

BUILDING BLOCKS

ANNUAL REPORT 2021/2022

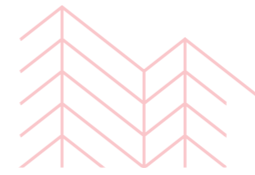


Building Blocks

Innovation and resilience are the building blocks of our public housing programme. In navigating the challenges of the past year, HDB has kept the building programme a firm priority. As the world emerges from the pandemic, we will keep the momentum going. Block by block, we will press on in building quality homes for Singaporeans and thriving communities in the heartlands.

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Chairman's Statement

Singapore has been tackling the COVID-19 pandemic for more than 2 years now, and we are seeing emerging signs of recovery. Restrictions have eased and people have started to embrace living with the virus.

However, it was just not too long ago that HDB was facing challenges brought about by the pandemic. Amidst the many disruptions and constraints, we firmly kept our building programme a top priority this Financial Year (FY). We adapted and adjusted to dynamic situations with resilience and innovation, as we continued to deliver on our mission of providing affordable, quality, and vibrant homes for Singaporeans.

Keeping Homes Affordable

To keep homes affordable for Singaporeans, the Government implemented a set of measures in December 2021 to cool a buoyant residential market. Specific to public housing, the Loan-to-Value limit for HDB housing loans was reduced from 90% to 85% to encourage greater financial prudence among home buyers.

HDB has also started to ramp up public housing supply for Singaporeans in response to strong demand driven by changing demographics. Besides the trend towards smaller households, we expect more demand in the near term from the echo boomers — those born in the late 1980s and 1990s — as they reach marriageable age. Our new flats will continue to be priced with generous subsidies and made even more affordable with housing grants.

In addition to increasing the supply of new flats, we have made it our priority to ensure that Build-To-Order (BTO) projects are delivered with minimal delays. Since the start of the pandemic, we have worked closely with our building partners in our ramp up and recovery efforts so that flat buyers can move into their new homes as quickly as possible.

Meeting Housing Needs and Aspirations

Even amidst the pandemic, HDB took the opportunity to reimagine our homes and towns, so that we can continue to meet the evolving housing needs and aspirations of Singaporeans.

Guided by our Designing for Life roadmap, we broke new ground with the ambitious Health District @ Queenstown pilot, our Prime Location Public Housing (PLH) flats in Rochor and Kallang/ Whampoa, and HDB's first seafront new generation neighbourhood centre in Punggol Northshore.

We also continued to upgrade our existing towns and estates, such as through the town-wide Remaking Our Heartland rejuvenation programme, and the sustainability-focused HDB Green Towns Programme. Through these upgrading efforts, our residents can enjoy a high quality of life, regardless of where they live.

To meet the strong housing demand in mature estates, including from young families who want to live near their parents in the area for better mutual care and support, HDB announced plans in this FY for new housing areas in Ulu Pandan, Mount Pleasant, and Bukit Merah.

Meaningful Engagement and Co-creation

As part of our efforts in partnering Singaporeans through meaningful engagement and co-creation, we worked through and refined the development plans for the new housing areas in Ulu Pandan and Mount Pleasant after engaging various stakeholders, from nature and heritage groups to members of the public.

Our new PLH model was also developed after hearing views from more than 7,500 Singaporeans, including experts, industry players, and members of the public.

We will harness these diverse views and voices as a strength, to help us plan and design the best possible homes and living environment for our residents. Partnering our stakeholders through meaningful engagement and co-creation will continue to be a key priority for HDB in the way we shape our homes.

As we continue on this trajectory, there will be policies and programmes which will become increasingly challenging to plan for, and even harder to implement and communicate to our residents, as we have seen from the Selective En bloc Redevelopment Scheme exercise in Ang Mo Kio in April 2022. We should remain agile and responsive, be prepared to tweak policies timely, and think out of the box for solutions — even as we continue to strengthen our engagement with residents and other stakeholders — so that we can do better going forward.

Emerging Stronger

The past two years since the start of the pandemic has been one of the most difficult periods in HDB's history. I thank our home buyers for their patience and understanding, and would like to reassure them that HDB is working hard to minimise any further delays in the construction of their flats. We remain deeply committed to delivering on our promise of providing affordable, quality, and well-designed homes.

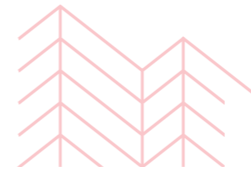
My appreciation goes out to HDB's building partners for your dedication and commitment as we work together to ride out these challenging times.

I would also like to thank the HDB Board Members and Management for their leadership. My deepest gratitude as well to all our staff, for staying the course in our journey together. Our people are what keeps HDB strong and resilient, and we have come a long way since the early days of COVID-19. As the situation stabilises, we have much to learn and build on from our collective experience.

Together, we will emerge stronger from the pandemic.



Mr Bobby Chin Yoke Choong
Chairman



CEO's Word

Mr Tan Meng Dui
Chief Executive Officer

This Financial Year (FY), HDB pressed on to ensure the continued delivery of homes to Singaporeans amidst the COVID-19 pandemic, while providing a steady supply of new flats to meet future housing needs.

Guided by our Designing for Life roadmap, which places the holistic well-being of our residents at its core, we remain committed to building affordable, quality homes for Singaporeans and thriving communities in the heartlands.

Delivering Homes Amidst Disruptions

A key focus in the FY was to minimise construction delays and deliver homes to flat buyers while ensuring that safety and building quality are not compromised, so that our flat buyers can move into their new homes with as little delay and disruption as possible.

To support HDB's contractors in completing the Build-To-Order (BTO) projects, we worked closely with them to address problems early and secure the resources needed — from manpower to materials — to complete construction works. We also rolled out an extensive suite of assistance measures to ease their financial pressures, such as extending the period of protection against steel price fluctuations and co-sharing the increase in manpower costs.

HDB also stepped in quickly to facilitate the novation of several BTO projects affected by the liquidation of Greatearth Corporation and Greatearth Construction to new contractors with the capacity and experience to complete the remaining works, in an effort to minimise the extent of delays for affected flat buyers. As at the end of FY2021, 2 of the 5 affected Greatearth projects — Senja Ridges and Senja Heights — have been completed and handed over to buyers ahead of the revised project probable completion dates.

Beyond minimising construction delays, our commitment to affected flat buyers also extends to offering assistance and support as best as we can. These include provision of alternative housing arrangements, waiver of forfeitures, and providing compensation for those whose flats are delayed beyond the Delivery Possession Date. We continue to monitor our project construction closely, and will keep in touch with our buyers to keep them updated on progress and timelines.

Meeting Strong Demand for Affordable Flats

With the construction industry gradually recovering, HDB will continue to launch new public housing projects to meet the current strong demand and to ensure there is a home for every budget and need.

In FY2021, we launched about 17,300 BTO flats. New flats launched this FY include those in Rochor and Kallang/Whampoa, under the new Prime Location Public Housing (PLH) model. The PLH model ensures that public housing in these prime, central locations will be affordable, accessible, and inclusive.

We are also prepared to offer up to 100,000 new flats in total from 2021 to 2025 if needed, to meet strong housing demand. These include thousands of new homes in newly announced housing areas, such as Ulu Pandan, Mount Pleasant, and Keppel Club.

Our new flats continue to be priced with generous subsidies, with various priority schemes and grants in place to help HDB buyers afford their homes and support residents with housing needs. Most first-timers buying new flats in non-mature estates only need to use less than a quarter of their monthly income to service their HDB loans. HDB is committed to ensuring that public housing remains affordable and within reach for Singaporeans.

Further Push on Construction Productivity and Resilience

As HDB continues our transformation journey, we will give further push on our construction productivity and resilience.

To complement existing precast resilience strategies such as stockpiling and local storage, we are strengthening our

construction processes and supply chain by localising more precast component production. We have also been adopting innovative technologies such as Design for Manufacture and Assembly (DfMA), Integrated Digital Delivery, and automation to further enhance construction productivity.

For projects completed in 2021, HDB achieved an overall productivity improvement of 26.2%, compared to the base year of 2010. We will continue to seek out new ways to achieve greater construction productivity and strengthen our construction resilience, as we build quality flats to meet the increased housing demand.

Moving Into a New Post-COVID Future

As we work hard to ensure a smooth landing on our building programme, we will also build on the momentum to meet emerging needs in a post-COVID world. While HDB has been continuously improving the way we plan and design our towns and homes, the pandemic has presented us with many opportunities to think bolder and push housing frontiers.

For instance, the Health District @ Queenstown, which we announced in FY2021, will enable us to pilot designs that are centred around health and wellness. To help our residents there live healthily within their community, we will testbed cross-cutting science-based initiatives in the built environment, and progressively scale them to benefit residents in all our HDB towns and estates.

On the sustainability front, we rolled out several green and smart solutions under the HDB Green Towns Programme so that we can deliver a liveable and sustainable living environment for our residents. This FY, we piloted the application of cool paint at HDB blocks in Tampines to reduce ambient temperatures, as well as announced plans to install Urban Water Harvesting Systems in Yishun and Jurong to better use rainwater in our common areas.

Our construction industry is still not out of the woods, and supply chain disruptions may still continue to arise. Nevertheless, we will maintain our razor-sharp focus on keeping our building programme on track, while catering to the evolving and diverse needs of Singaporeans. Moving into a new post-COVID future, we will continue to remain agile, bold, and collaborative, so that we can deliver the best possible homes to Singaporeans.

Firm Foundations in a New Normal

The construction sector in Singapore was badly hit by the COVID-19 pandemic, with manpower and supply chain disruptions leading to delays in delivering flats to flat buyers.

With work gradually picking up pace, we have been working closely with our consultants and contractors to deliver homes to buyers as soon as possible, while ensuring that project quality and safety are not compromised.



It was a very intense period, from the moment Greatearth informed HDB that it was unable to continue with the project, to when the new contractor came onboard. The process of hiring a new contractor would normally take 3 to 4 months, but we did not wish to disrupt our home buyers' life plans any further. So it was all hands on deck – colleagues from HDB and other agencies worked hard together to make it happen in a month instead.

From the moment the project was handed over to the new contractors, we worked closely with them to bring the project to the finish line. In fact, Senja Heights was completed ahead of the replacement contractors' new timeline. I believe it was this single-minded focus that we had, to fulfil our commitment to our buyers, which helped us turn the project around.

Valerie Sim
Project Director of Senja Heights



In August 2021, Greatearth Corporation and Greatearth Construction, the main contractors for 5 BTO projects, informed HDB that they had run into financial difficulties. Despite financial assistance from HDB, they were unable to complete the 5 projects under its management. As Project Director of Senja Heights, one of the housing projects affected, Valerie had only one thing in her mind: to deliver on HDB's promise to home buyers.

Commitment to the building programme

Besides ensuring that BTO projects are delivered with minimal delays, we will also increase the supply of flats to provide more options for young couples planning to start their marriage and parenthood journey, as well as for second-timer families, multi-generation families, the elderly, and singles.

17,322

new flats launched in the FY across 4 sales exercises

up to **23,000**

new flats will be launched each year in 2022 and 2023 to meet strong housing demand

up to **100,000**

new flats will be launched from 2021 to 2025, if required

Extensive assistance for contractors to complete BTO projects

HDB stepped up engagement with multiple industry players – from construction contractors, subcontractors, and suppliers – to help them work through the challenges they face. Recognising the difficulties our partners faced in completing ongoing BTO projects in a timely manner, HDB swiftly and decisively implemented various assistance measures.

Measures to reduce construction delays

- Secured sufficient manpower and materials
- Helped contractors prioritise work areas
- Obtained exemptions to carry out less noisy works over weekends and Public Holidays

Measures to ease financial pressures

- Extended period of protection against steel price fluctuations
- Supplied contractors with more concreting materials at protected prices

Making progress in minimising delays

As a result of these concerted efforts, HDB has made up ground in the delivery of homes to buyers while ensuring that the quality of the projects and safety of the workers remain uncompromised.

Provide timely updates to buyers

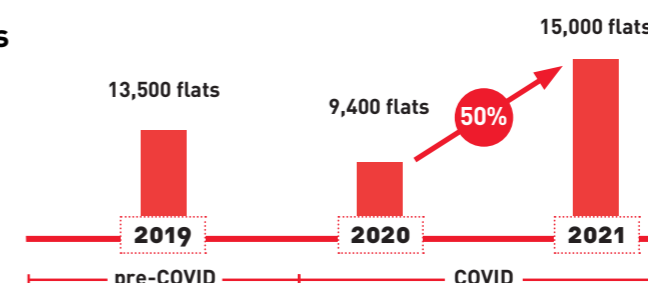
Affected buyers are updated on changes to their project timelines at various junctures of the construction phase, giving them time to work out alternative interim housing arrangements

Increase supply of interim housing

1,800 units by 2023

To support flat buyers in need of interim housing, we will ramp up the supply of rental flats under the Parenthood Provisional Housing Scheme (PPHS)

About 15,000 flats were delivered in 2021 despite disruptions due to the COVID-19 pandemic



Delays for most BTO projects have been kept at

6 ~ 12 months



Home

 SkyResidence @ Dawson

Building Affordable Homes of Value

As demand for public housing remains strong, we continued to provide a steady supply of new flats this Financial Year (FY) to meet Singaporeans' housing needs. At the same time, a new housing model was launched and policies enhanced, to keep public housing affordable and inclusive.

In FY2021, HDB launched 17,322 Build-To-Order (BTO) flats across sales exercises in May, August, and November 2021, as well as February 2022. The flats, which are priced with generous subsidies, were offered across 26 projects in mature and non-mature towns. We offered another 4,292 flats for sale under the Sale of Balance Flats (SBF) exercises in May and November 2021.

In addition, 1,422 flats were available for open booking. Under this sales mode, buyers can submit an online application and book a unit as early as the next working day.

On top of the subsidised prices, eligible flat buyers, particularly first-timers, continued to enjoy generous housing grants of up to \$80,000 to help them with the purchase of their new HDB flat.

Commitment to Flat Buyers

HDB has been working hard to deliver on our public housing projects, as the construction industry gradually recovers from the impact of COVID-19. Close to 15,000 home owners collected keys to their new flats in FY2021, even more than those who did so pre-pandemic in 2019.

To reduce construction delays, we helped contractors prioritise work areas, secure manpower and material supplies, and get approvals for less noisy construction works to carry on over weekends and

Public Holidays. In addition, a package of financial assistance measures was rolled out to help ease contractors' financial pressure from pandemic-induced spikes in manpower costs, supply chain constraints, and other operating expenses.

Waterway Sunrise II was the only project this FY where the delay has exceeded one year, in part exacerbated by poor contractor performance, and will be completed beyond the Delivery Possession Date. We brought on board a replacement contractor to complete the project and will compensate flat buyers the maximum reimbursement sum that they are eligible for under the COVID-19 (Temporary Measures) Act.

To help affected buyers who are unable to find alternative housing arrangements, we increased the supply of temporary housing under the Parenthood Provisional Housing Scheme for first-timer families, and offered Interim Rental Housing to low-income households. We also waived forfeiture for affected buyers who wish to cancel their flat booking and buy a resale flat due to urgent housing needs.



(Left)
HDB is committed to creating endearing homes for Singaporeans

Keeping Housing in Prime Locations Inclusive

In this FY, 3 projects were offered under the new Prime Location Public Housing (PLH) model — River Peaks I & II in November 2021, and subsequently King George’s Heights in February 2022.

The PLH model was announced in October 2021 to keep public housing in central locations affordable, accessible, and inclusive. If left solely to market forces, these flats with their attractive locations and attributes, would likely only be affordable to those who are better-off. Hence, flats under the PLH model are priced with additional subsidies that will be recovered when flat owners subsequently sell their flat. Other policy measures include a longer Minimum Occupation Period of 10 years, restrictions on renting out the whole flat, adjusted priority quota for flat allocation

under the Married Child Priority Scheme, and ringfencing the pool of eligible resale buyers to those who meet the prevailing BTO conditions. These measures aim to discourage property speculation and ensure that public housing continues to reflect the diversity of Singapore’s society.

Promoting a Stable and Sustainable Property Market

Despite the economic impact of COVID-19, transaction volume and prices were high for HDB resale flats amidst a low interest rate environment. To encourage financial prudence as well as moderate the increase in housing prices, property cooling measures were implemented. From 16 December 2021, the Total Debt Servicing Ratio threshold for buyers taking a loan from approved Financial Institutions was tightened from 60% to 55%, along with a reduction of the Loan-to-Value limit for those taking a housing loan from HDB, from 90% to 85%.



Teo Hui Qing was part of the team that developed the Prime Location Public Housing Model. It was anticipated years ago that a new housing model would be needed, given the limited locations that were available and suitable to meet housing needs. Laying the groundwork early helped the team to brainstorm a wide range of options for the model, evaluate each option thoroughly, and seek the public’s views.

“It was my first time facilitating public engagement sessions on our housing policy. Many turned up at the focus group discussions and sent feedback through surveys and emails. A few also gave very detailed proposals — almost like a mini thesis! Knowing that people were thinking hard about the topic gave me a greater sense of responsibility over the project, as I recognised that we were deliberating matters close to people’s hearts. PLH is part of our efforts to bring new public housing to the heart of our city, while keeping them affordable and accessible over time. I think it is worth investing all the time and effort to consider the PLH model holistically.

Teo Hui Qing
Senior Estate Manager

Alkaff Oasis

Complementing these measures, we announced that we would increase the public housing supply by about 35% in 2022 and 2023, up from 17,100 flats in 2021, to cater to strong housing demand. If needed, up to 100,000 flats in total will be launched from 2021 to 2025.

Supporting EIP-Constrained Flat Owners

Some home owners may face difficulty selling their flats at a reasonable price when the ethnic quotas in their block or neighbourhood have been reached. These quotas are part of the Ethnic Integration Policy (EIP) and play a key role in ensuring a balanced mix of ethnic groups in HDB estates and prevent ethnic enclaves.

To augment existing assistance measures for EIP-constrained home owners, we announced that we would buy back flats from eligible EIP-constrained flat owners. Under the EIP buyback assistance,

we will determine the buyback price and make an offer for the flat at a fair price after a professional licensed valuer has valued the subject flat. The flats bought back by HDB will be subsequently offered for sale to the public through the Sale of Balance Flats exercises or open booking. A household's eligibility to book the flat will depend on the prevailing ethnic proportions in the block and neighbourhood when they are invited to select a flat.

Helping Seniors Age in Place

In March 2022, it was announced that HDB will launch the second batch of Community Care Apartments (CCAs) in the later part of 2022, at Health District @ Queenstown. Jointly developed by the Ministry of National Development, Ministry of Health and HDB, CCAs integrate senior-friendly housing with care services that can be scaled according to individual care needs, with the aim of better supporting seniors to age in place independently.

About 200 CCAs will be offered in the project along with other flat types, with common facilities such as roof gardens, fitness stations and community living rooms, to promote social interaction among residents.

Stronger Support for Those in Need

Rental tenants who are working towards home ownership will also benefit from two enhancements to the Fresh Start Housing Scheme which were announced in March 2022. The first is an increase in the Fresh Start Housing Grant from \$35,000 to \$50,000 for eligible families who want to buy a home of their own. These families also have more housing options, as they can now buy 3-room flats with a shorter lease, as compared to only short-lease 2-room flats previously.

From this FY, singles also need not find a flatmate first before applying for a public rental flat. Under the new Joint Singles Scheme Operator-Run (JSS-OR) model, a Social Service Agency is appointed as the operator to pair tenants up based on factors such as gender, age, and living habits, to foster a comfortable and supportive environment. The JSS-OR is an alternative to the current Joint Singles Scheme where two or more singles jointly apply for a public rental flat.

The pilot JSS-OR flats in Bedok North and Buangkok Crescent come with partitions as well as basic furnishings and appliances to provide tenants privacy and help them move in easily. To better support lower-income singles in need of rental housing, HDB has extended the JSS-OR model to a third site at Bukit Batok West.



(Above) HDB offers seniors various housing options to help them age in place



As part of the team looking at rental flats, Shirley constantly explores ways to improve the living conditions of low-income vulnerable citizens. During the COVID-19 Circuit Breaker in 2020, when Singaporeans were required to stay home, rough sleepers were offered temporary shelter in shared 1- and 2-room rental flats. This presented an opportunity for Shirley and her team to better understand the challenges faced by rough sleepers, and their needs and preferences. These findings provided input to the JSS-OR model.



It is heart wrenching to hear stories from people who have no homes to return to. There are various reasons why people end up rough sleeping, and HDB's JSS-OR model hopes to address some of these challenges on the ground, such as needing to find a co-tenant before applying for a rental flat. We piloted the model at two sites, and they were 5 times oversubscribed, suggesting that our new housing typology fills a need. Though humble, these JSS-OR flats offer our tenants a safe sanctuary – their home.

Shirley Ong
Principal Estate Manager





Town

📍 Bedok South Horizon

Developing Liveable and Sustainable Towns

Guided by the Designing for Life roadmap, HDB continued to embrace innovative solutions in the way we design and build homes, to achieve the goal of creating liveable and sustainable towns.

Pilot Health District to Support Holistic Well-Being

In October 2021, HDB, together with the National University Health System (NUHS) and the National University of Singapore (NUS), announced plans to develop the Health District @ Queenstown.

Health District @ Queenstown is part of HDB's Designing for Life roadmap. Under the roadmap's 'Live Well' pillar, we aim to create 'Healthy Towns for All Ages' as part of a holistic approach to enhance residents' physical, social, and mental well-being.

The health district is a first-of-its-kind multi-stakeholder collaboration that will draw from a broad range of expertise to create integrated solutions to enhance health and well-being across all ages. There will be more integrated planning and design of Queenstown informed by scientific evidence and community-driven programmes to support residents in leading healthier and more productive lives. Successful initiatives piloted at Health District @ Queenstown could be scaled across Singapore.

[Below] HDB designs homes that support residents, young and old, in leading healthier lives



📍 Northshore Straitsview



Planning With the Environment in Mind

To meet strong housing demand, HDB announced plans for new housing areas in Ulu Pandan and Mount Pleasant. These areas will be sensitively designed with the environment in mind.

For Ulu Pandan, we carried out an Environmental Baseline Study, and engaged nature groups and the public on the proposed plans for the area.

After considering stakeholders' feedback, we revised our planning and design strategies for Ulu Pandan, taking a holistic and science-based approach to balance development and nature conservation. The eastern half of the Ulu Pandan site will be developed for public housing from 2022, while a sizeable nature park will be safeguarded on the more biodiverse western half and its plans to be reviewed in future. Residents can look forward to new homes, amenities, and recreational spaces

(Above) Ulu Pandan will be sensitively developed with the environment in mind



Balancing conservation while meeting various land use needs, including housing, is an extremely delicate balancing act. Shu Ying oversaw the development plans for the Ulu Pandan estate and was also heavily involved in the engagement sessions that HDB held with different stakeholders.



Many different communities, from nature groups to residents as well as students nearby, feel strongly connected to Ulu Pandan and wanted a say in our development plans for housing in the area. Our team spent many months going through every piece of feedback — there were many diverse perspectives — and even met up with various groups to hear out their concerns and feedback, and help them better understand the constraints and trade-offs. While it required a great amount of dedication, it was a worthwhile effort that has helped to deepen understanding as well as build trust and partnership.

Lim Shu Ying
Director of Urban Design



nestled in verdant greenery, along with blue elements such as the existing Ulu Pandan Canal and the retention of a natural stream in the eastern half of Ulu Pandan.

The new housing estate in Mount Pleasant, located near Toa Payoh town, is envisioned to provide about 5,000 new homes when completed. Recognising the lush greenery and rich heritage of the Old Police Academy in this area, we piloted a detailed heritage study and an

Environmental Impact Study to assess the heritage and ecological value of the area, to guide future development plans and mitigate the potential impact to both its natural and built environment. Relevant agencies and various stakeholders such as heritage and nature groups, as well as the police community, were consulted on the proposed development plans so we could hear their feedback.

Innovative Green and Smart Solutions

Our vision of bringing sustainable living to all HDB towns, including existing ones, remained on track this FY. Under the HDB Green Towns Programme, a key initiative under the SG Green Plan to build a greener Singapore, we rolled out several green and smart solutions aimed at enhancing residents' living environment and improving their quality of life.

Residents of 130 blocks in Tampines can enjoy a cooler living environment when their blocks are painted with cool paint — a type of paint that reflects the heat of the sun and can reduce ambient temperatures by up to 2°C. The pilot will pave the way for the use of cool paint in more HDB towns, to mitigate urban heat island effect.

This FY, we announced that our Urban Water Harvesting System (UWHS) will be piloted in existing estates for the first time, covering 89 blocks in Yishun and Jurong. The system has been installed in selected Build-To-Order (BTO) projects since 2018. With the UWHS, rainwater can be harvested for non-potable uses at the common areas. It is estimated that 15 UWHSs will be installed, potentially reaping water savings of about 17,500m³ per year, or the average yearly potable water consumption of over 85 4-room HDB flats.

We also launched the seventh SolarNova tender in FY2021, which would see around 75 MWp of solar photovoltaic (PV) panels installed across HDB blocks as well as government sites. With this latest tender, HDB has committed a total solar capacity of 380MWp, equivalent to powering around 95,000 4-room flats with solar energy - bringing us a step closer towards realising our solar target of 540MWp by 2030.



Murugan leads a team that drives the large-scale deployment of solar panels at HDB blocks and government sites, as part of the HDB Green Towns Programme to make HDB towns more sustainable and liveable.

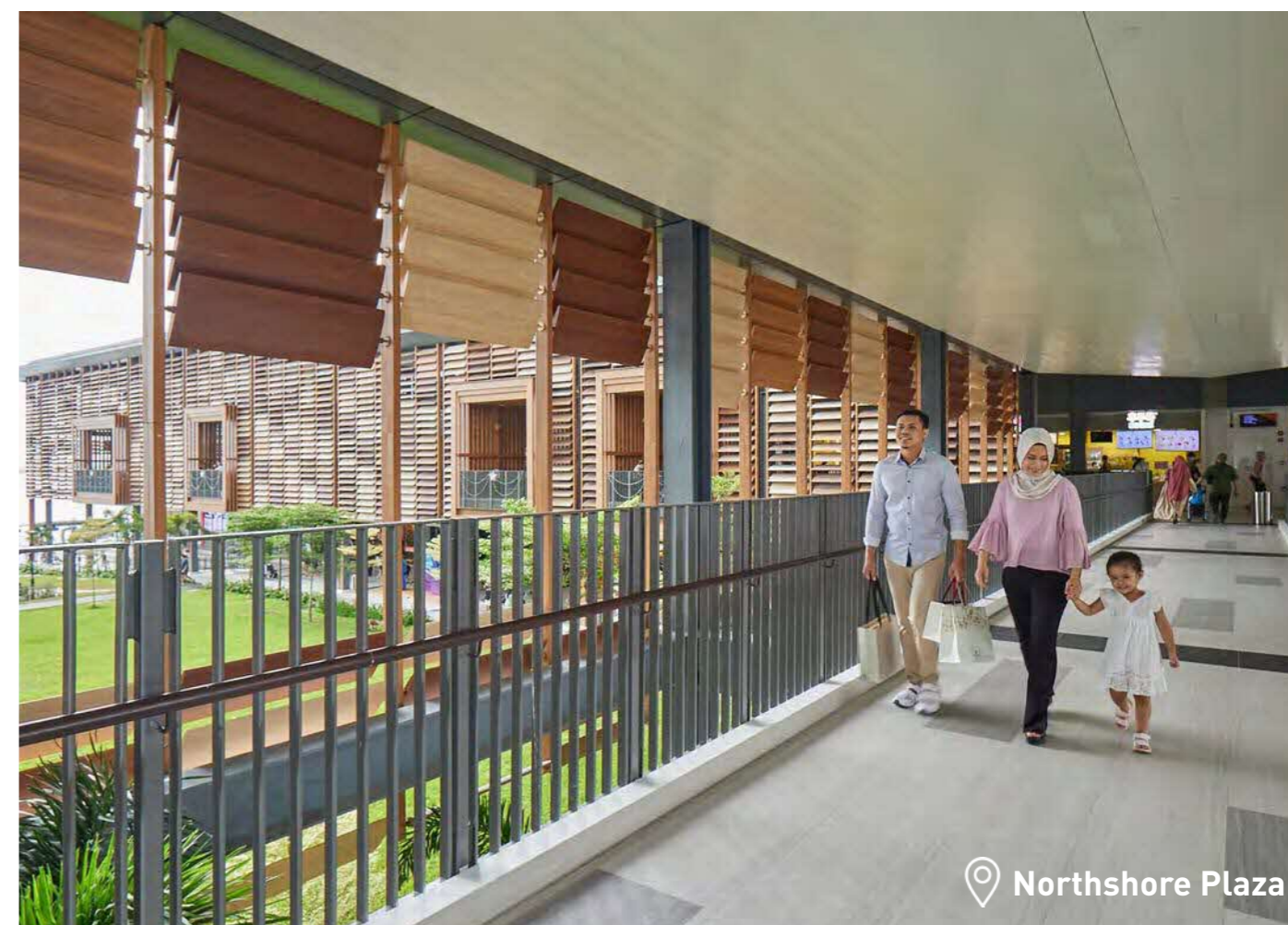
In this FY, the team launched the seventh SolarNova tender, continuing to drive the growth of Singapore's solar industry in a cost-efficient way. On average, HDB blocks with solar panels installed can achieve net-zero energy consumption at the common areas during the day.



Many things we do daily, such as driving cars and powering our appliances, emit greenhouse gases and affect the climate.

One way to mitigate climate change is to tap on sources of renewable energy, such as solar. HDB manages over 10,000 residential blocks, which gives us a lot of rooftop space to install solar panels under the SolarNova programme. It's satisfying when we get public agencies on board the programme because our collective efforts can help reduce Singapore's carbon footprint.

Sai Murugan Pandit
Deputy Director of Mechanical & Electrical Innovation



Northshore Plaza

Transforming Our Commercial Properties

There were 17,893 commercial properties under HDB's management as of FY2021, with the average occupancy rate remaining high at 96%. In this FY, 369 commercial units were leased out, and 121 shops/ eating houses/ supermarkets were completed.

Northshore Plaza, HDB's latest new generation neighbourhood centre (NC), started operations in October 2021. Northshore Plaza is the first seafront NC and is seamlessly connected to residential blocks and an LRT station, offering residents convenient access to a suite of lifestyle retail shops and family-friendly restaurants.

Located in Punggol's Northshore District, a smart and sustainable district, the NC will incorporate sustainable features and testbed various smart solutions such as smart fans, smart lighting and a smart carpark management system.

Over in Yew Tee, residents can look forward to a new integrated development that will be built in the next few years. Called Heart of Yew Tee, the development will house a wide range of social, healthcare, communal, commercial, and retail facilities, such as a hawker centre, a Community Club, and a polyclinic. There will also be flats for seniors, to offer them a convenient living environment.

(Above) Northshore Plaza is HDB's first seafront new generation neighbourhood centre, and offers residents a suite of lifestyle retail shops and family-friendly restaurants

Strengthening Construction Productivity

HDB achieved an overall productivity improvement of 26.2% for projects completed in 2021, compared to the base year of 2010, as we continued to strengthen our construction productivity with the adoption of innovative technologies.

One such example is the Integrated Digital Delivery (IDD) approach for our building projects, which integrates digital technologies through the entire project lifecycle to improve collaboration among stakeholders and construction efficiency. A key component of IDD is Virtual Design & Construction (VDC), which helps project teams review design as well as plan and coordinate construction activities holistically through digital 3D models. VDC was implemented in 75% of flats launched in 2021, as compared to 50% of flats launched in 2020, and will be used for all flats launched from 2022 onwards. Building on this momentum, we are moving

on to the next level of IDD adoption by progressively extending the use of digital technologies to other aspects of the project lifecycle, such as prefabrication and construction management, with the objective of fully digitalising the delivery of BTO projects eventually.

HDB also adopts the Automated Precast Production System (APPS), which automates the precast production process, making it easier to produce a greater variety of components while reducing dependency on manual labour. With this technology, more complex designs can be fabricated and installed quickly. Through the use of APPS at the HDB Centre of Building Research, we completed the production of 22,500m² (equivalent to 300 4-room flats) of Large Panel Slab (LPS) for projects at Bidadari, Toa Payoh and Tampines. We will continue to harness the potential of the APPS by developing more precast components that can further automate the precast production process.

(Below)
Assembled mould with reinforcement ready to receive concrete at the Automated Precast Production System (APPS) in HDB's Centre of Building Research



Rejuvenating Existing Homes and Towns

Rejuvenating our existing homes and towns through holistic upgrading programmes remained a key priority this FY, so residents can continue to live in a quality environment.

In FY2021, 53,792 flats were upgraded under the Home Improvement Programme (HIP). HIP helps home owners address common maintenance issues associated with wear and tear. The HIP package was also refreshed to include more modern and better quality items, such as the External Retractable Clothes Drying Rack, which enables residents to dry their laundry more safely without having to lift heavy laundry-laden bamboo poles in and out of their windows.

As part of HIP, residents can also opt for the Enhancement for Active Seniors (EASE) programme. EASE aims to create a safer and more comfortable living environment for seniors through the installation of elderly-friendly fittings, such as grab bars and


ramps, at subsidised rates. Close to 54% of the households polled in FY2021 opted for EASE. Separately, outside of the HIP, about 97,500 households have applied for EASE directly since its pilot launch in July 2012.

The Neighbourhood Renewal Programme (NRP) focuses on precinct and block-level improvements in common areas, such as seating areas at void decks, covered linkways, footpaths, playgrounds, and fitness corners. In FY2021, 6 NRP projects were announced and 6 NRP projects were completed. This brings the total number of completed projects to 100 since the introduction of NRP in 2007.

The Selective En bloc Redevelopment Scheme (SERS) renews older HDB estates and gives residents the opportunity to move into new flats which are subsidised, with or near their old neighbours. They can also enjoy a better living environment served by modern facilities. Since the implementation of SERS, a total of 81 sites have been announced as of FY2021. Of the 81 sites, 78 have been completed and 3 are in progress. In FY2021, 1,910 SERS households collected the keys to their replacement flats.



Community

 Northshore StraitsView

Forging Strong Communities

Close community collaboration and digital technology were key drivers this Financial Year (FY) in building active, vibrant HDB communities and a sense of belonging in the heartlands.

Building Endearing Homes with Residents

For multi-cultural Singapore where the majority live in HDB flats, building strong heartland communities is key to bridging diversity and fostering a more cohesive society. HDB designs communal areas within our estates where residents can mingle, and in increasing the vibrancy of these shared spaces, we actively drive programmes that would enable residents to co-create endearing HDB heartlands with us.

In this FY, under the Remaking Our Heartland 3 plans to comprehensively renew Toa Payoh, Pasir Ris and Woodlands towns, we reached out to more than 5,000 residents across these towns to co-design social nodes, neighbourhood parks and playgrounds. The second round of virtual Focus Group Discussions for the Remaking

Our Heartland 4 towns - Ang Mo Kio, Bukit Merah, Choa Chu Kang and Queenstown - were also held from December 2021 to January 2022 to obtain residents' feedback on the preliminary proposals.

Separately, as we embark on the development of a new Kallang-Whampoa Park, we engaged over 700 participants, including residents and local interest groups, for ideas on the design concept.

In some new housing developments, we have reserved common areas known as 'White Spaces' for residents to shape social spaces and facilities that they can call their own. Under the White Spaces initiative piloted by HDB and People's Association, we brought together over 470 residents from Tampines GreenVerge and SkyResidence @ Dawson to draw up plans

[Below] HDB estates are designed for social interaction and community bonding for residents of all ages



 Alkaff Oasis



(Above)
As part of the Lively Places Challenge, a group of residents in Toa Payoh created opportunities for the community to come together through greening activities, arts and crafts, and more

for the reserved areas in their estates and facilitated the implementation of the finalised ideas under the Lively Places Fund (LPF), which was launched in 2016 to enliven HDB heartlands.

In a separate initiative called the Lively Places Challenge (LPC) 2020, we partnered residents in 8 towns to kickstart some 60 community projects funded by the LPF. Projects which have been completed include a park catering to pets for HDB residents in Bukit Panjang, and a community art gallery in Toa Payoh where residents with green fingers can grow their vegetables.

Since the launch of LPF in 2016, we have received a total of 210 eligible fund applications, and as of March 2022, disbursed or committed close to \$0.8 million to support over 180 community projects in HDB spaces. Of these, 35 projects were completed in FY2021. An additional \$1.5 million has been set aside from July 2021 to support more ground-up projects to strengthen community ties.

Reaching Wider Communities through Partnerships

To foster a strong culture of neighbourliness, mutual care and support amongst residents, HDB continued our partnership with various community networks such as the Singapore Kindness Movement to spread messages on gracious and harmonious living. These include reminders to residents to avoid causing noise disturbance to their neighbours, as more worked from home due to the COVID-19 pandemic. Creative and engaging content on good neighbourly behaviour was made available online for the public to conveniently access at any time.

Educational institutes were another key partner for HDB in FY2021. For younger students, the digital Outreach to Young and Youth! (OHYAY!) sessions inspired values of neighbourliness through e-modules, such as quizzes and stories. HDB also partnered with Institutes of Higher Learning to mobilise students in outreach activities and community projects to promote neighbourliness.



(Above)
A digital art installation, comprising 3,000 artworks by Singaporeans, was unveiled at HDB Community Week 2021

Over the years, HDB has also steadily expanded our pool of volunteers, tapping them as partners to promote gracious and harmonious living in the heartlands. This volunteer network, called 'Friends of Our Heartlands (FOH)', continued to grow with 2,249 new sign-ups in FY2021. Since the network was launched in 2017, it has drawn close to 13,500 passionate volunteers who have given their time and efforts to build active and cohesive communities in HDB towns. To support these volunteers in their outreach activities, we have provided them with training on communication, project management and facilitation.

The first virtual FOH Volunteer Engagement Day was held in July 2021, in conjunction with the inaugural virtual HDB Community Week 2021. At the event, over 700 volunteers and organisations received the Certificate of Appreciation and FOH Awards for their contributions to the community.

Fostering Bonds through Technology

While social gatherings were restricted due to COVID-19, technology proved to be the enabler for HDB Community Week 2021, which was held virtually for the first time from 24 July to 1 August 2021. It aimed to recognise the communities' efforts in enhancing the living environment and promoting gracious living in the heartlands. Through a digital exhibition, virtual workshops and talks, HDB engaged residents on topics such as neighbourliness and quality heartland living. A digital art installation, curated from over 3,000 artworks submitted for a community art project, was also unveiled at Community Week. The artistic and creative expressions conveyed participants' hopes and aspirations for the future of HDB living.

Another outreach effort, conducted in a fully digital format in FY2021, is the MyNiceHome Roadshow. These roadshows offer useful home design tips and help to familiarise home owners-to-be with their new living environment. Enhanced digital features, such as webinars, as well as virtual polls and quizzes, were introduced into the roadshows in FY2021, to further enrich our engagement with residents.



Service

Shaping a Resilient Organisation

Amidst an ever-evolving operating environment, digitalisation remains one of HDB's key strategies in enhancing the customer service experience and developing a future-ready workforce.

Providing Customer Service that Delights

Serving up a positive and seamless customer experience is HDB's service goal. Guided by our HDB Service Master Plan, we have introduced numerous initiatives over the years to deliver hassle-free service, actively leveraging technology as an enabler.

We provide a wide range of more than 200 electronic services on the HDB InfoWEB and Mobile@HDB app to make it convenient for customers to carry out transactions anytime and anywhere. The e-Services cover a wide range of transactions from flat buying, selling and renting, to season parking applications and renewals. We are constantly looking into ways to enhance our website and mobile app to better meet customers' informational and transactional needs. For example, we are studying our customers' service journey to redesign our digital

platforms and services. This FY, 99.7% of our transactions were completed digitally from end to end. We also garnered a high e-payment adoption rate of 99.1% among our customers.

Beyond digital channels, HDB also enhanced the customer experience for those who require more personalised service and advice. As safe management measures (SMMs) imposed in the last FY had impeded face-to-face interactions with our customers, we piloted video conferencing appointments at Tampines Branch in October 2021, in collaboration with Government Technology Agency and Public Service Division. Through these video appointments, customers continued to enjoy personalised services on select matters such as transfer of flat ownership and administration of the Lease Buyback Scheme. While SMMs have since eased, video conferencing remains as a service touchpoint to bring greater convenience for customers.



A Senior Estate Manager at Tampines Branch, Lynn provides advice on various housing matters to her residents. When the opportunity arose to trial video conferencing, Lynn jumped at the chance as she recognised the convenience it would bring to residents. She also trained other colleagues to use the platform effectively, so even more residents can benefit from the video appointments.



Addressing enquiries is the easy part but providing personalised customer service requires empathy and sincerity, which may not come through as easily over phone calls or emails. Video conferencing has not only digitalised our service delivery and offered convenience to our residents, it has also enabled us to preserve a strong human touch. We can let the residents know, through our friendly faces, that HDB is an organisation that cares for them. For me, seeing residents smile helps me to know that my service has really benefitted them!

Lynn Koo
Senior Estate Manager



Building a Future-Ready Workforce

Key to HDB's transformation efforts is a workforce that is digitally empowered. This FY, we continued to build up specialist capabilities in areas such as business analytics, building information modelling, and geospatial technology. We also pressed on with strengthening staff's knowledge of topics such as cyber and data security, through virtual talks and quizzes. Separately, we encouraged the widespread adoption of digital workplace tools and collaboration hubs, such as M365 OneDrive and SG-Teams, through guides and hands-on demonstrations.

Beyond enhancing staff's digital competencies, we also supported their professional development.

As part of Whole-of-Government efforts to build a strong Public Service, we put in place learning roadmaps to help staff level up core competencies that are expected of all public officers. The HDB Ambassador 3.0 programme, comprising an e-learning module and personalised conversations, was launched in FY2021 to contextualise HDB's workforce transformation journey for every staff. A Leading Change Forum and new run of Leading Change Programmes were also introduced to seek alignment among the HDB Middle Management Team on the ethos of collective leadership, as well as an open, caring and less bureaucratic culture, so that they can better drive transformation in their respective work domains.

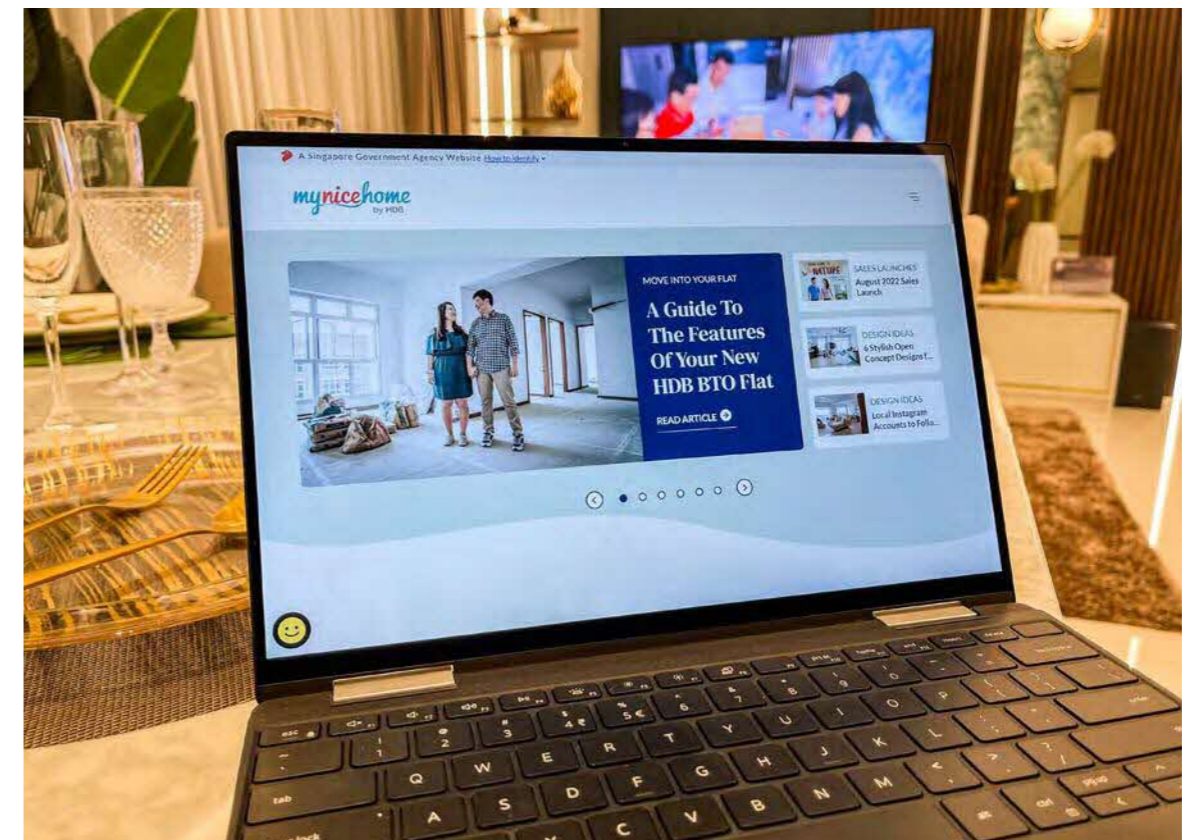
Accolades

HDB received several international and local awards this FY, an affirmation of our commitment to excellence. These include the Urban Land Institute Global Award for Excellence for Kampung Admiralty and Punggol Town, which acknowledges excellent land use across multiple disciplines such as architecture and planning. Separately, our housing projects Punggol Northshore, Tampines GreenGlen and Tampines GreenCrest were conferred the Global Future Design Awards for their outstanding and innovative architectural designs.

Our intensive town greening efforts were recognised at the International Federation of Landscape Architects Asia-Pac Landscape Architecture Awards. Six of our housing projects picked up accolades: Parc Residences at Tengah and Punggol Point Cove received the Excellence Award, whereas four other projects in Dawson, Tampines, and Kallang Whampoa received Honourable Mentions.

At the ministry level, HDB received the Minister Award (Team) for our innovative products and programmes such as Community Care Apartments, HDB Smart Hub, Enhanced CPF Housing Grant, the construction of common services duct in Tengah town, and mobile grocery kiosks at selected HDB carparks.

On the digital front, we won the OpenGov Recognition of Excellence Award for our HDB Smart Enabled Home initiative. This award recognises organisations for their innovative use of technology to optimise processes and deliver citizen-centric services. We also attained the Singapore Computer Society's Achievement Award in Digital Transformation & Innovation for successfully organising our information technology infrastructure to drive business transformation. The MyNiceHome website separately emerged overall winner of the 'Best Usability Award' category in Government Technology Agency's inaugural Digital Services Awards.



(Left) HDB's MyNiceHome website, which guides our customers through their home ownership journey and inspires them to appreciate their home beyond the four walls of their flat, won 'Best Usability Award' at the inaugural Digital Services Award



Our Corporate Story

 Northshore StraitsView



Vision, Mission, and Shared Values

Vision

An outstanding organisation creating endearing homes all are proud of

Mission

We provide affordable, quality housing and a great living environment where communities thrive

Shared Values

In everything we do, we embrace and display integrity, learning, teamwork, excellence and care

Integrity

We perform our duties with honesty, fairness and courage, so as to uphold the public's trust in us.

Learning

We practise life-long learning, share our knowledge, and constantly seek ways to do our work better.

Teamwork

We share and respect different views, and build on each other's strengths to achieve our vision and goals.

Excellence

We take pride in what we do, and deliver quality work for our organisation and customers.

Care

We care for our colleagues, the community, and the environment.

**The HDB Vision and Mission statements were refreshed in FY2020 to guide HDB in its next chapter to create endearing homes for residents and build thriving communities.*

Members of the Board

Chairman

Mr Bobby Chin Yoke Choong

Deputy Chairman

Professor Lily Kong

Board Members

Mr Mohd Sa'at bin Abdul Rahman
 Dr Sudha Nair
 Mr Stephen Lim
 Ms Jacqueline Loh
 Mr Patrick Tay

BG Lee Yi-Jin
 Ms Rita Soh
 Mr Tan Wah Yeow
 Mr Tan Meng Dui
 Mr Lim Ming Yan

Organisation Chart



Awards

Architecture, Landscape Architecture and Environmental Sustainability

INTERNATIONAL

ASEAN Energy Awards 2021 – ASEAN Energy Efficiency and Conservation Best Practices Awards

- Oasis Terraces (1st Runner Up in New and Existing Building Category, of the Energy Efficient Building Award)

Asia Pacific Eldercare Innovation Awards 2021

- Roller Rack (Innovation of The Year – Assistive Living Lifestyle Product Category)

Global Future Design Awards 2021

- Punggol Northshore
- Tampines GreenGlen & Tampines GreenCrest

International Design Awards 2021

- Punggol Northshore District (Bronze Award in Architecture Categories / Urban Design)

International Federation of Landscape Architects (IFLA) Asia-Pacific Landscape Architecture Awards 2021

- Tampines GreenGem (Honourable Mention in Unbuilt Residential Category)
- Parc Residences @ Tengah (Excellence in Unbuilt Residential Category)
- Punggol Point Cove (Excellence in Unbuilt Residential Category)
- SkyResidence @ Dawson and SkyOasis @ Dawson (Honourable Mention in Unbuilt Residential Category)
- SkyParc @ Dawson (Honourable Mention in Built Residential Category)
- St George's Towers (Honourable Mention in Built Skyrise Greenery Category)

Urban Land Institute (ULI) Asia Pacific Awards for Excellence 2021

- Punggol Town
- Kampung Admiralty

Urban Land Institute (ULI) Global Awards for Excellence 2021

- Punggol Town
- Kampung Admiralty

2021 Excellence in Environmental Engineering and Science™ Awards

- Floating Wetlands in Pulau Ubin (Honor Award in Small Projects Category)

LOCAL

Active, Beautiful, Clean Waters (ABC Waters) Certification 2021

- Alkaff Vista (Bidadari)
- Clementi NorthArc
- Jurong West Jewel
- Matilda Sundeck (Punggol)
- Waterway View (Punggol)
- SkyOasis @ Dawson

Landscape Excellence Assessment Framework (LEAF) Certification 2021

- Dawson Vista (Silver award in New Development category)
- Forfar Heights (Silver award in New Development category)
- Pekan Quarry Floating Wetlands (Silver award and Special Mention for Conservation and Biodiversity in New Parks category)

SIA Architectural Design Award 2021

- SkyParc @ Dawson (Merit Award)

Awards

Architecture, Landscape Architecture and Environmental Sustainability

LOCAL

BCA Green Mark Award 2021 (New Residential Building Category)

- Punggol Point Crown (Gold^{Plus} Super Low Energy)
- Parc Residences @ Tengah (Super Low Energy)
- Toa Payoh Ridge (Gold^{Plus})
- Garden Vale @ Tengah (Gold^{Plus})
- Garden Vines @ Tengah (Gold^{Plus})
- Tampines GreenDew (Gold^{Plus})
- Punggol Point Woods (Gold^{Plus})
- Rivervale Shores (Gold^{Plus})
- EastDelta @ Canberra (Gold)
- Casa Spring @ Yishun (Gold)
- EastGlen @ Canberra (Gold)
- Fernvale Vines (Gold)
- Woodlands Glade (Gold)
- Fernvale Glades (Gold)
- Kallang Residences (Gold)

BCA Universal Design Mark Award 2021

- Tampines GreenWeave (Gold^{Plus} in Residential (New) Category)
- Clementi Crest (Gold in Residential (New) Category)

Construction Excellence and Productivity

LOCAL

The Institution of Engineers, Singapore (IES) Prestigious Engineering Achievement Awards 2021 (Applied Research & Development Category)

- Rapid Classification of Soil using Artificial Intelligence

BCA Construction Excellence Award 2021 (Residential Buildings – Below \$1,800/m² Category)

- Macpherson Spring
- Tampines Greenview

BCA Green Mark Recertification 2021/ 2022 (Existing Non-Residential Building Category)

- Joo Chiat Complex (Platinum, 2021)
- Gek Poh Shopping Centre (Platinum, 2022)
- Tampines Central Community Complex (Gold, 2021)
- Vista Point (Gold, 2021)
- Taman Jurong Shopping Centre (Gold, 2021)
- Greenridge Shopping Centre (Gold, 2021)
- Woodlands North Plaza (Gold, 2021)
- Rivervale Plaza (Gold, 2021)
- Depot Heights Shopping Centre (Gold, 2021)
- Yew Tee Square (Gold, 2022)
- Sunshine Place (Gold, 2022)

BCA Integrated Digital Delivery Award 2021

- Tampines GreenGlen & GreenCrest (Gold in Project Category)

Awards

Service Delivery, Stakeholder Partnerships, Organisational Development

LOCAL

Community Chest Awards 2021

- Charity Platinum Award

Digital Services Award 2021

- MyNiceHome Website (Best Usability Award)

Ministry of National Development Minister's Award (Team) 2021

- Community Care Apartments
- Construction of Common Services Duct in Tengah Town
- Enhanced CPF Housing Grant
- Food and Groceries on Wheels at HDB Car Parks
- HDB Smart Hub – Transforming Singapore's Public Housing into Estates that Learn

Municipal Services Awards (MSA) 2021 (Tier 1)

- Aggregating demand for Digital Display Panels to disseminate public and community messages to residents
- Ensuring observance of Safe Management Measures and public order at coffee shops*

**Collaboration with Singapore Food Agency and Ang Mo Kio Town Council*

Municipal Services Awards (MSA) 2021 (Tier 2)

- Video Analysis System at selected HDB car parks to detect Barrier Arm malfunction
- Barrier-Free Access Ramp linking Matilda Court to Punggol Park Connector
- Resolving Cross Signal Issues at Electronic Parking System (EPS) Car Parks
- Collaborative Efforts to Manage Municipal Issues at Block 20 Jalan Tenteram
- Rendering assistance to a senior resident
- Management of hoarding incidents at Bukit Batok
- KoPiKao with Residents @ Tampines Central
- Relocating a rough sleeper

Municipal Services Awards (MSA) 2021 (Tier 3 Apex Winners)

- Fast and Secure Access for HDB Blocks
- Deployment of Dual Bicycle Racks in 23 HDB Towns

- Safe Route to School
- Project to enhance motorists' driving experience in HDB car park along Cashew Road
- Repurposing Community Facilities in Zhenghua to solve municipal issues

Ong Teng Cheong Labour Leadership Institute Workplace Partnership Award (Double Platinum)

OpenGov Recognition of Excellence (ROE) Awards 2021

- HDB Smart Enabled Home

Pro-Enterprise Panel – Singapore Business Federation (PEP-SBF) Awards 2021

- Directory of Renovation Contractors (Best Pro-Enterprise Suggestion – Supporting Agency)

Public Sector Transformation (PST) Awards 2021

- 3D Concrete Printing for Construction (Dare to Do Award)
- Lively Places Challenge (Citizen Engagement Award)

Singapore Institute of Planners (SIP) Planning Awards 2021

- HDB Smart Hub – Transforming Singapore's Public Housing into Estates that Learn (Gold in Excellence in Planning Driven by Innovative Urban Solution & Technology Category)
- Tengah Masterplanning (Gold in Excellence in Planning Award 500 & up to 5000 Ha Category)

SICC (Singapore International Chamber of Commerce) Awards 2021

- GeoBarrier System (Most Sustainable Collaboration category)

Singapore Computer Society Enterprise Architecture (SCS EA) Awards 2021

- Enterprise Architecture (Achievement Award in Digital Transformation & Innovation Category)

Total Defence Awards – NS Advocate Award (Organisations) 2021

Corporate Governance

Board Members

The HDB Board derives its strength from its depth and diversity of expertise, providing the necessary guidance to HDB to navigate towards its mission. The Board Members are respected individuals in their fields with extensive public and corporate sector experience. All Board Members are non-executive members, except for the Chief Executive Officer.

Internal Control Framework

HDB's internal control system ensures that assets are safeguarded, proper accounting records are maintained, and financial information is reliable. The overall control framework includes clearly defined authority, delegation limits, reporting mechanisms, appropriate terms of reference for management of core policy areas, comprehensive policies/ procedures relating to operations and financial controls, and an annual budgeting and monthly financial reporting system for all operating units.

Audit & Risk Committee

The Audit & Risk Committee assists the Board in maintaining a high standard of corporate governance, particularly in the areas of financial reporting, risk governance and the internal control systems of HDB. Consisting of members from the HDB Board, the Audit & Risk Committee considers any matter which, in its opinion, should be brought to the Board's attention and has explicit authority to independently investigate any matter within its terms of reference.

Fraud and Wrongful Practices Reporting Channel

HDB has a Fraud and Wrongful Practices Reporting Channel to reinforce HDB's commitment to a culture of integrity and transparency within the organisation. The channel is a confidential avenue for HDB staff to report suspected fraudulent incidents and wrongful practices directly to the Chairman of the Audit & Risk Committee of the Board, who would review the reports received and oversee any investigations as needed.

Internal Audit Function

HDB's Internal Audit Group advises all levels of management on the quality of HDB's operations with particular emphasis on systems of internal control. Reporting directly to the Audit & Risk Committee, it conducts risk-based audits and addresses its findings and recommendations to the appropriate level of management who are able to take the necessary action. It adheres to the Standards and Guidance of The Institute of Internal Auditors.

Annual Audit

The audit findings by the External Auditor in the course of the annual financial audit are reported to the Audit & Risk Committee, the Board, and the Ministry of National Development (MND). The annual financial statements are endorsed by the Audit & Risk Committee for the Board's approval.

Business and Ethical Conduct

HDB staff are obliged to comply with practices that reflect the highest standards of behaviour and professionalism. These include safeguarding official information under the Official Secrets Act (Cap 213), and abiding by the HDB Code of Conduct, and Conduct and Discipline Rules.

Block Leave Policy

To complement HDB's existing risk management practices and align our internal control measures with industry practice as well as to

promote work-life integration, HDB staff who perform job functions that are prone to fraud are subject to Mandatory Block Leave (MBL) of five consecutive working days per calendar year.

Dissemination of Public Information

HDB's audited annual financial statements are available at the HDB InfoWEB and the Singapore Exchange (SGX) website. The HDB InfoWEB also contains corporate information such as Annual Reports, latest developments, and press releases.

Environmental Policy

HDB, the leading property developer and owner in Singapore, is committed to be the leader in environmental management. In line with our shared value to care for the environment, we shall:

COMPLY with all applicable environmental laws, regulations and other relevant requirements.

COMMIT to prevent pollution by

- Promoting conservation of energy and efficient use of resources in policy formulation, planning, development, management and maintenance of public housing and commercial buildings
- Considering environmental requirements in land use and procurement of goods and services, and
- Reducing, re-using or recycling materials and wastes wherever possible.

CONTINUALLY improve our environmental performance by setting and reviewing environmental objectives and targets.

COMMUNICATE with and educate all persons working for or on behalf of HDB, business partners, customers and the public to achieve our environmental goals.

Agency Projects

Major Infrastructure Works

In Financial Year (FY) 2022, HDB ramped up the supply of new flats substantially to meet the housing needs of first-time home buyers. In preparation for these new flats, HDB will be implementing 81 infrastructure projects with a total value of \$671 million to serve HDB towns across various areas, such as Bidadari, Tampines North & South, Punggol North, Tengah, Kallang/ Whampoa, Woodlands, Ang Mo Kio, Yishun, and Sembawang.

Land Reclamation Projects

HDB is the agent to MND to carry out land reclamation works. Ongoing land reclamation projects include a \$1.02 billion contract for the Construction & Management of Staging Grounds & Infilling Works (Phase 2 and Phase 3), which are estimated to be completed by November 2023 and August 2026 respectively. Other ongoing land reclamation projects include a \$1.23 billion contract for the Construction of Polder at Areas A & C of Pulau Tekong, which is estimated to be completed in December 2024.

Environmental Monitoring & Management Plan contracts are put in place to mitigate any environmental impact caused by land reclamation works.

National Strategic Stockpiles

As the appointed agent by MND to carry out infrastructure and development works related to the national strategic stockpiles, HDB manages sand stockpiling contracts and develops stockpile sites. Ongoing projects include developing a new strategic stockpile site at \$90 million by December 2024, and the relocation of existing strategic stockpile sites at \$8 million by December 2023.

Solar Initiatives

In line with the HDB Green Towns Programme which aims to harness green energy and bring sustainable living to all HDB towns, HDB has embarked on a solar capability building programme for public housing. Since 2014, HDB and the Economic Development Board (EDB) have jointly led the SolarNova programme to encourage government agencies to come together and harness solar energy to power their activities. Under the SolarNova programme, HDB aggregates solar PV demand from Whole-of-Government (WOG) and allows other government agencies to ride on our solar leasing tenders, achieving greater economies of scale for solar energy purchased. Since the programme's initiation, HDB has launched 7 SolarNova Tenders.

HDB's own initial target to commit 220 MWp of solar PV capacity across HDB blocks in Singapore by 2020 was met in December 2018. With the government's announcement of a new target of 2 GWp by 2030, HDB increased our commitment to

install 540 MWp of solar PV across HDB buildings by 2030. Including the seventh SolarNova tender, HDB has committed a total solar capacity of 380¹ MWp so far. This is equivalent to powering around 95,000 4-room flats with solar energy. HDB is currently the largest stakeholder in the installation of the solar PV system in Singapore.

¹ Includes HDB's efforts prior to the SolarNova programme, when HDB ran pilots on solar initiatives.

Mount Vernon Funeral Parlour Complex (MVFPC)

HDB has been appointed by the National Environment Agency (NEA) as the agent to call for the design and construction of the MVFPC. The design consultancy was awarded in October 2020, while tender for construction was called in July 2022. Working together with NEA and the consultants, HDB aims to deliver a well-designed funeral parlour that is sensitively integrated with the topography and surrounding greenery.

Injecting greenery and waterbodies at Tengah South

Tengah, Singapore's newest town, is envisioned as a place where residents can experience being at home with nature. HDB is leading a project with PUB and NParks to integrate parks, greenery, and waterbodies at Tengah South. Following the award of design consultancy in 3Q2022, the preliminary design is estimated to be completed by mid-2023.

Subsidiary and Associated Companies

EM Services was formed in 1988 to offer estate management, engineering, contracts administration and project management services to Town Councils. HDB holds a 75% stake in the subsidiary, while Keppel Land Ltd holds the remaining 25% stake.

During the year, EM Services maintained its position as the largest managing agent for public housing in Singapore. It managed about 700,000 units of residential and commercial properties on behalf of Town Councils. The company provided essential maintenance and lift maintenance services to Town Councils, property management services to both private and Government agencies, and also housing agency services. In addition, it installed and upgraded lifts in various HDB housing estates.

The total revenue and management fees of the company for FY2021 was \$203 million.

Financial Highlights

Financial Highlights of HDB

	FY2021	FY2020	\$ million Increase/ (Decrease)	FY2019	FY2018
OVERALL INCOME AND EXPENDITURE					
Gross loss	(2,918)	(1,071)	(1,847)	(1,542)	(895)
Income	2,827	2,690	137	2,973	3,020
Income (net)	(91)	1,619	(1,710)	1,431	2,125
Less : Net operating expenditure	(4,276)	(3,965)	(311)	(4,096)	(4,111)
Deficit	(4,367)	(2,346)	(2,021)	(2,665)	(1,986)
Capital expenditure	8,848	5,914	2,934	7,316	6,552

RESULTS BY SEGMENT

Deficit from :					
Home ownership	(3,850)	(1,953)	(1,897)	(2,232)	(1,421)
Upgrading	(392)	(242)	(150)	(440)	(557)
Residential ancillary functions	(352)	(307)	(45)	(312)	(342)
Rental flats	(121)	(125)	4	(115)	(116)
Mortgage financing	(29)	(31)	2	(21)	(23)
<i>Elimination of inter-segment transactions</i>	9	9	-	9	11
Housing total deficit	(4,735)	(2,649)	(2,086)	(3,111)	(2,448)
Surplus from :					
Other rental and related businesses	360	279	81	454	472
Agency and others	17	33	(16)	1	1
<i>Elimination of inter-segment transactions</i>	(9)	(9)	-	(9)	(11)
Other Activities total surplus	368	303	65	446	462
Overall Deficit	(4,367)	(2,346)	(2,021)	(2,665)	(1,986)

	FY2021	FY2020	\$ million Increase/ (Decrease)	FY2019	FY2018
FINANCIAL POSITION					
Property, plant and equipment, and investment properties	28,486	27,447	1,039	26,787	25,477
Loans receivable	36,665	38,002	(1,337)	40,279	40,392
Properties under development and for sale	16,249	16,721	(472)	15,759	15,175
Other assets	6,707	5,281	1,426	4,616	3,622
Total assets	88,107	87,451	656	87,441	84,666
Less:					
Loans payable	65,796	65,340	456	66,205	64,040
Other liabilities	7,107	6,892	215	6,006	5,395
Total net assets	15,204	15,219	(15)	15,230	15,231
Capital and reserves	15,204	15,219	(15)	15,230	15,231

FINANCING OF PUBLIC HOUSING

Government grant to HDB	4,401	2,346	2,055	2,692	2,032
Government loans drawn during the year					
- mortgage financing	1,425	1,811	(386)	3,428	4,089
- upgrading financing	3	5	(2)	4	-
Outstanding loans payable					
Government loans					
- mortgage financing	36,625	38,081	(1,456)	40,317	40,414
- upgrading financing	22	26	(4)	28	32
Bonds	26,866	25,804	1,062	24,357	22,983
Bank loans	2,139	1,274	865	1,329	355

Financial Review

Financial Results

HDB provides Singaporeans with affordable and quality homes, amidst a quality living environment where communities thrive, through its role as the master planner and developer of Singapore's public housing towns and estates.

To help Singaporeans become home owners, the Government subsidises HDB flats with price discounts for new flats and by offering a variety of housing grants. HDB disburses housing grants to eligible households of resale flats. HDB also offers housing loans at concessionary interest rates to help eligible Singaporeans own their homes. For lower-income Singaporeans and those in need of housing support, HDB provides heavily subsidised rental flats.

To ensure that HDB towns continue to be renewed and cater to the changing needs of residents, HDB rejuvenates its towns and flats through programmes such as the Remaking Our Heartland (ROH) Programme, Neighbourhood Renewal Programme (NRP), Home Improvement Programme (HIP), and Lift Upgrading Programme (LUP). The upgrading programmes, which improve the home and living environment, are either fully funded or heavily subsidised by the Government. In addition, HDB develops and manages commercial properties like neighbourhood centres to provide a range of amenities in HDB towns for our residents' convenience and benefit.

To reflect the full spectrum of HDB's operations, the financial results are presented under 'Housing' and 'Other Activities' in the audited financial statements. 'Housing' consolidates the results of housing programmes implemented. It comprises the Home Ownership, Upgrading, Residential Ancillary Functions, Rental Flats, and Mortgage Financing segments. 'Other Activities' comprises the Other Rental and Related Businesses segment, and Agency and Others segment, which are commercial in nature.

In the Financial Year (FY) 2021, HDB incurred a net deficit of \$4,367 million, before the government grant, as compared with \$2,346 million in FY2020. The net deficit comprised the deficit from the 'Housing' activities of \$4,735 million, offset by the surplus from the 'Other Activities' of \$368 million in FY2021.

HDB received a grant of \$4,401 million in FY2021 from the Government to finance its deficit, and to protect the reserves of the past governments in accordance with the Constitution of the Republic of Singapore. The retained earnings of HDB as at 31 March 2022 remained at zero after the transfers to the capital gains reserve to protect the past reserves.

Housing Results

The Home Ownership segment covers the development and sale of flats to eligible buyers under the various home ownership schemes for public housing, and disbursement of housing grants to eligible households of new and resale flats. The Home Ownership segment reported a deficit of \$3,850 million in FY2021 as compared with \$1,953 million in FY2020.

As HDB flats are sold at subsidised prices, when HDB commences the development of new projects, provision is made for the estimated loss of the projects. In FY2021, \$2,923 million of additional foreseeable loss was provided, mainly due to the commencement of more new development projects during the year and the accompanying subsidies and grants associated with these new projects. The costs of construction had also continued to increase due to the tight labour market, material price increases and supply chain constraints.

For the sales completed (i.e. keys issued to buyers) in FY2021, HDB recorded a higher gross loss of \$659 million, mainly due to the higher number of sales completed in FY2021 of 13,506 units, as compared with 8,124 units in FY2020. With the completion of sales, the provisions made in previous years would be released. Hence, \$661 million provision made in previous years was released in FY2021. As a result, there was a net increase of \$2,262 million in the provision for foreseeable loss in FY2021.

HDB also disbursed \$849 million of CPF housing grants to eligible buyers of resale flats and Executive Condominiums (ECs) in FY2021 as compared with \$791 million in FY2020.

The Upgrading segment reported a deficit of \$392 million in FY2021, as compared with \$242 million in FY2020. The programmes include the NRP, HIP, and LUP. The increase in the deficit was due to a higher expenditure for the HIP, due to the pick-up of works in FY2021 as construction activities recover with the gradual easing of COVID-19 pandemic measures.

The Residential Ancillary Functions segment includes lease administration, provision and management of ancillary facilities such as car parks in housing estates, and planning and building administration. It reported a deficit of \$352 million in FY2021, as compared with \$307 million in FY2020. The increase in the deficit was due to higher expenditure on improvement works.

The Rental Flats segment and Mortgage Financing segment reported deficits of \$121 million and \$29 million respectively in FY2021, comparable to the deficits in FY2020.

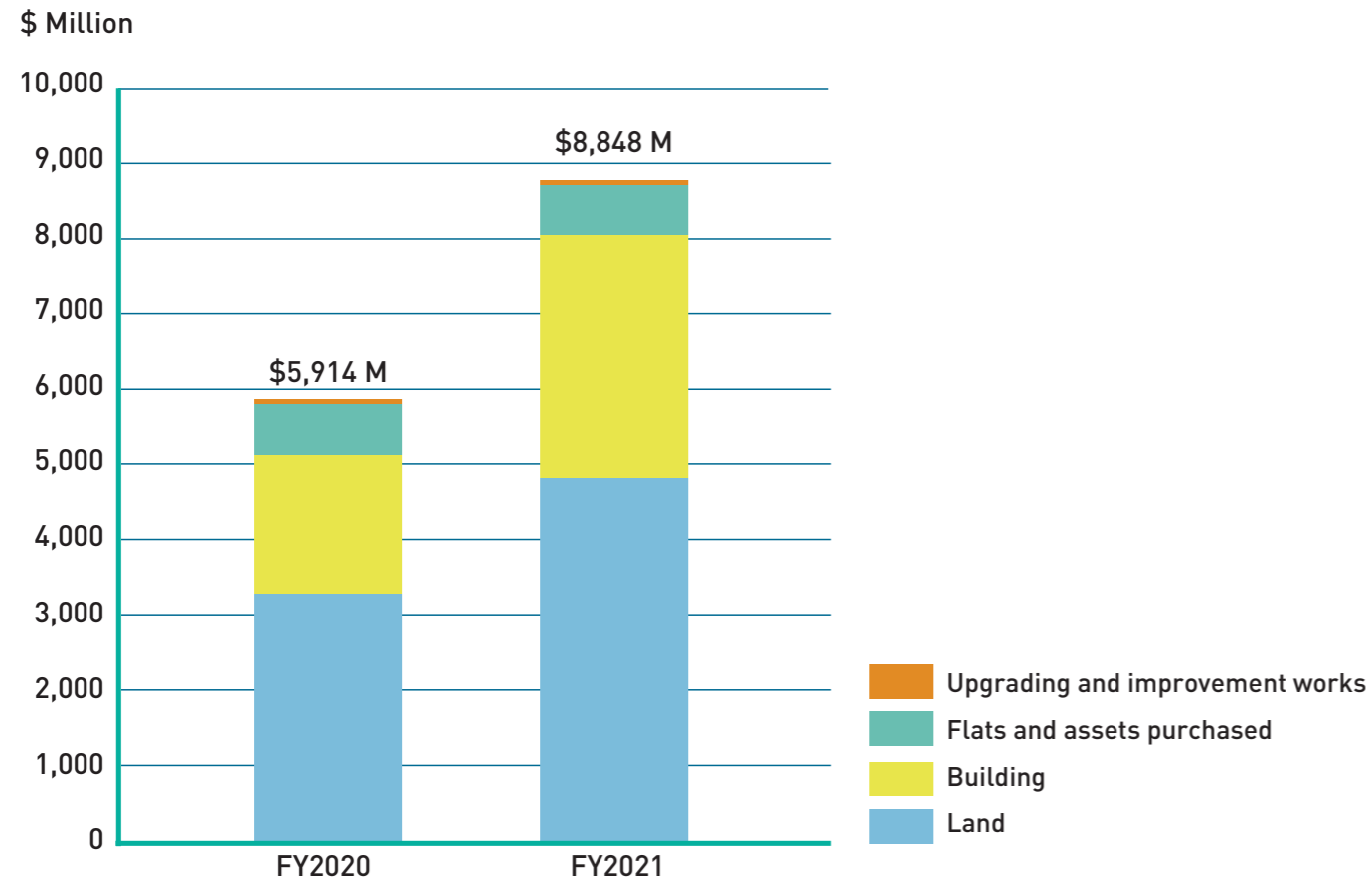
Results of Other Activities

The segment on Other Rental and Related Businesses focuses on the provision, tenancy, and management of commercial properties and land. It reported a higher surplus of \$360 million in FY2021, as compared with \$279 million in FY2020. This is due mainly to reduction in rental rebates to qualifying tenants in HDB shops, social-communal facilities and offices with the gradual easing of COVID-19 pandemic measures and opening up of the economy.

Capital Expenditure

Capital expenditure for the year was \$8,848 million. A large proportion of the year's capital expenditure continued to be incurred for the purchases of land and construction of public housing.

Capital Expenditure



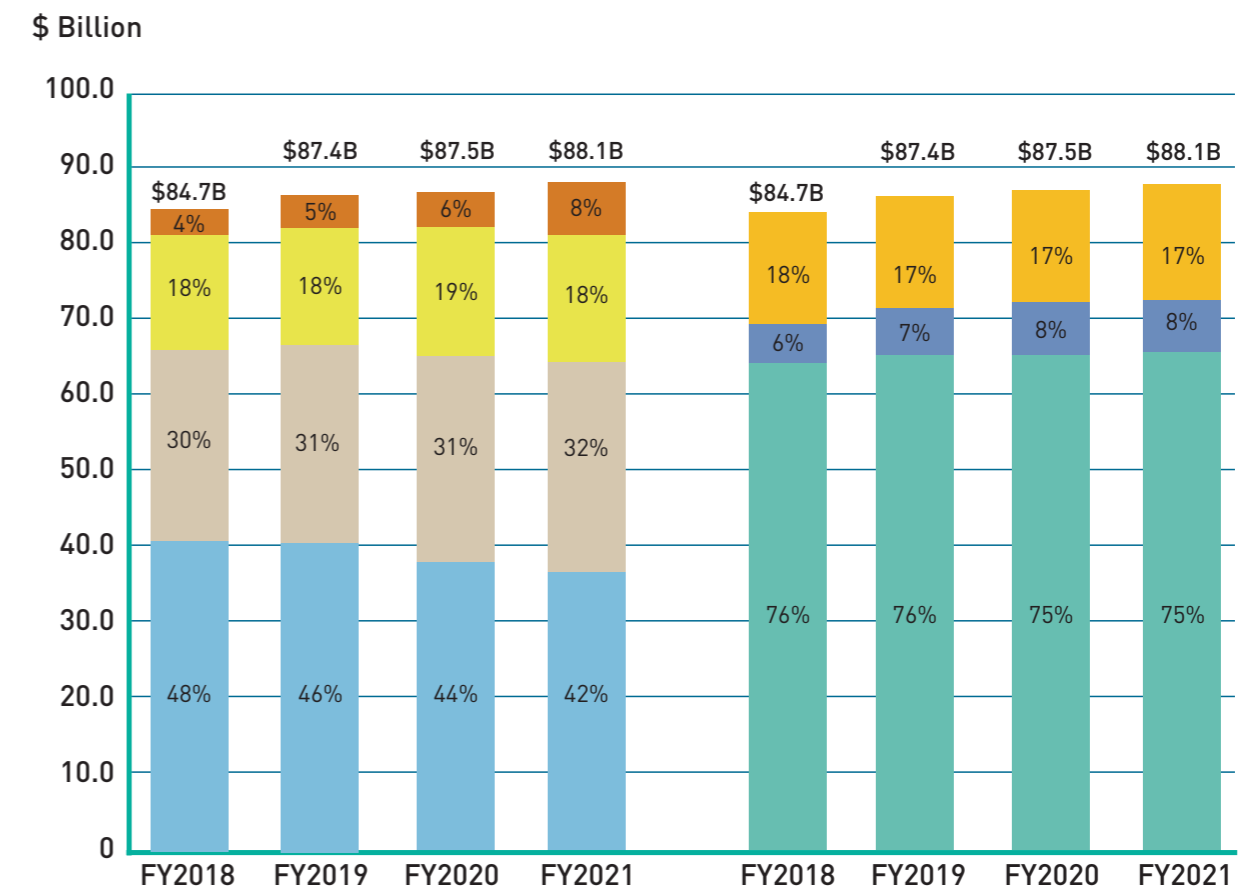
Breakdown	FY2021		FY2020		Change over FY2020	
	\$M	%	\$M	%	\$M	%
Land	4,933	56	3,368	57	1,565	46
Buildings	3,156	35	1,865	31	1,291	69
Flats and assets purchased	700	8	627	11	73	12
Upgrading and improvement works	59	1	54	1	5	9
Capital Expenditure	8,848	100	5,914	100	2,934	50

Financial Position

As at 31 March 2022, HDB's total assets amounted to \$88,107 million. Loans receivable were \$36,665 million. Property, plant and equipment, investment properties, and properties under development and for sale were \$44,735 million. Altogether these assets accounted for 92% of the total assets.

Capital and reserves stood at \$15,204 million as at 31 March 2022. Reserves comprised capital gains reserve of \$7,503 million and asset revaluation reserve of \$5,237 million. The loans payable of \$65,796 million comprised mainly loans from the Government and bonds.

Financial Position



Total Assets				Capital, Reserves and Liabilities		
Loans Receivable	Property, plant and equipment, and investment properties	Properties under development and for sale	Other Assets	Loans Payable	Other Liabilities	Capital and Reserves

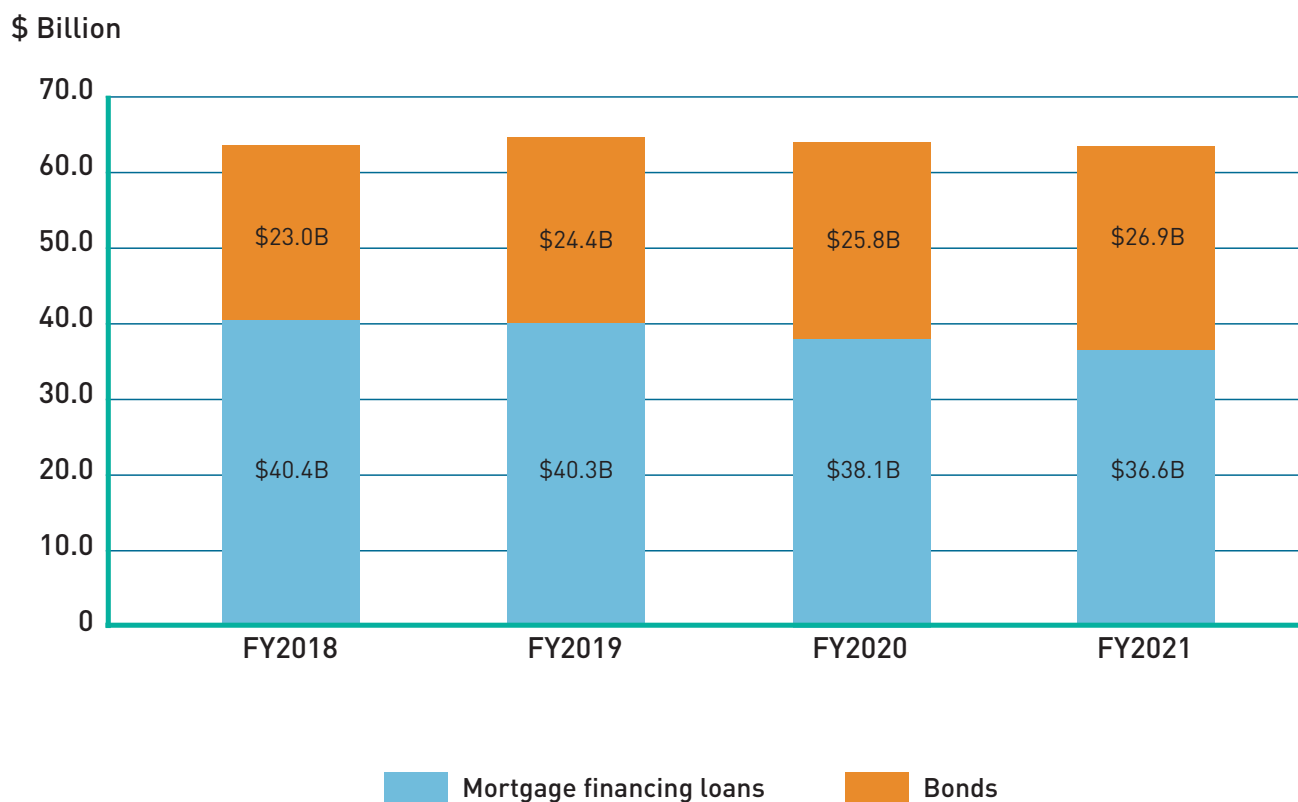
Financing of Public Housing

HDB's annual deficit is fully covered by a government grant. In addition, HDB receives a government grant, to preserve the capital gains attributable to past governments on disposal of the protected assets in accordance with the Constitution of the Republic of Singapore. The cumulative government grants provided to HDB since its establishment in 1960 amounted to \$42,972 million.

The main loans that finance HDB's operations comprise:

- i Mortgage financing loans that finance the housing loans granted by HDB to purchasers of flats under the public housing schemes.
- ii Housing development loans that finance the development programmes and operations. There was no outstanding Housing development loans as at 31 March 2022.
- iii Bonds that finance HDB's development programmes, working capital requirements, and refinancing of existing borrowings. During the year, HDB raised \$5.50 billion and redeemed \$4.43 billion of unsecured Fixed Rate Notes. Total outstanding Notes under the Medium Term Note Programme was about \$27 billion as at 31 March 2022.

Total Outstanding Loan



*Fulfilling **Dreams**, Building **Homes**, Creating **Communities***

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