

# Sustainability Report



## BOARD STATEMENT

Dear Stakeholders,

The Board is pleased to present MIT's second annual sustainability report for FY17/18.

Global investors have started to recognise the importance of corporate sustainability and are increasingly integrating environmental, social and governance ("ESG") factors into their investment strategies. Accordingly, we are committed to managing relevant ESG risks and opportunities across our diversified portfolio to ensure the long-term resilience of our business, while contributing positively to the environment and society.

MIT's sustainability approach is aligned with its Sponsor, Mapletree Investments Pte Ltd (the "Mapletree Group"). The Board considers sustainability in its long-term strategy formulation and oversees the sustainability management strategies of the Manager. We are supported by the Sustainability Steering Committee ("SSC"), comprising the CEO of the Manager and representatives from the Sponsor's senior management team. The Board validated the material ESG factors according to stakeholders' concerns and their significance to the business, which were identified and prioritised by key representatives of the Manager and the Property Manager. In addition, we have set forth on how we manage our impact and measure our performance, as well as targets in these areas for the forthcoming financial year.

This report is aligned with the SGX-ST Listing Rules 711A and 711B and has been prepared in accordance with the Global Reporting Initiative ("GRI") Standards (2016): Core option.

We are pleased to report that we have made progress in advancing our sustainable practices in FY17/18. Over the last two years, we implemented numerous initiatives at The Strategy Business Park Building to reduce its environmental footprint. The chiller plant system was upgraded, which resulted in energy savings of about 27% (or approximately three million kWh) for the building. In February 2018, The Strategy was awarded the BCA Green Mark Gold<sup>Plus</sup> Award by BCA. In addition, overall portfolio average building electricity intensity reduced by 5.7% from 98.3 kWh/m<sup>2</sup> in FY16/17 to 92.7 kWh/m<sup>2</sup> in FY17/18, partly due to the energy-saving initiatives at The Strategy. The new 14-storey Hi-Tech Building, 30A Kallang Place was also conferred the BCA Green Mark Gold Award.

Our people are our greatest asset. For the year under review, we conducted the Mapletree Group Employee Engagement Survey with a response rate of 99%. This is part of the Mapletree Group-wide efforts to improve engagement by reviewing long-term people strategies and programmes.

We believe that it is our corporate responsibility to contribute towards the well-being of the communities in which we operate in. In FY17/18, 137 staff participated in Mapletree Group-led activities and supported beneficiaries in Singapore.

We will continue to refine our sustainability strategy through engagement with key stakeholders and implementation of new initiatives to achieve long-term resilience of our business and greater value for our stakeholders.

**Board of Mapletree Industrial Trust Management Ltd.**

## Sustainability Report



### ABOUT THIS REPORT

This report covers the sustainability performance of MIT and its properties located in Singapore for FY17/18 from 1 April 2017 to 31 March 2018, which the Manager has operational control<sup>1</sup>. It excludes data from the portfolio of 14 data centres in the United States acquired through a 40:60 joint venture with Mapletree Investments Pte Ltd on 20 December 2017. The majority of the data centres are on master leases, which limits the Manager's control over the energy and water usage within them. The report also includes the historical performance data for FY16/17 for comparison. There has not been any restatement of figures for data disclosed in previous years.

MIT publishes its sustainability report on an annual basis. This report has been prepared in accordance with the GRI Standards (2016): Core option and SGX-ST Listing Rules 711A and 711B. The GRI Standards are the most widely adopted global standards for reporting on a range of economic, environmental, social and governance factors.

The GRI Reporting Principles were used to define the report's content. This report is intended to:

- Communicate MIT's performance in relation to its impact on the environment and societies within which it operates. Details of the efforts and progress towards achieving MIT's sustainability goals have been included in the report;
- Promote accountability and strengthen MIT's relationships with key stakeholders. Pages 104 to 105 of the report outline MIT's engagement and communication with stakeholders;
- Identify ESG factors that are material to MIT's business. Pages 103 to 105 of the report outline MIT's materiality assessment process and its relevance to its stakeholders;
- Determine the boundaries of material ESG factors in order for its stakeholders to assess MIT's sustainability performance for the reporting period; and
- Present accurate, coherent and consistent information on the sustainability approach and initiatives to MIT's stakeholders in a timely manner.

The Manager welcomes any feedback on MIT's sustainability report, approach and performance. Please send your comments and suggestions to [ir\\_industrial@mapletree.com.sg](mailto:ir_industrial@mapletree.com.sg).

<sup>1</sup> The Manager is responsible for the environmental performance of the on-site premises and common areas of MIT's 75 properties. This excludes seven properties as well as 1 & 1A Depot Close, 30A Kallang Place and Mapletree Sunview 1, which are under development at the beginning of FY17/18, as well as the portfolio of 14 data centres in the United States.



## SUSTAINABILITY GOVERNANCE

The Manager’s sustainability management comes under the purview of the SSC. The SSC is co-led by the Sponsor’s Deputy Group CEO and the Head of Group Corporate Services & Group General Counsel. The SSC comprises the CEOs of the managers of all the four Mapletree Group sponsored REITs and other members of the Sponsor’s senior management team. Mr Tham Kuo Wei, Executive Director and CEO, represented the Manager in the committee for FY17/18. The SSC develops Mapletree Group’s sustainability management strategies and manages its performance.

The SSC is supported by the Sustainability Working Committee (“SWC”). The SWC comprises representatives across business units and functions, which implements, executes and monitors policies and procedures within the sustainability framework across the organisation.

MIT’s sustainability performance is benchmarked against Mapletree Group’s objectives and industry peers in order to identify areas for improvement. The SSC regularly reviews its management approach to determine if existing policies and measures are adequate to improve its future performance, and undertake necessary remedial actions to address any gaps.



## MATERIALITY ASSESSMENT

A formal group-wide materiality assessment exercise was conducted in FY16/17, which was facilitated by an independent consultant. Through a three-step process to identify, prioritise and validate material factors, key representatives from the Manager and the Property Manager evaluated a list of material factors against MIT’s stakeholders’ concerns and their significance to the business. The materiality assessment exercise was based on GRI’s principles and considered factors such as global and local emerging sustainability trends, material topics identified by industry peers and sustainability reporting frameworks.

A second workshop was held in FY17/18 to review the material ESG factors, which were subsequently presented and revalidated by the SSC and the Board. The material ESG factors in FY17/18 remained the same as those identified in FY16/17, with disclosure relating to marketing communications subsumed under the “Compliance with Laws and Regulations” section.

Sustainability Focus Areas	Material ESG Factors
<b>Economic</b> 	<b>1 Economic performance</b>
<b>Environmental</b> 	<b>2 Energy</b> <b>3 Water</b>
<b>Social</b> 	<b>4 Health and safety</b> <b>5 Talent retention</b> <b>6 Local communities</b>
<b>Compliance</b> 	<b>7 Anti-corruption</b> <b>8 Compliance with laws and regulations</b>

## Sustainability Report



### STAKEHOLDER ENGAGEMENT

The Manager has identified six key stakeholder groups that are critical to MIT's business and have significant impact on MIT's long-term business strategy. The Manager strives to engage the key stakeholder groups through various platforms, and their feedback is carefully considered in developing effective responses and informed commercial decisions. The table below summarises the approach towards stakeholder engagement.

Key Stakeholder	Forms of Engagement	Key Topics and Concerns	Relevant Material Factors
<b>Tenants</b>	<ul style="list-style-type: none"> <li>Marketing and Property Management hotlines</li> <li>Tenant Handbook and circulars</li> <li>On-site property managers for multi-tenanted buildings</li> <li>Meetings with key existing and new tenants</li> <li>Tenant engagement initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Well-managed industrial facilities</li> <li>Safe working environment</li> <li>Prompt response to feedback</li> <li>Environmentally sustainable buildings</li> <li>Responsible marketing communications</li> </ul>	<ul style="list-style-type: none"> <li>Health and safety</li> <li>Local communities</li> <li>Energy</li> <li>Water</li> <li>Compliance with laws and regulations</li> </ul>
<b>Investors (including analysts and media)</b>	<ul style="list-style-type: none"> <li>Announcements via SGXNET</li> <li>Email alerts to subscribers on MIT's announcements and updates</li> <li>Investor meetings, events and teleconferences</li> <li>Bi-annual analyst results briefings with "live" audio webcasts</li> <li>Annual general meetings</li> <li>Annual report</li> <li>MIT's website</li> </ul>	<ul style="list-style-type: none"> <li>Stable and sustainable distributions</li> <li>Viable long-term business strategy and outlook</li> <li>Timely and transparent reporting</li> <li>Good corporate governance</li> </ul>	<ul style="list-style-type: none"> <li>Economic performance</li> <li>Anti-corruption</li> <li>Compliance with laws and regulations</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Bi-annual communication sessions by senior management</li> <li>Mapletree Group Employee Engagement Survey</li> <li>Training programmes and education sponsorships</li> <li>Recreation Club activities and staff volunteering activities</li> <li>Employee Handbook</li> </ul>	<ul style="list-style-type: none"> <li>Equitable reward and recognition</li> <li>Good communication of business strategies and corporate objectives</li> <li>Training and development</li> <li>Safe and healthy working environment</li> </ul>	<ul style="list-style-type: none"> <li>Economic performance</li> <li>Talent retention</li> <li>Health and safety</li> </ul>

Key Stakeholder	Forms of Engagement	Key Topics and Concerns	Relevant Material Factors
<b>Regulators and trustee</b>	<ul style="list-style-type: none"> <li>• Meetings, briefings and regular reporting</li> <li>• Responses to public consultations</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance with rules and regulations</li> <li>• Good corporate governance</li> </ul>	<ul style="list-style-type: none"> <li>• Anti-corruption</li> <li>• Compliance with laws and regulations</li> </ul>
<b>Third-party service providers</b>	<ul style="list-style-type: none"> <li>• Regular meetings with key service providers</li> <li>• Communicate standard operating procedures</li> </ul>	<ul style="list-style-type: none"> <li>• Safe working environment</li> <li>• Fair and reasonable business practices</li> </ul>	<ul style="list-style-type: none"> <li>• Health and safety</li> </ul>
<b>Community</b>	<ul style="list-style-type: none"> <li>• Collaborate with non-profit organisations</li> <li>• Support tenants' CSR initiatives where possible</li> <li>• Provide feedback channels for ongoing development projects</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate philanthropy and engagement</li> <li>• Stronger landlord-tenant relationships</li> <li>• Manage impact of development projects on surrounding neighbourhoods</li> </ul>	<ul style="list-style-type: none"> <li>• Local communities</li> </ul>



## ECONOMIC

The long-term economic viability of MIT's business is of significant importance to its stakeholders. The Manager strives to deliver sustainable and growing returns to Unitholders through a three-pronged strategy of proactive asset management, value-creating investment management

and prudent capital management. Details of MIT's financial and operational performances for FY17/18 are disclosed in the following sections of this Annual Report: Operations Review (pages 32 to 41), Financial Review (pages 74 to 76) and Financial Statements (pages 125 to 197).



## Sustainability Report



### ENVIRONMENT

The Manager and the Property Manager strive to reduce the environmental footprint of MIT's operations by incorporating various eco-efficient initiatives into its business and encouraging stakeholders to play a part. This is vital to MIT's operations as the effective use of environmental resources such as energy and water improves operational efficiency and provides a conducive work environment for tenants and staff.

The Manager and the Property Manager continue to participate in the Sponsor's "Mapletree Goes Green" initiative. Employees are encouraged to adopt environmentally friendly measures in their work practices, such as using refillable

water bottles and printing on both sides of paper. Recycling bins for paper and plastic are installed to reduce waste and encourage recycling.

The Manager and the Property Manager also supported Earth Day to raise awareness on climate change and demonstrate support for environmental protection. On 22 April 2017, MIT's three Business Park Buildings and its corporate office marked the annual event by switching off all façade lightings and increasing the air-conditioning temperature for common areas by one degree Celsius. Tenants were also encouraged to participate in this movement.



### SUSTAINABLE BUILDINGS

Monthly Group Property Management engineering forums are organised to discuss ongoing applications or renewals of green building certifications for MIT's properties. Properties with centralised air-conditioning systems are prioritised to achieve Green Mark certifications as energy consumed by air-conditioning systems comprise a high proportion of the total energy consumption in a building. All tenants of Green Mark

buildings are provided with Green Building Guides, which outline the action plans for waste recycling, energy and water conservation.

The Manager and the Property Manager strive to achieve BCA Green Mark certifications for MIT's new developments. The new 14-storey Hi-Tech Building, 30A Kallang Place, incorporated environmental considerations in its design, construction and operations. It was awarded the BCA Green Mark Gold Award for New Non-Residential Buildings in recognition of its environmentally friendly features:

- Permanent measuring instruments for monitoring of the water efficiency of water-cooled chillers
- Carbon dioxide sensors to regulate outdoor air flow rate. This will control the amount of fresh air supplied and reduce the energy consumption without compromising the indoor air quality.
- Mechanically ventilated common areas and car park to improve indoor environment
- Lifts with Variable Voltage Variable Frequency inverter and sleep mode control features



30A Kallang Place achieved the BCA Green Mark Gold Award.

Such efforts are in line with BCA's third Green Building Masterplan to accelerate the 'greening' of existing buildings.

### Environmental Awards in FY17/18

Property	Property Segment	Award
30A Kallang Place	Hi-Tech Building	BCA Green Mark Gold
The Strategy	Business Park Building	BCA Green Mark Gold <sup>Plus</sup>

### ENERGY



#### Target

Reduce average building electricity intensity by 1% for the existing portfolio<sup>2</sup> year-on-year, from the base year of FY17/18

Energy use and its associated greenhouse gas (“GHG”) emissions pose a significant threat to the environment, given the role of GHG emissions in global warming. Singapore has put in place measures to reduce its GHG emissions in line with its commitment to reduce its emissions intensity by 36% from 2005’s levels by 2030.

Industrial properties consume energy from the use of electricity for lightings, air-conditioning systems and lifts. Therefore, the Manager and the Property Manager aim to reduce GHG emissions by improving the energy performance and efficiency of MIT’s properties.

The Property Manager monitors utility consumption on a monthly basis to determine consumption patterns and identify energy saving opportunities. It submits the electricity

consumption data and other building-related information of selected properties to BCA annually, which forms the basis for energy consumption monitoring and national benchmarking for buildings in Singapore.

Numerous initiatives have been undertaken to incorporate environmentally sustainable practices into property management operations. These included the installation of energy efficient lighting, motion sensors as well as alternate light circuits and timers for lighting control to reduce energy consumption. Tenants’ fit-out designs are reviewed by the Property Manager to ensure they comply with the properties’ power density limit.

MIT’s properties’ electricity usage is supplied by two utility service providers – Tuas Power Supply Pte. Ltd. and SP Group.

	Unit of Measure	FY17/18	FY16/17
Reporting MIT properties	Number of clusters	<b>33</b>	33
	Number of properties	<b>75</b>	75
Common area <sup>3</sup>	Square metres (“m <sup>2</sup> ”)	<b>451,560</b>	450,560
Total building electricity consumption	Million kilowatt hours (“kWh”)	<b>41.9</b>	44.3
Average building electricity intensity	kWh/m <sup>2</sup>	<b>92.7</b>	98.3
Total building GHG emissions	Tonnes carbon dioxide equivalent (“CO <sub>2</sub> e”)	<b>17,761<sup>4</sup></b>	19,094
Average building GHG emissions intensity	Tonnes CO <sub>2</sub> e/m <sup>2</sup>	<b>0.0393</b>	0.0424

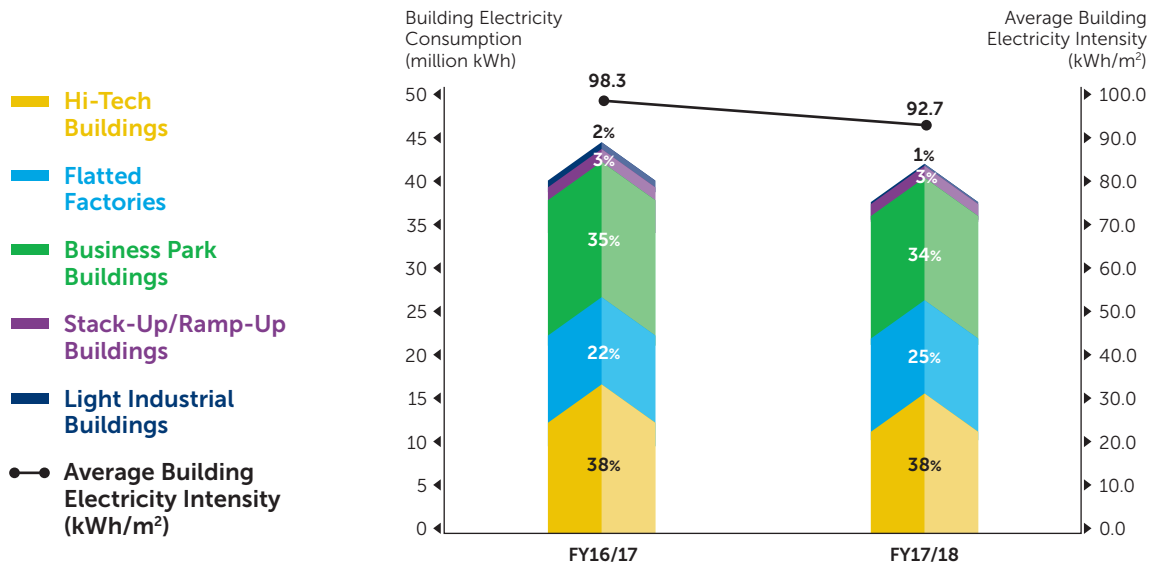
<sup>2</sup> Based on completed properties with operational control at the beginning of FY17/18, which excludes 1 & 1A Depot Close, 30A Kallang Place and the portfolio of 14 data centres in the United States.

<sup>3</sup> Computation is based on the difference between GFA and NLA.

<sup>4</sup> Total building GHG emissions was calculated using a conversion factor of 0.4244 kg CO<sub>2</sub>/kWh – Singapore’s average Operating Margin Grid Emission Factor in 2016. Source: Energy Market Authority.

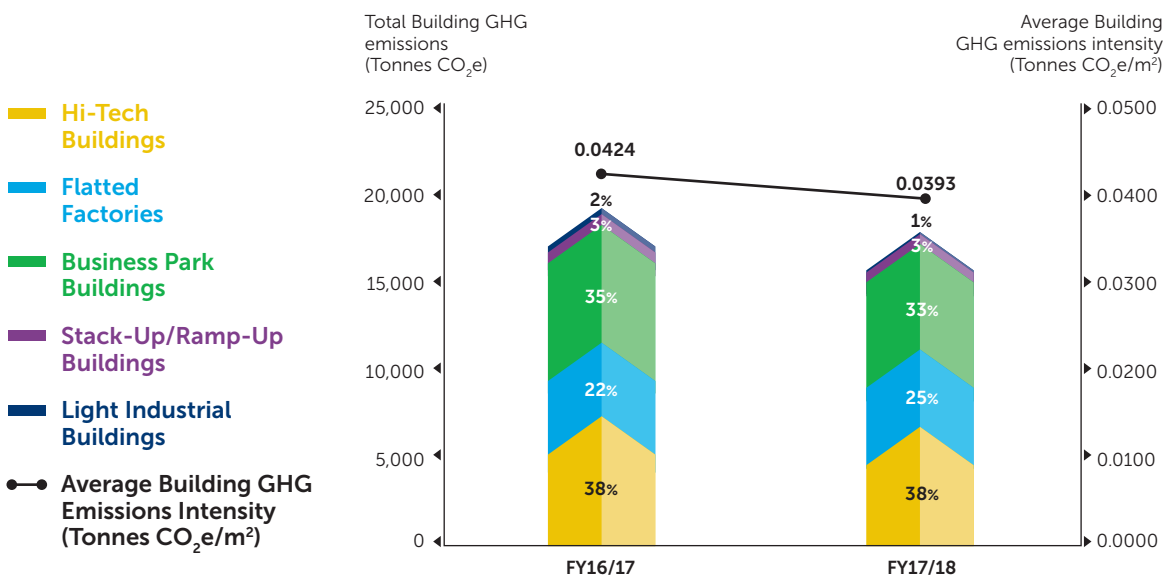
## Sustainability Report

### TOTAL BUILDING ELECTRICITY CONSUMPTION AND AVERAGE BUILDING ELECTRICITY INTENSITY



The total building electricity consumption of MIT's properties in FY17/18 was 41.9 million kWh, a decrease of 5.4% compared to the total of 44.3 million kWh in FY16/17. Correspondingly, the average building electricity intensity reduced by 5.7% from 98.3 kWh/m<sup>2</sup> in FY16/17 to 92.7 kWh/m<sup>2</sup> in FY17/18. These were due to the upgrading of the chiller plant system at The Strategy, as well as energy savings from ongoing energy efficiency initiatives.

### TOTAL BUILDING GHG EMISSIONS AND AVERAGE BUILDING GHG EMISSIONS INTENSITY



The total building GHG emissions of MIT's properties in FY17/18 were 17,761 tonnes CO<sub>2</sub>e, a decrease of 7.0% compared to the total of 19,094 tonnes CO<sub>2</sub>e in FY16/17. The average building GHG emissions intensity reduced by 7.3% from 0.0424 tonnes CO<sub>2</sub>e/m<sup>2</sup> in FY16/17 to 0.0393 tonnes CO<sub>2</sub>e/m<sup>2</sup> in FY17/18.



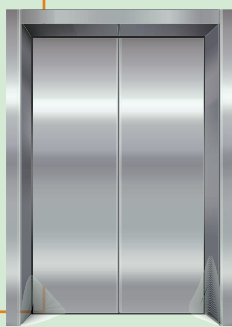


**THE STRATEGY – BCA GREEN MARK GOLD<sup>PLUS</sup>**

Over the last two years, numerous initiatives were introduced at The Strategy to reduce its environmental footprint. In February 2018, The Strategy received the BCA Green Mark Gold<sup>PLUS</sup> Award for Existing Non-Residential Buildings.

**Energy Saving Initiatives**

- Upgrading of the Building Management System
- Upgrading of the chiller plant system, which resulted in an improvement in average performance of 0.62 kilowatt per refrigeration ton. This reduced energy consumption by 27% (or approximately three million kWh)
- Equipping lifts with Variable Voltage Variable Frequency inverter and sleep mode control features
- Installing carbon monoxide sensors in enclosed car park to control the ventilation fans



**Water Conservation Initiatives**

- Achieved Water Efficient Building (“WEB”) certification by Public Utilities Board (“PUB”)



**Sustainable Operation and Management**

- Placing recycling bins at easily accessible locations around the building to encourage tenants to recycle
- Designated parking lots for hybrid and electric vehicles as well as bicycles



The Strategy received the BCA Green Mark Gold<sup>PLUS</sup> Award for Existing Non-Residential Buildings.

## Sustainability Report

### WATER



#### Target

Complete WEB certifications for remaining property clusters, which the Manager has operational control (1 & 1A Depot Close, 30A Kallang Place and 45 Ubi Road 1)

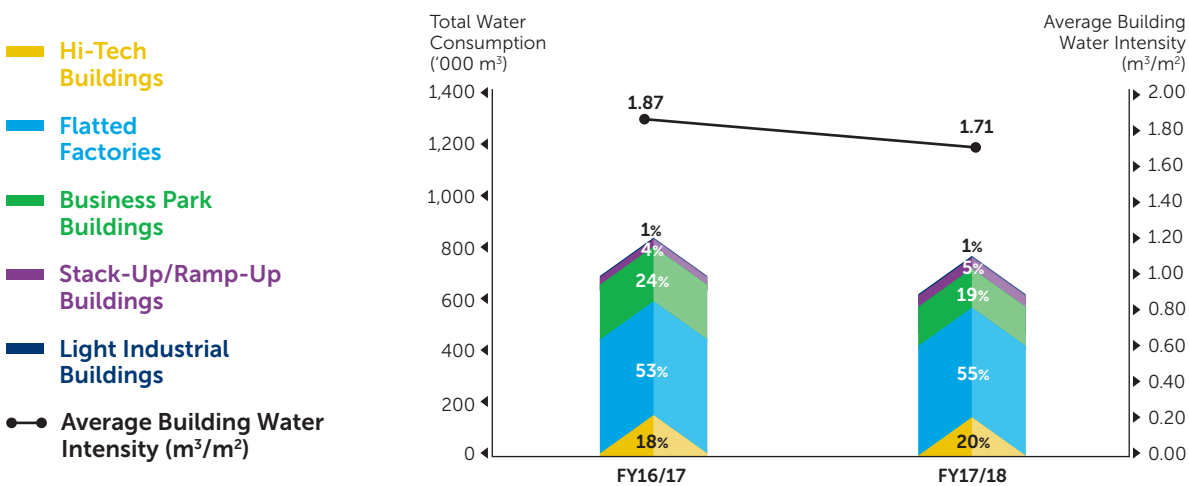
Water is a scarce and precious resource in Singapore. The Manager is committed to the sustainable use of water and continuous improvement in water management.

The Manager and the Property Manager strive to reduce the total water consumption and average building water intensity across MIT's properties. They have implemented several water-saving initiatives, such as using low flush water systems and water efficient taps, installing motion sensor water faucets and adopting recommended water flow rates across MIT's properties. Through these initiatives, Woodlands Central and 19 Changi South Street 1 Clusters received the WEB certifications issued by PUB in FY17/18. To date, 33 clusters within MIT's portfolio had been awarded the WEB certifications. MIT had also received the Friends of Water certification award from PUB, in recognition of its efforts towards water conservation.

The Property Manager tracks and monitors the water consumption for common areas of all properties on a regular basis. It also conducts periodic checks on water supply facilities as well as executes timely repairs and regular maintenance to resolve water leakage issues. In previous years, additional water meters have also been installed to improve monitoring of water consumption and minimising water wastage within the premises.

As part of its continuing efforts towards responsible water stewardship, the Manager strives to attain WEB certifications for the remaining property clusters, which the Manager has operational control - 1 & 1A Depot Close, 30A Kallang Place and 45 Ubi Road 1. Initiatives to enhance staff awareness and tenant involvement will also be rolled out to promote sustainable water use.

### TOTAL WATER CONSUMPTION AND AVERAGE BUILDING WATER INTENSITY



The total water consumption of MIT's properties in FY17/18 was 770,091m<sup>3</sup>, a decrease of 8.4% compared to the total of 841,091m<sup>3</sup> in FY16/17. The average building water intensity was 1.71m<sup>3</sup>/m<sup>2</sup> in FY17/18, compared to 1.87m<sup>3</sup>/m<sup>2</sup> in FY16/17. In April 2017, toilets for 13 property clusters were upgraded, which included the installation of sanitary fittings that comply with the Singapore Standard CP48: Code of Practice for Water Services and Mandatory Water Efficiency Labelling.

Water used in MIT's properties was drawn mainly from PUB. High-grade reclaimed water, also known as NEWater was used for the cooling tower at K&S Corporate Headquarters Hi-Tech Building. The usage of recycled water represented about 17% of the water supply from the Hi-Tech Buildings segment in FY17/18.



**SOCIAL**

The following sections outline the efforts in ensuring the health and safety of users within MIT’s properties, enhancing the development and personal well-being of the employees and supporting local communities.

**HEALTH AND SAFETY**





**Target**

Achieve zero incidents resulting in employee<sup>5</sup> permanent disability or fatality



The Manager and the Property Manager are committed to providing a safe and healthy environment for all employees, tenants, third-party service providers and visitors at all times.

**OVERVIEW OF HEALTH AND SAFETY POLICIES AND PROCEDURES**

Stakeholder	Policies and Procedures
Employees 	Health-related programmes are organised at the premises to promote employee health, wellness and safety. Health and safety policies for employees are outlined in the Employee Handbook.
Tenants 	<p>Instructional manuals are provided to tenants to ensure that they adopt and comply with health and safety standards. They include a Fit-out Manual, which details clauses on safety rules for additions and alterations works, a Fire Safety Manual and Evacuation Plan as well as a Tenant Handbook, which contains clauses on safety rules.</p> <p>Fire and evacuation drills are conducted bi-annually to ensure that all tenants are familiar with the emergency response plan. Regular communications in the form of circulars are issued to tenants as and when heightened security and health risk arises such as during terrorist threats and haze situations. Fire safety advisories are sent to tenants to minimise potential hazards during the period of the Hungry Ghost Festival.</p> <p>Site walkabouts are carried out by employees of the Property Manager every working day to ensure that there are no potential safety and health hazards.</p> <p>Tenants are encouraged to adopt environmentally friendly practices and limit the use of items that will negatively affect the indoor air quality.</p> <p>Standard operating procedures for hot works are in place to ensure that cutting and welding operations are managed and proper actions are taken to prevent loss and damages due to fire caused by hot works.</p>

<sup>5</sup> Relates to employees from the Manager and the Property Manager.

## Sustainability Report

Stakeholder	Policies and Procedures
Third-Party Service Providers 	Requirements on health and safety standards are embedded within the screening and selection criteria for the engagement of third-party service providers. Appointed service providers are required to abide by the specific health and safety policies set within the terms and conditions of their service contracts.
Visitors 	Site walkabouts are carried out by employees of the Property Manager every working day to ensure that there are no potential safety and health hazards.  Properties have sufficient directional signages, emergency exits and emergency lightings for the safety of visitors. Annual checks of lifts and fire alarm systems are conducted to ensure compliance with building regulations.

The Manager and the Property Manager have put in place standard operating procedures for effective response from emergency situations in the workplace. They have also established a reporting protocol in the event of serious construction accidents occurring at any of the development sites, in adherence to the Ministry of Manpower (“MOM”)’s reporting requirements on workplace incidents.

Bi-annual fire and evacuation drills are conducted at all MIT’s properties. The Property Manager conducts fire safety audits of MIT’s properties and ensures that safety

equipment and tools, such as sprinkler systems, hose reels, emergency lighting, alarms, pumps and smoke vents are regularly inspected and maintained. Annual risk assessments and regular inspections and maintenance of lifts, escalators and stairwells at all MIT’s properties are carried out to ensure the safety of tenants and visitors. The Property Manager will continue to monitor the health and safety performance of third-party service providers through regular spot checks to ensure their adherence to occupational health and safety laws and regulations.



### MINIMISING RISK AND SECURING SAFETY

In February 2018, MIT has embarked on a lift upgrading programme to progressively replace lifts for 27 property clusters. To ensure safety and reliability of use for tenants and visitors at MIT’s properties, the programme will include total replacement and comprehensive maintenance of lifts, as well as the use of technologies for predictive maintenance. The lift upgrading programme is part of MIT’s ongoing building improvement works to ensure that the properties remain safe and accessible for tenants and visitors. To-date, the building improvement works comprise the upgrading of toilets and lift lobbies, as well as the conversion of common area to breakout spaces.



Newly renovated lift lobby and breakout spaces at Serangoon North Cluster.

Employees of the Property Manager are encouraged to participate in relevant health and safety courses, which include topics relating to occupational first aid, fire safety manager and Work at Height safety. They are also trained to carry out risk assessments for the various works to be performed by contractors and ensure safety measures are in place before the commencement of works.

In November 2017, the Mapletree Group introduced the Mental Health First Aid programme as part of the Care Buddy Scheme initiative. Employees are encouraged to participate and volunteer as mental health First Aiders in

order to build their mental health resilience. Staff volunteers also receive training in providing emotional support to colleagues in crisis.

As at 31 March 2018, there were no incidents that required recording or reporting to MOM. Health and safety performance data by region and gender and information on types of injury, occupational disease rate and absentee rate were not applicable to the organisation as they were not deemed to be significant. There were no reported work-related fatalities and permanent disability as well as no incidents of non-compliance with health and safety regulations in FY17/18.

## TALENT RETENTION



### Targets

Continue to commit to fair employment practices by ensuring our hiring process remains stringent and offering equal opportunity to all potential candidates

Maintain a wide range of relevant learning and professional development programmes

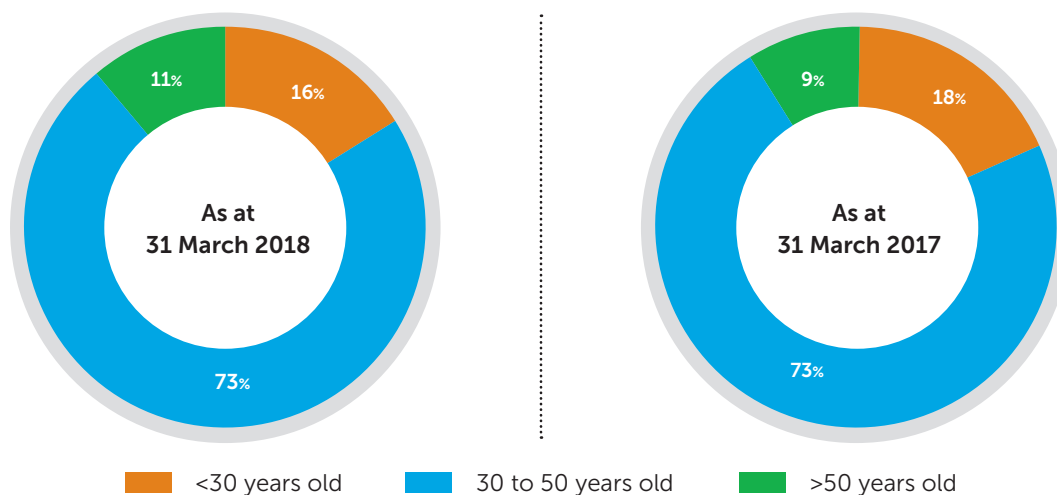
As wholly-owned subsidiaries of the Sponsor, the Manager and the Property Manager share a common objective of creating an inclusive workplace that provides equal opportunities, talent development, competitive compensation and employee wellness. The Sponsor has in place an integrated human capital strategy to attract, develop and retain employees, which is vital to the success of the Mapletree Group. Its employment practices adhere strictly to local labour laws while its human resource policies are underpinned by stringent principles of fair employment and equal opportunities. All employees have

access to the Employee Handbook, which contains all human resource policies such as hiring, equal opportunity and learning and development.

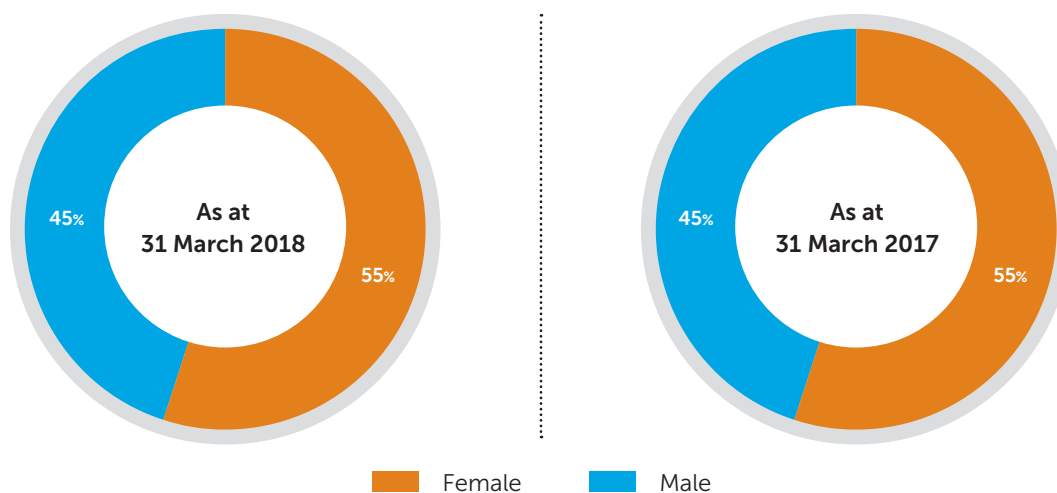
The Sponsor strives to attract potential talents through various platforms such as the Mapletree Associate Programme, Mapletree Executive Programme and Mapletree Internship Programme. These platforms seek to recruit motivated individuals at different points in their careers, ranging from undergraduates, graduates and mid-career professionals who are interested to enter the real estate industry.

## Sustainability Report

### EMPLOYEE DIVERSITY BY AGE



### EMPLOYEE DIVERSITY BY GENDER



The Sponsor collates and monitors the human resources data annually. As at 31 March 2018, the Manager and the Property Manager had 170 employees who were based in Singapore. This was comparable to 168 employees in the preceding financial year. The average monthly turnover rate was 1.3% while the average monthly new hire rate was 1.3% in FY17/18.

The majority of the employees were within the age group of 30 to 50 years old. Female and male employees accounted for 55% and 45% of the workforce respectively. The profiles of employee diversity by age and gender remained stable as compared to the preceding financial year.

## People Development

The Sponsor promotes an active approach to learning and invests in learning and development initiatives to equip employees with the competencies and skills to excel in their roles. There are various training programmes aimed at different levels of organisation such as the Mapletree Leadership Programme and Mapletree Performance Management workshops. Employees are encouraged to participate in various functional and technical training programmes in areas ranging from market updates, leadership, performance management and customer service training. Educational sponsorships are also available to encourage eligible employees to further certified learning on a part-time basis through the co-payment of course fees and learning materials. Quarterly immersion programmes are organised for new hires to understand more about the organisation and business.

The Manager and the Property Manager actively engage employees through the Industrial Communications Forum, which is a bi-annual town hall event that provides

opportunities for employees to interact with the senior management team.

In FY17/18, the Mapletree Group Employee Engagement Survey was conducted to gain valuable feedback and identify areas of improvement from employees, with a response rate of 99%. The Manager and the Property Manager organised a town hall meeting to share the survey results. Moving forward, the Manager and the Property Manager will be developing and implementing action plans to address the areas of improvements identified in the survey.

To ensure continuous development and ensure fair appraisal, the Sponsor has a robust performance appraisal system in place. This enables employees to communicate their development goals and help them to recognise gaps in performance and areas of improvement. The e-Performance Appraisal system aligns evaluation practices across the Mapletree Group as well as tracks key performance indicators and employees' personal development.

## Employee Well-being

The Sponsor promotes a positive and engaging work environment. The Recreation Club organises activities to promote employee interaction and family cohesiveness. Activities held in FY17/18 included movie screenings, Eat with Your Family Day, Durian Fest, Mapletree Universal Studios Singapore Day Out 2017 as well as Chinese New Year Cookies Giveaway. Corporate passes to selected Singapore attractions are made available for reservations to employees.

The Sponsor organises monthly futsal sessions and partners with the Health Promotion Board to run a series of workplace

health promotion programmes for all employees. The Workplace Health Promotion series was also extended to tenants at Mapletree Business City, which included an annual health screening session, a blood donation drive, lunch talks on lifestyle topics and monthly fitness programmes.

The Sponsor's Mapletree Education Award ("EduAward") recognises the academic achievements of the children of Singapore-based employees. The EduAward, comprising cash awards ranging from S\$150 to S\$500, is given out twice a year, with 66 awards distributed in FY17/18.



The Sponsor's Mapletree EduAward recognises the academic achievements of the children of Singapore-based employees.

## Sustainability Report

### LOCAL COMMUNITIES



#### Target

Encourage employee participation in Mapletree-led CSR events

The Manager strives to deliver positive socio-economic benefits to the local communities by supporting programmes that are aligned with the Sponsor's CSR programme.



### MAPLETREE SHAPING & SHARING PROGRAMME

The Mapletree Shaping & Sharing Programme is a group-wide framework directed at achieving greater impact through a focused CSR approach and encompasses four pillars of support – education, the arts, healthcare and the environment. It is guided by two broad objectives of empowering individuals through supporting educational and healthcare initiatives, as well as enriching communities with the arts and functional design, and building environmentally sustainable real estate developments. A five-member CSR Board Committee, comprising Mapletree Group's chairman, two Board representatives from the four REITs (rotated on a two-year basis), and senior management, provides strategic oversight of the Programme. Ms Mary Yeo, Independent Non-Executive Director, represented the Manager in the committee for FY17/18.

All proposed community involvement initiatives are assessed against the Mapletree CSR framework. Activities with definable social outcomes and longer term engagement, as well as staff volunteerism opportunities are prioritised.

The Sponsor aligns business performance with its CSR efforts by setting aside S\$1 million annually to fund CSR commitments and programmes. This will increase to S\$2 million when the Mapletree Group's profit after tax and minority interests for the year exceeds S\$300 million.



#### 1. Empowering Individuals

- Education
- Healthcare



#### 2. Enriching Communities

- Environment
- Arts



### Encouraging Staff Volunteerism

The Manager and the Property Manager strongly believe that corporate giving should extend beyond philanthropy and advocate staff to support meaningful projects and causes. In FY17/18, 137 employees from the Manager and the Property Manager participated in Mapletree-led CSR events.



#### MAKE A WISH COME TRUE

In December 2017, the Manager and the Property Manager jointly organised the “Make a Wish Come True” initiative for the third consecutive year. The initiative garnered strong support from tenants at eight property clusters and staff volunteers who fulfilled 309 wishes for families and children from the Beyond Social Services and Pertapis Children’s Home. Staff volunteers also participated in the delivery of items to the beneficiaries.



Staff volunteers delivered presents to Pertapis Children’s Home.



#### FOOD DRIVE 2018

As part of the community outreach, the Manager and the Property Manager organised a food drive to deliver food items to beneficiaries from Thye Hua Kuan Family Service Centre @ Tanjong Pagar. About S\$8,000 was raised for the food drive, benefiting 200 families and individuals in need.



Staff volunteers participated in the Food Drive 2018.

### Serving the Community

The Manager and the Property Manager organised numerous initiatives to raise awareness and stakeholder involvement. In partnership with SME Centre @ Singapore Manufacturing Federation (SME Centre @ SMF), seminars on “Fast Innovation & Digital Transformation” and “Rise to New Business Heights” were held for SME to drive customer satisfaction through the use of digital technology and to drive productivity through innovation.



MIT and SME Centre @ SMF held seminars for SME to drive customer satisfaction through the use of digital technology and to drive productivity through innovation.

## Sustainability Report

For the second consecutive year, the Healthy Workplace Ecosystem was launched to promote healthy and active lifestyle among the working population within the Kallang Basin and Serangoon North Clusters. In FY17/18, the programme was extended to three additional property clusters – The Strategy, The Synergy and Woodlands Spectrum Cluster. In collaboration with the Health Promotion Board, a series of free health screenings, one-to-one health coaching, physical activities and lunchtime workshops were held. Special roadshows such as the Health Promotion Board's National Steps Challenge were organised whereby free step trackers were distributed to encourage the adoption of an active lifestyle. Canteen operators also supported the programme by reviewing their menus to provide healthier food and drink options.



The Healthy Workplace Ecosystem was launched to promote healthy and active lifestyle among the working population at several MIT property clusters.

### Community Feedback

The Manager and the Property Manager strive to develop a structured feedback platform to gather inputs from the local communities on improving the social and environmental impacts of its business activities. Presently, tenants can contact on-site representatives of the Property Manager and members of the public are welcome to provide feedback via the corporate website email. For clusters undergoing development or building improvement works, tenants are informed about the progress through the display of circulars on project details and construction schedules at the common areas.

### Memberships

The Manager and the Property Manager hold memberships in several industry organisations and collaborate with them to strengthen relationships among tenants and prospective clients. These include the Association of Small and Medium Enterprises, Singapore Chinese Chamber of Commerce and Singapore International Chamber of Commerce. As a member of REITAS, the Manager participated in several investor outreach events such as the REITs Symposium and the SGX-REITAS Webinar: MIT's Investor Presentation. Such events helped to promote the growth of the REIT industry in Singapore.



Participation at the REITs Symposium 2017.



## GOVERNANCE

The Manager conducts MIT's business responsibly and in compliance with all applicable laws and regulations, which is integral for the long-term sustainability of its business. The Sponsor is firmly opposed to bribery and corruption, and has zero tolerance against such activities in MIT's operations.

### COMPLIANCE WITH LAWS AND REGULATIONS



#### Target

Achieve no material incidences of non-compliance with relevant laws and regulations

The Manager upholds a high standard of corporate governance and transparency in MIT's business. Details of the corporate governance framework and practices can be found on pages 79 to 94 of this Annual Report.

The Manager adheres to information security policies and procedures implemented by the Sponsor. It has taken measures to ensure that sensitive personal data is handled

appropriately, including incorporating confidentiality clauses into all tenancy agreements.

Directors and employees of the Manager are constantly kept up to date with the developments in laws and regulations that are relevant to MIT's business through regular trainings.

There were no material incidences of non-compliance with relevant laws and regulations.

### ANTI-CORRUPTION



#### Target

Maintain zero incidences of non-compliance with anti-corruption laws and regulations

Employees are subject to and required to comply with Mapletree Group's policies and procedures at all times, which include policies on ethics and code of conduct, attendance, safe work practices and professional conduct. The Manager will take appropriate disciplinary action including termination against any employee, who is found guilty of fraud, dishonesty or criminal conduct in relation to his/her employment.

This zero-tolerance approach is set out in the code of conduct and is reflected in Mapletree Group's policies. The Employee Handbook contains specific guidance on anti-corruption practices – such as the prohibition of bribery, acceptance or offer of lavish gifts and entertainment. A whistle-blowing policy has been established to allow employees and stakeholders to raise any serious concerns about a danger, risk, malpractice or wrongdoing in the

workplace. Reports can be made via a dedicated email address ([reporting@mapletree.com.sg](mailto:reporting@mapletree.com.sg)). Any reporting concerning the Mapletree Group or the Manager is notified to the AC's Chairman of the Sponsor as well as the AC's Chairman of the Manager for investigation. The findings are subsequently reported to the AC of the Manager.

The Mapletree Group has established procedures to monitor and manage the risk of non-compliance with laws and regulations, including the anti-money laundering policy. Cases of threatened or pending litigation are brought to the immediate attention of the CEO of the relevant business unit as well as the Head of Group Corporate Services and Group General Counsel for timely resolution. To ensure compliance, directors and employees are notified before the start of any trading ban period when dealing in MIT units.

## Sustainability Report

### Marketing Communications

The Manager is committed to complying with laws and regulations relating to the dissemination of marketing collaterals and Unitholder's communications. All of MIT's marketing collaterals and communications are reviewed for adherence to laws and standards, such as the Singapore Code of Advertising Practice and the Personal Data Protection Act. A clause is included in all tenancy agreements to ensure that tenants adhere to the relevant laws and regulations on marketing communications and advertisement placements within MIT's properties.

The Manager strives for transparency, accuracy and timeliness in its communications with Unitholders. All information and documents relating to Unitholder's communications, including SGX's announcements, press releases, website updates and annual reports are reviewed for compliance with SGX's and MAS' regulations before issuance. The Manager also engages MIT's investors regularly through annual general meetings, non-deal roadshows, conferences, meetings and conference calls.

There were no incidents of non-compliance with marketing communications and anti-corruption laws during this reporting period.



Engagement with Unitholders at MIT's seventh Annual General Meeting.



GRI CONTENT INDEX

GRI Standards (2016)		Notes/Page number(s)
<b>General Disclosures</b>		
<b>Organisational Profile</b>		
102-1	Name of the organisation	Mapletree Industrial Trust; Corporate Profile, Page 1
102-2	Activities, brands, products, and services	Corporate Profile, Page 1
102-3	Location of headquarters	Corporate Directory, Page 209
102-4	Location of operations	Corporate Profile, Page 1
102-5	Ownership and legal form	Corporate Profile, Page 1; Organisation, Corporate and Trust Structures, Page 21
102-6	Markets served	Corporate Profile, Page 1
102-7	Scale of the organisation	Corporate Profile, Page 1; Talent Retention, Pages 113 – 115; Financial Statements, Pages 125 – 197
102-8	Information on employees and other workers	Talent Retention, Pages 113 – 115  Data was compiled from the Human Resource database, and excluded full-time and part-time employees on less than one-year contract. As the number of part-time employees is not significant to the operations as a whole, employee data was presented in totality, instead by the breakdown by employment type.  MIT does not have a significant portion of its activities being carried out by workers who are not employees. Certain property management functions were outsourced to third party service providers.  MIT did not have any significant variation in employment numbers.
102-9	Supply chain	Supply chain activities are minimal and insignificant to report on.
102-10	Significant changes to organisation and its supply chain	Significant Events, Page 10
102-11	Precautionary principle or approach	MIT and Mapletree Group do not specifically address the principles of the precautionary approach.
102-12	External initiatives	MIT does not subscribe to or endorse to any external initiatives.
102-13	Membership of associations	Memberships, Page 118
<b>Strategy</b>		
102-14	Statement from senior decision-maker	Board Statement, Page 101

## Sustainability Report

GRI Standards (2016)		Notes/Page number(s)
<b>General Disclosures</b>		
<b>Ethics and Integrity</b>		
102-16	Values, principles, standards, and norms of behaviour	Strategic Direction, Page 11
<b>Governance</b>		
102-18	Governance structure	Corporate Governance, Pages 79 – 94; Sustainability Governance, Page 103
<b>Stakeholder Engagement</b>		
102-40	List of stakeholder groups	Stakeholder Engagement, Pages 104 – 105
102-41	Collective bargaining agreements	No collective bargaining agreements are in place.
102-42	Identifying and selecting stakeholders	Stakeholder Engagement, Pages 104 – 105
102-43	Approach to stakeholder engagement	Stakeholder Engagement, Pages 104 – 105
102-44	Key topics and concerns raised	Stakeholder Engagement, Pages 104 – 105
<b>Reporting Practice</b>		
102-45	Entities included in the consolidated financial statements	Financial Statements, Pages 125 – 197
102-46	Defining report content and topic Boundaries	About This Report, Page 102; Materiality Assessment, Page 103
102-47	List of material topics	Materiality Assessment, Page 103
102-48	Restatements of information	About This Report, Page 102
102-49	Changes in reporting	Materiality Assessment, Page 103
102-50	Reporting period	About This Report, Page 102
102-51	Date of most recent report	The Annual Report/Sustainability Report 2016/2017 was published on 29 June 2017.
102-52	Reporting cycle	About This Report, Page 102
102-53	Contact point for questions regarding the report	About This Report, Page 102
102-54	Claims of reporting in accordance with GRI Standards	About This Report, Page 102
102-55	GRI content index	GRI Content Index, Pages 121 – 124
102-56	External assurance	MIT has not sought external assurance on this report but may do so in the future.

GRI Standards (2016)		Notes/Page number(s)
<b>Management Approach</b>		
103-1	Explanation of the material topic and its Boundary	Sustainability Governance, Page 103; Materiality Assessment, Page 103;
103-2	The management approach and its components	Stakeholder Engagement, Pages 104 – 105; Energy, Pages 107 – 109; Water, Page 110;
103-3	Evaluation of the management approach	Health and Safety, Pages 111 – 113; Talent Retention, Pages 113 – 115; People Development, Page 115; Local Communities, Pages 116 – 118; Governance, Pages 119 – 120; Marketing Communications, Page 120; Financial Statements, Pages 125 – 197
<b>Material Topics</b>		
<b>Economic Performance</b>		
201-1	Direct economic value generated and distributed	Financial Statements, Pages 125 – 197
<b>Anti-corruption</b>		
205-3	Confirmed incidents of corruption and actions taken	Governance, Pages 119 – 120
<b>Energy</b>		
302-1	Energy consumption within the organisation	Energy, Pages 107 – 108
302-3	Energy intensity	Energy, Pages 107 – 108
<b>Water</b>		
303-1	Water withdrawal by source	Water, Page 110
<b>Employment</b>		
401-1	New employee hires and employee turnover	Talent Retention, Pages 113 – 115
<b>Occupational Health &amp; Safety</b>		
403-2	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Health and Safety, Pages 111 – 113
<b>Training and Education</b>		
404-2	Programmes for upgrading employee skills and transition assistance programmes	People Development, Page 115

## Sustainability Report

GRI Standards (2016)		Notes/Page number(s)
<b>Material Topics</b>		
<b>Local Communities</b>		
413-1	Operations with local community engagement, impact assessments, and development programs	Stakeholder Engagement, Pages 104 – 105; Local Communities, Pages 116 – 118
<b>Customer Health and Safety</b>		
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Health and Safety, Pages 111 – 113
<b>Marketing and Labelling</b>		
417-3	Incidents of non-compliance concerning marketing communications	Marketing Communications, Page 120
<b>Socioeconomic Compliance</b>		
419-1	Non-compliance with laws and regulations in the social and economic area	Governance, Pages 119 – 120