



**EC World**  
运 通 网 城 REIT

# EC World REIT

SUSTAINABILITY REPORT

FY2017

## TABLE OF CONTENTS

BOARD STATEMENT .....	2
ABOUT THE REPORT .....	5
ABOUT EC WORLD .....	6
SUPPLY CHAIN MANAGEMENT .....	9
HIGHLIGHTS .....	10
OUR SUSTAINABILITY APPROACH .....	10
STAKEHOLDER ENGAGEMENT .....	10
MATERIALITY ASSESSMENT .....	12
GOVERNANCE .....	14
SUSTAINABILITY GOVERNANCE .....	14
RISK MANAGEMENT.....	14
ETHICS AND INTEGRITY .....	15
REGULATORY COMPLIANCE.....	17
OUR BUSINESS .....	21
QUALITY OF ASSETS .....	21
PRODUCT INNOVATION .....	25
OUR PEOPLE .....	27
PROFILE OF OUR WORKFORCE .....	27
WORKPLACE HEALTH AND SAFETY .....	28
OUR ENVIRONMENT .....	31
ENERGY USE AND GHG EMISSION .....	31
GRI CONTENT INDEX .....	36

## BOARD STATEMENT

Dear Stakeholders

**EC World Asset Management Pte. Ltd.**, as the manager (“**ECWAM**” or the “**Manager**”) of EC World Real Estate Investment Trust (运通网城房地产投资信托) (“**EC World REIT**” or the “**REIT**”) takes great pleasure to present you the REIT’s inaugural Sustainability Report for the financial year ended 31 December 2017. This report is prepared in accordance with SGX-ST Listing Manual Rules 711(A) and 711(B), the Global Reporting Initiatives (“**GRI**”) Standards – “Core” and GRI’s Construction and Real Estate Sector Supplement (“**CRESS**”).

The Manager places high importance in the long-term sustainability and success of the REIT. The Board believes that this can be achieved through adaptation of the best corporate practices in the Environmental, Social and Governance (“**ESG**”) framework set by International standards.

The REIT’s ESG approach is fully endorsed and actively supported by the Sponsor - Forchn Holdings Group Co. Ltd. (the “**Sponsor**”) and the Manager. Together, we are committed towards implementation of ESG initiatives and realization of our long-term sustainability mission and goals to deliver greater value to the stakeholders and unitholders of the REIT. As EC World REIT embarks on our next phase of growth including our growth strategies, our team is mindful about integrating our sustainability policies and initiatives across the REIT’s assets.

The Manager employs a top-down approach in the decision-making process, assessment and execution of the ESG initiatives and best practices to ensure that the REIT follows the guidelines set by SGX, GRI and CRESS. Senior Management representatives from the Manager as well as the Property Manager, led by the Executive Director and Chief Executive Officer, Mr. Goh Toh Sim, develops the REIT’s sustainability strategy and manages overall sustainability performance through close monitoring of the data collection process and reporting of key sustainability matters.

### **SOCIAL – We Value Our People**

As Manager of the REIT, we emphasize the well-being, health and safety of our people, including our employees, tenants, service providers and local communities that the REIT operates in. We are committed to continuous improvements in health and safety standards of our people, including working to minimise the risk of accidents, injuries and illnesses. All on-site staff have a responsibility to achieve zero injuries and zero fatalities at the REIT’s assets. By removing safety hazards, ensuring good cleanliness standards and tidiness of work areas, having well-maintained facilities and efficient administrative support, our tenants can enjoy a conducive work environment to operate their businesses.

We also believe in creating a positive social impact on the communities around the environment where we operate. Through our engagement with local communities, we are able to develop successful interpersonal relationships based on mutual understanding, trust and respect. Together, we work hand-in-hand to identify and evaluate the needs of the community as well as the actual and potential social

consequences of our operations at our assets. This allows us to focus our ESG efforts on improving the livelihood of these communities, in addition to protecting the environment around our assets.

Community involvement is the bedrock of all our policies at our assets. We continue to encourage local workers and provide them with relevant training and skills upgrade. We also seek to support and promote local businesses and economic activity by engaging them continually. This includes training for staff, taking part in philanthropical activities such as charity run, donations as well as setting a day per year for a social cause.

### **ENVIRONMENTAL – Creating a Sustainable Environment**

The Manager takes special care and involvement in developing and creating a thriving work and communal environment as part of our core ESG strategy. We work hard to prevent and remove negative environmental impacts at all our assets. Taking a proactive role in environmental management and leadership forms an important part of our relationships with our tenants, employees, local communities and other stakeholders etc.

Our REIT assets include port logistics assets, e-commerce warehouses and specialized warehouses which involve heavy duty supply-chain management and logistical support services. Our environmental policies and measures also include effective air and water pollution control measures, proper handling and disposal of hazardous and poisonous waste, and continuous improvements of our resource efficiency in energy and water resources etc.

### **GOVERNANCE – Perseverance, Enforcement and Assessment**

The Manager is committed to being a sustainable, compliant and ESG responsible corporate citizen that not only safeguard the interests of the REIT's assets and stakeholders but also of our people and the community.

The Manager upholds high standards of transparency and corporate governance as it is important that we continue to grow, improve and remain accountable to our communities, stakeholders, tenants and shareholders. The Executive Director and Chief Executive Officer of the Manager, Mr. Goh Toh Sim, is overall in charge of reporting to the Board on any material ESG findings and propose mitigation solutions to avoid such risks.

The REIT is seeking continuous improvements in refining its ESG sustainability strategies, policies and measures going forward as we grow our assets under management and business. We will continue to monitor and to keep track of the standards set by GRI.

The REIT's first Sustainability Report is an important milestone in the Manager's efforts towards further improving the ESG sustainability of our operations. We are committed to identifying, managing, assessing and improving all our ESG efforts and results to maintain the long-term sustainable future for all our stakeholders. The Manager's mission is to provide a stream of sustainable and results-oriented culture of excellence with sustainability at the core of all our business strategies.



Thank you.

Yours sincerely,

Mr Goh Toh Sim on behalf of the Board of  
**EC World Asset Management Pte. Ltd.**

## ABOUT THE REPORT

This report has been prepared in compliance with the SGX-ST Listing Rules 711A and 711B, in accordance with the Global Reporting Initiative (GRI) Standards - “Core” option and the GRI Construction and Real Estate Sector Supplement (CRESS). External assurance has not been sought for this reporting period.

This report covers the ESG performance of EC World REIT’s properties in China and Manager’s office in Singapore for the period of 1 January 2017 to 31 December 2017 (“FY2017”), with data collected from 1 January 2016 to 31 December 2016 (“FY2016”) for comparison, where available. Moving forward, EC World REIT will be publishing its Sustainability Report annually.

City	Property
Singapore	9 Raffles Place #45-02 Republic Plaza, Singapore
Hangzhou, China	Chongxian Port Investment
	Chongxian Port Logistics
	Stage 1 Properties of Bei Gang Logistics
	Fu Zhuo Industrial
	Fu Heng Warehouse
	Hengde Logistics



Table 1 Scope of cities and properties covered

Figure 1: Map of properties in China

## ABOUT EC WORLD

EC World REIT is a Singapore real estate investment trust established with the investment strategy of investing principally, directly or indirectly, in a diversified portfolio of income-producing real estates which is used primarily for e-commerce, supply-chain management and logistics purposes, as well as real estate-related assets.

EC World REIT is managed by the Manager, an indirect wholly-owned subsidiary of the Sponsor – Forchn Holdings Group Co. Ltd. Refer below for details on the REIT’s structure.



Figure 2: EC World REIT's structure

As at the end of 2017, the REIT has in total six properties, namely Chongxian Port Investment, Chongxian Port Logistics, Stage 1 Properties of Bei Gang Logistics, Fu Zhuo Industrial, Fu Heng Warehouse and Hengde Logistics, as shown in Table 1. In April 2018, EC World REIT completed the acquisition of Wuhan Meiluote, adding the seventh asset in its portfolio.



**Property Portfolio Overview**

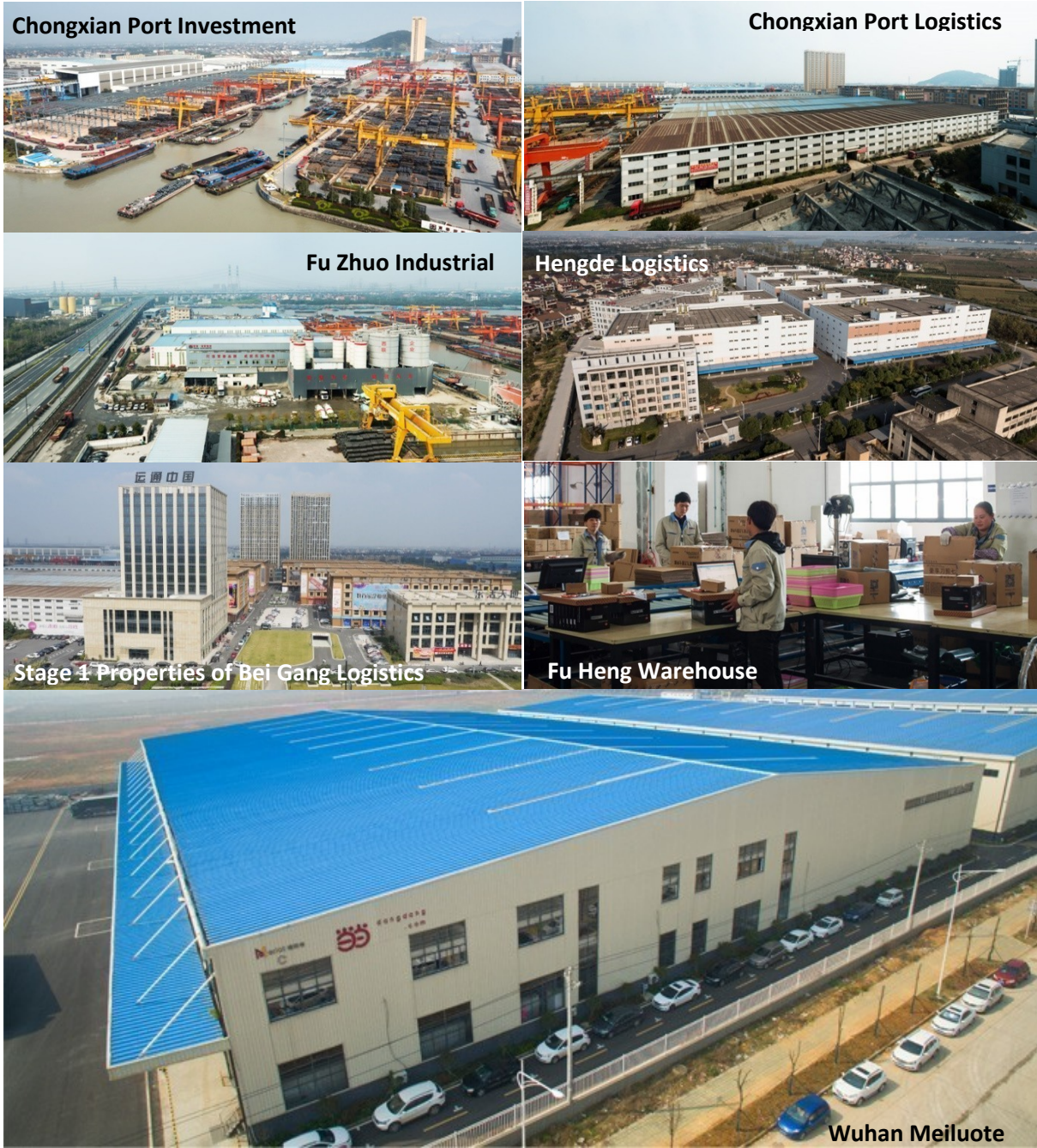


Figure 3: Property portfolio overview as of Oct 2018



EC World REIT’s primary business is the leasing of assets, including E-Commerce Logistics Facilities, Port Logistics Facilities as well as Specialised Logistics Facilities, as showed in the pie chart below.

As at 31 December 2017, there were a total of 25 unique tenants across the portfolio and contribution to gross rental income. The tenants of the properties operate across diverse industries. The chart below shows the breakdown of tenancy according to trade sector, weighted on gross rental income in 2017. The net lettable area (“NLA”) of the assets is also broken down by the type of asset.

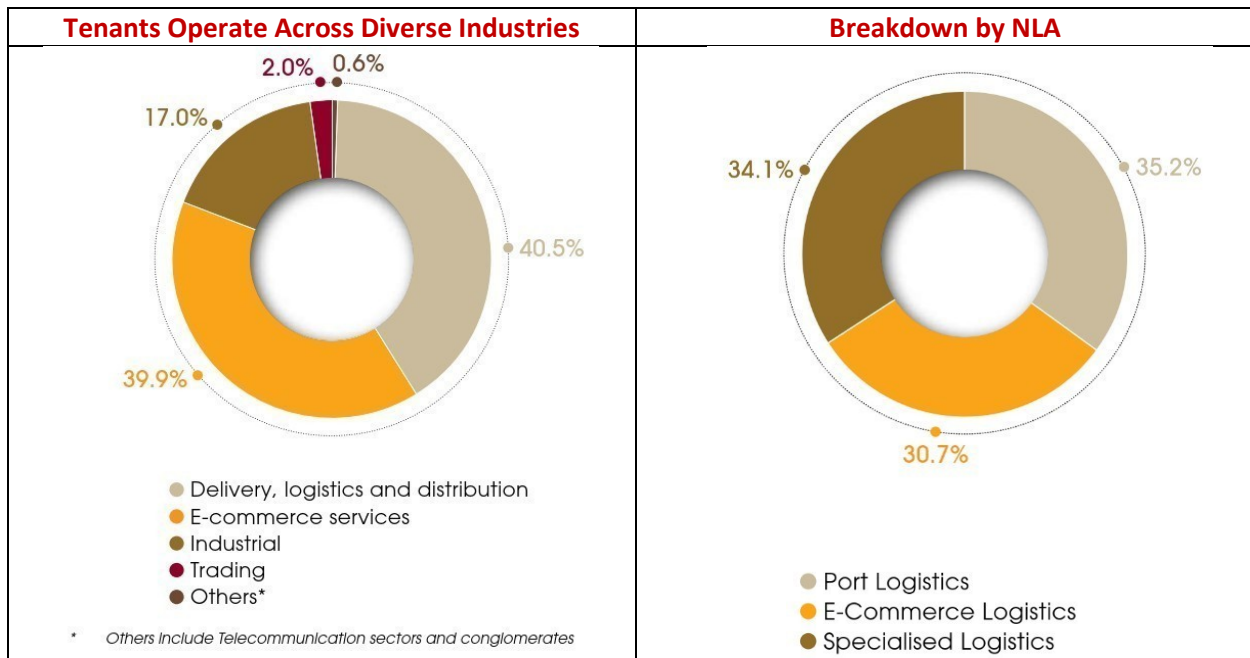


Figure 4: Tenancy mix and asset type (breakdown by NLA) as of 31 Dec 2017

## Supply Chain Management

With an increasing emphasis on external operations relating to the core business, the Manager seeks to ensure that its stakeholders are safely guarded against impacts caused by irresponsible behavior or negligence. To protect its stakeholders, the Manager scrutinizes its supply chain and evaluates the products and services of its long-term suppliers to ensure the continuity of the business.

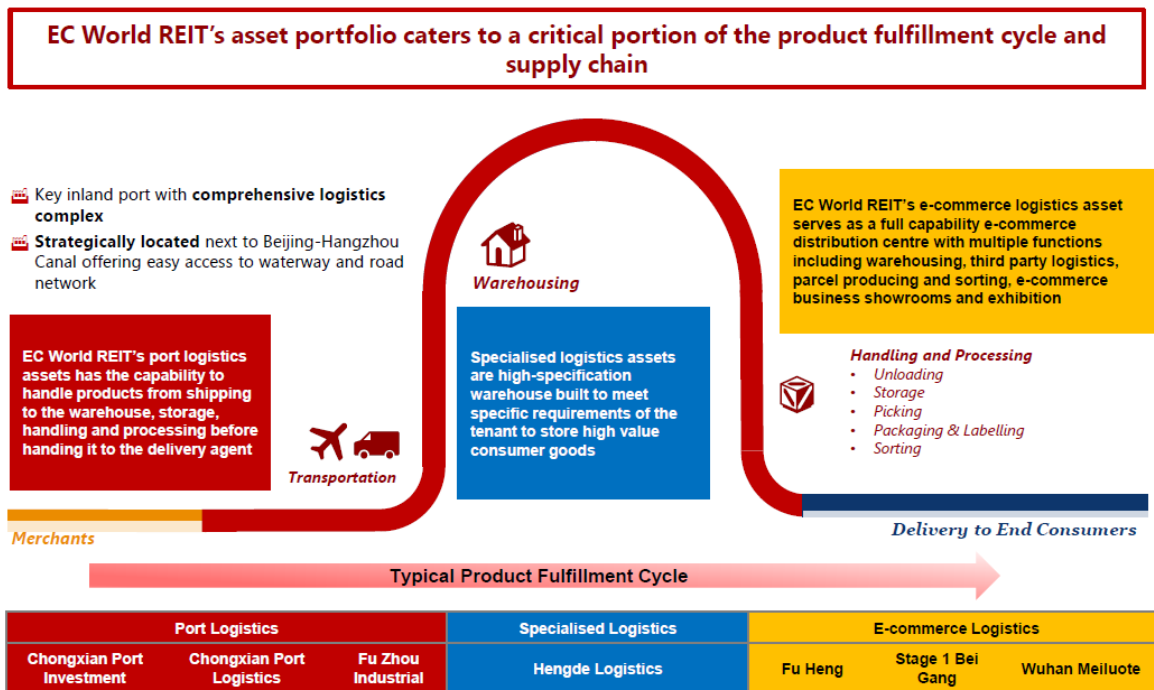


Figure 5: EC World REIT's Supply Chain

## HIGHLIGHTS

### Financial Highlights



6 properties  
698,478 m<sup>2</sup> net  
lettable area  
100% committed  
occupancy rate

Total asset  
value **S\$1.51  
Billion**



### Sustainability Highlights



Zero cases of  
regulatory non-  
compliance

Zero injury  
rate



### Awards Showcase



**“Most Promising REIT in Asia”**  
awarded by *Fortune Times*  
*REITs Pinnacle Award 2016*

**“Best Unit Holding REIT  
Award”** awarded by the *China*  
*REITs Alliance 2016*

## OUR SUSTAINABILITY APPROACH

### STAKEHOLDER ENGAGEMENT

Enhancing the relationships between EC World REIT and its stakeholders is key to ensure the continuity of the REIT’s business. To enhance customer retention, the Manager regularly engages its stakeholders to address their interests and key concerns, in the approach as shown below.

Key Stakeholder Groups	Stakeholder engagement Goals	Mode Of Engagement	Frequency Of Engagement	Stakeholder’s Key Concerns	How We Cater To Stakeholder’s Needs
Shareholders / Unitholders	Provide clear and accurate information to the investing public through timely communication	Telephone calls	Ad-hoc	<ul style="list-style-type: none"> <li>Financial performance</li> <li>Outlook and growth</li> <li>Regulatory compliance</li> </ul>	<ul style="list-style-type: none"> <li>Proactive investor outreach programme</li> <li>Timely communication through SGXnet and website</li> </ul>
		Email	Ad-hoc		
		AGM/EGM (if necessary)	Annually for AGM		
		Face-to-face	Ad-hoc		
		Conferences	Ad-hoc		

		Site Visits	As and when required		<ul style="list-style-type: none"> <li>• Adoption and adaption of relevant policies and procedures such as ERM, corporate governance policies</li> </ul>
		Social Media	As and when required		
		Corporate Website	As and when required		
		Announcements on SGX-ST	At least quarterly		
Employees and Workers	Provide a holistic and inclusive environment with enhanced well-being and productivity, with potential for growth and self-development	Weekly staff meeting	Weekly	<ul style="list-style-type: none"> <li>• Competitive remuneration</li> <li>• Personal career growth</li> </ul>	<ul style="list-style-type: none"> <li>• Adoption of competitive compensation and benefits programme</li> <li>• Provision of training opportunities</li> </ul>
		Emails correspondences	Ad-hoc		
		Open discussion	Ad-hoc		
		Annual performance appraisal	Annually		
		Instant messaging apps	Ad-hoc		
Tenants	Provide comfort, safe, secured and clean work environment for our tenants	Telephone calls	Daily	<ul style="list-style-type: none"> <li>• Competitive rental</li> <li>• Responsiveness to requests and feedback</li> </ul>	<ul style="list-style-type: none"> <li>• Active discussions on a regular basis</li> </ul>
		Emails	Ad-hoc		
		Face-to-face engagements	Ad-hoc		
		Real-time problem solving	As and when needed		
Suppliers	Secure reliable supply chain	Emails	Ad-hoc	<ul style="list-style-type: none"> <li>• Delay/Default in Payment</li> </ul>	<ul style="list-style-type: none"> <li>• Prompt processing of payment</li> </ul>
Local Communities	Create a comfortable, safe, secured and clean social environment at the work areas	Community participation activities such as cleaning	Ad-hoc	<ul style="list-style-type: none"> <li>• Pollution</li> <li>• Traffic jams</li> <li>• Trash</li> </ul>	<ul style="list-style-type: none"> <li>• Promptly responding to needs to the community and neighbours</li> </ul>
Government	Compliance with relevant government policies, rules and regulations	External consultants	Ad-hoc	<ul style="list-style-type: none"> <li>• Compliance with local laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Internal Compliance Senior Manager</li> <li>• External legal consultants</li> </ul>
		Meetings / emails	Ad-hoc		

Non-profit Organizations	Actively seek donation drive in the local communities, lend a helping hand, monetary donation	Emails	Ad-hoc	<ul style="list-style-type: none"> <li>• Contributions to local communities</li> <li>• Responsible and ethical business practices</li> </ul>	Evaluation of sponsorship opportunities which are in-line with REIT's ESG efforts and goals
		Sending employee volunteer groups	As and when needed		

Figure 6: Stakeholder Engagement

## MATERIALITY ASSESSMENT

EC World REIT's first materiality assessment was conducted in June 2018 to determine its material factors to be reported in its Sustainability Report. With participation of key stakeholders from the various departments, the materiality assessment comprises four-step approach as shown in Figure 7 below.

### 1. Identification

- Desktop analysis of sustainability reports published by industry peers
- Selection of a list of Economic, Environmental, Social and Governance (EESG) matters

### 2. Prioritisation

- Taking into account the different perspectives of both internal and external stakeholders, the identified EESG matters are rated and prioritised via an anonymous voting session by the representatives of various departments

### 3. Validation

- Identified material matters are then presented to the Board for approval

### 4. Review

- In subsequent reporting period, the material matters approved by the Board are re-assessed to ensure that the material matters remain relevant and material to the business.

Figure 7: Four-step approach in materiality assessment

Through the materiality assessment, the Manager has finally identified three material EESG matters deemed as the most important. These three matters have been brought forward to the Board for consideration and approval, as shown in Figure 8 below. In addition to the material matters, the Manager has decided to include two additional matters which are relevant to its business for reporting.

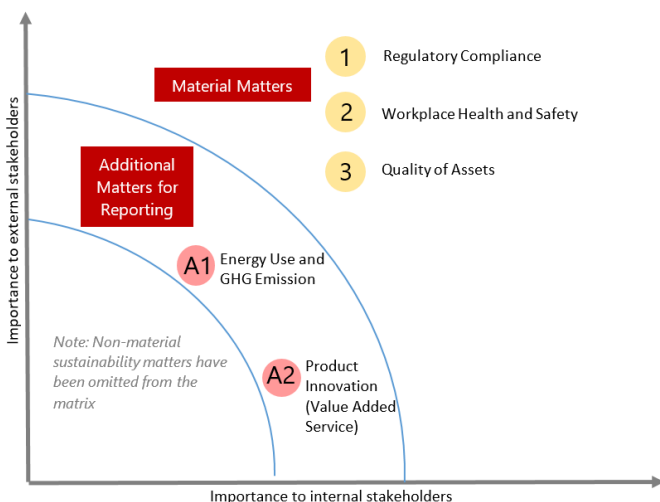


Figure 8: Materiality Matrix

Table 2 shows the material matters to be disclosed, while Table 3 shows the additional matters to be reported in this Sustainability Report.

Table 2: List of material matters

No.	Category	EESG Matter	Mapped GRI Standard Topics
1	Governance	Regulatory Compliance	GRI 307: Environmental Compliance GRI 419: Socioeconomic Compliance
2	Social	Workplace Health and Safety	GRI 403: Occupational Health and Safety
3	Social	Quality of Assets	GRI G4 Sector Disclosure CRE-8: Type and number of sustainability certification, rating and labelling schemes for new construction, management, occupation and redevelopment

Table 3: Additional reporting matters

No.	Category	EESG Matter	Mapped GRI Standard Topics
A1	Environment	Energy Use and GHG Emission	GRI 302: Energy GRI 305: Emissions
A2	Economic	Product Innovation (Value Added Service)	No topic-specific GRI Standard for this matter but management approach will be disclosed as per GRI 103: Management Approach



## GOVERNANCE

### SUSTAINABILITY GOVERNANCE

The Manager employs a top-down approach in the decision-making process, assessment and execution of its ESG policies to ensure that the REIT aligns its practices with the guidelines set by SGX and GRI. Senior Management representatives from the Manager as well as Property Manager, led by the Executive Director and Chief Executive Officer, Mr. Goh Toh Sim, is responsible for the developing, monitoring and implementing of appropriate policies and initiatives towards achieving the REIT’s ESG sustainability objectives.

### RISK MANAGEMENT

Risk management is an integral part of the business at EC World REIT and its subsidiaries (collectively, the “**EC World REIT Group**”). The Manager adopts a proactive approach towards risk management which supports the achievement of EC World REIT Group’s business objective and strategy, thereby creating and preserving value for Unitholders.

The Manager recognises that risk management is not only about pursuing risk minimisation as a goal, but rather optimizing the risk-reward relationship within the agreed risk appetite levels through proactive assessment of risks and returns.

The Manager therefore undertakes an iterative and comprehensive approach in identifying, managing, monitoring and reporting material risks across the EC World REIT Group. The Board’s responsibilities for the governance of risk across EC World REIT Group includes:



For these purposes, the Board is assisted by the Audit and Risk Committee (the “**ARC**”) which provides oversight of risk management.

The ERM Framework sets out the required environmental and organizational components which enable the ARC to manage risks in an integrated, systematic and consistent manner. Together with the ERM framework, related risk management policies are also reviewed annually and periodically validated by external consultants. A robust internal control system as well as an effective, independent review and audit process are the twin pillars that underpin the Manager's ERM Framework.

On the other hand, the line management is responsible for the design and implementation of effective internal controls using a risk-based approach while the outsourced Internal Audit function reviews the design and implementation of such processes to provide reasonable assurance to the ARC on the adequacy and effectiveness of the internal control system.

Annually, the Manager conducts and coordinates EC World REIT Group's Risk and Control Self-Assessment ("RCSA") exercise that requires the respective risk and control owners to proactively identify, assess and document material risks as well as the corresponding key controls and mitigating measures needed to address them. Material risks and their associated controls are consolidated and reviewed by the Manager before they are presented to the ARC and the Board.

In addition, the Manager has put in place a business continuity plan to assess and evaluate business risks so as to minimize the impact of disruption to business operations. For instance, the Information Technology ("IT") vendor as well as the IT team from the Sponsor have established a defined disaster recovery strategies and plans, which are reviewed and tested annually.

Overall, the Manager believes that having the right risk culture and people with the right attitude, values and knowledge are fundamental to EC World REIT Group's success.

## ETHICS AND INTEGRITY

To ensure a sustainable business, the Manager strongly upholds its integrity and reputation by setting standards for its employees to adhere to. Employees must observe high standards of conduct and adhere to all laws and regulations applicable to the Manager and the ethical standards set by the Manager. Disciplinary action will be taken against those who do not observe these standards set out.

The employees of the Manager are reminded to:

- 1) Act with integrity, competence, diligence, respect and in an ethical manner with the public, clients, prospective clients, employers, employees, colleagues in the investment profession, and other participants in the global capital markets.
- 2) Place the integrity of the investment profession and the interests of clients above their own personal interests.
- 3) Use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, taking investment actions, and engaging in other professional activities.

- 4) Practice and encourage others to practice in a professional and ethical manner that will reflect credit on themselves and the profession.
- 5) Promote the integrity and viability of the global capital markets for the ultimate benefit of society.
- 6) Maintain and improve their professional competence and strive to maintain and improve the competence of other investment professionals.

In addition, potential conflicts of interest may surface between the Manager, its directors and employees in the normal course of business. As such, ECWAM's policies are focused on the identification and management of these potential conflicts which includes internal mediation, disclosure or obtaining consent from the affected party.

### Whistle Blowing Policy

A whistle-blowing policy and other procedures are put in place to provide employees of the Manager and parties who have dealings with the Manager with well defined, accessible and trusted channels to report suspected fraud, corruption, dishonest practices, unsafe work practices or other conduct which may cause financial or non-financial loss to the Manager or damage to the Manager's reputation, and for the independent investigation of any reported incidents and appropriate follow up action. The objective of the whistle-blowing policy is to encourage the reporting of such matters so that employees or external parties making any reports in good faith will be able to do so with the confidence that they will be treated fairly and, to the fullest extent possible, be protected from reprisal.

## REGULATORY COMPLIANCE

### **Why the topic is important and its boundary**

Compliance to regulatory authorities is crucial for EC World REIT's reputation, sustainability and growth. If the REIT does not adhere to compliance principles and policies, its license to undertake financial services may be negatively affected. Non-compliance can also lead to the REIT being subject to convictions punishable by fines, punitive measures taken by regulators to limit business activities or expansion and the Board of the Manager and its employees being subject to convictions punishable by fines or imprisonment.

The topic covers EC World REIT itself and its subsidiaries.

### **Policy**

#### Gifts and Entertainment Policy

To reduce the likelihood of a breach of section 5 or 6 of the Prevention of Corruption Act ("PCA"), the Manager has adopted a gift and hospitality policy which allows Employees of the Manager to accept gifts of value not more than SGD200.

Employees of the Manager must exercise discretion when accepting gifts of any form from a Business Associate such that it does not influence the proper discharge of the employee's duties or to raise any question of impropriety.

#### Use of Employees Personal Data

The Manager seeks to ensure that its employees have the right of protecting their personal data, and also the need for the firm to collect, use and disclose personal data only for purposes that a reasonable person would consider appropriate in the circumstances.

The Manager complies with the Personal Data Protection Act ("PDPA"), as well as the common law and other relevant laws that are applied to the fund management industry, when handling personal data in their possession.

#### Access and Correction Requests of the Employee

Every individual has the right of access to his personal data. Hence, the Manager will grant an individual access to his personal data which it has in its own possession or under its control when request is obtained. The Manager will also make the relevant disclosures or amendments to the information kept within 30 days of obtaining the requests.

Employees are required to submit request for access and correction of available information via email detailing the type and scope of personal information they would like to access or amend.

### Insider Trading

The Manager is privy to market research, rumours, client’s information and its own internally generated research. The Manager and its employees must be aware and vigilant to ensure that no one can be accused of being party to any “insider trading”.

Where an employee who knowingly trades either personally or for a client while in possession of insider information may be subjected to immediate suspension and/or dismissal.

### Anti-Money Laundering and Countering the Financing of Terrorism


The Manager is required to comply with local legislation in respect of anti-money laundering and terrorist financing as well as applicable international legislation and standards.

### Prevention of Corruption Act (“PCA”)

The Manager has a strong stand against any form of corruption, and thus strictly adheres to PCA and that any form of corruption will not be tolerated.

It is an offence for a person in Singapore either individually or with another person to corruptly solicit or receive or agree to receive or to corruptly give, promise or offer another person any gratification as an inducement to or reward for any person doing or forbearing to do anything. Similar prohibitions apply on an agent accepting or giving bribes for his principal. In either case, an offence has occurred which is punishable in Singapore by a fine of up to S\$100,000 and imprisonment for 5 years.

### Target and status

Target	Progress/Status
Zero major compliance issue	 Achieved

The Manager is committed to preserving its integrity and reputation by complying with laws and regulations in each of the markets in which it operates. Employees must adhere to all laws and regulations applicable to the Manager and to the ethical standards set by the Manager. Employees who do not do so may face disciplinary action. Employees are expected to observe high standards of conduct and be aware of the laws and regulations of other countries when conducting cross border transactions.

### Responsibilities

The Board and Senior Executive Staff of the Manager oversee the compliance and the overall ethical culture of EC World REIT.

### Practices

The Manager manages its compliance through the Compliance Manual, Internal Delegation of Authority (DOA) and Office Automation Approval System.

Compliance Manual	Internal DOA	Office Automation Approval System
The Compliance Manual is the principal resource to assist employees in understanding and demonstrating compliance with laws and regulations applicable to the Manager.	Delegation of Authority is established for subdivision and sub-allocation of powers to make business decision for the EC World REIT in order to achieve effective results as well as maintain high standard of corporate governance.	Office Automation Approval System is deployed in the subsidiaries of EC World REIT, in order to reduce manual processes and provide a consistent framework for daily operational decision making as well as provide mobility and good corporate governance.

In 2017, the Manager provided compliance training to the Board of Directors, as well as Senior Management and Staff. All representatives are required to undergo a minimum 8 hours of ethics training, while all professional staff would need to meet all Continuing Professional Development requirements.

### Grievance mechanism

- Any person may report allegations of suspected serious misconduct or any breach or suspected breach of law or regulation that may adversely impact the Company, shareholders, employees, investors or the public at large;
- Acts of misconduct may be disclosed in writing, telephonically or in person. However, all reports are encouraged to be made in writing, so as to assure a clear understanding of the issues raised.
- All misconduct must be reported directly to [compliance@ecwreit.com](mailto:compliance@ecwreit.com) or the ARC Chairman, whichever is appropriate, or by telephone 6221 9018 or report in person.
- The whistle-blower shall be expected to prove the truth of an allegation and to demonstrate sufficiency on grounds for concern.
- All employees shall refer to the Company's '**Whistle Blowing Policy**' for detailed policies and procedures in reporting misconduct.

### Complaints Handling

It is essential that the Manager attends promptly and fairly to all complaints. Each complaint, whether justified or not, should be fairly and thoroughly investigated and rectified within a reasonable time frame. Employees are given a set of high level rules which requires them to not investigate a feedback against themselves, draw into a slanging-match with the person who lodged the complaint, and must not without





proper authority, say anything to the person who lodged the complaint that could be used against the Manager as an admission of liability.

### **Evaluation**

To evaluate the policies' effectiveness, the Manager carries quarterly audits internally, and external audits annually. To further strengthen the existing framework, EC World REIT established three new internal polices in 2017 i.e. Outsourcing, Anti-Money Laundering and Internal Charter. In addition, the DOA has been revised and the internal structure of the organization has been reorganized.

### **Performance**

As of 2017, there were no reported cases of non-compliance to the environmental and socioeconomic laws and regulations. The Manager seeks to maintain a good track record of zero non-compliance.

## OUR BUSINESS

### QUALITY OF ASSETS

#### **Why the topic is important and its boundary**

The Manager recognizes the importance of quality assets as it has a significant impact on:

- The ability to attract and retain tenants;
- The valuation of property;
- The ability to earn a higher rental income;
- How well the property fit its surroundings.

In addition, the satisfaction of stakeholders is key to the business operation. Expectations and interests of stakeholders include:

- a) Tenants expecting delivery of quality property and customer services;
- b) Unitholders expecting the optimization of rental revenues and operating costs;
- c) Community expecting well-maintained and non-polluting assets.

Tenants who lease the space at EC World REIT's assets are impacted by the quality and versatility of the assets. Therefore, the Manager communicates with the Property Manager regularly to ensure that maintenance of the assets is conducted in a timely and efficient manner. For example, at Hengde's Warehouse, tobacco leaves stored by the tenant require pest controls as well as humidity and temperature controls to ensure the quality of products stored. The Manager works with the team on the ground to ensure that the clear procedures are established to regulate the management of operations, security, fire prevention as well as public hygiene. Through the provision of quality property management, EC World REIT's assets are able to charge at a competitive rental rate, thereby providing Unitholders' stable and sustainable returns.

#### **Policy**

In order to meet the expectations and ensure the quality of its assets and services, EC World REIT has established a set of asset management standards which applies to all projects that covers equipment and property:



- 1) Property Management Standards;
- 2) Equipment Asset Management Standards;
- 3) Asset Security Management Standards;
- 4) Fixed Assets Insurance Management Standards.

Property Management Standards	Equipment Asset Management Standards	Asset Security Management Standards	Fixed Asset Security Management Standards
Established for the purpose of strengthening the management of EC World REIT real estate, scientifically carrying out the transfer, supervision and post-evaluation of investment project assets, achieving investment objectives, maximising investment benefits, and promoting the rapid development of the EC World REIT.	Formulated to strengthen the management of the equipment assets of EC World REIT and ensure the completeness, safety, reasonable and effective use of the equipment assets.	Internally developed to a) strengthen the effectiveness and safety of asset management function; b) comprehensive security management of the rented units, property managers; c) comprehensive prevention of various types of safety accidents, natural disasters; and d) protection of the company's business orders and assets	Internally formulated to strengthen the management of fixed assets of EC World REIT and ensure the completeness, safety, reasonable and effective use of the fixed assets.

### **Targets and status**

#### **Targets**

#### **Progress/Status**

New/renewed leases at rental rates equal to or above rental rate of the current property.	 Achieved
Perform maintenance and inspection of the assets as per national and local standards	 Achieved

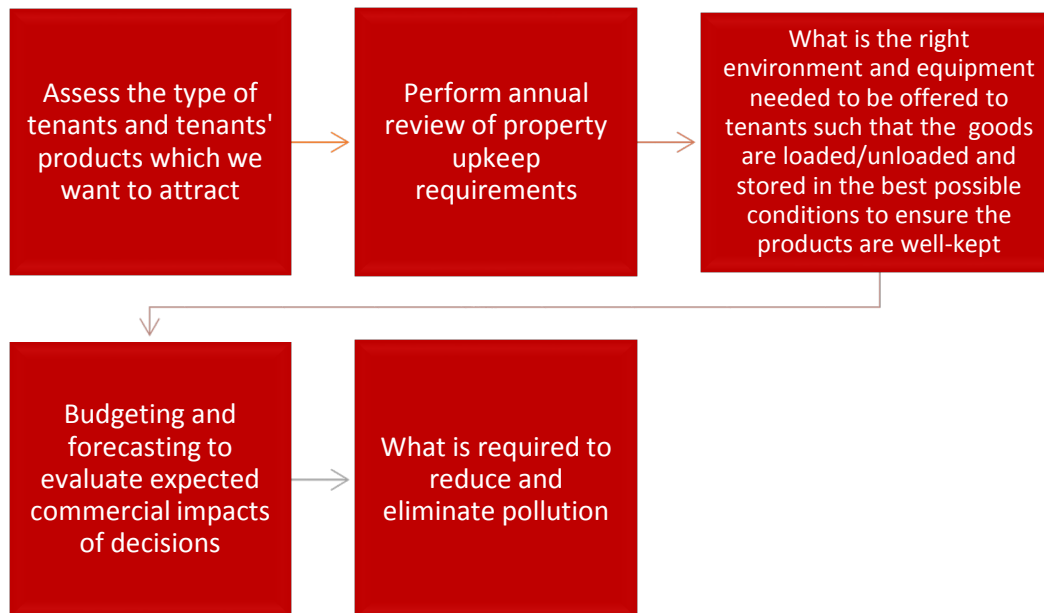
Investment in quality assets is a key pillar of the REIT's investment strategy. Acquiring yield accretive asset is a crucial investment criterion. This includes, the acquisition of good quality income-producing properties with established customers, the proactive marketing and leasing of spaces to achieve a healthy occupancy as well as stringent due diligence acquisition process to ensure good quality asset is being acquired.

#### **Responsibilities**

The Board of Directors, Mr. Li Jinbo (Head of Investment, Asset Management and Investor Relations), as well as Senior Manager Mr. Teo Kah Ming (Investment and Asset Management), are responsible for managing the quality of assets.

### Practices

The process of assets quality assessment is as follows:



In order to meet the relevant asset management standards, the Manager requires maintenance units to conduct maintenance and annual inspection according to national and local standards, for the following equipment:

- Elevator equipment, where two maintenance and inspections are to be conducted and recorded every month;
- Fire equipment will be inspected weekly, monthly, quarterly, semi-annual and signed on the corresponding maintenance records.

### Grievance mechanism

If the tenant encounters any property-related issues during the lease term, the tenant can report the issue to the Property Manager who may then escalate the issue to the Manager's asset management department depending on the nature and severity of the issue. The asset management department will conduct the investigation on-site together with the project department to ratify any issue.





### Evaluation

- Internal audit of the quality of assets is carried out quarterly.
- Annual external audit of ISO 9001 Quality Management System has been carried out at Hengde Logistics and the asset has obtained the ISO certification in February 2017.
- Annual external audits of ISO 9001 Quality management system have been carried out at Chongxian Port Investment and Chongxian Port Logistics and both properties have been ISO certified since December 2012.
- No major non-compliance issue has been identified during the audits. Some minor issues have been identified in the process e.g. an external audit conducted in November 2017 revealed that

the internal audit had not been carried out in accordance to the latest version of the ISO 9001:2015 at Chongxian Port Investment and Chongxian Port Logistics. EC World REIT had responded to the audit finding proactively and made the relevant correction and corrective actions immediately in December 2017.

### **Performance**

EC World REIT's assets are the recipient of numerous awards, particularly for Chongxian Port Investment, where four awards were received as shown in Table 4 below.

<b>Awards received</b>	<b>Level of award attained</b>	<b>Name of Building</b>	<b>Year Attained</b>
			
<b>Logistics Enterprise</b>	AAAAA grade	Chongxian Port Investment	2015
<b>Transportation Enterprise</b>	Grade 2	Chongxian Port Investment	2015
<b>Civilised Market</b>	3-star grade	Chongxian Port Investment	2014-2016
<b>Integrated Service Logistics Platform</b>	Famous brand	Chongxian Port Investment	2014-2017

*Table 4: Awards received for excellence*

## PRODUCT INNOVATION

### **Why the topic is important and its boundary**

Product innovation, especially in value added service, helps to attract customers and improve customer retention. For example, the ability to structure rental leases and services so as to suit the customer’s needs, the aesthetic aspects of the buildings, space available for leasing, as well as fixtures and services provided to customers.

Regular communications with the Property Manager and tenants are carried out to identify product needs. To fulfil the expectations and interests of stakeholders, the Manager strives to provide the optimal products and services to the customer with the aim of enhancing customer’s satisfaction to achieve customer retention.


The Manager acknowledges that adopting innovation is crucial for the long-term growth and success of any organization. Numerous industries face disruptions from technological innovation, and the real estate industry is no exception. Therefore, it is critical for the REIT and the Manager to pursue innovation to ensure the sustainability of the organisation.

### **Policy**

To encourage innovation, the Manager formulated project incentive policies, such as rewarding employees for technological innovation or transformation that brings about economic benefits or great honour to the organization. The Manager also invests in upgrading and the retrofitting of assets to enhance the existing facilities.

### **Target and status**

From 2017, the Property Manager has a dedicated engineering department which seeks to ensure that the upgrading of properties is carried out annually.

Target	Progress/Status
Upgrading 1-2 property features annually	 Achieved

### **Responsibilities**

Together with the Investment department at the Manager, the Department of Engineering at the Property Manager works hand in hand to foster innovation in the organisation.

### **Practices**

To increase customer retention, one of EC World REIT’s properties, Fu Heng Warehouse, has optimized its warehouse to cater to customers’ needs in the following manner:

- Providing optional add-on service for tenant such as customized e-commerce conveyor belts;



- Retrofitting and relocating the lifts to improve on the circulation efficiency of the warehouse at the recently implemented Asset Enhancement initiatives (AEI) in 2018.

#### **Grievance mechanism**

In order to encourage product innovation, suggestions can be made through the engineering department and submitted to the general manager for review and approval.

#### **Evaluation**

After each retrofitting is completed, an examination and evaluation of the new design will be carried out. According to the previous evaluation, in particular for Automate Storage and Retrieval System (ASRS), it is necessary to secure a suitable customer before the investment is made as the retrofitting would require large start-up sums.

The results of evaluation concluded that EC World REIT could target customers who are interested in multi-dimensional warehouse.

## OUR PEOPLE

### PROFILE OF OUR WORKFORCE

The Manager believes in the value creation of human capital, and thereby seeks to improve the diversity and quality of its human assets. The profile of EC World REIT's is shown in Figures 9 and 10 below. As a significant portion of the operational activities are performed by the staff in China under the Property Manager, this report also discloses the profile of staff in China<sup>1</sup> in Figure 10. (Note: Permanent staff in China are all full-time staff) Significant variations of workforce in Singapore and China are disclosed in Figure 11.

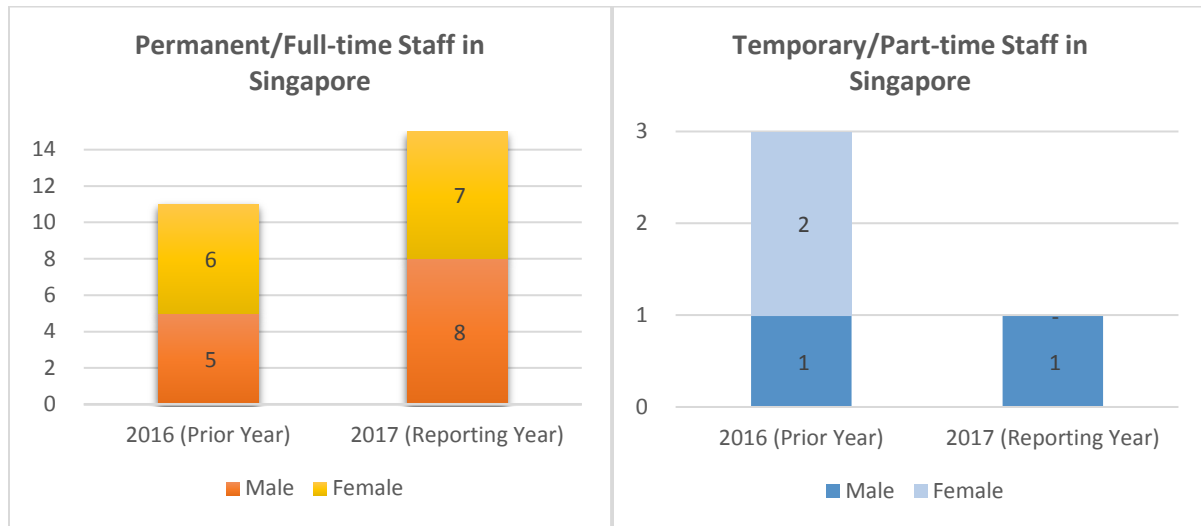


Figure 9: Profile of EC World REIT's workforce in Singapore (Employees)

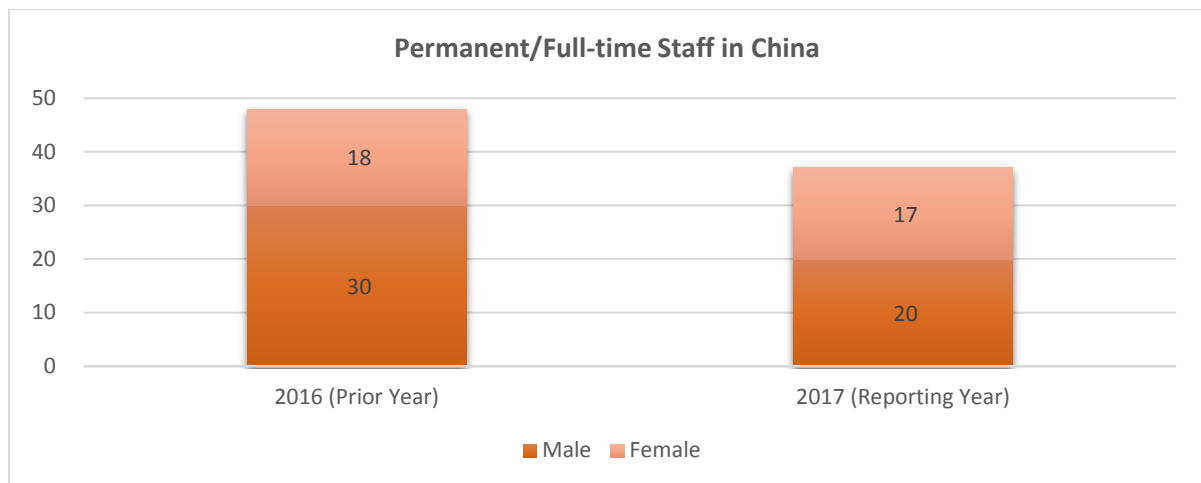


Figure 10: Profile of EC World REIT's workforce in China (Non-employees)

<sup>1</sup> Staff in China are defined as workers who are not employee of EC World REIT in the context of GRI standards

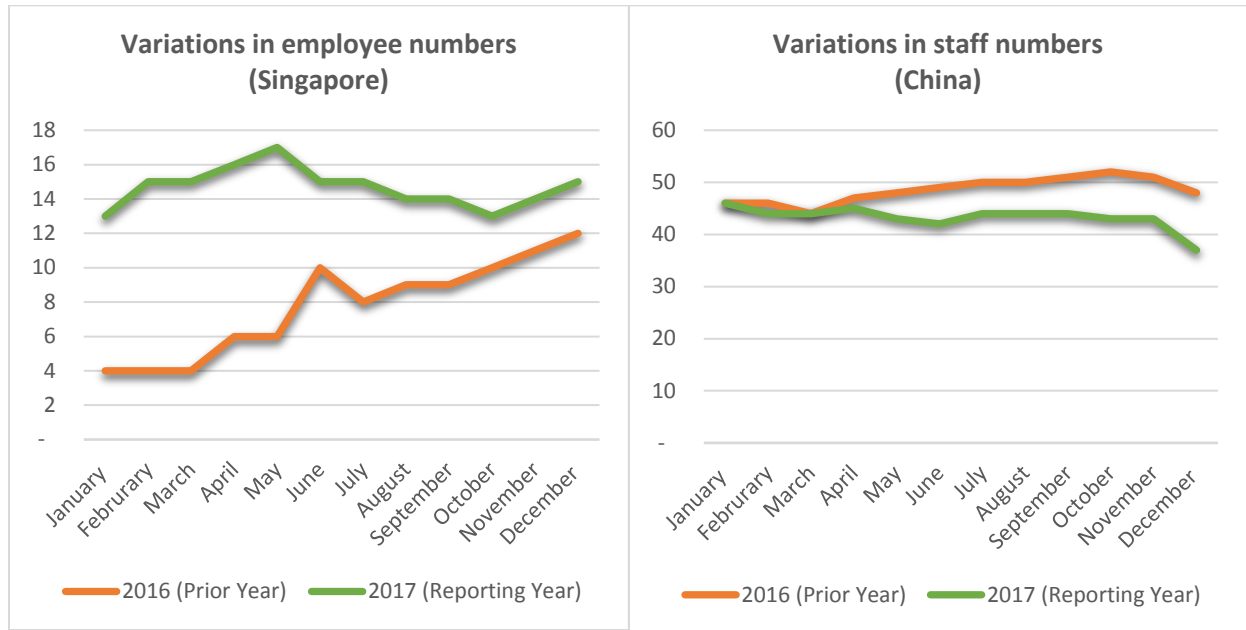


Figure 11: Significant variations in staff numbers in Singapore and China

## WORKPLACE HEALTH AND SAFETY


### **Why the topic is important and boundary**

Workplace health and safety is vital as it lowers the risk of prosecution, staff turnover, which will cause increased costs and reduced profitability. The Manager’s office surroundings, various departments, subsidiaries in China as well as the Property Manager’s workplace are potential parties who are at risk if workplace health and safety is not managed properly. Therefore, the Manager strongly emphasizes the importance of healthy and safe working environment for its employees.

### **Policy**

Workplace Safety and Health Act (Singapore)	Work Safety Law (China)
The Workplace Safety and Health (WSH) Act is an essential part of a framework to cultivate good safety habits in all individuals, so as to create a strong safety culture in workplaces. The WSH Act requires stakeholders to take reasonably practicable measures to ensure the safety and health of persons at the workplace.	The Work Safety Law has clearly defined the safety governance structure, roles and responsibilities of relevant personnel and the relevant rules and standards.

**Targets and status**

Target	Progress/Status
Zero work-related injury which results in staff permanent disability or fatality	 Achieved

**Responsibilities**

The Board oversees the overall Workplace Health and Safety issue in the REIT’s assets as well as at the Manager’s operational premises. On the other hand, senior management, compliance and risk management department and human resource department ensure that the REIT’s assets comply with the regulatory authorities and Health and Safety Management System.

**Practices**

A plan is created to promote workplace health and safety, it includes

- Inspecting and checking workplace surroundings;
- Training employees on safety awareness;
- Regular engagement of employees through talks and feedback sessions;
- Investigation of incidents;
- Maintaining of incident records.

The Manager also plans to launch an employee education/training program that focuses on handling electrical items in the office pantry, safety guidelines for using the ladder, and proper handling of heavy or bulky items.

**Grievance mechanism**

A Whistle Blowing Policy is implemented, and open for all employees of the Manager who wish to report any incident or grievance over the safety of the work to be carried out.

**Evaluation**

Although the evaluation of the practices has not yet been implemented, it will be implemented in the coming years based on future assessment on performance.

### Performance

In FY 2016 and FY2017, EC World REIT recorded zero injuries, zero fatalities, as well as zero occupational disease rate (ODR), as shown in Figure 12. The Manager seeks to ensure and maintain zero work-related injury, preventing any staff permanent disability or fatality.

Employees & Non employees (By region)						
	FY2016			FY2017		
	Injury rate (IR)	Lost day rate (LDR)	Absentee rate (AR)	Injury rate (IR)	Lost day rate (LDR)	Absentee rate (AR)
Singapore (Employees)	0%	0%	4.08%	0%	0%	12.69%
Singapore (Non-employees) <sup>2</sup>	0%	N.A.	N.A.	0%	N.A.	N.A.
China (Non-employees) <sup>3</sup>	0%	0%	0.45%	0%	0%	0.35%

Employees (By gender)						
	FY2016			FY2017		
	Injury rate (IR)/ Occupational disease rate (ODR)	Lost day rate (LDR)	Absentee rate (AR)	Injury rate (IR)/ Occupational disease rate (ODR)	Lost day rate (LDR)	Absentee rate (AR)
Male	0%	0%	0.60%	0%	0%	4.04%
Female	0%	0%	17.57%	0%	0%	21.35%

Non-employees (By gender)		
	Injury rate (IR)	
	FY2016	FY2017
Male	0%	0%
Female	0%	0%

Figure 12: Workplace health & safety data

<sup>2</sup> The non-employees in Singapore consist of two interns for FY2016 and one intern for FY2017.

<sup>3</sup> The staff under the Property Manager or “Yuntong” are considered non-employees in this report.

## OUR ENVIRONMENT

### ENERGY USE AND GHG EMISSION

#### **Why the topic is important and boundary**

Energy consumption leads to higher carbon emissions, which in turn contributes towards global warming. However, natural resources such as energy and water are essential in supporting real estate business operations. As such, the Manager is undertaking initiatives to identify technologies that will enable the reduction of energy consumption.

To identify the impact of energy consumption and greenhouse gas emissions, the Manager evaluates its monthly electricity bills' trends, whether it is in line with the average or if there has been an overutilization of electricity.

The REIT takes the effort to minimise wastage of electricity consumption as well as the environmental impact of the business in order to meet the expectations and interests of its stakeholders.

In this report, the REIT discloses the energy consumption and GHG emissions arising from the properties under its operational control in both Scope 1 (direct emissions) and Scope 2 (energy indirect emissions).

#### **Policy**

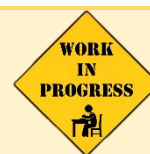
Since the properties of EC World REIT are taken care of by the Property Manager in China, the Property Manager ensures compliance towards the regulatory requirements such as Energy Conservation Law of PRC.

#### **Target and status**

##### **Target**

EC World REIT aims to reduce its total energy consumption from the properties under its operation control gradually over the next 5 years

##### **Progress/Status**



#### **Responsibilities**

Mr. Li Jinbo (Head of Investment, Asset Management and Investor Relations), as well as Senior Manager Mr. Teo Kah Ming (Investment and Asset Management), are responsible for managing the energy use and the associated GHG emissions.



### Practices

To embark on the green journey, EC World REIT is either involved in or planning the following initiatives:

- Usage of energy-efficient light bulbs;
- Conduct audits to identify, on a continual basis, buildings with potential for savings on energy consumption through more efficient electrical equipment or management policies;
- Explore use of solar panels to generate electricity for the properties;
- Increase the awareness on the impact of excessive energy usage and encourage energy saving and emission reduction;
- In the long run, EC World REIT plans to promote the use of alternative renewable energy vehicles and invest in solar power.

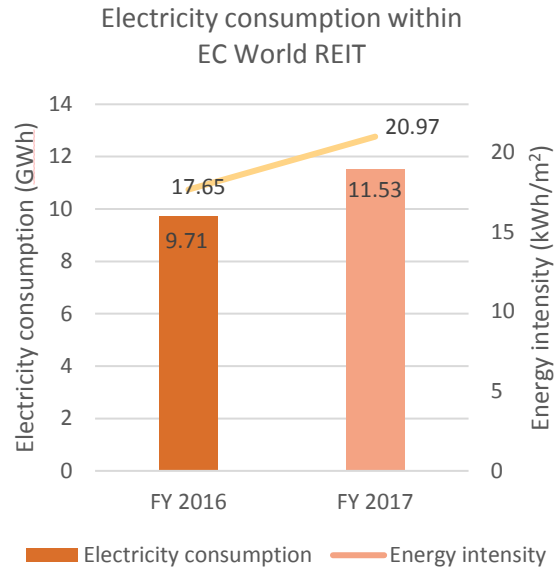
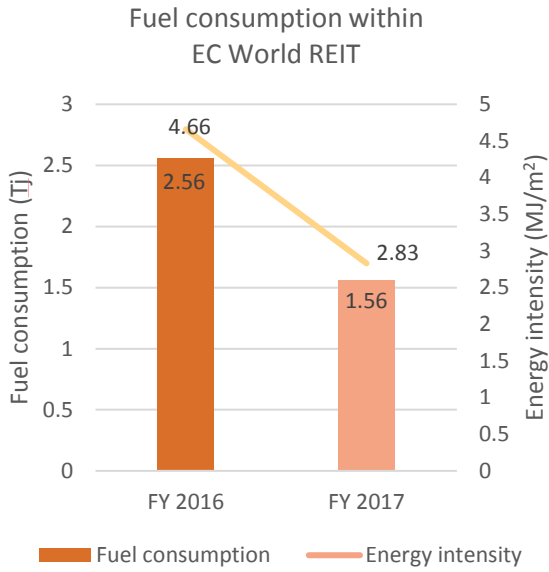
### Performance

EC World REIT has seen a reduction in fuel consumption in FY2017. Although there is an increase in electricity consumption in FY2017 and henceforth an increase in Scope 2 GHG emissions, efforts are ongoing to ensure that EC World REIT meets its target to reduce its total energy consumption gradually over the next 5 years.

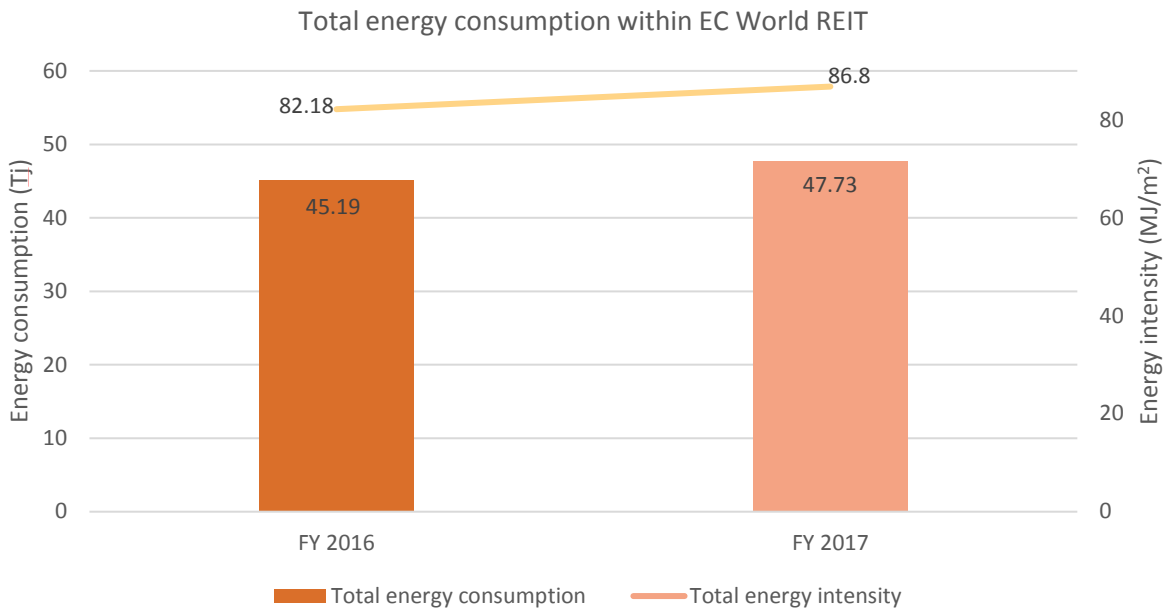
### Energy

Non-renewable Fuel Source Consumption & Energy Intensity				
Fuel	FY2016		FY2017	
	Energy consumption (TJ)	Energy intensity (MJ/m <sup>2</sup> )	Energy consumption (TJ)	Energy intensity (MJ/m <sup>2</sup> )
Diesel oil	1.60	/	1.03	/
Motor Gasoline	0.96		0.52	
<b>Total</b>	<b>2.56</b>	<b>4.66</b>	<b>1.56</b>	<b>2.83</b>

Electricity Consumption & Energy Intensity				
	FY2016		FY2017	
	Electricity consumption (GWh)	Energy intensity (kWh/m <sup>2</sup> )	Electricity consumption (GWh)	Energy intensity (kWh/m <sup>2</sup> )
China	9.70	17.65	11.52	20.95
Singapore	0.01	28.73	0.01	63.01
<b>Total</b>	<b>9.71</b>	<b>17.65</b>	<b>11.53</b>	<b>20.97</b>



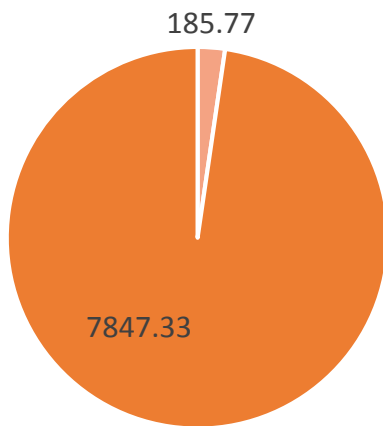
Total Energy Consumption & Intensity				
	FY2016		FY2017	
	Energy consumption (TJ)	Energy intensity (MJ/m <sup>2</sup> )	Energy consumption (TJ)	Energy intensity (MJ/m <sup>2</sup> )
<b>Grand Total</b>	45.19	82.18	47.73	86.80



GHG emission

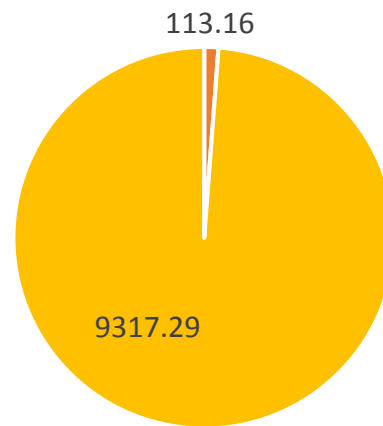
Direct (Scope 1) GHG emissions				
Scope 1 Emissions (tCO <sub>2</sub> e)	FY2016		FY2017	
Total	185.77		113.16	
Energy indirect (Scope 2) GHG emissions				
Scope 2 Emissions (tCO <sub>2</sub> e)	FY2016		FY2017	
China	7844.49		9311.07	
Singapore	2.84		6.22	
Total	7847.33		9317.29	
GHG emissions intensity				
Scope 1 and 2 Emissions	FY2016		FY2017	
	Quantity of Emissions (tCO <sub>2</sub> e)	Emissions Intensity (kgCO <sub>2</sub> e/m <sup>2</sup> )	Quantity of Emissions (tCO <sub>2</sub> e)	Emissions Intensity (kgCO <sub>2</sub> e/m <sup>2</sup> )
Grand Total	8033.1	14.61	9430.45	17.15

FY2016 GHG emissions (tCO<sub>2</sub>e)



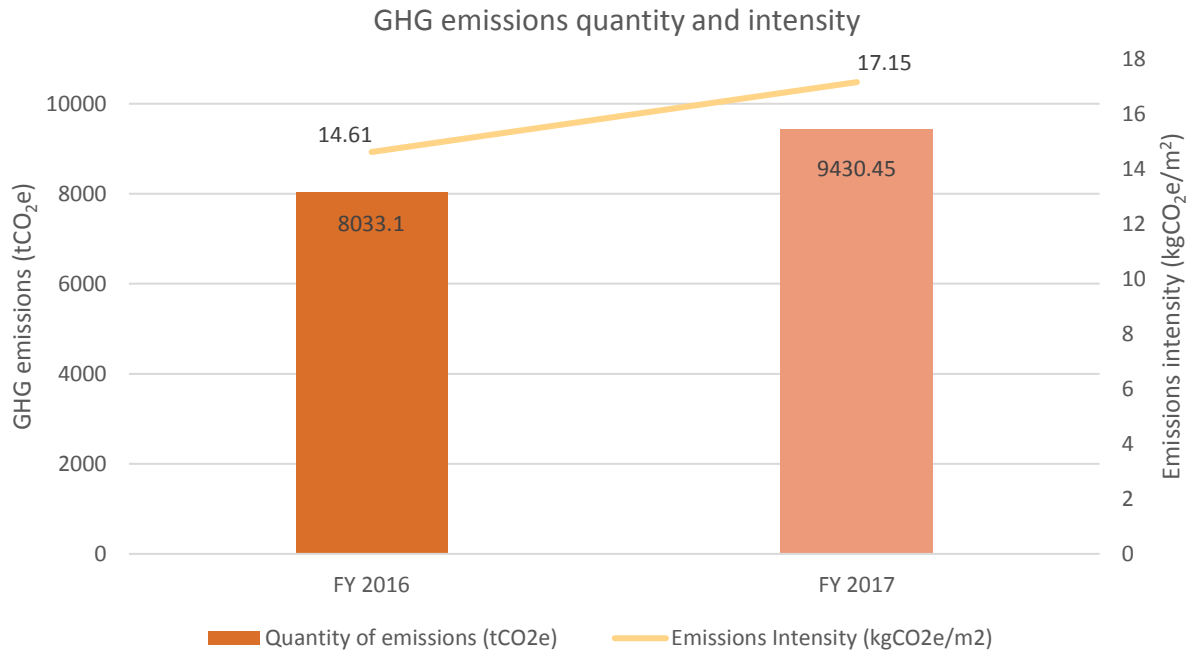
■ Scope 1 ■ Scope 2

FY2017 GHG emissions (tCO<sub>2</sub>e)



■ Scope 1 ■ Scope 2

**Note:** GHG emissions are calculated following the requirements and principles of ISO 14064-1 and Greenhouse Gas Protocol. Gases included in the calculation are CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O. Scope 1 emission factors are sourced from 2006 IPCC Guidelines for National Greenhouse Gas Inventories. Scope 2 emission factors are sourced from Electricity Grid Emission Factor and Upstream Fugitive Methane Emission Factor, 2005 – 2017, Singapore Energy Market Authority 11 July 2018 and 2016 Baseline Emission Factors for Regional Power Grids in China, NDRC Apr 2017.



## COMMITMENT TO SUSTAINABILITY

As EC World REIT continues to grow its portfolio of assets, the Manager will continue to collaborate with its stakeholders to ensure positive economic, social and environmental practices are embedded into its processes and procedures. The Manager will also enhance the sustainability awareness through internal training and external advocacy. For any queries and feedback with, please contact Ms. Sabrina Tay, Manager, Investor Relations at [ir@ecwreit.com](mailto:ir@ecwreit.com)

## GRI CONTENT INDEX

GRI Standard	Disclosure	Section of Report	Page Reference	
General Disclosures				
GRI 102: General Disclosures 2016	<b>Organizational profile</b>			
	102-1	Name of the organization	About EC World	Pg 6-8
	102-2	Activities, brands, products, and services	About EC World	Pg 6-8
	102-3	Location of headquarters	About EC World	Pg 6-8
	102-4	Location of operations	About EC World	Pg 6-8
	102-5	Ownership and legal form	About EC World	Pg 6-8
	102-6	Markets served	About EC World	Pg 6-8
	102-7	Scale of the organization	About EC World	Pg 6-8
	102-8	Information on employees and other workers	Our people	Pg 27-30
	102-9	Supply chain	Supply Chain Management	Pg 9
	102-10	Significant changes to the organization and its supply chain	About EC World	Pg 6-8
	102-11	Precautionary Principle or approach	Risk Management	Pg 14
	102-12	External initiatives	About EC World	Pg 6-8
102-13	Membership of associations	About EC World	Pg 6-8	
<b>Strategy</b>				
102-14	Statement from senior decision-maker	Board statement	Pg 2	
<b>Ethics and integrity</b>				
102-16	Values, principles, standards, and norms of behaviour	Ethics And Integrity	Pg 15	
<b>Governance</b>				
102-18	Governance structure	Governance	Pg 14	
<b>Stakeholder engagement</b>				
102-40	List of stakeholder groups	Stakeholder Engagement	Pg 10 - 12	
102-41	Collective bargaining agreements	EC World REIT does not have any collective bargaining agreements	N.A	
102-42	Identifying and selecting stakeholders	Stakeholder Engagement	Pg 10 - 12	

GRI Standard	Disclosure		Section of Report	Page Reference
	102-43	Approach to stakeholder engagement	Stakeholder Engagement	Pg 10 - 12
	102-44	Key topics and concerns raised	Stakeholder Engagement	Pg 10 - 12
	<b>Reporting practice</b>			
	102-45	Entities included in the consolidated financial statements	About The Report	Pg 5
	102-46	Defining report content and topic Boundaries	About The Report	Pg 5
	102-47	List of material topics	Materiality Assessment	Pg 12-13
	102-48	Restatements of information	This is EC World Inaugural Report	N.A.
	102-49	Changes in reporting	This is EC World Inaugural Report	N.A.
	102-50	Reporting period	About The Report	Pg 5
	102-51	Date of most recent report	This is EC World Inaugural Report	N.A.
	102-52	Reporting cycle	About The Report	Pg 5
	102-53	Contact point for questions regarding the report	Commitment to sustainability	Pg 33
	102-54	Claims of reporting in accordance with the GRI Standards	About The Report	Pg 5
	102-55	GRI content index	GRI Content Index	Pg 36 - 39
	102-56	External assurance	Organization has not sought external assurance	N.A.
<b>Topic-specific GRI Standard Disclosures</b>				
<b>CATEGORY: ECONOMIC</b>		<b>MATERIAL ASPECT: PRODUCT INNOVATION (VALUE ADDED SERVICE)</b>		
GRI 103: General Disclosures 2016	103-1	Explanation of the material topic and its Boundary	Product Innovation	Pg 25 - 26
	103-2	The management approach and its components	Product Innovation	Pg 25 - 26
	103-3	Evaluation of the management approach	Product Innovation	Pg 25 - 26
<b>CATEGORY: ENVIRONMENTAL</b>		<b>MATERIAL ASPECT: ENERGY USE AND GHG EMISSIONS</b>		
GRI 103: General	103-1	Explanation of the material topic and its Boundary	Energy Use And GHG Emissions	Pg 31 - 35

GRI Standard	Disclosure		Section of Report	Page Reference
Disclosures 2016	103-2	The management approach and its components	Energy Use And GHG Emissions	Pg 31 - 35
	103-3	Evaluation of the management approach	Energy Use And GHG Emissions	Pg 31 - 35
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Energy Use And GHG Emissions	Pg 31 - 35
	302-3	Energy intensity	Energy Use And GHG Emissions	Pg 31 - 35
GRI G4 Sector Disclosure: Construction and Real Estate	CRE-3	Greenhouse gas emissions intensity from buildings	Energy Use And GHG Emissions	Pg 31 - 35
GRI 305: Emissions 2016	305-2	Energy indirect (Scope 2) GHG emissions	Energy Use And GHG Emissions	Pg 31 - 35
	305-4	GHG emissions intensity	Energy Use And GHG Emissions	Pg 31 - 35
GRI G4 Sector Disclosure: Construction and Real Estate	CRE-3	Greenhouse gas emissions intensity from buildings	Energy Use And GHG Emissions	Pg 31 - 35
<b>CATEGORY: SOCIAL</b>		<b>MATERIAL ASPECT: WORKPLACE HEALTH AND SAFETY</b>		
GRI 103: General Disclosures 2016	103-1	Explanation of the material topic and its Boundary	Workplace Health And Safety	Pg 28 - 30
	103-2	The management approach and its components	Workplace Health And Safety	Pg 28 - 30
	103-3	Evaluation of the management approach	Workplace Health And Safety	Pg 28 - 30
GRI 403: Occupational Health and Safety 2018	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Workplace Health And Safety	Pg 28 - 30
<b>MATERIAL ASPECT: QUALITY OF ASSETS</b>				
GRI 103: General Disclosures 2016	103-1	Explanation of the material topic and its Boundary	Quality Of Assets	Pg 21 - 24
	103-2	The management approach and its components	Quality Of Assets	Pg 21 - 24
	103-3	Evaluation of the management approach	Quality Of Assets	Pg 21 - 24
GRI G4 Sector Disclosure: Construction and Real Estate	CRE-8	Type and number of sustainability certification, rating and labeling schemes for new construction, management, occupation and redevelopment	Quality Of Assets	Pg 21 - 24

GRI Standard	Disclosure		Section of Report	Page Reference
CATEGORY: GOVERNANCE		MATERIAL ASPECT: REGULATORY COMPLIANCE		
GRI 103: General Disclosures 2016	103-1	Explanation of the material topic and its Boundary	Regulatory Compliance	Pg 17 - 20
	103-2	The management approach and its components	Regulatory Compliance	Pg 17 - 20
	103-3	Evaluation of the management approach	Regulatory Compliance	Pg 17 - 20
GRI 419: Socioeconomic Compliance 2016	307-1	Non-compliance with environmental laws and regulations	Regulatory Compliance	Pg 17 - 20
	419-1	Non-compliance with laws and regulations in the social and economic area	Regulatory Compliance	Pg 17 - 20