

## ENVIRONMENT



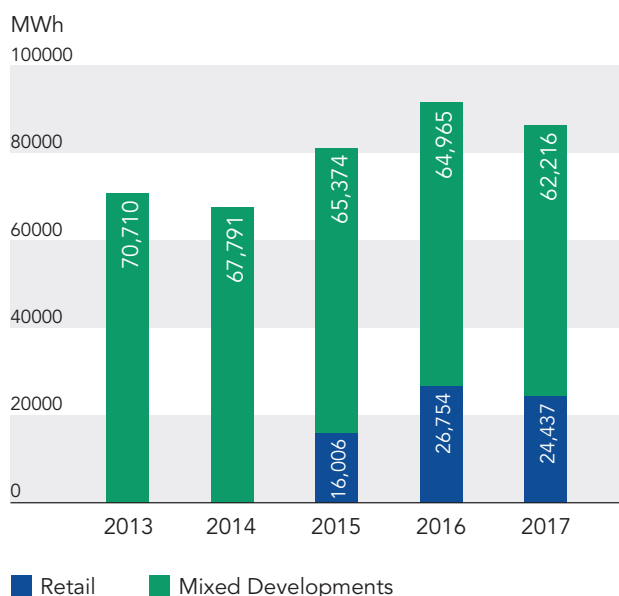
### CLIMATE CHANGE AND CARBON FOOTPRINT

As a property developer and manager, we are cognisant that buildings contribute to global energy use and greenhouse gas emissions. UIC is committed to addressing climate change through the reduction of its energy consumption and other carbon emission outputs in its business operations. We seek to improve our energy efficiency in the most feasible manner to reduce and mitigate our total emissions and operating costs. By integrating energy efficiency considerations into the design and construction of our buildings as required for Green Mark Certifications, we can also help to reduce

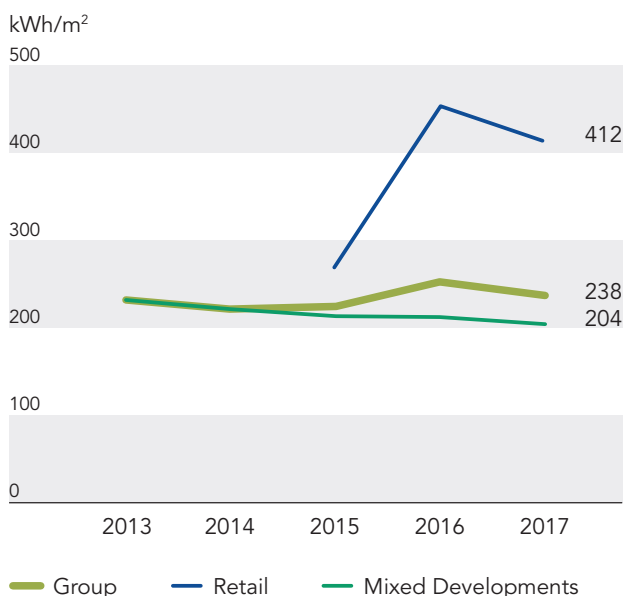
the energy buildings requirements of the buildings and electricity expenditure of our tenants and residents. We have set targets to reduce our Green House Gas ("GHG") emission, energy and water intensities at UIC's investment properties and development projects<sup>3</sup>.

We have put in place a data monitoring system in 2017 to track and monitor our environmental performance at our investment properties and development projects. This includes recording the Company's GHG emission, energy and water intensities to enable us to benchmark and set targets that are independent of business growth<sup>4</sup>.

#### BUILDING ENERGY CONSUMPTION



#### BUILDING ENERGY INTENSITY BY GFA



<sup>3</sup> Environmental performance data includes UIC's investment properties and development projects in Singapore, excluding Marina Square Hotels. Environmental data also includes the properties and various joint venture projects with UOL Group. Electricity consumption figures for some properties have been rounded. Data for tenant's consumption are included for retail properties only.

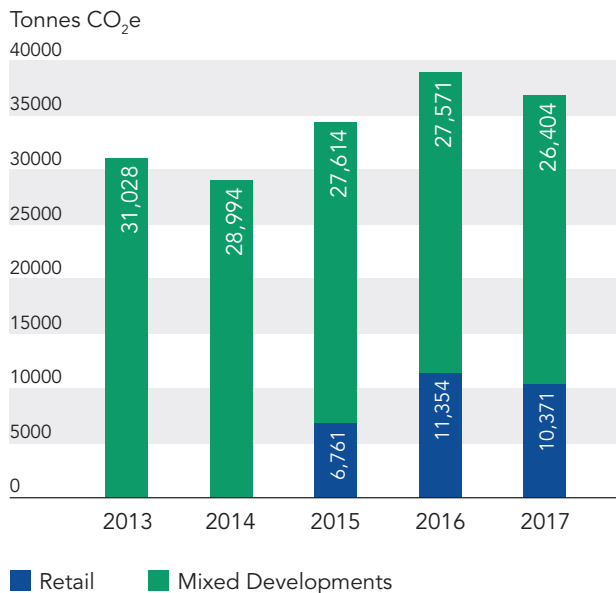
<sup>4</sup> The denominator for GHG emissions, energy and water intensities for investment properties is the total gross floor area.

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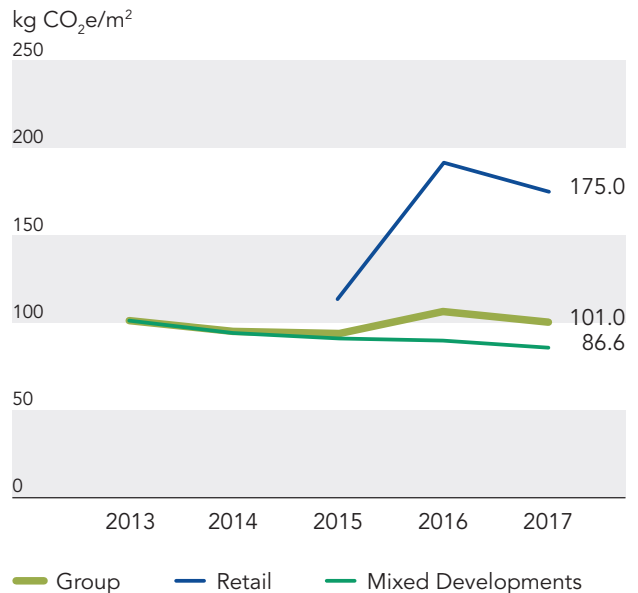
In 2017, the building energy consumption and energy intensity at UIC's investment properties decreased by 5.5% (compared to 2016) to 86,653 MWh and 238 kWh/m<sup>2</sup>, respectively. Efforts to conserve energy and reduce emissions include replacing two chillers with more efficient models at our retail properties, fine tuning chilled water balancing to match building cooling load and replacing old fan coils to improve efficiency. For one of our retail malls, the close monitoring of chilled water header temperature set-point to match building cooling load led to a reduction in energy use of approximately 3,600 kWh per month<sup>5</sup>.

The building GHG emissions and emission intensity were 36,775 tonnes of CO<sub>2</sub>e and 101 kg of CO<sub>2</sub>e/m<sup>2</sup>, respectively, in 2017<sup>6</sup>.

### BUILDING GHG EMISSIONS



### BUILDING GHG INTENSITY BY GFA



<sup>5</sup> Based on metered energy consumption and assuming energy saved per day x 30 days/month.

<sup>6</sup> Greenhouse Gas Protocol emission factors from March 2017 cross sector tools were used to derive greenhouse gas equivalent emissions from diesel. Gases included in the calculations are CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O. Electricity consumption was converted to greenhouse gas equivalent emissions using the Singapore electricity grid emission factor from 2013 and 2016, published by the Energy Market Authority.

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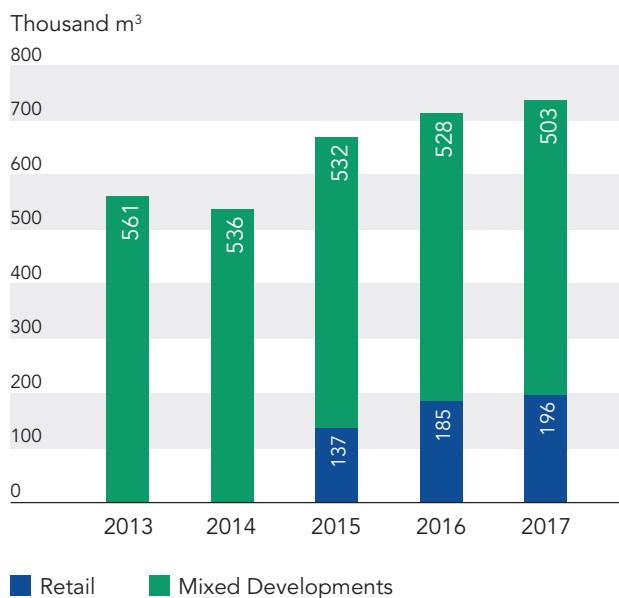
### WATER CONSUMPTION

Water is a precious resource in Singapore, therefore we focus on minimising water consumption during our operations and business activities. We have implemented initiatives which reduced water use, such as promoting water-saving practices, adoption of water-efficient technologies and equipment, as well as process improvements.

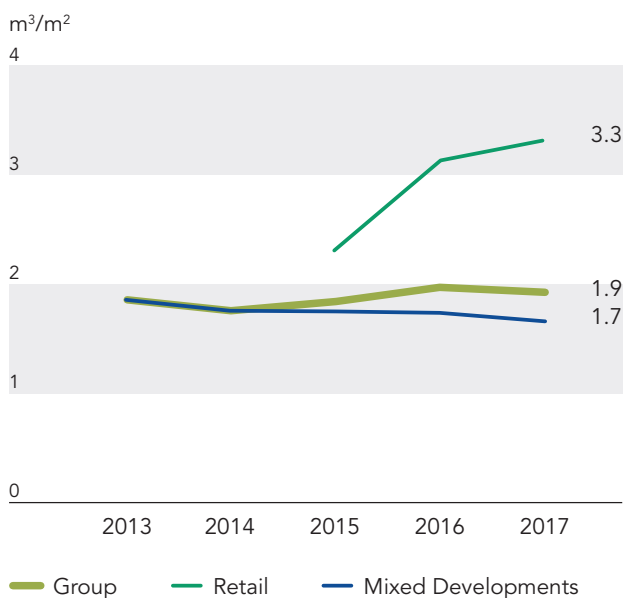
In 2017, the total building water consumption at our investment properties was 699,819 cubic metres. Building water intensity reduced by 1.9% to 1.9 m<sup>3</sup>/m<sup>2</sup> in 2017 from 2016. At UIC, water is sourced from the mains supply provided by Public Utilities Board of Singapore.

In 2018, we will continue to monitor our environmental footprint from initiatives implemented.

#### BUILDING WATER CONSUMPTION



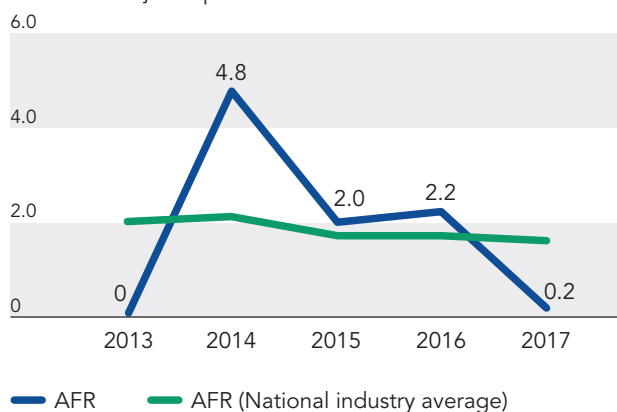
#### BUILDING WATER INTENSITY BY GFA



## HEALTH AND SAFETY

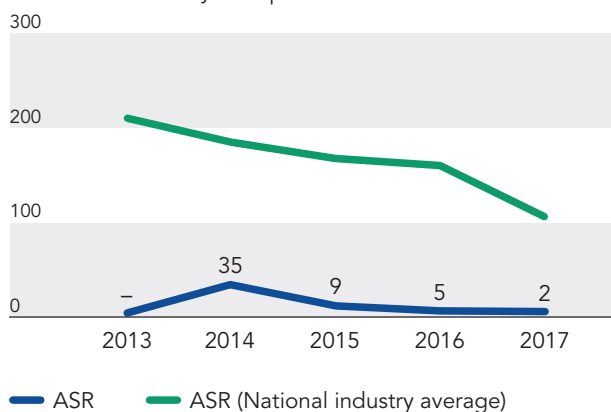
### ACCIDENT FREQUENCY RATE (AFR)

Number of injuries per million man hours



### ACCIDENT SEVERITY RATE (ASR)

Number of man-days lost per million man hours



Health and Safety Statistics		2017	
Development Projects		Employees	Contractors
Number of workplace fatalities		0	0
Number of non-fatal workplace injuries		0	1
Number of occupational diseases		0	0
Number of lost days		0	11
Number of man hours worked		1,729,089	3,424,422
Buildings		Employees	Tenants, Visitors
Number of workplace fatalities		0	0
Number of non-fatal workplace injuries		2	9
Number of occupational diseases		0	0
Number of lost days		59	n.a.

In 2017, UIC had no incidents of non-compliance with regulations and voluntary codes concerning health and safety at buildings and development projects.

In UIC, we have a strong focus on employee health and well-being. In 2017, the absentee rate for employees was

3.1%. Over the years, we have received several awards for our management's approach and programmes on employee workplace health, including the Singapore Health Award Platinum Award 2014 and Gold Award 2012 for UIC Group of Companies.

## OUR PEOPLE



At UIC, we strongly believe that workplace satisfaction and productivity can be enhanced when individuals feel that they are part of an inclusive environment, where their contributions are recognised and valued, and where they feel supported and motivated to do their best. To that end, we value our employees and are committed to human resource policies that help us attract, retain and grow talent, in addition to building a conducive work environment.

UIC's Code of Business Conduct policy sets out the expectation of employees in relation to fraud, bribery, conflict of interest, anti-competitive conduct, harassment, health, safety and environment. This policy is communicated to our employees through the Employee Handbook. Non-compliance with UIC's Employee Handbook results in disciplinary action depending on the nature of the breach.

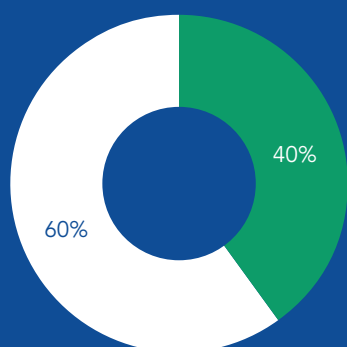
### LABOUR PRACTICES AND EMPLOYMENT

We employ the talent and skills of our local community. As at 31 December 2017, UIC Group's total workforce is 260 employees. In our property business, all of UIC's employees, including senior management, were Singaporeans or Permanent Residents.

We respect all employees' rights to freedom of association and the right to be members of trade unions. Approximately 35% of our employees are covered by collective agreements in Singapore. We contribute to the Central Provident Fund of all our employees in Singapore, which is a comprehensive social security savings plan for retirement.

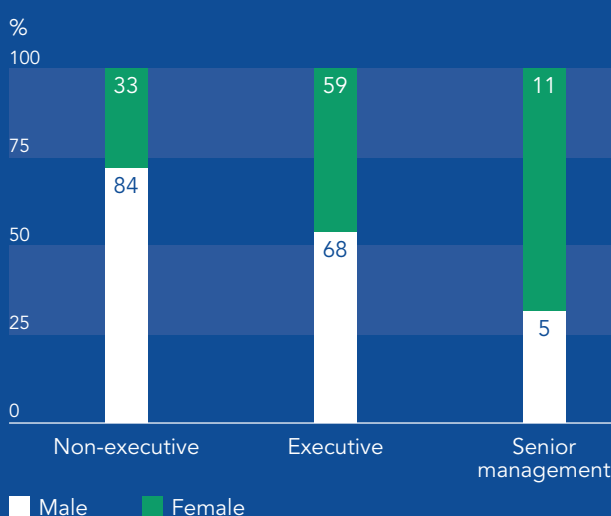
### OUR WORKFORCE

#### GENDER DIVERSITY



■ % Male ■ % Female

#### EMPLOYEES BY CATEGORY AND GENDER



## OUR PEOPLE

### NON-DISCRIMINATION

We are committed to non-discrimination and equal opportunity at UIC. This is supported by our Employee Code of Conduct, which sets the tone of the Group's stance against discrimination on any basis, including ethnicity, gender, religious beliefs, or age. UIC is a signatory to the Employers Pledge for Fair Employment Practices with The Tripartite Alliance for Fair Employment Practices. Employees are hired solely on the basis of individual competencies as well as organisational and job fit.

Opportunities for advancement, promotion and recognition of achievements, compensation, training and other conditions of employment are also based on merit only. In 2017, there were no reported cases of discrimination at UIC.

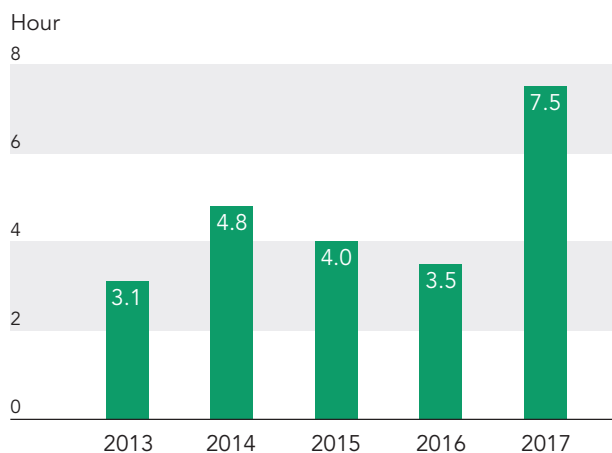
### TRAINING

To enable employees to develop and refine their skills and competencies, we customise learning and development programmes to cater to different career stages and industry needs. This leads to a more empowered, engaged and skilled workforce.

In 2017, our employees received a total of 1,947 training hours with an annual average of 7.6 and 7.3 hours for males and females respectively. We use benchmarking to review our performance, and we recognise that this is an area where we can improve. It is therefore our aim to introduce more training programs for our employees to enhance skills development and complement their on-the job learning through mentoring. We have also set a target to increase the average training hours per employee by 5% in 2018.

Average Training Hours	2017	
Per Employees by Category and Gender	Male	Female
Overall average training hours	7.6	7.3
Non-executive	5.4	0.3
Executive	9.0	11.1
Senior management	25.6	8.1

### AVERAGE TRAINING HOURS PER EMPLOYEE



### REEMPLOYMENT TRAINING

The UIC Group supports re-employability beyond the statutory retirement age. Retirees are offered post-retirement employment opportunities at UIC, in-line with the Singapore Tripartite Guidelines on the re-employment of older employees. As of 31 December 2017, there were eight re-engaged staff.