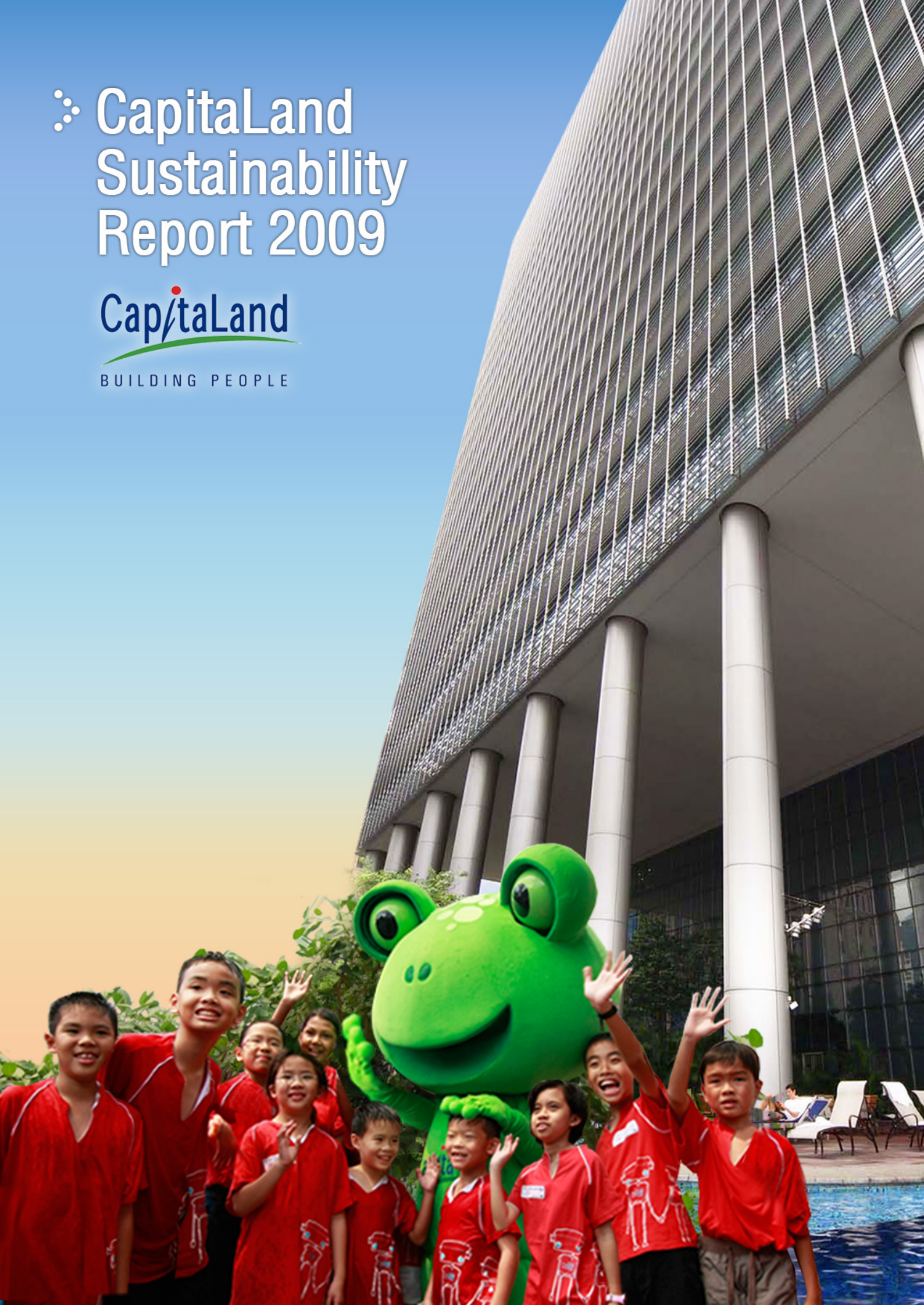


CapitaLand Sustainability Report 2009

CapitaLand


BUILDING PEOPLE



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Introduction

In 2009, CapitaLand Group's key sustainability achievements were:

- Only Singapore real estate company listed in the Dow Jones Sustainability Asia Pacific Index 2009;
- Saved approximately S\$8.88 million by reducing the energy and water usage of 138 properties worldwide;
- Set a Year 2020 target of a 20% reduction in energy and water usage per gross floor area (GFA) compared to Year 2008;
- Achieved average training hours per employee of 59.6 hours per annum, well above the recommended industry guide of 40 hours;
- Donated over S\$5 million to children's charities all over Asia since November 2005 through CapitaLand Hope Foundation, the Group's philanthropic arm; and
- Won for the ninth consecutive year the "Most Transparent Company (Property)" award by the Securities Investors Association (Singapore).

Scope of the Report

This report covers CapitaLand's international portfolio in over 20 countries, with a focus on Singapore where the Company headquarters are based. Moreover, some initiatives are tested in Singapore and will be extended overseas. The period under review is 1 January 2009 to 31 December 2009, unless otherwise indicated. This report uses the Global Reporting Initiative (GRI) G3 Guidelines and will be published on an annual basis. In line with CapitaLand's commitment to go green, this report is available online at www.capitaland.com/csr/sustainabilityreport

Feedback



We welcome feedback from our stakeholders as this enables continual improvement in our policies and processes. Please send your comments and suggestions to ask-us@capitaland.com

About CapitaLand

Corporate Profile

CapitaLand Limited is one of Asia's largest real estate companies. Headquartered and listed in Singapore, the multi-local company's core businesses in real estate, hospitality and real estate financial services are focused in growth cities in Asia Pacific and Europe.

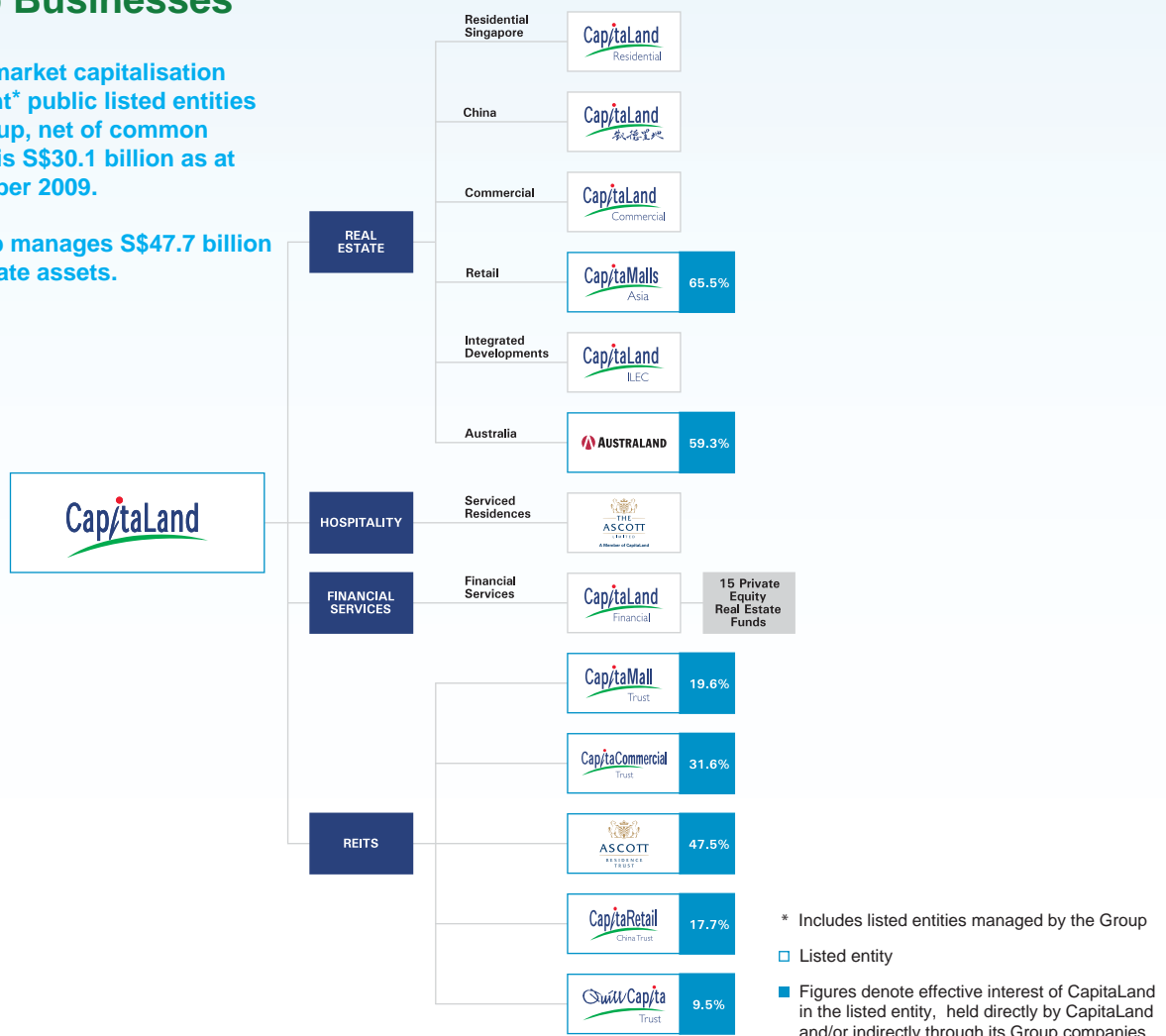
The company's real estate and hospitality portfolio, which includes homes, offices, shopping malls, serviced residences and mixed developments, spans more than 110 cities in over 20 countries. CapitaLand also leverages on its significant asset base, real estate domain knowledge, financial skills and extensive market network to develop real estate financial products and services in Singapore and the region.

The listed subsidiaries and associates of CapitaLand include Australand, CapitaMalls Asia, CapitaMall Trust, CapitaCommercial Trust, Ascott Residence Trust and CapitaRetail China Trust.

Group Businesses

The total market capitalisation of the eight* public listed entities in the Group, net of common holdings, is S\$30.1 billion as at 31 December 2009.

The Group manages S\$47.7 billion of real estate assets.






Introduction

CREDO

Building for People to Build People
Building People to Build for People







MISSION

To build a world-class real estate company with international presence that:

-  Creates sustainable shareholder value
-  Delivers quality products and services
-  Attracts and develops quality human capital

CORE VALUES

CapitaLand's core values are the foundation of our culture. They also represent the key beliefs common to our businesses in each country in which we operate. They support how we do business, how we treat our stakeholders and how we interact in the workplace. The core values of CapitaLand are communicated throughout the Group, and are defined to employees as follows:

-  Our People are our strength. We build people to build for people.
-  We are committed to the highest standards of integrity.
-  We have the courage to do what is right and the will to succeed.
-  We add value to what we do through innovation and continuous improvement.
-  We are fair and reasonable in all our actions and dealings with business partners, customers and colleagues.
-  We contribute to the well-being of the community.

VISION

A world-class entrepreneurial, prosperous and lasting real estate company led and managed by people with core values respected the business and social community.

A leading real estate company in Asia, reputed for its innovative and quality real estate products and services.

A company with a strong global network of long-term investors and blue-chip partners.

A company which attracts, develops and retains a diversity of talents regardless of nationality, race or age.

Letter to Stakeholders

Dear Stakeholders

Despite the global financial downturn being one of the worst crises the world has faced, CapitaLand was able to pull through having learnt from past crises. We prepared ourselves not to waste this crisis and emerged ahead of the curve, having taken proactive steps to strengthen our balance sheet and enhance our financial flexibility.



CHF Board and management with beneficiaries of Green for Hope 2009 (Mr Liew Mun Leong, President & CEO, CapitaLand, 4th from left).

In 2009, the Group achieved a profit after tax and minority interests (PATMI) of S\$1,053.0 million, despite the severe global economic downturn. This is the fourth consecutive year that CapitaLand has recorded net profit exceeding S\$1 billion.

This year in November 2010 marks the Group's tenth anniversary. We have achieved much over the years, and the sustainability of our business depends on our people and our care for the community and the environment. To anchor this lasting approach to our business, moving forward, we will publish this Sustainability Report on an annual basis.

Our credo "Building People" has been the cornerstone of our success this past decade. We recognise that our most important asset is people. Our workforce is highly diverse, and come from more than 70 different countries all over the world. We are committed to staff development and management to differentiate us in a highly competitive business environment. In 2007, we officially opened CapitaLand Institute of Management and Business (CLIMB), our in-house training institute. In recognition of our investment in human resources and good human resource management practices, we won the Most Admired ASEAN Enterprise Award at the ASEAN Business Awards in 2007.

On care for the community, we set up CapitaLand Hope Foundation (CHF), our philanthropic arm in 2005, to help underprivileged children and boost staff volunteerism. We believe that by helping those in need at an early age, we will be able to help them reach their highest potential and become contributing citizens in their communities.

Since the foundation was established, we have donated more than S\$5 million to charities all over Asia and built school facilities, dormitories in China, Indonesia, Thailand and Vietnam. For 2010, CHF has committed S\$5 million to children's charities in Singapore and overseas to celebrate its fifth anniversary. To me, this is an important and meaningful undertaking.

On care for the environment, we actively pursue leadership in terms of green buildings and environmental awareness. In November 2006, we formed the CapitaLand Green Committee to spearhead Group-wide green initiatives in Singapore and overseas.

With this, we have been better able to consolidate the knowledge and expertise built up over the years and apply consistent environmental practices across our properties worldwide.

In 2007, we launched the Building A Greener Future programme to actively involve our stakeholders in minimising our impact on the environment. It has been a great success, engaging our tenants, shoppers, serviced residence guests as well as members of the public. We have been able to use our extensive real estate footprint to help spread the green message to as many individuals as possible.

Going green also makes good business sense. Our Environmental Management System has enabled us to reduce our energy and water usage by 7.2% and 4.0% respectively in 2009, resulting in savings of approximately S\$8.8 million (based on average country utility rates).

Interestingly, we have now merged our philanthropic objectives with our green thrust. In Singapore, the Green for Hope creative recycling campaign reaches out to over 250,000 schoolchildren in almost all primary schools. The programme has been effective in educating our younger generation on the importance of recycling and philanthropy. CHF has donated over S\$1 million for this flagship programme, its largest single donation to date.

For our efforts, CapitaLand was recognised as a corporate sustainability leader. In 2009, we are a component of the Dow Jones Sustainability Asia Pacific Index, and the only Singapore company in the Sustainability Yearbook 2009.

The publication of CapitaLand's first Sustainability Report in 2010 marks a significant milestone for CapitaLand. We remain committed to be a good corporate citizen and to building a greener future, not just for this generation, but for generations to come.

Liew Mun Leong
President and CEO
CapitaLand Group

Financial Performance

CapitaLand achieved net profit of S\$1.05 billion in 2009 despite the severe global economic downturn. Sound risk management and corporate governance policies and practices are vital to drive the Group's long-term sustainable growth and shareholder value. For a detailed breakdown of its 2009 financial results, five-year financial summary, economic value added statements and value added statements, please refer to the following sections in the CapitaLand Annual Report 2009:

- Financial Highlights, pg 1
- Performance Review, pg 71-79
- Economic Value Added Statements, pg 80
- Value Added Statements, pg 81
- 5-year Financial Summary, pg 104

Managing Sustainability

CapitaLand's credo, mission, vision and core values define how the Group conducts its business, interacts with stakeholders and contributes to the well-being of its employees and the community.

Stakeholders	Commitment
Employees	To train employees to achieve their optimal level, aligning their personal goals with company performance and creating a positive work environment for them.
Investor	To constantly create sustainable shareholder value.
Customer	To constantly deliver innovative and quality products and services.
Business Partners	To be fair and reasonable in actions and dealings with business partners.
Suppliers and contractors	To be fair and reasonable in actions and dealings with suppliers and contractors.
Community	To contribute to the societies in which CapitaLand operates.

At CapitaLand's headquarters, corporate heads spearhead various key functions for group-wide operational and sustainability actions and implementation. Departments such as Corporate Social Responsibility, Internal Audit, Occupations Compliance Unit and Risk Management are located in the headquarters.

For key initiatives including those related to sustainability, CapitaLand establishes working committees comprising representatives from strategic business units (SBU) and relevant departments from the Corporate Office. Headed by a senior management representative, the working committee reports direct to the Steering Committee, comprising the CEOs of the Group. This structure has been used to establish the Green Committee and the Operations Compliance Working Committee.



Where appropriate, specific guidelines and policies have been introduced to ensure there is consistent implementation of initiatives on a Groupwide basis. An example of this is the CapitaLand Green Buildings Guidelines (GBG) which were introduced in 2006 to ensure that environmental considerations are factored in at all stages of a project.

Managing Sustainability

Stakeholder Communications

Shareholders, investors, analysts and media

CapitaLand Limited is listed on the Singapore Exchange Securities Trading Limited (SGX-ST). As a listed company, CapitaLand communicates regularly with shareholders, investors, analysts and the media to ensure all stakeholders are informed of its activities on a timely and consistent basis.

The Group's stakeholder communications efforts have been recognised by the investment community. In 2009, CapitaLand won the SIAS "Most Transparent Company (Property)" award for the ninth consecutive year and was the top Singapore company in Asiamoney's Corporate Governance Poll 2009. CapitaLand also won four awards in the 2009 Thomson Reuters Extel IR Survey: for Singapore, most progress in investor relations, best investor relations by a chief financial officer, and best investor relations professional (large cap); and for Asia Pacific, best investor relations professional.

For more information, please refer to CapitaLand's Annual Report 2009, page 46, CapitaLand website on Investor Information and the Awards and Certifications section of the Sustainability Report 2009.

Employees

CapitaLand recognises the importance of managing and developing human capital, and that a positive work environment will better attract, motivate and retain talent. For more information, please refer to Employee Engagement under the chapter People and Community.

Main Contractors and Vendors

Protecting the environment and ensuring occupational health and safety is of paramount importance to CapitaLand. In 2007, it obtained ISO 14000 certification for environmental management and obtained OHSAS 18000 certification for Occupational Health and Safety Management Systems for Singapore in 2009. CapitaLand organises briefings and sends out updates to ensure that its vendors and suppliers are aligned with CapitaLand's Environmental, Health and Safety (EHS) Management System. Its consultants, contractors, vendors and suppliers are also encouraged to adopt similar best practices.

To lead the way, CapitaLand's target is for 100% of newly appointed main contractors of major projects¹ to be ISO14000 and OHSAS 18000 certified or to implement on site an EHS that meets ISO14000 and OHSAS 18000 standards.

¹ Major projects include

- All new building works which involve a gross floor area of 2,000 sq m or more;
- Additions or extensions to existing buildings which involve increasing the gross floor area of the existing buildings by 2,000 sq m or more;
- Existing buildings undergoing major retrofitting works with gross floor area of 2,000 sq m or more, and involving the provision, extension or substantial alteration of the building envelope and/or building services associated with air-conditioning and mechanical ventilation systems.

Managing Sustainability

For CapitaLand corporate offices, preference is given to ISO 14000 certified vendors wherever possible, such as housekeeping and cleaning services companies. All vendors receive a copy of CapitaLand's Environmental, Health and Safety Policy and have to ensure that their staff are trained on environmental, health and safety measures. To ensure that its suppliers and contractors are aligned with CapitaLand's EHS management system, CapitaLand has formalised guidelines for the contractors and vendors ranging from the use of personal protective equipment, timely reporting of accidents and proper disposal of debris and waste. These guidelines are also clearly listed in the contract for the main contractor for new projects.

Customers

CapitaLand is committed to providing innovative and quality products and services to its customers. The various strategic business units organise regular events for their respective office, industrial and retail tenants and conduct surveys to obtain their feedback.

CapitaLand Commercial Management Pte Ltd, the property manager of prime commercial properties owned by CapitaCommercial Trust, was awarded Singapore Service Class certification by SPRING Singapore² in 2008. It has been adopting the best practices in delivering service excellence, proactive communications and annual tenant survey for its office tenants.

The Ascott Limited, the Group's serviced residence business unit, actively asks guests at its serviced residence properties worldwide for feedback on how to enhance their experience. Guests can provide their views and suggestions through Ascott's Resident Satisfaction Survey, which is available online and at the properties. The feedback is made available to Ascott's residence managers for follow up.

Last year, as part of its tenant engagement programme, CapitaMalls Asia (CMA) organised a total of five Biz+ sharing seminars in Singapore, attracting more than 700 attendees in all. These seminars on topics such as "Creating, Managing and Growing Successful Brands" and "Rise above the financial odds" are conducted by subject matter experts and encourage knowledge sharing and networking opportunities between tenants.

² SPRING Singapore is the enterprise development agency for growing innovative companies and fostering a competitive SME sector. It works with partners to help enterprises in financing, capabilities and management development, technology and innovation, and access to markets. As the national standards and accreditation body, SPRING also develops and promotes internationally-recognised standards and quality assurance to enhance competitiveness and facilitate trade.

Managing Sustainability

Taking the lead in helping tenants

In view of the global financial downturn, CMA took the lead to prepare its tenants in over 14 shopping malls in Singapore to ride out the difficult business environment using the Skills Programme for Upgrading and Resilience (SPUR³).



In February 2009, CMA organised an event to educate tenants on the eligibility criteria for the S\$600 million scheme, and how SPUR could help their companies cut costs, save jobs and prepare for the upturn. Tenants that embarked on the programme were invited to share their experiences on how they benefitted from the Singapore government initiative.

In September 2009, CMA organised an overseas mission to Beijing, Shanghai and Chengdu in China with SPRING Singapore to facilitate Singapore food and beverage (F&B) retailers' understanding of the China retail landscape, explore expansion opportunities in the country, as well as provide networking opportunities with Chinese F&B retailers. A year earlier in 2008, a similar successful mission to Beijing, Shanghai and Shenzhen was organised for Singapore SME retailers.



CapitaLand's strong and established relationships with its tenants also set it apart during the recent difficult times. The strategic business units stay close to their tenants, understand their business issues, and work with them to improve their business viability. In its 2009 budget, the Singapore government announced a 40% property tax rebate as part of its resilience package to help Singapore companies cut costs and save jobs. CapitaLand was one of the first companies to pass on this rebate to its commercial and retail tenants in order to provide some relief to their business costs.

³ SPUR is an enhanced financial support scheme developed by the Singapore Workforce Development Agency (WDA) in consultation with tripartite partners, Ministry of Manpower (MOM), National Trades Union Congress (NTUC) and the Singapore National Employers Federation (SNEF).

Managing Sustainability

Furthermore, to increase expenditure and footfall at its Singapore malls, CapitaLand distributed a small component of managerial staff bonuses in the form of CapitaVouchers redeemable at CapitaLand malls. In 2008 and 2009, S\$1 million worth of vouchers per annum were paid out as staff bonuses, enabling CapitaLand to directly support its retail tenants during the challenging economic climate. This innovative idea was also extended to business partners. After a successful rights issue in March 2009, CapitaMall Trust (CMT) paid part of the incentive fee to DBS Bank and JP Morgan (the joint lead managers and underwriters of the rights issue) in CapitaVouchers.

Government Agencies

CapitaLand participates actively in the Singapore government's efforts in the area of environmental protection and climate change.

The Group is a founding sponsor of the newly formed Singapore Green Building Council (SGBC), whose work complements and supports the government's efforts to accelerate the greening of buildings by 2030. The CapitaLand Green Committee Chairman serves as the Assistant Secretary on the founding board of SGBC and is a member of the Executive Committee. CapitaLand has also committed to representation in the SGBC's Marketing and Member Committee and Technical Committee, so as to aid the council's work in these areas.

"I applaud this effort between the public and private sectors to form the SGBC. The launch of the Council is timely as it has a vital role to play in building capacity in green buildings development and bringing about a paradigm shift in design mindset to support our nation's goal to create a sustainable global city."

Liew Mun Leong, President & CEO, CapitaLand Group

Community

CapitaLand aims to contribute to the societies within which it operates, and promote sustainable growth for future generations.

It has taken the lead in creating innovative community spaces at its properties. In 2005, CMA was the first company to partner the National Council of Social Services (NCSS) by offering rent-free office space to volunteer welfare organisations (VWOs) in Singapore. It utilised the Urban Redevelopment Authority's (URA) Community/Sports Facilities Scheme which promotes the integration of community facilities. In return for expanding retail space in Junction 8, CMA offered its well located office tower at Junction 8 to VWOs to reach out to the surrounding communities. This win-win initiative between CMA, NCSS and VWOs has led to other real estate developers following suit.

It understands the needs of shoppers and has been the first to create "interactive" water features at four malls. The first such feature was introduced at the plaza of Bugis Junction. Since then, CapitaLand has developed Splashparks - interactive water features designed especially for children at three malls: IMM, Sembawang Shopping Centre and Lot One Shoppers Mall.

Managing Sustainability

CapitaLand actively seeks ways to ensure that its buildings are easily accessible and well connected, especially to the public transport network. Three of its properties in Singapore – IMM, Plaza Singapura and Lot One Shoppers Mall – have obtained the Building and Construction Authority's Universal Design Award (Bronze) for providing an accessible environment for people of all ages and different physical abilities.

In addition, CapitaLand's management has addressed various environmental conferences and seminars in Singapore, such as the Asian Youth Energy Summit, BCA Breakfast Talk for CEOs and the PUB Watermark Award Sharing Session. During these events, CapitaLand shared its experiences in going green and encouraged other companies to be creative and conscious in their environmental protection efforts.

For more details on CapitaLand's philanthropic and volunteer programmes and activities to benefit the community, please refer to the chapter on Philanthropy and Volunteerism under People and Community.

Corporate Governance

CapitaLand observes high standards of corporate conduct in line with the Principles of the Singapore Code of Corporate Governance 2005. In 2009, CapitaLand won a number of awards and accolades for its good corporate governance performance and transparency, investor relations and stakeholder communications.

For detailed disclosure on the application of its corporate governance practices, please refer to CapitaLand Annual Report 2009, pg 31-39.

Risk Management

Risk assessment and management is an integral part of the strategic and operational decision-making process at all levels of the CapitaLand Group.

Since CapitaLand's inception in 2000, a comprehensive risk management framework has been formalised across the Group. In 2002, a Risk Committee comprising independent board directors was formed as part of CapitaLand's efforts to strengthen its risk management processes and framework.

For more information regarding Risk Management in CapitaLand, please refer to the CapitaLand Annual Report 2009, pg 42.

At the project level, an Environmental Impact Assessment (EIA) is required for each project investment paper that is submitted to the Board of Directors for approval. The EIA will highlight any environmental impacts and preventive or remedial actions required for the project to move forward. This process is above the legal requirement in Singapore and is an integral factor in the investment decision making process. The Risk Management department reviews the board papers to ensure that the EIA findings and recommendations are included.

Managing Sustainability

The EIA is usually conducted by project managers on site to identify environmental threats and/or opportunities to enhance the environment as part of their due diligence process. It serves as a checklist of environmental issues associated with sites and buildings, covering issues ranging from air quality and noise, biodiversity, to issues such as connectivity and heritage. It is an integral part of the CapitaLand Green Buildings Guidelines (GBG), developed in-house, which ensure that environmental considerations are factored in at all stages of a project.

Internal Audit

CapitaLand's Internal Audit department plays a key role in safeguarding shareholders' interests and the Group's assets. It reports directly to the Chairman of the Group's Audit Committee (AC) and administratively to the Group Chief Financial Officer. The AC also meets with the Internal Audit department at least once a year without the presence of Management.

For more information, please refer to the CapitaLand Annual Report 2009, pg 36-37.

Operations Compliance

To further enhance good corporate governance practice, CapitaLand set up the Operations Compliance Unit (OCU) in May 2009. Headed by a senior vice president, the unit formulates standards and ensures the right business ethics and conduct are maintained throughout the Group.

CapitaLand has implemented the CapitaLand Operations Compliance Programme, overseen by OCU, to educate employees on honesty and integrity, instill business ethics and conduct, and inculcate a corruption-free culture.

CapitaLand has established two Operations Compliance committees to oversee business ethics policies within the Group. The Steering Committee, which guides, approves and reviews business ethics policies, is chaired by the President and CEO and comprises the Group's Chief Corporate Officer, Chief Financial Officer, Chief Investment Officer and a member of the Office of the President. The Working Committee identifies potential areas for business ethics breaches, and formulates or reviews policies and programmes to prevent, investigate or detect occurrence of such breaches. The Working Committee comprises management-level representatives from all strategic business units (SBUs) and relevant CapitaLand functional division heads.

CapitaLand is introducing a formalised Group-wide fraud incident reporting process so as to facilitate any CapitaLand staff, vendors and service providers who wish to report any breaches or attempted breach in CapitaLand's business ethics policies. CapitaLand also has a Whistle Blowing policy which provides an official and trusted avenue for employees who wish to report valid concerns about malpractice or impropriety in the workplace.

Managing Sustainability

During regular staff communications sessions, top management often reiterates CapitaLand's core value of integrity and no-corruption policy. All new employees are also given a copy of the book "Building People – Sunday Emails from a CEO" by Liew Mun Leong, President & CEO of CapitaLand Group, in which he reiterates the company's zero-tolerance approach to corruption.

"Business ethics are very important to building up the brand of the company. If its reputation and image are not impeccable, the company's bottom line will suffer and eventually not survive."

Mr Liew Mun Leong, President & CEO, CapitaLand Group (pg 174, "Building People – Sunday Emails from a CEO")

For examples on how CapitaLand views honesty and integrity as good business practice, please see article "Honesty & Integrity – Best Policy" in CapitaLand Inside Magazine.

Environment

CapitaLand is committed to being an environmentally sustainable real estate developer. The Group believes in building a greener future by minimising its impact on, and helping to protect, the environment for future generations. Since 2006, CapitaLand has stepped up its environmental sustainability efforts through a multi-prong approach. This included the establishment of a CapitaLand Green Committee, implementing an Environmental Management System, developing an Environmental Tracking System (ETS) as well as organising a series of staff and community awareness programmes.

“

CapitaLand won the PUB Watermark Award for its strong management commitment to the water cause, active water management and conservation efforts, and its community outreach programmes.

”

In recognition of its commitment to the environment, CapitaLand was accorded the Top Achiever, Singapore Environmental Achievement Award 2007/2008 by the Singapore Environmental Council. In 2009, the Group won the Building and Construction Authority (BCA) Built Environment Leadership Gold Class (Developer Category) Award for demonstrating excellence and leadership in the built environment in Singapore.

CapitaLand also won the PUB⁴ Watermark Award for its strong management commitment to the water cause, active water management and conservation efforts, and its community outreach programmes.

CapitaLand also won the Best Developer (Corporate Social Responsibility) Award at the Cityscape Awards for Real Estate in Asia 2009. It picked up the award for the CapitaLand Muchuan Green Hope School project in China's Sichuan Province, which was lauded for showing outstanding social responsibility towards the community and environment.

CapitaLand Green Committee

In November 2006, the CapitaLand Green Committee⁵ was formed to spearhead Group-wide green initiatives in Singapore and overseas. With the committee, CapitaLand has been better able to consolidate the knowledge and expertise that it has built up over the years on individual projects and apply consistent environmental practices across the Group's properties worldwide.

⁴ PUB is Singapore's national water agency (www.pub.gov.sg).

⁵ CapitaLand uses the term "green" to refer to environmental initiatives.

Environment

The Green Committee comprises management-level representatives from all strategic business units (SBUs), the Corporate Social Responsibility Department, Human Resource Department and the CapitaLand Institute of Management and Business (CLIMB).

The Green Committee is guided by a Steering Committee, which comprises the Council of CEOs and is chaired by the Group President and CEO. It also has a dedicated advisor from the Steering Committee. The Chairman of the Green Committee reports on a regular basis to the Steering Committee and direct to the CapitaLand Board of Directors, where appropriate.

The Green Committee is concurrently the CapitaLand's Environmental, Health and Safety (EHS) Committee, responsible for establishing and maintaining an EHS Management System at the Group level and implementing it in Singapore. In addition, EHS committees have been established in China, Vietnam, Australia, Japan and Malaysia to adapt and implement an EHS Management System in the respective countries.

CapitaLand Environmental, Health and Safety Policy

As an international corporate social citizen, CapitaLand is committed to protecting the environment and upholding the occupational health and safety of everyone in the workplace, and will:

- carry out exemplary Environmental, Health and Safety practices to minimise pollution and health and safety risks
- seek continual improvement on its environmental, health safety performance
- comply with pertinent legislations and other requirements
- implement the CapitaLand Green Buildings Guidelines and Occupational Health and Safety programmes

We make this policy readily available to all employees, suppliers, service providers and partners.

Environmental Management System

A key element of the EMS is identifying and managing relevant environmental aspects⁶. These include resource consumption, energy and water usage, carbon dioxide emissions, waste generation and paper usage. These aspects are managed by setting green rating targets and reduction targets and implementing programmes to achieve these targets.

CapitaLand obtained ISO 14000 certification of its EMS for Singapore in 2007, and for China and Vietnam in 2008. ISO 14000 is the internationally recognised standard for the environmental management of businesses and is audited by a third party accredited certification body.

As part of the certified EMS, new or updated legal requirements are reviewed quarterly and compliance is evaluated annually. In 2009, CapitaLand complied fully with the environmental laws and regulations in Singapore, China and Vietnam as part of its EMS. The Group targets to obtain ISO 14000 certification for its EMS in Australia, Japan and Malaysia in 2010.

⁶ Environmental aspects are defined as an organisation's activities, products and services that can interact with the environment.

Green Buildings Guidelines (GBG)

CapitaLand's Green Buildings Guidelines (GBG) were developed in 2007 by the Green Committee to ensure that environmental considerations are factored in at all stages of a project, from the feasibility, design, procurement and construction to operation stages. They serve to advocate best practices among design, project, building and asset managers by incorporating green features and processes into the Group's developments, right from the outset.

In Singapore, the GBG has been implemented for all major CapitaLand developments⁷ initiated since 1 March 2007. Outside of Singapore, the GBG has been implemented for all major CapitaLand developments initiated since 1 January 2008.

Key components of the GBG are:

Environmental Impact Assessment (EIA)

EIA studies are carried out during the feasibility stage. Major project investment papers submitted to the board of directors for approval include significant findings of the EIA, and their cost implications are factored into the investment decision.

The EIA focuses on identifying any environmental threats or opportunities related to the site and its surroundings, covering areas such as air quality, noise, biodiversity, connectivity, heritage and resources.

■ Biodiversity

CapitaLand is committed to preserving the biodiversity of its construction sites wherever possible. This is done by addressing any distinctive ecological features of the site, taking into consideration nature reserves on or near the site, protection of plant/animal species on site and removal of invasive plant species on or near the site. External experts will be engaged to provide expert advice when appropriate.

An example of CapitaLand's commitment to biodiversity is The Ponds in Australia. Please refer to The Ponds, Australia, in Green Development Showcases.

⁷ Major developments include:

- All new building works which involve a gross floor area of 2,000 m² or more;
- Additions or extensions to existing buildings which involve increasing the gross floor area of the existing buildings by 2,000 m² or more
- Existing buildings undergoing major retrofitting building works with gross floor area of 2,000 m² or more involving provision, extension or substantial alteration of building envelope and/or building services associated with air-conditioning and mechanical ventilation systems.

Environment

■ Green Ratings

Green rating targets are set at the outset of the projects. For Singapore, the target is to achieve a minimum Green Mark Gold, above the legal requirement of Green Mark Certification. For projects outside Singapore, the target is minimum certification by any green rating system recognised by the World Green Building Council, such as Leadership in Energy and Environmental Design (LEED) certification by the U.S. Green Building Council.

Raffles City Chengdu, an integrated development in China, is CapitaLand's first project to obtain LEED Precertification. For more details, please refer to Raffles City Chengdu, in Green Development Showcases.

■ ISO 14000 Certified Contractors

For construction projects, all main contractors must be ISO 14000 certified. In some overseas markets where such contractors are generally not available, CapitaLand will require the main contractor to implement environmental measures on site to comply fully with local environmental legislations, and to engage an independent accredited assessor to conduct an environmental legal compliance audit annually.

■ Green Evaluation

After the completion of the project, the project team will conduct a green evaluation to document the lessons learnt and share these with the other SBUs.

Measuring Our Performance

All CapitaLand properties are operated according to procedures and guidelines stated in the EMS. CapitaLand has established long term and annual targets for the reduction of energy and water usage in its properties worldwide.

CapitaLand uses an Environmental Tracking System (ETS), developed in-house, to track the energy usage, water usage, waste generation and carbon dioxide emission for over 180 properties worldwide. Each property submits monthly data and the consolidated data is analysed at the SBU and Group level to work towards the reduction targets set.

CapitaLand also monitors the energy and water usage in construction sites for its projects under construction, and energy usage and paper usage of its corporate offices. These have been implemented in Singapore and will be extended to the Group's construction sites and corporate offices worldwide.

Long Term Energy and Water Reduction Target

(using 2008 as base year)

- 15% reduction in energy and water usage by 2015
- 20% reduction in energy and water usage by 2020

Annual Energy and Water Savings Target

In 2009 (using 2008 as base year), to achieve

- 3% reduction in energy usage
- 3% reduction in water usage

CapitaLand’s targets focus on reducing energy and water usage. The targets are based on year-on-year reduction for energy and water usage per m² (Gross Floor Area - GFA) basis.

In 2009, CapitaLand properties worldwide outperformed the 3% energy and water reduction targets with a reduction of 9.4% for energy consumption per gross floor area (GFA) (kilowatt hours per GFA, kWh/ m²) and 6.4% for water consumption per GFA (cubic metres per GFA, m³/ m²). Calculating usage per GFA provides a tool for internal benchmarking for efficiency.

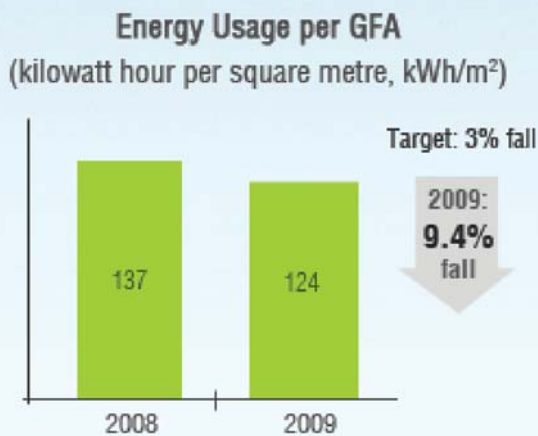
In terms of total usage, the reductions achieved were 35MWh (7.2%) energy savings and 216,000 m³ (4%) water savings respectively. This resulted in savings of approximately S\$8.88 million (based on average country utility rates)⁸.



⁸ Based on 138 properties. Excludes new properties which have been in operation for less than 12 months, and properties undergoing asset enhancement programmes.

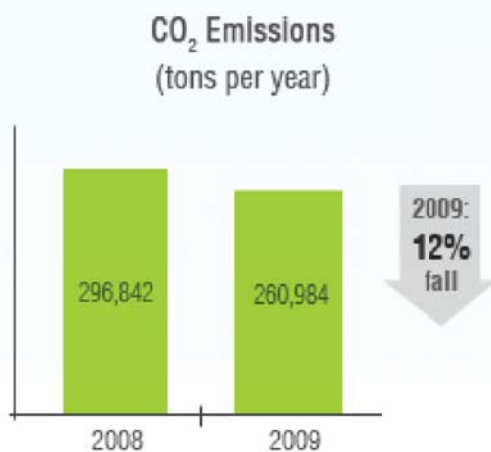
Energy Conservation

CapitaLand implements various energy⁹ conservation measures to reduce energy consumption in its buildings. These include installing energy-efficient light tubes and electronic ballasts; using variable speed drives for chillers and air-handling units to reduce energy usage of cooling systems; and installing motion detectors at staircases and common toilets to reduce energy consumption.



In 2009, CapitaLand Group achieved a reduction of 9.4% in energy usage per m¹⁰. This exceeded the EMS targets of a 3% reduction compared to 2008.

Carbon Dioxide (CO₂) Emissions Reduction



CapitaLand also tracks carbon dioxide (CO₂) emissions from its operational buildings based on their energy usage. A reduction of 12% in total CO₂ emissions¹¹ was achieved due to reductions in energy usage.

⁹ This is based on the use of indirect energy (purchased electricity).

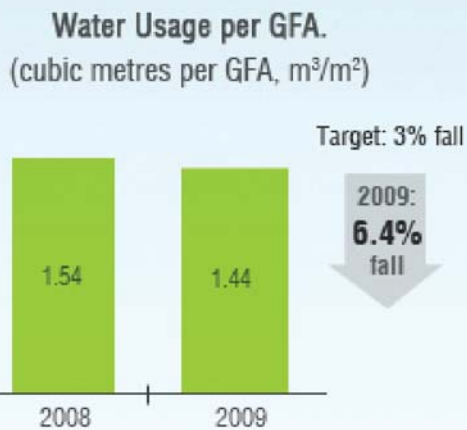
¹⁰ The waste data collected is from the bin centre of each building, and includes tenants' waste.

¹¹ The Group calculates its CO₂ emissions using individual country CO₂ emission factors retrieved from the IEA Statistics - CO₂ emission factors from fuel combustion 2009 Edition.

Environment

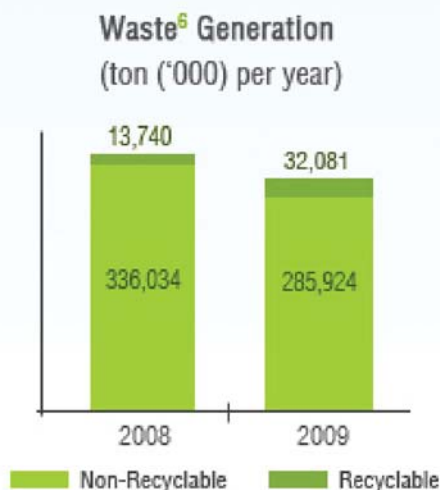
Water Conservation

CapitaLand carries out regular maintenance and periodic upgrading of facilities so as to ensure efficient operations and minimise water wastage. The Group also implements water conservation measures such as using NEWater¹² in cooling towers, toilet flushing systems, landscape irrigation and fire protection sprinklers wherever appropriate and available. Water saving devices like thimbles in taps and motion sensors for taps and urinals are installed wherever possible.



In 2009, CapitaLand Group achieved a reduction of 6.4% in water usage per m². This exceeded the EMS targets of a 3% reduction compared to 2008.

Waste Management



In 2009, CapitaLand was able to reduce the amount of non-recyclable waste collected by 15%. The amount of recyclable waste collected increased by 7% compared to 2008.

¹² NEWater refers to reclaimed water produced by PUB, Singapore's water agency. It is treated wastewater that has been purified using dual-membrane and ultraviolet technologies, in addition to conventional water treatment processes.

Conserving Energy and Reducing Paper Usage in CapitaLand corporate offices in Singapore

In 2009, CapitaLand's corporate offices in Singapore reduced energy usage by 94,000 kWh, or a 2.4% reduction compared to 2008. This was achieved mainly by changing existing light fittings to energy efficient ones. The offices have been implementing electronic faxing, which will reduce the need for fax machines. There is also regular communication with staff on good energy conservation practices.

CapitaLand also achieved a paper usage reduction of 1.8% per employee from 2008. The savings of 35,276 kg of paper was attributed to regular communication with staff on paper conservation tips such as printing only when necessary, printing on both sides of a page, and reusing and recycling used paper.

Energy and water usage at construction sites

In 2009, CapitaLand started tracking the energy and water usage in construction sites in Singapore. The data is obtained from all main contractors. A total of six projects were under construction in 2009, and these consumed a total of 1 MWh and 71,000 m³ in energy and water usage respectively.

Green Training

CapitaLand has organised numerous staff activities to heighten awareness and encourage participation in environmental protection. Training conducted by external specialists and knowledgeable staff trainers include the EMS Implementer and EMS Internal Auditor courses, talks on renewable energy, water efficiency, recycling, biodiversity and other relevant topics. Staff are able to learn about CapitaLand's EHS Management System via materials on the Intranet. Staff visits were also organised to Pulau Semakau, Singapore's first offshore and remaining landfill island; and Marina Barrage, Singapore's first city reservoir providing water and flood control.

Green Community Initiatives



Beyond developing environmentally sustainable properties, and operating them under environmental performance best practices, CapitaLand understands the importance that the wider community has to play as the end-users of these buildings. CapitaLand's Building A Greener Future programme was launched in May 2008 to encourage the Group's stakeholders and the public to play a role in protecting the environment. Initiatives included

placing customised recycling bins in CapitaLand's shopping malls, offices and serviced residences, and launching CapitaFrog, a specially-designed mascot.

Under the programme, CapitaLand adopted Marina Reservoir (Marina Bay and the Singapore River) and sponsored an environmentally friendly electric boat under PUB's Our Waters programme.

In China, the Group set up temporary CapitaLand Green Shops in its Shanghai, Beijing, Chengdu and Foshan shopping malls to mark World Environment Day. This was a successful event where there was an increase in public awareness about environmental conservation.

In 2009, over 130 CapitaLand offices, retail malls and serviced residences in 13 countries including Singapore, Australia, China, France and Vietnam participated in Earth Hour, a global climate change initiative organised by WWF. CapitaLand organised a lunch time talk by WWF for its tenants and staff. It sponsored venue space for the WWF roadshows as well as airtime on its media walls for the "Earth Hour" promotional video encouraging the members of the public's participation, leading up to Earth Hour. Ascott properties in Vietnam and China also organised candlelight talks on climate change to engage its residents.

Please refer to "Building a Greener Future" in the Chapter on Philanthropy and Volunteerism.

Green Development Showcases

Many of CapitaLand's residential, commercial, retail and serviced residence properties have won awards for their quality, environment-friendly designs and features. Featured here are three projects which demonstrate CapitaLand's commitment to sustainability.



Raffles City Chengdu

Raffles City Chengdu is an integrated development under construction in Chengdu, China. When complete, it will comprise two Grade A office towers, one office tower, a retail podium, a five-star hotel and serviced residences.

In 2008, it was the first CapitaLand project to obtain Gold Level Leadership in Energy and Environmental Design Core & Shell (LEED-CS) Precertification from the U.S. Green Building Council for its sustainability design.

Façade-wise, the building uses fair-face concrete that eliminates the need for the typical curtainwall on most office buildings. The use of high-performance glass and roof gardens on each of the five towers and the podium will reduce the ambient heat. Natural ventilation is also adopted in designated areas of the development. The total operational energy in the development is expected to be reduced around 20%¹⁰.

Other features include rainwater collection for irrigation of the landscaped areas of the complex and the installation of high-efficiency plumbing fixtures.

Local materials were extensively chosen, and products made with recycled materials were used.

¹⁰ This is compared with the minimum energy efficiency standard, or base requirements for buildings designed to reduce energy consumption, set by the American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE).

Environment



Clarke Quay, Singapore

Clarke Quay is a success story in which a property incorporates unique architectural and innovative technology to overcome the environmental challenges, whilst retaining the heritage charm of the waterfront godowns.

To create an enjoyable alfresco experience for the visitors, CapitaLand successfully adopted a climate control canopy system using Ethylene

tetrafluoroethylene (ETFE) fritted air-cushioned canopy and ventilation system. Along Clarke Quay's internal streets, these canopies – affectionately called “Angels” – provide visitors with a pleasant cooling environment. Temperature-sensor fans and a chilled recycled water fountain also help to cool down the ambient temperature.

In addition to widening the riverfront promenade walkway, a series of interconnected cantilevered platforms – “Lilypads” – with huge colourful canopies – “Bluebells” – were constructed along the riverfront. The “Lilypads” and “Bluebells” provide diners with an interesting alfresco dining experience whilst sheltering them from the sun and rain.

The trees planted in the streetscape help to provide comfortable shade and also helps to offset carbon dioxide emissions.

In recognition of these features, Clarke Quay was awarded the “ASEAN Energy Efficient Building Award for Tropical Design” in 2006 by the ASEAN Centre for Energy.

Environment



The Ponds, Australia

The Ponds is a benchmark sustainable development that renews a degraded woodland setting, delivering high-quality open space and around 3,200 new homes to the greater Western Sydney region. It establishes a central riparian¹¹ corridor and ecological zone that runs through the 390-hectare site, maximising access to local and regional open space. A series of small parks create focal points for distinct neighbourhoods within the precinct.

Housing lots are arranged on predominantly east-west orientation to maximise solar access opportunities for all homes. The development of pedestrian and cycle ways will help to minimise car usage.

A re-vegetation programme involving some 180,000 plants (80% native species) is underway. It will also help treat the site's salinity issues to revive the original bushland qualities of the site.

Water sensitive urban design (WSUD) is a key element in the design approach. The site's parkland has been designed to filter stormwater runoff through bio-retention swales and rain-gardens which will improve storm-water quality and flow prior to being discharged off site.

The homes on the project include a number of strategies to reduce usage of potable water by an estimated 40-70%. These include water saving features such as connection to a dual reticulation system where recycled water will be provided to each house for toilet flushing and laundry.

Each house at The Ponds will achieve a minimum 4.5 star energy rating, with 85% of homes achieving 5 star energy rating. Solar hot water systems will help reduce the reliance on fossil fuels. The Ponds is also participating in the local Solar City program which promotes the installation of photo-voltaic power in each of the houses.

There is also a Sustainable Living Centre which is a 5 star rated building that embodies sustainability principles in its design and operation.

¹¹ A riparian zone is the interface between land and a flowing surface water body

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Human Capital

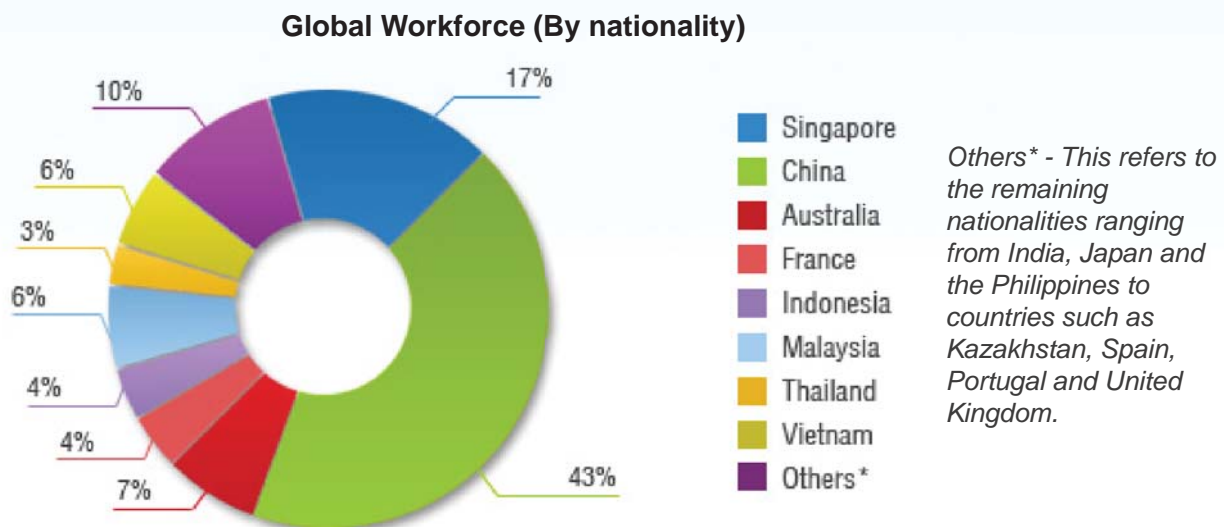
CapitaLand recognises the importance of managing and developing human capital. Its credo of "Building People to Build for People" means training them to achieve at an optimal level, aligning their personal goals with the company's performance and creating a work environment for them to contribute positively. This is the Group's integrated human capital strategy to recruit, develop and motivate employees.

CapitaLand is committed to be a workplace of choice for its employees. With a workforce of close to 10,000 employees worldwide, CapitaLand believes in the practice of fair employment. In Singapore, it has signed the Employers Pledge for Fair Employment Practices with The Tripartite Alliance for Fair Employment Practices (TAFEP)¹². Recognising that employees are crucial to the success to the company, CapitaLand has incorporated Key Performance Indicators (KPIs) to develop a talented, motivated and healthy workforce. These KPIs include training them to achieve at an optimal level, aligning their personal goals with the company's performance and creating a work environment for them to contribute positively.

Fair and Diverse Workplace

In accordance with CapitaLand's policy on non-discrimination and fairness, it adheres to strict guidelines in the recruitment process. Recruitment advertisements placed in the newspapers and recruiting websites do not have gender, ethnic and age preferences. In 2009, there were no reports of incidence of discrimination.

CapitaLand identifies talents both internally and externally to build its talent pipeline for succession planning and bench strength. These include undergraduates, fresh graduates, young and mid-career professionals as well as industry veterans. As an international company, CapitaLand embraces diversity in many aspects including cultures, nationalities and languages.

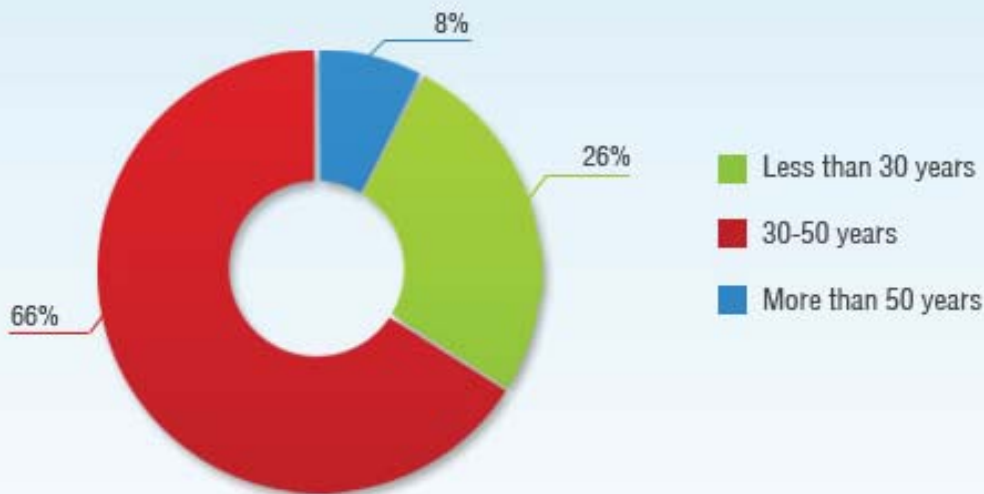


¹² The Tripartite Alliance for Fair Employment Practices (TAFEP) was formed in May 2006 to promote non-discriminatory employment practices and to shift mindsets among employers, employees and the general public towards fair employment practices for all workers. Members include employer representatives, union leaders and government officials.

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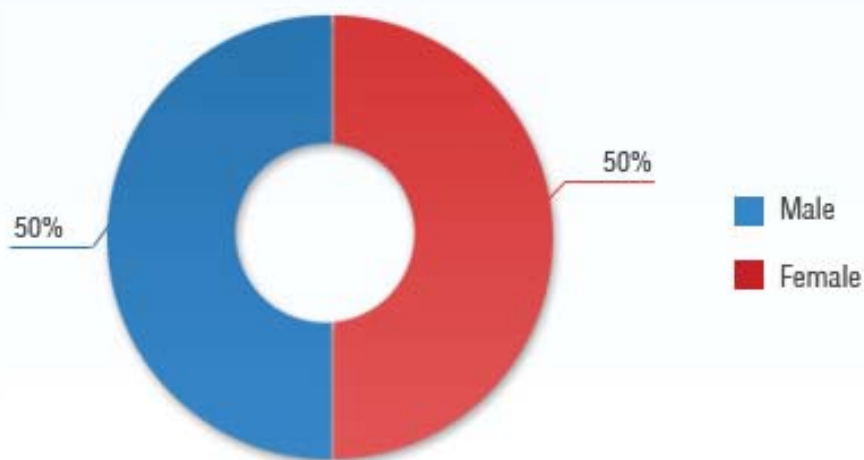
CapitaLand believes that employees are crucial to the success of the company and that regardless of age, gender and race, employees can make a significant contribution based on their talent, expertise and experience. The majority of the CapitaLand global workforce is between the age of 30 and 50. Industry veterans are also tapped on for their experience. CapitaLand formed a CapitaLand Counseling & Advisory Panel (CAP) in early 2010 consisting a pool of senior and experienced veterans providing an additional avenue for employees to seek advice, guidance, coaching and counseling on any work or career-related matters.

Global Workforce (By age)



CapitaLand's global workforce comprises an equal proportion of males and females. Female employees are represented at the senior management in the Company with three representatives on CapitaLand's Council of CEOs being female¹³.

Global Workforce (By gender)

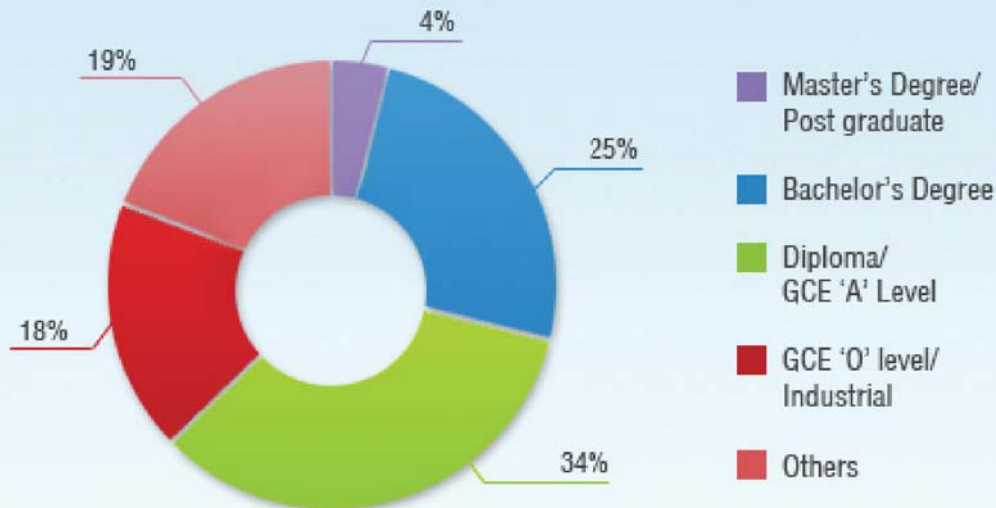


¹³ The three females on the Council of CEOs are Jennie Chua, Chief Corporate Officer, CapitaLand Limited; Patricia Chia, CEO, CapitaLand Residential Singapore Pte Ltd; and Lynette Leong, CEO, CapitaCommercial Trust Management Limited.

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CapitaLand's vibrant, motivated and qualified work force has given it a competitive edge. The vast majority or about 63% of its employees hold tertiary qualifications and above (this includes holders of diploma, degree and masters qualifications).

Global Workforce (By educational qualifications)



Employee Relations

CapitaLand fosters good employee relations with its employees. 11% of its global workforce is covered by collective bargaining agreements. In December 2009, in light of the continued business recovery, CapitaLand fully restored salary reductions that were implemented in January 2009 as part of cost management measures done in context of the gloomy business environment, a move that was welcomed by unions. During the global financial crisis, as in past crises, there was no retrenchment of staff, and CapitaLand continued to train its staff and review its business operations to strengthen the Group for future growth opportunities.

CapitaLand's philanthropic arm CapitaLand Hope Foundation also donated close to S\$50,000 to the NTUC U Care Fund (a fund set up by the Labour Movement) to purchase desktop computers and transport vouchers for children of union workers affected by the crisis.

In recognition of its consultative and collaborative approach with the union, CapitaLand was awarded the May Day Model Partnership Award 2009.

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Union supports restoring of salaries

In December 2009, CapitaLand reversed paycuts of between 3- 20% made to executive and management salaries in January 2009 as the Group had performed significantly better in recent months and saw an improvement in the business outlook in its core markets.

Josephine Teo, NTUC (National Trades Union Congress) assistant secretary-general, said: *"We welcome the timely decision by CapitaLand to be among the first few companies in fully restoring its executives' salary in view of good company performance and improved outlook."* The union said it was happy that CapitaLand continued to support workers during the downturn, noting that the company had donated money to a union fund and also supported NTUC's work-life balance initiatives. The salary restoration would be from December 2009 to enable staff to enjoy a higher 13th month bonus.

** *The National Trades Union Congress (NTUC) is a national federation of trade unions of workers in the industrial, service and public sectors in Singapore.*

Talent Management

CapitaLand seeks innovative, dynamic and talented employees to continue to take the company to the next stage of growth. It adopts a total rewards approach in motivating and rewarding its employees by offering comprehensive and market-competitive compensation and benefits, as well as a work environment that enhances employees' well-being and an overall package that is performance driven. The incentive plans include short-term cash bonus programmes and long-term equity-based reward plans such as restricted shares and performance shares programmes. To ensure that CapitaLand remains competitive and continues to attract and retain talent, it constantly benchmarks itself against different markets and innovates its compensation strategies. All regular full time employees, including those on secondment and contract, receive an annual performance review. There is an open discussion on the employee's performance and includes topics such as possible career moves and recommended training plans.

In CapitaLand, the framework for remuneration for the board and key executives are also linked to the building of management bench strength and the development of key executives. This is to ensure continual development of talent and renewal of strong and sound leadership for a sustainable business and a lasting Company.

There is a board level committee, Executive Resource and Compensation Committee (ERCC), which aims to build capable and committed management teams. It conducts on an annual basis, a succession planning review of the President and CEO and selected key positions in CapitaLand. Potential internal and external candidates for succession are reviewed in light of immediate, medium term and longer term needs and readiness.

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For more information, please refer to page 34 and 35 of the CapitaLand Annual Report 2009.

In 2009, CapitaLand continued its consistent policy of strengthening its management bench with some younger senior officers in their 40s taking on new leadership roles.

Mr Liew Mun Leong, President and CEO of CapitaLand Group, said, “... *Our fundamental approach of growing our own timber has helped us to expand this continuous talent pool for succession planning at the various strata of our management bench. CapitaLand makes a deliberate effort to recruit people at different points in their careers – young talents and mid-career professionals – to ensure depth and breadth in our talent pool. In addition, we have hired experienced “silver haired” professionals to benefit from their wisdom and varied experiences and to support the younger leadership team.*”

Please refer to press release 19 June 2009, CapitaLand strengthens its management bench with younger senior officers taking leadership roles.

Despite a difficult year, CapitaLand remained committed to investing in its talent pipeline. It intensified staff training and development to equip employees for the changing business environment. A Talent Incubation Programme was launched in 2009 to place young and promising talents on short attachments in the Group. CapitaLand continued to recruit talents through its network with Singapore and overseas universities. CapitaLand also attracted future leaders through scholarships such as the CapitaLand–BCA Scholarship, CapitaLand-NUS-USP Scholarship and CapitaLand International Scholarship.

Launched in 2006, the CapitaLand Institute of Management and Business (CLIMB) has provided over 4,500 training places for employees from various countries. Ascott Centre for Excellence (ACE), Ascott’s global hospitality training centre in Singapore, has trained 2,750 people for the hotel and accommodation services sector.

In 2009, the average training hours notched up per employee per year is 59.6 hours - well above the recommended industry guide of 40 hours per annum. 1.2% of CapitaLand’s payroll is dedicated to learning and development. Top management commitment is reflected through its Group President and CEO Mr Liew Mun Leong who personally conducts classes for the senior management.

As part of its talent management programme, CapitaLand encourage employees to upgrade themselves by attending courses relevant to their work. Employees are granted paid examination leave to sit for the examinations. For full time staff, examination leave is up to 10 days per calendar year.

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CapitaLand in house training institute - CapitaLand Institute of Management and Business (CLIMB)

The establishment of the CapitaLand Institute of Management and Business (CLIMB) epitomises the Group's commitment on staff development and emphasises the pivotal role that human capital plays in achieving CapitaLand's mission of building a lasting, world-class real estate company. CLIMB caters to the Group's growing learning and development needs by promoting strategic workplace learning and leadership development. Officially opened in 2007 by President S R Nathan, it has become the central resource for the range of internal and external programmes that are available to CapitaLand's nearly 10,000 staff worldwide.

In conjunction with CLIMB's opening, CapitaLand also launched the book, 'Building People: Sunday Emails from a CEO' - a compilation of nine years of "hobby emails" written by CapitaLand Group President and CEO Mr Liew Mun Leong. These emails give interesting insights and lessons gathered from Mr Liew's nearly 40 years of working in the public and private sectors. They form one channel that Mr Liew uses to communicate regularly and frankly with CapitaLand staff world-wide. The book has been used as a teaching tool at CLIMB and made available to all employees.

CLIMB Charter

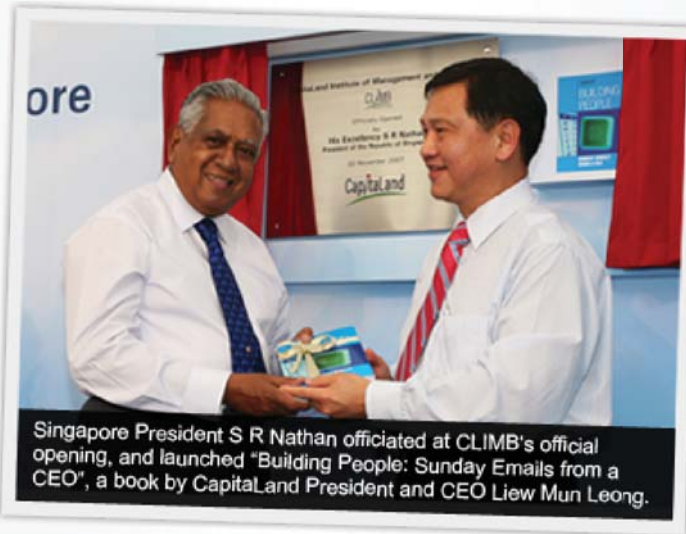
- To imbue employees with the core values, mission and vision of CapitaLand so as to forge a unifying culture and direction;
- To equip employees to achieve their performance indicators so as to make distinguished contributions to business and community;
- To foster business leaders so as to shape the future of CapitaLand;
- To foster networking so as to explore strategic partnerships;
- To support organisational change so as to stay ahead.

CLIMB facilitators comprise CapitaLand's senior management and leading professors and practitioners who are proven professionals who are able to impart their experiences and insight. Involving CapitaLand colleagues as facilitators is one way to institutionalise the company's knowledge and propagate its core values and unique way of doing business across the Group.

Since its launch, CLIMB has provided over 4,500 training places for employees from various countries. It has also collaborated with the Singapore Workforce Development Agency and faculties from leading institutions such as Harvard University, China Europe International Business School, Nanyang Technological University, Chicago Graduate School of Business and Centre for Creative Leadership.

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“The establishment of CLIMB demonstrates CapitaLand’s commitment to “Build People” and to inculcate a learning culture to drive corporate performance. Our investment in this facility is to create an environment conducive to learning, where learning activities are accepted as an integral part of working life. Through CLIMB’s collaborations, programmes and activities, we hope that it will bring in external learning practices, and be at the forefront of learning developments, giving us competitive business advantage. We believe that this will not only have a positive impact on our employees, but also our business partners and the community.” Dr Richard Hu, Chairman, CapitaLand Group



Rewards and Benefits

CapitaLand recognises the diverse needs of its workforce and continues to enhance the Group’s flexible benefits plan to enable staff to complement their personal medical and insurance needs with those provided by the company. CapitaLand was also one of the first Singapore real estate company to implement a flexible benefit plan, enabling staff to customise the benefits for the employee and family.

CapitaLand recognises the employee’s need to balance work and family commitments. It formalised a flexible work arrangement policy which supports work arrangements that meet both the needs of CapitaLand and the employee and comprise flexible working hours, working from home, a part-time work arrangement or job-sharing arrangements.

Under the CapitaLand Volunteer Programme, it has also implemented a three day volunteer service leave, part time volunteer leave, and no pay leave system to allow employees to contribute back to the society.

In addition, it has implemented a HAPPY (Holiday Accommodation Programme Provided for You) programme to reward all CapitaLand staff with subsidised holiday accommodation at The Ascott Limited’s serviced residences. This is to encourage staff to take a break with their family and rejuvenate themselves. CapitaLand extended this popular, family-friendly programme to include employees bringing their parents and/or parents-in-law to travel together with them in 2010. For more information, please see “Staff suggestion turned staff benefit” in Chapter on Employee Engagement.

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As part of its benefits programme, CapitaLand extends financial assistance to help employees for emergencies such as serious illness, death of family member or for other situations acceptable to the Company. These are just some examples of the full suite of employee benefits.



A regular lunchtime talk where a chiropractor shared about ergonomic principles to help prevent work-related back pain and help maintain a healthy back.



Some stretching techniques that office workers can use.

CapitaLand prides itself on being proactive in providing a total well-being programme to help employees better manage their physical health as well as handle any stress and personal issues that may arise. Regular talks and workshops are held to educate and encourage staff to lead a balanced lifestyle, with topics ranging from art appreciation as a form of therapy, eating right, positive parenting, to retirement and financial planning. A comprehensive health screening is also widely available.

CapitaLand's efforts in its investment in human resources and good human resource management practices have been well-recognised; it won the Most Admired ASEAN Enterprise Award for the Employment category in the prestigious ASEAN Business Awards in November 2007.

Please refer to CapitaLand Annual Report 2009, page 43, for more information.

Employee Engagement

CapitaLand encourages open communication and positive employee bonding to create a happy work-life that boosts productivity.

All new employees are given the book entitled "Building People – Sunday Emails from a CEO" by CapitaLand Group President & CEO Mr Liew Mun Leong to help them better understand the Company's vision, mission and corporate culture through his anecdotes.

The company organises quarterly employee communications sessions where CapitaLand Group President & CEO Mr Liew Mun Leong is able to reach out directly to staff. These sessions are also webcast live to other CapitaLand offices in Singapore and other countries and questions could also be posed before hand, during the session from off site locations. During these staff communication sessions, he not only disseminates the company results and articulates key business strategic thrusts, but also answers a range of questions posed by the staff. He frequently meets with employees from the strategic business units in one-to-one sessions or in small groups. He also communicates with them through regular emails and encourages staff to provide feedback to him directly.

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"I personally shared the decision (group wide pay cut) with staff during our regular staff communication session, held a week ago, and the general feedback from staff is that it is better to keep our respective jobs and together ride out the present difficult situation." Mr Liew Mun Leong, 2009

CapitaLand practices an open door policy, allowing all employees to obtain a fair review and a prompt response to problems or concerns relating to any aspects of employment with the Company. Employees can also raise their concerns to a higher level of management or the Human Resource Department. In this regard, the company also welcomes staff suggestions on any forms of improvement for the Company. These include feedback on building facilities, services or maintenance and suggestions that promote entrepreneurship and innovation to grow new businesses, to improve operations and manage costs creatively. The CapitaLand Counseling & Advisory Panel (CAP) was established in 2010 to provide additional avenue for employees to seek guidance and advice on matters regarding their job and career in CapitaLand.

When there are changes in HR policies, emails are sent to update the employees to understand the new or revised procedures in detail and to help address any employee's queries or doubts. Employees can also refer to the CapitaLand intranet to find out the details of the Company's terms and conditions of employment, benefits, HR policies and practices including the Whistle-Blowing Policy and the Code of Business and Ethical Conduct.

Staff Suggestion Turned Staff Benefit

A HAPPY (Holiday Accommodation Programme Provided for You) programme was introduced in August 2007 to reward all CapitaLand staff with holiday accommodation at The Ascott Limited's properties. This is to encourage staff to take a break with their family and rejuvenate themselves and was implemented within six months of it being suggested by one staff during the quarterly staff communications session. Having staff and their families stay at Ascott serviced residences also familiarises staff with Ascott's properties and services.

CapitaLand launched the Family Friendly Workplace initiative in 2010 to make CapitaLand a more family friendly workplace. As part of its programme, the Human Resource department conducted an employee e-survey entitled "Towards an enhanced Family Friendly Workplace- Your opinion counts!" The intention was to:

- Understand employees' current and desired work life time allocation, including identifying any gaps;
- Gauge staff awareness of existing CapitaLand family friendly policies and programmes;
- Obtain employee feedback on key factors important to facilitate a family friendly environment and how well CapitaLand fares on these factors;
- Draw on employee ideas and suggestions on how to build a better Family Friendly Work Environment at CapitaLand.

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All responses were anonymous and analysed collectively. Results of the survey and suggestions were presented at the CapitaLand Management Retreat in 2010 for further discussion and consideration.

For CapitaLand, innovation, creativity and entrepreneurship are key success factors that help differentiate the Group from its competitors. The ICE (Innovation, Creativity, Entrepreneurship) programme was started in 2006 to be the “entrepreneurial glue” that harnesses CapitaLand’s real estate strengths – deep market and real estate domain knowledge, financial engineering skills, strong management bench and robust balance sheet – into one powerful whole. This initiative aims to tap on the innovative enterprising mindsets of all staff.

ICE Berg is an online platform that rewards staff when they contribute meaningful ideas. ICE Camps were conducted since 2007 to equip staff with the framework and process to generate, evaluate and market ideas. Senior management attends the presentation session at the end of the camp to consider these ideas and help shape them into implementable projects. To date, 806 employees from Australia, China, Japan, Malaysia, Philippines, Singapore, Thailand and Vietnam have shared ideas at 25 ICE camps in 10 cities. Some ideas on green initiatives have been implemented.

CapitaLand Green mascot born from a Green ICE Camp

The Green ICE Camp was first conducted in 2008 to tap on the creative ideas of CapitaLand staff. One idea was to create a mascot – a frog – to symbolise CapitaLand’s green efforts and also to galvanise CapitaLand staff and the community towards protecting the environment.

The suggestion was welcomed by management and turned into reality. CapitaFrog (named to reflect the importance and integral nature of environmental sustainability to CapitaLand) has made its appearance on CapitaLand reusable shopping bags and in person as a human-sized mascot donned by CapitaLand volunteers, not only in Singapore, but also in China. CapitaFrog has been a hit amongst young children when it makes its appearance at roadshows and schools to promote the green message.



In 2009, another idea arising from a Green ICE Camp was to create an employee branding and mobilisation exercise called “Green Army”. Using an army analogy, the idea was to include employees of all levels in the fight for environmental sustainability against the common enemy of Global Warming. Employees are “armed” with the appropriate training and knowledge so that they can better implement green initiatives and affect change in their circles of influence. For instance, CapitaLand

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staff will be “armed” with Green Rations (fun bite-sized green tips) sent to them via email and undergo training on how to fight climate change. A group of frontline staff went through a Green Beret course which would equip them with green knowledge so that they may influence the public.



Launch of the Green Army at the CapitaLand Staff Communication Sessions

Health and Safety

Occupational health and safety is of paramount importance to CapitaLand.

As part of CapitaLand's Occupational Health and Safety (OHS) Management System, new or updated legal requirements are reviewed on a quarterly basis and compliance is evaluated on an annual basis. The management system was established in September 2009. CapitaLand complied fully with Singapore OHS laws and regulations in 2009.

CapitaLand obtained OHSAS 18000 certification of its OHS for Singapore in 2009. OHSAS 18000 is a recognised international standard for Occupational Health and Safety Management Systems and is audited by an third party accredited certification body. In 2010, CapitaLand plans for this certification to be extended to China, Malaysia, Vietnam and Japan, with Australia certified under AS 4801 - Australian Standard for Occupational Health and Safety Management Systems.

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Occupational Health and Safety Management System

Identifying and managing the OHS hazards are a key component in CapitaLand's OHS Management System. Objectives and programmes are also established to manage the hazards with procedures and guidelines to implement and evaluate mitigation measures.

CapitaLand's EHS Policy reiterates the company's commitment to managing occupational health and safety issues. It is endorsed by top management and communicated to all staff via emails, posters and the intranet. Please refer to Chapter on Environment for the EHS policy.

CapitaLand has identified two OHS objectives:

- Zero Reportable Incidents (reportable under the Singapore Ministry of Manpower regulations¹⁴)
- 100% of main contractors to be OHSAS 18000 certified (or equivalent)

Occupational Health and Safety (OHS) Hazards

Hazards Identification and Risk Assessments (HIRA) were undertaken to identify and address key OHS risks. CapitaLand employees in Singapore were involved in identifying the hazards present in their workplace and cross functional teams were formed to conduct customised Risk Assessments for offices and individual properties. The findings will be reviewed annually or whenever appropriate, e.g. a change in the processes.

Key OHS hazards identified during development stages of projects include hazards encountered during site visits and possession of the site. As the main contractor takes charge of the construction process, preference will be given to OHSAS 18000 certified contractors.

For the operations of CapitaLand properties, the key OHS hazards include facilities, operations and contractor management. Corporate office OHS issues include ergonomics and general employee well-being. Preference will also be given to OHSAS 18000 certified or bizSAFE Level 3¹⁵ certified service providers. Every employee is also briefed on how to respond to OHS incidents at the workplace.

In 2009, one reportable incident occurred at CapitaLand's workplace. The incident involved a fall at an employee's workplace which resulted in the employee taking four days of outpatient medical leave before returning to work. An investigation was conducted and all necessary follow up action taken.

¹⁴ Work-related injuries to an employee resulting in death, more than 3 days of medical leave or hospitalization for more than 24 hours.

¹⁵ The bizSAFE programme is advocated by the Workplace Safety and Health Council in Singapore to promote workplace safety and health in small and medium enterprises (SMEs) through the recognition of their safety and health efforts. There are five different

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Prevention and Action on Serious Diseases

Whenever necessary, CapitaLand sets up appropriate response procedures and teams. In 2009, a Pandemic Preparedness Team (PPT) was formed to provide frequent updates to staff on the Influenza A (also commonly known as H1N1) pandemic. Posters and reminders on personal care were put up and staff were encouraged to observe good personal hygiene, check their temperature before going to work and to avoid travel to affected countries. Regular updates on the outbreak were emailed to all staff and as an added measure, a Visitors' Declaration Form was implemented for contact tracing purposes. Letters were also sent out to vendors and contractors on the precautionary measures to take in the process of conducting the works.

The HR department also sends all staff medical alerts when appropriate. In 2009, the alerts sent related to the Influenza A outbreak and a pneumonic plague outbreak in Qinghai, China.

Engaging Main Contractors and Vendors

For projects under development, the Group requires all its main contractors to comply with relevant legal requirements with regards to the occupational health and safety hazards on site. Main contractors of major projects¹⁶ must be OHSAS 18000 certified or must implement OHS measures on site to comply fully with OHS legislations.

For building operations, CapitaLand's contractor management guidelines require all contractors to comply with the Singapore Workplace Safety and Health Act and other legal requirements. Preference is given to bizSAFE Level 3 certified contractors. All contractors are required to submit a copy of their risk assessments in cases where their activities may affect the occupational health and safety of CapitaLand employees or visitors.

Similarly for CapitaLand offices in Singapore, preference is given to bizSAFE Level 3 certified vendors wherever possible. All vendors are sent a copy of CapitaLand's EHS Policy and have to ensure that their staff are sufficiently trained or briefed on environmental, health and safety measures. Contractor house rules stipulating requirements such as deploying personal protective equipment, reporting of accidents and proper disposal of debris and toxic waste are also implemented.

¹⁶ Major projects include

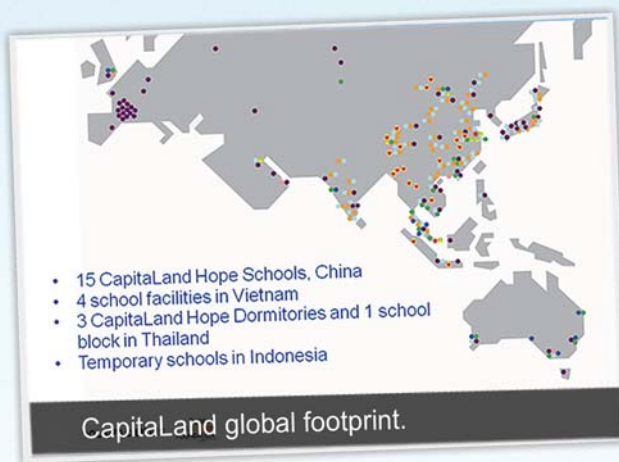
- All new building works which involve a gross floor area of 2,000 sq m or more;
- Additions or extensions to existing buildings which involve increasing the gross floor area of the existing buildings by 2,000 sq m or more;
- Existing buildings undergoing major retrofitting works with gross floor area of 2,000 sq m or more, and involving the provision, extension or substantial alteration of the building envelope and/or building services associated with air-conditioning and mechanical ventilation systems.

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Philanthropy and Volunteerism

“ CapitaLand was awarded the Corporate Citizen for Philanthropy Award by the National Volunteer and Philanthropy Centre for setting excellence benchmarks in encouraging the spirit of giving in Singapore. ”

CapitaLand is committed to be a good corporate citizen. It aims to contribute to the societies within which it operates and promote sustainable growth for future generations. CapitaLand's corporate social responsibility efforts focus on philanthropy, the environment and the community.



CapitaLand Hope Foundation - the philanthropic arm of CapitaLand



CapitaLand's strong commitment to philanthropy and volunteerism is a reflection of its corporate credo "Building People". The CapitaLand Hope Foundation (CHF) was established in 2005 in celebration of CapitaLand's 5th anniversary. CHF focuses on supporting programmes for the shelter, education and healthcare needs of underprivileged children. CHF is a registered charity.

CapitaLand donates up to 0.5% of its net annual profit to CHF and bears its overhead expenses including staff costs and external legal and audit fees. In addition, CapitaLand also provides CHF with legal, financial and tax advice to ensure the Foundation complies with the relevant regulations and governance expectations.

Building for Their Future

By touching the lives of children during the earlier stages of their development, CHF firmly believes that it can create a bigger multiplier effect and positive impact on them, their families and the communities in which they live. To achieve this, CHF leverages on CapitaLand's extensive geographical footprint, to identify and support programmes in the communities in which CapitaLand operates.

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From 2005 to 2009, CHF donated over S\$5 million to charities all over Asia, with a focus on aiding underprivileged children. Despite the global economic slowdown, CHF maintained its corporate giving strategy in 2009. This commitment was recognised by the National Volunteer and Philanthropy Centre (NVPC), Singapore, which presented CapitaLand the Corporate Citizen Award for Philanthropy in 2009. For 2010, CHF has committed to donate S\$5 million to children's charities in Singapore and overseas to celebrate its fifth anniversary.

Reaching Out: Building Partnerships

CHF collaborates with local volunteer welfare organisations (VWOs), non-governmental organisations (NGOs) and relevant local government agencies to better effect positive and sustainable changes for underprivileged children. Organisations and agencies with strong local knowledge are better able to help identify and assess the needs, suggest solutions and monitor and update on the progress of beneficiaries. CapitaLand has worked with organisations such as Gentle Fund Organisation, World Vision, Habitat for Humanity, China Charity Federation, China Youth Foundation, as well as Singapore's Ministry of Education to organise and implement corporate giving and volunteer programmes.

These programmes are designed and implemented with inputs from VWOs. One example is CapitaLand's Back to School programme, where VWOs advised on the school necessities preferred for the children participating (please see next page).

CHF's longer-term approach and commitment to the community is reflected in the range of signature programmes it has established and are involved in. They are aimed at providing much needed stability for the children with long term financial support and on-going educational experiences for them. Please visit <http://www.capitalandhopefoundation.com> for more information.

Encouraging Staff Volunteerism

CapitaLand was the first company Singapore to formalise a 3-day volunteer service leave system which is integrated into its online leave application system. CapitaLand has since expanded its volunteer leave policy to include Volunteer No Pay Leave and Volunteer Part Time Leave. Recognition is given to employees who have utilised all 3 days of volunteer service leave through Group-wide email updates. As an added incentive, CHF donates S\$500 to a children's charity of their choice in Singapore in recognition of their volunteer efforts.

To encourage volunteerism among staff, CapitaLand organises lunchtime talks on volunteerism. Guest speakers from the NVPC as well as CapitaLand employees have been invited to share with the staff the significance of volunteerism, volunteer opportunities and their personal experiences. Such talks help to address queries staff may have about volunteering and allay any concerns.

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In 2008, 7.3% of CapitaLand staff based in Singapore participated in a CHF-organised volunteer activity. The participation rate increased in 2009, when 12% of CapitaLand staff based in Singapore participated in such activities. Volunteer activities ranged from attending overseas volunteer expeditions, participating in waterway clean-ups to guiding children through green discovery trails at CapitaLand properties.

Signature Programmes - CHF Community Development Programmes

CapitaLand Hope Schools (China)



- In China, CapitaLand collaborates with local government authorities and charities to build CapitaLand Hope Schools and student dormitories which are partially funded by CHF. Launched in 2004, the CapitaLand Hope Schools project aims to provide improved school and living facilities for children in China's rural areas. These new school facilities provide a conducive environment for children to study, especially during the chilly winter season.
- Currently, there are a total of 15 CapitaLand Hope Schools in China in operation or under development, including a temporary school in Sichuan. The schools are located in the Sichuan, Yunnan, Zhejiang and Guangdong provinces, as well as Inner Mongolia.

Green for Hope Project (Singapore)



- The Green for Hope project is a creative recycling campaign which encourages primary schoolchildren in Singapore to help their less fortunate classmates through recycling. It combines two of CapitaLand's corporate social responsibility initiatives, protecting the environment and aiding underprivileged children.

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- CHF committed to donate S\$2 to each school's student welfare fund for every kilogramme of recyclable waste collected by the students over a one year period.
- This project is supported by the Ministry of Education, the National Environment Agency, the Waste Management and Recycling Association of Singapore (WMRAS), and all four national public waste collectors.
- The year-long campaign received overwhelming support and about 260,000 school children in 154 Singapore primary schools (86% of all primary schools) participated in this project.
- Due to the overwhelming support for 2008's campaign, CapitaLand launched Green for Hope 2009. For every 100 kg of recyclable waste collected by participating primary schools between 1 July and 31 December 2009, CHF awarded a "CapitaLand Green for Hope Bursary" worth S\$280 to an underprivileged student in the participating primary school. Under this, CHF has donated S\$900,000 in bursaries to 154 primary schools in Singapore to help less fortunate students with basic education expenses.
- Its success was shown in the 75% increase in the school's recycling rate resulting in a donation of close to S\$2 million to aid underprivileged students.
- Since the start of the programme in July 2008, CHF has donated a total of S\$1.9 million to primary schools for the Green for Hope project.
- Ms Grace Fu, then Minister of State for Education, said during the launch of the project: *"We believe that the Green for Hope project provides our students with an opportunity to practise good environmental habits and apply practical solutions to environmental concerns. At the same time, it gives our students a chance to help the less fortunate in the community in a tangible and meaningful way. To a generation who grew up in prosperity, it is important that we teach the values of empathy and compassion. For these reasons, the Green for Hope project is particularly meaningful."*
- Mrs Jasmail Singh Gill, Principal of Chongzheng Primary School, said: *"The Green for Hope project is an excellent initiative for schools to do our bit to drive home the message of the 3 Rs. The Green for Hope project has truly helped us to create yet another platform to promote the green movement in Chongzheng Primary. Getting funds in the process to help our needy pupils is of course most welcome and appreciated."*

🌱 People & Community

Back to School Programme (Singapore)



- Launched in 2009, this programme aims to inject a sense of fun for children from Singapore's poorer families in preparation for returning to school.
- Around 200 less privileged children are taught how to shop for their school necessities with participating retailers Bata and Giant Hypermart in CapitaLand retail malls.
- During the half day programme, the children, from Care Corner Singapore, got to choose a school bag in their favourite colour, select from a range of stationery and pick out a pair of school shoes. They then learnt to queue and pay for their purchases with vouchers sponsored by CHF.
- During the process they also learned about how to play their part in protecting the environment through a fun and interactive skit performed by staff volunteers
- Jackson and Serene Ong, who attend Care Corner Toa Payoh Family Service Centre, live with their parents and older brother in a two-room rental flat. *"I want to use my new bag and new shoes when school starts,"* chirped Serene, as she sucked on a lollipop. Her older brother Jackson said he would only use his new things when his old ones are worn out.
- *"Their mother had expressed worries about the escalating cost of living, and she was glad that the event would help them cover some expenses,"* said Mr Tommy Wong, a Care Corner social worker.

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- Mr Christopher Chiam, a senior social worker at the Admiralty Family Service Centre commented; *“Our children enjoyed themselves so much. Thank you very much to all the volunteers at CapitaLand, they’ve come with a big heart of love, care and concern and I’ve personally been touched by their action towards these little ones.”*

Providing Educational Exposure for Kids (PEEK) (Singapore and China)



- This is an exclusive "behind-the-scenes" educational tour of how a CapitaLand property is run. Designed for beneficiaries of CHF, children are taught the importance of water and electricity conservation, as well as fire safety during a fun-filled activity-based tour.
- Since its launch, close to 300 underprivileged children in Singapore and China have participated in this programme.
- CapitaLand staff volunteers are on hand to provide an insider's perspective of the properties features and operations.
- This programme also involves children of CapitaLand staff, providing opportunities for them to interact with children supported by CHF. In addition, this allows the staff kids to also understand what their parents do during office hours.
- CapitaLand properties that have participated in PEEK included Ascott Raffles Place, Plaza Singapura and Capital Tower in Singapore and Xizhimen Mall in Beijing, China.

People & Community

School Facilities (ASEAN)



- In Thailand, CHF funded the set up of three school farms in Buriram to provide food for poor students. It also funded three CapitaLand Hope Dormitories in Nan and Chiangrai and the construction of a school block in Chiangrai.
- In Vietnam, it sponsored the construction of school facilities for needy children in Hanoi, Ho Chi Minh City, Danang and Rach Gia. CHF's first Hope School in Vietnam will also be built in 2010.
- In Indonesia, CHF sponsored the construction of temporary schools in Padang for children displaced by the Sumatra earthquake in 2009.

Building A Greener Future - engaging the community in environmental sustainability

CapitaLand actively involves the community in its environmental education efforts. Engaging communities to help them better understand environmental issues has become a key component of CapitaLand's community engagement activities

CapitaLand Muchuan Green Hope School (Sichuan, China)



The Green Hope School design competition effectively paired CapitaLand's philanthropic efforts and support for environmental sustainability in one major initiative.

In 2008, the 'Green Hope School Design' competition was developed involving architectural students from the top ten architectural universities in China. This was a lifetime opportunity for the students as the winning design was built to meet the needs of 518 children and 40 teachers in the CapitaLand

Muchuan Green Hope School, Sichuan Province. The project was part funded by a donation from CapitaLand Hope Foundation. The project criteria included the use of local materials, sustainable design and designing for the end user in mind.

The winning design was built and completed in 2009. Some of the features included an innovative stacking classroom layout and promoting natural ventilation as the school was located on a hill slope. The semi-outdoor patio has shelters that can be opened and closed to accommodate the extreme weather conditions so that students can enjoy more outdoor activities. Sheltered link-ways made of locally available wood and bamboo, allow students to move between blocks regardless of the weather.

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For this project, CapitaLand won the Best Developer (Corporate Social Responsibility) Award at Cityscape Awards for Real Estate in Asia 2009.

Primary school student Zhu Cheng Feng said in Mandarin: *"It [the school] is very beautiful and clean. I like the new computer laboratory best, and there are even new tables and chairs."*

"We are grateful to CapitaLand for giving us this opportunity." Guo Jing, Tianjin University undergraduate, part of the winning team of the design competition.

Green for Hope



In February 2009, CapitaLand staff volunteers visited 12 primary schools in Singapore to promote the Green for Hope project and how to "Reduce, Reuse and Recycle" through quizzes and a fun and interactive skit. CapitaLand's mascot CapitaFrog made its first appearance at the roadshows, teaching the children the importance of environmental awareness.

Due to the success of the Green for Hope 2008 project, it was extended for an additional 6 months. At the end of 18 months, the 154 participating primary schools (84% of all

primary schools in Singapore) collected some 1 million kilogrammes of recyclable waste since the start of the programme. This accounted for a jump of 75% in the schools recycling rate.

For more information on this project, please refer to the write up on Green for Hope under Signature CHF programmes.

Waterways Adoption



In conjunction with World Water Day 2009, CapitaLand adopted Marina Reservoir (Marina Bay and the Singapore River) and sponsored an environmentally friendly electric boat under PUB's Our Waters programme. Staff volunteers also participated in a Singapore River clean-up in conjunction with Earth Day, together with PUB (Singapore's national water agency) and Waterways Watch Singapore¹⁷.

¹⁷ A special volunteer group in Singapore tasked to bring people together to monitor, restore and protect the aesthetics of Singapore's waterways.

People & Community

Cultural Exchange



CapitaLand believes in promoting an understanding of cultures between its home base of Singapore and overseas communities.

In 2009, CapitaLand pledged a conservation donation to support the pair of giant panda cubs Singapore will receive from China. This marked a significant milestone for CapitaLand and is another testament of its long-term commitment to China. The 10-year collaborative programme will raise

cultural exchange and understanding between Singapore and China, and further strengthen the strong relationship between the two countries. Educational programmes on wildlife conservation awareness will also be specially designed for underprivileged children supported by the CapitaLand Hope Foundation.

In 2009, CapitaLand was the main sponsor for “Journey to the West”, a highly-acclaimed acrobatic drama performed by the renowned Guangzhou Acrobatic Troupe of China, on its debut performance in Singapore. CapitaLand also sponsored a two-day performance by Singapore Symphony Orchestra at the prestigious National Centre for the Performing Arts in Beijing. Participation in these performances marked a significant milestone for CapitaLand, as it celebrated its 15th year in China, and reaffirmed its continued commitment to build a meaningful long term partnership with China.

Since 2005, CapitaLand has been actively supporting such meaningful exchanges and interaction, including the dance pantomime “A Tale of Shaolin” from Zhengzhou in 2008 and the Singapore Season in Beijing and Shanghai in 2007.

Awards and Certifications

CapitaLand Group and its properties have clinched numerous sustainability ratings and awards. Some of the key ratings and awards are listed below.

Corporate Awards

Sustainability Yearbook 2009

SAM and PricewaterhouseCoopers
(Only Singapore company included)

Dow Jones Sustainability Asia Pacific Index 2009

SAM and Dow Jones Indexes

Platinum Corporate Award

The Asset Triple A Awards 2009
(Only Singapore company included)

FTSE4Good 2009 (CapitaCommercial Trust)

FTSE4Good 2008 and 2009 (CapitaMall Trust)

Top Achiever

Singapore Environmental Achievement Award (SEAA) 2007/08
Singapore Green Summit 2008

CapitaLand Muchuan Green Hope School, China

Best Developer (Corporate Social Responsibility)

Cityscape Awards for Real Estate in Asia 2009

Most Progress in Investor Relations

IR Magazine South East Asia Awards 2009

Highly Commended

Grand prix for Best Overall Investor Relations (Large Cap)

IR Magazine South East Asia Awards 2009

Overall Best Company in Singapore for Corporate Governance

Corporate Governance Poll 2009
Asiamoney

Best for Disclosure and Transparency in Singapore

Corporate Governance Poll 2009
Asiamoney

Best for Investor Relations in Singapore

Corporate Governance Poll 2009
Asiamoney

Awards and Certifications

Corporate Awards

Most Transparent Company (Property Category)

SIAS Investors' Choice Awards 2009
Securities Investors Association (Singapore)

Build Environment Leadership Awards 2009 (Gold Class)

Building and Construction Authority

Corporate Citizen Award for Philanthropy

National Volunteerism & Philanthropy Awards 2009
National Volunteer & Philanthropy Centre, Singapore

Watermark Award 2009

PUB, Singapore

4th (Best Managed Company, Singapore Category)

Asia's Best Companies Poll 2009
FinanceAsia

5th (Best Corporate Governance, Singapore Category)

Asia's Best Companies Poll 2009
FinanceAsia

EcoFriend Award 2009, Private Sector

Wong Hooe Wai, Chairman, Green Committee, CapitaLand Limited
National Environment Agency

Sustainable Developments

Shopping Malls

Singapore

Bugis Junction

Water Efficient Building Award 2008

PUB, Singapore

Clarke Quay

Water Efficient Building Award 2008

PUB, Singapore

Winner (Tropical Category)

Energy Efficient Building Awards 2006 ASEAN Centre for Energy

Awards and Certifications

Shopping Malls

Singapore

Funan DigitaLife Mall

Water Efficient Building Award 2007

PUB, Singapore

ION Orchard

Green Mark Gold

Green Mark Awards 2007

Building & Construction Authority, Singapore

IMM

Bronze (Refurbished Building Category)

Universal Design Awards 2008

Building & Construction Authority, Singapore

Water Efficient Building Award 2008

PUB, Singapore

Lot One Shoppers' Mall

Bronze (Refurbished Building Category)

Universal Design Awards 2007

Building & Construction Authority, Singapore

Water Efficient Building Award 2007

PUB, Singapore

Plaza Singapura

Bronze

Universal Design Awards 2008

Building & Construction Authority, Singapore

1st Runner-Up (Retrofitted Building Category)

ASEAN Energy Awards 2007

Green Mark Gold

Green Mark Awards 2007

Building & Construction Authority, Singapore

Water Efficient Building Award 2007

PUB, Singapore

Awards and Certifications

Shopping Malls

Singapore

Rivervale Mall

Water Efficient Building Award 2008

PUB, Singapore

Sembawang Shopping Centre

Green Mark Gold

Green Mark Awards 2009

Building & Construction Authority, Singapore

Site at one-north

Green Mark Gold

Green Mark Awards 2009

Building & Construction Authority, Singapore

Tampines Mall

Water Efficient Building Award 2007

PUB, Singapore

The Atrium@Orchard

Water Efficient Building Award 2009

PUB, Singapore

China

Wangjing Mall, Beijing, China

Green Mark

Green Mark Awards 2007

Building & Construction Authority, Singapore

Awards and Certifications

Commercial Developments

Singapore

CapitaLand Institute of Management and Business (CLIMB)

Green Mark Gold

Green Mark Awards 2008

Building & Construction Authority, Singapore

Capital Tower

Water Efficient Building Award 2008

PUB, Singapore

Green Mark Gold

Green Mark Awards 2009 and 2005

Building & Construction Authority, Singapore

Merit Award (Commercial & Industrial)

SILA Professional Design Awards 2006

Singapore Institute of Landscape Architects

1st Runner-Up (New & Existing Building Category)

Best Practice Competition for Energy Efficient Buildings

ASEAN Energy Efficiency & Conservation

2nd (New & Existing Building Category)

Energy Efficient Building Awards 2003

Building & Construction Authority, Singapore

Golden Shoe Car Park

GreenMark

Green Mark Awards 2008

Building & Construction Authority, Singapore

HSBC Building

Green Mark

Green Mark Awards 2007

Building & Construction Authority, Singapore

1st Runner-up (New and Existing Category)

Energy Efficient Buildings 2006 ASEAN Centre for Energy

Market Street Car Park

Green Mark

Green Mark Awards 2007

Building & Construction Authority, Singapore

Awards and Certifications

Commercial Developments

Singapore

One George Street, Singapore

Green Mark Gold

Green Mark Awards 2009 & 2005
Building & Construction Authority, Singapore

Winner

SIA-NParks Greenery Awards 2008
Singapore Institute of Architects and National Parks Board, Singapore

1st Runner-up (New and Existing Category)

ASEAN Energy Awards 2006

Merit Award (Commercial & Industrial)

SILA Professional Design Awards 2006
Singapore Institute of Landscape Architects

Bronze Award (Implementation Projects - Commercial, Industrial, Recreational & Institutional)

LIAS Awards of Excellence 2005
Landscape Industry Association of Singapore

Six Battery Road

Green Mark Gold

Green Mark Awards 2008
Building & Construction Authority, Singapore

Water Efficient Building Award 2008

PUB, Singapore

Starhub Centre

Green Mark Gold

Green Mark Awards 2008
Building & Construction Authority, Singapore

Water Efficient Building Award 2008

PUB, Singapore

Wilkie Edge

Green Mark

Green Mark Awards 2008
Building & Construction Authority, Singapore

Awards and Certifications

Commercial Developments

Singapore

Robinson Point (sold)

Green Mark

Green Mark Awards 2008
Building & Construction Authority, Singapore

Water Efficient Building Award 2008

PUB, Singapore

AIA Central (formerly known as AIG Tower, Hong Kong (sold))

Excellence Award (Environmental Best Practices) (2005)

Hong Kong Building Environmental Assessment Method Society

Integrated Developments

Singapore

Raffles City Singapore

Green Mark

Green Mark Awards 2007
Building & Construction Authority, Singapore

China

Raffles City Chengdu

Gold Level Pre – Certification

Leadership in Energy and Environmental Design Core and Shell (LEED - US)
US Green Building Council

Raffles City Shanghai

Commendation

Excellent On-site safety 2002
Shanghai Building Management Office

Raffles City Beijing

Green Building Award (2006)

Ministry of Construction of the People's Republic of China

Awards and Certifications

Residential

Singapore

Belmond Green

Merit Award (High Density Housing)

SILA Professional Design Awards 2006
Singapore Institute of Landscape Architects

Merit Award

Construction Excellence Awards 2006
Building & Construction Authority, Singapore

Botannia

Green Mark

Green Mark Awards 2007
Building & Construction Authority, Singapore

Casabella

Merit Award

Construction Excellence Awards 2007
Building & Construction Authority, Singapore

Central Grove

Construction Excellence Awards 2003

Building & Construction Authority, Singapore

Citylights

BCA Construction Excellence Award

Construction Excellence Award 2009
Building & Construction Authority, Singapore

URA Architectural Heritage Awards

Urban Redevelopment Authority

Silver Award (Implementation Projects, Residential)

LIAS Awards of Excellence 2006
Landscape Industry Association (Singapore)

Awards and Certifications

Residential

Singapore

Glentrees

Design Award

8th SIA Architectural Design Awards
Singapore Institute of Landscape Architects

Gold Award (High Density Housing)

SILA Professional Design Awards 2006
Singapore Institute of Landscape Architects

Glendale Park

Best Buildable Design Award (Residential Open Category) 2003

Building & Construction Authority, Singapore

Latitude

Green Mark Gold

Green Mark Awards 2008
Building & Construction Authority, Singapore

RiverGate

Green Mark Gold^{PLUS}

Green Mark Awards 2006
Building & Construction Authority, Singapore

Tanamera Crest

Merit Award (High Density Housing)

SILA Professional Design Awards 2006
Singapore Institute of Landscape Architects

BCA Construction Excellence Award

Construction Excellence Awards 2006
Building & Construction Authority, Singapore

The Botanic on Lloyd

Silver

LIAS Awards of Excellence 2006
Landscape Industry Association (Singapore)

Awards and Certifications

Residential

Singapore

The Floravale

BCA Construction Excellence Award

Construction Excellence Awards 2003
Building & Construction Authority, Singapore

The Imperial

Silver Award

SILA Professional Design Awards 2007
Singapore Institute of Landscape architects

The Metropolitan Condominium

Green Mark Gold

Green Mark Awards 2007
Building & Construction Authority, Singapore

The Orchard Residences

Green Mark Gold

Green Mark Awards 2007
Building & Construction Authority, Singapore

The Seafront on Meyer

Green Mark Gold^{PLUS}

Green Mark Awards 2007
Building & Construction Authority, Singapore

The Shelford

Merit Award

Construction Excellence Awards 2007
Building & Construction Authority Singapore

The Waterina

Merit Award

Construction Excellence Awards 2007
Building & Construction Authority Singapore

The Wharf Residence

Green Mark Gold

Green Mark Awards 2009
Building & Construction Authority, Singapore

Awards and Certifications

Residential

Singapore

Urban Resort Condominium

Green Mark Gold

Green Mark Awards 2008
Building & Construction Authority, Singapore

Urban Suites

Green Mark Gold

Green Mark Awards 2009
Building & Construction Authority, Singapore

Varsity Park Condominium

Green Mark Gold

Green Mark Awards 2006
Building & Construction Authority, Singapore

Australia

Baltusrol

Winner (Medium Density Development)

National Awards for Excellence
Urban Development Institute of Australia

Beaumont Waters

Excellence Award (Water Sensitive Urban Design) 2003

Urban Development Institute of Australia

Bullecourt

Best Practice (Archeological & Heritage Works) 2003

Heritage Management Award 2003

Cable Park

Winner (Environmental Excellence)

UDIA Awards for Excellence
Urban Development Institute of Australia

Seagreen, Warriewood

Winner (2006)

Environmental Management (Medium Density)
Master Builders Association (New South Wales), Australia

Awards and Certifications

Residential

Australia

The Quadrant

Best Practice (Archeological & Heritage Works)

Heritage Management Award 2003

The Maltings

Winner (Urban Renewal Project)

National Awards for Excellence

Urban Development Institute of Australia

China

La Forêt, Beijing

Innovative Design Award (Small- to Mid-sized Residential Apartments)

Ministry of Construction of the People's Republic of China

Most Liveable Communities in Chaoyang District

“High Quality Complex – Green & Humanistic Community” Award (2007)

13th China International Urban Construction Exhibition

Ministry of Construction of the People's Republic of China

I-World, Hangzhou

Green Building Award (2007)

International Housing Association

Gold Award (Well-Planned & Eco-Friendly) (2007)

Urban Planning Society of China

Awards and Certifications

Serviced Residences

Singapore

Ascott Raffles Place Singapore

URA Architectural Heritage Award

Urban Redevelopment Authority, Singapore

Green Mark

Green Mark Awards 2007

Building & Construction Authority, Singapore

Somerset Bencoolen

Silver Award (Commercial & Industrial)

SILA Professional Design Awards 2006

Singapore Institute of Landscape Architects

Citadines Singapore Mount Sophia

Green Mark

Green Mark Awards 2008

Building & Construction Authority, Singapore

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Notes:

AR – CapitaLand Annual Report 2009

N.A. – Not applicable as this is CapitaLand’s first sustainability report using GRI G3 guidelines

Glossary

bizSAFE	Programme developed by the Workplace Safety and Health Council in Singapore to promote workplace safety and health in small and medium enterprises (SMEs). There are five different levels to achieve.
Building and Construction Authority, BCA	Agency under Singapore's Ministry of National Development which champions the development of an excellent built environment for Singapore.
CapitaLand Hope Foundation, CHF	CapitaLand's philanthropic arm.
CapitaLand Institute of Management and Business, CLIMB	CapitaLand's in-house training institute located on Sentosa Island in Singapore.
CapitaLand Counseling & Advisory Panel, CAP	A pool of senior and experienced CapitaLand veterans providing an additional avenue for employees to seek advice, guidance, coaching and counseling on any work or career-related matters.
Environmental Aspects	Organisation's activities, products and services that can interact with the environment.
Environmental Management System, EMS	Guidelines that ensure environmental practices are implemented consistently across CapitaLand Group for the development and management of properties.
Environmental, Health and Safety Management System, EHS	Combination of CapitaLand's Environment Management System (EMS) and Occupational Health & Safety (OHS) Management System.
F&B	Food and Beverage.
GFA	Gross Floor Area.
Green	Term used to refer to environmental initiatives and performance in CapitaLand.
Green Army	Using an army analogy, the idea was to include employees of all levels in the fight for environmental sustainability against the common enemy of Global Warming. Employees are "armed" with the appropriate training and knowledge so that they can better implement green initiatives and affect change in their circles of influence.
Green Buildings Guidelines, GBG	Guidelines which provide a process to ensure that environmental considerations are factored in at all stages of a CapitaLand project.
HR	Human Resource Department.
ICE (Innovation, Creativity, Entrepreneurship) programme	This initiative aims to tap on the innovative enterprising mindsets of CapitaLand staff.
ICE Berg	An online CapitaLand platform that rewards staff when they contribute meaningful ideas.
Indirect energy	In this instance, this is referring to purchased electricity.
ISO 14000	Internationally recognised standard for the environmental management of businesses.
MWh	Megawatt hour.
National Council of Social Services, NCSS	Umbrella body for over 200 welfare organisations in Singapore. It leads and coordinates the social service sector in Singapore.

Glossary

National Trades Union Congress, NTUC	National federation of trade unions of workers in the industrial, service and public sectors in Singapore.
National Volunteer and Philanthropy Centre, NVPC	Singapore national body that promotes and develops volunteerism and philanthropy.
NEWater	High-grade reclaimed water produced by PUB, Singapore's national water agency, from treated used water that is purified further using advanced membrane technologies.
Occupational Health & Safety Management System	Guidelines to ensure that CapitaLand employees' health and safety have been taken into consideration.
OHSAS 18000	Internationally recognised standard for the occupational health and safety management of businesses.
Operations Compliance Unit, OCU	CapitaLand unit which formulates standards and ensures the right business ethics and conduct throughout the Group.
PUB	Singapore's National Water Agency.
Reportable Incidents under the Singapore Ministry of Manpower regulations	Work-related injuries to an employee resulting in death, more than 3 days of medical leave or hospitalization more than 24 hours.
SBU	Strategic Business Unit of CapitaLand.
Securities Investors Association (Singapore), SIAS	Non-profit organisation which actively promotes investor education, corporate governance and transparency in Singapore.
Skills Programme for Upgrading and Resilience, SPUR	It is an enhanced financial support scheme developed by the Singapore Workforce Development Agency (WDA) in consultation with tripartite partners, Ministry of Manpower (MOM), National Trades Union Congress (NTUC) and the Singapore National Employers Federation (SNEF).
SME	Small and medium enterprises.
SPRING Singapore	It is the enterprise development agency for growing innovative companies and fostering a competitive SME sector. It works with partners to help enterprises in financing, capabilities and management development, technology and innovation, and access to markets. As the national standards and accreditation body, SPRING also develops and promotes internationally-recognised standards and quality assurance to enhance competitiveness and facilitate trade.
Tripartite Alliance for Fair Employment Practices, TAFEP	It was formed in May 2006 to promote non-discriminatory employment practices and to shift mindsets among employers, employees and the general public towards fair employment practices for all workers. Members include employer representatives, union leaders and government officials.
Waterways Watch Singapore	A special volunteer group in Singapore tasked to bring people together to monitor, restore and protect the aesthetics of Singapore's waterways.

End of Report

This presentation may contain forward looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate properties, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

Published by

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