

SHAPING THE FUTURE

Sustainability Report 2012



To be the premier multinational corporation providing urban living solutions through the twin core businesses of property development for sale and property fund management.

We are committed to create live-work-play environments of enduring value for the community with our hallmark excellence, and achieve sustainable higher returns for our shareholders.



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ABOUT THIS REPORT

Keppel Land reaffirms its commitment to sustainability with the publication of this Sustainability Report 2012.

GLOBAL REPORTING INITIATIVE

This Report is based on the Global Reporting Initiative (GRI) Sustainability Reporting Framework. The GRI Sustainability Reporting Guidelines Version 3.1 and the GRI Construction and Real Estate Sector Supplement (CRESS) have been used to prepare this Report. Based on the GRI Application Level criteria for reporting, the Keppel Land Sustainability Report 2012 is a Level A+ report, which has been verified by GRI.

This Report includes the Company's management approach to integrating sustainability into its policies, structure and daily operations. It provides an account of its sustainability performance, focusing on its strategies and practices, as well as highlighting the economic, environmental and social aspects of the Company's activities and developments across its properties in Singapore and overseas.

Keppel Land has raised the application level of the report to Level A+ from Level B+ last year, with coverage of GRI performance indicators in the six categories - economic, environmental, society, labour, human rights, and product responsibility. It also includes sector-specific disclosures and performance indicators from the GRI CRESS.

REPORTING PERIOD AND SCOPE

This Report covers Keppel Land's operations and initiatives in Singapore and overseas. The period covered by this Report is the same as the financial year of the Company (January-December 2012). Wherever possible, the Report provides up to seven years of historical information so that there is sufficient basis for measurement and comparison. Keppel Land publishes its Sustainability Report annually.

Keppel Land has adopted the ISO 26000:2010 Guidance on Social Responsibility (ISO 26000). This Report details how the Company aligns its sustainability strategy and business practices to the ISO 26000 standard.

Keppel Land also continues to support the United Nations Global Compact and its 10 universal principles. It has addressed the areas of human rights, labour, environment and anti-corruption as well as its progress in these areas in 2012.

This Report supplements the Company's 2012 Annual Report which can be found at www.keppelland.com.sg/ar2012.

Through this Report, Keppel Land demonstrates its commitment to keep its stakeholders, including its employees, customers, investors, business partners and community members abreast of its corporate social responsibility (CSR) developments.

Limited copies of this Report have been printed to minimise the impact on the environment. The online version can be accessed at www.keppelland.com.sg/sr2012, where PDF copies can be downloaded.

INDEPENDENT ASSURANCE

Keppel Land appointed an independent third party, Ere-S Pte Ltd, a CSR consulting company, to provide assurance on this Report. The content of this Report was reviewed and the accuracy and reliability of all statements validated.

The assurance included the evaluation of the Company's sustainability behaviour and sustainability performance, based on the AA1000 Assurance Standard. All underlying systems and processes that support the Company's sustainability framework were reviewed, in adherence to the AA1000 AccountAbility Principles of

inclusivity, materiality and responsiveness. The independent assurance statement provides a summary of the audit report findings.

FEEDBACK

Your feedback is valued to help Keppel Land improve on its future reporting. Please send your comments and opinions to csr@keppelland.com.sg.

Keppel Land is committed to be a responsible corporate citizen, continually enriching lives of communities wherever it operates.

LETTER TO OUR STAKEHOLDERS

“We believe in actively engaging our stakeholders including tenants, homebuyers, employees, suppliers and the wider public in our sustainability journey.”

DEAR STAKEHOLDERS,

I am pleased to present Keppel Land's Sustainability Report for 2012.

Recent regulatory measures reflect the increasing importance of environmental, social and governance (ESG) issues alongside financial transparency. These include the Singapore Exchange's call for higher sustainability standards among listed companies and revisions to the Code of Corporate Governance by the Monetary Authority of Singapore to include sustainability clauses.

Keppel Land's annual reporting of its corporate social responsibility (CSR) progress is in accordance with internationally-recognised standards, including the Global Reporting Initiative guidelines and the AA1000 Assurance Standard. This puts us in good stead to meet the rising requirements for ESG disclosures.

FORMATION OF BOARD SUSTAINABILITY COMMITTEE

As the new Chief Executive Officer (CEO), I am committed to advance Keppel Land's sustainability efforts.

Our Board Sustainability Committee will be set up to provide oversight on matters including environmental performance, sustainable development and social responsibility. It will be supported by the CSR Committee and our existing Board Committees for safety, risk, audit, nominating and remuneration to provide

effective governance over the Company's businesses.

We continually benchmark ourselves against the world's leading sustainable companies. Our inclusion in the Dow Jones Sustainability World Index for the second consecutive year ranks us among the top 10% of global companies based on long-term economic, environmental and social criteria. Keppel Land is also included in the Dow Jones Sustainability Asia Pacific Index and the RobecoSAM Sustainability Yearbook for the third year running. In addition, we were named the Regional Sector Leader for the Office Sector in the Global Real Estate Sustainability Benchmark 2012 and Best Performer in Asia in 2011.

These helped bolster investors' confidence and placed us on the radar screens of socially responsible funds. Recognising that upholding high standards of corporate governance and transparency is essential for investor confidence, we actively engage and build positive relationships with our shareholders and the investing community.

ENVIRONMENTAL STRATEGY

In June 2012, the National Climate Change Strategy paper was launched, outlining Singapore's plans to realise its vision to be a climate resilient global city that is well-positioned for green growth. These plans include reducing emissions across sectors, building

capabilities to adapt to the impact of climate change, harnessing green growth opportunities and forging partnerships on climate change action.

Supporting Singapore's transition to a lower emission economy, Keppel Land's Carbon Management Plan seeks to reduce its carbon emissions intensity by 16% by 2020 through enhancing energy efficiency in our buildings. Benchmarked against our 2010 levels, this will reduce absolute carbon emissions by about 34,000 tonnes. This translates into potential savings of about \$18.3 million from now to 2020, and expected annual savings of about \$4.8 million beyond 2020.

Going beyond statutory requirements, we launched the Environmental Operation Plans in 2012. These provide guidance on managing and improving the environmental performance of our completed commercial buildings in Singapore and hospitality properties overseas. They also complement the Environment Design Guidelines set out for our new properties in terms of materials sourcing, energy and water usage, certification as well as green spaces.

We have set the goals of achieving at least the Building and Construction Authority of Singapore's Green Mark Gold^{Plus} and Gold ratings, or their equivalent, for all our new projects in Singapore and overseas respectively.



LETTER TO OUR STAKEHOLDERS

To-date, Keppel Land has a total of 37 Green Mark-certified projects in its portfolio, of which two – Ocean Financial Centre in Singapore and International Financial Centre Jakarta Tower 2 in Indonesia – are of the highest Platinum rating.

STAKEHOLDER ENGAGEMENT

We believe in actively engaging our stakeholders including tenants, homebuyers, employees, suppliers and the wider public in our sustainability journey.

We formed a partnership in 2013 with Singapore's national water agency, PUB, under the Waters Adopters Programme to educate youths, the public, our employees and homebuyers on preserving water resources.

We also reach out to tenants through the *Go Green with Keppel Land* outreach programme, distribution of Green Guides to homes and offices, as well as provision of value-added services such as complimentary energy audits for companies.

As part of the ongoing efforts to build an open and collaborative culture within the Company, Keppel Land has introduced various platforms to further promote staff engagement and sharing as well as foster stronger bonds between management and employees. New activities include regular breakfast and lunch sessions with the CEO, half-yearly post-results communication sessions, as well as fortnightly tea sessions for management and executives.

The newly established Career Review Committee also seeks to identify and groom promising employees for leadership roles as part of talent retention and management.

Staff are encouraged to adopt an entrepreneurial mindset, be agile in adapting to change, and innovate for growth. To stay ahead of market trends, an Innovation Committee led by the marketing department has been set up to gather and generate fresh insights through in-house focus group discussions.

As a new Family Life Ambassador (FLA) under the Ministry of Social and Family Development's FLA Programme, we are lining up more pro-family initiatives this year. They include formalising guidelines on flexible work arrangements and family care leave, a dedicated nursing room for back-to-work mothers as well as inviting family education experts to conduct talks and workshops for employees.

Keppel Land actively engages its consultants and contractors to foster a culture of safety. A new programme, Behavioural Management of Safety, which aims to influence workers' mindset and reinforce safe practices through behavioural strategies, was introduced in 2012. This complements our existing safety training programmes, including those conducted at Keppel Land's Safety Awareness Centre in Ho Chi Minh City, Vietnam.

In recognition of our commitment to uphold high safety standards, we have achieved the OHSAS 18001 certification in occupational health and safety management for our projects in Singapore, China and Vietnam.

EMPOWERING COMMUNITIES

Our operations take us into the heart of many local communities overseas. We strive to positively impact and contribute back to these communities wherever we operate.

Believing that charity goes beyond philanthropy, we seek to empower lives for sustainable change and improvement through two focus areas of education and environment. We also form strategic partnerships with non-government agencies to extend our reach and provide opportunities for our employees to serve as volunteers.

An example is our tie-up with the Singapore International Foundation on the Water for Life project in Yangon, Myanmar. The three-year project will provide more than 7,000 villagers in the cyclone-hit districts in Yangon with access to clean water.

Keppel Land will contribute building materials and volunteer builders, as well as involve the beneficiaries of the project in the construction of tube wells, water storage shelters and rural health centres. Through cultivating a sense of ownership and belonging, we aim to help these families build better lives for themselves and their future generations.

The Words on Wheels project is another enduring cause that we are supporting. Through a mobile library equipped with books and multimedia facilities, this project reaches out to village children in Hanoi, Vietnam. Through this initiative, Keppel Land's volunteers in Vietnam and Singapore help to promote a culture of reading and self-learning in the villages, thus opening doors through education. Similar efforts to reach out to underprivileged children are also undertaken in Singapore, through our partnership with the National Library Board in its kidsREAD and Book Exchange Programmes.

To further expand our community-building projects, CSR Committees have been formed at our offices in China and Vietnam. Modelled after the Singapore Committee in structure and scope, these Committees will evaluate suitable community partnerships and initiate stakeholder engagement programmes.

Together, these efforts form the overall strategic plan to align our business practices to international benchmarks, including the ISO 26000 Guidelines on Social Responsibility and the United Nations Global Compact's universal principles. In doing so, we seek to achieve sustainable outcomes for all our stakeholders.



ANG WEE GEE
CHIEF EXECUTIVE OFFICER
1 June 2013



ABOUT KEPPEL LAND

Keppel Land Limited is the property arm of the Keppel Group, one of Singapore's largest multinational groups with key businesses in offshore and marine, infrastructure as well as property.

One of Asia's premier property companies, Keppel Land is recognised for its sterling portfolio of award-winning residential developments and investment-grade commercial properties as well as high standards of corporate governance and transparency.

The Company is geographically diversified in Asia, with Singapore and China as its core markets, and Indonesia and Vietnam as its growth markets. It focuses on a two-pronged strategy of property development for sale and property fund management.

Keppel Land is one of the largest listed property companies by total assets on the Singapore Exchange. The Group's total assets amounted to about \$11.5 billion as at

31 December 2012. It is part of the FTSE ST Real Estate Index, FTSE ST China Top Index, FTSE All-World Index, FTSE Asia Pacific ex-Japan Index, FTSE EPRA/NAREIT Global Real Estate Index and EPRA/NAREIT Index.

Keppel Land is also a component of both the Dow Jones Sustainability Asia Pacific and World Indices. It has also retained its position in The Sustainability Yearbook for three consecutive years as one of the top 15% of companies worldwide in sustainability leadership.

A leading prime office developer in Singapore, Keppel Land contributes to enhancing the city's skyline with landmark developments such as Marina Bay Financial Centre, Ocean Financial Centre and One Raffles Quay.

The Company is committed to grow its commercial portfolio in key Asian cities. Its portfolio of overseas commercial properties include a Grade A office development in Beijing, Seasons City, a commercial

sub-centre project in the Sino-Singapore Tianjin Eco-City, and a retail mall Life Hub @ Jinqiao in Shanghai, China, Saigon Centre in Ho Chi Minh City, Vietnam, as well as International Financial Centre Jakarta in Indonesia.

Keppel Land is also Asia's premier home developer with world-class iconic waterfront residences at Keppel Bay and Marina Bay in Singapore.

With a pipeline of over 75,000 homes across Asia, Keppel Land is well-positioned to meet the demand for quality housing driven by homeownership aspirations.

An established property fund manager, Keppel Land has two property fund management vehicles, Keppel REIT, a pan-Asian commercial real estate investment trust, and Alpha Investment Partners (Alpha).

As at 31 December 2012, Keppel REIT's and Alpha's total assets under management have grown to \$15.3 billion when fully leveraged and invested.



COMMITMENT TO STAKEHOLDERS

Guided by our vision to be the premier multinational corporation providing urban living solutions through the twin core businesses of property development for sale and property fund management, Keppel Land is committed to creating desirable live-work-play environments of enduring value for the community with our hallmark excellence, as well as achieve sustainable higher returns for our stakeholders.

In determining our key stakeholder groups, we assessed the significance and impact of stakeholders' interests in sustainability issues, as well as the potential impact of these stakeholders on the Group's businesses. The following six key stakeholder groups have been identified:

OUR CUSTOMERS

To develop quality homes and products with premier investment value and build on brand equity to enhance their enduring value.

OUR INVESTORS

To build on strong fundamentals to deliver continued earnings growth and maximise shareholder returns.

OUR EMPLOYEES

To realise their full potential and cultivate knowledge-based employees with good work-life balance for a motivated and dedicated workforce.

OUR BUSINESS PARTNERS

To integrate our strong regional network and knowledge with the strengths of our partners to capitalise on opportunities.

OUR PARTNER AGENCIES

To team up with regulatory and non-governmental agencies to further the cause of achieving the highest environmental, health and safety standards.

OUR COMMUNITY

To be a committed and responsible corporate citizen, contributing to the communities in which we operate.



SUSTAINABILITY FRAMEWORK

Keppel Land is committed to delivering value to all our stakeholders through Sustaining Growth in our businesses, Empowering Lives of our people and Nurturing Communities wherever we operate.



SUSTAINING GROWTH

PAGE 18-77

Our commitment to business excellence is underpinned by an unwavering focus on strong corporate governance and prudent financial management.

Resource efficiency is not only our responsibility, but also makes good business sense.

We will continue to distinguish our properties with strong value offerings and hallmark quality for greater competitive edge.

EMPOWERING LIVES

PAGE 78-97

People are the cornerstone of our business.

As an employer of choice, we are committed to grow and nurture our talent pool through continuous training and development to help our people reach their full potential.

We instil a culture of safety so that everyone who comes to work goes home safe.

NURTURING COMMUNITIES

PAGE 98-106

As a global citizen, we believe that as communities thrive, we thrive.

We give back to communities wherever we operate through our multi-faceted approach towards corporate social responsibility.

We cultivate a green mindset among our employees to spur them towards adopting a sustainable lifestyle.

MANAGING SUSTAINABILITY

At Keppel Land, sustainability is about the Company's commitment to delivering value to its stakeholders through sustaining growth in its businesses, empowering lives of its people, and nurturing communities wherever it operates.

Focused on the triple bottom line of economic viability, environmental protection and social responsibility, the Company strives to fulfil its role as a good corporate citizen through sustainable policies, strategies and practices in its activities.

Keppel Land is committed to maintain sound corporate governance practices and robust enterprise risk management processes. Its proactive approach towards environmental management and protection ensures that its properties are sustainable and cherished by communities across Asia for their quality and innovative features.

At the same time, it actively cultivates a strong safety culture to achieve a

zero-harm workplace. The Company also strives to be an employer of choice, committed to retain talent as well as nurture a competent and engaged workforce to drive further growth. In addition, it has pledged to positively impact and enrich the lives of local communities where it operates.

In doing so, Keppel Land aims to operate in an economically, socially and environmentally sustainable manner to achieve positive outcomes for its businesses, the environment and the community at large.

SUSTAINABILITY MANAGEMENT

At the helm of Keppel Land's sustainability management structure is the Board Sustainability Committee, which oversees the Company's efforts in environmental protection, sustainable development and social responsibility.

Supporting the Board Sustainability Committee is the Corporate Social

Responsibility (CSR) Committee, which comprises representatives from the different business units. The CSR Committee is responsible for formulating the Company's CSR framework, implementing initiatives and monitoring performances in all areas related to sustainability.

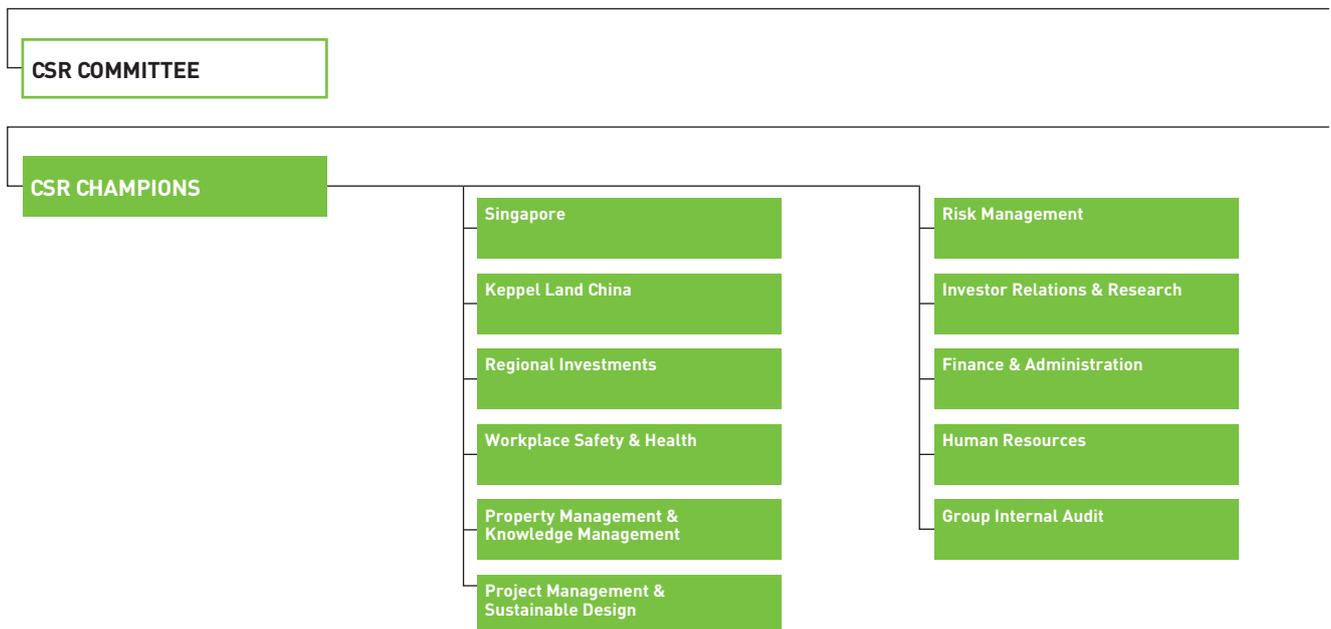
BENCHMARKS OF EXCELLENCE

In its sustainability journey, Keppel Land seeks guidance from internationally-recognised standards including the United Nations Global Compact (UNGC) and ISO 26000:2010 Guidance on Social Responsibility (ISO 26000).

In reporting its progress, Keppel Land's Sustainability Report is based on the Global Reporting Initiative (GRI) Sustainability Reporting Framework, including the GRI G3.1 Guidelines and GRI Construction and Real Estate Sector Supplement. It is also externally assured in accordance with the AA1000 Assurance Standard.

SUSTAINABILITY MANAGEMENT STRUCTURE

BOARD SUSTAINABILITY COMMITTEE





UNITED NATIONS GLOBAL COMPACT

Since 2011, Keppel Land has been a signatory to the UNGC, a United Nations initiative to encourage businesses worldwide to adopt sustainable and socially responsible policies, as well as to report on their implementation.

Sharing UNGC's conviction that business practices which are rooted in universal principles help the global marketplace to be more socially and economically inclusive, Keppel Land has pledged its commitment to the UNGC's 10 universal principles in the areas of human rights, labour standards, environmental protection and anti-corruption measures. The Company reports on its progress in implementing these principles in its Communication on Progress to the UNGC annually.

In conjunction with the International Women's Day in March 2012, Keppel Land organised an exclusive screening of the film, The Lady, for about 220 employees from the Keppel Group. The event helped raise awareness of the UNGC's principles, in particular those of human rights and anti-corruption. The movie is set in Myanmar, where Keppel Land owns and operates two hotels – Sedona Hotel Yangon and Sedona Hotel Mandalay.

The session included a talk by senior management on the evolving operating environment in Myanmar since Keppel Land first entered the country in the early 1990s, as well as educating staff on UNGC's principles and reinforcing the Company's support of the principles.

Keppel Land is also a Gold member of the Singapore Compact for CSR, the national focal point for the Global Compact and platform for promoting the CSR movement in Singapore. A member since its formation in 2005, Keppel Land supports the society's belief in the importance of integrating social values and mission with business decision-making to achieve positive and sustainable outcomes.

10 PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT



HUMAN RIGHTS

PRINCIPLE 1

Businesses should support and respect the protection of internationally proclaimed human rights.

PRINCIPLE 2

Make sure that they are not complicit in human rights abuses.

LABOUR

PRINCIPLE 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

PRINCIPLE 4

Elimination of all forms of forced and compulsory labour.

PRINCIPLE 5

Effective abolition of child labour.

PRINCIPLE 6

Elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

PRINCIPLE 7

Businesses should support a precautionary approach to environmental challenges.

PRINCIPLE 8

Undertake initiatives to promote greater environmental responsibility.

PRINCIPLE 9

Encourage the development and diffusion of environmentally-friendly technologies.

ANTI-CORRUPTION

PRINCIPLE 10

Businesses should work against corruption in all its forms, including extortion and bribery.

MANAGING SUSTAINABILITY



Training workshops on materiality and ISO 26000 were conducted during the Annual Staff Conference in 2012.

ISO 26000 GUIDANCE ON SOCIAL RESPONSIBILITY

Stepping up its sustainability efforts, Keppel Land adopted ISO 26000, a voluntary international standard which guides organisations in their efforts to operate in a socially responsible manner that society increasingly demands.

One of the first Singapore companies to proactively align itself with this standard, Keppel Land aims to integrate the ISO 26000 standard, with its wide coverage of issues ranging from policy, reporting and assurance to social and ethical, environmental and financial or economic aspects, into its values and business practices.

Following a self-assessment gap analysis conducted with the help of an external sustainability consultant in 2011 to assess the Company's compliance with the ISO 26000 principles and core subjects, training workshops were held for Management and staff in Singapore and key cities overseas in 2012 to identify measures to bridge gaps.

These included the materiality and ISO 26000 workshops held during the Annual Staff Conference in Singapore in April 2012. It was well-attended by Singapore-based employees as well as key executives from Keppel Land's overseas offices.

MATERIALITY

The materiality exercise sought to identify and review issues that are most relevant and significant to the Company and its stakeholders.

Major issues specific to countries where Keppel Land operates in were discussed in depth during the workshop. These were then prioritised based on the extent to which they influence the decisions, actions and performance of the Company and its stakeholders.

This report focuses on areas that have been identified as material to Keppel Land, namely health and safety, corporate governance, talent management and retention, sustainable growth as well as the environment. It also addresses country-specific issues relating to risk management, product responsibility, labour practices as well as stakeholder engagement.

SUSTAINABILITY TRAINING

At the ISO 26000 workshop, the results of the gap analysis were mapped against the ISO 26000 framework comprising the Principles of Accountability, Transparency, Ethical Behaviour, Respect for Stakeholder Interests, Respect for the Rule of the Law, Respect for International Norms of Behaviour and Respect for Human Rights, as well as the Core Subjects of Organisational Governance, Human Rights, Labour Practices, Environment, Fair Operating Practices, Consumer Issues as well as Community Involvement and Development.

Employees analysed issues that impact the Company and its operating environments both in Singapore and overseas. Action plans were then developed to improve those areas identified. Business units also gained insights on aligning their operations and practices with the ISO 26000 guidelines through best practice case studies from the industry and relevant countries.

Similar workshops were conducted in China, Vietnam and Indonesia in the second half of 2012. These sessions helped raise awareness and understanding of the ISO 26000 standard and its requirements.

To further inculcate a sustainability mindset among employees, speakers from local non-profit organisations were also invited to share their insights on climate change issues in various countries.

CSR Committees have since been formed in Keppel Land's offices in China and Vietnam, with oversight by the Chief Financial Officer and country head respectively.

Plans are ongoing to establish and implement sustainability roadmaps to address key gaps, with the eventual aim of aligning business practices with the ISO 26000 standard.



ALIGNMENT WITH ISO 26000

Based on the findings from the gap analysis exercise held in 2011, the Company implemented several initiatives in 2012 and 2013 to bridge gaps in the areas of human rights, community involvement and development, as well as respect for stakeholder interests, while bolstering existing strong areas such as organisational governance, environment and labour practices.

Principles and Core Subjects

Performance in 2012 and 2013

<ul style="list-style-type: none">• The Environment• Community Involvement and Development• Respect for Stakeholder Interests	<ul style="list-style-type: none">– Engaged contractors and consultants on sustainability and their roles in addressing climate change and preserving biodiversity, through a sharing session at Keppel Land's Annual Contractors and Consultants Health and Safety Meeting held in July.– Adopted the Jurong Lake under Singapore's national water agency, PUB's Waters Adopters Programme, sponsored the Learning Trail at the lake as well as joined PUB's Friends of Water Programme to encourage the preservation of water resources.
<ul style="list-style-type: none">• Human Rights• Labour Practices	<ul style="list-style-type: none">– Provided a total of 147 hours of human rights training to 26% of employees.– Stipulated in the Health and Safety Specifications for all Keppel Land projects in Singapore and overseas that no illegal workers and child labour under the age of 18 years are allowed to engage in any form of work in construction sites and projects.– Trained a total of 3,280 personnel at Keppel Land's Safety Awareness Centre in Ho Chi Minh City, Vietnam, in 2012.– Enhanced performance management, staff engagement platforms as well as training and development programmes to encourage greater interaction with employees and improve talent retention.
<ul style="list-style-type: none">• Community Involvement and Development	<ul style="list-style-type: none">– Formed CSR Committees in China and Vietnam to evaluate suitable community partnerships and initiate stakeholder engagement programmes locally.– Partnered Singapore International Foundation to launch the Water for Life (Yangon) project in Myanmar, which provides more than 7,000 villagers with better access to clean drinking water.– Organised the second volunteer trip for Words on Wheels, a mobile library project in Hanoi, Vietnam, which provides some 4,000 village children access to books and educational materials.– Re-introduced the SHARE programme, a monthly donation programme by the Community Chest in support of the less fortunate, to employees.

MANAGING SUSTAINABILITY

ALIGNMENT WITH ISO 26000 STANDARD

PRINCIPLES OF SOCIAL RESPONSIBILITY

ACCOUNTABILITY

Accountability by an organisation for its impact on society, the environment and the economy, and takes actions to prevent repetition of unforeseen negative impacts.

TRANSPARENCY

Transparency in an organisation's decisions and activities that impact society and the environment.

ETHICAL BEHAVIOUR

Ethical behaviour by an organisation based on the values of honesty, equity and integrity.

RESPECT FOR STAKEHOLDER INTERESTS

Respect, consideration and response by an organisation to the interests of its stakeholders.

RESPECT FOR THE RULE OF LAW

Acceptance that respect for rule of law is mandatory and compliance with legal requirements in all jurisdictions where the organisation operates.

RESPECT FOR INTERNATIONAL NORMS OF BEHAVIOUR

Respect for international norms of behaviour, while adhering to the principle of respect for the rule of law.

RESPECT FOR HUMAN RIGHTS

Respect human rights and recognise their importance and universality.

CORE SUBJECTS

ORGANISATIONAL GOVERNANCE

The way an organisation makes and implements decisions to achieve its objectives.

HUMAN RIGHTS

Respect for human rights including civil and political rights, as well as economic, social and cultural rights.

LABOUR PRACTICES

Policies and practices relating to work performed within, by or on behalf of the organisation, including sub-contracted work.

THE ENVIRONMENT

Impact of an organisation's decisions and activities on the environment.

FAIR OPERATING PRACTICES

Ethical conduct in dealings with other organisations such as anti-corruption, fair competition and respect for property rights.

CONSUMER ISSUES

Responsibilities to customers including having fair and transparent marketing processes and designing products that provide access to all including the disadvantaged.

COMMUNITY INVOLVEMENT AND DEVELOPMENT

Support for and building relationship with the community.



Keppel Land will continue to distinguish its properties with strong value offerings and hallmark quality for greater competitive edge.

KNOWLEDGE MANAGEMENT

To ensure the preservation of key information and procedures, as well as to facilitate sharing, retention and application of knowledge within the Company, Keppel Land embarked on a knowledge management (KM) process in 2012.

This will allow the Company to build organisational intelligence, develop new projects or work programmes based on existing best practices, harness the vast experience and knowledge of colleagues, as well as avoid the loss of critical knowledge caused by staff attrition.

A Steering Committee, which oversees the vision, strategy and effectiveness of KM initiatives, has been formed. Chaired by the Chief Executive Officer, the Committee has put in place a KM Roadmap and its ensuing programmes.

The implementation of KM will be carried out in phases, starting with the business and functional units in Singapore, followed by the overseas units. The initiative seeks to cultivate a culture of knowledge sharing and collaboration between co-workers and departments, which will in turn improve individual and organisational productivity.

Guided by an external consultant, briefing sessions were conducted for all departments before the embarking of KM project activities in Singapore. This provided a better understanding of KM, its scope of coverage and plans. Every unit has also appointed a KM Champion to work closely with the Committee on the project.

SUSTAINABILITY DATA MANAGEMENT

As part of its efforts to further entrench the framework of sustainability

reporting and efficiently manage its performance, Keppel Land, together with other business units in the Keppel Group, evaluated several data management tools to streamline the management of sustainability-related data.

Representatives from Keppel Land's CSR Committee were part of the Keppel Group Sustainability Software Taskforce which assessed the systems. The software was chosen in April 2012, following nine months of careful evaluation of various solutions.

During the year, introductory workshops were conducted for senior management in Singapore and Shanghai, China. Currently at its development stage, the system will reduce manpower costs by streamlining data collection, analysis and reporting processes, as well as improve business intelligence.

AWARDS AND ACCOLADES

CORPORATE SOCIAL RESPONSIBILITY

DOW JONES SUSTAINABILITY WORLD INDEX

WHAT IT RECOGNISES: The top 10% in terms of sustainability out of 2,500 large companies globally. Keppel Land was selected as an index component of the Dow Jones Sustainability World Index in 2012 for the second year running, maintaining its standing among the world's largest companies in sustainability leadership. It is one of only three Singapore companies in the Index, which includes the top 10% out of 2,500 large global companies leading in the area of sustainability.

DOW JONES SUSTAINABILITY ASIA PACIFIC INDEX

WHAT IT RECOGNISES: The top 20% in terms of sustainability out of 600 large companies in the developed Asia Pacific markets. For the third consecutive year, Keppel Land was included as a component member of the Dow Jones Sustainability Asia Pacific Index, joining the ranks of leading companies in terms of sustainability from the developed markets in Asia Pacific as listed in the Dow Jones Global Total Stock Market Index.

ROBECOSAM SUSTAINABILITY YEARBOOK

WHAT IT RECOGNISES: The world's leading sustainable companies. Keppel Land continues to be featured in The Sustainability Yearbook 2013 for the third consecutive year. The Sustainability Yearbook features the top 15% of companies worldwide in sustainability leadership.

GLOBAL REAL ESTATE SUSTAINABILITY BENCHMARK

WHAT IT RECOGNISES: Excellence in integrated organisational approach towards measurement and management of environmental key performance indicators. Keppel Land was named the Regional Sector Leader (Office) and conferred the Green Star status by the Global Real Estate Sustainability Benchmark (GRESB) 2012, which measures the environmental and social performance of real estate companies and funds. It was named the Best Performer in Asia in GRESB 2011.

SINGAPORE COMPACT CSR AWARDS

WHAT IT RECOGNISES: Companies with outstanding environmental, social and governance practices. For its continuous efforts and commitment towards sustainability, Keppel Land received a Special

Mention under the Green Champion category at the Singapore Compact Corporate Social Responsibility (CSR) Awards 2012.

SINGAPORE HUMAN RESOURCES AWARDS

WHAT IT RECOGNISES: Best practices in people management and development. Keppel Land bagged a total of seven awards at the Singapore Human Resources (HR) Awards 2012, including the HR Advocate Award in CSR for companies that have won the Leading HR Practice Award in an area for the third time. The Company was also conferred the Leading HR Practices Awards in the Compensation & Rewards Management, CSR, Workplace Safety & Health, Learning & Human Capital Development (Special Mention), Strategic HR (Special Mention), Quality Work-Life and Physical & Mental Well-Being (Special Mention) categories.

CORPORATE TRANSPARENCY

SINGAPORE CORPORATE AWARDS

WHAT IT RECOGNISES: Excellence in shareholder communication and corporate governance. Keppel Land received the Gold and Silver Awards for Best Annual Report and Best Managed Board respectively in the large capitalisation category at the Singapore Corporate Awards 2012, organised by The Business Times and supported by the Singapore Exchange.

SIAS MOST TRANSPARENT COMPANY AWARD

WHAT IT RECOGNISES: Excellence in corporate governance and transparency. The Company won the Merit Award for Singapore Corporate Governance at the 13th Securities Investors Association Singapore (SIAS) Investors' Choice Awards 2012. It also emerged runner-up for the Most Transparent Company Award in the real estate category, marking the 12th year running that





the Company has been conferred the award.

THE BUSINESS TIMES GOVERNANCE AND TRANSPARENCY INDEX

WHAT IT RECOGNISES: High standard of transparency and corporate governance practices.

Keppel Land emerged 6th out of 674 companies in The Business Times' Governance and Transparency Index 2012 rankings, which rate listed companies in Singapore on the quality of their financial disclosure, corporate governance and transparency.

APREA BEST PRACTICES AWARDS

WHAT IT RECOGNISES: Excellence in corporate governance and disclosure.

Keppel Land was presented the Merit Award for Best Property Development Organisation for Mature Markets at the Asia Pacific Real Estate Association (APREA) Best Practices Awards 2012.

SOCIO-ECONOMIC CONTRIBUTION

TOP 10 ASEAN COMPANIES IN CHINA AWARD

WHAT IT RECOGNISES: Strong economic and social contribution to China.

Keppel Land China was ranked among the Top 10 ASEAN Companies in China for its economic and social contributions to the country. The inaugural award was organised by the China-ASEAN Business Council which aims to promote China-ASEAN trade and economic cooperation.

LABOUR OF MEDAL AWARD

WHAT IT RECOGNISES: Strong socio-economic contribution to Vietnam.

Keppel Land received the prestigious 2nd Order Labour of Medal Award for its joint venture, Royal Park Sedona Suites Hanoi. This is the highest accolade presented to a private organisation for its socio-economic contribution to Vietnam.



INVESTOR RELATIONS

IR MAGAZINE SOUTHEAST ASIA AWARDS

WHAT IT RECOGNISES: Excellence and leadership in investor relations.

For its proactive communication with investors and analysts, Keppel Land clinched the Grand Prix for Best Overall Investor Relations (IR) for mid- or small-capitalisation companies at the IR Magazine Southeast Asia Awards 2012 for the second consecutive year.

ENVIRONMENTAL RESPONSIBILITY

ASIA-PACIFIC ENTERPRISE LEADERSHIP AWARDS

WHAT IT RECOGNISES: Excellence in environmental sustainability and corporate social responsibility.

Keppel Land was awarded the Eco-Advocate Award at the inaugural Asia-Pacific Enterprise Leadership Awards 2013, which honour companies with best practices in sustainable development and CSR.

BCA GREEN MARK AWARDS

WHAT IT RECOGNISES: Best practices in environmental design and performance.

Keppel Land has been conferred a total of 37 Green Mark Awards for

its properties in Singapore, China, Indonesia, Vietnam and India by the Building and Construction Authority (BCA) of Singapore to-date, up from 26 in 2011.

BCI ASIA AWARDS

WHAT IT RECOGNISES: Property companies with greatest positive impact on the built environment in Southeast Asia.

Keppel Land was named one of the top 10 developers in Singapore and Vietnam at the BCI Asia Awards 2012. The award recognises top architectural firms and developers that have the greatest positive impact on the built environment in Southeast Asia.

1 Keppel Land China has been ranked among the Top 10 ASEAN Companies in China for its economic and social contributions to the country.

2 Keppel Land was awarded the Eco-Advocate Award at the Asia-Pacific Enterprise Leadership Awards 2013 for best practices in sustainable development and CSR.

AWARDS AND ACCOLADES

HEALTH AND SAFETY

WORKPLACE SAFETY AND HEALTH AWARDS 2012

WHAT IT RECOGNISES: Strong commitment and exemplary standards in workplace safety and health.

Keppel Land received the Workplace Safety and Health (WSH) Developer Award at the inaugural WSH Awards 2012 organised by the WSH Council for its active role in ensuring good WSH practices among its contractors. The Company was also recognised for safe work practices at its projects in Singapore - Reflections at Keppel Bay, Ocean Financial Centre and Marina Bay Suites.

PRODUCT EXCELLENCE

FIABCI PRIX D'EXCELLENCE AWARDS

WHAT IT RECOGNISES: The best in global real estate developments.

Reflections at Keppel Bay was named the Gold Winner in the Residential (High-rise) category at the FIABCI Prix d'Excellence Awards 2013. In 2012, Marina Bay Financial Centre Phase 1 clinched the top award in the Office category while Marina Bay

Residences emerged runner-up in the Residential (High-rise) category.

EUROMONEY REAL ESTATE AWARDS

WHAT IT RECOGNISES: The best in global real estate industry.

Keppel Land clinched four awards at the prestigious Euromoney Real Estate Awards 2012, which recognise achievements in the property industry worldwide based on the opinions of real estate developers, advisors, commercial and investment banks, investment managers, investors and end-users from over 80 countries. The Company was named the Best Office Developer in Singapore for the fifth consecutive year as well as the Best Developer, Best Residential Developer and Best Mixed-use Developer in Vietnam.

INTERNATIONAL PROPERTY AWARDS

WHAT IT RECOGNISES: Highest level of achievement in the property industry.

Ocean Financial Centre was awarded the World's Best Commercial High-rise Development at the International Property Awards 2012, following its win as the Best Commercial High-rise Development in the Asia Pacific Property Awards 2012. The premium

Grade A office tower was also lauded as the Best Office Architecture and Best Office Development in Singapore. Riviera Point in Ho Chi Minh City was awarded the Highly Commended Mixed-use Development in Vietnam.

SOUTHEAST ASIA PROPERTY AWARDS

WHAT IT RECOGNISES: Excellence in real estate, construction, architecture, interior design and industry professional services in the region.

Keppel Land received the Best Developer (Singapore) - Highly Commended Award at the Southeast Asia Property Awards 2012. Its integrated township development in Indonesia, Jakarta Garden City Phase 1, was named the Best Villa Development (Indonesia) and Highly Commended Green Development.

INTERNATIONAL ARCHITECTURE AWARDS

WHAT IT RECOGNISES: Outstanding architecture worldwide.

Reflections at Keppel Bay was one of only two Singapore-based projects to receive the prestigious International Architecture Awards for Best New Global Design 2012, jointly conferred by The Chicago Athenaeum: Museum





of Architecture and Design, the European Centre for Architecture Art Design and Urban Studies as well as the Metropolitan Arts Press.

EMIRATES GLASS LEAF AWARDS

WHAT IT RECOGNISES: Excellence in global architecture.

Reflections at Keppel Bay received a Special Award in the Residential Building of the Year 2012 (Multiple Occupancy) category at the Emirates Glass LEAF (Leading European Architects Forum) Awards, which recognise innovative designs that set new benchmarks.

BCA AWARDS

WHAT IT RECOGNISES: Excellence in project management, design and engineering safety.

Marina Bay Residences clinched the BCA Construction Excellence

Award 2012 for outstanding overall management of project, technical capability and innovations, as well as product quality. Reflections at Keppel Bay garnered the BCA Universal Design Mark Platinum Award in 2013. It was also conferred the BCA Universal Design Silver Award and BCA Design and Engineering Safety Excellence Merit Award in 2012.

WORLD TRAVEL AWARDS

WHAT IT RECOGNISES: Excellence in the global travel and tourism industry.

Sedona Hotel Yangon was named Myanmar’s Leading Hotel for the fifth consecutive year, while Hotel Sedona Manado was named Indonesia’s Leading Business Hotel for the second year at the World Travel Awards 2012.

1 Marina Bay Financial Centre Phase 1 clinched the top award in the Office category at the FIABCI Prix d’Excellence Awards 2012 while Marina Bay Residences was runner-up in the Residential (High-rise) category.

2 Reflections at Keppel Bay continues to raise the bar in product excellence.

FINANCIAL HIGHLIGHTS

Keppel Land achieved creditable performance in 2012 despite the challenging external environment.



\$838.4m

Achieved net profit of \$838.4 million in 2012. Excluding revaluation and divestment gains, net profit grew by 61.4% to \$451.5 million.

\$3.99

The Company's net asset value per share increased to \$3.99 as at end-2012, 6.7% higher than \$3.74 as at end-2011.

- 1 Keppel REIT, one of Keppel Land's property fund management vehicles, continues to grow its assets under management. In 2012, Keppel REIT raised its stake in Ocean Financial Centre from 87.5% to 99.9%.
- 2 About 430 Keppel homes were sold in Singapore in 2012, mostly in its well-located suburban development, The Luxurie.



Keppel Land's net profit for 2012 was \$838.4 million, down 39% from the record \$1,374.7 million achieved in 2011, which included a gain of \$480.3 million from the sale of the Group's 87.5% stake in Ocean Financial Centre. Excluding fair value and divestment gains, net profit grew 61.4% to \$451.5 million in 2012, up from \$279.7 million a year ago.

In line with Keppel Land's dividend policy to distribute up to one-third of net realised profits to its shareholders, the Board of Directors proposed a final one-tier dividend of 12 cents per share, amounting to \$185.3 million. Approved by shareholders at the Annual General Meeting held on 19 April 2013, the dividend payout is about 39% of net profit before fair value gains, higher than the payout of about 37% in 2011.

Government measures to restrict home purchases have affected sentiments across major residential markets in Asia as buyers turned cautious and held back purchases. Keppel Land sold about 2,350 residential units in Singapore and overseas in 2012, slightly lower than about 2,500 homes sold in 2011.

Keppel Land sold about 430 homes in Singapore during the year, mostly from its well-located suburban development, The Luxurie.

Overseas, Keppel Land sold a total of about 1,920 residential units, mostly from developments in China. Notwithstanding the property curbs, lower mortgage rates and favourable policies targeted at first-time homebuyers will help sustain demand. The Group sold about 1,650 homes in China in 2012, higher than about 1,400 units sold in 2011. Take-up was mostly from The Springdale in Shanghai as well as townships such as



The Botanica in Chengdu and Central Park City in Wuxi.

Keppel Land's Grade A office development, Marina Bay Financial Centre Tower 3, was completed in 2012. It is about 88% committed as at May 2013.

The Group is leveraging its commercial expertise in Singapore to expand its commercial presence overseas to meet growing demand for prime office and retail space

in key cities. It is currently developing about 420,000 sm of prime commercial space in the high growth cities of Beijing, Tianjin, Ho Chi Minh City and Jakarta.

Keppel Land continued to expand its property fund management business. Total assets under management (AUM) by Keppel REIT and Alpha Investment Partners (Alpha) increased from \$14.8 billion as at end-2011 to \$15.3 billion as at end-2012, when fully leveraged and invested.

FINANCIAL HIGHLIGHTS

Keppel REIT raised its stake in Ocean Financial Centre from 87.5% to 99.9% and acquired a 50% interest in a Grade A office building to be developed in Perth, while Alpha completed several acquisitions and divestments in Singapore and overseas during the year.

In November 2012, Keppel Land established a US\$3 billion Multicurrency Medium Term Note (MTN) programme.

The Group took advantage of the low interest rate environment to raise about \$635 million from its two MTN programmes to refinance existing debts and improve its financial capability.

The Group's net-equity ratio remained relatively low at 0.22 as at end-2012 compared with 0.1 as at end-2011. Keppel Land's cash position remained strong at \$1.6 billion as at end-2012.

This will allow the Company to capitalise on its strong track record and expertise to seize opportunities to acquire good and large-scale developments where it has a strong competitive edge.

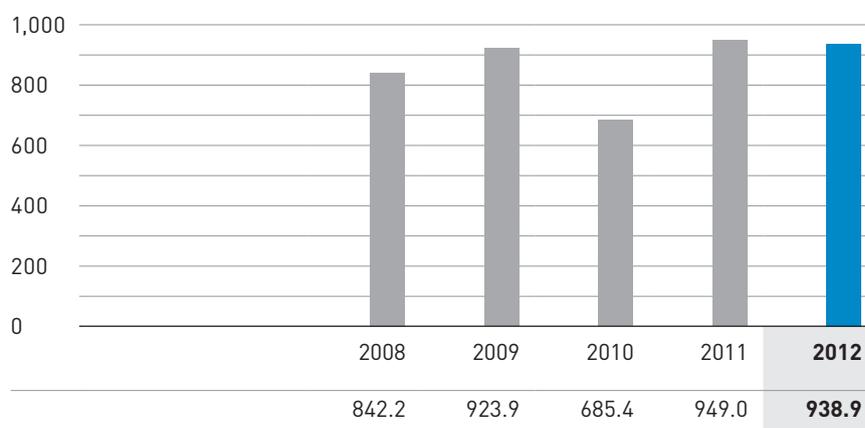
The Company's net asset value per share increased to \$3.99 as at end-2012, 6.7% higher than \$3.74 as at end-2011.

EARNINGS REVIEW

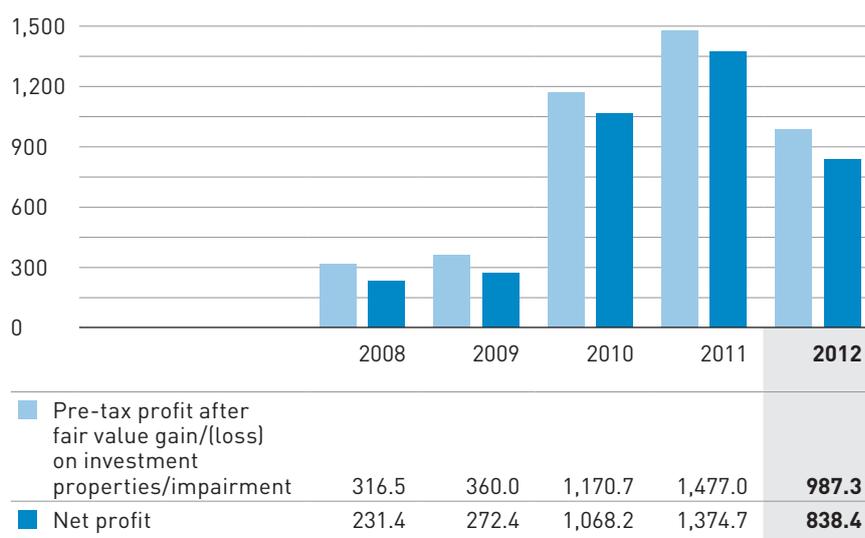
Notwithstanding the drop in home sales, Keppel Land achieved a 68.5% growth in net profit from its property trading business to reach \$323.9 million in 2012 on strong contributions from its Singapore projects as well as completion of several residential projects and phases in China and Vietnam during the year.

In 2011, Keppel Land adopted the revised accounting policy whereby revenue and profit from overseas trading projects will be

Group Sales (\$ million)



Group Profit (\$ million)



The comparatives for 2008 to 2011 have been restated to include the effects of the adoption of the Amendments to FRS 12.

recognised only upon completion of the project or phase of the development, compared with past recognition based on the percentage of completion method.

Property fund management contributed \$50.4 million or 11% of the Group's net profit excluding divestment and revaluation gains in 2012. Keppel Land will continue to grow its fund management's AUM for steady recurring fee-based income.



	2008	2009	2010	2011	2012
For the year (\$'000)					
Sales	842,166	923,869	685,408	948,974	938,856
Pre-tax profit					
Before fair value gain/(loss) on investment properties/impairment	312,047	372,010	744,886	885,703	613,813
After fair value gain/(loss) on investment properties/impairment	316,514	360,033	1,170,696	1,476,993	987,308
Net profit	231,442	272,397	1,068,199	1,374,682	838,368
At year-end (\$'000)					
Fixed assets and investment properties	1,680,195	1,632,830	1,906,435	837,784	1,590,744
Investments	1,087,203	1,467,837	1,526,709	2,263,559	2,709,394
Non-current assets	813,824	940,708	446,161	646,487	680,122
Net current assets (Note 1)	1,630,825	1,441,094	3,257,294	4,693,077	4,879,995
Deferred taxation	(42,104)	(36,148)	(35,170)	(32,500)	(150,544)
Assets employed	5,169,943	5,446,321	7,101,429	8,408,407	9,709,711
Shareholders' equity	2,575,634	3,321,162	4,275,736	5,575,314	6,169,141
Non-controlling interests	472,491	398,436	309,232	295,680	477,314
Long-term borrowings	1,937,767	903,570	2,199,669	2,336,200	2,348,613
Short-term borrowings	184,051	823,153	316,792	201,213	714,643
Total funds invested	5,169,943	5,446,321	7,101,429	8,408,407	9,709,711
Per share					
Earnings (cents) (Note 2)					
After taxation but before fair value gain/(loss) on investment properties/impairment	22.3	22.7	44.7	53.8	31.6
After taxation and fair value gain/(loss) on investment properties/impairment	22.8	23.5	74.3	93.8	55.5
Proposed dividend (cents)	8.0	8.0	18.0	20.0	12.0
Net asset value (\$)	3.57	2.32	2.95	3.74	3.99
Financial ratios					
Return on equity (%) (Note 3)					
After taxation but before fair value gain/(loss) on investment properties/impairment	9.8	9.5	18.9	18.4	8.4
After taxation and fair value gain/(loss) on investment properties/impairment	10.0	9.8	31.4	32.1	14.8
Dividend cover (times) (Note 4)	3.9	2.3	2.5	2.6	2.6
Interest cover (times) (Note 5)	16.9	20.4	32.1	47.5	51.4
Net debt-equity ratio (times) (Note 6)	0.49	0.22	0.20	0.10	0.22

Notes:

1. In arriving at net current assets, short-term borrowings have been excluded.
2. Earnings per share are calculated by reference to the weighted average number of shares in issue during the year. The earning per share for 2008 has been restated to include the effects of the Company's rights issue in 2009.
3. In the calculation of return on equity, the weighted average basis has been used.
4. In the calculation of dividend cover, fair value gain/(loss) on investment properties/impairment and related taxation have been excluded.
5. In the calculation of interest cover, fair value gain/(loss) on investment properties/impairment has been excluded. Net interest cost on external borrowings, comprising net interest expense taken to the profit and loss account and interest capitalised under investment properties and properties held for sale, has been used.
6. In the calculation of the net debt-equity ratio, net debt includes borrowings net of cash, and equity includes non-controlling interests in subsidiary companies.

FINANCIAL HIGHLIGHTS

SINGAPORE

Keppel Land's Singapore operations achieved credible performance in 2012. Excluding divestment and revaluation gains, net profit from Singapore rose 71.8% year-on-year (y-o-y) to \$365.5 million in 2012 on higher contributions from property trading and Keppel REIT.

Reflections at Keppel Bay, which was completed in late-2011, contributed \$163.9 million to Singapore's trading profit following the handover of units sold under the deferred payment scheme (DPS) to buyers. Profit from residential units sold under DPS is recognised only upon completion of the project.

OVERSEAS

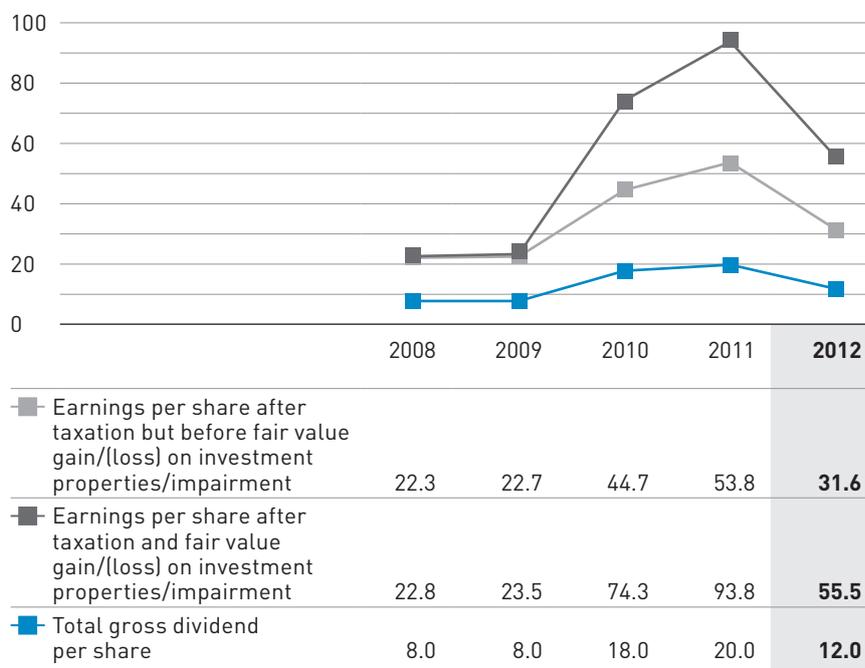
The Group's overseas operations also performed well in 2012. Net profit from overseas, excluding divestment and revaluation gains, grew 28.4% y-o-y to \$86 million. Despite higher earnings, the share of the Group's net profit from overseas was lower at 19% for 2012 against 24% in 2011 as a result of stronger earnings growth from Singapore compared with overseas.

Keppel Land will continue to grow its overseas earnings and assets. In 2012, the Group invested a total of about \$1 billion, of which about \$575 million was for the acquisition of new residential and commercial sites in China and Sri Lanka. These acquisitions are in line with the Group's strategy to scale up in high-growth cities and grow its overseas commercial presence.

The proportion of overseas assets has increased to about 49% of the Group's total assets as at end-2012, compared with about 45% a year ago. China accounted for about 35% of total assets, followed by Vietnam and Indonesia with 7% and 4% respectively.

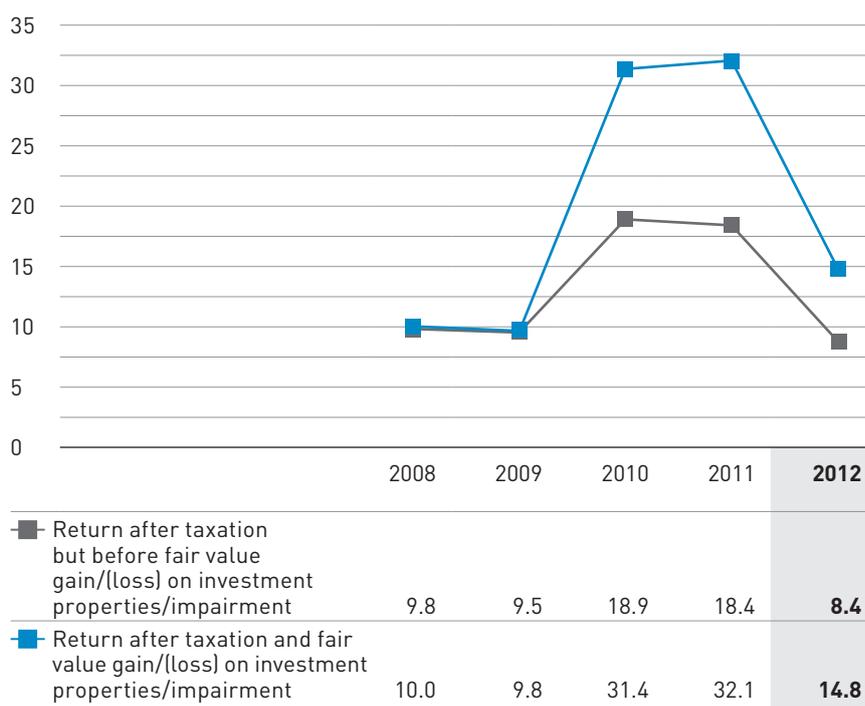
Leveraging its strong financial position, Keppel Land will continue to seek opportunities in Singapore and overseas to achieve sustainable growth.

Earnings and Dividend Per Share (cents)



The comparatives for 2008 to 2011 have been restated to include the effects of the adoption of the Amendments to FRS 12.

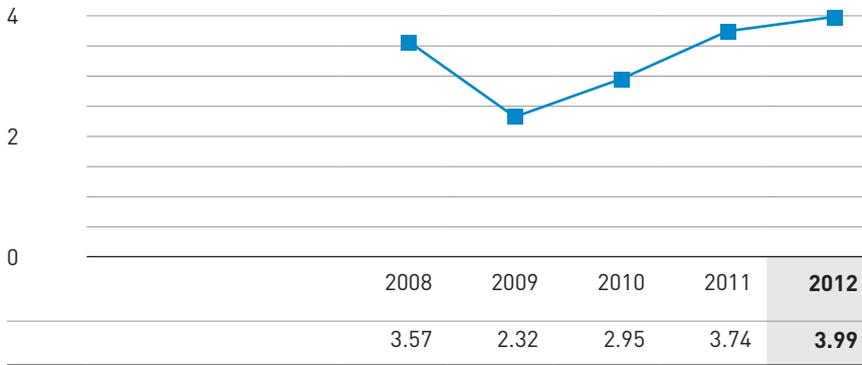
Return on Equity (%)



The comparatives for 2008 to 2011 have been restated to include the effects of the adoption of the Amendments to FRS 12.



Net Asset Value Per Share (\$)

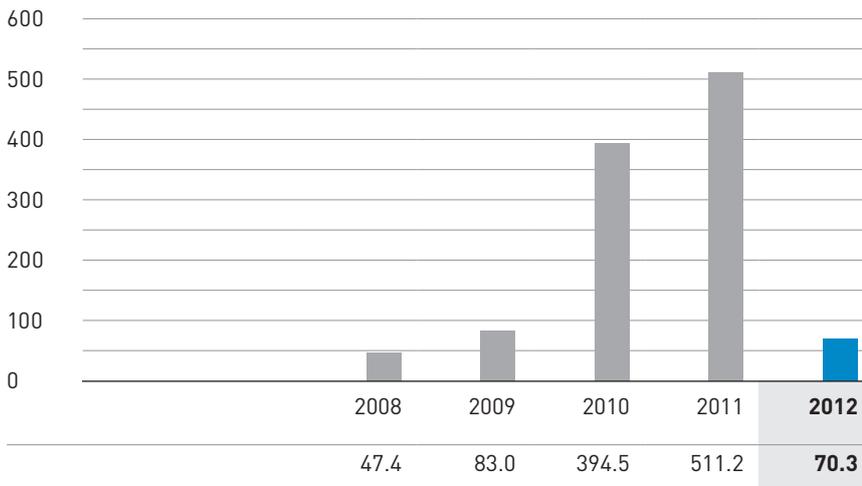


The comparatives for 2008 to 2011 have been restated to include the effects of the adoption of the Amendments to FRS 12.

The Group will continue to acquire and develop residential sites with attractive marketing attributes and time the launches of new projects and phases according to market conditions to ensure a continuous flow of development profit. For a more balanced portfolio, the Group will also continue to expand its commercial presence in the region.

For more details on Keppel Land's financial performance, please refer to the section on Financial Review in the 2012 Annual Report.

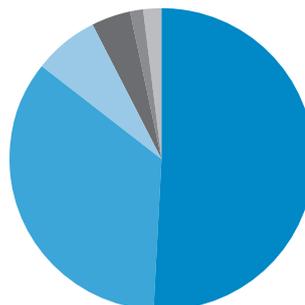
Economic Value Added (\$ million)



The comparatives for 2008 to 2011 have been restated to include the effects of the adoption of the Amendments to FRS 12.

Geographical Breakdown of Total Asset Distribution as at 31 December 2012

	%
Singapore	51
China	35
Vietnam	7
Indonesia	4
India	1
Others	2
Total	100



CORPORATE GOVERNANCE

Keppel Land is committed to achieve high standards of corporate governance and transparency to ensure sustainability of its businesses as well as safeguard shareholders' interests.



11

The Board of Keppel Land comprises 11 Directors, 10 of whom are non-executive Directors. Seven of the 11 Directors are independent Directors.

150

About 150 meetings, roadshows and teleconferences were organised to address investors' concerns on the business operations and to communicate the Company's strategic directions.

- 1 Annual General Meetings provide opportunities for the Board to engage shareholders as well as provide updates on the Company's performance and strategic direction.
- 2 The Board has oversight of Management to ensure that shareholders' interests are safeguarded.



STRONG GOVERNANCE

Keppel Land believes that full commitment to high standards of corporate governance is essential to ensure the sustainability of the Company's businesses and performance as well as safeguard shareholders' interests and maximise long-term shareholder value.

These standards include having clear policies, sound internal controls as well as a system of continual improvement.

Effective corporate governance supports the Company's belief in transparency and helps it to be forward-looking with fresh ideas so as to be more decisive in the execution of strategies and initiatives.

The Company has complied with all the principles and guidelines of Singapore's Code of Corporate Governance, in accordance with the requirements of the Listing Manual of the Singapore Stock Exchange Securities Trading Limited (SGX-ST). The revised Code of Corporate Governance issued by the Monetary Authority of Singapore on 2 May 2012 (revised Code) will only apply to the Company for the financial years commencing 1 January 2013. However, the Company is already in compliance with most of the guidelines in the revised Code and is working to adopt the other changes, where appropriate.

Keppel Land has received many awards for achieving high standards in corporate governance and transparency. Information on these awards is on pages 14 to 17.

As part of its continuous effort to improve the Company's corporate governance practices, the following changes took place in 2012:

- The Board agreed to set up a Board Committee to have direct oversight over consideration of sustainability issues such as environmental, social and governance factors as part of its

strategic formulation and execution of the Company's objectives.

- As part of the Board renewal process, Mr Loh Chin Hua was appointed as a non-independent and non-executive Director with effect from 1 July 2012. Mr Khor Poh Hwa retired as an independent and non-executive Director with effect from 20 April 2012, and Mr Teo Soon Hoe stepped down as a non-independent and non-executive Director with effect from 1 July 2012. In addition, Mr Kevin Wong Kingcheung resigned as the Group Chief Executive Officer and an executive Director, with his last day of service on 31 December 2012. Mr Ang Wee Gee was appointed Chief Executive Officer (CEO) and an executive Director with effect from 1 January 2013.

A PRUDENT AND INDEPENDENT BOARD

The Board oversees the effectiveness of Management as well as the corporate governance of the Company, with the objective of maximising long-term shareholder value and protecting the Company's assets. Each individual Director is obligated to act in good faith and exercise independent judgment as fiduciaries in the best interests of shareholders at all times.

The key roles of the Board include the review and approval of the Group's corporate strategies and directions, annual budgets, major investments, divestments and funding proposals, and the review of the Group's financial performance, risk management processes and systems, human resource requirements and corporate governance practices. The Board is also responsible for setting the Company's core values and ethical standards.

To discharge its oversight function, the Board has reconstituted various Board Committees, namely Audit Committee, Nominating Committee, Remuneration Committee, Board Risk Committee and Board Safety Committee.

These Board Committees have clearly defined written terms of reference. Matters which are delegated to Board Committees for more detailed evaluation and approval are reported to and monitored by the Board.

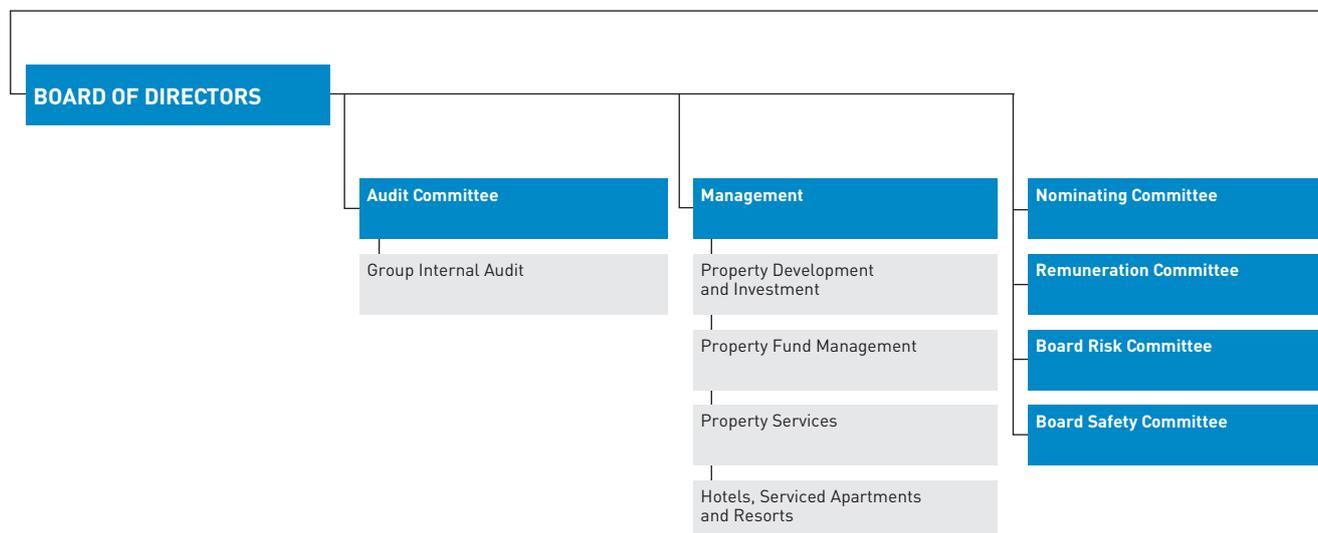
The Board has also established the Board Committee (Delegated Powers), empowering it to approve such things as shall be necessary to give effect to decisions made by the Board, and to give approvals for credit facilities (including letters of comfort and guarantees) for Group companies up to a limit of \$150 million.



CORPORATE
GOVERNANCE

CORPORATE GOVERNANCE STRUCTURE

SHAREHOLDERS



The nature of the Directors' appointments on the Board and the details of their memberships in the Board Committees as at 31 December 2012 are set out below.

Directors	Board Membership ¹	Board Committee Memberships				
		Audit	Nominating	Remuneration	Board Risk	Board Safety
Choo Chiau Beng	Non-executive Chairman Non-ID	-	Member	Member	-	Member
Kevin Wong Kingcheung ²	Group CEO Non-ID	-	-	-	-	Member
Khor Poh Hwa ³	ID	-	Member	Member	-	Member
Lim Ho Kee	ID	-	Chairman	Member	-	-
Tsui Kai Chong	ID	Chairman	-	Member	Member	-
Lee Ai Ming	ID	Member	-	-	Member	Member
Tan Yam Pin	ID	-	-	Chairman	-	Chairman
Heng Chiang Meng	ID	Member	-	-	-	Member
Edward Lee Kwong Foo	ID	-	-	-	Member	-
Koh-Lim Wen Gin	ID	-	Member	-	-	Member
Teo Soon Hoe ⁴	Non-ID	Member	-	-	-	-
Oon Kum Loon	Non-ID	Member	-	-	Chairperson	-
Loh Chin Hua ⁵	Non-ID	Member	-	-	-	-

¹ ID: Independent Director.

² Mr Kevin Wong Kingcheung resigned as the Group Chief Executive Officer and an executive Director and his last day of service was 31 December 2012.

³ Mr Khor Poh Hwa retired as an independent and non-executive Director with effect from 20 April 2012.

⁴ Mr Teo Soon Hoe stepped down as a non-independent and non-executive Director with effect from 1 July 2012.

⁵ Mr Loh Chin Hua was appointed as a non-independent and non-executive Director with effect from 1 July 2012.



In addition, the Brand Review Committee and the Human Capital Committee were set up to assist the Board on branding and human resource management respectively.

The Board meets regularly on a quarterly basis and as warranted.

Presently, there are 11 Directors, 10 of whom are non-executive Directors (NEDs). Seven of the 11 Directors are independent Directors (IDs).

The Board is of the view that its current size and composition are appropriate, and as a group, the Directors provide relevant core competencies in areas such as accounting or finance, legal, business or management experience, industry knowledge, strategic planning experience and customer-based experience or knowledge. The Board's decision-making process is not dominated by any individual or small group of individuals.

The NEDs actively participate in setting strategy and goals for the Company and regularly assess the performance of Management. They met four times in 2012 without the presence of executive Directors and Management.

AUDIT COMMITTEE

The Audit Committee (AC) consists of five NEDs, of whom three are IDs. Four members have accounting and related financial management expertise, while the fifth provides expertise in legal issues. One of the members also has expertise in risk management. At least two members, including the AC Chairman, have recent and relevant accounting or related financial management expertise or experience.

The AC's primary role is to assist the Board to ensure the integrity of financial reporting and that there are sound internal control systems in place.

To ensure a sound internal control system, the AC reviews audit plans and reports of the external and internal auditors as well as considers

the effectiveness of actions taken by Management on the auditors' observations and recommendations.

NOMINATING COMMITTEE

The Nominating Committee (NC) consists of three NEDs of whom two are IDs and one is a non-ID. The main roles of the NC are to make the process of Board appointments and re-nominations transparent, and to assess the effectiveness of the Board as a whole and the contribution of individual Directors to the effectiveness of the Board as well as to affirm annually the independence of Directors.

An ID is one who has no relation with the Company, its related companies, its 10% shareholders or its officers that can interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement to the best interests of the Company. In addition, an ID should have no relationship with any substantial shareholder of the Company.

The NC also determines annually whether or not a Director with other listed company board representations and/or other principal commitments has been adequately carrying out his or her duties as a Director of the Company.

In addition, the NC reviews the succession and leadership development plans for senior management.

REMUNERATION COMMITTEE

The Remuneration Committee (RC) consists of four NEDs of whom three are IDs and one is a non-ID. It is responsible for approving the framework of remuneration for the entire Group and reviewing the appropriateness, transparency and accountability to shareholders on the remuneration issues of the Directors and key management personnel in the Company.

The aim of the RC is to motivate and retain Directors and key management personnel, and ensure that the Company is able

to attract and retain the best talent in the market to drive the Group's businesses forward in order to maximise long-term shareholder value.

BOARD RISK COMMITTEE

The Board Risk Committee (BRC) comprises four NEDs of whom three are IDs and one is a non-ID. It examines the effectiveness of the Company's risk management system to ensure that a robust risk management system is maintained.

The BRC reviews and guides Management in the formulation of risk policies and processes to identify, evaluate and manage significant risks.

The BRC also discusses risk management strategies with Management and the Board. It provides timely input to the Board on critical risk issues.

BOARD SAFETY COMMITTEE

The Company's Board Safety Committee (BSC) is made up of four IDs and two non-IDs. The BSC guides Management to enhance workplace safety and to foster a safety culture in the Company.

The role of the BSC includes monitoring the Company's compliance and effectiveness of the approved health and safety (H&S) policies, ensuring that they are aligned with practices in the industry, reviewing reports concerning H&S incidents within the Company, and considering any H&S issues that may have strategic, business and reputational implications for the Group.

CLEAR DIVISION OF RESPONSIBILITIES AND BALANCE OF POWER AND AUTHORITY

To ensure an appropriate balance of power, increased accountability and a greater capacity of the Board for independent decision-making, the Company has clear division of responsibilities at the top of the Company, with the non-executive Chairman and the CEO having separate roles.

CORPORATE GOVERNANCE

The Chairman leads the Board and is responsible for the management of the Board, encourages Board's interaction with Management, facilitates effective contribution of NEDs, encourages constructive relations among the Directors, and promotes high standards of corporate governance. The Chairman also ensures that the Directors receive complete, adequate, timely and clear information, and that there is effective communication with shareholders.

The CEO has full executive responsibilities over the business directions set by the Board and operational decisions of the Group.

The CEO is accountable to the Board for the conduct and performance of the Group.

The Chairman and the CEO are not related to each other.

TRANSPARENT PROCESS FOR THE APPOINTMENT OF DIRECTORS AND ASSESSMENT OF THE EFFECTIVENESS OF THE BOARD

For appointments and re-appointments, the NC will evaluate the mix of expertise, knowledge and experience on the Board and, in consultation with Management, determine the role and the desirable competencies for a particular appointment.

Recommendations from Directors and Management are the usual source for potential candidates. However, external search consultants are also considered.

The NC will conduct formal interviews with the shortlisted candidates to assess their suitability and to verify that the candidates are aware of the expectations and the level of commitment required. Finally, the NC will make recommendations on the appointment(s) to the Board for approval.

All appointees should possess a high level of integrity, an independent mindset, expert knowledge that meets the needs of the Company and complements the competencies of

the existing Directors on the Board, be able to commit time and effort to carry out duties and responsibilities effectively, have proven track records and experiences in other high-performing organisations, good business acumen and financial literacy.

The Board recognises that proper succession planning plays an important role in ensuring continuous and effective stewardship of the Company. As such, the NC reviews the Company's succession plans annually to ensure the progressive renewal of the Board, including the Chairman and the CEO.

The NC also reviews the succession and leadership development plans for senior management with the assistance of the Talent Review Committee, which is chaired by the CEO and comprises divisional heads as members. A formal process is in place to identify high potential staff and, under a structured framework, to actively plan their careers and development to assume leadership positions.

To evaluate the effectiveness of the Board as a whole and the contribution by each Director to the effectiveness of the Board, the NC sets objective performance criteria for evaluation which allow comparison with industry peers and the Company's share price performance over a five-year period vis-à-vis the Singapore Straits Times Index and a benchmark index of its industry peers.

The evaluation process is managed by an independent co-ordinator. He does not have any connection with the Company or any of its Directors, who will consolidate the evaluation returns and present a report to the members of the NC and the Chairman of the Board as well as provide the Board with feedback on how to improve Board performance.

CLEAR DISCLOSURE ON REMUNERATION POLICY

The RC will recommend to the Board the specific remuneration

packages for the Directors upon their recruitment and review Directors' fees annually.

Directors' fees are established annually for the Chairman and the other Directors. Additional fees are paid, where applicable, for participation in Board Committees. The level of fees takes into account the size and complexity of the Company's operations, and the responsibilities and workload requirements of the Directors.

The fees are submitted to shareholders for approval at each Annual General Meeting (AGM). The CEO, being an executive Director, does not receive Director's fees.

For the CEO and other key management personnel, the Company adopts a remuneration system that is aimed at attracting, retaining and motivating talent on a sustainable basis. The system, which takes into account market competitiveness considerations, is designed to incentivise performance of the Company, its business units and individual employees.

The total remuneration mix for the CEO and key management personnel comprises three key components, namely annual fixed cash, annual performance incentive and long-term incentive.

The annual fixed cash component comprises the annual basic salary plus fixed allowances which the Company benchmarks with relevant industry market data.

The annual performance incentive is tied to the performance of the Company, business unit and individual employee, including a portion which is tied to Economic Value Added (EVA) performance. This performance is measured against key performance indicators (KPIs) and scorecards determined at the beginning of each financial year. Other than the usual financial targets, the KPIs also include measurable safety targets.



The Annual General Meeting provides shareholders insights into the Company's strategic directions, financial performance and key developments.

The long-term incentives are presently in the form of the EVA incentive plan and Keppel Land Limited share plans, which are awarded based on individual management staff's performance and contribution. The long-term incentive plans aim to attract, retain and motivate employees to achieve superior performance and to maximise long-term shareholder value.

MANAGEMENT'S ACCOUNTABILITY TO BOARD AND BOARD'S ACCOUNTABILITY TO SHAREHOLDERS

Management provides all members of the Board with management accounts which present a balanced and understandable assessment of the Company's performance, position and prospects on a monthly basis. Such reports enable the Directors to keep abreast of the Group's operational and

financial performance and position. Any material variances between the projections and actual results are disclosed and explained.

The Board provides shareholders with quarterly and annual financial results within 30 days from the end of each quarter and financial year-end. The timely release of such financial statements is important as it enables shareholders to receive information on the performance, position and prospects of the Company regularly and promptly.

SOUND SYSTEM OF INTERNAL CONTROLS

The AC reviews the reports submitted by the external and internal auditors relating to the effectiveness of the Company's material internal controls, including financial, operational and

compliance controls, as well as management of risks of fraud and other irregularities.

The AC also reviews the effectiveness of the actions taken by Management on the recommendations made by the internal and external auditors in this respect.

The Company has put in place a shareholder value-based internal control system in the areas of financial, operational and compliance controls, as well as risk management.

The principal aim of the internal control system is the management of business risks with a view to safeguard shareholders' investments and the Company's assets. The system includes, inter alia, enterprise risk management and internal auditing.

CORPORATE GOVERNANCE

Internal controls are detailed in formal instructions, standard operating procedures and financial authority limits policies. Their compliances are reviewed by the relevant Board Committees as well as the Company's internal auditors and ISO Internal Quality Management System auditors.

In 2012, there were no reported instances of non-compliance with laws and regulations relating to anti-corruption, anti-competitive behaviour, anti-trust and monopoly practices.

EMPLOYEE CODE OF CONDUCT

To build a culture of integrity as well as to reinforce ethical business practices, the Company has in place an Employee Code of Conduct.

This policy addresses, at the employee level, the standards of acceptable and unacceptable behaviour and personal decorum as well as issues of workplace harassment.

On the business front, the policy addresses the standards of business behaviour pertaining to the offering and receiving of business courtesies as well as issues on conflict of interests.

The policy also requires all staff to avoid any conflict between their own interests and the interests of the Company in dealing with its suppliers, customers and other third parties.

In 2011, the policy was revised to set out additional rules on business conduct. The revised rules require business to be conducted with integrity, fairly, impartially, in an ethical and proper manner, and in compliance with all applicable laws and regulations. Relevant anti-corruption rules are also spelled out to protect the business, resources and reputation of the Company.

The general rule is that employees must not offer or authorise the giving, directly or through third



parties, of any bribe, kickback, illicit payment, or any benefit-in-kind or any other advantage to any person or entity, as an inducement or reward for an improper performance or non-performance of a function or activity. Similarly, employees must not solicit or accept illicit payment, directly or indirectly, from any person or entity that is intended to induce or reward an improper performance or non-performance of a function or activity.

Briefings for all staff were held when the policy was introduced. New employees are briefed on the policy when they join the Company's orientation programme. To maintain awareness, all employees are required to acknowledge the policy annually. Any revisions are highlighted to them when they perform the acknowledgements annually.

WHISTLE-BLOWER PROTECTION POLICY

The Company implemented the Whistle-Blower Protection Policy in 2004, before guidelines were introduced by the SGX-ST in 2007. The policy provides

the mechanisms whereby whistle-blowers, which include employees, contractors, vendors, purchasers or the general public, may report suspected reportable conduct.

The policy encourages the reporting in good faith of suspected reportable conduct by establishing clearly defined processes through which such reports may be made with the confidence that employees and other persons making such reports to the employees' supervisors, AC Chairman or Head of Group Internal Audit will be treated fairly and, to the extent possible, protected from reprisal.

The AC Chairman is kept informed of all cases reported. Anonymous reports are also accepted if there are strong merits to look further into the cases.

Upon receipt of allegations of fraud or other misconduct reported under the Whistle-Blower Protection Policy, the AC will ensure that the necessary investigations are carried out in a timely manner. AC will also ensure that any



directions, financial performance and key developments, through platforms such as the AGM, combined briefings to media and analysts, as well as investor meetings and roadshows.

In 2012, Management and the IR team held about 150 meetings, roadshows and teleconferences in Singapore, Hong Kong, Japan, the United Kingdom and the United States, addressing concerns on operations and the outlook of the cities and segments where the Group operates.

The IR team facilitated a total of 28 visits to the Company's residential, commercial and township projects in Singapore and overseas.

In Singapore, investors visited the iconic Reflections at Keppel Bay, the suburban development The Luxurie and the award-winning Marina Bay Financial Centre.

For a better understanding of the China market and the impact of its cooling measures, investors met with the local management teams and visited the Group's residential projects in Shanghai, Chengdu, Wuxi, Kunming and Tianjin as well as its commercial project in Beijing. Fund managers also toured Keppel Land's developments in Ho Chi Minh City, Vietnam, for a first-hand experience of the property market. Feedback from such visits have been positive.

disciplinary, civil and/or criminal action that is initiated following completion of investigation is appropriate, balanced and fair.

The AC will also monitor the actions taken to correct the weaknesses in the existing system of internal processes and policies which resulted in or may cause the perpetration of the fraud and/or misconduct to prevent any recurrence.

All employees are briefed and required to acknowledge the Whistle-Blower Protection Policy annually.

INTERNAL AUDIT

The Company has its own in-house Internal Audit Department that is independent of the activities it audits.

Group Internal Audit reports directly to the Chairman of the AC and administratively to the CEO. Group Internal Audit's authority is specified in the Internal Audit Charter which is endorsed by the AC.

The key role of the Group Internal Audit is to assist the AC to provide reasonable assurance that the

Company is maintaining an adequate system of internal controls through periodic reviews of material controls and procedures to test their effectiveness.

Significant findings of internal audits such as audit reports on information technology, finance and human resources are made available for learning purposes on the Intranet. Group Internal Audit may undertake investigations as directed by the AC.

The AC ensures that the internal audit function has adequate resources and appropriate standing within the Company. On an ongoing basis, it assesses the effectiveness of the internal auditors, such as its scope of work and quality of audit reports.

INVESTOR RELATIONS PROACTIVE ENGAGEMENT WITH SHAREHOLDERS

Keppel Land places strong emphasis on strengthening relationships with its shareholders and the investing community. A dedicated Investor Relations (IR) team supports senior management in providing a balanced insight into the Group's strategic

1 Senior management engages media and analysts during the Company's results briefings.

2 Visits to Keppel Land's properties in Singapore and overseas provide analysts and investors a better understanding of the Company's operations.

CORPORATE GOVERNANCE

Following the announcement of a change of CEO at Keppel Land, Management assured that it will continue to build on the foundations of its two-pronged strategy of property development for sale and property fund management. Singapore and China will remain as Keppel Land's core markets while Indonesia and Vietnam its growth markets.

Shareholders and the investment community were also assured a smooth transition when Mr Ang Wee Gee took over as the new CEO. He has been with the Company for over 22 years and has in-depth understanding of the Company's operations.

TIMELY AND FAIR DISCLOSURE OF INFORMATION

Pertinent information is communicated to shareholders on a timely and non-selective basis. Should an inadvertent disclosure be made to a selected group, the Company will make the same disclosure publicly to all others as soon as practicable. Keppel Land disseminates all announcements, media releases and presentation slides simultaneously through the SGX-ST via SGXNET and its corporate website, www.keppelland.com.sg.

The corporate website keeps the investment community updated, providing inter alia, key corporate and financial information, media releases and stock information. Queries received via the website are also duly addressed.

In 2012, the website was revamped to make it more investor-friendly, with better placement in search rankings.

EFFECTIVE SHAREHOLDER COMMUNICATION

The AGM and/or the Extraordinary General Meeting (EGM) are principal forums for dialogue with shareholders. Shareholders are informed of these meetings three weeks in advance through notices published in the newspapers and annual reports or circulars sent to them. Shareholders are encouraged to participate in such meetings by raising relevant questions

or seeking clarification on the motions to be debated and decided upon. If any shareholder is unable to attend, he/she is allowed to appoint up to two proxies to vote on his/her behalf at the meetings through proxy forms sent in advance.

The Chairman and, where appropriate, the CEO and other Directors, will respond to shareholders' questions. The chairmen of the various Board Committees and the external auditors are required to be present at the meetings to address relevant queries from shareholders.

Each item of special business included in the notice of the meeting is accompanied by an explanation for the proposed resolution. Additional resolutions are proposed for separate issues at the meeting, and the Chairman declares the number of proxy votes received for and against the resolutions.

The Company also prepares detailed minutes of all general meetings, which include queries and comments from shareholders and responses from the Board and Management. These minutes are available to shareholders upon request.

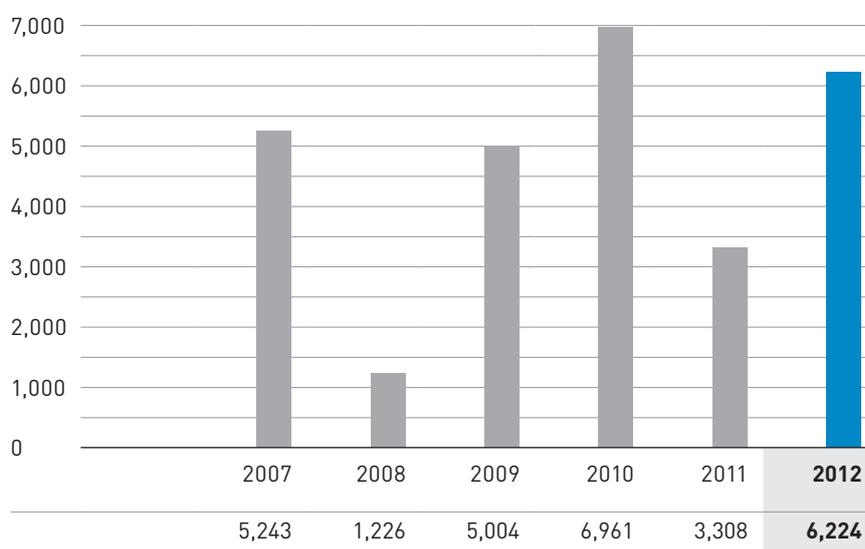
From 2012, the Company has adopted the practice of voting by poll at all its AGMs and EGMs. The Company does not implement absentia voting methods such as voting via mail, e-mail or fax due to concerns over the security and integrity of the information as well as other pertinent issues involved.

WELL-DIVERSIFIED SHAREHOLDER BASE

Keppel Land continued to garner strong support from institutional investors. Its institutional shareholder base has grown to about 26% of total shareholding as at end-2012, an increase from about 24% as at end-2011. Keppel Land is also well-covered by more than 20 research houses in Singapore.

The Company's shareholder base is well-diversified across North America, Europe, Singapore, Hong Kong and other key Asian cities. Keppel Land is extending its geographical reach to investors in Japan, Australia and Malaysia as well as to socially responsible funds. A diverse shareholder base will help mitigate concentration risk, particularly in times of economic uncertainties.

Market Capitalisation of Keppel Land as at end of year (\$ million)





Keppel Land continues to be recognised for its commitment towards upholding good corporate governance. It was runner-up for the Most Transparent Company in the real estate category at the 13th Securities Investors Association Singapore's Investors' Choice Awards 2012.

Keppel Land has been selected as one of the 37 securities to be quoted on the International Board of London Stock Exchange (LSE), as part of Singapore Exchange's collaboration with LSE to enable cross-trading. This will improve trading liquidity and provide the Company with access to new investors.

Keppel Land continued to maximise returns for its shareholders. The Company's share price performed well in 2012, with total shareholder returns of about 89%, higher than the average returns of about 59% among its peers.

It was one of the best performing stocks in the FTSE Real Estate Index, with its share price increasing by 82% in 2012, outperforming the index's 48% growth. Market capitalisation almost doubled from \$3.3 billion as at end-2011 to \$6.2 billion as at end-2012.

GOOD SUSTAINABILITY RATINGS

Keppel Land's inclusion in global benchmarks for sustainability leadership has helped place the Company in the investment sphere of socially responsible funds.

The Company was selected as a component of the Dow Jones Sustainability (DJSI) World Index in 2012 for the second year running, maintaining its standing in the top 10% of the largest 2,500 companies in the Dow Jones Global Indexes in terms of sustainability.

The Company was also included in the DJSI Asia Pacific Index for the third consecutive year. Keppel Land is featured in The Sustainability Yearbook in 2013 for the third year running, placing it among the top 15% of the world's largest companies in terms of sustainability leadership.

Keppel Land was also named the Regional Sector Leader for the Office Sector in the Global Real

Estate Sustainability Benchmark Report 2012.

The Company was lauded for its outstanding investor relations efforts. It clinched the Grand Prix for Best Overall Investor Relations at the Southeast Asia IR Magazine Awards 2012. This is the second consecutive year that Keppel Land has topped the mid- or small-cap category for its communication efforts with the investment community.

For excellence in disclosure and corporate governance, the Company was presented the Gold Award for the Best Annual Report and the Silver Award for the Best Managed Board in the large-cap category at the Singapore Corporate Awards 2012.

It also emerged runner-up for the Most Transparent Company in the real estate category at the 13th Securities Investors Association Singapore's Investors' Choice Awards 2012, the 12th year running that it has won the award.

RISK MANAGEMENT

A robust enterprise risk management system ensures that Keppel Land is nimble and ready to meet challenges.



ERM

A robust enterprise risk management framework enhances the Company's operational resilience by identifying, evaluating, controlling and mitigating, as well as monitoring risks.

12

Twelve key risks and the appropriate mitigating measures have been identified at the annual enterprise risk review.

Business continuity exercises such as simulated drills for pandemic flu and social unrest are organised regularly at Jakarta Garden City in Indonesia to ensure effectiveness of the plans and provide a safe and secure environment for residents.



Risk management is an integral part of Keppel Land's strategic planning and daily operations. Recognising that risks are inherent in business activities, the Group has established a robust enterprise risk management (ERM) framework to enhance operational resilience. This encompasses the identification, evaluation, control and mitigation, as well as monitoring of risks.

The Risk Management department focuses on incorporating the ERM framework and processes into the Company's business operations in Singapore and overseas. It works closely with country teams to monitor the country exposure, liquidity position, project and market-related risks as well as enhance the Group's risk management culture and strategy.

HOLISTIC RISK MANAGEMENT FRAMEWORK

Keppel Land's Board of Directors, assisted by the Board Risk Committee (BRC), oversees risk management in the Group. The BRC comprises four Directors, namely Mrs Oon Kum Loon (Chairperson), Dr Tsui Kai Chong, Mrs Lee Ai Ming and Mr Edward Lee. It examines the effectiveness of the Company's risk management framework and ensures that a robust system is maintained. It meets at least once every quarter to review and guide Management in the formulation of risk policies, processes and strategies.

In 2012, the BRC held a total of six meetings. It also visited various projects in Singapore, China, Indonesia, Vietnam and Malaysia to gain first-hand experience of the local operating environments and understand the risks that may impact the Company.

At the operational level, the ERM Committee, which comprises the heads of business units and functional departments in the Company, continues to play an active role in the implementation of risk management initiatives across all business functions. ERM plans are regularly

reviewed to ensure that appropriate mitigating measures are put in place.

MANAGING ENTERPRISE RISKS

To enhance the Company's risk culture, a workshop was held in April 2012 for its Singapore and overseas employees to share and exchange experiences.

This was followed by the annual enterprise risk review in October to evaluate and ascertain the main risk categories pertinent in the current business environment. A total of 12 key risks were identified, together with the appropriate mitigating measures. These are detailed on pages 38 and 39.

The impact of these risks on the operational, financial and reputational aspects are assessed and managed across business units. Each business unit has an enterprise risk plan, where strategic, investment and project risks pertaining to it are identified, assessed and prioritised according to the likelihood of occurrence and their impact on the business unit. Action plans are then developed to mitigate the critical risks.

Key risk indicators, which act as early warning indicators, are closely monitored and reported by the risk owners as part of regular management reporting. The plans are also continually reviewed to ensure the relevance of risk factors and that the mitigating actions are adequate, timely and effective. These ensure operational readiness and prompt response should a crisis occur.

PROACTIVE RISK MANAGEMENT

The Company has put in place various policies to provide guidance on effective management of its key risks.

The Concentration Risk Management Policy guides Management on the investment parameters and limitations for the Company's geographically diversified portfolio, thereby minimising country-, sector- or project-specific risks. These guidelines are constantly reviewed, taking into account market trends and

operational demands. This ensures that the measures used to determine exposure limits are current and relevant, and that the treatment of exposures are in line with the needs of its businesses. Approval from the Board is needed if an investment opportunity exceeds the stipulated limit or falls in non-core sectors.

Financial authority limits relating to the appropriate level of expenditure that department heads can approve are also set in place. They cover areas such as procurement, award of contracts, tender procedures and approvals. Set in consultations between the finance team and business units, these limits help to balance efficiency and the need for checks and balances as the organisation grows. In addition, a Credit Management Policy guides Management in managing operational risks.

To ensure that Keppel Land enters into contracts with credit-worthy tenants and customers, the Customer Credit Risk Policy governs the provision of credit terms based on credit rating and checks done on customers.

Keppel Land has a key internal Control Self-Assessment (CSA) checklist for its main activities. CSA is a process aimed at examining the effectiveness of internal controls to prevent or mitigate risks adverse to the organisation, so as to provide reasonable assurance that all business goals and objectives will be accomplished. It assists Management in reviewing the adequacy of key controls needed to mitigate risks and avoid major control lapses. It also provides Management with opportunities to regularly assess any changes in risks, to determine if the controls in place are adequate.

Keppel Land has adopted the Whistle-Blower Protection Policy since 2004 to safeguard the Company's and its shareholders' interests against possible corporate improprieties.

RISK MANAGEMENT

This policy institutionalises a mechanism through which employees and any persons who have dealings with the Company have an avenue to report, with confidence, possible improprieties which may cause financial or non-financial loss, including reputational damage, to the Company. The policy ensures that the person making such reports will be fairly treated and, to the extent possible, protected from reprisal. The Company's Audit Committee Chairman will investigate, as appropriate, all issues raised under the policy.

To ensure good corporate governance throughout Keppel Land, all employees are required to read and acknowledge, via the Company's intranet, a series of anti-fraud related policies annually. These include the Whistle-Blower Protection Policy, the Employee Code of Conduct, as well as policies on safeguarding information, insider trading, safety discipline code, and end-user computing. Staff also need to complete a Conflict of Interest Declaration Form.

BUSINESS CONTINUITY

To maintain corporate resilience and operational preparedness, Keppel Land continually reviews its Business Continuity Management (BCM) framework.

A BCM team, comprising representatives from various business units, including the overseas offices, develops and oversees the implementation of the Business Continuity Plans (BCPs) and processes. It reports to the Emergency Management Team, made up of senior management.

All business units in Singapore and overseas have established specific BCPs, which are regularly reviewed and tested to ensure effective response to unforeseen events while minimising operational disruption. This safeguards the interests of its key stakeholders, protects critical assets and allows prompt recovery of business functions.



During the year, the Group rolled out its Crisis Management Plan and held briefing sessions to update its overseas business units on the details.

As part of the Company's BCM initiatives, Keppel Land has been part of the Corporate First Responder (CFR) Scheme under the Singapore Police Force since 2010. The CFR Scheme allows identified personnel from an organisation, access into a restricted cordoned area to aid rescue and recovery efforts as well as execute business continuity recovery plans. A total of 10 staff from the Company's corporate headquarters at Bugis Junction Towers have been identified as CFRs.

CRISIS MANAGEMENT EXERCISES

Proactive efforts are taken to carry out drills and exercises in 2012 for both its local and overseas business units to ensure the relevance of the Group's BCPs. Business units tested their BCPs, based on scenarios such as flood, earthquake, pandemic flu, fire, civil unrest, terrorism and power failures that are specific and relevant to their operating

environment. Upon completion of the tests, action plans are formulated to close any gaps identified during the tests.

In November 2012, the Group held a mock emergency exercise at its headquarters in Singapore based on a denial of access scenario. The objectives were to test the effectiveness of Keppel Land's crisis management procedures as well as identify areas for improvement. Staff worked from home and an emergency operations centre was activated.

The Information Technology department also stress-tested its recovery systems to assess its responsiveness in disaster recovery and management in an annual drill. The BCM programme was strengthened through the participation of users from various business units, including those with critical IT functions such as finance, human resources, marketing and fund management.

Overseas, an earthquake drill was conducted at Keppel Land's office in Surabaya, Indonesia. The team's ability to operate its critical business



- 1 Regular drills and exercises ensure that employees are operationally ready in the event of an emergency.
- 2 Management underwent crisis communications workshops in 2012 as part of Keppel Land's efforts to ensure crisis readiness.

functions at its alternate site was tested.

Similarly, Jakarta Garden City in Indonesia tested the effectiveness of its BCP with a simulated pandemic flu drill held in September 2012. The exercise involved all employees, contract workers and visitors, following which processes were reviewed and enhancements made to the plans. Another drill on social unrest was held in December.

Recognising that a robust BCM programme should be complemented with an equally effective crisis communications plan, Keppel Land organised a total of six crisis communications workshops in 2012 for its key management executives in Singapore and overseas.

These helped Management understand their role as spokespersons, and honed their ability to handle media queries. The training also gave them hands-on experience in preparing media statements and delivering key messages in simulated interviews and media conferences.

STRENGTHENING RISK-CENTRIC CULTURE

A Group-wide risk culture survey, aimed at obtaining employees' feedback on the current risk management initiatives adopted in the organisation, was conducted in August 2012.

This provided Management with a better understanding of the expectations, concerns and challenges faced by staff in their work areas. It identified areas of improvement in risk management practices and guided the Company in planning programmes to inculcate risk awareness among staff.

Continuous education and communication through various forums and platforms are integral in inculcating risk awareness among staff. ERM sessions are conducted as part of orientation programmes for new staff. A risk management workshop was conducted during the Annual Staff Conference to update local and overseas employees on the Company's ERM framework and risk policies.

To encourage the ownership of risks and raise accountability at work,

risk management has been embedded in the performance appraisal for senior management.

FUTURE INITIATIVES

The Company is committed to continually review and enhance its risk management capabilities to ensure corporate stability as well as operational agility and resilience.

Emphasis will be placed on all business units to continually review, refine and test their recovery plans and share best practices and lessons learned.

Scenario planning, involving constant scanning of changing external conditions that may impact operations and challenge key underlying parameters, will be incorporated to further augment the Company's risk management system and strengthen its strategic response and decision-making processes.

In addition, continual efforts will be made to reinforce the risk-centric culture and mindset amongst its employees.

RISK MANAGEMENT

Key Enterprise Risks

The key risks identified and appropriate mitigating actions undertaken by Keppel Land are as follows:

- 1. BUSINESS STRATEGY RISKS**
 - The strategic direction of the Company and the associated business strategies are reviewed by the Board of Directors and senior management.
 - Scenario planning is conducted to ensure the Company's business model remains robust.
- 2. CONCENTRATION EXPOSURE RISKS**
 - The Company reviews its Concentration Risk Policy at least once a year to ensure that the country and project exposure limits remain current and relevant, and are in line with business needs.
 - The Company monitors its exposure in each country on a regular basis and ensures that all project investments comply with the Concentration Risk Management Policy.
- 3. INVESTMENT/ DIVESTMENT RISKS**
 - To improve the quality of information in feasibility studies and help business development teams perform comprehensive investment analysis, a risk assessment template is used during the feasibility stage to identify and analyse all potential risks that may affect the investment or project.
- 4. EXPOSURE TO FINANCIAL MARKET RISKS**
 - The Company utilises various financial instruments, where appropriate, to hedge against foreign exchange and interest rate risks.
 - The Company ensures that adequate funding resources are available for investments and cash flows are actively managed.
- 5. MIS-STATEMENT OF FINANCIAL STATEMENTS**
 - The Company ensures that the consolidated financial statements and balance sheets have been prepared in accordance with the Singapore Financial Reporting Standards.
 - Internal and external audits are conducted to ensure the accuracy of financial statements.
- 6. PROJECT MANAGEMENT RISKS**
 - A Project Management department has been formed to put in place a robust project management process and to ensure that all projects in various units/countries comply with project management standards and processes.
 - The Company continues to leverage technology to strengthen the Company's project management capabilities through various strategic initiatives such as knowledge management.
- 7. HUMAN RESOURCES RISKS**
 - Staff retention programmes are continually reviewed to ensure that employees are motivated to stay, contribute and grow with the Company.
 - Rigorous succession planning and talent development programmes ensure that staff with high potential are groomed for key positions and as future leaders.
- 8. INFORMATION TECHNOLOGY (IT) RISKS**
 - To ensure the robustness of the IT system, the Company's IT department has put in place a Disaster Recovery Plan, which is reviewed and tested on a regular basis. Recovery plans and drills as well as audits are carried out annually. There are also policies governing end-user computing and the safeguarding of information.
 - Audits on the Company's IT system are conducted regularly.
- 9. BUSINESS CONTINUITY RISKS**
 - Business continuity plans are refined and tested to ensure that business units can respond effectively to disruptive events.
 - Business continuity plans are expanded to address scenarios applicable to the Company's business operations. Alternative business procedures are identified for critical business processes.



The Board Safety Committee leads the Company in ensuring that safety is instilled at all levels across Keppel Land's operations.

10. FRAUD/CORRUPTION RISKS

- Several policies such as the Employee Code of Conduct, Group accounting policies, Whistle-Blower Protection Policy, and the financial authority limits are put in place to mitigate the risk of fraud by internal/external parties.
- Internal and external audits are conducted on a regular basis to prevent, detect and mitigate the risk of corporate fraud.

11. QUALITY OF DELIVERABLES

- The Keppel Quality Standards and Site Quality Manual are examples of project management policies that have been put in place to ensure the quality of the Company's products remain consistently high.

- Customers' satisfaction of product deliveries is also ensured via relevant project management policies such as the Handing Over Procedure Manual and Inspection and Defect Procedure.

12. HEALTH AND SAFETY RISKS

- The Workplace Safety and Health (WSH) unit ensures that the Company adheres to the highest health and safety standards.
- In addition to spearheading health and safety initiatives and implementing safety policies, the WSH unit also ensures that a safety culture is inculcated in all employees.

ENVIRONMENT

The Group takes a proactive approach towards environmental management and protection for a sustainable future.



16%

The Group has set the target of reducing its carbon emissions intensity by 16% below 2010's emission levels by 2020.

83 million kWh p.a.

Total reduction in energy consumption from Keppel Land's Green Mark-certified projects will be over 83 million kWh per annum.

In 2012, Keppel Land attained a total of nine BCA Green Mark Awards for its new developments, including Seasons Park in the Sino-Singapore Tianjin Eco-City, China.



Keppel Land is committed to create sustainable and optimal live-work-play environments in all its properties, to be cherished in communities across Asia for their quality, innovative features and enduring value.

The Company adopts a proactive approach towards environmental management. Both new and existing developments meet and adhere to requirements of internationally-recognised environmental building certifications.

Recognising the impact buildings have on the environment, the Company mitigates excessive noise, dust, greenhouse gas emissions and disturbances to biodiversity that occur during the construction stage, as well as implements and adopts green initiatives and technology to reduce energy and water consumption during the design and maintenance phases of the development.

ENVIRONMENTAL VISION, POLICY AND ECO-PRINCIPLES

Keppel Land’s approach towards environmental management is guided by its vision, policy and eco-principles.

Endorsed by top management, these are communicated to all staff through different channels such as the Company’s intranet.

ENVIRONMENTAL SUSTAINABILITY STRATEGY

Keppel Land has in place an environmental sustainability strategy, which focuses on five main areas, namely the formulation of corporate policies and programmes, the development of new projects, the management of completed buildings, the implementation of management systems, and the organisation of outreach initiatives.

ENVIRONMENTAL VISION

To be a premier developer committed to designing, building and operating properties that harmonise with the environment and enhance the quality of life of the communities in which we operate.

ENVIRONMENTAL POLICY

Keppel Land is committed to establish and maintain high standards of environmental protection and will continually innovate to improve our environmental performance.

We strive to introduce environmentally-friendly designs and processes in the development and management of properties so that they would have minimal adverse impact on the environment and prevent pollution.

We shall subscribe to best practices as well as comply with applicable legislations and other relevant requirements.

We shall devote resources towards setting, reviewing and achieving our environmental objectives and targets, and communicate our commitment to our stakeholders.

KEY ECO-PRINCIPLES

ECOLLABORATION	Work with stakeholders, policy-makers and decision-makers to build a greener future.
ECONOMY	Balance commercial viability and environmental sustainability.
ECOMMITMENT	Promote environmental awareness and support green initiatives.
ECOMMUNITY	Create sustainable developments for future generations.

The Corporate Social Responsibility (CSR) Committee oversees the Group’s CSR efforts which include environmental management and protection.

Comprising representatives from the different business units, the Committee formulates the Group’s eco-policy, principles, targets and framework for action; implements green initiatives; as well as sets performance benchmarks for continual improvement.

The Committee also oversees the implementation of the ISO 14001 Environmental Management System (EMS) as well as the Eco-Office and *Go Green with Keppel Land* outreach programmes within the Group.

ENVIRONMENT

Environmental Objectives

	Objectives	Targets
	<p>Develop environmentally-friendly properties that minimise pollution and other adverse impact to the environment.</p>	<p>Achieve at least the Green Mark Gold^{Plus} Award by the Building and Construction Authority (BCA) of Singapore for the Group's new developments in Singapore, and the BCA Green Mark Gold Award or its equivalent for new projects overseas.</p>
	<p>Adopt an integrated design approach in the design, construction and development of sustainable properties.</p>	<p>Reduce carbon footprint and implement sustainable practices when developing new projects and managing existing properties.</p>
	<p>Meet national or international standards on environmental protection.</p>	<p>Expand the ISO 14001 Environmental Management System (EMS) certification to the Group's overseas business operations.</p>
	<p>Inculcate awareness of sustainability among stakeholders through the Go Green with Keppel Land outreach programme.</p>	<p>Engage and raise eco-consciousness among staff, tenants and the wider public through regular activities and events.</p>
	<p>Underscore importance of waste minimisation, resource conservation and environmental ownership amongst stakeholders.</p>	<p>Promote green practices among tenants and promote the Eco-Office programme in Keppel Land's offices.</p>
	<p>Develop green capabilities with the knowledge and skills to enhance building performances.</p>	<p>Build a core team of in-house green building specialists through courses on sustainability and green building technology.</p>
	<p>Preserve biodiversity in local environments.</p>	<p>Preserve biodiversity and maintain high standards of environmental protection in native environments to ensure a balanced and intact eco-system.</p>



PERFORMANCE IN 2012	Plans ahead
<ul style="list-style-type: none"> Achieved another nine BCA Green Mark Awards in 2012 for properties in Singapore, China, Indonesia, Vietnam and India. Attained two BCA Green Mark Awards for residential projects, Corals at Keppel Bay and The Luxurie, in Singapore in 2013. Total of 37 BCA Green Mark Awards in Singapore and overseas to-date, including two Platinum Awards for Ocean Financial Centre in Singapore and International Financial Centre Jakarta Tower 2, which is the first in Indonesia to achieve the award. 	<ul style="list-style-type: none"> To achieve at least the BCA Green Mark Gold^{Plus} Award for completed commercial buildings in Singapore by 2015. To achieve minimum of BCA Green Mark Gold^{Plus} Award for new projects in Singapore. To attain at least the BCA Green Mark Gold Award or its equivalent for new developments overseas.
<ul style="list-style-type: none"> Developed Carbon Management Plan to monitor and reduce carbon emissions. Introduced Environmental Design Guidelines on environmental management and performance for the construction and development of new projects. Developed Environmental Operation Plans to improve the management of energy, water and waste in completed commercial buildings in Singapore and hospitality properties overseas. 	<ul style="list-style-type: none"> To reduce carbon emissions intensity by 16% below 2010's levels, by 2020. To have at least 40% of construction materials sourced within 1,000 km, at least 30% of building materials to have low emissions or recycled content, natural light for at least 70% of gross floor area, and greenery for at least 20-40% of the project's site area.
<ul style="list-style-type: none"> Extended the independent ISO 14001 certification scope to Chengdu, Nantong and Beijing, completing the certification for all 10 cities in China that the Group operates in. Started the implementation of the ISO 14001 EMS for property development operations in Indonesia. 	<ul style="list-style-type: none"> Complete the implementation of the ISO 14001 EMS for property development operations in Indonesia.
<ul style="list-style-type: none"> Adopted the Jurong Lake and sponsored the Learning Trail under PUB's Waters Adopters Programme, to educate youths and other stakeholders on the need to preserve water resources. Engaged tenants through the Green Fit-Out and Green Office Operation Guides. Engaged stakeholders through various outreach activities. Participated in green policies feedback sessions such as the Global Reporting Initiative G4 Exposure Draft and the Singapore Management University's Integrated Reporting study. 	<ul style="list-style-type: none"> To continue contributing to sustainability efforts through partnerships with related agencies and organisations in Singapore and overseas. To continually engage and inculcate a green mindset among various stakeholder groups through best practices sharing platforms, outreach programmes and eco-related events.
<ul style="list-style-type: none"> Provided complimentary energy audit services for tenants to encourage adoption of green initiatives and certifications. Attained re-certification of the Eco-Office Programme by the Singapore Environment Council for Keppel Land and Keppel REIT's offices for 2013-2015. 	<ul style="list-style-type: none"> To encourage more tenants to renovate their premises in accordance with the BCA Green Mark for Office Interior requirements. To achieve optimal levels of energy, paper and toner usage at the corporate office.
<ul style="list-style-type: none"> Trained and equipped another nine project managers with BCA Green Mark certifications. More than half of the Company's project managers in Singapore and overseas have been trained to-date. Set up a new Project Management and Sustainable Design department to formulate and ensure compliance with project management standards and processes. 	<ul style="list-style-type: none"> To have all project managers achieve the BCA Green Mark certification within two years of joining the Company, so as to develop a pool of in-house professionals who possess the expertise to participate in design processes, encourage integrated designs and enhance building performances.
<ul style="list-style-type: none"> Built a 1.7-km nature trail with over 300 special plant species at Spring City Golf & Lake Resort in Kunming, China. Information boards were also placed along the trail to reinforce the importance of preserving biodiversity. 	<ul style="list-style-type: none"> To partake in good stewardship of the natural environment and adopt best practices and policies that support healthy eco-systems, promote biodiversity and sustain natural resources.

ENVIRONMENT SINGAPORE

ENVIRONMENTAL THRUSTS

Eco-initiatives for
New Projects



Eco-initiatives for
Existing Buildings



ISO 14001 Environmental
Management System



CERT NO.: 2008-0417
ISO 14001: 2004

Eco-Office Programme



Outreach
Programme



ENVIRONMENTAL MANAGEMENT SYSTEM (EMS)

Keppel Land identifies and mitigates significant environmental aspects for its activities through setting objectives and targets, as well as establishing and implementing management programmes and procedures. Its EMS is based on the ISO 14001:2004 standard, which is an internationally-recognised framework for managing and controlling organisations' activities to ensure continuous improvement in environmental performance.

ISO 14001 CERTIFICATION

Keppel Land first achieved the ISO 14001 certification for its property development operations in Singapore in 2008. In 2009, the EMS was also implemented for the Company's property management operations in Singapore as well as its property development operations in China and Vietnam. The Group works closely with contractors, both in Singapore and overseas, to influence and guide them to minimise environmental impact.

Keppel Land renewed its ISO 14001 EMS certification for its property development operations in Singapore and Vietnam as well as property management operations in Singapore in 2011. In the same year, Keppel Land China attained independent ISO 14001 certification from TÜV SÜD China for its property development operations in Tianjin, Kunming, Jiangyin, Shanghai, Shenyang, Wuxi and Zhongshan. In 2012, the scope was expanded to include Chengdu, Nantong and Beijing. This completes the certification for the Group's operations in the 10 Chinese cities where it is present.

To ensure conformance and effective implementation of its EMS in accordance with the ISO 14001 standard, internal audits are conducted every year. Annual external audits are also conducted by an accredited certification body.

In the latest third-party audit conducted in 2012, Keppel Land successfully maintained its ISO 14001 certification in Singapore and China. EMS implementation is currently underway for its property development operations in Indonesia.

COMPLIANCE

In 2012, three properties in Singapore received eight fines totalling \$67,000 from the National Environment Agency for exceeding the permissible noise level at its worksites. Mitigating actions have since been taken to lower the noise levels.

BENCHMARKS OF EXCELLENCE

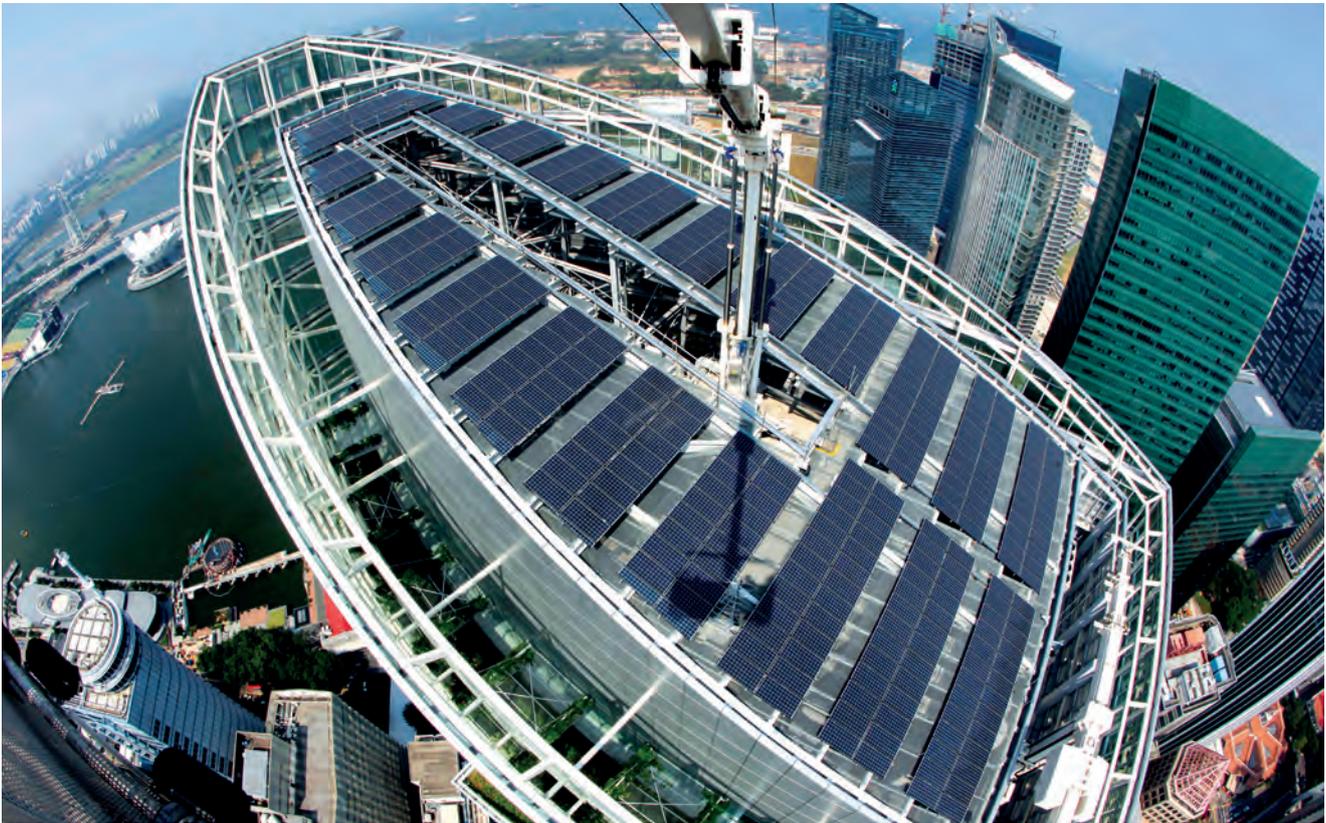
Going beyond statutory requirements, Keppel Land has set as a benchmark for all its new projects in Singapore to obtain at least the BCA Green Mark Gold^{Plus} rating. The Group is also committed to achieve the minimum BCA Green Mark Gold certification or its equivalent such as the United States' (US) Leadership in Energy and Environmental Design (LEED) for all its new overseas projects.

LEED PLATINUM

Ocean Financial Centre is the first high-rise office development in Southeast Asia to achieve the highest LEED Platinum (Core & Shell) certification from the US Green Building Council.

LEED is the globally-recognised benchmark for the design, construction and operation of high-performance green buildings. The Platinum rating includes stringent criteria on site sustainability, energy and water efficiency, materials, resources, indoor environmental quality, design innovation and regional priority.

Ocean Financial Centre, with 850,000 sf of column-free Grade A office space, is a showcase of innovative eco-breakthroughs. These include the largest photovoltaic (PV) system for high-rise buildings in Singapore's Central Business District (CBD), an energy-efficient hybrid chilled water system and an integrated paper recycling facility.



Ocean Financial Centre has garnered numerous accolades for its state-of-the-art green features including the largest PV system for high-rise buildings in Singapore's CBD.

BCA GREEN MARK

The BCA Green Mark scheme was launched in 2005 to propel Singapore's construction industry towards more environmentally-friendly buildings. The green building rating system evaluates a building for its environmental impact and performance.

It provides a comprehensive framework for assessing the overall environmental performance of new and existing buildings in terms of energy and water efficiency, indoor air quality as well as other green and innovative features to promote sustainable design, construction and operation practices.

To-date, Keppel Land's portfolio comprises 37 BCA Green Mark-certified projects, up from 26 in 2011. This includes two Platinum, two Gold^{Plus}, 31 Gold and two certified awards for its properties in Singapore, China, Indonesia, Vietnam and India.

In 2012, Keppel Land attained a total of nine BCA Green Mark Awards for its new developments, namely The Lakefront Residences in Singapore; International Financial Centre Jakarta (IFC Jakarta) Tower 2 in Indonesia; Seasons Park and Serenity Cove (Phase 3) in Tianjin Eco-City and Hill Crest Residence in Spring City Golf & Lake Resort in Kunming, China; Riviera Point and Saigon Centre (Phase 2 - retail and office components) in Ho Chi Minh City (HCMC), Vietnam; as well as Elita Garden Vista in Kolkata, India.

In early-2013, the Group achieved another two BCA Green Mark Awards for two residential projects in Singapore. Corals at Keppel Bay and The Luxurie attained the Gold^{Plus} and Gold awards respectively.

Green Mark Platinum

Keppel Land's project, IFC Jakarta Tower 2, is the first office building

in Indonesia to achieve the highest BCA Green Mark Platinum rating. Expected annual energy savings is about 31% or 3.4 million kWh. When completed in 2015, this state-of-the-art development will feature, among other green features, a highly efficient chiller plant system, regenerative elevators and naturally-ventilated sky gardens.

Ocean Financial Centre is also the first office building in Singapore's CBD to attain the BCA Green Mark Platinum Award. Together with Marina Bay Financial Centre Phases 1 and 2, which attained the BCA Green Mark Gold^{Plus} and Gold Awards respectively, total energy savings for these three buildings amount to more than 28.8 million kWh, or over \$7.8 million^a per annum.

^a Energy cost: 1kWh = \$0.2727 [Source: SP Services, 4Q 2012]

ENVIRONMENT SINGAPORE



Marina at Keppel Bay sets new benchmarks for the marina industry in terms of its quality facilities and services as well as commitment towards sustainability.

Investment Buildings

In Singapore, all seven of the Group's investment buildings have garnered the BCA Green Mark Gold Award. Besides engaging external vendors to perform audits on the building's energy consumption and recommend energy-saving measures, the Group has implemented energy-efficient systems and environmentally-friendly features in these buildings. The total annual energy savings is estimated at over 5.6 million kWh or \$1.5 million. This is equivalent to an annual reduction of about 2,900 tonnes of carbon emissions.

Cost Savings

Overall, total reduction in energy consumption from all 37 BCA Green Mark-certified projects will be over 83 million kWh per annum, upon completion of all projects in Singapore and overseas. This amount of reduction equates to energy needed to power more than 14,000 homes in Singapore for a year^b. In terms of greenhouse gases, these projects will achieve reduction of more than 42,000 tonnes of carbon dioxide^c annually.

Marina at Keppel Bay

Presenting the best in luxury urban lifestyles, the award-winning Marina at Keppel Bay redefines premier waterfront living in Asia.

Located on Keppel Island within the Keppel Bay precinct, which comprises residential developments Reflections, Caribbean and Corals at Keppel Bay, the Marina has raised benchmarks for marinas in the region with its state-of-the-art berthing facilities as well as sustainable waterfront development and management.

The first marina in Asia to receive the BCA Green Mark Gold Award, Marina at Keppel Bay incorporates some of the latest in green technology.

The clubhouse and F&B outlets achieved overall savings of more than \$166,000 in 2012 from a reduction of 826,071 kWh in electricity consumption. This is a marked improvement from 2011's annual savings of about 305,000 kWh or \$61,000.

Marina at Keppel Bay recorded a 5.5% reduction in water consumption in 2012, following the installation of motion sensors, flow-regulator taps and low-capacity water systems within the clubhouse.

The green wall at the Marina's carpark has also helped resident flora and fauna flourish. With an area of about 300 sm, the vertical green wall features two types of vines, namely *Thunbergia grandiflora* and *Vernonia elliptica*. These were specially selected to minimise the amount of light and heat reflected from the concrete. This significantly reduced the amount of heat trapped in the carpark and minimised the need for ventilation fans.

^b Average consumption of a Housing Development Board five-room flat is 471 kWh/month (Source: SP Services)

^c Energy conversion ratio: 1kWh electricity = 0.5146 kg CO₂ (Source: National Environment Agency, April 2012)



Total of 37 BCA Green Mark Awards

Project	Location	Category	Year
SINGAPORE			
RESIDENTIAL			
Corals at Keppel Bay ¹	Singapore	Gold ^{Plus}	2013
The Luxurie ¹	Singapore	Gold	2013
The Lakefront Residences ¹	Singapore	Gold	2012
Marina Bay Suites	Singapore	Gold	2009
Sixth Avenue Residences	Singapore	Gold	2009
The Promont	Singapore	Gold	2009
Madison Residences	Singapore	Gold	2008
Reflections at Keppel Bay	Singapore	Gold	2008
Marina Bay Residences	Singapore	Gold	2007
The Tresor	Singapore	Gold	2006
COMMERCIAL			
Marina at Keppel Bay ²	Singapore	Gold	2011
Bugis Junction Towers ²	Singapore	Gold	2011
Equity Plaza ²	Singapore	Gold	2010
Prudential Tower ²	Singapore	Gold	2010
Keppel Towers & GE Tower ²	Singapore	Gold	2010
Keppel Bay Tower ²	Singapore	Gold	2010
Marina Bay Financial Centre (Phase 2 Commercial)	Singapore	Gold ^{Plus}	2009
One Raffles Quay ²	Singapore	Gold	2009
Ocean Financial Centre ³	Singapore	Platinum	2008
Marina Bay Financial Centre (Phase 1 Commercial)	Singapore	Gold	2008
OVERSEAS			
CHINA			
Seasons Park ¹	Tianjin Eco-City	Gold	2012
Serenity Cove (Phase 3) ¹	Tianjin Eco-City	Gold	2012
Spring City Golf & Lake Resort (Hill Crest Residence)	Kunming	Gold	2012
Central Park City (Plot C1)	Wuxi	Gold	2011
The Arcadia	Tianjin	Gold	2009
Spring City Golf & Lake Resort (La Quinta villas)	Kunming	Gold	2009
The Springdale (Plot 1)	Shanghai	Gold	2009
The Springdale (Plot 3)	Shanghai	Gold	2009
Villa Riviera	Shanghai	Certified	2009
VIETNAM			
Saigon Centre (Phase 2 Retail Podium) ¹	Ho Chi Minh City	Gold	2012
Saigon Centre (Phase 2 Office Tower) ¹	Ho Chi Minh City	Gold	2012
Riviera Point ¹	Ho Chi Minh City	Gold	2012
Riviera Cove	Ho Chi Minh City	Gold	2009
The Estella	Ho Chi Minh City	Gold	2008
INDONESIA			
International Financial Centre Jakarta Tower 2 ¹	Jakarta	Platinum	2012
Jakarta Garden City (Phase 1)	Jakarta	Gold	2011
INDIA			
Elita Garden Vista ¹	Kolkata	Certified	2012

¹ Provisional awards – the final certificates will only be issued upon verification of the green features at the project completion stage.

² Projects awarded BCA Green Mark certifications under the existing building category.

³ Ocean Financial Centre also received the LEED Platinum (Core and Shell) pre-certification in 2009, which was converted to certification in 2012.

ENVIRONMENT SINGAPORE

The Marina's berthing area is designed based on an open concept, which allows water to flow freely during the change of tides, with nutrients and plankton being carried through the waters as the currents flow. As a result, Marina at Keppel Bay is now an underwater sanctuary teeming with more than 40 different species of marine life.

The aquatic community continues to thrive through the Marina's City Reef project, an initiative to encourage the appreciation and protection of marine life. Among the sea animals and plants that have made Marina at Keppel Bay home include clown fish, juvenile batfish, tiger tail seahorses and sea turtles.

SUSTAINABILITY BENCHMARKS

Keppel Land has been named the Regional Sector Leader for the Office Sector and conferred the Green Star status in the Global Real Estate Sustainability Benchmark (GRESB) 2012. The Company was earlier named the Best Performer in Asia in GRESB 2011. GRESB measures the environmental and social performances of real estate companies and funds based on sustainability data gathered from property companies and funds around the world.

At the Singapore Compact CSR Awards 2012, Keppel Land was presented a Special Mention award under the Green Champion category, in recognition for best practices in minimising environmental externalities and rallying other stakeholders for the green cause.

In 2012, the Company voluntarily took part in the Carbon Disclosure Project (CDP). The CDP is an international, non-profit organisation that encourages companies and cities to disclose and share vital environmental information. It currently holds the largest global collection of self-reported climate change, water and forest-risk data, and is a key source of environmental performance database for many partners worldwide.

ECO-OFFICE PROGRAMME

The Singapore Environment Council has re-certified Keppel Land's and Keppel REIT's corporate offices as Green Offices for another two years from 2013-2015. The certification recognises the Company's continuous efforts to implement green initiatives in the office and encourage staff to be eco-conscious. Keppel REIT is Keppel Land's listed real estate investment arm.

To encourage waste minimisation and resource conservation, green products such as Totally Chlorine Free (TCF) or Elemental Chlorine Free (ECF) printing paper and Energy Star-labelled printers and computers are used. A recycling company has been contracted to collect and recycle waste paper. In 2012, about 22,000 kg of waste paper were recycled.

In 2012, Keppel Land replaced most of the down-lights in its offices with energy-efficient light emitting diode (LED) lamps, which consume less than half the energy of halogen ones. Energy consumption at its corporate office remained the same as the year before, at about 518,000 kWh. However, energy usage per gross floor area fell about 3% to 95.9 kWh/m² from 99.1 kWh/m² in 2011. The Company is progressively replacing all its office lightings to LED lamps.

Paper and toner usage in 2012 remained at about 13.0 reams per employee and 1.19 toner_{eq}^d per employee respectively.

DEVELOPING GREEN CAPABILITIES

Keppel Land is committed to groom a talent pool comprising professionals and executives who have a sound understanding of green technologies as well as knowledge to contribute to a sustainable built environment.

In 2012, the Group trained another nine project managers under the BCA Academy's Green Mark course. As at end-2012, more than half of its project and property managers in Singapore and overseas have been trained as Green Mark Managers, Green Mark Facilities Managers

and Green Mark Professionals as well as undergone the Singapore Certified Energy Manager programme organised by the National University of Singapore's Energy Sustainability Unit.

A new department, Project Management and Sustainable Design, was formed in 2012 to formulate and ensure compliance with project management standards and processes. This helps to strengthen the Company's project management capabilities through various strategic initiatives such as knowledge management.

As part of its efforts to keep abreast of green business strategies and best practices, staff from the Singapore and Sustainable Design units attended the Greenbuild 2012 International Conference and Expo, held in San Francisco, US, in November. Staff gained valuable insights through sharing sessions by world-renowned speakers, exhibitions, workshops and study visits to local green buildings.

STAKEHOLDER ENGAGEMENT

Keppel Land seeks to inculcate a green mindset among employees, tenants and the wider public through its *Go Green with Keppel Land* environmental education and outreach programme. The CSR Committee organises regular activities to promote environmental awareness. These include talks and workshops by industry experts, eco-events as well as sharing of best practices at conferences.

PARTNERSHIP WITH PUB

In a move to strengthen stakeholder engagement, Keppel Land adopted the Jurong Lake under PUB's Waters Adopters Programme. PUB is Singapore's national water agency.

^d Toner_{eq} refers to the equivalent toner that prints 6,000 copies.

ENVIRONMENTAL EDUCATION & OUTREACH

EMPLOYEES



Inculcate Green Mindsets through Eco-activities

- Participated in the World Water Day event at the Jurong Lake, which Keppel Land adopted under PUB's Waters Adopters Programme.
- Joined the Earth Hour human formation organised by the World Wide Fund for Nature Singapore.
- Learned about biodiversity through a guided rainforest walk at the Singapore Botanic Gardens as part of World Environment Day events.
- Commemorated key eco-dates like Earth Day and World Environment Day through related activities.

Raise Awareness through Environmental Films

- Screened Dolphin Tale and Big Miracle to raise eco-consciousness during World Environment Day and Green Consumer Day.

Learn from Industry Experts through Eco-talks and Workshops

- Held lunch-time talks by industry experts on topics such as carbon conservation, animal concerns and saving sharks.
- Organised workshops by environmentally-friendly companies like Mukti, an Australian organic skincare line which shared its sustainable and biodynamic practices.

TENANTS



Promote Green Practices through Recycling Initiatives

- Tenants and staff donated about 3,000 used books for the National Library Board's Book Exchange 2012, which was sponsored by Keppel Land.
- Over 200 used phones were collected from tenants and employees in support of Nokia's *Recycle a Phone, Adopt a Tree* initiative.
- Over 200 pairs of used spectacles were donated by tenants and staff for the Lions' Save Sight Centre's *Recycle for Sight* initiative.

Encourage Green Offices and Homes through Green Guides

- Green Fit-Out and Green Office Operation Guides were specially produced to guide tenants on environmentally-friendly fixtures and initiatives which they can incorporate in their offices.
- Green Guides were also developed and distributed to homeowners of residential projects such as Madison Residences.

Provide Complimentary Energy Audit Services

- Complimentary energy audits were provided to tenants of selected commercial buildings, to encourage them to refurbish their premises in accordance to green requirements such as the BCA Green Mark for Office Interior.

GENERAL PUBLIC



Showcase Green Developments and Practices

- Hosted delegates from the Urban Redevelopment Authority at Reflections and Marina at Keppel Bay to showcase conservation efforts.
- Shared with delegates led by the Urban Development Institute of Australia on strategies in developing a sustainable and vibrant city through developments such as Marina Bay Financial Centre.

Share Best Practices at Conferences

- Shared insights at various green conferences and discussions including the World Cities Summit, the International Singapore Compact CSR Summit and the inaugural Environment, Social and Governance Asia 2012 Conference.

Promote Co-operation for Environmental Protection as Members of Green Associations

- Founding member of the World Green Building Council Corporate Advisory Board.
- Board member of the Singapore Green Building Council.

Participate in Public Policy Discussions

- Participated in the GRI G4 Exposure Draft feedback as well as the Singapore Management University's study on Integrated Reporting.

ENVIRONMENT SINGAPORE

The two-year partnership involves the sponsorship of the Active, Beautiful, Clean (ABC) Waters Learning Trail @ Jurong Lake. This is in line with Keppel Land's efforts to educate and engage the public, in particular the youth, on the importance of caring for the environment.

Through the Company's contribution towards the development of the Learning Trail, students can cultivate good water habits and encourage greater stewardship to ensure the long-term sustainability of this precious resource.

Keppel Land also seeks to cultivate eco-awareness among the Jurong community. This includes homebuyers of its fully-sold residential project, The Lakefront Residences, which is located close to the Jurong Lake. Residents of the development, which is expected to be completed in 2015, can look forward to a myriad of recreational and competitive water events including dragon boating and kayaking at the lake.

The adoption of the lake also provides volunteering opportunities for staff as part of Keppel Land's environmental outreach programmes. Nine Keppel volunteers have been trained as Learning Trail guides. These guides introduce visitors to the unique sustainable ABC design features that help treat water naturally, conduct simple water testing exercises as well as showcase the rich biodiversity at the Jurong Lake.

The trail was launched on World Water Day in March 2013 by Mr Ang Wee Gee, CEO of Keppel Land; Ms Grace Fu, Minister in the Prime Minister's Office and Second Minister for the Environment and Water Resources and Foreign Affairs; as well as Dr Amy Khor, Mayor of South West District.

Over 200 Keppel Land employees and their family members as well as beneficiaries from Keppel's adopted charity, Association for Persons with Special Needs (APSN),



also participated in various activities, including a three-kilometre mass walk and yoga session held at the Jurong Lake.

REACHING OUT

Throughout the year, the CSR Committee commemorated key environmental dates with various groups of stakeholders through related lunch-time workshops and outdoor events as well as eco-bazaars.

Rallying its staff and family members alongside the Group-wide volunteer movement, Keppel Volunteers as well as students from APSN, Keppel Land participated in World Wide Fund for Nature (WWF) Singapore's first-ever Earth Hour human formation, in the shape of '60+ SINGAPORE' in March.

Tenants at its 34 commercial, residential and hotel properties across Asia were also encouraged to support and participate in the event. Non-essential lights such as façade flood lights and lightings at lobbies, carparks and corridors were switched off during the hour, resulting in total energy savings of about 3,200 kWh.

To cultivate a green mindset of "Reduce, Reuse and Recycle" among its employees, tenants, customers, business associates and the wider public, Keppel Land sponsored the National Library Board's Book Exchange initiative for the second consecutive year in 2012.

An annual event where book lovers recycle and exchange their used books with others, designated book collection points were set up at the Group's office buildings, garnering a total donation of some 3,000 used books, more than double that in 2011.

For the fifth year running, Keppel Land commemorated World Environment Day 2012 with a series of activities geared towards raising eco-consciousness among employees and tenants. The week-long programme included a rainforest tour at the Singapore Botanic Gardens, a natural skincare workshop, an eco-bazaar as well as a screening of an environmental movie, Dolphin Tale.

A lunch-time talk was also held at Ocean Financial Centre, featuring industry experts from



1 Ms Grace Fu, Minister in the Prime Minister's Office and Second Minister for the Environment and Water Resources and Foreign Affairs, hands over the adoption certificate for the Jurong Lake to Keppel Land's CEO Mr Ang Wee Gee.

2 Keppel Land shares in the National Library Board's vision of encouraging continued education through reading, while at the same time cultivating a green mindset through the recycling of books.

Carbon Conservation, the Animal Concerns Research and Education Society, as well as Shark Savers Singapore. Held alongside an eco-bazaar, the talk was well-attended by over 100 staff and tenants.

Participants were also encouraged to recycle their unwanted mobile phones and spectacles in support of Nokia's *Recycle a Phone, Adopt a Tree* and Lions' *Recycle for Sight* initiatives.

Keppel Land further helped to spread awareness on social and environmental responsibility to over 500 employees across the Keppel Group with the screening of another environmental movie, *Big Miracle*, in conjunction with Green Consumer Day in September.

A guided tour of the Singapore Garden Festival exhibition by the National Parks Board, which showcased creative works by international talents in designing green environments, was also held for staff.

A survey on the *Go Green with Keppel Land* outreach programme was conducted among employees during the year to gather feedback and suggestions to improve future activities.

TENANTS ENGAGEMENT

As tenants' energy consumption contributes substantially to the building's total usage, Keppel Land finds ways to work with them to enhance the environmental performance of its properties.

A Green Fit-Out Guide was specially produced and distributed to tenants at Ocean Financial Centre in 2011.

The guide book outlines sustainable initiatives and environmentally-friendly fixtures that companies can adopt when refurbishing their office space.

These include careful selection of materials to ensure minimal volatile organic compound levels in the office space, as well as recommended energy-efficient lightings and water-saving fittings.

This was followed by a Green Office Operation Guide in 2012, which provides practical guidance to tenants on incorporating environmentally-friendly practices such as waste minimisation and recycling, energy and water conservation as well as eco-awareness in their daily operations.

Furthering its efforts, Keppel Land extended complimentary energy audit services to tenants at selected buildings. Potential energy-saving measures and green initiatives to lower their operating costs were recommended.

Such engagement initiatives motivated three tenants at Ocean Financial Centre to renovate their premises in accordance with the requirements of the BCA Green Mark for Office Interior.

ENVIRONMENT SINGAPORE



Staff and their families joined more than 100 green ambassadors across the Keppel Group in the first-ever Earth Hour human formation event in Singapore.

KNOWLEDGE SHARING

Keppel Land believes in sharing best practices and green building technologies at conferences to foster knowledge exchange and discussion.

These include participation in a panel discussion on *Improving the Business Case for Green Buildings in Asia*, which was held in conjunction with the inaugural Environment, Social and Governance Asia 2012 Conference organised by Responsible Research in March. A tour of Ocean Financial Centre was also organised as part of the programme to showcase the latest in green building technologies.

Leveraging its experience from Sino-Singapore Tianjin Eco-City, Keppel Land shared on developing large-scale sustainable developments and townships at the World Cities Summit. Held in July, participants ranged from global leaders, policy

makers to industry experts in sustainable urban development.

Keppel Land also hosted delegations on eco-study tours. Some 40 delegates comprising the Management Committee and Deputy Directors from the Urban Redevelopment Authority gained insights on conservation and environmental efforts undertaken in the transformation of the historic Keppel Shipyard into the world-class Keppel Bay precinct, during a tour of Reflections and Marina at Keppel Bay in February 2012.

Another delegation comprising the Australian government and private sector visited the Marina Bay Financial Centre development in March. Led by the Urban Development Institute of Australia, the team was on a study tour to learn about Singapore's sustainable city planning strategy.

To promote dialogue on CSR, Keppel Land shared its sustainability philosophy and practices at the fourth International Singapore Compact CSR Summit in September. Supporting the event as a Platinum Sponsor, the Group presented on two key topics – the challenges and opportunities of integrating CSR within the business as well as best practices in the area.

Similarly, Keppel Land participated in a seminar titled *Insights into Engagement with Asian Companies*, organised by the United Kingdom's (UK) Sustainable Investment and Finance Association and hosted by F&C Investments. Conducted via teleconference, the Group's senior management shared with over 40 non-government organisation representatives and investors based in the UK on its approach towards corporate governance and sustainable development.



In support of environmental sustainability, Keppel Land once again contributed as a Gold Sponsor towards the International Green Building Conference 2012, which was organised by the Singapore Green Building Council and supported by BCA. Held in October, the event attracted participation by about 280 companies from 28 countries.

PUBLIC POLICY DEVELOPMENT

In September 2012, Keppel Land participated in the Global Reporting Initiative (GRI) G4 Guidelines workshop organised by GRI and KPMG in Singapore. The Company provided feedback on the GRI G4 Exposure Draft, which was created by expert working groups from around the world, based on the input that GRI received in the first G4 Public Comment Period (PCP) in late-2011. The workshop was held as part of the second PCP for G4 where GRI stakeholders were given the opportunity to discuss the proposed changes in G4 and generate input for the PCP.

The Company also took part in a study on Integrated Reporting by the Singapore Management University and Paia Consulting. Aimed at collecting data about sustainability and integrated reporting practices in companies and its impact on accounting curriculum in universities, the study involved surveying the thoughts of report preparers and users on disclosure, valuation, standardisation and education. The findings of the study were presented at the GRI Conference in Melbourne in March.

GREEN BUSINESS ASSOCIATIONS

In 2012, Keppel Land became a founding member of the World Green Building Council Corporate Advisory Board, working with the global network of Green Building Councils to implement strategies, ideas and projects for a green built environment.

Keppel Land is also a Board member of the Singapore Green Building Council, which propels Singapore's building and construction industry

towards environmental sustainability by promoting green building design, practices and technologies, integrating green building initiatives into mainstream design, construction and operation of buildings as well as building capability and professionalism to support wider adoption of green building development and practices. Its work will complement and support the government's efforts to accelerate the greening of the city's buildings by 2030.

SUSTAINABILITY REPORTING

To keep its stakeholders abreast of its economic, environmental, social and governance performance, Keppel Land adheres to transparent and regular reporting of its sustainability efforts.

Believing that what gets measured gets done, Keppel Land began detailing its environmental initiatives as part of its Annual Report since 1997. The Group produced its first CSR report online in 2008.

The Group has adopted the internationally-accepted GRI framework in its sustainability reporting since 2009. Progressive improvements have been made each year. From a Level C report, the level of disclosure was raised to Level B+ in 2010 and included assurance by an independent party.

This was followed by external assurance in accordance with the internationally-accepted AA1000 Assurance Standard based on the accountability principles of inclusivity, materiality and responsiveness in 2011. The Group further adopted the GRI Construction and Real Estate Sector Supplement guidelines upon its release, for its report in 2012.

In its fifth and current Sustainability Report, Keppel Land has further broadened its scope to achieve a Level A+ disclosure. With this, the Group is preparing to adapt to the new GRI G4 standard in its next report in 2014.

ENVIRONMENTAL PERFORMANCE

This section reports on Keppel Land's energy and water use, waste discharged and recycled, materials used and emission to air for major properties in Singapore and overseas.

It covers data for the corporate office, Singapore and overseas properties under Keppel Land and Keppel REIT's portfolio, as well as hospitality developments managed by Keppel Land Hospitality Management, formerly known as Sedona Hotels International.

Residential developments have been excluded unless otherwise stated, as they are trading properties, which the Company eventually does not own.

ENERGY USE

In 2012, total direct energy consumption from the use of diesel was about 28,000 GJ^e, while total indirect energy consumption from use of electricity was about 267,000 GJ^f.

Keppel Land's total direct energy consumption arising from the use of diesel was about 830,000 litres. Total indirect energy consumption, arising from the use of electricity, was 74.3 million kWh, up 1.3% from 73.3 million kWh in 2011.

Corporate Office

Keppel Land's corporate office occupies about 58,000 sf spread over four floors at Bugis Junction Towers. The Company continues to ensure the use of energy-efficient and green-labelled office equipment. Employees are constantly reminded to switch off lights, computers and other office equipment when not in use. In 2012, Keppel Land replaced most of its office lights with energy-efficient LED fittings to further reduce energy consumption.

As a result, energy intensity at the corporate office fell by about 3% from 99.1 kWh/m² or 518,000 kWh in 2011 to 95.9 kWh/m² or 517,700 kWh in 2012.

^e 1 litre of diesel = 0.0331 GJ

^f 1 kWh of electricity = 0.0036 GJ

ENVIRONMENT SINGAPORE

Singapore Investment Buildings

Local investment buildings include Ocean Financial Centre, Keppel Towers and GE Tower, Prudential Tower, Equity Plaza as well as Keppel Bay Tower.

Electricity consumption at these buildings was about 22.6 million kWh or 91.8 kWh/m² in 2012. The energy intensity was 5% lower than 97.0 kWh/m² recorded in 2011.

This was due to high energy efficiency achieved at Ocean Financial Centre as well as the realisation of benefits from energy saving measures such as the optimisation of chiller systems and replacement of lightings to LED tubes, which were implemented from 2009.

Overseas Investment Buildings

Keppel Land's overseas investment buildings include Saigon Centre in HCMC and International Centre in Hanoi, Vietnam, as well as International Financial Centre Jakarta and BG Junction in Surabaya, Indonesia.

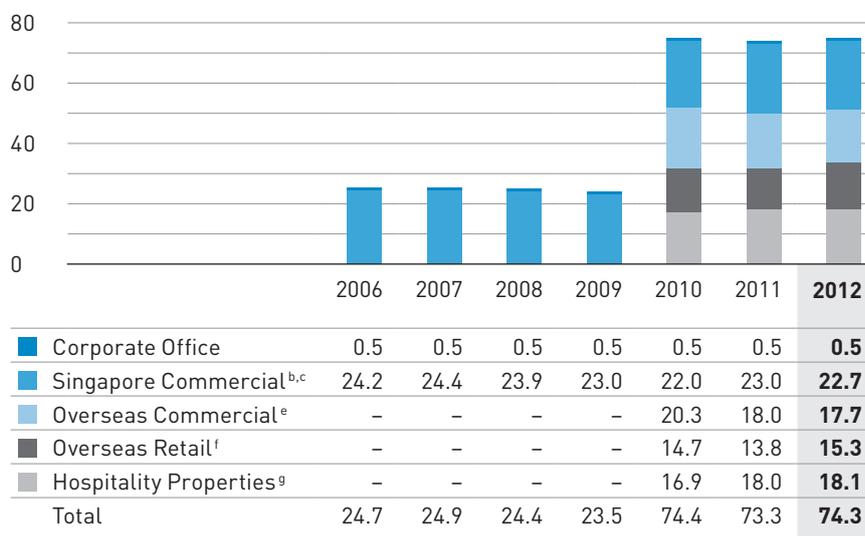
In 2012, total energy consumption at these buildings was about 33.0 million kWh, 4% higher than 31.8 million kWh in 2011, due mainly to higher consumption at BG Junction where a tenant took up additional retail space. Energy intensity of BG Junction alone was 99.2 kWh/m², about 11% higher than the year before. Energy intensity of the other buildings fell 2% to 225.6 kWh/m² in 2012.

Hospitality Properties

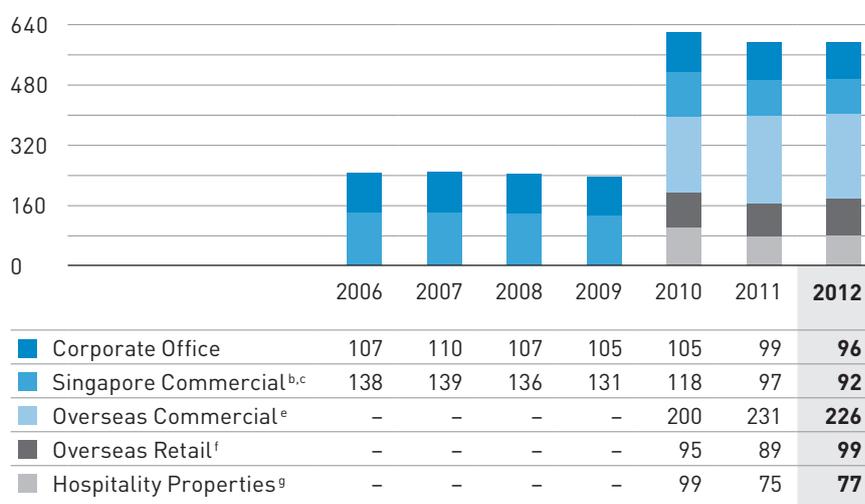
Keppel Land Hospitality Management manages Sedona Hotel Yangon and Sedona Hotel Mandalay in Myanmar, as well as Sedona Suites Hanoi in Vietnam.

In 2012, total energy consumption at these properties was about 18.1 million kWh, up marginally from 18.0 million kWh in 2011. In terms of energy intensity, the consumption in 2012 at 77.2 kWh/room-night was 2.5% higher than the 75.3 kWh/room-night the year before. This was due to the longer operating hours of the laundry boilers at Sedona Hotel Yangon.

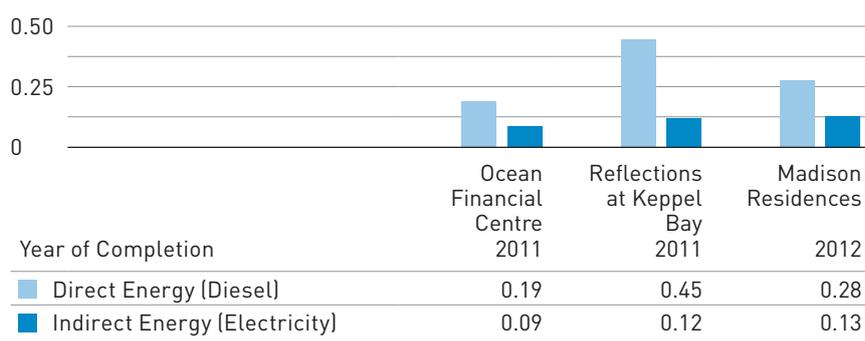
Total Energy Consumption^a (million kWh)



Energy Intensity^a (kWh/m²)



Energy Intensity at Construction Sites^h (GJ/m²)





Construction Projects

To account for the variation in the type, number and construction stages of projects undertaken every year, Keppel Land measures the energy consumption of each project over its entire construction period. The information is disclosed upon the completion of the project instead of annually, so as to allow more meaningful comparisons between developments.

In 2012, Madison Residences, one of Keppel Land's residential projects in Singapore, was completed. The total direct energy from the use of 88,000 litres diesel consumed over the three-year construction period was about 2,900 GJ or 0.28 GJ/m². Total indirect energy consumption from the use of 370,000 kWh of electricity was about 1,300 GJ or 0.13 GJ/m².

WATER USE

Water Consumption

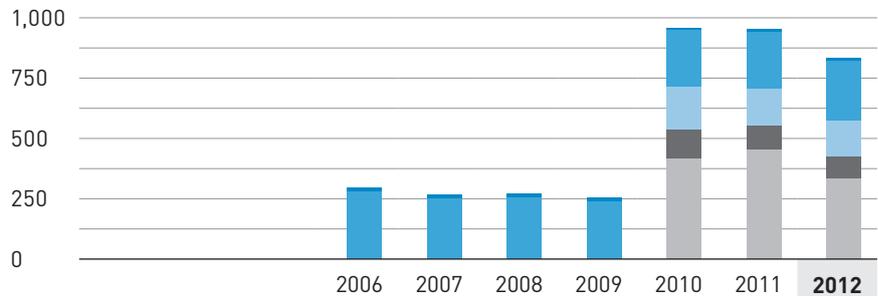
In 2012, Keppel Land's total water consumption was about 826,000 m³, 12.5% lower than 945,000 m³ recorded the year before.

Water consumption at the corporate office is about 3,000 m³ per annum or 9.1 m³/person per annum, based on recommendations set by the Singapore Standard SS CP48:2005 for water services.

In Singapore, water is drawn from public supply sources such as local catchment areas, imported water, reclaimed water known as NEWater and desalinated water. Potable water is consumed at Keppel Land's investment properties for drinking, sanitary, irrigation and general washing.

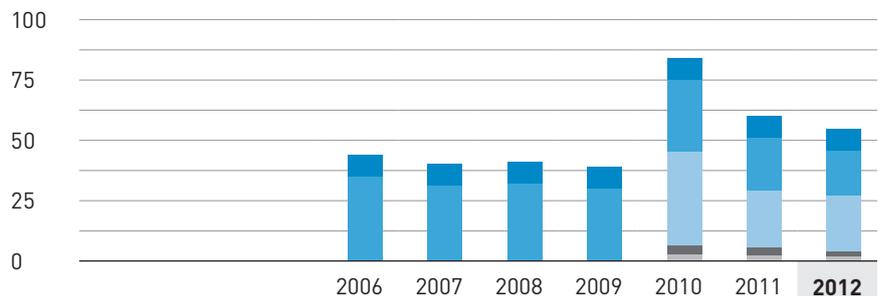
In 2012, total water consumption at the Group's investment properties in Singapore was about 250,000 m³ or 18.3 m³/person; 16% lower than the 22.0 m³/person recorded in the preceding year. The lower water intensity despite higher occupancy rates was due to high water efficiency at Ocean Financial Centre, which uses NEWater and rainwater for

Total Water Consumption^a ('000 m³)



	2006	2007	2008	2009	2010	2011	2012
Corporate Office	6	6	6	6	3	3	3
Singapore Commercial ^{b,c}	277	249	254	236	232	239	251
Overseas Commercial ^e	-	-	-	-	180	150	149
Overseas Retail ^f	-	-	-	-	120	100	91
Hospitality Properties ^g	-	-	-	-	415	453	332
Total	283	255	260	242	950	945	826

Water Intensity^a (m³/person)



	2006	2007	2008	2009	2010	2011	2012
Corporate Office	9.1	9.1	9.1	9.1	9.1	9.1	9.1
Singapore Commercial ^{b,c,d}	34.4	30.9	31.6	29.4	29.5	22.0	18.3
Overseas Commercial ^e	-	-	-	-	38.8	23.6	23.1
Overseas Retail ^f	-	-	-	-	3.8	3.2	2.4
Hospitality Properties ^g	-	-	-	-	2.4	1.9	1.4

non-potable purposes as well as the district cooling system. Measures taken to conserve water at its buildings include the use of water-efficient fittings approved under the PUB Water Efficiency Labelling Scheme (WELS), self-closing taps and flow regulators. To-date, all of Keppel Land's local investment buildings have achieved the PUB Water Efficient Building award for outstanding efforts in water conservation.

Overseas, total water usage at Keppel Land's investment buildings was about 240,000 m³ in 2012. Water intensity of BG Junction was 2.4 m³/person, significantly lower than 3.2 m³/person in 2011. BG Junction's consumption fell by about 10% in 2012, despite an increase in the number of occupants and visitors during the year. Water intensity of the remaining three office buildings was 23.1 m³/person, slightly lower than 23.6 m³/person in 2011.

ENVIRONMENT SINGAPORE

Water consumption at the hotels was 332,000 m³ in 2012. Due to prolonged disruption in water supply during the year, Sedona Hotel Mandalay had to tap on alternative sources of water supply, namely from wells, to meet its operational needs. Excluding ground water drawn from the wells, this accounted for lower water intensity of 1.4 m³/room-night, compared to 1.9 m³/room-night in 2011.

Water Discharge

Water drawn from public utilities at the construction sites of Keppel Land's developments in Singapore is generally recycled and reused for vehicular washing. With appropriate earth control measures, discharged water contains a lower amount of total suspended solids than the legal allowable limit of 50 mg/litre.

In Singapore, discharged water is conveyed by a network of pipelines city-wide to waterworks or waste water treatment plants where it is chemically treated, filtered and disinfected. The treatment frees the water of harmful bacteria and makes it clear, odourless and colourless. The treated water is then pumped into the distribution system and service reservoirs, where it is ready for consumption.

Overseas, waste water is similarly recycled for use whenever possible. For instance, at BG Junction in Surabaya, Indonesia, waste water is recycled for use in cooling towers.

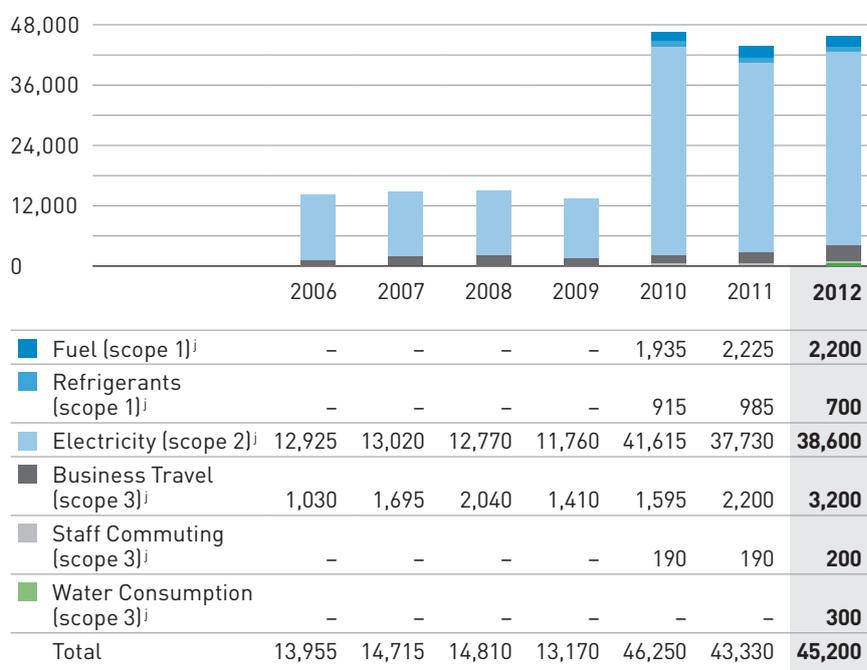
Details of water discharge at Elita Promenade in Bangalore, India, are given on page 68.

WASTE MANAGEMENT Waste Recycled

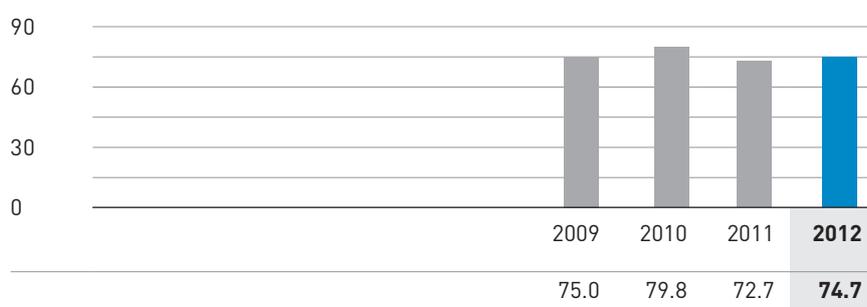
In 2012, the total amount of waste including paper, plastics and cans recycled at the Group's investment buildings in Singapore was about 73,000 kg.

Tenants at Keppel Land's investment buildings are also encouraged to recycle. At Ocean Financial Centre, for instance, a central paper recycling chute complete with a

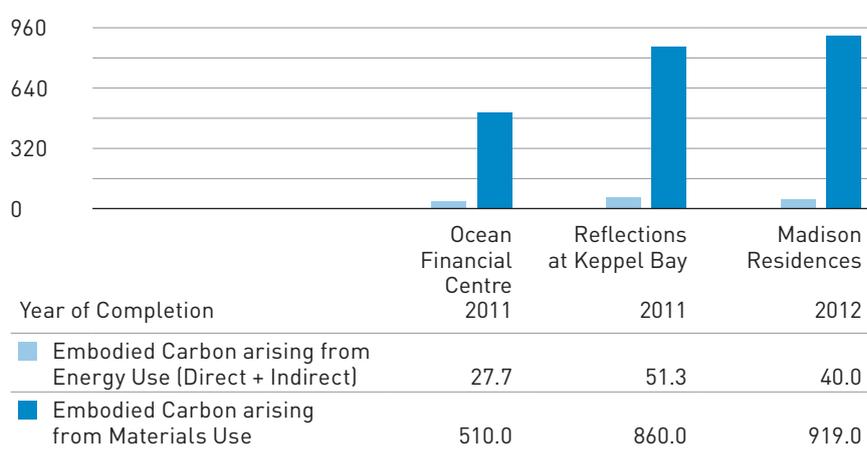
Total Carbon Emissionⁱ (tonnes CO₂)



Overall Carbon Emission Intensity (kg/m²)



Embodied Carbon Intensity at Construction Sites^k (kg/m²)





paper shredder for disposing confidential documents within their premises enables tenants to recycle their used papers.

Waste generated at Keppel Land's corporate office consists mainly of paper. The Company has a systematic paper management and recycling programme. These include setting printers to print double-sided by default, encouraging the use of electronic mail and intranet for the publication and storage of documents, utilising smaller printouts, as well as switching to electronic greeting cards.

Employees are encouraged to recycle used paper, with recycling bins placed at convenient locations in all departments. A recycling company has been contracted to collect and recycle the Company's used paper regularly. In 2012, Keppel Land and Keppel REIT's corporate offices recycled about 22,000 kg of waste paper in total.

CONSTRUCTION MATERIALS Materials Use

The construction and real estate sector consumes a considerable amount of materials. However, the amount of materials used within a reporting year is not comparable over the years as the number of projects varies every year and the construction stages of each project differ. To track such data meaningfully, Keppel Land discloses the usage of materials based on the entire construction

lifespan of a project instead of on a yearly basis. For comparison purposes, total materials used per project is reported in the year that the project is completed.

A total of 10 most commonly used materials in building construction have been identified and measured. These include cement, sand, concrete, aggregate, bricks, steel, aluminium, glass, paints, as well as ceramic tiles and granite.

Madison Residences, which was completed in 2012, used a total of about 36 million kg or 3,600 kg/m² gross floor area (GFA) of materials. In terms of embodied carbon emissions, about 9,500 tonnes or 920 kg/m² GFA was emitted.

In line with its efforts to reduce materials intensity and conserve global resources, the Company has set for its new projects, the target of using at least 30% of building materials with recycled content, low carbon emissions or certified by recognised environmental organisations such as the Forest Stewardship Council or the Singapore Green Building Council.

DIRECT AND INDIRECT EMISSIONS Emission to Air

The Company's carbon emissions include direct emissions from fuel used in power generators and loss of refrigerant in air-conditioning

systems; indirect emissions due to purchased electricity consumed at investment properties and hotels; as well as other indirect emissions arising from water usage at investment properties, business travel and commuting to and from the workplace by employees at its corporate office.

In 2012, total carbon emission was over 45,200 tonnes. The largest single source of emissions was the use of electricity in its investment buildings, which accounted for about 85% of the Company's footprint.

Keppel Land is on track to meet the emissions intensity reduction target of 16% below 2010 levels as set out in its Carbon Management Plan. Normalising the carbon emissions by the total floor area of all investment properties, its carbon intensity in 2012 was 74.7 kg/m² GFA.

Implementation of energy conservation measures including the upgrade and optimisation of chiller plant systems, as well as replacement of conventional lightings with LED tubes at some of the investment properties in Singapore have improved the Company's environmental performance. Keppel Land plans to implement similar energy conservation measures progressively in all its properties, including those overseas.

- a Data collection on energy and water consumption for overseas commercial and retail buildings, as well as hotels under Sedona Hotels International started only from 2010. Sedona Hotels International was renamed Keppel Land Hospitality Management in 2012.
- b Energy data for Singapore commercial buildings includes energy for mechanical and electrical services such as air-conditioning, lifts and lightings in all common areas, but excludes tenants' energy consumption as tenants are charged separately for the use of electricity within their tenanted space.
- c Includes Ocean Financial Centre (completed and included from 2011 onwards), Ocean Towers (demolished and excluded from 2011 onwards), Keppel Towers and GE Tower, Prudential Tower, Equity Plaza and Keppel Bay Tower.
- d Water intensity figures for Singapore commercial buildings are computed based on the number of occupants in each respective year.
- e Includes Saigon Centre in Ho Chi Minh City and International Centre in Hanoi, Vietnam, as well as International Financial Centre Jakarta in Indonesia.
- f Includes BG Junction in Jakarta, Indonesia.
- g Includes properties managed by Keppel Land Hospitality Management, namely, Hotel Sedona Manado in Indonesia, Sedona Hotel Yangon and Sedona Hotel Mandalay in Myanmar, and Sedona Suites Hanoi in Vietnam. Energy and water intensity for the hotels is expressed in terms of kWh/room-night and m³/room-night respectively.
- h Data for construction sites are disclosed on project basis instead of by year, to allow for meaningful comparison. Energy data represent the total energy consumed during the entire construction period of the project.
- i Energy conversion ratio for 2012 : 1kWh electricity = 0.5146 kg CO₂ [Source: National Environment Agency].
- j Scope 1 emissions include direct emissions from fuel used in power generators and loss of refrigerant in air-conditioning systems. Scope 2 emissions include indirect emissions due to purchased electricity consumed at Singapore and overseas investment properties and hotels. Scope 3 emissions include other indirect emissions arising from water usage at Singapore and overseas investment properties, business travel as well as commuting to and from the workplace of employees from corporate office.
- k The emission data represent the project's total embodied carbon from materials used and energy consumed at the construction site. Embodied carbon index of materials are sourced from *The Inventory of Carbon and Energy 2011*, based on cradle-to-grave boundaries.

ENVIRONMENT SINGAPORE

Environment Protection Expenditure

Description	Estimated Expenditure (\$)
Total cost of green building features in all Green Mark-certified projects in Singapore and overseas*	88,700,000
In 2012:	
Green building features in projects awarded Green Mark in 2012	20,942,000
Training (environmental courses, seminars and conferences)	31,000
External certification (ISO 14001)	12,000
Outreach programmes^	
Environmental education	89,000
Gold sponsor of International Green Building Conference 2012	50,000
BCA Awards 2012 (President Challenge Charity Drive)	20,000
Sponsor of World Workplace Asia Conference	10,000
Sub-total	21,154,000

* Includes cost of projects developed in joint ventures which will be borne by Keppel Land and its joint venture partners.

^ Excludes Keppel Land's share of contribution at the Keppel Group level.

About 70% of the staff at its corporate office in Singapore commute to work by public transport. Keppel Land will continue to encourage staff to use public transport as well as communicate via audio or video conferencing to minimise travelling.

Construction Projects

While emissions due to construction activities that occur within the boundaries of a development site are a result of the contractor's direct and indirect emissions, Keppel Land recognises the significant environmental impact of construction activities, and hence measures and monitors energy and emission data from its construction sites.

Adopting the same principle of disclosure on a project basis, the total direct and indirect emissions of Madison Residences, arising from the use of fuel and electricity during its entire construction period, was about 412 tonnes or 40 kg/m² GFA.

The Company also strives to influence its contractors to improve their energy efficiency and reduce emissions at site by encouraging them to implement an energy management system.

ENVIRONMENTAL PROTECTION EXPENDITURE

Keppel Land adopts a proactive and holistic approach in the way it designs, constructs and operates its developments.

The total cost incurred for incorporating green features for all its Green Mark-certified residential and commercial projects in Singapore and overseas is estimated to be about \$88.7 million. This amount includes its partners' share for jointly developed projects.

TARGETS

Recognising the twin benefit of environmentally-friendly business practices on the environment and its bottom-line, Keppel Land has set strategic plans for continual improvement.

ENVIRONMENTAL DESIGN GUIDELINES

The Group has in place a set of Environmental Design Guidelines for the design of its new developments.

Comprising stretched targets in the areas of environmental certification, energy, water, landscaping and materials use, they include:

- Sourcing at least 40% of construction materials regionally from within 1,000 km;
- Using at least 30% of building materials with low emissions or recycled content;
- Ensuring at least 70% of the GFA is well-lit by natural light; and
- Having at least 20% and 40% of the total site area of its commercial buildings and residential developments respectively covered by vegetation such as green roofs and walls.

In doing so, Keppel Land adopts the integrated design approach where teams including consultants, in-house sustainability team and project managers, work together to adopt new strategies, systems and products right from the initial design stage to create a sustainable development.

This will enable the Group to achieve its goal of obtaining at least the BCA Green Mark Gold^{Plus} and Gold standards for all new properties in Singapore and overseas respectively.



ENVIRONMENTAL OPERATION PLANS

In 2012, Keppel Land developed Environmental Operation Plans for the management of the respective completed commercial buildings in Singapore and hospitality properties overseas.

The individualised plans outline environmental targets and programmes to yield measurable reductions in waste as well as energy and water usage at each property.

These include adhering to the Group's environmental policy and green procurement guidelines.

Annual reviews will also be conducted to monitor the progress and implementation of the plans as well

as the respective cost savings. These measures are targeted at helping the Company achieve its goal of at least the BCA Green Mark Gold^{Plus} standard for all its completed commercial buildings in Singapore by 2015.

CARBON MANAGEMENT PLAN

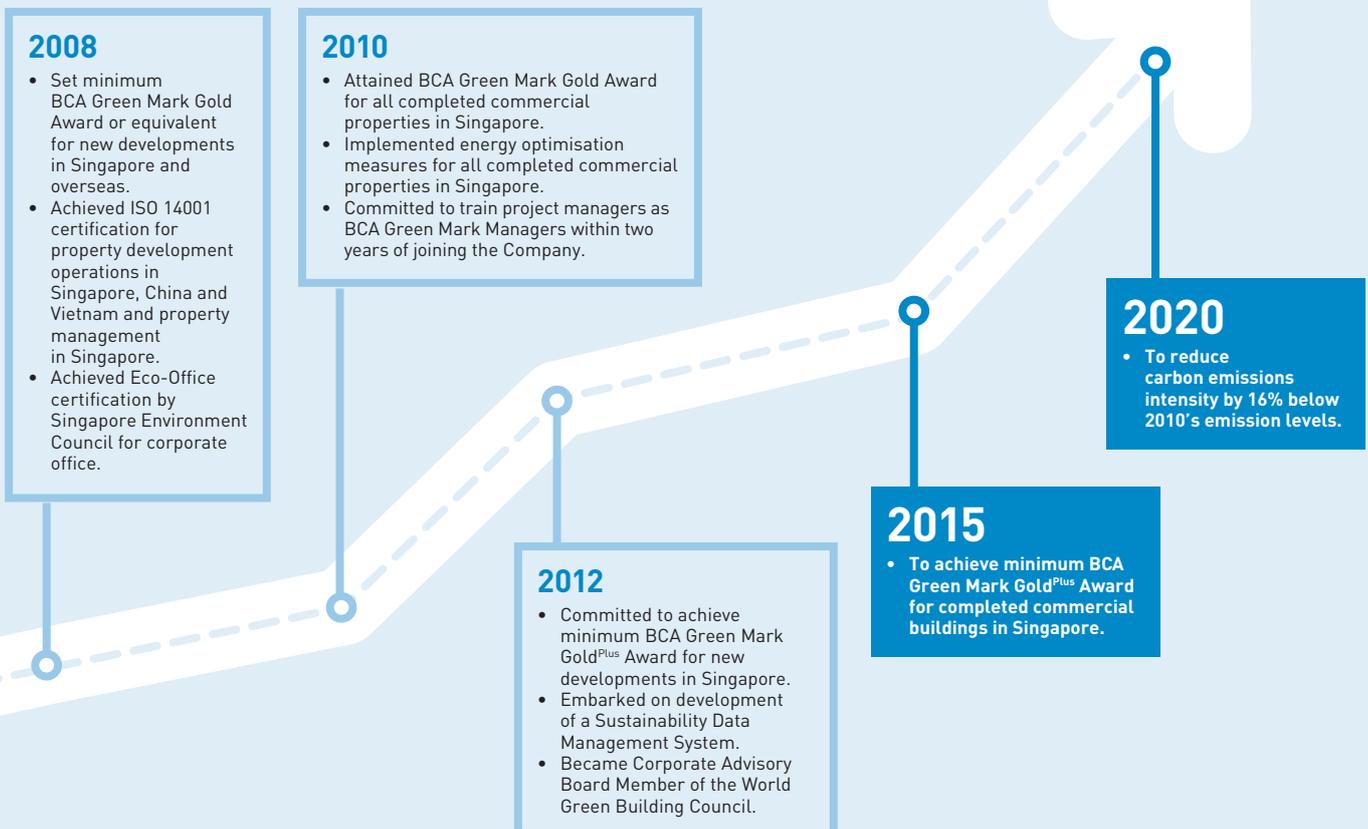
Keppel Land's Carbon Management Plan outlines the initiatives and programmes that the Company will undertake to reduce its emissions.

Adopting a holistic approach towards reducing carbon emissions, the Group has set the target of reducing its emissions intensity by 16% below 2010's emission levels by 2020.

Carbon reduction measures to be undertaken include developing high-performance commercial buildings, upgrading chiller plant systems in existing buildings, and replacing existing carpark lighting with energy-saving LED tubes.

This will result in a reduction of almost 34,000 tonnes of carbon dioxide emission, representing potential savings of about \$18.3 million up to 2020. Beyond 2020, annual savings of about \$4.8 million are expected.

ENVIRONMENTAL TARGETS



ENVIRONMENT SINGAPORE

Environmental and Sustainability Milestones

1997

- Started a dedicated section in Keppel Land's Annual Report, which details the Company's environmental efforts.

2005

- Attained the Best in Class status by Scandinavian financial institution, Storebrand, for leading in environmental and social performance.
- Became founding member of Singapore Compact.

2006

- Awarded the BCA Green Mark Gold Award for condominium development, The Tresor, in Singapore.
- Obtained Gold (Implementation/ Residential) and Silver (Maintenance) Awards for Caribbean at Keppel Bay at the Landscape Industry Association (Singapore) Awards of Excellence.
- Caribbean at Keppel Bay emerged Winner in the Residential category at the international FIABCI Prix d'Excellence Awards.

2007

- Formed the Environment Management Committee.
- Became a developer and project manager for Keppel Group's 36.6-ha eco-development in the Start-Up Area in the Sino-Singapore Tianjin Eco-City.
- Awarded BCA Green Mark Gold Award for Marina Bay Residences.
- Started the *Go Green with Keppel Land* outreach programme.

2008

- Conferred five BCA Green Mark Gold Awards for projects in Singapore and Vietnam.
- Ocean Financial Centre became the first office development in Singapore's CBD to obtain the highest BCA Green Mark Platinum Award.

- Obtained the first BCA Green Mark Award in Vietnam for The Estella.
- Achieved ISO 14001 EMS certification for the development of commercial and residential properties in Singapore.
- Attained Eco-Office certification for its corporate headquarter by the Singapore Environment Council.
- Released first Corporate Social Responsibility Report online.
- One Raffles Quay emerged Winner in the Office category at the FIABCI Prix d'Excellence Awards.

2009

- Ocean Financial Centre became the first office development in Southeast Asia to achieve LEED Platinum (core and shell) pre-certification.
- Conferred 11 BCA Green Mark Awards for projects in Singapore, China and Vietnam.
- Achieved the Group's first BCA Green Mark Gold Awards in China for projects in Tianjin, Shanghai and Kunming.
- Bestowed the second BCA Green Mark Gold Award in Vietnam for Riviera Cove.
- Expanded the ISO 14001 EMS certification scope to include property management in Singapore and property development in China and Vietnam.
- Published inaugural Global Reporting Initiative (GRI)-accredited Level C Sustainability Report.
- Founding member of the Singapore Green Building Council.

- Eco-City International Country Club (previously known as Tianjin Pearl Beach International Country Club) in China became the world's first Audubon International-certified Classic Sanctuary.
- Jakarta Garden City was named Best Middle Class Residential Development at the FIABCI Indonesia BNI Prix d'Excellence Awards.
- Saigon Centre in HCMC was named the Most Energy-Efficient Building (1st runner-up) by Vietnam's Ministry of Trade and Industry.

2010

- Selected as an index component of the Dow Jones Sustainability Index (DJSI) Asia Pacific.
- Only Singaporean company to be included in the Sustainable Asset Management (SAM) Sustainability Yearbook 2011.
- Named the Most Admired ASEAN Enterprise for CSR at the ASEAN Business Awards.
- Conferred another four BCA Green Mark Gold Awards for commercial projects in Singapore.
- Expanded the ISO 14001 EMS certification scope to include property development operations in Tianjin, Kunming and Jiangyin in China.
- Panel speaker at the *Impetus for Growing Global* seminar organised by the Singapore Management University and BCA.
- Showcased Ocean Financial Centre and Sino-Singapore Tianjin Eco-City at BEX Asia, where it was the Gold sponsor.
- Attained Audubon Classic Sanctuary status for another two golf courses in Kunming, China, and Bintan, Indonesia.



- Attained the Solar Pioneer Award for Ocean Financial Centre.
- Won the Central Singapore Project E.A.R.T.H. Challenge for corporate organisations.
- Published GRI-accredited Level B+ Sustainability Report, with external assurance.
- Merit Award winner in the services category at the Singapore Environmental Achievement Awards.

2011

- Joined the United Nations Global Compact.
- Embarked on journey to align the Group's business operations with the ISO 26000 standard.
- Selected as an index component of the DJSI World Index, and retained its position in the DJSI Asia Pacific Index for the second year.
- Included in the SAM Sustainability Yearbook 2012, and named the Sector Mover for the real estate sector.
- Named the Best Performer in Asia in the Global Real Estate Sustainability Benchmark (GRESB) 2011.
- Conferred the Best In Class (Financials) status by Scandinavian financial institution, Storebrand.
- Won the Best Sustainability Award at ACCA Singapore Awards for Sustainability Reporting 2011 with its GRI-accredited Level B+ Sustainability Report with AA1000 Assurance Standard.
- Ocean Financial Centre bagged the Gold Award in the Product Excellence category at the Global CSR Awards 2011.

- Conferred another four BCA Green Mark Gold Awards for projects in Singapore, China and Indonesia.
- Expanded the ISO 14001 EMS certification scope to Zhongshan, China, and attained independent certification for property development in China.
- Panel speaker at the Responsible Research's forum on *Improving Business Case for Green Buildings in Asia*.
- Marina at Keppel Bay was named the Green Maritime Company of the Year at the 7th Asia Boating Awards.
- Marina Bay Residences and Marina Bay Financial Centre (Phase 1) received the FIABCI Prix d'Excellence Singapore Property Awards 2011 in the residential (High-rise) and office categories.
- Ocean Financial Centre bagged the Green Development Award at the Southeast Asia Property Awards 2011.

2012

- Became founding member of the World Green Building Council Corporate Advisory Board.
- International Financial Centre Jakarta Tower 2 became the first development in Indonesia to receive the BCA Green Mark Platinum Award. This is the Group's second Platinum-awarded property after Ocean Financial Centre in Singapore.
- Placed in the DJSI Asia Pacific and World Indices for the third and second year respectively.
- Included in the SAM Sustainability Yearbook for the third consecutive year.

- Named the Regional Sector Leader for the Office Sector in GRESB 2012.
- Participated in the Carbon Disclosure Project on a voluntary basis.
- Achieved another nine BCA Green Mark Awards for projects in Singapore, China, Vietnam, Indonesia and India.
- Expanded the scope of Keppel Land China's independent ISO 14001 EMS certification to Chengdu, Nantong and Beijing, completing the certification for all 10 cities in China that the Group operates in.
- Commenced ISO 14001 EMS implementation in Indonesia.
- Developed Environmental Operation Plans for managing environmental performance at completed commercial buildings in Singapore and overseas hospitality properties.
- Jakarta Garden City (Phase 1) bagged the Highly Commended Green Development Award at the Southeast Asia Property Awards 2012.
- Conferred the Best Property Development Organisation for Mature Markets at the Asia Pacific Real Estate Association Best Practices Awards 2012.
- Garnered a Special Mention under the Green Champion category at the Singapore Compact CSR Awards 2012.

ENVIRONMENT
SINGAPORE

SHOWCASE: THE LAKEFRONT RESIDENCES



The Lakefront Residences was awarded the Green Mark Gold rating by the Building and Construction Authority of Singapore in March 2012.

Comprising a total of 629 units spanning over three 18-storey blocks, The Lakefront Residences is strategically located next to the Lakeside MRT station. It is also near the Jurong Lake District, which is envisioned to become a commercial, leisure and residential hub with a myriad of edutainment attractions, hotels, shopping and dining facilities, recreational parks and water sports activities.

Walkways across the lake are connected to the Jurong Gateway, which is set to become Singapore's

largest commercial hub with government agencies and business enterprises setting up headquarters there in the near future.

The development is close to schools including the Canadian International School as well as retail and commercial developments such as Jurong Point and JCube.

The Jurong General Hospital and Jurong Community Hospital, which are scheduled for completion in 2014 and 2015 respectively, will also provide residents with easy access to healthcare services.

The Lakefront Residences offers one- to four-bedroom units and penthouses, and its facilities include

an Olympic-sized swimming pool, a bubble pool and a thermal hot spa set amidst an enchanting mist garden.

All units have been fully sold and the development is scheduled to be completed by 2015.

Featuring extensive green landscapes and eco-ponds, The Lakefront Residences was conferred the BCA Green Mark Gold Award.



Key Green Features

Energy Savings p.a.

**7.08% or
676,154.36 kWh**

Energy Efficiency

- Use of full-height glass with a high shade and deep, overhanging balconies to allow maximum natural light into the units. This also prevents excessive heat gain into the building, which helps to reduce the cooling load.
- Installation of energy-efficient lifts that utilise variable-voltage variable-frequency (VVVF) technology, thereby reducing energy consumption.
- Installation of ductless ventilation system at the basement carpark to minimise energy use during normal operations as well as in the event of emergencies.
- Installation of sensors in the basement carpark to monitor carbon monoxide levels, which will trigger the exhaust fans should the levels become too high.
- Provision of bicycle lots at the basement carpark.
- Installation of air-conditioning units with four-ticks energy label in all homes.
- Installation of motion sensors and energy-efficient light fittings at most of the common areas to reduce energy use as well as lengthen the operational life of the light-fittings and bulbs.

CO₂ Emission Reduction p.a.

**7.08% or
338.08 tonnes**

Water Efficiency

- Installation of water-efficient fittings.
- Use of rainwater harvesting system to collect rainwater for irrigation and non-potable uses.

Environment Quality

- Use of paints which are low in volatile organic compounds and odour for the interiors of the buildings to avoid polluting the environment with potentially harmful airborne chemicals.
- Use of cool-coloured paints on the facades of the three blocks to reduce heat gain in the buildings, and hence the cooling load.
- Use of composite wood with low formaldehyde.

Green Labelling and Recycled Content

- Laminated flooring for residential units comprises recycled materials.
- Drainage layer of the landscape deck and the grass cells for the fire engine access ways will be Singapore Green Labelling Scheme-certified.
- Pre-cast concrete wall partitions, pre-cast curbs, drains and wheel stoppers will comprise 30% recycled content.

Water Savings p.a.

**13.3% or
4,961 m³**

Landscaping

- About 30% of the site will be landscaped with extensive greenery, with a green plot ratio of 4.29.
- Eco-ponds on-site to minimise the amount of chlorinated water used.
- Siphonic rainwater system will reduce the quantity and size of unplasticised polyvinyl chloride (uPVC) pipes used for rainwater discharge.
- Recycled compost will be used as fertiliser for landscaping.
- Provision of a rainwater storage tank in the basement which will be connected to a network of standing pipe taps at the landscape deck for irrigation purposes.

Quality

- The project has been certified under the Construction Quality Assessment System (CONQUAS) (Singapore) as well as the Quality Mark schemes, ensuring good quality finishing and workmanship.

ENVIRONMENT OVERSEAS



Keppel Land extends its commitment towards the management and protection of the environment beyond Singapore.

HOSPITALITY MANAGEMENT

Keppel Land Hospitality Management operates and manages a portfolio of properties including hotels, serviced residences, golf courses and resorts, as well as marinas across Asia. The hospitality arm leverages the Group's reputable brand name and reaffirms its commitment to good environmental stewardship throughout its properties.

All its hotels and serviced residences adhere to an environmental policy and a set of guidelines on energy and water conservation, green procurement as well as usage of biodegradable cleaning products, energy-efficient office appliances and equipment. Energy conservation

measures implemented at its properties include the installation of timer switches and energy-saving fluorescent bulbs, a linen reuse programme and an active recycling programme for paper, plastic and glass.

Old napkins and towels are reused as cleaning cloths in the housekeeping and stewarding departments, while suppliers are encouraged to distribute food and drink items in reusable crates and bottles. Recycling bins are placed throughout the hotels, and recycling vendors engaged for waste collection. Promotional mailers and collection of guests' feedback are conducted through electronic channels, while corporate collaterals are printed on environmentally-friendly paper.

Sedona Hotel Yangon and Sedona Hotel Mandalay in Myanmar have been certified under the Green

Globe standard, which assesses the sustainability performance of travel and tourism businesses and their supply chain partners. Developed by the World Travel and Tourism Council and an affiliate to the United Nations World Tourism Organisation, the Green Globe is recognised internationally as a mark of quality, sustainability and climate action.

PRESERVING BIODIVERSITY

Conscious efforts are made to preserve the biodiversity in Keppel Land's properties. Its golf courses such as Ria Bintan Golf Club (Ria Bintan) in Indonesia and Spring City Golf & Lake Resort (Spring City) in Kunming, China, were sculpted along the natural contours of the undulating landscape.

At Spring City, indigenous flora like the eucalyptus trees and wildflowers were carefully preserved during and after construction to ensure that the



eco-system remained balanced and intact. Originally an arid and mountainous site afflicted by poor surface drainage and severe soil erosion, Spring City is now home to two world-class golf courses.

Many species of trees have been planted at Spring City to help in the habitation of wildlife such as songbirds, squirrels, butterflies, insects and rabbits. A 1.7-km nature trail featuring over 300 plant species, most of which are native to the Yunnan province, was recently developed at Spring City. Information boards have also been placed along the trail to help spread the message on the importance of preserving biodiversity.

In Indonesia, the architecture of the Forest Course at Ria Bintan is constructed around existing natural contours so as to preserve wildlife corridors. The integrated design allows a one-with-nature theme throughout the resort.

AUDUBON CERTIFICATION

Keppel Land’s hospitality portfolio includes three Audubon International-certified golf courses in China and Indonesia. Audubon is a global environmental organisation which champions wildlife protection as well as provides education and conservation

assistance for responsible management of natural resources.

The Group attained its first Audubon Classic Sanctuary certification in 2009 for the Eco-City International Country Club (previously known as Tianjin Pearl Beach International Country Club). The golf course was the first in the world to achieve this prestigious status, followed by Spring City and Ria Bintan in 2010.

The Audubon Classic Programme caters to existing developments that are being redeveloped or going through restoration for improvements, while maintaining its use. To achieve the status, certified developments must meet the minimum programme requirements, as well as any additional site-specific requirements identified by Audubon. These stringent criteria include environmental management in the areas of environmental planning, wildlife and habitat management, outreach and education, chemical-use reduction and safety, water conservation as well as water quality management.

Spring City was also conferred the Most Eco-Friendly and Best Environmental Innovation awards in 2012 and 2010 respectively by Golf Magazine China.

TOWARDS SUSTAINABLE DEVELOPMENT

TIANJIN ECO-CITY, CHINA

Sino-Singapore Tianjin Eco-City (Tianjin Eco-City) continues to make further progress and development in 2012.

Tianjin Eco-City is a flagship bilateral project between the governments of Singapore and China to jointly create a practical, scalable and replicable model of sustainable urban development for other cities in China and the rest of the world. Singapore’s Prime Minister and China’s Premier signed the framework agreement in November 2007.

Located on non-arable, water-scarce land with limited natural resources in the Tianjin Binhai New Area, the 30-sq km Tianjin Eco-City is envisioned to be an economically thriving city that is socially harmonious, environmentally-friendly and resource-efficient, where 350,000 residents can live, work and play.

With a development period spanning 10 to 15 years, it will showcase how ecological challenges can be tackled with the integration of eco-solutions through careful master-planning. It has a Start-Up Area (SUA) of four sq km, which will be home to about 26,500 households when completed.



- 1 An Audubon Classic Sanctuary golf course, Spring City Golf & Lake Resort in Kunming was sculpted along the natural contours of the undulating landscape.
- 2 Sedona Hotel Yangon in Myanmar is certified under the Green Globe Standard, an international mark of the hotel’s commitment towards quality, sustainability and climate action.

**ENVIRONMENT
OVERSEAS**



The master developer for Tianjin Eco-City is Sino-Singapore Tianjin Eco-City Investment and Development Co., Ltd (SSTEC), a 50/50 joint venture between the Singapore consortium, led by the Keppel Group, and a Chinese consortium, led by Tianjin TEDA Investment Holding Co., Ltd.

Keppel Land China is an investor, developer and project manager of the Keppel Group's 36.6-ha site within the SUA. Keppel Corporation and Keppel Land China hold 45% and 55% interests respectively in this site.

Tianjin Eco-City was named the Global Green City at the Global Human Settlements Awards 2012, which was held on the sidelines of the Rio+20 Global Town Hall conference in Brazil in June. Due to its successful implementation of green building, renewable energy and water treatment projects, Tianjin Eco-City was recently earmarked by China's

Ministry of Housing and Urban-Rural Development (MOHURD) as one of the 90 cities and towns to pilot China's Smart City programme. Between 2013 and 2015, MOHURD will partner the China Development Bank to invest RMB 80 billion in these cities.

The Chinese government also recently shared its plans for an eco-friendly transport network that will link Tianjin Eco-City to the region. In July 2012, SSTEC entered a memorandum of understanding with General Motors (GM) to explore the feasibility of piloting the use of GM's next generation of Electric Networked Vehicle within the development.

Tianjin Eco-City has also attracted international technology partners such as Hitachi, Philips and ST Engineering to establish their regional headquarters within the development.

Green Building Evaluation Standard

All developers in Tianjin Eco-City have to comply with the Green Building Evaluation Standard (GBES), which is a combination of China and Singapore's green building standards.

Under the standard, a building is evaluated in six areas, namely land savings and outdoor environment, energy efficiency, materials savings, water savings, indoor environment quality, as well as operations and maintenance. Developers may choose to exceed the mandatory standards to qualify for the Silver, Gold or Platinum awards.

GBES comprises the following requirements:

- Achieving at least 70% reduction in building energy consumption compared to buildings designed to local design standard;



- Meeting 5% of total building energy demand from renewable energy sources;
- At least one room in all apartment units will receive at least two hours of sunlight during winter;
- Green ratio of at least 40%;
- Reducing construction materials wastage through optimal design; and
- Sourcing more than 70% of construction materials (by weight) from within a 500-km radius.

Seasons Park

The development of Keppel Group's 36.6-ha site in the SUA is carried out in phases. It is expected to yield about 4,350 homes, as well as commercial developments including office and retail space when completed.

Phase 1 of the residential component, Seasons Park, obtained the BCA Green Mark Gold Award (Provisional) in 2012 and attained the ISO 14001 certification for its environment management system standards in 2011. It comprises a total of 1,672 homes. About 81% of the 787 released units have been sold as at end-March 2013.

Some of the innovative green technologies incorporated at Seasons Park include the building envelope thermal system, which can achieve energy savings of up to 70% compared to normal standards, and solar heating features, which supply 60% of all units' hot water consumption. The project also uses a cleaner and eco-friendly pneumatic refuse collection system.

Other green technologies integrated in the development include an energy-efficient air-conditioning system and high-energy conservation

insulated walls. Building positions have been designed to avoid the wind tunnel effect.

Phase 2 of the residential component, Seasons Garden, will comprise about 1,190 mid- and low-rise apartments. It is expected to be launched in 2013.

Seasons City

The commercial development, Seasons City, will comprise three office towers, serviced residences and a retail mall to complement Keppel Land's adjoining residential developments.

1, 2 Singapore's Prime Minister Lee Hsien Loong visited Tianjin Eco-City in September 2012 and was updated on the Keppel Group's developments, including Seasons Garden.

ENVIRONMENT OVERSEAS



Homeowners at Central Park City in Wuxi, China, were given a Green Guide detailing the eco-friendly features within the development.

Seasons City will feature amongst others, an on-site rainwater collection system, PV panels for renewable energy, adjustable sunshading and variable-voltage, variable-frequency elevators with sleep mode. The office tower, Keppel Eco-Centre, will be built to the highest GBES Platinum standard.

Leveraging its extensive experience as a developer of prime office buildings, Keppel Land strives to create vibrant, integrated and quality live, work, and play environments which can meet the demand for premium office space from multinational corporations looking to participate in the rapid growth of Tianjin and northern China.

ELITA PROMENADE, BANGALORE, INDIA

Elita Promenade is a 1,573-unit condominium, which is jointly developed by Keppel Land and Puravankara Projects Ltd. Completed in February 2012, the development is fully sold.

About 1,350 families have moved into the development as at end-March 2013.

Following the completion of Elita Promenade, Keppel Land received complaints from some residents who had moved in on two key issues, namely the laying of a sewage pipe through the property without the residents' knowledge and the malfunctioning of the development's sewage treatment plant (STP). This incident was reported in The Straits Times on 8 April 2012.

The sewer pipe diverts untreated sewage and storm water from the neighbouring housing complexes into the adjacent Sarakki Lake, which would otherwise flow into Elita Promenade. Except for Elita Promenade, all the surrounding housing complexes are discharging sewage directly into the lake as there is no sewage disposal infrastructure provided by the authorities. The Bangalore Water Supply and Sewage Board (BWSSB) had not built any sewerage network and STP in the vicinity.

Although the STP was initially designed and built in accordance with local codes and regulatory requirements, it was unable to function effectively mainly due to excessive water usage by homeowners, which exceeded the plant's design capacity. The flow rate into the STP reached 1,000 kilolitres per day (KLD) or 1,000 m³/day as compared to the plant capacity of 850 KLD. As such, the actual discharge per year was estimated at 365,000 m³, higher than the estimated discharge capacity of 310,250 m³ per year.

The project team responded by appointing Keppel Seghers to investigate and recommend a solution to resolve the issue. At the advice of Keppel Seghers, the STP was upgraded and its capacity boosted by over 40% to 1,200 KLD, following its completion in end-September 2012. Periodic test results conducted on water samples from the plant from November 2012 to March 2013 showed that the treated water was fully compliant with the



Karnataka State Pollution Control Board's Treated Effluent Standard. The project team continues to conduct regular testing of water samples so as to monitor and ensure the smooth running of the upgraded STP.

In addition to the STP upgrade, the project team also took the initiative to set up a task force to educate residents on water conservation through awareness campaigns. This helps to prevent excessive usage of water, which also allows the STP to function properly. The treated effluent from STP is recycled for landscape watering and flushing water for toilets.

A process has commenced with the intention to form and register an official Homeowners' Association (HOA). The HOA, when formed, will have authority over the enforcement of rules for the property as well as the upkeep of common areas, including the STP within the development.

In January 2013, the BWSSB commenced construction of a new network of sewage pipes in the vicinity of Elita Promenade. This is expected to channel away the neighbourhood's sewage and storm water, which will help to reduce the pollution of Sarakki Lake due to dumping of untreated sewage.

OVERSEAS OUTREACH

Keppel Land extends its outreach programme, *Go Green with Keppel Land*, to its overseas offices and encourages staff, tenants and customers to participate in meaningful social events.

COMMEMORATING ECO-DATES

During Earth Hour in March 2012, the Group's offices and developments overseas joined the corporate office in turning off non-essential lights for an hour. Beyond the symbolic gesture, this helped to raise awareness and encouraged

staff and tenants to continue to conserve energy in the office and at home.

In line with the Group's celebration of World Environment Day in June 2012, offices in Chengdu and Shenyang in China as well as Jakarta Garden City in Indonesia similarly screened the environmentally-themed movie, *Dolphin Tale*, to staff.

To reinforce the importance of responsible consumption, staff were also encouraged to bring their own reusable tableware during the lunch-time movie screening.

To mark World Car Free Day in September 2012, staff at the Shenyang office pledged to take either the bus or subway, and cycle or walk to work.

Employees also participated in environmental protection activities and exhibitions to raise awareness of the positive benefits of using environmentally-friendly transportation modes in everyday life. Similar awareness activities were also organised for staff in the Tianjin office.

INCULCATING GREEN MINDSETS

Recognising that environmentally-friendly habits should start at the workplace, offices in Ho Chi Minh City, Vietnam, as well as in Shenyang, Shanghai, Tianjin, Wuxi and Jiangyin in China, have implemented eco-office measures.

Good practices like turning off non-essential lights and computer monitors during lunch hour and the use of recycling bins are strongly encouraged among staff. Trainings on eco-office initiatives were held at the Jiangyin office to raise staff awareness as well.

In 2012, an in-depth training on ISO 14001 was conducted for staff in Shenyang, to educate them on environmental management and protection.

ENGAGING COMMUNITIES

The Taman Sutera development in Johor Bahru, Malaysia, organised a month-long exhibition at the Taman Sutera Mall in July 2012 to educate residents and the wider local community on sustainable healthy living. The event featured 13 galleries which introduced the benefits of Effective Micro-organisms (EM) and the 5Rs – Rethink, Reduce, Reuse, Recycle and to be Responsible. EM Technology helps to support sustainable practices in farming, improves human health and hygiene, aids in compost and waste management as well as disaster clean-ups. Visitors learnt how to make EM products such as EM fermented food waste, rice-rinsed water as well as EM waste oil soap.

To engage the local community in eco-protection, Jakarta Garden City organised 'kerja bakti', or community social work, in December 2012. The team and residents from the nearby communities cleaned the drains and canals in the surrounding villages to ensure smooth drainage and prevent floods.

At Central Park City in Wuxi, China, homeowners were given a Green Guide with details of the eco-friendly features and facilities within the development. Residents are encouraged to adopt a green lifestyle through initiatives such as provision of recycling bins and a green corner set up within Central Park City to provide information on green features and their uses.

Similar efforts to promote green awareness to homebuyers have been implemented at Stamford City in Jiangyin, China. Bicycle rental facilities are available for residents' use, while a Green Educational Corner lets residents learn more about energy and water conservation, as well as how to go about incorporating sustainability into their daily lives.

ENVIRONMENT OVERSEAS

SHOWCASE: INTERNATIONAL FINANCIAL CENTRE JAKARTA

International Financial Centre (IFC) Jakarta Tower 2 has raised the benchmark in sustainable developments by becoming the first in Indonesia to achieve the internationally-acclaimed Green Mark Platinum Award, the highest green accolade conferred by the Building and Construction Authority (BCA) of Singapore.

The state-of-the-art eco-office is located in the heart of Jakarta's financial district. Construction started in October 2012 and is scheduled for completion in the second half of 2015. Standing at 215 m, the development will offer 64,000 sm of prime Grade A office space across 48 levels of column-free floor area.

As environmental concerns dominate global and national agendas, eco-buildings such as IFC Jakarta Tower 2 are fast becoming the preferred choice for businesses seeking sustainable and quality office space in Jakarta.

According to The World Bank, the building sector accounted for more than a quarter of total energy used in Jakarta in 2004. This figure is expected to increase to nearly 40% in the next two decades. To meet pressing needs to reduce greenhouse gases in Jakarta, a Green Building Code was developed with the aim of lowering energy consumption from large commercial and high-rise residential buildings by 26% by 2020. This is equivalent to about 2.7 million tonnes of carbon dioxide per annum.

IFC Jakarta Tower 2 is expected to yield overall savings of about 32% and more than 62,000 m³ in energy and water consumption per annum respectively.

Its sustainable features include:

- Double-glazed low emission glass that comprises low-emissivity coating to achieve better heat and acoustic insulation as well as reduce heat transfer through windows, thereby providing building occupants with an optimal indoor working environment;
- Regenerative drive lifts that enable energy to be generated back to the building so as to reduce energy consumption from lifts;
- Recycling of rain and condensate water for irrigation;
- Highly-efficient chiller plant system;
- Installation of water- and energy-efficient fittings to reduce water usage in toilets and wash basins as well as implement solutions to effectively reduce the use of potable water;
- Green building monitor system to analyse and optimise energy usage;
- Water usage and leak detection system which monitors water usage in the building to ensure optimal use and prevent wastage of water resources;
- Naturally ventilated sky garden to provide tenants respite in a natural environment;
- Extensive use of drought-tolerant plants to reduce water usage; and
- Use of eco-friendly materials during the construction of the development.

International Financial Centre Jakarta Tower 2 is the first in Indonesia to be conferred the BCA Green Mark Platinum Award.





PRODUCT EXCELLENCE

Keppel Land is committed to create sustainable live-work-play environments of enduring value for its homeowners and tenants.



37

A total of 37 Green Mark Awards has been conferred by the Building and Construction Authority of Singapore to-date.

3,500

The Customer Focus Unit handed over more than 3,500 homes in Singapore, China, Vietnam, Indonesia and India in 2012.

The iconic Reflections at Keppel Bay has been conferred the Gold Award in the Residential (High-rise) category at the prestigious international FIABCI Prix d'Excellence Awards 2013.



SUSTAINABLE BENCHMARKS

Committed to best practices, Keppel Land benchmarks its developments against globally-recognised standards including the Leadership in Energy and Environmental Design (LEED) by the US Green Building Council; the Green Mark scheme by the Building and Construction Authority (BCA) of Singapore; Audubon International certifications; as well as the ISO 14001, OHSAS 18001 and ISO 26000 standards.

OUTSTANDING DEVELOPMENTS

Keppel Land's commitment to develop sustainable developments and create quality live-work-play environments for the community has gained both regional and international recognition.

At the prestigious Euromoney Real Estate Awards 2012, Keppel Land clinched four awards, namely the Best Office Developer in Singapore for the fifth consecutive year, as well as the Best Developer, Best Residential Developer and Best Mixed-use Developer in Vietnam. Recognising outstanding achievements in the global real estate industry, the awards are based on the opinions of senior decision-makers in the sector and major corporate end-users from over 50 countries.

QUALITY HOMES

An international showcase for world-class waterfront living, the iconic Reflections at Keppel Bay, designed by renowned architect Daniel Libeskind, was named the winner of the Residential (High-rise) category at the FIABCI Singapore Property Awards 2012. It was judged on its design, functionality and contribution to the built environment and community at large. The development also represented Singapore in the FIABCI Prix d'Excellence Awards in May 2013 where it was conferred the highest Gold Award.

Sustainability Certifications

Type of Certification and Rating	Number of Developments	Type of Development	Location
LEED Platinum	1	Commercial	Singapore
Total	1		
BCA Green Mark*			
Platinum rating	1	Commercial	Singapore
	1	Commercial	Jakarta, Indonesia
Gold ^{Plus} rating	1	Commercial	Singapore
	1	Residential	Singapore
Gold rating	9	Residential	Singapore
	8	Commercial	Singapore
	3	Residential	Ho Chi Minh City, Vietnam
	2	Commercial	Ho Chi Minh City, Vietnam
	8	Residential	Shanghai, Wuxi, Tianjin and Kunming, China
	1	Residential	Jakarta, Indonesia
Certified	1	Residential	Shanghai, China
	1	Residential	Kolkata, India
Total	37		
Audubon Classic Sanctuary	3	Golf course	Tianjin and Kunming, China, and Bintan, Indonesia
Total	3		
ISO 14001	2	Residential	Singapore
	5	Commercial	Singapore
	3	Residential	Ho Chi Minh City, Vietnam
	15	Residential	Shanghai, Shenyang, Wuxi, Tianjin, Kunming, Jiangyin, Zhongshan, Chengdu and Nantong, China
	1	Commercial	Beijing, China
Total	26		
OHSAS 18001	4	Residential	Singapore
	5	Commercial	Singapore
	15	Residential	Shanghai, Shenyang, Wuxi, Kunming, Jiangyin, Tianjin, Zhongshan and Chengdu, China
	1	Commercial	Beijing, China
	1	Residential	Ho Chi Minh City, Vietnam
	2	Commercial	Ho Chi Minh City and Hanoi, Vietnam
	2	Hospitality	Ho Chi Minh City and Hanoi, Vietnam
Total	30		

* Includes provisional awards

PRODUCT EXCELLENCE



Known for its six glass towers that rise elegantly from the water's edge, Reflections at Keppel Bay also received the global Top 10 Emporis Skyscraper Award. The award recognises buildings with outstanding architectural design and functionality.

Overseas, Jakarta Garden City in Indonesia bagged the Best Villa Development Award and Highly Commended Award for Green Development at the Southeast Asia Property Awards 2012. The development was the first residential development in Indonesia to be conferred the BCA Green Mark Gold Award in 2011.

COMMERCIAL SHOWCASE

Keppel Land's iconic green building, Ocean Financial Centre, achieved the prestigious and internationally-recognised Platinum Level LEED-CS certification. It is one of the newest and largest office buildings in Singapore's Central Business District.

At the Asia Pacific Property Awards in April 2012, Ocean Financial Centre clinched the award for Best Commercial High-rise Development following its win of three awards for Best Office Architecture, Best Office Development and Best Commercial High-rise Development in Singapore. The landmark premium Grade A office development went on to

compete at the global arena, where it was awarded the highest accolade of the World's Best Commercial High-rise Development at the International Property Awards 2012.

Ocean Financial Centre features a myriad of sustainable and innovative features. These include the harvesting of rainwater for irrigation of rooftop gardens, recycling of condensate water for the cooling tower and use of water-efficient tap fittings which contribute towards water savings of 42 million litres annually, enough to fill 21 Olympic-sized swimming pools.



The office development is also the first in Singapore to achieve the highest BCA Green Mark Platinum Award.

The building stands out with its iconic design and state-of-the-art green features, such as the largest assembly of solar panels in Singapore, an energy-efficient hybrid chilled water system and an integrated paper recycling facility for all offices.

Ocean Financial Centre was also selected for the Merit Award in the Commercial Interior category of the 2012 Pinnacle Awards, which recognise creativity and mastery in the use of natural stone in commercial and residential environments.

1 Riviera Point in Ho Chi Minh City was awarded the Highly Commended Mixed-use Development in Vietnam at the International Property Awards 2012.

2 Ocean Financial Centre clinched numerous awards, including the World's Best Commercial High-rise Development, Best Commercial High-rise Development, Best Office Architecture and Best Office Development in Singapore at the Asia Pacific Property Awards 2012.

PRODUCT EXCELLENCE

LEADING HOSPITALITY

Hotel Sedona Manado was named Indonesia's Leading Business Hotel for the second consecutive year, while Sedona Hotel Yangon was named Myanmar's Leading Hotel for the fifth year running at the World Travel Awards held in Singapore in October 2012.

Hailed by The Wall Street Journal as the travel industry's equivalent of the Oscars, the awards recognise excellence in the global travel and tourism industry.

COMPLIANCE

Keppel Land is committed to best practices and complies with applicable legislations and requirements. There were no instances of non-compliance with laws, regulations and voluntary codes concerning the provision and use, as well as health and safety, of its products and services in 2012.

The Company abides by the Singapore Code of Advertising Practice (SCAP) by the Advertising Standards Authority of Singapore. The Code seeks to promote a high standard of ethics in advertising through industry self-regulation. Its basic premise is that all advertisements should be legal,

decent, honest and truthful. The SCAP was formulated against the background of national law, as well as international law and practice, including the International Code of Advertising Practice published by the International Chamber of Commerce.

In 2012, there were no incidents in Keppel Land of non-compliance with regulations and voluntary codes concerning marketing communications, which include advertising, promotion and sponsorship.

Focused on customers' needs, the Group exercises due care to ensure their health and safety, while providing products and services that reflect Keppel's hallmark quality and excellence. There were no instances of non-compliance with regulations and voluntary codes concerning product and service information and labelling during the year. There were also no complaints regarding breaches of customer privacy and losses of customer data.

INNOVATION COMMITTEE

As part of the Company's ongoing efforts to stay ahead of market trends, an Innovation Committee was set up in 2012.

Led by the Marketing department, the Committee seeks to:

- Address existing product deficiencies or omissions within residential properties;
- Identify future lifestyle trends resulting from factors such as demographics, technology, socio-economics, government planning/policies; and
- Gain an understanding of the latest advances in design and technology that may be used to achieve product innovation.

Believing that the greatest insights may reside within its own people, a series of in-house focus group discussions were conducted during the year. Staff from various departments participated and provided fresh perspectives and ideas.

CUSTOMER FOCUS UNIT

Recognising that customer satisfaction and feedback are essential for sustainable growth and long-term success, customer focus takes precedence as one of the Keppel Group's core values.



1 Hotel Sedona Manado was named Indonesia's Leading Business Hotel for the second consecutive year in 2012.

2 In line with its core value of customer focus, Keppel Land conducted service quality surveys at seven completed overseas developments in 2012, including 8 Park Avenue in Shanghai, China.



Keppel Land is a forerunner among developers to set up a dedicated Customer Focus Unit (CFU) to meet the needs and expectations of homebuyers. Established in 1997, the CFU plays a key role in the delivery of quality residences associated with the Keppel hallmark. It also serves to foster good long-term relationships with customers.

The Company continually engages its customers to ensure a high level of satisfaction for its products and services. Feedback is obtained and taken into consideration in the review and improvement of new projects. Annual service quality surveys are conducted at the Group’s residential and commercial buildings. Residents can also login to a Central Defects Management System to provide feedback and send service requests for their homes. Events such as golf tournaments, mid-autumn festival and residents’ gathering sessions serve as platforms to build rapport with homeowners and tenants.

Environmental outreach activities conducted in conjunction with

Earth Hour and World Environment Day, such as eco-exhibitions and recycling initiatives where used books and spectacles were collected for charitable causes, were carried out at the Group’s commercial and residential projects.

Service quality surveys were conducted at seven completed overseas developments in 2012, namely 8 Park Avenue in Shanghai, Central Park City in Wuxi and Stamford City in Jiangyin, China; Jakarta Garden City in Indonesia; as well as Elita Promenade in Bangalore, India. Commercial projects surveyed include

Saigon Centre in Ho Chi Minh City and International Centre in Hanoi, Vietnam.

Through these surveys, feedback relating to cleanliness, security, carparking, building maintenance and management personnel, green features and facilities provided were obtained. More than 90% of the respondents were satisfied with the services rendered.

In 2012, the CFU handed over more than 3,500 homes in Singapore, China, Vietnam, Indonesia and India.

Number of homes handed over by Customer Focus Unit

Country	2011	2012
Singapore	114	823
China	250	1,949
Vietnam	0	308
Indonesia	298	250
India	469	253
Total	1,131	3,583

HEALTH AND SAFETY

Keppel Land recognises the importance of a safe working environment and strives to create a zero-harm workplace.



ZERO INCIDENTS

Keppel Land aims for zero incidents and zero-harm at the workplace so that everyone who comes to work goes home safe.

22,447 TRAINING HOURS

Employees in Singapore, China and Vietnam underwent a total of 22,447 hours of safety training in 2012.

The annual Keppel Group Safety Convention aims to promote and cultivate the safety culture among employees.



CHAMPIONING SAFETY

Safety takes preeminence as a Keppel core value and forms an integral aspect of Keppel Land's business operations. Recognising that good safety management contributes to operational excellence, Keppel Land has systems and programmes to ensure that safety remains topmost on its agenda.

Embracing the philosophy that safety is everyone's business, Keppel Land aims to achieve a zero-harm workplace. It believes that creating a safe workplace is a continuous and shared journey which requires collaboration from all stakeholders. In this regard, its employees, customers and subcontractors are encouraged to take ownership of safety, exchange experiences and knowledge, as well as foster positive behavioural changes.

Driving Keppel Land's safety efforts is the Workplace Safety and Health (WSH) unit, which formulates and oversees the implementation of the Health and Safety (H&S) Policy and programmes within the Company. The division is helmed by a Director of Safety and Health, who is also the Keppel Group Safety Coordinator and Chairman of the Inter-Business Unit Safety Committee.

HEALTH AND SAFETY POLICY

Keppel Land's approach towards safety management is guided by its WSH vision, policy and strategy. H&S is championed from top-down, with a policy endorsed by the CEO.

Keppel Land is committed to the Keppel Group WSH 2018 strategy. Launched in October 2010 in line with the National WSH 2018 strategy, the initiative aims to implement uniform safeguards, increase accountability and promote ownership across the Group. It focuses on four key thrusts, namely to establish an integrated WSH framework across businesses worldwide, implement an effective safety management system, enhance safety ownership and strengthen safety partnerships.

Safety issues rank first on the agenda for the Company's quarterly Board of Directors meetings, underscoring its importance and top management's commitment to workplace safety.

The safety of employees and workplaces is also a Key Performance Indicator (KPI) for all key staff, placing safety as an integral and necessary function of the Company's business.

In addition, all new employees undergo a safety initiation course as part of the Group's orientation programme. Information on H&S matters such as the Company's key safety principles, action plans, accident or incident reporting procedures and training and related articles can also be accessed via the intranet.

BOARD SAFETY COMMITTEE

Keppel Land's Board Safety Committee (BSC) was formed in 2007 to review as well as develop safety policies and management systems across its businesses that will further augment the Group's efforts to create a robust safety culture. It comprises seven members including four independent Directors. Mr Tan Yam Pin is the Chairman of the BSC.

The BSC monitors and evaluates the Group's compliance and effectiveness of its H&S policies and safety management system regularly, to ensure that they are effective and aligned with industry best practices. Safety reports on the Company's operations in Singapore and overseas are submitted to the BSC every month. The Committee convenes quarterly to discuss safety standards, practices and any H&S-related matters that may have strategic, business and reputational implications for the Group.

The BSC is supported by the Management Safety Committee (MSC), which was formed in 2006. The 12-member MSC comprises representatives from key business units. It spearheads initiatives on safety and is responsible for formulating policies and guidelines on workplace safety.

SAFETY FIRST

VISION

To be an organisation with a safety culture that inspires and motivates employees to care for self and others to achieve a zero-harm workplace.

STRATEGY

Proactive Actions

Implement effective management system and arrangement.

Communication

Communicate safety and health matters regularly.

Training

Equip managers and employees with safety and health knowledge.

Rewards and Recognition

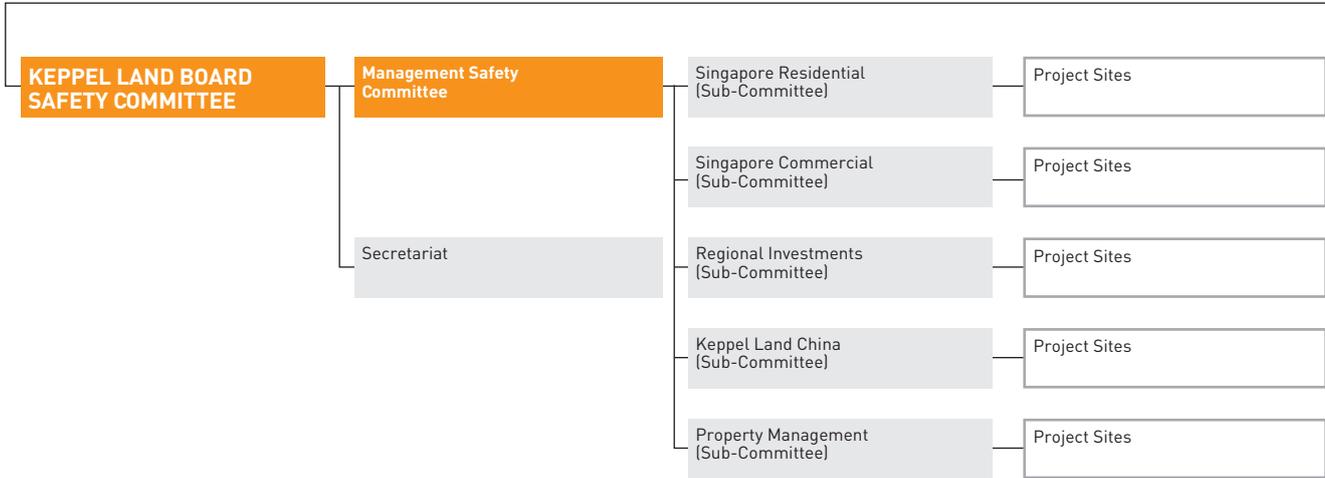
Honour employees and contractors for safety excellence.

STRATEGIC OUTCOMES

- Reduction in occupational injury rates.
- Recognised for Best-In-Class Safety and Health Practices.
- Safety and health is an integral part of business.

HEALTH AND SAFETY

KEPPEL LAND BOARD



As part of the Keppel Group Inter-Business Unit Safety Committee, Keppel Land participates in regular dialogue sessions with other business units to promote the exchange of safety knowledge and experiences. These include a site visit programme where business units take turns to host safety personnel from across the Keppel Group to share on their respective safety systems.

Committed to walk the safety talk, the MSC visited the worksites of The Luxurie and Ocean Financial Centre in Singapore; 8 Park Avenue and The Springdale in Shanghai, China; as well as Taman Sutera in Johor Bahru, Malaysia, in 2012. Similarly, the BSC visited The Lakefront Residences in Singapore. They also visited The Springdale in Shanghai and Stamford City in Jiangyin, China, in September 2012. Led by the BSC Chairman, the group toured the work sites to understand their safety management systems, as well as shared their observations and recommendations with the employees and contractors of Keppel Land China.

These visits provided a better understanding of the operating environments, the effectiveness of the safety initiatives and reinforced the importance of safety among the workforce.



Health and Safety Policy

Keppel Land Limited (Keppel Land) believes that healthy and safe working conditions are part and parcel of achieving business excellence. Hence, we are committed to conducting our business in a manner that protects the health and safety of our employees.

To fulfil this policy, Keppel Land is committed to making available adequate resources. In addition, we will set measurable targets and monitor their progress through audit and periodic reviews.

In this connection, employees must commit to observing all safety and health rules, practices and laws that apply to their job, and for taking precautions necessary to protect themselves, their co-workers, contractors, visitors and the public from harm which may arise out of work activities.

We will strive for continuous improvements by regularly reviewing our programme and processes, risk assessment and controls, supported by compliance with all applicable legislation and any other standards which relate to our business.



Ang Wee Gee
Chief Executive Officer



Safety Starts With Me
Together We Care



Regular site visits by the Management ensures that policies and guidelines are adhered to so as to ensure a safe workplace for all its stakeholders.

SAFETY MANAGEMENT SYSTEM

Recognising that safety is a continuous journey, Keppel Land strives to foster a strong safety culture that inspires and motivates employees to embrace safety as a personal and collective responsibility. To effectively instil safety consciousness, the Group believes in inculcating the safety mindset in all employees and stakeholders including its consultants, suppliers and contractors at its developments in Singapore and overseas.

In line with this objective, safety management starts in the earliest concept development stage of a project and continues through the design, construction and management stages. A comprehensive H&S Design Checklist has been implemented in the design phase of a project. Every project will undergo rigorous assessments to identify hazards and analyse the risks involved. Controls are also in place to eradicate or minimise the exposure to hazards.

Every construction worksite in Singapore and overseas has a Site Safety and Health Committee, which is headed by a project manager from the main

contractor and supported by Keppel Land's project team who serves as advisors and observers. In Singapore and China, approximately 7% and 25% of workers are represented on the Committee on-site respectively. They meet at least once a month to discuss safety inspection findings, incidents and injuries, work activities and coordination, as well as on-site health and safety events.

The Committee is required to monitor and submit safety reports on a monthly basis. All accidents and near misses are closely monitored by top management. Timely reporting of all incidents is mandatory for all employees and subcontractors. Accidents and near misses are thoroughly investigated and lessons learned are shared with other business units to prevent recurrence.

In addition, Keppel Land believes in partnering contractors and suppliers who share its commitment to quality as well as high environmental, health and safety standards. A set of stringent criteria is applied and adhered to when selecting contractors for each of the Company's projects.

RESPECT FOR HUMAN RIGHTS

In 2012, a new human rights clause on the prohibition of child labour was included in all H&S specifications for contractors. This reflects the Company's commitment to ensure that its operations and significant suppliers are not involved in unethical labour practices such as child or forced labour.

The H&S specification is a comprehensive document for contractors. It covers a safety policy and its objectives, the organisation and its responsibilities, as well as the planning and implementation of guidelines including hazard identification and risk assessment; information, training and supervision; safe system of work; hazard controls; permits to work; equipment inspection, testing and maintenance; personal protection equipment; first-aid facilities and emergency plans.

It also details the monitoring and measuring mechanisms such as workplace inspections, accident recording and reporting, accident investigation, internal and external audits as well as safety improvement. In addition, legislations and standards as well as management level performance are reviewed.

To ensure that all its contractors remain vigilant and comply with the H&S specifications as well as relevant regulatory requirements and safe work practices, Keppel Land's WSH unit conducts weekly management safety walkabouts and spontaneous visits to the worksites in Singapore and overseas.

Keppel Land is committed to best practices and complies with applicable legislations and requirements. There were no instances of non-compliance with laws, regulations and voluntary codes concerning the health and safety of its products and services in 2012.

HEALTH AND SAFETY



The Construction Safety Audit Scoring System (ConSASS) was successfully implemented at all of Keppel Land's developments in Singapore, including Marina Bay Suites.

PROACTIVE ACTIONS

Over the years, Keppel Land has embarked on numerous initiatives to inculcate a strong safety culture and make its workplaces safer.

SAFETY ROADMAP

The Company has in place a Safety Roadmap with set targets and benchmark indicators that address the areas of safety leadership, structure and work processes.

The roadmap aims to inculcate a total of 11 safety characteristics among its employees and contractors, including leadership by example, common shared values, strong teamwork and pride in the organisation. KPIs on

H&S training, performance in terms of fatality, accident frequency and accident severity rates, as well as participation in safety inspections, meetings and innovation have also been set for project managers.

The roadmap is structured to prioritise sufficient and capable resources, employee involvement, active lines of communication and timely documentation. Safety processes are enhanced through ensuring consistency in procedures, elimination of shortcuts and excellent housekeeping at the worksites. The roadmap is reviewed and updated periodically to ensure its relevance and effectiveness.

OHSAS 18001

In October 2012, Keppel Land received the Occupational Health and Safety Management System (OHSAS) 18001 certification for the successful implementation of the system at all its development projects and properties under management in Singapore, China and Vietnam. An international H&S standard, OHSAS 18001 enables organisations to manage and control occupational health and safety risks as well as improve H&S performance.

This follows an internal audit held in March, and an OHSAS 18001 certification audit by accredited body, TÜV SÜD PSB in September.

KEPPEL LAND'S JOURNEY IN IMPLEMENTING THE OHSAS 18001 OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM





Operations in these three countries account for 81% of Keppel Land's total current projects and 100% of its workforce there are operating in compliance with OHSAS 18001. This represents more than two-thirds of the organisation's total employees.

Keppel Land has in place the OHSAS 18001 management system manual which includes its occupational health and safety policy, objectives and targets. Management procedures which address the key areas of hazard identification, risk assessment and control, H&S programme, structure and responsibility, training and awareness, consultation and communication, operational control, emergency preparedness and response as well as performance measuring, monitoring and improvement, are also in place. Processes are also in place to ensure that these procedures are documented for future reference.

Plans are being made to implement OHSAS 18001 in Indonesia, India, Myanmar and Malaysia in 2013. Keppel Land will also continue to maintain the standards and certification of OHSAS 18001 by taking up independent third party surveillance audits to be conducted annually and seek for a re-certification audit every three years.

ConSASS

Keppel Land has successfully implemented the Construction Safety Audit Scoring System (ConSASS) at all its commercial and residential developments in Singapore.

Administered by the Workplace Safety and Health Council (WSH Council) and supported by the Ministry of Manpower (MOM) for the construction industry in Singapore, ConSASS is an audit tool that provides an independent assessment of the effectiveness and development status of a worksite's WSH Management system. With effect from August 2011, all construction sites with a contract sum of \$30 million and above are required to have its

WSH Management system audited every six months.

Conducted by MOM-approved WSH auditors, the audit methodology includes document reviews, site inspections and interviews with key personnel. A total of 17 areas are assessed, and each area graded on a scale of four bands with scores of between 1 and 100. MOM requires sites to meet a minimum score of 75% at band III.

In 2012, Keppel Land's projects under development including The Lakefront Residences, The Luxurie, Marina Bay Suites and Ocean Financial Centre attained an average score of 92% at band III.

As an assessment tool, ConSASS allows cross-comparison of worksites' effectiveness in managing WSH risks. This helps Management better allocate resources in order to elevate standards and improve its effectiveness in managing the worksites' safety and health risks.

COMPLETED BUILDINGS AUDIT

Keppel Land has also started the auditing process at all its completed buildings. A total of 21 office, retail and hospitality establishments in Singapore, China, Vietnam, Indonesia and Myanmar were audited by the WSH unit in 2012.

Completed buildings will be included in future visits by the BSC.

bizSAFE MENTOR

As a strong proponent of higher safety standards and a leading industry player, Keppel Land works closely with the MOM and WSH Council to further the safety cause in the industry.

The Company is one of only nine companies in Singapore to be awarded the bizSAFE Mentor certification, the highest recognition under WSH Council's bizSAFE programme for its exemplary WSH management and performance as well as its role in guiding contractors on-site.

SAFETY FIRST



The inner red core of the Keppel Safety Logo represents the five key safety principles while the outer strokes demonstrate its action plan.

5 KEY SAFETY PRINCIPLES

- If safety is expensive, disasters cost more
- Value everyone's safety
- Zero tolerance for incidents
- Recognise safe behaviour
- Passion for Health, Safety and Environment (HSE) excellence

5 KEY ACTIONS

- Board/management leadership
- Safety as a line function
- Stakeholder involvement
- Leading safety indicators
- Positive reinforcement

HEALTH AND SAFETY

A national initiative, bizSAFE assists small and medium enterprises to build up their WSH capabilities in order to achieve quantum improvements in safety and health standards at their workplace or worksites.

As a bizSAFE mentor, Keppel Land leads and guides contractors in the building and construction industry to conform to exemplary safety standard, as well as provides support and advice for continuous improvement in safety at the workplaces.

Since 2010, Keppel Land has included as part of its tender requirement for its main contractors to be bizSAFE Partners. This in turn requires that their subcontractors have at least bizSAFE Level 3 certification, which entails the implementation of risk management plans.

In this respect, the Company encourages contractors' participation in safety initiatives as well as provides stewardship and supports them in meeting the safety standards set by the WSH Council. These include implementing risk and WSH Management system to reduce injuries and illnesses, and decrease or eliminate the cost associated with these injuries and illnesses, including work injury compensation, medical expenses, loss of productivity and loss of goodwill.

COMMUNICATION SHARe PROGRAMME

Keppel Land has in place the Safety and Health Active Review (SHARe) programme for its Singapore projects.

Comprising three persons from each project, including a representative from Keppel Land as well as the contractor's management and safety personnel, the SHARe programme involves monitoring WSH implementation in the Company's projects and sharing best practices with other teams.

Contractors are given the opportunity to visit one another's worksite to share, learn and implement best practices in their own projects.

BEHAVIOURAL MANAGEMENT OF SAFETY

Recognising that the personal adoption of safe working practices strengthens a company's safety culture, Keppel Land rolled out its Behavioural Management of Safety (BMOS) programme at three project sites in Singapore in August 2012.

BMOS stems from integrating behavioural strategies and processes into the H&S management systems of a company. It aims to define a set of behaviours that will reduce the risk of work-related accidents. This is achieved by collecting data on frequency of safety critical behaviours, providing feedback and counsel to reinforce safe behaviour.

BMOS introductory workshops were conducted for top management, safety teams and contractors in August 2012. As part of the pilot launch, the teams at the worksites of The Lakefront Residences, The Luxurie and Ocean Financial Centre underwent training in order to effectively monitor progress and reinforce good safety behaviours of the workers on-site.

Beyond management leadership and board initiatives, Keppel Land recognises the need for constant

vigilance, discipline and ownership at all levels. In this respect, it actively engages its consultants and contractors in instilling the safety message to all their workers on the ground.

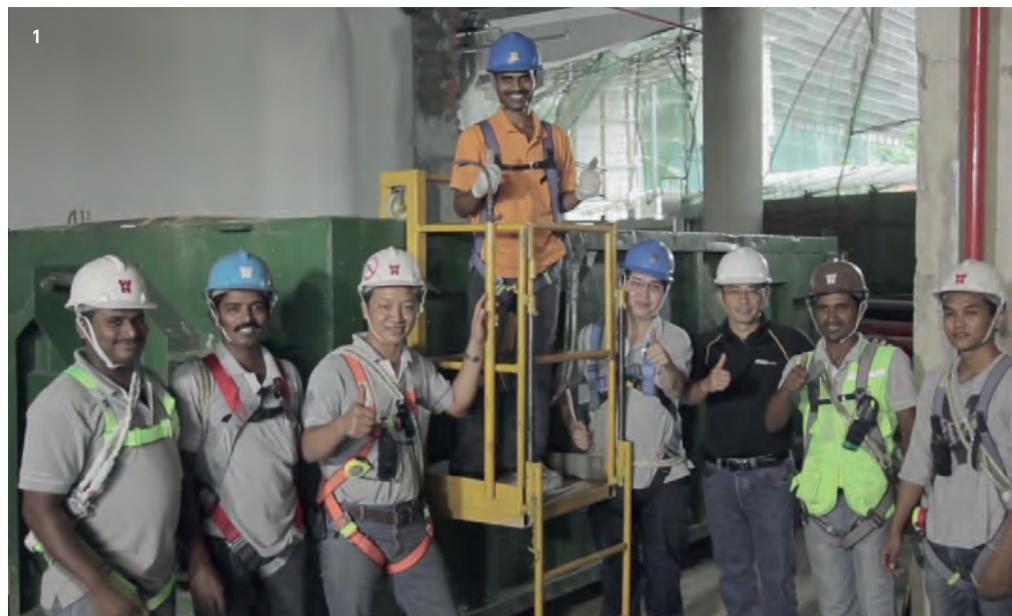
SAFETY TALKS

Safety awareness talks by the respective main contractors were conducted at the worksites of residential developments such as The Luxurie, The Lakefront Residences, Reflections at Keppel Bay, Marina Bay Suites and Madison Residences, as well as commercial projects, Ocean Financial Centre and Marina Bay Financial Centre Tower 3.

These helped raise awareness among the workers on topics such as traffic management on-site, working from heights, mechanical and noise hazards, electrical safety and proper use of safety harness.

TRAINING BMOS TRAIN-THE-TRAINER PROGRAMME

As part of the BMOS programme, a total of 11 project managers and WSH personnel were trained on the BMOS Train-the-Trainer programme in 2012. This enabled them to champion and carry out the implementation of the BMOS programme for upcoming





development projects in Singapore, China and Vietnam.

In addition, a workshop on the benefits and implementation of the BMOS held in June was attended by members of the BSC, MSC and senior management.

SAFETY AWARENESS CENTRE

In 2012, a total of 3,280 personnel were trained at Keppel Land’s Safety Awareness Centre (SAC) in Ho Chi Minh City (HCMC), Vietnam.

The SAC is an initiative by Keppel Land with the support of its local Vietnamese partners Tien Phuoc Co Ltd, Hung Phu Real Estate Investment Corporation, Tan Truong Co Ltd, Southern Waterborne and Transportation and Saigon Real Estate Corporation.

The objective is to increase safety awareness of the contractors’ employees through a series of courses on topics including safety induction; working at height; safety for lifting, confined space, electrical and equipments; risk assessment; and managing scaffold. It is mandatory for all workers to attend the safety training before they are allowed to work on-site.

To overcome low literacy among the workers, the trainings were conducted in the local language aided by extensive use of visual images and materials. Demonstrations and displays of safety exhibits also ensure greater understanding of safety issues.

Located next to the worksite of Riviera Point, Keppel Land’s waterfront development in HCMC, the integrated Awareness Centre is manned by certified safety officers. Comprising two classrooms, a safety journey hall, a scaffolding training area, and training zones built to simulate the work environment, the Centre provides all aspects of training with special focus on height safety for high impact risk activities, as well as safety in specialised areas including welding, pipe fitting and scaffolding.

SECONDMENT OF SAFETY PERSONNEL

In 2012, a safety personnel from Keppel Land’s headquarters in Singapore was seconded to the Taman Sutera development in Johor Bahru, Malaysia, for a year, assisting the team in building their safety management, communication and risk assessment

capabilities. This follows a similar secondment to its office in Kolkata, India, in 2011.

H&S TRAINING AND EDUCATION

Believing that continuous education is vital to inculcate a positive mindset towards WSH, various training courses and seminars were held during the year to improve employees’ knowledge and skills in managing H&S risks.

With safety as one of its core values, a safety quiz was conducted for all employees for the fourth consecutive year to ensure alignment of goals. The theme in 2012 was on managing work-related stress. All staff were required to participate in the online quiz, which accounted for 2% of their KPIs. For certain staff such as those in the project and property management divisions, this is in addition to other safety KPIs set for their respective areas of work.

Staff at its corporate headquarters in Singapore underwent a total of 1,557 hours of safety training in 2012. Employees of Keppel Land China spent a total of 3,591 hours, while those in Vietnam received a total of 17,299 hours of safety training.



2

1 Keppel Land and its partner, Woh Hup, were conferred the Gold Award at the annual Keppel Group Safety Convention in 2012 for developing the “Bin-Hanging Podium”, a device which helps workers to sort construction trash safely.

2 A total of 3,280 personnel underwent training at Keppel Land’s Safety Awareness Centre in HCMC in 2012.

HEALTH AND SAFETY

SHARING BEST PRACTICES

In February 2012, the project team from the Taman Sutera development in Johor Bahru visited The Lakefront Residences worksite in Singapore to learn about the project's safety processes. Both teams also exchanged ideas on how to further improve safety at construction sites.

Other platforms to encourage as well as facilitate the sharing of experiences and lessons across the Keppel Group business units include the e-Safety portal to support active sharing of best practices in Health, Safety and Environment (HSE). Through the portal, Keppel's Safety Champions, key management and operation personnel, are able to access, contribute and share HSE information more efficiently, through forums and links to other web resources.

In addition, a Cross Pollination Programme allows safety personnel from Singapore and overseas as well as across business units to share experiences with one another. By making information accessible, safety efforts can be better coordinated and synergised.

These efforts complement existing platforms like HSE Matters, a quarterly Keppel Group publication.

REWARDS AND RECOGNITION

Keppel Land collaborates with its main contractors to ensure that all stakeholders and workers are committed to maintaining high safety standards at all project sites. To promote safer work environments, safety programmes that reward and recognise safe work practices are organised.

ANNUAL CONSULTANTS AND CONTRACTORS H&S MEETING

The Annual Consultants and Contractors H&S Meeting serves as a platform to reinforce the importance of safety training amongst workers as well as recognise project teams and contractors for their safety contributions at the worksites.

Upholding good safety standards by both the project teams and contractors is one of the crucial factors for the timely completion of projects.

Gold awards were conferred to the Ocean Financial Centre project team and their main contractor Obayashi/Woh Hup joint venture, as well as the Marina Bay Suites project team and their main contractor, Woh Hup. The winners were graded based on a set of KPIs which were used throughout the construction phase of the project. These indicators include H&S ratings achieved during unannounced safety visits as well as safety innovation projects undertaken.

The 150 employees and contractors who participated in the meeting also learned about safety excellence from a panel of speakers including personnel from the WSH Council's Strategy and Development (Construction) unit as well as the Keppel Group Safety Coordinator and Director for Keppel Land's WSH unit.

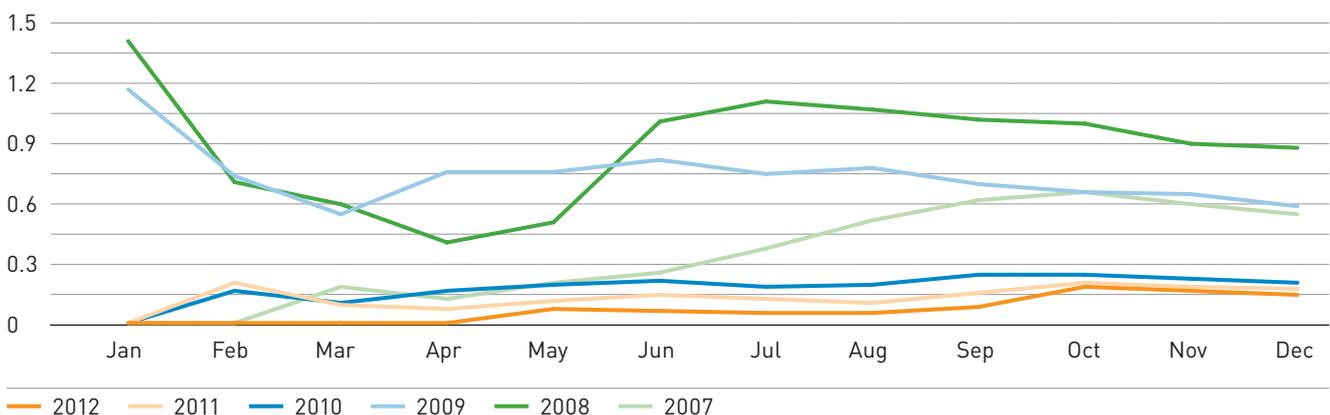
KEPPEL GROUP SAFETY CONVENTION

At the annual Keppel Group Safety Convention held in October 2012, Keppel Land won a Gold award and was commended for engaging its partner, Woh Hup, on safety. Their partnership led to the development of a "Bin-Hanging Podium", a device which helps workers sort construction trash safely. The project illustrated how collective commitment can spur innovative ideas for safer practices industry-wide.

Organised by the Inter-Strategic Business Units Safety Committee, the Convention attracted some 800 participants, including employees, clients, contractors and WSH Council officials. The Convention provided a platform for all business units across the Keppel Group to share best practices as well as recognise teams who constantly innovate to raise and improve levels of safety at the workplace.

Keppel Land's Cumulative Accident Frequency Rate (AFR)

AFR per million man-hours





MANAGING THE SAFETY LIFE CYCLE



DESIGN

DESIGN FOR SAFETY IN BUILDINGS AND STRUCTURE GUIDELINES

Incorporation of safety management at the design stage of a project by identifying hazards and risks early in the design stage of a development project, so as to eliminate or minimise them.



PLANNING

SPECIFICATION FOR CONTRACTORS

Keppel Land has in place a H&S specification stipulating the minimum requirements of a sound H&S management system which its contractors need to comply with. This specification has been incorporated into the tender documents for all new development projects in Singapore and overseas.



CONSTRUCTION

SAFETY MONITORING OF NEW PROJECTS

- Weekly site safety walk-throughs by project managers and contractors
- Collection and monitoring of safety indicators on a monthly basis
- Monthly independent site safety surveillance
- Bi-monthly worksite visits by Management Safety Committee
- Behavioural Management of Safety
- Occupational Health and Safety Management System 18001
- Construction Safety Audit Scoring System
- Safety and Health Active Review programme
- Year-end safety performance review



BUILDING MANAGEMENT

SAFETY MANAGEMENT SYSTEM (SMS) FOR COMPLETED BUILDINGS

The SMS comprises 14 elements requiring all staff and contractors to comply with standard procedures such as safe work practices, hazard identifications and risk assessments, safety inspections and audits, controls of use of hazardous substances and emergency preparedness.

For its safety performance, innovation and initiatives in the year, Keppel Land bagged three Gold, two Silver and three Bronze awards at the Safety Innovation Teams competition for the Keppel Chairman Challenge Trophy Award 2012.

WSH AWARDS

Keppel Land received the WSH Developers Award at the annual WSH Awards organised by the WSH Council and MOM in July. This award recognises developers who play an active role in ensuring good WSH practices among their contractors.

SAFETY PERFORMANCE

Remuneration of management is linked to important sustainability-related KPIs such as safety. To imbue safety in all its business practices, safety is included as a KPI in the performance appraisal of appropriate managers, cascading all the way to the top executives. For example, any fatality at the end of the supply chain can affect bonuses of key staff.

Keppel Land improved its Accident Frequency Rate (AFR) further in 2012 to 0.14 reportable cases for every

million man-hours worked, compared with 0.17 in 2011.

Its Accident Severity Rate (ASR) was 173.34 in 2012. Despite our best efforts, we deeply regret one fatality in 2012. This raised our total man-days lost to 6,121 for the year, compared with 83 man-days lost in 2011. Lessons learnt from this incident were shared across business units and have reinforced our resolve to strengthen our safety standards.

PEOPLE MATTER

With people at the cornerstone of its success, Keppel Land is committed to nurture a robust talent pool that will drive further growth and create value for the Company.



5.4

The average training places per employee in Singapore increased to 5.4 in 2012, while overseas employees clocked in an average of 4.9 training places.

\$1,165

Keppel Land invested an average of \$1,165 per employee in training in 2012.

Keppel Land is committed to develop a healthy and happy workforce.



Recognising that people are its greatest asset, Keppel Land is committed to strengthen its core competencies by putting in place a robust leadership team that will steer the Group to the next level.

With its succession plan in place, Mr Ang Wee Gee took over the helm as Chief Executive Officer from Mr Kevin Wong with effect from 1 January 2013. A veteran who has been with the Company for over 22 years, Mr Ang's prior appointments in the Keppel Land Group include Assistant General Manager for Singapore, and Country Head of Vietnam, before assuming the appointment of Director of Regional Investments, in charge of the Group's overseas businesses. He is also the Executive Vice Chairman of Keppel Land China, a position he has held since 2010.

Keppel Land's Singapore operations, comprising both residential and commercial, were consolidated into one unit. Leadership changes were also made to the Company's businesses overseas, including its hospitality assets across Asia.

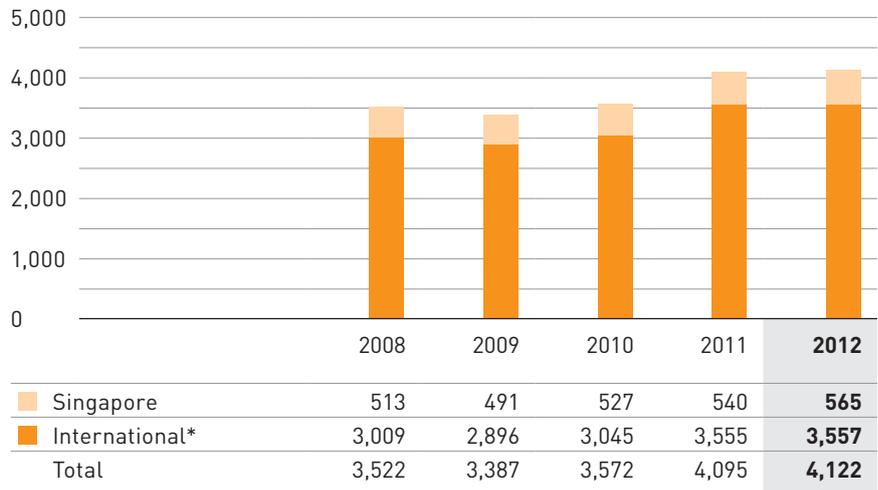
2012 also saw the implementation of several new initiatives in the areas of learning and development, internal communication as well as interaction with senior management. These were undertaken in response to feedback from employees through the annual Organisational Climate Survey and focus group sessions.

In line with the new CEO's commitment to create a culture that is open, collaborative, innovative as well as one that encourages entrepreneurship, several new platforms for staff engagement were introduced in the second half of 2012. Every department within the Company has an appointed individual to champion and drive these initiatives.

PROFILE OF EMPLOYEES

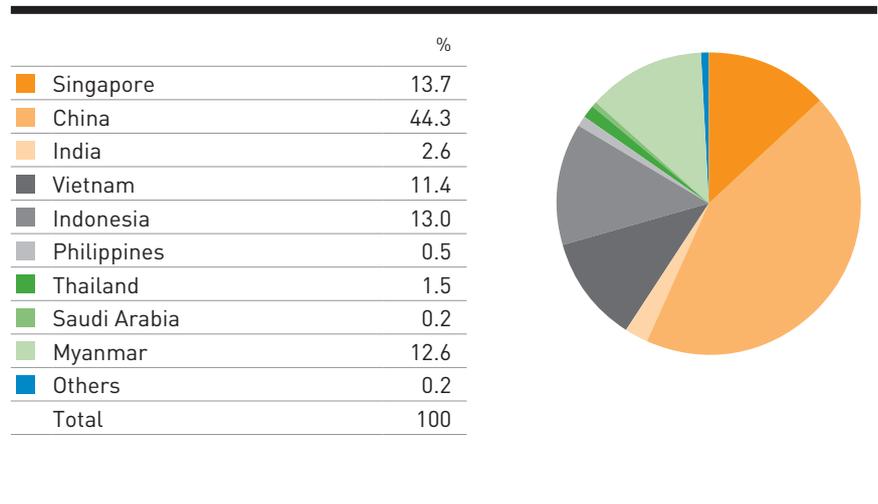
Keppel Land employs over 4,100 staff across 12 countries.

Evolution of Employment



* Includes Keppel Land's overseas offices and Keppel Land Hospitality Management.

Regional Distribution



This headcount includes 565 employees based in its corporate office in Singapore, of which 437 or 77% are executives and 128 or 23% are non-executives. About 516 or 91% are full-time, permanent employees, while 49 or 9% are on contract basis of between six months and three years.

About 11% are from the minority ethnic groups.

Another 2,701 employees are based overseas.

Of these, 68% are located in China, 15% in Indonesia, 9% in Vietnam and the remaining 8% in India, the Philippines, Thailand and Saudi Arabia.

The remaining 856 staff include expatriates employed under joint-venture companies. They are attached to the hotels and resorts which are managed by Keppel Land Hospitality Management in cities in Indonesia, Vietnam, and Myanmar.

PEOPLE MATTER

The proportion of female to male employees in Singapore is almost equal at 52%:48%. Overseas, 43% of employees are female and 57% are male.

The majority or 62% of its workforce in Singapore are between the ages of 31 and 50 years, with 35% and 27% in the 31–40 and 41–50 years age brackets respectively. Overseas, 76% of the employees are aged 40 years and below.

In terms of educational profile, 70% of the employees in Singapore have tertiary qualifications and above. Of these, 52.6% hold a Bachelor's degree, professional certification or graduate diploma, and 17.7% have a Master's or post-graduate degree. About 39.1% of staff based overseas hold a Bachelor's degree, professional certification or graduate diploma, and 3.2% have a Master's or post-graduate degree.

Overall, the turnover rate for all countries was about 13.2% or 544 employees in 2012, down from 17.5% or 718 staff in 2011. However, the rate was lower at the Singapore headquarters at 8.7% or 49 staff, which was below the national average of 24.6% for 2012. Of the 544 employees, 56.4% or 307 staff were less than 30 years of age, another 41.5% or 226 staff were in the 30–50 years age group and the remaining 2% or 11 staff were over 50 years of age.

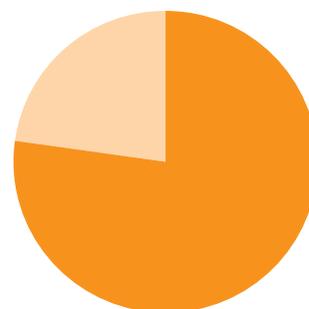
Turnover by gender was about equal at 265 males and 279 females, or 48.7% for males and 51.3% for females respectively.

PROFILE OF BOARD OF DIRECTORS

The Company has a total of 11 Directors on its Board, of whom three are female Directors. Mrs Lee Ai Ming has been a Director of Keppel Land since November 2002. Mrs Koh-Lim Wen Gin was appointed as an Independent Director on 20 January 2010, while Mrs Oon Kum Loon was

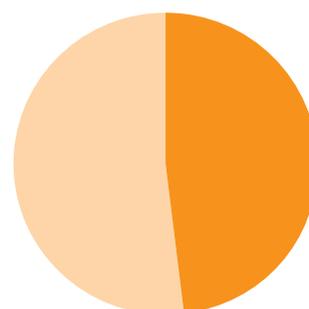
Professional Profile (Singapore)

	%
Executive	77.3
Non-Executive	22.7
Total	100.0



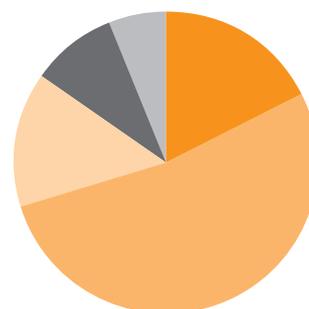
Gender Profile (Singapore)

	%
Male	48.3
Female	51.7
Total	100.0



Educational Profile (Singapore)

	%
Master's Degree/Post-Graduate	17.7
Bachelor's Degree/ Professional Certification/ Graduate Diploma	52.6
Diploma/GCE 'A' Levels	14.5
GCE 'O' Levels/ Industrial Certification	9.2
Others	6.0
Total	100.0



appointed as a non-Independent Director on 1 September 2010.

The Directors provide relevant core competencies in areas such as legal, industry knowledge, finance and risk management.

Their appointments have enhanced the gender diversity of the Board.

All Directors are over 50 years of age. There is no minority ethnic group representation on the Board.



POLICY OF NON-DISCRIMINATION

In support of human rights principles, Keppel Land adheres to fair employment practices and provides equal opportunities with regards to recruitment and career development of employees.

The Company is a signatory of the Employers’ Pledge of Fair Employment Practices with the Tripartite Guidelines on Fair Employment Practices (TAFEP). The Group adheres to the principles of non-discriminatory and merit-based employment practices. It is committed to the five guiding principles of fair employment, namely:

- a. Recruit and select employees on the basis of merit (such as skills, experience or ability to perform the job), and regardless of age, race, gender, religion, family status or disability;
- b. Treat employees fairly and with respect and implement progressive human resource management systems;
- c. Provide employees with equal opportunity to be considered for training and development based on their strengths and needs, to help them achieve their full potential;
- d. Reward employees fairly based on their ability, performance, contribution and experience; and
- e. Abide by labour laws and adopt Tripartite Guidelines which promote fair employment practices.

There were no reported incidences of discrimination by employees in 2012.

REMUNERATION AND BENEFITS

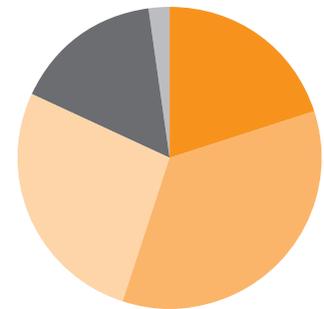
Staff at the corporate office enjoy the benefits stipulated in the Employment Act in Singapore. The Employment Act is the key legislature governing employment contracts in Singapore. It includes the basic terms and conditions of employment that organisations must abide by.

CPF SCHEME

The Central Provident Fund (CPF) is a comprehensive national social security savings plan that ensures

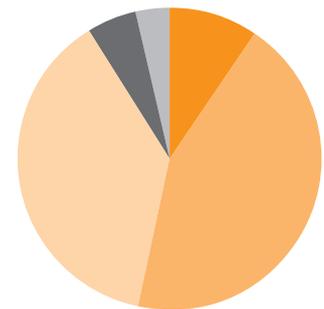
Age Profile (Singapore)

	%
Less than 31 years	20.0
From 31 years to 40 years	35.0
From 41 years to 50 years	27.0
From 51 years to 62 years	16.0
More than 62 years	2.0
Total	100.0



Training Expenditure Distribution (Singapore)

	%
Conference	9.5
Industry-related and job specific external courses	44.1
Skills training	37.6
Leadership courses	5.2
Language courses	3.6
Total	100.0



working Singaporeans have a secure retirement fund. Keppel Land and its employees contribute to the employees’ CPF on a monthly basis.

CPF contributions go into three separate accounts – the Ordinary, Special and Medisave accounts. Savings in the Ordinary Account can be allocated for housing, approved investments, CPF insurance and education purposes, while those in the Medisave Account can be used for hospitalisation and approved medical expenses and insurance. Special Account savings are for old age, contingency purposes and investment in retirement-related financial products.

Together with employees’ contribution of 20% of monthly wages into CPF, the total contribution by both employers and employees is 36%. Contributions are lower for employees aged above

50 years as well as those earning lower wages of below \$1,500 per month. The CPF monthly salary ceiling also increased from \$4,500 to \$5,000.

STAFF BENEFITS

Besides the mandatory CPF contributions by both employer and employees, Keppel Land offers all full-time employees a comprehensive benefits package including health and welfare benefits, maternity and paternity leave entitlements, as well as coverage under the Company’s group health insurance plan. Information on these entitlements is disseminated to all staff via the Welfare and Benefits portal on the Company’s intranet. The portal serves as a one-stop virtual centre for information on employee benefits and entitlements in healthcare, insurance, leave, welfare, telecommunications, loan facility, transport and recreation.

PEOPLE MATTER

Valuing the knowledge, experience and expertise of exemplary staff beyond the retirement age of 62, Keppel Land retains and extends their employment on an annual contract basis, taking into account the employee's health, productivity and performance. They enjoy the same benefits as that of a full-time employee. In 2012, a total of seven employees were above retirement age.

REMUNERATION

In Singapore, the ratio of basic salary of male to female in the executive category is 1.43, while the ratio for the non-executive category is 0.72. The senior management team comprises a total of 16 members, of which 14 are male.

The ratio of the entry level salary of male to female in the executive category in China, Indonesia and Vietnam are 1.22, 1.0 and 1.22 respectively. For non-executives, the ratio in China and Vietnam are 0.89 and 0.86 respectively.

CAREER PLANNING AND RECOGNITION

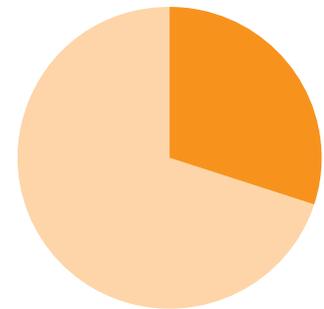
PERFORMANCE MANAGEMENT SYSTEM

Keppel Land has in place a structured Staff Appraisal and Performance Management system which allows staff to receive regular performance feedback and career development reviews.

In 2012, the system was further improved with a revised Keppel Competency model. Developed together with other business units within the Keppel Group and with advice from an external human resource consultant, the new model aims to create greater consistency across Keppel's business units in areas such as succession planning and talent management. Implemented in the performance appraisal for all executives in 2012, the system also provides a more robust competency model for effective people management.

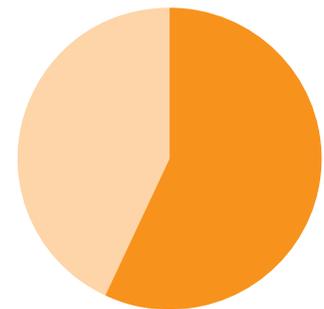
Professional Profile (Overseas)

	%
Executive	30.0
Non-Executive	70.0
Total	100.0



Gender Profile (Overseas)

	%
Male	57.0
Female	43.0
Total	100.0



Keppel Land fosters a performance-based reward culture. Compensation includes a base salary that commensurates with skills and experience, along with an incentive bonus programme based on the performances of the individual and the Company.

Performance management is a participative process in which employees and their supervisors or managers share responsibility in setting targets and developing an individual action plan that details work plans, training activities, responsibilities and measurable targets, as well as career development plans. Overseas employees can also access the system, which is available online via the intranet. An alert feature has also been put in place to ensure timely completion of performance appraisals.

An integral part of the performance appraisal is the employee's exemplification of the Group's core values – passion, integrity, customer focus, people-centredness, safety, agility and innovativeness, collective strength and accountability. The employee's extent of alignment with the core values is assessed based on observed behaviours in daily interactions with supervisor, peers, subordinates as well as other stakeholders to achieve work goals.

Keppel Land also has in place two share-based incentive plans, namely the Restricted Share Plan (RSP) and Performance Share Plan (PSP) to strengthen the linkage between reward and long-term performance as well as retain talent. The RSP is targeted at a broader base of employees who have achieved pre-determined targets at the end of a performance period.



The PSP is awarded to a selected group of key senior management staff, and encompasses greater stretched targets with emphasis on strategic goals linked to sustaining longer-term growth.

LEADERSHIP DEVELOPMENT PROGRAMME

The Leadership Development Programme (LEAD) is an intensive two-tier programme, comprising LEAD 1 for Emerging Leaders and LEAD 2 for Operational Leaders, to accelerate the development of strong performing employees, regardless of nationality.

LEAD 1 aims to develop high potential executives to become effective people managers, while LEAD 2 is targeted at developing promising people managers to become effective functional and operational leaders.

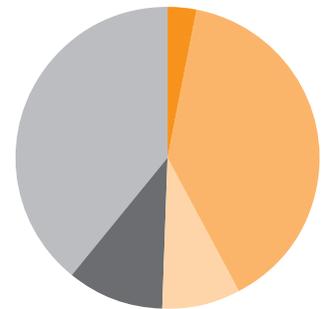
A stringent selection process, including psychometric testing has been instituted to ensure maximum rigour and objectivity in identifying staff for the programme. There are currently 27 employees who are groomed under LEAD 1, and another 41 under LEAD 2. They include employees from the Group's offices in Singapore, China, Vietnam, Indonesia, India and Thailand.

Employees who have successfully enrolled in the programme will progress through a structured learning roadmap, including taking on stretched assignments, overseas postings and job rotations to help them develop core competencies that are aligned to the strategic thrusts of the Company.

In 2012, new developmental components were introduced to enhance the development of LEAD staff. These include a customised presentation workshop and a four-week attachment to the Workplace Safety and Health unit. They also received training to hone their leadership and management skills under the Global Young Leaders, the Global General Management and the Global Advanced Management programmes run by Keppel College.

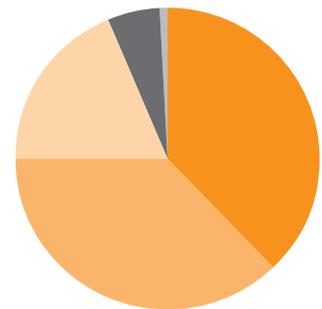
Educational Profile (Overseas)

	%
Master's Degree/Post-Graduate	3.2
Bachelor's Degree/ Professional Certification/ Graduate Diploma	39.1
Diploma/GCE 'A' Levels	8.4
GCE 'O' Levels/ Industrial Certification	10.3
Others	39.0
Total	100.0



Age Profile (Overseas)

	%
Less than 31 years	38.6
From 31 years to 40 years	37.0
From 41 years to 50 years	18.8
From 51 years to 62 years	5.4
More than 62 years	0.2
Total	100.0



The performance of each LEAD participant is subject to periodic review by the Talent Review Committee. They are also guided by a trained mentor who will coach, share experiences and provide professional insights and perspectives throughout the programme.

MANAGEMENT ASSOCIATE PROGRAMME

Keppel Land has in place the Management Associate Programme (MAP) targeted at fresh graduates. MAP is a two-year programme comprising job rotation opportunities, core training and mentoring. It aims to equip successful candidates with the exposure, knowledge and networks necessary to embark on a fulfilling and rewarding career with the Company.

In 2012, Keppel Land recruited a total of six students from the National University of Singapore and the Singapore Management University as management associates for its offices in Singapore and Vietnam.

LOCALISATION STRATEGY

Keppel Land advocates meritocracy via its localisation strategy to fill positions in its overseas offices. This helps to attract, retain and develop local talent with technical knowledge, keen business sense as well as a good grasp of local socio-political and cultural sensitivities for key positions.

In 2012, locals accounted for 55% of all heads of departments in its overseas offices, an increase from 45% in 2011. To facilitate staff deployment across cities, a common grading structure has been established for employees based overseas.

PEOPLE MATTER

THE KEPPEL CORE VALUES



Passion
"Can Do" Attitude and Excellence



Integrity
Ethics, Honesty and Responsibility



Customer Focus
Value-added Solutions, On-time and Within Budget



People-Centredness
Value and Nurture People



Safety
Uphold High Safety Standards



Agility & Innovativeness
Adapt to Change and Innovate for Growth



Collective Strength
Global Mindset and Achieve Shared Goals



Accountability
Optimise Resources and Being Responsible to Stakeholders

As part of a structured career development framework, experienced expatriate employees will be paired with promising overseas locals to facilitate knowledge transfer. Individual development plans will track the progress and development of locals who are groomed for higher-ranking roles.

TRAINING AND DEVELOPMENT

To help staff realise their full potential and contribute effectively to the organisation, new initiatives on training and development were introduced. Existing programmes were also enhanced in 2012 and 2013.

The Staff Upgrading Scheme was launched in June 2012, following a review of the Study Assistance Scheme. Previously targeted at non-executive staff, the new scheme which supports employees in their professional development through subsidies, now benefits a larger pool of employees including the executives.

The Training Bond Policy was also refined and effected in January 2013 for better alignment with market norms and to strengthen the learning culture in the organisation.

In addition, the Finance Management Development Programme (FMDP) was launched in July and aims to groom finance professionals within the Group. A total of 21 employees participated in the programme in 2012.

At the same time, the New Hires Milestone Programme was enhanced during the year to help them assimilate quickly and smoothly into the organisation. It includes various workshops to familiarise them with the Group's businesses, core values, functions of different departments, the real estate industry as well as the Company's performance management framework.

Every staff is encouraged to attend at least three learning programmes per year, up from two in 2011. Recognising the importance of continuous training and development to enable employees to achieve a competent level of performance, various training roadmaps and courses are made available to employees. The Human Resources department also works closely with unit heads to recommend relevant courses for their staff. Efforts are also made to identify learning programmes for non-executive staff,

which focus on soft skills in addition to functional skills.

Employees who are posted overseas receive a monthly Learning Bulletin via email in which they can obtain information on pre-evaluated training courses via the Company's intranet. In addition, they may also pursue professional qualifications that are related to their scope of work.

In Singapore, the average training places per employee rose to 5.4 in 2012 from 4.4 in 2011. Average training investment per employee was \$1,165.

Employees at the executive level clocked an average of 44.6 training hours in 2012 compared to 38.9 hours the year before. Non-executive staff attended an average of 40.4 hours of training in 2012, up from 26.6 hours in 2011.

In 2012, Keppel Land received funding of more than \$2,894 from the Skills Development Fund (SDF). The SDF offers financial assistance to companies on a cost-sharing basis as an incentive to mount training programmes for employees.

Overseas, the average training places per employee was 4.9 in 2012. The average training hours per executive was 18.4 hours, while non-executive staff attended an average of 17.2 hours of training.

STAFF ENGAGEMENT AND COMMUNICATION

STAFF ENGAGEMENT PLATFORMS

Several new staff engagement platforms were introduced in 2012, as part of Keppel Land's continuous effort to strengthen management-staff communication and interaction.

The Human Resources department, Corporate Social Responsibility Committee and Welfare Committee work closely to provide a holistic programme to foster a collaborative and innovative culture.

These include the CEO Breakfast sessions, during which the CEO meets and communicates with staff.



Management interaction sessions, which enable senior and top management to build rapport with employees from various levels through lunch, were also extended to non-executive staff from July.

An additional platform known as the Afternoon Tea sessions to be held fortnightly, was introduced in 2013. This complemented existing informal platforms such as the quarterly Company-wide staff get-togethers during the Chinese New Year *Lo-Hei* and Mid-Autumn Festival celebration, as well as the Mid-Week Chill-Out sessions to foster greater interaction and rapport building among the different business units.

Within individual departments, the quarterly interaction budget was raised for departments to organise sessions such as team-building workshops, outings and community-related activities.

In September, KLink, an online bi-monthly staff newsletter was revamped, following feedback from a poll conducted among staff. In addition to existing information such as significant milestones in the Company's history, interviews with Management and staff, as well as the latest events within the Company, new segments featuring different job functions within the Company, developments in the regional offices as well as tips on how

to improve employees' lifestyles have been included.

ORGANISATIONAL CLIMATE SURVEY

Keppel Land conducted its fourth annual Organisational Climate Survey (OCS) for overseas employees in October 2012. This included staff who were posted overseas. The Group-wide survey enabled employees to provide feedback and suggestions on 14 key areas including safety, job recognition and feedback, total rewards, staff well-being, personal development opportunities as well as overall work environment. These findings help the organisation identify strengths as well as opportunities for improvement, as it reviews and refines policies and programmes to reinforce its position as an employer of choice.

Conducted in six different languages over 26 cities in 11 countries, more than 3,400 employees responded to the online survey. Participation rate rose to 95% in 2012, from 94% in 2011. Scores on most of the categories improved, with Company culture and values, supervisor-employee relations, as well as motivation and morale ranked the highest. This is encouraging as it reflects staff endorsement of the initiatives implemented. Aggregated results of the survey were shared with the employees through the respective heads of departments.

EMPLOYEE ENGAGEMENT SURVEY

At its headquarters in Singapore, Keppel Land staff participated in the inaugural Keppel Group-wide Employee Engagement Survey (EES) led by Keppel Corporation. A total of 421 Singapore-based staff were invited to take part in the EES in October 2012, out of which 400 staff responded to the survey, achieving a participation rate of 95%.

The Keppel Group-wide survey enabled employees to provide feedback and suggestions on 18 areas including sustainable engagement, working relationships and teamwork, safety, career development and training, innovation and communication.

INCULCATING CORE VALUES

To ingrain the Company's core values into employees' mindset, each of the Group's eight core values – passion, integrity, customer focus, people-centeredness, safety, agility and innovativeness, collective strength and accountability – was made the focus every quarter through creative activities that expound these values.

As part of the core values cultivation initiatives, the Values-In-Action programme was included as one of the milestone events for new hires in 2012. The programme, which aims to help staff understand the values through experiential activities, had a total of 13 runs involving more than 260 staff by end-2012.

At the same time, the core values portal serves to sustain awareness and promote the actualisation of the values in a fun and interactive manner. It features the behavioural attributes, pledges by staff in support of the values as well as the Hall of Fame Awards to recognise employees who exhibit exemplary core values behaviour. A total of 11 staff and four teams received the Hall of Fame award at the Company's 2012 Annual Dinner and Dance.



Staff interaction is encouraged within and between departments through initiatives such as team-building sessions.

PEOPLE MATTER

Keppel Group also launched the Outstanding Keppelite Award in March 2012 to recognise employees who exemplify the core values and outstanding work performance. Six staff from Keppel Land, including overseas-based staff, received the award.

Heritage sessions were held where Management engaged in dialogues with small groups of about 10 staff on the Group's core values. Management shared how the core values had acted as a moral compass, guiding the Company as it overcame challenges and capitalised on opportunities during the past decades.

ANNUAL STAFF CONFERENCE

The Annual Staff Conference (ASC) 2012 was extended to include junior level executive staff in Singapore.

The ASC facilitates strategic collaboration and exchange of best practices and new ideas, as well as cross-learning opportunities and networking between local and overseas staff. It also serves as a key platform for Management to share the Group's strategic directions and provide corporate updates to its employees. The ASC 2012 was conducted over a week in April and attended by over 400 Singapore-based staff and key executives from its overseas operations.

Selected training sessions were customised for overseas staff as these programmes are not available in their home countries. A highlight of the ASC is the Work of a Winner (WOW!) Awards, which encourages sharing of exemplary work practices and approaches that could be replicated for improved efficiency and effectiveness. Teams vie for top awards by presenting case studies on innovative work practices, problem solving methods and people management skills. Conducted in a fun and informal manner, the WOW! Awards have been well-received by staff.

PROMOTING WORK-LIFE BALANCE

Recognising that work-life balance creates a motivated and dedicated workforce, Keppel Land continues to drive initiatives that promote family cohesiveness.

FAMILY LIFE AMBASSADOR

Keppel Land has been a Family Life Ambassador (FLA) under the FLA Programme spearheaded by the Ministry of Social and Family Development (MSF) since 2011. The Programme aims to foster a family-friendly work environment through lunch-time talks on family life skills and education.

In 2012, nine workshops totalling 13 hours were held. These are

partially funded by the MSF, with a total sponsorship of about \$2,000 during the year. These workshops covered topics such as parenting, family relationships and work-life balance. The talks were well-received and well-attended by staff.

The Company has been supporting the annual Eat With Your Family Day national campaign in May by encouraging employees to leave work earlier to dine with their families.

Keppel Land constantly enhances its benefit provisions to meet the changing needs of staff. In 2012, Gogreen Segway Eco Adventure was added to its existing list of recreational places that staff and their families can enjoy.

EMBRACING PRO-FAMILY POLICIES

The Singapore government enhanced the Marriage and Parenthood Package in support of a pro-family environment in Singapore. Taking effect from May 2013, the enhancements include:

- Extension of the maternity protection to cover the full pregnancy period;
- Introduction of shared parental leave to allow fathers to share up to one week of the mother's maternity leave;
- Introduction of one week Government-paid paternity leave;
- Extension of two days childcare leave for each parent with a Singapore citizen child between the ages of seven and 12; and
- Provision for four weeks of Government-paid adoption leave.

In line with the Government's pro-family legislations and the Child Development Co-Savings Act, employees who have been with the Company for more than three months are eligible for parental and childcare leave benefits.

Staff with Singapore citizen births are entitled to 16 weeks of government-paid maternity leave.



Six Keppel Land staff were recognised at the Keppel Group's Outstanding Keppelite Award, which recognises employees for outstanding work performance as well as for exemplifying the Group's core values.



Keppel Land has been granting paternity leave to its male employees even before legislations were announced in 2012. In 2012, a total of 11 female and five male employees took maternity and paternity leave respectively. All of them resumed work after their parental leave ended. Government subsidy for maternity leave totalled about \$37,270. A new nursing room is currently being set up to cater to mothers who have resumed work.

In addition, employees with Singapore citizen children below the age of seven are entitled to six days of paid childcare leave per year, which is jointly borne by the Company and the government. In 2012, a total of 24 staff enjoyed the childcare leave. Government subsidy for childcare leave amounted to about \$20,200.

EMPLOYEE WELLNESS

Keppel Land is committed to the Health Charter, a workplace health promotion programme aimed at developing a robust workforce.

Workplace health promotion is spearheaded by the Welfare Committee, which comprises a total of 17 staff from various departments. To ensure that new ideas are continuously generated, the members and chairmanship of the Committee is rotated every year.

In 2012, various activities including complimentary health screenings, health-related talks and workshops were organised. To encourage staff to workout despite their busy schedules, a 10-week long lunch-hour fitness programme was also held. During the Breast Cancer Awareness month in October, mammogram screenings were organised for employees. A mobile mammobus from the National Healthcare Group was also stationed near the office premises for the convenience of staff.

In addition, the Company renewed its corporate membership at the Clark Hatch Fitness Centre for the

14th consecutive year. Conveniently located at InterContinental Singapore, which is within the Bugis Junction development where Keppel Land's headquarters is also located, it is popular with staff.

Employees also participated actively in the annual Keppel Games competition in events including badminton, dragon-boating, golf, track and field, table-tennis and bowling.

Such continuous efforts and interest in its employees' wellness have earned Keppel Land the biennial Singapore H.E.A.L.T.H 2012 Gold Award for the second time, following its first win in 2010. As an award recipient, the Company receives grants from the Health Promotion Board to organise health-related programmes for its staff. This amounted to about \$11,800 in 2012.

AWARDS FOR BEST HR PRACTICES

In recognition of its outstanding efforts in human resource practices, Keppel Land bagged a total of seven awards at the Singapore Human Resources (HR) Institute Awards 2012. They are:

1. HR Advocate Award in Corporate Social Responsibility
2. Leading HR Practices in Workplace Safety & Health Award
3. Leading HR Practices in Corporate Social Responsibility Award
4. Leading HR Practices in Compensation & Rewards Management Award
5. Special Mention for Quality Work-Life, Physical & Mental Well-Being Award
6. Special Mention for Strategic HR Award
7. Special Mention for Learning & Human Capital Development Award

The HR Advocate Award in Corporate Social Responsibility was especially significant, as it is conferred only to companies who have won the Leading HR Practices Award for three consecutive years.

Organised annually by the Singapore HR Institute, the awards honour and recognise individuals and organisations that have made significant contributions in enhancing people and human capital management and development practices. It also serves as a platform to promote and encourage people excellence by highlighting best practices.

These awards are an affirmation of Keppel Land's efforts in human capital management and reinforce its commitment towards its core value of people-centredness.

LABOUR RELATIONS

Keppel Land and the Singapore Industrial and Services Employees' Union (SISEU) enjoy a close and interactive relationship as a result of frequent dialogue and communication.

All non-executive staff at the Singapore headquarters are covered under the collective agreement signed between SISEU and the Company. A total of 23 employees have joined the SISEU.

Under the collective bargaining agreement signed with the SISEU, the notice period for consultation and negotiation between the Company and the Union shall not be later than six months prior to the expiry of the agreement.

The Union will be advised before changes in the general conditions of employment such as rates of pay, hours of work and other general terms and conditions of employment, are put into effect.

In addition, the agreement also covers medical benefits including annual coverage limit, extension of coverage to dependents as well as Group Term Life and Group Critical Illness insurances for corporate office employees.

Besides forging closer relations with the Union, this agreement reinforces the Company's commitment to fair remuneration and employee retention.

COMMUNITY AND SOCIETY

Keppel Land strives to be a responsible corporate citizen, contributing and enriching lives of communities wherever it operates.



40%

About 40% of Keppel Land's operations in Singapore and overseas have implemented engagement programmes that will benefit the local communities.

CSR

In 2012, Keppel Land stepped up its CSR efforts to include more community activities that focus on environment and education.

In April 2013, Keppel Land supported the Singapore International Foundation-led initiative, Water for Life, which aims to improve the quality of life of more than 7,000 villagers in Yangon, Myanmar.



Keppel Land believes in positively impacting lives and contributing to communities in which it operates.

As a responsible corporate citizen, it is committed to conduct its businesses in a socially responsible manner as well as engage its stakeholders in environment, social and governance issues.

Adopting a multi-faceted approach, the Company supports various programmes covering the environment, education, healthcare, arts and other charitable causes.

In 2012, the Company stepped up its Corporate Social Responsibility (CSR) efforts to include more community activities in the key focus areas of environment and education.

Programmes and strategic partners are carefully assessed and selected based on a set of criteria. These include alignment with the Company's CSR focus, sustainability and scalability of the initiative, extent of stakeholder engagement, as well as the track record and accountability of the partner.

The key guiding principles for evaluation include reaching out to the local communities in geographical areas where the Company operates, opportunities for staff involvement, possibilities of leveraging the skills-set of staff as well as ensuring that the activities undertaken have enduring positive impact on the communities.

In line with the belief that charity goes beyond monetary contributions, employees are given two days of volunteerism leave annually to participate in community-related activities.

This two-day leave encourages them to take on social responsibilities that are aligned with the Keppel Group's core values of passion, people-centredness and collective strength, while playing an active role in the development of the beneficiaries.

Talks and workshops on volunteerism by non-profit organisations such as the National Volunteer & Philanthropy Centre and Gawad Kalinga (GK) are also held to inspire employees to give back to the community.

Currently, about 40% of Keppel Land's operations have implemented local community engagement programmes.

WATER FOR LIFE

In April 2013, Keppel Land entered into a partnership with the Singapore International Foundation (SIF) and non-profit organisation Mingalar Myanmar to launch the Water for Life (Yangon) project in Myanmar. The initiative aims to provide more than 7,000 villagers better access to clean drinking water.

Read more about the Company's latest community engagement project on pages 104 and 105.

CHAMPIONING LITERACY

Keppel Land believes that knowledge is fundamental in equipping communities with skills for sustainable livelihood.

The Company reaches out to underprivileged children in Singapore and overseas by collaborating with strategic partners on various reading initiatives and programmes.

kidsREAD

In Singapore, Keppel Land works closely with the National Library Board (NLB), which oversees information services for a network of public libraries, including those in government agencies, schools and institutions.

This includes partnership on the kidsREAD Programme, a nation-wide project by the NLB, People's Association and five self-help groups.

The initiative aims to cultivate good reading habits among children from low-income families by having volunteer readers read stories aloud to them regularly.

Employees volunteer time and effort in community engagement initiatives such as the NLB kidsREAD Programme. An excursion to the Singapore Art Museum was organised for underprivileged children as part of Keppel Land's ongoing efforts to cultivate a culture of reading.



COMMUNITY AND SOCIETY

As part of the Programme, Keppel Land volunteers read to the children from the PAP Community Foundation (PCF) kindergarten at Tanjong Pagar every week and engage them through educational games. Staff volunteers undergo training by a qualified trainer from NLB to better equip them with the basic techniques of reading and storytelling.

The Company also organised an excursion to the Singapore Art Museum for the children in November 2012, where they viewed exhibits and made hand puppets during an interactive art and craft workshop.

Keppel Land held a volunteer recruitment drive in February 2013, successfully rallying a new team of volunteers to join this meaningful outreach activity.

BOOK EXCHANGE

Keppel Land also sponsored NLB's Book Exchange for the second consecutive year in 2012. An annual event to promote a reading culture in Singapore,

the event encourages life-long learning while fostering a green mindset of *Reduce, Reuse and Recycle*.

Under this initiative, every book donated can be exchanged for another through coupons issued for books donated. To encourage greater participation and in conjunction with Earth Day, Keppel Land took the programme beyond the public libraries to nine of its office properties where designated collection points were set up for the public, employees, tenants, customers and business associates to deposit their used books.

Employees also served as volunteers, helping in the book collection and organisation efforts. A total of 3,000 books were collected in 2012, more than double that collected in 2011. Unutilised coupons were donated to the Metropolitan YMCA Singapore.

WORDS ON WHEELS

Encouraged by the successful outreach effort in Hanoi, Vietnam, in 2011, Keppel Land embarked

on its second Words on Wheels (WoW) volunteer trip from 9 to 12 November 2012.

The mobile library project, co-sponsored by Keppel Land, is managed in partnership with the SIF and Hanoi Public Library, with the aim of reaching out to rural communities by promoting a culture of reading and self-learning.

As part of the Company's efforts to promote staff involvement and cross-border volunteerism opportunities, the trip involved 10 employees from across the Keppel Group as well as eight local staff from Keppel Land's Vietnam office. This initiative engages the Group's volunteers in opening new windows to the world for young minds by stoking their enthusiasm for life-long learning and literacy.

Together with staff from the Hanoi Public Library, the volunteers travelled with the mobile library to the Dong Truc Elementary School in Thach That District.





Outdoor games, dances, art and craft as well as storytelling were organised for about 500 students, aged 6 to 12 years.

Employees also donated children's clothes and toys to the villagers as well as stationary gift sets to the school.

About 60% of Hanoi's 6.5 million residents live in rural areas where access to public libraries and the internet is limited. With the mobile library, WoW is able to reach out to different villages in Hanoi on a rotational basis every weekend, providing about 4,000 village children access to books, computers with internet facilities, as well as educational games and toys.

SCHOLARSHIPS AND INTERNSHIPS

Keppel Land provides educational opportunities through scholarship programmes such as the Keppel Group Scholarship and Keppel Land-BCA Built Environment Scholarship. To-date, a total of 25 scholarships have been awarded.

The Keppel Group Scholarship programme offers students with outstanding academic and co-curricular track records the

opportunity to further their studies and embark on a career with the Group thereafter. There are currently three students on the scheme.

Keppel Land is also an industry sponsor of the Building and Construction Authority (BCA) of Singapore Built Environment Undergraduate Scholarship, which offers promising young individuals a rewarding career in the built environment industry. There are currently three students on this programme.

The scholars are attached to different units within Keppel Land during their school vacation to give them a better understanding of the Company's businesses and operations prior to joining the organisation.

A total of 13 graduates have benefitted from the scholarships and are currently working with Keppel Land.

In 2012, the Company also provided 16 internship positions to undergraduates from local and overseas universities and polytechnics, enriching them with invaluable practical work experiences.

1 The Keppel Land-sponsored Book Exchange encourages continued education through reading, while cultivating a green mindset.

2 The Words on Wheels mobile library project provides village children in Hanoi's rural communities the opportunity to read.

3 Keppelites reach out to the elderly and underprivileged through regular activities organised by the Keppel Group-wide volunteer movement, Keppel Volunteers.

COMMUNITY AND SOCIETY



Through the historic sailing vessel, Vega, Keppelites donated medical, educational and farming supplies to the needy communities in Timor Leste, Nusa Tenggara, Southern Maluku and Banda Archipelago, Indonesia. This photo shows the beneficiaries putting together a 'Thank you' banner for Keppel.

KEPPEL VOLUNTEERS

Keppel Land reaches out to the underprivileged through Keppel Volunteers, a Keppel Group-wide volunteer movement. Since its inception in 2000, the programme has harnessed the Group's diverse resources, strengths and talents in spearheading regular activities that make meaningful contributions to local communities, social institutions and non-profit organisations.

Keppel Volunteers works closely with beneficiaries in the areas of

elderly care, environment, education, animals as well as Keppel's adopted charity, the Association for Persons with Special Needs (APSN). APSN runs five learning institutes – two primary schools (Chaoyang and Katong Special Schools), one intermediate school (Tanglin Special School) for students aged 13–16, one senior school (APSN Delta Senior School) for students aged 16–18, as well as the APSN Centre for Adults.

Throughout the year, staff participated in activities tailored to develop social

skills that will help the APSN students assimilate into society. These include excursions to the National Day Parade preview, the Museum of Toys as well as the National Defence and Army Museum. Keppel Land also helped raise funds through a bake sale in support of the APSN beneficiaries.

In addition, Keppel Volunteers organises regular activities to provide care to the different communities. The Befriender Programme that was introduced in July 2012 complements the Home Maintenance Programme, which also supports senior citizens. In November, staff volunteers accompanied a group of underprivileged children to a carnival at the Jacob Ballas Children's Garden, in celebration of the Garden's fifth anniversary. In addition, Keppel Volunteers conducted the annual Keppel Group Blood Donation Drive in December in support of the nation-wide Health Sciences Authority of Singapore's blood donation programme.

With its wide-ranging programmes, Keppel Volunteers aims to cater to the varied interests of employees as well as those interested in episodic volunteering.

PROMOTING THE ARTS

As part of the Keppel Group, Keppel Land supports the arts through Keppel Nights, Singapore's first ticket-subsidy scheme to make the arts more accessible and affordable to the larger community.

To promote Chinese performing arts and provide a platform for local artists to showcase their works to the community, Keppel Land has been a proud sponsor of the River Hongbao and The Esplanade's Huayi Chinese Festival of the Arts since 2005 and 2006 respectively.

The Company also sponsored the 5th Mid-Autumn Festival by the Singapore River to promote appreciation of Chinese culture and heritage. Launched by President Tony Tan Keng Yam in September, the 16-day event featured lantern



displays depicting various Chinese festivals including the Lunar New Year, Hungry Ghost Festival and Chinese Valentine's Day.

In support of local art talents, Keppel Land also sponsored one of 10 selected student-designed benches named *Echo*, designed by a young budding artist from the LASALLE College of the Arts. These benches were unveiled by the Urban Redevelopment Authority (URA) in collaboration with LASALLE, as part of URA's year-long *My Marina Bay, My Inspiration* programme.

SUPPORTING COMMUNITY CAUSES

In 2012, the SHARE programme by Community Chest was re-introduced to Keppel Land employees. A monthly workplace donation programme, SHARE provides a stable source of funds for over 300,000 beneficiaries through 82 charities across Singapore.

Keppel Land employees and tenants also donated over 200 pairs of used spectacles in support of the Lions' Save Sight Centre's *Recycle for Sight* programme for the second year running. This was carried out in conjunction with the World Environment Day in June 2012. The collected spectacles were distributed to the needy in developing countries after being cleaned and organised by polytechnic students studying optometry.

In addition, the Company sponsored \$20,000 in support of the Jurong Lake Run 2012 held in July. About \$250,000 was raised for seven charities, namely the Singapore Children's Society, Children's Cancer Foundation, Loving Heart Multi-Service Centre, Singapore Association for Mental Health, Aspiration Wan Qing Lodge, Lakeside Family Centre as well as Concern and Care Neighbourhood Link. Aside from monetary donation, Keppel Land rallied its employees to participate in the 10-km race led by the Company's Chief Financial Officer, Mr Lim Kei Hin.

In support of breast cancer awareness and to mark the 10th anniversary

of the Singapore Health Promotion Board's national breast screening programme in September 2012, staff from Keppel Land's head office and its fund management arms, Keppel REIT and Alpha Investment Partners, participated in a 2,300-strong human formation in the shape of a giant pink ribbon. The event earned a place in the Singapore Book of Records.

In November, to raise awareness for disability sports, Keppel Land donated \$10,000 to support the Handcycling National Disability League Sprint Race 2012, jointly organised by the Handcycling Association of Singapore and Singapore Disability Sports Council.

Employees also participated in the annual charity run, Bull Charge 2012, organised by the Singapore Exchange at The Float @ Marina Bay in November. The event raised funds in support of the Asian Women's Welfare Association, the Autism Association, Fei Yue Community Services and Shared Services for Charities.

To celebrate the year-end festive season, Keppel Land, together with Keppel Offshore & Marine, adopted two Christmas ChariTrees at Marina Bay for \$10,000 each. Jointly organised by the Community Chest and URA, the fundraising event was held in support of children with special needs, youths-at-risk, the disabled, the elderly as well as families in financial difficulties. Designed by students from the Nanyang Academy of Fine Arts, the concept behind the two 10-foot Keppel Eco-Trees which were made of recycled materials, was in line with the Group's commitment towards building sustainable businesses and communities.

Under the yearly *Grant-A-Wish* initiative, Keppel Land's property management team rallied staff and tenants at Bugis Junction Towers, Equity Plaza, Keppel Towers and GE Tower, Ocean Financial Centre as well as Prudential Towers to help

fulfil the Christmas wishes of beneficiaries from APSN and the Singapore Cancer Society.

In addition, Marina at Keppel Bay continued to sponsor the berthing of the 120-year old sailing vessel Vega at its premises. Together with its volunteer crew, Vega delivers donations of medical, educational and farming supplies to some of Southeast Asia's poorest communities.

REACHING OUT TO OVERSEAS COMMUNITIES

As its operations take it to the heart of various local communities, Keppel Land recognises the need to engage, understand and respond to their needs with appropriate support, in order to grow with these communities over the longer term.

Beyond philanthropic efforts, the Company seeks to empower lives for sustainable change and improvement, creating positive, meaningful impacts on the overseas communities where it operates.

GROOMING TALENTS

The Company believes in investing and providing opportunities to talented local youths.

Under the Junior Academy Programme launched seven years ago at Spring City Golf & Lake Resort (Spring City) in Kunming, China, middle-school students from neighbouring villages are given the opportunity to be trained in golf. Promising students from the rural areas are selected and given training from a young age to provide them with career prospects as a professional golfer.

The programme has produced outstanding golfers, including a 20-year-old student who has won national championships including the China Citic Bank Amateur Tour Match Play 2011 and the prestigious National Ladies Amateur Champion trophy at the China Citic Bank Amateur Golf Championship 2012.

COMMUNITY AND SOCIETY

SHOWCASE: ENRICHING LIVES IN MYANMAR THROUGH WATER FOR LIFE (YANGON)

In line with its CSR focus on the environment and education, Keppel Land, together with Singapore Red Cross, is co-funding Singapore International Foundation's (SIF) Water for Life (WFL) project in Yangon, Myanmar. The project is the result of SIF's partnership with non-profit organisation, Mingalar Myanmar.

The project will provide more than 7,000 villagers in the townships of Kaw Hmu and Kungyangon better access to clean drinking water. In Myanmar, an estimated 70% of the population reside in rural areas with limited access to clean water sources and basic health facilities. In 2008, Cyclone Nargis swept through the Ayeyarwady Delta, where Kaw Hmu and Kungyangon are located, destroying villagers' access to clean water, sanitation, electricity and communication.

According to a 2010 United Nations Development Programme survey, less than 30% of the population in the affected region have access to a safe and convenient drinking water source.

Over the three-year WFL Yangon project, 36 tube wells will be installed in the two townships. Community education programmes on basic hygiene and nutrition will also be conducted for villagers. In addition, five rural health centres and two district hospitals will be refurbished. Medical staff at these healthcare facilities will also be trained to provide quality basic healthcare to the communities.

The project was officially launched in April 2013 by Guest-of-Honour Dr U Thang Aung, Commissioner of Yangon Regional Government. Keppel Land's senior management

graced the occasion, alongside His Excellency Robert Chua, Singapore's Ambassador to Myanmar; Ms Euleen Goh, Chairman of SIF; Dr Phone Win, founder of Mingalar Myanmar; and Mr Benjamin William, Secretary General of Singapore Red Cross.

WFL was first launched in 2010 in Cambodia. WFL Yangon is the third installation of SIF's signature project, which aims to improve the quality of life for villagers in rural communities by providing them access to clean drinking water. The project also addresses gaps in the water eco-system of rural communities, by reducing the incidence of water-borne diseases, improving hygiene and sanitation conditions, and enhancing livelihood opportunities, thereby improving the overall well-being of the community.





During the WFL Yangon volunteer trips in January and April 2013, Keppel Land staff participated in building shelters for the wells and conducted workshops on basic hygiene to the villagers such as brushing their teeth with clean water from the well.

The project will be a regular volunteer programme for staff of Keppel Land and the Keppel Group. Together with other SIF volunteers, these efforts will go a long way in providing clean water for a healthier living environment.



WFL Yangon marks the Company's second tie-up with SIF, following the success of the Words on Wheels (WoW) mobile library project in Vietnam. Like the WoW programme, the project provides opportunities for employees from its head office in Singapore as well as local staff in Myanmar to contribute meaningfully to the local community.



1 Water for Life (Yangon) was launched in April 2013 by Guest-of-Honour Dr U Thang Aung (fourth from right), Commissioner of Yangon Regional Government, and witnessed by His Excellency Robert Chua, Singapore's Ambassador to Myanmar (third from left) as well as members from Keppel Land, SIF, Mingalar Myanmar and Singapore Red Cross.

2 Keppel Land volunteers help with the construction of a tube well shelter in Ma Kjee Kan village.

3, 4 With Keppel Land's support, over 7,000 villagers in the townships of Kaw Hmu and Kungyangon will benefit from access to clean water.

COMMUNITY AND SOCIETY



Volunteers from Keppel Land in Vietnam spent a fulfilling day with residents from Mother La Vang Home and Phan Sinh Home in the Dong Nai province.

ENGAGING BUSINESS COMMUNITIES

As one of the first Singapore developers to invest in Vietnam, Keppel Land continues to support initiatives that promote diplomacy as well as strengthen bilateral ties. In November 2012, the Company sponsored the inaugural Singapore Showcase organised by the Singapore Business Association Vietnam.

Keppel Land also sponsored the Singapore Philatelic Museum's travelling exhibition, which took place at the Vietnamese Women's Museum in Hanoi from 20 October 2012 to 30 April 2013. Supported by Singapore's Ministry of Culture, Community and Youth as well as the Singapore Embassy in Hanoi, the exhibition offered a glimpse of Singapore's culture and heritage.

BUILDING HOMES

In Cisadane, Indonesia, Keppel Land collaborated with charity organisation, GK, to provide community housing for the underprivileged families. Families received keys to their new homes in May 2012.

The Company also rallied its customers, business associates and its employees in a fundraising

exercise in aid of GK Indonesia's Eco Village project. The local beneficiaries participated in the building of the homes.

By cultivating a sense of ownership and belonging, Keppel Land strives to help these families build better lives for themselves and their future generations.

RAISING FUNDS FOR CHARITY

Keppel Land China in Beijing held a donation drive in November 2012 for the Beijing Tongzhou Children Care Centre, a social home and orphanage.

Similarly, Spring City sponsored golf apparel for auction during a golf tournament and raised some RMB 70,000 for the Yunnan Yiliang earthquake relief fund. Spring City also continued to support voluntary doctors and nurses who provide free cataract operations to needy villagers through Bless China International, a non-government organisation.

In Vietnam, volunteers from Keppel Land continue to engage residents of its adopted charities, Mother La Vang Home and Phan Sinh Home in the Dong Nai province.

Since 2008, the local office has supported these homes, which provide shelter for underprivileged children, orphans and elderly with special needs.

Staff along with their families and friends contributed over VND 90 million and donated basic necessities such as food, clothes and water filtration systems.

In September 2012, Keppel Thai Properties donated used computers, laptops and printers in aid of the *Computers for Children* programme by the non-profit organisation, Mirror Foundation.

Employees from Keppel Land's Taman Sutera development in Johor Bahru, Malaysia, helped raise funds for Kiwanis CareHeart Centre, a vocational training centre for youths with autism, by organising a food fair during the centre's Open Day in November 2012.



Statement GRI Application Level Check

GRI hereby states that **Keppel Land Limited** has presented its report “Sustainability Report 2012” to GRI’s Report Services which have concluded that the report fulfills the requirement of Application Level A+.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines. For methodology, see www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 19 April 2013

Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



The “+” has been added to this Application Level because Keppel Land Limited has submitted (part of) this report for external assurance. GRI accepts the reporter’s own criteria for choosing the relevant assurance provider.

The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world’s most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 15 April 2013. GRI explicitly excludes the statement being applied to any later changes to such material.

GLOBAL REPORTING INITIATIVE (GRI) G3.1 SUSTAINABILITY REPORTING GUIDELINES AND CONSTRUCTION AND REAL ESTATE SECTOR SUPPLEMENT CONTENT INDEX

Profile Disclosure	Description	ISO 26000 Clauses	Level of Reporting	Page Reference and/or Explanation for Omissions
STANDARD DISCLOSURES PART I: PROFILE DISCLOSURES				
1. STRATEGY AND ANALYSIS				
1.1	Statement from the most senior decision-maker of the organisation.	6.2	●	2, 4, AR (6)
1.2	Description of key impacts, risks, and opportunities.	6.2	●	AR (116–119)
2. ORGANISATIONAL PROFILE				
2.1	Name of the organisation.	–	●	5, AR (5)
2.2	Primary brands, products, and/or services.	–	●	5, AR (5)
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures.	6.2	●	26, AR (97)
2.4	Location of organisation's headquarters.	–	●	5, AR (233)
2.5	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	–	●	5, AR (75–76)
2.6	Nature of ownership and legal form.	–	●	5, AR (268)
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	–	●	5, AR (75–76)
2.8	Scale of the reporting organisation	–	●	AR (2)
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	–	●	AR (28)
2.10	Awards received in the reporting period.	–	●	14–15, 16–17, AR (29–31)
3. REPORT PARAMETERS				
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	–	●	1
3.2	Date of most recent previous report (if any).	–	●	1, 53
3.3	Reporting cycle (annual, biennial etc.)	–	●	1
3.4	Contact point for questions regarding the report or its contents.	–	●	1
3.5	Process for defining report content.	–	●	1, 6, 7–8
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	–	●	1
3.7	State any specific limitations on the scope or boundary of the report.	–	●	1, 53–54, 57
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organisations.	–	●	53–54, 57
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	–	●	21, 45–46, 53, 57–58
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	–	●	1, 19–20
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	–	●	1, 14–15, 16–17, 19–20
3.12	Table identifying the location of the Standard Disclosures in the report.	–	●	108 (Part I); 110 (Part II); 111 (Part III – Economic); 111–112 (Environmental); 114–115 (Labour Practices and Decent Work); 115–116 (Human Rights); 116–117 (Society); 117 (Product Responsibility)



Profile Disclosure	Description	ISO 26000 Clauses	Level of Reporting	Page Reference and/or Explanation for Omissions
3.13	Policy and current practice with regard to seeking external assurance for the report.	7.5.3	●	119–122
4.	GOVERNANCE, COMMITMENTS, AND ENGAGEMENT			
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.	6.2	●	26, AR (97, 101)
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	6.2	●	26, AR (101)
4.3	For organisations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	6.2	●	26, AR (101)
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	6.2	●	32, 94–95, AR (24–26, 113–114)
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organisation's performance (including social and environmental performance).	6.2	●	AR (103–105, 107)
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided	6.2	●	AR (110, 114–115)
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	6.2	●	AR (100)
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation	6.2	●	6, 7, 30, 79, 83, 94
4.9	Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	6.2	●	26, AR (97, 101)
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	6.2	●	AR (98)
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organisation.	6.2	●	28, 29–30, AR (110–112)
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	6.2	●	9, 12
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organisations in which the organisation: - *Has positions in governance bodies; *Participates in projects or committees; *Provides substantive funding beyond routine membership dues; or *Views membership as strategic.	6.2	●	9, 53
4.14	List of stakeholder groups engaged by the organization.	6.2	●	6
4.15	Basis for identification and selection of stakeholders with whom to engage.	6.2	●	6
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	6.2	●	31–32, AR (24–27)
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting.	6.2	●	31–32, 84, 94–95

GLOBAL REPORTING INITIATIVE (GRI) G3.1 SUSTAINABILITY REPORTING GUIDELINES AND CONSTRUCTION AND REAL ESTATE SECTOR SUPPLEMENT CONTENT INDEX

Profile Disclosure	Description	ISO 26000 Clauses	Level of Reporting	Page Reference and/or Explanation for Omissions
STANDARD DISCLOSURES PART II: DISCLOSURES ON MANAGEMENT APPROACH (DMAs)				
DMA EC	DISCLOSURE ON MANAGEMENT APPROACH ECONOMIC	6.2, 6.8		
Aspects	Economic performance		●	19–20, 21, 22–23, 103
	Market presence		●	58, 92, 93–94
	Indirect economic impacts		●	41, 101–103, 104–106
DMA EN	DISCLOSURE ON MANAGEMENT APPROACH ENVIRONMENTAL EN	6.2, 6.5		
Aspects	Materials		●	57, 58
	Energy		●	45–46, 53–54, 66–67, 70
	Water		●	55–56
	Biodiversity		●	46, 64–65
	Emissions, effluents and waste		●	56–58, 62–63, 70
	Land degradation, contamination and remediation		●	10, 41
	Products and services		●	44–46, 48, 62–63, 70
	Compliance		●	44
	Transport		●	10, 41
	Overall		●	58
DMA LA	DISCLOSURE ON MANAGEMENT APPROACH LABOUR PRACTICES AND DECENT WORK	6.2, 6.4, 6.3.10		
Aspects	Employment		●	89–90, 91–93
	Labor/management relations		●	97
	Occupational health and safety		●	83, 86, 97
	Training and education		●	85, 92, 94
	Diversity and equal opportunity		●	89–90, 91–93
	Equal remuneration for women and men		●	92
DMA HR	DISCLOSURE ON MANAGEMENT APPROACH HUMAN RIGHTS	6.2, 6.3		
Aspects	Investment and procurement practices		●	11, 81
	Non-discrimination		●	91
	Freedom of association and collective bargaining		●	81, 97
	Child labor		●	11, 81
	Prevention of forced and compulsory labor		●	11, 81
	Security practices		●	91
	Indigenous rights		●	81
	Assessment		●	81
	Remediation		●	31, 81
DMA SO	DISCLOSURE ON MANAGEMENT APPROACH SOCIETY	6.2, 6.6, 6.8		
Aspects	Local communities		●	99–100
	Corruption		●	29–30
	Public policy		●	53
	Anti-competitive behavior		●	30
	Compliance		●	30, 44, 76
DMA PR	DISCLOSURE ON MANAGEMENT APPROACH PRODUCT RESPONSIBILITY	6.2, 6.6, 6.7		
Aspects	Customer health and safety		●	76, 81–82, 87
	Product and service labelling		●	73, 76–77
	Marketing communications		●	76
	Customer privacy		●	76
	Compliance		●	76



Indicator	Description	ISO 26000 Clauses	Level of Reporting	Page Reference and/or Explanation for Omissions
STANDARD DISCLOSURES PART III: PERFORMANCE INDICATORS				
ECONOMIC				
Economic Performance				
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	6.8, 6.8.3, 6.8.7, 6.8.9	●	19–20, 21, 22–23, 103
EC2	Financial implications and other risks and opportunities for the organisation’s activities due to climate change and other sustainability issues.	6.5.5	●	44–46, 58
EC3	Coverage of the organisation’s defined benefit plan obligations.	–	●	91–92
EC4	Significant financial assistance received from government.	–	●	96, 97
Market Presence				
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	6.4.4, 6.8	●	92
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	6.6.6, 6.8, 6.8.5, 6.8.7	●	58
EC7	Procedures for local hiring and proportion of senior management and all direct employees, contractors and subcontractors hired from the local community at significant locations of operation.	6.8, 6.8.5, 6.8.7	●	93–94
Indirect Economic Impacts				
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	6.3.9, 6.8, 6.8.3, 6.8.4, 6.8.5, 6.8.6, 6.8.9	●	99–101, 103, 104
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	6.3.9, 6.6.6, 6.6.7, 6.7.8, 6.8, 6.8.5, 6.8.6, 6.8.7, 6.8.9	●	2, 4, 41
ENVIRONMENTAL				
Materials				
EN1	Materials used by weight, value or volume.	6.5, 6.5.4	●	57
EN2	Percentage of materials used that are recycled and reused input materials.	6.5, 6.5.4	○	58, Partial disclosure as input building materials are purchased directly by the main contractors.
Energy				
EN3	Direct energy consumption by primary energy source.	6.5, 6.5.4	●	53
EN4	Indirect energy consumption by primary source.	6.5, 6.5.4	●	53–54
CRE1	Building energy intensity.	–	●	53–54
EN5	Energy saved due to conservation and efficiency improvements.	6.5, 6.5.4	●	45–46, 48, 53–54, 63, 70
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	6.5, 6.5.4	●	45–46, 62–63, 66–67, 70
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	6.5, 6.5.4	●	53–54
Water				
EN8	Total water withdrawal by source.	6.5, 6.5.4	●	55–56

GLOBAL REPORTING INITIATIVE (GRI) G3.1 SUSTAINABILITY REPORTING GUIDELINES AND CONSTRUCTION AND REAL ESTATE SECTOR SUPPLEMENT CONTENT INDEX

Indicator	Description	ISO 26000 Clauses	Level of Reporting	Page Reference and/or Explanation for Omissions
EN9	Water sources significantly affected by withdrawal of water.	6.5, 6.5.4	●	Disclosure is not applicable as water is withdrawn from the public utilities supply, and not directly from water bodies, wetlands or groundwater sources.
EN10	Percentage and total volume of water recycled and reused.	6.5, 6.5.4	○	56, 68, Disclosure is not material as the amount of water recycled mainly for irrigation use, is insignificant.
CRE2	Building water intensity.	-	●	55
Biodiversity				
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	6.5, 6.5.6	-	Disclosure is not applicable as Keppel Land does not own, lease or manage land that are designated as, or adjacent to, protected areas.
EN12	Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	6.5, 6.5.6	●	46, 64-65
EN13	Habitats protected or restored.	6.5, 6.5.6	-	Disclosure is not applicable as Keppel Land does not own, lease or manage land with protected or restored habitats.
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	6.5, 6.5.6	●	46, 64-65
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	6.5, 6.5.6	●	Disclosure is not applicable as Keppel Land does not own, lease or manage land with protected or restored habitats.
Emissions, Effluents and Waste				
EN16	Total direct and indirect greenhouse gas emissions by weight.	6.5, 6.5.5	●	56-58
EN17	Other relevant indirect greenhouse gas emissions by weight.	6.5, 6.5.5	●	56-58
CRE3	Greenhouse gas emissions intensity from buildings.	-	●	56-58
CRE4	Greenhouse gas emissions intensity from new construction and redevelopment activity.	-	●	56-58
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	6.5, 6.5.5	●	44-45, 57-58, 62-63, 70



Indicator	Description	ISO 26000 Clauses	Level of Reporting	Page Reference and/or Explanation for Omissions
EN19	Emissions of ozone-depleting substances by weight.	6.5, 6.5.3	–	Disclosure is not applicable as the Company does not have ozone-depleting substances.
EN20	NO _x , SO _x , and other significant emissions by type and weight.	6.5, 6.5.3	–	Disclosure is not applicable as the Company is not regulated by national laws, regulations or environmental permits to report significant air emissions for its operations.
EN21	Total water discharge by quality and destination.	6.5, 6.5.3	●	56, 68, Partial disclosure as wastewater is discharged into the public sewerage system or sewage treatment plant.
EN22	Total weight of waste by type and disposal method.	6.5, 6.5.3	●	56–57, 68, Partial disclosure as wastewater is discharged into the public sewerage system or sewage treatment plant.
EN23	Total number and volume of significant spills.	6.5, 6.5.3	–	Disclosure is not applicable as Keppel Land does not have significant spills.
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	6.5, 6.5.3	–	Disclosure is not applicable as waste on-site are managed by the main contractors and the Company does not transport, import, export or treat hazardous waste.
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff.	6.5, 6.5.4, 6.5.6	●	68, Partial disclosure as wastewater is discharged into the public sewerage system or sewage treatment plant.

GLOBAL REPORTING INITIATIVE (GRI) G3.1 SUSTAINABILITY REPORTING GUIDELINES AND CONSTRUCTION AND REAL ESTATE SECTOR SUPPLEMENT CONTENT INDEX

Indicator	Description	ISO 26000 Clauses	Level of Reporting	Page Reference and/or Explanation for Omissions
Land Degradation, Contamination and Remediation				
CRE5	Land and other assets remediated and in need of remediation for the existing or intended land use according to applicable legal designations.	–	–	Disclosure is not applicable as Keppel Land does not own, lease or manage remediated land or assets.
Products and Services				
EN26	Initiatives to enhance efficiency and mitigate environmental impacts of products and services, and extent of impact mitigation.	6.5, 6.5.4, 6.6.6, 6.7.5	●	44–46, 48, 62–63, 70
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	6.5, 6.5.4, 6.7.5	–	Disclosure is not applicable as input building materials including packaging are purchased directly by the main contractors.
Compliance				
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	6.5	●	44
Transport				
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce.	6.5, 6.5.4, 6.6.6	–	Disclosure is not applicable as input building materials are purchased directly by the main contractors. Transportation of workforce is insignificant in the Company's business.
Overall				
EN30	Total environmental protection expenditures and investments by type.	6.5	●	58
SOCIAL : LABOR PRACTICES AND DECENT WORK				
Employment				
LA1	Total workforce by employment type, employment contract, and region	6.4, 6.4.3	●	89
LA2	Total number and rate of employee turnover by age group, gender, and region	6.4, 6.4.3	●	90
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	6.4, 6.4.3, 6.4.4	●	91
LA15	Return to work and retention rates after parental leave, by gender.	–	●	97
Labor/Management Relations				
LA4	Percentage of employees covered by collective bargaining agreements.	6.4, 6.4.3, 6.4.4, 6.4.5, 6.3.10	●	97



Indicator	Description	ISO 26000 Clauses	Level of Reporting	Page Reference and/or Explanation for Omissions
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	6.4, 6.4.3, 6.4.4, 6.4.5	●	97
Occupational Health and Safety				
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	6.4, 6.4.6	●	81, 97
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region	6.4, 6.4.6	●	86
CRE6	Percentage of the organisation operating in verified compliance with an internationally recognised health and safety management system.	6.4, 6.4.6	●	83
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	6.4, 6.4.6, 6.8, 6.8.3, 6.8.4, 6.8.8	●	37, 97
LA9	Health and safety topics covered in formal agreements with trade unions.	6.4, 6.4.6	●	97
Training and Education				
LA10	Average hours of training per year per employee by gender, and by employee category.	6.4, 6.4.7	●	85, 94
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	6.4, 6.4.7, 6.8.5	●	48, 85, 91, 94
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	6.4, 6.4.7	●	92
Diversity and Equal Opportunity				
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	6.3.7, 6.3.10, 6.4, 6.4.3	●	89–90, 91–93
Equal Remuneration for Women and Men				
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	6.3.7, 6.3.10, 6.4, 6.4.3, 6.4.4	●	92
HUMAN RIGHTS				
Investment and Procurement Practices				
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	6.3, 6.3.3, 6.3.5, 6.6.6	●	11, 81
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	6.3, 6.3.3, 6.3.5, 6.4.3, 6.6.6	○	81, Partial disclosure as the Company has a formalised clause on human rights in its health and safety specifications for contractors.
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	6.3, 6.3.5	●	11
Non-discrimination				
HR4	Total number of incidents of discrimination and corrective actions taken.	6.3, 6.3.6, 6.3.7, 6.3.10, 6.4.3	●	91
Freedom of Association and Collective Bargaining				
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	6.3, 6.3.3, 6.3.4, 6.3.5, 6.3.8, 6.3.10, 6.4.3, 6.4.5	●	81, 97

GLOBAL REPORTING INITIATIVE (GRI) G3.1 SUSTAINABILITY REPORTING GUIDELINES AND CONSTRUCTION AND REAL ESTATE SECTOR SUPPLEMENT CONTENT INDEX

Indicator	Description	ISO 26000 Clauses	Level of Reporting	Page Reference and/or Explanation for Omissions
Child Labour				
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour.	6.3, 6.3.3, 6.3.4, 6.3.5, 6.3.7, 6.3.10	●	11, 81
Forced and Compulsory Labour				
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of all forms of forced or compulsory labour.	6.3, 6.3.3, 6.3.4, 6.3.5, 6.3.7, 6.3.10	●	11, 81
Security Practices				
HR8	Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations.	6.3, 6.3.5, 6.4.3, 6.6.6	–	Disclosure is not applicable as the employment of security personnel is outsourced to certified vendors, who provide the relevant trainings.
Indigenous Rights				
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	6.3, 6.3.6, 6.3.7, 6.3.8, 6.6.7	●	81
Assessment				
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	6.3, 6.3.6	●	81
Remediation				
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	6.3, 6.3.6	●	31, 81
SOCIETY				
Local Communities				
S01	Percentage of operations with implemented local community engagement, impact assessments, and development programmes.	6.3.9, 6.8, 6.8.5, 6.6.7	●	99
S09	Operations with significant potential or actual negative and positive impacts on local communities.	–	●	93–94, 99–100, 104–105, 106
S010	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	–	●	68–69
CRE7	Number of persons voluntarily and involuntarily displaced and/or resettled by development, broken down by project.	–	–	Disclosure is not applicable as impacts on local communities in the countries that Keppel Land operates in are guided by the respective authorities' land planning regulations.
Corruption				
S02	Percentage and total number of business units analysed for risks related to corruption.	6.6, 6.6.3	●	30
S03	Percentage of employees trained in organisation's anti-corruption policies and procedures.	6.6, 6.6.3	●	30
S04	Actions taken in response to incidents of corruption.	6.6, 6.6.3	●	29–30



Indicator	Description	ISO 26000 Clauses	Level of Reporting	Page Reference and/or Explanation for Omissions
Public Policy				
S05	Public policy positions and participation in public policy development and lobbying.	6.6, 6.6.4, 6.8.3	●	53
S06	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	6.6, 6.6.4, 6.8.3	–	Disclosure is not applicable as the Company does not extend political donations.
Anti-competitive Behaviour				
S07	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	6.6, 6.6.5, 6.6.7	●	30
Compliance				
S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	6.6, 6.6.3, 6.6.7, 6.8.7	●	30, 44, 76
PRODUCT RESPONSIBILITY				
Customer Health and Safety				
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	6.3.9, 6.6.6, 6.7, 6.7.4, 6.7.5	●	87
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	6.3.9, 6.6.6, 6.7, 6.7.4, 6.7.5	●	76, 81–82
Product and Service Labelling				
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	6.7, 6.7.3, 6.7.4, 6.7.5, 6.7.6, 6.7.9	●	73, 76
CRE8	Type and number of sustainability certification, rating and labelling schemes for new construction, management, occupation and redevelopment.	–	●	73
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes.	6.7, 6.7.3, 6.7.4, 6.7.5, 6.7.6, 6.7.9	●	76
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	6.7, 6.7.4, 6.7.5, 6.7.6, 6.7.8, 6.7.9	●	76–77
Marketing Communications				
PR6	Programmes for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	6.7, 6.7.3, 6.7.6, 6.7.9	●	76
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	6.7, 6.7.3, 6.7.6, 6.7.9	●	76
Customer Privacy				
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	6.7, 6.7.7	●	76
Compliance				
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	6.7, 6.7.6	●	76

Legend

- Fully reported
- Partially reported
- Do not report

UNITED NATIONS GLOBAL COMPACT

10 Principles of the UN Global Compact

Principles		Report Page
HUMAN RIGHTS		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights	9, 11, 81, 91
Principle 2	Make sure that they are not complicit in human rights abuses	9, 11, 81, 91
LABOUR		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	9, 81, 97
Principle 4	Elimination of all forms of forced and compulsory labour	9, 11
Principle 5	Effective abolition of child labour	9, 11
Principle 6	Elimination of discrimination in respect of employment and occupation	9, 97
ENVIRONMENT		
Principle 7	Businesses should support a precautionary approach to environmental challenges	44–46, 64–67
Principle 8	Undertake initiatives to promote greater environmental responsibility	48, 58–59
Principle 9	Encourage the development and diffusion of environmentally-friendly technologies	62–63, 70
ANTI-CORRUPTION		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery	29–30



INDEPENDENT ASSURANCE STATEMENT

To the Management and Stakeholders of Keppel Land Limited

Ere-S Pte Ltd [Ere-S] has been commissioned by Keppel Land Limited [Keppel Land] to carry out an independent assurance engagement on the company's Sustainability Report 2012 [the Report].

STANDARD AND SCOPE OF ASSURANCE

The assurance engagement was executed in accordance with a Type 2 assurance of the AA1000 Assurance Standard (AA1000AS 2008), which consists of:

- Evaluating the company's sustainability framework and processes using the inclusivity, materiality and responsiveness criteria of the AA1000 AccountAbility Principles (AA1000APS 2008).
- Evaluating the disclosed performance information and the relevant data collection processes against the GRI G3.1 Reporting Principles: sustainability context, completeness, balance, comparability, accuracy, timeliness, clarity and reliability.

The assurance encompassed the entire Report and focused on all figures, statements and claims related to sustainability during the reporting period from January 2012 to December 2012. Historical performance figures were also assessed using the same criteria and level of assurance.

LEVEL OF ASSURANCE AND LIMITATIONS

A moderate (or limited) level of assurance was provided with desktop review and management-level data verification. The scope of work did not include financial data, technical descriptions of buildings, equipment and production processes and other statements not related to sustainability or supported by already verified documents, such as Keppel Land's previous sustainability reports, current annual report

or third-party audits reports and certifications.

RESPONSIBILITY AND INDEPENDENCE

This statement represents Ere-S' independent opinion. The management of Keppel Land was responsible for the preparation of the Report and all statements and figures contained within it. Ere-S' responsibility was to execute the assurance engagement, prepare the assurance report and this assurance statement for the management of Keppel Land alone and for no other purpose. Ere-S and the members of the assurance team were not involved in the development of the Report or the disclosed management processes; neither has Ere-S been engaged by Keppel Land for other projects. Ere-S' activities are independent of Keppel Land and contain no financial interest in Keppel Land's business operation.

ASSURANCE METHODOLOGY

The engagement was carried out using the following methodology:

1. Identified over 300 statements and data sets, which were classified according to the relevant data owners and the type of evidence required for the verification process.
2. Carried out interviews with over 30 key functional managers and data owners from the corporate office, including the company's CEO, the Director of Corporate Services and the Director of Workplace Safety and Health. Managers from Keppel Land China and Sedona Hotels were also interviewed. Data verification included the following:

- Asking a series of questions on the quantitative and qualitative aspects of the Report disclosures, including performance information, policies, procedures and underlying management systems.

- Requesting evidence of the data sources and explanation of relevant collection and calculation methods to substantiate the figures and claims.
- Where possible, sampling quantitative data that originated from multiple sources.
- Challenging the claims made in the report and, where possible, confirming the presented evidence, including calculation methods, criteria and assumptions, with multiple data owners and other documentation from internal and external sources.
- Cross-checking data with previous sustainability reports and Keppel Land's current annual report.

Employees from the corporate office and representatives of key stakeholder groups, including tenants, suppliers, investors, government agencies and community associations, were also interviewed to confirm Keppel Land's stakeholder engagement processes.

3. Assessed the collected information and provided recommendations for immediate correction where required or for future improvement of the Report content.

INDEPENDENT ASSURANCE STATEMENT

FINDINGS AND OBSERVATIONS

EVALUATION OF THE ADHERENCE TO AA1000 ACCOUNTABILITY PRINCIPLES

Inclusivity - *How the organisation engages with stakeholders and enables their participation in identifying issues and finding solutions.*

Keppel Land's level of engagement with its stakeholders has remained steady since the previous reporting period. There is evidence of strong engagement platforms for employees, such as surveys, group and personal meetings (sessions with CEO), appointment of engagement champions within each department as well as online channels for information sharing and feedback.

In line with the new safety roadmap, engagement with suppliers has been further strengthened in 2012. This is evidenced by additional training programmes, awareness channels and sharing events for contractors in Singapore and overseas. We have also seen evidence of partnerships forged between the company and local government/non-government agencies, the selection of which is based on the initiative's sustainability and partner accountability.

We have however seen little evidence of frequent or formalised inclusion of stakeholder groups' representatives in decision-making.

Materiality - *How the organisation recognises issues that are relevant and significant to it and its stakeholders.*

Keppel Land shows frequent and structured processes to identify relevant and significant issues, including a materiality test conducted by an external consultant in 2012. Evidence of engagement on key sustainability issues at top management level is reflected in the policies and board-level KPIs on human resource, corporate governance and EHS.

We particularly commend the new clause on human rights that has been inserted in all formal construction contract documents. Although the current policy only covers the human rights topic of child labour, it represents significant progress in setting new criteria that are material to the construction sector.

We expect further issues, gaps and preventive or corrective measures to be identified in the near future through other processes or initiatives implemented in 2012, such as the CSR Committees formed in China and Vietnam, the system on Behavioural Management of Safety and the Project Management and Sustainable Design Department.

Responsiveness - *How the organisation responds to stakeholder issues and feedback through decisions, actions, performance and communication.*

We have found evidence of processes to develop actions in response to concerns of stakeholders. These include group meetings to share and discuss the results of the group-wide Organisational Climate Survey and complimentary energy audits conducted for tenants. Another example of the company's response to customer concerns is the case of the water discharge in Bangalore.



Communications channels are substantiated at all levels of the company and include training and awareness sessions covering key sustainability issues, such as environment, health and safety, human rights and code of conduct. Keppel Land also has comprehensive intranet portals and website, where most of its key policies, feedback channels and sustainability performance can be found.

EVALUATION OF ADHERENCE TO THE GRI REPORTING PRINCIPLES

Improvements seen in the Report include the insertion of all GRI standard disclosures and indicators from the Construction and Real Estate sector supplement, although a small portion of the indicators are not fully disclosed.

With the disclosure of additional negative aspects, the Report provides a more balanced view of the company's overall performance compared to previous years. The recurrent format of the sections and tables with historical data allow a good evaluation of performance through the years. Despite some repeated statements, the Report content is reasonably clear and accurate. Clarity could be further improved in the People Review section, where it is not always obvious whether policies and practices apply to the corporate office's employees only or also to overseas employees.

Disclosure on performance and management approaches comprises the key aspects that are material to the sustainability context of the company, covering local and overseas operations. We commend the new alignment of the disclosure on CO₂ emissions with the Carbon Disclosure Project.

Through the data verification process, we have not found any major inconsistencies between the data sources provided by the data owners and the reported statements and figures. Where mismatches were found, corrections were promptly applied by the reporting team following our recommendations.

CONCLUSION

Based on our assurance work, Ere-S is satisfied that the claims in Keppel Land's Sustainability Report 2012 provide a credible and fair representation of the company's sustainability profile and a reasonable application of the AA1000 and GRI Principles. The assurance findings also provide confidence, within the limits of a moderate assurance, that the Report's statement and figures achieve an adequate level of reliability and accuracy.

MOVING FORWARD

1. While Keppel Land maintains solid engagement channels with its key stakeholder groups, we recommend additional effort to include stakeholder representatives in decision-making processes on a more consistent basis. The greatest progress in this aspect can be made in the social dimension and the company's supply chain management. More disclosure on the inclusivity of communities impacted by the company's operations, especially for new projects overseas, will also improve the quality of future reports.

INDEPENDENT ASSURANCE STATEMENT

2. We recommend sustained efforts toward a more comprehensive inclusion of control and reporting processes covering other aspects of human rights beside safety and child labour in the supply chain. However, we understand that establishing these management approaches will represent a significant challenge.
3. Although Keppel Land has strengthened some of its KPIs in sustainability-related topics, such as corporate governance, safety and environment, top-management accountability for sustainability performance could be further evidenced. This can be achieved by setting additional personal key performance indicators, particularly at top-management level, covering other key material areas such as stakeholder engagement, human rights and community impact.
4. Finally, we commend the improvement in the number of indicators disclosed in this year's Report. However, further efforts in providing comprehensive disclosure of performance should remain high. This can be achieved through full disclosure of all GRI indicators, inclusion of additional scopes from the Carbon Disclosure Project and more reporting of negative performance. We also recommend better alignment of the details and amount of reported information between the corporate office and the overseas subsidiaries, especially in the labour dimension.

The above findings and additional suggestions for improvement have been presented to the management of Keppel Land in a more detailed assurance report.



Singapore, 29 May 2013

On behalf of the assurance team

Jean-Pierre Dalla Palma

Director & Certified Sustainability Assurance Practitioner



AA1000
Licensed Assurance Provider
000-68

Ere-S Pte Ltd is a consulting company specialising in business sustainability and provides services in the domains of sustainability reporting, sustainability report assurance, stakeholder engagement and CSR training. Our assurance team is composed of certified assurance practitioners with expertise in CSR and each member is required to follow Ere-S' assurance code of conduct, which can be found at <http://www.ere-s.com/assurance-code-of-conduct/>.



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