

Pursuing A Sustainable Future

SUSTAINABILITY REPORT 2022



We have a purpose-driven commitment towards achieving long-term sustainability which benefits tenants and stakeholders alike.

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Sustainability Report



ENVIRONMENT



Alignment with UK Government's national climate goals of **Achieving net zero carbon emissions by 2050**



Secured landmark **Sustainability Collaboration** with the UK Government's DWP and MOD to boost sustainability and energy efficiency of their occupied estate



Partially disbursed **~ £14.8m¹** committed towards approved sustainability asset enhancement works to improve energy efficiency of DWP- and MOD-occupied assets



About **95.4%** of the portfolio by GRI has green lease clauses, which facilitates environmental data sharing by occupiers



Secured inaugural green revolving credit facility of **£15.0m** to fund sustainability asset enhancement works; Established Sustainable and Sustainability-Linked Finance Framework



Upgrade in Energy Performance Certificate ratings from **D→B** for Bradmarsh Business Park, Rotherham after the occupier upgraded its heating/HVAC system and installed LED lighting



SOCIAL



Average Training Hours per Employee in FY 2022 **71.0 hours**



Emerged among the **Top 9%** out of 260 participating teams in terms of funds raised in UK LandAid's Steptober Challenge; Raised funds towards youth homelessness



Donated towards **Healthcare for the elderly** through sponsorship of the annual Kwong Wai Shiu Hospital Charity Golf Tournament



Contributed towards food for lower-income families by **Volunteering time** as well as donating cash and rice to charity soup kitchen Willing Hearts



GOVERNANCE



Maintained **Zero incidents** of non-compliance/corruption



Management Gender Diversity of **50%**

1. In FY 2022, £7.4 million of Sustainability Contribution was disbursed for sustainability enhancement works on assets occupied by the DWP and MOD.

ABOUT THIS REPORT

This is the second sustainability report for Elite Commercial REIT (the "REIT" or "We"). The report provides a detailed overview of Elite Commercial REIT's environmental, social and governance ("ESG") performance for the financial year ending 31 December 2022. The report is presented by the manager of the REIT, Elite Commercial REIT Management Pte. Ltd. (the "Manager").

Standards and Frameworks

The report has been prepared in accordance with the Global Reporting Initiative's ("GRI") Standards. The Manager has elected to use the GRI Standards because of its international recognition and focus on managing the material impacts on the economy, environment and society. For this report, we have transitioned to the latest version of the GRI Standards – the GRI Universal Standards 2021. We have aligned the report with the Sustainability Accounting Standards Board's ("SASB") Real Estate Standards to cover the financially material ESG metrics which are of interest to investors.

The report comprises our second climate report, consistent with the Taskforce on Climate-Related Financial Disclosures ("TCFD") framework, and the Guidelines on Environmental Risk Management ("ERM") for Asset Managers, issued by the Monetary Authority of Singapore ("MAS").

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

Last but not least, the report details the REIT's contribution to sustainable development to support the United Nations Sustainable Development Goals ("UN SDGs").



STANDARDS AND FRAMEWORKS USED

- GRI Universal Standards 2021
- SASB Standards
- TCFD Recommendations
- MAS ERM Guidelines
- SGX-ST Listing Rules (711A and 711B) – Sustainability Reporting
- UN SDGs

Scope

The report covers Elite Commercial REIT's operations as a Real Estate Investment Trust and includes the entire portfolio of properties. As at 31 December 2022, the REIT's portfolio comprised 155 properties in the United Kingdom ("UK"), leased to the UK Government on a full repairing and insuring² ("FRI") basis. Owing to the nature of these properties in terms of day-to-day management or utilities' consumption. However, as part of our sustainability policy, we actively engage with our primary occupier, the Department for Work and Pensions ("DWP"), on ESG issues and seek the required environmental performance data for reporting. About 95.4% of our portfolio by gross rental income³ has green lease clauses to facilitate the sharing of environmental data by occupiers. The report includes data for occupied properties provided by the primary occupier. The report excludes vacant properties in the possession of the Manager where the assets' utilities consumption are not significant and hence not considered material.

Restatements

Employee Data for 2020 have been restated in this sustainability report to include an employee who was employed under a unit within the REIT Group before the incorporation of the Manager's UK subsidiary. The proportion of Board of Directors by Age Group for 2020 and 2021 has been updated to reflect the more representative age group of one of the directors.

External Assurance

As our leases are on full repairing and insuring basis, the environmental data is provided to us by the occupiers and source data is unverifiable. However, the Manager has relied on internal checks to ensure the accuracy of the data presented in this report based on data provided to us. Additionally, the report has undergone internal review by an independent Internal Auditor to ensure the adequacy and effectiveness of internal controls and procedures in the Sustainability Reporting process. Seeking external assurance for future reports remains under consideration.

Feedback

We welcome feedback and suggestions from our stakeholders. For any questions about this report, please contact:

Investor Relations

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2. Under a full repairing and insuring lease, commonly known as triple net lease, the responsibility for the repair of the external and internal parts as well as the structure of the property is placed with the tenant for occupied assets.
 3. Based on annualised gross rental income as at 31 December 2022.

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GOVERNANCE AND STEWARDSHIP



Managing ESG factors is an integral part of Elite Commercial REIT’s corporate governance practices. Therefore, ESG, including environmental risk management, has Board-level oversight.

The Board of Directors of the REIT Manager (the “**Board**”) determines the materiality of ESG factors, considers climate-related risks and opportunities, oversees the management of ESG performance and has ultimate responsibility for sustainability reporting. The Manager is responsible for implementing, managing and monitoring the material ESG issues and targets and providing regular updates to the Board.

The Board has constituted a high-level Sustainability Committee (“**SC**”) to drive sustainability performance. The SC is chaired by the Independent Board Chairman. SC members include an Independent Director,

a Non-Independent Director, Chief Executive Officer, Chief Investment Officer, Chief Financial Officer, and Assistant Vice President of Investor Relations.

Supervised by the Board, the SC is responsible for developing, managing, implementing and monitoring ESG strategy to address material sustainability risks and opportunities to create lasting value for all stakeholders. The SC considers stakeholder concerns and expectations in its strategy.

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

Board Statement

The Board is pleased to present Elite Commercial REIT’s 2nd sustainability report.

The Board recognises that sustainability is an essential part of good governance and acknowledges its stewardship duties over Elite Commercial REIT. It remains steadfast in building a sustainable and resilient REIT, with the aim of creating value for our Unitholders and stakeholders.

The Board actively promotes good corporate governance, risk management, diversity, ethical business conduct, responsible business practices, and environmental and social stewardship. The Board considers climate-related risks and opportunities to develop appropriate strategies.

The Board determines material ESG factors and considers them in the REIT’s sustainability and business strategy. It oversees the management and monitoring of sustainability issues through periodic updates from the Manager.

The Board has reviewed and approved this sustainability report.

- Board of Directors

Sustainability Governance Structure



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



Board Diversity

Ensuring that the Board has an appropriate level of diversity in its composition, including the dimensions of skills, knowledge and industry experiences, gender, age and tenure, is important to the overall governance of Elite Commercial REIT. To this end, a Board Diversity Policy has been established, and the Board's Nominating and Remuneration Committee ("NRC") is charged with considering diversity aspects, such as professional qualifications, industry and geographic knowledge, skills, length of service, age, gender, and the needs of the REIT, when reviewing and assessing the composition of the Board and making recommendations on new director appointments.

While the Board is rich in diversity of professional qualifications, knowledge and skills, it does not currently have a female member. The Board acknowledges the importance of gender diversity and remains committed to progressive female representation when the Board is renewed or expanded. The Board has adopted a target to have at least 30% women directors by 2029. In terms of female representation in management, the figure currently stands at 50%. For more information about our Board Diversity Policy, please refer to pages 122 to 123.

Directors Training

The Board recognises that ESG issues are complex, evolving rapidly, and present a range of strategic risks and opportunities for the business. Therefore, the Board and the Management strive to constantly build the necessary knowledge and skills and stay updated on the emerging ESG regulations, standards and frameworks and stakeholder expectations. The Board believes that developing ESG competencies is important to provide effective governance to transition the REIT to a lower carbon economy.

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

In FY 2022, each Board member has completed at least one sustainability training course prescribed by SGX. The training courses are conducted by providers that represent different constituencies on the capital markets. The training equipped the Board members with knowledge on sustainability matters and presented ways for the Board to incorporate sustainability in the pursuit of opportunities and the control of risks in its business model.

Regulatory Compliance

Non-compliance with applicable laws and regulations can cause reputational harm, fines and penalties and disrupt business operations. We are committed to

complying laws where we operate, including but not limited to business and commercial laws, environmental regulations and employment laws. We have implemented necessary internal controls to manage regulatory compliance risks as part of our broader enterprise risk management framework.

There were no incidents of non-compliance with environmental and socioeconomic laws and regulations in the reported period.

Ethical Conduct

Approved by the Board, our Elite Partners Group-wide ("**Group-wide**") Code of Conduct and Ethics Policy, establishes detailed guidelines for all directors, managers and employees to perform their duties with high ethical standards. The policy covers a range of issues, including but not limited to regulatory compliance, confidentiality, personal data protection, insider trading, anti-money laundering and countering the financing of terrorism, corruption and bribery, human rights, social and environmental responsibility, and whistleblowing. Failure to comply with the policy can result in disciplinary action.

For more information, please refer to pages 143, 144 and 148.

Anti-corruption

The Manager remains committed to upholding the highest standards of governance and ethical conduct. We adopt zero tolerance against all forms of corrupt practices such as bribery, fraud and money laundering.

All employees are required to adhere to the Group's stringent policies and procedures relating to anti-bribery and anti-corruption practices as well as the expected conduct of our employees. Our Group-wide Code of Conduct and Ethics Policy provides detailed guidelines and measures about the giving and receiving of gifts (monetary or otherwise), kickbacks, concessionary offers, entertainment, and business dealings that may place the employee under any real or apparent obligation or indebtedness to any party. The policy applies to all employees, directors and business partners and strictly prohibits accepting or offering a bribe, gratification or other inducements.

Our Group-wide Code of Conduct and Ethics Policy is communicated to all directors and employees. Our Group-wide Third-Party Agent and Outsourcing Policy also subjects our service providers to corruption risk assessment. Dissemination of policies and training materials to all staff are communicated via email, contractual agreements and our corporate website.

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

Find out more about our **Corruption and Bribery Prevention Policy** on page 148.

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Whistleblowing Policy

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

Whistleblowing reports can be made via a dedicated e-mail address at whistleblow@elitecreit.com or mailed by post to Elite Commercial REIT’s office, with attention to Elite Commercial REIT’s Board Chairman, ARC Chairman or the CEO. Strict confidentiality standards are established to ensure that whistleblowers are protected from reprisals and victimisation.

Read more about our **Whistleblowing Policy** on page 143 and our website: <https://www.elitecreit.com/whistleblowing-statement.html>.

Anti-Money Laundering

We are committed to complying with applicable laws concerning anti-money laundering and countering terrorism financing. Our Anti-Money Laundering and Countering the Financing of Terrorism (“AML/CFT”) Measures require all employees to adopt a risk-based approach towards customer due diligence procedures and take steps to prevent and detect unacceptable and suspicious forms of payments.

Read more about our **Anti-Money Laundering and Countering the Financing of Terrorism Measures** on page 143 and 144.

Political Contributions

Our policy prohibits making any contributions to political campaigns. As such, no political contributions were made in the reported period.

Human Rights and Modern Slavery

Slavery, servitude and forced or compulsory labour, child labour and human trafficking are against the fundamental principles of human rights. We are committed to implementing necessary measures to safeguard against modern slavery and human trafficking within our operations and supply chain. We support internationally agreed-upon principles for protecting

human rights, such as the UN Declaration of Human Rights, and the International Labour Organization’s core labour standards. Our human rights approach strives to provide a supportive work environment free from infringement on human rights and based on mutual trust, whereby employees treat each other with dignity.

The commitment also prohibits employees from engaging in discrimination or harassment of any kind, including based on race, ancestry, familial status, age, disability, religion, gender or marital status. We respect our employees’ right to freedom of association and collective bargaining. Currently, our employees are not part of a collective bargaining agreement.

Data Protection and Cyber Security

We are committed to protecting the personal data of our employees and customers and any other personal data we might collect in the course of business. We have implemented necessary measures to safeguard privacy, and we comply with applicable data protection laws where we operate. In Singapore, we comply with Personal Data Protection Act (“PDPA”) requirements. In the UK, we are guided by the data protection principles provided in the Data Protection Act.

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

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

Learn more about our data protection measures at <https://www.elitecreit.com/pdpa.html>

Supply Chain

The REIT’s suppliers include providers of various services such as legal counsel, unit registrar, tax agent, insurance brokers, auditors, valuers and surveyors.

The Manager’s supply chain includes property managers, a corporate secretary, a human resource consultant, an IT provider, and marketing and events providers, auditors and legal counsels.

ESG Topic	Ongoing Target	2022 Performance
 Anti-Corruption	<ul style="list-style-type: none"> • Zero incidents of corruption and bribery • Annual training on anti-corruption and anti-money laundering policies 	<ul style="list-style-type: none"> • No incidents • 100% of eligible staff completed the annual training • 100% of the Board completed the annual training
 Regulatory Compliance	<ul style="list-style-type: none"> • Zero incidents of significant non-compliance with environmental and socioeconomic regulations 	<ul style="list-style-type: none"> • No incidents

Our Group-wide Third-Party Agent and Outsourcing Policy subjects service providers to stringent evaluation criteria to inter-alia address corruption risks and outsourcing risks.

Service providers that are assessed to have higher risks are required to certify their compliance with all applicable laws and anti-corruption laws on an annual basis. Rigorous due diligence checks are performed prior to engaging in any business activities with critical suppliers to ensure that their business practices are in line with the ethical standards required by the Group.

STAKEHOLDERS

Stakeholder trust is vital for the REIT's performance. We build stakeholder trust through constructive engagement, transparency and communication. Creating value for stakeholders is a key part of maintaining stakeholder trust, together with strong levels of engagement. We prioritise engagement with stakeholders who are important for our value creation and those who may be affected by our decisions and actions. Some interactions with stakeholders are periodic, such as annual general meetings, while others are ongoing and needs-based. The Manager proactively engages stakeholders to drive the business effectively and efficiently.

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

Stakeholders	Engagement Method	Purpose of Engagement	Stakeholders' Expectations	Our Response	Engagement Examples In FY 2022
Internal Stakeholders					
Directors	<ul style="list-style-type: none"> Meetings and calls Quarterly Board Meetings Regular engagements with committees delegated by the Board Ad hoc Board Meetings (when required) 	<ul style="list-style-type: none"> To comply with regulatory requirements Best practices for good corporate governance For the interest of Unitholders For strategic guidance 	<ul style="list-style-type: none"> Regular and timely updates on the REIT's and the Manager's operations and performance 	<ul style="list-style-type: none"> Terms of Reference for each Board committee are laid out and executed Clear agenda setting for all Board Meetings All matters arising are addressed in a timely manner Promote productive engagements between senior management and Board members Providing regular, timely and accurate updates on the REIT's operations and performance 	<ul style="list-style-type: none"> Regular Board Meetings held in FY 2022 Directors attended trainings on a range of topics including climate change, corporate governance and compliance amounting to an average training hours of 9.8 hours per director in FY 2022
Employees	<ul style="list-style-type: none"> Face-to-face meetings Regular conference calls Emails Health and well-being activities Employee satisfaction survey 	<ul style="list-style-type: none"> To build a cohesive team with high productivity To ensure the well-being of employees To provide an inclusive environment that is conducive for working To attract future and potential employees with a sustainability mindset 	<ul style="list-style-type: none"> Competitive remuneration and benefits for talent retention Good personal growth and development opportunities Career progression Attentive and supportive managers Fair treatment A respectful and conducive working environment Work-life balance 	<ul style="list-style-type: none"> People-friendly human resources ("HR") policies and practices Regular open communications Training and development opportunities Regular employee engagements and performance reviews Whistleblowing channels for malpractice and compliance concerns 	<ul style="list-style-type: none"> Open communications Team lunch gatherings Cycling outing from Marina Bay to East Coast Park in Singapore Team dinner Badminton sessions Tuesday Run Club in the UK

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Stakeholders	Engagement Method	Purpose of Engagement	Stakeholders' Expectations	Our Response	Engagement Examples in 2022
External Stakeholders					
Investors (Retail and Institutional)	<ul style="list-style-type: none"> • One-on-one and group investor meetings and conference calls • Local and overseas non-deal roadshows • Public outreach events, such as the participation in virtual investment conferences, webinars, panel discussions and industry forums • Corporate website with dedicated investor relations contact details • Social media via our corporate LinkedIn page • Annual General Meetings • Extraordinary General Meetings when required • Regular announcements and updates • Results briefings 	<ul style="list-style-type: none"> • To keep all Unitholders, investors and stakeholders informed on the financial and portfolio performance of the REIT and material information that could affect the price or value of the REIT's units 	<ul style="list-style-type: none"> • Stable and growing returns from their investments • Sustainable financial and portfolio performance • Timely and accurate information for their investment decisions • Good corporate governance • Prudent risk management • Unitholder interests are aligned with the management and the Board 	<ul style="list-style-type: none"> • Timely and accurate disclosures of material information • Majority independent Board with competent Board members providing quality corporate governance • Experienced management with ground presence in the UK • Engage competent consultants on remuneration matters, controls and governance • Necessary disclosures under corporate governance in the Annual Report 	<ul style="list-style-type: none"> • Annual General Meetings 2022 • Annual Report • CLSA Singapore Hidden Jewels Access Day 2022 • S-REITs Corporate Day for Korean investors • Citi-SGX-REITAS REITs/Sponsors Forum 2022 • PERE Asia Summit Singapore 2022 • GRESB Regional Insights Asia Panel Discussion • SIAS-SGX Corporate Connect • REITs Symposium 2022 Online Edition • Broker-organised Investor calls • Trading representative and retail investor teach-in sessions • Corporate LinkedIn page and YouTube account <p>(Please refer to page 37 for the full events listing)</p>
Investment community (Analysts, the Media and Financial Bloggers)	<ul style="list-style-type: none"> • Regular analysts and media briefings • Face-to-face and virtual meetings • Conference calls, emails and phone calls • Media interviews 	<ul style="list-style-type: none"> • To keep the market informed on the financial and portfolio performance of the REIT and material information that could affect the price or value of the units 	<ul style="list-style-type: none"> • Good corporate governance • Prudent risk management • Unitholder interests are aligned with the management and the Board • Access to senior management 	<ul style="list-style-type: none"> • Timely, transparent and accurate disclosures of material information • Necessary disclosures under corporate governance in the Annual Report 	<ul style="list-style-type: none"> • Research reports by our covering analysts – UBS, CGS-CIMB, UOB Kay Hian and DBS Group Research • One-on-one virtual interview engagement sessions with covering and non-covering analysts to gather feedback
Primary Occupier and Other Tenants/Occupiers	<ul style="list-style-type: none"> • Periodic engagement to ensure they are satisfied with our buildings • Collection of environment performance data 	<ul style="list-style-type: none"> • To engage on energy efficiency measures • Improved buildings for lease longevity • To ensure regulatory compliance for energy performance certifications and other regulatory requirements 	<ul style="list-style-type: none"> • Higher energy performance rating for buildings • Ensuring occupiers comply with regulation by ensuring building accessibility to end users 	<ul style="list-style-type: none"> • Ongoing engagement on sustainability issues such as energy, emissions and water • Negotiations and discussions for co-investments to improve buildings' energy efficiency • Proactive incorporation of green lease clauses into new lease agreements 	<ul style="list-style-type: none"> • Discussions with primary occupier and agents on a regular basis • Quarterly dialogues with main occupier to track progress of sustainability enhancement works across DWP-occupied assets to improve energy efficiency • Engagements to obtain energy performance data
Property Managers	<ul style="list-style-type: none"> • Meetings, emails, calls 	<ul style="list-style-type: none"> • Stay updated on the operational aspects of our assets 	<ul style="list-style-type: none"> • Communication of business plans and strategy 	<ul style="list-style-type: none"> • Regular and open communication and engagements - Engagements on ESG matters 	<ul style="list-style-type: none"> • Daily engagements and dialogues to keep an ear to the ground
Trustee	<ul style="list-style-type: none"> • Meetings, emails, calls 	<ul style="list-style-type: none"> • To keep the trustee updated on the financial, operational and portfolio performance of the REIT 	<ul style="list-style-type: none"> • Transparent, honest and accurate information 	<ul style="list-style-type: none"> • Regular, timely and accurate updates on business and sustainability plans - Regular dialogues 	<ul style="list-style-type: none"> • Regular meetings and engagements

Stakeholders	Engagement Method	Purpose of Engagement	Stakeholders' Expectations	Our Response	Engagement Examples in 2022
Banks	<ul style="list-style-type: none"> Meetings, emails and calls Ongoing compliance to loan covenants Dialogues on sustainability issues 	<ul style="list-style-type: none"> For funding and advisory needs 	<ul style="list-style-type: none"> Transparent and accurate information Asset package, compliance, business plan Manage sustainability risk, timely interest and maturity payments 	<ul style="list-style-type: none"> Timely interest and maturity payments Continuous engagements as added confidence for loan disbursements Regular updates on business and sustainability plans Regular dialogues Asset package 	<ul style="list-style-type: none"> Weekly calls before loan drawdown Underwriting due diligence Yearly credit update call Year-end bank calls Attend webinars organised by banks (e.g Lloyds Bank)
Regulators	<ul style="list-style-type: none"> Ad hoc and periodic survey submissions Regulatory applications and clarifications as appropriate Timely regulatory filings SGX announcements Circulars Website, AGM/EGM, Annual Report, Sustainability Report 	<ul style="list-style-type: none"> To comply with the regulatory requirements in all countries of operations 	<ul style="list-style-type: none"> Timely and transparent information Adequate resources devoted to compliance Setting compliance culture across all staff Good corporate governance Compliance with policies, rules and regulations 	<ul style="list-style-type: none"> Stay updated on all regulatory requirements Establish comprehensive policies, procedures and controls Independent review by third-party internal and external auditors Accountability of senior management and the Board Active membership in industry associations Maintenance of zero tolerance approach towards fraud, corruption, bribery and unethical practices across the business Regular communications with regulators and governing bodies 	<ul style="list-style-type: none"> Attend sustainability trainings prescribed by SGX Attend asset management industry engagement townhall by the MAS Attend Singapore Financial Forum by the MAS-IBF "Growing Timber" webinar series
Auditors	<ul style="list-style-type: none"> Planning of audit schedule and scope Participating in audit exercises (internal and external) 	<ul style="list-style-type: none"> To comply with regulatory requirements in all countries of operations 	<ul style="list-style-type: none"> Timely and transparent information Compliance with policies, rules and regulations 	<ul style="list-style-type: none"> Stay updated on all regulatory requirements Establish comprehensive policies, procedures and controls Unfettered access to information 	<ul style="list-style-type: none"> Annual internal and external audit exercises
Industry associations (e.g REITAS, FIDRec, RICS)	<ul style="list-style-type: none"> Emails, calls 	<ul style="list-style-type: none"> To keep abreast of industry developments 	<ul style="list-style-type: none"> Active participation in activities and surveys Provide feedback when appropriate 	<ul style="list-style-type: none"> Active participation in activities and surveys Provide feedback when appropriate Attend training and courses provided by the associations Attend industry events organised by the associations 	<ul style="list-style-type: none"> Employee participation in the Rules and Ethics Course by REITAS as part of the requirement to fulfil continuing professional development ("CPD") hours CEO is a member of the REITAS Promotions Sub-Committee Royal Institution of Chartered Surveyors ("RICS")-accredited asset management team
Local Community	<ul style="list-style-type: none"> Corporate social responsibility ("CSR") activities Philanthropic programmes and activities 	<ul style="list-style-type: none"> To contribute back to the society Aligns with the REIT's theme of being a social infrastructure play 	<ul style="list-style-type: none"> Ongoing monetary and in-kind donations Ongoing volunteer work Ongoing support for their efforts 	<ul style="list-style-type: none"> Ongoing CSR activities for continual support 	<ul style="list-style-type: none"> Volunteering with charity soup kitchen Willing Hearts Sponsorship of annual Kwong Wai Shiu Hospital Charity Golf Tournament Participation in LandAid's Steptober to raise funds for charitable causes

Sustainability Report

MATERIALITY

Elite Commercial REIT's material ESG factors for reporting are reviewed, determined, and approved by the Board. For our inaugural sustainability report in FY 2021, we conducted a comprehensive materiality assessment to determine the most significant ESG topics for prioritisation and reporting. This included a materiality workshop facilitated by a sustainability advisory firm to assess our business activities' most significant economic, environmental, and social impacts and stakeholder expectations.

Working with external sustainability experts, we carefully examined the potential and actual ESG impacts of our operations, climate-related risks and opportunities and their potential financial impact, tenant relationships, stakeholder expectations, global sustainability challenges relating to the real estate sector, reporting requirements mandated by SGX and MAS, regulatory developments in Singapore and the UK, and ESG reporting by peers. We used the SASB Real Estate Standards to identify financially material sustainability topics.

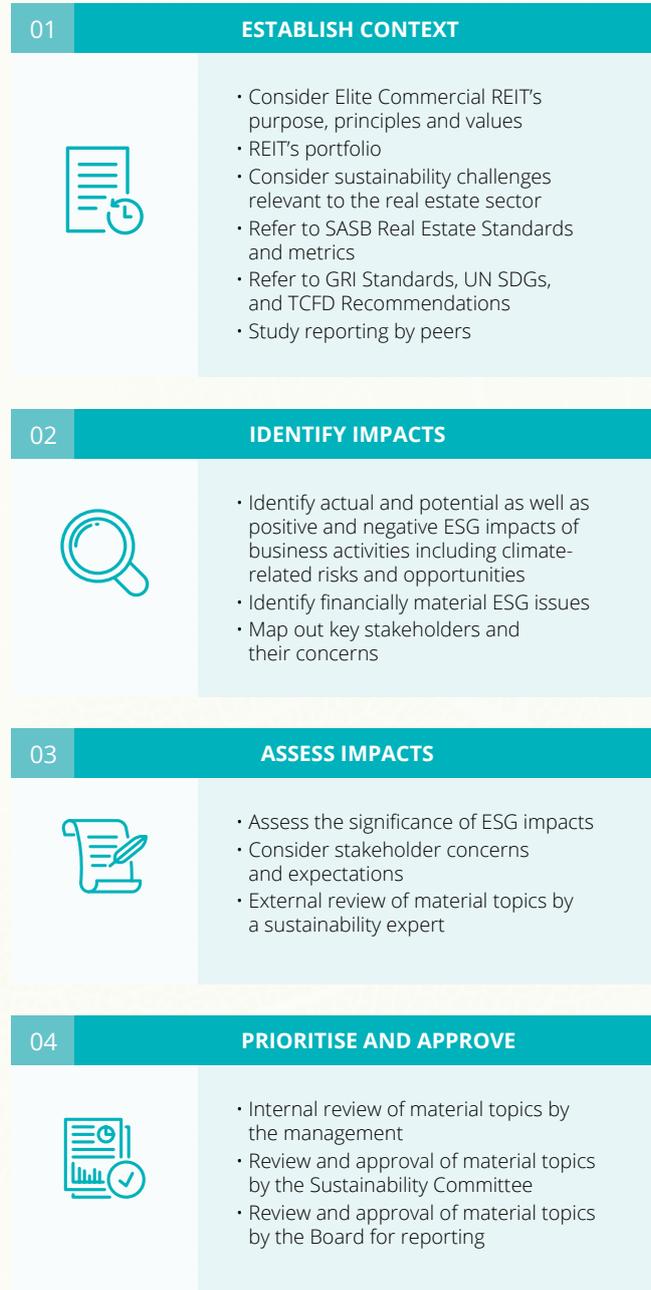
As part of the materiality process, we considered relevant standards, frameworks, and guidelines, including the GRI Standards, SASB Real Estate Standards, TCFD Recommendations, and the UN SDGs, to identify the topics for reporting.

In FY 2022, we reviewed our material topics to determine their relevance for this year's reporting cycle.

Our materiality review in FY 2022 included a stakeholder engagement survey to obtain opinions from both internal and external stakeholders regarding our material ESG topics. The survey participants included Unitholders, existing and potential investors, analysts, trustee, Sponsors, industry associations, business partners, and employees. Respondents ranked the proposed ESG topics and had the opportunity to suggest new ones. The feedback received was useful in validating and prioritising the ESG topics for reporting purposes.

Our review concluded that the ESG topics prioritised in the FY 2021 report remain material for the FY 2022 reporting.

Our materiality process is illustrated below.



The material topics covered in this report are summarised in the table below.

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

Supporting the UN SDGs

The UN SDGs, the 17 Global Goals for sustainable development, are key reference points in our materiality assessment. Our approach to proactively manage our most significant ESG impacts supports a number of the UN SDGs as detailed in the following table:

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

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ENVIRONMENT



Our approach to environmental issues is to constantly evaluate and ensure the climate-resilience of our existing portfolio and factor climate-related risks and opportunities into new acquisition decisions.

We believe a low-carbon portfolio is central to maintaining the REIT's competitive edge in the marketplace. The demand for green commercial space grows in line with the Paris Agreement's goal of limiting global warming to well below 2 degrees Celsius ("°C") and preferably 1.5°C by 2030 and reach net zero carbon emissions by 2050.



The UK has also set its aspirations to achieve net zero greenhouse gas ("GHG") emissions by 2050. As over 90% of our portfolio is leased to the DWP, the UK's largest public service department responsible for welfare, pensions and child maintenance for over 20 million claimants, our

environmental strategy is therefore aligned with the UK's national climate agenda. As the REIT is listed in Singapore, we are also supportive of the Singapore Green Plan 2030, a national plan to advance Singapore's national agenda on sustainable development.

We believe that climate resilience will play an increasingly critical role in asset valuation, the cost of capital and insurance. Hence, our aspiration is to have a net zero carbon emission portfolio by 2050.

Since most of our entire portfolio is let out on full repairing and insuring ("FRI") basis, we do not have operational or management control of our buildings in terms of day-to-day management and consumption of energy and water or waste management. We, therefore, operate a three-pronged environmental strategy and management approach: mitigate climate-related physical risks and transition risks in our portfolio, upgrade assets to leverage the growing demand for low-carbon commercial spaces, and engage with our primary occupier to monitor the environmental performance of our buildings.

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

Tenant Engagement

We regularly engage with our primary occupier and tenants on environmental performance issues such as the energy efficiency credentials of the properties. We also take a proactive approach in engaging with our primary occupier and tenants by holding regular dialogues, having a physical presence for our operations in the UK, as well as harnessing the strengths of technology and big data to analyse occupier utilisation and to help us understand our primary occupiers' needs better.

'Greening' the Portfolio

Driving Sustainable Value for the Long Term

Sustainability enhancement works on various DWP-occupied properties across the REIT's portfolio have been planned so far to optimise energy use.

Examples of works being planned include:

- Replacement of existing variable refrigerant system and to expand the use of the variable refrigerant system
- Replacement of gas- or oil-fueled boilers with new, higher efficiency or non-carbon-based heating system solution
- Replacement of air-conditioning system with a variable refrigerant system
- Replacement of air handling unit ("AHU") including direct expansion cooling, modifications to existing ductwork and replacement of Building Management System ("BMS")
- Roofing replacement projects

UPGRADE IN ENERGY PERFORMANCE CERTIFICATE RATING

Bradmarsh Business Park, Rotherham is located in England, in the region of Yorkshire and The Humber. The low-rise office with freehold tenure is currently occupied by the Environment Agency. Following the installation of new heating/HVAC¹ system and the installation of new LED lighting inside the building and in the car park by the occupier, the EPC rating increased from D-90 to B-49.



1. HVAC refers to the heating, ventilation and air conditioning system responsible for heating and cooling the building.

Green Lease Clauses

Over the past year, we have proactively worked with tenants to insert green lease clauses where possible. About 95.4% of total portfolio by gross rental income² in FY 2022 has clauses to the effect of a green lease in their lease agreements, which facilitates the sharing of environmental data by our occupiers. This report includes energy and water consumption data as well as waste management data provided by our primary occupier, the DWP.

INCLUSION OF GREEN LEASE CLAUSES INTO NEW LEASES

Where possible, the management team focuses on adding green lease clauses into new lease agreements to facilitate information sharing and transparency across all sustainability-related matters.

This was demonstrated by the inclusion of specific green lease wordings³ in the recently signed five-year lease extension for St Katherine’s House, Northampton. Except for the inclusion of the specific green lease wordings, the rest of the lease terms remain unchanged. The new lease will run all the way until December 2028. The mid-rise office with freehold tenure is located in England, in the region of East Midlands and is currently occupied by the HM Courts and Tribunals Service.



SUSTAINABLE FINANCING FRAMEWORK

We have established a Sustainable and Sustainability-Linked Finance Framework to secure green financing for enhancing our assets. The sustainable financing framework is a crucial step in aligning our sustainability strategy with the UK Government’s national climate goals of achieving net zero carbon emissions by 2050.

In FY 2022, Elite Commercial REIT secured its first green loan – revolving credit facility of £15.0 million. The funds will be used exclusively for projects that contribute to the REIT’s sustainability goals, allowing for more focus on ‘green’ projects and assets that support value creation for all stakeholders involved.

For example, the Manager will use loan proceeds to fund agreed-upon sustainability-related asset enhancement initiatives and eligible green projects for assets occupied by the DWP and MOD, including existing and new projects in the future.

For our first green loan, CIMB Bank Berhad, Singapore Branch acted as the lead advisor and the lender.

ESG Topic	2022 Target	2022 Performance	2023 Target
Climate Change 	<ul style="list-style-type: none"> Establish an environment risk management framework and policy 	<ul style="list-style-type: none"> Instituted a governance structure to support an effective management of environmental risks covering climate change 	<ul style="list-style-type: none"> Integrate environmental risks into the Enterprise Risk Management framework
Energy and GHG Emissions 	<ul style="list-style-type: none"> Engage with the primary occupier to improve energy and water efficiency of buildings Engage with the primary occupier in terms of regular progress reports following the commitment by the REIT to invest about £14.8 million over three years towards agreed-upon asset enhancement works and initiatives that are likely to improve the properties’ energy efficiency to a more sustainable standard 	<ul style="list-style-type: none"> Quarterly engagement with the primary occupier to improve energy and water efficiency of buildings Developed a monitoring system to track the progress of planned sustainability enhancement works on a portfolio of assets £7.4 million of Sustainability Contribution was disbursed during the year for sustainability enhancement works on assets occupied by the DWP and MOD 	<ul style="list-style-type: none"> Reporting on buildings where sustainability enhancement works have completed Continue the engagement with the main occupier Extend data gathering to non-DWP occupiers

2. Based on annualised gross rental income as at 31 December 2022.
 3. Refers to green lease clauses within a lease agreement which facilities the sharing of environmental data by our occupiers.

Sustainability Report

ESG Topic	2022 Target	2022 Performance	2023 Target
Water 	<ul style="list-style-type: none"> Establish a process to collect water performance data from primary occupier 	<ul style="list-style-type: none"> Collected water performance data from primary occupier 	<ul style="list-style-type: none"> Extend data gathering to non-DWP occupiers
Waste 	<ul style="list-style-type: none"> Establish a process to collect waste performance data from primary occupier 	<ul style="list-style-type: none"> Collected waste performance data from primary occupier 	<ul style="list-style-type: none"> Extend data gathering to non-DWP occupiers
Tenant Engagement 	<ul style="list-style-type: none"> Continue to engage and collaborate with the primary occupier on periodic and regular sharing of environmental data for performance tracking 	<ul style="list-style-type: none"> Engaged and collaborated with the primary occupier on periodic and regular sharing of environmental data for performance tracking 	<ul style="list-style-type: none"> Maintain regular engagement with the primary occupier on periodic and regular sharing of environmental data for performance tracking

TCFD REPORT

Climate and Environmental Risk Management

This is our second TCFD Report consistent with the TCFD Recommendations to provide useful information to our stakeholders on climate-related risks and opportunities relevant to Elite Commercial REIT and how we are addressing these issues.

In line with the TCFD Recommendations, the report is structured around four thematic areas—governance, strategy, risk management, and metrics and targets.

Governance

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

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

The Board and the SC are supported by a cross-functional Sustainability Working Team (“SWT”), chaired by the CEO.

The Board’s annual performance evaluation comprises key ESG and climate-related metrics.

Management Responsibility: The Manager is responsible for implementing, managing and monitoring climate-related strategy, climate risk management, and key performance indicators. The CEO is a member of the SC and chairs the SWT. The SWT is responsible for implementing climate strategies and collecting performance data against metrics and targets.

The SWT, which comprises cross-functional management representatives, supports the SC in identifying climate-related material risks and opportunities, assessing their financial impact and developing mitigation and adaptation strategies.

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

The SC has adopted an annual performance evaluation covering key ESG and climate-related metrics.

Strategy

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

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

In the UK, where all of Elite Commercial REIT's current assets are located, the government has adopted a legally binding target to reach net zero emissions by 2050. The UK Government is setting out policies and strategies for decarbonising all sectors of the UK economy to meet the target. In light of these agreements and targets, the demand for energy-efficient, low-carbon buildings is significantly increasing.

At Elite Commercial REIT, our strategy is to constantly assess the climate-related risks and opportunities of the REIT's portfolio, as part of our effort to develop mitigation and adaptation measures in transitioning to a low-carbon economy. Here we outline our strategic approach to managing climate-related financial impacts on the portfolio over short-, mid- and long-term horizons. For planning purposes, we consider 0 to 5 years to be short-term, 6 to 10 years as mid-term and more than 10 years to be a long-term horizon.

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

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

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

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

the progress of the agreed-upon sustainability enhancement works of assets occupied by the DWP and MOD as part of our Sustainability Collaboration.

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

Long-Term: Our goal is to ensure that the properties in our portfolio remain tenable in various climate scenarios. We will continue to invest in building up the resilience of our existing properties by considering a range of mitigation or adaptation measures based on the climate scenario analysis.

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

Our primary occupier, the DWP, has developed a Carbon and Water Management Plan and Sustainability Management Plan in support of the UK's net zero carbon by 2050 commitment. We continue to work closely with the DWP in ensuring progress in our Sustainability Collaboration efforts in increasing energy and water efficiencies across our properties and supporting DWP's sustainability ambitions.

Risk Management

We conducted our first climate scenario analysis in FY 2021 to understand climate-related material risks to our portfolio and the measures we can take to be a climate-ready REIT. We based our analysis on the global temperature rise of 2°C and 4°C scenarios – referring to the Representative Concentration Pathways ("RCPs") published by the IPCC. The RCPs are established pathways representing possible future emissions and greenhouse gas concentrations to year 2100. Our 2°C scenario is aligned with IPCC's RCP2.6 to assess transition risks and opportunities, and physical risks. We aligned our 4°C scenario analysis with IPCC's RCP8.5 to assess the physical risks.

In conjunction with the scenario analysis and the REIT's overarching risk management framework, we have used the TCFD Recommendations and the MAS' Guidelines on Environmental Risk Management for identifying and assessing climate-related risks and opportunities.

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The Sustainability Committee assists the Board in managing climate-related risks as part of our overall risk management. The Board is also assisted by the Audit and Risk Committee (“ARC”) in examining the adequacy and effectiveness of internal control policies and procedures to ensure that a robust risk management framework and internal control system is maintained while the Board reviews the adequacy and effectiveness of the risk management and internal control system. For more details on the roles and responsibilities of the ARC, please see pages 138 to 141, of the Corporate Governance Report.

A summary of our potential climate-related risks and opportunities is provided in the following pages.

ASSESSMENT OF CLIMATE-RELATED RISKS

Physical Risk

Extreme weather events due to global warming can result in severe physical impacts on societies, economies and businesses, posing physical risks. Physical risks can be classified into two types – acute risk and chronic risk. Acute physical risks refer to event-driven risks, including increased severity of extreme weather events, such as floods, cyclones or hurricanes. Chronic physical risks refer to longer-term shifts in climate patterns, such as persistent higher temperatures that may cause sea level rise or chronic heat waves. Both types of physical risks can affect our properties, disrupt our tenants’ operations and render a property unrentable in the event of extremely severe climate disasters.

We assessed potential physical risks on our entire portfolio of 155 properties located across the UK in FY 2021. We examined the UK Meteorological Office’s (“Met Office”) latest projections of an increased chance of warmer, wetter winters and hotter, drier summers in the 21st century, reported in the UK Climate Projections 2018 (“UKCP18”). According to the projections, by 2070, in the high emission scenario, the increase in average seasonal temperature can range from 0.9°C to 5.4°C in summer, and 0.7°C to 4.2°C in winter; the change in seasonal average rainfall can range from -47% to 2% in summer, and 1% to 35% in winter.

In 2022, the UK witnessed the warmest year on record, with a daily maximum temperature of more than 40°C and a national average temperature over the year of more than 10°C. The UK annual mean temperature of 10.03°C exceeded the previous record warmest year of 9.88°C set in 2014, according to the Met Office.

According to the UKCP18 projections, the frequency and intensity of extreme weather are projected to increase as well. The intensity of heavy summer rainfall events is

projected to increase in the future despite the overall summer drying trends. Hot spells, confined mainly to the Southeast of the UK in the present day, are projected to occur more frequently in the future. The sea level around the UK, which has risen by about 17 centimetres since the start of the 20th century, is projected to continue to rise beyond year 2100. In London, for example, the sea level rise for a high emission scenario would range from 0.53 metres to 1.15 metres by the end of the century (when compared to 1981 – 2000).

Our assets would likely be exposed to more frequent surface water flooding and river flooding caused by the increase in precipitation coupled with high-intensity showers. The impacts of surface water flooding, also commonly known as flash floods, would be more severe for those assets located in urban areas and low-lying land. For assets located along the coastline, the risk of coastal flooding increases with the projected sea level rise. Our preliminary analysis indicates that about 21.3% of our portfolio (by floor area) are presently located in areas identified to have a high risk of river, coastal and surface water flooding⁶. While a like-for-like comparison between present flood risk and future flood risk could not be made due to the absence of official data, we anticipate that more of our assets would be exposed to surface water flood risks in the long term. The actual flood risk, nonetheless, would depend upon other factors such as the building features, local drainage conditions and surrounding landscape. Therefore, we would continue to monitor our flood risks and incorporate the risks into our broader asset management strategies.

In view of the UK’s projected water shortage risk, we also evaluated water-related impacts on our portfolio. According to the UK Climate Change Risk Assessment 2017 Report, research commissioned by the Committee on Climate Change estimated that the demand for water in England would exceed supply by between 1.1 billion and 3.1 billion litres per day by the 2050s, depending on the extent of climate change and population growth. Using the WRI Aqueduct Water Risk Atlas tool, we identified that about 10.1% of our portfolio (by floor area) is located in areas with high and extremely high baseline water stress risk. This increases to about 33% in 2030 under the SSP2-45 scenario, referring to the middle-of-the-road development, the intermediate scenario provided in the latest IPCC assessment report AR6, in which CO₂ emissions remain around current levels until the middle of the century.

We will continue to review our water stress risks and explore ways to analyse the risks using more localised projections as climate science evolves and more data becomes available.

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

Transition Risk

The need to shift to lower carbon or net zero carbon economy can pose a range of potential transition risks for our portfolio. Transition risks may arise from significant policy, legal, technology, and market changes to address mitigation and adaptation requirements triggered by climate change.

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

A summary of potential climate-related risks and opportunities we have identified is provided below.

Climate-related Risks

Risk Category	Risk Type	Risk Description	Potential Financial Impacts	Mitigation or Adaptation Measures
Physical Risk	<ul style="list-style-type: none"> Increased severity of extreme weather events such as floods and flash floods 	<ul style="list-style-type: none"> Properties located in high flood-risk areas 	<ul style="list-style-type: none"> Asset valuation Inability to rent or sell the asset Increase in insurance costs Physical damage or impairment of assets Cost of pre-emptive mitigation measures 	<ul style="list-style-type: none"> Undertake further study to assess local town councils' preparedness and plans in areas where there is a high risk of river, coastal and surface water flooding Engage with the local councils and the tenant and/or occupier
	<ul style="list-style-type: none"> Rising mean temperatures 	<ul style="list-style-type: none"> Properties located in high water-stressed or heat-stressed areas 	<ul style="list-style-type: none"> Asset valuation Inability to rent or sell the asset Higher energy costs for tenants and/or occupiers due to cooling demand 	<ul style="list-style-type: none"> Prioritise water efficiency measures in collaboration with tenants and occupiers in properties identified to be in high water-stress risk areas
Transition Risk	<ul style="list-style-type: none"> Policy and Legal 	<ul style="list-style-type: none"> Stricter building energy efficiency and water efficiency regulations For example, the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 stipulated that from 1 April 2023, landlords of privately rented property in England or Wales must ensure that their properties reach at least an EPC rating of E before the non-domestic properties can be rented out⁽⁷⁾. From 15 June 2022, new commercial buildings in England are required to emit 27% less carbon in comparison to current standards. Other improvements include increasing ventilation, boosting air quality and cutting transmission risks of airborne viruses. In addition, from 15 June 2022, existing non-residential, non-mixed-use buildings undergoing major renovation (involving more than 25% of the surface area of the whole building envelope) will be required to have at least one electric vehicle charging point for every 10 car parking spaces⁽⁸⁾. Pricing on carbon emissions 	<ul style="list-style-type: none"> Cost of asset enhancements to meet high energy efficiency regulations Cost of asset enhancements to improve water efficiency Loss of revenue from the inability to lease non-compliant buildings Higher compliance cost Increased cost of operations due to carbon tax and carbon offsets 	<ul style="list-style-type: none"> Adopted a target to achieve EPC rating of B or higher for all properties by 2030 Committed to net zero portfolio by 2050

7. Gov.UK, *Non-domestic private rented property: minimum energy efficiency standard – landlord guidance*, 15 October 2019.

8. HM Government, *The Building Regulations 2010, Infrastructure for the charging of electric vehicles, 2021 edition – for use in England*.

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Climate-related Risks *(continued)*

Risk Category	Risk Type	Risk Description	Potential Financial Impacts	Mitigation or Adaptation Measures
Transition Risk	• Market	<ul style="list-style-type: none"> • Reduced demand for carbon inefficient buildings due to changing customer preferences • Increasing demand for climate-related and ESG disclosures 	<ul style="list-style-type: none"> • Repricing of assets • Lower rental yield • Inability to rent or sell the assets • Lower ESG ratings could affect asset valuation 	<ul style="list-style-type: none"> • Adopted a target to achieve EPC rating of B or higher for all properties by 2030 • Committed to net zero portfolio by 2050

Climate-related Opportunities

Category	Opportunity	Description	Potential Financial Impacts	Management Approach
Resource Efficiency	• Higher demand for energy-efficient buildings	• Improve energy efficiency of buildings	<ul style="list-style-type: none"> • Rental premium • Asset valuation • Energy and operational cost savings for tenants and occupiers • Lease longevity 	<ul style="list-style-type: none"> • Adopted a target to achieve an EPC rating of B or higher for all properties by 2030 • Committed to a net zero portfolio by 2050
Energy Source	• Use of renewable energy to lower carbon emissions	• Installation of photovoltaic ("PV") solar panels on our assets	<ul style="list-style-type: none"> • On-site PV solar panel installations could generate renewable energy to offset carbon emissions and lower carbon tax • Surplus from on-site PV solar panel installations could generate additional source of revenue • Asset valuation • Rental premium • Lease longevity 	<ul style="list-style-type: none"> • Explore opportunities to collaborate with tenants and occupiers to improve properties' sustainability performance, including the feasibility of on-site PV solar panel installations
Products and Services	<ul style="list-style-type: none"> • Higher demand for energy-efficient and green-certified buildings • Green finance 	<ul style="list-style-type: none"> • Improve energy efficiency of buildings • Obtain green building certification • Green finance for asset enhancements 	<ul style="list-style-type: none"> • Rental premium • Asset valuation • Energy and operational cost savings for tenants and occupiers • Lease longevity • Lower interest cost on green loans 	<ul style="list-style-type: none"> • Adopted a target to achieve an EPC rating of B or higher for all properties by 2030 • Committed to a net zero portfolio by 2050 • Committed ~£14.8 million of Sustainability Contribution over three years from 2022 towards sustainability enhancement works to improve energy efficiency of assets occupied by the DWP and MOD
	• Higher demand for buildings with electric vehicle ("EV") charging facilities	• Installation of EV charging stations in our assets	<ul style="list-style-type: none"> • Encourage users of buildings to switch to more energy-efficient vehicles • Adhering to regulatory requirements 	<ul style="list-style-type: none"> • Explore opportunities to collaborate with tenants and occupiers to improve properties' sustainability performance, including the feasibility of installing EV charging stations in the buildings' car parks
Resilience	• Higher demand for energy-efficient and green-certified buildings	• Increased adoption of energy efficiency measures and renewable energy across the portfolio	• Increased market valuation due to climate-resilience	<ul style="list-style-type: none"> • Adopted a target to achieve an EPC rating of B or higher for all properties by 2030 • Committed to a net zero portfolio by 2050

Metrics and Targets

We have adopted a basket of metrics and targets as part of our climate action plan aimed at managing the REIT's climate-related risks and opportunities. Our progress against these metrics is presented below.

Climate-related Risks				
Topics	Metric	2020 %	2021 %	2022 %
Policy and legal	Percentage of portfolio with an EPC rating of F or G (by floor area)	5.4	3.5	2.9
	Percentage of portfolio with an EPC rating of C, D or E (by floor area)	94.6	96.2	96.2
Extreme weather	Percentage of portfolio exposed to high risk of inland, coastal and flash flooding (by floor area)	24.3	22.1	21.3
	Percentage of portfolio exposed to high risk of inland, coastal and flash flooding (by value)	22.3	20.1	19.4
Resource supply	Percentage of portfolio located at high and extremely high baseline water stress area (by floor area)	6.5	9.5	10.1
	Percentage of portfolio located at high and extremely high baseline water stress area (by value)	11.3	21.7	21.2
Climate-related Opportunities				
Topics	Metric	2020 %	2021 %	2022 %
Products and services	Percentage of portfolio with an EPC rating of A or B (floor area)	0.0	0.3	0.9
	Percentage of gross rental income from assets with an EPC rating of A or B	0.0	0.4	1.2
REIT Manager's Employee Travel				
Topics	Metric	2020	2021	2022
GHG emissions (Scope 3)	Total business commute (km)	NA	NA	27,561.4
	Total business travel (km)	NA	NA	21,681.1
	Total GHG emissions (kgCO ₂ e)	NA	NA	2,656.0
Occupier's Performance ¹				
Topics	Metric	2020 ²	2021 ²	2022 ²
Energy	Total energy consumption (MWh)	58,132	81,392	96,195
	Total electricity consumption (MWh)	22,128	27,951	24,897
	Total fuel consumption (e.g. gas and oil) (MWh)	36,004	53,441	71,298
	Total energy intensity by floor area (kWh/m ²)	247.0	253.0	311.7
GHG emissions (Scope 3)	Total GHG emissions intensity by floor area (kgCO ₂ e/m ²)	51.2	52.4	64.2
Water	Total water consumption (m ³)	92,637	147,387	93,679
	Total water intensity by floor area (m ³ /m ²)	0.39	0.46	0.30
Waste ³	Hazardous waste (tonnes)	NA	NA	13.7
	Non-hazardous waste (tonnes)	NA	NA	1,029.3
	Total waste (tonnes)	NA	NA	1,043.0
	Hazardous waste recycled (tonnes)	NA	NA	13.5
	Non-hazardous waste recycled (tonnes)	NA	NA	491.7

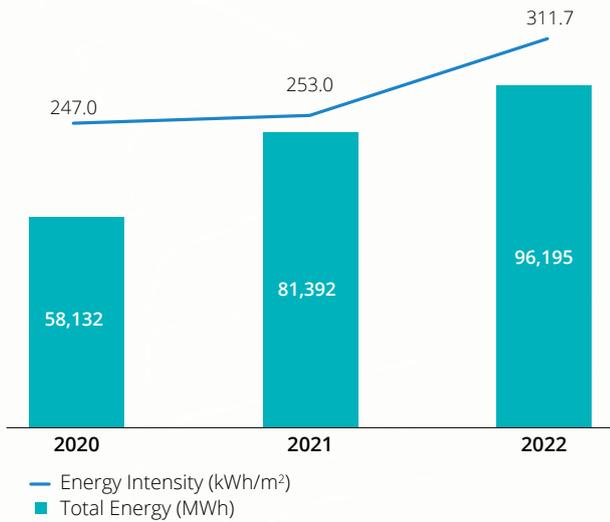
1. Elite Commercial REIT does not have operational or management control of its assets in the portfolio in terms of day-to-day management or utilities' consumption, as all current leases are on full repairing and insuring basis, commonly known as a triple net lease.
2. Performance data presented here pertains only to DWP-occupied assets and has been provided by our primary occupier who also publishes their own sustainability reports. Data for 2020 is based on the initial portfolio of 97 assets as at 31 December 2020, while data for 2021 is based on 146 assets occupied by DWP as at 31 December 2021, including assets from maiden acquisition. Data for 2022 is based on 135 assets occupied by DWP as at 31 December 2022, excluding vacant and vacating assets.
3. Waste data is for 10 months only as the Manager started collecting waste data from our primary occupier in FY 2022.

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Data presented below pertains only to assets occupied by DWP. Data for 2020 is based on the initial portfolio of 97 assets as at 31 December 2020, while data for 2021 is based on 146 assets occupied by DWP as at 31 December 2021, including assets from maiden acquisition. Data for 2022 is based on 135 assets occupied by DWP as at 31 December 2022, excluding vacant and vacating assets.

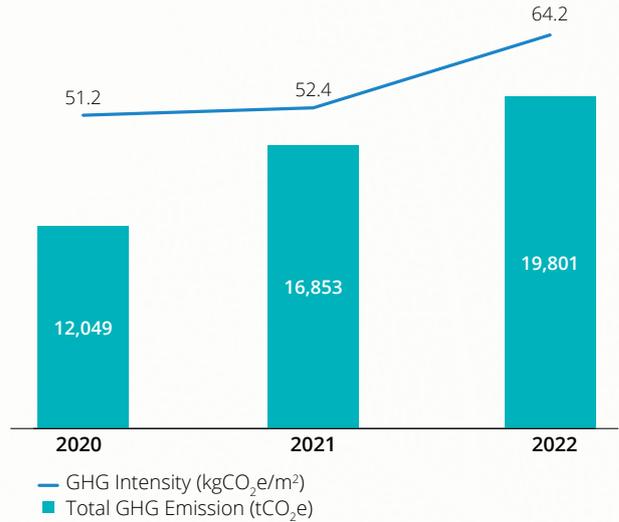
Energy Consumption

Energy Consumption - Absolute and Intensity

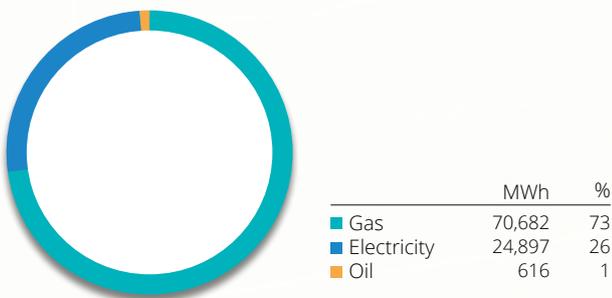


GHG Emissions¹

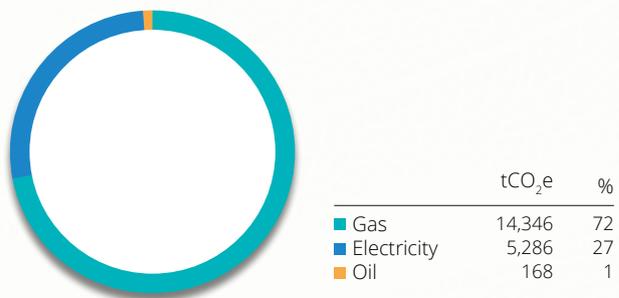
GHG Emissions - Absolute and Intensity



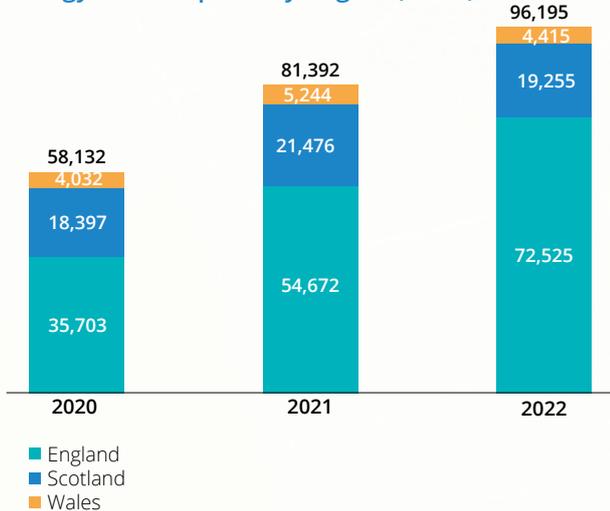
2022 Energy Consumption, by Energy Type (MWh, %)



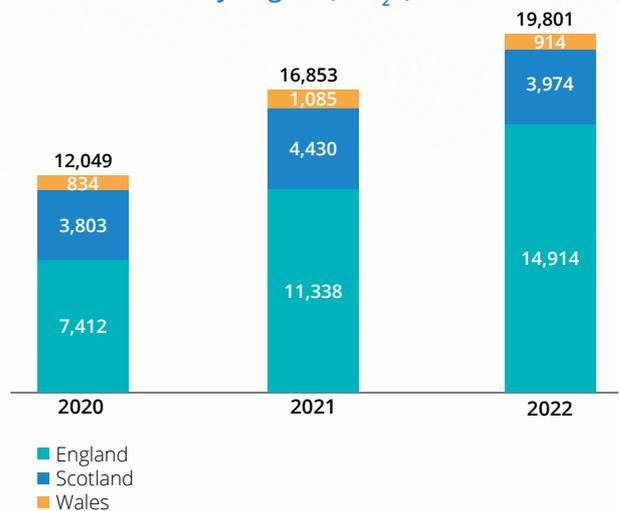
2022 GHG Emissions, by Energy Type (tCO₂e, %)



Energy Consumption by Region (MWh)



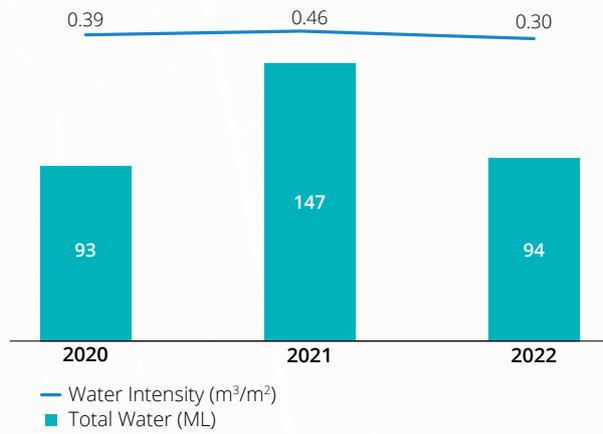
GHG Emissions by Region (tCO₂e)



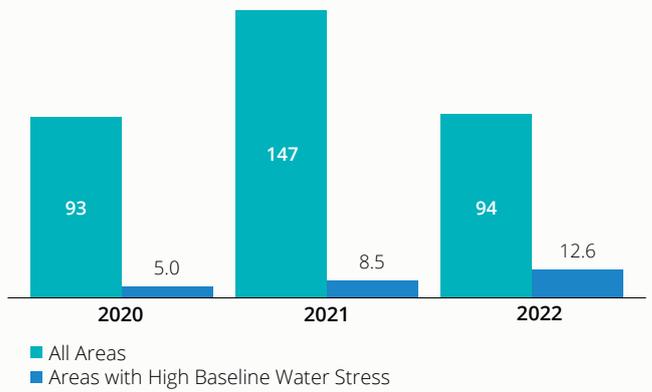
1. Discrepancies between the listed figures and totals thereof are due to rounding.

Water Consumption

Water Consumption - Total and Intensity

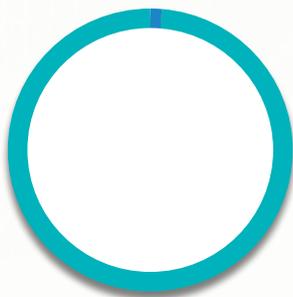


Water Consumption in Areas with High Baseline Water Stress (ML)



Waste

2022 Waste Generated (Metric Tons, %)



	Metric Tons	%
■ Non-Hazardous	1,029.3	99
■ Hazardous	13.7	1



Hazardous Waste

99%
recycled



Non-Hazardous Waste

48%
recycled



Sustainability Report



We are committed to nurturing an inclusive and supportive workplace where our people can perform to the best of their abilities. This also feeds into our aim of attracting, developing and retaining talented professionals, which is vital for creating value for the REIT and its stakeholders. As such, our workplace policies promote active engagement, open communication, mutual trust, respect and teamwork, as well as personal and professional development.

Employee Profile

As at 31 December 2022, we employed six people, all of them as full-time employees with permanent contracts. Four of them are based in the Singapore office and two are based in the UK office. We currently do not track the numbers of non-employees whose workplace is controlled by us.

Diversity

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

In terms of gender diversity, women account for 50% of our employees, including at the management level, and our target for the director level is to achieve 30% female representation by 2029.

Employee Engagement

Creating an environment in which employees are engaged and energised to deliver on the business goals is a vital part of our people management approach. As a small team, we maintain open communication, regular meetings, cross-functional workgroups and ongoing interactions. More formal channels for engagement include performance reviews and setting personal development goals.

Employee Development

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

The Board remains committed to ongoing learning of directors to maintain the necessary skills and knowledge, including on ESG topics. In FY 2022, directors completed a total of 98.3 hours of training which amounted to an average of 9.8 hours per director.

Health and Well-being Activities

Promoting our employees' health and well-being is important to us. On a regular basis, we bring together our employees to strengthen team bonding and participate in health-promoting activities.

For example, the team engages in sports activities such as walks and jogs, badminton and cycling, improving their physical and mental health. These activities have also helped to build teamwork and camaraderie.



Cycling outing from Marina Bay to East Coast Park in Singapore

Hiring and Turnover

Our approach is to hire and retain the most qualified talent – both are crucial in providing our primary occupier and tenants with high-quality services. Therefore, we track our hiring and turnover performance for management review. In FY 2022, one employee was hired in the UK office to replace an employee who left.

Non-discrimination

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

We are committed to investigating all complaints of discrimination and implementing remedial measures in confirmed cases. In FY 2022, there were no incidents of discrimination.

Performance Management

We believe in having a fair, objective and equitable performance management system and in aligning an employee's development needs and career aspirations with the company's business needs. Our robust assessment system ensures that all employees receive regular reviews of their performance and career development.

Our annual performance evaluation exercise involves self-assessment, open discussions on the employees' performance, training and development needs as well as growth areas, and setting key performance indicators as motivation to drive employee performance. Employees participate in setting team and individual goals to define performance and compensation expectations clearly. In FY 2022, all employees received regular performance and career development review.

Employee Data			
Particulars	2020*	2021	2022
Employees			
Total number of permanent employees	5	6	6
Total number of temporary employees	0	0	0
Total number of fixed-term contract employees	0	0	0
Total number of employees	5	6	6
Total number of full-time employees	5	6	6
Total number of part-time employees	0	0	0
Proportion of female employees	60%	50%	50%
Proportion of female Heads of Department	40%	50%	50%
Employees by age group			
Under 30 years	1	2	1
30-50 years	4	4	5
Over 50 years	0	0	0
Employees by category			
Senior Management	3	3	3
Executives	2	3	3
Non-executives	0	0	0
Hiring Rate			
New Hiring Rate by Gender (%)			
Male	0%	33%	0%
Female	67%	33%	33%
Overall	40%	33%	17%
New Hiring Rate by Age Group (%)			
Under 30 years	100%	50%	0%
30-50 years	25%	25%	20%
Over 50 years	0%	0%	0%
Employee Turnover			
Employee Turnover Rate by Gender (%)			
Male	0%	0%	0%
Female	33%	33%	33%
Overall	20%	17%	17%
Employee Turnover Rate by Age (%)			
Under 30 years	0%	0%	0%
30-50 years	25%	25%	20%
Over 50 years	0%	0%	0%
Employee Training			
Employee training by gender			
Average hours of training per employee (male)	7.5	28.0	87.8
Average hours of training per employee (female)	13.4	36.1	54.3
Average hours of training per employee	10.4	32.0	71.0
Average hours of training by category			
Senior Management	10.2	32.8	29.3
Executives	11.3	31.3	112.8
Non-executives	N.A.	N.A.	N.A.

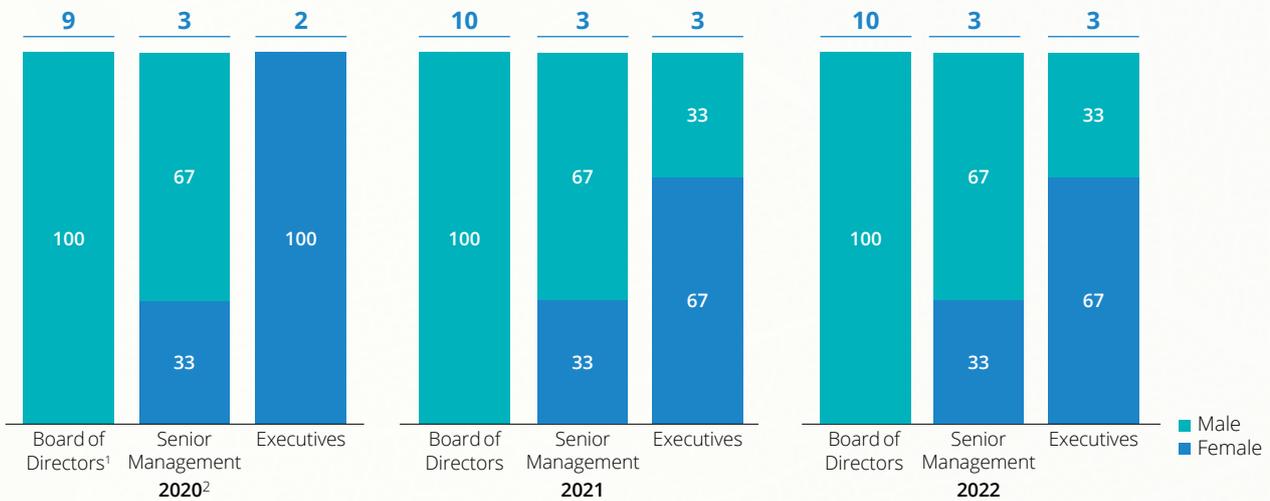
* Employee Data for 2020 have been restated to include an employee who was employed under a unit within the REIT Group before the incorporation of the Manager's UK subsidiary.

Sustainability Report

ESG Topic	2022 Target	2022 Performance	2023 Target
Attracting and retaining talent	• Establish a benchmark to measure employee retention	• Employee retention is measured through a total employee turnover rate of less than 30%	• Implement an employee engagement programme
Employee Development	• Average 20 hours of training per employee • At least one hour of compulsory ESG training for all employees	• Average 71.0 hours of training per employee • At least one hour of compulsory ESG training for all employees	• Average 20 hours of training per employee • At least one hour of compulsory ESG training for all employees
Diversity	• Maintain 50% of management positions being held by women	• Maintained 50% of management positions being held by women	• Maintain 50% of management positions being held by women

Board of Directors and Employees (%)

By Gender

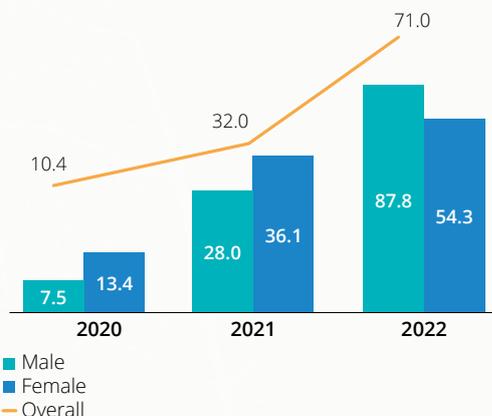


By Age Group

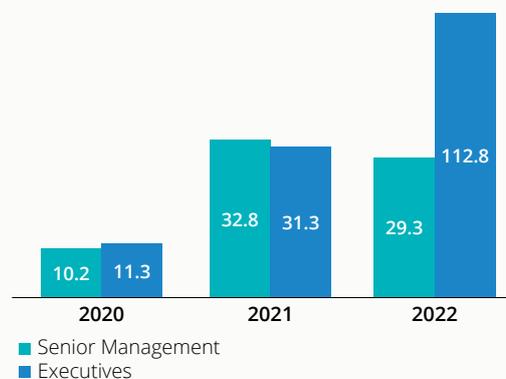


1. The proportion of Board of Directors by Age Group for 2020 and 2021 has been updated to reflect the more representative age group of one of the directors.
2. Employee Data for 2020 have been restated to include an employee who was employed under a unit within the REIT Group before the incorporation of the Manager's UK subsidiary.

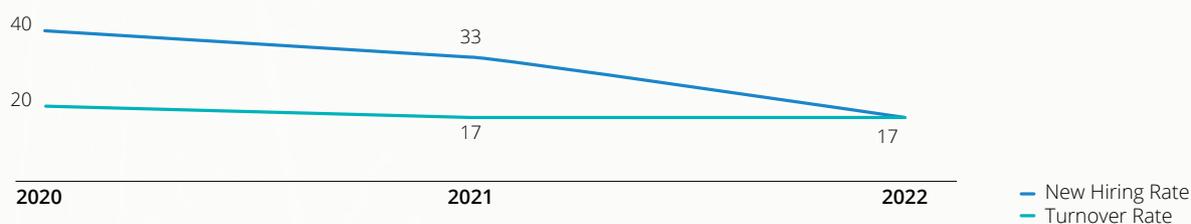
Average Training Hours Per Employee By Gender



By Category



New Hiring and Turnover Rate (%)



New Employee Hires and Employee Turnover (number, rate)

	2020*			2021			2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
No. of new hires	0	2	2	1	1	2	0	1	1
Rate of new hires	0%	67%	40%	33%	33%	33%	0%	33%	17%
No. of turnover	0	1	1	0	1	1	0	1	1
Rate of turnover	0%	33%	20%	0%	33%	17%	0%	33%	17%

	2020*				2021				2022			
	<30 yrs	30-50 yrs	>50 yrs	Total	<30 yrs	30-50 yrs	>50 yrs	Total	<30 yrs	30-50 yrs	>50 yrs	Total
No. of new hires	1	1	0	2	1	1	0	2	0	1	0	1
Rate of new hires	100%	25%	0%	40%	50%	25%	0%	33%	0%	20%	0%	17%
No. of turnover	0	1	0	1	0	1	0	1	0	1	0	1
Rate of turnover	0%	25%	0%	20%	0%	25%	0%	17%	0%	20%	0%	17%

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

	2020*		2021		2022	
	Male	Female	Male	Female	Male	Female
Number of Employees	2	3	3	3	3	3
% Employees	100%	100%	100%	100%	100%	100%
Number of Board of Directors**	9	0	10	0	10	0
% Board of Directors	100%	0%	100%	0%	100%	0%

** Includes Dr Tan Kok Heng as Alternate Director to Mr Evan Cheah Year Shin.

Sustainability Report



COMMUNITY

Elite Commercial REIT CSR Activities

We collaborate with the Manager to engage with local communities to support a variety of causes. Our key community engagement programmes are summarised below.



Continued Volunteering with Willing Hearts

13 December 2022

In the spirit of giving back to the society, the Manager’s employees spent an afternoon volunteering at the soup kitchen Willing Hearts, a charity in Singapore, which helps lower-income families.

Our colleagues assisted Willing Hearts with food preparation, packing cooked

food into containers, preparing breakfast buns and organising groceries into various storage facilities like the chiller, freezer, and room temperature storage units.

Besides contributing our time, energy and effort, the team also donated cash and rice to Willing Hearts.

Fundraising for youth homelessness

4 – 18 October 2022



The Manager’s UK team took part in the Steptober Challenge, the property industry event organised by LandAid Charitable Trust for teams to complete the most steps over two weeks. The fundraising benefits youths in the UK who are homeless or are at risk of homelessness in the future. The team of four in London was ranked among the top 9% out of 260 participating teams in terms of funds raised and top 43% in terms of steps clocked.

Donation towards healthcare for the elderly

1 July 2022

We contributed \$5,000 in sponsorship to the annual Kwong Wai Shiu Hospital (“KWSH”) Charity Golf Tournament, held at the Tanah Merah Country Club (Tampines Course) in Singapore.

The funds raised through the event go towards alleviating the financial burden on the hospital’s resources and enable it to continue serving the needy elderly.

Conservation of biodiversity

March 2022



CIO Jonathan with some members of the wood-planting team.

Our Chief Investment Officer Jonathan Edmunds participated in a wood-planting project near the River Nene in Oundle, North Northamptonshire, England.

Around 3,000 English trees – consisting of beech, wild cherry, silver birch, alder, willow and conifer, as well as English oak saplings – were planted in March across three acres of field located just off New Road by the town's Recreation Ground, which is currently unused.

The project was initiated by the Worshipful Company of Grocers and is funded by fundraising and grants. It is hoped that improvements to the wetland area – considered to be one of the largest habitats for snipe in Northamptonshire – will attract more birdlife.

Distributing essential items to the elderly

10 December 2021

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

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

SGX Cares Bull Charge Charity Run 2021

29 October 2021 –
7 November 2021

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

In 2021, the charity run again partnered Community Chest to channel all proceeds to its adopted beneficiaries: AWWA Ltd., Autism Association (Singapore), Fei Yue Community Services, HCSA Community Services and Shared Services for Charities.

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

Serving with Willing Hearts

4 March 2021

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

Eager to serve, our volunteers assisted with the preparation of meals which were distributed to more than 40 locations

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

Sustainability Report

GRI CONTENT INDEX

GRI Content Index		
Statement of Use	Elite Commercial REIT has reported in accordance with the GRI Standards for the period 1 st January 2022 to 31 December 2022.	
GRI 1 Used	GRI 1: Foundation 2021	
Applicable GRI Sector Standard(s)	Not applicable, as a GRI sector standard is not available for our industry	
GRI Standard	Disclosure	Location
GRI 2: General Disclosures 2021		
The Organisation and its Reporting Practices		
GRI 2-1	Organisational details	1
GRI 2-2	Entities included in the organisation's sustainability reporting	40-67
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GRI 2-13	Delegation of responsibility for managing impacts	82
GRI 2-14	Role of the highest governance body in sustainability reporting	82
GRI 2-15	Conflicts of interest	119, 127, 139
GRI 2-16	Communication of critical concerns	124, 143
GRI 2-17	Collective knowledge of the highest governance body	83
GRI 2-18	Evaluation of the performance of the highest governance body	92, 128-129
GRI 2-19	Remuneration policies	129-133
GRI 2-20	Process to determine remuneration	129-133
GRI 2-21	Annual total compensation ratio	131-132
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GRI 2-22	Statement on sustainable development strategy	92-94
GRI 2-23	Policy commitments	83-85
GRI 2-24	Embedding policy commitments	83-85
GRI 2-25	Processes to remediate negative impacts	84, 143
GRI 2-26	Mechanisms for seeking advice and raising concerns	84, 143
GRI 2-27	Compliance with laws and regulations	83
GRI 2-28	Membership associations	87
Stakeholder Engagement		
GRI 2-29	Approach to stakeholder engagement	85-87
GRI 2-30	Collective bargaining agreements	84
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GRI 3-2	List of material topics	89
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Economic Performance		
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GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	3

GRI Standard	Disclosure	Location
ECONOMIC TOPICS		
Anti-Corruption		
GRI 3: Material Topics 2021	3-3 Management of material topics	88-89
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	83
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GRI 302: Energy 2016	302-2 Energy consumption outside of the organization 302-3 Energy intensity	98 98
Water		
GRI 3: Material Topics 2021	3-3 Management of material topics	88-89
Topic Management Disclosures	303-1 Interactions with water as a shared resource 303-2 Management of water discharge-related impacts	92, 94 92, 94
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	92, 99
Emissions		
GRI 3: Material Topics 2021	3-3 Management of material topics	88-89
GRI 305: Emissions 2016	305-3 Other indirect (Scope 3) GHG emissions 305-4 GHG emission intensity	97-98 97-98
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Employment		
GRI 3: Material Topics 2021	3-3 Management of material topics	88-89
GRI 401: Employment 2016	401-1 New Employee hires and employee turnover	101, 103
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GRI 3: Material Topics 2021	3-3 Management of material topics	88-89
GRI 404: Training and Education 2016	401-1 New Employee hires and employee turnover 404-3 Percentage of employees receiving regular performance and career development reviews	101, 103 101
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GRI 3: Material Topics 2021	3-3 Management of material topics	88-89
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	104-105
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GRI 3: Material Topics 2021	3-3 Management of material topics	88-89
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GRI 3: Material Topics 2021	3-3 Management of material topics	88-89
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	84

SASB STANDARDS

Real Estate Sustainability Accounting Standard

Topic	SASB Code	Accounting Metric	Property Subsector	2020	2021	2022
Energy Management	IF-RE-130a.1	Energy consumption data coverage as a percentage of total floor area, by property subsector (%)	Office (N742)	100% see Note #1	100% see Note #1	100% see Note #1
	IF-RE-130a.2	(1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity (%), and (3) percentage renewable, by property subsector	Office (N742)	(1) 209,276GJ (58,132MWh) (2) 100% (3) 0%	(1) 293,010GJ (81,392MWh) (2) 100% (3) 0%	(1) 346,302 GJ (96,195 MWh) (2) 100% (3) 0%
	IF-RE-130a.3	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	Office (N742)	-	40.0%	18.2%
	IF-RE-130a.4	Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR, by property subsector	Office (N742)	(1) 100% (2) Not applicable to UK	(1) 100% (2) Not applicable to UK	(1) 100% (2) Not applicable to UK
	IF-RE-130a.5	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	Office (N742)		pg 90 to 94	
Water Management	IF-RE-140a.1	Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions with High or Extremely High Baseline Water Stress, by property subsector	Office (N742)	(1) 100% (2) 6.5% see Note #1	(1) 100% (2) 9.5% see Note #1	(1) 100% (2) 10.1% see Note #1
	IF-RE-140a.2	(1) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with High or Extremely High Baseline Water Stress, by property subsector	Office (N742)	(1) 92,637m ³ (2) 5.4%	(1) 147,387m ³ (2) 5.8%	(1) 93,679 m ³ (2) 13.4%
	IF-RE-140a.3	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	Office (N742)	-	69.5%	47.3%
	IF-RE-140a.4	Description of water management risks and discussion of strategies and practices to mitigate those risks	Office (N742)		pg 94	
Management of Tenant Sustainability Impacts	IF-RE-410a.1	(1) Percentage of new leases that contain a cost recovery clause for resource efficiency-related capital improvements and (2) associated leased floor area, by property subsector	Office (N742)	(1) 0% (2) 0	(1) 0% (2) 0	(1) 0% (2) 0
	IF-RE-410a.2	Percentage of tenants that are separately metered or sub-metered for (1) grid electricity consumption and (2) water withdrawals, by property subsector	Office (N742)	Not applicable	Not applicable	Not applicable
	IF-RE-410a.3	Discussion of approach to measuring, incentivising, and improving sustainability impacts of tenants	Office (N742)		pg 91	
Climate Change Adaptation	IF-RE-450a.1	Area of properties located in 100-year flood zones, by property subsector	Office (N742)	616,183 sq ft (57,245m ²) see Note #2	857,466 sq ft (79,661m ²) see Note #2	829,540 sq ft (77,069m ²) see Note #2
	IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	Office (N742)		pg 92 to 96	

Activity Metric	Property Subsector	SASB Code	2020	2021	2022
Number of assets, by property subsector	Office (N742)	IF-RE-000.A	97	155	155
Leasable floor area, by property subsector	Office (N742)	IF-RE-000.B	2,533,295 sq ft (235,351m ²)	3,875,004 sq ft (360,000m ²)	3,889,340 sq ft (361,332 m ²)
Percentage of indirectly managed assets, by property subsector	Office (N742)	IF-RE-000.C	100%	100%	100%
Average occupancy rate, by property subsector	Office (N742)	IF-RE-000.D	100%	100%	97.9% see Note #3

Notes:

- The energy consumption and water withdrawal presented in this index covered only the assets occupied by DWP, and pertains to the 12-month period of January to December 2020, January to December 2021 and January to December 2022.
- Properties refer to those with High (>3.3% chance a year) and Medium (1% - 3.3% chance a year) risk of river, sea and surface water flooding in Wales, High (10% chance each year) and Medium risk (0.5% chance each year) of river, coastal and surface water flooding in Scotland, and High Probability (1% or greater chance each year) of river and coastal flooding in England.
- As at 31 December 2022, by floor area.

Sustainability Report

TCFD DISCLOSURES

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

The following table indicates our TCFD disclosures.

Code	TCFD Recommendations	Page Number(s)
GOVERNANCE		
TCDF 1(a)	Describe the board's oversight of climate-related risks and opportunities.	92
TCDF 1(b)	Describe management's role in assessing and managing climate-related risks and opportunities.	92
STRATEGY		
TCDF 2(a)	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	93-94
TCDF 2(b)	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	95-96
TCDF 2(c)	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	92-93
RISK MANAGEMENT		
TCDF 3(a)	Describe the organisation's processes for identifying and assessing climate-related risks.	93-94
TCDF 3(b)	Describe the organisation's processes for managing climate-related risks.	95-96
TCDF 3(c)	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	93-94
METRICS AND TARGETS		
TCDF 4(a)	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	97
TCDF 4(b)	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	97-98
TCDF 4(c)	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	97



Elite Commercial REIT Sustainability Report 2022: Survey

Please provide your feedback by scanning the QR code. You may send this feedback form to the address specified at the back cover or e-mail to enquiry@elitecreit.com



1. Which of the following best describes you?

- Employee
- Non-governmental organisation
- Customer
- Financial institution
- Investor
- Contractor
- Business partner
- Others
- Government
- Supplier
- Community

2. In which region do you reside?

- Asia
- UK
- South America
- Others
- Europe
- North America
- Middle East

3. How did you hear about this report?

- Company website
- Annual general meeting (AGM)
- Word of mouth
- Others
- Social media

4. Why did you choose to read this report? (Please select at most 3 options.)

- For research and education
- For an investment decision
- For greater understanding of Elite Commercial REIT's business

5. Please indicate your level of interest in the following topics.

	Not at all interested					Extremely interested
	1	2	3	4	5	
Climate Change	1	2	3	4	5	
Energy and GHG emissions	1	2	3	4	5	
Water	1	2	3	4	5	
Tenant Engagement	1	2	3	4	5	
Attracting and Retaining Talent	1	2	3	4	5	
Employee Development	1	2	3	4	5	
Diversity	1	2	3	4	5	
Regulatory Compliance	1	2	3	4	5	
Anti-Corruption	1	2	3	4	5	

6. In your opinion, does the report cover all material topics in a fair manner?

- Yes
- No

7. Please rate your satisfaction with the report design, with 1 star being unsatisfied and 5 star being totally satisfied.



8. Please rate your satisfaction with the clarity of the content, with 1 star being unsatisfied and 5 star being totally satisfied.



9. Please rate your satisfaction with the balance and credibility of the content, with 1 star being unsatisfied and 5 star being totally satisfied.



10. Any additional topics that Elite Commercial REIT should consider for our next report?