



# FUTURE. NOW.

SUSTAINABILITY REPORT 2014



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## ABOUT US

UOL Group Limited (UOL) is one of Singapore's leading public-listed property companies with an extensive portfolio of development and investment properties, hotels and serviced suites.

With a track record of over 50 years, UOL strongly believes in delivering product excellence and quality service in all our business ventures. Our list of property development projects includes residential units, office towers and shopping malls, hotels and serviced suites.

Our unwavering commitment to architectural and quality excellence is reflected in all our developments, winning us prestigious prizes such as the FIABCI Prix d'Excellence Award, Aga Khan Award for Architecture, Urban Land Institute Awards for Excellence and President's Design Award.

UOL, through our hotel subsidiary Pan Pacific Hotels Group Limited (PPHG), owns two acclaimed brands namely "Pan Pacific" and PARKROYAL. PPHG now owns and/or manages over 30 hotels in Asia, Oceania and North America with over 9,800 rooms in its portfolio.

Even as we venture into new markets, we stay true to our core values, building on Passion, Innovation, Enterprise, Corporate Social Responsibility and People.



**VISION**

**A robust property group dedicated to creating value, shaping future.**

We seek to be resourceful, resilient and self-renewing.

We strive to create value for all our stakeholders.

We shape a world-class environment for people to live, work and play.

**MISSION**

**Driving Inspirations, Fulfilling Aspirations.**

We are goal-seeking and inspiring, working together to fulfil the aspirations of our stakeholders.

We are insightful of our customers' needs, striving to deliver products and services above their expectations.

We are committed to be a positive influence in all that we do.

**PASSION**

drives us to be:

- purposeful in all we do
- productive in deploying our resources
- perseverant in our common pursuit of excellence

**PEOPLE,**

our leading asset with:

- professionalism and integrity
- pride and loyalty
- performance and teamwork

**CORE VALUES****INNOVATION**

defines us as being:

- imaginative about the future
- insightful of our customers and environment
- intelligent in defining issues and finding solutions

**CORPORATE SOCIAL RESPONSIBILITY**

shapes us to be:

- conscientious in conserving and protecting the environment
- conscious in cultivating work-life balance and caring for the community
- committed to sound corporate governance and risk management

**ENTERPRISE**

propels us to become:

- expansionary in our visioning
- entrepreneurial in our dealings
- excellent in our achievements

## ABOUT THIS REPORT

This sustainability report covers the period from 1 January to 31 December 2014, and is published on an annual basis.

The report is a summary of our practices and performance relating to sustainability. The report content covers our economic, environmental and social issues, and is based on a materiality assessment incorporating our supply chain. It is prepared in accordance with Core requirements of the Global Reporting Initiative (GRI) G4 Guidelines, and includes consideration of the GRI Construction and Real Estate Sector Disclosures. Definitions and source of data measurements are indicated in the relevant sections.

This report focuses on our property investment and development operations in Singapore. Assets from operations covered in the report comprise approximately 43% of the Group's total assets as at 31 December 2014<sup>1</sup>. Any deviation from the scope of reporting is clearly indicated. We intend to expand our scope of reporting to include our hospitality segment and our operations outside Singapore. We will seek external assurance in the future.

We value your feedback to help us improve our performance in sustainability and meet stakeholder expectations. Please send your feedback to Mr Tan Kian Siew, Deputy General Manager (Corporate Affairs), Chairman of Sustainability Working Committee, at [sustainability@uol.com.sg](mailto:sustainability@uol.com.sg).

In line with the Group's commitment to environmental sustainability, no hard copies have been printed. This report is available online at our website [www.uol.com.sg/sustainability/report](http://www.uol.com.sg/sustainability/report).

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<sup>1</sup> G4-17



United Square



# BUILDING THE FUTURE. NOW.



velocity









## GROUP CHIEF EXECUTIVE STATEMENT

**“WITH A  
COMBINATION OF  
SOUND BUSINESS  
PRACTICES AND  
HIGH STANDARDS  
OF CORPORATE  
GOVERNANCE,  
WE ARE BUILDING  
A BUSINESS MODEL  
THAT TAKES CARE OF  
THE FUTURE NOW.”**

Dear Stakeholders,

UOL commemorated our golden jubilee in 2014. Riding on Singapore's growth, we have built up a resilient record backed by our three core businesses of property development, property investments and hotel operations. As a developer with a strong legacy, we remain committed to our vision of creating value, shaping future by conducting our business operations in a manner that considers the environmental and social impact to sustain profitable growth.

Building energy and water intensities decreased last year. We will continue to monitor our environmental performance to meet our long-term targets for energy and water set for 2020. We met our target for 75% of our main contractors to be ISO 14001 certified, and will raise the bar by requiring all contractors to be ISO 14001 certified. Further, we will add a target in 2015 for 75% of our main contractors to be Green and Gracious Builder certified. In doing so, our contractors are better able to improve energy efficiency and provide sustainable solutions.

We continue to work closely with our stakeholders to change behaviour and mindsets so that we can make a positive and lasting impact across the value chain. Two years ago, we rolled out an energy-saving awareness initiative in our



corporate office which effectively reduced our energy consumption by 2.5% last year compared with 2013. In a similar vein, while we met our target requiring 100% of our main contractors to be OHSAS 18001 certified, we recognise that good health and safety requires ongoing effort and engagement. In 2014, our accident severity rate continued to be below national industry average, but our accident frequency rate reflected a marginal increase compared with 2013. We are committed to working with our contractors to minimise or prevent recurrence of such cases.

Forging close relationships with our key stakeholders has always been a critical factor for our business success. We believe that through strengthening communication, we will be more responsive and resilient in today's connected society. Last year was a difficult time for local employers with tightened manpower restrictions. In this report, we feature how UOL worked closely with our tenants to overcome some of the issues during that period, as well as other examples of our engagement with our tenants, regulators, main contractors and local communities.

UOL is focused on creating innovative and quality building designs. We believe that innovation is key to developing solutions for sustainable cities. Our dedication to innovation is demonstrated through our support of events such as the World Cities Summit and World Architecture Festival. Our Riverbank@Fernvale also received the Universal Design Mark Gold Award conferred by the Building and Construction Authority. The award recognises quality user-centric design targeting people of all ages and abilities including the young, the elderly and persons with disabilities.

Within our local community, we aim to support meaningful causes for children, youth, education and sports. Beyond monetary contributions, we encourage participation in staff volunteering activities that support the underprivileged. In celebration of our 50 years of growth, the Management and some staff volunteers hosted a Chinese New Year luncheon for 50 elderly residents from the Asian Women's Welfare Association (AWWA) Senior Community Home at PARKROYAL on Kitchener Road to show

our appreciation to the pioneer generation. To further our community-building efforts, we partnered Very Special Arts Singapore (VSA) to showcase 18 art pieces drawn by artists with disabilities installed in the pedestrian underpass linking our two malls.

Our progress and achievements would not have been possible without our dedicated employees. To ensure our employees are being developed to their full potential, UOL met our target of improving the average number of training hours per employee by 10% annually since 2012. In 2014, UOL employees received 27.8 hours of training on average, surpassing our target of 20.8 hours. We continue to provide flexible work arrangements for working mothers and rehiring schemes for retirees.

With a combination of sound business practices and high standards of corporate governance, we are building a business model that takes care of the future now.

**Gwee Lian Kheng**  
Group Chief Executive

June 2015



# — 2014 — HIGHLIGHTS

## Improved operational efficiency



5.2% **decrease** in building energy intensity compared with 2013

11.1% **decrease** in building water intensity compared with 2013

2.5% **decrease** in corporate office energy consumption compared with 2013



On track to achieve external certification for **ISO 14001** by 2015 to **formalise our environmental management system**

**100%** of main contractors are certified for **OHSAS 18001 and ISO 14001**







Improved disclosure in the  
**Corporate Governance**  
Statement, including greater  
**transparency** on remuneration  
matters and addressing **diversity**



Showcased  
**art pieces by**  
**Very Special Arts**  
**Singapore (VSA)**  
in pedestrian  
underpass  
linking our malls  
to **enliven** the  
walk for users

**Enhanced**  
learning and  
development  
roadmap and  
**exceeded target**  
on training hours  
by 7 hours per  
employee



Replaced  
employees'  
chairs with  
**ergonomic**  
**chairs**  
for improved  
health and higher  
productivity



## FIVE-YEAR PERFORMANCE OVERVIEW

INDICATOR	2010	2011	2012	2013	2014
<b>COMPLIANCE</b>					
Number of significant fines	0	0	0	0	0
<b>ENVIRONMENT</b>					
• <b>Completed Buildings</b>					
Gross Floor Area Occupied (m <sup>2</sup> )	165,296	165,425	168,575	169,030	<b>186,285</b>
Building Energy Consumption (MWh)	31,962	31,050	31,065	30,397	<b>31,758</b>
Building GHG Emissions (tonnes of CO <sub>2</sub> e)	16,246	15,789	15,259	13,676	<b>14,288</b>
Building Water Consumption (thousand m <sup>3</sup> )	339	314	344	335	<b>328</b>
Building Energy Intensity (kWh/m <sup>2</sup> )	193.36	187.70	184.28	179.83	<b>170.48</b>
Building GHG Intensity (kg CO <sub>2</sub> e/m <sup>2</sup> )	98.28	95.14	90.52	80.91	<b>76.70</b>
Building Water Intensity (m <sup>3</sup> / m <sup>2</sup> )	2.07	1.91	2.06	1.98	<b>1.76</b>
• <b>Development Projects</b>					
ISO 14001 for main contractors	-	-	-	87.5%	<b>100%</b>
Electricity Consumption (MWh)	728	1,441	1,315	597	<b>1,539</b>
Diesel Consumed (MWh)	5,188	9,876	7,234	4,550	<b>7,302</b>
Total Energy Consumed (MWh) (Numbers may not add up due to rounding errors)	5,915	11,317	8,550	5,148	<b>8,841</b>
Total GHG emissions (tonnes of CO <sub>2</sub> e)	1,632	3,136	2,407	1,376	<b>2,641</b>
Value of work completed (in \$'000)	83,621	146,295	126,485	105,108	<b>201,091</b>
GHG intensity (by value of work completed)	26.54	21.44	19.03	13.09	<b>13.13</b>
<b>SAFETY</b>					
OHSAS 18001 for main contractors	-	-	-	87.5%	100%
Accident Severity Rate	333.03	206.22	71.72	5.84	66.64
Accident Frequency Rate	13.55	9.02	3.77	3.60	3.82
<b>PEOPLE</b>					
Turnover	-	19%	19%	16%	14%
Average Training Hours Per Employee	-	26.8	17.2	15.5	27.8

## COMMITMENT TO STAKEHOLDERS

UOL is committed to creating value and looking after the interests of our stakeholders. We identified our key stakeholders based on the significance of their respective impacts on UOL, and vice versa<sup>2</sup>.

### UOL'S COMMITMENT TO STAKEHOLDERS

KEY STAKEHOLDERS	COMMITMENT
<b>Business Partners</b>	To provide fair and competitive policies and practices in day-to-day dealings and, over time, cultivate beneficial long-term relationships
<b>Communities</b>	To support and contribute to the well-being of communities in which the company operates
<b>Employees</b>	To motivate and develop employees to their full potential in a safe working environment
<b>Home Buyers</b>	To deliver quality, innovative products that meet the aspirations of home owners and investors
<b>Investors</b>	To generate long-term value and sustainable returns on investments
<b>Regulators</b>	To adhere to and comply with existing laws and legislation
<b>Shoppers</b>	To provide a safe and conducive environment where quality goods and services can be purchased, thereby creating a memorable shopping experience
<b>Tenants</b>	To offer prompt and continuous support to tenants' day-to-day business dealings and, over time, cultivate beneficial long-term relationships

<sup>2</sup> G4-25



## STAKEHOLDER ENGAGEMENT

At UOL, we believe that by maintaining open and responsive channels of communication, we build relationships that enhance our competitive edge. We regularly engage our key stakeholder groups to ensure issues are promptly addressed and to develop a deep understanding of their needs<sup>3</sup>.

Significant areas of concern and issues across stakeholder groups are communicated to the Management regularly, thus ensuring stakeholder concerns are addressed and incorporated into our business activities and strategy development<sup>4</sup>.



Temporary walkway constructed for pedestrians' convenience.

## PARTNERING REGULATORS, ENGAGING LOCAL COMMUNITY: BOTANIQUE AT BARTLEY

We strive to be responsive to public concerns in our engagements. In 2014, the Urban Redevelopment Authority (URA) announced a requirement for developers to implement a public communications plan with residents within 100m of the site. Botanique at Bartley, a 797-unit condominium, was one of the first sites to come under the new rules.

Stakeholders involved in the public communications plan were identified together with URA. Parties included schools, constituency offices and residents. We learnt that a common concern of residents was potential traffic congestion, due to the development's sole entrance and exit situated along a minor road. Our team raised these concerns to URA and the Land Transport Authority which approved a second egress point to reduce congestion.

Under URA's suggestion, we also built temporary footpaths that would improve pedestrian access while construction of the condominium is underway. Our efforts to serve residents beyond land tender requirements were commended by a Member of Parliament for Marine Parade Group Representation Constituency.

<sup>3</sup> G4-26

<sup>4</sup> G4-27



## OVERCOMING MANPOWER CRUNCH WITH TENANTS AND TRADE ASSOCIATION: ONEKM

Singapore is undergoing a period of restructuring in its labour market to reduce its reliance on manpower, especially unskilled foreign labour. Measures taken by the government include reducing foreign worker quotas and increasing foreign worker levies.

UOL worked closely with tenants, many of whom are small and medium-sized enterprises, during this difficult retail environment to resolve manpower shortage issues. We approached e2i, the national Employment and Employability Institute, to organise a three-day recruitment drive for tenants at OneKM, our new mall that opened in Paya Lebar Central in November

2014. About 30 tenants participated, with more than 100 applicants interviewed at the recruitment drive.

Our engagement also led our tenant, The Paradise Group, which has three restaurants at OneKM, to introduce new dining concepts. Besides a Paradise Dynasty outlet, Para Thai and Beauty In The Pot, which serve Thai food and hot pots respectively, were first introduced at the mall as they are less labour intensive. UOL constructed a central kitchen to serve the three restaurants and restructured the tenancy contract to share the risk.

By fostering strong relationships with our tenants and government agencies, we aim to play our part in achieving greater productivity growth in the retail economy. Not only does this increase our business resilience, but we also believe the relationships fostered enable us to understand, engage and influence our tenants on broader sustainability issues.

▲  
(Above) Two new dining concepts with a central kitchen were introduced at OneKM in a bid to overcome manpower shortage.

(Below) UOL and e2i jointly organised a job fair for OneKM and its tenants.



## SUMMARY OF STAKEHOLDER ENGAGEMENT ACTIVITIES<sup>5</sup>

KEY STAKEHOLDERS	EXAMPLES OF ENGAGEMENT PLATFORMS <sup>6</sup>	KEY TOPICS OF CONCERN <sup>7</sup>
<b>BUSINESS PARTNERS</b>	<ul style="list-style-type: none"> <li>• Meetings</li> <li>• Phone and email channels</li> <li>• Regular co-ordination meetings with contractors with established reporting structure to track performance and site safety</li> <li>• Site visits</li> </ul>	<ul style="list-style-type: none"> <li>• Recognition for good performance</li> <li>• Safety</li> </ul>
<b>COMMUNITIES</b>	<ul style="list-style-type: none"> <li>• Outreach events</li> <li>• Meetings with community partners</li> <li>• Phone and email channels</li> <li>• Staff volunteerism</li> <li>• Media relations</li> <li>• Flyers to local residents</li> </ul>	<ul style="list-style-type: none"> <li>• Good corporate citizenship</li> <li>• Community needs</li> <li>• Environmental awareness</li> </ul>
<b>EMPLOYEES</b>	<ul style="list-style-type: none"> <li>• Annual performance appraisals</li> <li>• Townhall meetings and lunch talks</li> <li>• Staff bonding activities</li> </ul>	<ul style="list-style-type: none"> <li>• Information sharing by Management</li> <li>• Learning and development</li> <li>• Health management</li> <li>• Promoting teamwork</li> </ul>
<b>HOME BUYERS</b>	<ul style="list-style-type: none"> <li>• Visits by Management</li> <li>• Dedicated customer service teams to address defect rectification issues</li> <li>• Dedicated email and phone feedback channel</li> </ul>	<ul style="list-style-type: none"> <li>• Timely delivery</li> <li>• Quality of product</li> <li>• Rectification of defects during warranty period</li> </ul>
<b>INVESTORS</b>	<ul style="list-style-type: none"> <li>• Annual General Meetings</li> <li>• Results briefings</li> <li>• Conferences</li> <li>• Investors and media meetings</li> <li>• Company visits</li> <li>• Investor luncheons</li> </ul>	<ul style="list-style-type: none"> <li>• Group's strategy for growth and value creation</li> <li>• Transparency and timely information</li> </ul>
<b>REGULATORS</b>	<ul style="list-style-type: none"> <li>• Briefings and consultations</li> <li>• Real Estate Developers' Association of Singapore (REDAS) Committee</li> </ul>	<ul style="list-style-type: none"> <li>• Prompt and accurate regulatory disclosures</li> <li>• Prompt resolution of issues</li> <li>• Green buildings</li> <li>• Productivity and safety</li> </ul>
<b>SHOPPERS</b>	<ul style="list-style-type: none"> <li>• Customer service counter</li> <li>• Dedicated email and phone feedback channel</li> <li>• Social media outlets</li> <li>• Shoppers' surveys</li> </ul>	<ul style="list-style-type: none"> <li>• Tenant mix</li> <li>• Shoppers' experience</li> <li>• Comfort</li> </ul>
<b>TENANTS</b>	<ul style="list-style-type: none"> <li>• Visits by Management</li> <li>• Regular surveys</li> <li>• Networking tea/lunch sessions</li> </ul>	<ul style="list-style-type: none"> <li>• Competitive lease terms</li> <li>• Flexibility in meeting business needs</li> <li>• Manpower crunch</li> <li>• Energy efficiency</li> </ul>

<sup>5</sup> G4-24

<sup>6</sup> G4-26

<sup>7</sup> G4-27

## OUR APPROACH TO SUSTAINABILITY

### SUSTAINABILITY GOVERNANCE

UOL is committed to safeguarding the interests of our stakeholders for sustainable growth and enhancing long-term shareholder value. To achieve this, we hold ourselves to high standards of corporate governance and business conduct. Our governance policies and practices are in line with the principles and guidelines set out in the Code of Corporate Governance (Code) issued by the Monetary Authority of Singapore on 2 May 2012.

This section highlights features in the governance and risk management practices that support long-term and sustainability (environmental and social) considerations. For the full report with respect to the Code, please refer to UOL Annual Report 2014 on page 42-59.

### BOARD AND MANAGEMENT ROLES

The principal responsibilities of the Board include reviewing UOL's strategic business plans, taking into account sustainability (environmental and social) issues.

- **Board Composition and Guidance** – The Code stipulates that independent directors should make up at least half of the Board where, inter alia, the Chairman is not an independent director. The Board comprises eight directors, four of whom are independent. UOL has a separate Chairman and Group Chief Executive. The Nominating Committee (NC) comprises three non-executive Directors of whom two are independent.

Board appointment will continue to be based on merit and diversity factors (such as skills, experience, qualifications, core competencies, age, gender and race).

- **Board Performance** – Chaired by an independent Director, the NC assesses the contributions of the Chairman and each Director to the effectiveness of the Board annually. The NC also evaluates the performance of the Board as a whole and its Board Committees, and has adopted certain quantitative indicators including return on equity, return on assets and UOL's share price performance. These performance criteria allow the Group to make comparisons with our industry peers and are linked to long-term shareholder value.
- **Sustainability Considerations** – UOL has embarked on an approach to sustainability that is forward-looking, transparent and targeted, underpinned by a clear focus on materiality. This approach covers policies and guidelines for both daily business operations and strategic developments.

Our core values articulate our expectations on our corporate social responsibility.

Materiality guides us on the issues to focus on and the areas to drive performance (see page 22). A rigorous sustainability framework was developed in 2011 with inputs from an independent sustainability consultancy. In the same year, the Sustainability Steering Committee was established and supported by the Working Committee, which comprises cross-functional representatives. They are responsible for materiality assessment and industry benchmarking of our environmental and social performance on at least an annual basis. In 2012, we formalised a roadmap to internalise sustainability within UOL<sup>8</sup>.



### SUSTAINABILITY STEERING COMMITTEE

**Chairman:** President (Property)

**Committee members:** Senior members of the Management team from Corporate Communications & Investor Relations, Finance, Human Resource, Investment, Legal & Secretariat, Marketing, Project Development and Property & Engineering departments



### SUSTAINABILITY WORKING COMMITTEE

**Chairman:** Deputy General Manager (Corporate Affairs)

**Committee members:** Representatives from Corporate Communications & Investor Relations, Finance, Human Resource, Investment, Legal & Secretariat, Marketing, Project Development and Property & Engineering departments

We integrated our sustainability materiality assessment based on leading standards such as AA1000AS and GRI within our Enterprise Risk Management (ERM) framework. We also reviewed our Standard Operating Procedures (SOPs) across all business groups for gaps pertaining to economic, social and environmental considerations.

Our performance relating to environment, safety, people and community are described in further detail on page 26-43.

## RISK MANAGEMENT

The Board is responsible for the governance of risk. It has delegated the Audit and Risk Committee (ARC) to assist the Board in the oversight of internal controls and risk management system within the Group.

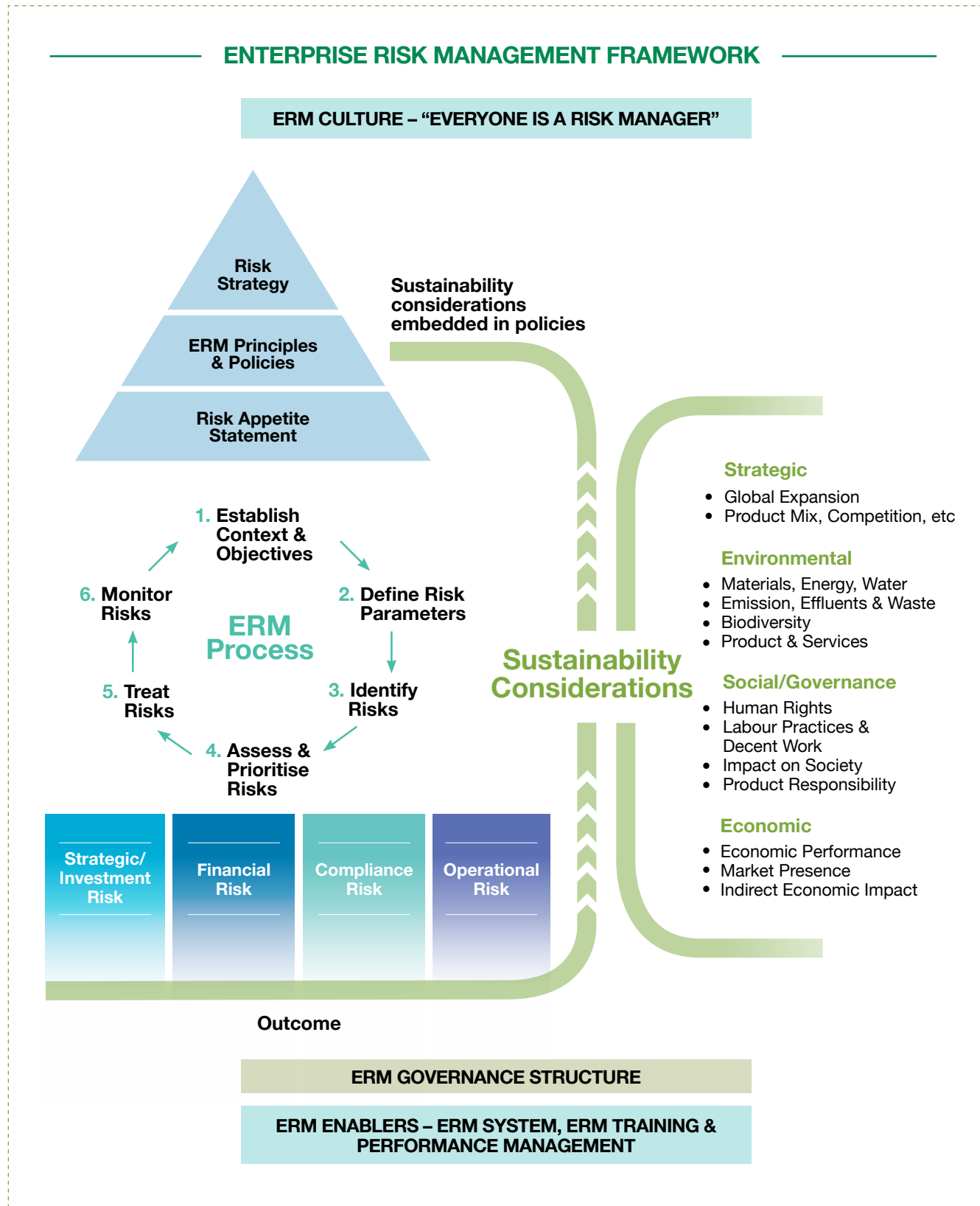
The ERM programme consolidates the Group's risk management practices in a structured framework. It is substantively in line with best practices, including those contained in the Risk Governance Guidance for Listed Boards, as released by the Corporate Governance Council on 10 May 2012.

The Management reviews key risks, both existing and emerging, and current controls. It also identifies the key risk indicators and takes necessary measures to address and mitigate these key risks. The Management will continue to reinforce the 'risk-aware' culture within the Group and progressively cascade the ERM programme down to all levels of the Group's businesses and operations. Currently, key risks are evaluated by the ARC on a half-yearly basis.

Sustainability risks included in the ERM programme were identified using the approaches recommended by the GRI and AA1000AS frameworks. These frameworks emphasise consideration of external stakeholders and adopt a long-term horizon outlook. On the next page, we illustrate how sustainability considerations are integrated. This includes climate change-related events, water scarcity issues and socio-political unrest that may affect business operations.

The Group Risk Management Committee (GRMC), chaired by the Group Chief Executive and comprising senior members of the Management team, oversees the direction, implementation and running of the ERM programme. The GRMC reports to the ARC on the progress, key risks, controls and treatment plans every half year or as needed.

These measures ensure a cohesive and comprehensive ERM programme which employees of the Group can collectively participate in and contribute to. Moving forward, the Group's internal controls will be enhanced and strengthened, ensuring the Group's long-term sustainability.





## COMPLIANCE

In 2014, there were no incidents of non-compliance to legal and regulatory requirements resulting in significant fines or sanctions.

## CODE OF BUSINESS CONDUCT

All employees are required to review and affirm their compliance with the Code of Business Conduct (CBC) every year. The CBC sets out expectations of employees including, but not limited to, fraud, bribery, conflicts of interests, anti-competitive conduct, harassment, health, safety and environment. It directs employees to consult their Heads of Department or Human Resource representatives in case of queries or issues.

## WHISTLE-BLOWING

In relation to the CBC, a whistle-blowing policy and system has been put in place to encourage and provide a channel for employees and external parties dealing with employees to report, in good faith and confidence, concerns about possible fraud, improprieties in financial reporting and other matters. Contact details of the Deputy General Manager (Group Internal Audit) are disclosed publicly on the corporate website. He will be responsible for investigating any concerns raised and reporting findings to the ARC, independent of Management.

## PERSONAL DATA PROTECTION ACT

UOL has in place a policy to manage personal data in accordance with the Singapore Personal Data Protection Act. The policy, which is disclosed on UOL's corporate website, sets out how UOL collects, uses and discloses personal data of various parties dealing with the Company.

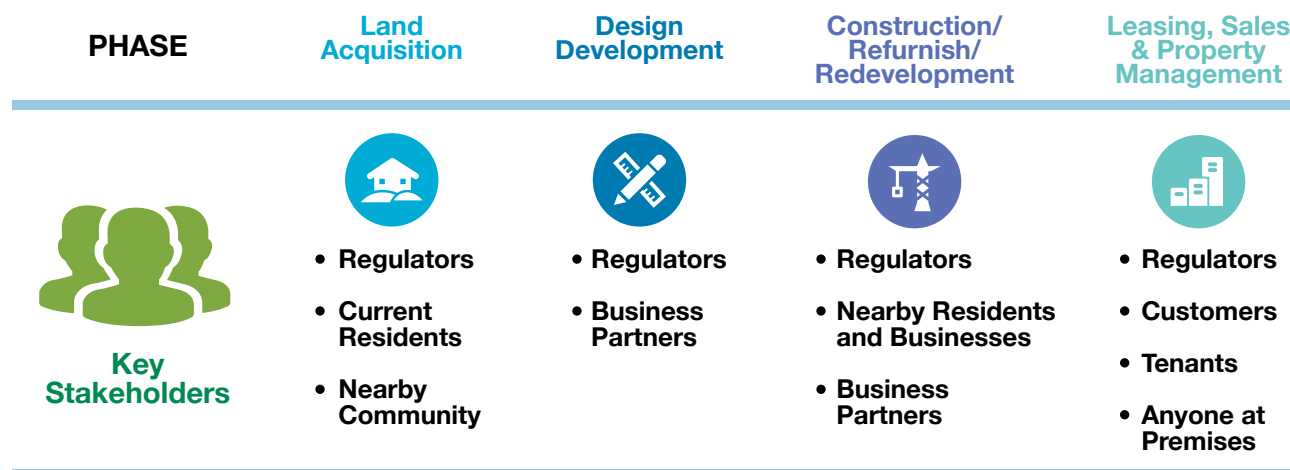
## INTERNAL AUDIT

The Deputy General Manager (Group Internal Audit) reports directly to the ARC and administratively to the Group Chief Executive. The Internal Audit (IA) department aims to meet or exceed the standards for the Professional Practice of Internal Auditing as set by the Institute of Internal Auditors.

As part of its audit activities, the IA department reviews all interested party transactions and ensures that the necessary controls are in place and complied with.

## VALUE CHAIN

We recognise our impact and stakeholders at various phases of the value chain. We focus on areas within our control where we can make a positive impact, such as in the designing of energy efficient buildings. While some challenges are beyond our direct control, we recognise our influence on stakeholders across the value chain and seek opportunities to have a positive impact wherever we can.



The key stakeholders involved and their corresponding concerns will differ based on several factors, such as type of development (residential, commercial) and other location-specific characteristics.

Our safety and environment targets are extended to our main contractors. Safety and environmental performances of main contractors are reviewed both at the selection and project implementation phases. In 2014, we met our targets to have 100% and 75% of our main contractors certified for OHSAS 18001 and ISO 14001 respectively.

Within UOL, learning points are shared across all relevant functions, thus inspiring improvement opportunities across all project phases. For example, project managers share information on positive outcomes and challenges faced by existing projects in bi-weekly project meetings. Areas discussed include design, compliance with authorities' requirements, procedures, manpower, defects and maintenance.

Information is communicated upstream to the design team such that good design provisions will continue to be adopted while avoiding undesirable design details. Information circulated also allows for immediate review of ongoing projects should any details need to be improved.

UOL adheres to principles set out in the Singapore Code of Advertising Practice in our marketing practices to tenants and customers. Formulated against the background of national and international law and practice, including the International Code of Advertising Practice, this code is based on the premise that all advertisements should be legal, decent, honest and truthful.

We seek to influence and leverage our tenants to join us in our corporate social responsibility efforts. Some of the examples are described in the Raising Environmental Awareness section on page 31 and the pull-out feature in the Community section on page 42.



## MATERIALITY<sup>9</sup>

Materiality guides UOL on the issues to focus on and the areas to drive performance. Materiality is reviewed on an annual basis. The Sustainability Steering Committee is satisfied that there are no significant changes in key material issues in 2014.

Materiality is assessed based on internal and external stakeholder expectations. A group-wide materiality assessment workshop facilitated by an independent sustainability expert was conducted in 2012<sup>10</sup>. The materiality assessment adopted the AA1000AS guidelines, with issues identified and prioritised on a 5x5 matrix derived from the AA1000 5-Part criteria. The workshop was attended by senior members of the Management team and other key executives from various departments. After the workshop, the matrix was reviewed to ensure that it accurately captured all issues before receiving a final approval from the Management.

Material issues are integrated into existing management systems. In the ERM, material issues are prioritised accordingly under sustainability considerations; key material issues will similarly feed into UOL's ISO 14001 management system as key aspects to ensure alignment. Further, SOPs are reviewed to ensure that considerations for material issues are formalised and integrated into our business operations. Targets are set to drive performance, and disclosed for accountability.

The table below shows the key material issues for our Singapore investment and development properties' operations<sup>11</sup>.

KEY MATERIAL ISSUES	EXTERNAL STAKEHOLDERS SIGNIFICANTLY IMPACTED <sup>12</sup> (BUSINESS PARTNERS, REGULATORS, CUSTOMERS, TENANTS, COMMUNITIES)	ADDRESSED UNDER <sup>13</sup>
<b>CARBON FOOTPRINT</b>	Business Partners, Regulators, Tenants	Environment
<b>COMPLIANCE AND FAIR COMPETITION</b>	All	Sustainability Governance
<b>CORRUPTION AND BRIBERY</b>	All	Sustainability Governance
<b>HEALTH AND SAFETY</b>	All	Health and Safety
<b>PRODUCT QUALITY</b>	All	Product Innovation
<b>PROFITABILITY</b>	Business Partners, Customers, Tenants	Financial Highlights, UOL Annual Report 2014
<b>SUSTAINABLE GROWTH</b>	All	Sustainability Governance
<b>TALENT RETENTION</b>	Business Partners, Tenants	People
<b>WATER CONSUMPTION</b>	Tenants	Environment

<sup>9</sup> G4-18

<sup>12</sup> G4-21

<sup>10</sup> G4-26

<sup>13</sup> G4-20

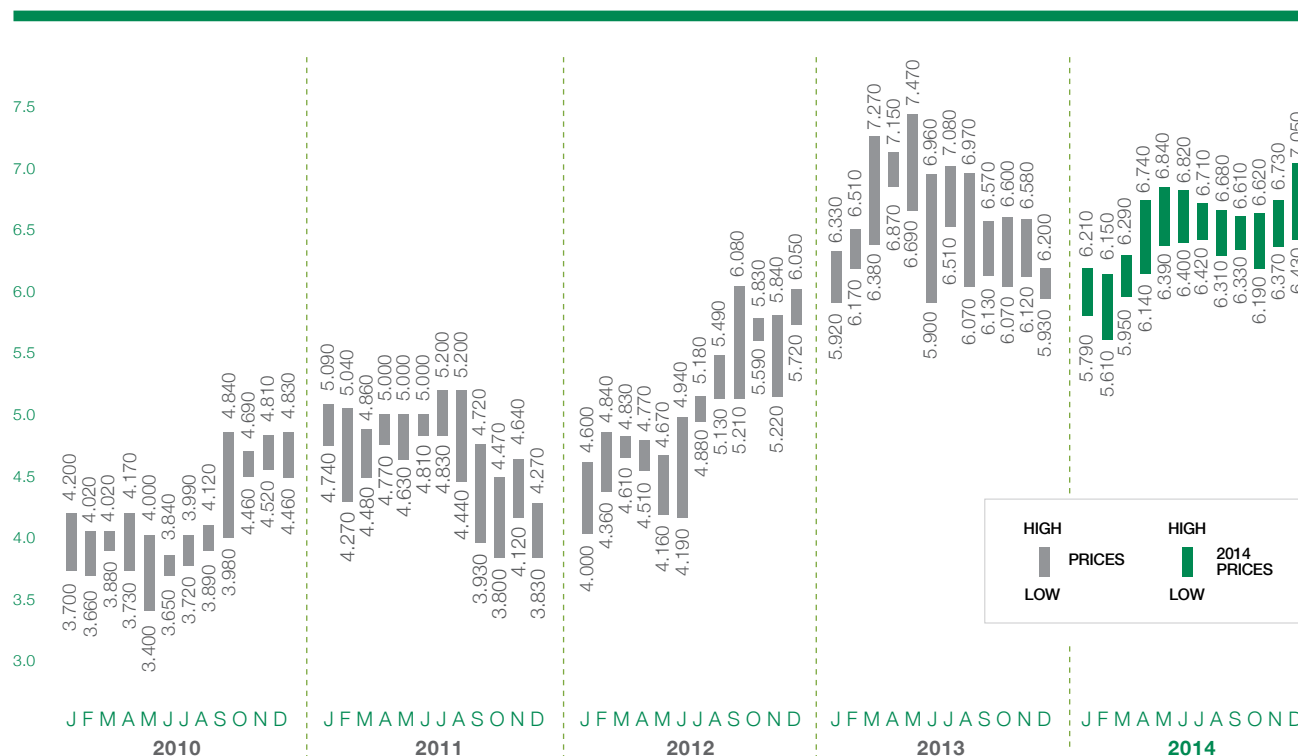
<sup>11</sup> G4-19

## FINANCIAL HIGHLIGHTS<sup>14</sup>

UOL believes in growing our business in a responsible and sustainable manner. We are committed to delivering long-term economic viability through disciplined financial management and capital allocation, gradual diversification of our income streams and maintaining a suitable property portfolio.

FIVE-YEAR PERFORMANCE FOR THE GROUP	2010	2011 (restated <sup>15</sup> )	2012	2013	2014
REVENUE (\$m)	1,349.1	1,960.2	1,145.8	1,058.6	<b>1,360.7</b>
PATMI (\$m)	755.9	678.6	807.7	785.8	<b>686.0</b>
GEARING RATIO	0.37	0.35	0.28	0.28	<b>0.34</b>
RETURN ON EQUITY	16.3%	12.8%	13.1%	11.6%	<b>9.0%</b>
TOTAL ASSETS (\$m)	7,904.0	8,697.6	9,564.3	10,421.4	<b>11,848.5</b>
EARNINGS PER SHARE (cents)	96.94	88.12	105.06	102.01	<b>88.00</b>

## SHARE PRICE (\$)



For a detailed breakdown of our 2014 financial results, please refer to the following sections in the UOL Annual Report 2014:

- Financial Highlights, page 8-9
- Chairman's Statement, page 16-17
- Five-year Financial Summary, page 74-75
- Segmental Performance Analysis, page 76-77
- Value-added Statement, page 78-79

<sup>14</sup> Represents full year consolidated results of UOL Group Limited and its subsidiaries.

<sup>15</sup> The financials for 2011 were restated due to the adoption of the Amendments to FRS 12 – Deferred Tax: Recovery of Underlying Assets, which took effect on 1 January 2012.



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## PRODUCT INNOVATION

UOL prides itself on leveraging design, innovation and quality excellence in the buildings we develop. Our dedication has won us several awards and accolades, including the prestigious FIABCI Awards and awards given out by the Building and Construction Authority. A list of the awards and accolades can be found on page 44.

We also sponsored the World Cities Summit 2014, an exclusive and premier platform for government leaders and industry experts to address challenges of liveable and sustainable cities.

Innovation is one of our core values. We actively support innovation in the industry through knowledge-sharing and sponsorship of key events. In this section, we demonstrate examples of our efforts in product innovation relating to showflats.

## INNOVATIVE SHOWFLAT

### Thought leadership

The annual World Architecture Festival (WAF) is the world's largest festival and awards celebrating architectural and design excellence. It serves as a platform for the global architectural community to learn about leading designs.

Mr Liam Wee Sin, President (Property), was invited to share his insight on the design process of UOL's unconventional showflat, which redefines the typical showflat viewing experience. In support of innovation in the industry, UOL has been a sponsor of WAF's Building of the Year Award since 2012.

### Mobile showflat

We understand how precious time is for executives juggling work and family commitments. UOL is the first property developer in Singapore to turn a truck into a mobile showflat to reach out to busy professionals. The truck, which showcased part of the living room of our 555-unit Riverbank@Fernvale, travelled to several districts.



(Above) Mr Liam shared insightful views on innovative showflat designs at the WAF.

(Below) Turning a truck into a mobile showflat as a new approach to reach out to busy professionals.



## ENVIRONMENT

Being conscientious in conserving and protecting the environment is embedded in UOL's core values. Environmental sustainability is an important part of our corporate social responsibility as a property developer and manager.

MATERIAL ISSUES	INDICATOR	TARGET	ACHIEVED
<b>CARBON FOOTPRINT</b>	Energy intensity	16% reduction by 2020 for investment properties in Singapore (Base year: 2010)	Ongoing
<b>WATER CONSUMPTION</b>	Water intensity	10% reduction by 2020 for investment properties in Singapore (Base year: 2010)	Ongoing
<b>CARBON FOOTPRINT WATER CONSUMPTION</b>	Green Mark	Green Mark Gold for new development of investment properties in Singapore	Not applicable; no new developments in 2014
<b>VALUE CHAIN IMPACTS FOR MATERIAL ENVIRONMENT ISSUES</b>	ISO 14001 certification for main contractors	2014: 75% 2015 onwards: 100%	<b>Target met</b>
	Green and Gracious Builder certification for main contractors	2015: 75%	-

### ENVIRONMENTAL POLICY

Our Environmental Policy, endorsed by Mr Liam Wee Sin, President (Property) and Chairman of the Sustainability Steering Committee, demonstrates our commitment to environmental sustainability.

UOL recognises that our business activities form an integral part of the environment and thus is committed to conserving and protecting the environment in which we operate. In order to ensure sustainable business growth, UOL has the responsibility to protect and prevent pollution to the environment. We strive to be a good corporate citizen by continually improving the environmental performance of the organisation.

UOL is thus committed to:

- reducing pollution through conservation of energy and water consumption
- carrying out activities in environmentally friendly manner and continually improving our environmental performance
- complying to all relevant environmental and other requirements stipulated by the authorities



### ENVIRONMENTAL MANAGEMENT SYSTEM

UOL is in the process of developing an Environmental Management System (EMS), including initiatives, to help achieve our environmental targets. We are on track to be ISO 14001 certified by the end of 2015.

The EMS offers a comprehensive assessment, review and management of the impact and implications of our environmental footprint throughout our business operations. This ensures that any potential negative environmental impacts arising from our operations are mitigated, and will not compromise the health of our stakeholders.

In our development projects, we seek to harmonise the development with the surrounding environment to preserve the environment's inherent character and cultural heritage. We explore and incorporate environmentally-friendly features in our projects where commercially feasible.

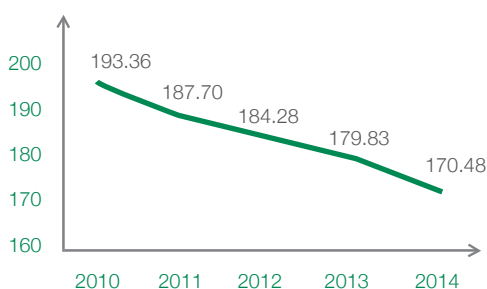
### BUILDING ENERGY CONSUMPTION

Managing our carbon footprint is part of our environmental responsibility in response to climate change concerns, and prepares our organisation to operate in low carbon societies. Energy savings often translate into direct cost savings.

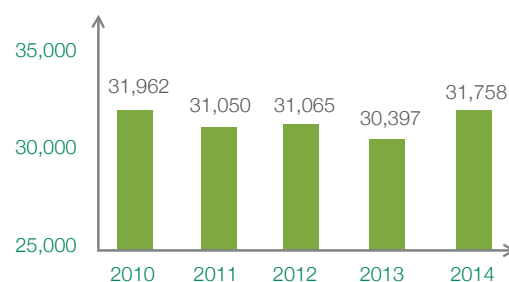
Building energy consumption increased by 4.5% to 31,758 MWh compared with 2013 due to the inclusion of a newly completed mall, OneKM, in 2014. Building energy intensity decreased by 5.2% in 2014. Compared with the base year (2010), the building energy intensity registered a decrease of 11.8%. Building energy consumption and intensity for OneKM may be expected to increase, as the traffic may not have reached its potential given that the mall was only opened late last year.

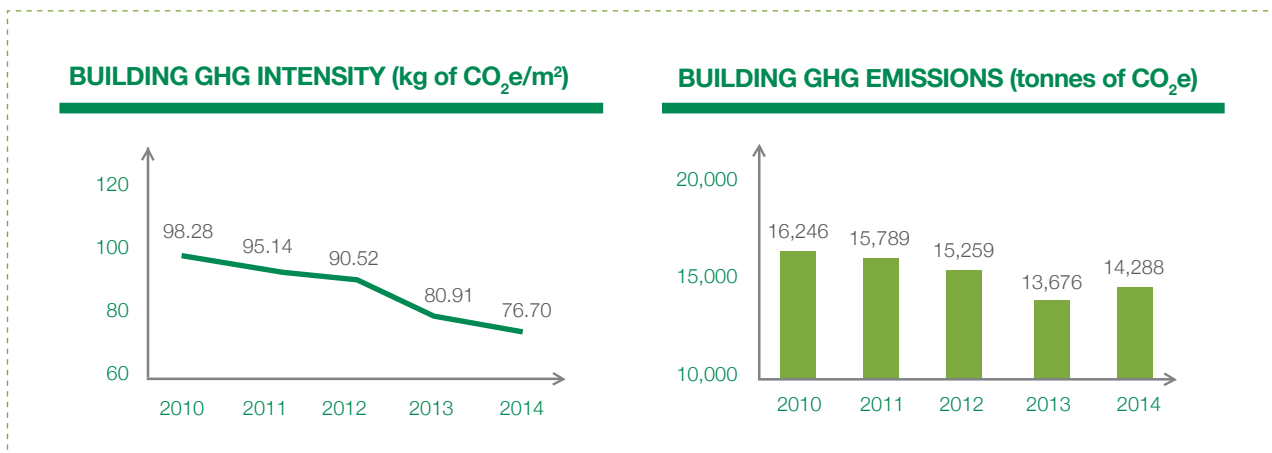
Initiatives to reduce energy consumption during the year included conversion to energy-efficient lights and calibrating chillers to switch off air-conditioning in vacant offices. Electricity consumption was the only source of building energy consumption.

**BUILDING ENERGY INTENSITY (kWh/m<sup>2</sup>)**



**BUILDING ENERGY CONSUMPTION (MWh)**





We also track our corporate office energy consumption and business air travel as part of our efforts to increase internal environmental awareness (see page 31). Our corporate office resides within our investment properties and is accounted for in the above charts. In 2014, our corporate office energy consumption amounted to 272 MWh. Compared with 2013, this reflected a 2.5% decrease, or savings of 3,118 tonnes of CO<sub>2</sub> equivalent, despite an increase in headcount. This decrease in consumption can be attributed to awareness-raising efforts within UOL and as a result, employees have become increasingly conscientious of energy usage. Business air travel remained similar at 0.6 tonnes of CO<sub>2</sub> equivalent.

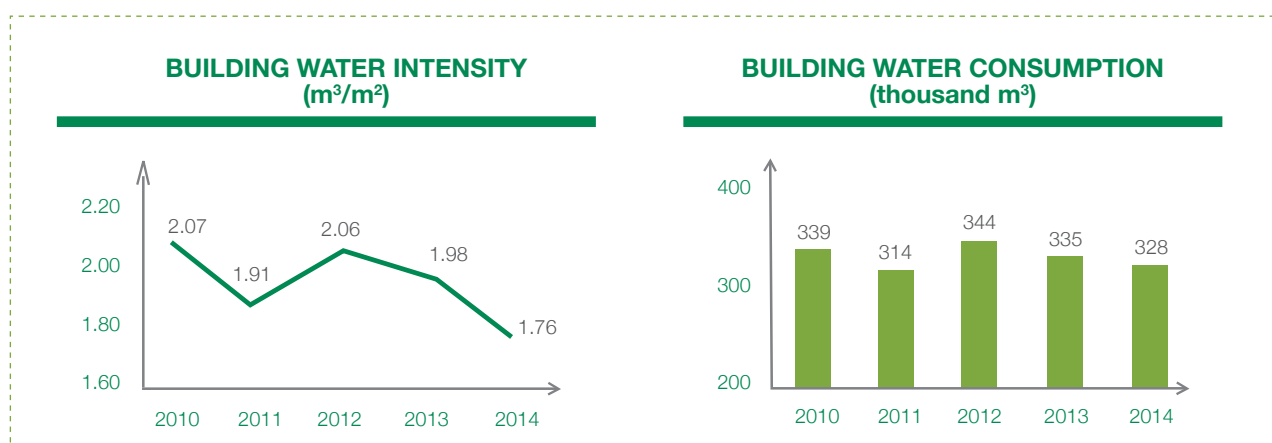
### BUILDING WATER CONSUMPTION

Water is an essential scarce resource. The provision of water may be disrupted on relative short notice in extreme weather events, due to its localised nature. Managing our water consumption thus helps us understand our water resource needs to prepare for any potential shortages ahead, and in turn results in direct cost savings.

Building water consumption decreased by 2.0%. Building water intensity also decreased by 11.1% compared with 2013. Compared with the base year (2010), the building water intensity registered a decrease of 14.9%. While this has exceeded our water reduction target for 2020, we recognise that the decrease may in part be due to inclusion of our newly opened mall OneKM. In expectation of higher traffic at the mall, we will continue to monitor our water consumption and intensity.

Our ongoing water conservation initiatives include:

- Daily reading and monitoring of bulk meters; abnormally high consumption can be traced immediately
- Installation of water meters to high consumption plants such as cooling towers
- Regular inspection and frequent checks of water fittings and valves; prompt attention would be given to faulty fittings to stop leakages
- Installation of thimbles to all basin taps
- Adjust water flow rate to water cisterns



## WASTE AND RESOURCE MANAGEMENT

For land-scarce Singapore, where there is limited space for landfill, proper waste and resource management is important.

In our selection of construction materials, we encourage and support the use of Green Label products, such as green concrete panels and adhesives for cabinetry works, plastering materials and tiles. Our target of achieving at least Green Mark Gold certification for our new investment properties is aligned with our aim to use recycled and sustainable building materials.

UOL is committed to implementing recycling initiatives for our diverse portfolio of residential, retail and commercial developments. Recycling bins are placed in our malls, commercial buildings, residential developments and corporate office. In support of the National Environment Agency's recycling programme, UOL monitors the quantity of recycling materials collected in all our investment properties.

### ENERGY AND WATER CONSUMPTION OF DEVELOPMENT PROJECTS

	2010	2011	2012	2013	2014
<b>Electricity consumption (in MWh)</b>	728	1,441	1,315	597	<b>1,539</b>
<b>Diesel consumed (in MWh)</b>	5,188	9,876	7,234	4,550	<b>7,302</b>
<b>Total energy consumed (in MWh)</b> (Numbers may not add up due to rounding errors)	5,915	11,317	8,550	5,148	<b>8,841</b>
<b>Total GHG emissions (in tonnes of CO<sub>2</sub>e)</b>	1,632	3,136	2,407	1,376	<b>2,641</b>
<b>Value of work completed (in \$'000)</b>	83,621	146,295	126,485	105,108	<b>201,091</b>
<b>GHG intensity by value of work completed</b>	26.54	21.44	19.03	13.09	<b>13.13</b>

In 2014, our development projects consumed 8,841 MWh of energy and 137,000 m³ of water. Energy and water consumption figures per year are heavily dependent on the phase of construction, where most consumption takes place during the middle phase. Energy consumption was mainly from diesel



and electricity consumption, resulting in a total of 2,641 tonnes of CO<sub>2</sub> equivalent. In addition, 15,641 m<sup>3</sup> of water, or 11% of our total water consumption, was recycled or reused. Waste water is used to wash trucks and other vehicles before they leave the construction sites to minimise pollution to the public road surfaces.

Our main contractors are required to submit quarterly reports of energy and water consumption. In 2014, 100% of our main contractors undertaking our projects in 2014 were certified for ISO 14001, exceeding our target of 75%. We will increase our target and require all our main contractors to be ISO 14001 certified from 2015 onwards.

We will include an additional target for our main contractors to achieve the Green and Gracious Builder certification. This certification is awarded by the Building and Construction Authority for contractors that have implemented a certain standard in environmental and social practices. Environmental aspects assessed include material use, energy, water and air quality. All main contractors undertaking our projects in 2014 were certified for Green and Gracious Builder. However it is important for us to engage the pool of main contractors we work with, and progressively implement targets. We have hence set a target for 75% of our main contractors to be Green and Gracious Builder certified in 2015.

## BIODIVERSITY

As a property developer, UOL recognises the potential impact resulting from the loss of biodiversity. However, the significance of biodiversity loss in Singapore is minimised largely due to the urban environment our properties are developed in. Under current regulations and practices, the tender site is usually cleared before the bidding process takes place. We ensure our developments adhere strictly to the National Parks Board's requirements, such that mature trees or rare species are conserved or transplanted wherever possible.

## RAISING ENVIRONMENTAL AWARENESS

We believe in starting our efforts from 'home' to nurturing an environmentally conscious culture. Environmentally-friendly tips are shared with all employees quarterly as part of our 'Think Green' initiatives. Signs and stickers are displayed prominently in our corporate office to remind users to switch off lights and computers when not in use to conserve energy and water. Employees are also encouraged to minimise printing and photocopying, and to print on both sides of the paper. Internal environmental measures are also formalised as part of the scope of the ISO 14001 system that we are working towards.

Our tenants are given a one-page summary of tips to encourage sustainable retail operations. These tips include energy and water conservation, reducing impacts from packaging, recycling and selecting non-toxic cleaning chemicals.

### Notes for Environmental Performance Data:

- **Buildings** refer to completed properties in Singapore: Faber House, Novena Square, Odeon Towers, OneKM and United Square.
- **Corporate office** refers to electricity consumption by UOL's office, based on utility bills. Water data is unavailable, as water is not separately metered. Our corporate office sits within the buildings we manage, and forms a subset of the building energy and water figures reported.
- **Development projects** refer to construction and redevelopment activities which took place in Singapore. Data from Spottiswoode Residences was excluded due to limitations of data collection; the exclusion affects data from 2010 to 2013.
- **Area in m<sup>2</sup>** measures gross floor area occupied. This is calculated by occupancy rate (simple average of monthly occupancy rates) multiplied by gross floor area.
- **Greenhouse gas conversion** is based on the Greenhouse Gas (GHG) Protocol. Emission factors for electricity generation are sourced from the Energy Market Authority (EMA). Past year data was restated based on figures from EMA, which had a slight (<2%) difference from figures used previously<sup>16</sup>. Air travel carbon emissions calculations are adapted and estimated from the GHG Protocol tool for mobile combustion Version 2.2.
- Details including property type, gross floor area and occupancy rates are available in UOL Annual Report 2014's Property Summary, page 68-72.



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## HEALTH AND SAFETY

Safety is a material issue across UOL's value chain. UOL takes workplace health and safety seriously and places an emphasis on ensuring the health and safety of our diverse groups of stakeholders who use our commercial and residential properties.

MATERIAL ISSUE	INDICATOR	TARGET	ACHIEVED
VALUE CHAIN IMPACTS FOR HEALTH AND SAFETY	OHSAS 18001 for main contractors	100%	Target met

### OCCUPATIONAL HEALTH AND SAFETY

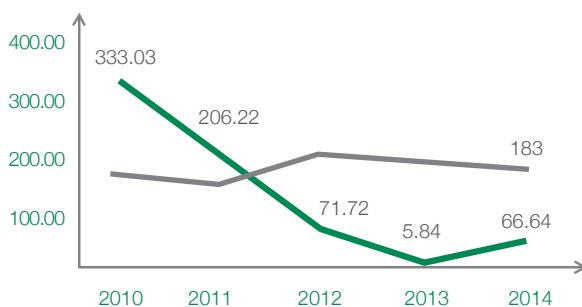
UOL is committed to working closely with main contractors to provide a safe and healthy workplace for our projects under construction. Any incidents on site resulting in serious injuries or death must be reported to UOL project managers immediately. Other incidents will be reported in site meetings, which are conducted at least bi-weekly. Safety performance reports of our main contractors are submitted quarterly to project managers. We ensure full compliance with the Workplace Safety and Health Act as well as the Fire Safety Act.

Safety is an important issue to us. We require all main contractors engaged to be OHSAS 18001 certified or equivalent. On top of quarterly safety reports, main contractors are required to submit details of all reportable injuries at site meetings held at least fortnightly.

The Accident Frequency Rate (AFR) increased from 3.60 to 3.82 in 2014. The Accident Severity Rate increased to 66.64 in 2014 although it was still below the national industry average. We will continue to work with our contractors and stress the importance of health and safety performance to raise standards in the industry.

#### ACCIDENT SEVERITY RATE (ASR)

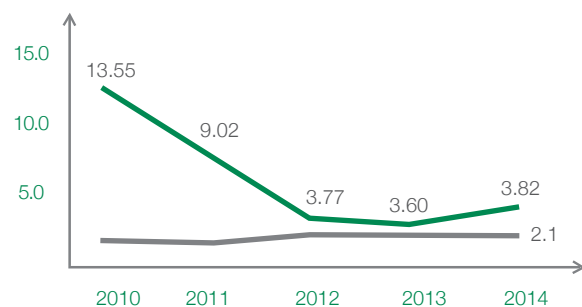
Number of injuries per million man hours



— ASR — ASR (NATIONAL INDUSTRY AVERAGE)

#### ACCIDENT FREQUENCY RATE (AFR)

Number of injuries per million man hours



— AFR — AFR (NATIONAL INDUSTRY AVERAGE)

## HEALTH AND SAFETY STATISTICS 2014

DEVELOPMENT PROJECTS	EMPLOYEES	CONTRACTORS
Number of workplace fatalities	0	0
Number of non-fatal workplace injuries	0	16
Number of occupational diseases	0	0
Number of dangerous occurrences	0	0
Number of near misses	0	0
Number of lost days	0	279
Number of man hours worked	279,084	3,907,285
BUILDINGS	EMPLOYEES, CONTRACTORS, CUSTOMERS, TENANTS AND VISITORS	
Number of injuries	6	

All accidents on our premises reported to the property management will be recorded. Our priority is to assist the injured, and we will investigate the reason for injury to prevent reoccurrence where possible.

### RAISING SAFETY VIGILANCE

UOL has extensively engaged and educated our stakeholders to be part of our health and safety commitments. With the support of the Singapore Civil Defence Force (SCDF), we conduct fire and emergency drills at all our properties at least twice a year. All employees, tenants, contractors and suppliers are required to participate.

#### Notes for Safety Performance Data:

- **Buildings** refer to completed properties in Singapore: Faber House, Novena Square, Odeon Towers, OneKM and United Square.
- **Development projects** refer to construction and redevelopment activities which took place in Singapore. Data from Spottiswoode Residences was excluded due to limitations of data collection; the exclusion affects data from 2010 to 2013. Data from 2010 to 2014 includes Archipelago, a joint venture with United Industrial Corporation (UIC) where the contract was structured such that UIC had operational control of the development phase.
- **National industry average** figures are obtained from the Workplace Safety and Health (WSH) Institute, an initiative driven by the Ministry of Manpower and WSH Council.

## ROSPA HIGHLY COMMENDED AWARD



Health and safety  
programme  
conducted at the  
Thomson Three site.

In 2014, our contractor received a Highly Commended award at the RoSPA Occupational Health & Safety Awards for our Thomson Three project. The Royal Society for Prevention of Accidents (RoSPA) is based in the United Kingdom and its annual awards are internationally recognised as one of the most respected occupational safety programmes.



## PEOPLE

Our achievements would not be possible without the passion, dedication, commitment, teamwork, loyalty and professionalism of our people. Recognising the importance of our employees is firmly embedded in one of our core values, which unequivocally states 'People, our Leading Asset'. We are committed to motivating and developing our employees so as to fulfil their full potential in a safe working environment.

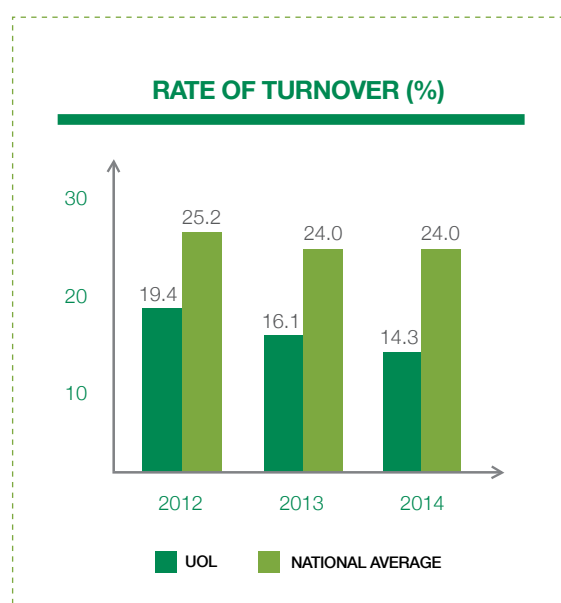
MATERIAL ISSUE	INDICATOR	TARGET	ACHIEVED
<b>TALENT RETENTION THROUGH PEOPLE DEVELOPMENT</b>	Average training hours per employee	2013: 18.9 hours 2014: 20.8 hours 2015: 22.9 hours  10% year-on-year increase from average training hours per employee in FY2012	<b>Target met</b>

### TALENT RETENTION

Talent recruitment and retention involve initiatives in many areas.

UOL's staff turnover rate has been consistently lower than the national average. Contributing factors include the provision of a conducive and stable work environment, a fair and competitive remuneration package, development opportunities and a good work-life balance, among others. We also engage staff on various formal and informal platforms for effective two-way communication.

Upon review of current initiatives, UOL assessed that People Development was an area that we wanted to improve on, and accordingly developed a target.



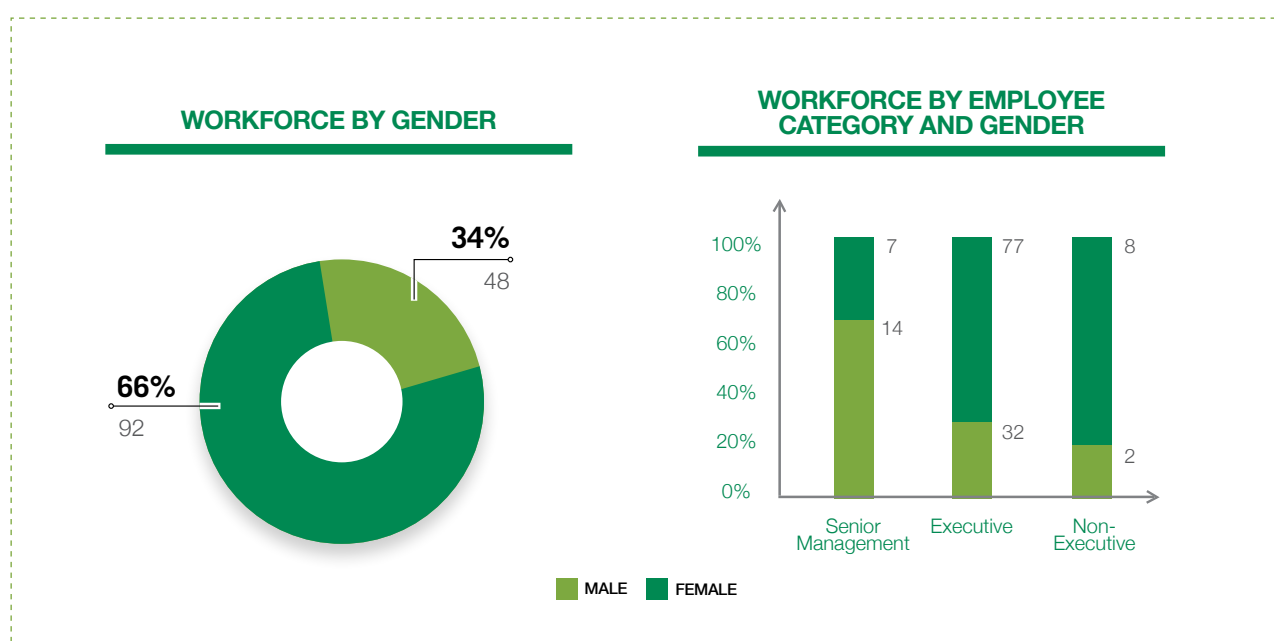
### DIVERSITY AND INCLUSION

UOL is committed to a fair and inclusive work environment. Our hiring processes are reviewed for adherence to the principles of fair employment practices set out by The Tripartite Alliance for Fair Employment Practices (TAFEP).

The five principles of TAFEP are:

- Recruit and select employees on the basis of merit (such as skills, experience or ability to perform the job), and regardless of age, race, gender, religion, family status or disability;
- Treat employees fairly and with respect and implement progressive human resource management systems;
- Provide employees with equal opportunity to be considered for training and development based on their strengths and needs, so as to help them achieve their full potential;
- Reward employees fairly based on their ability, performance, contribution and experience; and
- Abide by labour laws and adopt the Tripartite Guidelines on fair employment practices.

As at 31 December 2014, 33% of our Senior Management and 66% of our total staff strength were female.



Recognising the demands on our working mothers and the importance of their continued contribution, flexible work arrangements in the form of part-time work were accorded to meet the needs of our working mothers. The part-time arrangements are adjusted as and when required with consideration to the needs of the departments as well as to suit the requirements of working mothers.

Retiring employees are recognised as assets to the organisation, given their skills, knowledge and understanding of UOL's culture and expectations. UOL has adopted the practice of re-hiring retirees since 2010, even prior to the implementation of The Retirement and Re-Employment Act. Retired employees who were certified medically fit and had at least satisfactory performance were re-hired on yearly contracts. Employees on post retirement contracts retain their last drawn salaries. This goes beyond the expectations of the Act, which provides for reasonable reduction of the retirees' salaries. Benefits are also retained and staff continue to share in company profits through the payment of variable bonuses based on their performance. As at 31 December 2014, three employees past the age of 62 continued to be employed.

## REMUNERATION AND PERFORMANCE APPRAISAL

UOL reviews salaries regularly to ensure that employees' remuneration packages stay relevant and competitive. Salary benchmarking surveys by external consultants are conducted annually.

To reward collective and individual performance, remuneration components comprise basic salary and bonuses pegged to the performance of the company and individuals. Executives and non-executives alike are given variable bonuses based on the company's profitability and job performance. Executives who are eligible are granted share options as part of our long-term incentive for staff retention. Non-executives are given a one-month Annual Wage Supplement on top of the variable bonus. Part-time employees are accorded benefits that are pro-rated from their entitlement as full-time employees.

A fair system of appraisal underscores our remuneration system. UOL adopts an open appraisal system for all employees, through which they discuss and agree on targets for the next cycle and their personal and career development goals. Managers and above are assessed based on work plans/key performance indicators achieved, while Senior Executives and below are appraised based on their contributions. Core competencies for the various levels are identified and all employees are appraised in this area for a more balanced assessment. Besides the formal annual appraisal, supervisors are advised to give feedback to their staff on a continuous basis.

## PEOPLE DEVELOPMENT

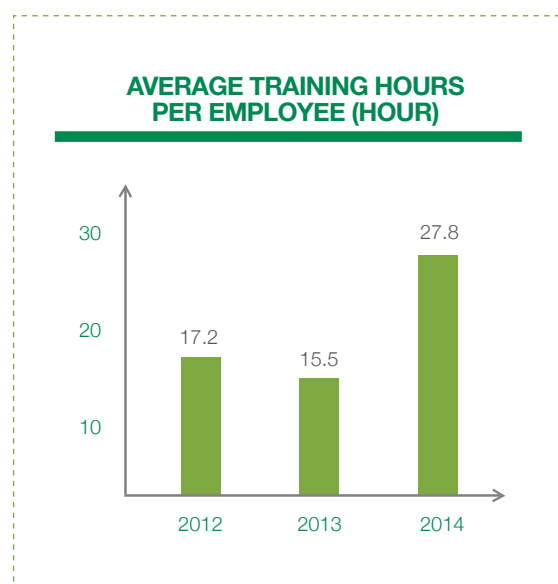
At UOL, we believe People are our leading asset. We recognise the need to constantly upgrade and develop our employees. Apart from ensuring that our organisation maintains a competitive advantage in the face of constant challenges, developing our employees' personal capacity also serves to motivate and retain talent.

Our learning and development roadmap focuses on building functional and core competencies in our people. We are constantly enhancing the roadmap through the engagement of our leaders.

Besides improving commercial skill sets such as business writing, we also believe in the importance of building a culture of accountability and teamwork.

This culture stems from an ethos of self-awareness and personal responsibility. We invest in training from globally recognised providers to empower our employees with tools and frameworks, with the aim of achieving better relationships in their professional and personal lives.

Our average training hours per employee in 2014 was 27.8 hours, surpassing our target of 20.8 hours. We take a progressive approach in setting our target. Our target for 2013 was 18.9 hours, a 10% increase from our average training hours per employee in 2012. Our 2014 target for training hours was 20.8 hours, which was an additional 10% increase to our 2013 target.





## HEALTH AND WORK-LIFE BALANCE

Our Workplace Health Programme (WHP) includes a health screening exercise for all employees, monthly health talks, Fruit Day, hands-on workshops and sports tournaments. The WHP programme is reviewed annually with inputs from employees.

In 2014, exercise programmes such as pilates, Zumba and Bokwa were organised in the office for our employees' convenience at a highly subsidised rate. Health topics at workshops included anti-cancer diets, spine and nerve health system, and mindfulness training.

We conducted an ergonomics site assessment in 2014, which led us to invest in ergonomic chairs for all employees. We also engaged qualified trainers to equip our employees with techniques to maximise the benefits of the ergonomic chairs to enhance their well-being.

Our WHP programme achieved the Singapore HEALTH Award 2014 – Bronze Award, in recognition of commendable WHP programmes. UOL also recognises the support of staff's families: Children's Day gifts are given out to staff's children aged 12 and below annually; twice a year, free movie screenings are offered to staff and extended to their families; and as Corporate Friends of the Zoo and River Safari, our staff may also take their loved ones to visit two of Singapore's most popular tourist attractions at no cost.

## EMPLOYEE ENGAGEMENT

The Management recognises the importance of engaging employees and takes a keen interest in sharing and interacting with our employees on a formal and informal basis.

UOL's internal newsletters and townhall meetings are platforms through which the Management shares information such as the company's performance and market outlook with all staff. Townhall meetings are normally held at our showflats and other completed projects where possible so that employees have the opportunity to see the product of their contributions and efforts. UOL's intranet is also updated regularly to capture ongoing activities.



Townhall meetings are held to strengthen engagement between the Management and employees.



Celebrating UOL's golden jubilee at the annual Dinner and Dance.

New hires learn about UOL's history and businesses, vision and mission statements and core values as part of the on-boarding process. They are also invited to lunch with the President (Property) and other members of the Senior Management so as to promote a culture of collegiality through such interaction.

Our Senior Management also participates regularly in staff events, including monthly birthday parties, Dinner and Dance, Chinese New Year Lo-hei celebration and Year End Party, providing an informal setting for interaction, sharing, support and rapport building.

### CONSTRUCTION WORKERS

In addition to adhering to the Ministry of Manpower's requirements and guidelines, which address the accommodation, benefits and welfare of construction workers, UOL requires our main contractors to achieve the Green and Gracious Builder Scheme certification. This certification is awarded by the Building and Construction Authority for contractors that implement a certain standard in environmental and social practices. Welfare issues for construction workers include clean dormitories, proper sanitary facilities and systems for communication.

## COMMUNITY

UOL's properties are designed to improve the lives of the people who live, work or shop in them. We are sensitive to the needs of users and visitors of the premises, including people with disabilities and parents with young children. We integrate appropriate features where relevant, drawing reference to the Code of Accessibility Code 2013 by the Building and Construction Authority.

UOL takes pride in being an active corporate citizen that supports meaningful charitable causes. Our approach has three facets. Firstly, we aim to build long-term partnerships with a focus on our core community development pillars: children, youth, education and sports. Education empowers children and youth with the skills and knowledge to become valued contributors to society, while sports builds confidence and aids character development. Secondly, we encourage staff volunteerism as a platform for employees to give back to society and bond through meaningful activities. Lastly, we use our space and influence to generate awareness for social causes.

In 2014, we continued to work with CARE Singapore, our partner since 2010. Working closely with primary and secondary schools, CARE Singapore aims to redirect and prevent vulnerable children and youth from adopting negative lifestyles by motivating, training and providing them with necessary life skills. Over the four years, we have hosted seven events benefitting 208 students. In October, staff volunteers led a group of 29 primary school students to the Dairy Farm Nature Park, to encourage environmental conservation through exploring and appreciating nature.

We also began a partnership with Very Special Arts Singapore (VSA), with the aim of reaching out to children with disabilities. See feature story on the next page.

Responding to volunteer interests of our staff, we also reached out to the elderly. In tribute to the older generation who contributed to the growth of Singapore, our staff volunteers and the Management accompanied about 50 elderly residents from the Asian Women's Welfare Association (AWWA) Senior Community Home to enjoy an eight-course Chinese New Year luncheon held at our hotel, PARKROYAL on Kitchener Road.



The Management and staff volunteers celebrated Chinese New Year with residents from the AWWA Senior Community Home.





## COMMUNITY PROJECT AS PART OF UOL'S 50<sup>TH</sup> ANNIVERSARY

UOL commissioned 18 art pieces by VSA artists and installed them in the pedestrian underpass that links our two malls in Novena.

It is important to us to encourage the spirit of giving, even as we celebrate our 50 years of growth. In June 2014, UOL partnered VSA to use our space to showcase artworks by artists with disabilities.

UOL commissioned 18 art pieces by VSA artists and reproduced them into a 200-foot long mural entitled 'A Kaleidoscope of Colours'. Supported by the National Arts Council and Land Transport Authority, the mural was installed on each side of the wall in the pedestrian underpass linking two of our malls, United Square and Velocity@Novena Square. Mr Sam Tan, Minister of State, Prime Minister's Office and Ministry of Culture, Community and Youth, was present to officiate the art installation.

Leveraging our assets and influence, we also sponsored spaces for VSA to exhibit and sell their artworks at our malls in support of their fund-raising efforts. Mall tenants were encouraged to participate by donating items for charity auctions. Over two days, we raised more than \$30,000 for VSA.



The paintings were themed after children and sports.

## AWARDS AND ACCOLADES

A complete list of awards for UOL is available at [http://www.uol.com.sg/about\\_uol/awards](http://www.uol.com.sg/about_uol/awards).



### CORPORATE

#### UOL Group Limited

- Brand Finance
  - Top 100 Singapore Brands 2014 (#40)
- Health Promotion Board, Singapore
  - Singapore HEALTH (Helping Employees Achieve Life-Time Health) Award – Bronze Award



### CONTRACTORS' SAFETY AWARD

#### Thomson Three

- 2014 RoSPA Occupational Health & Safety Awards
  - Highly Commended in the Housebuilding & Property Development Sector



### PRODUCT, DESIGN AND ARCHITECTURAL EXCELLENCE

#### Double Bay Residences

- BCA Construction Excellence Award 2014
  - Residential Buildings – \$1800/m<sup>2</sup> and Above category

#### OneKM

- International Property Awards (Asia Pacific 2014)
  - 5-Star – Best Retail Development Singapore
  - 5-Star – Best Mixed-use Development Singapore

#### Riverbank@Fernvale

- International Property Awards (Asia Pacific 2014)
  - Highly Commended – Residential Landscape Architecture Singapore
- BCA Green Mark Awards 2014 – Gold
- BCA Universal Design Mark Awards 2014 – Gold (Design)

#### Seventy Saint Patrick's

- International Property Awards (Asia Pacific 2014)
  - 5-Star – Best Residential Development Singapore

#### Spottiswoode Residences

- International Property Awards (Asia Pacific 2014)
  - 5-Star – Best Residential High-rise Development Singapore

#### Terrene at Bukit Timah

- FIABCI Singapore Property Awards 2014
  - Residential (Low Rise) category

#### Thomson Three

- International Property Awards (Asia Pacific 2014)
  - Highly Commended – Residential High-rise Development Singapore

#### Waterbank at Dakota

- FIABCI Singapore Property Awards 2014
  - Residential (High Rise) category

**GRI CONTENT  
INDEX**

IN ACCORDANCE WITH G4 CORE



‘AR’ refers to UOL Annual Report 2014

**GENERAL STANDARD DISCLOSURES**

GRI REFERENCE	DESCRIPTION	PAGE/ RESPONSE	EXTERNAL ASSURANCE
<b>STRATEGY AND ANALYSIS</b>			
G4-1	Statement from the most senior decision-maker of the organisation about the relevance of sustainability to the organisation and the organisation’s strategy for addressing sustainability	8-9	-
<b>ORGANISATIONAL PROFILE</b>			
G4-3	Name of the organisation	3	-
G4-4	Primary brands, products, and/or services	3	-
G4-5	Location of organisation’s headquarters	3	-
G4-6	Number and names of countries where the organisation operates	3, AR 66-67	-
G4-7	Nature of ownership and legal form	3	-
G4-8	Markets served	3, AR 66-67	-
G4-9	Scale of the organisation	23, 38, AR 91	-
G4-10	Workforce statistics		-

As at 31 December 2014, there were 48 male and 91 female full-time permanent employees, as well as one female part-time employee. In addition, there was one male full-time contract staff. Contractors working on sites, which GRI categorises as ‘supervised workers’, worked 3,907,285 hours in 2014.

G4-11	Percentage of total employees covered by collective bargaining agreements	0%	-
G4-12	Description of organisation’s supply chain	21	-
G4-13	Significant changes during the reporting period	22	-
G4-14	Application of precautionary approach or principle	The precautionary principle is embedded in our approach to sustainability.	-
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or which it endorses	17-20, 37, 42	-
G4-16	Memberships of associations (such as industry associations) and national or international advocacy organisations	AR 22	-

**IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES**

G4-17	Coverage of entities in relation to organisation’s consolidated financial statements or equivalent documents	5	-
G4-18	Process for defining report content and Aspect Boundaries	22	-
G4-19	Material Aspects identified	22	-
G4-20	Aspect Boundaries within the organisation for each material Aspect	22	-
G4-21	Aspect Boundaries outside the organisation for each material Aspect	22	-
G4-22	Restatements	31	-



## GENERAL STANDARD DISCLOSURES

GRI REFERENCE	DESCRIPTION	PAGE/ RESPONSE	EXTERNAL ASSURANCE
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	No significant changes in Scope and Aspect Boundaries.	-
<b>STAKEHOLDER ENGAGEMENT</b>			
G4-24	List of stakeholder groups engaged by the organisation	16	-
G4-25	Basis for identification and selection of stakeholders with whom to engage	13	-
G4-26	Organisation's approach to stakeholder engagement	14,16, 22	-
G4-27	Key topics and concerns raised through stakeholder engagement	14, 16	-
<b>REPORT PROFILE</b>			
G4-28	Reporting period	5	-
G4-29	Date of most recent previous report	5	-
G4-30	Reporting cycle	5	-
G4-31	Contact point for questions regarding the report or its contents	5	-
G4-32	'In accordance' option	5	-
G4-33	Policy and current practice with regard to seeking external assurance of the report	5	-
<b>GOVERNANCE</b>			
G4-34	Governance structure of the organisation	17-20, AR 18-21	-
<b>ETHICS AND INTEGRITY</b>			
G4-56	Organisation's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics	4, 17-20	-

## SPECIFIC STANDARD DISCLOSURES

GRI REFERENCE	DESCRIPTION	PAGE/ RESPONSE	EXTERNAL ASSURANCE
<b>ECONOMIC</b>			
<b>Economic Performance</b>			
DMA	Generic Disclosures on Management Approach	23	-
EC1	Direct economic value generated and distributed	23, AR 8-10	-
<b>ENVIRONMENT</b>			
<b>Energy</b>			
DMA	Generic Disclosures on Management Approach	27-28	-
EN3	Energy consumption within the organisation	28-29	-
EN4	Energy consumption outside of the organisation	30-31	-
EN5	Building Energy Intensity	28	-
CRE1			
EN6	Reduction of energy consumption	28-29	-
EN7	Reductions in energy requirements of products and services	28	-
<b>Water</b>			
DMA	Generic Disclosures on Management Approach	27-28, 30	-
EN8	Total water withdrawal by source	12, 31	-
EN10	Percentage and total volume of water recycled and reused	31	-
CRE2	Building Water Intensity	29	-

## SPECIFIC STANDARD DISCLOSURES

GRI REFERENCE	DESCRIPTION	PAGE/ RESPONSE	EXTERNAL ASSURANCE
<b>Emissions</b>			
DMA	Generic Disclosures on Management Approach	27-28	-
EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	30	-
EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	29	-
EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	29	-
EN18	Greenhouse gas (GHG) emissions intensity from buildings	28-29	-
CRE3			
EN19	Reduction of greenhouse gas (GHG) emissions	29	-
<b>Compliance</b>			
DMA	Generic Disclosures on Management Approach	19	-
EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	20	-
<b>Supplier Environmental Assessment</b>			
DMA	Generic Disclosures on Management Approach	21, 27-28	-
EN32	Percentage of new suppliers that were screened using environmental criteria	31	-

## SOCIAL

### Labour Practices and Decent Work

#### Employment

DMA	Generic Disclosures on Management Approach	37	-
LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	37-38	-

Rate of new hires in 2014: **16%**

Turnover rate in 2014: **14%**

AGE GROUP	< 30 YEARS OLD		30-49 YEARS OLD		≥ 50 YEARS OLD		TOTAL
GENDER	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	
New hires	1	5	6	8	1	2	<b>23</b>
Total turnover	-	5	8	5	1	1	<b>20</b>
Voluntary turnover	-	3	6	4	-	-	<b>13</b>
Non-voluntary turnover	-	2	2	1	1	1	<b>7</b>
Staff strength, as at year end	5	13	26	64	18	14	<b>140</b>

LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	39	-
LA3	Return to work and retention rates after parental leave, by gender		-

100% of employees who took maternity leave in 2014 returned to work. 100% of employees are still employed one year after they took maternity leave in 2013.

## SPECIFIC STANDARD DISCLOSURES

GRI REFERENCE	DESCRIPTION	PAGE/ RESPONSE	EXTERNAL ASSURANCE
<b>Occupational Health and Safety</b>			
DMA	Generic Disclosures on Management Approach	34	-
LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	35	-
CRE6	Percentage of the organisation operating in verified compliance with an internationally recognised health and safety management system	21, 31, 34	-

**Training and Education**

DMA	Generic Disclosures on Management Approach	39	-
LA9	Average hours of training per year per employee by gender, and by employee category	37, 39	-

AVERAGE HOURS OF TRAINING	MALE	FEMALE
Senior Management	27.6	24.6
Executive	35.0	27.4
Non-executive	-	13.0

LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	39	-
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**Diversity and Equal Opportunity**

DMA	Generic Disclosures on Management Approach	38	-
LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	38, AR 18-21	-

**Supplier Assessment for Labour Practices**

DMA	Generic Disclosures on Management Approach	41	-
LA14	Percentage of new suppliers that were screened using labour practices criteria	41	-

**HUMAN RIGHTS****Non-discrimination**

DMA	Generic Disclosures on Management Approach	38	-
HR3	Total number of incidents of discrimination and corrective actions taken	Nil	-

**SOCIETY****Local Communities**

DMA	Generic Disclosures on Management Approach	42	-
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## SPECIFIC STANDARD DISCLOSURES

GRI REFERENCE	DESCRIPTION	PAGE/ RESPONSE	EXTERNAL ASSURANCE
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programmes	The scope of this report, Singapore operations, is considered as one operation.	-
<b>Anti-corruption</b>			
DMA	Generic Disclosures on Management Approach	20, AR 49-53	-
SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	12 out of 13 (92%) departments were assessed.	-
SO4	Communication and training on anti-corruption policies and procedures	20	-
SO5	Confirmed incidents of corruption and actions taken	Nil	-
<b>Anti-competitive behavior</b>			
DMA	Generic Disclosures on Management Approach	Anti-competition is a component in our compliance management, and also reflected in our Code of Business Conduct.	-
SO7	Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes	Nil	-
<b>Compliance</b>			
DMA	Generic Disclosures on Management Approach	19, AR 49-53	-
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	Nil	-
<b>PRODUCT RESPONSIBILITY</b>			
<b>Customer Health and Safety</b>			
DMA	Generic Disclosures on Management Approach	35	-
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	Nil	-
<b>Compliance</b>			
DMA	Generic Disclosures on Management Approach	35, AR 49-53	-
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	Nil	-

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