

OUE REIT – GREEN PROCUREMENT POLICY

Last Updated: 31 December 2024

1. Introduction

OUE Real Estate Investment Trust (“OUE REIT”), managed by OUE REIT Management Pte. Ltd. (the “Manager”) is committed to reducing its environmental impact by adopting and integrating sustainable practices and services into our operations wherever possible. This policy serves as a framework to ensure that OUE REIT prioritises the procurement of goods and services from contractors and vendors committed to environmental and social sustainability during the decision-making process.

By procuring environmentally sustainable products that are certified by national or international certifying bodies that validate the environmental performance of all internal and external building products, OUE REIT strives to enhance its responsible business practices.

2. Scope

OUE REIT’s Green Procurement Policy (“Policy”) applies to all staff involved in the procurement process (from the approver of expenditures to the developer of tenders and the department procuring) and staff involved in building maintenance or management.

The requirements documented in this Policy are communicated to all vendors, contractors, service providers and other third-party stakeholder engaged to provide a product or service (collectively known as “Suppliers”) during the initial procurement or supplier selection stage. Suppliers include but are not limited to, service providers providing services such as cleaning, security, building management and landscaping.

This Policy is also shared with tenants to guide and support their sustainable procurement processes during their fit-out and refurbishment works.

3. Requirements

The considerations below guide OUE REIT in the selection of products and preferred suppliers for its operational needs.

3.1 Environmental Considerations

- i. Endeavour to purchase energy efficient equipment, where available and economically feasible. This includes but is not limited to air conditioning systems, lighting and office appliances.
- ii. Prioritise the purchase of readily available bio-degradable and phosphate free cleaning detergents and products that meet approved certification standards and have eco-labels such as the Singapore Green Label Certificate (“SGLS”) and/or highlight that the volatile organic compounds (“VOC”) are well within the subscribed limits as specified by the National Environment Agency (“NEA”).

- iii. Avoid purchase of single-use disposable products if possible. If required, prioritise the procurement of reusable, highly durable or recyclable products such as bags, food and beverage containers and cutlery.
- iv. For building maintenance, where possible, purchase products/materials such as paints, carpeting, adhesives and furniture, with lowest amount of VOCs, highest recycled content and low or no formaldehyde.
- v. For landscape maintenance, where possible, prioritise landscape contractors who use little to no synthetic fertilisers, minimise chemical pesticides, use sustainable, locally sourced, and recycled materials where possible for hardscaping, and have strong track records of green projects.
- vi. Purchase products that are installed in internal or external spaces of the building (including but not limited to waterproofing, carpets, internal paints, floor tiles, laminate system, etc) with recycled content or certified by certifying bodies such as the Singapore Environment Council ("SEC") or the Singapore Green Building Council ("SGBC").
- vii. Prioritise vendors who are able to meet environmental process standards and practices, such as ISO 14001, SGBS.

3.2 Social Considerations

- i. Ensure that OUE REIT transacts/engages with parties that provide safe working environments for their workers and ensure that occupational health and safety practices are aligned with international and/or local standards such as ISO 45001, and BizSafe Level.
- ii. All forms of child, forced and compulsory labour are strictly prohibited.
- iii. Prioritise suppliers who are able to respect and uphold fundamental human rights principles as described in the Universal Declaration of Human Rights, and the International Labour Organization's Declaration of Human Rights.

3.3 Communication

- i. When procuring the applicable products, OUE REIT shall inform suppliers that the products are required to be environmentally friendly with a certain percentage of recycled content or certified by national councils such as SEC/SGBC.

When procuring energy efficient equipment, the appointed vendor will need to submit contract specifications, supplier service agreements, and other similar documents to configure the equipment in the manner determined by the manufacturer to be optimal for energy performance.

3.4 Equipment Standards

- i. Products that have the Energy Star label, and other equivalent energy ratings, such as EPEAT, and the Singapore Green Label are deemed to have a higher energy performance than products that do not have these labels.
- ii. In the absence of an energy label, OUE REIT will seek to purchase equipment that operates at the necessary efficiency level above the baseline in order to achieve its energy objectives and targets.
- iii. Products that have certifications such as the SGLS or Singapore Green Building Product (“SGBP”) are deemed to have a higher environmental performance than products that do not have these labels.
- iv. In the absence of these certifications, OUE REIT will seek to purchase products with recycled content in order to achieve its sustainability objectives and targets.
- v. In the case where the building material or product to be replaced/procured does not have a local supplier, and can only be imported to meet the requirement as stated in this ‘Green Procurement Policy’, OUE REIT shall make a decision by evaluating the sustainability benefits over the expense to import such a product.
- vi. In the case where durability of an environmentally sustainable product brand is low and replacement needs to be carried out frequently, OUE REIT shall evaluate the return on investment (“ROI”) and approve/disapprove the product with proper justification.

4. Contracts and Supplier Agreements

- i. Suppliers will have to prove the environmental sustainability of the product by submitting supporting documents such as a SGLS/SGBP certificate or showing the recycled content of the product.
- ii. The appointed vendor will need to configure equipment in the manner determined by the manufacturer to be optimal for energy performance. Contract specifications, supplier service agreements, and other similar documents will need to be submitted to support the final configuration.
- iii. The supplier shall ensure that the certificate such as SGLS or SGBP is within the validity period during the time of purchase.
- iv. After the validity period of SGLS/SGBP certificate and upon request of OUE REIT, the supplier shall produce a new certificate with an extended validity period.
- v. These products must also meet user requirements for quality, performance, and durability.

5. Implementation

5.1 Training and Awareness

- i. OUE REIT is committed to providing training and awareness raising tools to its staff and ensure that there is effective communication between the central purchasing unit and individual departments.
- ii. OUE REIT actively promotes and encourages innovative improvements in the energy efficiency performance of suppliers and evidence of this communication will be recorded.

5.2 Feedback sessions with stakeholders

OUE REIT regularly engages with a diverse group of key stakeholders regularly through various channels to collate feedback on our green procurement practices and ensure we are aligned to sustainability standards, regulations, and expectations. These include informal dialogues with external stakeholders such as government and regulators, third-party suppliers, and tenants.

OUE REIT remains informed of the latest developments in voluntary/regulatory requirements relating to the built environment from governmental bodies such as the Building and Construction Authority and international standards such as the ISO 20400 on Sustainable Procurement. OUE REIT also obtains community opinion and investor feedback through informal meetings and media reviews of social topics regarding human rights issues in the supply chain.

6. Policy Review

OUE REIT's Green Procurement Policy was last updated in December 2024 and is subject to refinement, where necessary, to maintain its relevance and effectiveness. If there are any feedback on this Green Procurement Policy, please contact us at enquiry@ouereit.com for any inquiries or comments.

Approved By:

OUE REIT Management Pte Ltd

A handwritten signature in blue ink that reads 'Wong Cho Wai'.

Wong Cho Wai

SVP, Asset Management

OUE REIT Management Pte. Ltd.