

City Developments Limited

UK Tax Strategy

Scope

This strategy applies to the group of UK companies and partnerships headed by City Developments Limited (CDL) in accordance with paragraph 19 and paragraph 25 of Schedule 19 to the Finance Act (FA) 2016. In this strategy, references to 'CDL' or 'the Group' are to all the UK group entities headed by CDL. This tax strategy was published on 5th May 2023 and CDL regards this publication as complying with its duty under paragraph 19(2) Schedule 19 FA 2016 and paragraph 25(2) Schedule 19 FA 2016 in its financial year ended 31 December 2022.

References to 'UK Taxation' are to the taxes and duties set out in paragraph 15(1) of the Schedule, which include Income Tax, Corporation Tax, PAYE, NIC, VAT, Insurance Premium Tax, and Stamp Duty Land Tax. References to 'tax', 'taxes' or 'taxation' are to UK taxation and all corresponding worldwide taxes and similar duties in respect of which the Group has legal responsibilities.

Aim

CDL is a Singapore-headquartered global real estate group, listed on the Singapore Exchange. The Group's portfolio comprises residences, offices, industrial, hotels, serviced apartments, student accommodation, retail malls and integrated developments. CDL is committed to upholding a high standard of corporate governance and business integrity in all its business activities, which is essential for the long-term sustainability of the Group's businesses. As such, CDL is committed to full compliance with all statutory obligations and full disclosure to relevant tax authorities. The Group's tax affairs are managed in a way which takes into account the Group's wider corporate reputation in line with CDL's overall high standards of governance.

Governance in relation to UK taxation

- CDL is a Singapore-based group, and as such, the ultimate responsibility for CDL's tax strategy and compliance rests with the Board of CDL;
- Executive management of the Group is delegated by the Board to the Group Chief Executive Officer, Group Chief Operating Officer, Group General Manager, Group Chief Financial Officer (Group CFO) and Group Chief Human Resources Officer of CDL;
- The Group CFO is vested with executive responsibility for tax matters;
- Day-to-day management of CDL's tax affairs is handled by CDL Group Tax in Singapore, who reports to the Group CFO;
- CDL Group Tax is staffed with appropriately qualified individuals, supported by external advisers as appropriate;
- The Group CFO reports to the Board on CDL's tax affairs and risks during the year.

Risk Management

- CDL seeks to reduce the level of tax risk arising from its operations as far as is reasonably practicable by ensuring that reasonable care is applied to all processes which could materially affect its compliance with its tax obligations;
- CDL monitors and manages UK tax risks with the use of core financial controls within Group Finance and Accounts and a specialist tax function;

- Processes relating to different tax risks are allocated to appropriate process owners, who monitor these risks for business and legislative changes which may impact them and changes to processes or controls are made when required;
- Appropriate training is carried out for staff outside CDL Group Tax who manage or process matters which have tax implications;
- Advice is sought from external advisers where appropriate.

Attitude towards tax planning and level of risk

CDL manages risks to ensure compliance with legal requirements in a manner which ensures payment of the right amount of tax.

When entering into commercial transactions, CDL seeks to take advantage of available tax incentives, reliefs and exemptions in line with, and in the spirit of, tax legislation. CDL does not undertake tax planning unrelated to such commercial transactions.

The level of risk which CDL accepts in relation to UK taxation is consistent with its overall objective of achieving certainty in the Group's tax affairs. At all times, CDL seeks to comply fully with its regulatory and other obligations and to act in a way which upholds its reputation as a responsible corporate citizen. In relation to any specific issue or transaction, the Board is ultimately responsible for identifying the risks, including tax risks, which need to be addressed and determining what actions should be taken to manage those risks, having regard to the materiality of the amounts and obligations in question.

Relationship with HM Revenue and Customs (HMRC)

CDL seeks a transparent and constructive relationship with HMRC through regular meetings and communication.

Any inadvertent errors in submissions made to HMRC are fully disclosed as soon as reasonably practicable after they are identified.