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Independent Assurance Statement

To the management of CDL Properties Limited, 36 Robinson Road, #04-01 City House, Singapore 068877.

Introduction

We were engaged by CDL Properties Limited ('Issuer') to provide independent assurance on their Green Bond Framework (framework) to be used for issuance of its debut green bond offering of SGD100 million in April 2017. Our responsibility was to provide "limited assurance" on conformance of their framework with the pre-issuance requirements of the Climate Bonds Standard Version 2.0.

Assurance Standards

We conducted our engagement in accordance with requirements of 'Limited Assurance' as per International Federation of Accountants' (IFAC) International Standard on Assurance Engagements [ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information].

Assurance scope and level of assurance

The scope of our assurance included providing assurance on the information on material aspects of the green bond framework based on the pre-issuance requirements of the Climate Bonds Standard Version 2.0 as listed below:

- Selection of Nominated Projects & Assets
- Internal Processes & Controls
- Reporting Prior to Issuance

Specific limitations and exclusions

Our assurance process was subject to the following limitations as we have not been engaged to:

- Determine which, if any, recommendations should be implemented
- Provide assurance on information outside the defined Green Bond Framework boundary
- Verify the Issuer's financial statements & economic performance
- Verify the Issuer's statements that describe expression of opinion, belief, aspiration, expectation, aim or future intention and national or global socio-economic and environmental aspects provided by the Issuer

Work undertaken

We planned and performed our work to obtain all the evidence, information and explanations that we considered necessary to obtain a meaningful level of assurance in relation to the above scope. The procedures we performed, which are set out in more detail below, were based on our professional judgment and included, as appropriate, inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of reporting policies and agreement or reconciliation with underlying records. We believe that the procedures we have performed and the evidence we have obtained are sufficient and appropriate to provide a basis for our limited assurance conclusion.



To reach our conclusion we:

- Conducted interviews with management and key staff responsible for the green bond to obtain an understanding of the processes, systems and controls in place for management of bond proceeds;
- Checked the Issuer's Green Bond Framework that has been attached as an Annexure to this statement and includes processes, systems and controls in place for management of bond proceeds; investment areas for green bond proceeds and intended types of temporary investment instruments for the management of unallocated proceeds; and
- Checked the list of type of projects which are proposed to be associated with the green bond and their conformance with eligibility requirements specified in Part B of the Climate Bonds Standard.

Conclusions

The following conclusion is based on the work performed and evidence obtained and the scope of our assurance engagement described above.

Nothing has come to our attention to suggest that the framework to be used for issuance of a green bond of SGD100 million in April 2017 by the Issuer, is not, in all material respects, conforming to the Pre-Issuance requirements of the Climate Bonds Standard.

Independence

The assurance was conducted by a multidisciplinary team including professionals with suitable skills and experience in auditing environmental, social and economic information in line with the requirements of ISAE 3000 standard. Our work was performed in compliance with the requirements of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners) as well as the assurance firm (assurance provider) be independent of the assurance client, in relation to the scope of this assurance engagement. The Code also includes detailed requirements for practitioners regarding integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. KPMG has systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence. The firm applies ISQC 1 and the practitioner complies with the applicable independence and other ethical requirements of the IESBA code.

Management's responsibility

The Management of the Issuer is responsible for ensuring that the Issuer and their green bond complies with the requirements of the Climate Bonds Standard. This responsibility includes designing, implementing and maintaining systems and processes relevant for the management of green bond proceeds.

The Management of the Issuer is also responsible for preventing and detecting fraud and for identifying and ensuring that Issuer complies with laws and regulations applicable to its activities.

Our responsibility

Our responsibility is to report in the form of an independent limited assurance conclusion in relation to the above scope based on the procedures performed and the evidence obtained. We conducted our engagement with a multidisciplinary team which included professionals with suitable skills and experience in auditing environmental, social and economic information in line with the requirements of ISAE 3000 standard.

This assurance report is made solely to Issuer in accordance with the terms of our engagement, which include agreed arrangements for disclosure. Our work has been undertaken so that we might state to



Issuer those matters we have been engaged to state in this assurance report and for no other purpose. Our assurance report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than Issuer for any purpose or in any context. Any party other than Issuer who obtains access to our assurance report or a copy thereof and chooses to rely on our assurance report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than Issuer for our work, for this independent limited assurance report, or for the conclusions we have reached.

A handwritten signature in black ink, appearing to read 'Santhosh Jayaram', with a long horizontal stroke extending to the right.

Santhosh Jayaram
Partner
KPMG India
05 April 2017