VIVA iTRUST



SUSTAINABILITY
REPORT 2017

TOWARDS SUSTAINABLE GROWTH

VISION

TO BE A STEADFAST INDUSTRIAL REAL ESTATE INVESTMENT TRUST OFFERING THE BEST-IN-CLASS INCOME PRODUCING PORTFOLIO WITH DYNAMIC GROWTH POTENTIAL.

MISSION

TO PROVIDE STAPLED SECURITY-HOLDERS WITH STABLE DISTRIBUTIONS AND LONG-TERM GROWTH IN ASSET VALUE.

VIVA INDUSTRIAL TRUST

Viva Industrial Trust ("VIT") is a Singapore-focused business park and industrial real estate investment trust listed on the Mainboard of the Singapore Exchange ("SGX") on 4 November 2013. VIT comprises Viva Industrial Real Estate Investment Trust ("VI-REIT") and Viva Industrial Business Trust ("VI-BT"). VI-REIT has the principal investment strategy of investing in a diversified portfolio of income-producing real estate that is predominantly used for business parks and other industrial purposes in Singapore and elsewhere in the Asia Pacific region. VI-BT is presently inactive.

VIT's current property portfolio covers an aggregate gross floor area of 3.9 million sq ft and is strategically located in key business parks and established industrial clusters with an aggregate valuation of close to S$1.3 billion. Its nine properties serve more than 150 tenants with 40% of them in information technology, e-business or data centre operations.

Cover and current page photos: **Gorilla Climbing Gym @ VBP**

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BOARD STATEMENT

The Board of Directors (the "Board") of the managers of VIT, is pleased to publish our 2nd annual sustainability report. The report outlines how we managed our material economic, environmental and social impact in the stated period. We adopted the latest GRI Standards issued by the Global Reporting Initiative ("GRI") which also complies with SGX Sustainability Reporting Guide.

We are committed to value creation for our stakeholders through upholding the strictest corporate governance standards and achieving sustainable business as part of our strategy formulation. The Board endorses the identification of the material Environmental, Social and Governance (ESG) factors covered in this report, and also provides oversight and guidance on monitoring of these material ESG factors through quarterly review of the key performance indicators.

On the economic front, VIT remains focused on achieving long-term growth across the board in gross revenue, net property income (NPI), distributable income and distribution per stapled security (DPS) while remaining prudent in our capital and risk management.

Our environmental approach mainly involves closely monitoring the energy consumption in our properties to identify opportunities for reduction. We also track water consumption at our properties and strive to conserve and reduce its usage where possible.

Tenant satisfaction is pivotal to ensure VIT's properties remain appealing to our existing and prospective tenants. We engage with our tenants proactively to understand issues and meet their needs. This report includes the results of our annual tenant satisfaction survey and areas of survey covered.

Our employees play a central role in sustaining VIT's growth. We endeavour to develop our human capital through adopting a continuous learning journey and cultivating cohesive corporate culture in order to attract and retain the right talent.

Finally, responsible corporate citizenship is at the heart of our values. We contribute to building community resilience through supporting various programmes. We remain committed to aligning VIT's growth strategies with sustainable business practices in creating long-term value and growth for our stakeholders.

ABOUT THIS REPORT

The report covers VIT's performance relating to material Environmental, Social and Governance ("ESG") factors which are most relevant to our business priorities.

The report covers VIT's ESG performance for the period 1st January 2015 to 31st December 2017 unless stated otherwise. The ESG data refers to VIT's business operations in Singapore, mainly covering the following 3 multi-tenanted properties: Viva Business Park ("VBP"), UE BizHub EAST ("UEBH") and Jackson Square ("JS"). The report excludes the following properties: 11 Ubi Road 1, 30 Pioneer Road, 6 Chin Bee Avenue, Home-Fix Building, Jackson Design Hub and Mauser Singapore which are Master Leased properties.

SUSTAINABILITY REPORTING FRAMEWORK

This report has been prepared in accordance with the GRI standards: Core option and is in compliance with the SGX-ST Listing Rules (711A and 711B) and the SGX Sustainability Reporting Guide. A GRI Index included at the end of the report indicates the location of the relevant disclosures. We have also aligned VIT's material factors with the relevant UN Sustainable Development Goals (SDGs). We have measured our carbon footprint by applying the grid emission factors for the electricity consumption.

REPORTING PRINCIPLES

VIT has applied the reporting principles contained in the GRI Standards for determining the report content and quality. The report content has been decided on the basis of materiality assessment, analysis of stakeholder expectations, and the broad spectrum of sustainability context relevant to VIT's business.

We have applied GRI's reporting principles of accuracy, balance, clarity, comparability, reliability and timeliness to help stakeholders assess our sustainability performance.

To ensure accuracy and consistency, ESG data provided in this report has been extracted from internal information systems and records. We have used international measurement units for presenting the ESG data. Financial figures are in Singapore dollars.

RESTATEMENTS

There are no restatements of earlier reported data.

ASSURANCE

We have relied on internal verification to ensure the accuracy of data provided in the report. We did not obtain external assurance for the report content.

AVAILABILITY

To minimise the environmental impact, only the online version of this report is available for download in PDF form on our website at www.vivaitrust.com.

FEEDBACK

Stakeholders are welcome to send their feedback or suggestions regarding this report to us at contactus@vivaitrust.com

ESG PERFORMANCE SUMMARY

ESG FACTORS	2015	2016	2017
ENVIRONMENTAL[1]			
Total electricity consumption (kWh)	26,857,491	23,826,217	22,434,245
Total energy consumption (GJ)	96,687	85,774	80,763
Energy intensity (GJ/m^2)	1.38	1.23	1.16
CO_2 emissions (tCO_2)	11,345	10,112	9,521
CO_2 emissions intensity (tCO_2/m^2))	0.16	0.14	0.14
Water (m^3)	238,456	226,319	143,392
SOCIAL			
Employees			
Total number of full-time employees	19	21	24
Female employees	63.2%	52.4%	54.2%
New hires	2	8	6
Average training hours per employee (hrs)	5.5	17.0	11.5
Average training expenditure per employee ($)	684	821	750
Employee turnover rate	0.0%	28.6%	12.5%
Community			
Donations and contributions ($)	32,300	1,000	27,000
FINANCIAL ($'000)			
Gross revenue	73,989	95,119	111,663
Net property income	50,839	68,478	81,806
Distributable income	47,478	60,938	74,084
Distribution per stapled security (Singapore cents)	7.000	6.958	7.472

Note

1 Energy data relates to consumptions in the buildings' common areas and the managers' office. Energy intensity is attributable to purchased electricity. Emissions relate to Scope-2 purchased electricity. Water data relates to the consumption in common areas.

STAKEHOLDERS

BUILDING TRUSTED RELATIONSHIPS

VIT recognises the importance of building trusted relationships with internal as well as external stakeholders. We engage with our stakeholders in the course of business, both groups or individuals who may be impacted by our business or may have the potential to affect our operations. Regular engagement with our key stakeholders helps us respond to their expectations and interests in an effective manner. We also use insight from our ongoing interaction with various stakeholders to determine material topics for our sustainability report.

A description of our primary stakeholders, and how we respond to their expectations and concerns, is presented below.

STAKEHOLDER GROUP	THEIR EXPECTATIONS	MEANS OF ENGAGEMENT	FREQUENCY OF ENGAGEMENT
Tenants 	Fair lease terms and negotiations, prompt redress of grievances, maintenance of proper hygiene standards, and health and safety of their staff, customers and visitors	Tenants engagement events: Health talks, sports events, community engagement drives, training and development workshops	Throughout the year
		Tenant Satisfaction Survey	Annually
Employees 	Career advancement, personal development, and work-life balance	Regular employee activities on healthy living and work-life integration	Throughout the year
Government and Regulators 	Compliance with laws and regulations	Email updates and media announcements from regulatory agencies	Throughout the year
Suppliers and Service Providers 	Fair selection, clarity of specifications, timely payment, long-term relationship	Supplier and tender briefings, discussion via calls or emails, and regular meetings	Throughout the year
Local Communities 	Support for social causes	Partnership with local community centres to engage with the underprivileged and needy community	Throughout the year
		Provide donations and support programmes or training workshops promoting youth leadership and skills development	Throughout the year
		Organise outreach events for communities in need to raise social awareness	Throughout the year
Investors 	Stable distributions and long-term growth in asset value	Results announcements and earning calls	Quarterly
		Results briefings	Twice a year
		Local and overseas investor conferences and roadshows	Throughout the year
		Investor meetings, teleconferences and site visits	Throughout the year
		Annual General Meeting	Annually

MEMBERSHIP OF ASSOCIATIONS

VIT engages with relevant industry associations and sustainability organisations through membership and active participation. For example, as a Gold Member of the Global Compact Network Singapore, we actively participate in multi-stakeholder forums on a wide range of sustainability topics.

AWARDS AND RECOGNITIONS

In 2017, VIT bagged multiple accolades that reflect our commitment to excellence. Our honours in 2017 included:

- Asia Pacific Best of the Breeds REITs Awards 2017: Platinum Award (Industrial REIT)
- BEI Asia Awards 2017: The ARCA Outstanding Leadership Excellence (Industrial REIT) Award
- Fortune Times REITs Pinnacle Awards 2017: The Most Significant Return REIT in Asia
- Inclusion of VIT in the MSCI Singapore Small Cap Index



VIT Clinched Platinum Award In The Industrial REIT Category At The Asia Pacific Best Of The Breeds REITs Awards 2017



VIT Awarded The ARCA Outstanding Leadership Excellence (Industrial REIT) Award At The BEI Asia Awards 2017



VIT Clinched Its Third Award For The Year At The Fortune Times REITs Pinnacle Awards 2017 As The Most Significant Return REIT In Asia

MSCI

Inclusion of VIT In the MSCI Singapore Small Cap Index

SUSTAINABILITY APPROACH

CREATING LONG-TERM VALUE

We are committed to creating long-term value for our stakeholders. Our sustainability strategy is to assess and manage the most material economic, environmental and social impacts, risks and opportunities arising from our business operations with an aim to support sustainable growth of our business.

Materiality assessment is at the heart of our sustainability strategy. We first carried out a comprehensive materiality assessment in May 2016 to identify sustainability topics that reflect VIT's significant impacts as well as our stakeholders' interest. The process enabled us to prioritise topics for our inaugural sustainability report.

In 2017, we reviewed and reassessed VIT's material sustainability issues. Members of the senior management team, including the CEO, participated in the review process. As part of the review, we took into account the sustainability reporting trends in the REIT sector. We also considered the feedback received on our first sustainability report from various stakeholders. The review included re-examining our key stakeholders and the topics raised by them in the course of our routine interactions with them. Based on the exercise, we have selected the topics that represent VIT's significant impact on the economy, environment and society.

A summary of our material issues is presented below.

MATERIAL TOPIC	WHERE THE IMPACT OCCURS	VIT'S INVOLVEMENT	VIT'S APPROACH
ENVIRONMENT			
Energy	Properties occupied by tenants including the common areas	Direct and Indirect	Improve energy efficiency, reduce energy consumption
Carbon emissions	Properties occupied by tenants including the common areas	Direct and Indirect	Reduce carbon emissions through energy efficiency
Water	Properties occupied by tenants including the common areas	Direct and Indirect	Water conservation
Waste	Properties occupied by tenants including the common areas	Direct and Indirect	Reduce waste, safe disposal of waste
Environmental compliance	Properties occupied by tenants including the common areas	Direct and Indirect	Ensure compliance with applicable environmental laws

MATERIAL TOPIC	WHERE THE IMPACT OCCURS	VIT'S INVOLVEMENT	VIT'S APPROACH
SOCIAL			
Talent attraction and retention	VIT	Direct	Attract and retain the best talent
Training and education	VIT	Direct	Invest in employee development
Health and safety	VIT	Direct	Take measures to prevent accidents
Tenant satisfaction	VIT	Direct	Actively engage with tenants to address their expectations
ECONOMIC			
Economic performance	VIT	Direct	Ensure long-term sustainable growth and generate a reasonable return on investment
Anti-corruption	VIT, Value Chain	Direct	Maintain zero tolerance for corruption

SUSTAINABILITY GOVERNANCE

A management committee led by the CEO has the responsibility for adopting and implementing sustainability policies and initiatives in consultation with the Board. The committee is supported by a project team which collects and verifies the ESG data for sustainability reporting.

CORPORATE GOVERNANCE

VIT, listed on the Main Board of SGX, is committed to upholding high standards of governance. We have put in place a robust corporate governance framework in accordance with the Code of Corporate Governance 2012 (the "CG Code") issued by the Monetary Authority of Singapore (MAS) and other applicable laws and regulations.

In line with the CG Code, we disclose our corporate governance practices in our Annual Report. Please refer to VIT's 2017 Annual Report (page 57) for more detailed information about our corporate governance principles, policies and practices.

TENANT SATISFACTION

CONTINUOUSLY IMPROVING TENANT EXPERIENCE

The REIT Manager considers tenant satisfaction a top priority. The REIT Manager has adopted an integrated engagement approach to serving the tenants effectively. The engagement goes beyond addressing tenants' needs and expectations relating to the smooth running of their operations. The REIT Manager actively seeks tenants' participation in social initiatives. A number of initiatives have been implemented to engage, partner and collaborate with tenants to support social causes.

In 2017, the REIT Manager organised regular tenant engagement events including weekly workout activities and talks related to health, investment and well-being on a regular basis.

TENANT SERVICES

Ensuring excellent tenant experience is a top priority for us. We maintain high professional standards right from the leasing process to the lease renewal process. We ensure that the overall upkeep of the properties meets high-quality standards. Our key performance indicators include hassle-free billing and payment process, cleanliness of common areas and toilets, professional customer service, lifts maintenance, security arrangements, landscaping, and effective air-conditioning to name a few.

HEALTH, HYGIENE AND SAFETY

Protecting tenants, visitors, employees and contractors from potential health and safety risks is an essential aspect of our property management.

We have implemented the necessary health and safety measures in our properties to prevent and manage the potential risks and incidents. The key areas of our attention include fire safety, slips, trips and falls, first aid, vector control measures to prevent mosquito breeding, maintenance of lifts and escalators, proper lighting throughout the premises, and security.

Through our "Get Healthy Programme", we promote active living among our tenants as well as our employees by organising workout sessions on bi-monthly basis. Our "Wellness Day" initiative encourages healthy eating by giving out fresh fruits to tenants on a quarterly basis.

TENANT SATISFACTION SURVEY

Ensuring pleasant tenant experience is a key priority for us. We periodically conduct tenant satisfaction surveys to gather actionable feedback. The survey, conducted by a third party, covers various areas such as leasing and renewal process, accounting and billing experience, property management agent's customer service, cleanliness, physical condition and maintenance, security and car park. Tenants are asked to rate various services on a scale of 1 to 7.

The senior management reviews the survey findings and take the necessary measures for continuous improvements.

In the latest VIT Tenants Survey, our ratings improved across segments as the REIT Manager acted on the feedback received in the prior year's survey to improve tenant experience. The overall customer service rating covering all properties in the 2017 survey improved to 7.7 from the previous score of 6.2. The score for the single-tenanted properties was 8.6 while the multi-tenanted properties scored 6.8, both registering an increase over the preceding year's rating.

PROPERTY TYPE	AVERAGE SCORE	
	2016	2017
Single-tenanted buildings	7.2	8.6
Multi-tenanted buildings	6.1	6.8
VIT Overall Score	6.2	7.7

INFORMATION SECURITY

With the rise in digital transactions, VIT recognises the importance of protecting the privacy of tenants and customers' data. VIT is committed to safeguarding the data against information theft and other potential fraudulent activities.

Some of the features of our enhanced information security programme include daily back up of server, purchase of staff computers with higher security functions, faster internet speed, regular maintenance of IT server and equipment.

VIT has implemented measures to protect customers' data in accordance with the MAS Guidelines on Technology Risk Management. A robust disaster recovery plan is in place in the event of major system outages.

VIT has implemented a comprehensive Information Security Policy. VIT's Local Area Network environment is protected by a firewall which is equipped with multiple systems for enhanced protection from virus attacks and hackers.

CUSTOMER PRIVACY

VIT complies with the Personal Data Protection Act of Singapore and has implemented the necessary processes to safeguard personal data of customers, employees and other individuals. Our Privacy Statement is also available on VIT's corporate website.

There were no substantiated complaints of breaches of personal data or customer privacy in the reporting period.

PEOPLE

PROMOTING FAIR AND INCLUSIVE WORKPLACE PRACTICES

VIT is committed to nurturing a performance-driven organisation by attracting, developing and retaining the right talent. Investing in human capital development is crucial for VIT to support sustainable growth of the business.

As at the end of 2017, VIT employed 24 full-time employees. We hired six new employees during the year.

GENDER DIVERSITY

Women represented 54.2% of our workforce. Of the six new employees we hired in 2017, four were women. Women held 66.7% of middle management jobs.

FAIR EMPLOYMENT

VIT's approach is to nurture an inclusive workplace based on mutual trust, respect and fairness. As a signatory to the Employers' Pledge of Fair Employment Practices, VIT has adopted the Tripartite Guidelines on Fair Employment Practices. We reward our employees based on skill set, merit and performance. All employees are provided with equal opportunity for training and personal development to help them realise their full potential.

VIT is one of the early adopters of the Singapore National Employers Federation's (SNEF) SAPPHIRE programme which aims to prepare organisations for the future economy by integrating productivity practices, human resources development and industrial relations.

The initiative aims to enhance companies' competitiveness and sustain business growth by becoming progressively lean supported by robust human capital strategies.

TRAINING

Employee development is an essential aspect of human capital management at VIT. VIT employees receive regular training that helps them update and upgrade their skills and knowledge.

VIT employees most recently attended several courses aimed at better risk management. The e-learning courses completed by the employees included the following topics: Insider Trading, Personal Data Protection Act, Operational Risk Management Essentials, Anti-Bribery and Anti-Corruption, Business Continuity Management, Global Fraud Prevention, Anti-Money Laundering, Code of Conduct, Information Security and Cyber Risk Awareness, and Conflict of Interests.

In 2017, we invested $18,000 in employee training as against $17,000 in the prior year. Our training expenditure per employee was $750 in 2017.

EMPLOYEE WELFARE

We offer competitive wage and benefits to our employees in line with market practice which include medical insurance, medical and dental allowance, productivity and enrichment benefits, annual overseas company trip, and yearly team building retreats.

TURNOVER

In 2017, our employee turnover rate was 12.5%, lower than the figure of 28.6% in the preceding year. Our turnover rate was also lower than Singapore's national turnover rate of 25.2% as published by the Ministry of Manpower. Of the three employees who resigned, two were in the age group of 30 to 50 years, and one was less than 30 years old.

HUMAN RIGHTS

VIT supports national and international norms of human rights across its business. Our policies prohibit discrimination, forced labour and child labour. We recognise the rights of our employees to freedom of association and collective bargaining in accordance with applicable laws.



Team building retreat



Community work at Food Bank Singapore

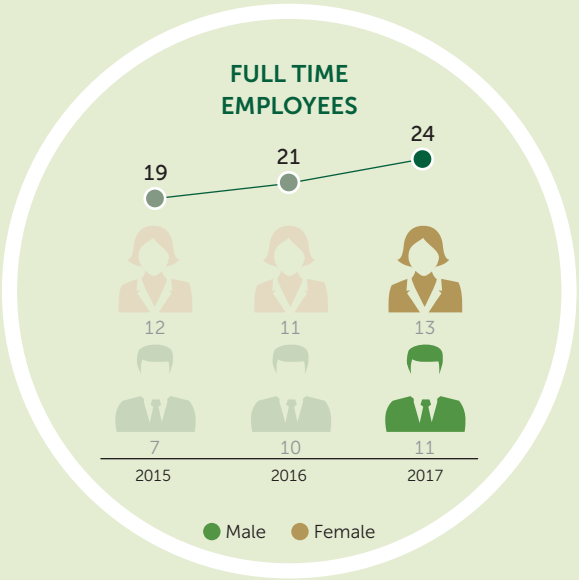




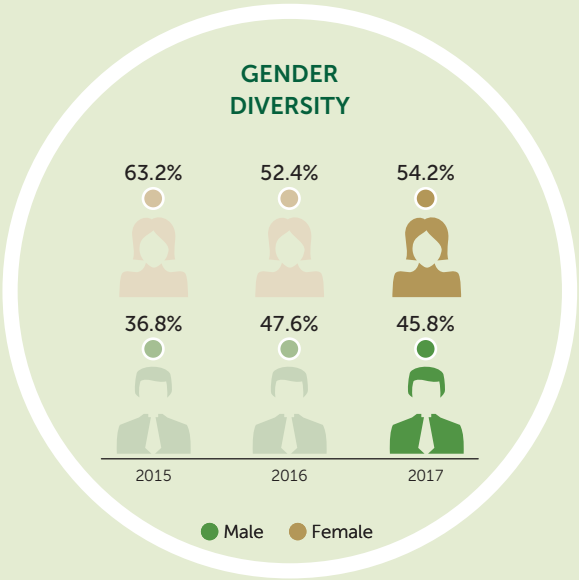
Company trip in Bali

PEOPLE PERFORMANCE

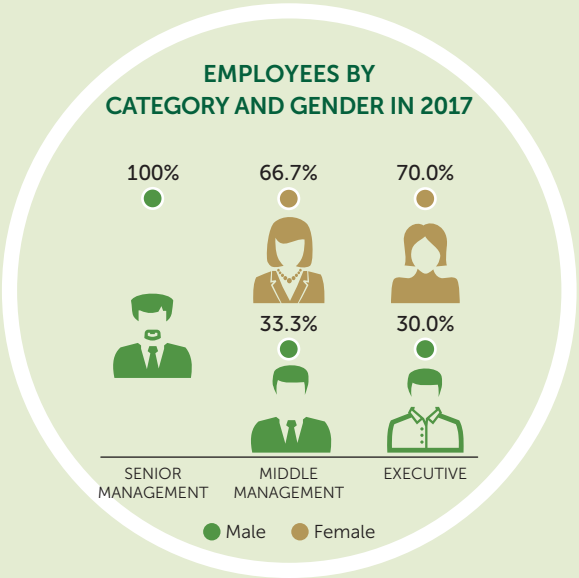
FULL TIME EMPLOYEES



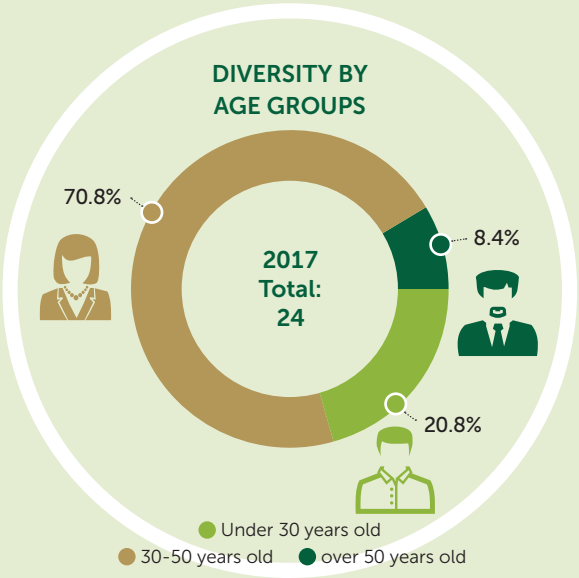
GENDER DIVERSITY



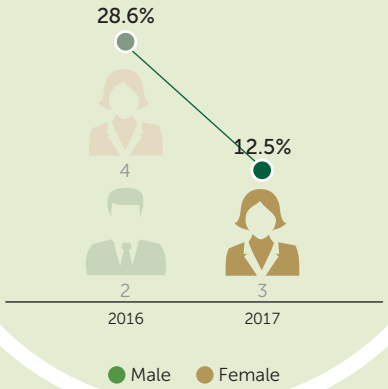
EMPLOYEES BY CATEGORY AND GENDER IN 2017



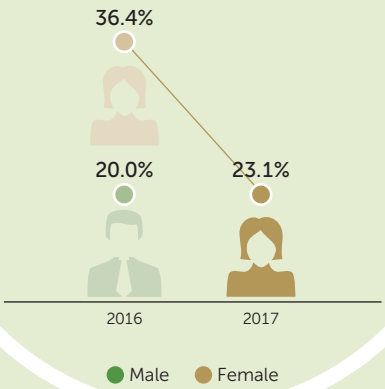
DIVERSITY BY AGE GROUPS



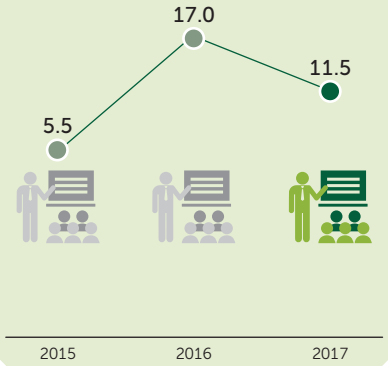
EMPLOYEE TURNOVER



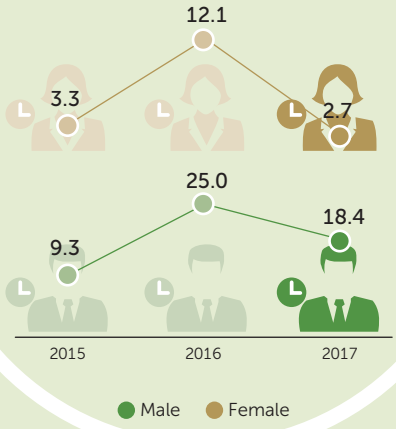
EMPLOYEE TURNOVER BY GENDER



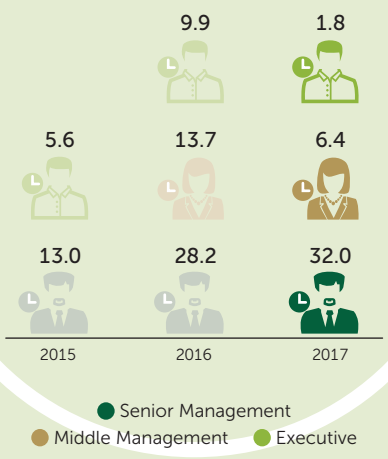
AVERAGE HOURS OF TRAINING PER EMPLOYEE



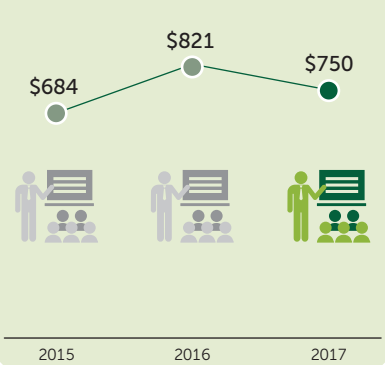
AVERAGE HOURS OF TRAINING BY GENDER



AVERAGE HOURS OF TRAINING BY CATEGORY



TRAINING EXPENDITURE PER EMPLOYEE



ENVIRONMENT

MANAGING OUR ENVIRONMENTAL FOOTPRINT RESPONSIBLY

VIT's significant environmental impacts include energy and water consumption in properties managed by the REIT Manager. The REIT Manager's approach is to improve energy efficiency and water conservation. Energy and water efficiencies save operational cost for VIT as well as for its tenants.

Nearly half of VIT's property portfolio is on sale and leaseback agreements with limited or no operational control. VIT's approach is to engage these master tenants and encourage them to adopt environmentally efficient practices.

ENVIRONMENTAL PERFORMANCE

VIT monitors the environmental performance of the properties where it has operational control. This report includes our energy consumption, carbon emissions, water usage and electronic waste.

VIT has started measuring and monitoring general waste at VBP. This will enable us to report the general waste data in our next Sustainability Report.

GREEN BUILDING

In Singapore, buildings are the third largest contributor to the nation's Greenhouse Gas Emissions. Ensuring energy efficiency in buildings is vital to support Singapore's climate change mitigation efforts.

Two of VIT's properties in Singapore are certified green buildings. UEBH Business Park Component is awarded Green Mark GoldPlus, and UEBH Hotel Component is awarded Green Mark Gold by the Building and Construction Authority. In 2017, certifications for both the buildings were successfully renewed.

An upgrade of the chiller system at VBP in 2016 has helped central air-conditioning improved energy efficiency. VIT's water conservation initiatives include installation of water-efficient fixtures and digital water meter to prevent water leakage and overflow during the 2016 retrofitting work. These initiatives enabled VIT to reduce almost 40% of water consumption in 2017.

VIT's other energy efficiency measures include installation of motion sensor for the toilet, staircase and common corridor lighting, and replacing the conventional fluorescent tube lights with energy-saving LED lights in the carpark areas.

HELPING RECYCLE E-WASTE

We also pledged our support in environmental awareness programmes through REcycling Nation's Electronic Waste (RENEW) by Starhub. We have placed an e-waste collection bin at VBP. In 2017, we helped collect 310.6 kg of e-waste under the initiative.

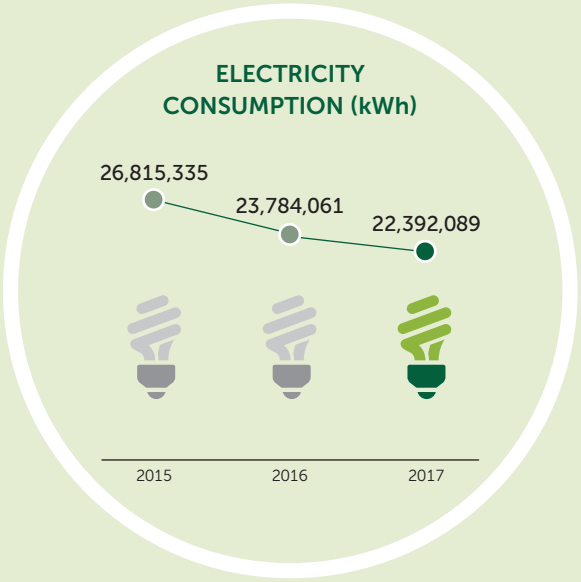
We have also partnered with Food Bank as part of our corporate social responsibility (CSR) programmes by volunteering in its Food Rescue Project. Our employees helped Food Bank in sorting and clearing their food inventory according to their category and expiry date to minimise food wastage. In addition, we took further step by placing food recycling bins at VBP to encourage collective participation from tenants.

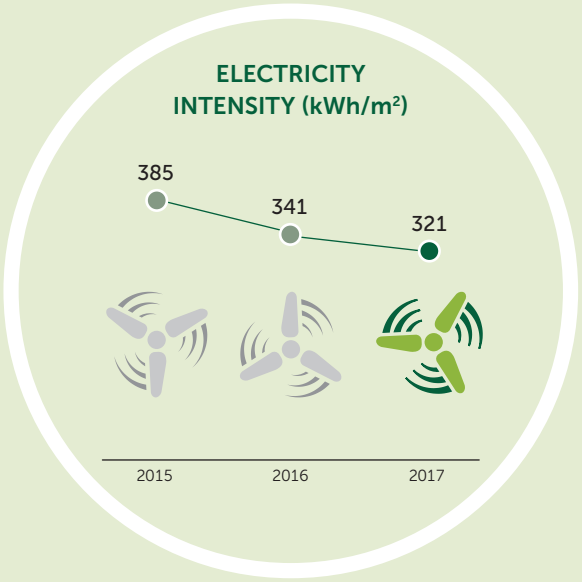
COMPLIANCE

VIT is committed to running its operations in accordance with applicable environmental regulations. The management assesses regulatory risks and takes preventive measures to ensure compliance.

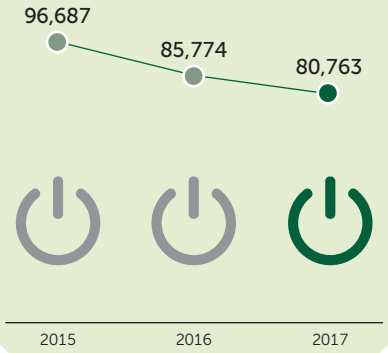
There were no reported incidents of non-compliance with environmental laws and regulations in the reporting period.

ENVIRONMENTAL PERFORMANCE

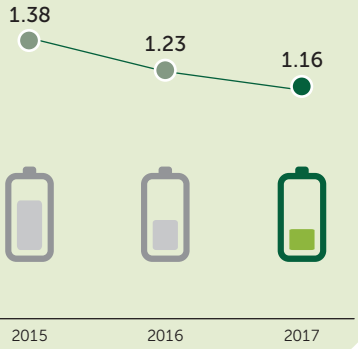




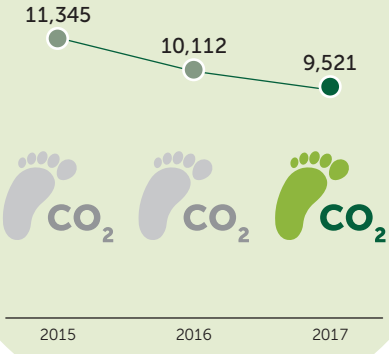
TOTAL ENERGY CONSUMPTION (GJ)



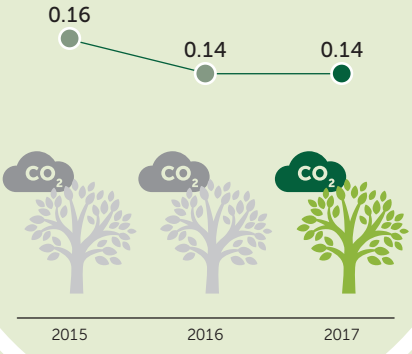
ENERGY INTENSITY (GJ/m²)



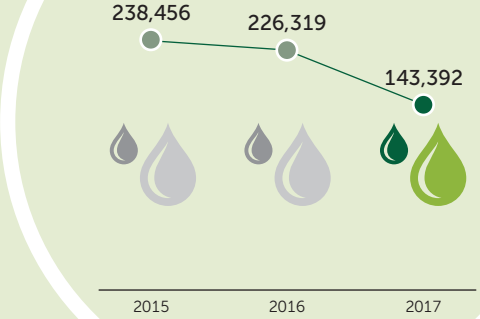
CARBON DIOXIDE EMISSIONS (tCO_2)



EMISSIONS INTENSITY (tCO_2/m^2)



WATER CONSUMPTION VBP COMMON AREA (m³)



COMMUNITY

BUILDING COHESIVE COMMUNITIES

VIT is committed to actively supporting the communities where it operates. We recognise our corporate social responsibility and contributes to a number of community programmes. In 2017, we continued to support Kembangan Chai Chee Citizens' Consultative Committee by pledging an outright donation for low-income families and the elderly residents in the Kembangan-Chai Chee community. A group of 30 elderly residents were invited to attend VBP Official Opening, witnessing one of the milestones of VIT.

Our efforts in community outreach programmes include participating in events organised by Alzheimer's Disease Association of Singapore (ADA), BizLink Centre Singapore, Movement for the Intellectually Disabled of Singapore (MINDS), Singapore Heart Foundation, Children's Cancer Foundations, and wellness programmes with Health Promotion Board (HPB) and Red Cross Singapore for our tenants and visitors.



Cheque presentation at VBP Official Opening Ceremony



Blood Donation Drive by Red Cross



Fitness Workout by HPB



Charity Massage by MINDS

ECONOMIC PERFORMANCE

DELIVERING SUSTAINABLE GROWTH

VIT is committed to delivering long-term value to stapled securityholders in a sustainable manner. VIT places a strong emphasis on consistent and growth-oriented financial performance. Through prudent capital and risk management, VIT has registered steady growth in revenue and value for stapled securityholders over the years. Upholding high corporate governance is at the heart of VIT's approach to risk management.

Detailed information about our financial performance is provided in VIT's Annual Report. A summary of the economic performance, extracted from the financial statements, is provided below.

ECONOMIC PERFORMANCE ($'000)

PERFORMANCE INDICATORS	2015	2016	2017
Gross revenue	73,989	95,119	111,663
NPI	50,839	68,478	81,806
Distributable income	47,478	60,938	74,084
DPS (Singapore cents)	7.000	6.958	7.472

OUR INVESTMENT STRATEGY

VIT's prime objective is to provide stapled securityholders with a competitive rate of return, by ensuring stable distributions, as well as long-term growth in DPS and net asset value per stapled security, while maintaining a prudent capital and risk management structure.

The key components of our strategy include acquiring growth-oriented assets, active asset management, prudent capital and risk management, undertaking selective asset enhancement and development projects and strategic divestment where applicable.

Our strategy is to source for and acquire assets in Singapore and elsewhere in the Asia Pacific region that meet the REIT Manager's investment criteria to provide attractive cash flow and yields relative to VIT's weighted average cost of capital, and to pursue opportunities for future income and capital growth.

Our asset management strategy focuses on proactively implementing measures and working closely with the master lessees to improve the returns from the master-leased properties. Also, the approach includes actively managing and improving the tenant profiles of the multi-tenanted properties.

Measures include active leasing, marketing of any vacancies and expiring leases, tenant management and retention, mitigating any risks relating to new leases and lease renewals, implementing programmes for regular maintenance and building upgrades, and asset refurbishment and enhancement initiatives.

VIT employs an appropriate mix of debt and equity in financing acquisitions and asset enhancements and utilises interest rate hedging strategies where appropriate. It also minimises exposure to market volatility and optimises risk-adjusted returns to stapled securityholders.

The REIT Manager can undertake selective development activities that can enhance the value of the portfolio, including build-to-suit developments should the opportunity arise.

Conducting strategic review of VIT's properties and opting to divest mature assets as and when appropriate to free up capital for re-deployment towards better growth opportunities is an aspect of VIT's portfolio balancing strategy.

ANTI-CORRUPTION

VIT maintains a zero tolerance policy toward corruption and fraud. All employees, including senior management, have received training in anti-corruption policy and related topics.

Some of the recent training programmes completed by VIT's employees included Anti-Bribery and Anti-Corruption, Global Fraud Prevention, Anti-Money Laundering, Code of Conduct and Conflict of Interest.

There were no reported incidents of corruption or bribery in the reporting period.

SUPPLIERS

We have implemented a vendor management system to manage our procurement processes. Our purchases are made only from the approved suppliers who meet the specified qualifications and hold the necessary certifications issued by the relevant authorities.

In addition to ongoing communication through emails, phone calls, briefings and meetings, we organise periodic feedback sessions with our service providers and contactors on regular basis. We require our suppliers to comply with the environmental, health and safety guidelines and regulations.

The management reviews the supply chain policy and practices periodically.

SOCIO-ECONOMIC COMPLIANCE

VIT is committed to the lawful operation of business activities. The management regularly reviews existing as well as emerging regulations that apply to its business and takes the necessary steps to ensure compliance.

There were no reported incidents of non-compliance with socio-economic regulations in the reporting period.

GRI CONTENT INDEX

GRI CONTENT INDEX "IN ACCORDANCE" - CORE		
GRI STANDARD	**DISCLOSURE**	**PAGE NUMBER(S) AND/OR URL(S)**
GRI 101: Foundation 2016 (GRI 101 does not include any standards)		
General Disclosures		
GRI 102: General Disclosures 2016	**Organisational Profile**	
	102-1 Name of the organisation	Viva Industrial Trust
	102-2 Activities, brands, products, and services	Sustainability Report (SR) IFC, Annual Report (AR) 28-35
	102-3 Location of headquarters	Singapore
	102-4 Location of operations	AR 28-29
	102-5 Ownership and legal form	AR 12, 15
	102-6 Markets served	AR 28-35
	102-7 Scale of the organisation	AR 14, 28, 29, SR 9-10
	102-8 Information on employees and other workers	SR 9-10
	102-9 Supply chain	SR 15
	102-10 Significant changes to the organisation and its supply chain	None
	102-11 Precautionary principle or approach	SR 6, 12
	102-12 External initiatives	SR 2, 5, 6, 9
	102-13 Membership of associations	SR 5
	Strategy	
	102-14 Statement from senior decision-maker	SR 2, AR 16-18
	Ethics and Integrity	
	102-16 Values, principles, standards, and norms of behaviour	SR IFC, 2, 9
	Governance	
	102-18 Governance structure	AR 57-59
	Stakeholder Engagement	
	102-40 List of stakeholder groups	SR 4
	102-41 Collective bargaining agreements	None, SR 9
	102-42 Identifying and selecting stakeholder engagement	SR 4
	102-43 Approach to stakeholder engagement	SR 4
	102-44 Key topics and concerns raised	SR 4
	Reporting Practice	
	102-45 Entities included in the consolidated financial statements	AR 15
	102-46 Defining report content and topic boundaries	SR 2
	102-47 List of material topics	SR 6
	102-48 Restatements of information	SR 2
	102-49 Changes in reporting	None
	102-50 Reporting period	SR 2
	102-51 Date of most recent report	April 2017
	102-52 Reporting cycle	Annual
	102-53 Contact point for questions regarding the report	SR 2
	102-54 Claims of reporting in accordance with the GRI Standards	SR 2
	102-55 GRI content index	SR 16-19
	102-56 External assurance	SR 2

MATERIAL TOPICS		
GRI STANDARD	**DISCLOSURE**	**PAGE NUMBER(S) AND/OR URL(S)**
	Economic performance	
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundaries	SR 6
	103-2 The management approach and its components	SR 6, 15
	103-3 Evaluation of the management approach	SR 15
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	SR 3, 15, AR 50
	Anti-corruption	
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundaries	SR 6
	103-2 The management approach and its components	SR 6, 15
	103-3 Evaluation of the management approach	SR 15
GRI 205: Anti-Corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	SR 15
	205-3 Confirmed incidents of corruption and actions taken	SR 15
	Energy	
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundaries	SR 6
	103-2 The management approach and its components	SR 6, 12
	103-3 Evaluation of the management approach	SR 12
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	SR 12-13
	302-3 Energy intensity	SR 12-13
	Emissions	
GRI103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	SR 6
	103-2 The management approach and its components	SR 6, 12
	103-3 Evaluation of the management approach	SR 12
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	SR 12-13
	305-4 GHG emissions intensity	SR 12-13
	Water	
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	SR 6
	103-2 The management approach and its components	SR 6, 12
	103-3 Evaluation of the management approach	SR 12
GRI 303: Water	303-1 Water withdrawal by source	SR 12-13
	Effluents and Waste	
GR 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	SR 6
	103-2 The management approach and its components	SR 6, 12
	103-3 Evaluation of the management approach	SR 12
GRI 306: Effluents and Waste 2016	306-2 Waste by type and disposal method	SR 12-13

MATERIAL TOPICS		
GRI STANDARD	**DISCLOSURE**	**PAGE NUMBER(S) AND/OR URL(S)**
	Environmental Compliance	
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	SR 6
	103-2 The management approach and its components	SR 6, 12
	103-3 Evaluation of the management approach	SR 12
GRI 307: Environmental Compliance 2016	GRI 307-1 Non-compliance with environmental laws and regulations	SR 12
CRE8	Type and number of sustainability certification, rating and labelling schemes for new construction, management, occupation and redevelopment	SR 12
	Employment	
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	SR 6
	103-2 The management approach and its components	SR 6, 9
	103-3 Evaluation of the management approach	SR 9
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	SR 3, 9, 11
	Occupational Health & Safety	
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	SR 6
	103-2 The management approach and its components	SR 6-8
	103-3 Evaluation of the management approach	SR 8
GRI 403: Occupational Health and Safety 2016	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	There were no reportable incidents of injury
	Training and Education	
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	SR 6
	103-2 The management approach and its components	SR 6, 9
	103-3 Evaluation of the management approach	SR 9
GRI 404: Training and Educations 2016	404-1 Average hours of training per year per employee	SR 9, 11
	404-2 Programs for upgrading employee skills and transition assistance programs	SR 9
	Customer Privacy	
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	SR 8
	103-2 The management approach and its components	SR 8
	103-3 Evaluation of the management approach	SR 8
GRI 418: Customer Privacy 2016	418-1 complaints concerning breaches of customer privacy and losses of customer data	SR 8

MATERIAL TOPICS		
GRI STANDARD	**DISCLOSURE**	**PAGE NUMBER(S) AND/OR URL(S)**
	Local Communities	
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	SR 14
	103-2 The management approach and its components	SR 14
	103-3 Evaluation of the management approach	SR 14
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	SR 14
	Socio-economic Compliance	
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	SR 15
	103-2 The management approach and its components	SR 15
	103-3 Evaluation of the management approach	SR 15
GRI 419: Socio-economic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	SR 15
	Construction and Real Estate Sector Disclosures	
CRE1: Energy	Building energy intensity	SR 12-13
CRE3: Emissions	Greenhouse gas emissions intensity from buildings	SR 12-13
CRE8: Product and Service Labelling	Type and number of sustainability certification, rating and labelling schemes for new construction, management, occupation and redevelopment	SR 12-13



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