

UOL CHANNEL

A PUBLICATION OF UOL GROUP LIMITED. VOL.02.2020



TOGETHER FOR
A SUSTAINABLE
FUTURE



TOGETHER FOR SUSTAINABILITY

With the COVID-19 pandemic impacting businesses, UOL believes sustainability, which is an integral part of its strategy, will continue to build the resiliency of its business and the industry.

“As we navigate this challenging period, the sustainability fundamentals have become even more important,” said UOL Group Chief Executive Liam Wee Sin in the Group’s latest sustainability report for the financial year 2019. “I have confidence in the resilience of the Group to weather through this crisis together with our employees, business partners, customers and communities, for our future.”

UOL’s sustainability report covers the property development, property investments and hotel operations in Singapore, excluding those of Singapore-listed United Industrial Corporation Limited (UIC) but including the common associated and joint venture companies of UOL and UIC. Published on 22 May 2020 and themed “Together for the Future”, the report detailed the Group’s sustainability performance during the year, demonstrating its commitment towards the building of a sustainable future together. Case studies in the report also highlighted how the Group helped to mitigate the effects of climate change through advocating sustainable designs, innovative construction technologies and digitalisation.

Other 2019 highlights included the Group setting new long-term environmental targets for 2030, as its commercial properties and hospitality business had achieved some of their 2020 targets in advance in 2018. In 2019, commercial properties achieved a 17.7% reduction in building energy intensity by GFA occupied and a 14.9% reduction in water intensity by GFA occupied, compared with the base year of 2010. Hospitality business achieved a 26.5% reduction in energy intensity by guest night and a 24.3% reduction in water intensity by guest night, compared with the base year of 2013. During the year, a stakeholder engagement exercise was also conducted and the survey results affirmed that UOL’s 12 material issues remained important and relevant to its business operations.

Amid the challenges, the Group remains committed to building a sustainable future for all while staying true to its mission and core values. UOL Sustainability Report 2019 is available on the company website at www.uol.com.sg.



“PAN PACIFIC CARES” WELCOMES GUESTS

As people start planning trips again, there is an increased awareness of safety and hygiene in what the Group’s wholly-owned hotel subsidiary Pan Pacific Hotels Group (PPHG) believes will be the new normal in travel. To get ready for a rebound in travel demand, PPHG launched “Pan Pacific Cares” on 11 June 2020.

Mr Choe Peng Sum, PPHG Chief Executive Officer, said: “At Pan Pacific, the safety, comfort, and peace of mind of our guests and associates is our top priority. They have put their trust in us to provide them with sincere and heartfelt service. We are committed to spare no expense for our guests with the ‘Pan Pacific Cares’ promise.”

PPHG collaborated with Diversey to enhance the hygiene and sanitation standards at its hospitality properties. Other safety measures included deep cleaning and disinfection in areas such as guest rooms, meeting rooms and dining outlets, UV lights to inspect all disinfected and sanitised guestrooms, contactless check-in and check-out, as well as contactless payment. PPHG is also working towards obtaining SG Clean certification for all its properties in Singapore as a stamp of assurance that the premises are maintaining high standards of public hygiene and cleanliness. SG Clean was launched by the National Environment Agency in February 2020 as a proactive response to minimise the spread of COVID-19.

To give guests another boost in confidence in their travel planning, PPHG offers flexible conditions in terms of cancellation for travellers with new bookings for stays up to 31 December 2020, as well as retained status for all Pan Pacific DISCOVERY Platinum and Black members until 31 December 2021.



PPHG has enhanced cleaning standards at its guest rooms.



TIMELY SUPPORT TO RETAIL TENANTS

In the Unity Budget announced in February 2020, the government rolled out property tax rebates to provide relief to businesses amid the COVID-19 outbreak. The property tax rebates were enhanced in its Resilience Budget, and a cash grant was announced in its Fortitude Budget. With the passing of the COVID-19 (Temporary Measures) (Amendment) Bill (“Amendment Bill”) in Parliament on 5 June 2020, eligible Small and Medium Enterprises (SMEs) will receive four months’ waiver of base rent for April to July 2020.

Since March, UOL and UIC (collectively “UOL Group”) have passed on the property tax rebates progressively to retail tenants. On 4 May 2020, UOL Group announced a rental assistance package to support its retail tenants, which included gross rental waivers to all eligible tenants mandated or chose to close during the affected period commencing either 27 March 2020 or 7 April 2020 till end May 2020. Tenants that were still operating during the circuit breaker period would receive waivers on the fixed component of their gross rent and be charged only variable rental based on gross turnover.

UOL Chief Investment and Asset Officer Jesline Goh said: “We are thankful for the various measures implemented by the government and its agencies to support the economy and industry. In this crisis, all business sectors are badly affected. No one is spared. As such, we are committed to stand alongside our valued partners to keep businesses viable. For that, UOL Group has been proactively rolling out over \$50 million of rental rebates to our retail tenants and this includes about \$16 million in property tax rebate support from the government.”

UOL Group will pass on the additional rental relief to qualifying retail SME tenants as set out in the Amendment Bill in due course. This is over and above the \$50 million relief package announced earlier, and will be disbursed after the subsidiary legislation is passed and upon notification of the list of eligible SMEs by relevant authorities. UOL Group will also pass on the balance of property tax rebates to retail tenants.



UOL MALLS ENHANCE SAFETY MEASURES

Prior to the re-opening of retail outlets as Singapore transitioned to Phase Two on 19 June 2020, UOL implemented enhanced measures at its three malls – United Square, Velocity@Novena Square and KINEX – to make its shoppers and tenants feel safe.

Additional entry and exit points of the malls were opened to manage shopper traffic, with more manpower deployed at these access points to manage the crowd and enforce safe distancing. In addition, the malls increased the frequency of cleaning and disinfection of high-traffic public areas, introduced anti-microbial coating for all the lifts as an extra precaution, installed counter shields, and stepped up on the education of shoppers and tenants through the malls’ online platforms and frontliners.

To provide convenience to those who still prefer to dine at home and avoid the crowds, an online food ordering platform was launched for shoppers to place takeaway orders from the malls’ participating food and beverage outlets. For takeaways at United Square and KINEX, shoppers can collect their meals at a drive-through pickup point.



The malls have posters such as this to remind shoppers to observe safety measures.



ENGAGING INVESTORS THROUGH REGULAR UPDATES

UOL has adopted half-yearly announcement of financial results with effect from the financial year ending 31 December 2020, but it remains committed to providing regular business updates on the company's performance and business outlook to shareholders and the investment community.

The Group released an announcement on 18 May 2020, which covered the operational performance for the first quarter ended 31 March 2020 and how the Group was adapting its strategy and operations to mitigate the impact of the COVID-19 pandemic on its business. For the quarter under review, the Group maintained a strong balance sheet with a gearing ratio of 0.30, cash of \$722 million and \$3.2 billion of unutilised credit facilities. Currently, 14 research houses cover its stock, with UBS recently upgrading its call to "Buy" in June 2020.



GIVING BACK TO THE COMMUNITY

During this challenging period, UOL and PPHG stepped up their giving efforts to help the needy, and at the same time, showed appreciation to healthcare workers.

In May 2020, the Group provided 20,000 meals for low-income families with children in support of Project Makan, an initiative in joint partnership with The Social Kitchen, YMCA and SHINE Children and Youth Services. The beneficiaries' access to free or subsidised meals in schools were disrupted during Singapore's extended circuit breaker.

Ms Wee Wei Ling, PPHG's Executive Director, Asset, Lifestyle & Corporate Social Responsibility, said: "We have always believed that corporates have a role to play in meeting community needs and over the years, have championed numerous inclusivity and community engagement programmes. With our current efforts, we hope to foster a greater sense of solidarity and compassion among our associates and continue to extend practical help and warmth by putting nutritious meals on the tables of families who require assistance in these times of crisis."

During the Ramadan season, PARKROYAL on Beach Road also converted its banquet kitchen into a temporary halal-certified facility to provide over 600 free meals daily for beneficiaries of CARE Singapore and Singapore Children's Society.



> PPHG delivered meals to healthcare workers in Singapore.

For two weeks in May, PPHG's Singapore properties also provided 3,500 meals for healthcare workers from Alexandra Hospital, Ng Teng Fong General Hospital and KK Women's and Children's Hospital. Ms Cheng Hui Min, Alexandra Hospital's Assistant Director, Operations, said: "We thank PPHG for their generous sponsorship of lunch for two weeks for our staff. Their thoughtful gesture has given us the support and nourishment as our staff continue to work on the COVID-19 frontlines."

Over in Australia, Pan Pacific Perth opened its doors to provide timely support and shelter to the homeless at the peak of Perth's battle against the coronavirus. Pan Pacific Perth General Manager Rob Weede said: "We are happy to be able to help our community in the best way we know how. Our staff are honoured and excited to make the new guests feel as safe and comforted as possible."



THE FUN CONTINUES AT HOME

UOL, together with the Asian Civilisations Museum (ACM), continued to bring fun and educational activities to the community virtually as people stayed home most weekends to stay safe. Saturdays@ACM, a monthly family-friendly programme previously held at ACM, went online since 30 May 2020. In the May edition, children and families took part in free interactive activities to learn about Hari Raya Puasa.

As the supporter of Saturdays@ACM, UOL was recognised with the Patron of Heritage Awards 2019 by the National Heritage Board.