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ESG Outlook 2022

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"Sustainable development is a fundamental break that's going to reshuffle the entire deck. There are companies today that are going to dominate in the future simply because they understand that." Francois-Henri Pinault

Forging Ahead in the ESG-verse

ESG - a string of alphabets that are no longer foreign to us. As more corporates, organisations and investors hop onto the bandwagon of ESG investing and sustainable finance, regulators are also increasingly introducing a suite of regulations and guidance to steer product providers and companies in the right direction. The European region has been in the driver's seat in this sphere. Disclosures in Sustainable Finance – Addressing Words that Speak Louder than Actions detailed the regulatory developments that have been introduced by the European Commission and Financial Stability Board's Taskforce since the 2015 Paris Agreement was adopted and United Nations ("UN") introduced the 17 Sustainable Development Goals as part of the UN 2030 agenda.

Financial institutions, which play a major facilitator role in the broader economy are faced with many challenges. As financial institutions are systemically important to overall financial stability globally and in a country, scrutiny on them is frequent and necessary. In Sustainable Finance Regulations for Financial Institutions to Weather the Storm, we highlighted the challenges that financial institutions faced in areas of climate risk stress testing and key findings of the pilot climate risk assessment exercise performed by European Banking Authority ("EBA") and the European Central Bank ("ECB").

Apart from regulations and challenges, at OCBC Credit Research, we explore and study opportunities in this ever-evolving space of green and sustainable finance. Getting to Know the Sustainable Bond Market and Sustainability Linked Bonds provides a deeper understanding of Sustainability-linked bonds ("SLB"), clarity on core principles guiding the SLB, case studies of existing SLB issuance in the market and headwinds that SLBs may encounter. Meanwhile Climate Finance – Opportunities in the Unlabelled Universe of Bonds focuses on climate-aligned bonds which are currently unlabelled, though they stand to benefit with the adoption of a label in this growing green market.

As said in our Singapore Credit Outlook 2022, knowledge is power in this nascent and evolving ESG space, and we will continue to monitor key developments and opportunities in this space. As we journey along this ESG path, we have included in our appendix key ESG influences for the companies we cover based on their disclosures. We hope that this provides a clearer direction of where these issuers are heading in this ESG journey.

Contents

Sustainable Finance Regulations for Financial Institutions to Weather the Storm

While the multitude of principles and agendas covering sustainability highlights its depth and breadth and established the 'what', the resulting network of regulations as mentioned in "***Disclosures in Sustainable Finance – Addressing Words that Speak Louder than Actions***," are focused on the 'how'. The quickening pace of regulatory developments to establish how sustainability agendas can be achieved is perhaps indicative of rising concerns surrounding climate change and increasing instances of severe weather events as well as the lack of progress and passing of time towards key future milestone sustainability dates. It may also represent better familiarity and knowledge of the issues and increasingly efficient thought leadership in finding a way forward.

We highlighted above that sustainability related regulations were growing in both quality and quantity and as understanding of sustainability issues and the cost to address them rises, so has the specificity of regulations grown towards the Financial Institutions sector. This is due to the compounding influence that Financial Institutions have on sustainability and environmental, social and governance ("ESG") issues given their role as a facilitator for the broader economy. The influence of environmental concerns stretches beyond their own footprint and operations to the activities that Financial Institutions chooses to fund. Social issues influence Financial Institutions given their functional and financial capacity to address problems with social inequality through the essential services they provide. Finally, governance is relevant for Financial Institutions given their systemic importance as a steward in the world of finance, highly regulated nature, and their sensitivity to sentiment and public confidence.

Developments in sustainable finance regulations such as SFDR are occurring alongside the Financial Institution sectors' own separate and significant regulatory development journey. This commenced following the 2008 financial crisis with a desire to improve financial sector resilience and ensure its ability to withstand a future crisis primarily through higher minimum capital requirements but also with minimum short term and long-term liquidity coverage obligations. This was achieved through Basel III regulations that seeks to improve banking regulation, supervision and risk management.

As we head into 2022 however, both regulatory tracts are seemingly merging to create a financial system that is overall more resilient to both systemic and environmental shocks. As discussed in "***Financial Institutions – a cruise to nowhere?***", the European Commission ("EC") published on 27 October 2021 legislative proposals for the postponed implementation of Basel IV into European law that includes more formal requirements for Financial Institutions to include an assessment of ESG risks and to adequately disclose these risks and their consistency with the EU's overall sustainability strategy. This is to ensure that the influence of ESG risks on Financial sector systemic stability is incorporated in capital adequacy assessments whilst also ensuring that Financial Institutions are contributing to sustainability efforts and complying with the European Green Deal to make Europe the first climate neutral continent by 2050. This is separate to the mandatory obligations to disclose ESG risks as per SFDR and could be a preliminary step to incorporating ESG risks into minimum capital requirements and prudential regulatory frameworks.

The first parameter in understanding Financial Institutions' resilience to ESG risks is by looking at climate-related stress and how climate change may impact their financial performance through their operations but also their lending and investment portfolios. Per an opinion piece in the Business Times, the concept of a stress test came from the recommendation of the Task Force on Climate-related Financial Disclosures ("TCFD") that climate-related stress impacts and its reporting should include forward-looking scenario planning of a warmer planet. Whilst Financial Institutions are improving their disclosure of ESG and climate related information for their own operations including their policies for doing business with carbon emitting industries and clients, their ability to report the comprehensive impact of climate change on their lending and investment portfolios is weaker given it relies on the disclosure of their customers, something they have much less control of.

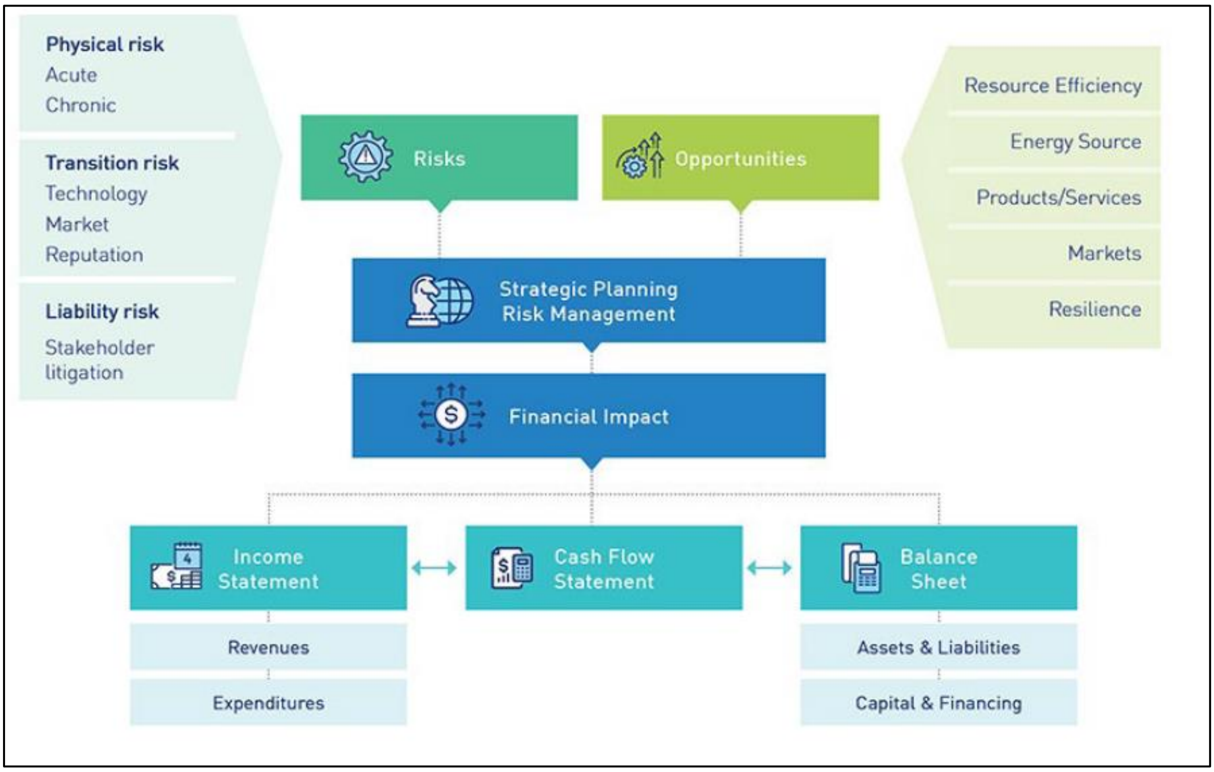
That said, Financial Institutions are under pressure. The European Banking Authority ("EBA") released results of a pilot climate risk assessment exercise in May 2021 and the European Central Bank ("ECB") released the results of an economy-wide climate stress test in September 2021 ahead of the launch of a climate stress test for European banks in 2022. This is amongst several other sustainability or ESG related regulatory developments in Europe through 2022 including further progress under SFDR, the replacement of the Non-Financial Reporting Directive ("NFRD") for larger corporates with the Corporate Sustainability Reporting Directive ("CSRD"). Key findings from the EBA and ECB exercises were as follows:

- More disclosure is needed on transition strategies and greenhouse gas emissions to improve climate risk assessments.
- Banks need to improve their data monitoring capabilities and infrastructure to deal with the additional disclosures.
- Climate risk assessment accuracy and results are sensitive to the composition of the bank's loan portfolio based on the size of the borrowers and their exposure to industries susceptible to transition risk and/or with high greenhouse gas emissions.
- Physical risk (economic costs and financial losses from increasingly severe and frequent climate change-related weather events and permanent climate changes, both direct and indirect) represents the dominant negative impact for corporates and financials. This impact increases if there is no policy action.
- While there are transition costs for all firms (business transformation, technological changes), these are lower than the expected costs of not transitioning (or projected costs from higher physical risk).
- Failure of corporates to transition presents a material risk for financial sector stability through projected losses for corporate credit portfolios which increase depending on the severity of climate risks using three scenarios that indicate the transmission channels for transition and physical risks (orderly, disorderly and hot house).
- Governments and Central Banks should implement as soon as possible adequate climate policies, regulatory frameworks and robust stress testing tools to ensure an orderly transition to net zero and maintain financial stability.

The ECB's next climate stress test exercise will commence in March 2022 to test climate risk stress test capabilities as well as exposure to transition and physical risks. The results will be published in July 2022 and will be used as an input into the Supervisory Review and Evaluation Process ("SREP") according to KPMG. SREP is an annual process conducted by the ECB together with local regulators who review a Financial Institution's business model, governance and risk profile to ensure that the Financial Institution has adequate capital and liquidity as well as appropriate risk mitigation strategies and processes. The outcome of the review are entity specific capital requirements (Pillar 2) and recommendations in addition to system-wide minimum capital requirements (Pillar 1) under Basel III.

Other global regulators are also looking at implementing their own climate stress tests. The Australian Prudential Regulation Authority ("APRA") published in September 2021 an information paper that provides an overview of the Climate Vulnerability Assessment and information on what international activities are being done on climate scenario analysis and stress testing. China earlier in 2021 announced that it would monitor financial risks related to climate change and work with other financial regulators to establish a framework for managing climate change-related financial risks in the future as part of its wider annual stress test exercise in 2021. This announcement was followed in June by People's Bank of China ("PBOC") Governor Yi Gang stating that the PBOC has conducted stress tests to assess climate risks, the results of which will be published in the future. In Singapore, the Monetary Authority of Singapore announced that banks will have to undertake stress tests by end 2022 under a range of climate change scenarios that impact physical and transition risks with mandatory regulatory disclosures on the management of risks related to climate change and other environmental issues. MAS' climate stress test will reference the climate change scenarios developed by the Network for Greening the Financial System ("NGFS") that is made up of 91 central banks and monetary supervisors. NGFS published the second version of their climate scenarios in June 2021 to simplify the climate stress test process by focusing on key factors with economic implications and assuming six possible levels of government action that range from holding temperatures from rising to 1.5 degrees Celsius (prompt government action) to temperatures rising at least 3 degrees Celsius (no improvement in current policies). MAS like other regulators are also consulting the practices and approaches of other global regulators.

Figure 1: Climate risks, opportunities and financial impact



Source: APRA Information Paper – Climate Vulnerability Assessment, 3 September 2022

There are numerous implications for Financial Institutions going forward from climate related stress tests. KPMG highlighted several establishment considerations even before considering the stress test results including:

(1) Set-up of internal people and processes to conduct these stress tests and who will be responsible for its results.
(2) Criticality of data integrity through quantity and quality of data as well as an adequate understanding of the interdependence of different data.
(3) Data analysis may be negatively impacted by the obvious lack of experience in conducting these relatively novel stress tests and difficulty in judging the results. Together with data integrity, results could be highly prone to error.
(4) Additional technology investments by Financial Institutions to ensure data is collated and presented in the ECB provided templates.

The real implications however could occur as a consequence of the stress test results:

- Higher capital requirements will be necessary if exposure to transition and/or physical risks are elevated.
- Financial Institutions may be forced to change the way they do business – particularly if the cost of doing business in certain jurisdictions or with certain clients or industries outweigh the profits.
- Business segments may be de-emphasized where adequate disclosure of ESG related data is challenging, in particular small to medium-sized enterprises.
- Mandatory disclosure of heightened ESG risks may drive capital and investors away from certain Financial Institutions when they may need it most, thereby creating higher credit dispersion and less competition. This may raise costs for consumers and possibly undermine financial sector stability.
- Disclosure obligations may amplify as regulators seek additional and more routine disclosures for Financial Institutions with poor climate risk stress test results.

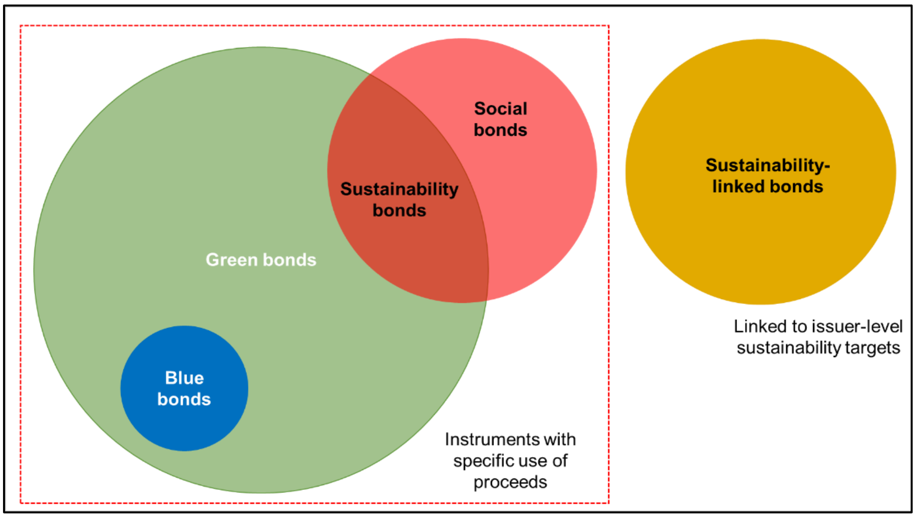
Climate risk stress tests appear to be a useful and necessary component of the overall package of sustainable finance related regulations. The ultimate challenge however will come from interpreting the results and gaining confidence in their accuracy. The absolute accuracy of the results may not be as important as the process however, especially if it hastens Financial Institutions' actions in driving impactful sustainable finance activities. This may ultimately fulfil the aims of the sustainable finance related regulations jigsaw puzzle, even if it does so in an indirect way.

Getting to Know the Sustainable Bond Market and Sustainability Linked Bonds

With companies increasing their focus on Environmental, Social, and Governance issues, as well as aligning themselves with numerous UN Sustainable Development Goals ("SDG"), this evolution has translated to the capital markets. Issuers are seeking innovative debt instruments to ink down their sustainability promises and commit their raised capital to either a specific use-of-proceeds or to reach an ambitious sustainability performance target ("SPT") which is set at the issuer level. As of present, within the ESG fixed income space, there exist four primary forms of sustainable bonds – **Green bonds, Social bonds, Sustainability bonds, and Sustainability-linked bonds**. Collectively, we refer to this group as "GSSSL bonds".

As seen in **Figure 2**, this can be further split into two segments, instruments with a specific use of proceeds – Green bonds, social bonds, and sustainability bonds, and instruments that have no specific use of proceeds, but are tied to the issuer's sustainability targets – Sustainability-linked bonds. It is easy to confuse between sustainability bonds and sustainability-linked bonds due to the similarity in their naming convention. However, it is important to note that these bonds are different in their characteristics.

Figure 2: Classification of GSSSL bonds



Source: OCBC Credit Research

<u>What is a sustainability-linked bond?</u>

Recently, issuers have been increasingly leveraging on a relatively new bond instrument called a sustainability-linked bond ("SLB"), essentially a typical bond with an **adjustment that links their Sustainability Performance Targets ("SPTs") to the issue structure of the bond**. In this section, we will be deep-diving into sustainability-linked bonds and how it can help companies achieve its sustainability targets.

So, what incentivises companies to issue SLBs over green, social, and sustainability ("GSS") bonds? Simply put, not every company has a green or social projects in their pipeline. With GSS bonds requiring use of proceeds to be tied to a green or social project, this would make a large proportion of companies disincentivised to issue GSS debt if these investments are not aligned with the company's strategy. Yet, many companies want to improve their overall sustainability and seek a sustainable debt instrument to drive its sustainability transformation journey. In this instance, a SLB would be suitable for these companies.

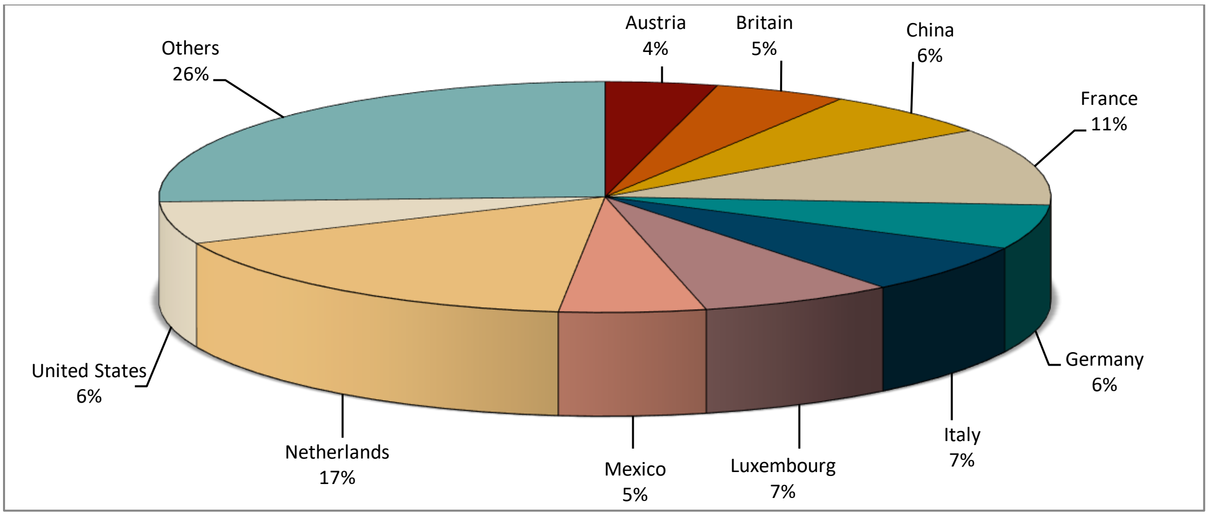
According to Bloomberg, sustainability-linked bonds can be viewed as behaviour-based debt, where the intent is to encourage issuers to modify their corporate behaviour. These bonds are structurally linked to the issuer's achievement of ESG or broader SDG targets, such as linking the coupon of a bond to a pre-determined key performance indicator ("KPI") or SPT. SPTs that are not met then generally results in an increase in the instrument's coupon rate, penalising issuers for not achieving their pre-set targets.

> *"The overarching intention underlying SLBs is the reinforcement of accountability from issuers with regards to their targets through introduction of a tangible stake beyond reputation ("skin in the game") in the achievement of their strategic sustainability objectives." – International Capital Market Association ("ICMA")*

The history for SLBs is a short one, as these bonds did not exist until 2019 when Enel issued a USD1.5 billion 5-year bond with a 2.65% coupon. Since then, the SLB market has grown from strength to strength, as seen from total SLB issuances growing at a CAGR of 350% from 2019 to 2021, with USD103.3bn issued in 2021. Cumulatively, the total amount outstanding for SLBs is USD119.7bn across 170 issuers.

As seen in **Figure 3**, Europe-based issuers dominated the SLB market in 2021, with the largest issuers coming from the Netherlands (17%), France (11%), Luxembourg and Italy (tied at 3rd with 7% of total SLB issuances each), and Germany (6%). This is unsurprising given Europe's reputation for being a leader in the sustainability space. Notably, Enel Finance International NV, which is based in the Netherlands, was responsible for USD12.1bn or 11.7% of total SLB issuances in 2021. The two largest economic powers in the world, US and China, is each only responsible for 6% of total SLB issuances. Both the sustainable debt capital markets in these countries tend to lag the European market though is forecasted to grow exponentially in the coming years.

Figure 3: Breakdown of SLB issuers by geography, 2021

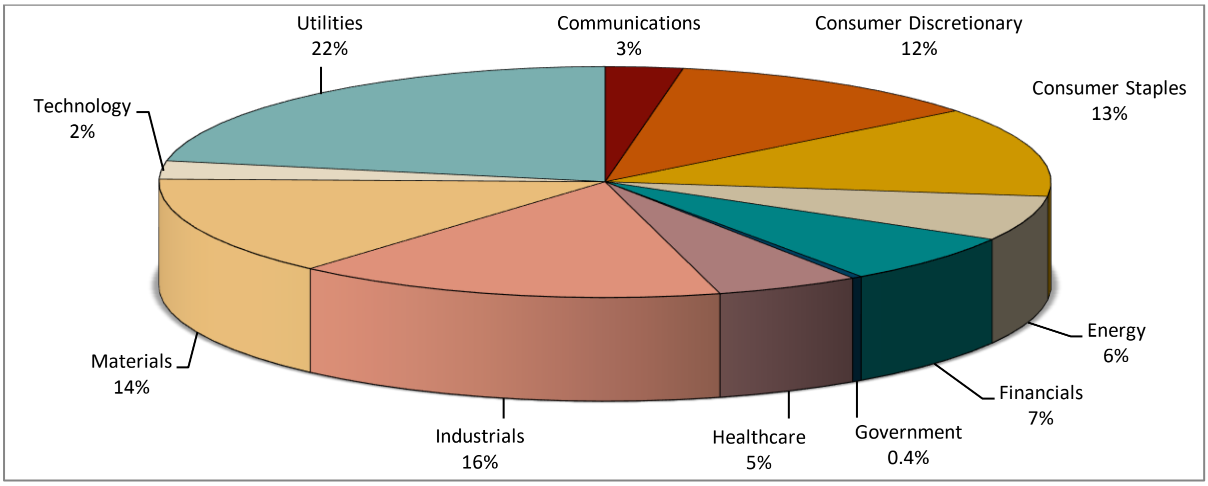


Source: Bloomberg

Remember, green bond issuers are required to use proceeds for green projects, while SLB issuers are not restricted in how their proceeds are used. For the majority of companies, this limits their ability to issue a green bond as they do not have a green project on hand. Conversely, the flexibility of an SLB allows these companies to use proceeds how they want to while still promising investors that they will become more sustainable in the long-term. Comparing **Figure 4** and **Figure 5**, we can see that the industry split is more spread out in the SLB market, with 5 industries (Utilities, Consumer Discretionary, Consumer Staples, Materials, and Industrial) each taking up more than 10% of the SLB market, as compared to the green bond market where the majority of issuances (84%) is concentrated in the Utilities, Financials, and Government sector.

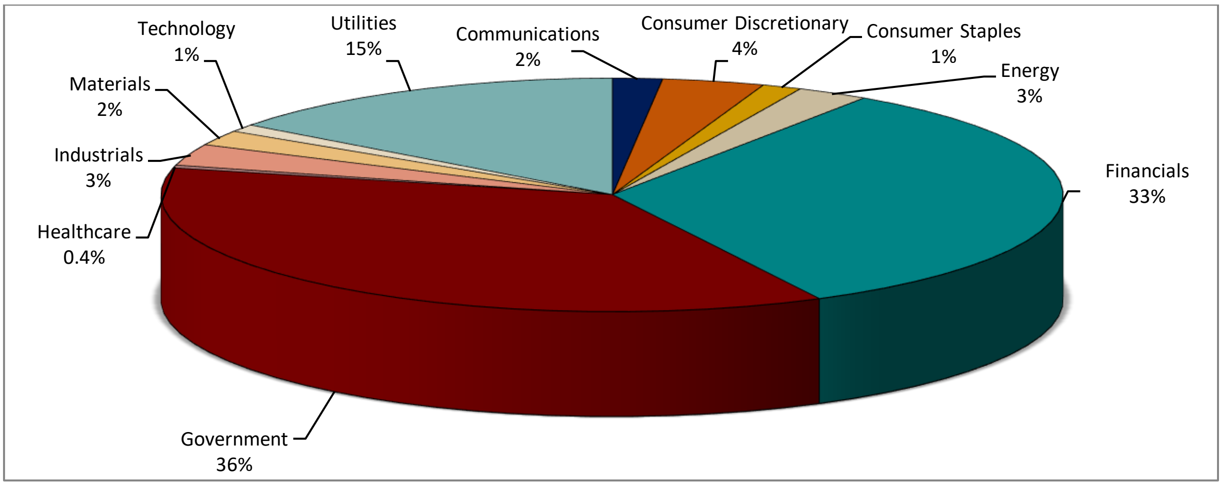
As seen in **Figure 4**, the Materials and Industrials sectors account for 14% and 16% of total SLB issuances. This is significant because an argument made for SLBs is how it allows highly pollutive and transiting industries to showcase their commitment to their sustainability journey. Out of the four main GSSSL instruments, we think SLBs are the most suitable sustainable bond structure for these industries to use. Thus, looking ahead, we can expect these industries to continue to take up a good chunk of the total SLB issuances.

Figure 4: Breakdown of SLB issuers by industry[1], 2021



Source: Bloomberg
[1]Refers to BICs Level 1 Classification

Figure 5: Breakdown of Green bond issuers by industry, 2021



Source: Bloomberg

Five Core Principles

Since the SLB market is relatively new and the sustainable finance market in general is still undergoing widespread regulation changes, the guidelines for SLBs are also in its infancy stages and could potentially change in the future. The current framework that companies voluntarily adhere to is the ICMA Sustainability-Linked Bond Principles ("SLBP"), which was published in 2020. The Sustainability-Linked Bond Principles are voluntary guidelines that illustrates the gold standard for companies to follow when issuing a sustainability-linked bond.
To adhere to the SLBP, issuers need to comply with the following five core principles. This is a **simplified and shortened version** of the principles and interested parties can look at the actual documentation for a detailed breakdown.

(1) **Selection of Key Performance Indicators**: The KPIs selected should be material to the company's business operations and strategy, quantifiable on a consistent methodological basis, externally verifiable, and able to be benchmarked.
(2) **Calibration of Sustainability Performance Targets**: Represent a material improvement in the selected KPIs.
(3) **Bond characteristics**: The financial and/or structural characteristics which can change depending on whether the issuer is able to attain its SPTs. For example, the most common structure is for the SLB to have a step-up clause in which the coupon rate increases when the trigger event takes place.

(4) **Reporting**: Companies should keep investors updated at least annually with the performance of the selected KPIs and information that is relevant to the ambitions of the SPTs.
(5) **Verification**: Issuers should seek independent and external verification of their performance level against each SPT or each KPI by a qualified external reviewer with relevant expertise at least once a year. While the pre-issuance external review such as a Second Party Opinion is recommended, post issuance verification is a necessary element of the SLBP.

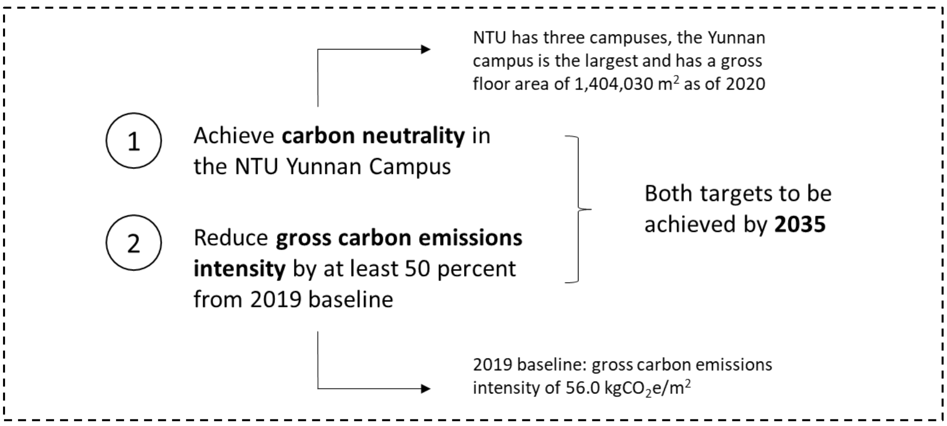
Case Study: Nanyang Technology University

Nanyang Technology University ("NTU") is one of the premier educational institutes in the world, with a vision to become a Smart Campus and to attain the rank of the greenest university campus globally. Per the QS World University Rankings, NTU has been rated as the world's best young university for seven consecutive years and is currently ranked 12th overall. As a testament of its sustainability, NTU has 62 Platinum Green Mark Awards: 60 for building projects, one for the rejuvenated Yunnan Garden and a District Award for the campus. Furthermore, NTU has eight zero energy and two super-low energy buildings.

On 11 October 2021, NTU announced its Sustainability Manifesto alongside its SGD1 billion Medium Term Note ("MTN") program. This paired with its Sustainability Framework, allowing the university to issue SLBs through the debt capital markets. Through its manifesto, the university stated that it plans to achieve carbon neutrality by 2035, together with a 50 percent reduction in its gross carbon emissions intensity by the same date. Amongst others, the manifesto declared that NTU will achieve 100 percent Green Mark Platinum certification for all eligible buildings on the main NTU campus (the Yunnan campus in the west of Singapore) and NTU's net energy utilisation, water usage, and waste generation will reduce by 50 percent by March 2026 (compared to the baseline levels of 2011).

In a drawdown of its SGD1 billion MTN program, NTU priced a SGD650 million 15-year senior unsecured bond at 2.185%. NTU's SLB is the second of two SLBs outstanding in the SGD market, the other being Sembcorp Industries Ltd SGD675mn 2.66%'32s Sustainability-linked Bond. According to the bond's pricing supplement, the use of proceeds will be allocated for the refinancing of existing borrowings, general corporate purposes, working capital and capital expenditure requirements (including supporting the Issuer's sustainability research and initiatives, delivery of educational programs and generational upgrade of infrastructure). The Sustainability Performance Target is similar to its commitment in its Sustainability Manifesto and can be generally split into two parts as seen in **Figure 6**.

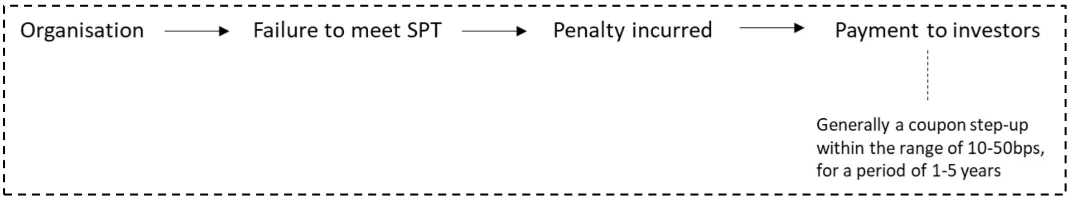
Figure 6: NTU SLB Sustainability Performance Target



Source: Nanyang Technology University

In relation to NTU's sustainability-linked bond, it has certain interesting characteristics that differentiate it from other SLBs in the market. As seen in **Figure 7**, for other SLBs, one of the reasons why it could be more attractive to an investor compared to a plain vanilla bond is due to the penalty incurred being allocated to them.

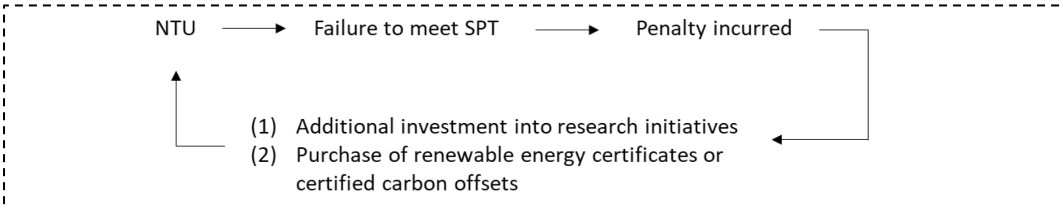
Figure 7: Conventional sustainability-linked bond structure



Source: Nanyang Technology University

While this is generally the case when an organization fails to meet its SPT, NTU's SLB has a unique structure that allocates the penalty "back" to the university. Specifically, as seen in **Figure 8**, an amount equivalent to 50bps of the outstanding principal amount (~SGD3.25mn[1]), will be allocated to investments into research initiatives in the fields of climate research or climate mitigation or adaption technology, or the purchase of renewable energy certificates or certified carbon offsets. According to [Capital Monitor](), this is the second SLB ever which features this unique structure, the first being All Nippon Airways ("ANA") JPY20 billion 5-year 0.48% sustainability-linked bond. [1] **Estimated penalty**: 0.005% x SGD650,000,000 = SGD3,250,000.

Figure 8: NTU sustainability-linked bond structure



Source: Nanyang Technology University

NTU's sustainability-linked bond shows us another pathway. In the global push for a carbon neutral economy by 2050, one critique of SLBs is that investors should not be benefiting from a company's inability to meet their sustainability targets. Thus, this innovative structure helps to negate a main criticism of SLBs (in that investor benefit from issuers not meeting targets), while staying true to the primary goal of helping a company commit to its sustainability journey.

<u>Looking ahead</u>

(1) **Sustainability-linked loans and sustainability-linked bonds:** To understand the true potential of the sustainability-linked bond market, we can look towards its sister instrument – Sustainability-linked loans ("SLL") – for an indication of where the SLB market is headed. Given a two-year head start in 2017, the SLL market is currently much bigger than the SLB market with total issuance volume of USD378.3 billion in 2021 according to data from Bloomberg. Similarly, the SLL market is also much larger than the green loans market, which peaked in 2019 with a total issuance volume of USD94.4bn and only issued USD65.3 billion in 2021. This is mainly attributed to the flexible nature of SLLs, which do not restrict the issuer to solely green or social projects. As mentioned above, this attracts a wider range of issuers, especially in hard-to-abate industries such as transportation and heavy industries. Similarly, with SLBs being much more flexible for issuers than green, social, or sustainability ("GSS") bonds, the potential for SLB issuances to outpace GSS bonds is definitely not a farfetched proposition.

(2) **More firms in the "transition" industries issuing SLBs**: As mentioned above, high carbon emitting firms who want to align themselves with a carbon neutral economy but do not have green projects in the pipeline can issue an SLB. From Figure 4, the Materials and Industrials sectors account for 14% and 16% of total SLB issuances. Both sectors are highly pollutive, as the processes involved in the end product generates much carbon emissions as well as other forms of pollution such as water and air pollution. For example, the manufacturing of paper and forest products requires widespread deforestation, the production process of steel requires the highly pollutive baking process of coke, while the manufacturing of equipment generally involves the intense usage of fossil fuels. For these companies, it is hard for them to issue green bonds as the majority of their projects might not

qualify as a green project. Thus, an SLB would be the most viable instrument for them to show their commitment to their sustainability journey.

(3) **Innovation of new sustainable debt structures**: As the GSSSL market is still relatively nascent, numerous companies have come up with innovative structures to suit both their corporate needs and to fit their sustainability journey. **Verbund**, an Austria-based electricity company, issued a EUR500 million 20-year green sustainability-linked bond with a 0.90 percent coupon. As a utility company with numerous renewable energy ("RE") projects in the pipeline, its use of proceeds as defined in its Green Financing Framework will be allocated to RE projects. Thus, both the use of proceeds structure and Verbund's sustainability performance target (increasing its RE capacity) essentially complemented each other. Another interesting concept was from the **Bank of China** ("BOC") who issued the world's first sustainability re-linked bond with a USD300 million 3-year issuance at 1 percent. The bond coupon comprises two parts – a base rate of 1 percent and a coupon adjustment rate, which is determined by reference to the performance of the relevant sustainability performance targets of the underlying Sustainability Linked Loans ("SLLs") portfolio, as designated by Bank of China. Each coupon adjustment is subject to a cap and a floor, which will not be cumulative. Compared to other SLBs which only have a coupon step-up clause, BOC's sustainability re-linked bond also has a step-down mechanism which activates if the underlying loan borrowers manage to exceed their sustainability target.

(4) **Regulation changes as the market is still nascent**: The European Central Bank (ECB) included sustainability-linked bonds (SLBs) as eligible collateral in their asset purchase programme. This meant the market started to recognise SLBs as a viable tool for supporting corporate transition through finance. In a proposed amendment to the EU green bond standard, issuers of sustainability-linked bonds need to develop a transition plan to show investors how they will adhere to a 1.5°C increase scenario and become carbon neutral by 2050, should they wish to adopt the EU label. Generally, as the market slowly matures and more participants are involved, the regulations will also gradually be modified to ensure that greenwashing in the sustainable bond market is minimised.

Challenges

While we have noted the potential strengths of an SLB, there are a few shortcomings that an SLB must overcome to gain broader acceptance amongst market participants.

One is the lack of comparability, both within the SLB issuer's own curve against its more conventional bonds as well as against the SLB's of different issuers. This is because SPTs are unique and specific to the issuer and its circumstances which makes it challenging in comparing SLBs from a relative valuation perspective. Lack of comparability though is more an issue of investment returns rather than sustainability credentials, and while it means that the incentive for SLB growth in the short term will be driven almost entirely by sustainability issues rather than returns, we do not see lack of comparability as a major shortcoming for potential growth. This is given the current significant and growing interest in sustainability. We do believe however that lack of comparability is part of a wider valuation concern as the SLB market grows and matures – other considerations are the valuation of SLB's as they approach their SPT measurement and reporting dates and what it means for an SLB's bond price if they fail to meet their SPTs.

In our view, greenwashing accusations are at the top of the headwinds the SLB market faces given it impacts sustainability credentials. Sustainability funds at large asset managers have a mandate to only invest in assets that adhere to certain criteria. For several fund managers, SLBs do not meet these criteria as most targets and goals are not ambitious enough, especially with claims that these SLBs might actually slow down the sustainability transition of companies. An analysis done by Reuters showed that of 48 SLBs issued by the 18 biggest borrowers in 2021, nearly half, or 23, included a target which lets them improve at a slower rate than they have done previously. Furthermore, Reuters points out how Tesco had pledged to cut its carbon emissions by 60% by 2025 from its 2015 baseline, but the target was already 83% completed before the SLB was even launched.

The solution to overcoming lack of comparability and greenwashing is twofold in our view. Firstly, investors need to perform an in-depth assessment of issuers to ensure that they are undertaking material changes to enhance their sustainability performances. As the GSSSL markets slowly matures, investors will definitely become more adept at conducting this specialised form of due diligence. Secondly, issuers need to set sustainability performance targets which are ambitious and go beyond a "business as usual" trajectory. Ensuring these two requirements are met will go a long way for the sustainability-linked bond market, enabling it to one day rival or even surpass the ever-expanding green bond market. Understanding these two concepts may also improve the ability to compare SLBs based on both sustainability concepts and hence investment returns. This issue may grow in importance as time goes on and greenwashing concerns possibly lessen and more SLBs approach their SPT reporting dates.

Disclosures in Sustainable Finance – Addressing Words that Speak Louder than Actions

Europe in the driver's seat: As sustainable finance and ESG investing grows, so has the need for improvements in the quality and consistency in disclosure. As we cover later on in our Financial Institutions outlook (pg li-lvi), regulatory impetus for sustainable finance disclosure (amongst others) is driven mostly out of Europe through various regulations and mechanisms as part of the European Commission's focus on sustainable finance. This commenced in 2015 with the global adoption of the UN 2030 agenda including the 17 Sustainable Development Goals ("SDGs") and the Paris Agreement that focused on mitigating the effects of Climate Change.
Since then, developments have become more targeted and specific through:

(1) The Financial Stability Board's Taskforce for Climate-Related Financial Disclosures ("TCFD") to improve the effectiveness of climate-related disclosures) in 2017;
(2) The European Union's ("EU") Action Plan on Sustainable Finance - adopted in March 2018, ten reforms across four legislative proposals sought to drive capital towards sustainable financing by managing financial risks associated with sustainability (environmental and social) issues and improving transparency;
(3) The European Green Deal of 2019 and European Green Deal Investment Plan of 2020 that seeks to make Europe the first climate neutral continent by 2050 and establish the investment plan to achieve it respectively; and
(4) Publication of the EU's Taxonomy Regulation in June 2020 that established the conditions for an economic activity to qualify as being environmentally sustainable. This becomes effective and is expected to be passed into EU law in 2022.

Building Momentum: As the quality of regulatory efforts has improved, so has the quantity of efforts in 2021. This recognizes not only an improvement in knowledge and increased familiarity but also some increased urgency to address weather related events and the impact of climate change. As our commodities and macro-economic analyst wrote in a series of three articles on COP26, 2021 will be remembered as a critical turning point for the climate. The COP26 held across late October and early November ultimately represents a step forward in addressing climate risks, albeit a case of two steps forward but one step back.
Key developments in 2021 include:

(1) Launch in April 2021 of the Net-Zero Banking Alliance by banks globally, representing over 40% of global banking assets that are committed to achieving net-zero emissions across their lending and investment portfolios by 2050;
(2) Adoption of the EU's Sustainable Finance Package to improve financing for sustainable activities in Europe; and
(3) Sustainable Finance Disclosure Regulation that discourages greenwashing and promotes responsible and sustainable investments, effective from March 2021.

Holding hands together: What is interesting to note is that the myriad of regulations and legislation do not stand alone but instead work together to achieve the global ideals first established by the Paris Agreement and SDGs. An important development in this puzzle is the Sustainable Finance Disclosure Regulation ("SFDR") that was first introduced in 2019 and came into effect on 10 March 2021. SFDR was initiated by the High-Level Expert Group on sustainable finance ("HLEG") that was established in 2016 and is made up of 20 senior experts from civil society, the finance sector, academia and observers from European and international institutions. Its broad mandate was to deploy sustainability concepts throughout the European financial system by advising the European Commission on how to improve the flow of public and private capital to sustainable investments and maintain financial system stability against environmental risks.

Making disclosure a requirement and regular: The SFDR establishes mandatory disclosure obligations for asset managers and other financial market players and is designed by the European Commission to work with Taxonomy Regulation and other regulations as part of the abovementioned EU Action Plan on Sustainable Finance. This obligation is expected to improve the quality and transparency of information for sustainable funds investment by disclosing how ESG/sustainability factors and risks are integrated in the investment process for ESG related products at both the entity and product levels. Another obligation for asset managers and financial market participants is the need to disclose their analysis of 50 key sustainability factors and how their investments address potential adverse impacts from these factors.

Using these two parameters, SFDR will assist in the classification of funds into three broad categories – including funds that have no sustainability focus, funds that are supportive of key sustainability agendas (environment, social and governance considerations) and funds that are focused on sustainable investments. Disclosure of the parameters will make asset managers also accountable for the labels they provide to their funds. Implementation will be done in phases depending on the type of information to be disclosed – level 1 disclosures (entity level disclosures for asset managers and other financial market players on policies that identify and address sustainability impacts and risks in its investment decision making process) came to effect on 10 March 2021, while level 2 ones (additional entity but also product level disclosures that include a Principal Adverse Impact ("PAI") statement) will come into effect on 8 July 2022. PAIs seek to quantify the potential negative sustainability impact from the investment being offered across the 50 key sustainability factors mentioned above. Level 3 disclosures which integrate SFDR with EU Taxonomy Regulation is expected to come into effect on 1 January 2023.

A small step in regulations, one giant leap for Sustainability? While SFDR applies to financial market participants based in the EU or those outside the EU that market to EU clients, SFDR likely provides a template for the implementation of other sustainable disclosure measures globally. We expect the impetus for this to grow, particularly as the urgency surrounding key sustainable issues such as climate risk rise. Although these changes create additional administration, processes and costs for fund managers through additional disclosures, it also provides more and clearer information for investors. The ongoing refinement in, and requirement for, sustainability disclosure is a credit positive in our view as greater discipline, consistency and transparency in disclosures will drive higher confidence in sustainable investing and hence capital flows. As touched on in "***Getting to Know the Sustainable Bond Market and Sustainability-Linked Bonds***", knowledge is power and the additional disclosures together with improving Taxonomy regulation should reduce greenwashing concerns and will assist in performing in-depth analysis of issuers, products and the financial market participants that are selling them.

Climate Finance – Opportunities in the Unlabelled Universe of Bonds

Climate finance and ESG-themed bonds have been dominating the market with issuers taking advantage of the so-called "greenium". "Greenium" is where green bonds are issued at a higher price while offering investors a lower yield. In other words, issuers benefit from a lower cost of funding. This is more prevalent in the USD market while in Asia, such bonds have recently picked up pace. Despite being nascent, we have seen a rapid growth in green, social and sustainability and sustainability-linked ("GSSSL") labelled issuances denominated in SGD. Collectively, we call them the GSSSL market for simplicity at OCBC Credit Research rather than listing out all the different labels. If you have been following our podcasts and writeups, you would have heard and read about sustainability-linked bonds ("SLBs") issued by Sembcorp Industries Limited and Nanyang Technological University. SLBs are a type of debt instrument which incentivise issuers or borrowers to achieve pre-determined sustainability performance targets (SPTs), and often these are "unlabelled".

Climate-aligned issuers are issuers that derive at least 75% of their revenues from climate-aligned business activities. As a growing climate-aligned bond market is necessary to redirect capital and investment flows towards activities that promotes sustainable development, we take a closer look at unlabelled bonds in the climate-aligned bond universe – how unlabelled issuances are defined, accounted for, who are the issuers and what opportunities entail under this unlabelled umbrella.

Definitions of Climate Aligned Issuance

Definitions are based on a Climate Bonds Taxonomy issued by the Climate Bonds Initiative ("CBI"). CBI is an international organization promoting investment in projects and assets necessary to facilitate transition to a low carbon and climate resilient economy. CBI also runs the Climate Bonds Standard and Certification Scheme providing certification to eligible issues. There are various benefits to obtain a certification. For issuers, a label allows them to demonstrate to the market that the bond issued meets climate integrity or is aligned with Paris Agreement of 1.5 degrees Celsius warming target. This attracts a more diverse base of investors. Investors armed with disclosures from the issuers can make more informed investment decisions in line with their mandates and proactively hedge their portfolio against climate risk. To be defined as a climate-aligned bond under CBI's taxonomy, assets and projects are to feature at least one of these eight broad categories, namely, energy, transport, water, buildings, land use & marine resources, industry, waste and information, communication & telecoms (ICT).

For labelled green bonds, issuers are usually green pure plays where all or most of their revenues are derived from green activities or other sustainable activities. Additional certification is obtained to differentiate their bond issuance to provide extra visibility for investors when doing due diligence before making an investment decision. Certifications can be obtained from CBI or other organisations like International Capital Market Association. At the same time, the unlabelled category contains fully-aligned climate issuers where they derive >95% of revenues from climate-aligned assets and green business lines and strongly-aligned climate issuers where 75%-95% of their revenues derived from climate-aligned assets and green business lines. These climate-aligned issuers may and or may not have labelled bonds. However, for the purpose for this writeup, we are only focusing on the unlabelled climate-aligned bonds universe.

Table 1: Categories of Climate-aligned Issuers

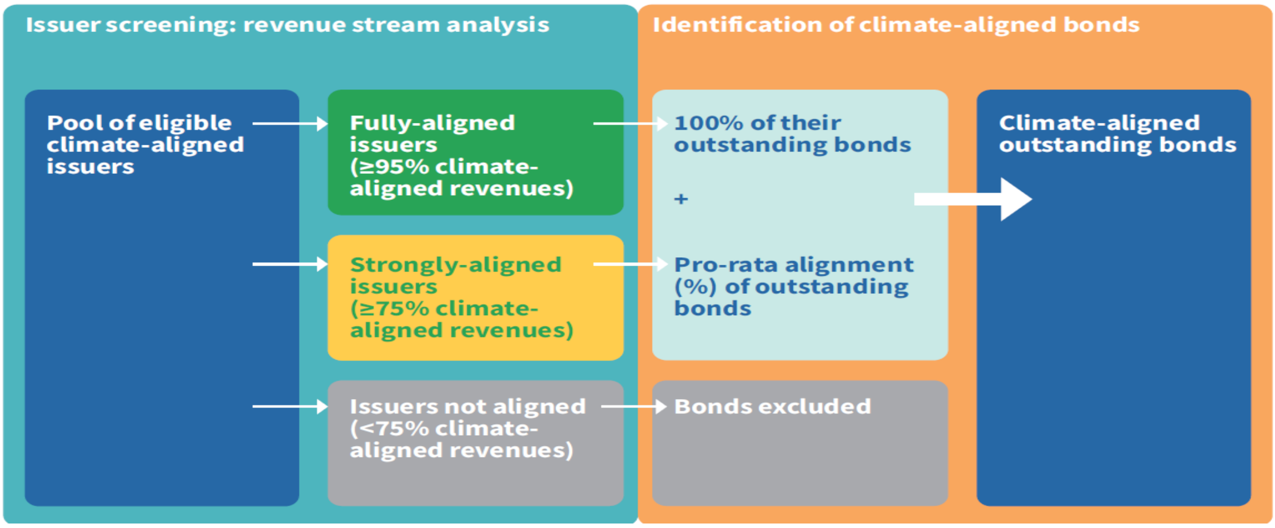
Label	Climate-aligned Issuers	Definitions
Labelled	Green Bond	Green pure plays where all or most of their revenues are derived from green activities
Unlabelled	Fully-aligned Climate Issuer	>95% of revenues from climate-aligned assets and green business lines
	Strongly-aligned Climate Issuer	75%-95% of their revenues derived from climate-aligned assets and green business lines

Source: Climate Bond Initiative, OCBC Credit Research

In an annual report, CBI identified a universe of USD913.2bn of unlabelled but climate-aligned bonds, this amount is about 50% of the total labelled volume of USD1.7 trillion in 2020. For investors searching for investments to meet their ESG mandates, these unlabelled bonds may be seen as hidden treasures.

Figure 9 below adapted from the CBI report better illustrates how the outstanding climate-aligned bonds are identified.

Figure 9: CBI Climate-aligned Bonds Methodology

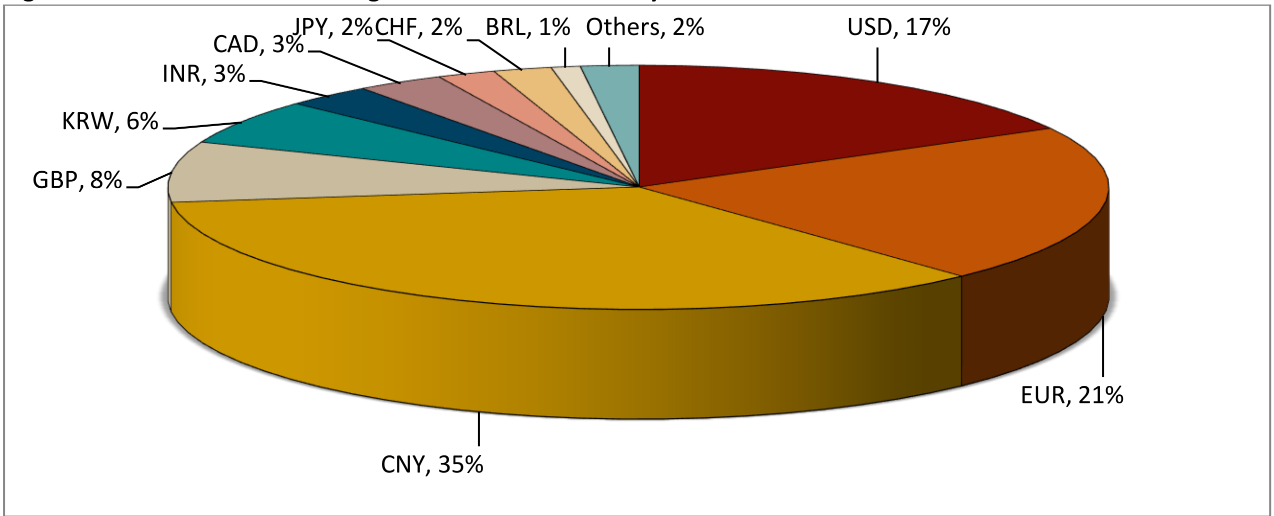


Source: Climate Bond Initiative

Global Landscape of Unlabelled Climate-Aligned Bonds

The USD913.2bn outstanding climate-aligned bonds is derived from 420 climate-aligned issuers identified, based on the methodology above. Of these, 311 are fully-aligned issuers while the rest falls under the strongly-aligned category. These issuers span across 45 countries, issuing in 33 different currencies. Developed and emerging countries take up almost equal share, 50% and 49% respectively with 1% issued by one supranational institution EUROFIMA with USD8.8bn of bonds outstanding. Popular currencies with issuers are USD, EUR, GBP and CNY. 52% of the outstanding bonds are issued in hard currency, CNY is nonetheless the top currency with 35%. CNY bonds also account for the largest share in soft currency. A hard currency usually originates in a robust economy under stable political governance whereas soft currency is one that fluctuates due to country's uncertain political or economic landscape. Hard currencies are considered more valuable as compared to soft currencies. Chart below shows a breakdown for all the currencies where data is obtained from CBI's 2020 report.

Figure 10: Unlabelled Climate-Aligned bonds breakdown by currencies

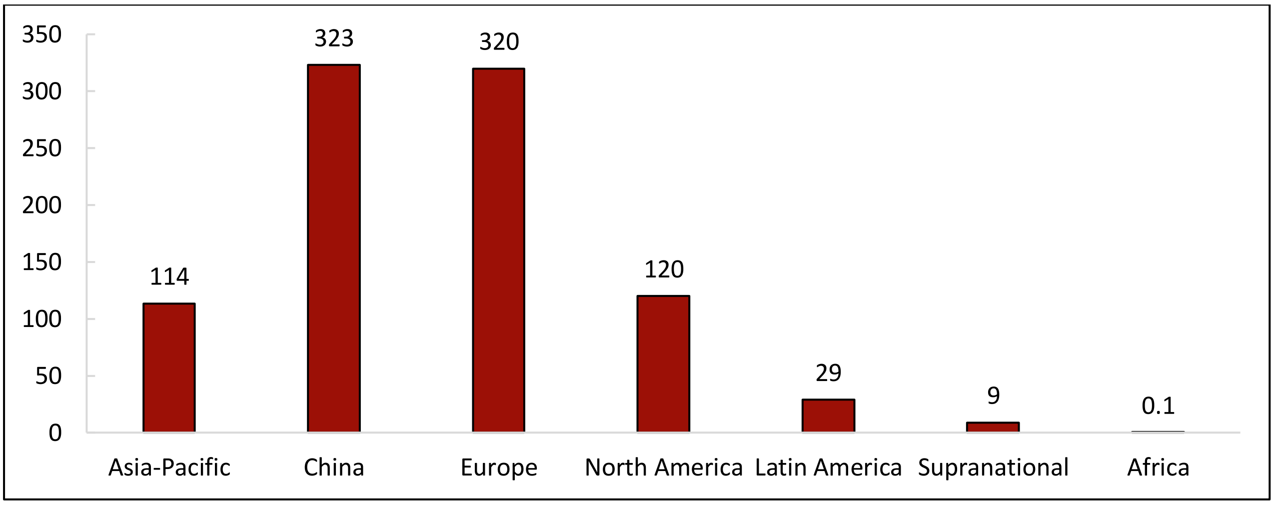


Source: Climate Bond Initiative (Data from 2020)

The Asia-Pacific region ("APAC") is the largest contributor globally for climate-aligned bonds. Being the region with sizeable issuance, it accounts for 36% or USD325bn of global market share. Issuances from APAC is concentrated in China and represents 74% of APAC's total. One of the largest issuances is by China Railway Corp (USD230bn) who is a strongly-aligned issuer as its non-green revenues generated from real estate and highway infrastructure are slightly more than 5%. Stripping China out from Emerging Market ("EM"), EM accounts for 14% of global outstanding climate-aligned bonds. It is relatively low as compared to Developed Market ("DM") and China. Main issuers in EM are Korea Electric Power Corporation, Indian Railway Finance Corporation and Electrobras SA.

The European region came in second with France leading the way in the DM space. Top issuers are Société Nationale des Chemins de fer Français (SNCF) at USD53.7bn and Electricite de France (EDF) at USD52.1bn. North America ranked third with USD119.7bn contributed by 65 issuers.

Figure 11: Unlabelled Climate-Aligned Universe by Region (USDbn)



Source: Climate Bond Initiative (Data from 2020)

Sectors that dominate un-labelled hidden climate-aligned capital are transport and energy. For transport theme climate-aligned bonds, railway transport in particular accounts for 90% of total climate-aligned outstanding bonds. In APAC, these issuers are usually government linked entities like China Railway Corp, Indian Railway Finance and Korea Rail Network Authority. Top transport issuers in Europe are SNCF, Deutsche Bahn and OeBB-Infrastuktur. This mode of transport is important as electrification of high-speed rail will be able to replace short-haul flights and scale up low carbon transportation. Other sub-sectors in transport are made up of electric and hybrid vehicles, public transport, shipping and bicycle and electric vehicle ("EV") charging stations. In DM, Tesla has the biggest market share in EV while the uptake of EVs in EM faces roadblocks with insufficient charging points and unreliable power sources. Policies and private capital will be required to support growth in this area even though most capital may be channelled to industry and sectors that have been adversely impacted by COVID-19 pandemic.

For the energy sector, capital raised is more predominant in Europe and North America especially in the renewable energy mix sub-sector. The total outstanding bond volume in the energy DM sums up to USD108.8bn. Issuers seen in this sector are Hydro-Quebec, Vattenfall and Orsted. In EM, South Korea and Colombia led the energy climate theme with USD62bn in outstanding climate-debt. Top issuers are Korean Electric Power Corp, Korea Hydro Nuclear Power Co and Empresas Publicas de Medellin E.S.P (EPM). Similar to DM, the renewable energy mix is amongst the top energy climate sub-sectors with USD40.2bn outstanding bonds for EM. Looking at China as a standalone, it has USD48.5bn outstanding climate-aligned bonds in the energy sector, where 56% of this bond volume is issued by China National Nuclear Corp, China Three Gorges Corp and China Yangtze Power collectively.

The Singapore Context

According to CBI, bonds and issuers that are climate-aligned in Singapore generally are from the real estate sector. Issuers like CapitaLand Ltd and Frasers Property Ltd fall under the top 20 best performing property companies globally. As of writing, there are twelve outstanding bonds where seven are issued in SGD by three subsidiaries of Frasers Property Ltd. Per Bloomberg's sustainability debt indicator, of the twelve issues, only one issued by Frasers Property AHL is labelled sustainability. It is a senior unsecured bond of SGD300mn. Meanwhile, all outstanding bonds under CapitaLand Limited that are issued by CapitaLand Ltd or CapitaLand Treasury Ltd are not labelled with Bloomberg's green indicator. As there are considerable needs for real estate companies to meet green building standards and improve on their green footprints, it will be beneficial when these issuances are refinanced with the green label upon maturity.

Table 2: Outstanding Bonds under CapitaLand and Frasers

Issuer	Coupon (%)	Maturity/ Call Date*	Currency	Amount Outstanding (mn)
CapitaLand Treasury Ltd	3.65	17/10/2024*	SGD	500
	3.15	29/08/2029	SGD	800
	4.076	20/09/2022	USD	400
	3.08	19/10/2027	SGD	500
	2.9	21/09/2032	SGD	800
	3.8	28/08/2024	SGD	500
CapitaLand Ltd	2.8	08/06/2025	SGD	10.25
	1.95	17/10/2023	SGD	22.25
Frasers Property Treasury Pte Ltd	4.98	11/04/2024*	SGD	600
	3.95	05/10/2022*	SGD	350
	4.15	23/02/2027	SGD	500
	4.38	17/01/2023*	SGD	300
	4.25	28/08/2024	SGD	280
	3.65	22/05/2022	SGD	500
Frasers Property AHL Ltd	3.00	09/10/2028	SGD	300
Frasers Property Holdings Thailand Co Ltd	3.02	17/08/2022	THB	2300
	2.94	21/12/2024	THB	2500
	3.88	17/08/2028	THB	1200
	3.54	07/03/2028	THB	2000
	2.55	07/03/2023	THB	1000

Source: Bloomberg
[1]FPLSP SGD300mn 3%'28s sustainability bond issued in September 2021

Labelled Opportunities

Based on our calculations using CBI data from 2020, approximately USD373bn of outstanding unlabelled climate-aligned bonds are due for maturity in 2024. Usually, these unlabelled issuances are difficult to identify thus with upcoming maturity, it presents an opportunity for these issuers to refinance and label their debt from vanilla to green. Although some climate-aligned issuers have already entered the labelled green bond market, there remains further room for issuers to label their debt.

So, should investors be interested in the unlabelled universe of bonds?

Indeed, tapping into the labelled green market provides better transparency in this nascent and fast-evolving market where both issuers and investors stand to benefit.

For investors, almost all climate-aligned issuers are rated investment grade by both international and local rating agencies. Only a small percentage of approximately 5% are unrated or falls into the high yield space. This presents good quality asset choices for investors to add on to their portfolios in accordance with ESG mandates and insulate it from adverse climate transition and physical risks. For the issuer, apart from a potentially lower cost of debt through the greenium, being certified with the green label strengthens internal corporate integration with sustainability, provides new engagement, increases visibility and market opportunities and enhances its reputation. In addition, with the possible changes in policies to expand the GSSSL market, policymakers and central banks may even start accepting smaller haircuts when accepting these assets as collateral. For example, the central bank of China, PBoC has already included green bonds in their collateral framework, accepting lower rated (AA, AA+) green bonds and green loans as collateral for its Medium-Term Lending Facility.

ESG Influences

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Property Developers

CapitaLand Ltd

Main Industry	Property development, investment
Main Geographies	Singapore, China
General Comments	• Guided by its 2030 Sustainability Master Plan Framework, which revolves around (1) building portfolio resilience and resource efficiency, (2) enabling thriving and future-adaptive communities and (3) accelerating sustainability innovation and collaboration. • ESG efforts evaluated using self-developed metric of return on sustainability. Publishes sustainability report according to GRI. • CAPL is an active issuer of green bonds and loans. • CAPL has been delisted and spun-off ~48%-stake in CapitaLand Investments Ltd ("CLIM"). Last available information on CAPL consolidates CLIM.
Key Customer Types	• Retail, office, industrial, hospitality, multi-family tenants. • End-customers in property development. • REITs and other funds (through CLIM).
Employees	• Prior to spin-off of CLIM, 53% of the workforce and 36% of management consisting of women.
Environmental	• Environmental impact of property development and construction activities. • Tracks energy efficiency, emissions, water and biodiversity impact. Against its 2008 baseline, CAPL targets 78% reduction in carbon emissions intensity and 45% lower water consumption. • 92% of CAPL's existing offices, malls, integrated developments and serviced residences in Singapore achieved green certification.
Social	• Focused on occupational health and safety. • Human rights and target diversity of workforce. • Facilitated accommodation for migrant workers undergoing quarantine. • Provided rental relief for tenants and passed on tax rebate. • Avoids staff layoff in merger between CAPL and Ascendas and cut costs to save jobs.
Governance	• Ranked 10^{th} in the 2021 SGTI.

OCBC Bank

Frasers Property Limited

Main Industry	Develops, owns and manages properties. Asset classes include residential, retail, commercial, business parks, industrial & logistics
Main Geographies	Singapore, Australia, Thailand, Europe and China
General Comments	• Committed to deliver value and creating places for good. • FPL is a signatory to the UN Global Compact. • Sustainability report with reference to GRI standards available.
Key Customer Types	• Multi-national and local tenants for investment properties. • Individuals and corporates looking to own residential properties.
Employees	• Global workforce of 5032 employees comprises approximately 50-50 male to female ratio. • Females represent 42% of FPL's senior management team
Environmental	• Committed to net-zero carbon by 2050 across the whole portfolio and net-zero carbon across operational areas of control by 2030. • 36 buildings certified BCA Green Mark in Singapore (comprising 80% of Singapore retail and 67% of Singapore commercial), 27 buildings certified BREEAM in the UK, 132 certified Green Star in Australia (comprising 63% commercial and retail, 90% industrial). Goal is to certify 80% of owned and managed properties by 2024. As of 30 Sep 2021, 37% of owned and managed operating properties were green-building certified or are pursuing certification. • FY2021 energy intensity decreased by 2.7% while Scope 2 GHGH emissions decreased by 6.5% compared to FY2020. Meanwhile water consumption decreased 5.8% y/y. Installed 1.5 MW rooftop solar plant in Australia.
Social	• Responded early in the COVID-19 pandemic to provide rental rebates and other tenant relief measures. • All Singapore commercial and retail properties have occupational health and safety management system that is ISO 45001-certified and 73% are certified bizSAFE Star. Australia's property development, construction and management activities are also certified ISO 45001. • Recorded zero fatalities among employees and contractors' employees though a work-related fatality was recorded by a third-party vendor's employee.
Governance	• 11 members on the board, 6 of which are considered as independent directors. 1 female director • High exposure to related party transactions. • Ranked 62nd in the 2020 Singapore Governance and Transparency Index ("SGTI").

GuocoLand Ltd

Main Industry	Property development, investment
Main Geographies	Singapore and Malaysia
General Comments	• Sustainability report in accordance with GRI though external independent assurance not obtained for FY2021 reporting period. • ESG framework premised on 4 pillars, including being greener, empowerment of employees, conducting business with honour and caring for community.
Key Customer Types	• End-customers in property development • Retail, office, hospitality tenants
Employees	• 475 employees located in Singapore and China, of which 53.5% are female employees.
Environmental	• Environmental impact of property development and construction activities. • Has appointed contractors which are ISO 1400-1 certified. • Properties in Singapore except 20 Collyer Quay are BCA Green Mark certified, tracks energy consumption of development projects.
Social	• Provided rental relief for tenants and passed on tax rebate. • Engages in community programmes and event space sponsorship. • Requires safety and health trainings for main contractors. Also encourages main contractors to address the accommodation, benefits and welfare of construction workers. • Conducts training for employees.
Governance	• Ranked 21st in the 2020 SGTI. • 6 out of 10 board members are independent directors. 2 directors are female.

Hong Fok Corporation Limited

Main Industry	Develops and manages properties for use in retail, residential, hospitality and office.
Main Geographies	Singapore and Hong Kong
General Comments	• Published mission statement is to build and maintain a long-term sustainable real-estate related business. • Listed on the SGX. Principal activity of Hong Fok is that of investment holding while its subsidiaries are mainly involved in property development, construction and management and investment trading, holding and management. • Sustainability report with reference to GRI available, subsumed in annual report. • ESG focus on green buildings, energy saving, water management and waste management.
Key Customer Types	• Multi-national, local tenants, foreign/domestic tourists, international and local home buyers for both investment and development properties.
Employees	• 88 employees in FY2020 with approximately 40% of female employees. All employees are permanent employees located in Singapore.
Environmental	• Tracks and reports on energy use, GHG emission, water use, and waste recycled. • In FY2020, the Group managed to maintain water intensity levels within a 5% range from the baseline of 2018, which is a decrease of 27% in water consumption. However, they failed to do so for energy and greenhouse gas emissions intensity levels. • Reporting scope is for Singapore properties namely International Building, The Concourse and Concourse Skyline. • Received Green Mark recertification by the Singapore's Building and Construction Authority ("BCA") for The Concourse (Green Mark – Platinum) and International Building (Green Mark – Gold Plus).
Social	• Provides continuous education with Continual Education Training programme in Electrical Works for all eligible employees • Achieved zero fatalities or accidents resulting in permanent injuries involving employees or customers in Singapore. There were two workplace accidents reported though they did not result to non-compliance with health and safety laws.
Governance	• 6 members in the board, 3 of whom are considered as independent directors. There is one female director. Board is relatively diverse in terms of experience. • Ranked 363rd in the 2021 SGTI General Category.

Hongkong Land Holdings Ltd

Main Industry	Landlord and developer in China and Southeast Asia. Investment properties predominantly commercial in nature with concentration in Hong Kong and Singapore.
Main Geographies	Hong Kong, Mainland China and Singapore
General Comments	• HKL launched a new purpose statement, vision and mission statement in 2020. Its mission is to build long-term value for all stakeholders, including people, customers, partners and shareholders. • Incorporated in Bermuda with standard listing on the LSE and secondary listing in Bermuda and Singapore. A member of the Jardine Matheson Group. • Climate-related financial disclosure referencing recommendations from TCFD. Published its sustainability report separately. • ESG focus on green building, energy saving, water management and waste management. • Sustainability framework mapped to 7 of the 17 UN Sustainable Development Goals.
Key Customer Types	• Multi-national and local tenants for investment properties. • Middle-class and urban migrants for development properties primarily in Chinese mainland key cities.
Employees	• 1,256 full time employees with 43% female employees in FY2020 across the region. • 32% of revenue-generating management positions are held by women.
Environmental	• Tracks and reports on energy/ renewable energy use, GHG emission and water use. • Reports on waste and materials recycled. Mainly in its Hong Kong Central portfolio. • Earned various green buildings awards, the likes of LEED Certification – Gold from US Green Building Council, Green Mark Certification – Gold from BCA Singapore and Certificate of Green Building Label – Two Stars form Ministry of Construction, PRC. • Reduced carbon intensity and water consumption intensity by 20% and 17% respectively in 2020 as compared to 2019.
Social	• Attained ISO 45001 certification for occupational health and safety management across operating commercial properties. • Provided an average of 11.3 training hours for male employees and 8.3 training hours for female employees in FY2020. • Launched Hongkong Land HOME FUND to support long term development and create more opportunities for social inclusion and community building in Hong Kong. • Contributed to underprivileged communities in Chinese Mainland, Singapore and Philippines through donation in kind and volunteering.
Governance	• 13 members in the board, 3 of whom are considered as independent non-executive directors and a further 4 of whom that are regarded as non-executive directors. There is one female director. Board is very diverse in terms of experience and cultural ethnicity.

Hotel Properties Ltd

Main Industry	Hotel ownership, management and operation, property development and investment
Main Geographies	Singapore, Maldives, Europe, Rest of Asia, USA
General Comments	• Key ESG aspects identified by HPL includes employee health and safety, employee training and education, energy consumption, water consumption and phasing out plastic packaging. • Sustainability report prepared according to GRI standards.
Key Customer Types	• End-customers and corporates in hospitality. • Retail tenants
Employees	• 2,363 employees as of Dec 2020, of which 30% are female employees.
Environmental	• Environmental impact of hospitality, property development and construction activities. • Have set goals or actions for each hotel to reduce electricity consumption. Uses non-renewables, which comprises 41.8% of the total energy source • Targets to reduce water consumption and maximise energy efficiency through installation of water-saving equipment.
Social	• Employee and hotel guests' health and safety, especially amidst COVID-19. • Certain properties were temporarily closed amidst COVID-19 with likely knock-on impact on employees at the property operations level. • Adheres to safety and conducts training for employees.
Governance	• Ranked 490th in the 2021 SGTI. • Few corporate announcements on SGX between reporting of results. • 3 out of 7 members of the Board of Directors are independent.

Lendlease Group

Main Industry	Property development, investment
Main Geographies	Australia, Singapore, Europe, USA
General Comments	• Largest non-bank ASX listed issuer of green bonds. Issued a total of AUD800mn as of March 2021. • Certified with WELL portfolio rating from the International WELL Building Institute (IWBI) in FY2021. WELL Building Institute is leading the global movement to transform buildings and communities. • A signatory to the United Nations Principles for Responsible Investment (“UNPRI”). • Sustainability Finance Framework is aligned to International Capital Markets Association Green Bond Principles. • Embed Task Force on Climate Related Financial Disclosures (“TCFD”) recommendations in its annual disclosures.
Key Customer Types	• End-customers and corporates in property development • Aged care, retail, office, multifamily tenants
Employees	• 10,825 employees globally as at 30 Jun 2021, with 29.9% of leadership position held by women.
Environmental	• Targets to become net zero carbon by 2025 and absolute zero carbon by 2040. • Tracks and reports on energy use, total emissions, waste generated, water intensity • GHG emissions scope reporting includes Scope 1,2 and 3. • Targets to use 100% renewable electricity by 2030. In FY21, 31% electricity use is from renewable sources.
Social	• Occupational health and workplace safety – received accolades in Australia, Asia and Europe. • Targets AUD250mn of social value by 2025. In FY2021, the Group achieved 18.9% of this target. • Strengthen culture of inclusion to support a diverse workforce in FY2021. 5,152 Lendlease employees in Australia have completed cultural awareness learning. • One-off payment to frontline and customer facing staff from the Hardship and Wellbeing Fund (seeded in part by voluntary fee reduction agreed by non-executive directors and senior executives.)
Governance	• Rated “AAA” on ESG by MSCI and maintained a+ rating from PRI. • 9 members in the board, 8 of whom are considered as independent non-executive directors. There are 3 female directors.

Mapletree Investments Pte Ltd

Main Industry	Develops, owns and manages a diversified portfolio of office, industrial, logistics, data centres, student accommodation and residential.
Main Geographies	Singapore, North America, China, HKSAR, Japan, UK and Europe
General Comments	• Mapletree focuses on delivering value to our stakeholders in executing the key elements of our business model well. This ensures a continued sustainable stream of income and high profitability. • Some alignment of sustainability targets and activities to UN Sustainable Development Goals. • Sustainability framework mapped to UN Sustainable Development Goals. • Sustainability report with reference to GRI available, subsumed under annual report. This is despite the company being an unlisted entity. • MAPL-Sponsored REITs listed on the Singapore Stock Exchange also publishes their sustainability report separately.
Key Customer Types	• Multi-national and local tenants for investment properties. • Individuals/families for lodging assets (serviced apartments, student accommodations).
Employees	• 1,030 as at 31 March 2021. No information on where employees are mainly located. Company does not view breakdown by region as material as per company it adopts fair employment practices.
Environmental	• Tracks and reports on energy use and energy intensity, GHG emission and GHG intensity, water use and water intensity, waste generation and waste recycled. • Committed to building and investing in properties with innovative and functional concepts. These include integrating sustainability into architectural design, building details, and construction as well as maintenance activities. • Aside from properties held by the REITs, MAPL has four properties with BCA Green Mark Gold and above, three has LEED certifications and one has BREEM Certification 2019 (Excellent). • Company has provided minimal information on its supply chain with regards to ESG.
Social	• Occupational health and safety. • Some exposure to geographies with reported human rights violation and child labour issues. • Company has provided minimal information on its supply chain with regards to ESG.
Governance	• 11 members in the board of directors, 10 are considered as independent directors. 1 woman director. Silent on Board Diversity Policy. Board is relatively diverse in terms of experience and cultural ethnicity. • High exposure to related party transactions. • High exposure to geographies with moderate risk of bribery and corruption. • Some exposure to geographies with high risk of bribery and corruption.

Metro Holdings Limited

Main Industry	Retail store owner, property investment and development of residential, retail, student accommodation, logistics and warehousing and office properties.
Main Geographies	Singapore, China, Indonesia, United Kingdom and Australia
General Comments	• No published mission statement but its vision is to be a leading property investment and development group in the region, building on the synergies of rich retail experience and strong foothold in its core markets and strategic partnerships. • Listed on the SGX. Metro has grown and transformed from a single textile store to a property investment and development group. • Sustainability report with reference to GRI available as a separate report. • ESG focus on green buildings, energy saving, water management and waste management.
Key Customer Types	• Multi-national, local tenants, international and local home buyers, students for both investment and development properties. • Retail customers and visitors for the malls.
Employees	• 450 employees in FY2021 with 20 part-time employees. Total count of employees includes retail division in Singapore and property division in China. • Employees in China are hired on fixed-term contract. Benefits received by employees are the same regardless of employment type as mandated by Social Insurance Law of the PRC.
Environmental	• Tracks and reports on energy use and GHG emission. GHG emissions reported covers both Scope 1 and Scope 2. • Report covers corporate office and retail operations in Singapore and properties in China where ownership interest is over 50%.
Social	• Occupational, Stakeholders and Customer Health and Safety and Training & Education • Achieved zero fatality rate, injury rate, occupational disease rate and lost day rate for employees of China properties. • Recorded a reduction in lost days due to work-related injuries and illness and zero incidents of non-compliance concerning health and safety impacts of products and services for Singapore Corporate and Retail. • Total of 14 employees were awarded the Excellent Service Award. This reflects on the customer satisfaction scores that the retail division monitors. A reduction is noted due to store closures during Circuit Breaker and customers preference to perform contactless customer rating instead of the previous way.
Governance	• 8 members in the board, 6 of whom are considered as independent directors. There are two female directors. Board is relatively diverse in terms of experience. • Ranked 84th in the 2021 SGTI General Category.

OUE Limited

Main Industry	Investment holding of investment properties, property development, healthcare, and F&B businesses.
Main Geographies	Singapore, China, Japan, Indonesia
General Comments	• OUE's publicly stated core values are based around Transformational Thinking, which is to view every development as an opportunity to transform its potential in terms of function, practicality, effectiveness, perception and/or value. OUE continuously harnesses our expertise to create social ecosystems, transforming the urban landscape to enrich and benefit our community. • Have started aligning material topics to relevant UN Sustainability Development Goals. • Sustainability report with reference to GRI available, subsumed under annual report. Including OUE Commercial Trust (a ~48%-owned REIT that is separately listed and consolidated at OUE). • Excluding OUE Lippo Healthcare and First Real Estate Investment Trust due to differences in business activities. These two entities are listed on the Singapore Stock Exchange also publishes their sustainability report separately.
Key Customer Types	• Multi-national and local tenants for investment properties. • End-customers in property development, healthcare, hotels and F&B businesses.
Employees	• 991 employees as at 31 December 2020. Reduction of 158 employees y/y. About 16% are covered by collective bargaining agreements. • Employees are mainly located in Singapore.
Environmental	• Tracks and reports on energy use and energy intensity, GHG emissions and GHG emissions intensity, water use and water intensity and waste intensity (for commercial properties). • Has set out energy intensity, water reduction and waste reduction targets. • Targets all main contractors for new developments to be certified by recognised environmental management standards (such as ISO 14001 or BCA's Green and Gracious Builder Scheme) and targeting for the gull implementation of Green Procurement Policy by 2030.
Social	• Responded early in the COVID-19 pandemic to provide rental rebates and other tenant relief measures for its retail investment properties. • Employee and hotel guests' health and safety, especially amidst COVID-19. Occupational health and safety management framework in place for hotel staff. • Data privacy and security of guests. • Some exposure to geographies with reported human rights violation and child labour issues.
Governance	• 6 members in the board, 2 of which are considered as independent directors. CEO is also Chairman of board. Has in placed a Board Diversity Policy. Board is relatively diverse in terms of experience, age and cultural ethnicity. No woman director. • High exposure to related party transactions. • Some exposure to geographies with moderate risk of bribery and corruption. • Some exposure to geographies with relatively high risk of bribery and corruption. • Ranked 351st in the SGTI – General category for 2021.

Oxley Holdings Ltd

Main Industry	Property Development, Hospitality and Property Investments
Main Geographies	Singapore, United Kingdom, Ireland, Cyprus, Cambodia, Malaysia, Myanmar, China, Vietnam, Australia
General Comments	• Sustainability report in accordance with GRI Standards.
Key Customer Types	• End-customers in property development • Hospitality, industrial, retail and office tenants
Employees	• 30% of senior management are female
Environmental	• LED lights are installed at projects to optimise energy and water usage. • Energy consumption decreased by 32% y/y for Novotel and 21% y/y for Mercure in FY2021. • Targeting to achieve green building certification standards for all projects.
Social	• Target zero occupational health and workplace safety incident though there was one fatal incident involving contractor staff at project site. • Social distancing and sanitisation. • Protect the privacy and data of hotel guests, in compliance with PDPA.
Governance	• Ranked 206th in the 2020 SGTI. • 3 out of 6 members of the Board are independent directors.

Wing Tai Holdings Ltd

Main Industry	Property development, investment, retail, hospitality
Main Geographies	Singapore, Malaysia, Australia, Hong Kong
General Comments	• Sustainability report in accordance with GRI Standards and align efforts 6 of the 17 United Nations Sustainability Development Goals ("SDG"). • Identifies and prioritises stakeholders based on influence and dependence on the business. • Green Mark Gold or Green Mark Gold Plus certifications awarded to several Group's developments. Achieved BCA Green Mark Gold Plus for The M property at Middle Road. • Sustainability report covers Group's property and retail business in Singapore and Malaysia.
Key Customer Types	• End-customers in property development • Retail, office, hospitality tenants
Employees	• 752 total employees based in Singapore and Malaysia, of which 67.8% are women.
Environmental	• Tracks and reports on energy use and emissions generated. • Upgraded lights to energy-saving LED. • Implement smart technology by utilizing waste energy produced by the air conditioners to heat up water for showers, thereby reducing energy consumption by up to 25%.
Social	• In line with the Zero Hunger SGD, the Group organised food donation drive for Kwong Wai Shiu Hospital, where employees and tenants donated essential food items and household necessities. • Prioritises employee well-being and occupational health and safety. Awarded BizSAFE Level 3 qualification. • Requires contractors to meet international standards and regular product knowledge workshops to stay updated with cutting-edge technology. • Average training hours of 187.5 for employees in Singapore and 28.76 for employees in Malaysia.
Governance	• Ranked 71st in the 2021 SGTI. • 6 out of 10 members of the Board are independent directors. There are two female directors.

Wing Tai Properties Ltd

Main Industry	Property development, investment, retail, hospitality
Main Geographies	Singapore, Malaysia, Australia, Hong Kong
General Comments	• Sustainability report in accordance with GRI Standards and align efforts 6 of the 17 United Nations Sustainability Development Goals ("SDG"). • Identifies and prioritises stakeholders based on influence and dependence on the business. • Green Mark Gold or Green Mark Gold Plus certifications awarded to several Group's developments. Achieved BCA Green Mark Gold Plus for The M property at Middle Road. • Sustainability report covers Group's property and retail business in Singapore and Malaysia.
Key Customer Types	• End-customers in property development • Retail, office, hospitality tenants
Employees	• 752 total employees based in Singapore and Malaysia, of which 67.8% are women.
Environmental	• Tracks and reports on energy use and emissions generated. • Upgraded lights to energy-saving LED. • Implement smart technology by utilizing waste energy produced by the air conditioners to heat up water for showers, thereby reducing energy consumption by up to 25%.
Social	• In line with the Zero Hunger SGD, the Group organised food donation drive for Kwong Wai Shiu Hospital, where employees and tenants donated essential food items and household necessities. • Prioritises employee well-being and occupational health and safety. Awarded BizSAFE Level 3 qualification. • Requires contractors to meet international standards and regular product knowledge workshops to stay updated with cutting-edge technology. • Average training hours of 187.5 for employees in Singapore and 28.76 for employees in Malaysia.
Governance	• Ranked 71st in the 2021 SGTI. • 6 out of 10 members of the Board are independent directors. There are two female directors.

Real Estate Investment Trusts

AIMS APAC REIT

Main Industry	Investing in high quality income-producing industrial real estate throughout Asia-Pacific.
Main Geographies	Singapore and Australia
General Comments	• AAREIT's public mission statement is to provide investors with sustainable long-term returns from an actively managed portfolio of quality industrial real estate located throughout Asia-Pacific. • Committed to create a long-term sustainable business strategy with the establishment of a Sustainability Council in 2017. Strategy considers the Precautionary Principle introduced by the United Nations (UN) in Principle 15 of 'The Rio Declaration on Environment and Development'. • ESG focus is on being an active advocate of water conservation in the Singapore REIT sector. Aims to progressively achieve Water Efficient Building ("WEB") certification for all eligible buildings. • Sustainability report with reference to GRI available, subsumed in annual report. • Sustainability framework mapped to 5 of the UN Sustainable Development Goals. • Actively participates in Global Real Estate Sustainability Benchmark ("GRESB") assessment.
Key Customer Types	• Multi-national and local tenants for investment properties.
Employees	• 22 employees in FY2021 where 68% are females. All employees are permanent employees located in Singapore.
Environmental	• Tracks and reports on energy use and water use. Increased transparency with water data usage reporting in FY2021 • Integrates energy efficient technologies into buildings. For example, use of LED lights and motion detectors in common areas, exit staircases and toilets. • Obtained Public Utilities Board ("PUB") Water Efficient Building certification in FY2021 for 10 Changi South Lane after its completion of upgrading works in December 2020. • Embarked on pilot project with Internet of Things ("IoT") capabilities to effect pre-emptive toilet maintenance and leak detection.
Social	• Dedicated Occupational health and safety ("OHS") committee to spearhead initiatives to promote safety and health of employees. OHS committee comprises of members from various departments within the organization. • Committed to CSR activities by providing medical care equipment to XiSer CareServe's residents. XiSer is a care facility for long-term patients from the Institute of Mental Health (IMH). • Also, donated refurbished laptops to Family Service Centres and Ministry of Education beneficiaries during Home-Based Learning period. • Provided at least 18 training hours per employee in FY2021.
Governance	• 5 members in the board, 3 of whom are considered as independent directors. No female director. Board is relatively diverse in terms of experience. • Ranked 13th in the SGTI REITs and Business Trust category for 2021.

ARA LOGOS Logistics Trust

Main Industry	Investing in high quality income-producing industrial real estate in certain countries within the Asia-Pacific region.
Main Geographies	Singapore and Australia
General Comments	• ALOG's publicly stated mission statement is to deliver long term sustainable growth in Distribution per Unit and Net Asset Value per unit to its unitholders. • Sustainability report with reference to GRI available as a separate report.
Key Customer Types	• Multi-national and local tenants for investment properties.
Employees	• 13 employees as at 31 December 2020 at the REIT Manager. All employees are located in Singapore.
Environmental	• Tracks and reports on energy use, energy intensity, GHG emissions, GHG intensity and water use. • Achieved target to reduce carbon emission intensity by 3% for multi-tenanted buildings in Singapore (using the 2018 multi-tenanted buildings portfolio emissions as baseline). Target will be reviewed as more properties added. • On track to achieve annual green energy consumption of at least 1.5 million kWh by 2023.
Social	• Occupational health and safety. • Seeks to promote sustainability in its supply chain processes and appoint responsible and ethical suppliers. • Most of ALOG's suppliers in Singapore achieved bizSafe certification, whilst the Australian suppliers are subject to the independent third-party Property Manager's verifications.
Governance	• 6 members in the board, 3 are considered as independent directors. No woman director. Has in place a Board Diversity Policy. Board is relatively diverse in terms of experience and cultural ethnicity. • Some exposure to related party transactions. • Ranked 32nd in the SGTI – REITs and Business Trust category for 2021.

Ascendas REIT

Main Industry	Owning and operating a diversified portfolio of business space, data centres and industrial property in Singapore and other mature developed markets.
Main Geographies	Singapore, Australia, US, UK and Europe (since March 2021)
General Comments	• AREIT's publicly stated mission statement is to deliver predictable distributions and achieve long-term capital stability for unitholders. • CapitaLand Ltd, the ultimate parent company of AREIT's REIT manager is a signatory to the UN Global Compact. • Issued a green bond and a green perpetual in 2020 under a Green Finance Framework, first REIT in Singapore to do so. • Sustainability report with reference to GRI available as a separate report. • Environmental performance of 88 properties under operational control covered by 2020 report. As at 31 December 2020, about 53% of AREIT's portfolio was directly under the operational control of the Asset and Property Managers (by Gross Floor Area). AREIT did not have operational control of 112 of its properties. • Sustainability framework mapped to UN Sustainable Development Goals.
Key Customer Types	• Multi-national and local tenants for investment properties.
Employees	• 36 employees as at 31 December 2020 at the REIT Manager. All employees are located in Singapore.
Environmental	• Tracks and reports on energy use and intensity, carbon emissions and intensity, water use and intensity, • 39 properties with green credentials, of which 34 properties have achieved BCA Green Mark certification. AREIT's property, LogisTech received the BCA Green Mark Platinum award for Super Low Energy, for being a best-in-class energy efficient building. • Contribute towards Singapore's solar target and vision to phase out internal combustion engine vehicles, some properties now have electric vehicle charging points. • Influences supply chain to operate responsibly in the area of environmental management. • Portfolio of data centres acquired in March 2021 is likely to have increased AREIT's environmental footprint.
Social	• Occupational health and safety. • Influences supply chain to operate responsibly in the areas of anti-corruption, human rights, health and safety. • Newly implemented ISO 45001 standard and adopted other management systems including bizSAFE Star and SafeWork Australia National Standards and Model Codes of Practice in Australia. • Target for 90% of vendors to be at bizSAFE Level 3 (100% compliant for AREIT's Singapore properties in 2020)
Governance	• 8 members in the board, 5 are considered as independent directors. 1 woman director. Has in placed a Board Diversity Policy. Board is relatively diverse in terms of experience and cultural ethnicity. • Some exposure to related party transactions. • Ranked 3rd in the SGTI – REITs and Business Trust category for 2021.

Ascott Residence Trust

Main Industry	Invest in real estate and real estate-related assets which are income-producing, and which are used, or predominantly used as serviced residences, hotels, rental housing properties, student accommodation and other hospitality assets in any country in the world.
Main Geographies	Japan, Singapore, Australia, USA, China, France, UK
General Comments	• ART's publicly stated corporate mission is to deliver stable and sustainable returns to stapled securityholders. • CapitaLand Ltd ("CAPL"), the ultimate parent company of ART's REIT manager is a signatory to the UN Global Compact. • Sustainability report with reference to selected GRI standards available as a separate report. Sustainability framework mapped to UN Sustainable Development Goals.
Key Customer Types	• Master lessees who mainly consist of CapitaLand Investment Management ("CLIM") -owned entities. CAPL is the parent company of CLIM. • End-customers in hospitality (hotels and serviced residences business).
Employees	• 1,638 including employees at REIT Manager and Ascott-managed properties as at 31 December 2020.
Environmental	• Environmental impact of hospitality, property development and construction activities. Uses water extensively as part of hospitality business. • 21 properties with green credentials. • Tracks and reports on energy use, energy intensity, carbon emissions, carbon intensity, water use and water intensity; third-party operated properties excluded. • Influences supply chain to operate responsibly in the area of environmental management.
Social	• Employee and hotel guests' health and safety, especially amidst COVID-19. • Influences supply chain to operate responsibly in the areas of anti-corruption, human rights, health and safety. • Certain properties were temporarily closed amidst COVID-19 with likely knock-on impact on employees at the property operations level. In 3Q2021, 98% of the properties are operational. • Data privacy and security of guests. • Some exposure to geographies with reported human rights violation and child labour issues.
Governance	• 9 members in the board of directors, 5 are considered as independent directors. 2 women directors. Has in place a Board Diversity Policy. Board is relatively diverse in terms of experience and cultural ethnicity. • Some exposure to related party transactions. • Some exposure to geographies with moderate risk of bribery and corruption. • Some exposure to geographies with high risk of bribery and corruption. • Ranked 1st in the SGTI – REITs and Business Trust category for 2021.

CapitaLand China Trust

Main Industry	Invests in income-producing retail, new economy (business parks, logistics) and office properties
Main Geographies	China
General Comments	• Mission is to deliver sustainable income growth to unitholders, value-add to the community and stakeholders • Managed by CapitaLand China Trust Management Ltd, which is a subsidiary of CapitaLand Investments Ltd. Sustainability objectives aligned with CapitaLand. • Sustainability report in accordance with GRI standards.
Key Customer Types	• Multi-national and local tenants for investment properties.
Employees	• The ratio of male to female employees of the Manager and Property Managers is 60:40 in 2020. • About 33% of senior management were women. • ~51% of staff have been with the Manager or the Property Managers for five years or longer.
Environmental	• In 2020, lowered carbon emission, energy, water intensities by 51.6%, 54.1% and 44.7% against 2008 baseline • Focused on energy efficiency, climate change and emissions reduction and water management.
Social	• Responded early in the COVID-19 pandemic to provide rental rebates and other tenant relief measures. • Focused on occupational health & safety, employment, stakeholder engagement, supply chain management.
Governance	• 9 members on the board, 6 of which are considered as independent directors. 1 female director. Board is relatively diverse in terms of experience and tenure. • High exposure to related party transactions. • Ranked 9th in Singapore Governance and Transparency Index 2021 for REIT & Business Trust.

CapitaLand Integrated Commercial Trust

Main Industry	Invests in income-producing retail and office real estate
Main Geographies	Singapore, Germany
General Comments	• CICT's publicly stated mission statement is to deliver stable distributions and sustainable total returns to unitholders. • CICT was formed from the merger between CapitaLand Mall Trust and CapitaLand Commercial Trust. • CICIT is aligned with CapitaLand's 2030 Sustainability Master Plan. • All CapitaLand Mall Trust's properties are BCA Green Mark certified as at 31 December 2019. • Sustainability report with reference to GRI standards available, subsumed under annual report.
Key Customer Types	• Multi-national and local tenants for investment properties.
Employees	• 54% of employees are female, of which 33% of female employees were in management level (compared to 22% for males)
Environmental	• Target by 2030 to reduce carbon emissions, energy intensity, water intensity by 78%, 35%, 45% respectively using 2008 as base year. In year 2020, a reduction of 52.8%, 35.7% and 42.9% have been achieved. • All properties in Singapore are certified green. Target to green all existing properties outside Singapore by 2030.
Social	• Responded early in the COVID-19 pandemic to provide rental rebates and other tenant relief measures. • Seek to implement effective occupational health and safety management and policies at CICT's properties.
Governance	• 8 members on the board, of which 5 are considered as independent directors and 2 are female directors. • Some exposure to related party transactions. • Ranked 5th in Singapore Governance and Transparency Index 2021 for REIT & Business Trust.

First Real Estate Investment Trust

Main Industry	• Invests in a portfolio of yield-accretive healthcare and healthcare-related real-estate assets in Asia.
Main Geographies	Indonesia, Japan (announced proposed acquisition of properties in Japan in December 2021)
General Comments	• No publicly stated corporate mission. • Sustainability report with reference to selected GRI standards available, subsumed under annual report. • Have started aligning material topics to relevant UN Sustainable Development Goals. • May look to tap GSSSL bond market.
Key Customer Types	• Master lessees who mainly consist of PT Lippo Karawaci Tbk-related entities. • Hospital patients and residents of nursing homes of properties owned by FIRT.
Employees	• No publicly available information on employee count for 2020.
Environmental	• Environmental impact of healthcare business specifically biohazardous waste management. Measures to ensure proper disposal of biohazard waste by tenants important for conservation of the environment and local biodiversity. • Per company disclosures, supply chain not applicable due to nature of business.
Social	• Employee and patients' health and safety, especially amidst COVID-19. • Occupational health and safety. • High exposure to geographies with reported child labour issues. • Per company disclosures, supply chain not applicable due to nature of business. • Data privacy and security of patients and nursing home residents.
Governance	• 7 members in the board of directors, 4 are considered as independent directors. One woman director. Has in place a Board Diversity Policy. Board is relatively diverse in terms of experience and cultural ethnicity. • High exposure to related party transactions. • High exposure to geographies with relatively high risk of bribery and corruption. • Ranked 37th in the SGTI – REITs and Business Trust category for 2021.

Frasers Centrepoint Trust

Main Industry	Invests in income-producing retail properties
Main Geographies	Singapore
General Comments	• FCT's objectives are to deliver regular and stable distributions to unitholders and to achieve long-term growth in its net asset value. • Received 5 stars and achieved highest overall score of 92 in the 2021 Global Real Estate Sustainability Benchmark ("GRESB") assessment. • 8 out of 9 properties (except Hougang Mall, which is due to be certified) are BCA Green Mark certified Gold or above, with four properties (including Causeway Point) being certified Green Mark Platinum. • Sustainability report in accordance with GRI Standards (2016).
Key Customer Types	• Multi-national and local tenants for investment properties.
Employees	• 27 full-time staff in FY2021, women make up 59% of total staff and 50% of senior roles.
Environmental	• Target net zero carbon by 2050. As of FY2020, compared to FY2019, achieved reduction of GHG emissions intensity by 12.5%, energy use intensity by 10.3% and water usage by 17.7%. • Installed 1800W of solar photovoltaic panels at Changi City Point to power billboard lights. • Invest in water saving fittings, target to reduce water use intensity by 20% from 2015 by 2030. • 565 tonnes of waste out of 9811 tonnes of waste generated sent for recycling, the rest was directed to waste-to-energy plants.
Social	• Responded early in the COVID-19 pandemic to provide rental rebates and other tenant relief measures. • Implemented OHSAS 18001 and SS506 Part1:2009 occupational health and safety management system at the properties. • Properties are "BizSAFE Level Star" certified by the Workplace Safety and Health Council.
Governance	• 6 members on the board, 3 of which are considered as independent directors. Board and management are separated. 1 female director. • High exposure to related party transactions. • Ranked 24th in Singapore Governance and Transparency Index 2021 for REIT & Business Trust.

Frasers Hospitality Trust

Main Industry	Invests globally (excluding Thailand) on a long-term basis in income-producing real estate assets, used predominantly for hospitality purposes.
Main Geographies	Australia, Singapore, Japan and the UK
General Comments	• No publicly stated corporate mission. • Frasers Property Limited ("FPL"), the parent company of FHREIT's REIT manager is a signatory to the UN Global Compact. • Sustainability report with reference to selected GRI standards available, subsumed under annual report. • Sustainability framework mapped to UN Sustainable Development Goals. • Participated in GRESB assessment 2020.
Key Customer Types	• Master lessees who mainly consist of FPL-related entities. • Maritim Group as master lessee of the Maritim Dresden hotel in Germany. • End-customers in hospitality (hotels and serviced residences business).
Employees	• 20 employees as at 30 September 2020 at the REIT Manager. All employees are located in Singapore, Australia and the UK.
Environmental	• Environmental impact of hospitality, property development and construction activities. Uses water extensively as part of hospitality business. • Tracks and reports on energy use and intensity, GHG emissions and intensity for 14 out of 15 properties; water use and intensity for 13 out of 15 properties; waste generated for 10 out of 15 properties. Environmental data excludes Maritim Dresden, which is master leased. • Focuses on achieving sustainable management and efficient use of materials along the supply chain.
Social	• Employee and hotel guests' health and safety, especially amidst COVID-19. • Certain properties were temporarily closed amidst COVID-19 with likely knock-on impact on employees at the property operations level. • Labour rights and occupational health and safety for property business. • Encourages health and safety along the supply chain. • Data privacy and security of guests.
Governance	• 6 members in the board of directors, 4 are considered as independent directors. No women directors. Has in place a Board Diversity Policy. Board is relatively diverse in terms of experience and cultural ethnicity. • Some exposure to related party transactions. • Ranked 30th in the SGTI – REITs and Business Trust category for 2021.

Frasers Logistics & Commercial Trust

Main Industry	Invests in income-producing logistics and commercial properties
Main Geographies	Australia, Germany, Singapore, United Kingdom, the Netherlands
General Comments	• FLCT seeks to deliver regular and stable distributions to unitholders and achieve sustainable long-term growth in DPU. Aligned with sponsor's (Frasers Property Ltd) long-term goals on sustainability. • Established sustainable finance framework, which is in-line with international standards and guidelines. Raised in excess of SGD1.4bn in green and sustainable financing. • Achieved 5-Star rating in 2021 Assessment by Global Real Estate Sustainability Benchmark, with Australian industrial portfolio achieving highest Green Star performance-rated industrial portfolio.
Key Customer Types	• Multi-national and local tenants for investment properties.
Employees	• Women makes up 68.3% of employees and 50% of senior management
Environmental	• Target net zero carbon by 2030. • 83% of portfolio are certified or pursuing green certification. • As of FY2021, the industrial portfolio saw reduced energy consumption by 10.9% compared to FY2020, installing 4,267 kW of solar panels in Australia and 1,866 kW of solar panels in Europe. Upgrading lights to high-efficiency lighting. • Australian industrial tenants saw 20.6% y/y decrease in Scope 3 GHG emissions. • Water intensity rose 10% y/y in FY2021 due to increased tenant activity. Commercial properties in Singapore are certified Water Efficient Building.

Keppel REIT

Main Industry	Invests in a portfolio of high-quality income-producing commercial real estate and real estate-related assets in Singapore and pan-Asia.
Main Geographies	Singapore, Australia
General Comments	• KREIT's publicly stated mission is to deliver stable and sustainable returns to unitholders. • Participated in GRESB and maintained the Green Star Status in 2020. • Sustainability report with reference to GRI standard available, subsumed under annual report.
Key Customer Types	• Multi-national and local tenants for investment purposes. • Keppel Corporation Limited, the REIT's Sponsor.
Employees	• 23 employees as at 31 December 2020 at the REIT Manager. All employees are located in Singapore.
Environmental	• Tracks and reports on energy use and energy intensity, GHG emissions and GHG intensity, water use and intensity, waste use and intensity. • All of its Singapore properties are certified with the highest Green Mark Platinum Award. • In Australia, most of the properties have achieve 5 stars and above in the National Australian Built Environment Rating System ("NABERS") Energy rating. • Three properties fully powered by renewable energy; one is a carbon neutral property. • Started tracking Scope 3 emissions in 2020. • Collaborates with tenants to develop green leases. • Influences supply chain to operate responsibly in the area of environmental management.
Social	• Occupational health and safety. • Works with service providers and suppliers that are ISO 14001 and bizSAFE-certified. • Influences supply chain to operate responsibly in the areas of anti-corruption, human rights, health and safety.
Governance	• 8 members in the board of directors, 5 are considered as independent directors. 2 women directors. Has in place a Board Diversity Policy. Board is relatively diverse in terms of cultural ethnicity. • Some exposure to related party transactions. • Ranked 26th in the SGTI – REITs and Business Trust category for 2021.

Lendlease Global Commercial REIT

Main Industry	Investing in income-producing retail and office real estate globally.
Main Geographies	Singapore and Italy
General Comments	• LREIT's public mission statement is to provide unitholders with regular, stable distributions while achieving long-term growth in distribution per unit and net asset value per unit, as well as maintaining an optimal capital structure. • Group's commitments are aligned to United Nations' Global Compact ("UNGC") and a signatory to the United Nations Principles for Responsible Investment ("UNPRI"). • Sustainability framework focuses on sustainable economic growth, vibrant and resilient communities and cities and health planet and people. • Sustainability report with reference to GRI available, subsumed in annual report. • Adheres the International Organization for Standardisation ("ISO") 14001 standard on environmental management.
Key Customer Types	• Multi-national and local tenants for investment properties.
Employees	• 44 employees in FY2021 where 60% are females with 40% in senior/ middle management positions.
Environmental	• Tracks and reports on energy use, water use and waste management. • Reduced energy and water consumption by 19% and 35% respectively in FY2021 from baseline year of 2016. • Participated in Waste in Retail Research Initiative, an effort towards waste reduction and circular economy strategy. • Industry leader in Global Real Estate Sustainability Benchmark ("GRESB") rankings. Clinched top positions in the Asia Retail and Global Retail categories. • Partnered with National Environment Agency ("NEA") and Public Utilities Board ("PUB") to create awareness on energy conservation. • Received BCA Green Mark Platinum certification for 313@somerset.
Social	• Put in place Occupational Safety and Health management system ("OSH"). • Certified BizSAFE PARTNER and attained Workplace Safety and Health("WSH") Performance award in FY2021. • Committed to CSR activities. Collaborated with Thye Hua Kwan Moral Charities to run food distribution drive and NTUC Senior Day Care for a virtual interactive programme with the elderly.
Governance	• 5 members in the board, 3 of whom are considered as independent directors. There are two female directors. • Ranked 15th in the SGTI REITs and Business Trust category for 2021.

Lippo Malls Indonesia Retail Trust

Main Industry	Retail property investment
Main Geographies	Indonesia
General Comments	• Sustainability report in accordance with GRI. • Stated mission is to deliver regular and stable distributions to unitholders and achieve long-term growth with capital appreciation
Key Customer Types	• Multi-national and local tenants.
Employees	• 77% of 18 staff are females.
Environmental	• Tracks and reports on energy use and water use. • Energy consumption and water consumption declined 41.2% and 43.4% respectively y/y in FY2020 mainly due to the temporary closure of malls and/or shorter mall operating hours. • Look to replace all fluorescent lights to energy-saving LED lights. Exploring electric vehicle charging stations.
Social	• Employee safety and welfare. • Provided rental rebate to tenants as operating hours were affected.
Governance	• Ranked 23rd in the SGTI REIT and Business Trust Category. • 5 members on the board, of which 3 are independent directors.

Mapletree Commercial Trust

Main Industry	Invests in income-producing real estate that is primarily used for office and/or retail purposes in Singapore.
Main Geographies	Singapore
General Comments	• MCT's publicly state mission statement is to provide unitholders with relatively attractive rate of return on investment through regular and steady distribution and to achieve long term stability. • Continue to align sustainability targets and activities to UN Sustainable Development Goals. • Sustainability report with reference to GRI standard available, subsumed under annual report.
Key Customer Types	• Multi-national and local tenants for investment purposes.
Employees	• 186 employees as at 31 March 2021 at the REIT Manager and Property Manager, all based in Singapore.
Environmental	• Tracks and reports on energy use and energy intensity, GHG emissions and GHG intensity and water use. • All of MCTs properties have achieved at least the BCA Green Mark Gold^{PLUS} certification. 3 out of the 5 properties are at Green Mark Platinum. • Per company, supply chain activities are minimal and not significant to operations.
Social	• On a case-by-case basis, provided rental support to retail tenants above and beyond government mandated. • Occupational health and safety. • Per company, supply chain activities are minimal and not significant to operations.
Governance	• 12 members in the board of directors, 7 are considered as independent directors. 4 women directors. In the process of formalising a Board Diversity Policy. Board is relatively diverse in terms of experience. • Some exposure to related party transactions. • Ranked 16th in the SGTI – REITs and Business Trust category for 2021.

Mapletree Industrial Trust

Main Industry	Invests in income-producing real estate that is primarily used for industrial purposes in Singapore and data centres worldwide beyond Singapore, as well as real estate-related assets.
Main Geographies	Singapore, United States
General Comments	• MINT's publicly stated mission statement is to deliver sustainable and growing returns to unitholders in the long term. • Some alignment of sustainability targets and activities to UN Sustainable Development Goals. • Sustainability report with reference to GRI standard available, subsumed under annual report.
Key Customer Types	• Multi-national and local tenants for investment purposes.
Employees	• 193 employees as at 31 March 2021 at the REIT Manager and Property Manager, all based in Singapore.
Environmental	• Tracks and reports on energy use and energy intensity, GHG emissions and GHG intensity, water use and water intensity. Has set out a target to reduce water intensity. • Covers 79 properties in Singapore where the REIT Manager has operational control over. • Exclude data centres as the majority are on master leases. Data centres would likely increase MINT's environmental footprint. • 7 property clusters have attained BCA Green Mark Gold certifications and higher as at 31 March 2021. • Per company, supply chain activities are minimal and not significant to operations.
Social	• Occupational health and safety. • Per company, supply chain activities are minimal and not significant to operations.
Governance	• 11 members in the board of directors, 6 are considered as independent directors. 2 women directors. In the process of formalising a Board Diversity Policy. Board is relatively diverse in terms of experience. • High exposure to related party transactions. • Ranked 17th in the SGTI – REITs and Business Trust category for 2021.

Mapletree Logistics Trust

Main Industry	Owning and operating a portfolio of logistics warehouses diversified across the Asia-Pacific region.
Main Geographies	Singapore, HKSAR, China, Japan and Australia
General Comments	• MLT's publicly stated mission statement is to provide Unitholders with competitive total returns through regular distributions and growth in asset value. • Sustainability-linked loan borrower for rooftop solar installation programme, first REIT in Singapore to do so. • Sustainability framework mapped to UN Sustainable Development Goals. • Sustainability report with reference to GRI available, subsumed in annual report.
Key Customer Types	• Multi-national and local tenants for investment properties.
Employees	• Excluding India, 263 employees as at 31 March 2021 at the REIT Manager and Property Manager. The employees are mainly located in China and Singapore.
Environmental	• Tracks and reports on energy use and energy intensity, GHG emissions and GHG intensity, water use and intensity. • Environmental performance of properties in Singapore, HKSAR, Vietnam, China and Malaysia, Japan (added in FY2021) included in reporting, other geographies not included. • Targets to reduce energy intensity by 20% in Singapore and HKSAR by 2030 from FY2019 baseline. • Targets to double solar generating capacity by 2030 from FY2021 baseline. • Per company, supply chain activities are minimal and not significant to operations.
Social	• Occupational health and safety. • Some exposure to geographies with reported human rights violation and child labour issues. • Per company, supply chain activities are minimal and not significant to operations.
Governance	• 11 members in the board, 6 are considered as independent directors. 3 women directors. In the process of formalising a Board Diversity Policy. Board is relatively diverse in terms of experience. • High exposure to related party transactions. • High exposure to geographies with moderate risk of bribery and corruption. • Some exposure to geographies with high risk of bribery and corruption. • Ranked 12th in the SGTI – REITs and Business Trust category for 2021.

Mapletree North Asia Commercial Trust

Main Industry	Invests in high-quality commercial properties situated in prime locations in China, HKSAR, Japan and South Korea.
Main Geographies	HKSAR, China, Japan, South Korea
General Comments	• MNACT's publicly stated mission statement is to deliver regular and stable returns to unitholders and to achieve long term sustainable growth in distributions. • Some alignment of sustainability targets and activities to UN Sustainable Development Goals. • Sustainability report with reference to GRI standard available, subsumed under annual report.
Key Customer Types	• Multi-national and local tenants for investment purposes.
Employees	• 260 employees as at 31 March 2021 at the REIT Manager and Property Manager mainly located in HKSAR.
Environmental	• Tracks and reports on energy use and energy intensity, GHG emissions, water use and intensity, waste generation and recycled. Excludes the period when Festival Walk was temporarily closed, mBay Point Makuhari and Omori Prime Building. • Festival Walk received the Final Platinum rating under Hong Kong Green Building Council's Building Environmental Assessment Method ("BEAM") Plus – Existing Buildings V1.2. • Sandhill Plaza received the Certificate of Green Building Label (2 Star) by China's Ministry of Construction. • Per company, supply chain activities are minimal and not significant to operations.
Social	• Provided rental support to retail tenants at Festival Walk even though HKSAR government did not mandate rental support. • Occupational health and safety. • Some exposure to geographies with reported human rights violation and child labour issues. • Per company, supply chain activities are minimal and not significant to operations. Compliance with local government and legal requirements is required for appointed contractors and service providers. For engagements that are complex or entail high safety or financial risks, due diligence is carried out to ascertain their financial standing or track records.
Governance	• 9 members in the board of directors, 5 are considered as independent directors. 3 women directors. In the process of formalising a Board Diversity Policy. Board is relatively diverse in terms of experience. • Some exposure to related party transactions. • Some exposure to geographies with moderate risk of bribery and corruption. • Ranked 21st in the SGTI – REITs and Business Trust category for 2021.

OUE Commercial Trust

Main Industry	Investment holding of investment properties (office, retail and hotels).
Main Geographies	Singapore, China
General Comments	• OUE-CT's publicly stated objective is to deliver regular and stable distributions, and long-term sustainable growth to holders of units. • Conducted a review of the approach and disclosure of sustainability reporting in 2020. Expanded reporting scope to include Lippo Plaza in Shanghai. • Have started aligning material topics to relevant UN Sustainability Development Goals. • Sustainability report with reference to GRI available, subsumed under annual report. • Priced a first-time sustainability linked loan in October 2021 that is linked to improving energy and water efficiencies in the Singapore and Shanghai commercial portfolio.
Key Customer Types	• Multi-national and local tenants for investment properties. • End-customers in hotels and retail spaces.
Employees	• 73 employees as at 31 December 2020 at the REIT Manager and Property Manager of One Raffles Place and Lippo Plaza. • Employees are located in Singapore and Shanghai.
Environmental	• Tracks and reports on energy use and energy intensity, GHG emissions and GHG emissions intensity, water use and water intensity. Waste intensity (for commercial properties). • Has set out energy intensity, water reduction and waste reduction targets. • Where possible, is committed to partner tenants through green lease agreements. • Suppliers are informed of Green Procurement Policy on OUE-CT's preference with working with suppliers that adopt water efficient practices and technology.
Social	• Responded early in the COVID-19 pandemic to provide rental rebates and other tenant relief measures for its retail investment properties. • Employee and hotel guests' health and safety, especially amidst COVID-19. Occupational health and safety management framework in place for hotel staff. • Subscribes to the bizSAFE programme to develop overall capabilities in ensuring workplace health and safety. • Data privacy and security of guests. • Occupational health and safety. All third-party service providers are required to maintain relevant safety certifications such as OHSAS 18001 or ISO 4500. • Some exposure to geographies with reported human rights violation and child labour issues.
Governance	• Including Executive Director-designated, 7 members in the board of directors, 4 are considered as independent directors. 1 woman director. Has in placed a Board Diversity Policy. Board is relatively diverse in terms of experience, age and cultural ethnicity. • High exposure to related party transactions. • Some exposure to geographies with moderate risk of bribery and corruption. • Ranked 34th in the SGTI – REITs and Business Trust category for 2021.

SPH REIT

Main Industry	Investing directly or indirectly in income-producing real estate used primarily for retail purposes in Asia Pacific, as well as real estate-related assets.
Main Geographies	Singapore and Australia
General Comments	• Published mission statement is to be the landlord of choice for tenants and shoppers and to provide unitholders with regular and stable distributions, and sustainable long-term growth in distribution and NAV per unit. • Sponsored by Singapore Press Holdings Limited ("SPH") SPH's portfolio comprises retail, commercial properties and purpose-built student accommodation. • General ESG focus on energy use, water use and waste management. • Sustainability report with reference to GRI available, subsumed in annual report. • Identified 6 material ESG factors mapped to 7 of the 17 UN Sustainable Development Goals. • Obtained Global Real Estate Sustainability Benchmark ("GRESB") 5-star rating in inaugural submission.
Key Customer Types	• Multi-national and local tenants for investment properties.
Employees	• 12 employees in FY2021 with equal share of male and female employees. All employees are permanent employees located in Singapore.
Environmental	• Tracks and reports on energy and water usage. In FY2021, electricity and water's consumption and intensity decrease by 23% and 40% as compared to FY2015. • Targeting to maintain at least 18% reduction for both electricity and water intensity by FY2025, using FY 2015 as the baseline. These reductions and targets are applicable only for Paragon and The Clementi Mall in Singapore.
Social	• Regular fire risk assessments done to ensure safety certifications for fire, lift and escalator safety are checked. • Adherence to the Cybersecurity Act and the Personal Data Protection Act 2012 ("PDPA") in Singapore and Privacy Act 1988 in Australia. • Signatory to the Tripartite Alliance for Fair and Progressive Employment Practices ("TAFEP"). • Organised various CSR activities during the pandemic. For example, Paragon Club rewards programme pledged donations to Kids Horizon Appeal ("KHA") via reward points and Clementi Mall pledged to match shoppers' donations to Lion Befrienders dollar-for-dollar.
Governance	• 7 members in the board, 4 of whom are considered as independent directors. Three female directors. Board is relatively diverse in terms of experience. • Ranked 19th in the SGTI REITs and Business Trust category for 2021.

Starhill Global REIT

Main Industry	Investing in income-producing real estate primarily in retail and office throughout Asia-Pacific.
Main Geographies	Singapore, Australia, Malaysia, China and Japan
General Comments	• Published mission statement is to deliver long-term sustainable returns, to be landlord of choice and to be a forward-thinking real estate company with strong management expertise. • Managed by YTL Starhill Global REIT Management Limited, which is indirectly held by YTL Corporation Berhad. • General ESG focus on energy use, water use and waste management. • Sustainability report with reference to GRI and TCFD recommendation available, subsumed in annual report. • Sustainability framework mapped to 8 of the 17 UN Sustainable Development Goals. • Used SASB Real Estate Standards as a guide to determine materiality assessment.
Key Customer Types	• Multi-national and local tenants for investment properties.
Employees	• 31 employees in FY2020/21. All employees are permanent employees located in Singapore. • Female employees account for 58.1% of the employee base with 64.3% in managerial roles and 25% in senior management roles.
Environmental	• Tracks and reports on electricity, energy, fuel consumption and GHG emissions, water usage and waste generated covering Wisma Atria in Singapore and Australia's Myer Centre Adelaide, David Jones Building, Plaza Arcade. • Implemented energy efficient technologies to reduce energy consumption on its properties. For example, switching passenger lifts mechanism to energy saving models at Wisma Atria and motion sensors and LED fixtures for all staircases and carparks for Singapore and Malaysia properties. Energy saving upgrades are work in progress for properties in Australia. • Awarded NABERS Energy Base Building – 5 star rating and BCA Green Mark Platinum Award 2019 for Myer Centre, Adelaide and Ngee Ann City respectively.
Social	• Awarded BizSAFE Level 3 Certification by the Workplace Safety and Health Council, Singapore in 2018 with a three-year validity with plans for a renewal of this certificate. • Collaborated with various organisations to impact and enrich communities. For example, partnered with PUB to raise awareness on climate change and Harvest Care Centre and South East Community Development Council to help the underprivileged youth and families affected by Covid-19. • Provided an average of 27.2 training hours per employee in FY2020/21.
Governance	• 6 members in the board, 3 of whom are considered as independent directors. No female director. Board is relatively diverse in terms of experience. • Ranked 20th in the SGTI REITs and Business Trust category for 2021.

Suntec REIT

Main Industry	Own income-producing real estate primarily used for office and/or retail purposes.
Main Geographies	Singapore, Australia and United Kingdom
General Comments	• Published mission statement is to forge ahead to create, provide and deliver value to all stakeholders. • Managed by external manager ARA Trust Management (Suntec) Limited, a wholly owned subsidiary of ARA Asset Management Limited. • General ESG focus on energy use, water use and waste management. • Sustainability report with reference to GRI available which is reported separately. • Obtained Global Real Estate Sustainability Benchmark ("GRESB") 5-star rating in inaugural submission.
Key Customer Types	• Multi-national and local tenants for investment properties.
Employees	• 20 employees in FY2020 with 13 females and 7 males. All employees are permanent employees located in Singapore.
Environmental	• Tracks and reports on energy consumption, carbon emission, water usage and waste management. Tracking done for properties in Singapore and Australia. • Reduced total carbon emission and carbon emission intensity by 18.5% and 23.4% in FY2020 with procurement of renewable energy and lower building usage. • Initiatives on energy optimization which include roll out of automated electricity meters and energy efficient LED lighting fixtures. • For FY2020, Suntec REIT raised a S$450m green loan, its first sustainability-focused facility.
Social	• • Promote tenant's well-being and mental health by organizing R U OK Day at 177 Pacific Highway and 55 Currie Street. Both properties located in Sydney. • Awarded several accolades in Occupational Health & Safety, bizSAFE Partner Certification and many others across properties in Singapore. • Launched SME Help Fund together with The Straits Trading Company and JL Family Office. Raised S$8m to help local small and medium enterprises tide over the pandemic. • Provided an average of 26 training hours per employee in FY2020.
Governance	• 8 members in the board, 4 of whom are considered as independent directors. Two female directors, one of whom is the Chairwoman. Board is relatively diverse in terms of experience. • Established Suntec REIT Sustainability Committee led by its CEO with support from senior managements from various functions. • Ranked 25th in the SGTI REITs and Business Trust category for 2021.

Other Non-Financial Corporates and Business Trusts

Fraser and Neave Ltd

Main Industry	Food and Beverages
Main Geographies	Singapore, Malaysia, Thailand
General Comments	• F&N's vision is to be a stable and sustainable Food & Beverage leader in the ASEAN region. • Listed on the Singapore Stock Exchange. • Is a member of FTSE4Good Bursa Malaysia Index ("F4GBM"). • Had set 10 key sustainability performance targets for the group across its main geographies. Achieved five of the performance targets in 2020 namely in Effluents and Wate, Talent Management, Sustainable Sourcing, Innovation and Creating Value for Society. • Sustainability report in accordance with GRI. • Sustainability framework mapped to 9 of the 17 UN Sustainable Development Goals.
Key Customer Types	• Distributors & Trade Customers • End Consumers
Employees	• 6,600 full-time employees and 1,100 contract employees. • About 25% of employees are with F&N for over 10Y, with 39% Chinese, 22% Malay, 18% Thai. • 38% are female with females making up 44% of managerial positions.
Environmental	• Focused on reduction of water use intensity, energy intensity, GHG emissions and waste management. • On target to have 10% recyclable beverage packaging by 2021. • Ongoing initiative with National Environment Agency ("NEA") of Singapore by placing Smart Reverse Vending Machines ("RVMs") across Singapore to encourage recycling. Over 3.1 million plastic beverage bottles and aluminium cans have been collected since its launched in 2019. • Reduced Group's solid waste intensity ratio by 46.6% against 5% target from 2017 baseline. • Environmental data covers 13 manufacturing sites in Singapore, Malaysia and Thailand excluding Yoke Food Industries Sdn Bhd in Malaysia and Print Lab Pte Ltd in Singapore.
Social	• 56% reduction in sugar index in FY2020 for beverages to safeguard consumer's health associated with sugared drinks. • Provide healthier option in each product category. Currently 93% of the product category has a healthier option. • Signatory to the 'Responsible Advertising to Children' in Malaysia where it pledged to restrict marketing to children under 12 years of age. • Total of 26.2 and 12.6 training hours per employee for executive and non-executive categories.
Governance	• Ranked 206th in the 2021 SGTI. • 13 members in the board, 7 of whom are considered as independent non-executive directors. There are 3 female directors.

Keppel Infrastructure Trust

Main Industry	Infrastructure
Main Geographies	Singapore, Australia and the Philippines
General Comments	• KIT's publicly stated mission statement is to create value for investors by growing a well-diversified portfolio of infrastructure businesses and assets that generate long-term, regular and sustainable distributions. • Keppel Capital Holdings Pte Ltd, the parent company of KIT's trustee-manager is a signatory to the UN Global Compact. • Obtained a sustainability-linked loan at Keppel Merlimau Cogen in 2020 which is linked to the power plan's carbon emissions intensity targets. • Sustainability framework mapped to UN Sustainability Development Goals. • Sustainability report with reference to GRI available, subsumed under annual report.
Key Customer Types	• A subsidiary of Keppel Corporation Ltd has signed a tolling agreement on KMC. • Customers in water treatment, dairy processing, nickel mining and industries for the Ixom business. • Public sector clients for waste and water concession business. • Clients for the tank storage business which would include oil and gas companies. • End-users of infrastructure assets owned by KIT.
Employees	• In 2020, 21 employees at the trustee-manager, mainly located in Singapore.
Environmental	• Owns assets that are useful for environmental conservation (such as waste to energy plants) though also own certain high environmental impact businesses including power generation, water treatment and chemical distributor and a petroleum tank business. • Tracks and reports on energy use, energy intensity, GHG emission, carbon intensity, water use, and waste recycled. Started monitoring and disclosing Scope 3 GHG emissions from business travel in 2020 • Encourages suppliers to adopt responsible business practices and outlines standards for environmental management. All contractors are required to comply with all applicable laws and regulations.
Social	• Several businesses and assets are designated by the Singapore government as Key Installations ("KINS"), which are infrastructure assets of national importance providing essential services. • Basslink (a wholly-owned subsidiary of KIT) which owns a subsea cable is currently in liquidation. Occupational health and safety of asset-level employees and operations and maintenance contractors. • Some exposure to geographies with reported human rights violation and child labour issues. • Encourages suppliers to adopt responsible business practices and outlines standards for business, conduct, labour, health, and safety practice of suppliers. All contractors are required to comply with all applicable laws and regulations.
Governance	• 6 members in the board of directors of the trustee-manager, 5 of which are considered as independent directors. 1 woman director. Has in placed a Board Diversity Policy. Board is relatively diverse in terms of experience and cultural ethnicity. • High exposure to related party transactions. • Some exposure to geographies with high risk of bribery and corruption. • Ranked 29th in the SGTI – REITs and Business Trust category for 2021.

Olam International Ltd

Main Industry	Agribusiness
Main Geographies	More than 60 countries globally across Europe, Africa, Asia-Pacific and North America,
General Comments	• Olam's publicly stated corporate purpose is to reimagine global agriculture and food systems. • Olam is a signatory to the UN Global Compact, has endorsed the UN Women's Empowerment Principles and is a member of the Round Table on Sustainable Palm Oil ("RSPO"). • Co-founder and current CEO of Olam is the Chairman of the World Business Council for Sustainable Development ("WBCSD"). • Since June 2020, included in the FTSE 4Good Index series. • Singapore market leader for sustainability-linked loans. Sustainability Framework mapped to UN Sustainable Development Goals. • Report sustainability information with references to GRI and SASB (since 2020) within the annual report. Separate GRI report, updates for palm oil and updates for cocoa are available separately.
Key Customer Types	• Multi-national and national food, textile and manufacturing companies. • Also sells packaged food products directly to end-customers.
Employees	• Around 81,650 permanent, seasonal, contract and temporary workers as at 31 December 2021. 39,200 are permanent employees Reduction of 1,600 permanent employees y/y. By count, employees are mainly located across Africa, Asia-Pacific and the Middle East. • Around 45% of primary workforce covered under collective bargaining agreements.
Environmental	• Tracks GHG emissions (including Scope 3) and GHG intensity, own processing water intensity, • Deforestation for land use to produce agricultural and timber products. In 2016, environment activists filed a complaint over Olam's alleged deforestation in Gabon. As of writing, this matter is being investigated by the Forest Stewardship Council ("FSC"), which focuses on sustainable forestry and product certification though Olam has continued to engage the FSC. • Impact of synthetic fertilisers, herbicide and pesticide on carbon emissions and soil quality. • Agriculture business uses water extensively, although this is mainly in third party supply chain. • Impact on biodiversity. • Supply chain transparency and traceability pertaining to environmental risk.
Social	• Farmer poverty and economic livelihood. • High exposure to geographies with reported human rights violation and child labour issues. • Supply chain transparency and traceability pertaining to labour and famer matters. • In December 2020, Côte d'Ivoire and Ghana accused chocolate and cocoa companies including Olam for circumventing Living Income Differential ("LID") payments aimed at improving farmer income and livelihoods. In April 2021, Olam published its Cocoa Compass impact report. The company aims to help 150,000 farmers earn a living income and eliminate child labour from its supply chain by 2030. • The company published its position statement on genetically modified organism ("GMO") in June 2021. Olam supports a science-led approach on GMOs.
Governance	• 12 members in the board of directors, 6 are considered as independent directors. Has in place a Board Diversity Policy. 1 woman director. Board is relatively diverse in terms of experience and cultural ethnicity. • Minimal exposure to related party transactions. • High exposure to geographies with moderate risk of bribery and corruption. • High exposure to geographies with high risk of bribery and corruption. • Ranked 48th in the SGTI – General category for 2021.

Sembcorp Industries Ltd

Main Industry	Utilities (Power Generation) and Urban Development
Main Geographies	Singapore, India, China, UK, other South and Southeast Asian countries
General Comments	• SCI's publicly stated corporate purpose is to do good and play its part in creating a sustainable future. • Unveiled its strategic plan to transform its portfolio from brown to green in May 2021. The company set out targets including (1) Growing profit contribution from Sustainable Solutions (Renewable and Urban Solutions) from 40% to 70% by 2025 (2) Halve GHG emissions by 2030, from 2010 baseline (3) Net zero by 2050 and (4) Increase gross installed renewable energy to 10GW by 2025. • Issued green bond and sustainability-linked bond in SGD in 2021. • Sustainability Framework mapped to UN Sustainable Development Goals. • Climate-related disclosures are guided by the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and CDP's Climate Change Programme. • Sustainability report with reference to GRI available, subsumed under annual report. Separate 2020 performance data and commentary available, further sustainability information provided on company website.
Key Customer Types	• Industrial, commercial and residential customers for utilities businesses. Customers include high environmental impact oil and gas companies. • Land buyers for Urban Solutions business. • End-customers in property development.
Employees	• 5,426 as at 31 December 2021, mainly located in Singapore, China and India. 33% of employees covered by collective bargaining agreements.
Environmental	• Tracks and reports on energy use, energy intensity, GHG emissions (including Scope 3) and GHG intensity, water use, waste generation. • Impact of power generation and utilities business (eg: Jurong Island). • Impact of waste management and wastewater treatment business. • Vendor pre-qualification process incorporates ESG criteria in the assessment of potential suppliers. • No investments in new coal-fired energy assets, reducing energy intensity and growing green business lines. Took impairment in China coal power plant asset following plant closure in 1H2021. Continues to actively develop options with regards to its coal fire plants. • Including those under development, 74% of gross power capacity by MW is from thermal (including coal power) in 2020.
Social	• Occupational health and safety. • High exposure to geographies with reported human rights violation and child labour issues. • Vendor pre-qualification process incorporates ESG criteria in the assessment of potential suppliers.
Governance	• 12 members in the board of directors, 10 are considered as independent directors. 1 woman director. Has in place a Board Diversity Policy. Board is diverse in terms of experience and cultural ethnicity. • High exposure to related party transactions. • High exposure to geographies with moderate risk of bribery and corruption. • Some exposure to geographies with high risk of bribery and corruption. • Ranked 9th in the SGTI – General category for 2021.

Shangri-La Asia Ltd

Main Industry	Hospitality, Property Development and Property Investments
Main Geographies	China, HKSAR, Singapore, Sri Lanka, Malaysia
General Comments	• SHANG's publicly stated mission statement is to operate in an economically, socially and environmentally responsible manner whilst balancing the interest of diverse stakeholders. • Part of the Hang Seng Corporate Sustainability Index and Dow Jones Sustainability Asia-Pacific Index. • Maintained commitment to signature programmes that care for nature, promote biodiversity, marine life protection and responsible consumption. Marine Stewardship Council ("MSC") Leadership in sustainable seafood award. • Targets in place to reduce environmental footprints, though y/y change not comparable due to COVID-19 disruptions to operations. • SHANG is a signatory to the UN Global Compact. • Sustainability report with reference to GRI available as a separate report, however, only covers the hospitality business. • Participates in CDP's disclosures.
Key Customer Types	• Multi-national and local tenants for investment properties. • End-customers in property development, hotels and F&B businesses.
Employees	• 42,300 employees as at 31 December 2020. Reduction of 4,139 employees y/y. Employees are mainly located in China and HKSAR.
Environmental	• Tracks and reports on energy use, water use, GHG emissions. Change in energy intensity, water use intensity and GHG emissions intensity provided. • Environmental impact of hospitality, property development and construction activities. Uses water extensively as part of hospitality business. • Impact on biodiversity as some operations located in ecological diverse regions. • 36 green buildings. • Supply chain transparency and traceability pertaining to environmental risk.
Social	• Extensive organizational restructuring, streamlining of operational and human resource costs at headquarters and hotels during COVID-19. Board members, management and other colleagues accepted voluntary salary reductions. Headcount reductions made as last resort. • Employee and hotel guests' health and safety, especially amidst COVID-19. • Labour rights and occupational health and safety for property business. • Data privacy and security of guests. • Construction quality for end-customers in property business. • High exposure to geographies with reported human rights violation and child labour issues. • Insist that suppliers must implement fair, humane and non-discriminatory employment practices, treat their employees fairly, and respect diversity and inclusion. Actively seek out supply chain partners with strong credentials whose practices go well beyond minimum requirements.
Governance	• 8 members in the board of directors, 5 of which are considered as independent directors. 2 women directors. Board is relatively diverse in terms of experience and cultural ethnicity. • High exposure to related party transactions. • High exposure to geographies with moderate risk of bribery and corruption.

Singapore Airlines Ltd

Main Industry	Airline
Main Geographies	Global
General Comments	• SIA's publicly stated mission statement is a global company dedicated to providing air transportation services of the highest quality and to maximising returns for the benefit of its shareholders and employees. • Focuses on having a young fleet comprising fuel efficient models. • Member of Sustainable Aviation Fuel Users Group. Continued efforts to explore integration of Sustainable Aviation Fuel ("SAF") into operations. Support commercialisation, development and integration of SAF supply at Changi Airport. • Supports Carbon Offsetting and Reduction Scheme for International Aviation ("CORSIA"). Singapore participates in the voluntary phase for CORSIA in 2021 to 2026. • Announced net zero target by 2050 in May 2021. • SIA is a signatory to the UN Global Compact. SIA supports the 2030 Agenda for Sustainable Development and the UN Sustainable Development Goals. • Sustainability report with reference to GRI available as a separate report. Includes SIA, SilkAir and Scoot. SIA Engineering Company (~76%-owned subsidiary discloses a separate sustainability report).
Key Customer Types	• Passengers. • Multi-national and local companies for cargo business. • Other airlines and aircraft owners for SIA Engineering business.
Employees	• 23,603 employees as at 31 March 2021. Reduction of 5,104 employees y/y. 97% of headquarter employees in Singapore are covered by collective bargaining agreements. Employees are mainly located in Singapore.
Environmental	• Tracks and reports on energy use, energy intensity, GHG emissions, GHG emission intensity, water use, water intensity and waste generation. • Impact of aviation fuel on GHG emissions and noise pollution. • Impact of airport activities and de-icing on water pollution. • Top ten suppliers include high environmental impact oil and gas companies. • Integrate ESG considerations into procurement process.
Social	• Employee and passenger health and safety, especially amidst COVID-19. • Employees affected by retrenchment, early retirement scheme and other schemes that reduced roles at the company. • Safety, maintenance, and quality management. • Slavery and human trafficking. • Integrate ESG considerations into procurement process.
Governance	• 10 members in the board of directors, 8 of which are considered as independent directors. 2 women directors. Has in placed a Board Diversity Policy. Board is relatively diverse in terms of experience and cultural ethnicity. • High exposure to related party transactions. • Some exposure to geographies with high risk of bribery and corruption. • Ranked 35th in the SGTI – General category for 2021.

Singapore Post Limited

Main Industry	Local and international postal service provider, freight forwarding, e-commerce logistics and property investment in Asia Pacific.
Main Geographies	Singapore and Australia
General Comments	• No published mission statement but its vision is to connect people, communities, and commerce. • Owns one of the largest retail distribution networks in Singapore. • Listed on the SGX with Singtel and Alibaba Investment Limited being the largest shareholders. • Committed to GHG reduction with plans to upgrade delivery fleets to EV and to retrofit buildings with solar photovoltaic system installation. • Sustainability report with reference to GRI available as a separate report. • Four main pillars in its sustainability framework namely Planet Positive, Operational Excellence, Societal Responsibility and Transformational Growth. • ESG focus on energy consumption and GHG emissions, data security and privacy, responsible supply chain and product and service innovation.
Key Customer Types	• Singapore community at large for postal, parcel and other services. • E-commerce business owners and end-customers.
Employees	• 4,057 employees in FY2020/21 of which 64% are permanent employees. All employees are in Singapore.
Environmental	• Tracks and reports on fleet fuel and electricity consumption. • Measures and reports for Scope 1 and 2 GHG emissions with detailed breakdowns. Majority of Scope 1 and 2 GHG emissions stem from Post & Parcel and Logistics. • Disclosed clear targets for GHG emission reduction. To reduce by 35% from FY2018/19 baseline. • Collaborated and rolled out recycling program for e-waste as part of its waste management initiative.
Social	• Supply chain resiliency with supplier management approach referencing the Ten Principles of United Nations Global Compact around Human Rights, Labor, Environment and Anti-Corruption. • Strives to ensure high quality customer satisfaction as Singapore's designated Public Postal Licensee. • Total of 111 post office staff awarded Excellent Service Award, a national award which provides recognition for individuals who go the extra mile providing exceptional service and experience for customers.
Governance	• 9 members in the board, 5 of whom are considered as independent directors. There are five female directors. Board is relatively diverse in terms of experience and age group. • Ranked 7th in the 2021 SGTI General Category.

Singapore Telecommunications Ltd

Main Industry	Telecommunications
Main Geographies	Singapore, Australia, Indonesia, India, Thailand, Philippines
General Comments	• Sustainability report in accordance with GRI Standards with Ernst & Young to independently assure a selection of key ESG disclosures. • Engages internal and external stakeholders to assess concerns and priorities and assesses suppliers against ESG criteria. • Issued a AUD300m fixed rate Sustainability-Linked Bond in November 2021. • Sustainability strategy mapped to 6 of the 17 UN Sustainable Development Goals. • Aligned climate agenda with Task Force on Climate Related Financial Disclosures ("TCFD") recommendations in its annual disclosures. • Sustainability report covers Group's operations in Singapore and Australia.
Key Customer Types	• Retail customers • Business customers
Employees	• 20,078 total employees (Singapore, Australia), of which 34% are female employees.
Environmental	• Tracks and reports on energy use, emissions, carbon intensity, water use, waste generated. • Achieved carbon emissions intensity reduction of 70% in FY2020 since FY2015. • Sets a target towards net zero carbon by 2050 in support of Global System for Mobile Association's ("GSMA") pathway for ICT and mobile industry. • SBTi target to reduce absolute Scope 1 and 2 carbon by 42% and Scope 3 by 30% from 2015 baseline by FY2030. • Initiated nationwide e-waste recycling programme with Singapore Post Limited.
Social	• Focus on customer data privacy and protection. • Encourages volunteering, including focus on cyber wellness and online safety. • Support five social impact start-ups with a S$150,000 grant pool under the Singtel Future Makers 2020 programme. • Invested a total of S$16.8m in talent development and future skills.
Governance	• Retained 2nd rank in the 2021 SGTI. • 10 out of 12 members of the Board are non-executive, independent directors. There are three female directors. • Incorporate climate related KPIs (20% ESG KPIs) in top management's long-term incentive from FY2021.

Starhub Ltd

Main Industry	Telecommunications
Main Geographies	Singapore
General Comments	• Sustainability report is in accordance with GRI Standards and includes relevant disclosures recommended by the Sustainability Accounting Standard Board ("SASB"). • Included in FTSE4Good Index Series. • Is a signatory to the United Nations Global Compact ("UNGC") and committed to the Ten Principles of the UNGC. • Sustainability strategy mapped to 11 of the 17 UN Sustainable Development Goals. • Secured Starhub's first sustainability-linked loan – RM270m for 3 years. • Ranked Asia's Most Sustainable Telecommunications Company and 80th position globally in 2021 Corporate Knights Global 100.
Key Customer Types	• Retail customers • Corporate customers
Employees	• 1,793 total employees of which 43% are female employees. 94% of the employees are permanent employees.
Environmental	• Tracks and reports on energy use, GHG emissions, water use, and waste management. Focuses on climate change adaptation as well. • Achieved reduction in water consumption of at least 11% y/y since 2018 and overall carbon emissions reduction of 8.7% in FY2020. • Ongoing efforts to maintain 100% recycling of e-waste within its operations. • Target to increase proportion of renewable energy use to 10% by 2022.
Social	• Focus on product and service quality, cybersecurity, data privacy and online safety. • Raised awareness about Earth Hour in collaboration with WWF where employees volunteered to assemble 100 solar powered lights to benefit marginalised communities in Cambodia. • Collaborated with Ministry of Education ("MOE") to provide unlimited mobile broadband services to lower-income families' students to support their home-based learning. • Provided 16,857 training hours for 77% of its workforce.
Governance	• Rated "AA" on ESG by MSCI. • Ranked 40th in the 2021 SGTI. • 6 out of 12 members of the Board are independent directors. There are three female directors.

Financial Institutions

Australia & New Zealand Banking Group Ltd

Main Industry	Financial Institution
Main Geographies	Australia, New Zealand, APAC
General Comments	• Annually sets Environment, Social and Governance ("ESG") targets with ESG governance processes overseen by the Board and management through the Board EESG Committee and management Ethics and Responsible Business Committee. • Key focus areas include financial wellbeing, environmental sustainability, and housing by improving the availability of suitable and affordable housing options. • Commitment to fair and responsible banking for individuals and seeks to assess social and environment impacts as part of lending decisions through application of its Social and Environmental Risk Policy and accompanying 'sensitive sector' requirements. • Releases an ESG supplement, Climate-related financial disclosures and corporate governance statement as part of its annual reporting. • Revenue from Sustainable Finance business rose 63% y/y in FY2021. • AUD14.0bn in sustainable finance solutions since 2019 and set a new 2025 AUD50bn target in 2020 with an expanded focus on environmental sustainability, housing and financial wellbeing. • Recognized in the top 10 globally by the Dow Jones Sustainability Index. • A member of the Carbon Disclosure Project ("CDP") since 2007 with a CDP climate change score of 'A-' based on a study of annual greenhouse emissions and climate change strategies. • Included in the FTSE4Good Index and is a founding signatory to the Principles for Responsible Banking of the UN Environmental Programme Finance Initiative. • Targets funding at least AUD50bn by 2025 towards sustainable solutions for customers.
Key Customer Types	• Individual customers, businesses, and institutional investors
Employees	• 40,221 in 2021. Females account for 35% of senior leadership. • By count, employees are mainly located in Australia and New Zealand.
Environmental	• Focusing its environmental sustainability efforts on energy, water and waste. • Encouraging 100 of its largest emitting customers to establish and strengthen existing low carbon transition plans, engaging 98 of them so far. • Developing an enhanced climate risk management framework that strengthens governance and responsiveness to climate change. • Has set 2021-2025 environmental footprint targets to reduce its environmental impact including reducing scope 1 and 2 emissions 24% by 2025 and 35% by 2030 against a 2015 baseline, increasing renewable electricity use to 100% by 2025; reducing potable water consumption by 25% by 2025 (against a 2017 baseline); reducing waste to landfill by 30% by 2025 (against a 2017 baseline); and reducing paper consumption (office and customer paper use only) by 60% by 2025 (against 2015 baseline). • Reports environmental performance using various mechanisms including the National Greenhouse and Energy Reporting Scheme and Climate Active Program, CDP, Dow Jones Sustainability Index, RE100, CitySwitch Green Office Program and the Climate Leaders Coalition.
Social	• Focus on financial wellbeing supported by targets including supporting 250,000 customers to build a savings habit by end 2021 across Australia and New Zealand, publishing Adult Financial Wellbeing Research to inform our product design and financial literacy program delivery, by end 2022 and establishing seven new partnerships to expand the reach and improve impact of MoneyMinded for vulnerable people, by end 2023. • Since October 2020, the bank has funded and facilitated AUD300mn in investment to deliver more affordable, secure and sustainable homes to buy and rent in Australia. ANZ's target is to fund AUD10bn by 2030 to deliver more affordable, accessible and sustainable homes to buy and rent across Australia and New Zealand and support more customers into healthier homes in New Zealand. • In 2020, completed AUD139.5mn in investment and facilitated more than AUD18.9mn in donations to community organisations through employees, customers, shareholders, other partners and the general public through the digital giving platform, Shout for Good. Dollar value of community investment is measured in accordance with the London Benchmarking Group methodology, a global standard for reporting community investment.
Governance	• Six principal Board Committees: Ethics, Environment, Social and Governance (EESG) Committee; Audit Committee; Risk Committee; Human Resources Committee; Digital Business and Technology Committee; Nomination and Board Operations Committee. • 8 members in the board of directors, of which 3 are female and 7 are considered as independent directors. Board is relatively diverse in terms of experience.

Barclays PLC

Main Industry	Financial Institution
Main Geographies	UK, Europe, the Americas and APAC
General Comments	• Included in the FTSE4Good Index and is a founding signatory to the Principles for Responsible Banking ("PRB") of the UN Environmental Programme Finance Initiative. • Founding member of the Financial Stability Board's Taskforce on Climate-related Financial Disclosures. • Key ESG themes for the bank are climate change, diversity and inclusion, human rights, supply chain code of conduct, bank code of conduct and ESG governance. • Formed the Board Reputation Committee in 2019 with responsibility to integrate social and environmental issues into its businesses. • Saw a y/y improvement in its external ESG ratings in 2020 from MSCI, Sustainalytics and S&P Global. • Assigned the highest environmental and social quality scores for corporate disclosures in terms of social and environmental reporting by Institutional Shareholder Services'. • Barclays' Environmental Social Governance (ESG) Reporting Framework sets out its commitment to the PRB and is prepared with reference to the SASB Financial Sector Standards and in accordance with GRI Standards. • Expanded its sustainable finance offerings through its Green Structured Notes program. • Underwriter on over 40/GBP25bn M&A and equity transactions that look to address environmental or social challenges.
Key Customer Types	• Individual customers, businesses, and institutional investors
Employees	• 83,000 in 2020 ESG Report. Females account for 46% of total employees and 26% of senior leadership. • By count, employees are mainly located in the UK, APAC, and Europe.
Environmental	• Involved in the UK Government's GBP10bn green bond, the largest inaugural sovereign green bond as part of lead managing 7 out 8 inaugural green bonds issued by European sovereigns since 2017. • Achieved carbon neutrality in 2020 in its operations through reducing scope 1 and 2 emissions, using 74% renewable energy and purchasing carbon offsets. • Set up interim operational targets to achieve net zero by 2050 including sourcing 100% renewable electricity for its global operations by 2030, have all campuses net zero for carbon, waste and water and achieve 70% energy intensity reduction by 2035. • Achieved GBP50bn in green financing against its GBP100bn target by 2030.
Social	• Appointed a Group Chief Diversity officer and announced new ambitions to increase minority representation in its workforce. • Has in place a 12-point Race at Work Action Plan. • Expanded its Female Innovators Lab that assists entrepreneurial women in Europe and the UK build businesses and build diversity in the FinTech sector. • Targets to have 28% of all Managing Directors and Directors as female by end 2021, up from 27%. • Provided GBP30bn in funding to SMEs under the UK government support schemes. • Established a GBP10mn Community Aid Package to 290 charity partners to assist individuals and communities during the pandemic. • Barclays' LifeSkills programme has helped over 10 million people since 2013 and is committed to helping a further 6 million people by 2022. 2.33 million people upskilled in 2020. • Average training hours per year per employee in 2020 was 13.
Governance	• 12 members in the board of directors, of which 4 are female and 10 are considered as independent directors. Board is relatively diverse in terms of experience.

BNP Paribas SA

Main Industry	Financial Institution
Main Geographies	France, North America, APAC, rest of Europe
General Comments	• CSR is fully embedded in BNPP's strategy (new strategy to be announced 4 February 2022) with CSR strategy approved by the board. • Included in the FTSE4Good Index and is a founding signatory to the Principles for Responsible Banking of the UN Environmental Programme Finance Initiative. • Member of Net-Zero Banking Alliance and Net-Zero Asset Owner Alliance. • Committed to carbon neutrality by 2050. • Voted World's Best Bank for Sustainable Finance in 2021 by IFR & Euromoney awards. • Top 3 worldwide in sustainable bond issuance and sustainability linked loans in 3Q2021 by volume. • Starting in 2011, the bank incorporated social and environmental factors into its strategy. • The bank contributed EUR17.8bn to the financing of renewable energies by end 2020, with a target of EUR20bn by end 2023. • Sustainability framework is tied to all 17 UN Sustainable Development Goals. • Sustainability report with reference to GRI is available as a separate report. • Committed to increase amount of financing and investments to companies considered as contributing directly to the achievement of UN SDGs by EUR10mn pa.
Key Customer Types	• Individual customers, businesses, and institutional investors
Employees	• 193,319 per website. Females account for 31% of senior leadership. • By count, employees are mainly located in France, North America, APAC and the rest of Europe.
Environmental	• Monitors customers' and suppliers' adherence to the bank's ESG standards. • Tracks and reports on energy use, total greenhouse gas intensity, water use, paper sources and waste sent for recycling. • Discontinued new financing of coal-fired power plants and prohibited the project financing of greenfield thermal coal mines. • The bank stopped lending to clients who specialize in non-conventional hydrocarbons and has committed to reduce loan exposure to oil and gas exploration and production by 10% by 2025. • In the maritime transportation sector, the bank is devoting EUR1bn between 2019 to 2025 to finance the ecological transition of ships. • EUR250mn in financing pledged for start-ups in the development of new technologies • Set environment related targets such as financing EUR20bn by 2023 for the development of renewable energies (EUR17.8bn as at end 2020). • EUR18.4bn in assets under management within BNPP Asset Management in green funds (earmarked or mobilised for environmental protection and energy transition) that are mostly invested in alternative energies and energy efficiency. • The bank has been carbon neutral at its operational level since 2017.
Social	• EUR145mn dedicated to investment in social impact and local development. • Support for the Social and Solidarity Economy through EUR2.2bn in support for social companies, EUR3bn in assets under management in solidarity funds as of 31 August 2021 and EUR6.3bn in support for Social and Solidarity Economy organisations as at end 2020. • Efforts focused on increased digitalization capabilities to improve financial inclusion as well as assisting customers at risk of over-indebtedness. More than 2 million beneficiaries of microfinance institutions financing (81% being women). • EUR20mn package for unsecured student loans in France. • Maintains greater than 95% of employees trained on ethics-related issues (97% in FY2020). • 90% of employees in FY2020 attended at least 2 training courses - target to maintain >90%.
Governance	• 15 members in the board of directors including 1 elected by employee shareholders and 2 employee-elected directors, of which 7 are female and 12 are considered as independent directors. Board is relatively diverse in terms of experience. • Ongoing compliance and anti-corruption training and audits to ensure financial security and meet remediation plan agreed in June 2014 with US authorities.

China Construction Bank Corporation

Main Industry	Financial Institution
Main Geographies	China
General Comments	• H-shares are included in the FTSE4Good Index. • The bank's ESG rating was further upgraded by MSCI in 2020 to A from BBB. • CCB Principal Asset Management joined United Nationals Principles for Responsible Investment in 2021 with an aim to build its green finance development framework system in 3 years. • The Bank signed the Green Investment Principles for the Belt and Road which is supported by the United Nations Principles for Responsible Investment and International Financial Corporation. • Became a supporter of the Taskforce on Climate-Related Financial Disclosure in May 2021. • At the end of 2020, balance of the Bank's green loans was RMB1.3trn, up 14% y/y. • The Bank issued its first green and sustainability bond in 2018 followed by another USD1bn and EUR500mn green bonds in 2019 on the theme of coping with global climate change. In 2021, issued 3-year and 5-year dual tranche sustainability-linked bonds (first sustainability-linked USD bond issued by a financial institution), a 3-year green bond (first offshore "water area protection" themed green bond issued by a Chinese-funded institution), and a 2-year offshore transition bond (the largest offshore RMB transition bond). • Corporate Social Responsibility report with reference to GRI is available as a separate report. • Implementing the New Finance initiative to alleviate poverty as well as a long-term mechanism for green finance development. • Advancing its "Three Major Strategies" for house rental, inclusive finance, and FinTech. • Contributing to China's "30:60" goal of peak carbon emissions by 2020 and carbon neutrality by 2060.
Key Customer Types	• Individual customers, businesses, and institutional investors
Employees	• 349,671 in 2020. Females account for 54% of total employees and 8% of senior leadership. • By count, employees are mainly located in Central and Western China.
Environmental	• As at 30 September 2021, green loans of RMB1.82tr are up 25.8% YTD using the statistical definition of green financing from China Banking and Insurance Regulatory Commission ("CBIRC"). • Also publishes information on green financing in line with the CBIRC's Notice on Work Related to Green Financing Statistics Rules including reduction in emissions related to coal, carbon dioxide, COD, ammonia and nitrogen, sulphur dioxide and nitric oxides. • The Bank offered support mainly to clean transportation and clean energy projects helpful for reducing greenhouse gas emissions and pollution prevention and control projects helpful for improving quality of air, water and soil.
Social	• Efforts focused on poverty alleviation and financial inclusion. • The bank set up the Rural Revitalization Finance Department to help the development of private enterprises and small and micro businesses. • In January 2021, issued a RMB20billion 3-year bond for small and micro business loans. • Training policy to improve employees' knowledge and skills including ESG concepts and sustainable development goals implemented through CCB University. Other programs include "Playing Your Part in Rural Revitalisation." • Carried out 448 ESG related training sessions to 687,000 participants including 374 online training sessions to 682,000 participants and 74 offline training sessions to 5,000 participants. • In line with targeted poverty alleviation plans, the bank expanded service channels and networks establishing 910 service outlets in state-level poverty-stricken counties, with 6,778 automatic teller machines, 2,211 self-service banks and 4,021 smart teller machines. Also established 244 featured workers' harbours for helping the poor and created jobs for around 350 people. • The Bank donated RMB132mn for poverty alleviation in 2020.
Governance	• 14 members in the board of directors, of which 2 are female and 6 are considered as independent directors. Board is relatively diverse in terms of experience. • A Related Party Transactions, Social Responsibilities & Consumer Protection Committee is set up under the Board of Directors for ESG management.

Commerzbank AG

Main Industry	Financial Institution
Main Geographies	Germany, UK, and the Americas
General Comments	• Responsibility for sustainability is at the CEO level with the Group Sustainability Management division established in December 2020 and reporting directly to the Chairman with three sustainable finance exports on the supervisory board. • Sustainability is one of the four pillars of Commerzbank's "Strategy 2024" along with customer-centricity, digitization and profitability. • Included in the FTSE4Good Index and is a founding signatory to the Principles for Responsible Banking of the UN Environmental Programme Finance Initiative. • Renewable energy portfolio was worth EUR5.1bn in 2020, stable y/y. Around 61% in onshore wind, 21% in offshore wind and 17% in solar. • Total volume of green, social and sustainability bond issuance under the lead management of the bank in 2020 was EUR46.3bn, up from EUR12bn as of 2019. • Sustainable business volumes of EUR100bn in 2020 with a target to grow this to EUR300bn by 2025. 1H2021 volumes are already up almost 40% compared to end 2020. Most products focused on advisory products (no balance sheet impact). • MSCI ESG rating upgraded to AA in 2021 from A in 2020. • The Reputational Risk Management department assesses environmental and social risks pertaining to the bank's core businesses. There were 4,500 transactions that had specific environmental, social and ethical issues in 2020, down from 5,450 in 2019 and 5,900 in 2018. • Sustainability framework is tied to all 17 UN Sustainable Development Goals. • Sustainability report with reference to GRI published separately on its website.
Key Customer Types	• Individual customers, businesses, and institutional investors
Employees	• 47,718 as at 31 December 2020. Females account for 33% of management positions with the target of 35% by end 2021 and 40% until 2030. • By count, employees are mainly located in the Germany and the UK.
Environmental	• Monitors customers' and suppliers' adherence to the bank's ESG standards. • Tracks and reports on energy use, total greenhouse gas intensity, water use, paper sources and waste sent for recycling. • Joined Science-based Targets Initiative ("SBTi") in September 2020 which is used to calculate and reduce carbon dioxide emissions associated with its credit portfolio. • Aims to be net-zero by 2040 for its banking operations and 2050 for its customer portfolio. Under "Strategy 2024", doubled carbon reduction target to 30% by 2025 (already achieved in 2020). • KlimaVest set up in 4Q2020 to build a portfolio of renewable energy generation assets, sustainable infrastructure, mobility and forestry assets worth at least EUR25bn. • Discontinued new financing of coal-fired power plants and reduced its coal portfolio by half in the last two years. Also prohibited the project financing of uranium mines. • Per a new policy for fossil fuels from 1 January 2022, it will (1) not onboard new clients with at least 20% of revenue or power production from coal or are planning to expand oil and gas activities and (2) give existing clients with at least 20% of revenue or power production from coal until 2025 to come up with an exit plan by no later than 2030. Existing clients in oil and gas to be subject to regular reviews in terms of environmental and social criteria.
Social	• Efforts focused on increased digitalization capabilities to improve financial inclusion. • Joined the UN Global Compact in 2006 that commits the bank to various human rights initiatives. • The Commerzbank Foundation stands for social responsibility and supports facilities and projects related to scientific, cultural and social activities throughout Germany. • In 2020, the bank donated around EUR1mn through various divisions. • The bank employs a part-time working model for 30% of its staff of which 87% are women. • Requirement for 5% of all jobs to be offered to people with disabilities. (5.65% currently).
Governance	• 20 members in the board of directors, of which 9 are female. 10 are elected by the bank's employees with 2 classified as labour union representatives. • Board is relatively diverse in terms of experience.

Credit Agricole Group

Main Industry	Financial Institution
Main Geographies	France, EMEA, APAC and the Americas
General Comments	• Included in the FTSE4Good Index and is a founding signatory to the Principles for Responsible Banking of the UN Environmental Programme Finance Initiative. • No.1 bookrunner worldwide for green bonds and No.1 in France for renewable energy financing. • The Strategy and CSR Committee enhances the bank's strategic thinking on growth, investments and CSR, and reports to the board. Chairman heads the 7 member committee along with the Deputy Chairman and two independent directors. • Published the bank's Societal Project in December 2021, a 10 commitment plan based on three priorities – acting for the climate and transition to a low carbon economy, strengthening cohesion and social inclusion and successfully achieving agricultural and agri-food transitions. • The bank has put in place a "transition rating" to measure the level of commitment and capacity of corporate customers to adapt their economic model to the challenges posed by the fight against global warming and the energy transition that is used by Amundi and Corporate Banking. • In December 2021, announced plans to raise EUR1bn to finance the transition of agriculture and food processing clients in Europe through both equity and debt funding. • Sustainability framework is tied to all 17 UN Sustainable Development Goals. • Sustainability report with reference to GRI is available as a separate report. • Committed to publish a consistency table to SASB as part of its non-financial performance statement for 2021.
Key Customer Types	• Individual customers, businesses, and institutional investors
Employees	• 142,000 in 2020. • By count, employees are mainly located in France, EMEA, APAC and the Americas.
Environmental	• Aims for carbon neutrality in its operations and investment and financing portfolios by 2050 and will publish roadmaps by December 2022 for 2025, 2030 and 2050. • Monitors customers' and suppliers' adherence to the bank's ESG standards. • Tracks and reports on energy use, total greenhouse gas intensity, water use, paper sources and waste sent for recycling. • Discontinued new financing of coal-fired power plants and prohibited the project financing of greenfield thermal coal mines. Targeted to exit thermal coal financing by 2030. • Pledged to stop funding oil and gas exploration in the Arctic region and reduce oil and gas extraction exposure in its investment bank by 20% by 2025. Total cessation of project financing directly linked to non-conventional hydrocarbon extraction by January 2022. • Set environment related targets such as doubling the size of the green finance portfolio to reach EUR13bn (Crédit Agricole CIB) by 2022, financing 1 in 3 French renewable energy projects, having 100% of large corporates financing activities and assets under active management with an ESG rating or evaluation by 2021, investing EUR6bn of the cash portfolio in socially responsible financial products, among others. • 100% of Amundi's EUR400mn actively managed open-ended funds to have a better energy transition rating then the benchmark universe by 2025. • Committed EUR20bn in funds through Amundi for investment in companies contributing to environmental or societal performance by January 2022. • Plans to double the production capacity of renewable energy facilities financed by Credit Agricole Assurances to 10.5 GW by 2025, achieve 50% growth in renewable energy project financing in France by 2025 by Unifergie, and achieve 60% growth in CréditAgricole CIB's exposure to non-carbon energy by 2025. • Creation of a platform dedicated to consulting and financing hydrogen projects.
Social	• Three goals in its "Ambitions 2022" strategic plan for developing social impact financing within Amundi (Sustainable Stock Exchange investments), Crédit Agricole Assurances (Contrat Solidaire life insurance policies and Crédit Agricole CIB (arranging social bonds). • Efforts focused on increased digitalization capabilities to improve financial inclusion. • The bank's Points Passerelle program supports customers in financial difficulty and prevent over-indebtedness at CACF and LCL. • EUR200mn in support for the economic development of rural populations in emerging countries. • Seeks to improve social diversity by accepting 750 trainees from "high-priority education networks" schools annually. • Pledging to increase gender diversity amongst its senior ranks with a target of 30%- 40% of female high-level executives by 2025, up from 25%- 30% currently. • No.1 private employer in France, committed to provide training and professional integration to 50,000 young people by 2025. • 100% of employees are trained in CSR issues.
Governance	• 18 members in the board of directors, of which 7 are female and 5 are considered as independent directors. Board is relatively diverse in terms of experience. • 2 directors appointed by two majority trade unions to represent employees. Another director represents agricultural organisations. • For Credit Agricole SA, 21 members are on the board of directors with 6 considered independent, 3 representing employees (1 representing employee shareholders) and 1 representing professional agriculture associations. 44% are female.

OCBC Bank

Credit Suisse Group AG

Main Industry	Financial Institution
Main Geographies	The Americas, Switzerland, EMEA and Asia Pacific
General Comments	• Included in the FTSE4Good Index and is a founding signatory to the Principles for Responsible Banking of the UN Environmental Programme Finance Initiative. • Also part of Do Jones Sustainability Europe Index and Dow Jones Sustainability World Index. • Uses the Equator and Poseidon Principles to determine environmental and social risks related to project-related transactions. • Sustainability, Research & Investment Solutions set up at the executive board level to integrate sustainability research and products. • Published a Sustainable Investment Framework in 2020 to reflect the central role that ESG considerations have in the investment process. Three themes include investments that do not harm, integrate material ESG factors and offer solutions to society's challenges. • Developed a Sustainable Activities Framework in 2021 to clarify how the bank reports its sustainable finance activities through sustainability linked products, general financing and specific use of proceeds and using a decision tree framework for definition and classification. • Credit Suisse Asset Management is a member of the Climate Action 100+ plan to reduce greenhouse gas emissions and fight climate change. • Member of International Capital Markets Association (ICMA) Climate Transition Finance and Sustainability-linked Bonds Working Group. • Extended USD34bn worth of sustainability-linked loans in 2020, up from USD20bn in 2019. • Sustainability framework is tied to all 17 UN Sustainable Development Goals. • Corporate responsibility report with reference to GRI is available as a separate report. • Target to provide at least CHF300bn in sustainable finance by 2030.
Key Customer Types	• Bulk of loans to large businesses and individuals. Shifting towards wealth management.
Employees	• 48,770 in 2020. Females account for 39% of total employees (target of 42%) and 28% of senior leadership. • By count, employees are mainly located in North America, Switzerland, other European countries.
Environmental	• Monitors customers' and suppliers' adherence to the bank's ESG standards. • Tracks and reports on energy use, total greenhouse gas intensity, water intensity, water and waste sent for recycling. • Client Energy Transition Frameworks implemented to priority sectors. • Commitment to source 100% of electricity from renewable sources by 2025. 94% of electricity consumed globally in 2020 was generated via renewable resources. • Involved in over USD130bn across over 150 transactions that funded clean and renewable energy businesses. • Reduced carbon emissions by 88% compared to 2010 baseline. • Discontinued new financing of coal-fired power plants and prohibited the project financing of greenfield thermal coal mines. • Has various sustainable development targets such as aiming to reduce greenhouse gas emissions by 75% and achieve a green label for 50% of operational space by 2025.
Social	• Efforts focused on increased digitalization capabilities to improve financial inclusion. • Co-chairs the World Economic Forum's Humanitarian Investing Initiative with the International Committee of the Red Cross, the World Bank Group and the Dutch government. • Each employee is allowed to devote up to four days per year to support CS' global partners or social initiatives in local communities as part of the bank's human capital strategy. • Employees participated in 58,300 hours of volunteer work in 2020. • 26% of employees participated in its Corporate Citizenship programs in 2021.
Governance	• 13 members in the board of directors, of which 3 are female and all 13 are considered as independent directors. Board is relatively diverse in terms of cultural ethnicity and experience. • Member of the International Corporate Governance Network that promotes corporate governance standards and investor stewardship to advance efficient markets and sustainable economies worldwide. • Following issues in 2021, the board has prioritized risk management initiating a fundamental risk review, defining roles, responsibilities and accountabilities more clearly and developing tools and processes to improve risk and controls. • Recently announced that the board will reduce to 12 members.

DBS Group Holdings Ltd

Main Industry	Financial Institution
Main Geographies	Singapore, China, India and other Southeast Asian countries
General Comments	• Included in the Bloomberg Gender-Equality Index and FTSE4Good Global Index. • First bank headquartered in Southeast Asia to adopt the Equator Principles. • Numerous industry awards in the area of Sustainable Financing. • Joined the United Nations-linked Net-Zero Banking Alliance ("NZBA") in 2021. • Commitment to net zero emissions across its lending and investment portfolios by 2050 and net zero carbon emissions across the bank's operations by 2022. • CEO is assisted by the Group Sustainability Council regarding sustainability matters. • Adopted MSCI ESG ratings for wealth products, advisory and discretionary portfolio services. • Exposure to renewable energy projects was SGD4.2bn in 2020, up from SGD2.85bn in 2019. • Its Sustainable and Transition Finance Framework and Taxonomy was published in June 2020 aims to formalize advisory, recommendations and monitoring in ESG risk management and facilitate sustainable finance opportunities. • Recently raised its sustainable finance target to SGD50bn by 2024 with SGD30bn concluded as of end October 2021. • Sustainability framework is tied to six UN Sustainable Development Goals. • Sustainability report with reference to GRI available as a separate report.
Key Customer Types	• Individual customers, businesses, and institutional corporates • Over 240,000 institutional banking customers while the consumer banking base consists of over 10.7mn clients.
Employees	• 29,148 in 2020. Females account for 51% of total employees and 40% of senior leadership. • ~4% are covered by collective bargaining agreements. By count, employees are mainly located in Singapore, Hong Kong and Greater China.
Environmental	• Monitors customers' adherence to the bank's ESG standards. • Ceased financing new coal-fired power plants in April 2019 after honouring existing commitments toward its goal of zero thermal coal commitments by 2039. Will also cease onboarding new customers who derive more than 25% of revenue from thermal coal and lower the threshold over time. DBS will also stop financing customers that derive more than 50% of revenue from thermal coal from January 2026, except for their non-thermal coal or renewable energy activities. • 100% of Singapore branches are Green Mark Certified by the Building and Construction Authority • As a signatory to the NZBA, DBS will publish absolute emissions and emissions intensity annually within a year of setting targets and formalize its approach to carbon credits and offsets in transition plans. • Has various sustainable development targets such as aiming to finance SGD10bn of renewable and clean energy-developments and SGD10bn of green projects by 2024. • About 21% of total electricity consumption comes from renewable sources and aims to source 100% renewable energy for Singapore-based operations by 2030.
Social	• Efforts focused on increased digitalization capabilities to improve financial inclusion. Provided 30mn financial planning insights to customers. • Approved SGD5.2bn in mortgage relief during the pandemic and SGD11bn in loan moratoriums for companies that were primarily SMEs. • Disbursed SGD550,000 to 14 social enterprises across the region through the DBS Foundation Business Transformation and Improvement Grant and provided SGD7.3mn in unsecured loans to 692 social enterprises under its Social Enterprise Banking Package. • Disbursed SGD1.4mn in grants to 13 social enterprises from key markets. • Employees provided almost 57,000 in volunteering hours. • Over 18,000 employees have been trained in data literacy and awareness. • Over 7,200 employees identified for reskilling/upskilling under various programmes. • 83% of RMs and CRMs have undergone ESG training. • Average training hours per year per employee increased was slightly improved y/y at 38.9 in 2020.
Governance	• 10 members in the board of directors, of which 2 are female and 6 are considered as independent directors. Board is relatively diverse in terms of experience. • Ranked equal 10th in the 2021 Singapore Governance and Transparency Index ("SGTI").

HSBC Holdings PLC

Main Industry	Financial Institution
Main Geographies	Hong Kong, UK, North America, APAC and EMEA
General Comments	• First participating bank in the Enterprise Financing Scheme-Green Scheme that was launched in early October 2021 by Enterprise Singapore to provide transition finance to corporates. • Established a debt financing platform with Temasek Holdings Pte Ltd for financing sustainable infrastructure to Southeast Asian countries most vulnerable to global warming. Aim is to provide more than USD1bn in public and private financing. • Named Investment Bank of the Year for Sustainability in 2020 by The Banker and named the World's Best Sustainable Bank by Euromoney magazine in 2019 and 2020. • Included in the FTSE4Good Index and is a signatory to the Principles for Responsible Banking of the UN Environmental Programme Finance Initiative. • Established an Environmental, Social and Governance (ESG) Solutions unit to provide advice, expertise and financing ideas as part of a new Strategic Solutions Group within the bank's Capital Financing & Investment Banking Coverage division. • Target to delivering USD100bn of sustainable financing by the end of 2025 with USD93.0bn to date comprising USD66.9bn for capital flows and access to capital markets, USD20bn in financing and USD6.1bn in investments for environmental and social goals. • ~89% of total assets under management at HSBC Global Asset Management were invested according to at least one of the seven strategies defined by the Global Sustainable Investment Alliance as at December 2020. • The ESG Steering Committee and Group Risk Committee handles ESG-related matters and risks. • Sustainability framework is tied to all 17 UN Sustainable Development Goals. • Sustainability report with reference to GRI is available as a separate report.
Key Customer Types	• Individual customers, businesses, and institutional investors
Employees	• 226,000 in 2020. Females account for 52% of total employees and women in senior leadership is 30.3%, above the 30% target set in 2018. • By count, employees are mainly located in Hong Kong and the UK.
Environmental	• Committed to net zero financed emissions by 2020, in line with the Paris Agreement. • Target to provide USD750bn-USD1tr of investment towards transition finance. • At the 2021 AGM, committed to phase out the financing of coal-fired power and thermal coal mining by 2030 in the EU and OECD, and by 2040 in other markets. Discontinued new financing of coal-fired power plants and prohibited the project financing of thermal coal mines. • Expects all existing thermal coal related clients to publish transition plans by end 2023 and will not provide new financing, refinancing or advisory services if plans are not compatible with HSBC's net zero by 2050 target or there is no credible transition plan within an acceptable time frame. Client transition plans will be assessed annually. New financing to existing EU clients will be declined where thermal coal makes up more than 40% of total revenues (or more than 30% of total revenues by 2025) unless new lending is explicitly for clean technology and infrastructure. • Intends to reduce thermal coal financing exposure by at least 25% by 2025 and 50% by 2030. • Monitors customers' and suppliers' adherence to the bank's ESG standards. • Tracks and reports on energy use, total greenhouse gas intensity, paper sources and waste sent for recycling. • 1.76 tonnes of CO_2 emissions per FTE over 2020, below the 2.0 tonnes per FTE target. • In 2020, 37.4% of the bank's electricity came from renewable sources (up from 19% in 2019). Set environment related targets such as sourcing 100% of electricity from renewable sources by 2030. • Around 19.6% of wholesale loans to transition risk sectors including building and construction, chemicals, oil and gas and power and utilities.
Social	• Share of females in the Group Executive Committee and their direct reports is 30.5%, up from 27% in 2019. Aspirational target for women in senior leadership increased to 35% by 2025. • Aim to double the number of Black employees in senior leadership by 2025. • Implemented the Accelerating Female Leaders programme and Accelerating Into Leadership (AIL) programme to develop high performing women and ethnic minorities. • Future Skills curriculum launched in 2020 to develop skills in change and resilience for future workforce success. 5.2mn hours of training provided. • Founding member of World Economic Forum's Partnership for Racial Justice in Business initiative that coordinates commitments, advocates for inclusive policy change, and sets global standards for racial equity in business. • Signatory of UN Standards of Conduct for Business that addresses discrimination. • Founding partner of The Global Business Collaboration for Better Workplace Mental Health. • USD112.7mn in charitable donations were provided in 2020 including USD25mn in its COVID-19 donation fund. • 82,000 hours in community activities provided by employees in 2020.
Governance	• 14 members in the board of directors, of which 6 are female and 10 are considered as independent directors. • Recently fined USD85mn for serious weaknesses in processes to monitor suspicious transactions and failing to comply with money laundering regulations between 2010 and 2018.

Julius Baer Group Ltd

Main Industry	Financial Institution
Main Geographies	The Americas, Switzerland, EMEA and Asia-Pacific
General Comments	• Included in the FTSE4Good Index and is a founding signatory to the Principles for Responsible Banking of the UN Environmental Programme Finance Initiative. • Impact Investing Ecosystem established in 2020 to address use of natural and human resources. • Assets under management ("AuM") with ESG integration rose 17.6% y/y to CHF64.9bn, AuM with discretionary sustainability mandates rose 22.6% y/y to CHF3.2bn in 1HFY2021. Assets with ESG Integration of CHF55.2bn in FY2020 comprised 12.7% pf total AuM while discretionary sustainability mandates rose 51.9% y/y in FY2020 to CHF2.5bn. • Corporate Sustainability & Responsible Investment Team reports to the Sustainability Board, which in turn advises the Executive Board. Sustainability Board chaired by the CEO. • Sustainability framework is tied to all 17 UN Sustainable Development Goals. • Corporate responsibility report with reference to GRI is available as a separate report.
Key Customer Types	• Mostly individuals, private clients.
Employees	• 6,897 in 2020. Females account for 43% of total employees and 28.6% of senior leadership in 1HFY2021 (target for 30% by 2023). • By count, employees are mainly located in Switzerland, Asia-Pacific and other European countries.
Environmental	• Monitors customers' and suppliers' adherence to the bank's ESG standards. • Tracks and reports on energy use, total greenhouse gas intensity and water use. Energy consumption fell 0.6% y/y in FY2020 while greenhouse gas emissions fell 59.3% y/y (largely due to lower business travel) and water consumption fell 47% y/y. • Developed new climate strategy. • In 2020, the bank's Swiss locations sourced 100% renewable electricity, which accounted for 69% of reported global electricity consumption. • Has been carbon neutral across its operations for five years through the purchase of carbon credits.
Social	• Efforts focused on increased digitalization capabilities to improve financial inclusion. • Some staff completed 20 hours of classroom training and 130 hours of self-study and exams in ESG training for the CFA UK Certificate in ESG Investing. • CHF6mn in community giving in 1HFY2021. • 167 philanthropy advisory mandates in 1HFY2021, up from 100 in FY2020. • Total community giving of over CHF8.59mn in FY2020, with contributions mainly focusing on the pandemic. Pledged another CHF5mn in 1HFY2021 for disadvantaged individuals, families and children and USD1.4mn for pandemic support in India. • Recorded 432 hours of volunteer work in 2020, down from 2019 due to the pandemic. • Developed a cybersecurity framework and ran training and awareness campaigns on information and data security for employees.
Governance	• 10 members in the board of directors, of which 4 are female and all 10 are considered as independent directors. Board is relatively diverse in terms of cultural ethnicity, experience, and gender.

Landesbank Baden-Württemberg

Main Industry	Financial Institution
Main Geographies	Germany
General Comments	• Founding signatory to the Principles for Responsible Banking of the UN Environmental Programme Finance Initiative. • Sustainability one of LBBW's four strategic pillars with Business Focus, Digitisation, and Agility. Responsibility to the region's people and companies as a public sector bank. • Various high sustainability ratings from Sustainalytics (82/100) and MSCI (AA). • Share of sustainable project financings in new business increased to 69% in 1H2021. • Largest ESG issuer in 1H2021 amongst European commercial banks with EUR6.7bn. EUR5.8bn in sustainable bonds (green and social) issued in 2020. • Generated more than EUR500mn in new ESG business with corporates. • Sustainable assets managed was around EUR23bn at the end of 2020. The proportion of sustainably managed assets in Asset Management is well above the market average. • The Chairman of the Board of Directors heads the Sustainability Steering Committee. This along with the Sustainability Committee (headed by the head of sustainability management) reports to the Board of Directors who are responsible for the sustainable corporate governance of the group and compliance with the sustainability policy. • In 2020, the bank's sustainability program comprised a total of 31 projects, where 23 were completed while four were partially completed and four uncompleted due to the pandemic. Around 35 projects are currently ongoing for targeted completion in 2021 and beyond. • Sustainability framework is tied to all 17 UN Sustainable Development Goals. • Sustainability report with reference to GRI is available as a separate report.
Key Customer Types	• Individual customers, businesses, and institutional investors
Employees	• 10,121 in 2020. Females account for 51% of total employees and 19.6% of senior leadership. • 2.4% are covered by collective bargaining agreements. By count, employees are mainly located in Germany.
Environmental	• Monitors customers' and suppliers' adherence to the bank's ESG standards. • Tracks and reports on energy use, total greenhouse gas intensity, water use, paper sources and waste sent for recycling. • Discontinued new financing of coal-fired power plants and prohibited the project financing of greenfield thermal coal mines. • Does not engage in project financing of upstream oil and gas. • Every second project financed by LBBW is in renewable energy, accounting for 51% in 2020. Renewable energy comprised 85% of all energy sector project financing, mostly in wind. • Set environment related targets such as reducing its absolute carbon emissions by 25% by 2020 based on 2009 figures (achieved), reducing energy consumption, and using a high percentage of recycled paper, among others. • Achieved short term target of reducing absolute CO_2 emissions by 20% and offsetting remaining emissions through reforestation. • The bank has been meeting its electricity needs with power from renewable energies since 2009.
Social	• Efforts focused on increased digitalization capabilities to improve financial inclusion. • In 2018, the bank developed the LBBW Social Bond Program, which finances social and community projects. • Joint lead manager of EU's SURE program that provides financial support to Member States for work schemes to preserve jobs and support incomes. Issued first social bond for retail customers in 1H2021. • Its BeWoman initiative aims to improve financial responsibility and education. • In 2020, the bank assisted 295 charitable institutions with total donations of around EUR792,000. • In 2018, LBBW signed up to the "Chefsache" initiative, a network aimed at achieving gender balance in management positions. • Parental leave policies exceed legal standards in most locations.
Governance	• 20 members in the supervisory board. Seven employee representatives on the board currently.

National Australia Bank Ltd

Main Industry	Financial Institution
Main Geographies	Australia and New Zealand
General Comments	• Included in the FTSE4Good Index and is a signatory to the Principles for Responsible Banking of the UN Environmental Programme Finance Initiative. • Established a Sustainability Council in 2021 to formalise and facilitate work on sustainability. • Targets AUD70bn in environmental financing by 2025 and AUD2bn in affordable housing financing by 2023 (AUD1.8bn to date). • Refreshed its climate change strategy in 2021 to align its lending portfolio to net zero emissions by 2050, focusing on transition financing to decarbonise and build climate resilience. • Sole arranger of TCorp's green bond, Australia's biggest green bond to fund sustainable transport and infrastructure. Also was arranger on Australian Catholic University's AUD200mn sustainability bond to finance green buildings and social impact research, Australia's first sustainability bond and the world's first sustainability bond from a university. • Provided AUD1.1bn in financing for renewable energy projects with renewable energy project financing now at AUD11.5bn since 2003. • Sustainability framework is tied to all 17 UN Sustainable Development Goals. • Sustainability report with reference to GRI is available as a separate report. • Currently subject to additional temporary capital requirements to address higher operational risk in its risk governance self-assessments as announced by the regulator in July 2019.
Key Customer Types	• Individual customers, businesses, and institutional investors
Employees	• 33,275 in 2021. Females account for 50% of total employees and 34% of senior management. • By count, employees are mainly located in Australia and New Zealand.
Environmental	• Participated in the Australian Prudential Regulatory Authority led Climate Vulnerability Assessment. • Monitors customers' and suppliers' adherence to the bank's ESG standards. • Tracks and reports on energy use, total greenhouse gas intensity, paper sources and waste sent for recycling. Reduced paper use by 55% in 2021 and reduced science-based greenhouse gas emissions from 2015 baseline by 55%. • Committed to AUD70bn in environmental financing by 2025 to address climate change. AUD56.3bn provided since 2015. • Capped thermal coal mining exposures at 2019 levels, followed by a reduction of 50% by 2028 and complete reduction by 2035, apart from residual performance guarantees to rehabilitate existing coal assets. • Set environment related targets for 2025 compared to 2019 such as 30% reduction in energy use, 20% reduction in office paper use, 5% reduction in water use and sourcing 100% of electricity from renewable sources by 2025. Sourced 31.4% of 2021 electricity consumption from renewable sources. • Renewables represent 71% of the bank's power generation exposures. • 83% of key Australian offices are Green Star rated.
Social	• Efforts focused on increased digitalization capabilities to improve financial inclusion. • Paid parental leave of 12 weeks extended to eligible parents, regardless of gender. • Target is to have every employee level with 40-60% of either gender and to reduce the gender pay gap. • 2019-21 Workplace Gender Equality Agency Employer of Choice for Gender Equality citation and included in the 2021 Bloomberg Gender-Equality Index. • In 2021, contributed AUD64.6mn to communities, AUD5.6mn in grants and support to customers, colleagues and communities and AUD30mn in charitable gifts and donations.
Governance	• 9 members in the board of directors, of which 3 are female and 8 are considered as independent directors. Board is relatively diverse in terms of experience. • Actively implementing reforms following the Banking & Financial Services Royal Commission.

Société Générale

Main Industry	Financial Institution
Main Geographies	France, EMEA, APAC and the Americas
General Comments	• Included in the FTSE4Good Index and is a founding signatory to the Principles for Responsible Banking of the UN Environmental Programme Finance Initiative. • Launched "ESG by Design" to drive operational implementation of ESG and E&S risk management and "ESG Analytics" to develop ESG reporting, metrics and data production. • Over 175 green bond mandates completed since 2013 for around EUR170bn. • Completed its first cross-currency swap with a bilateral sustainability commitment with Enel and organized its first sustainability linked loan in India to support renewable energy and digital inclusion. • The bank developed a Sustainable and Positive Impact ("SPI") bond framework in 2020 for financing green and social activities. Total sales of SPI compliance investment products were EUR26.9bn in 2020 (EUR19.1bn in 2019) and SPI compliant assets under management was EUR52.6bn in 2020 (EUR29.5bn in 2019). • The bank supports growth in Africa via supporting SMEs, infrastructure financing, financial inclusion, financing the farming and renewables sectors. • Sustainability framework is tied to all 17 UN Sustainable Development Goals. • Sustainability report with reference to GRI is available as a separate report.
Key Customer Types	• Individual customers, businesses, and institutional investors
Employees	• 133,000 in 2020. Females account for 43% of management positions. • By count, employees are mainly located in France, EMEA, APAC and the Americas.
Environmental	• Monitors customers' and suppliers' adherence to the bank's ESG standards. • Tracks and reports on energy use, total greenhouse gas intensity, water use, paper sources and waste sent for recycling. • Ranked number 1 by Dealogic for Renewable Energy Project Financing in EMEA in 1H2021. • Over 50% of renewable energy in its financed electricity mix as at mid-2020. • Target to reduce own emissions by 50% over 2019-2030 and commit EUR120bn to energy transmission over 2019-2023 (67% achieved as at end 2020). • The bank plans on a total exit from thermal coal for EU and OECD countries by 2030, and by 2040 for the rest of the world. • Other targets include reducing overall exposure to oil and gas exploration by 10% by 2025 compared to 2019 levels, CO2 emissions in shipping portfolio by 40% by 2030 and 50% by 2050, and carbon emission intensity of power portfolio by 18% by 2025 and 75% by 2040. • Achieved goal of reducing carbon emissions per occupant by 25% by 2020 (compared to 2014 – achieved in 2019) and increasing the energy performance of the group's buildings by 25%.
Social	• Efforts focused on increased digitalization capabilities to improve financial inclusion. • 100% of group employees covered by an agreement on fundamental rights with the international federation of trade unions. • EUR95mn in Assets under management with microfinance institutions in 2020 with a target of EUR120mn by 2022. • The Société Générale Foundation has supported 1,192 non-profit projects since 2006, in 33 countries for a total of EUR36mn. • Mandatory E&S risk training implemented for over 40,000 staff and energy transition training for over 10,000 staff. • 98% of staff members completed code of conduct training as at May 2021. • 3,626 employees took part in solidarity initiatives in 2020 devoting 15,397 days.
Governance	• 16 members in the board of directors, of which 6 are female and 11 are considered as independent directors. Board is relatively diverse in terms of cultural ethnicity and experience. • 2 directors elected by employees and 1 elected by employee shareholders. • As part of its recent senior management restructure, Chief Executive Officer Frederic Oudea will take control of SocGen's risk and compliance functions.

Standard Chartered PLC

Main Industry	Financial Institution
Main Geographies	Greater China and North Asia, Southeast and South Asia, Europe, Americas
General Comments	• Included in the Bloomberg Gender-Equality Index and is a signatory of the United Nations Collective Commitment to Climate Action. • 12 Sustainability Aspirations are aligned to the UN Sustainable Development Goals across three pillars with measurable targets related to Sustainable Finance (ESG focused financing to support sustainability and combat climate change), Responsible Company (conduct focused on improving staff, environment, ethics and financial crime aspirations) and Inclusive Communities (community engagement). • Recognized as a diversity leader in the Financial Times list of European 2021 leaders for workplace diversity and inclusion. • Signed the Women in Finance Charter that commits to having women occupy 30% of the top four levels of senior roles by 2020. • Brand, Values and Conduct Committee reviews the development and management of its Sustainability culture and values, including diversity and inclusion and employee engagement. • Implemented a Green and Sustainable Product Framework to support its Responsible Company goal including financing restrictions on extractive industries (tar sands, arctic exploration) and others harmful to the environment (coal fired power projects, nuclear power plants where there is the risk of irresponsible use of nuclear technology. Target to facilitate USD75bn of sustainable infrastructure, clean tech and renewables between 2020 and December 2024. • Target to fund and facilitate USD35bn of renewable energy from 2020 to end 2024 and USD40bn in project financing for infrastructure projects that promote sustainable development. • Launched in 2019 its first emerging market focused sustainability bonds and world's first sustainable deposit. • 78.4% of sustainability aspirations on track or achieved in 2020, down from 93.1% in 2019.
Key Customer Types	• Mostly individuals and small businesses although larger clients (Corporate & Institutional Banking) contribute 49% of 2020 operating income. • Retail Banking and Private Banking represented 45% of total customer loans and advances in 2020.
Employees	• ~85,000 globally. Females account for 45% of all employees and 29.5% of senior leadership in 2020. • Implemented a Living Wage for all employed workers in 2019.
Environmental	• Committed to reducing environmental impact through targets to reduce energy, water and paper consumption. 37% reduction in carbon footprint in 2020. • Target to reduce annual greenhouse gas emissions (Scope 1 and 2) to net zero by 2030 with an interim target of 60,000 tCO2e by December 2025. 117,859 tCO2e achieved in 2020. • USD18.4bn in financing provided for clean technology in 2020 and USD2.4bn for sustainable infrastructure. • Targeting to source only renewable energy by 2030 – 7.4% sourced in 2020. • Calculates greenhouse gas ("GHG") emissions while an independent party (Global Documentation) provides assurance of Scope 1 and 2 GHG emissions and waste and water data.
Social	• 2.6% of prior year operating profit (USD95.7mn) invested in communities, above 0.75% target. • Efforts focused on increased digitalization capabilities to improve financial inclusion, particularly in Africa. • Established employee resource groups covering gender equality, LGBT & Allies and people with disabilities and an Inclusive Leadership Programme. • Goal in 2021 for 100% of employees to have a growth plan in place. • Targeting to have 35% of senior roles filled by women by 2025 with 30% interim target by 2020. • Supplier Diversity principles aim to incorporate diversity and inclusion into Standard Chartered's supply chain. • 36,000 volunteering days in 2020 with 26% of employees volunteered in 2020. • USD579mn of credit approved for clients in support of COVID-19 and USD27.8mn donated for emergency relief. • 168,000 young people supported through its Futuremakers program.
Governance	• 14 members in the board of directors, of which 5 is female and 10 are considered as independent directors. Board is relatively diverse in terms of experience and cultural ethnicity. • Has established a Board Diversity Policy which seeks to ensure that diversity remains a central feature of the board with merit-based appointments also considering diversity of gender, social and ethnic background, skills and experience.

UBS Group AG

Main Industry	Financial Institution
Main Geographies	The Americas, Switzerland, EMEA and Asia-Pacific
General Comments	• Included in the FTSE4Good Index and is a founding signatory to the Principles for Responsible Banking of the UN Environmental Programme Finance Initiative. • The Corporate Culture and Responsibility Committee and the Global Environmental and Social Risk Committee are responsible for ESG-related developments and risks. • USD793bn of core sustainable investment assets (62% y/y increase), comprising 18.9% of total invested assets. • USD6.9bn in SDG-related impact investments in 2020. • Has been presenting white papers to the World Economic Forum regarding recommendations for ways in which private capital can achieve the long-term Sustainable Development Goals. • Supported 33 green, social and sustainability bond transactions in 2020 (25 green and sustainable bonds in 2019). • 100% of UBS retirement savings fund assets converted into sustainable investments (~USD9bn). • Sustainability framework is tied to all 17 UN Sustainable Development Goals, with an emphasis on (4) Quality Education, (8) Decent Work and Economic Growth, (12) Responsible Consumption, (13) Climate Action and (17) Partnerships for the Goals. • Sustainability report with reference to GRI is available as a separate report.
Key Customer Types	• Individual customers, businesses, and institutional investors.
Employees	• 71,551 in 2020. Females account for 39% of total employees and 26% of senior leadership. Target of 30% by 2025. • By count, employees are mainly located in Switzerland, EMEA, Asia-Pacific and the Americas.
Environmental	• Monitors customers' and suppliers' adherence to the bank's ESG standards. • Tracks and reports on energy use, total greenhouse gas intensity, water use, paper sources and waste sent for recycling. • USD15.3bn in Climate Aware strategies in FY2020. USD160.8bn in climate related sustainable investments, up from USD108bn in 2019. • In 2020, the bank sourced 100% of its electricity from renewable sources (72% in 2019). • Exposure to carbon-related assets on the banking balance sheet of 1.9% as of 31 December 2020, down from 2.3% in 2019 and 2.8% in 2018. • Discontinued new financing of coal-fired power plants and prohibited the project financing of greenfield thermal coal mines. • Set environment related targets such as achieving net zero emissions in its own operations by 2025 and reducing its greenhouse gas footprint by 75% from the 2004 baseline year by the end of 2020, reducing energy consumption by 5% below 2016 level.
Social	• Efforts focused on increased digitalization capabilities to improve financial inclusion. • In 2020, UBS Optimus Foundation raised USD168mn in donations (74% y/y rise) and helped improve the well-being of 3.7mn vulnerable people. • USD30mn committed to COVID-19 related aid projects to support communities with USD22.1mn donated to local programs. • 519,534 beneficiaries benefited from strategic community affairs activities. • Doubled the permanent employee volunteering allowance to four days to support COVID-19 relief efforts in various communities. • 105,452 hours invested in community projects by employees through volunteering, 22% of total employees volunteered, down from 2019 due to COVID-19. • Parental leave policies exceed legal standards in most locations. • Direct vendors are bound to the UBS Responsible Supply Chain Standard which defines the bank's expectations regarding environmental protection, avoidance of illegal labour, health and safety issues among others.
Governance	• 13 members in the board of directors, of which 4 are female and 12 are considered as independent directors (all except Chairman). • Board is relatively diverse in terms of cultural ethnicity and experience. • Colm Kelleher nominated as chairman to replace Axel Weber in April at UBS' next annual meeting in April. Lukas Gaehwiler has been nominated as vice chairman.

United Overseas Bank Ltd

Main Industry	Financial Institution
Main Geographies	Singapore, Malaysia, China, and other Southeast Asian countries
General Comments	• Included in the Bloomberg Gender-Equality Index and is a signatory of the United Nations-Supported Principles for Responsible Investment. • Four Green Umbrella Frameworks including Real Estate Sustainable Financing, Smart City Sustainable Financing Framework, Green Financing for Circular Economy, and Green and Sustainable Trade Finance and Working Capital. • Extended SGD13bn worth of sustainable financing (green loans, sustainability linked loans and loans for green certified buildings) to corporates in total as at end 1H2021 and facilitated SGD300mn in ESG-focused product transactions. Almost half (SGD6bn done over FY2020 and 1H2021). • The Group ESG Committee reports to the Management Executive Committee, which in turn reports to the Executive Committee and the Board. • Manages AUM of SGD781mn worth of investments that incorporate ESG/social impact factors in the investment process. Total AUM of SGD5.7bn in ESG-focused investments as at end 1H2021. • Sustainability framework is tied to all 17 UN Sustainable Development Goals. • Sustainability report with reference to GRI is available as a separate report.
Key Customer Types	• Bulk of loans in 2020 went to corporates (~60%) and individuals (~34%).
Employees	• 25,466 in 2020. Females account for 61% of total employees and 35% of senior leadership. • 12% of employees in Singapore, 90% in Malaysia and 23% in Indonesia are covered by collective bargaining agreements. By count, employees are mainly located in Singapore, Hong Kong and Greater China.
Environmental	• Monitors customers' and suppliers' adherence to the bank's ESG standards. • Tracks and reports on energy use, total greenhouse gas intensity, water intensity, water and waste sent for recycling. • Discontinued new financing of coal-fired power plants and prohibited the project financing of greenfield thermal coal mines. • Discontinued new financing of greenfield palm oil plantations. • Contributed 120,000 tonnes (t) of carbon dioxide (CO2) equivalent (e) (tCO2e) to annual avoided greenhouse gas emissions. • Has various sustainable development targets such as aiming to double the renewables portfolio (consisted of 17% of the bank's power-related portfolio in 2020 (24% in 2019)) by 2023 (achieved in 2020) and implementing targeted programs to support the growth of emerging 3R (Reduce, Reuse, Recycle) businesses.
Social	• Efforts focused on increased digitalization capabilities to improve financial inclusion. • 16 million low-income individuals reached through UOBVM's impact investments. • SGD6.3mn in contributions to promote social development in art, children and education. • SGD23mn in benefits to employees under the Healthy Employees, Active Lifestyles program. SGD20mn invested in employee training and development. 91% of employees in 2020 trained in "Cultivating a Diverse and Service Inclusive Workplace." Target to have 100% completion by 2021. • Volunteer hours per year per employee was 0.7 in 2020, down from 2.2 in 2019 due to the pandemic. Total hours of 19,000. • Supported over 1mn individuals and over 20,000 SMEs through the pandemic with restructuring and other assistance covering SGD32bn. • SGD6.3mn in monetary and in-kind community contributions.
Governance	• 11 members in the board of directors, of which 1 is female and 8 are considered as independent directors. Board is relatively diverse in terms of experience. • Ranked 6th in the 2021 Singapore Governance and Transparency Index ("SGTI"). • No material fine, penalty or sanction imposed for non-compliance and no material losses from legal proceedings, in line with target to maintain zero material regulatory issues.

Westpac Banking Corporation

Main Industry	Financial Institution
Main Geographies	Australia and New Zealand
General Comments	• Included in the FTSE4Good Index and is a signatory to the Principles for Responsible Banking of the UN Environmental Programme Finance Initiative. • Its 2021-2023 Sustainability Strategy outlines three main priorities which are helping individuals and businesses build strong financial futures, supporting the social, economic and environmental welfare for Australia and collaborating for impact by learning and sharing with partners globally. • Largest financier to greenfield renewable energy projects in Australia in the last five years. • Targets AUD3.5bn and AUD15bn of new lending to climate change solutions by 2023 and 2030 respectively. AUD1.9bn in new lending in FY2021. • Group ESG and Reputation Committee has replaced the previous Sustainability Council. Chaired by the CEO, it oversees progress of our ESG agenda. • Sustainability framework is tied to all 17 UN Sustainable Development Goals. • Sustainability report with reference to GRI is available as a separate report. • Currently under a Court Enforceable Undertaking to address governance weaknesses arising from breaches of the Anti-Money Laundering and Counter-Terrorism Financing Act and subject to AUD1bn in additional temporary capital requirements to address higher operational risk in its risk governance self-assessments as announced by the regulator in July 2019.
Key Customer Types	• Individual customers, businesses, and institutional investors
Employees	• 40,143 in 2021. Females account for 55% of total employees and 36% of the executive team by December 2021, ahead of 2023 and 2017 targets. • By count, employees are mainly located in Australia and New Zealand.
Environmental	• Monitors customers' and suppliers' adherence to the bank's ESG standards. • Tracks and reports on energy use, total greenhouse gas intensity, and paper sources. • The bank was carbon neutral in 2021. • The bank plans on managing its thermal coal mining portfolio in line with a commitment to reduce its exposure to zero by 2030. • Set environment related targets such as reducing Scope 1 and 2 emissions by 90% and Scope 3 supply chain emissions by 35% by 2030, and sourcing 100% of global electricity consumption from renewable sources by 2025, among others. 79% as at 30 September 2021. • Reduced scope 1 and 2 emissions by 58% against a 2016 base year and 43% against 2020.
Social	• Efforts focused on increased digitalization capabilities to improve financial inclusion. • Community investment of AUD144mn in FY2021. • AUD1.6mn in spending towards Indigenous-owned businesses in 2020. • Target of 1.5% of its Australian permanent workforce to identify as Aboriginal and/or Torres Strait Islander heritage by end FY2024 and 3% by end FY2028. • Invested AUD144mn in the community in 2021 and donated over AUD2mn to community groups and charities. • Lost Time Injury Frequency Rate was 0.3 in 2021 (0.4 in 2020). • 97% of employees have completed risk learning modules.
Governance	• 11 members in the board of directors, of which 4 are female and 10 are considered as independent directors. Board is relatively diverse in terms of experience.

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Explanation of Issuer Profile Rating / Issuer Profile Score

Positive ("Pos") – The issuer's credit profile is either strong on an absolute basis or expected to improve to a strong position over the next six months.

Neutral ("N") – The issuer's credit profile is fair on an absolute basis or expected to improve / deteriorate to a fair level over the next six months.

Negative ("Neg") – The issuer's credit profile is either weaker or highly geared on an absolute basis or expected to deteriorate to a weak or highly geared position over the next six months.

To better differentiate relative credit quality of the issuers under our coverage, we have further sub-divided our Issuer Profile Ratings into a 7-point Issuer Profile Score scale.

IPR	Positive		Neutral			Negative	
IPS	1	2	3	4	5	6	7

Explanation of Bond Recommendation

Overweight ("OW") – The bond represents **better relative value** compared to other bonds from the same issuer, or bonds of other issuers with similar tenor and comparable risk profile.

Neutral ("N") – The represents **fair relative value** compared to other bonds from the same issuer, or bonds of other issuers with similar tenor and comparable risk profile.

Underweight ("UW") – The represents **weaker relative value** compared to other bonds from the same issuer, or bonds of other issuers with similar tenor and comparable risk profile.

Please note that Bond Recommendations are dependent on a bond's price, underlying risk-free rates and an implied credit spread that reflects the strength of the issuer's credit profile. Bond Recommendations may not be relied upon if one or more of these factors change.

Other

Suspension – We may suspend our issuer rating and bond level recommendation on specific issuers from time to time when OCBC is engaged in other business activities with the issuer. Examples of such activities include acting as a joint lead manager or book runner in a new issue or as an agent in a consent solicitation exercise. We will resume our coverage once these activities are completed. We may also suspend our issuer rating and bond level recommendation in the ordinary course of business if (1) we believe the current issuer profile is incorrect and we have incomplete information to complete a review; or (2) where evolving circumstances and increasingly divergent outcomes for different investors results in less conviction on providing a bond level recommendation.

Withdrawal ("WD") – We may withdraw our issuer rating and bond level recommendation on specific issuers from time to time when corporate actions are announced but the outcome of these actions are highly uncertain. We will resume our coverage once there is sufficient clarity in our view on the impact of the proposed action.

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Analyst Declaration

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