

Sustainability Report

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CONTACT US

As part of our continued efforts to improve our reporting, we welcome stakeholders to submit their comments to us. For any questions or to deliver feedback about this report, please contact:

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BOARD STATEMENT

Starhill Global Real Estate Investment Trust ("SGREIT" or "We") is pleased to present our Sustainability Report from 1 July 2017 to 30 June 2018 (FY 2017/18). This is the second year we are publishing an annual sustainability report, and we wish to demonstrate to SGREIT stakeholders that we are committed to creating a sustainable business model. We believe that adopting the best practices in environment, social and governance (ESG) aspects is fundamental to the conduct of our business.

Sustainable practices are essential in building a reliable and resilient business, especially today, where increased accountability is demanded from every business. Doing business responsibly not only ensures longevity for SGREIT by improving our business operations, but also creates greater long-term value for our stakeholders. The Board considers sustainability in the formulation of SGREIT's long-term strategies. The material ESG aspects identified by the Management were approved by the Board. Under the guidance and oversight of the Board, the Management manages and monitors the material ESG aspects.

For SGREIT's properties in Singapore, we have a 10-year target to reduce energy consumption by 15%. Efforts to meet this goal have been ongoing, in terms of switching to more efficient

LED lighting and adopting more energy efficient practices at work. Based on our progress to date, we are hopeful that we will be able to achieve our 10-year goal.

On top of regular business dealings, our Management team believes in sharing our spaces with the local community. We welcome social entrepreneurs and non-profit organisations seeking to hold meaningful events and awareness campaigns in our malls to educate the public. We wish to play a part in shaping the communities that we operate in, making a lasting social impact across the region.

This financial year, SGREIT's Malaysia Properties organised numerous events and initiatives in collaboration with various external organisations. Many of these collaborations revolved around upcycling old materials for new purposes. We are proud to have been a part of these efforts to encourage a culture of sustainability.

As a people-oriented organisation, YTL Starhill Global REIT Management Limited (the "Manager") also recognises the importance of attracting, retaining and developing people who are committed to growing with us. Our employees are ready to take up new challenges in the dynamic, ever-changing environment of real estate investment trusts (REIT), and thrive in a supportive, family-like culture. The Manager believes in upgrading the skills of its employees, encouraging them to attend training workshops and courses locally and overseas, and go on overseas mall trips to familiarise themselves with the retail landscape and trends.

Our Board and Management are committed to ensuring long-term value creation for SGREIT's stakeholders and our goal is to establish our foothold on sustainability that will make an impact across the countries that we operate in.



ABOUT THIS REPORT

Scope of the Report

The scope of this report covers the sustainability performance of our operations for FY 2017/18. All data and activities reported were from 1 July 2017 to 30 June 2018, unless stated otherwise. The report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards – Core option, the international standard for sustainability reporting unveiled by GRI in 2016. This report is developed with reference to the primary components set in Singapore Exchange Securities Trading Limited's (SGX-ST) Listing Rule 711B on a 'comply or explain' basis. For further information on the relevant references, kindly refer to the GRI Content Index found on pages 76 and 77 of this Annual Report.

This report aims to provide you with a holistic overview of our initiatives and strategies related to sustainability and responsible business development. Through these actions, we aim to address the key concerns and issues that our stakeholders face. We have identified ten material ESG aspects with regard to the operations of our businesses and we are committed to addressing these material aspects so as to achieve long-term value creation for our stakeholders.

The content of this report was defined by the four reporting principles established by GRI Standards: (1) Stakeholder Inclusiveness; (2) Sustainability Context; (3) Materiality; (4) Completeness.

The Stakeholder Inclusiveness principle was implemented in determining the report context through various stakeholder engagements and internal discussions amongst the Management team. This helped in understanding the reasonable expectations as well as interests of SGREIT's stakeholders.

The Sustainability Context principle was implemented in determining the report context which covered the ESG aspects.

The Materiality principle was implemented in determining the report context through the abovementioned stakeholder engagements and internal discussions. After which, all relevant factors were weighed according to their respective importance to stakeholders, as well as impact on SGREIT's business. This combined assessment then allowed the Manager to identify and agree upon the appropriate material ESG aspects for the business.

The Completeness principle was implemented by examining specific and material topics to check the data availability and determination of the topics' boundaries.

Unless otherwise stated, the report covers the ESG performance of SGREIT's properties across its core portfolio of properties in Singapore, Australia, and Malaysia, with FY 2016/17 data for comparison, where available. Our first sustainability report was published in FY 2016/17 and hence, it will be our base year to gauge our progress in building a more sustainable business.

Environmental performance pertains only to the common areas within SGREIT's properties which are actively managed by the property managers, and where the Manager has the ability to monitor and influence the efficiency of utilities. In general, the environmental performance of the report does not include master-tenanted areas and long-term leases over which SGREIT does not have operational control, namely Toshin at Ngee Ann City Property, Myer department store at Myer Centre Adelaide and David Jones department store at David Jones Building. The data presented include the master-tenanted properties in Malaysia which are under a master lease with Katagreen Development Sdn. Bhd., an indirect wholly-owned subsidiary of YTL,

but excludes the data on the remaining space at Ngee Ann City Property whereby the common areas are not within the operational control of SGREIT.

The data on waste for Singapore encompasses Wisma Atria under the Management Corporation Strata Title. This includes Wisma Atria Property which is owned by SGREIT, as well as Isetan's own strata space. As for Malaysia, non-recyclable waste data are not available.

The Product Responsibility and Human Capital performance indicators pertain only to the Manager in Singapore. Data on the Manager's workforce is reported in relation to the Manager in Singapore and does not include the small team in China. Countries which account for less than 5% of revenue and not deemed strategic were not included in the scope of reporting. Please refer to Figure 1 for the summarised report scope.

This report forms part of SGREIT's Annual Report FY 2017/18 and can be viewed or downloaded from www.starhillglobalreit.com. This Sustainability Report will be published annually to report on the performance and strategy on issues that are key to our stakeholders.

This report is not externally assured.

Figure 1: **PROPERTIES IN SCOPE FOR THE REPORT**

Portfolio by Country	Environmental	Product Responsibility	Community	Human Capital
SINGAPORE				
Wisma Atria Property	◆	◆	◆	◆
Ngee Ann City Property ⁽¹⁾		◆	◆	◆
AUSTRALIA				
Myer Centre Adelaide, Adelaide ⁽¹⁾	◆		◆	
David Jones Building, Perth ⁽¹⁾	◆		◆	
Plaza Arcade, Perth	◆		◆	
MALAYSIA				
Starhill Gallery, Kuala Lumpur	◆		◆	
Lot 10 Property, Kuala Lumpur	◆		◆	
JAPAN				
Ebisu Fort, Tokyo ⁽²⁾	NA	NA	NA	NA
Daikanyama, Tokyo ⁽²⁾	NA	NA	NA	NA
CHINA				
China Property, Chengdu ⁽²⁾	NA	NA	NA	NA

Notes:

⁽¹⁾ In general, data presented does not include the master-tenanted areas and long-term leases which SGREIT does not have operational control, namely Toshin at Ngee Ann City Property, Myer department store at Myer Centre Adelaide and David Jones department store at David Jones Building. The data presented includes the master-tenanted properties in Malaysia which is under a master lease with Katagreen Development Sdn Bhd, an indirect wholly-owned subsidiary of YTL, but excludes the data on the remaining space at Ngee Ann City Property.

⁽²⁾ Countries which account for less than 5% revenue and not deemed strategic are not included in the scope of reporting.

Sustainability Report

SUSTAINABILITY AT STARHILL GLOBAL REIT

Our Approach to Sustainability

The Manager is dedicated to our core values of integrity, client commitment, strive for profitability, fulfillment for our people, teamwork and maintaining the highest standards. We believe that these six goals can be further championed through continuously

driving our sustainability programme forward, hence making sustainability crucial to our business.

Our sustainability programme is aligned with the strategic sustainability directives of SGREIT's sponsor, YTL Group. Led by Mr Ho Sing, the Chief Executive Officer ("CEO") of YTL Starhill Global REIT Management Limited, key

representatives from the Manager and the Property Manager (YTL Starhill Global Property Management Pte. Ltd.) in Singapore facilitate the embedding of sustainable practices within the organisation.

We remain focused on our sustainability framework as indicated below:



EMBRACING THE MARKETPLACE

- Corporate Governance
- Anti-Corruption and Whistle-Blowing
- Risk Management
- Customer Health and Safety
- Personal Data Security
- Tenant Satisfaction
- Unitholder Communications
- Supply Chain



ENVIRONMENTAL CONSERVATION

- Sustainable Certification of our Properties
- Energy Efficiency
- Water Conservation
- Waste Management



EMPOWERING OUR PEOPLE

- Fair Employment
- Workplace Health and Safety
- Employee Well-Being and Active Engagement
- Talent Management



ENRICHING COMMUNITIES

- Local Communities

Stakeholder Engagement

We engage our stakeholders regularly through various communication platforms, seeking to address their issues and concerns while we strive to build lasting relationships.

Stakeholder Groups	Purpose and Goal	Modes of Engagement	Key Concerns Raised by Stakeholder Group
Tenants	<ul style="list-style-type: none"> • Provide a comfortable and safe environment and quality tenant mix • Collaborate with tenants to drive business at the mall 	<ul style="list-style-type: none"> • Joint promotional and strategic partnerships • Tenant satisfaction survey 	<ul style="list-style-type: none"> • Create a conducive mall environment • Differentiated tenant mix • Stable shopper traffic
Investors	<ul style="list-style-type: none"> • Provide accurate information to the investing public through timely communication 	<ul style="list-style-type: none"> • Dedicated Investor Relations section on the company's website • SGXNET announcements • Annual General Meeting • Annual Report • Results briefings to analysts, investors, and the media • Meetings with investors, roadshows, and conferences • Mall tours upon requests • Corporate video 	<ul style="list-style-type: none"> • Access to high-quality real estate investment • Business performance and strategy • Sustainable delivery of returns
Shoppers	<ul style="list-style-type: none"> • Identify shoppers' needs and improve their shopping experience at the mall 	<ul style="list-style-type: none"> • Marketing and promotional programmes and events • Online and mobile platforms • Social media 	<ul style="list-style-type: none"> • Create a conducive mall environment • Differentiated tenant mix • Stable shopper traffic
Employees	<ul style="list-style-type: none"> • An inclusive environment with enhanced well-being and productivity, with potential and opportunities to develop skills 	<ul style="list-style-type: none"> • Weekly department meetings • Annual performance appraisals • Recreational and team building activities • Training courses • Employment incentives 	<ul style="list-style-type: none"> • Communicating business strategy and developments • Reward and recognition • Training and career development • Employee wellness activities
Partners (Government, Regulators, Suppliers)	<ul style="list-style-type: none"> • Compliance with government policies, rules, and regulations • Fair and reasonable treatment • Win-win partnership 	<ul style="list-style-type: none"> • Meetings, feedback and correspondences • Participation in industry associations such as the REIT Association of Singapore 	<ul style="list-style-type: none"> • Sharing of best practices • Compliance with rules and regulations
Community	<ul style="list-style-type: none"> • Contribute to the communities we operate in 	<ul style="list-style-type: none"> • Corporate social responsibility programme 	<ul style="list-style-type: none"> • Environment • Employee philanthropy

Materiality Assessment

Upon understanding the various ESG aspects raised by our stakeholders, we then map them to the GRI list of aspects. The relative importance of each aspect is considered through its impact on the business and stakeholders. The aspects are then plotted on a materiality matrix, which helps us to identify and prioritise our efforts.

The assessment produced a list of 10 material issues that were identified to share high importance for both the stakeholders, as well as the Manager. These issues were then assessed by key representatives from the Manager and Property Manager in Singapore.

The Manager regularly takes into consideration key issues that would interest stakeholders surfaced from its member representations in strategic associations including the REIT Association of Singapore, Investor Relations Professionals Association (Singapore) as well as engagement with government agencies and regulators including Building and Construction Authority, Monetary Authority of Singapore, Singapore Exchange Limited and Urban Redevelopment Authority of Singapore. The Property Manager is a member of the Orchard Road Business Association.

In Adelaide, the Centre Manager of Myer Centre Adelaide serves as a main contact for the Adelaide City Council. Myer Centre Adelaide is associated with the Rundle Mall Management Authority which focuses on promoting the Rundle Mall precinct.

The Malaysia Properties are members of the Bukit Bintang Kuala Lumpur City Centre (BBKLCC) Tourism Association, chaired by Mr Joseph Yeoh, Vice President of YTL Land & Development Berhad, which works with selected malls within the precinct to promote shopping tourism.

Material Aspects Identified

The GRI Standards have taken effect for reports or other materials published on or after 1 July 2018. Hence, there is a need for us to transition to the GRI Standards and map over the ESG indicators that we have referred to in our previous sustainability report, which were prepared in accordance to the G4 Guidelines.

Material Aspects	GRI Standards ESG Indicators
Economic Performance	GRI 201-1: Direct economic value generated and distributed
Energy	GRI 302-1: Energy consumption within the organisation GRI 302-4: Reduction of energy consumption
Water	GRI 303-1: Water withdrawal by source
Effluents and Waste	GRI 306-2: Waste by type and disposal method
Employment	GRI 401-1: New employee hires and employee turnover GRI 401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees GRI 401-3: Parental leave
Occupational Health and Safety	GRI 403-2: Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities
Training and Education	GRI 404-1: Average hours of training per year per employee GRI 404-3: Percentage of employees receiving regular performance and career development reviews
Customer Health and Safety	GRI 416-1: Assessment of the health and safety impacts of product and service categories GRI 416-2: Incidents of non-compliance concerning the health and safety impacts of products and services
Customer Privacy	GRI 418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data
Socioeconomic Compliance	GRI 419-1: Non-compliance with laws and regulations in the social and economic area



Sustainability Report



EMBRACING THE MARKETPLACE

OUR APPROACH

- > Delivering profitable and sustainable business growth through effective compliance and risk management
- > Operating our business responsibly with accountability
- > Strengthening responsible stewardship of our assets, products and services

Corporate Governance

An extensive system of policies, processes, training and communications is in place as we uphold compliance, setting the tone for better governance and performance. For more details on SGREIT's Corporate Governance, please refer to pages 78 to 92 of this Annual Report.

Anti-Corruption and Whistleblowing

The Manager enforces a culture which has zero-tolerance towards corruption. An anti-corruption policy is in place to provide detailed guidance on corrupt practices. To ensure all employees are clear about the acceptable standards and procedures in business dealings, an annual compliance training is held for all employees.

A whistleblowing policy is also in place as a safe channel for employees and other persons to report potential or actual improprieties in financial and operational matters. Complaints can be made verbally or in writing to whistleblowing@ytlstarhill.com. Whistle-blowers' identities are kept in confidence to the extent possible to facilitate independent investigations for appropriate remedial and follow-up actions.

For more details on whistleblowing, please refer to page 60 of this Annual Report.

Figure 2: **ENTERPRISE RISK MANAGEMENT (ERM) FRAMEWORK**



Following the results from FY 2016/17, there were again no reported cases of material non-compliance with any laws and regulations (including anti-corruption laws) in FY 2017/18.

Risk Management

An Enterprise Risk Management (ERM) framework and Board-approved policies are in place to provide a structured approach to identifying and managing material risks that could arise in the course of managing SGREIT. An Operational Risk Self-Assessment (ORSA) is established to ensure risks are assessed and reviewed at least on an annual basis. For more details on risk management, please refer to page 60 of this Annual Report.

Customer Health & Safety

SGREIT upholds high standards of health, hygiene and safety standards for our tenants and shoppers alike. The appropriate safety measures and standard operating procedures have been put in place to ensure that tenants and staff are clear about what to do in case of an emergency, and management teams are well-equipped to respond to such situations.

Standard operating procedures for fire safety practices have been put in place.

Properties in Singapore are managed by property management teams who are trained in first aid. The properties are also subject to fire safety audits. Fire and evacuation drills are conducted at least once a year for the malls and office towers in Singapore, Australia and Malaysia Properties, to familiarise tenants and staff with the emergency response plans. In Australia, all Myer Centre Adelaide CBRE staff are offered training in emergency procedures, and an annual inspection on fire and emergency controls are carried out by an external consultant for compliance. In Malaysia, tenants, management staff, security and fire wardens work together with the Fire and Rescue Department of Malaysia to carry out fire or evacuation drills.

Renewals of required certificates and permits or inspections for fire safety, lifts and escalators are regularly reported and monitored. Internal safety assessments such as lift maintenance are conducted based on the requirements of the relevant authorities in the respective countries.

In Singapore, these requirements are listed in the Codes of Practice. In Australia, lift maintenance is carried out monthly at Myer Centre Adelaide and an Annual Safety Test is carried out on each lift. The maintenance of lifts within the David Jones department store is done by the tenant, who provides periodic updates to the Manager. In Malaysia, safety assessment of lifts is done by the Department of Occupational Safety and Health.

Internal audit also reviews the operating effectiveness of key controls over the fire safety arrangements of key assets periodically. In addition, appropriate insurances are procured to mitigate losses resulting from unforeseen events.

In the event of any safety incident reported at Wisma Atria, ground staff such as Security Officers, Property Officers or Mall Technicians will respond to the incident within a reasonable and practicable time frame. The Operations team will be updated concurrently through any available means of communication – WhatsApp or telephone calls. Should the incident involve any business disruption, property loss or loss of life, the Management team will be informed immediately through similar means of communication. After the incident has been adequately dealt with, the operations team will submit an incident report within 24 hours of its occurrence. In Australia, the property manager would adhere to the Emergency Communication Flow Chart, whereby the fire command centre and security personnel will be alerted, followed by the property manager, who would then inform the Manager.

In Australia, Myer Centre Adelaide hosts the monthly Adelaide CBD BusinessWatch meetings whereby the various security divisions and the South Australia Police Division get together with representatives from major organisations to discuss issues relating to security, safety, threats, and risks. This enables a strong working relationship between the central management and South Australia Police Division.

This year, there were zero major reported incidents relating to customer health and safety occurring on the premises of our properties.

Personal Data Security

In compliance with the Singapore Personal Data Protection Act (PDPA) 2012, the Manager has a personal data protection policy in place to safeguard data which concerns all parties in our value chain. Our policy lists clear guidelines governing the collection, use, protection and disclosure of individuals' personal data.

At Wisma Atria, consent is sought and obtained from shoppers before collection, use or disclosure of their personal data in compliance with the PDPA and their personal data is protected through encryption or passwords. In FY 2017/18, there were no substantiated complaints concerning breaches of customer privacy.

Tenant Satisfaction

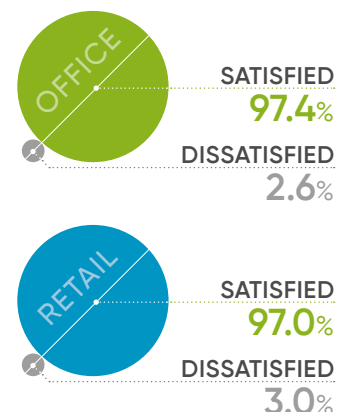
To improve customer service and experience, we rely on feedback to understand how to better serve them. Annual tenant surveys gather feedback regarding our tenant management services, building security and building maintenance.

We analyse any potential gaps and areas of improvement, and identify appropriate follow-up actions. Our proactive approach has ensured that we achieve high satisfaction level at all stages of services to our customers.

In FY 2017/18, a total of 182 surveys were sent out to measure the level of satisfaction of both our office building and retail shop tenants in Ngee Ann City Property and Wisma Atria Property. We sent 69 surveys to office tenants, and 113 surveys to retail tenants. The pie charts below show the satisfaction levels of our tenants.

For every question in the survey, tenants could respond "Poor", "Below Average", "Satisfactory", "Good" or "Excellent". Satisfied tenants refer to those who had more than 80% of their responses in the satisfactory range of "Satisfactory", "Good" and "Excellent".

Figure 3: **SATISFACTORY FACTORS By Tenants**
(FY 2017/18)



Unitholder Communications

To promote transparency and accountability, the Manager engages in timely and effective communications with all stakeholders. This is carried out via a wide range of communication channels, such as SGX announcements, press releases, briefing sessions, investor presentations and conferences, annual reports, corporate video, corporate website, and emails to disseminate information on its financial and operational performance, business plans and latest developments. Prior to publication, all investor relations materials are also vetted by the Manager for accuracy, consistency, and compliance with policies.

Supply Chain

Our supply chain includes our property managers, tenants and suppliers for various services. Compliance with local government and legal requirements is a criterion for appointed contractors and service providers. Potential tenants and suppliers are also evaluated and selected based on their reputation, track records and expertise in their field to ensure common standards across SGREIT's business units. For engagements that are complex or entail high financial risks, due diligence is carried out to ascertain their financial standing and track record for heightened risk.

Sustainability Report



ENVIRONMENTAL CONSERVATION

OUR APPROACH

- > Promoting energy efficiency in our properties
- > Improving water efficiency

We embrace practices that are more environmentally friendly, such as by improving efficiency in energy, water and waste management in our properties, raising awareness on climate change among our employees and encouraging customers to make sustainable choices. Furthermore, we have collaborated on various meaningful and novel initiatives.

ENVIRONMENTAL HIGHLIGHTS

Initiative:

Earth Hour Participation

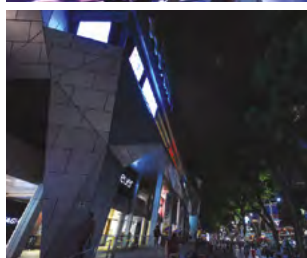


Date:

24 March 2018

Description:

SGREIT is a dedicated supporter of the Earth Hour cause. This year, we switched off the façade lights of our properties such as Wisma Atria, Lot 10 and Starhill Gallery.



Initiative:

Upcycled Fashion



Date:

19 to 25 March 2018

Description:

Lot 10 Property went a step further in its support of environmental sustainability by championing upcycled fashion and increasing recycling efforts. In a collaboration with Singaporean omnichannel marketplace for buying and selling womenswear REFASH, women could resell their pre-loved clothes and collect their proceeds in Lot 10 vouchers from 19 March 2018 onwards. REFASH's Green Fashion Week Showcase from 21-25 March 2018 featured items worn by top Malaysia media personalities whereby all proceeds were donated to YTL Foundation.

Additionally, Lot 10 also partnered Raffles College of Higher Education to organise a Sustainable Design Exhibition from 22-25 March 2018.

It featured jewellery made from upcycled bottles and electronic waste. Tenants such as Reebonz and H&M also held their own sustainability drives to encourage shoppers to bring in their old clothes in exchange for discounts off items.



Initiative:

Recycling Bins



Date:

Ongoing

Description:

Recycling bins have been set up at various locations at Lot 10 where members of the public can drop off their pre-owned clothes, handbags, belts, linen and soft toys. This initiative was organised in collaboration with Kloth Cares by Kloth Lifestyle, a sustainable fashion brand based in Malaysia. The collection drive helps the environment by creating less waste for landfills and less pollution through the reduction in manufacturing of new clothes.

Old fabrics are given a new life in many ways, as donations to underprivileged groups, used as garments and industrial wiring cloth, turned into refuse-derived fuel (RFD) as engineered fuel, or even being pieced together to make blankets and other items.

Lot 10 collected 1,794.7 kg of fabric from July 2017-June 2018. All proceeds from the sale of items in this campaign will be channelled to National Cancer Council Malaysia (MAKNA), Malaysia Association for the Blind (MAB) and Recycle Community Malaysia Lestari (RCOMM Lestari).



This financial year, the offices of the Manager and Property Manager in Singapore were re-certified by Project Eco-Office for another three years from 2018 for their green efforts. Project Eco-Office is an initiative between Singapore Environment Council and City Developments Limited that recognises environmentally friendly practices in workplaces. SGREIT strives to be at the forefront of energy- and resource-efficient building management, receiving many certifications and awards over the years.

SUSTAINABLE CERTIFICATION OF OUR PROPERTIES

Certification	Description of Awards/ Certifications/Ratings/ Labelling Schemes	Property	Year of Award
PUB Water Efficient Building (Basic)	Adopt water-efficient flow rates and flush volume through the use of water efficient fittings	Wisma Atria, Singapore	2015
NABERS Energy Base Building – 4.5-star rating	A national rating system that measures the environmental performance of Australian buildings, tenancies and homes	Myer Centre Adelaide (Terrace Towers), Australia	2017

Initiative:

Sustainable Furniture



Date:

NA

Description:

Stylish, yet functional furniture items were upcycled from waste materials to adorn Lot 10. This year, two furniture pieces, namely "Patch by Batch" and "Reborn", were fabricated for the mall, based on winning designs by Raffles College of Higher Education students from last year's Earth Hour Green Furniture Design Exhibition.

"Patch by Batch" is a lounge sofa created from recycled pallets used as the chair structure, while the fabric for the upholstery was developed using leftover cloth stitched together to form the vintage patchwork.

"Reborn" is a bench constructed from waste timber and parts of old stools and chairs. Different types of chair legs were randomly selected as the bench support to symbolise that no matter who and where we come from, all of us shoulder the responsibility to protect the environment.



PATCH BY BATCH

A lounge sofa created from recycled pallets used as the chair structure.



REBORN

A bench constructed from waste timber and parts of old stools and chairs.

Sustainability Report

Energy Efficiency

In line with Singapore's 2016 Climate Action Plan strategy of reducing greenhouse gas emissions, SGREIT remains committed to a long-term target of achieving a 15% reduction in energy consumption for Wisma Atria. This will continue to be observed over a 10-year period which began in FY 2016/17.

Electrical energy is the primary source of energy used by SGREIT properties. Electrical energy consumption in three operating countries has seen a reduction from FY 2015/16, signifying the effectiveness of our continuous energy conservation efforts.

In Singapore, besides using LED lights for greater energy efficiency, motion sensors have also been added onto every LED fitting on mid-landing for all staircases. Lights will be dimmed by 50% if there is no movement in that particular landing for more than 30 seconds. Replacement works are still ongoing for plant rooms which will further reduce energy consumption.

In Australia, the replacement of two chillers in the Myer department store is among the contributors to the savings in electricity usage.

In the next financial year, we aim to continue to reduce our electricity consumption in line with our 10-year goal by replacing the ageing motor and pumps at Wisma Atria with a higher efficiency model. We also intend to upgrade the Building Management System (BMS) at Myer Centre Adelaide, which allows for a better control of the system. The new BMS would have new meters to improve the monitoring of power usage throughout the building. For Plaza Arcade, we have plans to upgrade to LED lights in FY 2018/19.

Water Conservation

We believe that small initiatives can help to create a huge difference. In Singapore, we have increased the proportion of recycled water (NEWater) used in our mall. At Wisma Atria, we have installed water-saving features such as tap flow restrictors, waterless urinal systems and other fittings

Figure 4:
ELECTRICITY CONSUMPTION
(MWh)

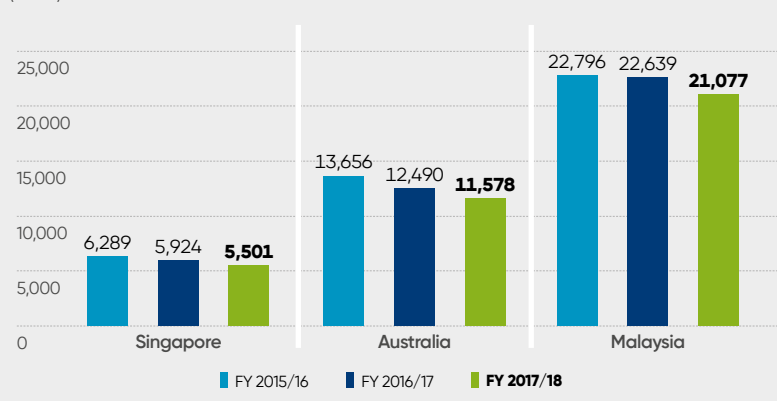
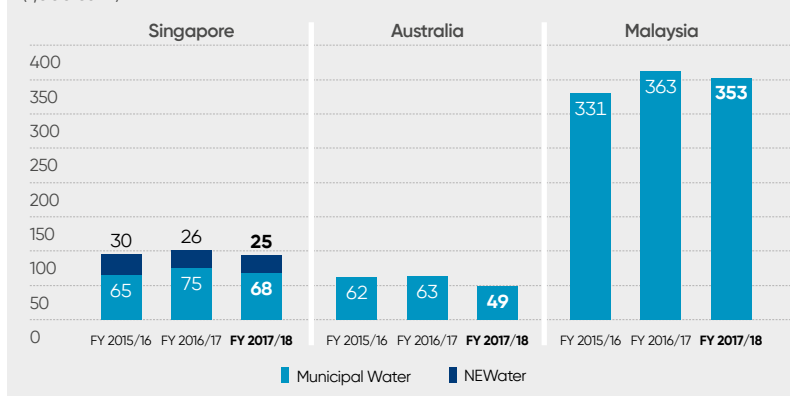


Figure 5:
WATER WITHDRAWAL
(1,000 cu M)



approved by the Public Utilities Board's (PUB) Water Efficiency Labelling Scheme (WELS) in Singapore.

We also have a Water Efficiency Management Plan (WEMP) in place, which helps the Manager understand water usage within our buildings, and thus the identification of areas to reduce water consumption and raise water efficiency. Private water meters were installed at essential areas as mandated by PUB to monitor water consumption and serve as an advance warning on possible pipe leakages. These translate into cost-savings for tenants and discourage excessive use of water through WELS rated fittings.

In FY 2017/18, the water consumption in our Singapore, Australia and Malaysia Properties decreased compared to

the prior year due to effective water conservation efforts. Although the total water consumption seems larger for our Malaysia Properties, total water usage per area (i.e. water intensity) is comparable. Considering Singapore and Malaysia operate under a similar climate, the difference of water intensity between the properties of both countries is about two times, compared to about five times when compared solely on water consumption. In 2008, the use of NEWater was implemented only for cooling towers and fire protection systems such as sprinklers and wet risers. In 2013, this was expanded to include non-essential areas such as taps for air handling unit (AHU) rooms, bin centre and ad-hoc cleaning like façade cleaning. Moving forward, we intend to use water more efficiently in our Singapore Properties.

Waste Management

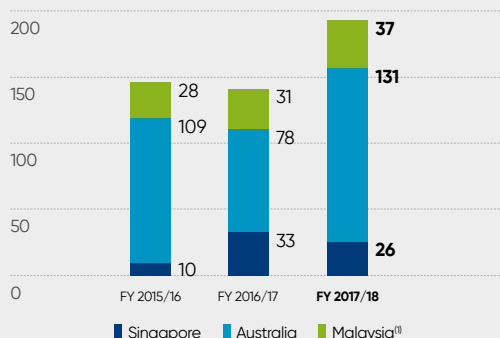
Aside from practising a culture of recycling amongst our employees, we encourage our tenants to participate in recycling efforts by separating their recyclable waste as much as possible. Many different types of non-hazardous wastes are generated at SGREIT properties as our tenants span a wide range of industries.

One significant group of recycled waste comes from our Food and Beverage tenants in our properties in Malaysia. Food waste such as used cooking oil is collected and sold to a third-party oil recycling company that processes the used oil into biodiesel. In FY 2017/18, 3,824.5kg of used cooking oil was recycled from Starhill Gallery and Lot 10 Property. From July 2015 to June 2018, the malls have recycled over 16.5 tonnes of used cooking oil.

In Australia, the waste data collected (Figures 6 & 7) does not include that of Plaza Arcade and David Jones Building as waste collection was conducted by the City of Perth. As for Myer Centre Adelaide, waste is removed by our waste removal contractor, Veolia Environment Services SA, who collects, sorts and delivers the waste to the respective facilities for recycling.

We aim to continue encouraging recycling throughout our value chain and in the wider community through various initiatives and campaigns. One example is Lot 10's collaboration with Kloth Cares this year, where recycling bins were set up at various locations in the mall to encourage members of the public to donate their pre-loved items. These old garments were collected and used as sources of fuel or upcycled into other items for underprivileged groups.

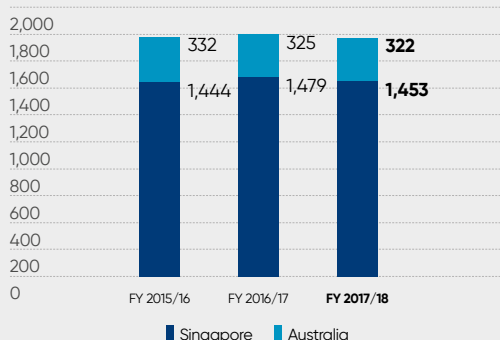
Figure 6:
TOTAL RECYCLED WASTE
(tonnes)



Note:

⁽¹⁾ Total recycled waste data for Malaysia includes recycled oil.

Figure 7:
TOTAL NON-RECYCLED WASTE⁽²⁾⁽³⁾
(tonnes)



Notes:

⁽²⁾ Data represents non-recycled solid general wastes.
⁽³⁾ Excludes Malaysia as non-recycled waste data from Malaysia Properties are not available.



**ELECTRICITY TARGET
REDUCE CONSUMPTION BY**

15%

For Wisma Atria in Singapore, we have a 10-year target to reduce energy consumption by 15%.



**RECYCLED USED
COOKING OIL**

3,824.5kg

In FY 2017/18, 3,824.5kg of used cooking oil was recycled from Starhill Gallery and Lot 10 Property. From July 2015 to June 2018, the malls have recycled over 16.5 tonnes of used cooking oil.

We aim to continue encouraging recycling throughout our value chain and in the wider community through various initiatives and campaigns.

Sustainability Report



EMPOWERING OUR PEOPLE

Fair Employment

We pride ourselves in maintaining a harmonious and diverse workforce spanning different generations, genders, nationalities and skill sets.

We are committed to providing equal opportunities and fair employment practices. As at 30 June 2018, the Manager has 24 employees*, all located in Singapore. We have no temporary or part-time employees.

In FY 2017/18, we had several new hires and a turnover rate of 28.4%. The graphs below show a detailed breakdown of the changes in our workforce according to age group.

Workplace Health and Safety

In compliance with the Singapore Workplace Safety and Health Act 2006, the Manager places a large emphasis on cultivating good safety habits in all individuals. This has created a strong safety culture in the Manager which extends beyond physical health to mental and emotional health as well. In FY 2017/18, our efforts in strengthening the company's safety culture have shown results as we have experienced a zero-injury, fatality, and occupational disease rate.

Additionally, our employees are provided with a wide range of life and medical insurance plans, inclusive of disability coverage, to protect them and safeguard their interests.

OUR APPROACH

- > Creating a well-balanced workplace that is healthy and safe
- > Fostering fair and equitable workplace conditions
- > Caring for our employees through active engagement; and
- > Nurturing human capital through learning and development

Figure 8:
TOTAL NO. OF EMPLOYEES

By Employment Category and Gender



Note:

- * SGREIT is managed by the Manager, YTL Starhill Global REIT Management Limited. The data reported is in relation to the Manager in Singapore.

Figure 9:
EMPLOYEE HIRES IN FY 2017/18

By Age Group and Gender



Figure 10:
EMPLOYEE TURNOVER IN FY 2017/18

By Age Group and Gender



Employee Well-being and Active Engagement

We promote a family-like culture and focus on employee bonding to forge stronger team dynamics.

The Singapore Office held a Chinese New Year (CNY) celebration to welcome a bountiful year ahead together. We also organised a study trip cum CNY lunch for our Singapore employees to Johor Bahru where they visited several malls. The aim of the trip was to examine recent retail developments in Johor Bahru, at the same time encouraging team bonding. The trip was a huge success, allowing employees to gain valuable insights into what makes a great mall, whilst having a wonderful time together.

We have also continued to promote the merits of healthy living and encourage employees to embrace a holistic lifestyle through our Workplace Health Programme (WHP). The WHP comprises a calendar of sports and health-related activities organised for employees to experience quality work-life balance, stay fit, healthy and productive. Employees attended talks to better educate themselves on various aspects of their health, such as brain health and eye care. YTL Starhill Global Property Management Pte. Ltd. was awarded a Certificate of Recognition for Singapore HEALTH Award 2017.

The award by the Health Promotion Board distinguishes the company as a caring employer who values its employees' health and well-being.

Other team-bonding activities include learning how to make bath bombs and healthy mooncakes. Significant events are also celebrated together with colleagues, such as the Mooncake Festival and our annual year-end luncheon. Our continual efforts in implementing workplace health and bonding activities have resulted in a happier, more cohesive and more productive workforce.

In support of work-life balance, family-friendly initiatives such as staggered work-hours and monthly 'Bright Sky Day' are also implemented at the workplace. On Bright Sky Day, staff are encouraged to leave early on Friday to spend more time with their families, or to pursue their personal interests over the weekend. The Manager also participates in the annual 'Eat With Your Family Day' initiative by the Centre for Fathering in Singapore which encourages companies and schools to end the day at 5 p.m. to spend time with their family.

The Manager provides government-paid maternity and paternity leave to all eligible female and male employees in Singapore. In FY 2017/18, six male and



CNY CELEBRATION
Employees enjoyed a lion dance and joined in a prosperity toss for a bountiful year ahead.



TEAM BONDING
Employees learnt how to make bath bombs and be more aware of the environment through a talk by LUSH.

ten female employees were entitled to parental leave. During the reporting period, only one female employee had a newborn baby. She utilised her maternity leave benefits and returned to work after her maternity leave. Employees also enjoy a range of benefits including medical insurance, birthday leave, wedding vouchers, childbirth vouchers and service awards.

Employees are encouraged to maintain a healthy lifestyle and to look after their well-being through the 'Perfect Attendance Award' issued quarterly, whereby they are rewarded with vouchers for staying healthy. For FY 2017/18, 72.5% of our employees, excluding senior management, regularly receive Perfect Attendance Awards. We also have had no lost days this year as there were zero number of absentees.



STUDY TRIP
Employees bonded with each other while examining the recent retail developments in Johor Bahru.

Sustainability Report

Figure 11:
**AVERAGE TRAINING HOURS
PER EMPLOYEE**

By Employment
Category and Gender



Talent Management

We believe in encouraging holistic development of our employees and grooming them to their fullest potential, personally and professionally. Hence, we are committed to learning and development programmes to drive productivity and develop the personal effectiveness of our employees.

Our employees undergo training, workshops and seminars on management, technical skills, communication, leadership and other topics. These opportunities allow them to improve on their job-related skills and knowledge, remain future-ready and progress to take on larger roles in the organisation. We continue to enhance our Executive Development Programme, which nurtures high-performing business unit leaders. The programme gives them additional knowledge and experience to improve their management and leadership skills. Concurrently, the intern placement programme provides our people with valuable mentoring and supervisory experience.

We believe in nurturing human capital through learning and development, ensuring that employees are future-ready with skills that stay relevant. Employees are encouraged to attend training workshops and courses both locally and overseas, as well as go on overseas mall trips to familiarise themselves with the retail landscape and current trends.

Each employee undergoes an average of 33.5 hours of training, with the detailed breakdown by gender and employment category illustrated in Figure 11.

Staff are appraised annually to cultivate the learning culture in the company. Employees are encouraged to reflect on their performance over the financial year and they also receive all-rounded 360-degree feedback from their supervisors, peers and juniors. During staff appraisal, we recognise every employee for their valuable contributions at work, identify areas of improvement and set achievable targets for the next review period. In FY 2017/18, 100% of employees received their appraisal.



ENRICHING COMMUNITIES

OUR APPROACH

- > Local Communities
- > Strive to positively impact and enrich the lives of people in the communities where we operate

We strive to positively impact the lives of people in the countries where we operate in, through our participation in corporate social responsibility activities. Below are some of the community events that we have been involved in this year.

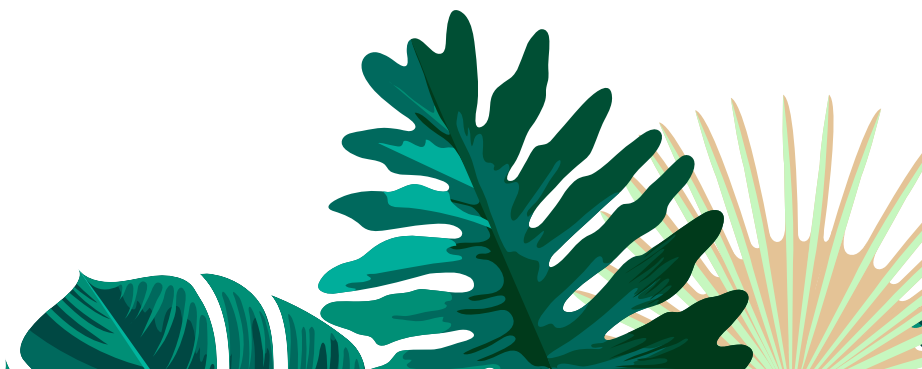


GROW Sustainability Drive

The adopted charity of a unit of YTL Group, Goodwill, Rehabilitation and Occupational Workshop (GROW), provides training and sheltered employment for adults aged 18 and above with cerebral palsy and other associated disability conditions.

As part of our philanthropic contributions, the Manager took part in a sustainability effort initiated by YTL PowerSeraya Singapore, a unit of our sponsor YTL Group. We collected second-hand items from our employees to be sold at GROW's thrift store. All proceeds from sales are then used to fund the meaningful programmes organised by GROW.

Employees are encouraged to attend training workshops and courses both locally and overseas.





Christmas Bazaar

Lot 10 worked with YTL Foundation, the education aid provision arm of YTL Group,

to organise a Christmas Bazaar featuring social enterprises focused on skills training for underprivileged youth on 1-3 December 2017. The event, also known as Lottie's Talent Village, was held in collaboration with 54C The YTL Learning Space – a learning space offering fun, creative and engaging after-school programmes to underprivileged students aged seven to 18 years, and was open to the public.



Space for Charity

Lot 10 was a venue sponsor for the "Share-A-Gift" charity drive by car-sharing startup SOCAR and Prasarana in

conjunction with RapidKL during the month of Ramadan. Shoppers and commuters could drop off their gifts including clothes, shoes, books and others at several locations in the city, including Lot 10. The items collected were then distributed to the partnering non-governmental organisation Dignity for Children, via a SOCAR. Myer Centre Adelaide also held a charity drive display in December 2017 on its premises.



Supporting Arts and Culture

Starhill Gallery hosted a charity-driven art exhibition entitled

LISTEN, a debut solo exhibition by Kuala Lumpur-based artist Suwen Low. A portion of the sales proceeds from her paintings will go towards missionary work by Iris Global in Mozambique and Madagascar, as well as a volunteer refugee center in Kuala Lumpur, United Learning Centre (ULC), which provides education to children of Myanmar refugees. Iris Global is a missionary organisation that provides humanitarian aid in Africa, the Americas, Asia, Europe and the Middle East.

Lot 10 also collaborated with the Malaysian Cultural Economy Development Agency (Cendana) to bring local artists and their creations to the heart of Bukit Bintang through its "Art in the City" programme. Artworks were displayed at the new side entrance while art installations, exhibitions, workshops and art trail tours were hosted in the mall for the rest of the year. Members of the public also unleashed the artist in them during Art Jam sessions on weekends. Lot 10 also played host to the inaugural Pasar Sari, a homegrown artisan market, to encourage entrepreneurship among the youth.

1. GROW SUSTAINABILITY DRIVE
Second hand items collected from the employees of the Manager.

2. LOTTIE'S TALENT VILLAGE
Christmas Bazaar featuring social enterprises.

3. ART IN THE CITY
Art Jam session on a weekend at Lot 10.



GRI Content Index

TABLE OF GRI CONTENT INDEX FOR 'IN ACCORDANCE' – CORE

General Standard	Disclosure	References	Omission ⁽¹⁾	General Standard	Disclosure	References	Omission ⁽¹⁾
General Disclosures				REPORTING PRACTICE			
ORGANISATIONAL PROFILE				GRI 102: General Disclosures 2016			
GRI 102: General Disclosures 2016	102-1 Name of the organisation	Annual Report		102-45 Entities included in the consolidated financial statements	Annual Report		
	102-2 Activities, brands, products and services	Annual Report		102-46 Defining report content and topic Boundaries	Sustainability Report, About this Report		
	102-3 Location of headquarters	Annual Report		102-47 List of material topics	Sustainability Report, Sustainability at Starhill Global REIT		
	102-4 Location of operations	Annual Report		102-48 Restatements of information	Not applicable		
	102-5 Ownership and legal form	Annual Report		102-49 Changes in reporting	Not applicable		
	102-6 Markets served	Annual Report		102-50 Reporting period	Sustainability Report, About this Report		
	102-7 Scale of the organisation	Annual Report		102-51 Date of most recent report	Sustainability Report, About this Report		
	102-8 Information on employees and other workers	Sustainability Report, Empowering Our People		102-52 Reporting cycle	Sustainability Report, About this Report		
	102-9 Supply Chain	Sustainability Report, Supply Chain		102-53 Contact point for questions regarding the report	Sustainability Report, About this Report		
	102-10 Significant changes to organisation and its supply chain	Not applicable		102-54 Claims of reporting in accordance with the GRI Standards	Sustainability Report, About this Report		
	102-11 Precautionary principle or approach	Sustainability Report, Embracing the Marketplace		102-55 Content Index	Sustainability Report, GRI Content Index		
	102-12 External Initiatives	Sustainability Report, Our Approach to Sustainability		102-56 External assurance	Sustainability Report, About this Report		
	102-13 Membership of associations	Annual Report					
STRATEGY				Category: Economic			
GRI 102: General Disclosures 2016	102-14 Statement from senior decision-maker	Sustainability Report, Board Statement		ECONOMIC PERFORMANCE			
ETHICS AND INTEGRITY				GRI 103: Management Approach 2016			
GRI 102: General Disclosures 2016	102-16 Values, principles, standards, and norms of behaviour	Sustainability Report, Embracing the Marketplace		103-1 Explanation of the material topic and its boundary	Annual Report		
				103-2 The management approach and its components	Annual Report		
GOVERNANCE				103-3 Evaluation of the management approach	Annual Report		
GRI 102: General Disclosures 2016	102-18 Governance structure	Sustainability Report, Embracing the Marketplace		GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Annual Report	
STAKEHOLDER ENGAGEMENT				Category: Environment			
GRI 102: General Disclosures 2016	102-40 List of stakeholder groups	Sustainability Report, Sustainability at Starhill Global REIT		ENERGY			
	102-41 Collective bargaining agreements	Sustainability Report, Our employees are not covered by collective bargaining agreements		GRI 103: Management Approach 2016			
	102-42 Identifying and selecting stakeholders	Sustainability Report, Sustainability at Starhill Global REIT		103-1 Explanation of the material topic and its boundary	Sustainability Report, Environmental Conservation		
	102-43 Approach to stakeholder engagement	Sustainability Report, Sustainability at Starhill Global REIT		103-2 The management approach and its components	Sustainability Report, Environmental Conservation		
	102-44 Key topics and concerns raised	Sustainability Report, Sustainability at Starhill Global REIT		103-3 Evaluation of the management approach	Sustainability Report, Environmental Conservation		
				GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Sustainability Report, Environmental Conservation	
					302-4 Reduction of energy consumption	Sustainability Report, Environmental Conservation	

Note:
⁽¹⁾ The column is left blank intentionally as there are no omissions made in the Sustainability Report.

General Standard	Disclosure	References	Omission ⁽¹⁾	General Standard	Disclosure	References	Omission ⁽¹⁾
WATER				TRAINING AND EDUCATION			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Sustainability Report, Environmental Conservation		GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Sustainability Report, Empowering Our People	
	103-2 The management approach and its components	Sustainability Report, Environmental Conservation			103-2 The management approach and its components	Sustainability Report, Empowering Our People	
	103-3 Evaluation of the management approach	Sustainability Report, Environmental Conservation			103-3 Evaluation of the management approach	Sustainability Report, Empowering Our People	
GRI 303: Water 2016	303-1 Water withdrawal by source	Sustainability Report, Environmental Conservation		GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Sustainability Report, Empowering Our People	
					404-3 Percentage of employees receiving regular performance and career development reviews	Sustainability Report, Empowering Our People	
EFFLUENTS AND WASTE				CUSTOMER HEALTH AND SAFETY			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Sustainability Report, Environmental Conservation		GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Sustainability Report, Embracing the Marketplace	
	103-2 The management approach and its components	Sustainability Report, Environmental Conservation			103-2 The management approach and its components	Sustainability Report, Embracing the Marketplace	
	103-3 Evaluation of the management approach	Sustainability Report, Environmental Conservation			103-3 Evaluation of the management approach	Sustainability Report, Embracing the Marketplace	
GRI 306: Effluents and Waste 2016	306-2 Waste by type and disposal method	Sustainability Report, Environmental Conservation		GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Sustainability Report, Embracing the Marketplace	
					416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Sustainability Report, Embracing the Marketplace	
Category: Social				CUSTOMER PRIVACY			
EMPLOYMENT				SOCIOECONOMIC COMPLIANCE			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Sustainability Report, Empowering Our People		GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Sustainability Report, Embracing the Marketplace	
	103-2 The management approach and its components	Sustainability Report, Empowering Our People			103-2 The management approach and its components	Sustainability Report, Embracing the Marketplace	
	103-3 Evaluation of the management approach	Sustainability Report, Empowering Our People			103-3 Evaluation of the management approach	Sustainability Report, Embracing the Marketplace	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Sustainability Report, Empowering Our People		GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Sustainability Report, Embracing the Marketplace	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sustainability Report, Empowering Our People					
	401-3 Parental leave	Sustainability Report, Empowering Our People					
OCCUPATIONAL HEALTH AND SAFETY				GRI 419: Socio-economic Compliance 2016			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Sustainability Report, Empowering Our People		GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Sustainability Report, Embracing the Marketplace	
	103-2 The management approach and its components	Sustainability Report, Empowering Our People			103-2 The management approach and its components	Sustainability Report, Embracing the Marketplace	
	103-3 Evaluation of the management approach	Sustainability Report, Empowering Our People			103-3 Evaluation of the management approach	Sustainability Report, Embracing the Marketplace	
GRI 403: Occupational Health and Safety 2016	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Sustainability Report, Empowering Our People			419-1 Non-compliance with laws and regulations in the social and economic area	Sustainability Report, Embracing the Marketplace	