

Sustainability Report

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HIGHLIGHTS



Alignment with UK Government's goal of **achieving net zero carbon emission by 2050**



First sustainability collaboration with UK Government's DWP

Committed £14.67 million in Sustainability Contribution towards asset enhancement works to improve energy efficiency credentials of DWP-occupied assets



Zero incidents

of non-compliance/corruption



32

average hours
of training per employee
in FY 2021



Management gender diversity



Setting up of Sustainability Committee

headed by the Board Chairman



ABOUT THIS REPORT

This is Elite Commercial REIT's (the “**REIT**” or “**We**”) inaugural sustainability report. The report provides a detailed overview of Elite Commercial REIT's environmental, social and governance (“**ESG**”) performance for the financial year ending on 31 December 2021. The report is presented by Elite Commercial REIT Management Pte. Ltd., (the “**Manager**”) of the REIT.

Standards and Frameworks

The report has been prepared in accordance with the Global Reporting Initiative's (“**GRI**”) Standards – Core option. The Manager has elected to use the GRI Standards because of its international recognition and focus on managing the material impacts on the economy, environment and society. In addition, the report is prepared with reference to the Sustainability Accounting Standards Board's (“**SASB**”) Real Estate Standards. The SASB Standards have been used due to their emphasis on the financial materiality of ESG issues which is of interest to investors.

The report has adopted the Task Force on Climate-related Financial Disclosures (“**TCFD**”) framework for reporting on the REIT's climate-related risks and opportunities, aligned with Guidelines on Environmental Risk Management (“**ERM**”) for Asset Managers, issued by the Monetary Authority of Singapore (“**MAS**”).

This report has also been prepared in accordance with Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Rules (711A and 711B) – Sustainability Reporting.

The report is aligned with the United Nations Sustainable Development Goals (“**UN SDGs**”) to highlight the REIT's contribution to sustainable development.

Scope

The report covers Elite Commercial REIT's operations as a Real Estate Investment Trust, including the entire portfolio of properties for the full financial year ending 31 December 2021. As at 31 December 2021, the REIT's portfolio consisted of 155 properties in the United Kingdom (“**UK**”), majority leased to the UK Government on a full repairing and insuring¹ (“**FRI**”) basis. Therefore, we do not have operational control over these properties in terms of day-to-day management or utilities' consumption. However, we actively engage with our primary occupier, the Department for Work and Pensions (“**DWP**”), on sustainability issues and seek the environmental performance data for reporting. Over 93% of our portfolio by gross rental income² has clauses to the effect of a green lease, which facilitates the sharing of environmental data by the tenant. We remain engaged with our tenants to add green lease clauses to the remaining leases when the opportunity arises.

Restatements

There are no restatements in the report as this is Elite Commercial REIT's first sustainability report.

External Assurance

The Manager has relied on internal checks to ensure the accuracy of the data presented in this report. However, seeking external assurance for future reports remains under consideration.

Feedback

Stakeholders are welcome to send any feedback on this report to the Manager at: enquiry@elitecreit.com



STANDARDS AND FRAMEWORKS USED

- GRI
- SGX-ST Listing Rules (711A and 711B) – Sustainability Reporting
- SASB
- TCFD
- MAS ERM
- UN SDGs

1. Under a full repairing and insuring lease, commonly known as triple net lease, the responsibility for the repair of the external and internal parts as well as the structure of the property is placed with the tenant. Elite Commercial REIT, as the landlord, has no repairing or insuring liability.

2. Based on annualised gross rental income as at 31 December 2021, taking into account the portfolio maiden acquisition completed on 9 March 2021.

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GOVERNANCE AND STEWARDSHIP

At Elite Commercial REIT, ESG, including environmental risk management, has Board-level oversight as an integral part of the overall corporate governance.

The Board provides strategic direction for identifying, managing, and implementing material ESG factors, including environmental issues concerning climate-related risks and opportunities. The Board also reviews and approves sustainability reporting.

The Board is assisted by the Sustainability Committee (“**SC**”). The SC is chaired by the Independent Board Chairman. Other members of the SC include an Independent Director, a Non-Independent Director, Chief Executive Officer, Chief Investment Officer, Chief Financial Officer, and Assistant Vice President of Investor Relations.

SC is responsible for developing, managing, implementing and monitoring ESG strategy under the Board’s supervision to address material sustainability risks and opportunities to create lasting value for all stakeholders.

The SC is supported by a Sustainability Working Team (“**SWT**”) presided by the Chief Executive Officer (“**CEO**”) and comprising representatives from Investor Relations, Asset Management, Finance and Compliance functions. The SWT is responsible for implementing sustainability strategies and collecting ESG performance data from various internal stakeholders for reporting.

Board Statement

The Board is pleased to present Elite Commercial REIT's

1st sustainability report.

The Board accepts its stewardship duties over Elite Commercial REIT and remains steadfast in building a sustainable and resilient REIT with the aim of creating value for our unitholders and stakeholders.

The Board is committed to promoting a robust corporate governance, risk management, diversity, ethical business conduct, responsible business practices and environmental stewardship.

The Board assesses and considers ESG issues, including climate-related risks and opportunities, in the REIT's sustainability and business strategy. It determines the material ESG issues and oversees the management and monitoring of sustainability factors through periodic updates.

The Board has reviewed and approved this sustainability report.

- Board of Directors

Sustainability Governance Structure

Board of Directors

Sustainability Committee

Sustainability Working Team*

* Members include representatives from across the business functions: Investor Relations, Asset Management, Finance and Compliance.

Directors Training

The Board recognises that ESG issues are complex and evolving rapidly. Directors and the management need to keep pace with emerging regulations, standards and frameworks and stakeholder expectations. The Board is committed to constantly build the necessary knowledge and skills to provide effective governance to transition the REIT to a lower carbon economy successfully.

In 2021, the Board attended a sustainability workshop customised for the Manager, which was conducted by an external sustainability expert. Among other topics, the workshop covered climate-related risks and opportunities specifically for the real estate sector.

Board Diversity

The Board has established a Board Diversity Policy that seeks to have an appropriate level of diversity in its composition, including the dimensions of skills, knowledge and industry experiences, gender, age and tenure.

The Board's Nominating and Remuneration Committee ("NRC") is charged with the responsibility of considering aspects such as professional qualifications, industry and geographic knowledge, skills, length of service, age, gender, and the needs of the REIT when reviewing and assessing the composition of the Board and making recommendations to the Board on the appointment of new directors.

A majority of Independent Directors on the current Board were appointed on the same day before the listing of Elite Commercial REIT in 2020, with an Independent Director appointed in July 2021 post-listing. While the Board is rich in diversity of professional qualifications, knowledge and skills, it does not have a woman member. However, the women representation in management is 50%.

The Board acknowledges the importance of gender diversity and remains committed to progressive female representation when the Board is renewed or expanded. The Board has adopted a target to have at least 30% women directors by 2029. Please refer to pages 116 to 117 for more information about our Board Diversity Policy.

Regulatory Compliance

Regulatory violations can cause reputational harm, fines and penalties and disrupt business activities. We are committed to complying with applicable laws where we operate, including but not limited to business and

commercial laws, environmental regulations and labour laws. We have implemented internal controls as part of the enterprise risk management framework to manage regulatory compliance risks. There were no incidents of non-compliance with environmental and socioeconomic laws and regulations in the reported period.

Ethical Conduct

Our Group-wide Code of Conduct and Ethics Policy, approved by the Board, provides detailed guidelines for all directors, managers and employees to perform their duties with high ethical standards. The policy covers a range of issues, including but not limited to regulatory compliance, confidentiality, personal data protection, insider trading, anti-money laundering and combating the financing of terrorism, corruption and bribery, human rights, social and environmental responsibility and whistleblowing.

Failure to comply with the policy can result in disciplinary action.

Anti-Corruption

The Manager remains committed to upholding the highest governance and ethical conduct standards. We maintain zero tolerance towards corrupt practices such as bribery, fraud and money laundering. Elite Commercial REIT adopts a Group-wide Code of Conduct and Ethics, which provides detailed guidelines and measures with regard to the giving and receiving of gifts (monetary or otherwise), kickbacks, concessionary offers, entertainment, and business dealings that may place the employee under any real or apparent obligation or indebtedness to any party. The policy applies to all employees, directors and business partners and strictly prohibits accepting or offering a bribe, gratification or other inducements.

Our Whistleblowing Policy provides a channel for employees, directors of REIT Manager and other stakeholders to raise concerns about potential improprieties, including but not limited to suspected fraud, corruption, and unlawful or dishonest conduct.

There were no confirmed incidents of corruption in the reported period.

Read more about our Whistleblowing Policy on page 134 and our website <https://www.elitecreit.com/whistleblowing-statement.html>. Find out more about our **Corruption and Bribery Prevention Policy** on page 139.

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Anti-Money Laundering

We are committed to complying with applicable laws concerning anti-money laundering and countering terrorism financing. Our Anti-Money Laundering and Combating Financing of Terrorism policy requires all employees to adopt a risk-based approach towards Know Your Customer (“**KYC**”) due diligence procedures and to take steps to prevent and detect unacceptable and suspicious forms of payments.

Political Contributions

Our policy prohibits making any contributions to political campaigns.

Human Rights and Modern Slavery

We are committed to respecting human rights and diversity. Our human rights policy strives to provide a supportive work environment free from infringement on human rights and based on mutual trust where employees treat each other with dignity. The policy also prohibits employees from engaging in discrimination or harassment of any kind, including based on race, ancestry, familial status, age, disability, religion, gender or marital status.

Modern slavery and human trafficking are a violation of fundamental human rights. We are committed to implementing necessary measures to safeguard against modern slavery and human trafficking within our operations and supply chain.

Data Protection and Cyber Security

We are committed to protecting the personal data of our employees and customers and any other

personal data we might collect in the course of business. We have implemented necessary measures to safeguard the privacy and comply with applicable data protection laws where we operate. In Singapore, we comply with Personal Data Protection Act (“**PDPA**”) requirements.

Information technology (“**IT**”) risk and cyber security are vital areas in our enterprise risk management. We have put in place a framework and process to implement prevailing control measures to protect our IT systems from cyber-attacks and data loss.

There were no substantiated complaints or incidents of personal data breaches in the reported period.

Supply Chain

The REIT’s supply chain comprises providers of various services such as legal counsel, corporate secretary, unit registrar, tax agent, insurance brokers, auditors, valuers and surveyors. The Manager’s supply chain includes property managers, human resource consultant, IT provider, marketing and events provider.

We adopt the Group-wide Third-Party Agent and Outsourcing Policy, which subjects service providers to stringent evaluation criteria to *inter-alia* address corruption risks and outsourcing risks. Service providers that are assessed to have higher risks are required to certify their compliance with all applicable laws and anti-corruption laws on an annual basis. Rigorous due diligence checks are performed prior to engaging in any business activities with critical suppliers to ensure that their business practices are in line with the ethical standards required by the Group.

ESG Topic	Ongoing Target	2021
Anti-Corruption 	<ul style="list-style-type: none"> Zero incidents of corruption and bribery Annual training on anti-corruption and anti-money laundering policies 	<ul style="list-style-type: none"> No incidents 100% of eligible staff completed the annual training
Regulatory Compliance 	<ul style="list-style-type: none"> Zero incidents of significant non-compliance with environmental and socioeconomic regulations 	<ul style="list-style-type: none"> No incidents

STAKEHOLDERS

Stakeholder trust is vital for the REIT's performance. We build stakeholder trust through constructive engagement, transparency and communication. We believe that creating value for stakeholders is essential to maintaining trusted relationships. We prioritise engagement with stakeholders who are important for our value creation and also engage with stakeholders interested in our operations or who

may be affected by our decisions. While engagement with some stakeholders is periodic, for example, annual general meetings, interaction with other stakeholders is ongoing and need-based. The Manager proactively engages stakeholders to drive the business effectively and efficiently.

An overview of our stakeholders and how we engage with them is illustrated in the table below.

Stakeholders	Engagement Method	Purpose of Engagement	Stakeholders' Expectations	Our Response	Engagement Examples in 2021
Investors (Retail unitholders and institutional investors)	<ul style="list-style-type: none"> One-on-one and group investor meetings and conference calls Local and overseas non-deal roadshows Public outreach events like participation in virtual investment conferences, webinars, panel discussions and industry forums Corporate website with a dedicated investor relations contact details Social media via our corporate LinkedIn page Annual General Meetings Regular announcements and updates 	<ul style="list-style-type: none"> To keep all unitholders, investors and stakeholders informed on the financial and portfolio performance of the REIT and material information that could affect the price or value of the units 	<ul style="list-style-type: none"> Stable and growing returns from their investments Sustainable financial and portfolio performance Timely and accurate information for their investment decisions Good corporate governance Prudent risk management Unitholder interests are aligned with the management and the Board 	<ul style="list-style-type: none"> Timely and accurate disclosures of material information Majority independent Board with competent Board members providing quality corporate governance Experienced management with ground presence in the UK Engage competent consultants on remuneration matters, controls and governance Necessary disclosures under corporate governance in the Annual Report 	<ul style="list-style-type: none"> EGM for maiden acquisition AGM Annual Report Briefings for family offices Participation in virtual investment conferences, webinars, panel discussions and industry forums held with professional bodies, the media, investor platforms and brokerages Non-deal roadshows Briefings for institutional investors and private bankers held with banks and research houses Trading representative and retail investor teach-in sessions held with brokerages Corporate LinkedIn page and YouTube account <p>(You may refer to pages 39 for the full events listing)</p>

Scotland House, Stourbridge



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Stakeholders	Engagement Method	Purpose of Engagement	Stakeholders' Expectations	Our Response	Engagement Examples in 2021
Investment community (Analysts, the media and financial bloggers)	<ul style="list-style-type: none"> Regular analysts and media briefings Face-to-face and virtual meetings Conference calls, emails and phone calls Media interviews 	<ul style="list-style-type: none"> To keep the market informed on the financial and portfolio performance of the REIT and material information that could affect the price or value of the units 	<ul style="list-style-type: none"> Good corporate governance Prudent risk management Unitholder interests are aligned with the management and the Board Access to senior management 	<ul style="list-style-type: none"> Timely, transparent and accurate disclosures of material information Necessary disclosures under corporate governance in the Annual Report 	<ul style="list-style-type: none"> Research reports by our covering analysts – UBS, CGS-CIMB, UOB Kay Hian and DBS Unrated research report by Maybank Kim Eng Publication of SGX 10-in-10 Research Report Inclusion into RHB Small Cap Top 20 Jewels 2021 REITs Symposium 2021 hosted jointly by Shareinvestor and REITAS (Live chat with investors & blogger interview) SmartKarma Corporate Webinar
Primary Occupier and Tenants	<ul style="list-style-type: none"> Periodical engagement to ensure they are satisfied with our buildings Collection of energy consumption data 	<ul style="list-style-type: none"> To engage on energy efficiency measures Get buildings improved for lease longevity To ensure regulatory compliance for energy performance certifications 	<ul style="list-style-type: none"> Higher energy performance rating for buildings Ensuring access to buildings for people with disability 	<ul style="list-style-type: none"> Ongoing engagement on sustainability issues such as energy, emissions and water Negotiations and discussions for co-investments to improve buildings' energy efficiency Incorporation of green lease clauses into lease agreements 	<ul style="list-style-type: none"> Discussions with primary occupier and agents on a regular basis Embark on the first Sustainability Collaboration with the REIT's primary occupier, the DWP, to undertake asset enhancement works across DWP-occupied assets to improve sustainability and energy efficiency credentials of these properties Engagements to obtain energy performance data
Trustee	<ul style="list-style-type: none"> Meetings, emails, calls 	<ul style="list-style-type: none"> To keep the trustee updated on the financial, operational and portfolio performance of the REIT 	<ul style="list-style-type: none"> Transparent, honest and accurate information 	<ul style="list-style-type: none"> Regular, timely and accurate updates on business and sustainability plans Regular dialogues 	<ul style="list-style-type: none"> Regular meetings and engagements
Banks	<ul style="list-style-type: none"> Meetings, emails and calls Ongoing compliance By joining webinars on sustainability issues 	<ul style="list-style-type: none"> For funding and advisory needs 	<ul style="list-style-type: none"> Transparent, honest and accurate information Asset package, compliance, business plan Manage sustainability risk, timely interest and maturity payments 	<ul style="list-style-type: none"> Timely interest and maturity payments Continuous engagements as added confidence for loan disbursements Regular updates on business and sustainability plans Regular dialogues Asset package 	<ul style="list-style-type: none"> Weekly calls before loan drawdown Underwriting due diligence Yearly credit update call Year-end bank calls Attend webinars organised by banks (e.g Llyods Bank)
Property Managers	<ul style="list-style-type: none"> Meetings, emails, calls 	<ul style="list-style-type: none"> To keep updated on the operational aspects of our assets 	<ul style="list-style-type: none"> Communication of business plans and strategy 	<ul style="list-style-type: none"> Regular and open communication and engagements 	<ul style="list-style-type: none"> Regular engagements and dialogues to keep an ear to the ground

Stakeholders	Engagement Method	Purpose of Engagement	Stakeholders' Expectations	Our Response	Engagement Examples in 2021
Regulators	<ul style="list-style-type: none"> Ad hoc survey submissions Regulatory applications and clarifications as appropriate Timely regulatory filings SGX announcements Circulars Website, AGM/EGM, Annual Report, Sustainability Report 	<ul style="list-style-type: none"> To comply with the regulatory requirements in all countries of operations 	<ul style="list-style-type: none"> Timely and transparent information Adequate resources devoted to compliance Setting compliance culture across all staff Good corporate governance Compliance with policies, rules and regulations 	<ul style="list-style-type: none"> Stay updated on all regulatory requirements Establish comprehensive policies, procedures and controls Independent review by external consultants and internal auditors Accountability of senior management and the Board Active membership in industry associations Maintenance of zero tolerance approach towards fraud, corruption, bribery and unethical practices across the business Regular communication with regulators and governing bodies 	<ul style="list-style-type: none"> Attend sustainability trainings by SGX Attend industry engagement sessions by MAS Attendance at MAS-IBF "Growing Timber" webinar series Attendance at ABS-MAS Tech & Cyber Risk Seminar Survey on the Comprehensive Risk Assessment Framework & Techniques ("CRAFT")
Directors	<ul style="list-style-type: none"> Meetings and calls Quarterly Board Meetings Engagement with committees delegated by the Board Ad hoc Board Meetings (when required) 	<ul style="list-style-type: none"> To comply with regulatory requirements Best practices for good corporate governance For the interest of unitholders For strategic guidance 	<ul style="list-style-type: none"> Regular and timely updates on the REIT's and the Manager's operations and performance 	<ul style="list-style-type: none"> Terms of Reference for each Board committee are laid out and executed Clear agenda setting for all Board Meetings All matters arising are addressed in a timely manner Promote productive engagements between senior management and the Board members Providing regular, timely and accurate updates on the REIT's operations and performance 	<ul style="list-style-type: none"> Regular Board Meetings held in 2021 Directors attended training on a range of topics including climate change, corporate governance and compliance amounting to an average of 10.6 hours training per director
Employees	<ul style="list-style-type: none"> Face-to-face meetings Regular conference calls Emails 	<ul style="list-style-type: none"> To build a cohesive team with high productivity To ensure the well-being of employees To provide an inclusive environment that is conducive for working To attract future and potential employees with a sustainability mindset 	<ul style="list-style-type: none"> Competitive remuneration and benefits for talent retention Good personal growth and development opportunities Career progression Attentive and supportive managers Fair treatment A respectful and conducive working environment Work-life balance 	<ul style="list-style-type: none"> People-friendly HR policies and practices Regular open communications Training and development opportunities Regular employee engagement and performance reviews Whistleblowing channels for malpractice and compliance concerns 	<ul style="list-style-type: none"> Team lunch gatherings SGX Cares Bull Charge 2021 Cycling outing from East Coast Park to Changi Village Open communications Team-building activities Group jog across geographies via virtual means

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Stakeholders	Engagement Method	Purpose of Engagement	Stakeholders' Expectations	Our Response	Engagement Examples in 2021
Auditors	<ul style="list-style-type: none"> Planning of audit schedule and scope Participating in audit exercises (internal and external) 	<ul style="list-style-type: none"> To comply with regulatory requirements in all countries of operations 	<ul style="list-style-type: none"> Timely and transparent information Compliance with policies, rules and regulations 	<ul style="list-style-type: none"> Stay updated on all regulatory requirements Establish comprehensive policies, procedures and controls Unfettered access to information 	<ul style="list-style-type: none"> Annual internal and external audit exercises
Industry associations (e.g REITAS)	Emails, calls	<ul style="list-style-type: none"> To keep abreast of industry developments 	<ul style="list-style-type: none"> Active participation in activities and surveys Provide feedback when appropriate 	<ul style="list-style-type: none"> Active participation in activities and surveys Provide feedback when appropriate Attend training and courses provided by the associations Attend industry events organised by the associations 	<ul style="list-style-type: none"> Employee participation in the Rules and Ethics Course by REITAS as part of the requirement to fulfil continuing professional development ("CPD") hours Participation in a working group for a new training course relating to REIT Manager
Local Community	<ul style="list-style-type: none"> Corporate social responsibility ("CSR") activities Philanthropic programmes and activities 	<ul style="list-style-type: none"> To contribute back to the society Aligns with the REIT's theme of being a social infrastructure player 	<ul style="list-style-type: none"> Ongoing monetary and in-kind donations Ongoing volunteer work Ongoing support for their efforts 	<ul style="list-style-type: none"> Ongoing CSR activities for continual support 	<ul style="list-style-type: none"> Volunteering with charity Willing Hearts Sponsor of SGX Cares Bull Charge 2021 Distribution of necessities to the elderly in collaboration with the Sponsor and Lion Befrienders

St Andrew's House, Hexham



MATERIALITY

In 2021, we conducted a comprehensive materiality assessment to determine the most significant ESG topics for prioritisation and reporting. The Manager participated in a materiality workshop facilitated by a sustainability advisory firm to assess our business activities' most significant economic, environmental, and social impacts and stakeholder expectations.

Working with external sustainability experts, we carefully examined the potential and actual ESG issues in our operations, tenant relationships, global sustainability

challenges relating to the real estate sector, reporting requirements mandated by SGX and MAS, regulatory developments in Singapore and the UK, ESG reporting by peers, and stakeholder concerns.

As part of the materiality process, we considered relevant standards, frameworks, and guidelines, including the SASB Real Estate Standards, TCFD Recommendations, and the UN SDGs, to identify the topics for reporting.

Our materiality process is illustrated below.



We have prioritised the following ESG topics for reporting based on the materiality evaluation:

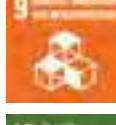
Material ESG Topics

ENVIRONMENT	SOCIAL	GOVERNANCE
<ul style="list-style-type: none"> Climate Change Energy and Greenhouse Gas ("GHG") Emissions Water Tenant Engagement 	<ul style="list-style-type: none"> Attracting and Retaining Talent Employee Development Diversity Local Communities 	<ul style="list-style-type: none"> Regulatory Compliance Anti-corruption

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Supporting the UN SDGs

The UN SDGs, the 17 Global Goals for sustainable development are key reference points in our materiality assessment. Our approach to proactively manage the most significant ESG impacts supports the UN SDGs. We have mapped the SDGs to our material topics to show where our sustainability efforts contribute to the SDGs.

Contributing to the UN Sustainable Development Goals ("SDGs")		
Material ESG Topics	SDG Targets Supported	Relevant SDGs
ENVIRONMENT		
<ul style="list-style-type: none"> • Climate Change • Energy and GHG Emissions • Water • Tenant Engagement 	<p>SDG Target 6.4. By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity</p> <p>SDG Target 7.2. By 2030, increase substantially the share of renewable energy in the global energy mix</p> <p>SDG Target 7.3. By 2030, double the global rate of improvement in energy efficiency</p> <p>SDG Target 9.4. By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities</p> <p>SDG Target 13.1. Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters</p> <p>SDG Target 13.3. Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning</p>	   
SOCIAL		
<ul style="list-style-type: none"> • Attracting and Retaining Talent • Employee Development • Diversity • Local Communities 	<p>SDG Target 5.5. Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life</p> <p>SDG Target 8.5. By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value</p>	 
GOVERNANCE		
<ul style="list-style-type: none"> • Regulatory Compliance • Anti-corruption 	SDG Target 16.5. Substantially reduce corruption and bribery in all their forms	





Our environmental management approach is to constantly evaluate and ensure climate-resilience of our existing portfolio and factor climate-related risks and opportunities in new acquisitions.

Our assets are primarily occupied by DWP, the UK's largest public service department responsible for welfare, pensions and child maintenance for over 23 million claimants. It is noteworthy that the UK Government has set a national target of achieving net zero greenhouse gas ("GHG") emissions by 2050 in line with the Paris Agreement. Our environmental strategy is aligned with the UK's national climate agenda. We are also supportive of the Singapore Green Plan 2030, a national plan to advance Singapore's national agenda on sustainable development.

We believe a low carbon and climate-ready portfolio is central to maintaining the REIT's competitive edge in the marketplace as the demand for green commercial spaces grows to meet the Paris Agreement's goal of limiting global warming to well below 2 degree Celsius ("°C") and preferably 1.5°C by 2030 and reach net zero carbon emissions by 2050. We also believe that climate resilience will play an increasingly critical role in asset valuation and the costs of capital and insurance. Our aspiration is to have a net zero carbon emission portfolio by 2050.

Our entire portfolio is let out on a FRI basis, meaning we do not have operational or management control of our buildings in terms of day-to-day management or utilities' consumption. Therefore, our environmental strategy is three-pronged: mitigate climate-related physical risks and transition risks to our portfolio, upgrade assets to

leverage on the growing demand for low carbon commercial space, and engage with our primary occupier to monitor the environmental performance of our buildings.

Our climate-related governance, strategy, risk management as well as metrics and targets are based on the TCFD Recommendations.

Tenant Engagement

We regularly engage with our primary occupier and tenants on environmental performance issues such as the energy efficiency credentials of the properties. We also take a proactive approach in engaging with our primary occupier and tenants by holding regular dialogues, having boots-on-the-ground approach with our newly set up base in the UK as well as harnessing the strengths of technology and big data to analyse occupier utilisation and to help us understand our primary occupier's needs better. Over 93% of our portfolio by gross rental income¹ have clauses to the effect of a green lease, which facilitates the sharing of environmental data by the primary occupier. This report includes utilities' consumption data provided by our primary occupier.



ESG Topic	2021 Target	2021 Performance	2022 Target
Climate Change 	<ul style="list-style-type: none"> Assess climate-related risks and opportunities using the TCFD framework 	<ul style="list-style-type: none"> Completed an initial assessment of climate-related physical risks and transition risks and opportunities. See more on Pages 90 to 93. 	<ul style="list-style-type: none"> Establish an environment risk management framework and policy
Energy and GHG Emissions 	<ul style="list-style-type: none"> Collect and analyse properties' EPCs and environmental performance to identify improvement areas Establish a process to collect energy performance data from primary occupier 	<ul style="list-style-type: none"> Gathered Energy Performance Data from EPC reports. Incorporated findings in analysis tool Embarked on the first sustainability collaboration with the REIT's primary occupier, DWP, to undertake asset enhancement works across DWP-occupied assets to improve sustainability and energy efficiency credentials of these properties 	<ul style="list-style-type: none"> Engage with primary occupier to improve energy and water efficiency of buildings Engage with the primary occupier in terms of regular progress reports following the commitment by the REIT to invest £14.67 million over three years towards agreed upon asset enhancement works and initiatives that are likely to improve the properties' energy efficiency to a more sustainable standard
Water 	<ul style="list-style-type: none"> Establish a process to collect water performance data from primary occupier 	<ul style="list-style-type: none"> Gathered water use data from primary occupier 	
Tenant Engagement 	<ul style="list-style-type: none"> Engage with primary occupier to collect energy and water consumption data 	<ul style="list-style-type: none"> Initiated engagement with primary occupier to collect utility data 	<ul style="list-style-type: none"> Continue to engage and collaborate with the main occupier on periodic and regular sharing of environmental data for performance tracking

1. Based on annualised gross rental income for the period of 1 January 2021 to 31 December 2021, taking into account the portfolio maiden acquisition completed on 9 March 2021.

2. Refer to page 91 for more information.

Sustainability Report

TCFD REPORT

Climate and Environmental Risk Management

We have adopted the TCFD Recommendations to provide useful information to our stakeholders on climate-related risks and opportunities relevant to Elite Commercial REIT.

The TCFD Framework, issued by the Financial Stability Board in 2017, is structured around four thematic areas — governance, strategy, risk management, and metrics and targets and corresponding recommendations for disclosures. This report details our progress so far in implementing the TCFD Recommendations.

Governance

Board Responsibility: The Board has overall responsibility to ensure the environmental risks, including the climate-related risks and opportunities, are effectively managed at the REIT. The Board considers climate-related risks and opportunities in its risk review process. The senior management updates the Board on material climate risks and other ESG risks.

The Board has established a Sustainability Committee (“**SC**”), presided by the independent Board Chairman. Other members of the SC include an Independent Director, a Non-Independent Director, Chief Executive Officer, Chief Investment Officer, Chief Financial Officer, and Assistant Vice President of Investor Relations. The SC’s responsibilities include overseeing the assessment and management of climate-related risks and opportunities as part of the governance of material ESG issues important to the REIT’s portfolio. The SC meets four times a year to review overall progress on ESG issues that also include climate-related measures and initiatives.

The Board is supported by a cross-functional Sustainability Working Team (“**SWT**”), presided by the CEO.

The Board reviews and approves sustainability reporting and the TCFD disclosures.

Management Responsibility: The CEO is a member of the SC and chairs the SWT which is tasked with responsibilities relating to implementing ESG strategies that include addressing the climate-related risks and opportunities.

The SWT, which comprises management representatives from Investor Relations, Asset

Management, Finance, and Compliance functions, supports the SC in identifying climate-related risks and opportunities, assessing their financial impact and developing mitigation and adaptation strategies. The SWT is responsible for implementing climate strategies and collecting performance data against metrics and targets.

The Manager is also responsible for ongoing engagement with the primary occupier and tenants to explore opportunities to improve building energy efficiency and lower carbon emissions. In addition, the Manager maintains a dashboard of energy, water and emissions data received from the primary occupier for ongoing monitoring of our portfolio’s environmental performance.

In FY 2022, the Manager is committed to developing an environmental risk management framework and relevant climate-related policies for the Board’s approval.

Strategy

Climate change is a strategic business issue for the real estate sector because the buildings and construction sector contributes nearly 37% of energy-related CO₂ emissions. Therefore, building energy efficiency is key to decarbonising the industry and achieving the Paris Agreement’s goal of limiting global warming to well below 2°C, preferably 1.5°C, compared to pre-industrial levels by 2030 and reach net zero carbon emissions by 2050.

The most recent Intergovernmental Panel on Climate Change (“**IPCC**”) Assessment Report (“**AR6**”) “Climate Change 2021: the Physical Science Basis” has reaffirmed that strong, rapid and sustained greenhouse gas reductions would be required to ensure limiting global temperature rise to 1.5°C remains within reach.

In the UK, where all of Elite Commercial REIT’s current assets are located, the government has adopted a legally binding target to reach net zero emissions by 2050. The UK Government is setting out policies and strategies for decarbonising all sectors of the UK economy to meet the target.

Clearly, there will be increasingly more demand for energy-efficient, low carbon buildings. Therefore, our strategy is to constantly assess the climate-related risks and opportunities to the REIT’s portfolio to develop mitigation and adaptation measures to transition to a low carbon economy.

At Elite Commercial REIT, we are developing a strategic approach to manage climate-related financial impacts on the portfolio over short-, mid- and long-term horizons. For planning purposes, we consider 0-5 years to be short-term, 6-10 years as mid-term and more than 10 years to be a long-term horizon.

Short-Term: Our strategy focuses on our current assets' energy efficiency in the near term and mitigates the physical risks from extreme weather events such as rising sea levels and floods in the mid- and long-term. We have already started our initial scenario analysis to assess climate change's physical and transition risks.

Since we do not have operational or management control over a majority of our assets, it is vital for us to engage with our full repairing and insuring tenants to monitor the environmental performance of the buildings. All of our leases with the primary occupier have clauses to the effect of a green lease clause, which facilitates the sharing of environmental data and thus drive our assets' environmental performance. We are committed to work with other tenants to progressively include the scope of green lease provisions as part of our mid- to long-term strategy for managing climate-related risks.

We are developing a framework to assess climate-related risks and opportunities in new acquisitions by considering a range of indicators such as potential physical risks from extreme weather events and the asset's environmental performance, including energy efficiency, carbon emissions, and water efficiency.

For example, we are developing a roadmap to upgrade the rating of the Energy Performance Certificate ("EPC") of each asset in the portfolio with an aim to have an EPC rating of B or higher by 2030. We are also engaged with our primary occupier to seek their energy, emissions and water performance data and explore partnership opportunities to make improvements.

Mid-Term: Our approach is to continue to engage with our primary occupier and tenants and invest in our portfolio of properties to meet the Minimum Energy Efficiency Standards set out by the UK Government. In line with the government's plans, we have adopted a target to secure an EPC rating of B or higher for all properties by 2030.

Long-Term: Our goal is to ensure that the properties in our portfolio remain tenantable in various climate scenarios. We will continue to invest in building up the resilience of our existing properties by considering a range

of mitigation or adaptation measures based on the climate scenario analysis.

As part of our ongoing strategy, we will incorporate climate-related risks and opportunities in our due diligence as we seek to invest in new assets. This would involve assessing potential physical risks of climate change and a carbon appraisal to determine the cost of transition to a net zero carbon pathway.

Our primary occupier DWP has developed a Carbon and Water Management Plan in support of the UK's Net Zero Carbon by 2050 commitment. We look forward to working with DWP to identify collaboration opportunities for increasing energy and water efficiencies across our properties and support their sustainability ambitions.

Risk Management

The Sustainability Committee assists the Board in managing climate risks as part of the overall risk management. In line with the REIT's overarching risk management framework, we have used the TCFD Recommendations and the MAS' Guidelines on Environmental Risk Management for identifying and assessing climate-related risks and opportunities.

The Audit and Risk Committee ("ARC") assists the Board in examining the adequacy and effectiveness of internal controls policies and procedures to ensure that a robust risk management framework and internal control system is maintained while the Board reviews the adequacy and effectiveness of the risk management and internal control system. For more details on the roles and responsibilities of the ARC, please see pages 131 to 132, Principle 10 of the Corporate Governance Report.

We have conducted a climate scenario analysis to understand our portfolio's resilience to climate change and the measures we can take to be climate-ready. Our analysis is based on the global temperature rise of 2°C and 4°C scenarios - referring to the Representative Concentration Pathways ("RCPs") published by the Intergovernmental Panel on Climate Change ("IPCC"). The RCPs are established pathways representing possible future emissions and greenhouse gas concentrations to 2100.

Our 2°C scenario is aligned with IPCC's RCP2.6 to assess transition risks and opportunities, and physical risks. We aligned our 4°C scenario analysis with IPCC's RCP8.5 to assess the physical risks.

A summary is provided in the following pages.

Sustainability Report

Assessment of Climate-related Risks

Physical Risk

Physical risks are associated with the physical impacts of climate change resulting from extreme weather events due to changes in climate patterns. Physical risks are of two types – acute risk and chronic risk. Acute physical risks refer to event-driven risks, including increased severity of extreme weather events, such as floods, cyclones or hurricanes. Chronic physical risks refer to longer-term shifts in climate patterns, such as persistent higher temperatures that may cause sea level rise or chronic heat waves. Both types of physical risks can affect our properties and disrupt our tenants' operations.

In 2021, we commenced an assessment of potential physical risks on our entire portfolio of 155 properties located across the UK, Wales and Scotland. In the latest UK Climate Projections 2018 (“**UKCP18**”), the UK Met Office has projected an increased chance of warmer, wetter winters and hotter, drier summers for the 21st century. By 2070, in the high emission scenario, the increase in average seasonal temperature can range from 0.9°C to 5.4°C in summer, and 0.7°C to 4.2°C in winter; the change in seasonal average rainfall can range from -47% to 2% in summer, and -1% to 35% in winter. The frequency and intensity of extreme weather are projected to increase as well. The intensity of heavy summer rainfall events is projected to increase in the future despite the overall summer drying trends. Hot spells, confined mainly to the South East of UK in the present day, is projected to occur more frequently in the future. Sea level around the UK, which has risen by about 17 centimetres since the start of the 20th century, is projected to continue to rise to year 2100. In London, for example, sea level rise for a high emission scenario would range from 0.53 metres to 1.15 metres by the end of the century (when compared to 1981 – 2000).

The increase in precipitation coupled with high-intensity showers would likely expose our assets to more frequent surface water flooding and river flooding. The impacts of surface water flooding,

also commonly known as flash floods, would be more severe for those assets located in urban areas and low-lying land. For assets located along the coastline, the risk of coastal flooding increases with the projected sea level rise. Our preliminary analysis indicates that about 22.1% of our portfolio (by floor area) are presently located in areas identified to have a high risk of the river, coastal and surface water flooding¹. While a like-for-like comparison between present flood risk and future flood risk could not be made due to the absence of official data, we anticipate that more of our assets would be exposed to surface water flood risks in the long term. The actual flood risk nonetheless would depend upon a few other factors such as the building features, local drainage conditions and surrounding landscape. Therefore, we would continue to monitor our flood risks and incorporate the risks into our broader asset management strategies.

We also studied water-related impacts on our portfolio, given the UK's impending risk of water shortages. According to the UK Climate Change Risk Assessment 2017 Report, research commissioned by the Committee on Climate Change estimated that the demand for water in England would exceed supply by between 1.1 billion and 3.1 billion litres per day by the 2050s, depending on the extent of climate change and population growth. Using the WRI Aqueduct Water Risk Atlas tool, we identified that about 9.5% of our portfolio (by floor area) are presently located in areas with high and extremely high baseline water stress risk. This increases to about 33% in 2030 under the SSP2-45 scenario, referring to the middle-of-the-road development, the intermediate scenario provided in the latest IPCC assessment report AR6 in which CO₂ emissions remain around current levels until the middle of the century.

Recognising climate science will continue to advance, we would continue to review our water stress risks and explore ways to analyse the risks using more localised projections.

¹. Analysis was conducted based on available data from the UK Environment Agency, Scottish Environment Protection Agency and Natural Resources Wales. Elite Commercial REIT defines high risk to be those properties with High (>3.3% chance a year) and Medium (1.0% - 3.3% chance a year) risk of river, sea and surface water flooding in Wales, High (10% chance each year) and Medium risk (0.5% chance each year) of river, coastal and surface water flooding in Scotland, and High Probability (1.0% or greater chance each year) of river and coastal flooding in England.

Transition Risk

Transition risks are associated with the shift to lower carbon or net zero carbon economy. Transition risks may arise from significant policy, legal, technology, and market changes to address mitigation and adaptation requirements triggered by climate change.

Climate-related opportunities may result from mitigation and adaptation measures such as resource efficiency and cost savings, the adoption of low carbon energy sources, low carbon products and services, access to new markets, and making the supply chain more resilient.

Assessment of Climate-related Risks

Risk Category	Risk Type	Risk Description	Potential Financial Impacts	Mitigation or Adaptation Measures
Physical Risk	• Increased severity of extreme weather events such as floods and flash floods	• Properties located in high flood risk areas	<ul style="list-style-type: none"> • Asset valuation • Inability to rent or sell the asset • Increase in insurance costs • Physical damage or impairment of assets • Cost of pre-emptive mitigation measures 	<ul style="list-style-type: none"> • Undertake further study to assess local town councils' preparedness and plans in areas where there is high risk of the river, coastal and surface water flooding • Engage with the local councils and the tenant
	• Rising mean temperatures	• Properties located in high water-stressed or heat-stressed areas	<ul style="list-style-type: none"> • Asset valuation • Inability to rent or sell the asset • Higher energy costs for tenants due to increased cooling demand 	<ul style="list-style-type: none"> • Prioritise water efficiency measures in collaboration with tenants and occupiers in properties identified to be in high water-stress risk areas
Transition Risk	• Policy and Legal	<ul style="list-style-type: none"> • Stricter building energy efficiency and water efficiency regulations (e.g. proposed changes to Minimum Energy Efficiency Standards ("MEES") regulation) • Pricing on carbon emissions 	<ul style="list-style-type: none"> • Cost of asset enhancements to meet high energy efficiency regulations • Cost of asset enhancements to improve water efficiency • Loss of revenue from the inability to lease non-compliance buildings • Higher compliance cost 	<ul style="list-style-type: none"> • Adopted a target to achieve EPC rating of B or higher for all properties by 2030 • Committed to net zero portfolio by 2050
	• Market	<ul style="list-style-type: none"> • Reduced demand for carbon inefficient buildings due to changing customer preferences • Increasing demand for climate-related and ESG disclosures 	<ul style="list-style-type: none"> • Repricing of assets • Lower rental yield • Inability to rent or sell the assets • Lower ESG ratings could affect asset valuation 	<ul style="list-style-type: none"> • Adopted a target to achieve EPC rating of B or higher for all properties by 2030 • Committed to net zero portfolio by 2050

Assessment of Climate-related Opportunities

Category	Opportunity	Description	Potential Financial Impacts	Management Approach
Resource Efficiency	• Higher demand for energy-efficient buildings	• Improve energy efficiency of buildings	<ul style="list-style-type: none"> • Rental premium • Asset valuation • Energy savings for tenants 	<ul style="list-style-type: none"> • Adopted a target to achieve EPC rating of B or higher for all properties by 2030 • Committed to net zero portfolio by 2050
Energy Source	• Installation of solar photovoltaic ("PV") on our assets	• Installation of solar PV on our assets	<ul style="list-style-type: none"> • Revenue from on-site solar PV installations • Asset valuation • Rental premium 	<ul style="list-style-type: none"> • Explore opportunities to collaborate with tenants and occupiers to improve properties' sustainability performance including feasibility of on-site PV solar panel installations
Products and Services	<ul style="list-style-type: none"> • Higher demand for energy-efficient and green-certified buildings • Green finance 	<ul style="list-style-type: none"> • Improve energy efficiency of buildings • Obtain green building certification • Green finance for asset enhancements 	<ul style="list-style-type: none"> • Rental premium • Asset valuation • Energy savings for tenants • Lower interest cost on green loans 	<ul style="list-style-type: none"> • Adopted a target to achieve EPC rating of B or higher for all properties by 2030 • Committed to net zero portfolio by 2050
Resilience	• Higher demand for energy-efficient and green-certified buildings	• Increased adoption of energy efficiency measures and renewable energy across the portfolio	• Increased market valuation due to climate-resilience	<ul style="list-style-type: none"> • Adopted a target to achieve EPC rating of B or higher for all properties by 2030 • Committed to net zero portfolio by 2050

Sustainability Report

TCFD Metrics and Targets

Climate-related Risks			2020	2021
Risks	Metric			
Policy and legal	Percentage of portfolio with EPC rating of F or G (by floor area)		5.4%	3.5%
	Percentage of portfolio with EPC rating of C, D or E (by floor area)		94.6%	96.2%
Extreme weather	Percentage of portfolio exposed to high risk of inland, coastal and flash flooding (by floor area)		24.3%	22.1%
	Percentage of portfolio exposed to high risk of inland, coastal and flash flooding (by value)		22.3%	20.1%
Resource supply	Percentage of portfolio located at high and extremely high baseline water stress area (by floor area)		6.5%	9.5%
	Percentage of portfolio located at high and extremely high baseline water stress area (by value)		11.3%	21.7%
Climate-related Opportunities				
Products and services	Percentage of portfolio with EPC rating of A or B (floor area)		0.0%	0.3%
	Percentage of gross rental income from EPC A and B rated assets		0.0%	0.4%
Primary Occupier's Performance ¹				
Energy	Total energy consumption (MWh)		58,132	81,392
	Total electricity consumption (MWh)		22,128	27,951
	Total fuel consumption (e.g. gas) (MWh)		36,004	53,441
	Total energy intensity by floor area (kWh/m ²)		247.0	253.0
GHG emissions	Total GHG emissions intensity by floor area (kgCO ₂ e/m ²)		51.2	52.4
Water	Total water consumption (m ³)		92,637	147,387
	Total water intensity by floor area (m ³ /m ²)		0.39	0.46

1. Elite Commercial REIT does not have operational or management control of its assets in the portfolio in terms of day-to-day management or utilities' consumption as all current leases are on a full repairing and insuring lease terms basis, commonly known as a triple net lease. Performance data presented here pertains only to DWP-occupied assets and has been provided by our primary occupier who also publishes their own sustainability reports. Data for 2020 is based on the initial portfolio of 97 assets as at 31 December 2020, while data for 2021 is based on assets occupied by DWP as at 31 December 2021, including assets from maiden acquisition.

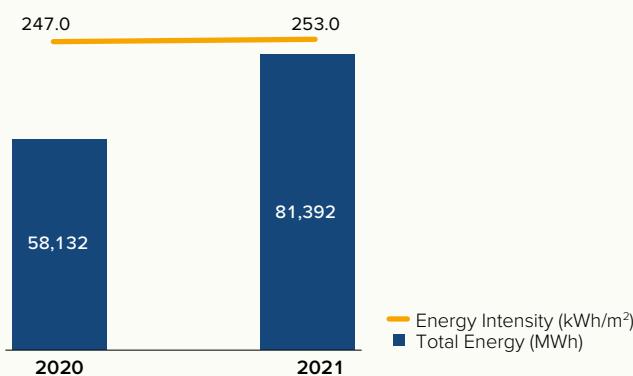
Bristol Road South, Birmingham



Data presented below pertains only to assets occupied by DWP. Data for 2020 is based on the initial portfolio of 97 assets as at 31 December 2020, while data for 2021 is based on assets occupied by DWP as at 31 December 2021, including assets from maiden acquisition.

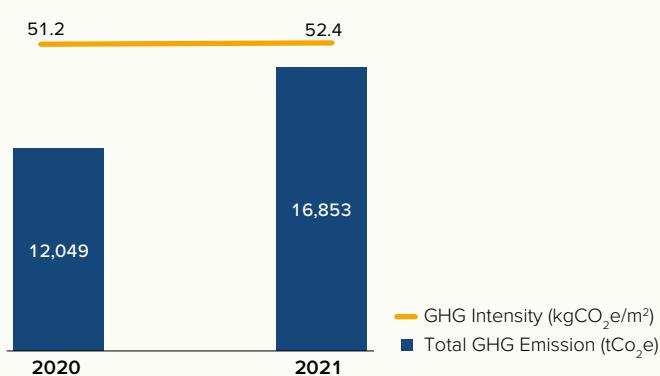
Energy Consumption

Energy Consumption - Absolute and Intensity

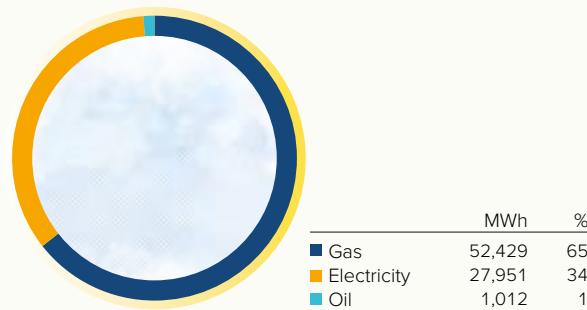


GHG Emissions

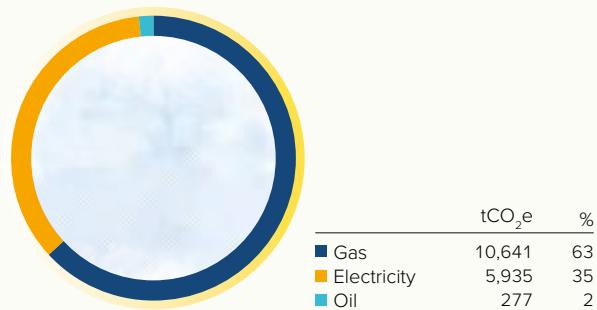
GHG Emissions - Absolute and Intensity



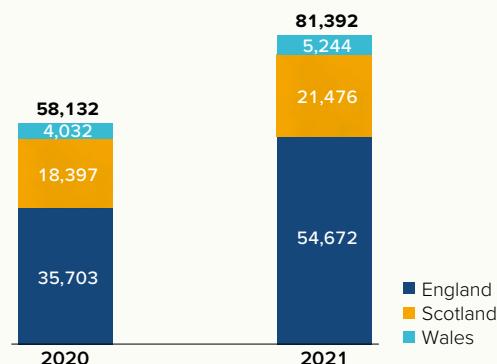
2021 Energy Consumption, by Energy Type (MWh, %)



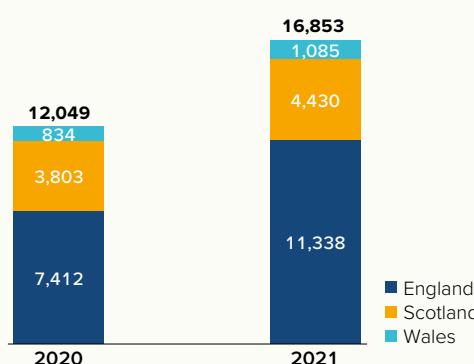
2021 GHG Emissions, by Energy Type (tCO₂e, %)



Energy Consumption by Region (MWh)



GHG Emissions by Region (tCO₂e)

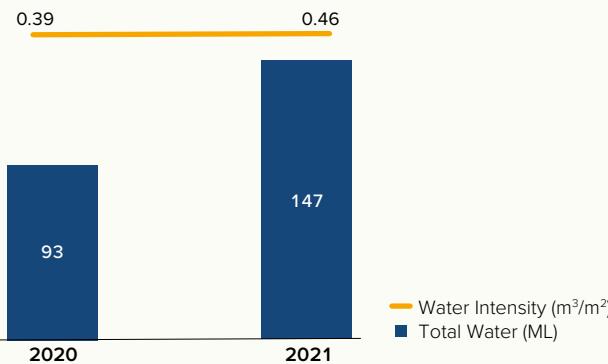


Sustainability Report

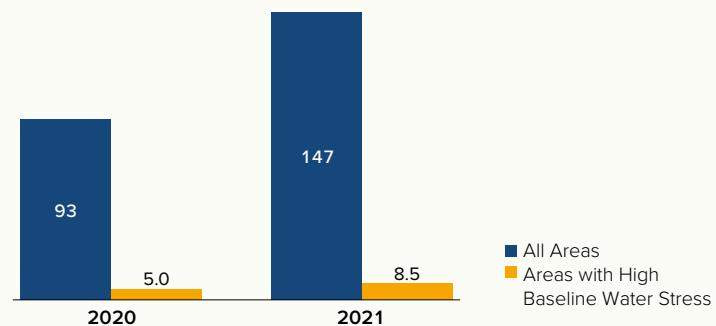
Data presented below pertains only to assets occupied by DWP. Data for 2020 is based on the initial portfolio of 97 assets as at 31 December 2020, while data for 2021 is based on assets occupied by DWP as at 31 December 2021, including assets from maiden acquisition.

Water Consumption

Water Consumption - Total and Intensity



Water Consumption in Areas with High Baseline Water Stress (ML)



Peckham High Street





The Manager is committed to attracting, developing and retaining talented professionals to create value for the REIT and its stakeholders. It is vital for us to nurture an inclusive and supportive workplace where our people can perform to their best. Our workplace policies promote active engagement, open communication, mutual trust, teamwork as well as personal and professional development.

Employee Profile

As at 31 December 2021, we employed six people, all of them as full-time employees with permanent contracts.

Diversity

We are committed to promoting an inclusive workplace with respect for diversity. We promote equality and mutual respect in the workplace to make all employees feel valued and empowered.

Women account for 50% of our employees, including at the management level.

Employee Engagement

The Manager recognises it is essential to have an engaged and energised team to deliver on the business goals. As a small team, we maintain open communication, regular meetings, cross-functional workgroups and ongoing interactions to keep the team engaged and motivated. More formal channels for engagement include performance discussions and setting development goals.

COVID-19 and Employee Well-being

As COVID-19 continues to disrupt workplaces, the Manager remains committed to ensuring the health and well-being of our people. Our COVID-19 measures have included abiding by the health advisories issued by the relevant regulatory agencies, practising enhanced cleanliness and hygiene in offices, and empowering our employees to work from home productively. In FY 2021, the Manager enacted its Business Continuity Plan ("BCP")

and transitioned its workforce to remote work arrangements according to the work-from-home posture by the Singapore Government. These actions, coupled with Elite Commercial REIT and the Manager's continuous investment in systems, processes and people, has ensured that there has been no material interruption to the operations of Elite Commercial REIT and the Manager's business due to COVID-19. Employees are given paid time off for COVID-19 vaccination, including any mandatory observation period after vaccination if the vaccinations are done during working hours. Employees are granted additional time off to rest if they experience side effects from their COVID-19 vaccination. All Antigen Rapid Test ("ART") kits are funded by the Manager during the time employees are working on-site. The Manager has also implemented flexible workplace hours to spread out employees across time and place, and reduce possible congregation of employees at common spaces at or near the workplace, such as entrances, exits, lobbies, and pantries. Senior management schedules regular check-ins with employees to assess their state of mental well-being and review / prioritise their workloads where necessary.

Employee Development

We are committed to developing our people through regular training opportunities. Our employees' personal as well as professional development is important to us to deliver on our business goals. It is vital for us that our teams stay updated on emerging issues such as climate-related risks and opportunities, regulatory developments related to climate change, energy, emissions, water, ESG screening of assets, green building certifications, and sustainability reporting.

The Board remains committed to ongoing learning of directors to maintain the necessary skills and knowledge including the ESG topics. In 2021, directors completed a total of 106 hours of training which amounted to an average of 10.6 hours per director.

Sustainability Report

Hiring and Turnover

Our approach is to hire and retain the most qualified talent. Our ability to attract the right and diverse talent and talent retention are crucial to providing our primary occupier and tenants with high-quality services. Therefore, we track our hiring and turnover performance for management review.

Non-Discrimination

We are committed to treating all employees fairly. Our employment policy prohibits discrimination or harassment of any kind, including on the basis of race, ancestry, familial status, age, disability, religion, gender or marital status.

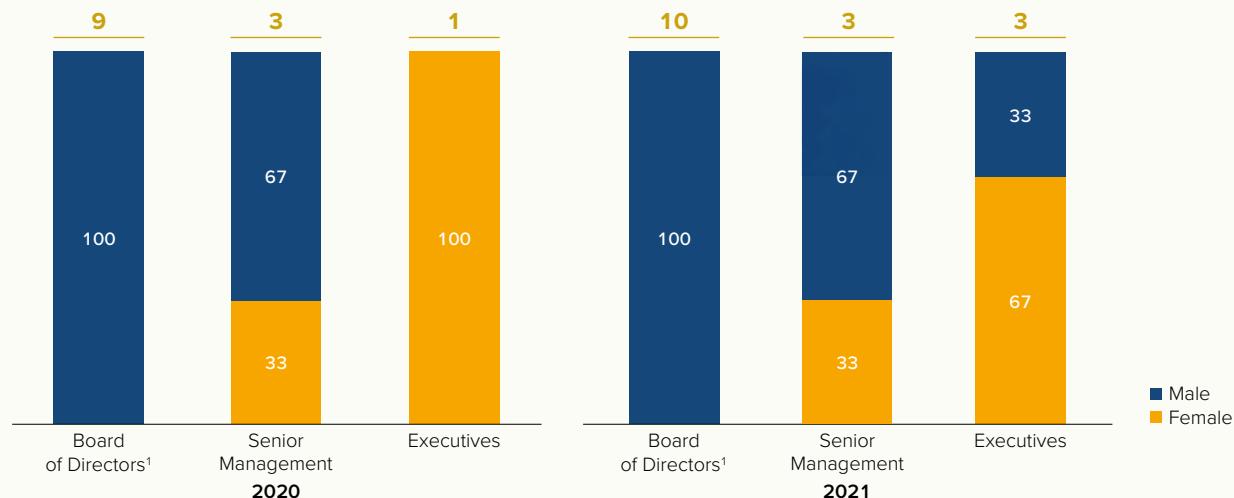
Performance Management

We believe in having a fair, objective and equitable performance management system for talent retention and in aligning employee's development needs and career aspirations with the company's business needs. Our robust assessment system ensures that all employees receive regular reviews of their performance and career development. Our annual performance evaluation exercise involves self-assessment, open discussions on the employees' performance, training and development needs as well as growth areas and setting key performance indicators as motivation to drive employee performance. Employees participate in the setting of team and individual goals to clearly define performance and compensation expectations.

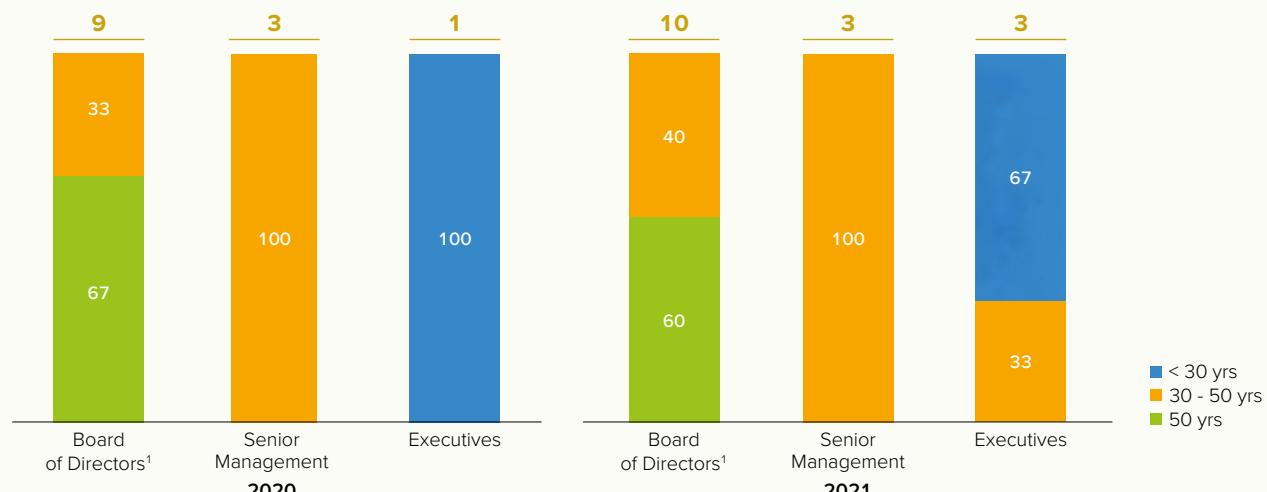
Employee Data		
Particulars	2020	2021
Total number of permanent employees	4	6
Total number of temporary employees	0	0
Total number of fixed-term contract employees	0	0
Total Number of employees	4	6
Total number of full-time employees	4	6
Total number of part-time employees	0	0
Proportion of female employees	50%	50%
Proportion of female Heads of Department	50%	50%
Employees by age group		
Under 30 years	0	2
30-50 years	4	4
Over 50 years	0	0
Employees by category		
Senior Management	3	3
Executives	1	3
Non-executives	0	0
New Hiring rate by gender (%)		
Male	0%	33%
Female	50%	67%
New Hiring rate by age group (%)		
Under 30 years	0%	100%
30-50 years	25%	25%
Over 50 years	0%	0%
Employee turnover rate by gender (%)		
Male	0%	0%
Female	50%	33%
Overall	25%	17%
Employee turnover rate by age (%)		
Under 30 years	0%	0%
30-50 years	25%	25%
Over 50 years	0%	0%
Employee training by gender		
Average hours of training per employee (male)	7.5	28.0
Average hours of training per employee (female)	13.4	36.1
Average hours of training per employee	10.4	32.0
Average hours of training by category		
Senior Management	10.2	32.8
Executives	11.3	31.3
Non-executives	N.A.	N.A.

ESG Topic	2021 Target	2021 Performance	2022 Target
Attracting and retaining talent	<ul style="list-style-type: none"> Establish a data collection system to report on hiring and turnover performance 	<ul style="list-style-type: none"> Established a data collection system to report on hiring and turnover performance 	<ul style="list-style-type: none"> Establish a benchmark to measure employee retention
Employee Development	<ul style="list-style-type: none"> Average 16 hours of training per employee At least one hour of compulsory ESG training for all employees 	<ul style="list-style-type: none"> Achieved an average of 32 hours of training per employee, including at least an hour of compulsory ESG training for all employees 	<ul style="list-style-type: none"> Average 20 hours of training per employee At least one hour of ESG training for all employees
Diversity	<ul style="list-style-type: none"> Disclose percentage of women in the organisation and also in senior management 	<ul style="list-style-type: none"> 50% of management positions are held by women 	<ul style="list-style-type: none"> Maintain 50% of management positions being held by women

Board of Directors and Employees by Gender (%)



Board of Directors and Employees by Age Group (%)

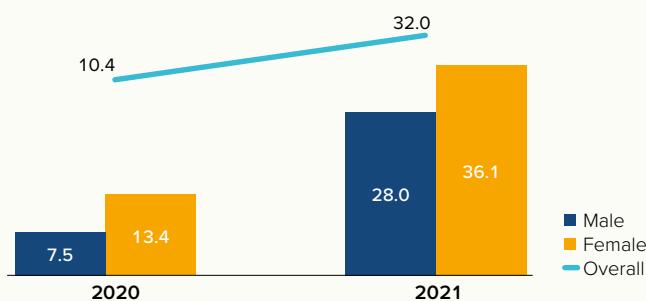


1. Includes Dr Tan Kok Heng as Alternate Director to Mr Evan Cheah Yean Shin.

Sustainability Report

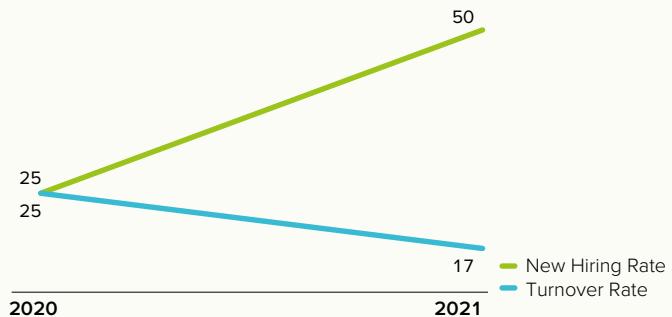
Average Training Hours

Average Hours of Training Per Employee, by Gender

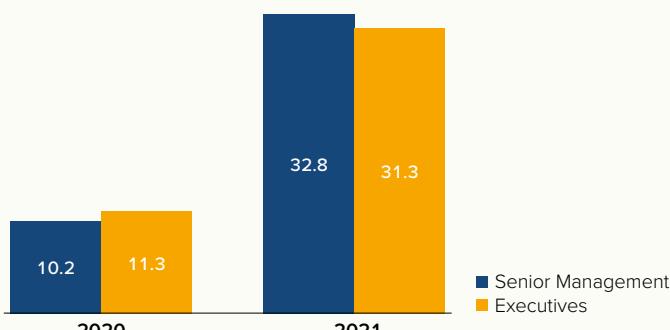


Hiring & Turnover

New Hiring and Turnover Rate (%)



Average Hours of Training per Employee, by Category



New Employee Hires and Employee Turnover (number, rate)

	2020			2021		
by Gender	Male	Female	Total	Male	Female	Total
No. of new hires	0	1	1	1	2	3
Rate of new hires	0%	50%	25%	33%	67%	50%
No. of turnover	0	1	1	0	1	1
Rate of turnover	0%	50%	25%	0%	33%	17%

	2020				2021			
by Age Group	< 30 yrs	30-50 yrs	>50 yrs	Total	< 30 yrs	30-50 yrs	>50 yrs	Total
No. of new hires	0	1	0	1	2	1	0	3
Rate of new hires	0%	25%	0%	25%	100%	25%	0%	50%
No. of turnover	0	1	0	1	0	1	0	1
Rate of turnover	0%	25%	0%	25%	0%	25%	0%	17%

Anti-corruption Training for Board of Directors and Employees (number, %)

	2020		2021	
	Male	Female	Male	Female
Number of Employees	2	2	3	3
% Employees	100%	100%	100%	100%
Number of Board of Directors	9	0	10	0
% Board of Directors	100%	0%	100%	0%



COMMUNITY

Elite Commercial REIT CSR Activities

We, together with the Manager, engage with local communities to make a positive contribution. Our key community engagement programmes are summarised below.



Distributing essential items to the elderly

10 Dec 2021

We contributed care packs for distribution to 70 needy elderly, in a joint effort with our Sponsor in a collaboration with the Lion Befrienders. The event tied in nicely with the season of giving in December as the festive

season rolled around. It also nurtured team bonding and built camaraderie among colleagues through interaction in a different setting, especially when many have been working from home for a large part of the year.



SGX Cares Bull Charge Charity Run 2021

29 Oct 2021 – 7 Nov 2021

This was our inaugural sponsorship of SGX Cares Bull Charge Charity Run 2021, which was held virtually over 10 days. Into its 18th edition this year, the corporate charity initiative brought together Singapore's financial community and SGX-listed companies to support the needs of underprivileged children and families, persons with disabilities, as well as the elderly. The charity has raised more than S\$44 million for various causes since 2004 with support from corporate sponsors and partners from the international financial community.

Last year, the charity run again partnered with Community Chest to

channel all proceeds to its adopted beneficiaries: AWWA Ltd., Autism Association (Singapore), Fei Yue Community Services, HCSA Community Services and Shared Services for Charities.

With excellent sportsmanship displayed by the participants, the Manager of Elite Commercial REIT emerged among the top 20 (we were ranked 19th) of participating companies in terms of distance clocked. In total, 889km were clocked by 26 active participants from across the globe – Singapore, United Kingdom, Taiwan and Malaysia – who put their sports shoes to great use over the 10-day period.

Sustainability Report



COMMUNITY (continued)

Elite Commercial REIT CSR Activities



Fundraising for Artemis

Jul 2021



Chief Investment Officer Jonathan Edmunds rode with the Rawhides, a group of cycling enthusiasts, as part of their #fundraising4artemis quest to raise awareness and funds for The Royal Marsden Cancer Charity and The Institute of Cancer Research.

The goal was to ride 800 miles in 8 days from the Scottish Highlands to Wiltshire as a tribute to Artemis Alice Wood, the youngest daughter of Jody W. and Juliana Wood, who passed away from Juvenile Myelomonocytic Leukaemia ("JMML"), a rare form of blood cancer.

A total of £236,554.06 was collectively raised, exceeding the initial target of £150,000, as support and contribution towards the advancement of cancer research.

All funds raised have been split equally between The Royal Marsden and The Institute of Cancer Research and will be used to support Professor Sir Mel Greaves' research in childhood leukaemia, including JMML.



Serving with Willing Hearts

4 Mar 2021

On 4 March 2021, employees of the Manager volunteered their personal time at Willing Hearts, a secular, non-affiliated charity which provides 9,500 meals daily to the needy. Our volunteers were in the Willing Hearts' Soup Kitchen by 12pm.

Eager to serve, our volunteers assisted with the preparation of meals which were distributed to

more than 40 locations across Singapore. The event allowed our volunteers to interact with each other in a different setting and connect with some of Willing Hearts' beneficiaries which include the elderly, the disabled, low-income families, children from single parent families or otherwise poverty-stricken families, and migrant workers in Singapore.

GRI Content Index

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GRI 102: General Disclosures 2016		
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GRI 102-11	Precautionary Principle or approach	87, 89
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GRI 102-25	Conflicts of interest	126-127
GRI 102-26	Role of highest governance body in setting purpose, values, and strategy	80, 112, 133
GRI 102-27	Collective knowledge of the highest governance body	10-15, 81, 115
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GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	101-102		
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GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	81		
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TCFD Disclosures

This report is aligned with the Task Force on Climate-related Financial Disclosures (“**TCFD**”) recommendations.

The following table indicates our TCFD disclosures.

Code	TCFD Recommendations	Page Number(s)
GOVERNANCE		
TCFD 1(a)	Describe the board's oversight of climate-related risks and opportunities.	90, 133
TCFD 1(b)	Describe management's role in assessing and managing climate-related risks and opportunities.	90, 133
STRATEGY		
TCFD 2(a)	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	90-93
TCFD 2(b)	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	90-93
TCFD 2(c)	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	90-93
RISK MANAGEMENT		
TCFD 3(a)	Describe the organisation's processes for identifying and assessing climate-related risks.	90-93, 110
TCFD 3(b)	Describe the organisation's processes for managing climate-related risks.	90-93, 110
TCFD 3(c)	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	90-93, 108-110
METRICS AND TARGETS		
TCFD 4(a)	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	94
TCFD 4(b)	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	94
TCFD 4(c)	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	93, 94

SASB Standards

Real Estate Sustainability Accounting Standard^{1,2}

Topic	SASB Code	Accounting Metric	Property Subsector	2020	2021
Energy Management	IF-RE-130a.1	Energy consumption data coverage as a percentage of total floor area, by property subsector	Office (N742)	100% see Note #1	100% see Note #1
	IF-RE-130a.2	(1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity, and (3) percentage renewable, by property subsector	Office (N742)	(1) 209,276GJ (58,132MWh) (2) 100% (3) 0%	(1) 293,010GJ (81,392MWh) (2) 100% (3) 0%
	IF-RE-130a.3	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	Office (N742)	–	40.0%
	IF-RE-130a.4	Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR, by property subsector	Office (N742)	(1) 100% (2) Not applicable to UK	(1) 100% (2) Not applicable to UK
	IF-RE-130a.5	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	Office (N742)	pg 91-93	pg 91-93
Water Management	IF-RE-140a.1	Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions with High or Extremely High Baseline Water Stress, by property subsector	Office (N742)	(1) 100% (2) 6.5% see Note #1	(1) 100% (2) 9.5% see Note #1
	IF-RE-140a.2	(1) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with High or Extremely High Baseline Water Stress, by property subsector	Office (N742)	(1) 92,637m ³ (2) 5.4%	(1) 147,387m ³ (2) 5.8%
	IF-RE-140a.3	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	Office (N742)	–	69.5%
	IF-RE-140a.4	Description of water management risks and discussion of strategies and practices to mitigate those risks	Office (N742)	pg 89, 93	pg 89, 93
Management of Tenant Sustainability Impacts	IF-RE-410a.1	(1) Percentage of new leases that contain a cost recovery clause for resource efficiency-related capital improvements and (2) associated leased floor area, by property subsector	Office (N742)	(1) 0% (2) 0	(1) 0% (2) 0
	IF-RE-410a.2	Percentage of tenants that are separately metered or sub-metered for (1) grid electricity consumption and (2) water withdrawals, by property subsector	Office (N742)	Not applicable	Not applicable
	IF-RE-410a.3	Discussion of approach to measuring, incentivising, and improving sustainability impacts of tenants	Office (N742)	pg 89, 93	pg 89, 93
Climate Change Adaptation	IF-RE-450a.1	Area of properties located in 100-year flood zones, by property subsector	Office (N742)	616,183sq ft (57,245m ²) See Note #2	857,466sq ft (79,661m ²) see Note #2
	IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	Office (N742)	pg 90-93	pg 90-93

Activity Metric	Property Subsector	SASB Code	2020	2021
Number of assets, by property subsector	Office (N742)	IF-RE-000.A	97	155
Leasable floor area, by property subsector	Office (N742)	IF-RE-000.B	2,533,295 sq ft (235,351m ²)	3,875,004 sq ft (360,000m ²)
Percentage of indirectly managed assets, by property subsector	Office (N742)	IF-RE-000.C	100%	100%
Average occupancy rate, by property subsector	Office (N742)	IF-RE-000.D	100%	100%

Notes:

1. The energy consumption and water withdrawal data presented in this index covered only the assets occupied by DWP, and pertains to the 12-month period of January to December 2020 and January to December 2021.
2. Properties refer those with High (>3.3% chance a year) and Medium (1% - 3.3% chance a year) risk of river, sea and surface water flooding in Wales, High (10% chance each year) and Medium risk (0.5% chance each year) of river, coastal and surface water flooding in Scotland, and High Probability (1% or greater chance each year) of river and coastal flooding in England.