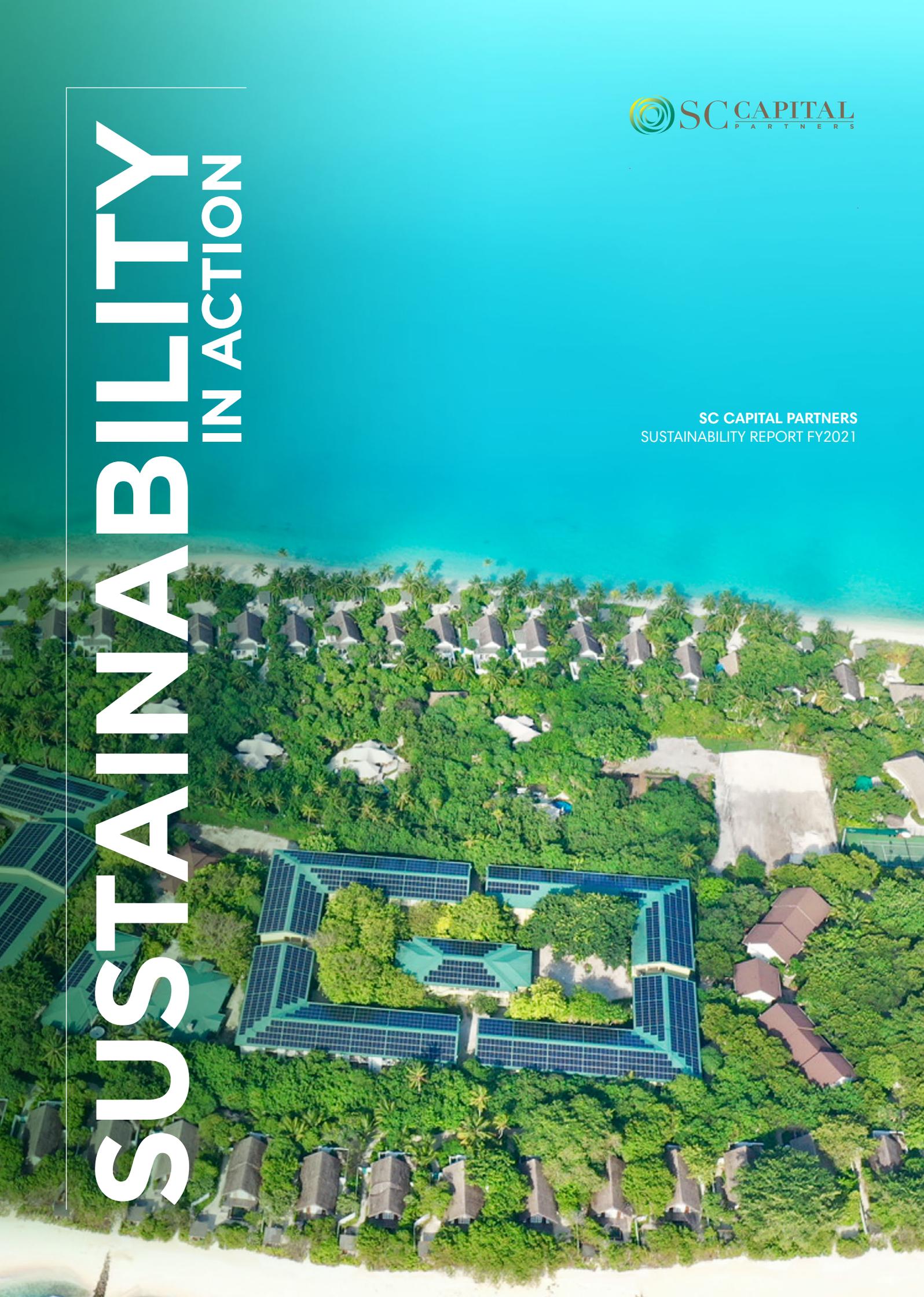


# SUSTAINABILITY IN ACTION



## 01-23

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## Board Statement

We are pleased to present SC Capital Partners Pte. Ltd.'s ("SCCP") inaugural Sustainability Report for Financial Year 2021 ("FY2021"). Although 2021 was a challenging year for all businesses globally in the context of the pandemic, SCCP continued to demonstrate financial and operational resilience and protect our stakeholders' interests.

Established in 2004, SCCP is a privately-owned Asia Pacific real estate firm headquartered in Singapore. SCCP is the fund manager of private equity real estate funds. SCCP is led by Chairman and Founder, Suchad Chiaranussati, alongside Partners & Managing Directors Ian Lien, Andrew Heithersay, and Freddy Chua.

The Board of Directors ("BOD") is collectively responsible for the long-term success of the company. The BOD considers sustainability issues as part of its strategy formulation. As a quality investment manager, we believe that profits should go hand in hand with the purpose of creating long-term success and sustainability for our clients and the society. Through the materiality assessment conducted for both internal and external stakeholders, SCCP has determined 10 material Environmental, Social, and Governance ("ESG") matters relevant for SCCP, and exercises oversight in the management and monitoring

of those material ESG factors. This Sustainability Report includes the company's management approach, performance, and targets for those material matters. Please refer to page 09 for the summary of our ESG material matters' targets and performance.

We are committed to upholding the principles of ESG to invest responsibly and create long-term value for our stakeholders and investors. In FY2021, SCCP started adopting Monetary Authority of Singapore's ("MAS") Guidelines on Environmental Risk Management for Asset Managers. As a start, the BOD and senior management have been involved in identifying environmental risks and opportunities over the short and long term and evaluating the actual and potential impact of these risks and opportunities on the asset manager's strategies, business plans, and products. The BOD and senior management will continue to maintain effective oversight of the asset manager's environmental risk management and disclosure with the aim to fully integrate environmental risk into the asset manager's investment risk management framework.

This report was prepared with reference to the Global Reporting Initiative ("GRI") Standards 2021 and takes guidance from the Task Force on Climate-related Financial Disclosures ("TCFD") recommendations.

## Message from the Chairman



**We are pleased to share SCCP's inaugural Sustainability Report for FY2021. This report demonstrates our enhanced ESG framework and key developments over the year, as well as maps out the next steps in advancing our ESG efforts. It is a strong affirmation of our commitment to sustainability.**

In FY2021, the world began a slow and uneven recovery from COVID-19. With the rise of global vaccination rates, the gradual easing of strict and uncertain COVID-19 control measures marked a significant step towards normalising. This period has been a time for reflection for the firm as we strive to ensure resilience in the ways we manage the business, invest, as well as protect and enhance our commitment to our investors.

As environmental bodies call for global response to the threat of climate change, we too, at SCCP look to do our part. We also recognise that to ensure the longevity and resilience of our business, we must act responsibly to ensure that our actions do not compromise future generations or have negative impacts on the environment and communities in which we operate.

FY2021 was a transformational year for SCCP as we embarked on an accelerated ESG journey. As responsible stewards of capital, we are

determined to sharpen our ESG focus to better deliver on our commitment to our stakeholders – including tenants, employees, investors and the communities at large. We strongly believe that sustainability is important and critical to our business, and we strive to integrate ESG best practices into our operations and assets, to invest responsibly and enhance investment outcomes. Groupwide ESG integration was the key focus of the year. In this regard, we implemented several initiatives to elevate standards of existing practices. For example, we formalised several policies to set a solid foundation for our broader strategy and framework, and introduced new ESG considerations in our end-to-end investment-making and asset management processes, including green leases and sustainable procurement etc. These initiatives required our entire organisation to unite on this front to incorporate the procedures and processes into their day-to-day workflows so as to maximise the positive impact to support our ESG vision.

To better address climate change matters, we conducted our first climate scenario study and a framework gap analysis that increases SCCP's readiness in mitigating climate-related risks. With an improved environmental risk management framework, this will better guide us in developing a decarbonisation roadmap. We aim to reduce the carbon footprint of our assets to better support the global goal of reducing emissions.

On the global front, SCCP is aligned with relevant United Nations' Sustainable Development Goals ("UN SDGs") and the Ten Principles of the United Nations Global Compact ("UNGC"). We commit to embed universal principles of human rights, labour, environment, and anti-corruption in our firm's strategies and operations.

Finally, we are pleased to share SCCP's inaugural sustainability report for FY2021. This report demonstrates our enhanced ESG framework and key developments over the year, as well as maps out the next steps in advancing our ESG efforts. It is a strong affirmation of our commitment to sustainability. We look forward to your support as we continue this sustainability journey.

**Suchad Chiaranussati**  
Chairman

COMMUNICATION  
ON PROGRESS



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

# About the Report

## REPORTING SCOPE

This report is SCCP's inaugural Sustainability Report. It details policies, practices and goals regarding ESG matters most material to SCCP's operations and was prepared with reference to the GRI Standards 2021.

The GRI Content Index on pages 41 to 42 provides the complete set of disclosures adopted in this report. In addition, the Sustainability Report takes into consideration key aspects of the requirements set out in MAS's

Environmental Risk Management Guidelines for Asset Managers published on 8 December 2020.

Unless otherwise stated, this report covers SCCP's sustainability, economic and financial performance for the financial year ending in 31 December 2021. This report was published on 31 March 2022. The reporting boundary for each sustainability pillar (Economic, Environmental, Social, and Governance) can be found below.

## REPORTING STANDARDS

This report was prepared with reference to the GRI Standards 2021, which were selected by SCCP for their universal application and international recognition to report on material sustainability matters. GRI reporting principles define the report content and guided the writing of this report.

This report also takes guidance from the TCFD recommendations, which support the assessment and management of climate risks. This will

allow SCCP to better prepare for the transition to a low-carbon economy.

## ASSURANCE AND FEEDBACK

Although external assurance was not sought for this Sustainability Report, SCCP will consider seeking external assurance in future as we progress in our sustainability reporting journey.

The Manager welcomes feedback and support from all stakeholders for SCCP's sustainability growth. Please direct any questions and comments to [IR@recapinvestments.com](mailto:IR@recapinvestments.com).

# Corporate Profile

**SCCP manages the Real Estate Capital Asia Partners ("RECAP") series of opportunistic real estate funds as well as an open-end core-plus fund, SC Core Fund ("SCORE+"). Since its inception, SCCP has built a track record across the Asia Pacific and has raised approximately US\$2.9 billion in equity commitments, from a diverse pool of institutional investors, across five closed-end opportunistic funds and one open-end core-plus fund.**

As a closed-end opportunistic fund, RECAP focuses on creating value through refurbishing, repositioning, and operating real estate assets where market inefficiencies and strong macroeconomic fundamentals yield attractive opportunities. RECAP is sector-agnostic, invests across Asia-Pacific, and has invested in a total of 127 assets covering 11 countries and 40 cities, such as Australia, China, Japan, etc. Since 2004, SCCP and its affiliates have launched five RECAP funds. Two have fully exited; RECAP III and RECAP IV are in their hold period and, the latest fund in the series, RECAP V, is in the investment phase.

SCORE+ is an open-end investment vehicle investing primarily in core-plus real estate in six gateway markets of

Asia Pacific, being Australia, Hong Kong, Japan, New Zealand, Singapore, and South Korea. The fund seeks to offer investors stable and resilient income growth, as well as long-term capital appreciation through active asset management and repositioning. The key themes of the fund are urbanisation and growth corridors, education, and technology. As of 31 December 2021, the SCORE+ portfolio consists of 14 assets in all its six key target countries across 10 cities.

SCCP holds a Capital Markets Services Licence in Fund Management issued by the MAS pursuant to the Securities and Futures Act, Chapter 289 of Singapore, and relevant regulations, and its day-to-day operations are run by its dedicated management team.

Figure 01: Sustainability Pillars and Reporting Boundary

Economic performance and risk management detailed in this Sustainability Report broadly covers SCCP's policies and practices to ensure that the financial value and performance of the portfolios are protected.

SCCP is working on energy, water and waste data collection based on Global Real Estate Sustainability Board ("GRESB")-adapted templates for RECAP IV, RECAP V and SCORE+. Our disclosures for SCORE+ will align with the scope of reported energy consumption, carbon emissions, water consumption and waste management data in its GRESB Real Estate Assessment submission for consistency. The GRESB submission is based on a full calendar year and submitted in the month of June of the following calendar year with results published in September.

Stakeholder engagement detailed in this Sustainability Report broadly covers investment community, employees, and regulators, among others.

Policies related to employee engagement and wellbeing, talent management and learning and development detailed in this Sustainability Report cover only SCCP's employees and excludes employees of the property manager and of other joint operations, associates or ventures. Where those policies require local adaptation, SCCP has adapted those, as necessary.

SCCP is subject to prevailing laws, regulations, and guidelines relevant to the jurisdictions it operates in and has applicable policies in relation to governance topics such as anti-corruption, anti-bribery and ethics.

SCCP has applicable and relevant IT infrastructure and applicable policies and processes in relation to prevailing applicable data and privacy laws.

# Our Sustainability Approach

**SCCP recognises that ESG factors can be material to the performance of our investments and business and consequential to our stakeholders.**

Responsible investing, through active management of ESG factors, can both reduce risks and enhance asset values and has become common practice in real estate investment globally. As an investment manager, we believe that profits must come with a purpose to create long-term success and sustainability for our clients and society. This is shown through our Sustainability Vision in Figure 02.

We are committed to upholding the principles of ESG to invest responsibly and create long-term value for our stakeholders and investors. By making ESG our core capability, we are familiar with techniques for sustainable investment, and we keep abreast of the various green incentives and credit programmes that are available in our target regions. Prior to executing any transaction, we perform extensive physical due diligence (“DD”) that complies with the highest local legal requirements for environmental issues. To enhance our understanding of the implications of climate-related physical risks and transition risks to our business strategy, we conducted our first-ever corporate climate-related scenario analysis in FY2021. Please refer to the section on “Climate Change Resilience” for more details on scenario analysis.

Figure 02: SCCP’s Sustainability Vision



Figure 03: Four Key Focus Areas for SCCP

**Driving greater ESG performance is crucial to our success and that of the assets which we invest in. We work towards and strengthen our sustainability ambitions through four mutually reinforcing focus areas.**



### ESG Framework

- ▶ Setting solid foundation by enhancing group-level ESG policies/processes
- ▶ Fully integrating ESG strategies and commitments into our asset acquisition and investment processes



### Align with Benchmarks, Standards & Frameworks

- ▶ Working towards becoming a signatory of the UN Principles of Responsible Investment (UN PRI)
- ▶ Improving GRESB assessment for SCORE+ and work towards RECAP's participation in GRESB
- ▶ Actively engaging with our investors on our ESG programmes and performance through a publicly available Sustainability Report that is aligned with global standards (e.g. GRI and TCFD)



### Decarbonisation

- ▶ Working towards decarbonising our assets through the adoption of energy efficiency practices and investing in on-site renewable energy generation
- ▶ Engaging our stakeholders, including tenants and suppliers, to drive positive change in countries where we operate
- ▶ Creating spaces and opportunities that deliver lasting social impact



### Environmental Risk Management

- ▶ Incorporate robust risk evaluation matrix for investments
- ▶ Identify and appropriately manage ESG risks associated with our investments, business or key stakeholders on an ongoing basis



## 01 Supporting Stakeholders

Engaging authentic connections with clients, tenants, employees, and the community to address their different needs and ensure wellbeing.



## 02 Safeguarding the Environment

Minimising environmental impact through actively assessing and monitoring our business operations and processes.



## 03 Sustainable Value Creation

Maximising the adaptability of our assets across changing economic, social, and political landscapes, so as to generate resilient returns through responsible stewardship.

# Our Sustainability Approach

## SUSTAINABILITY GOVERNANCE

The BOD of SCCP has the ultimate responsibility for oversight of governance at SCCP. It consists of shareholders of SCCP and the General Counsel. The BOD is responsible for appointing competent officers and executives to key business functions and the respective committees – this includes members of the Enterprise Risk Committee (“ERC”) and the Environmental Social and Governance Committee (“ESGC”). The ERC oversees operational matters and risk matters to manage the overall risk management activities at SCCP, while the ESGC is a management committee that provides risk oversight and monitoring over environmental risk issues. Members in the BOD, ERC and ESGC are executive members employed on a full-time basis by SCCP, who have the necessary competency, knowledge, and experience to perform the business function role in private equity real estate sectors.

The BOD is responsible for developing the overall business strategy and execution of strategy, governance and risk management framework. It does so by considering

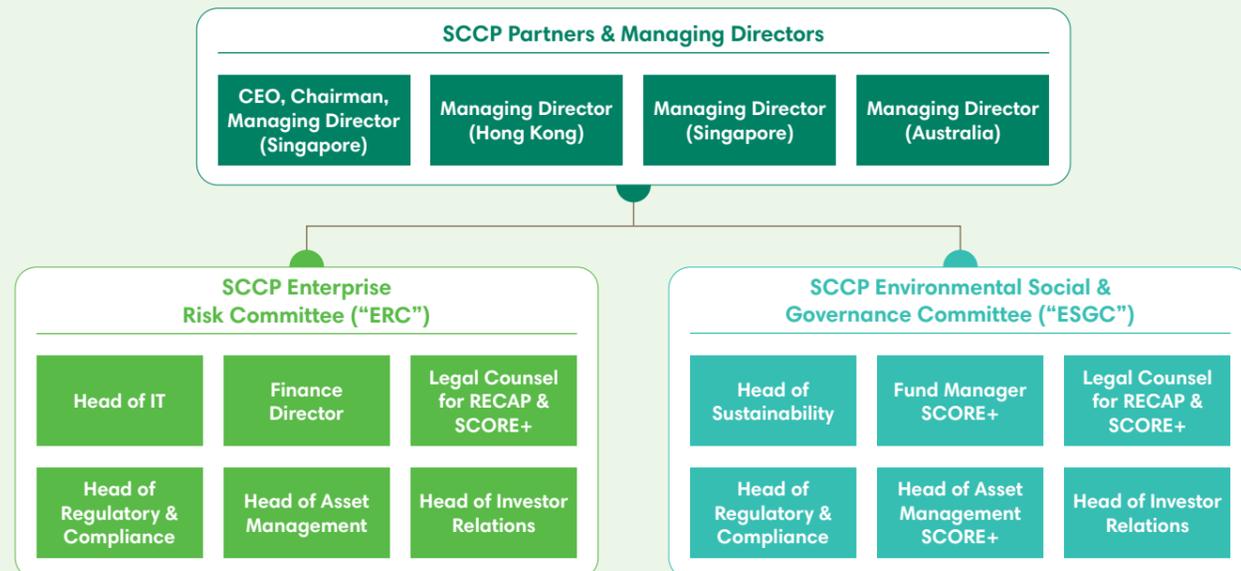
SCCP’s long-term financial interests and applicable purpose, value and mission statements, strategies, and policies and goals related to sustainable development. This includes formalising SCCP’s environmental risk appetite and tolerance, and incorporating SCCP’s risk management framework into its business processes.

The ERC, together with the ESGC, continually monitors and reviews ESG considerations applicable to SCCP and its businesses. These committees are responsible for establishing processes for identifying, monitoring, reporting and escalating any risk matters to the BOD of SCCP. Together with the BOD, the ESGC reviews and approves reported information – including assessing the materiality of the items in the reporting as well as reviewing the factual information. Where applicable, both groups consider stakeholders feedback and outcomes from their engagements and include these into the business activities at SCCP. The ESGC also provides periodic updates on ESG matters and sustainable development, as well as relevant and applicable training on sustainable development, where applicable.

All prospective investments by the funds managed by SCCP must be reviewed, assessed and approved by their respective Investment Committees. All governance matters applicable to SCCP’s business are reviewed, assessed and approved by the BOD of SCCP; the BOD also meets periodically every quarter to review, assess and provide oversight of environmental risk assessment.

There is no significant ongoing conflict of interest as all investments are subject to investment strategies of the respective funds, and all investments have to be reviewed, assessed and approved by an Investment Committee which includes the CEO. All employees of SCCP are dedicated to SCCP as they are employed as full-time staff, and any actual, perceived or potential conflicts of interests involving any transactions to be undertaken by the funds are subject to approval, for example, by the respective funds’ Advisory Board. Any conflicts of interest related to cross-shareholding with stakeholders and existence of controlling shareholder will be disclosed accordingly.

Figure 04: SCCP’s Sustainability Governance Structure



## MATERIALITY ASSESSMENT

As a conscientious investment manager, SCCP is committed to sustainability best practices and as a responsible company, we are committed to behaving in a way that

enhances the wellbeing of our key stakeholders and environment for the long-term.

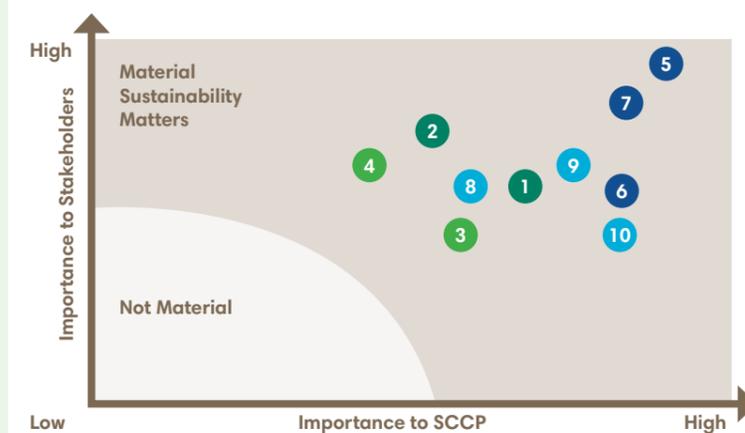
The steps involved are reflected in Figure 05. The findings and insights

from the materiality assessment will help us better prioritise resources and reassess our sustainability strategy. This allows us to strengthen our business resilience and provide greater value to our stakeholders.

Figure 05: Materiality Assessment Approach



Figure 06: SCCP’s Materiality Matrix



This materiality matrix lists sustainability matters that were evaluated and selected by SCCP for being most material to its business, based on internal and external stakeholders’ perspectives. The material sustainability matters are mapped to specific GRI Topic Disclosures and shared within this Sustainability Report.

Material sustainability matters are those that reflect potential significant impacts on SCCP and/or substantively influence the stakeholders’ decisions. In FY2021, we embarked on our inaugural in-depth materiality assessment to identify key ESG issues that are most important for SCCP to manage.

### Economic

1. Economic Contribution & Risk Management
2. Sustainable Investment

### Environment

3. Energy & GHG Emissions, Water, & Waste
4. Climate Change Resilience

### Governance

5. Compliance with Laws & Regulations
6. Cyber Security & Data Privacy
7. Ethics & Anti-Corruption

### Social

8. Stakeholder Engagement
9. Diversity & Inclusion
10. Employee Engagement & Wellbeing

# Our Sustainability Approach

## ALIGNMENT TO INTERNATIONAL STANDARDS

SCCP supports the United Nations Global Compact (“UNGC”) Ten Principles. This involves incorporating the Ten Principles of the UNGC into strategies, policies and procedures, allowing SCCP to uphold our basic responsibilities to people and the planet and set the stage for long-term

success. The Ten Principles of the UNGC are derived from: the Universal Declaration of Human Rights<sup>1</sup>, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work<sup>2</sup>, the Rio Declaration on Environment and Development<sup>3</sup>, and the United Nations Convention Against Corruption<sup>4</sup>.

SCCP also recognises the important roles all companies can play in contributing to the UN SDGs and aim to align our sustainability efforts to the world’s sustainable development agenda. Key contributions to the UN SDGs were identified, based on our material matters.

Figure 07: Ten Principles of the UNGC



1. Universal Declaration of Human Rights (<http://www.un.org/Overview/rights.html>)  
 2. International Labour Organization’s Declaration on Fundamental Principles and Rights at Work (<http://www.ilo.org/declaration/lang--en/index.htm>)  
 3. Rio Declaration on Environment and Development (<https://sustainabledevelopment.un.org/rio20/futurewewant>)  
 4. United Nations Convention Against Corruption (<http://www.unodc.org/unodc/en/treaties/CAC/index.html>)

## SUMMARY OF TARGETS

Figure 08: SCCP’s Mapped UN SDGs, FY2021 Performance and Targets

Material Matter	Mapped UN SDGs	FY2021 Performance	Targets
<b>Economic Contribution and Risk Management</b>	8 DECENT WORK AND ECONOMIC GROWTH	▶ Ensure that the financial value and performance of the portfolios are protected	▶ NA
<b>Sustainable Investment</b>	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	▶ In the midst of integrating our sustainability practices through the updates to our Enterprise Risk Management (“ERM”) framework and DD processes	▶ Ensure at least 75% integration of sustainability practices into the business and fund portfolio by FY2022
<b>Energy and GHG Emissions, Water, and Waste</b>	6 CLEAN WATER AND SANITATION, 7 AFFORDABLE AND CLEAN ENERGY, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	▶ Working on energy, water and waste data collection based on GRESB-adapted templates for RECAP IV, RECAP V and SCORE+	▶ To develop more asset management strategies and policies to improve environmental performance of assets and new investments
<b>Climate Change Resilience</b>	13 CLIMATE ACTION	▶ In the process of integrating climate risk assessment into the investment strategy	▶ Incorporate climate risk management into all new potential investments from Q1 FY2022 onwards
<b>Compliance with Laws and Regulation</b>	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	▶ No instances of non-compliance with laws and regulations noted	▶ To be in compliance with prevailing and applicable laws and regulations
<b>Cyber Security and Data Privacy</b>	–	▶ No instances of complaints concerning breaches of customer privacy and loss of customer data noted	▶ To be in compliance with prevailing and applicable cyber security and data privacy regulations
<b>Ethics and Anti-Corruption</b>	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	▶ No confirmed incidents of corruption noted	▶ To be in compliance with all applicable ethics and anti-corruption laws and regulations
<b>Stakeholder Engagement</b>	17 PARTNERSHIPS FOR THE GOALS	▶ In the progress of engaging tenants to adopt sustainable practices ▶ All new suppliers are required to sign the Supplier Code of Conduct from 1 November 2021 onwards ▶ Incorporation of ESG updates in quarterly asset management reports from Q3 FY2021 onwards	▶ Achieve green lease adoption for all assets in RECAP IV, RECAP V and SCORE+ by FY2023
<b>Diversity and Inclusion</b>	5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH, 10 REDUCED INEQUALITIES	▶ No instances of discrimination noted	▶ To avoid and/or prevent any instances of discrimination
<b>Employee Engagement and Wellbeing</b>	3 GOOD HEALTH AND WELL-BEING, 4 QUALITY EDUCATION, 8 DECENT WORK AND ECONOMIC GROWTH	▶ Conducted employee satisfaction survey with a participation rate of 80% and corporate volunteering event—food bank warehouse volunteering ▶ Conduct corporate wellness event to promote employee wellbeing practices	▶ Maintain a stronger employee satisfaction survey participation and conduct corporate volunteering event(s) to build camaraderie and foster the spirit of community-giving ▶ Conduct corporate wellness events at least twice a year

# Integrating ESG into our Assets

**As a responsible asset owner and manager, we are committed to meaningfully enhancing and protecting the value of our investments. As the impact of climate change intensifies, the need to prepare our assets to overcome potential environmental issues becomes more critical.**

We work in partnership with our stakeholders to strategise and implement the firm's sustainability commitments. We apply responsible investment principles by identifying and addressing material ESG issues throughout our investment cycle. This includes focusing on environmental risk management and active asset management to drive sustainability initiatives within our assets. We believe in thoughtful asset ownership and management to stay resilient and generate positive returns for our investors and the society in the long term.

We would like to showcase the following assets and their green strategies to highlight the integration of ESG factors and focus on addressing our stakeholders' sustainability priorities as part of our responsible stewardship.

- 1. Aerial view of Fairmont Maldives
- 2. Water villas at Fairmont Maldives



## FAIRMONT MALDIVES

<b>Asset Class:</b> Hospitality	<b>Location:</b> Maldives	<b>Investment Year:</b> 2016	<b>Room Keys:</b> 120
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Nestled on the secluded Shvaviyani Atoll, Fairmont Maldives Sirru Fen Fushi ("Fairmont Maldives") is a 120-villa luxury resort located in the far north of the Maldives. Fairmont Maldives is designed to connect visitors and guests with sustainability, natural beauty and indulgent comfort.

As a Green Globe certified resort, Fairmont Maldives is internationally recognised for its strong sustainability initiatives, including deploying solar panels, reducing water consumption effectively, managing waste effectively, supporting the local communities, and being a strong advocate for marine biodiversity protection.

### Solar Energy Generation

Fairmont Maldives installed its solar farm in 2018 and generated approximately 1 MWp of solar energy through the installation of 3,307 corrosion-proof, marine-grade solar panels on 11 roofs. These solar panels supplement 12% of the resort's daily energy needs (based on full occupancy) and saw a reduction of diesel consumption by around 245,000 litres a year.

In 2023, the resort will expand its solar generation capacity to 2,500 kWp with the installation of floating solar panels in a nearby lagoon one kilometre from shore. Supported by a 1.7MW capacity "grid-forming" battery, the expanded solar farm is expected to supply 40% of

the resort's daily energy needs. This is estimated to save around 930,000 litres of diesel a year as the resort will switch off its diesel generators for 9 to 10 hours during the daytime. When completed, the solar farm will potentially be the second largest in the Maldives.

### Energy Efficiency

The resort prioritises energy efficiency by measuring and monitoring energy usage actively. At least 50% of the resort's common areas uses motion sensor lighting and all guest rooms are equipped with a hotel key card power switch. Room temperatures are also automatically set to the most efficient temperatures possible prior to guest arrival.

# Integrating ESG into our Assets

## FAIRMONT MALDIVES

### Biodiversity and Conservation

#### Turtle Ranger Programme

Fairmont Maldives partners with the Olive Ridley Project, a non-governmental organisation, to protect turtles by providing photo ID updates of all their turtle encounters. The resort enlists the help of their guests to take photos of turtles around the island, providing invaluable information about migration patterns to enhance conservation strategies.

Resort guests are also taught to safely release turtles when they hatch from their nests. Resort staff are alerted to locations of the nests before erecting barriers around them to avoid any potential disturbance. The barriers are subsequently removed when the baby turtles are ready to make their way to the sea. In FY2021, around 1,200 baby turtles were born on the resort's beaches and released to the waters of the Indian Ocean through this programme.

#### Manta Ray Trust

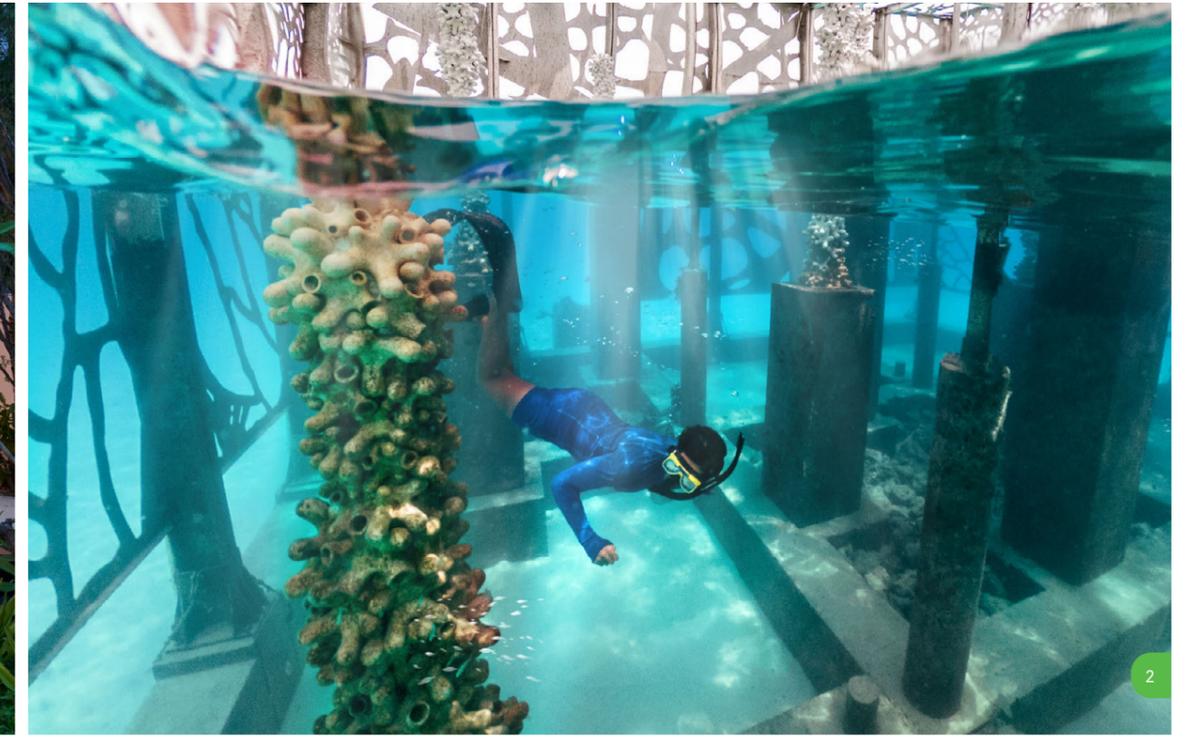
Fairmont Maldives collaborates with Manta Ray Trust, a non-governmental organisation, by providing photo ID updates of all their manta ray encounters while diving or snorkelling. Together, staff and guests have identified 30 unique manta rays since 2017, contributing to data that will help fill in the gaps on their migration patterns.

Three naturally occurring manta ray cleaning stations also attract many manta rays from all over the Maldives – fish gather at these corals and remove parasites from the manta rays.

#### Coral Regeneration

In FY2021, Fairmont Maldives introduced the Coral Nursery, a coral restoration programme, which allows resort guests to play an active role in propagating corals by donating a personalised coral frame. Notwithstanding the limited number of resort guests due to the pandemic restrictions, 12 personalised coral frames were sponsored by guests in FY2021 and placed in the Coralarium, leaving a positive footprint in the ocean. Resort guests are also continuously involved in the programme even after their departure as they will receive live coral updates from Fairmont Maldives' resident marine biologists every three months.

1. Beach villa at Fairmont Maldives
2. Coral regeneration
3. Turtle Ranger Programme
4. Manta Ray Trust
5. Sustainability Lab
6. Local head teachers visiting the Sustainability Lab



### Towards Zero Waste Sustainability Lab

Fairmont Maldives has launched the Sustainability Lab, with the mission to become the first recycling centre in the Shaviyani Atoll. Surrounding islands will be encouraged to collect, sort, and recycle their plastic waste by sending it to the Fairmont Maldives for conversion, as opposed to landfill or ocean disposal.

The Sustainability Lab features specialised machinery that transforms and repurposes plastic waste into usable products, including furniture. The resort has processed over 950 kg of plastic in the lab since the inception of the Sustainability Lab in December 2021, turning plastic waste into exquisite and unique furniture, useful stationery for local schools including rulers, clipboards, and

carabiner hooks, as well as turtle-shaped luggage tags for guests.

The Sustainability Lab will become the centre of Fairmont Maldives' wider sustainability initiatives, offering a variety of educational programmes and activities to provide guests with first-hand experience in conservation research. Guests can join the sustainability team to collect plastic waste before learning how to use the machines and make their own products, learning the importance of segregating and recycling plastic and how it can be repurposed to usable items.

#### Backyard Sustainability

Nestled in the resort is its very own sustainable backyard garden. Fairmont Maldives has its own chef's garden which grows fresh greens to promote

farm-to-table social movement. The resort's on-site spa also uses herbs that are freshly picked from the herbs garden for treatments and spa amenities. To reduce waste generation, the gardens utilise the compost generated in the resort.

#### Against Single-Use Plastic

In 2019, Fairmont Maldives introduced the Turtle Savers Straws programme, eliminating single-use plastic straws and offering sustainable paper straws upon request.

Apart from that, the resort's toiletries are ordered in bulk to reduce packaging waste by bottling them in reusable and sustainable packaging. To reduce the reliance on imported bottled water, Fairmont Maldives generates still and sparkling water for guests and staff by

using Ecopure Water System, an on-site desalination plant. This initiative has seen an annual reduction of over 86,000 single-use plastic bottles for 2020 and 2021 combined, compared to previous years of operation.

#### Community Involvement Internship Opportunities for Local Students

Local students with a passion for Fairmont Maldives' environmental initiatives are given the opportunity to work alongside the team. Fairmont Maldives introduced this initiative in 2019, taking in a total of nine interns across every department across the hotel's operation.

#### Raising Environmental Awareness

The resort has partnered with seven local schools in Shaviyani Atoll for the Fairmont

Award Scheme, whereby the sustainability team from Fairmont Maldives will visit the schools to teach classes and host workshops on recycling, marine biodiversity, climate change and ocean conservation. Local children are also invited to visit the resort to witness the Sustainability Lab in action in addition to the island's other conservation projects; encouraging the next generation to care passionately about protecting their natural ecosystem.

Additionally, Fairmont Maldives has been conducting barter exchanges with local atoll councils to support the farm-to-table movement. The resort exchanges compost made from food and garden waste with fresh agricultural produce from the atoll.

# Integrating ESG into our Assets

## REETHI BEACH RESORT

<b>Asset Class:</b> Hospitality	<b>Location:</b> Maldives	<b>Investment Year:</b> 2015	<b>Room Keys:</b> 130
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### Green Design

Located in the stunning UNESCO Biosphere Reserve of Baa Atoll is the 130-villa Reethi Beach Resort. The resort is covered by lush vegetation and surrounded by white sand, crystal-blue waters and a spectacular house reef. At Reethi Beach Resort, acting ethically and responsibly is essential to the success of its business.

Reethi Beach Resort's detached and semi-detached villas were built in typical Maldivian style using natural materials and labour sourced regionally. During the construction of the island resort, the resort developments were built meaningfully around the island's native flora and fauna where possible, to minimise its disturbance to nature. As part of sustainable landscaping, natural pest control methods are deployed; chemical pesticides are only used when necessary.

All guest rooms feature a glass skylight to allow natural light to illuminate the interiors. This reduces electricity consumption and the use of artificial light.

### Energy and Resource Efficiency

To reduce active energy consumption, hotel key card power switches are deployed in all guest and staff spaces. The resort is also fully retrofitted with energy-efficient LED lights.

Reethi Beach Resort prides itself in managing a strict inventory control to minimise excessive inventory. It also sources products packed in reusable packaging and purchases items in bulk rather than in individual packaging to reduce packaging waste.

### Biodiversity and Conservation

Reethi Beach Resort is one of the founding members of the Baa Atoll Project ("BAP"), which collaborates with resorts in Baa Atoll to discuss and address environmental

issues collectively. BAP played an instrumental role in championing Baa Atoll to become the Maldives' first ever biosphere reserve. In 2011, UNESCO took the rein, officially declaring the Baa Atoll as a legally protected marine reserve.

### Responsible Procurement

Even prior to being certified as a Green Globe resort, Reethi Beach Resort requires all its business partners to sign its Code of Conduct and join the resort in the advanced, high ethical standards and sustainable behaviour that the resort holds itself to. The Code applies to all Reethi Beach Resort Business Partners, including their employees and subcontractors acting on their behalf. To date, Reethi Beach Resort has achieved 80% compliance of its Code of Conduct with its business partners.

The resort only procures sustainable-sourced mature fish from the local fishermen; juvenile fish are rejected.

### Community Involvement

The resort provides employment opportunities for nearby local communities in Baa Atoll, employing over 45 permanent associates from Baa Atoll to date (representing 16% of the staff force). Many of these permanent associates are given opportunities to be trained in specialised hospitality roles, such as housekeeping, front office and F&B. The resort also conducts sustainability-related training programmes to raise awareness and best practices among all its staff.

In FY2021, Baa Atoll faced difficulties in sourcing food from Malé, the capital, due to covid-lockdown and restrictions of travel between islands. The hotel lent its support to the community by providing food packages to B. Eydhafushi, the capital of Baa Atoll, for 41 houses and 78 members.

1. Reethi Beach Resort, Maldives
2. Green design at Reethi Beach Resort
3. Reethi Beach Resort's house reef and marine life
4. Rivervale Mall, Singapore

## RIVERVALE MALL

<b>Asset Class:</b> Retail	<b>Location:</b> Singapore	<b>Investment Year:</b> 2019	<b>NLA:</b> 7,546 sqm
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Rivervale Mall is a Singapore Building and Construction Authority ("BCA") Green Mark Gold<sup>PLUS</sup> three-storey suburban retail mall that provides a mix of retail, lifestyle, healthcare and dining options. With responsible living embedded as part of its business culture and philosophy, Rivervale Mall is committed to continuously incorporating sustainability into its business processes in a cost-effective way.

### Energy Efficiency

Energy consumption is one of the highest costs in running any building. Rivervale Mall is equipped with energy-saving features to cater to the varying lighting needs in common areas, lifts and the control systems for lifts, escalators and travellers.

The use of natural light illumination of the mall's atrium through its expansive skylight and low and no-cost energy efficiency measures, such as shutting off escalator motors at night and setting schedules for the air conditioning system and lighting in qualifying areas,

have helped to reduce energy consumption at Rivervale Mall.

To optimise its chiller plant, an energy monitoring system was installed to monitor its efficiency upkeep.

### Stakeholder Collaboration

As part of stakeholder engagement, Rivervale Mall collaborates with the tenants to reduce water consumption and encourages shoppers to deposit their waste into respective recycle bins provided in mall. For tenancy fit-outs and renovation work, non-toxic paints and non-harmful agents are used.

In FY2021, Rivervale Mall installed a paper recycling machine to promote recycling. Over 8,074 kg of paper has been collected since its installation on 13 August 2021.

### Indoor Environmental Enhancements

To ensure clean circulation of air given the pandemic, 100% fresh air is introduced into Rivervale Mall two hours before opening and an hour after closing.



# Integrating ESG into our Assets

## SPARK BUILDING C

<b>Asset Class:</b> Office	<b>Location:</b> New Zealand	<b>Investment Year:</b> 2018	<b>NLA:</b> 7,508 sqm
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Spark Building C is a premium four-storey Grade A office building in the western fringe of the Auckland CBD. For its sustainable building design, the development received a five-star green rating from the New Zealand Green Building Council.

### Green Design

The office building features natural sunlight from glass panels through windows and an atrium, treated windows to reduce light and heat, and the use of appropriate insulation, gaskets and sealants to maintain the building's thermal properties.

### Sustainability Features

As part of its energy conservation and occupant wellness efforts, efficient air-conditioning with centralised and district cooling system, including the usage of temperature and humidity sensors, are deployed. The office building uses energy efficient LED lights, including motion sensors for common areas, smart meters to monitor energy consumption, and CO<sup>2</sup> and CO sensors to actively monitor indoor air quality.

1. Spark Building C, Auckland, New Zealand
2. Elizabeth Plaza, Sydney, Australia

## 2 ELIZABETH PLAZA (2EP)

<b>Asset Class:</b> Office	<b>Location:</b> Australia	<b>Investment Year:</b> 2020	<b>NLA:</b> 7,580 sqm
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Located within a prominent location in the North Sydney CBD, 2 Elizabeth Plaza ("2EP") is a Grade B 14-storey office tower with ground floor retail and basement carpark.

### Green Design

Natural lighting is an important tool in attaining sustainability. 2EP provides tenants with natural light on all sides of the building, as well as views of the CBD and harbour from Level 4 and above. This helps to reduce electricity consumption and promote occupant health and wellness.

In its recent round of refurbishment, 2EP used floor tiles that are GreenRate Level A and LCARate Gold Plus, both of which are certified by Global Green

Tag Australia. In addition, the tiles are 100% free of volatile organic compound ("VOC") and toxic chemicals, have 69% less impacts on global biodiversity, uses 59% less raw material, water and energy to produce, contributes 57% less GHG emissions, and is considered to be 55% more socially responsible.

Innovative lights have also been installed in the mezzanine and lobby that artificially reproduces natural light through the integrated ceilings, supporting occupant wellbeing given the importance of natural daylight.

### Sustainability Features

In FY2021, 2EP saw an improvement of its NABERS Water rating from 4 to 4.5 stars with the introduction of enhanced

resource conservation measures. Some new initiatives that were introduced to improve building efficiency include the progressive roll-out of water efficiency tapware and toilet sets throughout the building.

2EP continues to maintain its 4-star NABERS Energy rating with strong energy efficiency measures. For instance, lighting is controlled in the common areas through the use of time clocks and motion sensors, which reduces lighting consumption and energy bills.

Energy efficient lighting is also installed throughout all the upgraded floors, where possible. In areas with low occupancy, air conditioning run times are reduced to conserve energy.



# Integrating ESG into our Assets

## 2 WENTWORTH STREET

<b>Asset Class:</b> Office	<b>Location:</b> Australia	<b>Investment Year:</b> 2020	<b>NLA:</b> 10,941 sqm
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Constructed in 1989 and refurbished in 2011 and 2017, 2 Wentworth Street is a Grade A 13-storey office tower with ground floor of retail, situated in the heart of Parramatta CBD, Sydney's second largest employment destination, 26km northwest of Sydney.

### Green Design

Designed with sustainability in mind, 2 Wentworth Street has incorporated green features throughout the building. As part of its passive building strategy, the building allows natural

sunlight on all sides of the building, with private balcony access for levels three and ten. Natural ventilation is incorporated into the design of the carpark, and tinted windows are used to reduce glare and heat.

### Sustainability Features

In FY2021, 2 Wentworth Street achieved a 5-Star NABERS Energy rating and a 4.5-Star NABERS Water rating, strong credentials that reflect sound energy and water saving measures in place. These include:

- ▶ LED lighting for the majority of its base building;
- ▶ Occupancy sensor in common areas such as lift lobbies, toilets and staircases;
- ▶ Temperature and humidity sensors in place for air-conditioning systems;
- ▶ Humidity sensors, pressure sensors in fire stairs;
- ▶ Data logging and data trending systems in place
- ▶ Water efficient toilet fittings;
- ▶ Flow restrictors on bathroom taps; and
- ▶ Water-less urinals.



## CONSERVATION HOUSE

<b>Asset Class:</b> Office	<b>Location:</b> New Zealand	<b>Investment Year:</b> 2017	<b>NLA:</b> 15,990 sqm
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Conservation House is a five-storey office building with a basement carpark that was refurbished from a disused cinema complex in Wellington City. At the time of completion in 2007, the building was recognised in the industry for its cutting-edge green initiatives. The refurbishment is graded as an equivalent 5-Star green office building by the New Zealand Green Building Council, given that the building was completed prior to the introduction of the national green building certification system.

### Green Design

Recognised as one of New Zealand's most environmentally friendly office buildings, Conservation House is designed around a central, open atrium that allows ventilation and natural light to flow into the building.

The office building also features an expansive rooftop courtyard space that extends beyond the canteen to the space on the fourth storey.

### Sustainability Features

Other sustainable building features include:

- ▶ First office building in New Zealand to utilise a chilled beam system as a way to control indoor environmental quality;
- ▶ Advanced window control system connected to the building management system that prevents energy loss by switching off the air-conditioning automatically when the windows are open;
- ▶ Double skin glass façades to allow mixed mode natural airflow and air-conditioning in a noisy city centre site;

- ▶ Lighting system that uses occupancy detection and daylight harvesting;
- ▶ Heat pump heating and cooling water system;
- ▶ Use of sustainable plantation timbers for internal doors, framing and panelling;
- ▶ Use of PVC-free fittings, including roller blinds and linoleum;
- ▶ Use of materials low levels of VOC and formaldehyde;
- ▶ Provision of separate bins for paper, organic material, inorganic material, glass, plastic and metal waste for all utility areas and kitchens; and
- ▶ Provision of electric vehicle charging stations.

1. 2 Wentworth Street, Sydney, Australia
2. Conservation House, Wellington, New Zealand

# Stakeholder Engagement

GRI [2-27] [3-3]

Open and regular disclosure with our stakeholders, particularly investors, is part of SCCP's fiduciary duty.

With ESG investing on the rise, investors demand greater transparency and prompter disclosure of the portfolios' performances. The resultant feedback, and that of our employees, helps us shape our ESG strategies and tap into promising growth prospects in the long run.

## POLICIES AND PRACTICES

SCCP is committed to ensuring proactive stakeholder engagement. SCCP has put in place several key policies that effectively support our stakeholder engagements.

Figure 09: Key Policies for Stakeholder Engagement

<p><b>Sustainable and Responsible Procurement Policy and Supplier Code of Conduct</b></p> <p>Manages risks and opportunities associated with supply chain by incorporating ESG considerations in our engagements with suppliers</p>	<p><b>Green Lease Policy</b></p> <p>Engages tenants to adopt sustainable practices</p>
<p><b>Human Rights Policy</b></p> <p>Embedding human rights into SCCP's operational policies and procedures</p>	<p><b>Investment Management Policy</b></p> <p>Proactive updates to relevant stakeholders on SCCP's business strategy and financial results, including dialogues via virtual meetings</p>

SCCP's three main stakeholder groups are investors, employees, and regulatory bodies. Our stakeholder engagement approach details key interests of stakeholder groups, types of engagement methods, and our responses. While property managers and suppliers are not part of the main stakeholder groups identified by SCCP, SCCP will share with them sustainable procurement guidelines and where needed, provide regular communication and feedback sessions on topics such as construction refurbishment.

Our stakeholder engagement is monitored and checked by the ESG team. We conduct regular reviews of the policies and processes regarding stakeholder engagement to understand

our shortcomings and improve our actions in the future. We conduct regular trainings to ensure our employees are kept informed of the latest regulations or real estate related and sustainability topics. We welcome feedback pertaining to stakeholder engagement from relevant departments.

We actively seek collaboration with our suppliers and establish good relationships with them. We proactively work with our suppliers to align their practices with SCCP's sustainability commitments and consider contractual enforcements for non-compliance. Examples of non-compliance are breaches in human rights or environmental regulations in relation to sustainable procurement matters.



**TARGETS & PERFORMANCE**  
All new suppliers are required to sign the Supplier Code of Conduct from 1 November 2021 onwards. We also target to achieve green lease adoption for all assets in RECAP IV, RECAP V and SCORE+ by FY2023. We are in the process of engaging tenants to adopt sustainable practices. In addition, as part of stakeholder engagement, we incorporated ESG updates in SCCP's quarterly asset management reports from Q3 FY2021 onwards.

Figure 10: Our Stakeholder Engagement Approach

	Relevance to SCCP	Engagement Purpose	Key Concerns	Engagement Method and Frequency	Our Response
<p><b>INVESTORS</b></p>	<ul style="list-style-type: none"> <li>Key clients from whom SCCP raises capital for various fund products</li> </ul>	<ul style="list-style-type: none"> <li>To update investors regularly on their investments in SCCP's fund products</li> </ul>	<ul style="list-style-type: none"> <li>Timely updates on fund performance</li> <li>Staff retention</li> <li>Transparent disclosures</li> </ul>	<ul style="list-style-type: none"> <li>Email and teleconference calls</li> <li>Asset management reports</li> <li>Annual general meeting (Physical/teleconference)</li> </ul>	<ul style="list-style-type: none"> <li>More regular one-on-one investor updates through both calls and emails</li> <li>Increasing staff retention through greater transparency within the organisation and improve communication between Senior Management and junior staff</li> <li>Ensuring transparency from an earlier stage, e.g., addressing potential issues by setting out pre-agreed fees with affiliated parties in fund documentation</li> </ul>
<p><b>EMPLOYEES</b></p>	<ul style="list-style-type: none"> <li>Key human capital to running the business</li> </ul>	<ul style="list-style-type: none"> <li>To provide employees a communication channel to voice their opinions, thoughts, and needs as required, which will address any issues relating to their employment, including day-to-day activities, career development, grievances, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Employee communication</li> <li>Career progress and development</li> <li>Compensation</li> </ul>	<ul style="list-style-type: none"> <li>Informal feedback and open door policy with Senior Management</li> <li>Employee engagement survey</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring and addressing employees' concerns through review of the survey comments and feedback</li> </ul>
<p><b>REGULATORY BODIES</b></p>	<ul style="list-style-type: none"> <li>SCCP holds a Capital Markets Services License in Fund Management issued by the MAS</li> </ul>	<ul style="list-style-type: none"> <li>To maintain regular communication with regulators and obtain feedback/updates relating to the license. Where applicable, SCCP is subject to all prevailing directives, notices and guidelines issued by the MAS</li> </ul>	<ul style="list-style-type: none"> <li>All financial institutions in Singapore are expected to comply prevailing directives, notices, and guidelines issued by the MAS</li> </ul>	<ul style="list-style-type: none"> <li>MASNET Mail, circulars, announcements</li> <li>MASNET issued directives, notices, guidelines, and consultation papers</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring MAS's directives, notices, and guidelines to assess SCCP's applicability</li> </ul>

● Ad-hoc ● Quarterly ● Annually

# Economic Performance and Risk Management

GRI [3-3][201-3]

Using robust economic strategies led by a global team of experts, SCCP seeks to achieve sustainable growth using responsible business practices that integrate ESG elements into our asset management strategies. SCCP's funds (RECAP and SCORE+) both seek to create value and offer investors stable and resilient income growth and long-term capital appreciation through active asset management and repositioning. The BOD meets at least once every quarter to assess the financial performance of SCCP, and to respond with appropriate measures.

Effective risk management positively influences SCCP's financial performance in the long run, through business activities including effective risk management, responsible financial stewardship of funds, and good asset management. As a real estate asset manager, we have a fiduciary responsibility to protect the financial value and performance of our portfolios given their impact on our employees and investors.

## POLICIES AND PRACTICES

As part of risk management, SCCP seeks to manage risks through effective risk management and established internal procedures. To avoid actual or potential negative impacts from its business activities, SCCP has established a risk management framework and investment policy framework. After action review will be conducted by relevant business

units of any investments that do not meet underwriting projections. Key takeaways will be shared with the rest of the organisation in the form of online training sessions conducted by the Legal and Compliance team and Investment Committee. We have developed a series of policies to maintain consistent economic performance and effective risk management.

SCCP's financial records are subject to external audits. SCCP has also engaged reputable Big Four accounting firms to perform the internal audit function. As part of the internal audit, the internal auditor reviews, among others, risk management processes and identified enterprise risks, as well as a review of business processes in place by respective business functions and regulatory and compliance activities. Both external audit and internal audit observations and findings are reported to the BOD.

## BENEFIT PLAN OBLIGATION

The Central Provident Fund ("CPF") is a mandatory social security savings scheme in Singapore. SCCP pays CPF contributions for all eligible Singapore employees to meet their retirement, housing, and healthcare needs. SCCP declares actual wages payable to our employees to the CPF Board monthly, so that the correct amount of contribution can be verified. The CPF contributions are paid at the prevailing CPF contribution rate.

In FY2021, the total percentage of salary (base compensation and bonus components) contributed by SCCP and our employees was 14.3%.

## ENTERPRISE RISK MANAGEMENT

Our ERM Framework provides the overarching guidelines established by the BOD to manage risks in accordance with SCCP's overall risk appetite. The Framework adopts both preventive and detective approaches and ensure policies and procedures in place to identify, manage, and mitigate risk.

The ERC is a forum for senior management to review and discuss risks across the organisation. The ERC has oversight of the ERM framework and risk profile of the Company; it is charged with factoring all known and emerging risks, and vetting material amendments or exceptions, to the risk appetite statements before putting them forward to the BOD for approval.

The BOD has the ultimate responsibility for oversight of risk governance, overseeing risk directly and through the ERC. It has a critical role in strengthening risk governance that includes setting the "tone at the top," reviewing strategy and evaluating the Company's risk appetite. Our environmental risk management was incorporated into the ERM to optimise our business planning. The details are illustrated under the "Climate Change Resilience" section.

Figure 11: Key Policies for Economic Performance and Risk Management

<p><b>ERM Framework Policy</b></p> <ul style="list-style-type: none"> <li>► Sets the risk management tone</li> <li>► Maintains a robust framework for risk management within the organisation that protects the interests of stakeholders</li> </ul>	<p><b>Business Continuity Management</b></p> <p>Provides a framework for building and maintaining operational resilience and continuity, particularly in response to any potential business continuity event (e.g., cyberattacks, disease outbreaks, and natural disasters)</p>
<p><b>Valuation and Reporting Policy</b></p> <p>Sets out detailed guidance to determine the fair value of each asset and to convey such values to relevant stakeholders, including investors</p>	<p><b>Group Legal Contract Review and Signature Authority Policy</b></p> <p>Sets out detailed and adequate internal controls for the management of legal and regulatory documentation, as part of the regulatory obligation to maintain appropriate risk management practices</p>

# Sustainable Investment

GRI [3-3]

**As asset management plays a critical part in making the financial system more sustainable, SCCP is expected to effectively integrate ESG principles into our business planning and investment strategy.**

Our sustainable investment process, including sourcing, acquisition, post-investment stage, and reporting, will be a strategic competitive advantage that benefits our customers through long-term sustainable performance and returns.

Meanwhile, the rise of responsible banking unlocks alternative financing streams, such as sustainability-linked loans. Leveraging sustainable financing will not only help lower SCCP's borrowing costs but can also drive the sustainability goals of our assets.

## POLICIES AND PRACTICES

SCCP is committed to ensuring the sustainability of our investment to ensure the interest of stakeholders and to align as much capital as possible towards low-carbon economy opportunities.

In our ESG and Investment Management policies, we outline core investment principles and internal procedures that underpin efforts to create quality investments for stakeholders, including the use of suitable sustainable financing instruments (e.g., green loans) to access capital set aside to fund sustainable projects. We have put in place internal measures to encourage deal teams to explore sustainable financing for new deals or consider converting conventional bank loans into sustainability-linked loans for applicable existing assets.

We also integrate ESG risks into our investment process. The ESG DD, which is required for all new investments, consider previous breaches of environmental laws and regulations, physical risk exposure, environmental performance, and management system of the target investment. The material ESG risks identified pre-investment are continually monitored and reported to the Investment Committee quarterly via designated meetings and updates.

The ESG team works with the deal team to facilitate the adoption of the ESG Policy. Stakeholder feedback will be provided via analysis of the various monitoring systems and various Investment Committee meetings attended by the BOD.



**TARGETS & PERFORMANCE**  
**We are in the midst of integrating our sustainability practices through the updates to our ERM framework and DD processes. In FY2022, we target at least 75% integration of sustainability practices into the business and fund portfolio.**

# ENVIRONMENTAL

## Energy and GHG Emissions, Water, and Waste

GRI [3-3]

**As SCCP's global presence grows, so does our sense of responsibility to protect our planet. We strive towards full assessment of our positive and negative impacts and minimise our environmental footprint accordingly.**

Beyond corporate citizen responsibilities, stringent resource management also benefits SCCP and its investors by lowering operational costs and bolstering the green credentials of our assets in both the short and long term.

### POLICIES AND PRACTICES

SCCP is committed to reducing our environmental footprint.

In our ESG Policy, we laid out our commitment to environmental protection by implementing energy, water, and waste management frameworks to reduce our properties' impact on the environment. We also developed the Sustainable Fit-Out Guide, which provides guidelines to our tenants to align their fit-out and refurbishment efforts with SCCP's sustainability commitments.

We started engaging our deal captains to embark on comprehensive data collection of our assets to establish

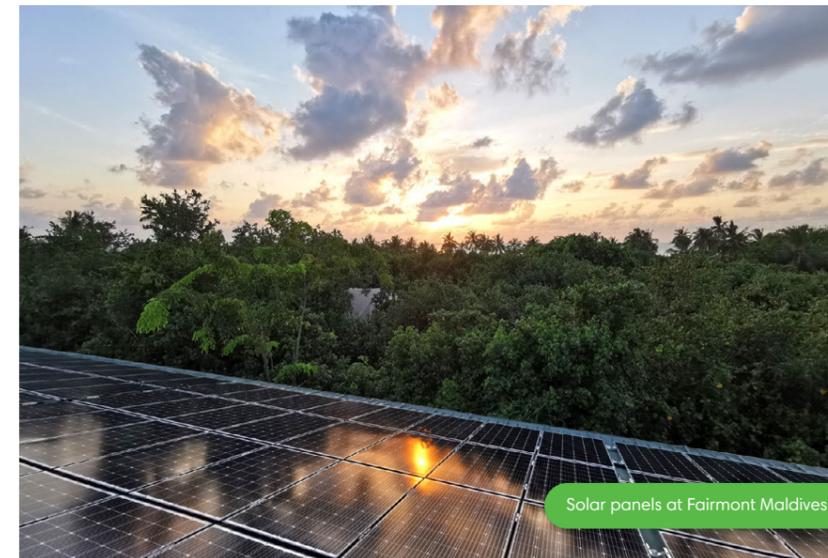
a baseline for energy and water consumption and waste generation. Thereafter, we will work with our consultants to establish meaningful reduction targets, while ensuring that data collection is embedded into asset management practices going forward.

In FY2021, we started a decarbonisation gap analysis assessment at asset-level, together with the help of an external consultant for data collection and goal setting. As every asset is built and shaped differently, we conducted technical analysis of each asset, which covered passive and active building strategy, building energy management system, renewable energy, etc, to understand ways to decarbonise more effectively. The analysis will be completed in FY2022. Refer to the section on "Integrating ESG into our Assets" for case studies on green design and improvement of energy and resource efficiency for our buildings.



### TARGETS & PERFORMANCE

**We target to develop more asset management strategies and policies to improve environmental performance of assets. We are in the process of collecting energy, water and waste data for RECAP IV, RECAP V and SCORE+, and new funds going forward.**



Solar panels at Fairmont Maldives

# Climate Change Resilience

GRI [3-3]

**Financial regulators worldwide are paying greater attention to the preparation and actions of financial institutions to manage climate change. In December 2020, the MAS published Guidelines on Environmental Risk Management for Asset Managers, which requires all fund management companies and real estate investment trust managers to integrate climate change into investment strategy and business planning.**

Climate change transition risks can pose challenges to profitability, while physical risks can lead to stranded assets and increased insurance premiums. It is critical for SCCP to effectively identify, assess, and manage climate-related risks across our global business. Integrating climate risks and ESG performance into the decision-making of SCCP's investments at the outset will help us assess and mitigate climate risks that our portfolios are exposed to.

## POLICIES AND PRACTICES

In FY2021, we became a TCFD supporter and have been playing our part in creating a more resilient financial system through climate-related disclosures. We have adopted the TCFD recommendations, aligned with MAS's Environmental Risk Management Guidelines, for our Sustainability Report.

We conducted regular reviews of the policies and processes regarding climate change risk management to understand our shortcomings and formulate next steps for corporate management and investment practices. Any severe non-compliance to climate change policies will be escalated to the BOD. We introduced additional trainings and support as needed to ensure our employees are kept informed of regulatory changes and climate-related matters.

Figure 12: Alignment with MAS's Environmental Risk Management Guidelines

TCFD Pillars	MAS Guidelines	Our Response
 <b>Governance</b> The organisation's governance around climate-related risks and opportunities	The BOD to be involved in identifying environmental risks and opportunities and evaluating their impact on the Manager's strategies, business plans and products	The BOD considers climate-related issues when guiding strategy and overseeing major capital expenditures, acquisitions, and divestitures. They monitor progress against goals and targets for addressing climate-related issues. They are also responsible for reviewing and approving SCCP's environmental risk approach in context of public disclosure.
	Integrate environment risk into the Manager's overall investment risk management framework to identify, address, and monitor the risks	ESGC members ensure the implementation of environmental risk management framework and policies. They are in charge of the development of tools and metrics (e.g., scenario analysis) to monitor exposures to environmental risk, including resilience of the funds/mandates managed by SCCP to different environmental scenarios. The ESGC is responsible for identifying, assessing, mitigating, monitoring, and reporting environmental risks, changes to risks, and emerging risks to the BOD. Environmental issues and risks are discussed as an agenda item at ESGC meetings.
	Consider implementing asset enhancement initiatives to improve the efficiency of resource use, or attain green building certification	Asset Managers work with local property managers to help them with the transition towards more sustainable business practices over time. We put in place appropriate policies to monitor the environment performance of our assets, including energy efficiency improvement, indoor air quality, water conservation, and waste generation reduction.  We developed specific templates for material environmental matters like energy consumption, GHG emissions, water consumption, and waste generation, by which local property managers do monthly data collection from the assets.  Refer to the section "Integrating ESG into our Assets" for case studies on green strategies for our buildings.
	Collaborate with other asset managers to build knowledge and skills	We collaborate with other like-minded asset managers for relevant assets that we invest in, and participate in industry associations and events to promote sharing of knowledge and skills.

TCFD Pillars	MAS Guidelines	Our Response
 <b>Strategy</b> The actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	In assessing environmental risk, to consider both transition and physical risks on an individual asset and/or portfolio level	We consider both physical risks and transition risks for asset management.
	To embed relevant environmental risk considerations in this process and evaluate the potential impact of relevant environmental risk on return potential	We incorporate environmental risk considerations into our acquisition approval process.
 <b>Risk Management</b> The processes used by the organisation to identify, assess, and manage climate-related risks	Put in place policies and processes to assess, monitor, and manage environmental risk	The ESGC is responsible for assessing, monitoring, and managing environmental risks. Under the ERM framework, the ESGC is responsible for providing ESG risk assessment of the portfolio to the ERC for consolidation. Key issues will be escalated to the BOD for attention and necessary action.
	Where environmental risk is material, develop capabilities in scenario analysis to evaluate impact on portfolio and portfolio resilience to financial losses	We conducted qualitative scenario analysis in FY2021. Refer to the section on "Climate Scenario Analysis" for more details.
 <b>Metrics and Targets</b> The metrics and targets used to assess and manage relevant climate-related risks and opportunities	Make regular and meaningful disclosure of environmental risks and exposure, with clear metrics and targets	We are in the process of collecting energy, water and waste data for RECAP IV, RECAP V and SCORE+, and new funds going forward. Refer to the section on "Energy and GHG Emissions, Water, and Waste" for more details.
	Disclosure should be in accordance with international reporting frameworks, such as TCFD	This table was prepared according to the TCFD recommendations and MAS's guidelines.

# Climate Change Resilience

GRI [3-3]

## CLIMATE SCENARIO ANALYSIS

Scenario analysis is a technique used to inform assessments of the resilience of an organisation's business or strategy to disruptions and/or the organisation's ability to adapt to changes or uncertainties that might affect its performance. In the case of climate change, scenario analysis allows an organisation to develop insights into how the physical and transition risks and opportunities arising from climate change might

impact its business over time. While climate scenario analysis is not meant to predict the future, SCCP believes it is a helpful tool to hone its understanding of climate-related risks and opportunities.

Environmental or climate risk is ultimately the change in revenue, cost, and risk that results from adverse environmental events or climate change. Climate risk is typically divided into two categories:

1. **Physical risk:** Arises from weather events and longer-term shifts in climate
2. **Transition risk:** Arises from the process of shifting towards a low-carbon economy

SCCP conducted its first climate-related scenario analysis in FY2021. The qualitative scenario analysis covered both physical risks and transition risks and found insights into their potential business implication

under different conditions. Based on the Intergovernmental Panel on Climate Change ("IPCC") Representative Concentration Pathway ("RCP") scenarios, we selected RCP 2.6 (< 2°C) and RCP 8.5 (4°C) as the two climate scenarios for both physical and transition risks at the portfolio and geographical level.

RCP 2.6 is the "aggressive" best-case scenario and can stress-test assets under conditions with high transition

risks, while RCP 8.5 models the worst-case / business-as-usual scenario and allows to stress-test assets under conditions with high physical risks. The RCP pathway is currently one of the most widely used scenarios by business to conduct analysis of the implications of climate change on their business.

Since most considerable impacts of climate change are likely to occur over the medium to long term, without a precise timing or certain magnitude,

our analysis covered short term (1-3 years), medium term (by 2030), and long term (by 2050) time horizons.

Our mitigating measures through our strategy, portfolio construction, and risk management policies and processes in response to the results of the assessment are detailed in the transition and physical risks for SCCP's portfolio.

Figure 13: Transition Risks for SCCP's Portfolio

Transition Risk	Description	Consequences	Key Mitigation Measures
 <b>Regulatory</b> Enhanced climate risk and environmental reporting obligations	<p>As regulators and investors continue to push for greater transparency from businesses, compliance costs to meet reporting obligations are likely to increase.</p> <p>For example, the MAS expects asset managers in Singapore to make climate-related disclosures aligned with the TCFD recommendations. The Singapore Exchange (SGX) has also proposed for compulsory TCFD-aligned climate-related disclosures, as well as other environmental disclosures for energy consumption, water, and waste, to be mandated for listed companies' sustainability reports.</p>	<p>Mandatory climate-related disclosures would result in additional cost as regulated companies are required to create and maintain processes for carbon emission monitoring.</p> <p>Reports where performance does not meet stakeholder expectations could worsen investor confidence and cause reductions in company valuations.</p>	<ul style="list-style-type: none"> <li>▶ Conduct periodic scans of exposure to regulatory developments</li> <li>▶ Monitoring of relevant metrics</li> </ul>
 <b>Regulatory</b> More stringent energy efficiency requirements for buildings	<p>There is a global trend towards higher building standards regarding environmental management and energy efficiency. Companies that are not prepared for likely policy changes over the next decade could face a loss of competitiveness and increased cost.</p>	<p>More stringent green requirements for buildings may lead to increased costs for asset enhancement initiatives and the attainment of green building certifications.</p>	<ul style="list-style-type: none"> <li>▶ Conduct periodic scans of exposure to regulatory developments (e.g., carbon pricing, environmental building standards and resource efficiency requirements)</li> </ul>

Transition Risk	Description	Consequences	Key Mitigation Measures
 <b>Regulatory</b> Increased pricing of GHG emissions	<p>Higher carbon prices on electricity generation will impact companies that fail to decarbonise their generating assets.</p>	<p>For small emitters such as SCCP who are not directly affected by the carbon tax, the increase in carbon pricing will likely lead to increased energy, fuel and waste disposal costs, resulting in increases in operating expenses.</p> <p>For SCCP's assets, the cost of energy for the building operation will increase. The cost for design and construction of the assets will also be impacted by the cost of carbon intensive building materials.</p>	<ul style="list-style-type: none"> <li>▶ Conduct regular audits to identify energy/water/resource efficiency opportunities</li> <li>▶ Set quantitative targets with set timelines for energy consumption and emissions, and intensity; water consumption and intensity; waste generation and recycling, and intensity, where feasible</li> </ul>
 <b>Market</b> Market signals for green buildings	<p>A growing number of governments around the world are calling for low-energy buildings and have set targets for green buildings.</p>	<p>There will be increasing cost of construction materials and facilities for green buildings.</p> <p>SCCP would need to incur increased costs for asset enhancement initiatives.</p>	<ul style="list-style-type: none"> <li>▶ Introduce asset enhancement initiatives for each asset based on the maturity level of green building strategies for each asset</li> </ul>
 <b>Technology</b> Costs to transition to lower emissions technology	<p>More governments are promoting and investing in renewable energy and energy-efficient technologies applicable to building sector.</p>	<p>The usage of innovative green technologies will increase the construction costs and the maintenance cost of buildings.</p>	<ul style="list-style-type: none"> <li>▶ Engaging with stakeholders to push for grants to help lower rising costs due to usage of lower emissions technology</li> </ul>

# Climate Change Resilience

GRI [3-3]

Figure 14: Physical Risks for SCCP's Portfolio

Physical Risk	Description	Consequences	Key Mitigation Measures
 <p><b>Acute</b> Increased intensity, frequency of precipitation</p>	<p>In areas with increased precipitation, there is greater risk of short- and long-term flooding. In other areas more precipitation may fall as rain rather than snow in winter and spring, increasing the risk of landslides, slope failures, and floods from the runoff.</p> <p>The exterior of the building will also be subjected to more intense climate loads of longer duration that will, in turn, increase the risk to premature degradation of building elements, such as roof, wall and fenestration systems, and as well, the risk of water entry of building elements, resulting in moisture-related problems.</p>	<p>Increased capital expenditure costs to retrofit existing property to withstand the increase in precipitation and potential flooding. Reduced revenue from damage to property or operational disruptions.</p>	<ul style="list-style-type: none"> <li>▶ Include environmental risk considerations in the investment DD process</li> <li>▶ Conduct periodic scans of exposure to physical risks</li> </ul>
 <p><b>Acute</b> Riverine and coastal flooding</p>	<p>Climate change is projected to increase the frequency and intensity of some extreme weather events such as riverine and coastal flooding. Storms will damage public infrastructure, such as roads and ports, as well as buildings such as homes and offices which will be costly to repair.</p>	<p>Extreme flooding would increase the risk of key infrastructure and property getting submerged and prone to water damage.</p> <p>There will be increased repair costs to buildings when exposed to water damage, as well as increased operating costs and losses due to business disruptions due to flooding.</p>	<ul style="list-style-type: none"> <li>▶ Include environmental risk considerations in the investment DD process</li> <li>▶ Conduct periodic scans of exposure to physical risks</li> </ul>
 <p><b>Chronic</b> Change in average temperature</p>	<p>Increases in global temperatures will bring about decreases in heating loads, as evident by reductions in heating degree days, and increases in cooling loads, especially in urban agglomerations where heat island effects may prevail over the summer months.</p> <p>Lack of attention to extreme heat events may bring about overheating in buildings.</p>	<p>High temperatures can be alleviated by air conditioning, although causing increased energy consumption and therefore in most instances, CO<sup>2</sup> emissions.</p> <p>Moreover, higher temperatures could lead to bodily stress and result in increase in heat exhaustion or heat stroke, thus reducing employee's productivity.</p> <p>SCCP may face increased capital expenditure costs to retrofit air conditioning systems to existing buildings or additional costs in including the systems in new builds as well as additional operating expenditure to run the units.</p>	<ul style="list-style-type: none"> <li>▶ Include environmental risk considerations in the investment DD process</li> <li>▶ Conduct periodic scans of exposure to physical risks</li> </ul>

Physical Risk	Description	Consequences	Key Mitigation Measures
 <p><b>Chronic</b> Increase wind speed and water stress</p>	<p>Climate change is projected to increase the frequency and intensity of some extreme weather events such as increased wind speed and/or water stress.</p>	<p>Increasing wind speeds and water stress could lead to increased costs from damage to property damage, and operational disruptions due to water scarcity issues.</p>	<ul style="list-style-type: none"> <li>▶ Include environmental risk considerations in the investment DD process</li> <li>▶ Conduct periodic scans of exposure to physical risks</li> </ul>

Along with conducting climate scenario analysis on our assets, we developed a climate risk toolkit to continue monitoring and assessing the physical and transition risks for new and existing investments and scan climate risks for underlying assets. At same time, we engaged an external consultancy firm to review our ESG and investment policies to make the integration of climate risk into our pre-investment and post-investment stages more efficient.

MAS recommends that smaller asset managers like SCCP consider performing a climate scenario analysis first using a more qualitative approach (e.g., impact pathway analysis and high-level assessment of impact). In the future years, SCCP can progress to adopt a more quantitative approach (e.g., conduct operational and financial impact modelling and sensitivity analysis of the results to determine the cost of action taken to manage climate risks).



### TARGETS & PERFORMANCE

We are currently working on integrating climate risk assessment into our investment strategy. For FY2022, we target to incorporate climate risk management into all new potential investments from Q1 FY2022 onwards.

Taking guidance from the TCFD recommendations, we are in the process of developing a set of metrics to monitor and manage climate-related risks and opportunities. This will allow investors and other stakeholders to better assess SCCP's potential risk-adjusted returns, its ability to meet financial obligations, its general exposure to climate-related issues, and its progress in managing or adapting to those issues. The set of metrics will be reported in the subsequent years.

# GOVERNANCE



## Compliance with Laws and Regulations

GRI [2-27][3-3]

SCCP holds a Capital Markets Services Licence in Fund Management issued by the MAS and is subject to prevailing applicable laws and regulations. Non-compliance with laws and regulations may result in adverse impacts such as financial and reputational losses for SCCP in both short and long run. Fulfilling its fiduciary duties to its investors and adherence to prevailing laws and regulations is an integral aspect of SCCP's sustainability roadmap.

### POLICIES AND PRACTICES

As part of its business processes, SCCP seeks to ensure that its business activities are in compliance with applicable

laws and regulations. SCCP's Legal and Compliance function checks business operations and transactions proactively and regularly to ensure they are done in accordance with laws and regulations. SCCP conducts annual training on applicable policies in the form of circulation of memos and the conducting of training to its employees. We conduct trainings on relevant updates to regulations and legal frameworks that are applicable to the fund's business. Our Legal and Compliance team regularly reviews compliance policies and management procedures to review any actual or potential gaps, and makes measures for improvement.

External and internal audits are conducted regularly for our compliance activities. Audit observations and reports are reported to the BOD, and applicable remediation actions are undertaken by the respective business functions as identified.



### TARGETS & PERFORMANCE

**In FY2021, there were no instances of non-compliance with laws and regulations noted. SCCP targets to be in compliance with applicable and prevailing laws and regulations on an ongoing basis.**

## Cyber Security and Data Privacy

GRI [3-3][418-1]

A strong IT infrastructure is vital for SCCP to protect stakeholders' data privacy and pre-empt cyber security attacks and data theft, especially with the rapid shift to virtual and remote working environments. Failure to do so can lead to disruption to operations, financial losses, and erosion of stakeholder trust in both short and long term. A lacklustre IT infrastructure will make SCCP vulnerable to cyber security attacks and data theft risks.

### POLICIES AND PRACTICES

SCCP is committed to ensuring no instances of data privacy breaches. SCCP's IT Acceptable Use Policy sets the direction for appropriate behaviour and acceptable use of technology when conducting business at SCCP. Our confidentiality and Work Product and Personal Data Protection Act ("PDPA") Policy maintains secure and robust measures to protect stakeholders' data privacy.

At SCCP, we regularly review policy and management processes for cyber security and data privacy to identify any potential gaps of the IT management, as applicable. Issues identified will be escalated to BOD as necessary. Moreover, we conduct regular training and circulate memos on cyber security awareness and will introduce additional IT training and support to our employees as needed.



### TARGETS & PERFORMANCE

**In FY2021, we did not identify any substantiated complaints concerning customer privacy breaches and customer data losses. SCCP targets to be in compliance with applicable cyber security and data privacy laws and regulations on an ongoing basis.**



# Ethics and Anti-Corruption

GRI [3-3][205-2][205-3]

An organisation rife with poor ethics and corrupt practices can easily lead to disruption of business and a loss of stakeholders' trust, resulting in significant financial and reputation losses. Ensuring that employees hold themselves to high ethical conduct, and combating bribery, corruption, and fraud are key components of our corporate responsibility. In doing so, we provide strong assurance to our stakeholders on how we discharge our stewardship responsibilities in the long term.

## POLICIES AND PRACTICES

SCCP has zero tolerance towards any form of corruption and unethical behaviour. We are committed to complying with applicable and prevailing business ethics and anti-corruption and anti-money laundering regulations. We have formulated a series of policies to ensure high standards of corporate governance and transparency within our business activities.

Figure 15: Key Policies for Business Ethics and Anti-Corruption



### Anti-Bribery Policy and Political Contribution Policy

Control systems for corporate political contributions and prevention of any form of bribery and corruption



### Anti-Money Laundering Policy

Sets out a process to detect and deter the flow of illicit funds, including money laundering and financing of terrorism



### Group Code of Ethics and Gifts Policy

- ▶ Advocates the highest standards of ethical conduct for SCCP employees
- ▶ Guards against the risk of allegations of impropriety by our employees regarding gifts and hospitality



### Group Personal Trading Policy

To ensure that SCCP employees' personal investments in securities are free from actual or perceived conflicts of interest



### Group Outside Business Interest Policy

To identify actual, potential or perceived conflicts of interest and reputational issues that may arise from employees' external and ancillary business activities



### Whistleblowing Policy

To provide a framework to promote responsible and secure whistleblowing without fear of adverse consequences

Our Legal and Compliance function regularly reviews our business operations and transactions to ensure that they are ethically conducted and do not promote any form of corruption, bribery, fraud, etc. We organise regular training to remind employees to uphold high ethical conduct and avoid any form of corrupt practices.

Critical concerns are communicated to the BOD through the respective management and governance committees. We have in place a Whistleblowing Policy and provide all stakeholders access to our whistleblowing channel to report concerns and violations pertaining to accounting, auditing, and breach of business ethics or law, and human rights-related issues. Any stakeholder may use the procedures to report any concern or complaint relating to any

areas of critical concerns. This channel is an anonymous and confidential mechanism to report improprieties or malpractices. Those who report a concern in good faith will be adequately protected from reprisals or victimisation.

As part of external and internal audits, an assessment of internal controls, which includes code of ethics and governance review, is conducted. Any observations and findings are reported to the BOD.

We regularly review policy and process for management of business ethics and anti-corruption to identify any actual or potential gaps and come up with follow-up actions. Issues identified will be escalated to the BOD as applicable. Additional business ethic trainings or training refreshers are conducted, where applicable.



## TARGETS & PERFORMANCE

In FY2021, there were no critical concerns communicated to the BOD through the whistleblowing channel.

In FY2021, all our governance body members and other employees have undergone training on anti-corruption policies. In addition, two of our business partners from Korea and Japan received anti-corruption training.

In FY2021, no confirmed incidents of corruption were noted. SCCP seeks to be in compliance with applicable ethics and anti-corruption laws and regulations for FY2022.

Figure 16: Communication and Training of Anti-Corruption Policies and Procedures for FY2021

Communication and training of anti-corruption policies and procedures			
		Number	Percentage
<b>Governance Bodies</b>			
Singapore	BOD, ERC, ESGC	16	100%
<b>All Employees (excluding governance bodies)</b>			
Singapore	Senior Management <sup>1</sup>	4	100%
Singapore	Middle Management <sup>2</sup>	4	100%
Singapore	Staff <sup>3</sup>	18	100%
<b>Business Partners</b>			
Korea	Consultant	1	100%
Japan	Consultant	1	100%

1. Senior Management refers to Executive Director-level and above positions.  
 2. Middle Management refers to Directors and Senior Managers.  
 3. Staff refers to Analysts, Associates, Executive Assistants, Managers, etc.

# OUR PEOPLE



## Diversity and Inclusion

GRI [2-7][2-8][3-3][405-1][406-1]

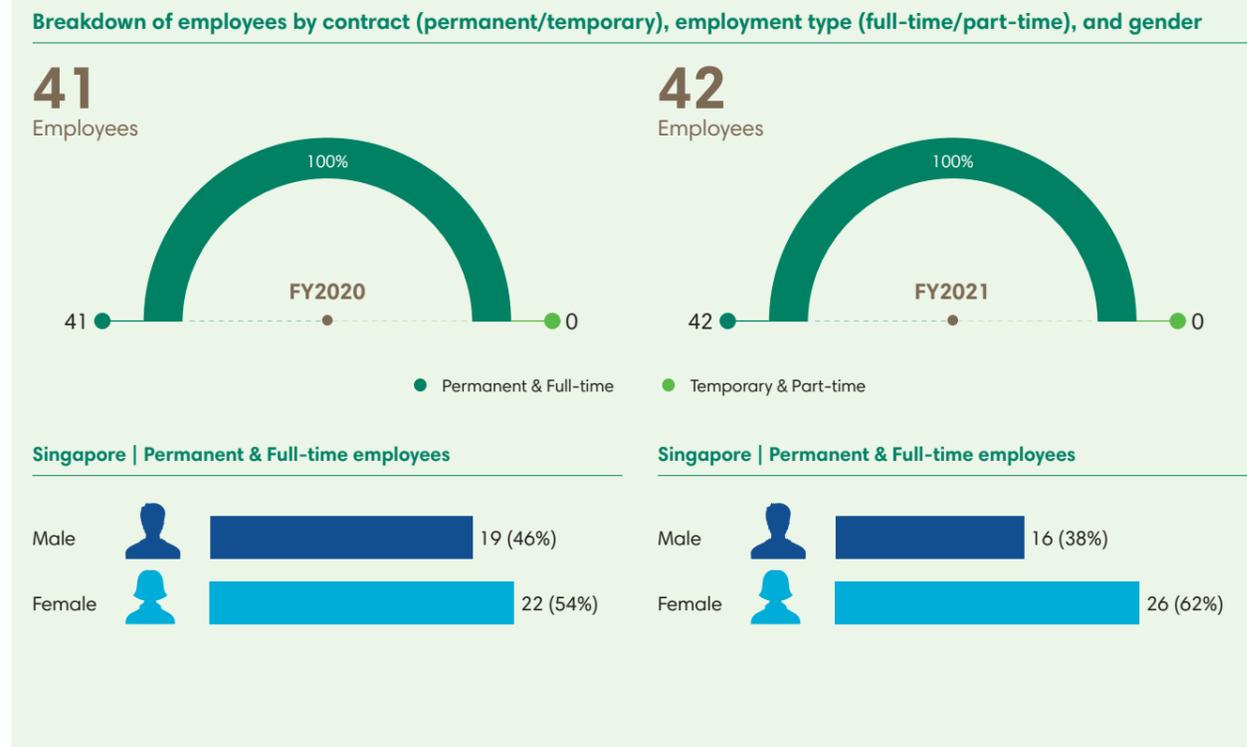
**SCCP attracts, develops, and retains talent from all countries, cultures, races, genders, abilities, beliefs, backgrounds, and experiences.**

SCCP understands that Diversity and inclusion (“D&I”) can strategically enhance SCCP’s human capital and performance to achieve long-term corporate growth. This allows SCCP to embrace the strengths that a diverse workforce brings and seeks to develop a skilled and motivated workforce by rewarding our employees fairly based on ability.

### EMPLOYEE PROFILE

As of 31 December 2021, there were 42 employees in Singapore. All our workforce is hired on a permanent and full-time basis, where female and male employees composed 62% and 38% of the entire staff population respectively. There were no non-guaranteed hours per employee.

Figure 17: Breakdown of Employees by Contract, Employment Type and Gender for FY2020 and FY2021



# Diversity and Inclusion

GRI [2-7][2-8][3-3][405-1][406-1]

**Figure 18: Breakdown of Employees by Employment Category, Gender, and Age Group for FY2021**

Breakdown of employees by employment category, gender and age group



	Staff <sup>1</sup>	Middle Management <sup>2</sup>	Senior Management <sup>3</sup>
<b>By gender</b>			
Male	5 (12%)	3 (7%)	8 (19%)
Female	16 (38%)	4 (10%)	6 (14%)
<b>By age group</b>			
<30 years old	9 (21.5%)	0 (0%)	0 (0%)
30-50 years old	9 (21.5%)	6 (14%)	8 (19%)
>50 years old	3 (7%)	1 (3%)	6 (14%)

## POLICIES AND PRACTICES

SCCP strives to create a respectful and inclusive culture that embraces diversity and inclusion. We have developed a Diversity, Equality and Inclusion Policy, which ensures all employees enjoy equal rights and access to employment by accommodating individual differences.

Meanwhile, our whistleblowing channel is open to everyone to report any behaviours against D&I. If there is any significant breach of the D&I policy, it will be escalated to the BOD and follow-up actions will be taken immediately to protect our employees from any inequality or discrimination.

To track the effectiveness of the management of D&I, the ESG team performs internal monitoring such as an employee satisfaction survey to ensure that the organisation is taking the right steps in creating an inclusive and harmonious workplace. Our ESG team also gathers feedback from our colleagues to assess the effectiveness of the management of D&I.

SCCP believes in creating a workplace that values and fosters diversity, equality, and inclusivity. This is essential in promoting an environment in which colleagues can thrive. We have a zero-tolerance policy against discrimination and harassment of any kind towards

any employee. It is our policy to ensure that we promote equal opportunities, and that no employee receives less favourable treatment or is unlawfully discriminated against on grounds of disability, gender identity, sex, sexual orientation, marital status, race, colour, religious convictions, age, nationality, or ethnic origin.



**TARGETS & PERFORMANCE**  
In FY2021, there was no incident of discrimination noted. Through our policies and practices, we aim to maintain this for FY2022.

1. Staff refers to Analysts, Associates, Executive Assistants, Managers, etc.  
2. Middle Management refers to Directors and Senior Managers.  
3. Senior Management refers to Executive Director-level and above positions.

# Employee Engagement and Wellbeing

GRI [3-3]

**SCCP has always strived to impact our people positively – employee satisfaction and growth retains key human capital, which is indispensable to the long-term sustainability of SCCP and the protection of stakeholders' interests. The physical and mental wellness of our employees also encourages employee productivity and cohesion, thereby increasing the efficiency of our business operations.**

## POLICIES AND PRACTICES

SCCP is committed to ensuring proactive engagement with our employees. Our Staff Handbook was developed to communicate employment entitlements (e.g., annual leave and holidays) and expense policy and procedures. Existing policies pertaining to employee engagement and wellbeing are reviewed regularly to identify shortcomings and develop corresponding actions or remedies if needed. Our Employee Benefits Policy, for example, was revised in FY2021 to cover both physical and mental wellness.

SCCP's compensation policy is overseen by the BOD. During the term of employment and subject to the employee's continued employment with SCCP, all employees are eligible to receive base compensations as per the terms in the employment agreements which include fixed pay, bonuses, and carried interest as applicable. SCCP's compensation policy is to attract and retain competent and experienced personnel. Under the SCCP Code of Ethics Policy, employees are expected to act with integrity and uphold the highest values in their actions and behaviour, and the compensation policy does not provide

incentives for inappropriate activities as compensation is not tied to sales or performance of any time sensitive trading activities.

To better track our employees' engagement levels and capture their feedback on working at SCCP, we conduct an employee satisfaction survey annually and strive for maximum survey participation. The survey is reviewed as a tool to demonstrate the effectiveness of SCCP from within, predict potential problems, and provide effective data to support further strategies. The survey is also used as a tool to understand our employees better so that SCCP can assist in their professional development. The feedback and results are shared with the BOD for their consideration. Employee feedback is considered seriously, and initiatives are implemented from time to time to address specific issues that have been raised. For instance, following feedback received, SCCP provided a COVID-19 cash subsidy of S\$500<sup>1</sup> to each employee in FY2021. We welcome employees' feedback regarding wellness and corporate volunteering events.

The BOD's performance in overseeing the management of SCCP is evaluated

through feedback channels such as investor communications, employee satisfaction survey, and ad-hoc one-on-one meetings. There is no formal evaluation process to evaluate the governance body's performance.

We also focus on upskilling and coaching our employees to make progress in their careers. To cultivate employees' sustainability awareness and equip them with necessary sustainability knowledge, we conduct ESG training at least once a quarter, or as needed according to different ESG topics. Training topics in FY2021 included green leases, sustainable fit-outs, sustainable and responsible procurement. We will continue to train our employees to ensure that they are well informed on SCCP's sustainability and environmental initiatives and are able to effectively contribute to the organisation's sustainability efforts. If there are new policies being rolled out which are applicable to asset management, training will be provided to ensure that the deal team is aware of how to integrate them into the investment and integration process. Additionally, there is a fortnightly in-house ESG news roundup that is disseminated to keep the organisation abreast of global ESG developments.

1. Singapore dollars

# Employee Engagement and Wellbeing

GRI [3-3]



CSR activity with Food Bank Singapore FY2021

Besides internal training, our staff are encouraged to sign up for paid seminars and conferences as well as any industry training that is relevant to their work. All costs and fees are borne by SCCP.

SCCP recognises the need to find ways to support those in need and collectively address key societal issues. In FY2021, we supported Food Bank Singapore whose mission is to build greater food supply resilience. Our employees participated in Food Bank Singapore's warehouse volunteering exercise, including taking inventory of and sorting through donated food items and organising them accordingly in the warehouse, expediting distribution of the items.

## OUR RESPONSE TO COVID-19

SCCP adheres to government directives regarding COVID-19 and commits to supporting employees' health and safety during this pandemic period.

The Singapore government's work-from-home legislation had limited impact on SCCP's operations as we were well-equipped to work out of office. Before the COVID-19 outbreak, all our staff were issued laptops and could work remotely because they regularly travelled for work given that our assets are located overseas.

At SCCP, all employees are required to adhere to our Telecommuting Policy, which includes safe management measures at workplaces such as mandatory mask-wearing and safe distancing. Additionally, all employees at SCCP's Singapore office have taken at least two doses of the recommended vaccines in response to the government's call for vaccination.



### TARGETS & PERFORMANCE HEALTH AND SAFETY

We devote ourselves to providing a safe and healthy work environment that ensures and improves employees' physical and mental wellbeing. We target to conduct corporate wellness events, such as online seminars on health care, at least twice a year.

### EMPLOYEE ENGAGEMENT

In FY2021, more than 90% of our employees participated in our satisfaction survey. We seek to maintain a stronger participation and conduct corporate volunteering events to build camaraderie and foster the spirit of giving back.

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The projections, forecasts and estimates of SCCP contained herein are for illustrative purposes only and are based on SCCP's current views and assumptions, which are subject to change at any time. Such projects, forecasts and estimates involve known and unknown risks and uncertainties that may cause actual results, performance or events to differ materially from those anticipated in the summary information. SCCP expressly disclaims any obligation or undertaking to update or revise any projects, forecasts or estimates contained in this material to reflect any change in events, conditions, assumptions or circumstances on which any such statements are based, unless so required by applicable law.

Private market investments are speculative and involve a substantial degree of risk. Private market investments are highly illiquid and are not required to provide periodic pricing or valuation information to investors with respect to individual investments. There is no secondary market for the investors' interest, and none is expected to develop. In addition, there may be certain restrictions on transferring interests. Past results are not indicative of future performance, and performance may be volatile.

All SCCP investments mentioned herein were made of behalf of the firm's clients, not on behalf of SCCP or any of its affiliates.

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