

# Sustainability Report

## ABOUT THE REPORT

Ascendas India Trust (a-iTrust) is pleased to present its sixth annual Sustainability Report. This report reflects a-iTrust's dedication to sustainable and responsible growth, and provides an update on its goals, initiative, and progress on material Environmental, Social and Governance (ESG) matters.

### International Standards and Guidelines

This report has been prepared in accordance with the SGX-ST Listing Manual Rule 711(B), Global Reporting Initiative (GRI) Standards: Core option, and GRI's Construction & Real Estate Sector Supplement (CRESS). The GRI Standards have been selected as it is an internationally recognised reporting framework that covers a comprehensive range of sustainability disclosures that are relevant to a-iTrust. This report has also incorporated elements of the Integrated Reporting (IR) Framework of the International Integrated Reporting Council, and references the United Nations Sustainable Development Goals (SDGs).

### Reporting Scope and Period

This report covers a-iTrust's sustainability performance for the period from 1 January to 31 December 2021 (FY 2021), with relevant prior data for the comparable period from 1 January to 31 December 2020, where relevant. The scope of this report covers a-iTrust's portfolio<sup>1</sup>, comprising the seven IT parks listed in Figure 1 below.

**Figure 1: Portfolio in Reporting Scope for FY 2021**

City	Portfolio
Bangalore	International Tech Park Bangalore (ITPB)
Chennai	International Tech Park Chennai (ITPC) CyberVale
Hyderabad	International Tech Park Hyderabad (ITPH) CyberPearl aVance Hyderabad
Pune	aVance Pune

### Feedback

Feedback from a-iTrust's stakeholders is welcome as it enables continual improvement in the Trust's policies, processes and performance. Please send your comments and suggestions to [cheah.yingsoon@a-itrust.com](mailto:cheah.yingsoon@a-itrust.com).

<sup>1</sup> The report excludes (i) the six operating warehouses at Arshiya Free Trade Warehousing Zone in Panvel, as the Trust has a master lease and does not manage operations of the logistics facilities, (ii) aVance 6 in aVance Hyderabad as it was only acquired in March 2021, (iii) Building Q1 in Aurum Q Parc, Navi Mumbai as the IT SEZ building was only acquired in November 2021 and (iv) 6.6-acre land in Airoli, Navi Mumbai which is to be developed into a new data centre campus.

## a-iTrust Board Statement

At a-iTrust, sustainability is a vital element of our strategic planning and implementation roadmap. We are committed to growing in a responsible manner, delivering long term economic value and contributing to the environmental and social well-being of our communities. The material Environmental, Social and Governance (ESG) factors have been identified and encapsulated in the CapitaLand 2030 Sustainability Master Plan, which was launched in 2020, and will be reviewed by the Board of Directors together with management every two years.

The CapitaLand 2030 Sustainability Master Plan steers our efforts on a common course to maximise impact through building a resilient and resource-efficient real estate portfolio, enabling thriving and future-adaptive communities, and accelerating sustainability innovation and collaboration. Ambitious ESG targets have been set which include carbon emissions reduction targets validated by the Science Based Targets initiative.

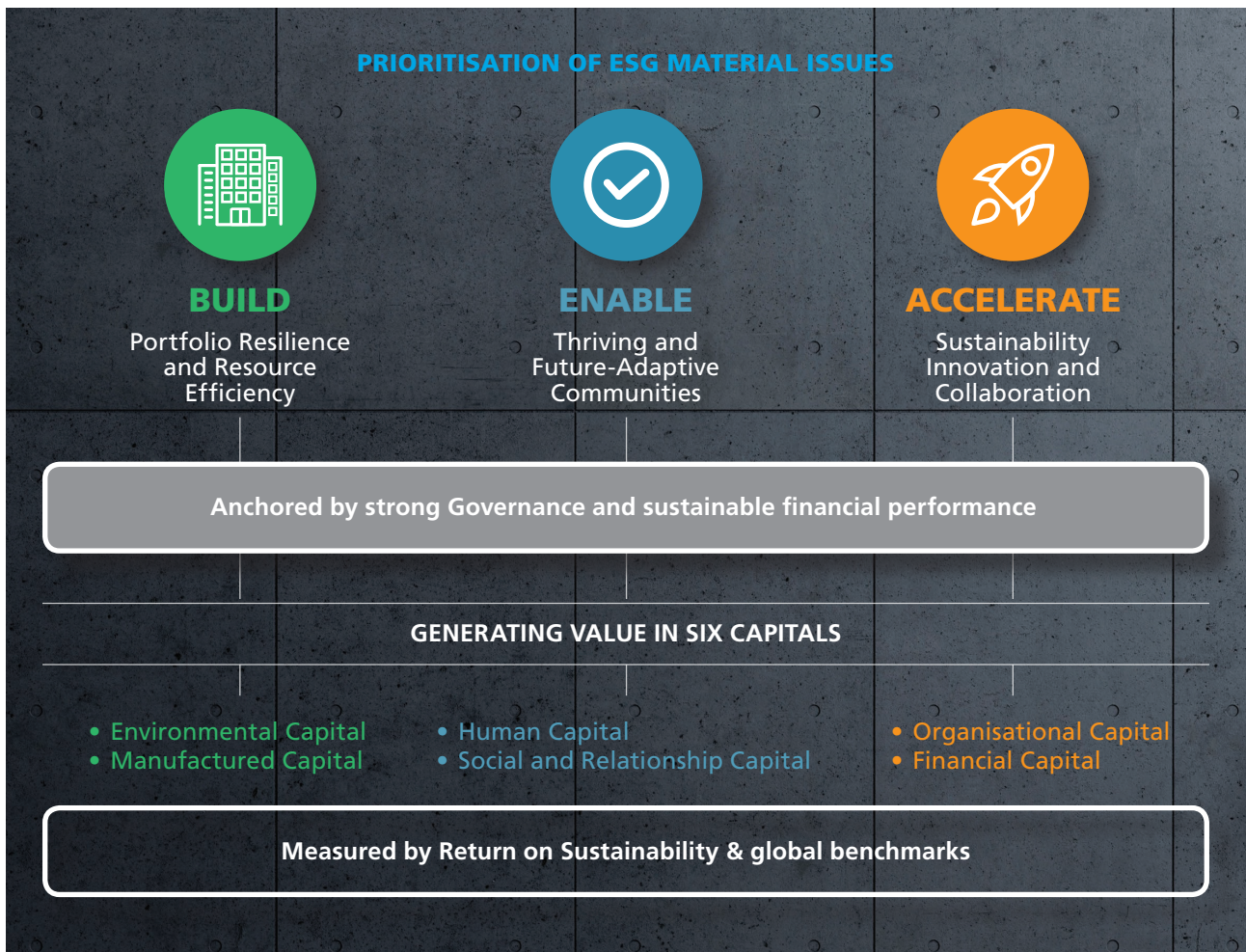
The Board is responsible for overseeing a-iTrust's sustainability efforts and takes ESG factors into consideration in determining its strategic direction and priorities. The Board also approves the executive compensation framework based on the principle of linking pay to performance. a-iTrust's business plans are translated to both quantitative and qualitative performance targets, including sustainable corporate practices, and are cascaded throughout the organisation.

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## SUSTAINABILITY COMMITMENT

In 2020, CapitaLand unveiled its 2030 Sustainability Master Plan to elevate the CapitaLand Group's commitment to global sustainability in the built environment, given its presence in more than 230 cities and over 30 countries. The Master Plan focuses on three key pillars to drive CapitaLand's sustainability efforts, enabling CapitaLand Group to create a larger positive impact for the environment and society.

As a CapitaLand Investment sponsored business trust, a-iTrust aligns its sustainability objectives and strategies with CapitaLand Group. It is committed to improving the economic and social well-being of its stakeholders through management of human capital, asset, portfolio operations and project development. a-iTrust will steer towards the pathways set by CapitaLand and keep adapting its strategies as technologies evolve and new scientific data become available. CapitaLand has identified five pathways to achieve its sustainability objectives:



- **Integrate sustainability in CapitaLand's real estate life cycle**

From the earliest stage of its investment process, to design, procurement, construction, operations and redevelopment or divestment, sustainability targets are embedded in policies, processes, best practices, and key performance indicators of its business operations.

- **Strengthen innovation and collaboration to drive sustainability**

CapitaLand will continue to source globally for new ideas and technologies to meet its sustainability ambitions and work with like-minded partners to create shared values.

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- **Leverage sustainability trends and data analytics**

This allows CapitaLand to track critical performance and progress in water usage, waste management, energy consumption, carbon emissions and health and safety. These measurements are key to driving performance improvement across its properties.

- **Monitor and report progress to ensure transparency**

As CapitaLand tracks its sustainability progress, it will look to validate its performance by external assurance and align its Sustainability Report to international standards.

- **Increase engagement and communication with key stakeholders**

CapitaLand will increase engagement to build awareness among its employees, investors, customers and communities, and collectively effect transformational change to achieve its 2030 targets.

## Push Boundaries of Change

To push the boundaries of change, CapitaLand will transit to a low-carbon business that is aligned with climate science. In November 2020, it had its emissions reduction targets aligned with the Science Based Targets initiative (SBTi) for a 'well-below 2°C' scenario. The targets are in line with the goals of the Paris Agreement to keep global temperature rise well below 2°C in this century. CapitaLand is also developing a new metric, Return on Sustainability, in addition to the regular financial return to measure the Group's ESG impact.

CapitaLand has launched the inaugural CapitaLand Sustainability X Challenge (CSXC), a sustainability focused innovation challenge, that sources for emerging sustainability technologies in the built environment globally. The CSXC covers seven challenge statements which reflect the key themes and goals in CapitaLand's 2030 Sustainability Master Plan.

CapitaLand aims to be a leader in sustainable finance and intends to secure S\$6 billion through sustainable finance by 2030. Proceeds and interest rate savings from CapitaLand's efforts in sustainable finance can also be used to drive more sustainability initiatives and innovations within the company. a-iTrust secured sustainability-linked loans totalling S\$250 million in 2021.

## Measured against Global Benchmarks

CapitaLand was one of the first companies in Singapore to voluntarily publish an annual Global Sustainability Report and externally assure the entire report. Benchmarking against an international standard and framework that is externally validated helps to overcome the challenges in sustainability reporting that may arise from its portfolio of diverse asset types and geographical presence globally.

CapitaLand is also a signatory to the United Nations (UN) Global Compact and its Global Sustainability Report serves as its Communication on Progress, which will be made available at [www.unglobalcompact.org](http://www.unglobalcompact.org) when published.

For its efforts, CapitaLand is listed in the Global 100 Most Sustainable Corporations Index, Dow Jones Sustainability World Index and Asia-Pacific Index, Global Real Estate Sustainability Benchmark (Global Sector Leader, Diversified - Listed), FTSE4Good Index Series, MSCI Global Sustainability Indexes and The Sustainability Yearbook. CapitaLand Investment Global Sustainability Report 2021 will be published by 31 May 2022. CapitaLand Investment Limited (CLI) is ranked the top real estate company globally and top Singapore company on the 2022 Carbon Clean 200 (Clean200).

CapitaLand Investment Global Sustainability Report 2021 will continue to be prepared in accordance with the Global Reporting Initiative Standards: Core option. CapitaLand will continue to apply the Guiding Principles of the International Integrated Reporting Framework and ISO 26000:2010 Guidance on Social Responsibility, and reference the UN Sustainable Development Goals (UN SDGs), and the Sustainability Accounting Standards Board (SASB). It also plans to enhance its climate-related disclosure and implementation in line with the Taskforce for Climate-related Financial Disclosure (TCFD). It will continue to be externally assured to AA1000 Assurance Standard. The report will cover the CapitaLand Investment Group's global portfolio and employees, including the listed real estate investment trusts (REITs) and business trusts - CapitaLand Integrated Commercial Trust, Ascendas Real Estate Investment Trust, Ascott Residence Trust, CapitaLand China Trust, Ascendas India Trust and CapitaLand Malaysia Trust, unless otherwise indicated.



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## SUSTAINABILITY DURING COVID-19 PANDEMIC

In 2021, India was significantly affected by the COVID-19 pandemic. In particular, India suffered a second wave of COVID-19 cases, which peaked in May-June 2021, resulting in various lockdown measures during that period, based on guidance by local governments.

a-iTrust has had to continue adjusting its sustainability approach to accommodate the evolving situation on the ground. Every response taken by a-iTrust

considers the well-being of all its stakeholders. Under the Board's guidance and the active involvement of the Trustee-Manager and Property Manager (the Managers), effective action was taken across a-iTrust's properties to safeguard the health, safety, and wellness of its tenants and suppliers. The Trust worked closely with its stakeholders to ensure that the impacts of the pandemic are minimised. The following section summarises the Trust's response in navigating the pandemic in 2021 with its stakeholders.



## Employee Care

The Managers continued to implement precautionary measures to take care of the safety and total well-being of its staff. Enhanced cleaning measures were implemented in the work areas. Where possible, staff had the flexibility to work from home with the support of telecommuting technologies. To ensure the total well-being of its staff, the Managers have been engaging them through CapitaLand online platforms including pulse surveys, virtual townhalls and online activities such as online learning, competitions etc. Resources such as financial assistance channels, other employee assistance programmes and healthcare hotlines were also circulated via emails.

With the availability of COVID-19 vaccines, the Property Managers worked closely with government/health authorities to organise vaccination drives across a-iTrust's properties such as in Bangalore, Chennai, Hyderabad and Pune since mid-April 2021. All employees and their families were invited to participate in these vaccination drives. Further, free COVID-19 RT-PCR testing camps were also conducted to curb the spread of the COVID-19 virus within the Property Manager's workforce. All eligible Property Manager's staff are fully vaccinated.





## Tenant Relationship

a-iTrust's business parks remained operational throughout 2021 to support tenants' operations. As most within the park community continued to work-from-home, a-iTrust held various virtual engagement activities to connect with them. To provide a safe environment for tenants and the park community, the Managers enhanced hygiene measures and employed contactless technologies. To enhance indoor air quality and reduce the potential spread of COVID-19, the Managers have successfully installed Ultraviolet Germicidal Irradiation (UVGI) in approximately 98% of all Air Handling Units (AHUs) across a-iTrust's portfolio properties and will complete the remaining installations by the first quarter of 2022.

The Managers also worked closely with government/health authorities to organise multiple vaccination drives across the Trust's parks (including within Park Square Mall in ITPB) for tenants and retail customers who visit Park Square Mall.

Going above and beyond local regulations, a-iTrust voluntarily committed rental reliefs to a majority of retail tenants to support them through a difficult operating period. In addition to direct financial support, the Trust has also continued to increase its social media and marketing campaign efforts for consumer outreach to increase mall footfalls to support the retail tenants.



## Supplier Management

There were no significant disruptions to a-iTrust's supply chain during the COVID-19 pandemic. Using Zycus, an online Procure-to-Pay supplier management platform, tender calling and awarding of contracts could be conducted digitally and remotely.

During the lockdown period in India, a-iTrust provided temporary lodging in addition to providing basic amenities for its contractors, including food supplies, personal protective equipment, and precautionary kits. This helped to reduce the exposure of these contractors to the virus and provided assurance to the Trust's tenants that the workers on-site in the IT parks were well-protected.



## Community Engagement

Through CapitaLand Hope Foundation (CHF) in India, a-iTrust has funded various COVID-19 related initiatives to support the frontline healthcare workers, hospitals and communities around the Trust's parks. CHF and the Managers procured and donated medical supplies and equipment, set up a temporary COVID-19 Care Centre at ITPB, as well as teamed up with several corporates to set up a 40-bed children's ICU facility in a Bangalore hospital to provide medical support for the park's tenants and wider Bangalore community. In Chennai, CHF installed and handed over a 60-metric tonne fully-equipped Oxygen Generation Plant which can provide oxygen supply for up to 100 beds, to the Government Stanley Medical College Hospital, Chennai.

Please refer to pages 92 - 94 for more details of the community initiatives.

### BOARD, TOP MANAGEMENT AND STAFF COMMITMENT AND INVOLVEMENT

#### Strategic Sustainability Management Structure



CapitaLand's sustainability management comes under the purview of CapitaLand Sustainability Council. The Sustainability Council comprises selected CLI Board's independent directors and members of the CapitaLand Executive Committee. It is supported by the Group Sustainability Office and various work teams to drive continued progress and improvement in the areas of ESG. It was chaired by one of CLI's independent directors and member of its Executive Resource and Compensation Committee and Risk Committee. The work teams comprise representatives from CapitaLand business units and corporate functions. Each business unit has its own Environmental, Health and Safety (EHS) Committee to drive initiatives in countries where the Group operates with support from various departments. This governance is cascaded from the CapitaLand Group level to a-iTrust through the India Business Park EHS Committee.

Representatives in the EHS Committee oversee the Trust's properties to drive park initiatives. The Trustee-Manager's Board is updated regularly on sustainability matters related to the Trust, including its sustainability management performance, key material issues identified by stakeholders, and planned follow-up measures. The Managers work closely together to carry out strategies and relevant activities per CapitaLand's sustainability framework and policies.

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## CapitaDNA Visions, Mission, Credo and Core Values

### CORE VALUES

WINNING MINDSET | ENTERPRISING | RESPECT | INTEGRITY

### COMMITMENT TO OUR STAKEHOLDERS

We create great customer value and experiences through high-quality products and services

for our  
**CUSTOMERS**  
Tenants, shoppers

We deliver sustainable unitholder returns and build a strong global network of capital partners

for our  
**INVESTORS**  
including business partners

We develop high-performing people and teams through rewarding opportunities

for our  
**PEOPLE**  
Staff

We care for and contribute to the economic, environmental and social development of communities

for our  
**COMMUNITIES**  
Government agencies/  
NGOs, general public,  
the environment,  
suppliers/contractors

### MATERIALITY

a-iTrust is guided by CapitaLand's regular review, assessment and feedback process in relation to ESG topics. Key to this is an annual CapitaLand Group-wide Risk and Control Self-Assessment exercise which entails the identification, assessment and documentation of material risks and corresponding internal controls. These material risks include fraud and corruption, environmental (e.g. climate change), health and safety, and human capital risks which are ESG-relevant.

Guided by CapitaLand's 2030 Sustainability Master Plan (SMP), CapitaLand elevated the Group's commitment to global sustainability in the built environment by identifying and reviewing material issues that are most relevant and significant to the Group and its stakeholders. These are prioritised based on the likelihood and potential impact of issues affecting business continuity and development. In 2021, a-iTrust has conducted a review of its material ESG issues while considering the context of the COVID-19 pandemic. The existing ESG issues have been deemed to be material and relevant to a-iTrust's business and operating context. For more information on stakeholder engagement, please refer to the Social and Relationship Capital, Human Capital and Environmental Capital chapters of this report.




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## Prioritisation of ESG Material Issues

2030 SMP - Sustainability Pillars	Material ESG Factors/Indicators	
	Key material issues	Medium priority
<b>BUILD</b> Portfolio Resilience and Resource Efficiency	<ul style="list-style-type: none"> <li>Climate change and carbon reduction</li> <li>Energy efficiency</li> <li>Water management</li> </ul>	<ul style="list-style-type: none"> <li>Waste management</li> <li>Biodiversity</li> </ul>
<b>ENABLE</b> Thriving and Future-Adaptive Communities	<ul style="list-style-type: none"> <li>Occupational health &amp; safety</li> <li>Human capital</li> <li>Stakeholder engagement</li> <li>Supply chain management</li> <li>Diversity (board and staff)</li> </ul>	<ul style="list-style-type: none"> <li>Human rights</li> </ul>
<b>ACCELERATE</b> Sustainability Innovation and Collaboration	<ul style="list-style-type: none"> <li>Product and service (including customer health and safety)</li> </ul>	
<b>Anchored by strong governance and sustainable financial performance</b>		<ul style="list-style-type: none"> <li>Compliance</li> <li>Business ethics</li> </ul>



## CREATING VALUE AND ALIGNMENT TO UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGS)

a-iTrust remains committed in creating long-term and sustainable value for its stakeholders. It continues to leverage on the six Capitals, aligned with that of CapitaLand’s – Environmental, Manufactured, Human, Social and Relationship, Organisational and Financial. ESG material issues are grouped into these six Capitals and mapped against eight UN SDGs that are most aligned with the CapitaLand’s Sustainability Master Plan 2030 targets, and where it can achieve the greatest positive impact.

SMP Pillars and Focus Areas	Our Commitments	2021 Value Created	Capital
<b>BUILD</b> <b>Portfolio Resilience and Resource Efficiency</b> <ul style="list-style-type: none"> <li>Low Carbon Transition</li> <li>Water Conservation and Resilience</li> <li>Waste Management and Circular Economy</li> </ul>	<ul style="list-style-type: none"> <li>Transit to low carbon business and reduce energy consumption through improved energy efficiency and increased use of renewable energy</li> <li>Reduce water consumption, reuse water and prevent water pollution</li> <li>Green our operational portfolio by 2030</li> <li>Strengthen climate resilience of our portfolio by addressing climate related risks and opportunities throughout the real estate lifecycle</li> </ul>	<ul style="list-style-type: none"> <li>81% of a-iTrust’s business park buildings are certified either with IGBC or USGBC LEED green ratings</li> <li>Achieved 15.4%<sup>2</sup> reduction of energy consumption</li> <li>53.7%<sup>2</sup> of total landlord energy consumed was from solar energy</li> <li>42.5%<sup>2</sup> reduction in water usage</li> </ul>	<b>Environmental Capital</b>  <b>Manufactured Capital</b>  

2 Compared to base year 2020. This reduction may not be reflective of the Trust’s future performance due to lower physical occupancy in both 2020 and 2021 in view of the COVID-19 pandemic.

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SMP Pillars and Focus Areas	Our Commitments	2021 Value Created	Capital
<p><b>ENABLE</b> <b>Thriving and Future-Adaptive Communities</b></p> <ul style="list-style-type: none"> <li>Dynamic Human Capital</li> <li>Healthy and Safe Buildings</li> <li>Proactive Customer Relationship Management</li> <li>Robust Supply Chain Management</li> </ul>	<ul style="list-style-type: none"> <li>a-iTrust believes that regardless of ethnicity, age or gender, staff can make a significant contribution based on their talent, expertise and experience. a-iTrust adopts consistent, equitable, and fair labour policies and practices in rewarding as well as developing staff</li> <li>CapitaLand is a signatory to the UN Global Compact. a-iTrust's practices are aligned as a CLI-sponsored business trust</li> <li>a-iTrust aims to provide a work environment that is safe and contributes to the general well-being of the staff, tenants, contractors, suppliers and the communities that use its properties</li> <li>CapitaLand's Supply Chain Code of Conduct guides a-iTrust's supply chain to operate responsibly in the areas of anti-corruption, human rights, health and safety, as well as environmental management</li> <li>Requires third-party service providers and vendors to adhere to anti-bribery and anti-corruption provisions</li> <li>a-iTrust is committed to activities that are aligned with its focus on community investment</li> <li>Promote sustainability within the tenant community</li> </ul>	<ul style="list-style-type: none"> <li>Zero employee injuries and fatalities during the reporting period</li> <li>No reported incident relating to staff discrimination; child labour or forced labour in a-iTrust project sites</li> <li>Ratio of male to female employees of Trustee-Manager at 1:0.6</li> <li>Employee turnover of 12.5% during the reporting period</li> <li>Average of 15.4 hours of training for all employees including digital training courses</li> <li>In FY 2020, a-iTrust obtained the British Safety Council accreditation for its effective control measures for COVID-19. In FY2021, the Trust ensured the continued implementation of those same measures to maintain our vigilance against the COVID-19 pandemic</li> <li>Tenant engagement through virtual events. Refer to page 35 of a-iTrust Annual Report 2021</li> <li>Carried out vaccination drives across the Trust's properties for employees, tenants, suppliers and local community</li> </ul>	<p><b>Human Capital</b></p> <p><b>Social and Relationship Capital</b></p> 
<p><b>ACCELERATE</b> <b>Sustainability Innovation and Collaboration</b></p> <ul style="list-style-type: none"> <li>Sustainable Operational Excellence</li> <li>Sustainable Finance</li> <li>Sustainability Innovation and Technology</li> </ul>	<ul style="list-style-type: none"> <li>Maintain safe, accessible, vibrant and quality real estate developments to enhance the lives of its tenants and members of the community</li> <li>Integrate ESG performance with financial metrics</li> <li>Actively embrace innovation to ensure commercial viability without compromising the environment for future generations</li> </ul>	<ul style="list-style-type: none"> <li>Refer to Corporate Governance section on pages 104 - 139 of a-iTrust Annual Report 2021</li> <li>a-iTrust secured 2 new five-year unsecured sustainability-linked loan facilities from UOB totalling S\$250 million in 2021 (approximately 25% of a-iTrust's loan books)</li> <li>Refer to Financial Review on pages 54 to 59 of a-iTrust Annual Report 2021</li> </ul>	<p><b>Manufactured Capital</b></p> <p><b>Organisational Capital</b></p> <p><b>Financial Capital</b></p> 

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## ENVIRONMENTAL AND MANUFACTURED CAPITAL

a-iTrust is committed to minimising its environmental impact as a real estate business trust. It believes that lowering the environmental footprint of its buildings through innovation creates value for its stakeholders.

The Managers strive to develop and implement environmentally friendly features in the Trust's properties and improve overall energy efficiency. They also consider environmental sustainability throughout all stages of any Asset Enhancement Initiative (AEI), development and redevelopment. Monitoring environmental impacts is integral to the Trust's business operations, as the efficient use of environmental resources such as energy and water contributes to the operational efficiency and long-term sustainability of the Trust.



Framework	
<b>Policy and Objectives</b>	<ul style="list-style-type: none"> <li>Identify opportunities in managing its property portfolio to deliver long-term benefits</li> <li>Reduce energy consumption and encourage renewable energy sources</li> <li>Reduce water consumption and encourage the use of treated/recycled water</li> <li>Manage waste through construction efficiency and encourage recycling</li> <li>Manage biodiversity to contribute positively to the natural environment</li> <li>Engage stakeholders to encourage them to play their part</li> </ul>
<b>Accountability</b>	<ul style="list-style-type: none"> <li>Setting performance targets linked to remuneration for employees, and monitoring energy and water usage, waste generation and carbon emissions performance through the Environmental Tracking System (ETS)</li> <li>Use of the ISO 14001-certified Environmental Management System ensures accountability to relevant Managers and all employees</li> </ul>
<b>Methods/Action plan</b>	<p>Environment Management System (EMS)</p> <ul style="list-style-type: none"> <li>Compliance with local environmental laws and regulations</li> <li>Identify significant environmental aspects and manage impact</li> <li>Implementation of Sustainable Building Guidelines (SBG), an in-house guide that ensures holistic incorporation of environmental considerations throughout all stages of the Trust's properties' life cycles</li> <li>Appointment of ISO 14001-certified main contractors or conduct EMS legal compliance on site</li> </ul> <p>To contribute towards CapitaLand Group achieving the following operational targets (baseline 2008) by 2030:</p> <ul style="list-style-type: none"> <li>Reduce carbon emission intensity by 78%</li> <li>Reduce energy consumption intensity by 35% in day-to-day operations</li> <li>Increase proportion of total electricity consumed from renewable sources to 35%</li> <li>Reduce water consumption intensity by 45% in day-to-day operations</li> <li>Achieve 25% recycling rate in day-to-day operations</li> <li>Divert 75% of construction waste from landfill</li> </ul>
<b>Stakeholder engagement</b>	<ul style="list-style-type: none"> <li>Require and indicate preference for ISO 14001 main contractors/vendors</li> <li>Share CapitaLand EHS policy with suppliers and service providers</li> <li>Share and encourage end users, including tenants and the general community, to adopt environmentally sustainable habits</li> </ul>



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## Top Management Commitment and Staff Involvement

Initiatives associated with environmental and safety performance in India are driven by representatives from the Property Manager in CapitaLand's EHS committee, with the CEO of CapitaLand India Business Parks as India Business Park EHS Champion. This committee maintains the Group's EHS Management System as the CapitaLand Environment Sustainability Working Team and supports the work of CapitaLand's Sustainability Council.

All staff are involved in reducing a-iTrust's environmental footprint. They are encouraged to be forthcoming and to report all incidences of environmental-related issues and complaints, as well as incidences of non-compliance and non-conformities.

## Managing our Environmental Footprint

a-iTrust has adopted CapitaLand's EMS as a key tool in managing its environmental footprint across its entire portfolio. The EMS is integrated with the Occupational Health and Safety Management System (OHSMS) to form CapitaLand's Environmental, Health and Safety Management System EHSMS, and certified to the requirements of ISO 14001 (Environmental Management System) and ISO 45001 (Occupational Health & Safety) Standards.

## Risk Management of Environmental Aspects and Impact

The EMS provides a systematic approach to manage a-iTrust's environmental impact and to continuously improve its environmental performance. A key element of the EMS is to identify and manage issues within the business operations that can potentially have a negative impact on the environment. The significance of each environmental aspect and impact is assessed based on factors such as the likelihood of the occurrence, severity of the impact and control measures implemented.

a-iTrust strives to minimise impacts such as resource depletion, carbon emissions and waste generation. The Managers proactively set environmental targets such as green building rating targets, carbon emissions, energy and water usage reduction targets and continually review and adjust the plans to meet these targets.

## Training and Awareness

To facilitate effective implementation of the EMS, training and awareness programmes are planned and conducted for all staff. New staff are inducted to the EHSMS, as well as CapitaLand's EHS policy, and briefed on the roles they play. For the implementation of CapitaLand's EHSMS, Heads of Departments in administration, operations, and project development, including heads of operating properties, design managers and project managers, undergo more detailed training. Additionally, the Managers also conduct campaigns to create awareness about sustainability amongst the Trust's stakeholders.

## Internal and External Audits

a-iTrust has in place an internal audit system which ensures the conformance and effective implementation of its EMS to ISO 14001 international standards. Internal audits are conducted at least once a year. Despite the COVID-19 pandemic, CapitaLand continued to conduct internal audits within the CapitaLand Group. Alternative audit modes such as virtual and/or hybrid of virtual and physical site audits were introduced to ensure the safety of CapitaLand staff and external auditors.

## Green Building Rating, Benchmarks and Awards

Green certification for a-iTrust's buildings help to assure and demonstrate the quality of a-iTrust's portfolio. These green ratings serve as an external validation that key environment aspects have been considered in the Trust's design, development and operations. The Trust is committed to constantly align its portfolio with industrial best practices that improve the resource efficiency and environmental friendliness of its properties. a-iTrust remains committed to the CapitaLand Group's overall target of achieving green certifications for all new and existing high value buildings in its portfolio by 2030.

a-iTrust is pleased to announce that in FY 2021, in keeping with its green building commitment, seven of its existing buildings were upgraded to "Platinum" or "Gold" green ratings. A total of 25 buildings within the a-iTrust portfolio are certified at least IGBC or USGBC LEED Platinum or Gold as at 31 December 2021. Figure 2 provides an overview of these certifications and awards.

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Figure 2: Sustainability Certifications

City	Property	Building	Award
Bangalore	International Tech Park Bangalore	Anchor (SEZ)	IGBC Platinum, Core & Shell
		Anchor Annex (SEZ)	IGBC Platinum, Core & Shell
		Aviator (SEZ)	IGBC Platinum, Core & Shell
		Creator	IGBC Platinum, Operations and Maintenance
		Discoverer	IGBC Platinum, Operations and Maintenance
		Explorer	IGBC Gold, Operations and Maintenance
		Innovator	IGBC Platinum, Operations and Maintenance
		Inventor	IGBC Gold, Operations and Maintenance
		Navigator	IGBC Gold, Operations and Maintenance
		Victor (SEZ)	USGBC LEED Platinum, Core & Shell
		Voyager (SEZ)	IGBC Silver, Core & Shell
Chennai	International Tech Park Chennai	Crest	USGBC LEED Gold, Operations and Maintenance
		Pinnacle	USGBC LEED Gold, Operations and Maintenance
		Zenith	USGBC LEED Platinum, Operations and Maintenance
	CyberVale	Lakeview	USGBC LEED Gold, Operations and Maintenance
		Springfield	USGBC LEED Gold, Operations and Maintenance
		Building 3	USGBC LEED Gold, Operations and Maintenance
Hyderabad	International Tech Park Hyderabad	Atria	USGBC LEED Gold, Core & Shell
		Capella	IGBC Platinum, Operations and Maintenance
		Orion	IGBC Platinum, Operations and Maintenance
	Cyber Pearl	Block A	IGBC Platinum, Operations and Maintenance
		Block B	IGBC Platinum, Operations and Maintenance
Pune	aVance Pune	Building 1	IGBC Platinum, Core & Shell
		Building 2	IGBC Platinum, Core & Shell
		Building 3	IGBC Platinum, Core & Shell

Target	Performance
Obtain 100% certification by a green rating system administered by a national government ministry/ agency or World Green Building Council (WGBC) recognised Green Building Council by 2030	In progress; 81% <sup>3</sup> of the buildings across the portfolio are certified either with IGBC or USGBC LEED green rating

## CapitaLand Sustainable Building Guidelines

With guidance from CapitaLand's SBG, a-iTrust has incorporated environmental considerations throughout all stages of its properties' life cycles. The SBG emphasises four main goals (reducing carbon footprint and energy consumption, enhancing water management, minimising waste generation, and promoting biodiversity) and offers a structured process where respective persons-in-charge are accountable. The SBG is regularly reviewed to ensure continuous improvement.

A key component of the SBG is the mandatory Environmental Health Safety Impact Assessment (EHSIA) and will be carried out before any acquisition or development. The EHSIA focuses on identifying any environmental threats or opportunities related to the project site and its surroundings, covering areas such as floods, biodiversity, air quality, noise, connectivity, heritage, and resources. During the feasibility study and due diligence stage, significant findings of the EHSIA and their cost implications (if any) are incorporated in the investment paper submitted for approval. There are no properties in a-iTrust's portfolio located within protected areas and no material biodiversity risk has been identified.

3 Excludes Building Q1 in Aurum Q Parc, Navi Mumbai and aVance 6 in aVance Hyderabad which are scoped out for the purpose of this sustainability report

# Sustainability Report

## Tracking our Environmental Results

The primary impact of a-iTrust's operations on the environment is through its energy use, water use and waste generated in the operations of its buildings. To reduce its environmental footprint, a-iTrust has continuously explored new and innovative ways, focusing on the adoption of more efficient technologies that can reduce resource use.

To track environmental performance, a-iTrust utilises CapitaLand's cloud-based ETS platform. The ETS acts as a central point of consolidation and monitoring of energy and water consumption, carbon emissions and waste generation across the properties, allowing the Property Manager to conduct analysis against set targets and past trends to understand consumption patterns and identify areas for improvement.

Majority of tenants in a-iTrust's business parks continued to work from home in 2021 due to COVID-19 in India. Lower footfall resulted in a significant drop in emissions and resource consumption during the year. Hence, the environmental performance of

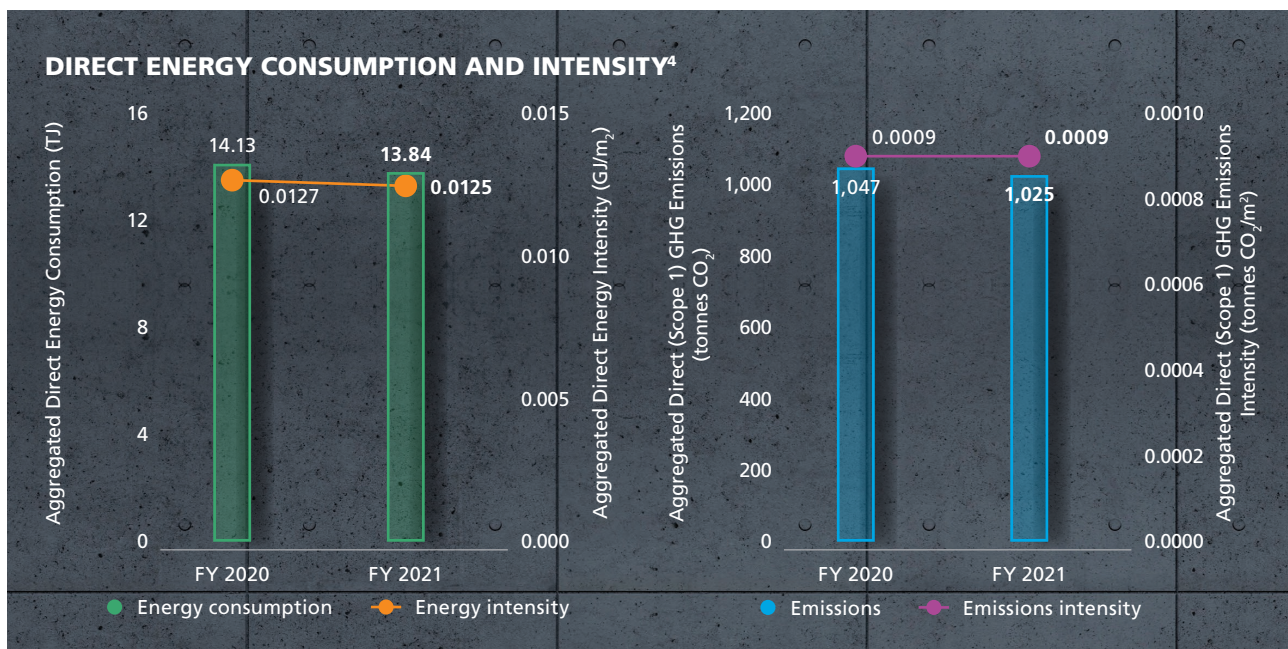
a-iTrust in 2020 and 2021, has improved, but are not reflective of typical performance. It is possible that resource consumption will increase from 2022 onwards as footfalls within a-iTrust properties return to normal. Despite this, a-iTrust has continued to enhance existing environmentally friendly initiatives from previous years and expanded the use across a larger number of its business parks. a-iTrust will continue to monitor its environmental performance closely and introduce initiatives that align with its environmental targets.

## Energy and Carbon Emissions

The Trust's direct energy consumption comprises fuel consumption for emergency genset testing and diesel generators as well as the energy generated from solar rooftop installations in ITPB, ITPC, CyberVale, CyberPearl, aVance Hyderabad and aVance Pune.

In FY 2021, the Trust utilised 13.84 TJ of direct energy which resulted in 1,025 tonnes of CO<sub>2</sub>. This represents a reduction of 2.1% in direct energy consumed across the Trust's operations.

Figure 3: Direct Energy Consumption and Intensity



The Trust's indirect energy consumption is primarily derived from a mixture of traditional grid energy and solar energy from off-site solar farms. In FY 2021, the Trust utilised 47,321 MWh of electricity<sup>4</sup>

which resulted in 21,438 tonnes of CO<sub>2</sub>. Compared to the same period last year, there was a decrease of 15.4%<sup>5</sup> in energy use intensity across a-iTrust's parks. Additionally, there was a 27.1% drop in GHG

4 This refers to energy consumption for common areas and air-conditioning.

5 This reduction may not be reflective of the Trust's future performance due to lower physical occupancy in both 2020 and 2021 in view of the COVID-19 pandemic.

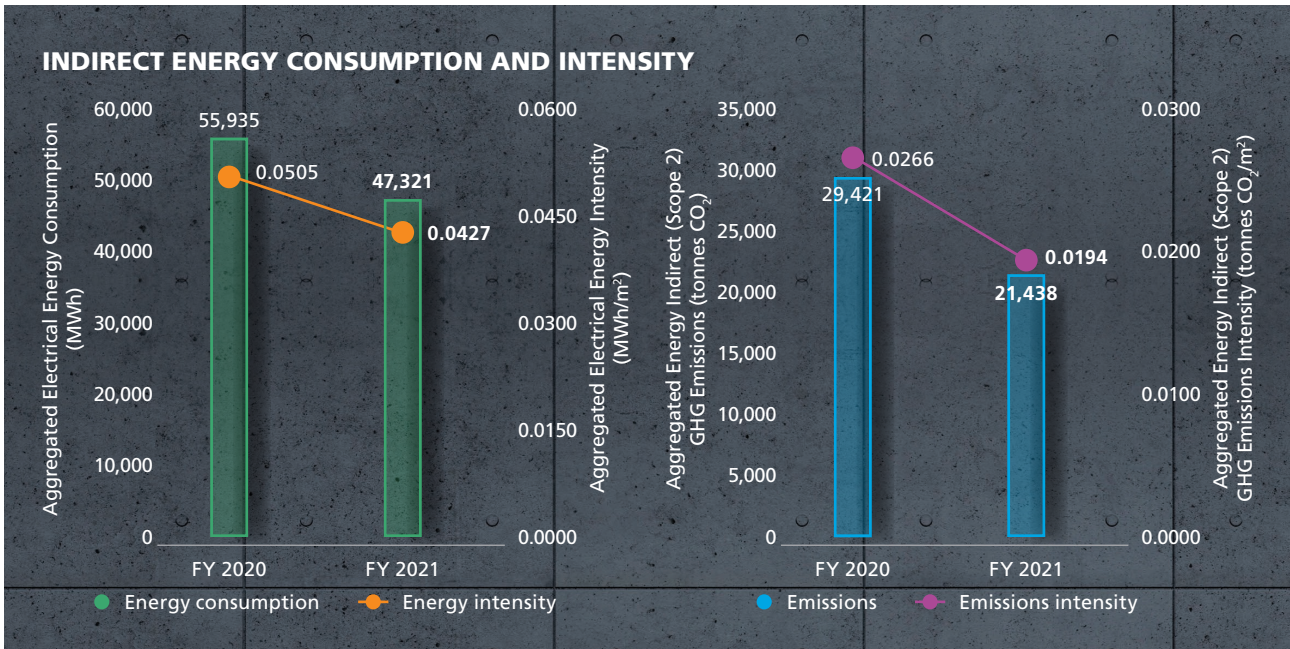


# Sustainability Report

emissions from indirect energy consumption as compared to last year<sup>6</sup>. This decrease is in line with the Trust's move away from fuel-based captive power

plants to the utilisation of green energy sources such as solar energy, which will be elaborated on in the following section.

**Figure 4: Indirect Energy Consumption and Intensity**



## CASE STUDY 1

### REDUCING ENERGY USE THROUGH MORE EFFICIENT CHILLERS

One of the major uses of energy within a-iTrust's business parks is the running of central cooling systems. In 2021, to improve our energy efficiency, a-iTrust introduced highly efficient and friction-free magnetic bearing water-cooled centrifugal chillers (MagLev chillers) at ITPB.

The chillers were installed and commissioned at the Explorer building to replace existing chillers which have reached their end of life. We expect a 10-15% reduction in energy use by the replacement of conventional chillers with MagLev chillers.



<sup>6</sup> GHG emissions intensity and energy consumption intensity have been restated to account for proportion of renewable energy and its associated emissions from 2020, as well as recalculated GFA across the portfolio in 2020.

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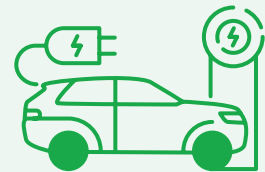
## CAPITALAND SMART PARKS Smart, Safe and Sustainable



### CASE STUDY 2

#### INSTALLATION OF ELECTRIC VEHICLE (EV) INFRASTRUCTURE AT a-iTrust

In recent years, there has been a growing interest and adoption of electric vehicles in India. Recognising this trend and in support of low carbon transportation, a-iTrust has introduced EV charging stations across all its business parks in India. As at end 2021, the Trust has a total of 133 EV charging stations within its properties in India. a-iTrust is exploring further opportunities to expand the EV infrastructure network across the parks in alignment with the Indian Government's initiative to increase the penetration of electric vehicles in the country.



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## Renewable Energy

The adoption of renewable energy forms a core part of a-iTrust's strategy to reduce its carbon footprint. This renewable energy is a mix of off-site solar farms and solar panels on the rooftops of a-iTrust properties. The Trust has been installing solar panels on the rooftop of its buildings since 2014 and now has solar panels across all its parks' rooftops, except at ITPH which is undergoing redevelopment. While there were no additional sources of renewable energy installed onsite in 2021, a-iTrust is exploring further avenues to increase the renewable energy footprint across its parks both on and off-site.

Since 2014, the proportion of renewable energy has increased year-on-year. In total, the Trust used 25,405 MWh of renewable energy in FY 2021. This represents 53.7%<sup>7</sup> of the total energy consumed by landlord-controlled areas of a-iTrust's properties, compared to 48.4% in the previous reporting period. This is due to lower total energy consumption in 2021. The increased adoption of renewable energy has enabled the Trust to effectively reduce its indirect carbon footprint by approximately 25,176 metric tonnes of carbon dioxide in 2021.

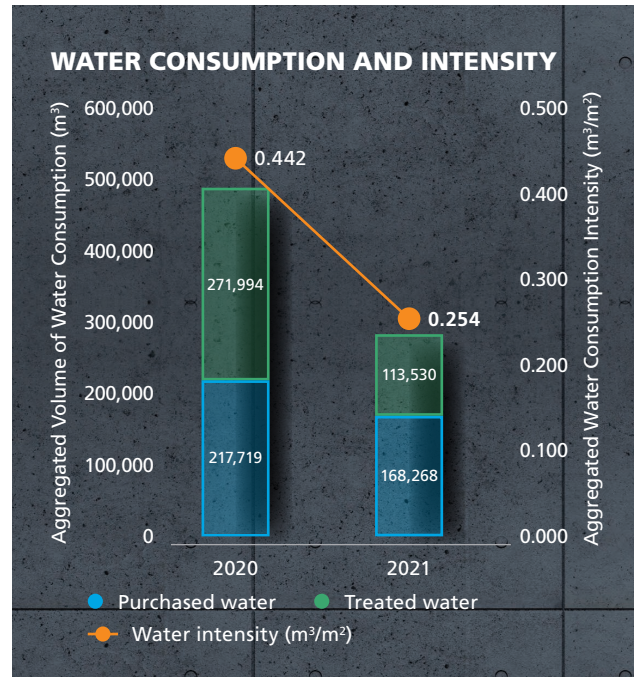
## Water Management

Water scarcity remains an acute issue in India. The country's demand for water is consistently increasing along with its rapidly growing population and rising urbanisation. The Trust recognises the importance of implementing responsible water consumption practices in ensuring the long-term availability of water for the Trust and its communities. As its core activities heavily depend on a reliable water supply, the Trust constantly strives to optimise its water consumption through the use of new technologies and water saving practices such as using smart water meters.

To reduce freshwater use, a-iTrust has also looked into ways to harvest rainwater. Examples of such initiatives during the year include the installation of a 150 KLD<sup>8</sup> sump at ITPH, as well as installation of pipes and filters for collecting rainwater into the water tank at ITPC. Rainwater collected is used largely for landscaping activities.

In FY 2021, the Trust utilised 281,798 m<sup>3</sup> of water, a significant decrease of 42.5%<sup>7</sup> compared to the same period last year. a-iTrust's water use and water use intensity are shown in Figure 5 below.

Figure 5: Water Consumption and Intensity



## Waste Management

a-iTrust is cognisant of the effects of wastage on the environment, and works closely with its park community to minimise and recycle the waste that is produced within its properties.

In FY 2021, a total of 413.3 tonnes of waste was generated, of which 63.4% was recyclable waste comprising paper, plastic metals and other materials. This marks a 25% drop in waste generation from FY 2020. Additionally, this fulfils one of CapitalLand's waste-related targets, which is to achieve a minimum 25% recycling rate in day-to-day operations. The Trust will look to maintain and improve upon this performance as it continues to examine and refine its initiatives and policies.

7 This reduction may not be reflective of the Trust's future performance due to lower physical occupancy in both 2020 and 2021 in view of the COVID-19 pandemic.

8 Kilo Litres per day

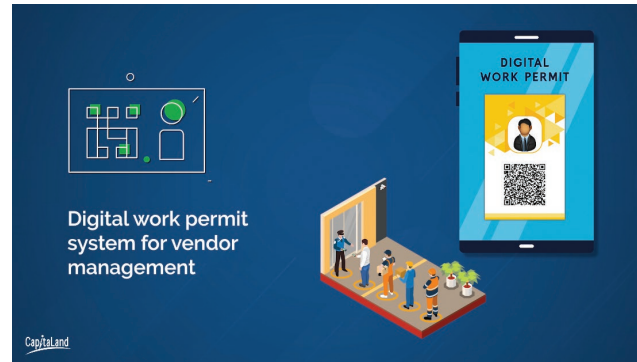


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## Paper Consumption Management in the Managers' Corporate Offices

Paper accounts for most of the waste generated from CapitaLand's corporate offices. As of 2020, all corporate offices under CapitaLand have reduced paper waste through the implementation of e-signatures, setting of paperless targets for corporate functions, digitalisation of documents, usage of "Follow me" printing to better track paper usage and minimise wastage, and deploying recycling bins (including secured bins) at the corporate office to encourage staff to recycle used paper.

The Managers actively promote the use of environmentally-friendly paper, such as FSC-certified paper. There is no printing of a-iTrust's Sustainability Report, which is available on its website. Through the "SmartParks" initiative, the Managers have also adopted contactless technologies such as the digital work permit for vendor management, as well as facial-based recognition system for security and attendance for all on-ground teams, which further reduces paper consumption.



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## HUMAN CAPITAL

Ensuring the health and safety of employees, asset and property managers, tenants, contractors, suppliers and the communities remains critical to the Trust's operations. Effective OHS management is part of risk management and enhances staff productivity and morale.



Framework	
<b>Policy and Objectives</b>	<ul style="list-style-type: none"> <li>Identify and reduce occupational injury rates to achieve zero harm</li> <li>Provide a robust OHS Management System (OHSMS) to meet and exceed OHS legal requirements</li> <li>Promote a culture of individual ownership and responsibility for OHS management</li> <li>Seek proactive support and participation from a-iTrust's top management, staff and stakeholders including tenants and supply chain (contractors and suppliers)</li> <li>Drive continuous improvement in OHS performance through active participation in industry and national programmes to raise OHS standards</li> </ul>
<b>Accountability</b>	<ul style="list-style-type: none"> <li>CEO is accountable</li> <li>ISO 45001 certified OHSMS ensures accountability to the Managers and all staff</li> <li>Key performance indicators (KPIs) are linked to remuneration of all staff of the Managers, including top management</li> </ul>
<b>Methods/Action plan</b>	<p>OHS Management System</p> <ul style="list-style-type: none"> <li>Legal compliance</li> <li>Identification of hazards and risk assessment</li> <li>Sustainable Building Guidelines – Design for Safety (DfS)</li> <li>Safe operations – OHS Standard Operating Procedures (SOPs)</li> <li>Training and awareness</li> <li>Give preference to ISO 45001 certified supply chain (vendors/suppliers)</li> <li>Appoint ISO 45001 certified main contractors or carry out OHS legal compliance audit onsite KPI</li> <li>OHS performance of staff</li> <li>Stakeholder engagement</li> </ul>
<b>Stakeholder Engagement</b>	<ul style="list-style-type: none"> <li>Educate key stakeholders including tenants and the wider community</li> </ul>

# Sustainability Report

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## Top Management Commitment and Staff involvement

CapitaLand champions OHS with commitment from the top management and staff participation through the EHS management system and stakeholder engagement activities. The CEO of the Trustee-Manager and CEO of CapitaLand India Business Parks are accountable for overall OHS performance of a-iTrust and its properties. All staff assume personal responsibility towards OHS and are encouraged to raise any instances of OHS-related incidents which can include non-compliances and non-conformities to the respective business unit management representatives. A list of the respective business unit representatives is made available and maintained on the CapitaLand intranet. Additionally, the OHSMS includes provisions for the consultation and participation of workers, such as determining the mechanisms for worker involvement and providing time, training and resources.

## Robust OHS Management System

a-iTrust's approach to health and safety is guided by its OHSMS, which is governed by CapitaLand's EHS policy that outlines the company's commitment to manage OHS issues. For more details of the EHS policy, please refer to the EHS policy outlined in the Environmental Capital chapter of this report.

## Certified to International Standards

The OHSMS has been externally audited by a third-party accredited certification body to ISO 45001. This coverage encompasses all business functions including property management, property development, corporate management and operations.

## Internal and External Audits

a-iTrust has put in place an internal audit system to ensure compliance and effective implementation of its OHSMS to the ISO 45001 standards. In addition, external audits are conducted annually by an accredited third-party certification body. These audits provide assurance to top management and external investors of its OHSMS, legal compliance requirements and commitment to best practices.

## Compliance

Legal requirements are reviewed on a quarterly basis, and compliance to these requirements are evaluated annually. There were no instances of non-compliance in a-iTrust's properties in FY 2021.

## Risk Management of OHS Hazards

The Managers strive to identify OHS hazards, assess their risks, and eliminate or minimise OHS hazards and risks through a suite of measures. Hazards Identification and Risk Assessments (HIRA) are reviewed annually or when appropriate, for instance, following a change in processes. Hazards include poor ergonomics, falling from height, falling objects and working in an enclosed space. The Managers have put in place various standard operating procedures (SOPs) to minimise the occurrence of such hazards to safeguard the well-being of the Trust's workforce.

## Training and Awareness

To facilitate the effective implementation of the OHSMS, training and awareness programmes are organised for full-time staff, as well as contract staff of a-iTrust. The training syllabus provides comprehensive coverage of safety culture and practices, and includes safety induction training, critical activity training, and daily toolbox talks, among others. In addition, staff are briefed on how to respond to OHS incidents at the workplace. As part of staff well-being initiatives, the CapitaLand Group organises wellness day periodically, emphasising the importance of mental, physical, and emotional wellness for all staff. Staff are encouraged to participate in wellness related activities and programmes.

In FY 2021, new OHS trainings have taken place throughout the year. These training focus on a range of topics including fire safety, security management and systems as well as on management of visitors during the context of a pandemic.

## Measures to Mitigate Risks of Serious Diseases

a-iTrust responds to the threat of serious diseases in a timely manner by putting in place appropriate measures to mitigate risks. Safety measures are constantly being reviewed and updated in accordance with local and state advisories and regulations, as well as any group-wide procedures. Information on pandemic planning is made readily available for all staff on the intranet, and the human resource department disseminates all medical and travel advisories to its staff. In response to the health and safety risks from COVID-19, and in light of the lockdowns and various restrictions experienced in India in 2021, a-iTrust has continued to take proactive steps to protect its business park tenants and employees.

## CASE STUDY 3

### MANAGEMENT OF COVID-19 IN INDIA

India experienced a second wave of COVID-19 beginning in April 2021, which saw increased hospitalisation, death, and medical supply shortage. Cognisant of the fact that a-iTrust plays a role in the community and society at large, the Managers continued to enhance measures to minimise the spread of the virus.

The Trust maintained stringent health and safety measures at its parks and ensured compliance with all regulations. These include:

- Temperature screening at all entry points into the business parks
- Thermal imaging at strategic locations
- Contactless technologies
- Anti-microbial coating
- Utilisation of UVGI technology for the disinfection for the air-handler units

Additionally, a-iTrust recognises the importance of caring for all stakeholders. To that end, the Trust conducted RT-PCR and vaccination drives in all its parks, for its service partners, tenants, and their families.

All of the Trust's IT parks have been accredited with the British Safety Council (BSC)'s global benchmarking certification for COVID-19 control measures. As an assurance assessment, the certification affirms the efficacy and compliance of the Trust's COVID-19 measures, including its policies and procedures in accordance with requirements set by the Indian government, UK government, and sector-specific guidelines.



COVID-19 Care Centre at ITPB



### Measuring our Safety Performance

In FY 2021, there were zero work-related fatalities, high consequence<sup>9</sup> injuries, and occupational diseases recorded. As part of its OHSMS, a-iTrust will continue to monitor its OHS performance, reinforce safety standards and review its procedures for improvement.

Perpetual target	Performance
Zero incident resulting in staff permanent disability or fatality	Achieved
Maintain ISO 45001 certification for its OHSMS	Achieved

<sup>9</sup> A high-consequence injury is a work-related injury that results in a fatality or an injury from which the worker cannot, or does not, or is not expected to recover fully to pre-injury health status within 6 months.



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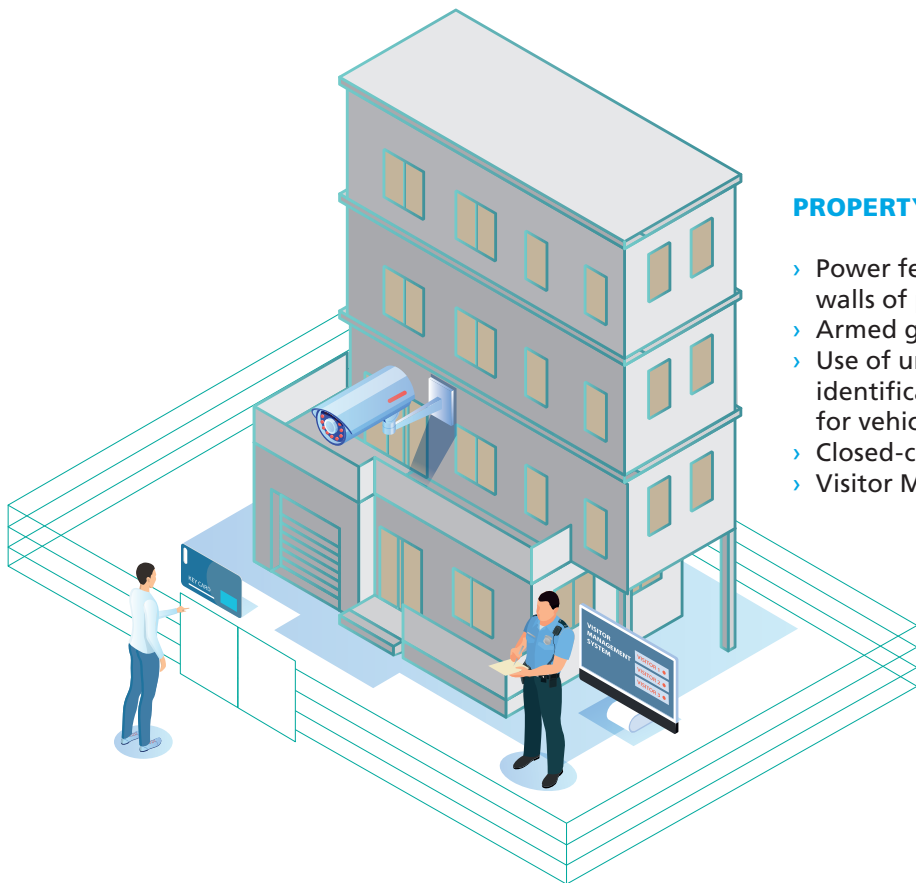
## Security and Safety at Business Parks

a-iTrust is committed to provide a safe and secure environment for its employees, tenants and customers. The Trust places high priority on ensuring the security of its assets and takes a proactive approach by implementing various security measures and physical protection practices, and leveraging security technologies, including power fencing, unique hologram identification stickers for vehicles and personnel, and closed-circuit television (CCTV) systems.

The Managers recognise the need for constant vigilance and readiness and interact closely with external security vendors to review procedures and ensure that they are well-equipped with the skills to anticipate, identify and manage security threats.

Standard procedures such as building evacuation, video surveillance backup and visitor identification checks are in place. Additionally, the Property Manager liaises with the local police, the State Intelligence Bureau and the Centre for Counter-Terrorism to stay abreast of any recent developments that may require them to intensify their security plans.

Figure 6: Examples of Security Practices at the IT Parks



### PROPERTY SECURITY

- › Power fencing along boundary walls of parks
- › Armed guards deployment
- › Use of unique hologram identification sticker for vehicles and personnel
- › Closed-circuit television (CCTV)
- › Visitor Management System

## CASE STUDY 4

### NATIONAL SAFETY WEEK

a-iTrust and the Managers celebrated India's 50th National Safety Day by organising numerous safety awareness events across its parks for a week from 4 to 12 March 2021 for its employees. The Safety Week was held to remind employees of the need to keep safety in mind at all times, including workplace safety, health safety and road safety.

Some of the events organised by a-iTrust/the Managers during the National Safety Week included:

- Virtual seminars with external experts, where certified professionals were invited to deliver seminars to employees on the various aspects of safety, such as 'Fire & Life Safety' and 'Roles and Responsibilities of a Manager'.
- Safety Quiz Competitions for employees. 80% of all participants scored 80% and above for these safety quizzes. The top 3 winners were awarded an appreciation certificate from CapitalLand India.
- Innovative Safety solution contest which provided employees an avenue to propose opportunities of improvement either through adoption of new technology or improvement in process which may help to enhance safety operations within the parks. 36 innovative ideas were received across the parks from this contest.

- Mock Drills. Road safety skid drills and fire drills were among the simulations carried out during the Safety Week celebrations, to ensure that employees of the Trust are up-to-date and capable of carrying out the SOPs for the relevant hazards in their areas of operation.



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## Supply Chain Management

CapitaLand works closely with its contractors and suppliers to commit to high-quality environmental, health and safety standards. Contractors are only appointed for its projects upon meeting the Group's stringent selection criteria.

The Managers are guided by CapitaLand's Supply Chain Code of Conduct to influence its supply chain to operate responsibly in the areas of anti-corruption, human rights, health, and safety, as well as environmental management.

## Vendors and Service Providers

All vendors are required to declare their adherence to CapitaLand's Supply Chain Code of Conduct at point of enrolment for submission of quotation or tender. In all term contracts, the Managers have stipulated for Risk Assessment Forms and vendors are requested to submit a copy of their risk assessments in cases where their activities may affect the occupational health and safety of the staff or visitors. For contractors, house rules stipulate requirements such as deploying personal protective equipment, reporting of accidents and proper disposal of debris and toxic waste.

To manage its suppliers, a-iTrust employs Zycus, an online Procure-to-Pay platform that can be accessed by its suppliers. Under Zycus, all new Property Management suppliers appointed in 2021 were screened using social and environmental criteria. Performance of the contractors is monitored regularly and reflected in contractor performance evaluation ratings. Suppliers' finances are also checked in accordance with CapitaLand's Contractor Financial Check to ensure fiscal sustainability.

## Human Rights

CapitaLand has an integrated human capital strategy to recruit, develop and motivate employees. Key performance indicators (KPI), both for the business and people development, are in place to ensure that employees' performance goals are aligned with the Group's business objectives. Employees are provided with appropriate development opportunities to perform well in their job.

## Anti-Child Labour and Anti-Forced Labour

a-iTrust is against any form of coerced labour and discrimination. As a CLI-sponsored business trust, it adheres to international human rights principles including the Universal Declaration of Human Rights and the International Labour Organisation Conventions.

In 2021, there was no reported incident relating to discrimination, child labour or forced labour in a-iTrust, and the company had no employees below the age of 16.

## Diversity and Inclusion

a-iTrust embraces diversity and inclusivity regardless of age, religion, gender, race, nationality and family status. The Managers believe that all employees can make substantial contributions based on their diverse talent, expertise, and experience.

The Trust identifies talent internally and externally to build bench strength and a talent pipeline for leadership succession planning. It recruits talent through a network of local and overseas universities and attracts young talent early through its graduate development programme. Apart from fresh graduates, a-iTrust also employs experienced and mid-career professionals and industry veterans.

In FY 2021, one new hire joined the Trustee-Manager, two employees left the Trustee-Manager, while three employees transferred internally from another business unit within the CapitaLand Group and two employees transferred out to another business unit.

## Gender Diversity and Pay Parity

CapitaLand and the Managers reward males and females fairly based on merit, ability and experience for comparable roles across the organisation's hierarchy. Its incentive systems focus on performance and is gender-agnostic. Staff pay is also market-benchmarked based on job roles using gender-neutral pay surveys provided by independent remuneration consultants.

## Job Creation, Employment and Re-employment Opportunities

CapitaLand and the Managers are committed to talent mobility where staff are given opportunities to rotate across different job functions, subject to skills/competency requirements and business

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needs. The Managers are committed to providing meaningful jobs for staff. Programmes are also in place to facilitate the continued employability of staff, such as pre-retirement planning for intended retirees, re-training for those intending to continue working after retiring, severance pay, job placement services, and training counselling on transitioning to a non-working life.

## Talent Management

a-iTrust seeks innovative, dynamic and talented staff to take the company into its next phase of growth and adopts a multi-pronged approach to manpower planning, i.e. developing internal talent and hiring young talent, mid-career and industry veterans. a-iTrust continuously builds its management bench strength by identifying high potential talent from both within and outside of the CapitaLand Group as part of its regular succession planning process.

## Positive Work Environment

a-iTrust places heavy emphasis on cultivating a positive work environment, recognising it as essential to attract, motivate and retain talent. Its total well-being programme promotes personal development, health, and work-life harmony. The Trust's employees are entitled to a flexible medical and benefits plan. Employees may also apply for flexible work hours, work from home, or part-time work arrangements depending on their needs through the flexible work arrangement policy.

Other initiatives include staff engagement programmes and subsidised rates for staff staying at Ascott's serviced residences and hotels. Part-time staff are entitled to the same benefits on a pro-rata basis. a-iTrust advocates a pay-for-performance philosophy to drive ownership of collective goals, leading to a high-performance culture which creates long-term shareholder value. Its robust performance management system ensures that all staff receive regular performance and career development reviews.

## Fair Remuneration

All employees sign employment contracts with clearly stated employment terms and conditions for employees to understand. This includes employment terms on salary and allowances, (statutory) contributions/deductions, leave entitlements, insurance and medical benefits, etc.

To ensure that a-iTrust remains competitive and able to attract and retain talent, external consultants are engaged to benchmark the Trusts' compensation packages against relevant talent markets. Beyond base salaries, other components of the compensation packages encompass short-term cash bonuses and long-term equity-based reward plans. All regular full-time staff undergoes an annual performance review where there is an open discussion on the staff's performance, areas for improvement, developmental needs, and career plans.

a-iTrust rewards and motivates staff with a comprehensive and competitive compensation package and benefit programmes. It observes a pay-for-performance philosophy that rewards for superior performance, which aligns staff and shareholder interests to deliver business results. The amount of variable bonus awarded to staff is further based on their relative contributions and individual performance. Staff at managerial levels are also eligible to receive performance-based long-term unit awards. The unit awards vest over three years subject to the achievement of pre-determined Trust's profitability and Unitholder return targets.

## Upskilling the Workforce for the Future

In anticipation of technological changes and its impact on the skillsets of its staff, CapitaLand has a series of programmes to upskill its staff to ensure they remain relevant and contribute to the company. CapitaLand recognises the impact of technology in the workplace and has implemented the 'Building Capabilities Framework' (BCF) to build a future-ready workforce with the digital mindset, competencies and capabilities to stay competitive in the future real estate landscape. The BCF framework was launched in Singapore in 2019 and rolled out globally by 2020.

In FY 2021, 100% of the Manager's employees attended at least one learning event, and the average number of training hours completed by each employee for the year was more than 15 hours. This represents an increase from the previous year's average of 10.8 hours. This is attributable to the Trust's adaptability to the new normal of remote-working, which allowed its employees to attend a multitude of digital training events in FY 2021.



## CASE STUDY 5

### UPSKILLING a-iTrust's WORKFORCE

#### Future Economy Skills

In a workplace environment that is rapidly evolving to become more globalised, multi-generational, and digitally engaged, CapitaLand views it as essential for its employees to develop the skills necessary to adjust to the new normal. To that end, CapitaLand instituted a target of having 50% of staff of executive level and above trained in at least one Future Economy Skill.



#### Fund Management Programme

With the restructuring of CapitaLand, a Fund Management Programme was launched in 2021 for all staff at executive level and above, providing them a holistic view of the key aspect of real estate fund management and associated operations.

This three-part modular programme covered topics on "Fund Creation", "How to Run a Fund Successfully" and "Capital Financial Management". The CEO of the Trustee-Manager led the module on the success factors to run a fund through sharing of his past experiences. Participants had the option of attending the programme virtually or in-person.

#### CapitaLand Café on Spotify

CapitaLand Café was launched since September 2021 to help staff gain better understanding on various topics including the real estate industry, investments, people management etc. Leaders within CLI Group had one-on-one short audio interviews over coffee to share their experiences, voice their opinions as they discuss on topics such as smart cities, green buildings, eco-parks, architecture, ideas, investments, leasing and marketing etc. The podcasts are available on demand on Spotify for both staff and general public.

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## Knowledge Exchange Programme

In 2021, CapitaLand instituted the Knowledge Exchange programme to enhance the cohesiveness of the CapitaLand Group. The programme is a quarterly sharing session designed to enhance internal communication, knowledge sharing, and promote better and collaboration across teams and entities.

**KNOWLEDGE EXCHANGE SERIES**

**Culture Matters - Co-creating a Thriving Workplace**

Chat and learn about:

- Workplace culture
- Aspirations for the CapitaLand Culture
- Culture creation and reinforcing our Culture

**Panelists**

**Jonathan Yap, CEO**  
Fund Management

**Yeow Kit Peng, Head**  
Capital Markets & Investor Relations, AFM

**Speaker & Moderator**

**Dr Douglas O'Loughlin**  
Principal of The Dao of Thriving and Author of Facilitating Transformation

**Nicole Chen, Head**  
Investor Relations, CLCTML

**Augustine Ow, AVP**  
Asset Management, Retail & Workspace

**[Virtual/In-person]**  
3 Dec 21  
10.30am - 12pm (SGT)

**REGISTER NOW**

Do you have questions to our panelists & speaker on workplace culture? Scan QR to submit your questions before the event.

## Learning CAREnival 2021

CapitaLand launched this month-long festival in early September 2021, with a wide variety of programmes for employees to sign up for across 4 main streams:

- Power Skills for Future Economy
- Find Your Inner Awesomeness
- Sustainability
- Digital Fluency

The programmes were made available to all a-iTrust's employees.

**Learning CAREnival**  
CARING | AGILE | RESILIENT | EVER-READY

**Digital Fluency**

*Thriving in the Next Normal*

<p><b>14 SEP</b> 3 PM - 4 PM</p> <p><b>Meet the 2030 Digital Employee</b></p> <p>Take a glimpse into the future and what are the "hardware" and "software" you need to stay relevant.</p> <p><b>Dr Francis Goh</b> Chief Executive Officer Retail Consulting</p>	<p><b>5 OCT</b> 10 AM - 11.30 AM</p> <p><b>Step Into the Future: RPA with AI</b></p> <p>Join us as we step into the future to discover how automation and artificial intelligence (AI) work together to provide next level of automation!</p> <p><b>CapitaLand Robotics Process Automation (RPA) COE</b></p> <p><b>Moderator</b> <b>Mr Mayank Gupta</b> Managing Director Singapore</p>
<p><b>21 SEP</b> 3 PM - 4 PM</p> <p><b>Stories from the Field: Enterprise Automation</b></p> <p>Join to discover what is RPA and how CapitaLand is using it to reduce repetitive tasks so that we can direct our energy to more meaningful work.</p> <p><b>CapitaLand Robotics Process Automation (RPA) COE</b></p>	<p><b>7 OCT</b> 9 AM - 4 PM</p> <p><b>Refresh Your PowerBI</b></p> <p>Join us to find out how you can analyse data in a rich and compelling method using Microsoft's PowerBI tool.</p> <p><b>Mr Lee Tai Yan</b> Manager, Data &amp; Insights Oakland Investment Limited</p>
<p><b>28 SEP &amp; 1 OCT</b> 10.30 AM - 1 PM</p> <p><b>Digital Leadership in the Real Estate Industry</b></p> <p>Join this 2-part workshop to find out how digital technologies impact the real estate industry and digital leadership competencies relevant in the digital era.</p> <p><b>Dr Francis Goh</b> Chief Executive Officer Retail Consulting</p>	<p><b>28 SEP</b> 2 PM - 3 PM</p> <p><b>Stories from the Field: Citizen Developer Automation</b></p> <p>Join us to hear from both internal colleagues and external speakers on how they have benefitted as RPA citizen developers.</p> <p><b>CapitaLand Robotics Process Automation (RPA) COE</b></p>
	<p><b>14 OCT</b> 12 PM - 1 PM</p> <p><b>Data and Technology</b></p> <p>Learn more about why modern data estate is crucial for digital transformation and how businesses are leveraging AI for data.</p> <p><b>Microsoft</b></p>



# Sustainability Report

## Employee Engagement

CapitaLand actively engages its staff through various avenues, including Employee Communication sessions, surveys and the staff intranet portal, iHub, which updates employees on information such as employment terms, benefits and practices. Ethics and Code of Business Conduct, as well as Fraud, Bribery and Corruption Risk Management Framework is also made available to all staff through CapitaLand's intranet portal.

CapitaLand practises an open-door policy, allowing all staff to obtain a fair review and a prompt response to problems or concerns relating to any aspect of their employment with the Group. This includes harassment, grievance handling and whistle-blowing policies applicable to all staff. Staff can also raise their concerns to a higher level of management or to the Human Resource (HR) department. The Managers recognise that employee engagement is even more important as employees shift to remote ways of working. The following describes the key highlights of employee engagement activities in 2021.

## WELLNESS WEDNESDAY

A myriad of activities spanning from Health & Nutrition, financial wellness, mindfulness, workplace ergonomics, virtual workouts to even feng shui talks and e-bazaars were held online. Employees could choose to take part in group activities or opt to sign up individually for these wellness activities held every Wednesday. Due to the overwhelming response received during the Circuit Breaker period, CapitaLand continued to offer these activities in 2021 to support employees to achieve work-life integration and to better manage stress.



## BINGO CHALLENGE

The #StayHome #StayFun Bingo Challenge was organised mid-2021 to encourage employees to keep engaged and occupied in their homes during the heightened alert period. 20 prizes were distributed to the winners of the challenge.



# Sustainability Report

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## 2021 EMPLOYEE PULSE SURVEY

CapitaLand was restructured into CLI and CapitaLand Development Pte. Ltd. to sharpen the business focus for future growth in 2021, amidst changes to working arrangements due to the resurgence of COVID-19 cases in early 2021. To gauge the well-being of employees, a Pulse Survey was conducted from 15 to 30 November 2021.

## 2021 SUSTAINABILITY FIRESIDE CHAT

Introduced in 2020, CapitaLand organised its first virtual fireside chat for the launch of its 2030 Sustainability Master Plan. Through the fireside chat, attendees learnt about the 2030 Sustainability Master Plan targets and the strategic importance of sustainability to CapitaLand. Staff were also encouraged to play their part in helping to realise CapitaLand's sustainability commitments and targets. This year's fireside chat on "The Race to CapitaLand's 2030 Sustainability Targets" featured Mr Jonathan Yap (CEO, Fund Management, CapitaLand Investment), Mr Kevin Goh (CEO, Lodging, CapitaLand Investment) and Ms Lynette Leong (Chief Sustainability Officer, CapitaLand Investment). The panel discussed what CapitaLand is doing to reach CapitaLand's 2030 Sustainability Master Plan targets and how everyone can do their part.

## CORE VALUES AMBASSADOR AWARDS

In 2021, the CapitaLand Core Values Ambassador Awards were presented to nine individual winners and seven team winners who have exhibited behaviours of the four core values "WE ARE ONE" during CapitaLand's 2021 virtual celebration. CapitaLand commends these Individuals and teams who have made exceptional contributions to improve company culture, working relationships and/ or business results.





# Sustainability Report

## Employee Well-being

CapitaLand seeks to provide not only a safe working environment but one that contributes to the general well-being of its employees. This is carried out through a holistic approach to take into consideration mental as well as physical well-being. The Managers' employees are encouraged to participate in weekly group wellness activities, health talks, and Corporate Social Responsibility (CSR) events.

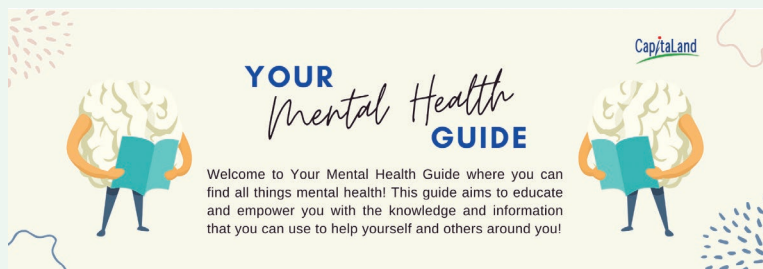
### CASE STUDY 6

#### SPOTLIGHT: MENTAL WELL-BEING – YOU MATTER

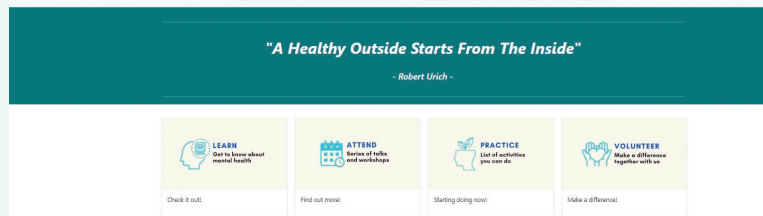
In its continuous journey to build a supportive work environment, CapitaLand has introduced its own Mental Health Care Guide. This site aims to equip employees with information on the different aspects of mental health. Employees can also find out details on upcoming events, pick up some suggestions to improve mental wellness such as a five-minute meditation or follow a yoga workout to wind down before bedtime and even play a game to test their mental age. The website also features little reminders on the importance of keeping good mental habits where employees can also share them as eCards. An internal network of Mental Wellness Ambassadors (MWAs) and

contact details for external agencies are listed in the site for employees to access support. There are currently 11 MWAs who have volunteered to be part of this.

In line with the theme for World Mental Health Day 2021, employees were encouraged to take five minutes ('TAKE 5') to learn more about mental health or practise small acts of self-care in their daily lives that could have a big impact on their well-being. Various talks lined up by community providers were organised, which shared tips on how to prioritise routine and activities to improve their mental health.



Employee Assistance Hotline (by RMG): 6311 2338 (Daily from 8am - 10 pm) or 6311 1222 (24 hours)



# Sustainability Report

## Profile of Employees

In FY 2021, the Trustee-Manager has a total strength of 16 employees, all of whom are in Singapore. All employees were hired with permanent contracts and on a full-time basis. Figure 7 below illustrates the Trustee-Manager's employees profile.

Figure 7: Employee Profile





# Sustainability Report

## SOCIAL AND RELATIONSHIP CAPITAL

### Stakeholder Engagement

The Managers actively seek to build positive and long-lasting relationships with all stakeholders. These include the investment community, employees, tenants, suppliers, contractors and the local community. The influence and interest of all stakeholders are considered when determining the Trust's key stakeholder groups. Through various engagement channels, the Managers seek to understand their views and respond effectively to their concerns.

Key Stakeholder Groups	Needs and Expectations of Stakeholder Groups	Key Engagement Channels		Actions and Goals
<b>Investment Community</b>	<ul style="list-style-type: none"> <li>Strategic and sustainable growth, total returns</li> <li>Accurate, timely and comprehensive information to make sound judgements</li> <li>Regular and clear communications and updates</li> </ul>	<ul style="list-style-type: none"> <li>a-iTrust website, SGXNet, email alerts</li> <li>Annual General Meeting</li> <li>Annual Report &amp; Sustainability Report</li> <li>Investor perception survey</li> <li>Meetings and conference calls</li> <li>Non-deal roadshows</li> </ul>	<ul style="list-style-type: none"> <li>Throughout the year</li> <li>Annually</li> <li>Annually</li> <li>Biennially</li> <li>Throughout the year</li> <li>Regularly</li> </ul>	The Trustee-Manager aims to provide timely and transparent communications to keep the investment community apprised of significant topics relating to corporate developments, portfolio performance, asset and capital management, sustainability matters, and acquisitions and divestments.
<b>Employees</b>	<ul style="list-style-type: none"> <li>Active engagement</li> <li>Career progression, job security and stability</li> <li>Competitive remuneration, employee benefits</li> <li>Learning and development opportunities</li> <li>Workplace safety, health and wellness</li> </ul>	<ul style="list-style-type: none"> <li>Staff communication sessions with Senior management team</li> <li>Employee surveys</li> <li>Induction programmes</li> <li>Internal communication through Intranet portal</li> <li>Performance appraisals</li> <li>Training and workshops</li> <li>Wellness, sports and social activities</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> <li>Regularly</li> <li>Regularly</li> <li>Regularly</li> <li>Throughout the year</li> <li>Regularly</li> <li>Regularly</li> </ul>	The Managers strive to create a cohesive and healthy workplace based on trust, mutual respect and active communication. With that, great emphasis is placed on employee empowerment and equal opportunity for all. The HR team continuously obtains feedback on the Trust's engagement methods and employment practices in order to strengthen the cohesion of its workforce.
<b>Tenants</b>	<ul style="list-style-type: none"> <li>Competitive rental rates</li> <li>Quality of facilities</li> <li>Safety and security practices</li> </ul>	<ul style="list-style-type: none"> <li>Active communication</li> <li>Networking events</li> <li>Tenant surveys</li> <li>Tenant engagement activities</li> </ul>	<ul style="list-style-type: none"> <li>Throughout the year</li> <li>Throughout the year</li> <li>Regularly</li> <li>Throughout the year</li> </ul>	The Managers are committed to providing premium quality solutions of business infrastructure, services and enhancing workspace experience to meet the needs of tenants. In addition, securing properties from threats and ensuring the health and hygiene of tenants and visitors is of paramount importance.

# Sustainability Report

Key Stakeholder Groups	Needs and Expectations of Stakeholder Groups	Key Engagement Channels	Actions and Goals
<b>Suppliers and Contractors</b>	<ul style="list-style-type: none"> <li>Fair and reasonable treatment</li> <li>Share industry best practices</li> </ul>	<ul style="list-style-type: none"> <li>Standard operating procedures, guidelines and house rules for compliance</li> <li>Share CapitaLand's EHS policy with suppliers</li> <li>Share CapitaLand Supply Chain Code of Conduct with suppliers</li> <li>Collaborate with suppliers to manage EHS challenges</li> </ul>	<p>Throughout the year</p> <p>The Managers work closely with contractors and suppliers to have a shared commitment to high EHS standards.</p>
<b>Local Communities</b>	<ul style="list-style-type: none"> <li>Creation of employment opportunities</li> <li>Operate in a responsible manner</li> <li>Support social development and community activities</li> </ul>	<ul style="list-style-type: none"> <li>CSR activities through CapitaLand Hope Foundation</li> <li>Formalise three days of Volunteer Service Leave for its staff to participate in activities related to the needy and underprivileged in Singapore and overseas, and green volunteerism related to resource conservation, waste minimisation and recycling, pollution control and nature conservation.</li> </ul>	<p>Ad hoc</p> <p>The Managers advocate the spirit of caring for the communities they operate in. Carefully managing and minimising the societal and environmental impacts of its operations is critical in fulfilling its duties as a responsible corporate citizen.</p>

## Community Engagement

Community development is a key focus of a-iTrust's sustainability strategy. This has built strong social capital and goodwill for a-iTrust in the communities where it operates. It supports various stakeholder engagement activities, including environmental sustainability, health and safety, social integration, and helping underprivileged children and the vulnerable elderly in the community.

### CASE STUDY 7

#### OXYGEN GENERATION PLANT INSTALLATION IN CHENNAI

a-iTrust, through CapitaLand Hope Foundation (CHF) in India, continued to assist local governments in managing the COVID-19 pandemic. One such initiative that was carried out in 2021 was the donation of an oxygen generation plant worth INR14 million to the Tamil Nadu State Government. The plant, installed at the Government Stanley Medical College Hospital (Chennai), can supply 1,000 litres of medical oxygen per minute, which in turn can support up to 100 beds. CHF has further committed to conduct annual maintenance of the plant over the next four years. CHF has also delivered oxygen concentrators and other medical supplies to the respective state government in various cities where the Trust operates.





## Advocating Staff Volunteerism

### COMMUNITY INVOLVEMENT INITIATIVES

#### CAPITALAND #GIVINGASONE

#GivingAsOne is a platform for staff, business partners and customers to do good together in uplifting the lives of vulnerable groups and supporting the environment in communities where CapitaLand operates.

An example of a #GivingAsOne initiative in India is the distribution of around 850 healthcare kits to six government schools in the ITPB neighbourhoods.

The Trustee-Manager's staff in Singapore participated in various community initiatives during the year, including:

#### CapitaLand #LoveOurSeniors

CHF identified vulnerable seniors and organised the LoveOurSeniors initiative, aimed at improving the quality of life of the beneficiaries by providing them with better nutrition, enhanced well-being, and improved living conditions. Volunteering activities under the initiative included meal/bread deliveries and preparation & distribution of #LoveOurSeniors Packs.

#### Temasek #StayMasked

In support of Temasek's initiative for nationwide distribution of reusable masks in Singapore in 2021, CapitaLand provided spaces for the deployment of mask vending machines across CapitaLand malls. Volunteers facilitated in explaining and managing the queues to provide a smooth collection process for the public.



# Sustainability Report

## ORGANISATIONAL CAPITAL

Fraud, Bribery & Corruption (FBC) Risk Management Framework		
Board Oversight & Senior Management Involvement		
FBC Risk Management Strategy		
<b>Prevention</b> <ul style="list-style-type: none"> <li>› Process-specific Controls</li> <li>› Risk Assessment</li> <li>› Know &amp; Manage Third Party</li> <li>› Managing Conflicts of Interest</li> <li>› Hiring</li> </ul>	<b>Detection &amp; Monitoring</b> <ul style="list-style-type: none"> <li>› Detection of Irregularities</li> <li>› Monitoring of Fraud Risk Profile</li> <li>› Independent Review &amp; Audit</li> <li>› Report Fraud Incident</li> </ul>	<b>Response</b> <ul style="list-style-type: none"> <li>› Investigation</li> <li>› Insurance &amp; Recovery</li> <li>› Protocol to observe when contacted by Authorities</li> <li>› Disclosure to Authorities &amp; Media</li> <li>› Disciplinary Actions</li> <li>› Review of Controls</li> </ul>
Risk-Aware Culture		

a-iTrust adopts a zero-tolerance stance against any FBC in the conduct of its business activities and expects all its employees to be committed to the highest standards of integrity in their work and business dealings.

The FBC Risk Management framework has been set in place to manage FBC risks in an integrated, systematic and consistent manner.

Together with various CapitaLand’s policies and procedures, the FBC Risk Management Policy is published on the Group’s intranet and accessible by staff. The policies implemented aim to help detect and prevent FBC by:

- Offering staff fair compensation packages, based on pay-for-performance and promotion based on merit, and providing various healthcare subsidies and financial assistance schemes to alleviate the common financial pressures faced by its staff,
- Documenting policies and work procedures which incorporate internal controls to ensure that adequate checks and balances are in place. Periodic audits are also conducted to evaluate the efficacy of these internal controls, and
- Building and maintaining the right organisational culture through its core values, educating its staff on business conduct and ethical values.

a-iTrust’s zero-tolerance policy on FBC extends to its business dealings with third parties (including suppliers, contractors, subcontractors, consultants, and others performing work or services for or on behalf of a-iTrust). According to this policy, it requires that certain agreements incorporate anti-corruption provisions.

A whistle-blowing policy (<https://www.a-itrust.com/en/about-us/whistle-blowing-policy.html>) and other procedures are in place to provide staff and external parties who have dealings with a-iTrust, with a well-defined, accessible and trusted channel to report suspected FBC, dishonest practices, or other improprieties in the workplace. It also allows for the independent investigation of any reported incidents and appropriate follow-up actions. The objective of the whistle-blowing policy is to encourage the reporting of such matters – that staff or external parties making any report in good faith will be able to do so with confidence, that they will be treated fairly, and to the furthest extent possible, be protected from reprisal if any.

There were no cases of material non-compliance with laws and regulations in the financial year, a record the Manager endeavours to uphold.

### Training

The Managers believe that having the right risk culture and people with the right attitude, values and knowledge are fundamental to its success. All new staff undergo a compulsory module in the CapitaLand Immersion Programme to understand the Group’s core values and principles that shape the way it works and functions. There are dedicated training courses for existing staff such as “CapitaDNA: Strengthening Core Values,” where specific examples and applications of the Group’s core values in the workplace are shared.

# Sustainability Report

## Enterprise Risk Management (ERM)

The Trustee-Manager has established a consistent ERM process that anticipates and identifies material risks and implements key controls to mitigate those risks. These key risks are regularly monitored, assessed, and realigned in light of the constantly evolving operating and regulatory environment. Supported by the Audit and Risk Committee, the Board oversees risk management and determines the risk appetite

of a-iTrust in line with its strategy and business plans. Material ESG findings are reported on a quarterly basis or as necessary, and recommendations are made to manage or mitigate such risks. A summary of key risks faced by the Trust can be observed in Figure 8 below.

For more details on ERM, please refer to pages 40 to 45 of this Annual Report.

Figure 8: Key Risks faced by the Trust



# Sustainability Report

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## **ASCENDAS INDIA TRUST CLIMATE-RELATED DISCLOSURE IN LINE WITH THE TASKFORCE FOR CLIMATE-RELATED FINANCIAL DISCLOSURE (TCFD)**

CapitaLand Investments (CLI) had started to align its climate related disclosures with TCFD recommendations in the four key areas of governance, strategy, risk management and metric and targets since 2017 and further declared its support for TCFD and its recommendations in 2019.

CLI and its sponsored REITs, including a-iTrust, will be enhancing their TCFD reporting and will continue enhancing their implementation of TCFD recommendations.

### **Governance**

The Trustee-Manager's Board of Directors (the Board) considers sustainability issues as part of its strategic formulation, determines the material ESG factors and oversees the management and monitoring of material ESG factors.

The Board sets the Trust's risk appetite, which determines the nature and extent of material risks that a-iTrust is willing to take to achieve their strategic and business objective. As part of the material risk issues being highlighted, climate change has been identified as critical. The Board regularly reviews climate change risks as part of the CLI ERM Framework.

The Board is actively involved in discussions on environment-related initiatives, which include climate-related initiatives. Taking the lead from CLI, the Board is regularly updated since 2021 on relevant performance metrics, e.g. carbon emissions performance, progress on the reduction targets and green certification. The Board is also kept aware of any environmental incidents, which may include climate-related damages or disruptions.

At the Trust level, a-iTrust works closely with CapitaLand India Business Park EHS Committee, which is championed by the CEO of the Property Manager. This EHS committee drives initiatives related to climate-related risks and opportunities, as well as the broader environmental issues. a-iTrust is looking to set up a specialised sustainability committee, led/chaired by its CEO. In alignment with CLI, the Trustee-Manager's CEO is responsible for a-iTrust's climate change related targets. A key objective of the senior

management of the Trust is to further transition to a low carbon business that is aligned with climate science, and build a resilient and resource efficient portfolio.

CLI Group-wide sustainability management comes under the purview of CapitaLand Sustainability Council (SC), which comprises two Independent Board members and four executive committee members that report to the CLI Board of Directors. CapitaLand's Management Council consisting of the Group Chief Executive Officer (GCEO), all Presidents and/or CEOs of business units and key management officers of the Corporate Office provide strategic management of ESG implementation across the CLI Group. The SC is supported by the Group Sustainability Office and various work teams to drive continued progress and improvement in the areas of ESG. The SC was chaired by one of CLI's independent directors and member of its Executive Resource and Compensation Committee and Risk Committee. The work teams comprise representatives from CapitaLand business units and corporate functions. This governance is cascaded from the CLI Group level to a-iTrust level through the operations of India Business Park EHS Committee.

### **Strategy**

As a CLI-sponsored business trust, CLI's identified ESG issues have been deemed to be material and applicable to a-iTrust's business and operations. a-iTrust will be guided by CLI's regular review, assessment and feedback process in relation to ESG topics moving forward.

Climate change and emissions reduction is one of the ESG issues identified as critical for CLI and deemed material to a-iTrust. Climate change risk has been identified as a key risk as part of its ERM Framework and includes both physical and transitional risks. Physical risks include consideration of rising sea levels, violent storms, long intense heat waves, flash floods and freshwater depletion. Transitional risks include potentially more stringent regulations and increased expectations from stakeholders.

In line with the CLI Group, the Trust's strategy to identify and address climate-related risks and opportunities now spans all areas of its real estate life cycle, from the earliest stage of the investment process, to design, procurement, construction, operations and redevelopment or divestment.



# Sustainability Report

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- All new investments into operational assets and development projects undergo the EHS Impact Assessment during due diligence to identify any environmental (including climate change) risks and opportunities related to the asset/project site and its surroundings. The assessment covers performance metrics such as energy efficiency, as well as transitional and physical risk and opportunity considerations. Significant findings from the assessment, with relevant mitigating actions, would be incorporated in the investment paper for the CLI Group Investment Management Committee's review and support, before the proposed investment plan is submitted to the Board for approval.
- Through the implementation of the CLI Group's SBG, it aims to identify and address the risks and opportunities of climate change right from the design stage. The local context of each project will be studied in detail, and appropriate measures will be taken into consideration with regards to adaptation of climate change. The SBG also sets guidelines for buildings to be more energy efficient, e.g. setting green rating targets, specifying minimum equipment efficiency, and requiring the use of onsite renewable energy whenever possible.
- At the operational asset level, the CLI Group's EHSMS, which is audited by a third-party accredited certification body to ISO 14001 standards, serves to monitor transitional risks relating to climate regulations via EHS legal registers updates and regular stakeholder engagement. Operational issues pertaining to climate change, energy and water are also identified and managed through the EHSMS to strengthen the climate resilience of its portfolio.
- The CapitaLand Group's 2030 Sustainability Master Plan further outlines the targets and pathways for transition to a low carbon business that is aligned with climate science. Energy use and carbon reduction targets, as well as green certification targets are set for its operational assets. Initiatives are put in place to improve the environmental performance, resilience and durability of its assets through system upgrades, system optimisation, effective maintenance and changes to user behaviour. The continued achievement of high green building ratings as well as energy and water efficiency measures put in place to achieve the reduction targets would contribute to mitigate the impact of changing weather conditions.

As part of the 2030 Sustainability Master Plan formulation, the Trust generally considers medium term time frames to be until 2030, and long term beyond 2030 in relation to the identification of climate-related risks and opportunities.

CLI piloted various physical risk platforms with sample global assets (including some a-iTrust assets), to prepare for its Group-wide scenario analysis study. CLI, together with its sponsored REITs, aims to conduct its climate scenario analysis in 2022 for its global portfolio, including a-iTrust's assets. This analysis would consider scenarios based on the latest global and scientific developments, and likely cover a spectrum of scenarios from 1.5°C to 4°C for current to long-term time frames, to draw conclusions on the financially material physical and transitional risks and validate its current strategy. It will then review its mitigation and adaptation plans, identify opportunities, in alignment with CapitaLand's 2030 Sustainability Master Plan, which is designed to build resilience throughout its operations and future-proof the Group's real estate portfolio to guard against climate change risks and to avoid premature obsolescence and adopt available opportunities.

## Risk Management

a-iTrust conducts an annual Trust-wide Risk and Control Self-Assessment (RCSA) exercise that requires business units and corporate functions to identify, assess and document material risk which includes ESG relevant risks, along with their key controls and mitigating measures. Material risks and their associated controls are consolidated and reviewed at the Trust level before they are presented to the Audit and Risk Committee and the Board. This exercise is based on CLI's annual Group-wide RCSA exercise, review of the Risk Appetite Statement and Key Risk Indicator on Climate Change and Environmental Risk. Such climate-related risks and opportunities are identified and mitigated through CLI's ERM framework, and its externally certified ISO 14001 Environmental Management System.

a-iTrust's risk management process to address its key risks and uncertainties, including climate change is discussed further in its Annual Report, Risk Management section on 40 to 45.

Upon completion of the climate scenario analysis study targeted in 2022, CLI Group and the Trust will review and update, if appropriate, the processes associated with risk management in order to account for environmental and climate-related risks.

# Sustainability Report

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The Trust is guided by the CLI framework and EMS, and prioritises material ESG issues based on the likelihood and potential impact of the issues affecting business continuity and development. Notably, a-iTrust is cognisant of the risk posed by existing and emerging regulatory requirements with relation to climate change as it is outlined in CLI's ERM Framework as a transitional climate change risk. Some of these risks include:

- Regulatory or compliance risk, prompted by certain regulations in the countries of operation. These include but are not limited to the Environmental Risk Management Guidelines introduced by the Monetary Authority of Singapore (MAS) in 2020 requiring financial institutions and asset managers to place greater emphasis on both physical and transitional environmental risks and the Singapore Stock Exchange mandate from December 2021 that all issuers must provide climate reporting that is aligned to the recommendations of the Task Force on Climate-related Financial Disclosures on a 'comply or explain' basis in their sustainability reports from the financial year commencing 2022. Climate reporting will be mandatory for the materials and buildings industry from FY 2024. Even though these regulations would not cover the activities of a-iTrust as a business trust, the Trust is referring to them as best market practice.
- Market risks, including shifts in carbon and electricity prices, or customer expectations, were prompted by the conclusions of COP26 in November 2021, where it is apparent that urgent action is needed to combat global warming, and this can only be done through global action from governments and businesses.

Physical risks are monitored through the regular monitoring of incidents across the portfolio, for example, in case of floods. In 2020, CLI had conducted a global portfolio baseline study to better understand its portfolio's physical climate risk in relation to floods. This included insights into whether the properties were located in low lying plains, encountered flooding in previous years, had equipment located in the basement, etc. Globally, most of CapitaLand's properties already have flood control features/measures in place, such as flood barriers, sensors, water level pumps and flood emergency response plans. To further strengthen climate resilience to flood risk, a-iTrust has flood emergency response plans implemented across its portfolio.

Through a-iTrust's ERM Framework and the implementation of the EHSIA for all new investments, a-iTrust identifies and prioritises certain physical risk, (e.g. certain physical risks such as flood risks are highlighted in the due diligence reports and plans to integrate climate change resilience and adaptation considerations into the design, development and management of its properties are identified).

## Metrics and Targets

At the CLI Group level, CLI has tracked and reduced the carbon emissions of its managed and owned operational properties, including those of a-iTrust. All related metrics have been regularly disclosed in its annual Global Sustainability Report. Since 2010, CapitaLand has been disclosing scope 1, 2 and 3 GHG emissions of its global portfolio and the data (including a-iTrust's since 2019) has been externally assured.

Furthermore, in 2020, the CapitaLand Group had their carbon emissions reduction targets approved by the Science Based Targets initiative ("SBTi") for a 'Well-below 2°C' scenario. This target is in line with the goals of the Paris Agreement to keep global temperature rise well below 2°C in this century. In 2022, the CLI Group would be evaluating the targets and the progress towards them and explore options for any long-term targets of decarbonisation. Please refer to the CapitaLand Investment Global Sustainability Report 2021 which will be published by May 2022.

For information on the Trust's carbon measurement performance, please refer to pages 74 to 75 of a-iTrust's Annual Report. To calculate its carbon emissions, a-iTrust takes guidance from the operational control approach as defined by the GHG Protocol Corporate Standard, in line with the CLI Group.

Aligned with the CLI Group, a-iTrust has set sustainability and climate related performance metrics and targets that are linked to the remuneration policies for members of senior management, such as the Balance Scorecard (BSC) framework which had included both quantitative and qualitative targets relating to climate change in FY 2022.

CLI also implemented a shadow internal carbon price in 2021 to quantify climate-related risk and opportunities for its new investments (including for a-iTrust's). It is also developing a new metric, Return on Sustainability, in addition to the regular financial return to measure the Group's ESG impact. CLI will continue to explore new metrics to measure climate-related risks and opportunities.

# Sustainability Report

## GRI CONTENT INDEX

Disclosure		Reference(s) or Reasons for Omission
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102-2	Activities, brands, products, and services	At a Glance (AR pages 3 - 4), Strategy (AR pages 24- 25), Portfolio (AR pages 48 - 51)
102-3	Location of headquarters	Corporate Information (AR inside back cover)
102-4	Location of operations	Trust & Organisation Structure (AR page 12)
102-5	Ownership and legal form	Trust & Organisation Structure (AR page 12)
102-6	Markets served	At a Glance (AR pages 3 - 4), Operational Review (AR pages 52 - 53)
102-7	Scale of the organisation	At a Glance (AR pages 3 - 4), Portfolio (AR pages 48 - 51), Operational Review (AR pages 52 - 53), Financial Review (AR pages 54 - 59)
102-8	Information on employee and other workers	Human Capital pages (AR page 91)
102-9	Supply chain	Environmental and Manufactured Capital (AR page 71) Human Capital (AR pages 79 - 80, 84) Social and Relationship Capital (AR pages 92 - 93)
102-10	Significant changes to the organisation and its supply chain	About The Report (AR page 62)
102-11	Precautionary principle and approach	Risk Management (AR pages 40 - 45), Organisational Capital (AR pages 95 - 96)
102-12	External initiatives	Social and Relationship Capital (AR pages 93 - 94)
102-13	Membership of associations	REIT Association of Singapore (REITAS); About The Report (AR page 62), Human Capital (AR pages 79 - 80), Social and Relationship Capital (AR pages 92 - 93), Organisational Capital (AR page 95)
<b>Strategy</b>		
102-14	Statement from senior decision-maker	Chairman's Message (AR pages 6 - 9), In Conversation with CEO (AR pages 10 - 11), Board Statement (AR page 62)
<b>Ethics and Integrity</b>		
102-16	Values, principles, standards, and norms of behavior	Sustainability Commitment (AR pages 63 - 64), Dealings with Interested Persons (AR pages 133 - 134), Dealing with Conflicts of Interest (AR page 135)
<b>Governance</b>		
102-18	Governance structure	Trust & Organisation Structure (AR pages 12 - 13), Board of Directors (AR pages 14 - 19), Trustee-Manager (AR pages 20 - 22), Property Manager (AR page 23), The Board's Conduct of Affairs (AR pages 106 - 109)
<b>Stakeholder Engagement</b>		
102-40	List of stakeholder groups	Social and Relationship Capital (AR pages 92 - 93)
102-41	Collective bargaining agreements	Social and Relationship Capital (AR pages 92 - 93)
102-42	Identifying and selecting stakeholders	Social and Relationship Capital (AR pages 92 - 93)
102-43	Approach to stakeholder engagement	Social and Relationship Capital (AR pages 92 - 93)
102-44	Key topics and concerns raised	Social and Relationship Capital (AR pages 92 - 93)

# Sustainability Report

Disclosure	Reference(s) or Reasons for Omission	
<b>General Disclosures</b>		
<b>Reporting Practice</b>		
102-45	Entities included in the consolidated financial statements	Investments in Subsidiaries (AR page 199)
102-46	Defining report content and topic boundaries	About the Report (AR page 62)
102-47	List of material topics	Materiality (AR pages 68 - 69)
102-48	Restatements of information	Any restatements have been mentioned in footnotes where relevant.
102-49	Changes in reporting	NA
102-50	Reporting period	About the Report (AR page 62)
102-51	Date of most recent report (if any)	About the Report (AR page 62)
102-52	Reporting cycle	About the Report (AR page 62)
102-53	Contact point for questions regarding the report	About the Report (AR page 62)
102-54	Claims of reporting in accordance with the GRI Standards	About the Report (AR page 62)
102-55	GRI content index	About the Report (AR page 62)
102-56	External assurance	No external assurance. The Trustee-Manager relies on the external assurance of CapitaLand's Sustainability Report. a-iTrust's portfolio and employees are part of CapitaLand's reporting.
<b>Management Approach</b>		
103-1	Explanation of the material topic and its Boundary	Refer to specific topics
103-2	The management approach and its components	Refer to specific topics
103-3	Evaluation of the management approach	Refer to specific topics
<b>Topic-Specific Standards</b>		
<b>Economic Benefit to Stakeholders</b>		
201-1	Direct Economic Value generated and distributed	Financial Review (AR pages 54 - 59)
<b>Business Ethics</b>		
205-1	Operations assessed for risks related to corruption	Organisational Capital (AR page 95)
205-2	Communication and training about anti-corruption policies and procedures	AR page 88 Organisational Capital (AR page 95)
205-3	Confirmed incidents of corruption and actions taken	Organisational Capital (AR page 95)
<b>Energy Efficiency</b>		
302-1	Energy Consumption within the organisation	Environmental and Manufactured Capital (AR pages 74 - 75)
302-3	Energy intensity	Environmental and Manufactured Capital (AR pages 74 - 75)
302-4	Reduction of energy consumption	Environmental and Manufactured Capital (AR pages 74 - 75)
<b>Water Management</b>		
303-5	Water consumption	Environmental and Manufactured Capital (AR page 77)
<b>Biodiversity</b>		
304-1	Operational sites in or adjacent to protected areas or area of high biodiversity value	None during the reporting period
304-2	Significant impact on biodiversity	
304-4	IUCN Red List species and national conservation list of species affected	



# Sustainability Report

Disclosure		Reference(s) or Reasons for Omission
<b>Topic-Specific Standards</b>		
<b>Climate Change and Emissions</b>		
305-1	Direct (Scope 1) GHG Emissions	Environmental and Manufactured Capital (AR pages 74 - 75)
305-2	Energy indirect (Scope 2) GHG Emissions	Environmental and Manufactured Capital (AR pages 74 - 75)
305-4	GHG Emissions Intensity	Environmental and Manufactured Capital (AR pages 74 - 75)
305-5	Reduction of GHG emissions	Environmental and Manufactured Capital (AR pages 74 - 75)
<b>Construction and Operational Waste (GRI Standards 2020)</b>		
306-1	Waste generation and significant waste-related impacts	Environmental and Manufactured Capital (AR pages 77 - 78)
306-2	Management of significant waste-related impacts	Environmental and Manufactured Capital (AR pages 77 - 78)
306-3	Waste generated	Environmental and Manufactured Capital (AR pages 77 - 78)
<b>Compliance</b>		
307-1	Non-compliance with environmental laws and regulations	Environmental and Manufactured Capital (AR page 71)
<b>Supply Chain Management</b>		
308-1	New suppliers screened using environmental criteria	AR page 66, Environmental and Manufactured Capital (AR page 71), Human Capital (AR pages 79 and 84)
414-1	Suppliers screened using social criteria	AR page 66, Environmental and Manufactured Capital (AR page 71), Human Capital (AR pages 79 and 84)
<b>Employment</b>		
401-1	New hires and employee turnover	Human Capital (AR pages 84 and 91)
401-3	Parental leave	Human Capital (AR page 85)
402-1	Minimum notice period regarding operational changes	Human Capital (AR page 84)
404-1	Average training hours	Human Capital (AR page 85)
404-2	Programs for upgrading employee skills	Human Capital (AR pages 85 - 89)
404-3	Employees receiving regular performance and career reviews	Human Capital (AR page 85)

# Sustainability Report

Disclosure		Reference(s) or Reasons for Omission
<b>Topic-Specific Standards</b>		
<b>Occupational Health and Safety</b>		
403-1	Occupational health and safety management system	Environmental and Manufactured Capital (AR page 72), Human Capital (AR pages 79 - 80)
403-2	Hazard identification, risk assessment, and incident investigation	Human Capital (AR page 80)
403-3	Occupational health services	Environmental and Manufactured Capital (AR page 72), Human Capital (AR pages 79 - 80)
404-4	Worker participations, consultation, and communication on occupational health and safety	Human Capital (AR pages 79 - 83)
403-5	Worker training on occupational health and safety	Human Capital (AR pages 79 - 83)
403-6	Promotion of worker health	Human Capital (AR pages 79 - 83)
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Human Capital (AR pages 79 - 83)
404-8	Workers covered by an occupational health and safety management system	Environmental and Manufactured Capital (AR page 72), Human Capital (AR pages 79 - 83)
404-9	Work-related injuries	Human Capital (AR page 81)
<b>Diversity and Human Rights</b>		
406-1	Incidents of discrimination and corrective action taken	AR page 70, Human Capital (AR page 84)
408-1	Operations and suppliers at significant risk for incidents of child labour and measures taken to the effective abolition of child labour	AR page 70, Human Capital (AR page 84)
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour, and measures taken to eliminate it	AR page 70, Human Capital (AR page 84)
412-1	Operations subjected to human rights reviews	AR page 70, Human Capital (AR page 84)
413-1	Operations with local community engagement, impact assessments, and development programmes	Significant Events (AR page 5), AR page 70, Social and Relationship Capital (AR pages 92 - 94)
414-1	Suppliers screened using social criteria	Human Capital (AR page 84)
<b>Products and services</b>		
416-1	Assessment of health and safety impacts of product and service categories	Human Capital (AR pages 79 - 84) Social and Relationship Capital (AR pages 92 - 93)
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There were no non-compliance cases in the reporting period.
CRE8	Type and number of sustainability certification, rating and labeling schemes for new construction, management, occupation and redevelopment	Significant Events (AR page 5), Asset Management (AR pages 34 - 35), Environmental and Manufactured Capital (AR pages 72 - 73)