For immediate release

MEDIA STATEMENT

CapitaLand Investment launches its first Climate Resilience Report aligned with Task Force on Climate-related Financial Disclosures

Completes third climate change scenario analysis on a diversified portfolio of more than 480 properties in 20 countries across different asset classes

Singapore, 28 March 2024 – CapitaLand Investment Limited (CLI) has launched its first standalone Climate Resilience Report that is based on the recommendations by the Task Force on Climate-related Financial Disclosures (TCFD). The report includes a comprehensive climate scenario analysis of CLI's diversified portfolio of more than 480 properties in 20 countries[1] across different asset classes. Since 2017, CapitaLand has been aligning its climate-related disclosures in the four key areas of governance, strategy, risk management, and metrics and targets as recommended by the TCFD.

This is CLI's third climate scenario analysis and the first time it has analysed its properties on a global portfolio level under three scenarios where global temperatures rise by up to 1.5°C, 2°C and 3°C by 2100. A quantitative and qualitative analysis was conducted, covering physical and transition risks. Coastal flooding was identified to potentially pose the most significant risk to CLI across all three scenarios as compared to other physical risks such as fluvial flooding, tropical cyclones, extreme cold, extreme heat and wildfire. Globally, most of CLI's properties already have flood control measures in place such as flood barriers, sensors and water level pumps. Floods are highlighted in due diligence reports for new investments and plans are in place to integrate climate change resilience into the design, development and management of properties. CLI will continue to regularly update its flood emergency response plans to strengthen its resilience against flood risk.

Transition risks analysed include potentially more stringent regulations, changes in electricity prices and increased expectations from stakeholders. Carbon price shifts are one of the more significant transition risks that may impact the global portfolio. CLI has outlined a decarbonisation strategy in its 2030 Sustainability Master Plan (SMP) to ensure the adoption of measures to minimise carbon emissions and reduce CLI's exposure to future carbon price shifts.

Mr Vinamra Srivastava, CLI's Chief Sustainability and Sustainable Investments Officer, said: "CLI's third climate scenario analysis is our widest in coverage and deepest in impact assessment thus far. It allows us to gain critical insights on the extent of impact of the various physical and

[1] CLI owned properties as at 31 December 2022.

transition risks through a top-down approach – from a global portfolio level, across each of our real estate investment trusts (REITs) and business trusts as well as countries, down to the property level. This further guides us in making more informed decisions on directing our green capital expenditure towards parts of the business with significant risk exposure, building resilience and reducing vulnerability of identified properties. We are prioritising our measures on managing the key climate-related risks and opportunities and enhancing sustainability considerations into our business strategies, as we work towards achieving our 2050 Net Zero target for our Scope 1 and 2 emissions."

"This Climate Resilience Report that is aligned to TCFD also demonstrates our focus to increase governance and enhance our disclosures, policies and practices to international standards. We recognise the urgency of climate action, and have refreshed CLI's 2030 SMP last year to provide greater clarity on the pathways to achieve our sustainability goals. We are continuing our journey to step up our environmental, social and governance (ESG) efforts as we grow our business," added Mr Srivastava.

CLI's climate transition plan and metrics

CLI's climate transition plan was updated as part of the CLI 2030 SMP. The plan includes how CLI's Board and management work closely together to ensure that sustainability is factored in the company's strategy formulation. CLI also sets sustainability and climate-related performance metrics and targets that are linked to the remuneration policies for senior management and staff.

At CLI, all new investments in operational assets and development projects undergo the Environmental, Health and Safety Impact Assessment (EHSIA) during due diligence to identify any environmental risks and opportunities related to the asset or project site and its surroundings. The EHSIA uses an internal carbon price to quantify climate-related risks and opportunities. This assessment ensures that the required capital expenditure has been set aside for investments to meet CLI's 2030 SMP targets. CLI continues to develop its proprietary metric, Return on Sustainability, to measure its ESG impact. This metric aims to redirect investments towards lower carbon solutions and renewable energy projects across CLI's businesses and operations. CLI will also explore new metrics to measure climate-related risks and opportunities.

CLI's climate transition plan also includes a carbon mitigation hierarchy, initiatives to expand the capabilities of the Board, management and staff on ESG-related areas, and measures for stakeholder engagement among others.

Stepping up efforts in reducing Scope 3 carbon emissions and disclosures

Moving forward, CLI will focus on Scope 3 carbon emissions in its decarbonisation journey. It will enhance tracking and disclosure of material Scope 3 categories, especially supply chain-related emissions. CLI has rolled out a green lease programme at its properties in Singapore and China, and plans to extend the programme to other markets globally as it works with tenants to enhance their sustainability performance.

CLI will strengthen ESG screening of its suppliers and enhance the awareness of ESG and safety standards amongst CLI's supply chain partners through targeted briefings and training. CLI is also exploring sustainable financing tools to incentivise suppliers to strengthen their ESG credentials.

CLI and its REITs and business trusts will continue to analyse the full extent and magnitude of climate-related risks and opportunities of their portfolios. CLI will also assess the applicability of new nature-related disclosure guidelines under the Taskforce on Nature-related Financial Disclosures which is becoming a focus area for global sustainability reporting requirements and investors. Concurrently, CLI is evaluating its readiness for reporting against the new standards launched by the International Sustainability Standards Board.

For more information, read CLI's Climate Resilience Report at: https://www.capitaland.com/en/investment/sustainability/our-net-zero-commitment.html

Find out more about CLI's sustainability initiatives at:
https://www.capitaland.com/en/investment/sustainability.html

About CapitaLand Investment Limited (www.capitalandinvest.com)
Headquartered and listed in Singapore, CapitaLand Investment Limited (CLI) is a leading global real asset manager with a strong Asia foothold. As at 31 December 2023, CLI had S$134 billion of assets under management as well as nearly S$100 billion of funds under management (FUM) held via six listed real estate investment trusts and business trusts and more than 30 private vehicles across Asia Pacific, Europe and USA. Its diversified real estate asset classes cover retail, office, lodging, business parks, industrial, logistics, self-storage and data centres.

CLI aims to scale its FUM and fee-related earnings through fund management, lodging management and commercial management, and maintain effective capital management. As the investment management arm of CapitaLand Group, CLI has access to the development capabilities of and pipeline investment opportunities from CapitaLand's development arm.

As a responsible company, CLI places sustainability at the core of what it does and has committed to achieve Net Zero carbon emissions for Scope 1 and 2 by 2050. CLI contributes to the environmental and social well-being of the communities where it operates, as it delivers long-term economic value to its stakeholders.

Follow @CapitaLand on social media

Facebook: @capitaland / facebook.com/capitaland
Instagram: @capitaland / instagram.com/capitaland
Twitter: @capitaLand / twitter.com/capitaland
LinkedIn: linkedin.com/company/capitaland-limited
YouTube: youtube.com/capitaland

Issued by: CapitaLand Investment Limited (Co. Regn.: 200308451M)

For queries, please contact:

CapitaLand Investment Limited

Media contact
Michele Ng
Head, Group Communications
Tel: +65 6713 2881
Email: michele.ng@capitaland.com