

CDL SUSTAINABILITY QUARTERLY REPORT

VOLUME 1: Q2 2017



CDL FUTURE VALUE 2030

OVERVIEW







In 2017, CDL launched the CDL Future Value 2030, a new sustainability blueprint to future-proof our business towards 2030. 2030 is the milestone year for the Paris Agreement, United Nations Sustainable Development Goals (SDGs), World Green Building Council's Net Zero Agenda and Building and Construction Authority's Green Building Master Plan, just to name a few. Delivering on three strategic goals, a set of clear, long-term targets was established to address Environmental, Social and Governance (ESG) issues which are material to our business and stakeholders, while contributing towards building a sustainable future.



























Being the forerunner in sustainability reporting since 2007, CDL is firmly committed to aligning with the global call for prompt and transparent climate-related disclosure. In addition to our annual Integrated Sustainability Report, CDL has taken the initiative to provide quarterly updates on our sustainability related initiatives and key ESG performance as tracked against our 2030 goals and targets in a timelier manner via digital platforms. These targets are mapped to nine relevant United Nations SDGs, which were first aligned with our material ESG issues in 2016.

Q2 2017 SUSTAINABILITY PERFORMANCE

Legend: Performance Progress

- ○ ● On track
- ● ○ More work required
- ○ ○ Review of current practices required

Future Value 2030 Goals	2030 Targets	Performance	
		FY 2016	As of Q2 2017
Goal 1: Building Sustainable Cities and Communities      	Achieve Green Mark certification for 80% of CDL owned and/or managed buildings	○ ○ ● More than 70% achieved	○ ○ ● 75% achieved
	Maintain 100% tenant participation in CDL Green Lease Partnership Programme	○ ○ ● More than 95% achieved	○ ○ ● 97.6% achieved
	Double our commitment to adopt innovations and technology of green buildings	○ ○ ● \$2.25 mil invested in NUS-CDL Smart Green Home and NUS-CDL Tropical Technologies Laboratory (T ² Lab)	○ ○ ● i. Close to \$2 mil invested for the Singapore Sustainability Academy (SSA) ii. Issuance of the first Green Bond by a Singapore Company using CDL's green building leadership
	Double resources devoted to advocacy of sustainability practices, stakeholder engagement and capacity building	○ ○ ● Announced the launch of SSA – first major training and networking facility for sustainability in Singapore	○ ○ ● SSA opened on 5 June 2017

Future Value 2030 Goals	2030 Targets	Performance	
		FY 2016	As of Q2 2017
Goal 2: Reducing Environmental Impact    	Achieve science-based target of reducing carbon emissions intensity by 38% from 2007 levels	 18% reduction	 33% reduction
	Reduce energy usage intensity by 25% from 2007 levels	 18% reduction	 28% reduction
	Reduce water usage intensity by 25% from 2007 levels	 15% reduction	 23% increase
	Reduce total waste disposed by 50% from 2016 levels	Waste disposal baseline established: - 13,523 tonnes construction waste - 4,283 tonnes general waste	 10% reduction
	Ensure 100% of appointed suppliers are certified by recognised environmental standards	 Almost 100% of builders and consultants have obtained ISO14001 and OHSAS18001 certifications	To be reported at end of the year
	Ensure that 50% of our construction materials are derived from recycled content, low-carbon sources or certified by recognised environmental organisations	 80% of the Singapore Sustainability Academy was built with sustainably harvested timber verified by Nature's Barcode™ system	To be reported upon completion of Forest Woods
Goal 3: Ensuring Fair, Safe and Inclusive Workplace  	Maintain Zero corruption and fraud incidents across CDL's core operations	 Zero corruption and fraud incidents	To be reported at end of the year
	Maintain Zero fatality across CDL's operations and direct suppliers in Singapore	 Zero fatality	 Zero fatality
	Maintain Zero occupational diseases across CDL's operations and direct suppliers in Singapore	 Zero occupational diseases	 Zero occupational diseases
	Maintain Zero Accident Frequency Rate (AFR) at CDL corporate office	 5.7 AFR	 2.5 AFR
	Maintain AFR of 1 or less for direct suppliers at construction sites	 0.53 AFR	 0.2 AFR
	Maintain AFR of 1 or less for direct suppliers at managed properties	 Zero AFR	 0.5 AFR

CREATING BRAND AND BUSINESS VALUE THROUGH ESG INTEGRATION

CDL Issues the First Green Bond by a Singapore Company – Tapping on Fast-Growing Demand for Socially Responsible Investments



On 6 April, CDL successfully launched the first green bond by a Singapore company, through its wholly-owned subsidiary CDL Properties Ltd. The two-year senior secured green bond **raised S\$100 million** at 1.98% fixed rate due 2019. Investors comprised mainly financial institutions and fund managers. DBS Bank Ltd. is the sole bookrunner on this transaction.

Increasingly, the Singapore Government is taking steps to match demand for sustainable investments. Green bonds are among a wider range of sustainability-oriented benchmarks, funds and products that the Monetary Authority of Singapore is seeking to promote locally.

As one of Singapore's largest commercial landlords, the success of CDL's inaugural green bond issuance paves the way for other Singapore firms to tap into the fast-growing green bond market to finance green building projects and sustainability initiatives.

Press release and fact sheet on CDL's inaugural green bond can be found [here](#).

CDL is Most-Awarded Private-Sector Property Developer at BCA Awards 2017 – Receives 31 Accolades including 3 Green Mark Pearl and 7 Green Mark Platinum Awards

At the Building and Construction Authority (BCA) Awards Night held on 13 June, CDL was the first and only property developer to receive the BCA Quality Star Champion Award, and the only developer conferred the Quality Champion (Platinum) Award for five consecutive years.



CDL was also the most awarded private-sector developer at the event, clinching a total of 31 accolades. Among its many accolades were the Green Mark Pearl award for City Square Mall, the first shopping mall to achieve this award, Green Mark Platinum Award for the newly-opened zero-energy Singapore Sustainability Academy, and the top-tier Green Mark Platinum Award for Chongqing Eling Residences, the first for a residential project in China.

More information on the awards can be found [here](#).

2017 AmCham CARES Recognises CDL's Community Programmes for Generating Long-term Economic and Social Value

At the AmCham 44th Annual General Meeting on 27 April, CDL was one of 42 companies presented with the [AmCham CARES Award](#) by Mr Tan Chuan-Jin, Minister for Social and Family Development.

The award honours CDL's Eco-Bank initiative, jointly organised with Eco-Business, for collecting 10,800kg of pre-loved items, equivalent to 2,640 tonnes of carbon dioxide saved from landfill, while raising \$35,000 for the Children's Charities Association.



DRIVING COLLABORATIONS AND INNOVATIONS IN SUPPORT OF THE SDGS

Official Opening of the Singapore Sustainability Academy – the Nation’s First Major 3P Training and Networking Facility on Sustainability

Supporting SDG:



In conjunction with World Environment Day on 5 June, the Singapore Sustainability Academy (SSA) was officially opened by Mr Teo Chee Hean, Deputy Prime Minister and Coordinating Minister for National Security, along with Mr Masagos Zulkifli, Minister for the Environment and Water Resources. Jointly created by CDL and the Sustainable Energy Association of Singapore, the zero-energy Academy is the first major People, Public and Private (3P) ground-up initiative in support of global and national goals to tackle climate change.

The SSA aims to promote a low-carbon economy, resource efficiency, and sustainable practices among businesses and the community, particularly youths, through advocacy, building capacity, collaboration, education, resource sharing and user engagement.

The SSA is supported by six government agencies and 15 founding industry partners. A number of initiatives were announced at the opening, including the Women4Green Network, the 7th CDL E-Generation Challenge and the 6th CDL Sculpture Award. A Sustainability Studio was also set up in partnership with Eco-Business.

Details of the initiatives are elaborated below, and more information and fact sheet on the SSA can be found [here](#).

Launch of CDL Integrated Sustainability Report 2017 and CDL Future Value 2030 Sustainability Blueprint to Future-Proof CDL’s Business towards 2030

Supporting SDG:



CDL released its latest Integrated Sustainability Report (ISR) 2017 on 15 May, establishing a new sustainability blueprint - CDL Future Value 2030. Introduced to complement CDL’s growth strategy and future-proof its business, the blueprint encapsulates the company’s long-standing sustainability commitment, and contains a set of tangible ESG goals and targets, with the year 2030 in mind. 2030 is a milestone year for global and national climate actions such as the Paris Agreement and the SDGs.

Enhanced indicators include the bold move to raise CDL’s carbon emissions reduction target from 25% to 38% from 2007 levels by 2030. 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, and builds on CDL's leadership as one of the first companies in Singapore to align its material ESG issues with the SDGs in 2016.

A dedicated sustainability microsite: www.cdlsustainability.com was also introduced to provide more regular and dynamic ESG reporting to shareholders, investors and partners,

The Report can be downloaded from [here](#).

Launch of the Women4Green Network – the First Singapore Network for Women Executives in the Green Industries in Support of Global Sustainability Agenda

Supporting SDG:



Women4GREEN

The Women4Green network was officially launched at the opening of the Singapore Sustainability Academy, set up to complement the SSA as a hub for knowledge sharing, networking and partnership.

It aims to connect women executives in green industries who contribute towards climate action, sustainable business, and social change. The Women4Green network is a specific platform to bring women together to actively develop ideas, foster growth and engage the community to call for a future where all women and girls have equal opportunities and rights.

In support of the SDGs, global and national climate action, the network will harness the collective knowledge and expertise of successful female leaders to empower other women to incite meaningful change in industries such as green building, technology, energy, financing.

More information on the network can be found [here](#).



An Innovative Sustainability Studio @SSA Seeks to Educate the Wider Consumers on Green Alternatives and Solutions in Support of the SDGs



In partnership with Eco-Business, a leading media company on sustainability development, the Sustainability Studio was set up at the Singapore Sustainability Academy (SSA). The studio will produce sustainability-related films to raise awareness of climate issues and to build a larger community for change.

A video series titled Tomorrow's Asia will be filmed at the SSA, featuring inspiring green solutions and alternatives in support of the SDGs.

6th CDL Singapore Sculpture Award: a Duo Arts and Youth Development Programme to Inspire Mindsets Shift and Behavioural Change Towards a Circular Economy

Supporting SDG:



The winners of the 6th CDL Sculpture Award were announced at the opening of the SSA. Introduced by CDL since 2002, the biennial award nurtures artistic talent amongst youths and local artists, fosters greater appreciation for this art form and enriches Singapore's cultural landscape through the commissioning of winning works for public display.

Centred around the theme 'Towards Zero-Waste!', submissions drew inspiration from the concept of a circular economy and Singapore's vision of becoming a zero-waste nation by 2030. Winning works will be commissioned using the SSA's residual building materials. Through this theme, CDL hopes to shift mindsets and change behaviour from a linear 'take-make-dispose' model to a circular one, in which resources are circulated back into the economy for a prolonged period.

Selected from more than 300 entries, two stood out against the rest after the Final Judging session held on 25 May at the SSA. The winning sculpture from the open category will be displayed outside the SSA to remind and inspire all to conserve resources for a sustainable future.

More information on the award can be found [here](#).



Open Category Winner
Growth Within



Student Category Winner
The Void

ENGAGING OUR STAKEHOLDERS, INVESTING IN THE COMMUNITY FOR A SUSTAINABLE FUTURE

Better Places for People: Engaging Tenants for Greener Offices and Healthier Workplaces

Supporting SDG:



In support of the World Green Building Council's 'Better Places for People' (BPfP) initiative, CDL partnered the Singapore Green Building Council (SGBC) and BCA to hold the inaugural tenant-focused event to promote the awareness of healthier workplaces through greener offices.

Attended by more than 100 tenants, occupants and partners from the public and private sectors, the event featured talks by professionals from the building and construction industry who shared how green building solutions can help to boost workplace health and productivity, as well as tips to enhance indoor air quality, improve lighting and instill recycling practices.



To raise consciousness on water conservation and its rising tariff, participants were also presented with reusable water bottles courtesy of CDL, and water-saving gadgets from the Public Utilities Board.

“Buildings are part and parcel of everyday life, and all Singaporeans spend the bulk of the workday in their offices. Therefore, it is imperative for office tenants and occupants to have an adequate understanding of how green building can help them to have a more conducive, productive time in the office,” highlighted Mr Chia Ngiang Hong, Immediate President of SGBC.

More information on the tenant event can be found [here](#).

Assisi Charity Fun Day: CDL’s Annual Staff Volunteering Event to Raise Funds for the Palliative Care of Terminally-ill Patients

Supporting SDG:



In support of CDL’s longstanding charity partner Assisi Hospice, CDL employees and group hotels collectively raised over \$185,000 at the annual charity funfair – nearly 3 times the amount raised last year – to benefit patients suffering from cancer and other life-limiting illnesses at the Hospice. The event was graced by Minister of Defence Dr Ng Eng Hen and Patron of Assisi Hospice Mdm Ho Ching.



The highlight of the day was a new charity segment “Going the Extra Mile for Charity” helmed by CDL’s Deputy CEO Mr Sherman Kwek. Donations poured in and the public cheered Mr Kwek on, as he ferried the respected Sister Florence Wong and a patient’s granddaughter Gracelyn Ng on a trishaw. The segment raised over \$76,000, far exceeding the original target of \$10,000.

Apart from contributions from its senior management team and employees, CDL also rallied the support of its contractors and subsidiaries including CBM and the M&C Hotels to contribute towards this meaningful social cause.

CDL’s Youth Development Programmes: Cultivating Future Generations of Eco-Champions, Green Consumers and Workforce

Supporting SDG:



Recognising that youths are the next generation of consumers, workforce and leaders who will be shaping its future economy and society, CDL has been active in youth development – one of its key community investment pillars – for over two decades.

Through partnering education institutions and supporting youth-led projects which largely focuses on cultivating sustainability thought-leadership, raising environmental responsibility and serving the underprivileged groups in the community, CDL has contributed towards the following programmes to nurture future generations of change makers.



1. International Symposium on Sharing City, Organised by the National University of Singapore (NUS) and Peking University, 18 May

Speaking to an international student audience, CDL's Chief Sustainability Officer, Esther An provided a corporate perspective on the integration of sharing economy to enhance conventional business strategies.



2. Global Compact Network Singapore (GCNS) Youth Forum 2017, 22 April

A Corporate Social Responsibility (CSR) workshop was held to benefit the non-university teams of CDL's flagship youth competition, Young CSR Leaders Award 2017, and showcased CDL's employee-led sustainability initiatives in enhancing operational excellence and corporate image.



3. "Earth Hour: Our Green Generation", Organised by Nanyang Technological University (NTU) Earthlink, 25 March

Joining Mr Desmond Lee, then Senior Minister of State for Home Affairs and National Development, Esther and the senior executives from Nature's Society, Interface, Sembcorp and South West CDC, advocated environmental messages to the local community at this annual youth-led outreach event. More information about the event can be found [here](#).



4. NUS SAVE Goes Lite 2017 – Ctrl-Alt-Delete: Waste Manager, 23 March

CDL supported 100 NUS student leaders and partners in educating thousands of participants on waste management through fun and interactive games at a two-day campus event organised by NUS SAVE. More information can be found [here](#).



5. Greenfest by NTU Earthlink 2017, 20 March

Sustaining our longstanding support for NTU Earthlink since 2010, CDL sponsored this annual eco-carnival to promote environmental awareness to hundreds of NTU students and its faculty. The event was graced by Dr Amy Khor, Senior Minister of State, Ministry of the Environment and Water Resources, and hosted partners from government agencies, NGOs, companies, NTU research institutes and partners. More information on the event can be found [here](#).



6. Guest Lecture for NUS Bachelor of Environmental Studies Programme, 20 March

Esther shared CDL's sustainability journey and career prospects in the environmental management with 70 future professionals, positioning CDL as a forward-thinking company and employer.



Reduce @North West: Programme Expansion to Encourage Community Efforts Towards Reduction in Water and Food Consumption

Supporting SDG:



Into CDL's 3rd year of supporting Reduce @North West, the initiative has expanded its scope to include measures for reducing water consumption and food waste, in addition to the original energy reduction programme for low-income households.

At this year's initiative launch graced by Dr Teo Ho Pin, 200 Fuchun Secondary School students conducted a door-to-door campaign, educating over 3,700 households on tips to conserve resources and save utility bills.

Started in 2011, the Reduce @North West initiative aims to educate and encourage residents in the North West district of Singapore to do their part in fighting climate change by reducing their energy consumption. Since 2015, CDL has been donating \$10 to every low-income household that signs up for a 6-month energy audit to help defray their utility bills.

More information on the programme can be found [here](#).

Earth Hour & Earth Day Employee Engagement: Developing an Eco-Conscious Workforce

Supporting SDG:



Some 80 CDL staff attended the 'Before The Flood' film screening and upcycling workshop organised to commemorate Earth Hour and Earth Day on 24 March and 29 April respectively.

Through the compelling documentary narrated and produced by Oscar-winning actor and environmental activist, Leonardo DiCaprio, CDL employees gained a better understanding on the impact of climate change and the urgency to take action.



At the hands-on upcycling workshop, CDL employees were taught how to upcycle old t-shirts into fashionable bags, reminding them on excessive consumerism and the need to minimise waste in support of Singapore's goal towards a Zero Waste Nation.

These events are part of a series of environmental-related staff engagement activities which CDL has committed to organising every year, in accordance to ISO14001 international standards for environmental management.



ADVOCATING THOUGHT-LEADERSHIP, ADVANCING SUSTAINABILITY AGENDA.

Stewardship Asia Roundtable 2017: Showcase CDL's Strategy and Best Practices on how CSR Values help Future-proof Businesses in Changing Times

On 6 June, more than 200 leaders from some 20 countries attended the Stewardship Asia Roundtable 2017 organised by Stewardship Asia Centre, a member of Temasek Management Services Group. The event brought together the region's influential thinkers and leaders for a dynamic exchange of ideas on advocating sound stewardship and governance in their organisations and businesses.



Mr Grant Kelley, CEO of CDL, was one of three business leaders invited to speak at the session on "Enduring Principles towards Sound Stewardship". He showcased CDL's strategy, experience and best practices of a successful well-stewarded family-based business. He also shared on how CSR values have helped future-proof CDL's business, and enabled the company to leverage on new opportunities and financing streams through fast evolving times.

The event provided a platform for stewardship leaders to share best practices and experience in promoting stewardship and governance to create wealth for stakeholders and benefit the larger community over the long term. More information on the Roundtable can be found [here](#).

BCSD-CDL Roundtable: Unlocking SDG Market Potential through Meaningful Engagement with the Private Sector

The Business Council for Sustainable Development (BCSD) held a roundtable session at the SSA on 17 May, on "Aligning corporate strategies to the United Nations Sustainable Development Goals (SDGs): Challenges and opportunities".

Presented by Mr Filippo Veglio, Managing Director, Social Capital, World BCSD, the session explored the crucial role that businesses play in achieving the SDGs, as well as positioning clear actions that business leaders can take to align with the SDGs and unlock the value they represent. The audience were provided with a comprehensive overview of the key implications for businesses across the spectrum of risk, opportunity, governance and transparency, and the need for collaborative action.



Singapore Green Finance Forum: Tapping the Growth of Sustainable Financing and Green Bond Markets

The Chartered Financial Analyst (CFA) Institute invited CDL to share its insights on green finance at the Singapore Green Finance Forum held on 11 May. Speaking as part of a panel, Esther addressed CFA members along with other stakeholders on the intrinsic value of sustainable investment. She was joined by Ms Cheng Tianyin from S&P Dow Jones Indices, and Mr Darren Chua from ADL Infra Capital Myanmar for the discussion.



Opening remarks were given by Dr Tony Tan, CFA, Head, Global Society Advocacy Engagement, CFA Institute. Mr Sun Xi, founder & CEO of ESGuru, was the panel moderator.

Singapore Stewardship Principles Networking Series: Furthering Stewardship in Asia through ESG Integration and Performance



On 12 April, CDL was invited to speak at the panel session on Stewardship in Action, sharing the company's long standing commitment to sustainability. Organised by Stewardship Asia Centre and hosted by MAS, the event introduced the recently launched Singapore Stewardship Principles and discussed how corporations and investors have adopted its Principles. The Principles aim to promote responsible investing and encourage investors to closely integrate ESG performance into their investment decision making process.

Beside Esther, the other panelists included Mr Melvin Yong, Country Head – Singapore, CFA Australia; Mr Uantchern Loh, Management Committee, Securities Investors Association (Singapore); Mr David Smith, Head of Corporate Governance, Aberdeen Asset Management Asia Ltd; and Mr Tow Heng Tan, CEO, Pavilion Capital.

The session was well-attended by asset managers, investors, regulators, banks and investor relations and sustainability professionals. CDL shared from a business perspective on the challenges and opportunities of stewardship, and our efforts to be a good steward and generate long term value.

The session received strong positive feedback, and was a good avenue to promote CDL's strong financial and sustainability performance to relevant investors.

Sustainability Insights from Global Expert

As part of CDL's continued thought-leadership and advocacy efforts, we have been featuring sustainability insights from experts on our dedicated sustainability microsite: www.cdlsustainability.com



For this issue, the spotlight is on Mr Timothy J. Mohin, Chief Executive of Global Reporting Initiative (GRI). A veteran in the field of corporate sustainability reporting, Tim is responsible for leading GRI in achieving its vision of creating a future where sustainability is integral to every organization's decision-making process. Previously, Tim founded and led Apple's Supplier Responsibility program. He also led Intel's environmental and sustainability functions. Tim started his career with the US government in the Environmental Protection Agency (EPA). At EPA, he led the development of the toxics provisions of the Clean Air Act Amendments.

As an expert in sustainability reporting, Tim shares his opinion on the importance of having clear and specific Key Performance Indicators to help a company set goals and track its sustainability progress.

Read on for Tim's [full article](#).

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