtered and directed for re-use or to public drains. Bioswales help to slow down the flow further and reduce the amount of storm water runoff.

Product Differentiation through Universal Design

While Universal Design is not mandatory, CDL continues to embed the principle of “designing for all people” into all our projects, above the minimum requirements specified in the Code of Barrier-Free Accessibility by BCA. Our commitment to Universal Design can be found on page 42.

In 2014, CDL’s Cube 8 and NV Residences were recognised with the BCA Universal Design Mark Gold^{PLUS} Award for imbuing user-centric philosophy into design, operations and maintenance. As of December 2014, CDL has amassed 19 BCA Universal Design Mark awards, earning us the distinction as the most BCA Universal Design Mark-awarded developer in Singapore.

Smart-Homes for a Smart Nation

Ahead of Singapore’s aspiration to become the world’s first smart nation, CDL has embarked on smart-home solutions back in 2001 with the introduction of the innovative i-Home concept for The Equatorial residential development, which is intelligent, interactive and internet-ready. Over the years, we have continued to incorporate smart-home features in our developments, creating living spaces that cater to future lifestyle aspects such as energy, security, mobility and healthcare needs.

Below are some smart-home solutions incorporated into our latest developments.

Echelon – Home Energy Monitoring System (HEMS)

The Echelon condominium, currently under development, will have a smart solution called the Home Energy Management System (HEMS).

We successfully prototyped and introduced this first-of-its-kind HEMS in collaboration with Daiwa House from Japan. The HEMS is capable of home energy usage monitoring, and controls air-conditioners and lighting usage via hand-held smart devices like iPads. It will offer convenience to home users who can programme and set alerts that are triggered via email or sms if the pre-determined energy usage limit is exceeded.

H₂O Residences – Digital Smart Signage

CDL has piloted Digital Smart Signage in place of traditional notice boards in the lift lobbies and club house of H₂O Residences, which will receive Temporary Occupation Permit (TOP) in 2015. Digital Smart Signage offers easy content management and broadcasting of important estate messages instantly via multimedia.

Looking Ahead

We will continue to build on the solid foundation of our brand and products to improve the performance of our properties and strengthen our manufactured capital for homebuyers and tenants. BCA’s Green Mark Version 5 for new projects, to be released in late 2015, will be developed with advancements in climatic responsive passive design. As an advocate of sustainable development best practices, CDL will align the design and development of our properties with principles of smart building management and resource efficiency, and will look into further implementation of clean energy and sustainable technologies.

As highlighted in the Sustainable Singapore Blueprint 2015 and BCA’s 3rd Green Building Masterplan, greater emphasis will be placed on user-centricity to address the quality of the indoor environment, health, comfort and well-being of users and occupants. Focusing on occupant behaviour, CDL will engage and partner our tenants and homebuyers through enhanced outreach efforts on responsible consumption and the promotion of eco-friendly lifestyles.

Organisational Capital

Leadership and Culture

In line with CDL's strategy to bring fresh perspectives to address a rapidly changing and competitive business landscape and to be less Singapore-centric, we announced several new appointments to our Senior Management Team (SMT) in 2014. These included a Deputy Chairman, Chief Executive Officer (CEO), Chief Investment Officer, Chief Strategy Officer, Chief Sustainability Officer and Chief Marketing Officer, to strengthen and deepen the expertise of the management team as the Company focuses on setting up synergistic platforms to capitalise on growth markets overseas and for risk diversification.

Communicating Within

Aligning our corporate culture and employees' commitment with the Company's strategic goals is key to our business sustainability. As such, we make it a point to provide employees with a clear direction through regular communication and review of processes at all levels. Our senior management and Heads of Departments (HODs), who are highly involved in setting the direction, meet regularly to look into key issues. Our review and communication processes include:

- Weekly SMT Meetings to discuss and review strategic initiatives.
- Monthly HOD Meetings for operational updates and senior leaders' directions on operational initiatives.
- Quarterly Business Operations Meetings where frontline HODs review operational issues.
- Quarterly Risk Management Committee (RMC) Meetings chaired by our CEO and attended by members of SMT and HODs who are in charge of the strategic risks of the Company to provide risk management updates, guidance and reporting of key risk issues. The RMC also reports quarterly to the Board Audit and Risk Committee (ARC).
- Regular taskforce meetings chaired by our CEO/ Group General Manager/ Chiefs on matters such as CSR, risk management and ISO 14001.

- Previous Meet-the-Managing Director sessions were replaced by CEO staff dialogues where our CEO receives feedback from staff and shares top management's vision for CDL.
- Staff events throughout the year where top management communicates business directions and challenges, celebrates good results and addresses employees' queries.
- A structured induction programme where HODs brief new hires on their respective departments, and the Human Resources (HR) department shares on CDL's organisation profile, Vision, Mission and Values (VMV).
- Our intranet, CDL360, is an employee communications platform for CDL's VMV, Code of Business Conduct and Ethics, company policies, news about CDL, CSR information and Company-wide announcements.

We recognise that organisational capital is intangible and it may not be meaningful to quantify its performance. However, where applicable, we have strived to align our policies and practices to best-in-class, international and national standards including:

- ISO 9001 – Quality Management
- ISO 14001 – Environmental Management
- ISO 26000 – Guidance on Social Responsibility
- ISO 50001 – Energy Management Systems
- OHSAS 18001 – Occupational Health and Safety Management
- Global 100 Most Sustainable Corporations in the World
- FTSE4Good Index Series
- Dow Jones Sustainability Indices
- MSCI Environmental, Social and Governance (ESG) Indices
- Global Real Estate Sustainability Benchmark (GRESB)
- Channel NewsAsia Sustainability Ranking

As part of continuous improvement, our CEO conducted a workshop in August 2014 with the SMT and key HODs to review CDL's business directions. The team

identified new goals, discussed changes to CDL's VMV, and brainstormed on the critical success factors and challenges for our business. With inputs from our management, an employee taskforce involving a group of high potential employees and the Branding & Strategic Marketing team took on the task of rebranding CDL's VMV. Employee focus group sessions reviewed the relevance of current VMV and identified gaps.

Such structures and processes not only build institutional knowledge, but also facilitate continuous improvement to achieve a critical advantage in an increasingly competitive and challenging industry.

Corporate Governance

CDL is committed to maintaining good corporate governance and business integrity in all its business activities.

To demonstrate its commitment to uphold the highest standards of corporate governance, CDL has joined the Securities Investors Association (Singapore) ("SIAS") and its partners since 2010 in making the following public Statement of Support, which was reiterated at the 5th Singapore Corporate Governance Week 2014 (organised by the SIAS) in October 2014:

"As an Organisation, we are committed to upholding high standards of corporate governance to enhance shareholder value. We believe practising good corporate governance is central to the health and stability of our financial markets and economy."

At the Singapore Corporate Awards 2014, CDL was conferred the Bronze award for Best Investor Relations for companies with market capitalisation of \$1 billion and above. The Singapore Corporate Awards, organised by the Institute of Singapore Chartered Accountants, Singapore Institute of Directors and The Business

Times, recognises the commitment of listed companies and individuals to the highest levels of corporate governance and disclosure standards.

CDL's corporate governance practices are set out in CDL's 2014 Annual Report with specific reference to the principles and guidelines of the Code of Corporate Governance 2012 (2012 Code). Where the Company's practices differ from the recommendations under the 2012 Code, the Company's position in respect of the same is also set out in the Annual Report.

Board Matters

- Principle 1:** The Board's Conduct of Affairs
- Principle 2:** Board Composition and Guidance
- Principle 3:** Chairman and CEO
- Principle 4:** Board Membership
- Principle 5:** Board Performance
- Principle 6:** Access to Information

Remuneration Matters

- Principle 7:** Procedures for Developing Remuneration Policies
- Principle 8:** Level and Mix of Remuneration
- Principle 9:** Disclosure of Remuneration

Accountability and Audit

- Principle 10:** Accountability
- Principle 11:** Risk Management and Internal Controls
- Principle 12:** Audit & Risk Committee (ARC)
- Principle 13:** Internal Audit (IA)

Communication with Shareholders

- Principle 14:** Shareholder Rights
- Principle 15:** Communication with Shareholders
- Principle 16:** Conduct of Shareholder Meetings

For the full Corporate Governance Report, please refer to the CDL Annual Report 2014 at www.cdl.com.sg/annualreport2014, pages 32 to 55.

Corporate Values and Conduct of Business

The Board and Senior Management are committed to conducting business with integrity, consistent with high standards of business ethics, and in compliance with all applicable laws and regulatory requirements. This shapes a culture of responsibility among employees, with a system of checks and balances at all levels of the organisation.

CDL has an internal Code of Business Conduct and Ethics crystallising the Company's business principles and practices with respect to matters which may have ethical implications. The Code provides a communicable and understandable framework for employees to observe the Company's principles such as honesty, integrity, responsibility and accountability at all levels of the organisation and in their dealings and relationships with customers, suppliers and colleagues. Employees can easily access the Code on CDL's intranet.

The Code provides guidance on issues such as:

- Conflicts of interest and the appropriate disclosures to be made
- The Company's stance against corruption and bribery
- Compliance with applicable laws and regulations including those relating to the protection of the environment and conservation of energy and natural resources
- Compliance with the Company's policies and procedures, including those on internal controls and accounting
- Safeguarding and proper use of the Company's assets, confidential information and intellectual property rights, including the respect of intellectual property rights of third parties
- Competition and fair dealing in the conduct of the Company's business in its relationship with customers, suppliers, competitors and colleagues

In line with the Board's commitment to maintain high ethical standards which are integral to our corporate identity and business, CDL also has policies and

guidelines on corruption, fraud and competition, which are available on the Company's intranet. The Anti-corruption, Fraud and Competition policies and guidelines have also been disseminated to employees of CDL's key subsidiaries.

Anti-corruption Policy and Guidelines

This set of Policy and Guidelines spell out the responsibilities of CDL's companies and each employee in observing and upholding the Company's "zero-tolerance" for all forms of corruption, bribery and extortion. It provides employees with information and guidance on how to recognise, address, resolve, avoid and prevent corruption, bribery and extortion which may arise in the course of their work.

Fraud Policy and Guidelines

CDL provides guidance on actions which may constitute fraudulent conduct and highlights the importance of the implementation, maintenance and compliance with the Company's internal controls framework, and its policies and procedures.

Competition Policy and Guidelines

This framework guides employees to compete fairly and ethically in conducting business in all markets, and provides direction and advice on employees' relationships and communication with competitors and customers.

Whistle-blowing Policy

CDL has a whistle-blowing procedure which enables employees and other persons to raise in confidence, whether anonymously or otherwise, concerns on possible improprieties relating to accounting, financial reporting, internal controls, auditing matters or other matters, without fear of reprisal in any form. The ARC has the responsibility of overseeing this Policy, which is administered with the assistance of the Head of IA. Under these procedures, arrangements are in place for independent investigation and for appropriate follow-up action to be taken.

To facilitate and encourage the reporting of such matters, the Whistle-blowing policy together with the dedicated whistle-blowing communication channels (email and postal address as well as telephone contact numbers) are available on the Company's website and intranet and is easily accessible by all employees and other persons.

Toll-free lines for callers from Singapore, China and Thailand are now available. Direct email channels to the Board Chairman, CEO and ARC Chairman were also established for reports involving any Director, Senior Management and the Head of IA.

Internal Code on Dealings in Securities

CDL has an internal code on securities trading which highlights the implications of insider trading, and provides guidance and internal regulation on dealings in the Company's securities by our Directors and officers. These guidelines prohibit dealing in the Company's securities (a) on short-term considerations, (b) while in possession of unpublished material and price-sensitive information in relation to such securities, and (c) during the "closed period", which is defined as two weeks before the date of announcement of results for the first, second and third quarter of the Company's financial year and one month before the date of announcement of the full-year financial results, and ending on the date of the announcement of the relevant results. CDL's Directors and employees are notified in advance of the commencement of each "closed period" relating to dealing in the Company's securities. The internal code on securities trading is available on CDL's intranet and is easily accessible by employees.

Ethical Management

CDL had zero incidents of anti-competitive behaviour, fraud and monopoly practices within the Company in 2014. There were also no incidents of corruption or non-compliance with laws and regulations for which significant fines or non-monetary sanctions were issued to the Company. In addition, there have not been any reported incidents of non-compliance with the Singapore Code of Advertising Practice.

Risk Management

Risk management continues to play an important part in the Company's business activities and is an essential component of its planning process. The Board has overall responsibility to ensure that the Company has the capability and necessary framework to manage risks in new and existing businesses and that business plans and strategies accord with the risk appetite that the Company undertakes to achieve its corporate objectives. To assist the Board in its risk management oversight, the ARC has been authorised by the Board to provide oversight and review on matters relating to the risk management policies and systems of the Company.

The ARC's risk management function is assisted by a RMC, whose members comprise Senior Management and the Heads of Divisions, Business Units and Corporate Functions. The RMC is responsible for ensuring the effectiveness of the risk management framework of the Company, the objective of which is to provide an enterprise-wide view of the risks involved in property investment, development and management activities and a systematic risk assessment methodology for the identification, assessment, management and reporting of such risks on a consistent and reliable basis. The RMC is mandated to focus on key strategic risks whilst also ensuring that the business units are responsible for the day-to-day tracking, monitoring and control of risks within their operations.

Since 2013, an Enterprise Risk Management (ERM) function has been established to provide the RMC with the quarterly status of the key strategic risks, assessment of key risk exposures and any new emerging risks that may require mitigations. The ERM function also assists the RMC to report quarterly to the ARC on the overall strategic and operational risks positions, including mitigating measures, treatment plans and the occurrence or potential occurrence of significant risk events.

The RMC has established a formal risk management framework. This framework provides the Company

with a structured and consistent process for the identification, assessment, evaluation, monitoring and reporting of risks. In 2014, the Company's strategic risks were reviewed so that the Company's risk profile remains relevant to the business environment and organisational structure. At that review, besides the strategic risks arising from macro, market, regulatory, media and operational exposures, the RMC also identified fraud and corruption as well as ineffective Environmental, Health and Safety (EHS) management as two of the top strategic risks which are also considered ESG concerns to the business. The risk governance structure of the Company is regularly reviewed against international standards and best practices in risk management. The Company recognises that the risk management process is an ongoing process and aims under its risk governance structure to continually to look for ways to improve in the following areas:

- Increase monitoring and control capabilities in its review of significant strategic business risks;
- Review the effectiveness of the systems of internal controls to limit, mitigate, manage and monitor identified risks;
- Ensure that the operating systems deliver adequate and timely information required for effective risk management;
- Build on and integrate into its existing governance and management systems the appropriate tools for effective management of strategic business risks which are reflective of changes in markets, products and emerging best practices, and
- Embed risk management process into our culture and all our business operations.

The Company strongly believes that the most senior executive in the company sets the "tone from the top" towards risk management and instills an effective risk culture. This is crucial for the success of the risk management framework at the operational and strategic levels. To reinforce the desired risk culture and to promote accountability and ownership at all levels, Management and employees are engaged regularly on risk management related activities such as risk identification and assessment workshops, topical talks by external consultants as well as Control Self-Assessment (CSA) exercises.

CDL's risk management framework has categorised our risk into the following main risk types:

Operational Risks

The risk management process is progressively integrated into the operational levels, with the respective management at divisions and departments being responsible for identifying, assessing, mitigating and managing the operational risks within each of their functional areas. The implementation and use of a system of internal controls, and operating, reporting and monitoring processes and procedures (including processes involving due diligence and collation of market intelligence and feedback), supported by information technology systems and constant development of human resource skills through recruitment and training, are important elements of the risk management process, to mitigate risks relating to product and service quality assurance management, costs control management, design and product innovation, market intelligence, marketing/sales and leasing management, financial control management and regulatory compliances in the Company's operations. Since 2013, the Company has implemented a CSA programme to infuse a greater sense of ownership and accountability in managing risks in the operating divisions. This programme will augment independent audits by the IA team and will add assurance to our Senior Management and the Board that operational risks are being effectively and adequately managed and controlled. The Company is also in the process of developing tailored CSA programmes for its key subsidiaries to further enhance risk awareness, "buy-in" and accountability at our subsidiaries.

Investment and Portfolio Risks

Risk evaluation forms an integral aspect of the Company's investment strategy. Balancing risk and return across asset types and geographic regions are primary considerations to achieve continued corporate profitability and portfolio growth. This risk assessment includes macro and project specific risks analysis encompassing rigorous due diligence, feasibility studies and sensitivity analysis on key investment assumptions and variables.

Each investment proposal is objectively evaluated to fit the corporate strategy and investment objective. Potential business synergies including collaboration risks assessments are identified early to ensure business partnership objectives and visions are well-aligned and collaboration partners are like-minded and compatible.

Treasury and Financial Risks

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and market risk, as well as interest rate risk and foreign currency risk.

The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. It is, and has been throughout the current and previous financial year, the Group's policy that no derivatives shall be undertaken for speculative purposes except for use as hedging instruments where appropriate and cost efficient.

Human Resource (HR) Risks

The Company recognises HR as an important contributing factor towards the stable growth of the Company. Efforts are taken to enhance the processes for recruitment, remuneration, training and development of employees.

Identification, development and retention of talents are key areas for HR risk management. Leadership development programmes are in place to groom talents and ensure smooth succession planning for key positions. Enhancement of the Performance Appraisal system, coupled with career development and training programmes, are part of the Company's HR strategy to improve feedback and work performance, level up competencies and increase employees' commitment. To further improve staff

retention, the management also supports work-life harmony programmes and family-friendly policies as part of its efforts to help employees achieve a balanced life between work and family and at the same time create a quality workplace.

Crisis Risks

Operating in an environment with potential threats of terrorism, epidemic outbreaks and information systems failure, the management has put in place a company-wide Business Continuity Plan (BCP) to mitigate the risks of interruption and catastrophic loss to its operations and information database arising from such potential threats.

The RMC is responsible for overseeing the maintenance of the BCP. Procedures and processes of the BCP include identification of alternate recovery centres, operational procedures to enable communication, continuity of critical business functions and recovery of database in the event of a crisis incident. Periodic incident management drills are conducted to familiarise employees with the emergency response plans of the Company. The plans to carry out periodic tests on BCP, results of the tests, as well as recommendations and corrective actions are reviewed by the RMC annually and reported to the ARC. Further enhancement during the year included the alignment of corporate BCP to various operating departments' emergency procedures. Action plans have been put in place to ensure newly established business units are equipped with the respective BCPs to meet their needs.

Information Technology (IT) Risks

The Company has maintained an uncompromising stand on information availability, control and governance, as well as data security. Over the years, it has adopted a multi-pronged approach to effectively manage our information risks. Up-to-date information security policies are implemented and enforced company-wide. High availability and resilience are built into all critical information systems. Its enterprise IT systems and infrastructures are constantly monitored to proactively identify and mitigate risks. IT disaster recovery exercises are carried out regularly to

ensure uptime business recovery objectives are met. Since 2013, an IT risk management framework has also been established to formalise risk governance, approach and assessment of IT related risks and has been implemented progressively across the Company. At the employee level, information security materials are put in place to educate employees of the prevailing risks when handling corporate data. Finally, to ensure effective IT risk management, external auditors are engaged annually to review and enhance the Company's IT risk posture.

Environmental, Health and Safety (EHS) Risks

As a developer with extensive operations, strategic and concerted efforts have been put in to mitigate the impact of the Company's operations on the environment and to reduce the workplace safety and health risks. The Company's EHS Policy (established in 2003) sets the strategic direction for all departments, employees and stakeholders to take practical effort to ensure effective EHS management in its operations.

To manage its EHS risks, the Company has since 2003 integrated an EHS Management System within its operations, certified to the ISO 14001 Environmental Management System and OHSAS 18001 Occupational Health and Safety Management System, and audited on an annual basis.

Through this system, the Company identifies its key EHS hazards, determining the risk level based on a quantitative risk assessment technique consisting of the likelihood of the occurrence and severity of the impact. Control measures are promptly applied to mitigate all significant EHS risks. This involves setting objectives and targets, establishing programmes and/or putting in place work procedures and work instructions.

The guiding principle in EHS risk management is to follow the hierarchy of control, starting with elimination, and then moving to substitution, isolation, use of engineering control, use of administrative control and last of all, use of personal protective equipment.

The Company's EHS targets and performance are measured and reviewed by the Management Representatives and audited annually by internal and external auditors. Irregularities and possible deviations are identified for prompt rectification and continual improvement.

M&C

The risk management activity of M&C, the Group's hotel arm, is directed by its Global Management Committee, led by its Group Chief Executive Officer (GCEO). The GCEO and members of the Global Management Committee undertake regular reviews of (i) the risk registers, compiled and updated to map the nature of the risks relative to their likelihood of occurrence, severity and associated trends, and (ii) the progress of the risk treatment plans devised to eliminate, minimise or transfer risks. The Board of Directors of M&C has overall responsibility for the risk management processes of the M&C Group and for ensuring that its risks are managed appropriately and, either directly or through the ARC of M&C, reviews the effectiveness of the M&C Group's risk management processes and other internal controls. Information on M&C's principal risks can be found in its most recent annual report and accounts.

In respect of EHS, M&C's UK region has published and launched health and safety management policies and procedures certified to OHSAS 18001 (externally audited by the British Standards Institution). The management of M&C's European region is currently in the process of rolling out across the remaining UK hotels a system which is designed to ensure robust and comprehensive risk assessment and recognition across the business. These efforts are being supported by new compliance management software resulting in tighter control of statutory/mandatory activities, inspections and creation of audit trails.

Whilst M&C continually assesses its environmental impact and actively seeks ways to reduce it through improvements in its hotels' operating infrastructure and by improving work practices, the management team also works with its suppliers to minimise the environmental impact of their activities. Environmental performance is being integrated into the operational

objectives of the hotel teams, a key requirement of the ISO 14001 management system certification, also attained through external audit from the British Standards Institution. The M&C Group has been producing a global carbon footprint for all of its owned and managed properties since 2010 and each year a summary of results is included within its annual report and accounts.

Moving Forward

Despite best efforts, the Company recognises that risks cannot be eliminated but can only be managed to acceptable levels. Nevertheless, the Company commits to continuously refine and improve its risk management framework, systems and processes to ensure that risks are being well managed and monitored throughout the organisation, in order to thrive in the increasingly dynamic and changing business environment of today.

Policies and Commitments

CDL is committed to upholding business integrity and responsible practices in all our business activities. Our policy framework provides guiding principles on business conduct and ethics embraced by all employees, and establishes the Company's strategy for ensuring a sustainable business.

Employers' Pledge of Fair Employment Practices

CDL is a signatory of the Employers' Pledge of Fair Employment Practices with the Tripartite Alliance for Fair Employment Practices (TAFEP). TAFEP works with employer organisations, unions and the Government to create awareness and facilitate the adoption of fair employment practices. The alliance is co-chaired by representing employer unions and National Trades Union Congress.

Pledge for Zero – A CEO Commitment Charter

CDL is a founding signatory of the "Pledge for Zero – A CEO Commitment Charter", which was launched at the inaugural Construction CEO Summit organised by the Workplace Safety and Health Council in November 2008. CDL adopted the pledge and committed to establish a zero-injury workplace. In 2010, CDL invited our builders and consultants to sign the pledge and collectively commit to raising EHS standards at our construction sites in Singapore. The commitment was renewed at the 10th Anniversary of CDL's annual EHS Awards in 2014.

Corporate Statement on Human Rights

CDL's commitment to CSR includes the advocacy of human rights. Conscious of the specific areas in which we can make positive contributions, we recognise the need to look at the broader Singapore context and keep in mind the priorities and challenges of the industry. While CDL understands that the Company can only act within the scope of our core business activities, we ensure that the direction and outcome of our actions are constantly monitored and improved.

In doing so, CDL:

- Embraces diversity and inclusivity at the workplace and appreciates contributions by all employees
- Provides just and favourable work conditions in a fair manner
- Supports the right to work and recognises that job creation and protection are fundamental business responsibilities
- Strives to work with builders in protecting the rights of foreign workers they hire

Universal Design Policy

CDL develops a wide range of properties from mass market executive condominiums to luxury homes. Regardless of property type, we believe that sustainability can be a differentiator with buildings being resource-efficient, both in construction and

operation. We continue to embed the principles of Universal Design – “design for all people” into all of our projects, over and above the mandatory requirements specified in the Code of Barrier-Free Accessibility by BCA.

Our design brief includes features that encourage community-building and social integration. Our Universal Design Policy, which is endorsed by CDL’s top management, provides the Company with a framework to achieve our objective of creating an inclusive built environment mindful of developing buildings that respond to differing customer needs.



Ethical Marketing Practices

Since 2000, we have developed a set of internal procedures and an operations manual for marketing and leasing. These are reviewed annually to reflect developments in marketing, technology, regulation and stakeholder expectations.

Marketing collaterals produced by CDL are compliant with the Singapore Code of Advertising Practice administered by the Advertising Standards Authority of Singapore, which is an Advisory Council to the Consumers Association of Singapore. This self-regulatory code of conduct for advertisers has been endorsed by organisations representing advertisers, advertising agencies and media.

CDL also ensures that our marketing practices comply with the Urban Redevelopment Authority’s Housing Developers Rules (HDR). The HDR seeks to enhance transparency in the real estate industry, enabling homebuyers to make better informed decisions when buying a home.

Ethical Management

All employees are provided with training on the Code of Business Conduct and Ethics and related policies on Anti-corruption, Fraud and Competition. Policies have also been disseminated to employees of CDL’s key subsidiaries.

Communication channels to CDL Ethics Officer:

36 Robinson Road
#19-01 City House
Singapore 068877
Email: cdl.ethics.hotline@cdl.com.sg
Toll-Free Number (Singapore): 1-800-226-1706

Personal Data Policy

CDL’s Personal Data Policy serves to inform our stakeholders of how CDL manages personal data in compliance to the Singapore Personal Data Protection Act (No. 26 of 2012). Customers can get in touch with our Data Protection Officer on the following:

- Any questions, complaints or feedback relating to their Personal Data or our Personal Data Policy;
- To withdraw their consent to our use of their Personal Data as set out in our Personal Data Policy; or
- To obtain access and/or make corrections to their Personal Data records under our control or in our possession.

Communication channels to CDL Data Protection Officer:

36 Robinson Road
#20-01 City House
Singapore 068877
Email: personaldata@cdl.com.sg
Phone: (65) 6877 8228

EHS Policy

CDL's corporate EHS Policy reflects our commitment towards a "Safe and Green" culture. The Policy includes Key Performance Indicators for departments contributing to our EHS performance. This ensures that we achieve a consistently high EHS standard across the organisation.

Corporate EHS Policy
(Since 2003)

City Developments Limited (CDL) is committed to being a socially responsible and environmentally friendly organisation that advocates a "Safe and Green" corporate culture. In this regard, the Projects and Property divisions as well as all supporting departments shall take every practical effort to ensure effective Environmental, Health and Safety (EHS) management in its operations.

CDL cares for the environment and its stakeholders. We will continually strive towards conserving resources and preventing pollution. We are also committed to preventing workplace injuries and illnesses, and promoting healthy living at our workplace.

The CDL Management shall ensure compliance to legal requirements and evaluate our EHS performance periodically to strive towards continual improvements in our operations.



Kwok Leng Joo
Deputy Chairman
City Developments Limited

Revised on 17 February 2014

Climate Change Policy

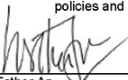
CDL supports Singapore's national carbon target of reducing its greenhouse gas emission by some 16% below Business-As-Usual levels by 2020, contingent on a legally binding agreement in which all countries implement their commitments in good faith. Based on existing procedures and policies demonstrating our commitment to mitigating climate change, a Climate Change Policy was formalised on 3 March 2015.

Climate Change Policy

The threat of climate change is real. As Singapore's property pioneer and leading green developer, CDL recognises the crucial role it has to play in mitigating the effects of climate change. In line with our corporate social responsibility strategy and our commitment to "Conserve as We Construct" since 1995, we are dedicated to achieving low carbon operations with reduction targets set at 22% in 2020 and 25% in 2030. Recognising that a sizeable proportion of our carbon footprint lies outside our business operations and direct control, we actively engage our supply chain and stakeholders to mitigate climate impact and to add value to the communities in which we operate.

At CDL, we are committed to not only minimising the environmental impact of our business operations, but also to changing mindsets and promoting environmental conservation amongst the community. Our efforts to mitigate climate change include:

- **Reducing** energy consumption through energy-efficient fixtures, green building design and renewable energy adoption
- **Adopting** sustainable materials and methods to reduce material waste and the use of natural resources
- **Tracking, reporting and managing** all aspects of our sustainability performance in our core business
- **Advocating** responsible practices along our supply chain and amongst internal and external stakeholders
- **Partnering** industry players and policy makers to develop policies and innovations for sustainable building



Esther An
Chief Sustainability Officer
City Developments Limited

03 March 2015

Green Procurement Policy

Reflecting our belief in reduced or more efficient use of resources, we have a set of Green Procurement Guidelines on the selection of vendors and suppliers at our Corporate Office. The guidelines include:

- Sharing the corporate EHS Policy with new vendors and suppliers
- Indicating preference for use of eco-friendly/ recycled materials and products
- Indicating preference for ISO 14001 certified vendors
- Declaring the use of eco-friendly/ recycled paper in printed materials

All our policies and guidelines are available on the Company's intranet and corporate website.

CDL
FUTURE
VALUE 2.0

**EMPOWERING
PEOPLE FOR
A BETTER
TOMORROW**

Social and Relationship Capital

We view social and relationship capital as the sum of our trust-based networks and the goodwill forged with our stakeholders through the course of our business activities. While it is inherently challenging to build trust and goodwill, we consistently engage our stakeholders through various meetings and surveys where they can communicate their views and concerns.

Understanding the needs of our diverse stakeholders is critical as it underscores our capacity to mobilise resources effectively and enhance organisational and market performance. In the long-term, this enables us to deliver value more effectively and strengthens our social licence to operate. For this reason, we invest considerable resources in building strategic collaborations with the Public, Private and People (3P) sectors, to create a positive impact on the community.

We define our stakeholders as groups that our business has a significant impact on and those with a vested interest in our operations.

Our key stakeholders include employees, customers, business associates, builders and suppliers, and the local community. Other groups include regulators and key government agencies, non-governmental organisations (NGOs), representatives of the capital market and the media. They are mapped into groups based on their impact on the Company as detailed on page 19.

As part of CDL's materiality assessment conducted in 2014, we identified and engaged about 30 stakeholders to understand the material issues of CDL that are of concern to them. Details of the materiality assessment can be found on page 18 to 21.

In addition, through the various engagement platforms that we have established, we seek to understand our stakeholders' views, communicate effectively with them and respond to their concerns. Stakeholders' issues of interest are outlined on the next page.

Stakeholder Issues of Interest

STAKEHOLDER GROUPS	ENGAGEMENT PLATFORMS	ISSUES RAISED	ADDRESSED IN OUR SUSTAINABILITY REPORT
Employees	<ul style="list-style-type: none"> • Regular dialogue sessions with Senior Management • CDL 360 – Company intranet • Daily news bulletin • Staff Connect (SC) an inter-department committee that organises company-wide activities to foster work-life balance and reinforce team spirit • Frequent employee activities • Employee volunteering platform – City Sunshine Club (CSC) • Biennial Employee Engagement Survey • Five-yearly review of Company Vision, Mission and Values (VMV) • Employee Assistance Programme (counselling service) and grievance platforms 	<ul style="list-style-type: none"> • Training and development opportunities • Efforts to promote work-life balance • Remuneration and benefits • Employee welfare and well-being • Employee volunteerism 	Human Capital, Social and Relationship Capital
Customers	<ul style="list-style-type: none"> • Homebuyers – Temporary Occupation Permit (TOP)¹⁶ Welcome Parties, Green Living kits • Post-TOP customer satisfaction surveys • Tenants – Project: Eco-Office kits, recycling programme, 1°C Up campaign, Green Lease Partnership Programme, green fitting out kits • Annual tenant satisfaction surveys 	<ul style="list-style-type: none"> • Workmanship • Design • Communication • Management of facilities • Customer experience • Support commitment to environmental conservation 	Social and Relationship Capital, Natural Capital
Builders and Suppliers	<ul style="list-style-type: none"> • Environmental, Health and Safety (EHS) Policy and quarterly EHS seminars • Quarterly EHS audits • Annual EHS Awards • EHS risk assessments at design and construction stages • Annual CDL EHS Cup soccer league • Design and construction vision casting • Annual vendor evaluation 	<ul style="list-style-type: none"> • Design and quality • Occupational health • Safety practices • Workers welfare and well-being • Environmental compliance 	Human Capital, Social and Relationship Capital, Natural Capital

¹⁶ In Singapore, the Commissioner of Building Control will issue the TOP to a building project when it is completed. A building can only be occupied when a Certificate of Statutory Completion or TOP is granted.

STAKEHOLDER GROUPS	ENGAGEMENT PLATFORMS	ISSUES RAISED	ADDRESSED IN OUR SUSTAINABILITY REPORT
Community	<ul style="list-style-type: none"> Public communications plan for residents within a 100 m radius of our new developments Sustainability reports Participation in external conferences/forums Corporate advertisements Consultation and sharing with academics, NGOs and business associations “Beauty of Nature” calendar series 	<ul style="list-style-type: none"> Informing the surrounding community about our development plans Collaborations to raise eco-awareness amongst the community Advocating best practices Promoting youth engagement platforms 	Social and Relationship Capital
Investors, Analysts and Media	<ul style="list-style-type: none"> Annual general meetings Biannual financial results briefings Quarterly financial results announcements Regular analyst and investor meetings Media releases and interviews Annual reports Sustainability reports Company website Project launches (as required) Timely and active response to Environmental, Social and Governance (ESG) rating agencies and analysts 	<ul style="list-style-type: none"> Growth trajectory Market diversification Risk management Corporate governance EHS-related performance Response to climate change Sustainability reporting standards Advocating green consumerism in Singapore Programmes to advocate greener occupant behaviours 	Financial Capital, Social and Relationship Capital
Government Agencies and Regulators	<ul style="list-style-type: none"> Senior Management representation on boards of various industry bodies and sustainability related public discussions Regulatory readiness to the Singapore Government’s commitment to manage carbon emissions Longstanding partner of various national programmes 	<ul style="list-style-type: none"> Green building developments Developing programmes to advocate greener occupant behaviours Advocating green consumerism in Singapore Collaborations to develop best practice toolkits 	Social and Relationship Capital

Stakeholder Engagement

Employees

Our employees are the key drivers through which organisational knowledge is shared, leadership is nurtured and innovation is embraced. These factors are key to building a sustainable competitive advantage. Consistent engagement thus forms the foundation of CDL's long-term strategy for human capital development. Our initiatives to recruit and retain employees, and develop their competencies are addressed under the Human Capital section on page 62 to 73. The following sections will focus more on our key internal staff engagement initiatives.

Regular Communication and Survey

CDL conducts an Employee Engagement Survey biennially to measure employee satisfaction and gather feedback. This provides insights into employee-related concerns. In 2013, training surfaced as an area for improvement and in response, a framework was established to identify foundational and functional competencies required by employees at all levels.

In 2013, we upgraded our Company intranet which was first launched in 2001. Named CDL 360, this interactive platform enables employees to receive and share information more promptly. Besides information such as employment terms, benefits and corporate policies, CDL 360 also features a forum for employees to discuss work-related issues and other topics of interest. A feedback channel is also available for employees to submit their suggestions to various departments for consideration.

Through regular communication sessions such as dialogue with Senior Management, Meet-the-CEO sessions and internal platforms comprising various working committees, CDL ensures that employees' views are always heard. Through the dissemination of City News, daily news bulletins, e-posters of employee activities, CSR News, audio webcasts of financial results briefings and Annual General

Meetings, as well as employee circulars, employees are informed of the Company's business developments and activities.

For more information, please refer to page 62 to 73.

Managing Employee Grievances

CDL has in place policies to address employee grievances in a prompt, fair and impartial manner. Employees are guided by the Code of Business Conduct and Ethics, and the Whistle-blowing Policy. The latter deals with and protects the confidentiality of employees who whistle-blow on the Company's accounting, financial reporting, internal controls and auditing matters.

Since 2013, our Employee Grievance Handling Policy has been enhanced to include a more comprehensive and structured three-stage procedure. Employees can escalate their grievances first to their immediate supervisor or HOD, followed by the HR Department. If the grievance is still unresolved, a Board of Inquiry consisting of the Group General Manager, a HR representative and a neutral member of Senior Management will investigate and propose a final resolution. All discussions are documented in a Grievance Lodge Form and a follow-up report.

Advocating Greener Employee Lifestyles

To promote greener habits among employees, CDL organises regular in-house environment-related talks and activities. By incorporating various lifestyle angles or a hands-on component to these sessions, employees are encouraged to adopt more eco-friendly lifestyles and mindsets for the long term.

In 2014, we registered an employee participation rate of about 40% based on attendance across activities such as an Earth Day movie screening, a terrarium workshop and a food waste talk. For greater employee outreach, CDL has begun to explore other related topics to tap on wider employee interests.

Customers

The ability to meet customer demand for our products and services determines our market share and has a direct impact on our financial viability. CDL engages homebuyers and tenants regularly to enhance mutual understanding.

Delivering Exceptional Customer Experience

CDL was the first property developer to set up an integrated customer and call centre in 2001. We believe that customers who receive a good experience from us will become advocates of our brand. For homebuyers, from the moment they step into a CDL show suite to the handover of their keys, we aim to provide the support they require to make the purchasing process a pleasant one. Customers can easily contact us through various channels, mainly the hotline, site offices and our website. Customer-specific information on the progress status of projects under construction and related correspondence are also available on a secured online platform.

There is also a structured approach to reviewing feedback and resolving complaints. Follow-up actions are then closely monitored and reviewed regularly at inter-departmental meetings.

Homebuyer Engagement Initiatives

CDL was the first private property developer to launch an environmental outreach programme for homebuyers in March 2004. Following the attainment of the development's TOP, a special Welcome Party is organised for homebuyers. The Party comprises a host of activities, including talks and exhibitions on environmental conservation.

Apart from a sneak peek of their new homes, homebuyers also receive a special Green Living Kit containing information on the eco-friendly features

of their new homes, green living tips and eco-friendly gifts. Moving forward, CDL will expand the eco-gift ideas to support the Sustainable Singapore Blueprint 2015's goals of turning Singapore into a "car-lite" and "eco-smart" city.

SPOTLIGHT

"LET'S LIVE GREEN!" OUTREACH

As a form of environmental outreach, CDL encourages homebuyers to make green lifestyle choices and adopt eco-friendly habits by presenting them with a specially-customised Green Living Kits at TOP Welcome Parties. The kit contains a book with green tips, a brochure on the eco-friendly features in their new home and how to use them, as well as a guide on green lifestyle choices like choosing energy-saving appliances. Homebuyers also enjoy a host of activities at the Welcome Party, including talks and exhibitions on environmental conservation.

In 2014, over 1,000 Green Living kits were distributed and the average satisfaction rate for the "Let's Live Green!" talks and exhibition was over 75%.

Tenant Engagement Initiatives

Based on findings of the Building and Construction Authority's (BCA) 3rd Green Building Masterplan, electricity usage by building owners and tenants accounts for 50% of electricity consumption in commercial buildings. Users have a strong impact on overall consumption. This has re-affirmed our longstanding commitment to engage our tenants.

In October 2014, CDL implemented the Green Lease Partnership Programme to support our commercial tenants in reducing their energy consumption and environmental footprint. As part of the Programme, CDL jointly developed a digital energy monitoring portal with Tuas Power to enable tenants to better control and manage their energy usage.

CDL also introduced a dedicated team of Green Lease ambassadors to guide tenants on how they can “green fit-out” their premises by using environmentally-friendly designs, materials, fittings, equipment and lighting fixtures. This includes advice on indoor greenery, energy and water conservation measures and waste management.

As of December 2014, 328 tenants or 66% of our tenants have pledged their commitment to the Programme by signing a Green Lease Memorandum of Understanding.

survey is administered at least six months after handover to measure their experience across various touch points and to solicit feedback and suggestions on project design, apartment features, as well as facilities and amenities.

Tenants at CDL’s commercial properties are also surveyed annually. Through the feedback, we can better understand customers’ expectations and to identify gaps for continual improvements. Some of our product refinement and service engagement initiatives have originated from customer feedback. For example, based on feedback from tenants of Fuji Xerox Towers and Central Mall, we refurbished the main lobbies of both buildings and upgraded the lifts at Fuji Xerox Towers in 2014. Such upgrading initiatives have helped enhance the value and marketability of the properties.

SPOTLIGHT

1°C UP PROGRAMME

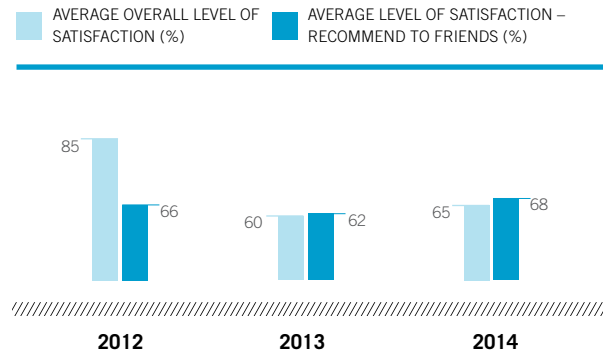
To further encourage tenants to conserve energy, we launched the 1°C Up initiative in 2007. Permission was sought from tenants to raise the air-conditioning temperature in their office by 1°C. This initiative has since become a standard Business-As-Usual practice at 12 CDL-managed buildings, keeping the indoor temperature at an average of 24°C.

Since 2009, CDL has achieved a 100% tenant participation rate.

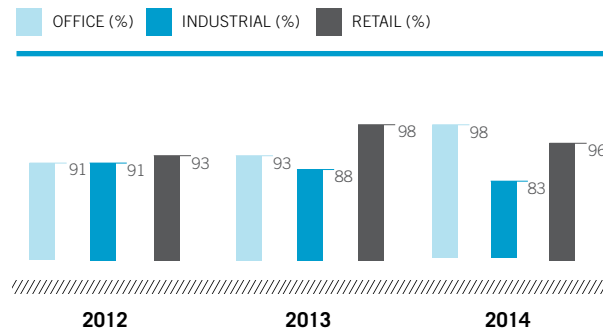
Measuring Customer Satisfaction to Improve Service Delivery

To improve our service delivery, CDL reviews customer satisfaction through formalised surveys. For homebuyers, an online customer satisfaction

HOMEBUYERS' SATISFACTION



TENANTS' SATISFACTION



In 2014, customer satisfaction surveys were conducted for four of our residential developments and close to 25% of homebuyers participated. Our homebuyers were surveyed on levels of satisfaction with their entire experience, ranging from a property's finishes and workmanship, overall construction quality, green features provided in the home, facilities and landscaping at common areas, and management of defects rectification.

The average satisfaction level amongst all homebuyers surveyed was 65% in 2014. Over the years, we have noticed that the expectations of homebuyers have increased, particularly in finishes and workmanship.

As part of the quality assurance process, homebuyers are provided with a Defects Notification Form during handover to provide feedback on defects in their unit. Defects reported are rectified within 30 days, where possible.

The progress of rectification is tracked closely and as at 31 December 2014, 80% of defects reported were rectified within 30 days. 68% of homebuyers also indicated that they would recommend CDL properties to their friends and relatives.

Apart from existing homebuyers, CDL also solicits feedback from potential homebuyers who visit our project show suites. Respondents' feedback on the quality and finishes of the show suites, apartment configuration preferences and service standards, is invaluable to our design refinement and project planning process.

Protecting Customer Privacy

CDL protects the privacy and confidentiality of our customers' information¹⁷. In addition to internal policies and procedures designed to safeguard customer information, CDL does not divulge or sell such personal information to third parties for marketing or promotional purposes. Our approach to personal data management is spelt out in the CDL Personal Data Policy which is publicly accessible on our website and outlined on page 42.

All employees are guided by CDL's Code of Business Conduct and Ethics, and the Company will mete out strict disciplinary action for any breach of customer confidentiality.

In 2014, there were zero complaints regarding breach of customer privacy or loss of customer data.

Builders and Suppliers

Given our extensive value chain, it is imperative that CDL proactively influences and engages our stakeholders including architects, builders, designers, engineers and quantity surveyors to embrace safe and environmentally-friendly designs and best practices throughout the development life cycle.

Managing EHS along the Value Chain

In 2001, CDL became the first private developer to proactively structure a comprehensive, audited and appraised approach towards EHS involving all our builders. This was achieved with our CDL 5-Star EHS Assessment System – an independent audit tool to assess, measure and improve our builders' EHS performance at our sites.

All CDL builders undergo quarterly EHS audits conducted by an independent EHS audit firm recognised by the Ministry of Manpower (MOM), and are appraised on a scale of one to five stars. The results are presented to the top management and site supervisory staff of the builders during the quarterly CDL 5-Star EHS Seminars. These seminars are a valuable platform to promote sharing of best practices and peer learning to encourage better EHS performance amongst the builders.

In 2005, the CDL 5-Star EHS Awards was introduced to recognise builders that have excelled in the CDL 5-Star EHS Assessment System over a one-year period. The Assessment System and Awards have been instrumental in influencing CDL's builders and consultants to monitor and improve their EHS performance.

¹⁷ The Personal Data Protection Act came into effect in January 2013 to protect consumers' personal data against misuse in Singapore. The Act is administered and enforced by the Personal Data Protection Commission.

The Awards comprise the CDL EHS Excellence Award, and CDL Productivity Excellence Award which was introduced in 2011 to synergise with Singapore's national productivity drive. In 2012, the inaugural CDL Workers' Welfare Award was introduced as part of our continuous efforts to align business practices with ISO 26000. In 2014, the Safe Worker Award was introduced to recognise the efforts of exemplary safety-conscious workers.

SPOTLIGHT

10TH ANNIVERSARY OF CDL 5-STAR EHS AWARDS

In 2014, we celebrated the 10th anniversary of the CDL 5-Star EHS Awards with an inaugural Safe Worker Award to recognise exemplary workers who live the safety message and inspire fellow colleagues to be more safety-conscious.

At a special event to mark the anniversary witnessed by Manpower Minister, Mr Tan Chuan-Jin and over 1,200 construction workers, nine of CDL's builders signed a pledge of commitment to uphold workers' well-being, safety and health. A finale soccer match of the CDL EHS Cup Tournament was held to promote a healthy lifestyle and foster camaraderie amongst the workers. An initiative was also announced to provide computers and free Wi-Fi at our new construction sites with onsite workers' quarters, enabling workers to stay connected with their families and to acquire knowledge. The various efforts are in line with the MOM's and Workplace Safety and Health (WSH) Council's new "Total WSH" approach.

Upholding Workers' Welfare and Well-being

While we do not encourage builders to have onsite workers' housing, we accept that there might be circumstances under which this is necessary. As such, following the issuance of our Corporate Statement on Human Rights in 2012, workers' housing conditions was subsequently included in the CDL 5-Star EHS Assessment System, where applicable, after a trial run and refinement of criteria.

The current assessment criteria follows requirements mandated by relevant government agencies and goes beyond local compliance¹⁸ to ensure that in instances where there is onsite workers' housing, workers are treated with dignity and respect. The workers' dormitories and facilities have to meet the minimum requirements stipulated in our guidelines.

CDL's appointed builders are not only required to comply with the labour rights of workers employed by them at construction sites. They also have the responsibility to take all necessary measures to provide safe, clean and dignified living and working conditions, without risks to the workers' health. For instance, there must be vector and pest control programmes, and site offices and toilets must be equipped with basic amenities such as electricity, water, adequate lighting and proper ventilation.

In 2013, CDL was the first corporation to receive the LOO (Let's Observe Ourselves) Award from the Restroom Association of Singapore, for our commitment towards workers' welfare by championing the importance of a clean work environment.

To complement the CDL Workers' Welfare Award, a Workers' Well-being survey was conducted to understand how happy the workers working on CDL's construction sites are. In 2014, responses from 70 workers in seven construction sites showed that 100% of the workers felt safe working on a CDL construction site and 97% workers are happy with the sanitation provided.

¹⁸ Local legislations mandate that quarters on construction sites have to meet the technical requirements of relevant government agencies, such as the Singapore Civil Defence Force (SCDF), the National Environment Agency (NEA) and BCA, to ensure safe and hygienic living conditions. More details can be found at www.mom.gov.sg

In our selection of consultants and suppliers, we place considerable emphasis on their EHS culture and track record. Upon their appointment, the top management of these qualified firms pledge their EHS commitment, which also serves as a further reminder to work with CDL to ensure high EHS standards at our projects.

CDL's influence has inspired our builders and key consultants to establish their own EHS management systems and more than 50% of them have obtained the ISO 14001 and/or OHSAS 18001 certifications. All builders of CDL projects are required to attain both certifications.

For 2014, there were zero incidents and grievances of child labour, forced labour or discrimination being reported at CDL construction sites and managed buildings.

For more information on CDL's position on Human Rights, please refer to page 41.

Investors and Analysts

Globally, there has been stronger calls for transparency, greater stakeholder scrutiny and increasingly stringent requirements for sustainability reporting by corporations. Apart from growing company earnings and maximising shareholder returns, CDL prioritises quality and timely communication of our ESG performance to engage investors and analysts.

Our commitment to ESG tracking, disclosure and reporting has been affirmed by international sustainability performance benchmarks. CDL is the first company to be listed on three of the world's top sustainability benchmarks FTSE4Good Index Series (since 2002), Corporate Knights' Global 100 Most Sustainable Corporations in the World (since 2010) and Dow Jones Sustainability Indices (since 2011). In 2014, CDL was ranked as Asia's Top Property Developer on the inaugural Channel NewsAsia

Sustainability Ranking. Please refer to page 88 to 91 for our performance across key global benchmarks.

Our Senior Management holds briefings with analysts and the media on CDL's half-year and full-year financial results. Financial statements and presentation slides are also available on SGXNET¹⁹ and CDL's website.

In addition, the Senior Management takes an active role in investor relations, meeting local and foreign fund managers regularly as well as participating in local and overseas roadshows and conferences.

The Company ensures that shareholders are notified of all material information in an accurate and timely manner.

Government Agencies and Regulators

Feedback and Experience-sharing

CDL participates in stakeholder consultations organised by key government agencies as they provide us with opportunities to weigh in on proposed regulatory changes that impact our business. Apart from cushioning the Company against the cost of regulatory alignment, engaging regulators and relevant industry bodies have enabled CDL to be attuned to industry challenges, placing us in a better position to capture existing and future opportunities for growth.

As a baseline, CDL is committed to full compliance with regulations. Robust procedures are in place to ensure that all our activities and operations comply with existing regulatory requirements through constant monitoring, evaluation and auditing of our implemented EHS management systems.

Over the years, CDL has been recognised as an example for best practices in sustainability, innovation and productivity through the use of technologies that have gone beyond compliance.

¹⁹ SGXNET is a company announcements portal launched by Singapore Exchange to enable listed companies to reach out to investors seamlessly and securely.

Examples of CDL's Best Practices Against Regulatory Changes

2014 REGULATORY CHANGES	CDL – AHEAD OF THE CURVE	CDL MENTIONS
<p><i>Sustainability Reporting:</i></p> <p>In 2014, Singapore Exchange (SGX) announced its plan to adopt the “comply or explain” approach for sustainability reporting for all listed companies. To facilitate the transition, SGX has earmarked 2015 for public consultation with companies.</p>	<p>A pioneer in sustainability reporting, CDL was the first Singapore organisation to produce a Global Reporting Initiative's (GRI) checked sustainability report in 2008. In 2014, CDL was the only Singapore company to produce a Communication on Progress that qualified for the United Nations Global Compact (UNGC) Advanced Level.</p>	<p>“A company that needs no introduction to sustainability reporting is SGX-listed property developer City Developments Limited. The company has voluntarily published an annual sustainability report since 2008, and in 2012 became the first Singapore developer to report at the GRI Application Level A+.”</p> <p>Eco-Business.com, 17 October 2014</p>
<p><i>Tender Requirements:</i></p> <p>BCA announced that with effect from 2H 2014, developers will be required to use Prefabricated Bathroom Units (PBUs) for all residential projects on Government Land Sales sites.</p>	<p>Since the 2000s, CDL has pioneered the use of PBUs for its new condominiums. In 2014, we announced the adoption of Prefabricated Prefinished Volumetric Construction (PPVC) for an Executive Condominium (EC) with 638 apartments. Using over 5,000 modules, this development is likely the world's largest PPVC application of its kind.</p>	<p>“I am pleased to mention here that CDL will be the first developer in Asia to introduce the PPVC method in a large-scale residential development, an EC project at Canberra Drive.”</p> <p>Ms Grace Fu, Minister, Prime Minister's Office, Second Minister for Environment and Water Resources and Second Minister for Foreign Affairs, Singapore Construction Productivity Week, 14 October 2014</p>

Moving forward, CDL will continue to partner the industry to push for greater productivity in the built sector and enhance information transparency of our property sales. According to the Urban Redevelopment Authority (URA), developers in Singapore will be required to disclose the net prices of individual units sold by mid-2015. In anticipation of this regulatory update, CDL has reviewed its marketing practices in advance.

To further the sustainability cause at home and abroad, CDL's Senior Management is also represented on various industry bodies and civil society organisations.

AGENCY	CDL REPRESENTATION
Business Council for Sustainable Development Singapore	Founding Member Organisation
Climate Change Network, National Climate Change Secretariat (NCCS)	Mr Kwek Leng Joo, <i>Member</i>
United Nations (UN) Global Compact	Signatory since 2005

AGENCY	CDL REPRESENTATION
Royal Institution of Chartered Surveyors (RICS) and UN Global Compact	Ms Esther An <i>Steering Group Member</i> <i>Best Practices Toolkit for Real Estate Sector</i>
Singapore Compact for CSR	Founding Member Organisation; Mr Kwek Leng Joo <i>President</i> Ms Esther An <i>Management Committee Member</i>
Singapore Green Building Council	Mr Chia Ngiang Hong, <i>President (since March 2015)</i> <i>Board Member (since 2009)</i>
World Green Building Council	Founding Member Organisation, Corporate Advisory Board

The Community

Community building is another key focus of CDL's sustainability strategy, which has built very strong social capital and goodwill for CDL in the communities we operate in. A longstanding advocate of the 3P model which encourages synergistic partnerships between the People, Private and Public sectors to create a positive impact on the community, CDL actively initiates and supports sustained outreach programmes focusing on environmental conservation, youth development, the arts and caring for the less fortunate.

Community Investment and Value

To measure the impact of our community investments in sustained initiatives such as My Tree House – World's 1st Green Library for Kids, we engaged an independent consultant to review its impact based on the LBG²⁰ model for impact assessment. The study affirmed My Tree House as a popular space for families with children. Findings from the assessment were also shared with our partner, the National Library Board (NLB), for continual efforts to enhance greater awareness and outreach of My Tree House. Please refer to the next page for a highlight of the activities organised at My Tree House.

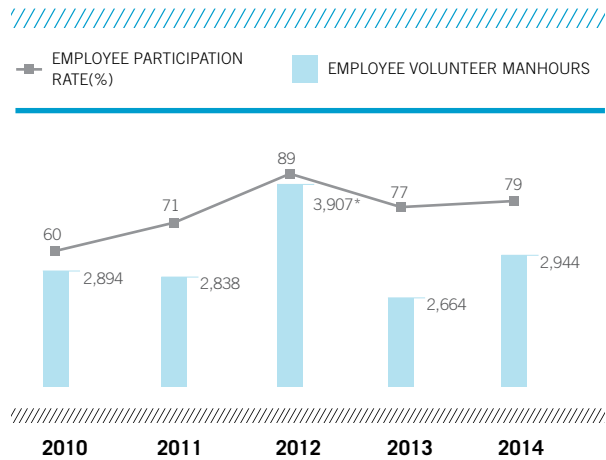
MY TREE HOUSE – WORLD'S 1ST GREEN LIBRARY FOR KIDS (OPENED IN MAY 2013)

- Located within Singapore's Central Public Library, My Tree House carries a collection of 70,000 green-themed books suitable for children from ages 4 to 12
- Since its opening, the Green Library has hosted more than **82 tours** for schools and received a group of approximately **300 visitors** from the International Federal Library Association
- On average, **41,929 books** are borrowed each month
- **83%** (35 of 42) of reviews submitted were based on green-themed books
- **50%** (69 of 138) of the storytelling sessions conducted had a strong green message

²⁰ The LBG model is an internationally-recognised framework that enables corporations to measure their overall contribution to the community, taking into account cash, time and in-kind donations, as well as management costs.

Helping the Less Fortunate through Employee Volunteerism

Apart from monetary donations to deserving charities, the Company has always believed in engaging our stakeholders through active employee volunteerism to deliver greater impact. Since 1999, CDL has established a dedicated employee volunteer arm, CSC, to foster a spirit of volunteerism and encourage employees and their families to reach out to the less fortunate and underprivileged. In 2014, we achieved an employee participation rate of 79% and a total of 2,944 volunteer manhours.



* The increase in employee volunteer manhours was due to a company-wide community event organised in 2012 in celebration of CSC's 10th anniversary

Public Education and Community Outreach

While there are many worthy causes to champion, CDL actively supports and runs sustained programmes and outreach activities that are aligned with the Company's four focus areas – environmental conservation, youth development, promoting the arts and caring for the less fortunate. The social capital generated in these focus areas complements CDL's core business and sustained growth.

Raising Eco-awareness in the Wider Community

KEY INITIATIVES	IMPACT
My Tree House – World's 1 st Green Library for Kids	<p>Built using eco-friendly and recycled materials, My Tree House boasts an eco-centric book collection as well as interactive green features and programmes to educate children about the environment. The Green Library has an estimated yearly visitorship of over one million. Since its launch in May 2013, CDL, in partnership with NLB, has organised regular activities for beneficiaries including:</p> <ol style="list-style-type: none"> 1. "Back to Nature" Camp CSC, CDL's employee volunteer arm, rallied about 30 employees to bring holiday fun to 25 children from the Serangoon and Potong Pasir Family Service Centres on an overnight "Back to Nature" sleepover camp in November 2014. 2. "Earth Hero" Camp In December 2014, My Tree House welcomed 74 "Earth Hero" campers between 7 and 12 years old for a guided tour and fun eco-learning experience. This was part of a two-day camp jointly organised by CDL, NLB, Nature Society (Singapore) and Victoria Junior College to cultivate a love for the nature in children.

KEY INITIATIVES	IMPACT
<p>CDL Green Gallery @ Singapore Botanic Gardens (SBG) Heritage Museum</p>	<p>Situated in the SBG which attracts over three million local and international visitors a year, the CDL Green Gallery is Singapore's first zero energy green gallery. The Gallery features some of the most advanced sustainable building technologies including solar photovoltaic cladded roof panels, wall cladding made of the biomaterial Hempcrete and construction using a prefabricated modular system, which drastically reduced environmental impact.</p> <p>Envisioned as a green community space for the public to learn about the environment and history of Singapore's gardens, the CDL Green Gallery has hosted a series of exhibitions including "Living in a Garden" from 30 November 2013 to 30 June 2014, "Ilham Alam: Nature and Healing in the Malay World" from 2 July 2014 to 5 January 2015, and "World of Flowers" from 28 January to 31 May 2015.</p>
<p>Asian Environmental Journalism Awards (AEJA)</p>	<p>Launched by the Singapore Environment Council (SEC) in 2012, the AEJA is Asia's first journalism awards for the environment. It honours passionate professional and citizen environmental journalists across Asia for their integrity, courage and excellence in holistic environmental reporting. CDL has been a sponsor and presenter of the SEC-CDL Environmental Journalist of the Year Award since 2012.</p>
<p>CDL E-Generation Challenge</p>	<p>Into its fifth edition, this rally fosters greater eco-consciousness amongst youths aged 17 to 25. Themed "Out of Time", the 2014 race saw participation by some 360 youths from 13 tertiary organisations. This annual event has inspired 1,800 eco-advocates since its launch in 2010.</p>
<p>NEA Corporate and School Partnership (CASP)</p>	<p>Since 2008, CDL has adopted six schools to nurture environmental interest and action among students through eco-related projects. The projects are entered into a nationwide competition which culminates at the annual Clean and Green Singapore Schools' Carnival.</p> <p>In 2014, three of our adopted schools, Catholic High School (Secondary), Catholic High School (Primary) and CHIJ St Nicholas Girls' School (Secondary) were conferred merit awards for their projects. Their works were showcased at the Carnival, which was attended by some 6,000 visitors.</p>
<p>Project: Eco-Office</p>	<p>Initiated in partnership with SEC in 2002, this programme aims to help businesses cultivate eco-friendly habits at the workplace. Companies are encouraged to participate in an online green office audit and, upon satisfactory performance, can undertake an independent audit for the Eco-Office Label certification.</p> <p>Project: Eco-Office has certified 62 offices in 2014 and a total of 225 offices since the inception of the Eco-Office label certification in 2005.</p>
<p>Earth Hour 2014</p>	<p>CDL has been a strong supporter of Earth Hour since the campaign's launch in Singapore in 2008. In 2014, 15 commercial and industrial buildings managed by CDL switched off their façade, non-essential and logo lighting. CDL garnered a strong participation rate of 94% among its office and industrial tenants.</p> <p>City Square Mall, Singapore's First Eco-mall, also organised a free screening of the animation film "Epic" and fringe activities to promote environmental awareness.</p>
<p>SEC-CDL Outstanding Singapore Environment Achievement Award (SEAA)</p>	<p>As a winner of the SEAA in 2004 and a recipient of the Merit Award in 2011, CDL has been jointly presenting the SEC-CDL Outstanding SEAA since the award category was introduced in 2012. This overarching award recognises the top performer across all the SEAA categories excluding the SEC-Senoko Energy Green Innovation Award.</p>

Advocating the Best in CSR

KEY INITIATIVES

Sharing Innovative Best Practices with the Industry as Thought Leaders

IMPACT

Apart from strengthening our position as an industry leader, CDL's involvement in these public speaking engagements also created opportunities for organisational learning and collaborative partnerships. Some of the key initiatives include:

1. Asian Competitiveness Institute Conference 2014

Speaking on sustainability, our Deputy Chairman strengthened the business case for CSR with the announcement of CDL's total savings in energy consumption of US\$16 million (\$21 million) for its 37 Green Mark certified buildings between 2008 and 2011.

2. Build Smart Conference 2014 (Keynote)

Hosted by BCA, this two-day Conference discussed key productivity trends and advanced construction technology for the built sector. Invited to deliver the keynote address, our Deputy Chairman announced that CDL would be the first developer in Asia to adopt PPVC for a large-scale residential project – an EC at Canberra Drive – and possibly the world's largest application of PPVC of its kind. The Conference was held during the Singapore Construction Productivity Week, which attracted about 6,000 industry practitioners and academics from the world.

3. UK-Singapore Green Growth and Business Conference

At this high-level conference jointly organised by the British High Commission, NCCS, the Ministry of Trade and Industry and the Ministry of the Environment and Water Resources, CDL's Chief Sustainability Officer (CSO) delivered a comprehensive presentation on CDL's sustainability journey and shared the benefits that a low-carbon agenda has brought to CDL.

4. International Green Building Conference (IGBC) 2014

Speaking to an international audience of facility managers, CDL's Senior Vice President, Property & Facilities Management shared about CDL's best practices in retrofitting existing buildings to optimise energy efficiency.

KEY INITIATIVES

Promoting CSR Values and Leadership to Youths and Professionals, our CSR Champions of Tomorrow

IMPACT

CDL recognises the importance of equipping young professionals and tertiary students with the requisite sustainability know-how as they progress to leadership roles in their careers. Through dialogues and guest lectures, CDL advocates the value of CSR and offers young adults insights on sustainability on both an organisational and individual-professional level.

1. National University of Singapore (NUS) Great Eastern Breakfast Dialogue

Organised by the NUS Office of Alumni Relations, the Dialogue seeks to create a platform for the exchange of ideas, led by experts in their respective fields. Our Deputy Chairman spoke beyond business, drawing on his lifelong interest in nature photography and the arts to engage the young NUS alumni professionals on the elusive meaning of success in life. The audience comprised a significant number of executives in middle to senior management positions, as well as academics and student leaders.

2. NUS S3 Asia MBA Presentation

Our CSO was invited to share CDL's sustainability leadership with a group of 30 international MBA students from three prestigious universities in Asia – NUS Business School, Korea University Business School and Fudan University School of Management. Our foreign guests were also given a guided site tour where they were introduced to the eco-features of City Square Mall – Singapore's First Eco-mall.

3. INSEAD Executive Education Programme

As part of an executive development programme organised by INSEAD, our CSO was invited to present on CDL's green building leadership to a group of close to 30 participants. She shared about CDL's CSR vision, our strategies and initiatives, and how the Company derives value from our CSR-focused strategy. As part of the programme, the participants were given a guided site visit to City Square Mall.

4. NUS Law Faculty

To address the impact that regulations have on corporate responsibility, our CSO presented on CDL's sustainability leadership and how it was forged as regulatory developments evolved. Speaking to a class of undergraduate students at the Faculty of Law at NUS, our CSO also highlighted the opportunities that private businesses can seize by going beyond compliance.

Developing CSR Champions of Tomorrow

KEY INITIATIVES	IMPACT
4 th CDL-Singapore Compact Young CSR Leaders Award	<p>Into its fourth year, this annual case-study-based competition aims to nurture CSR leaders of tomorrow. The competition features 10 participating organisations as case studies, exposing youths aged 17 to 30 to the practical challenges of implementing CSR principles within business operations. 2014's competition witnessed a record number of 50 participating teams. The winning teams were presented with their awards at the annual International CSR Summit which was attended by some 460 delegates.</p>
Partnership with Education Institutes	<p>CDL continues to support local education institutions in their student engagement activities:</p> <ol style="list-style-type: none"> 1. NUS Geography Challenge 2014: 103 secondary schools took part in the challenge which educated students on the impact of natural hazards. 2. Nanyang Technological University (NTU) Asian Business Case Challenge – Sustainable Enterprise Challenge 2014: City Square Mall was a case study in the challenge which received 52 proposals and participation from 180 NTU students.
Community Involvement Programmes – Overseas	<p>Through the CDL Young CSR Leaders Fund at the Singapore Management University and other donations, CDL supported 25 youth-led overseas projects largely focused on:</p> <ul style="list-style-type: none"> • Building and refurbishment of education facilities in rural communities • Expanding water distribution networks and providing access to clean water • Education programmes (and basic skills transfer) for children and youths in rural areas and the provision of support materials <p>Projects supported were mainly in communities within neighbouring countries such as Cambodia, Indonesia and Laos. Over 640 youth volunteers directly benefitted from CDL's support.</p>
Community Involvement Programmes – Local	<p>CDL supported eight local youth-led projects largely focused on raising environmental awareness and serving the underprivileged and marginalised groups in our community. Some key initiatives include:</p> <ol style="list-style-type: none"> 1. Singapore Management University (SMU) Challenge 2014 The finale walkathon, attended by 244 participants, raised \$61,000 in cash and in kind for the seniors at Lions Befrienders in the Mei Ling Street area. 2. NTU Greenfest Envisage 2014 Organised by NTU Earthlink Enviro Club, the two-day eco-awareness event attracted more than 500 visitors from NTU.

Nurturing Creative Talents

KEY INITIATIVES	IMPACT
5 th CDL Singapore Young Photographer Award	This nationwide photography competition aims to discover and nurture local photographic talents between 13 and 25 years old. In 2014, over 1,500 entries were received.
Singapore Garden Photographer of the Year	In celebration of Singapore's 50 th birthday in 2015 (SG50), CDL is a presenting sponsor of this year-long national photo competition organised by National Parks Board, based on themes surrounding our City in a Garden. This initiative aims to create greater appreciation and awareness of Singapore's natural heritage through the lens of the community.
SG50 Commemorative Public Sculpture	In celebration of the nation's golden jubilee, CDL partnered the National Museum of Singapore to launch the Museum's first open call for the concept submission of a special SG50 commemorative public sculpture, providing another platform to involve the artistic communities in contributing towards Singapore's living heritage.

Caring for the Community

KEY INITIATIVES	IMPACT
Arc Children's Centre (Arc)	Since 2011, CDL has partnered Arc, a day care facility for children with life-threatening illnesses. Our volunteers are actively involved in the children's outings and enrichment programmes.
Assisi Hospice	For the 11 th consecutive year, CDL co-organised the Assisi Hospice Charity Fun Day and rallied its subsidiary CBM Pte Ltd and four hotels in Singapore to contribute to the event. Some 250 employees helped to raise a substantial amount for this worthy cause.
Lions Befrienders & Henderson Senior Citizens' Home	Since 1999, CDL has partnered Lions Befrienders on food distribution and befriending programmes for elderly beneficiaries. Apart from monthly visits, CSC volunteers regularly organise outings and also held a Lunar New Year lunch in 2015 for 80 elderly from the Henderson Senior Citizens' Home.
North West Community Development Council (CDC) Care & Repair Programme @ Marsiling	CDL, in partnership with North West CDC, Nanyang Girls' High School, Sunlove Senior Activity Centre and Marsiling Grassroots Organisation brought festive cheer to 82 underprivileged children through games and activities.
Viriya Community Services, Serangoon Family Service Centre (FSC) & South East CDC	In partnership with South East CDC, CDL runs a Character Building Programme for 37 children and youths. In 2014, CDL introduced this programme to Viriya Community Services' new family centre.

Human Capital

Our employees contribute to the sustained growth of CDL, and we believe in the importance of talent acquisition and retention. Key measures of our performance include employee turnover and employee engagement. Our Human Resource (HR) policies and initiatives contribute towards a workplace that is conducive for our employees' development and well-being. We believe this will not only increase productivity, employee engagement and satisfaction, but also enable the Company to achieve organisational and business excellence while generating positive outcomes for our customers and partners.

We are also committed to being an employer of choice through competitive remuneration, as well as developing, engaging and caring for our people.

Additionally, we recognise that the workers at our construction sites are key resources to the long-term viability of our business. While they may not completely operate within our immediate realm of influence, this has not prevented us from devoting resources to advocate the importance of health and safety across our value chain.

Health and Safety

Health and safety are fundamental to sustaining our human capital, and we believe that all employees have the right to a safe and healthy working environment. As a leading real estate developer in Singapore, we are committed to creating a safe and healthy environment for our employees, customers and tenants, as well as the workers at our construction sites who are employed by our builders. We believe that this will enable our business to operate in a sustainable manner.

In line with our commitment to an organisation-wide "Safe and Green" culture, we established a corporate Environmental, Health and Safety (EHS) Policy in 2003. To achieve the objectives set forth in the policy, Key Performance Indicators (KPIs) were identified, and targets set and reviewed annually to monitor our EHS performance. This is to ensure that we achieve a consistently high EHS standard across the organisation. Our EHS Policy is available on www.cdl.com.sg and more information can be found on page 43.

Beyond maintaining a good safety record, our desire for improvement spurred us to set a new industry standard in 2003 as the first private property developer in Singapore to be certified with ISO 14001 Environmental Management System and OHSAS 18001 Occupational Health and Safety System for Property Development and Project Management.

As early as 2008, CDL voluntarily committed itself to be a founding signatory to the "Pledge for Zero – A CEO Commitment Charter" that was launched at the inaugural Construction CEO summit organised by the Workplace Safety and Health Council. In 2010, we amplified our efforts by inviting our builders and consultants to collectively pledge their commitment to raise EHS standards at our construction sites.

In 2014, we celebrated the 10th anniversary of the 5-Star EHS Awards with a special event to engage and recognise our builders and their workers. Our nine main builders, which collectively employ over 6,000 construction workers across 17 CDL construction sites, re-affirmed their commitment to uphold workers' health, safety and well-being by signing a pledge. CDL also introduced the Safe Worker Award to recognise exemplary safety-conscious workers. Please refer to page 52 for more information.

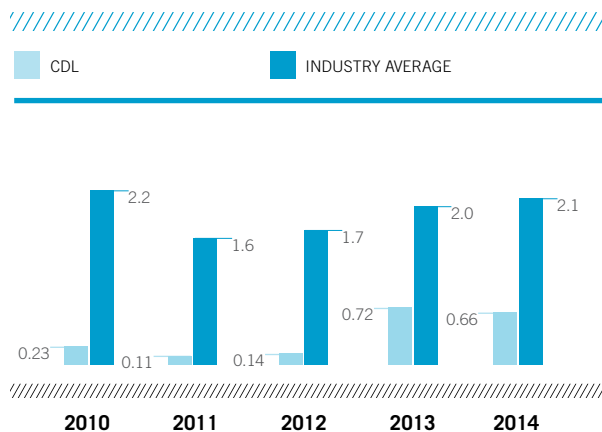
Construction Site Safety

While we commit to upholding workplace safety and health standards through effective implementation of our management system, we recognise that labour shortage will continue to pose a challenge to our business. Through a combination of rewards and sanctions, we hope to heighten awareness and reduce safety breaches at all our construction sites. This is in addition to a string of government-led efforts to impose a higher penalty for construction safety lapses in Singapore.

As a result of the various safety promotions and engagement with our builders and their workers, the Accident Frequency Rate (AFR)²¹ and Workplace Injury Rate (WIR)²² at our construction sites remained below the construction industry average.

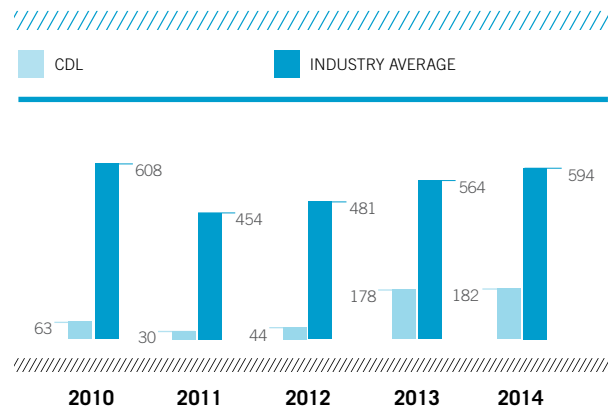
AFR at Construction Sites:

NO. OF WORKPLACE ACCIDENTS PER MILLION MANHOURS WORKED



WIR at Construction Sites:

NO. OF FATAL AND NON-FATAL WORKPLACE INJURIES PER 100,000 PERSONS EMPLOYED



The WIR in 2014 increased due to 11 injuries (non-fatal) reported across 17 construction sites. We are mindful of this increase and efforts have been made to reinforce the safety message at our construction sites.

Tenants' Health and Safety

Every CDL-managed commercial building is under the care of a Complex Manager who oversees its daily operations with a team of full-time service providers, including security firms providing 24-hour coverage.

For each building, we have an Emergency Preparedness Plan for known building-related emergencies such as flu epidemic outbreaks, fires and major electricity outages. Since 2012, we have also put in place a flood management response plan for commercial buildings. Besides two mandatory fire

²¹ AFR refers to the number of workplace accidents per million manhours worked. Industry average figures are from www.wsh-institute.sg

²² WIR refers to the number of fatal and non-fatal workplace injuries per 100,000 persons employed. Industry average figures are from www.wsh-institute.sg

drills and two table-top exercises annually, CDL also conducts flood drills and other exercises to further enhance preparedness at our buildings.

CDL Fire Safety Managers (FSMs) are encouraged to attend the annual FSM briefing by the Singapore Civil Defence Force to keep abreast of new changes in regulations and other important information.

Within our property management team, we have a dedicated EHS leader responsible for identifying common hazards in our buildings and devising the corresponding preventive measures for the Complex Managers. Service providers and contractors must do a risk assessment prior to any work onsite. Our Complex Managers review the hazards of daily operations and mitigate the risks to ensure the health and safety of the relevant stakeholders.

In 2014, CDL also organised complimentary health screenings which benefited 634 tenants across our major properties.

Workplace Health and Safety

In 2014, there were zero occupational diseases at CDL's Corporate Office, and no lost days due to work-related fatalities. The average medical leave taken per employee per year was approximately four days.

A total of 6% of employees at our Corporate Office are involved in workplace health and safety committees.

Looking ahead, CDL is planning to embark on the "Total Workplace Safety and Health" (Total WSH) framework as an integrated approach to managing workplace safety, health and employee well-being. Beyond creating a risk-free work environment, CDL views employees' health and well-being as key to improving the quality of life and productivity.

Human Rights

CDL fully complies with the following legislations on the welfare and rights of our employees and the workers at our construction sites. In 2014, no incidents and grievances of discrimination, child labour or forced labour were reported in CDL.

The Employment Act

The Employment Act outlines the statutory requirements when hiring employees in Singapore. Beyond compliance with the Employment Act, our benefits typically exceed the requirements stipulated within the Act. Additionally, these benefits are extended to managerial and executive level employees not covered under the Act. More information on our employee benefits can be found on the next page.

Where applicable, employees are eligible for overtime compensation in accordance with the Employment Act.

Anti-child and Anti-forced Labour

In Singapore, legislations such as the Employment Act, Retirement Act, Workplace Safety and Health Act, and Factories Act mitigate risks and incidents of child and forced labour. For example, the Employment Act prohibits the employment of children below 13 years of age and stipulates a clear set of laws for the employment of children between 13 and 15 years old, including their working hours and the type of work they can be engaged in. The Commissioner for Labour must be notified if they are engaged in industrial undertakings or have obtained permission to work on their rest days.

In addition to the current Singapore legislations, CDL ensures that all employees are issued employment contracts specifying clear employment terms and conditions.

We also require our suppliers to adhere strictly to such legislations.

Respect for Freedom of Association

CDL respects all employees' fundamental rights to freedom of association and the right to be members of trade unions. Although CDL is not a unionised company, it is guided by the Industrial Relations Act that allows trade unions to represent employees for collective bargaining, providing employees with an avenue to seek redress for disputes.

Benefits, Welfare and Remuneration

In addition to comprehensive insurance coverage, as well as medical and dental benefits, CDL established an EHS Committee that monitors and advises on the Company's Occupational Health and Safety Programme.

We support employees' wider personal development and well-being by organising a wide range of sports, health and volunteer activities. This is carried out by our employee-managed committees such as Staff Connect (SC) and our employee volunteering platform, City Sunshine Club (CSC), which comprise representatives from various departments. SC also plans activities such as the annual Staff Day to reinforce team spirit and bonding, while the Work-Life Excellence (WLE) Committee under SC focuses on work-life related initiatives including "Eat with Your Family Day".

Our employee-led approach also promotes cohesion and allows our employees to participate in the decision-making and implementation of their activities.

Central Provident Fund (CPF) Scheme and Retirement

CPF is a comprehensive social security savings plan which aims to provide working Singaporeans/ Permanent Residents with a measure of financial security and confidence in their old age. CPF contribution is computed based on a percentage of the employee's monthly salary and varies according to the employee's age.

These savings earn a minimum risk-free interest of 2.5% guaranteed by government, while a portion of the savings will earn a guaranteed minimum interest of 4%. CPF funds can be used for the following purposes:

- **Retirement Plan**
To ensure sufficient savings to see CPF members through retirement
- **Healthcare Plan**
To ensure sufficient savings to meet members' medical needs in old age
- **Home Ownership Plan**
To ensure a property that is fully paid-up when members retire
- **Family Protection**
Several schemes and insurance plans such as the Dependents' Protection Scheme, Home Protection Scheme, catastrophic medical insurance scheme and even severe disability insurance scheme to protect CPF members and their families
- **Asset Enhancement**
CPF members have the choice to decide for themselves how to invest their CPF savings and what risks to accept, to ensure their financial security.

CDL assists employees to make monthly contributions which are deducted from their gross salaries and deposited into their CPF accounts, as required by law. In addition to employees' contribution of 20%, as an employer, CDL contributes an additional 16%, making a total monthly contribution of 36% to the employee's CPF account.

Pro-Family Legislation

CDL adopts measures in line with the Government's pro-family legislations. Based on existing legislations, paid maternity leave stands at 16 weeks for mothers whose children are Singapore Citizens at birth. CDL also provides eligible employees with childcare leave, extended childcare leave, paternity leave²³ and shared parental leave.

To encourage shared parental responsibility, working fathers are entitled to one week of paid paternity leave. They are also entitled to share one week of the 16 weeks of maternity leave, subject to the agreement of the mother, if she qualifies for Government-Paid Maternity Leave. In 2014, seven eligible female CDL employees used their maternity benefits and seven returned within the year. All seven employees are still employed with the Company after their return from maternity leave. Four eligible male employees used their paternity leave benefit, of which no one exercised the Shared Parental leave.

95 CDL employees (26 male, 69 female) with at least one Singapore Citizen child under the age of seven were entitled to six days of paid childcare leave in 2014. In addition, 35 employees (eight male, 27 female) with at least one Singapore citizen child aged seven to 12 years were entitled to two days of paid childcare leave in 2014. All eligible employees have utilised these entitlements.

We also provide flexi-hour work arrangements for employees with special family needs to manage their family and work commitments more effectively. In addition, our full-time employees can convert to working part-time, and enjoy the same benefits as full-time employees. In 2014, four employees worked on a part-time arrangement.

Total Wellness

The contribution of our employees is critical to our business viability and success, and we are committed to promoting our employees' total wellness through

an array of activities. For example, employees are provided with free annual basic health screenings during work hours, while their family members can participate in health screening programmes at discounted prices. Dental benefits are also provided to all employees.

In addition to bi-monthly healthy snacks given to employees to promote better consumption habits, various lunch talks on relaxation techniques, foot care, cholesterol and weight management were also organised.

Active Lifestyle

CDL organises various activities to encourage employees to lead an active and healthy lifestyle, including yoga, Zumba and kickboxing classes. A weekly stair-climbing session was also introduced to promote a healthy lifestyle at the workplace. The Sports Committee under SC also organises ongoing outdoor activities such as dragon boating, bowling, table tennis and futsal, and facilitates participation in various corporate competitions. Interest groups, such as a weekly running group, were also set up.

Emotional Well-being

CDL's Employee Assistance Programme provides support for issues concerning work, interpersonal relationships and family matters etc. Employees can be assured of confidentiality when they call the Company's assistance hotline manned by a third-party psychologist.

Fair Remuneration

CDL's compensation packages are aligned with internal parity and market benchmarks. We offer fair and competitive remuneration packages based on employees' competencies, expected roles and responsibilities. This is to ensure our competitiveness in attracting talent which we believe is key to our sustained growth. CDL also has a well-structured and open annual performance appraisal system.

²³ Legislated paternity leave was announced by the Singapore government in January 2013. With effect from May 2013, employers are required to provide a week of paternity leave to eligible males.

Committed to meritocracy, our rewards and compensation policies emphasise employees' performance which is judged not only on what is achieved in the review period, but also on how it is achieved as this contributes to the sustainability of the organisation. All our employees received regular performance and career development reviews in 2014.

Remuneration is determined by the HR Department and/or Group General Manager Office, and approved by the Remuneration Committee which consists of members from the CDL Board of Directors. While no external consultant was engaged in the process, we seek views from our Senior Management through reviews and discussions, and gather employees' opinions and feedback through engagement surveys to better understand their expectations on pay and benefits.

Learning and Development

Learning and development is an important aspect of the training roadmap for all CDL employees. All new employees are required to attend the orientation programme which aims to induct and integrate new hires into the organisational culture seamlessly. We provide opportunities for professional development and skills enhancements and employees are encouraged to be proactive about their own learning.

Training needs analysis is conducted annually to establish the necessary training intervention to level up competencies and professional knowledge. To increase proficiency in Foundational Competencies, Company-Wide Training programmes are customised, covering areas such as personal effectiveness, problem-solving, persuasive communication, effective business writing and people management.

In 2014, CDL employees clocked an average of around four training days per employee. The Company also considers sponsorship of part-time courses relevant to the employee's work, conducted locally by recognised institutions and universities.

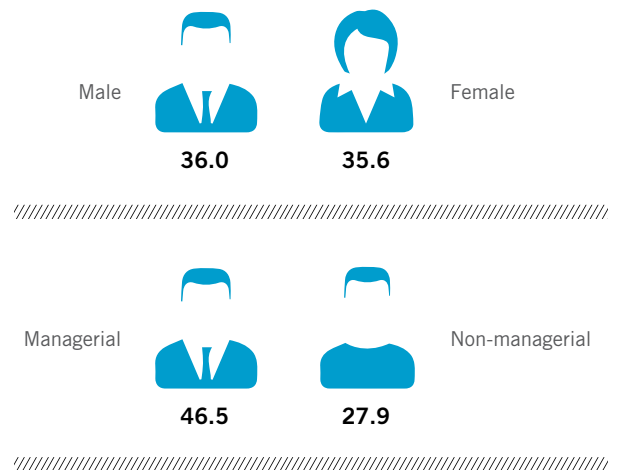
CDL also believes in nurturing and investing in talents even before they join the organisation. CDL partners BCA to offer the BCA-CDL Built Environment Undergraduate Scholarship for young adults who excel academically and are keen to pursue a career with CDL after graduation. Since this initiative started in 2001, CDL has offered eight scholarships to local young talents. There are currently five scholars in our workforce.

In addition, CDL partners local tertiary education institutions to offer student internship opportunities for students interested in the property industry. In 2014, CDL offered 11 internship opportunities in various departments.

Employees clocked over 15,000 training hours in 2014. To further encourage employees to upgrade their knowledge and skills, CDL sponsored two employees (both non-managerial and managerial) in 2014 to upgrade their educational qualifications.

AVERAGE TRAINING HOURS

Employees: 420



We seek to educate employees on Corporate Social Responsibility (CSR) and inspire action at every level of our business. This begins with the induction of new employees, through to the provision of opportunities to participate in CSR initiatives and training programmes.

To cultivate a “Safe and Green” corporate culture, EHS training and awareness programmes are planned for all CDL employees. Employees are also encouraged to attend relevant external conferences and workshops to strengthen their EHS management skills and knowledge. Over 2,300 training hours were dedicated to EHS and CSR related issues, which include ISO 26000 core subjects such as human rights.

In 2014, two renowned speakers, Mr John Elkington and Professor Ho Yew Kee, shared their views on CSR and the global push towards Integrated Reporting at an in-house seminar. The seminar was well-attended by some 60 participants, including members of CDL’s Board of Directors and senior management of Hong Leong Group’s listed companies.

Talent Management

A robust talent pool is crucial for strengthening CDL’s position as a leading property developer. As part of our talent management strategy, the CDL Leadership Programme was implemented to develop high-potential employees. The People Manager programme was also introduced in 2014 to build up our leadership pool.

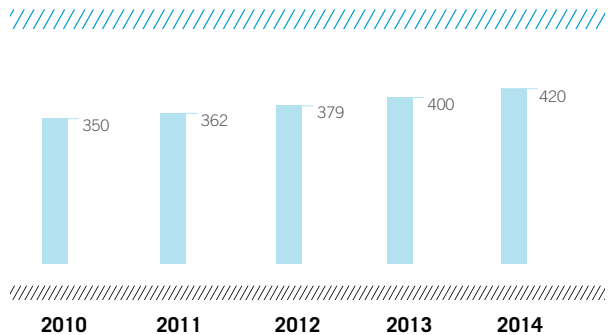
Job Creation and Security

CDL adheres to the Tripartite Guidelines on Managing Excess Manpower issued by the Ministry of Manpower (MOM) and its tripartite partners, Singapore National Employers Federation and the National Trades Union Congress. CDL supports and shares a similar philosophy as the Tripartite Guidelines, which strongly encourage companies to manage excess manpower and consider reorganisation as a last resort. The Guidelines also suggest providing company retraining programmes for workers, redeployment of workers to alternative areas of work, implementing shorter work weeks, temporary layoffs, flexible work arrangements, and managing wage costs through a flexible wage system.

There has been no major reorganisation in the past five years.

In the event of termination or employee resignation, there is a minimum notice period of one to three months that needs to be fulfilled, depending on the employee’s job grade. Due to operational requirements, middle and senior management are required to provide a notice period of two and three months respectively.

TOTAL NUMBER OF EMPLOYEES

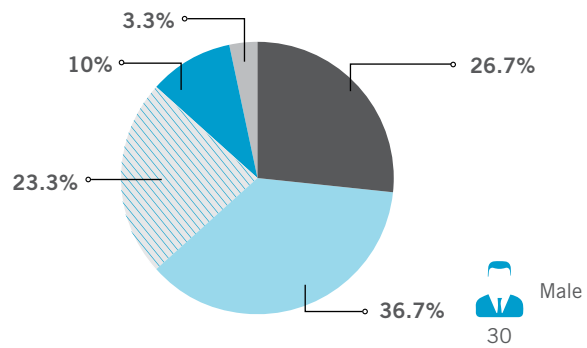
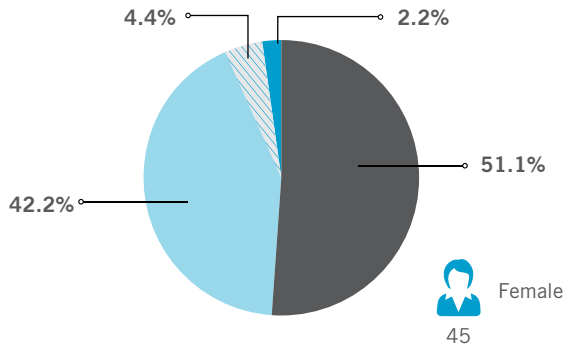


As at 31 December 2014, CDL has a workforce of a total of 420 employees. 93% of the Head of Departments (HODs) are Singaporeans or Permanent Residents, hired from our local community. 6.7% of our employees are on temporary contracts.

New Hires

TOTAL NUMBER OF NEW HIRES

Employees: 75



As our business grows, so has our capacity to provide secure employment. Despite cyclical downswings in the property market, we have managed to sustain our hires throughout without cutting headcount. In 2014, we witnessed a year-on-year growth of 5% in employee strength as our operations expanded.

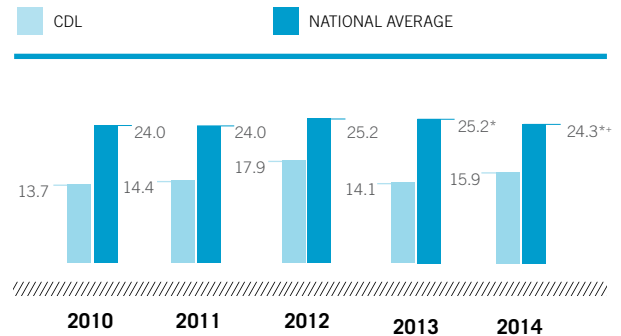
Out of the 75 new hires in 2014, 49 were replacements for existing positions and 26 were for newly created positions.

Employee Retention

CDL's successful employee engagement is evident from our employees' length of service. The average tenure of our employees is about 8.4 years and more than 49.5% of our employees have been with CDL for more than five years. CDL's employee turnover continued to remain significantly lower than the national average of 24.3% in 2014.

In 2013, an Employee Engagement Survey was conducted by a third-party consultant to gain insights into potential employee concerns in order to proactively address them and improve employee engagement and effectiveness. CDL achieved a score of 70% which is 6 percentage points higher than Singapore's norm for level of Employee Effectiveness Index.

EMPLOYEE TURNOVER RATE (%)



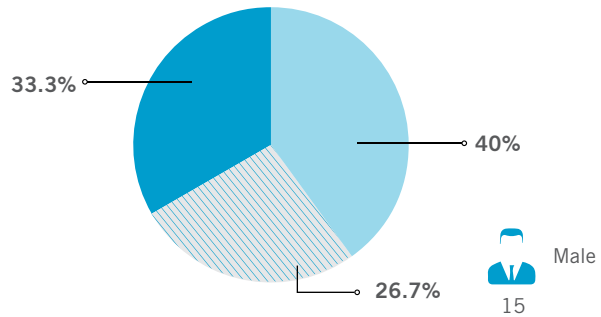
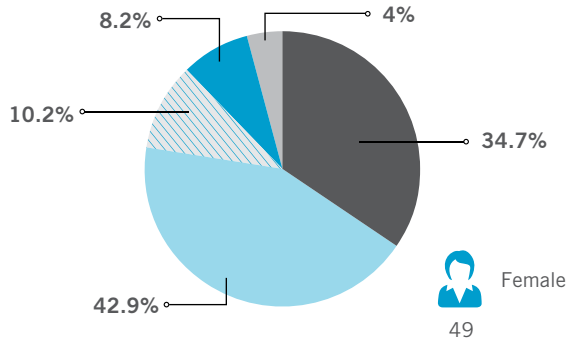
* Computation of annual employee turnover is based on cumulative monthly attrition rate derived from the number of resignations for the month/headcount for the month

** National average as at Q4 2014

NUMBER OF RESIGNATIONS

Employees: 64

30 YRS AND BELOW
 31 – 40 YRS OLD
 41 – 50 YRS OLD
 51 – 60 YRS OLD
 61 YRS AND ABOVE



Retirement and Re-employment Practices

The Singapore government has implemented re-employment legislation²⁴ in 2012 to enable more people to continue working beyond the current statutory retirement age of 62, up to 65. In future, this might be increased to 67. The legislation requires employers to offer re-employment to employees with satisfactory performance and who are medically fit.

Since 2005, CDL has extended re-employment to employees who have reached retirement age. Employees who are due for retirement but still able to contribute to CDL can remain employed at full pay. At

age 62, employees who meet CDL's re-employment criteria (i.e. satisfactory performance and medically fit, with availability of a suitable role), will be re-employed in the same job. They will be offered an annual contract with no change in existing benefits and salary, and are also eligible for all bonuses.

As stipulated by legislation, CDL also provides a one-off Employment Assistance Payment for employees who reach age 62 but do not meet the criteria for re-employment.

In 2014, three employees (at age 62) were re-employed in the same job. We have nine employees above the age of 62. In 2014, there was no eligible case for Employee Assistance Payment.

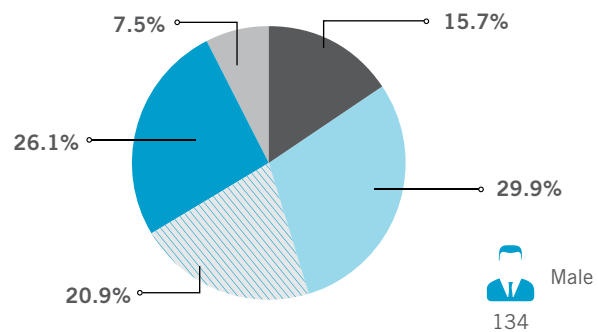
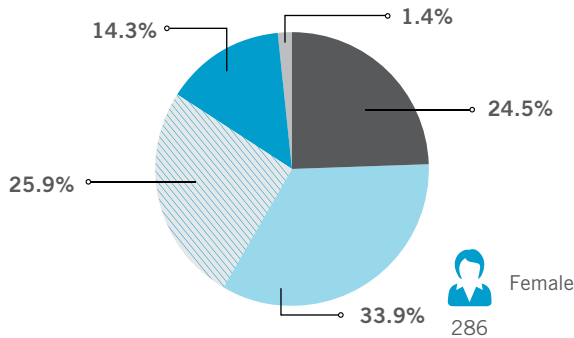
²⁴ Re-employment is not the same as raising the retirement age as it requires employers to offer jobs to employees reaching the retirement age, but this need not be for the same job position or on the same salary and terms.

Diversity and Equal Opportunity

We believe that having an inclusive culture that respects people for who they are and the value add they bring is important for our business. We provide equal opportunities for all employees without discrimination. Our recruitment process adheres to strict guidelines on non-discrimination and fairness. There is no preference for any particular gender, ethnicity, religion or age.

AGE PROFILE

Employees: 420



We have a diversified workforce across all age groups. In 2014, 70.7% of new recruits were from Generation Y (born in 1978 or later). More than 30% of our current workforce now consists of Generation Y. We embrace their enthusiasm and new ideas. In 2014, 43% of promotions went to Generation Y employees.

In terms of gender diversity and testament to our pro-family initiatives, we have more females than males in both managerial and non-managerial categories.

In 2014, females in non-managerial positions are paid 90.4% of the average pay of males, while females in managerial positions are paid 74.5% of the average pay of males.

In 2014, there was a ratio of 60% male: 40% female HODs.

GENDER OF HODs (%)

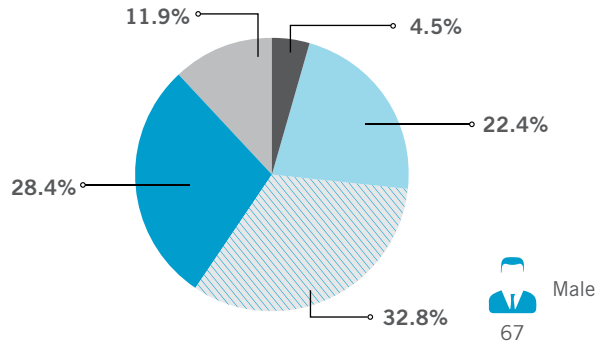
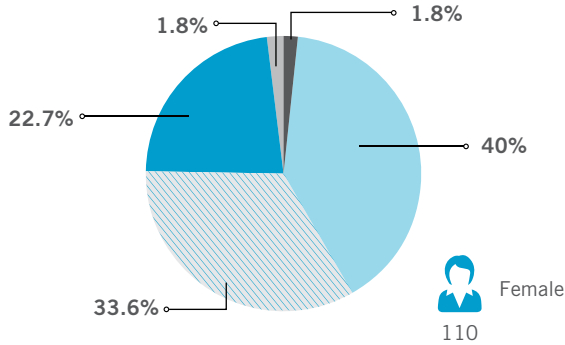
Employees: 30



AGE GROUP (MANAGERIAL)

Employees: 177

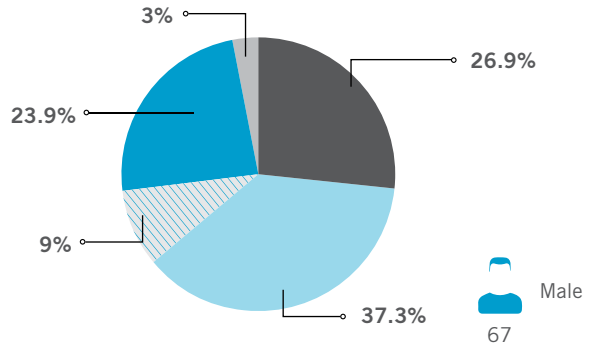
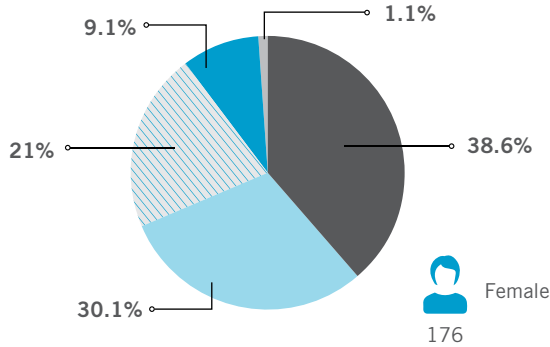
30 YRS AND BELOW
 31 - 40 YRS OLD
 41 - 50 YRS OLD
 51 - 60 YRS OLD
 61 YRS AND ABOVE



AGE GROUP (NON-MANAGERIAL)

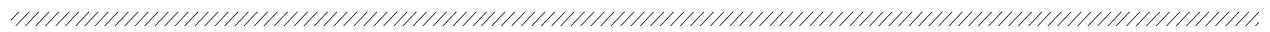
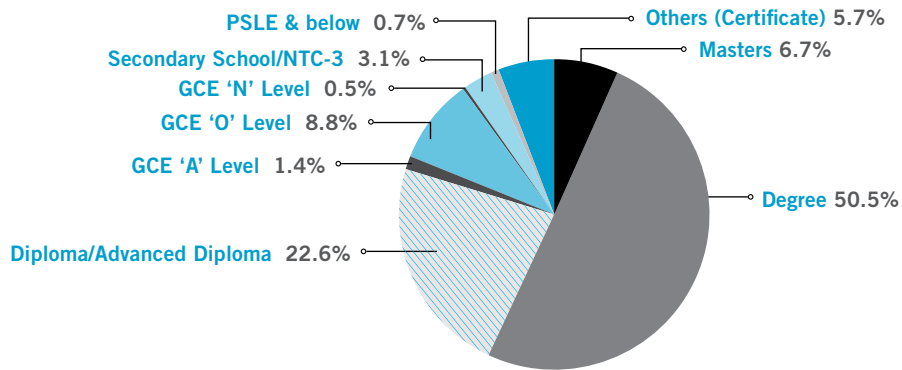
Employees: 243

30 YRS AND BELOW
 31 - 40 YRS OLD
 41 - 50 YRS OLD
 51 - 60 YRS OLD
 61 YRS AND ABOVE



QUALIFICATIONS

Employees: 420



Moving Forward

To align with global best practices, CDL has reviewed our employee performance appraisal system to establish stronger linkages between employee remuneration to Environmental, Social and Governance performance based on the ISO 26000: Guidance on Social Responsibility framework, Global Reporting Initiative's reporting indicators, ISO 140001 Environmental Management System and Singapore Quality Class, to name a few. The revised performance appraisal process will be implemented for the 2015 employee appraisal.

CDL
FUTURE
VALUE 2.0

**INNOVATING
FOR A
SUSTAINABLE
FUTURE**

Natural Capital

The long-term viability of our business depends on the sustainability of the environment. Natural resources provide the materials that enable us to build and manage our properties, and is vital to our business capacity to create safe and efficient spaces which our customers live, work and play in. At CDL, we are committed to better understanding our environmental impacts and mitigate the potential risks associated with our operations.

According to the United Nations Environment Programme, globally, buildings use about 40% of energy, 25% of water, 40% of resources and release approximately 30% of greenhouse gas (GHG) emissions.

With a total land area of about 710 km², the lack of land and natural resources has caused Singapore to rely heavily on imported resources including energy and water.

Singapore's population is expected to grow from the current 5.47 million to 6.9 million by 2030. This will inevitably cause a strain on our land and increase Singapore's dependency on imported resources. Yet, the world's natural resources are not infinite. It is estimated that the world currently consumes 1.5 planets' worth of natural resources, beyond its natural capital²⁵.

As a forward-looking company, sustainable development has long been CDL's business imperative, vital to our long-term growth. By institutionalising our ethos of "Conserving as we Construct" into all aspects of our operations, CDL has relentlessly pursued sustainable development to reduce impact on the environment.

Apart from setting the strategic sustainability direction for all departments and employees, we have integrated an Environmental, Health and Safety (EHS) policy into our business operations and incorporated measures

to mitigate environmental impact, conserve resources and minimise pollution at all CDL's construction sites and properties.

CDL actively evaluates the key significant environmental aspects at our construction sites, commercial and industrial buildings, and our Corporate Office. From our continuous assessment, we know that energy use, water use, waste generation and carbon emissions are the most significant environmental aspects of our business. We also monitor other aspects such as environmental compliance, biodiversity and noise.

Reduction of Carbon Emissions

Being a low-lying and densely populated island, Singapore is at risk from the adverse impacts of climate change. A recent study by the National Environment Agency (NEA)²⁶ projected that the long-term effects of climate change would lead to an increase in average daily temperature of up to 4.6 °C and a rise in sea level of up to 0.76 m by the end of the century in a Business-As-Usual (BAU) scenario. Other possible effects including coastal land loss, impact on water resources, heat stress, and public health implications from the resurgence of diseases could also directly impact the built environment.

In Singapore, the built industry is the third largest contributor of the nation's carbon emissions and is the source of about 16% of national GHG emissions. As one of the largest private developers in Singapore, CDL is committed to addressing climate change in our operations through actions outlined in our Climate Change Policy on page 43.

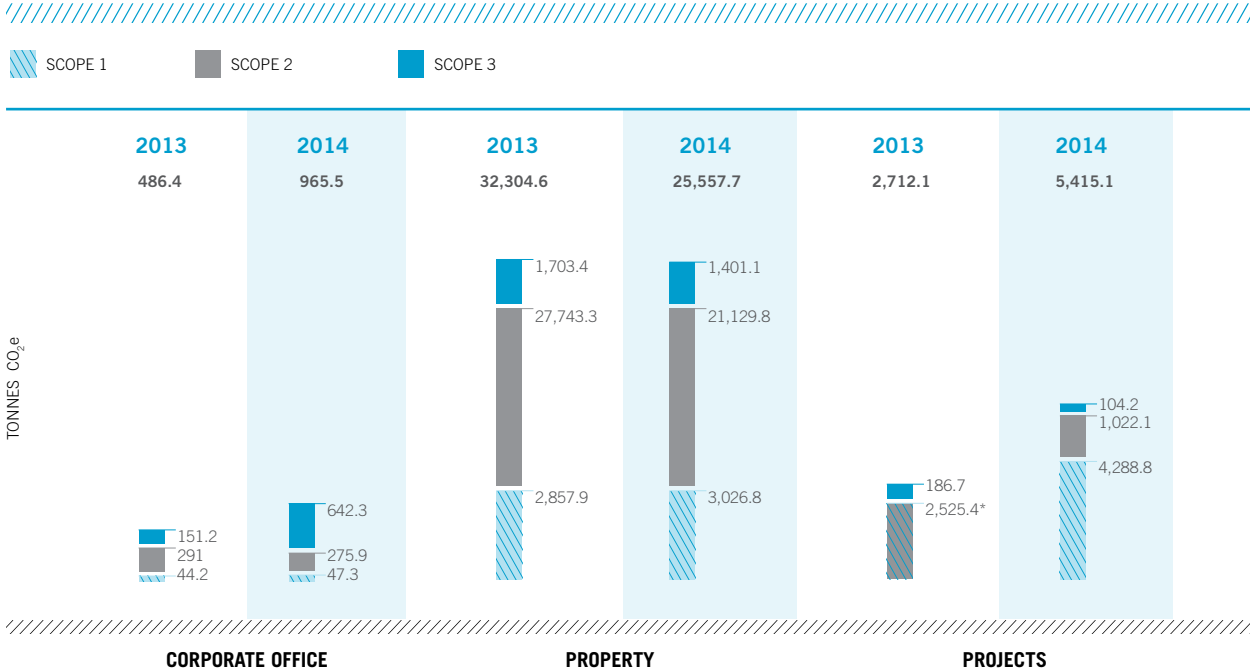
²⁵ Source: World Wide Fund for Nature (WWF) Living Planet Report 2014

²⁶ NEA's second National Climate Change Study in 2015. Source: www.nccs.gov.sg

In line with the Singapore Government's aim to make the country "climate resilient", CDL has set targets to reduce our carbon emissions intensity by 22% by 2020 and 25% by 2030, below BAU levels from baseline year 2007. As of 2014, CDL has reduced total carbon emissions intensity as measured in kg CO₂e/m² by 21%²⁷.

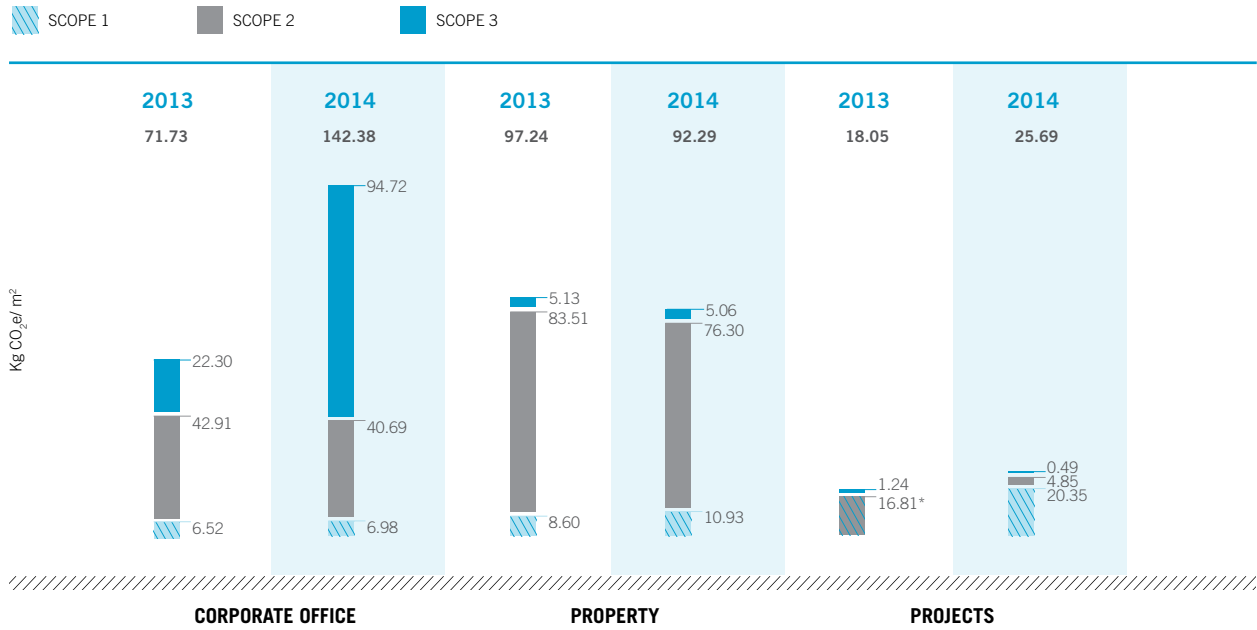
Since 2009, CDL has also voluntarily reduced our annual carbon emissions to "net zero" for 11 Tampines Concourse – the first CarbonNeutral® development in Singapore and Asia Pacific – and our Corporate Office operations including our data centre. Besides carbon neutralising the construction phase of 11 Tampines Concourse, we also offset its annual operations, including tenants' emissions.

TOTAL CARBON EMISSIONS FROM CDL'S CORE BUSINESS OPERATIONS IN SINGAPORE



²⁷ Calculated based on scope 1 and 2 emissions from CDL's core business operations in Singapore.

CARBON EMISSIONS INTENSITY FROM CDL'S CORE BUSINESS OPERATIONS IN SINGAPORE



Notes:

- Scope 1: Includes direct emissions from fuel used in power generators, gasoline for company vehicles and loss of refrigerant in air-conditioning systems.
- Scope 2: Includes indirect emissions due to purchased electricity consumed at CDL's Corporate Office, commercial and industrial buildings as well as construction sites.
- Scope 3: Includes other indirect emissions arising from electricity transmission losses, local and international courier services, business travel and hotel accommodations, water usage at CDL's Corporate Office, commercial and industrial buildings, as well as construction sites, and employee commuting.
- Corporate Office: CDL's Corporate Office in Singapore occupies approximately 6,781 m² across nine floors in City House and one floor in Republic Plaza. Measurement is applicable to all environmental performance reported in this section.
- Property: In 2014, CDL managed 12 commercial buildings and three industrial buildings (including their facilities) in Singapore, with a gross floor area of 248,154 m² and 28,768 m² respectively. This excludes two industrial buildings – Pantech 21 and New Tech Park – which were divested in November 2013, and includes a new commercial building Quayside Isle from 2013 onwards. Measurement is applicable to all environmental performance reported in this section.
- Projects: While carbon emissions due to construction activities at CDL's development sites are a result of the contractor's direct and indirect emissions, CDL recognises the significant environmental impact of these construction activities. In 2014, CDL measured and monitored the environmental impact and performance of its 17 construction sites in Singapore with a gross floor area of 210,763 m² built for that year. Measurement is applicable to all environmental performance reported in this section.

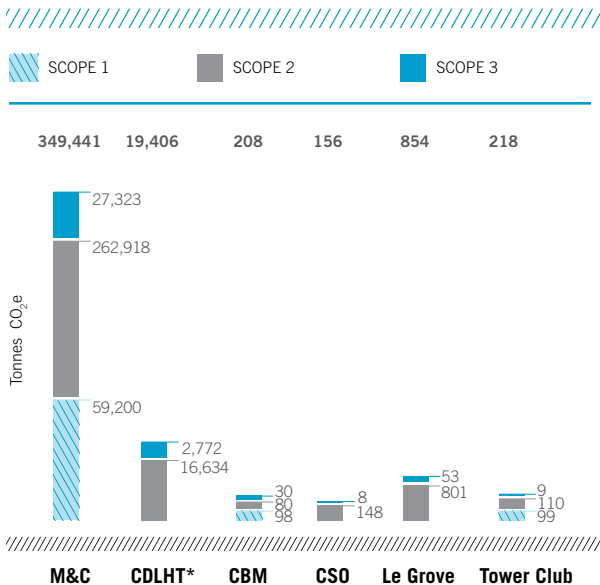
*Before 2014, scope 1 and 2 emissions were reported collectively.

In 2014, the total carbon emission for CDL's core business operations in Singapore was about 31,938 tonnes CO₂e. The largest source of emissions was electricity usage in CDL-managed commercial and industrial properties, which accounted for about 66% of the Company's carbon footprint in Singapore.

Air travel from our Corporate Office increased in 2014 largely due to more frequent business travel as a result of CDL's overseas diversification strategy. In view of this, we have expanded scope 3 data to account for carbon emissions from hotel accommodation, on top of air travel, during overseas business trips. Moving forward, the company will advocate communication via audio or video conferencing where possible so as to minimise overseas travel. In 2014, we have also included the measurement of carbon emissions incurred from our employees' work day commute in scope 3.

For greater disclosure and accountability of the Group's carbon footprint, CDL started to track the carbon emissions of our key subsidiaries in Singapore and overseas from 2014. The following table shows carbon emissions from the 120 hotels owned and managed by Millennium & Copthorne Hotels plc (M&C) across 22 countries, CDL Hospitality Trusts (CDLHT), CBM Pte Ltd, City Serviced Offices (CSO), Le Grove Serviced Apartments as well as Tower Club.

CARBON EMISSIONS FROM KEY SUBSIDIARIES



Note: *Based on available data from properties owned by CDLHT, but excluding data from hotels managed by M&C as well as Hotel MyStays in Japan which were purchased in December 2014.

Energy Management and Efficiency

By adopting energy-efficient fixtures and renewable energy solutions in our properties, CDL seeks to reduce electricity consumption, and develop the property industry's expertise in green innovations for a low-carbon future.

Where possible, CDL encourages the use of electricity directly from the power grid supply at the construction stage to reduce the use of diesel generators. Compared to using a generator, the use of electricity grid power supply emits lower levels of GHG, sulphur oxides, nitrogen oxides and particulates.

We also explore adopting green technologies to reduce energy consumption. For example, since 2011, CDL has harnessed renewable energy to reduce reliance on fossil fuel energy through installing solar and Building Integrated Photovoltaic (BIPV) panels in four commercial buildings.

In 2014, these solar installations generated a total of 217,567 kWh of renewable energy. The energy produced can power about 39 Singapore households²⁸, equivalent to total energy savings of almost \$56,000²⁹.

The Company continued to replace its lighting with energy-efficient LED solutions at City Square Mall, City Industrial Building, King's Centre, Palais Renaissance, City House and Manulife Centre.

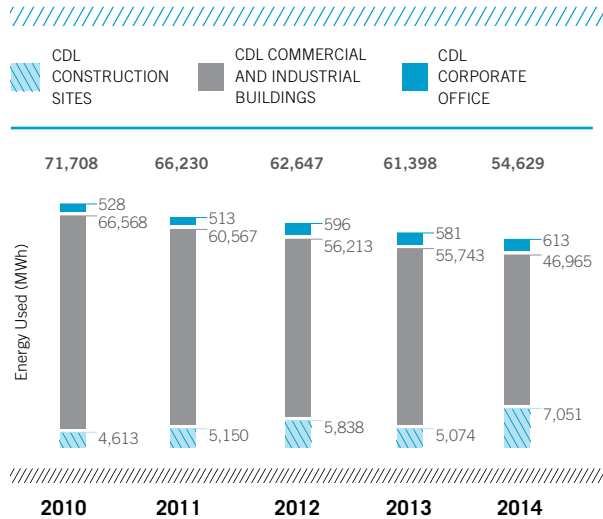
In partnership with Tuas Power, CDL also launched a new Automated Meter Reading portal which allows commercial tenants and building owners to track their electricity use on a near real-time basis, enabling them to better manage energy consumption.

²⁸ Based on Singapore Energy Statistics 2014, households consumed an average of 469 kWh of electricity per month in 2013.

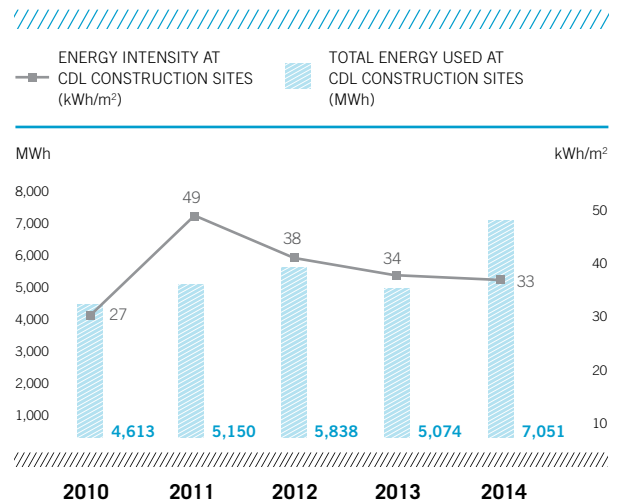
²⁹ Average electrical tariff in 2014 was \$0.2559. Source: www.singaporepower.com.sg

In 2014, CDL became the first developer in Singapore to achieve the ISO 50001 Energy Management System (EnMS) certification for the provision of property and facilities management services in 15 commercial buildings. The certification requires CDL to improve our energy performance and management through an action plan to achieve specified targets, demonstrating CDL's longstanding commitment towards energy and environmental conservation.

TOTAL ENERGY USED BY CDL'S CORE BUSINESS IN SINGAPORE

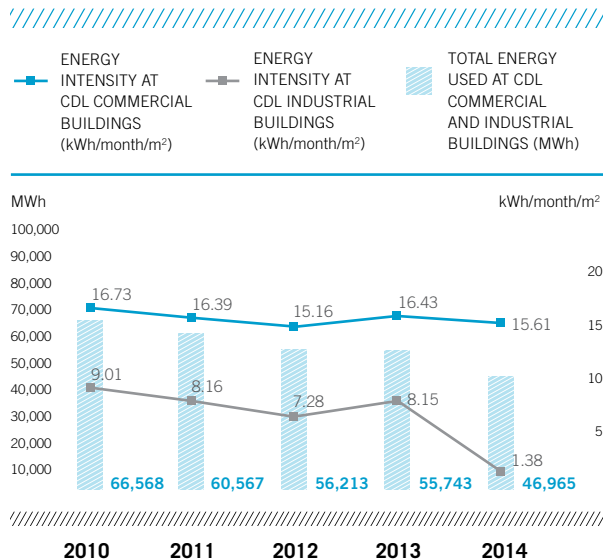


ENERGY USED AT CDL CONSTRUCTION SITES



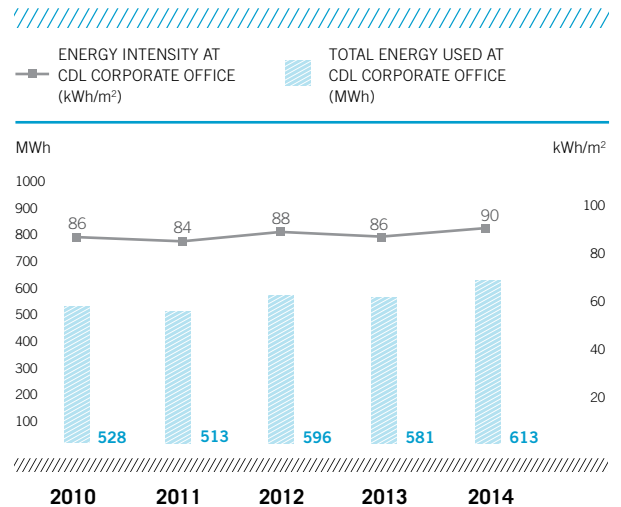
Note: Energy intensity figure for 17 CDL construction sites in Singapore are based on the built gross floor area for the projects built during that year.

ENERGY USED AT CDL COMMERCIAL AND INDUSTRIAL BUILDINGS



Note: Energy intensity figures for 12 commercial buildings and three industrial buildings in Singapore are based on the average monthly leased area of the buildings.

ENERGY USED AT CDL CORPORATE OFFICE



Note: Energy intensity figures are based on the floor area of the Corporate Office locations.

Water Stewardship and Efficiency

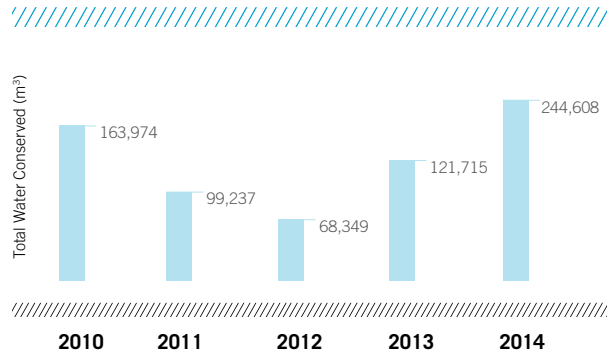
Water is scarce and precious in densely populated Singapore. The Singapore government has invested heavily in technology, international agreements and responsible management, allowing it to meet its freshwater needs. These include a robust, diversified and sustainable water supply from the Four National Taps – water from local catchment areas, imported water, and reclaimed water known as NEWater and desalinated water.

CDL's new developments are conceptualised with a strong focus on water sustainability from the design stage to the construction process all the way to the building's water efficient fixtures. From the planning stage of our developments, our architects and designers are encouraged to incorporate features such as water-efficient tap fittings and fixtures, auto-irrigation, landscaping using recycled water and drought-resistant plants.

From the onset of construction, we have made it a priority to closely monitor water usage and explore innovative ways to conserve water at our construction sites. Since 2004, we have introduced the Silt Water Treatment cum Water Recycling System to reduce the volume of potable water consumed.

In this system, silt water generated at the construction sites is treated and recycled into usable water for general cleaning to supplement potable water. The system consists of a water storage tank where waste water is collected, treated and stored for general site and vehicle cleaning, as well as sanitation. In 2014, CDL conserved approximately 244,608 m³ of potable water, more than double the volume conserved in 2013, at all our construction sites.

TOTAL WATER CONSERVED AT CDL CONSTRUCTION SITES (m³)



Where possible, grey water is also collected for appropriate uses such as flushing and the washing of drains. In addition, as part of green specifications for facilities at our construction sites, self-closing taps are installed to save water.

Our builders actively comply with our management programme to monitor and manage water consumption at all our construction sites and to submit monthly reports. When water usage exceeds the allowable target, builders are required to provide an explanation. These reports are then collated as part of our water management efforts to benchmark usage at various stages of construction across all our construction sites.

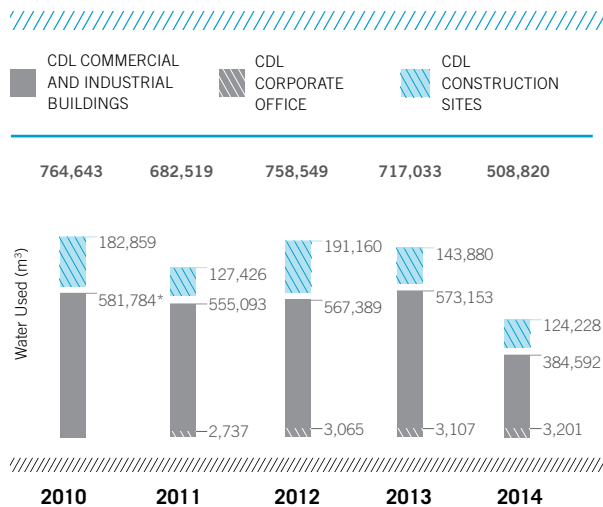
At CDL-managed commercial and industrial buildings, monthly water consumption is tracked and monitored against the respective targets as part of the Integrated Management System objectives under ISO 14001. Measures include the comprehensive use of water-efficient fixtures and fittings which have "Very Good" or "Excellent" Water Efficiency Labelling Scheme (WELS) rating, use of alternative water sources, and drought-tolerant plants for green roofs to reduce the need for frequent irrigation. 11 of our buildings are certified as "Water Efficient Building" by the Public Utilities Board (PUB) for outstanding efforts in water conservation.

In six of our commercial buildings where infrastructure is available, we have also used some 128,164 m³ of NEWater for operations that do not require potable water such as cooling towers and sprinkler water tanks. Over the years, in anticipation of PUB's extension of the NEWater supply network to meet 50% of Singapore's water demand by 2030, CDL has prepared some of our buildings to be operationally ready to take in NEWater. In 2014, NEWater has steadily increased to form 25% of the total water consumption at all our buildings in Singapore.

Responsible water management benefits our tenants and homebuyers through cost savings. In recognition of our contribution towards Singapore's water sustainability, CDL was one of the first recipients of the inaugural Watermark Award by PUB in 2007. Since the inception of PUB's Active, Beautiful and Clean Waters certification in 2010, CDL has also been a pioneer winner for a number of our developments.

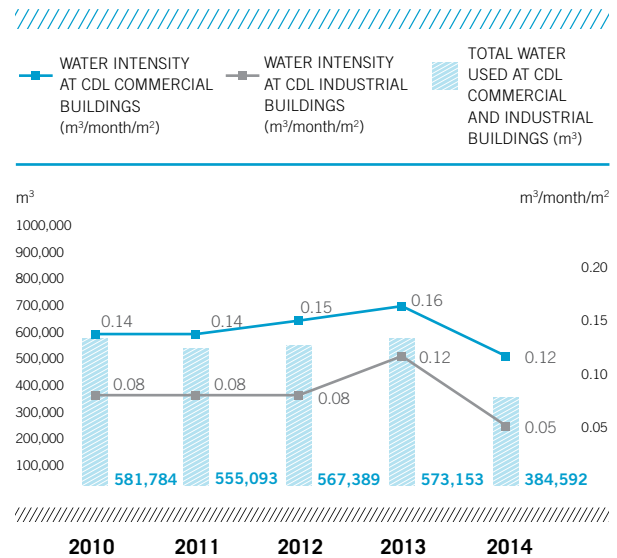
As a result of these measures, CDL has reduced the total water used in 2014 by 29% compared to 2013, and lowered water intensity across our construction sites, commercial and industrial buildings, as well as at our Corporate Office.

TOTAL WATER USED BY CDL'S CORE BUSINESS IN SINGAPORE



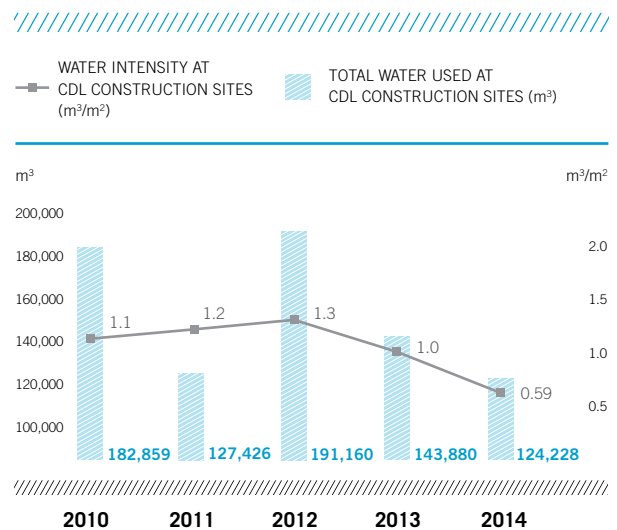
Note: *Data in 2010 includes water used at Corporate Office

WATER USED AT CDL COMMERCIAL AND INDUSTRIAL BUILDINGS



Note: Water intensity figures for CDL commercial and industrial buildings are based on the average monthly leased area of the buildings.

WATER USED AT CDL CONSTRUCTION SITES



Note: Water intensity figures for 17 CDL construction sites in Singapore are based on the built gross floor area for the projects built during that year.

Waste and Resource Management

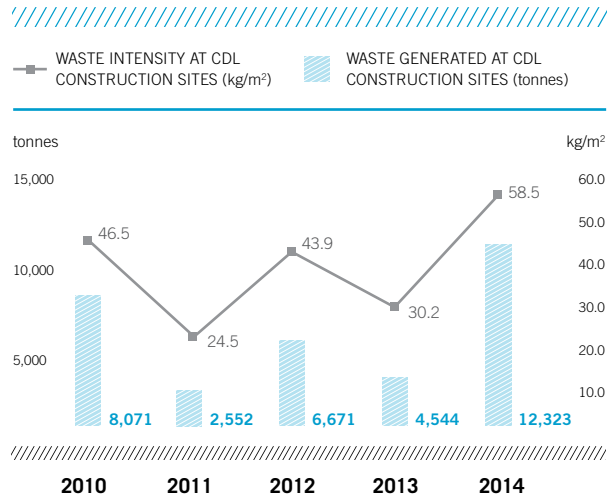
As a property developer and manager, one of CDL's most significant impact on the environment is how we manage and dispose of the waste generated by our builders and commercial tenants.

Singapore has limited space for landfills and waste that is not recovered, reused, or recycled, is disposed of at four waste-to-energy incineration plants which raises carbon emission levels. In view of national constraints, CDL uses natural resources and adopts various waste reduction strategies to mitigate our impact on the environment.

For CDL, the adoption of Prefabricated Prefinished Volumetric Construction technology for large-scale residential development is expected to generate less waste and pave the way for cleaner and safer construction sites as the building modules are made and finished in factories and then assembled on sites.

Since December 2009, CDL has also set in place a Construction and Demolition Waste Policy for the adoption of sustainable construction practices. This policy provides guidance on monitoring and recycling construction waste and mandates the use of sustainable products. For construction sites with existing buildings, we adopt BCA's Demolition Protocol and conduct a pre-demolition audit to identify the type and quantity of materials which can be recovered for recycling, such as concrete, bricks, metals, and wood/timber. During demolition, the identified materials are carefully dismantled and salvaged for reuse and recycling.

CONSTRUCTION WASTE GENERATED AT CDL CONSTRUCTION SITES



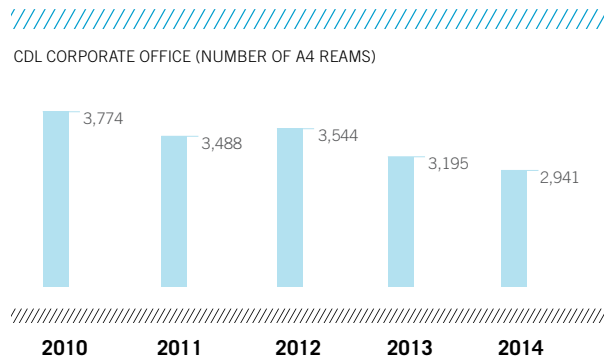
Note: Waste intensity figure for 17 CDL construction sites in Singapore are based on the built gross floor area for the projects built during that year.

In 2014, construction waste generated at all CDL construction sites amounted to a total of 12,323 tonnes or 58.5 kg/m². This is higher than the previous years as many of our construction projects in 2014 were at an intensive building stage where greater volume of waste was expected.

All of CDL's waste generated is non-hazardous and disposed of in accordance with NEA's waste regulations. CDL has also implemented a variety of Silt and Earth Control Measures at all construction sites to ensure that the Total Suspended Solids (TSS)³⁰ readings of the discharged water do not exceed the legal limit of 50 mg/litre. In 2014, the highest TSS level discharged across all 17 construction sites was 44 mg/litre.

³⁰ TSS is a measure of water turbidity. It includes silt and clay particles, and other particulate matter exceeding 2 microns (0.002 cm) in size. Source: United States Environmental Protection Agency (US EPA)

VOLUME OF PAPER USED AT CDL CORPORATE OFFICE



Waste generated at CDL Corporate Office consists mainly of paper. Over the years, CDL has steadily reduced the use of paper to conserve forest resources through usage monitoring, setting double-sided printing by default and encouraging electronic publications.

In CDL-managed buildings, 1,055 tonnes of paper was recycled in 2014. Our paper recycling programme has seen increasing tenant participation from 68% in 2005 to 95% in 2014. The amount of paper recycled in 2014 is equivalent to almost 25,326 trees³¹.

In our effort to reduce land pollution by diverting mercury from the landfill, CDL introduced a new initiative for commercial tenants to recycle used lamp tubes in 2013 in collaboration with Global Lamp Recyclers. Under the programme, 11,905 lamps were recycled in 2014.

As part of our environmental education and outreach efforts, new tenants are also presented with a Project: Eco-Office Kit to promote the 3Rs – Reuse, Reduce and Recycle. Recycling corners with segregated waste disposal bins are strategically located and made accessible to building tenants to promote recycling.

Green Procurement

Since 2008, CDL has implemented a set of green procurement guidelines for the selection of builders and suppliers. This promotes responsible sourcing along our supply chain where we have considerable influence. The guidelines are aligned with our corporate EHS Policy and preference for the use of eco-friendly and recycled materials, as well as ISO 14001 and OHSAS 18001 certified vendors, are clearly stated. The guidelines are disseminated to all our builders, suppliers and vendors of CDL's new development projects and managed buildings.

Where possible, CDL uses sustainable materials in constructing our developments. A wide range of recyclable building materials such as green concrete and composite wood, with over 30% recycled timber content, are commonly used for external decking at our developments.

Environmental Conservation

Environmental Protection Expenditure

Testament to our emphasis on environmental conservation, CDL has set a minimum target for all new developments to be certified BCA Green Mark Gold^{PLUS}, above legislative requirements. To support this ambition, CDL currently invests between 2% and 5% of a new development's construction cost on green design and features, mitigating the environmental impacts of our buildings.

³¹ A ton of recycled paper is equivalent to 24 trees. Source: Conservatree.org

The Company also contributes to organisations such as the Singapore Environment Council and Nature Society (Singapore), as well as youth-led environmental groups in support of their eco-outreach and education initiatives to encourage greater environmental conservation and sustainability.

More information on CDL's partnerships and community investment in environmental conservation programmes can be found on pages 56 to 57.

Conserving Biodiversity

As Singapore is highly urbanised, densely populated and land scarce, the Government pays particular attention to optimal land use planning in support of the nation's sustainable development. In the latest 2013 Master Plan for Land Use, Singapore's Urban Redevelopment Authority (URA) dedicated 9% of land area to parks and nature reserves, and 19% for defence purposes which is largely forested and contributes to our nation's biodiversity.

The forests in Singapore are not commercially exploited for timber or other resources. All of CDL's development projects are within the land allocated by URA for home and commercial use and hence, none are located within protected areas. However, as an environmentally responsible developer, we are sensitive to the biodiversity present at our developmental sites. We are committed to sustainable site management practices, in addition to mitigating our impact on the natural habitats of the wildlife that may be present.

We make it a standard practice to conduct a Biodiversity Impact Assessment (BIA) during the planning stage at our sites, where applicable. BIA helps to determine if any plant or animal life of national conservation importance exists at the intended development site and makes recommendations for environmental mitigation if necessary.

For our upcoming Canberra Drive Executive Condominium located near an area of woodland and open fields, specialists were engaged to conduct a BIA onsite. The two-day field survey found 70 species of plants, 11 species of butterflies and 35 species of birds, of which three species – Long-tailed Parakeet, Changeable Hawk Eagle and Grey Heron – were considered to be of conservation importance.

The development of the site is not expected to have a significant impact on the overall health of the natural populations of these bird species, as they would be able to find foraging and roosting sites in similar habitats nearby, the nearest being in and around Sembawang Park.

Environmental Compliance

CDL is committed to full compliance with all applicable EHS legal requirements enforced by local governing authorities such as Building & Construction Authority (BCA), NEA, Ministry of Manpower (MOM), Singapore Civil Defence Force and other relevant enforcers where appropriate. CDL actively ensures that all our activities and operations comply with existing regulatory requirements through constant monitoring, evaluation and auditing of our ISO 14001 certified EHS management system.

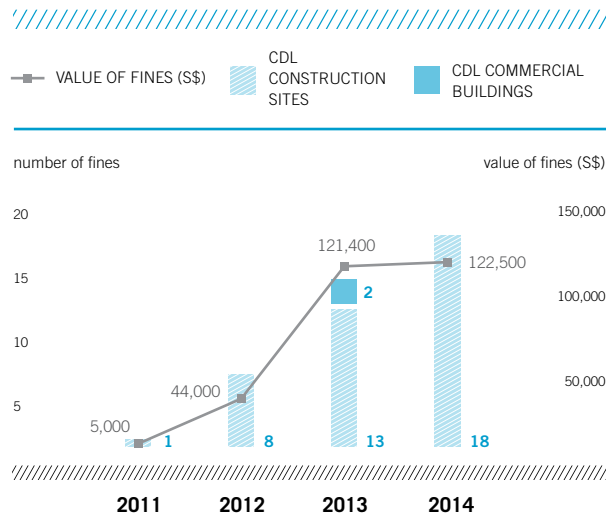
In 2014, 18 fines were imposed on our builders over 17 construction sites. Four were for vector breeding, four for working beyond allowable hours and 10 for performing construction activities above the noise limit. Three stop work orders were received from NEA for conditions favourable for the breeding of mosquitoes, and one stop work order was received from BCA to check on the design of temporary works. To prevent future occurrences, we have reviewed our current processes to improve and tighten the procedures at construction sites.

Since 2005, we have incentivised our builders to deliver good EHS performance through the CDL 5-Star EHS Awards and monetary rewards. From 2013, a penalty system has been imposed on builders of all new projects for contravening safety infringements. This was formulated as part of an ongoing review of our EHS system to maintain high standards.

Managed by our appointed builders, phone hotlines were also set up for every construction project to manage public enquiries or complaints on environment-related matters.

In 2014, our builders received a total of 22 complaints arising from construction noise, most of which were from developments in populated town areas and residential estates with high concentration of neighbouring residents. To minimise noise-related complaints, our builders are encouraged to put in place an active management programme to mitigate and manage noise level.

EHS-RELATED FINES



Note: Amounts are based on the fines invoiced as of the published date of this report.

Managing Construction Noise

In Singapore, NEA regulates the noise limits for construction sites, which vary depending on the time of the day and neighbouring premises. To protect nearby residents, CDL places emphasis on our builders to comply with the construction noise limits at all our construction sites and take all necessary action to address and resolve related complaints.

Moving Forward

At CDL, we believe that a thriving, healthy natural environment is critical to the sustainability of our business and our ability to create long-lasting value for our stakeholders.

We are committed to continually improving our environmental performance to achieve tangible utility savings and to use natural capital responsibly to sustain future needs.

To achieve this, CDL has established clear and measurable targets for material aspects of energy and water use, on top of carbon emissions, across our core business operations in Singapore.

ASPECT	INDICATOR	TARGET
Energy	Electricity use intensity	Reduce 22% by 2020 and 25% by 2030 from baseline year 2007
Water	Water use intensity	Reduce 22% by 2020 and 25% by 2030 from baseline year 2007

Sustainability Awards and Achievements

Building and Construction Authority (BCA) Green Mark Awards (2005 to 2014)

GREEN MARK PLATINUM



- | | | |
|---|---|--|
| <ul style="list-style-type: none"> • 7 & 9 Tampines Grande (in new and existing building categories)**** • 368 Thomson • CDL Green Gallery @ SBG Heritage Museum • Central Mall Office Tower***** • City House***** • City Square Mall (in new and existing building categories)**** • Cliveden at Grange • Cube 8 • Echelon | <ul style="list-style-type: none"> • Eling Residences (Chongqing) • Fuji Xerox Towers***** • Gramercy Park • H₂O Residences • HAUS@SERANGOON GARDEN • Hundred Trees • King's Centre***** • Lush Acres • M Social Hotel • Manulife Centre***** • My Tree House • Palais Renaissance***** • Quayside Isle | <ul style="list-style-type: none"> • Republic Plaza***** • South Beach Commercial • South Beach Residential • The Glyndebourne • The Oceanfront @ Sentosa Cove • The Residences at W Singapore – Sentosa Cove • The Solitaire • The Venue Residences • Tree House • Volari • W Singapore – Sentosa Cove |
|---|---|--|

GREEN MARK GOLD^{PLUS}



- | | | |
|---|---|---|
| <ul style="list-style-type: none"> • 11 Tampines Concourse (in new and existing building categories)**** • Blossom Residences • Buckley 18* • Buckley Classique • CDL Office – City House, Levels 2 & 5 (Green Mark for Office Interior)**** • CDL Office – City Square Mall Management Office (Green Mark for Office Interior) | <ul style="list-style-type: none"> • City Square Residences • Coco Palms • D'Nest • Jewel @ Buangkok • Livia • New Futura • Novotel Singapore Clarke Quay • NV Residences | <ul style="list-style-type: none"> • Shelford Suites • St. Regis Hotel & Residences, Singapore • The Arte • The Palette • The Rainforest • UP@Robertson Quay • Wilkie Studio |
|---|---|---|

GREEN MARK GOLD



- | | | |
|--|---|---|
| <ul style="list-style-type: none"> • Botannia • CDL Office – City House, Levels 3, 4 & 22
(Green Mark for Office Interior) • CDL Office – Republic Plaza, Level 36
(Green Mark for Office Interior) | <ul style="list-style-type: none"> • City Square Shophouses at Jalan Besar • Exchange Tower, Bangkok⁺⁺⁺⁺ • Millennium Residences @ Sukhumvit, Bangkok • Monterey Park Condominium • New Tech Park⁺
(sold in November 2013) | <ul style="list-style-type: none"> • Nouvel 18 • One Shenton • Parc Emily • Residences @ Evelyn • Savannah CondoPark • The Sail @ Marina Bay • Tribeca |
|--|---|---|

GREEN MARK CERTIFIED



- | | | |
|--|--|---|
| <ul style="list-style-type: none"> • Butterworth 33 | <ul style="list-style-type: none"> • Pantech 21⁺
(sold in November 2013) | <ul style="list-style-type: none"> • The Pier at Robertson |
|--|--|---|

* Project managed by CDL
+ Recertified in 2009

++ Recertified in 2010
+++ Recertified in 2011

++++ Recertified in 2012
+++++ Recertified in 2014

Sustainability Rankings, Benchmarks and Commitments

RANKINGS AND BENCHMARKS



	2010	2011	2012	2013	2014
FTSE4Good Index Series	Listed since 2002				
Carbon Disclosure Project	Participated since 2007 and disclosure to the public from 2009				
MSCI ESG Indexes	Listed since 2009				
Singapore Quality Class	Certified since 2009*				
Global 100 Most Sustainable Corporations in the World (ranking)	#81	#100	#62	#52	#39
Asian Sustainability Rating™ (%)	84%	81%	NA+	NA+	NA+
Dow Jones Sustainability Indices (DJSI World and DJSI Asia Pacific)	Listed since 2011				
Global Compact 100 Index					In 2014
Channel NewsAsia Sustainability Ranking					In 2014

* Recertified in 2012.

+ The last Asian Sustainability Rating™ was conducted in 2011.

COMMITMENTS



	2010	2011	2012	2013	2014
United Nations (UN) Global Compact	Signatory since 2005				
Caring for Climate Statement	Signatory since 2008				
Anti-Corruption and Compliance Declaration	Signatory since 2009				
Securities Investors Association (Singapore) – SIAS Corporate Governance Statement of Support	Signatory since 2010				

COMMITMENTS

	2010	2011	2012	2013	2014
New Developments to be Well-ranked on BCA Construction Quality Assessment System (CONQUAS)	Since 2009				
New Developments to be Certified BCA Green Mark Gold ^{PLUS} and above		Since 2011			

CERTIFICATIONS

	2010	2011	2012	2013	2014
ISO 9001 (Property Management)	Achieved since 2007				
ISO 14001 (Property Development and Project Management)	Achieved since 2003				
ISO 14001 (Property Management)	Achieved since 2007				
ISO 14001 (Corporate Management and Operations)	Achieved since 2008				
ISO 50001 (Property Management)					Achieved in 2014
OHSAS 18001 (Property Development and Project Management)	Achieved since 2003				
OHSAS 18001 (Property Management)		Achieved since 2011			

Awards and Accolades in 2014/2015

REGIONAL AND INTERNATIONAL



Channel NewsAsia Sustainability Ranking 2014	Named Top Property Developer in Asia, Top Singapore Corporation, and second among the top 100 sustainable companies across 10 key Asian economies.
FTSE4Good Index Series (Since 2002)	Amongst an elite group of companies worldwide that meets globally recognised corporate responsibility standards.
Global 100 Most Sustainable Corporations in the World (Since 2010)	First and only Singapore company to be listed for six consecutive years in this prestigious global ranking announced annually at the World Economic Forum, Davos. In 2015, CDL was ranked 34 th , up from 39 th in 2014.
Dow Jones Sustainability Indices (Since 2011)	Continued to be an index component on the Dow Jones Sustainability Indices (DJSI World and DJSI Asia Pacific). CDL is the first Singapore developer to be listed on both the DJSI and FTSE4Good Index Series.
Global Compact 100 Index	Selected as an index constituent based on the implementation of the UN Global Compact's ten principles, and evidence of executive leadership commitment and consistent base-line profitability.
Global Real Estate Sustainability Benchmark (GRESB) Report 2014 – Green Star	Achieved a Green Star ranking – the highest category of sustainability performance for GRESB. A leading global source of comprehensive portfolio level sustainability data for the real estate industry, GRESB covers 46 countries in six continents.
MSCI ESG Indexes (Since 2009)	Received the highest AAA rating by MSCI ESG Research. The Indexes are designed to represent the most prevalent environmental, social and governance (ESG)-related investment strategies.
Euronext Vigeo – World 120	Only company from Singapore and the Hotel, Leisure Goods & Services (Asia Pacific) category listed on this global sustainability index for companies with the most advanced ESG performances.
Ethibel EXCELLENCE Investment Register	Inclusion in the Ethibel EXCELLENCE Investment Register indicates CDL's leading performance in CSR within the property sector.
Sustainable Business Awards 2014 – Best Environmental Disclosure Award	Jointly organised by PricewaterhouseCoopers and Global Initiatives, and presented by natural capital consultancy Trucost, the award recognises companies for their excellence and commitment to track and report environmental sustainability performance.

LOCAL



BCA Awards 2014	Most awarded private developer, with a total of 30 accolades. CDL is also the only developer to win top honours – the Quality Excellence Award – Quality Champion (Platinum) – for two years in a row.
Singapore Business Federation Singapore Sustainability Awards 2014	Top honours for the Sustainable Business Awards (Large Enterprise) category, for embracing innovative and impactful sustainable practices and solutions.
Energy Efficiency National Partnership Awards 2014	Organised by the National Environment Agency, Energy Market Authority and the Economic Development Board, CDL received the Excellence in Energy Management Award which recognises companies that have demonstrated a high level of commitment to achieving excellence in energy management.
2014 Distinguished Patron of the Arts Award	For the fourth consecutive year, the Award by the National Arts Council recognises CDL's sustained contributions to promoting and developing the arts in Singapore.
National Parks Board Heritage Tree Dedication Award	In recognition of our significant contributions to the greening of Singapore, CDL was presented with a life-time Heritage Tree Dedication Award by the Prime Minister Mr Lee Hsien Loong at the launch of the Clean and Green Singapore 2015 campaign.
Singapore Corporate Awards 2014: Best Investor Relations	Co-organised by the Institute of Singapore Chartered Accountants, Singapore Institute of Directors and The Business Times, CDL was conferred the Bronze award for Best Investor Relations for companies with market capitalisation of S\$1 billion and above.
2014 Singapore Creative CSR Award: Best of Category – Environment	Organised by the Association of Accredited Advertising Agents (4As), this award affirms CDL's longstanding efforts to champion the development of green buildings and sustainable practices in Singapore.

In addition to the above, CDL has also received numerous other accolades. More of our achievements can be found at www.cdl.com.sg



Building a better
working world

Independent Limited Assurance Statement to the Management of City Developments Limited ('CDL')



We have performed limited assurance procedures in relation to CDL's Sustainability Report 2015 ('the Report') as detailed in the 'Subject Matter' below.

The Management's Responsibility

CDL's Sustainability Report 2015 has been prepared by the Management of CDL, which is responsible for the collection and presentation of the information it contains and for maintaining adequate records and internal controls that are designed to support the sustainability reporting process. There are currently no legally prescribed requirements relating to the preparation, publication and verification of sustainability reports.

The Auditor's Responsibility

Our responsibility in performing our limited assurance activities is to the Management of CDL only and in accordance with the terms of reference agreed with them. We do not accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance any such third party may place on the Report is entirely at their own risk.

Our review was limited to the information on the select indicators set out within the Report from 01 January 2014 to 31 December 2014 and our responsibility does not include:

- Any work in respect of sustainability information published elsewhere on CDL's annual report, website and other publications,
- Sustainability information prior to 01 January 2014 and subsequent to 31 December 2014, and
- Management's forward looking statements such as targets, plans and intentions.

Our multi-disciplinary team has the required competencies and experience to conduct this assurance engagement. Our professionals have experience in both assurance skills and in the applicable subject matter including environmental, social and financial aspects.

Reporting Criteria

As a basis for the assurance engagement, we have used relevant criteria in the sustainability reporting guidelines of the Global Reporting Initiative (GRI G4) and the Construction & Real Estate Sector Supplement. We consider these reporting criteria to be relevant and appropriate to review the Report.

Assurance Standard Used and Level of Assurance

Our limited assurance engagement has been planned and performed in accordance with the ISAE 3000³² Assurance Engagement Other Than Audits or Reviews

³² International Federation of the Accountants' International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (ISAE3000)

of Historical Financial Information. We have also considered the Global Reporting Initiative G4 ('GRI G4') reporting guidelines in conducting our limited assurance procedures.

A limited assurance engagement consists of making enquiries and applying analytical and other limited assurance procedures. Our procedures were designed to provide a limited level of assurance and as such do not provide all the evidence that would be required to provide a reasonable level of assurance.

The procedures performed depend on the assurance practitioner's judgement including the risk of material misstatement of the specific activity data, whether due to fraud or error. While we considered the effectiveness of Management's internal controls when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Scope of Work

We have been engaged by the Management of CDL to perform limited assurance on selected indicators of the Report as set out in Subject Matter below.

Subject Matter

The Subject Matter and GRI indicators for our limited assurance engagement are as follows:

1. Economic:

- **EC1** Direct economic value generated and distributed
- **EC3** Coverage of the organization's defined benefit plan obligations
- **EC5** Ratios of standard entity level wage by gender compared to local minimum wage at significant locations of operation
- **EC6** Proportion of senior management hired from the local community at significant locations of operation

2. Environmental:

- **EN1** Materials used by weight or volume
- **EN2** Percentage of materials used that are recycled input materials
- **EN3** Energy consumption within the organization
- **EN5** Energy intensity
- **EN6** Reduction of energy consumption
- **EN7** Reductions in energy requirements of products and services
- **EN8** Total water withdrawal by source
- **EN10** Percentage and total volume of water recycled and reused
- **EN12** Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.
- **EN15** Direct Greenhouse Gas (GHG) emissions (scope 1)
- **EN16** Energy indirect Greenhouse Gas (GHG) emissions (scope 2)
- **EN17** Other indirect Greenhouse Gas (GHG) emissions (scope 3)
- **EN18** Greenhouse Gas (GHG) emissions intensity
- **EN19** Reduction of Greenhouse Gas (GHG) emissions
- **EN23** Total weight of waste by type and disposal method
- **EN29** Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations

3. Social: Labor Practices and Decent Work:

- **LA1** Total number and rates of new employee hires and employee turnover by age group, gender and region
- **LA3** Return to work and retention rates after parental leave, by gender
- **LA5** Percentage of total workforce represented in formal joint management – worker health and safety committees that help monitor and advise on occupational health and safety programs
- **LA6** Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender

- **LA9** Average hours of training per year per employee by gender, and by employee category
- **LA10** Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings
- **LA11** Percentage of employees receiving regular performance and career development reviews, by gender and by employee category

4. Social: Society:

- **S01** Percentage of operations with implemented local community engagement, impact assessments, and development programs
- **S03** Total number and percentage of operations assessed for risks related to corruption and the significant risks identified
- **S04** Communication and training on anti-corruption policies and procedures
- **S05** Confirmed incidents of corruption and actions taken
- **S08** Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations

5. Social: Product Responsibility:

- **PR5** Results of surveys measuring customer satisfaction
- **PR9** Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services

6. Social: Human Rights:

- **HR3** Total number of incidents of discrimination and corrective actions taken.

7. Supplement Sector: Construction and Real Estate:

- **CRE1** Building energy intensity
- **CRE2** Building water intensity
- **CRE3** Greenhouse gas emissions intensity from buildings

- **CRE4** Greenhouse gas emissions intensity from new construction and redevelopment activity
- **CRE6** Percentage of the organization operating in verified compliance with an internationally recognized health and safety management system
- **CRE8** Type and number of sustainability certification, rating and labeling schemes for new construction, management, occupation and redevelopment

***The above subject matter only covers CDL's Singapore operations. For the indicators covered in our scope of assurance, all quantitative assertions and certain qualitative assertions have been assured.**

What We did to Form our Conclusions

The procedures performed aim to verify the plausibility of information. We designed our procedures in order to state whether anything has come to our attention to suggest that the Subject Matter detailed above has not been reported in accordance with the reporting criteria cited earlier. In order to form our conclusions we undertook the steps below:

1. Inquiries with CDL's CSR team to

- Understand principal business operations,
- Appreciate key sustainability issues and developments,
- Map out information flow for sustainability reporting and the controls on information collation,
- Identify data providers with their responsibilities, and
- Recognise the likelihood of possible manipulation of sustainability data.

2. Undertake multiple visits to CDL's offices

- Conduct process walk-through of systems and processes for data aggregation and reporting, with relevant personnel to understand the quality of checks and control mechanisms, assessing and testing the controls in relation to the concerned subject matters in the Report

4. Interviews with employees and management (CSR committee, human resources, property & facilities management, marketing, environment health & safety, customer service, internal audit, enterprise risk management, projects, corporate secretarial services) to understand key sustainability issues related to the select indicators and processes for the collection and accurate reporting of performance information
5. Obtain documentation through sampling methods to verify assumptions, estimations and computations made by management in relation to the concerned subject matters in the Report
6. Checking that data and statements had been correctly transcribed from corporate systems and/ or supporting evidence, into the Report
7. Obtain various certifications, audit reports and financial statement report in relation to the concerned subject matters in the Report

Our Independence

EY has provided independent assurance services in relation to CDL's Sustainability Report 2015.

In conducting our assurance engagement we have met the independence requirements of the Institute of Singapore Chartered Accountants and Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities. Our EY independence policies prohibit any financial interests in our clients that would or might be seen to impair independence. Each year, partners and staff are required to confirm their compliance with the firm's policies.

Observations and Areas for Improvement

Our observations and areas for improvement will be raised in an internal report to CDL's Management. These observations do not affect our conclusions on the Report set out below.

Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the information in the Report was not presented fairly, and calculated in all material respects in accordance with the reporting criteria detailed above.



Ernst & Young LLP
Signed for Ernst & Young LLP by
K Sadashiv
Partner, Climate Change and Sustainability Services
Singapore, 4 May 2015



GRI Content Index For 'In Accordance' – Comprehensive

GENERAL STANDARD DISCLOSURE		PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE	EXTERNALLY ASSURED (Y/N)
Strategy and Analysis			
G4-1	Statement from the most senior decision-maker of the organization	2-5	N
G4-2	Description of key impacts, risks, and opportunities.	15-16, 37-41; Annual Report (AR 2014) at www.cdl.com.sg page 12-17, 74-76	N
Organizational Profile			
G4-3	Name of the organization.	9	N
G4-4	Primary brands, products, and services	9; AR 2014 (28)	N
G4-5	Location of the organization's headquarters.	9	N
G4-6	Number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.	9; AR 2014 (29)	N
G4-7	Nature of ownership and legal form	9; AR 2014 (28-29)	N
G4-8	Markets served	9; AR 2014 (28-29)	N
G4-9	Scale of the organization	9,68; AR 2014 (26-27)	N
G4-10	Employees profile	68-73	N
G4-11	Percentage of total employees covered by collective bargaining agreements.	65	N
G4-12	Organization's supply chain	51	N
G4-13	Significant changes during the reporting period	2-5, 16, 28-29; AR 2014 (12-17, 231-232)	N
G4-14	Whether and how the precautionary approach or principle is addressed by the organization.	37-41	N
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	35, 41, 88-89	N
G4-16	Memberships of associations	54-55	N
Identified Material Aspects and Boundaries			
G4-17	List entities included in the organization's consolidated financial statements or equivalent documents.	9; AR 2014 (28-29)	N
G4-18	Process for defining the report content and the Aspect Boundaries and how the organization has implemented the Reporting Principles for Defining Report Content.	18	N
G4-19	List all the material Aspects identified in the process for defining report content.	20-21	N
G4-20	For each material Aspect, report the Aspect Boundary within the organization	21	N
G4-21	Report the Aspect Boundary outside the organization	21	N
G4-22	Explanation effect of any restatements of information provided in previous reports, and the reasons for such restatements.	22-23	N
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries.	17, 21-23	N

GENERAL STANDARD DISCLOSURE		PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE	EXTERNALLY ASSURED (Y/N)
Stakeholder Engagement			
G4-24	List of stakeholder groups engaged by the organization.	19, 46-47	N
G4-25	Basis for identification and selection of stakeholders with whom to engage.	18-19, 45	N
G4-26	Approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	18-19, 45	N
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded	46-47	N
Report Profile			
G4-28	Reporting period for information provided.	22	N
G4-29	Date of most recent previous report	22	N
G4-30	Reporting cycle	22	N
G4-31	Contact point for questions regarding the report or its contents	23	N
G4-32	Report on 'in accordance' option, GRI Content Index, reference to the External Assurance	22-23	N
G4-33	Policy and current practice with regard to seeking external assurance for the report	23, 92-95	N
Governance			
G4-34	Governance structure of the organization	10; AR 2014 (22-27, 31)	N
G4-35	Process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees	10	N
G4-36	Whether organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.	10	N
G4-37	Processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics	34-35	N
G4-38	Composition of the highest governance body and its committees	10; AR 2014 (22-27, 31)	N
G4-39	Whether the Chair of the highest governance body is also an executive officer	AR 2014 (37)	N
G4-40	Nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members	AR 2014 (32, 35-40)	N
G4-41	Processes in place for the highest governance body to ensure conflicts of interest are avoided	AR 2014 (32, 35-36)	N
G4-42	Highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts	37-41	N
G4-43	Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics	68, AR 2014 (34-35)	N
G4-44	Processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics	AR 2014 (40)	N
G4-45	Highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks, and opportunities.	37-41; AR 2014 (46-48)	N
G4-46	Highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics.	37-41; AR 2014 (46-48)	N
G4-47	Frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities	AR 2014 (33)	N

GENERAL STANDARD DISCLOSURE		PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE	EXTERNALLY ASSURED (Y/N)
G4-48	Highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered	22	N
G4-49	Process for communicating critical concerns to the highest governance body	10, 36-37	N
G4-50	Nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them	36-37, 48	N
G4-51	Remuneration policies for the highest governance body and senior executives	AR 2014 (41-45)	N
G4-52	Process for determining remuneration.	67; AR 2014 (41-42)	N
G4-53	How stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals	66-67; AR 2014 (41-42)	N
G4-54	Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country	Not disclosed due to commercial sensitivity given the highly competitive human resource environment	N
G4-55	Ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country	Not disclosed due to commercial sensitivity given the highly competitive human resource environment	N
Ethics and Integrity			
G4-56	Organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	36-43	N
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines	36-37, 42, 48	N
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines	36-37, 42, 48	N
SPECIFIC STANDARD DISCLOSURE			
CATEGORY: ECONOMIC			
Aspect: Economic Performance			
G4-DMA	Generic Disclosures on Management Approach (DMA)	2-5, 25, 27-29; AR 2014 (12-17)	N
G4-EC1	Direct economic value generated and distributed	7, 25-26, 56-57, 60-61	Y (92-95)
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change and other sustainability issues	30-32, 40, 75	N
G4-EC3	Coverage of the organization's defined benefit plan obligations	65	Y (92-95)
G4-EC4	Significant financial assistance received from government	CDL is not at liberty to disclose this information as the Company is bound by confidentiality.	N
Aspect: Market Presence			
G4-DMA	DMA	9; AR 2014 (12-17, 74-76)	N
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	Disclosure is not applicable as there is no minimum wage system in Singapore. Furthermore, CDL's direct hires are skilled technical and professional employees whose pay is not linked to particular laws concerning minimum wage.	Y (92-95)

SPECIFIC STANDARD DISCLOSURES		PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE	EXTERNALLY ASSURED (Y/N)
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	68	Y (92-95)
Aspect: Indirect Economic Impacts			
G4-DMA	DMA	2-5, 30, 45, 62, 75	N
G4-EC7	Development and impact of infrastructure investments and services supported	30-33	N
G4-EC8	Significant indirect economic impacts, including the extent of impacts	8, 30-33, 55-61, 76-83	N
Aspect: Procurement Practices			
G4-DMA	DMA	43, 83	N
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	Majority of our business expenditure in Singapore is on locally-registered companies.	N
CATEGORY: ENVIRONMENTAL			
Aspect: Materials			
G4-DMA	DMA	82-83	N
G4-EN1	Materials used by weight or volume	Disclosure is not directly applicable as building materials are purchased by builders. See our approach on how we encourage the use of recycled and/or sustainable building materials on page 83.	Y (92-95)
G4-EN2	Percentage of materials used that are recycled input materials	57, 83	Y (92-95)
Aspect: Energy			
G4-DMA	DMA	75, 78-79	N
G4-EN3	Energy consumption within the organization	78-79	Y (92-95)
G4-EN4	Energy consumption outside of the organization	79	N
G4-EN5	Energy intensity	79	Y (92-95)
G4-EN6	Reduction of energy consumption	30, 78	Y (92-95)
G4-EN7	Reductions in energy requirements of products and services	32	Y (92-95)
CRE 1	Building energy intensity	79	Y (92-95)
Aspect: Water			
G4-DMA	DMA	75, 80, 81	N
G4-EN8	Total water withdrawal by source	80-81	Y (92-95)
G4-EN9	Water sources significantly affected by withdrawal of water	80, 81	N
G4-EN10	Percentage and total volume of water recycled and reused	80	Y (92-95)
CRE 2	Building water intensity	81	Y (92-95)
Aspect: Biodiversity			
G4-DMA	DMA	75, 84	N
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Disclosure is not applicable as CDL's development projects are not located within protected areas.	N
G4-EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	84	Y (92-95)

SPECIFIC STANDARD DISCLOSURES		PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE	EXTERNALLY ASSURED (Y/N)
G4-EN13	Habitats protected or restored	Disclosure is not applicable as CDL's development projects are not located within protected areas.	N
G4-EN14	Total number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	84	N
Aspect: Emissions			
G4-DMA	DMA	75-76	N
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	76	Y (92-95)
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	76-77	Y (92-95)
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	76	Y (92-95)
G4-EN18	Greenhouse gas (GHG) emissions intensity	77	Y (92-95)
G4-EN19	Reduction of greenhouse gas (GHG) emissions	8, 76	Y (92-95)
CRE 3	Greenhouse gas emissions intensity from buildings	77	Y (92-95)
CRE 4	Greenhouse gas emissions intensity from new construction and redevelopment activity	77	Y (92-95)
G4-EN20	Emissions of ozone-depleting substances (ODS)	Disclosure is not material to CDL.	N
G4-EN21	NO _x , SO _x , and other significant air emissions	Disclosure is not material to CDL.	N
Aspect: Effluents and Waste			
G4-DMA	DMA	75, 82-83	N
G4-EN22	Total water discharge by quality and destination	82	N
G4-EN23	Total weight of waste by type and disposal method	82-83	Y (92-95)
G4-EN24	Total number and volume of significant spills	Disclosure is not applicable for the real estate and construction industry in Singapore.	N
G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	Disclosure is not applicable for CDL's operations in Singapore.	N
G4-EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and runoff	Disclosure is not applicable as CDL's operations do not significantly affect any water bodies.	N
Aspect: Products and Services			
G4-DMA	DMA	30, 75	N
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	30-31, 33, 43, 75-85	N
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	Disclosure is not applicable for CDL's operations in Singapore	N
Aspect: Compliance			
G4-DMA	DMA	75, 84-85	N
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	84-85	Y (92-95)
Aspect: Overall			
G4-DMA	DMA	31, 43, 83	N

SPECIFIC STANDARD DISCLOSURES		PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE	EXTERNALLY ASSURED (Y/N)
G4-EN31	Total environmental protection expenditures and investments by type	83-84	N
CRE 5	Land remediated and in need of remediation for the existing or intended land use, according to applicable legal designations	Disclosure is not applicable as land use and development is governed by Master Plan under the jurisdiction of the Urban Redevelopment Authority in Singapore.	N
Aspect: Supplier Environmental Assessment			
G4-DMA	DMA	43, 83	N
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	43, 83	N
G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	Where possible, we influence our supply chain through our requirement for builders and suppliers to abide with our EHS policy and EHS 5-Star audit requirements. In addition, CDL has a set of green procurement guidelines in place which are disseminated to all builders and suppliers.	N
Aspect: Environmental Grievance Mechanisms			
G4-DMA	DMA	46, 85	N
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	84-85	N
CATEGORY: SOCIAL			
SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK			
Aspect: Employment			
G4-DMA	DMA	62	N
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	69-70	Y (92-95)
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	65-66	N
G4-LA3	Return to work and retention rates after parental leave, by gender	66	Y (92-95)
Aspect: Labor/Management Relations			
G4-DMA	DMA	48, 62, 65	N
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	68	N
Aspect: Occupational Health And Safety			
G4-DMA	DMA	62-64	N
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	64	Y (92-95)
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	63-64	Y (92-95)
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	63	N
CRE 6	Percentage of the organization operating in verified compliance with an internationally recognized health and safety management system	40, 53, 62, 89	Y (92-95)

SPECIFIC STANDARD DISCLOSURES		PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE	EXTERNALLY ASSURED (Y/N)
G4-LA8	Health and safety topics covered in formal agreements with trade unions	Disclosure is not applicable as CDL is not a unionised company.	N
Aspect: Training And Education			
G4-DMA	DMA	62, 67	N
G4-LA9	Average hours of training per year per employee by gender, and by employee category	67	Y (92-95)
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	67	Y (92-95)
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	67	Y (92-95)
Aspect: Diversity and Equal Opportunity			
G4-DMA	DMA	71	N
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	71-73; AR 2014 (22-27)	N
Aspect: Equal Remuneration for Women and Men			
G4-DMA	DMA	71	N
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	71	N
Aspect: Supplier Assessment for Labor Practices			
G4-DMA	DMA	43, 49-51	N
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	62	N
G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken	49-51	N
Aspect: Labor Practices Grievance Mechanisms			
G4-DMA	DMA	48	N
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	48	N
SUB-CATEGORY: HUMAN RIGHTS			
Aspect: Investment			
G4-DMA	DMA	41	N
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	64	N
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	68	N
Aspect: Non-Discrimination			
G4-DMA	DMA	41, 64, 71	N
G4-HR3	Total number of incidents of discrimination and corrective actions taken	53, 64	Y (92-95)
Aspect: Freedom of Association and Collective Bargaining			
G4-DMA	DMA	65	N
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	Disclosure is not material to CDL.	N

SPECIFIC STANDARD DISCLOSURES		PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE	EXTERNALLY ASSURED (Y/N)
Aspect: Child Labor			
G4-DMA	DMA	64	N
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	64	N
Aspect: Forced or Compulsory Labor			
G4-DMA	DMA	41, 64	N
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	64	N
Aspect: Assessment			
G4-DMA	DMA	41	N
G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	41, 52	N
SUB-CATEGORY: SOCIETY			
Aspect: Local Communities			
G4-DMA	DMA	55-61	N
G4-S01	Percentage of operations with implemented local community engagement, impact assessments, and development programs	47, 50, 55-56	Y (92-95)
G4-S02	Operations with significant actual and potential negative impacts on local communities	Disclosure is not applicable in Singapore as the Government has a Master Plan for urban planning to manage impacts on the local community.	N
CRE 7	Number of persons voluntarily and involuntarily displaced and/or resettled by development, broken down by project	Disclosure is not applicable in Singapore as the Government has a Master Plan for urban planning to manage impacts on the local community.	N
Aspect: Anti-Corruption			
G4-DMA	DMA	36, 38	N
G4-S03	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	37-38	Y (92-95)
G4-S04	Communication and training on anti-corruption policies and procedures	36-37, 42	Y (92-95)
G4-S05	Confirmed incidents of corruption and actions taken	37	Y (92-95)
Aspect: Anti-Competitive Behavior			
G4-DMA	DMA	36	N
G4-S07	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	37	N
Aspect: Compliance			
G4-DMA	DMA	37, 84	N
G4-S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	37, 84-85	Y (92-95)

SPECIFIC STANDARD DISCLOSURES		PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE	EXTERNALLY ASSURED (Y/N)
Aspect: Supplier Assessment for Impacts on Society			
G4-DMA	DMA	51-53, 62-64	N
G4-S09	Percentage of new suppliers that were screened using criteria for impacts on society	51, 64	N
G4-S010	Significant actual and potential negative impacts on society in the supply chain and actions taken	51-53, 62-64	N
Aspect: Grievance Mechanisms for Impacts on Society			
G4-DMA	DMA	42, 46-47	N
G4-S011	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	37, 51	N
SUB-CATEGORY: PRODUCT RESPONSIBILITY			
Aspect: Customer Health and Safety			
G4-DMA	DMA	31-33, 63-64	N
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	31, 63-64	N
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	37	N
Aspect: Product and Service Labeling			
G4-DMA	DMA	2-5, 30	N
G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	30-31, 33	N
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	37	N
G4-PR5	Results of surveys measuring customer satisfaction	50-51	Y (92-95)
CRE 8	Type and number of sustainability certification, rating and labeling schemes for new construction, management, occupation and redevelopment	86-89	Y (92-95)
Aspect: Marketing Communications			
G4-DMA	DMA	42	N
G4-PR6	Sale of banned or disputed products	Disclosure is not applicable as the Company does not sell banned or disputed products.	N
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	37	N
Aspect: Customer Privacy			
G4-DMA	Generic Disclosures on Management Approach	42, 51	N
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	51	N
Aspect: Compliance			
G4-DMA	DMA	42	N
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	37	Y (92-95)

This report may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate properties, competition from other developments or companies, shifts in customer demands, customers and partners, expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events.

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