

News Release

15 May 2017

CDL INTEGRATED SUSTAINABILITY REPORT 2017: INTRODUCING CDL FUTURE VALUE 2030 – A BLUEPRINT TO FUTURE-PROOF CDL'S BUSINESS

- ***CDL Future Value 2030** sets clear directions and long-term environmental, social and governance goals and targets*
- *New carbon emissions intensity¹ reduction target: an increase from 25% to 38% from 2007 levels by 2030, in support of Singapore's pledge to the Paris Agreement*
- *New targets to reduce waste disposed and to ensure sustainable construction materials*
- *Taking further steps to align CDL's environmental, social and governance goals and targets with nine relevant United Nations Sustainable Development Goals*
- *More than S\$16 million in savings as a result of energy-efficient retrofitting and initiatives implemented for eight office buildings from 2012 to 2016*
- *First private developer in Singapore to adopt the latest Global Reporting Initiative Standards for sustainability reporting*

Ahead of Singapore's impending carbon tax and in line with the nation's commitment to the Paris Agreement, Climate Action Plan and the Sustainable Singapore Blueprint, City Developments Limited (CDL) has enhanced its sustainability strategy by introducing a new sustainability blueprint **CDL Future Value 2030** to complement its growth strategy and future-proof its business.

Outlined in CDL's latest Integrated Sustainability Report 2017, the blueprint encapsulates the company's long-standing sustainability commitment, over 20 years of best practices, and a set of tangible environmental, social and governance (ESG) goals and targets, with 2030 in mind.

CDL has made a bold move to raise its carbon emissions reduction target from 25% to 38% from 2007 levels by 2030.

2030 will be a milestone year for the Paris Agreement and the United Nations Sustainable Development Goals (SDGs). Specifically for the built industry, 2030 is the target year for the Net Zero Agenda by the World Green Building Council and for Singapore to green 80% of its buildings based on the Building and Construction Authority (BCA)'s Green Building Masterplan.

In addition, in view of the move towards a circular economy, CDL has set new targets to reduce its total waste disposed by 50% from 2016 levels and to ensure that 50% of its construction materials are derived from recycled content, low-carbon sources or certified by recognised environmental organisations.

These long-term ESG goals and targets are aligned with nine relevant SDGs (refer to Annex), and follows CDL's initiative as one of the first companies in Singapore to align its material ESG

¹ Carbon emissions intensity refers to the amount of carbon emissions per square metre of floor area

issues with the SDGs in 2016. It was estimated that the SDGs will unlock up to US\$12 trillion of market opportunities representing around 60% of the real economy².

Mr Grant Kelley, CDL Chief Executive Officer said, “Governments and the international investment community are increasingly holding corporations accountable for their carbon emissions. 2016 saw the growth of carbon pricing, particularly in Asia. In Singapore, the government announced in its Budget 2017 that a carbon tax targeting large direct emitters of Greenhouse Gases will be implemented in 2019. Businesses can no longer ignore the impact of climate change risks on their bottom line.”

“As ESG integration becomes essential to a company’s long-term success and economic value, we have continued to enhance CDL’s sustainability strategy to future-proof our business. Under our new CDL Future Value 2030 blueprint, we will actively track and review our ESG performance against the goals and targets established to support CDL’s growth while building a sustainable future.”

Strong ESG Performance for 2016

As highlighted in its Integrated Sustainability Report 2017, CDL achieved the following in 2016:

- 16% reduction in carbon emissions intensity from 2007 levels, on track to meet its 38% target for 2030
- 25% reduction in energy use intensity from 2007 levels, achieving its 25% target for 2030 ahead of time
- 15% reduction in water use intensity from 2007 levels, on track to meet its 25% target for 2030
- 100% of office buildings owned and managed by CDL are rated BCA Green Mark Gold^{PLUS} and Platinum – the highest tier certification
- More than S\$16 million in savings as a result of energy-efficient retrofitting and initiatives implemented for eight office buildings from 2012 to 2016
- Zero fatality and occupational diseases across CDL’s operations and direct suppliers in Singapore
- Accident Frequency Rate (AFR) of 0.53 at construction sites (significantly lower than the 2016 industry average of 1.7) and Zero AFR at CDL-managed buildings

Further Raising the Bar for Sustainability Reporting and Disclosure

For its Integrated Sustainability Report 2017, CDL is the first private developer in Singapore to adopt the latest 2016 Global Reporting Initiative (GRI) Standards for sustainability reporting. The enhanced standards promote a higher level of disclosure and greater accountability along CDL’s supply chain to address stakeholders’ concerns.

Through new technology, big data has impacted how companies communicate with investors and stakeholders. To provide more timely communication and robust ESG disclosure to its shareholders, investors and partners, CDL has also developed a dynamic digital strategy by launching a dedicated sustainability microsite (www.cdlsustainability.com).

CDL has been a forerunner in sustainability reporting since 2004, before the Singapore Exchange’s rules for sustainability reporting on a ‘comply or explain’ basis were introduced in 2016. As early as 2008, CDL published Singapore’s first GRI Application Level checked report.

In 2015, CDL became the first property developer in Singapore to adopt the International Integrated Reporting Council’s Integrated Reporting framework for its Sustainability Report. The approach connects CDL’s ESG performance with economic impact and highlights its value-creation through six capitals – Financial, Organisational, Natural, Manufactured, Social and Relationship, and Human – making stronger business sense of its ESG integration.

² [‘Better Business, Better World’](#) report by the Business and Sustainable Development Commission, January 2017

More information on CDL's sustainability efforts and its full Integrated Sustainability Report 2017 can be found on www.cdlsustainability.com

For media enquiries, please contact:

Belinda Lee
Head, Investor Relations and
Corporate Communications
City Developments Limited
(Regn No: 196300316Z)

Tan Hock Lee
Senior Manager, Corporate Communications

City Developments Limited

Tel: (65) 6428 9315
Email: belindalee@cdl.com.sg

Tel: (65) 6428 9312
Email: hocklee@cdl.com.sg

About City Developments Limited

City Developments Limited (CDL) is a Singapore-listed international real estate operating company with a global presence spanning 97 locations in 26 countries. As one of Singapore's largest companies by market capitalisation, its income stable and geographically-diversified portfolio comprises residences, offices, hotels, serviced apartments, integrated developments and shopping malls, totalling over 18 million square feet of floor area globally.

Globally, CDL has developed over 40,000 homes and is one of Singapore's largest commercial landlords, with one of the biggest landbanks amongst Singapore private-sector developers.

Since 1995, CDL has integrated sustainability into its business with its ethos of 'Conserving as it Constructs'. Incorporating sustainability across its entire value chain, CDL adopts a holistic three-pronged approach which includes designing and developing sustainable and green buildings, managing buildings in an energy and resource-efficient way, and engaging and influencing stakeholders to support CDL's commitment towards sustainable development.

CDL's sustainability efforts have received international recognition. It is ranked Top Singapore Company and the Most Sustainable Corporation in Real Estate Management & Development in the eminent Global 100 Most Sustainable Corporations in the World in 2017, and is the only Singapore company listed in the ranking for eight consecutive years. CDL is also the first Singapore company to be listed on four of the world's leading sustainability benchmarks – FTSE4Good Index Series (since 2002), MSCI Global Sustainability Indexes (since 2009), Global 100 Most Sustainable Corporations (since 2010) and Dow Jones Sustainability Indices (since 2011). Since 2014, CDL has also been Asia's Top Property Developer, Top Singapore Company and Top 10 Companies in the Channel NewsAsia Sustainability Ranking.

In April 2017, CDL, through its wholly-owned subsidiary CDL Properties Ltd, successfully launched the first green bond by a Singapore company. The two-year senior secured green bond raised S\$100 million at 1.98% fixed rate due 2019. This maiden venture into green financial products links CDL's sustainability initiatives with capital markets, enabling the company to tap on investors who are supportive of the commitment that CDL has made over the past two decades towards sustainability best practices.

For more information on CDL, visit www.cdl.com.sg

Annex: CDL Future Value 2030 Goals, Targets and Alignment to SDGs

CDL Future Value 2030: ESG Goals and Targets (Effective from 2017)	Supporting Nine Relevant SDGs	
<p>Goal 1: Building Sustainable Cities and Communities</p> <ul style="list-style-type: none"> To achieve Green Mark certification for 80% of CDL owned and/or managed buildings 		SDG 11: Sustainable Cities and Communities
<ul style="list-style-type: none"> To maintain 100% tenant participation in CDL Green Lease Partnership Programme 		
<ul style="list-style-type: none"> To double our commitment to adopt innovations and technology for green buildings 		SDG 9: Resilient and Innovative Infrastructure
<ul style="list-style-type: none"> To double resources devoted to advocacy of sustainability practices, stakeholder engagement and capacity building 		SDG 17: Partnership for Sustainable Development
<p>Goal 2: Reducing Environmental Impact</p> <ul style="list-style-type: none"> To achieve the science-based target of reducing carbon emissions* intensity by 38% from 2007 levels 		SDG 13: Urgent Action to Combat Climate Change
<ul style="list-style-type: none"> To reduce the usage intensity of energy and water by 25% from 2007 levels 		SDG 7: Affordable and Clean Energy
<ul style="list-style-type: none"> To reduce total waste disposed by 50% from 2016 levels 		SDG 12: Responsible Consumption and Production
<ul style="list-style-type: none"> To ensure 100% of appointed suppliers are certified by recognised environmental standards 		
<ul style="list-style-type: none"> To ensure that 50% of our construction materials are derived from recycled content, low-carbon sources or certified by recognised environmental organisations 		SDG 15: Biodiversity and Resource Conservation
<p>Goal 3: Ensuring Fair, Safe and Inclusive Workplace</p> <ul style="list-style-type: none"> To maintain Zero corruption and fraud incidents across CDL's core operations 		SDG 16: Peace, Justice and Strong Institutions
<ul style="list-style-type: none"> To maintain Zero fatality across CDL's operations and direct suppliers in Singapore 		
<ul style="list-style-type: none"> To maintain Zero occupational diseases across CDL's operations and direct suppliers in Singapore 		SDG 8: Decent Work and Economic Growth
<ul style="list-style-type: none"> To maintain Zero AFR at CDL corporate office To maintain AFR of one or less for direct suppliers at construction sites and managed properties 		