

DELIVERING SUSTAINABLE VALUE

CREATING VALUE

Ascendas Reit leverages on six Capitals whilst considering its operating context and enhance these capitals to generate value. Material EESG issues are grouped into these six Capitals and mapped against Ascendas Reit’s efforts in creating and delivering value, together with the relevant United Nations Sustainable Development Goals (UN SDGs) supported.

Figure 3. Ascendas Reit’s Value-Creating Business Model



FY2019 OUTPUTS

OUTCOMES



- > Total amount available for distribution of S\$375.4 million, DPU of 11.490 Singapore cents in FY2019
- > Healthy aggregate leverage ratio of 35.1%
- > Well-spread debt maturity profile
- > Successfully raised S\$1.3 billion via Rights Issue, which was 1.36 times oversubscribed
- > High level of natural hedges
- > >75% of borrowings effectively on fixed interest rate

- > Delivering predictable distributions
- > Achieving long term capital stability
- > Strong credit rating of A3 by Moody's
- > Sound financial metrics allow good access to various sources of funds at competitive rates
- > Well-mitigated against foreign exchange risks
- > Well-managed interest rate risks



- > Expansion of flexible workspace, The Workshop at Techplace II, Singapore
- > Developing and enhancing platforms/applications/Business Intelligence Systems
- > Fully compliant with regulatory requirements in all the markets that Ascendas Reit operates in
- > Runner up for Sustainability Award (REITs & Business Trust) at SIAS Investors' Choice Awards 2019
- > Silver Award for Best Annual Report (REITs & Business Trust) at Singapore Corporate Awards 2019

- > Wider business and industrial space options for customers
- > Improve operations management using technology
- > Effective controls and processes
- > Adaptable to opportunities and uncertainties



- > Stable portfolio occupancy (90.9%) and positive rental reversions (+6.0%)
- > Weighted average lease to expiry (3.9 years)
- > More freehold land due to acquisitions in the US and Australia
- > Acquired 28 business park properties in the US, two business park properties in Singapore and one suburban office in Australia
- > Capital recycling (divested one Singapore property)
- > Completed one asset enhancement initiative (AEI); eight AEIs/developments/redevelopments are ongoing
- > >90% of Singapore property management suppliers/contractors attained level 3 bizSAFE or higher

- > Resilient portfolio
- > Proactive portfolio management to optimise returns
- > More geographically diversified
- > More reputable customers from diverse industries and geographies
- > All suppliers comply with applicable laws and regulations



- > 29.4 hours of training per employee
- > 100% of employees received regular performance and career development review
- > Zero cases of validated discrimination
- > Board Diversity Policy

- > Ongoing career development
- > Core values: Winning Mindset, Integrity, Respect, Enterprising
- > Gender Diversity (Board and Manager team)



- > Met targets for transactional survey and call centre satisfaction score
- > 15 health & safety related accidents in Singapore and Australia (0 reportable accidents)
- > Regular customer and supplier engagement activities, multiple employee wellness activities on a regular basis

- > Enhancing customer experiences
- > Continue to promote workplace safety and implement necessary measures to minimise accidents
- > Ascendas Reit has been ranked Singapore Top 100 Brands since 2012
- > Collaborative stakeholder (suppliers, employees, customers) relationships



- > Energy intensity of 38.91 kWh/sq m (Singapore portfolio)
- > Water intensity of 0.49 m³/sq m (Singapore portfolio)
- > 35 BCA Green Mark buildings to-date
- > Solar panels installed at six Singapore properties
- > 40 electric vehicle charging points across eight properties

- > Lower operating costs from lower energy and water intensity
- > Inclusion in sustainability indices e.g. iEdge SG ESG Leaders Index, iEdge SG ESG Transparency Index
- > Contribute towards Singapore's 2030 solar target to deploy at least 2 Gigawatt peak of solar energy
- > Contribute towards Singapore's vision to phase out internal combustion engine vehicles and have vehicles run on cleaner energy by 2040