



News Release

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CDL'S 2015 SUSTAINABILITY REPORT – MAKING BUSINESS SENSE OF ITS SUSTAINABILITY PERFORMANCE

- *First property developer in Singapore to adopt Integrated Reporting approach for its sustainability report, connecting social and environmental performance with business and financial impact for a holistic account on its value creation*
- *Clear articulation of Climate Change Policy and improved environmental performance in 2014: 21%¹ and 29% reduction in carbon emissions and water usage respectively; water conserved at construction sites more than doubled to 244,608 m³*
- *S\$36.5 million of estimated reduction in electricity consumption from 57 Building and Construction Authority (BCA) Green Mark awarded buildings in the last six years*

City Developments Limited (CDL) has become the first property developer in Singapore to adopt an Integrated Reporting (IR) approach for its latest sustainability report titled “Creating Value for the Future”. Based on the International Integrated Reporting Council’s (IIRC) Framework, this approach provides for a more meaningful and all-rounded corporate reporting.

Centred around six capitals – Financial, Manufactured, Organisational, Social and Relationship, Human, and Natural – this IR approach aims to present a holistic picture to CDL’s investors and stakeholders on how the interrelation between CDL’s business and sustainability performance leads to value creation over the short-, medium- and long-term.

Mr Kwek Leng Joo, CDL Deputy Chairman said, “In line with global trends in sustainability reporting, we have adopted the IR approach this year, connecting social and environmental performance with business and financial impact. The report also addresses stakeholders’ concerns about materiality issues for long-term value creation.”

“Globally, calls for greater actions and transparency from corporations have intensified and green consumerism is on the rise. With the Singapore Exchange having announced its plan to adopt the ‘comply or explain’ approach, making sustainability reporting not just a ‘good-to-have’, but a ‘must-have’ for listed firms soon.”

Complementing the Global Reporting Initiatives (GRI)² G4 guidelines, the report focuses on financial, social and environmental issues that have been identified as material to CDL’s business and stakeholders, through a rigorous materiality assessment conducted in 2014 with internal and external stakeholders.

In this year’s sustainability report, CDL has also expanded its scope to include carbon disclosure from the Group’s key subsidiaries – Millennium & Copthorne Hotels plc (M&C), CDL Hospitality Trusts, CBM Pte Ltd, City Serviced Offices, Le Grove Serviced Apartments and the Tower Club.

In 2008, CDL published Singapore’s first GRI-checked dedicated social and environmental report. In 2012, CDL became the first Singapore developer to receive GRI Level A+.

¹ From baseline year of 2007

² GRI is an internationally accepted reporting framework that is widely used by corporations to measure and disclose their sustainability performance

Improved Environmental Performance in 2014

In 2014, CDL achieved improved environmental performance in the following areas.

- 21%³ reduction in carbon emissions, an increase from 18%³ in 2013, on track to achieve its target of 25%³ reduction by 2030
- 29% reduction in water usage from 717,033 m³ to 508,820 m³ in 2014
- Water conserved at CDL's construction sites in 2014 more than doubled to 244,608 m³ from 121,715 m³ in 2013
- 9% increase in renewable energy generated by CDL-managed buildings from 199,732 kWh in 2013 to 217,567 kWh in 2014, equivalent to the annual electricity used by about 39 Singapore households⁴
- S\$36.5 million worth of estimated reduction in electricity consumption from its 57 BCA Green Mark awarded buildings in the last six years

First-Mover Advantage Through Proactive Sustainability Efforts and Reporting

Since 1995, CDL has been steadfast in its commitment to “Conserving as it Constructs” – building a strong Corporate Social Responsibility (CSR) foundation.

2015 marks CDL's 20 years of CSR journey.

Over the years, CDL's proactive and pioneering efforts have enabled the company to enjoy first-mover advantage. Environmental-related regulations and requirements such as the mandatory BCA Green Mark Scheme in 2008 as part of the Building Control (Environmental Sustainability) Regulations and the Energy Conservation Act in 2012 that have been progressively mandated for the property development sector have had little business impact on CDL's operations.

Mr Kwek said, “Sustainability reporting is a useful tool for companies to review their business model and performance, putting a balanced triple bottom line as priority. Our commitment to sustainability and green building has helped us to drive innovation and differentiate our product and improve on operational performance.”

“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. This will complement Singapore's vision to be a clean, green, sustainable and smart nation.”

Consumers are also increasingly demanding that firms operate in a responsible manner. According to a survey by Nielsen in 2014, 55% of global online consumers across 60 countries said they are willing to pay more for products and services provided by companies that are committed to positive social and environmental impact. With green consumerism on the rise, there are tremendous opportunities for companies to adopt greater sustainability and further enhance the disclosure and transparency to stakeholders.

CDL's 2015 sustainability report is available at: www.cdl.com.sg/sustainabilityreport2015

For media queries, please contact:

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

Tel: 6428 9315

Tan Hock Lee
Senior Manager, Corporate Communications
City Developments Limited

Tel: 6428 9312

³ From baseline year of 2007

⁴ Based on Singapore Energy Statistics 2014, households consumed an average of 469 kWh of electricity per month in 2013