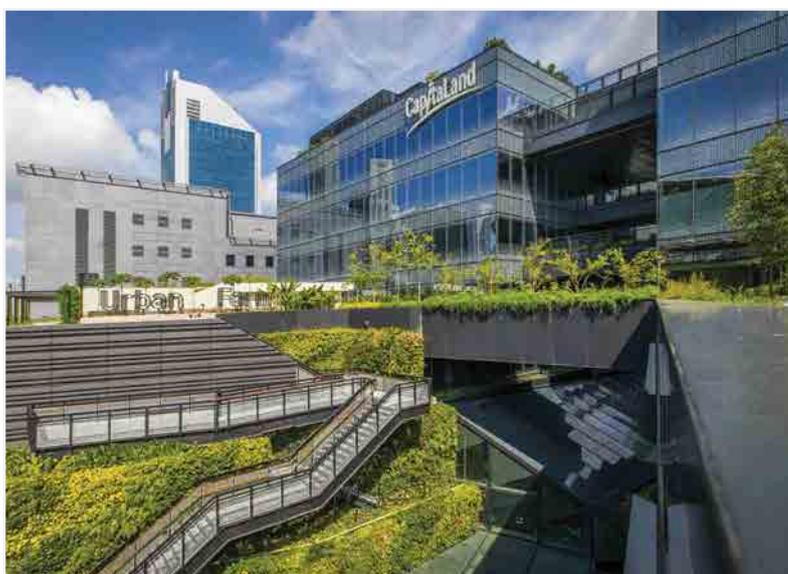


CAPITALAND

CAPITALAND TAKES THE LEAD IN ADVANCING SUSTAINABILITY GLOBALLY

Capitaland, one of Asia's largest diversified real estate groups and a global sustainability leader, remains committed to drive positive change by advancing its environment, social and governance (ESG) efforts worldwide.



Headquartered and listed in Singapore, the Group owns and manages a global portfolio worth about S\$134.7 billion as at 30 June 2020. Capitaland's portfolio spans across diversified real estate classes which includes commercial, retail; business park, industrial and logistics; integrated development, urban development; as well as lodging and residential. With a presence across more than 220 cities in over 30 countries, the Group focuses on Singapore and China as its core markets, while it continues to expand in markets such as India, Vietnam, Australia, Europe and the USA.

Capitaland has one of the largest real estate investment management businesses globally. It manages seven listed real estate investment trusts (REITs) and business trusts as well as over 20 private funds.

SUSTAINABILITY-FOCUSED BUSINESS

As a responsible real estate company, Capitaland places sustainability at the core of what it does. The Group contributes to the environmental and social well-being of its communities as it delivers long-term economic value to its stakeholders. It embeds sustainability throughout its real estate lifecycle, from investment in properties to development and operations.

Capitaland's ESG performance is integrated with its key performance indicators, demonstrating the Group's long-term focus on sustainability and responsible growth. It has continued to step up its ESG efforts and its subsequent achievements have allowed it to add resilience to its capital position. Particularly, Capitaland's excellence in sustainability has enabled

the company to dovetail its sustainability efforts with its cost of funding. Capitaland's sustainability-linked loans are directly tied to its ESG performance rather than a specific property, allowing the Group flexibility to use the loans for general corporate purposes. In addition, Capitaland's continued top-tier ESG performance allows it to obtain interest savings. To date, Capitaland has raised over S\$2.82 billion through sustainability financing – a mix of sustainability-linked loans, green loans and green bonds.

Capitaland utilises a multipronged approach to track the Group's sustainability efforts. Its Environmental Tracking System (ETS) tracks critical sustainability progress indicators such as energy and water consumption, waste generation and carbon emissions across all operational properties that it owns and manages. The annual Capitaland Global Sustainability Report (GSR) communicates sustainability performance and the level of integration of sustainability into business operations. Its sustainability targets and reporting methodologies are benchmarked against the latest international standards, frameworks, and principles such as the Global Reporting Initiative (GRI), International Integrated Reporting Council, ISO standards, Dow Jones Sustainability Indices, Global Real Estate Sustainability Benchmark and the United Nations Global Compact.

Capitaland was one of the first companies in Singapore to voluntarily publish its Sustainability Reports according to the GRI Guidelines in 2009. Capitaland's inclusion in well-regarded international sustainability indices also serves as a metric to track progress. It has been included on the Global 100 Most Sustainable Companies eight times, listed on the Dow Jones Sustainability World Index (DJSI) for eight consecutive years, and Capitaland is the

longest standing company in Singapore to be listed on the Dow Jones Sustainability Asia Pacific Index for 11 consecutive years.

REDUCING ENVIRONMENTAL FOOTPRINT THROUGH INNOVATION

CapitaLand actively embraces innovation to manage its environmental footprint and encourages the use of innovative green features in its developments. CapitaGreen, a high-rise office tower in Singapore exhibits many innovative eco-friendly features. One of the key features is the petal structure that crowns the top of the building and serves as a wind scoop. The structure draws in cooler cleaner air from above the building and channels it into an inner duct called the "cool void". The cool void then supplies fresh cool air to the building's air conditioning system, resulting in less energy required to cool the building. This feature and many other aspects of the building's environmentally conscious design earned it Singapore's Building & Construction Authority (BCA) Green Mark Platinum Award. CapitaLand recently topped its over 130 Green Mark Awards with the highest recognition of Green Mark Platinum Champion Award by BCA.

CapitaLand further encourages the use of renewable sources of energy to reduce its greenhouse gas emissions. Solar panels are one of the primary innovative technologies available to accelerate the transition to a greater use of renewable energy. CapitaLand has leveraged this innovative technology across its properties in Singapore and India. In Singapore, over 21,000 solar panels have been installed atop CapitaLand's six industrial properties. It is the largest combined rooftop solar facility in Singapore by a real estate company. It will enable CapitaLand's corporate offices in Singapore to be 100% powered by renewable energy by end 2020 through the purchase of Renewable

Energy Certificates (REC) generated from the use of solar panels, reducing its emissions further. Notably, the solar panels helped Singapore achieve its 2020 solar deployment target of 350MW early this year.

ACTIVE COMMUNITY OUTREACH

Since 2008, CapitaLand has been participating in Earth Hour, a worldwide movement organised by the World Wide Fund for Nature, raising awareness on climate change and encouraging individual action to reduce environmental footprint for the past decade. In 2019, more than 260 CapitaLand properties worldwide participated in the Earth Hour campaign. Properties in Singapore organised educational awareness workshops for children to learn about leading more sustainable lifestyles. CapitaLand malls and offices in Singapore have partnered with the Public Utilities Board of Singapore (PUB) to host roadshows to encourage the public to make a commitment towards saving water.

CapitaLand furthers its community development commitment through CapitaLand Hope Foundation, the company's philanthropic arm. CapitaLand recognises that the long-term success of the company's business is closely intertwined with the health and prosperity of the communities in which it operates.

Every year, CapitaLand allocates up to 0.5% of its net operating profit to CapitaLand Hope Foundation. The Foundation promotes the social growth and development of vulnerable children with respect to their education, healthcare and shelter needs. It also strives to improve the quality of life for the vulnerable elderly through healthcare, deeper social integration and better living conditions. In 2019, CapitaLand Hope Foundation invested more than S\$3.48 million to benefit underprivileged children and vulnerable elderly.



RETURNS ON ENVIRONMENT

Since 2008, CapitaLand has achieved a 29.4% reduction in carbon emissions intensity and has reduced its energy and water consumption intensity across the global property portfolio by 19.2% and 22.4% respectively. These environmental outcomes have resulted in significant returns, including a S\$208 million in utilities cost avoidance since 2009.

LOOKING AHEAD

Despite CapitaLand's achievements in sustainability, the real estate group is not resting on its laurels. CapitaLand will continue to set the bar with more ambitious sustainability targets. The new CapitaLand Sustainability Masterplan to be launched 4Q 2020 will be a blueprint and strategic roadmap to direct and galvanise all of CapitaLand's sustainability efforts across the Group to maximise impact.