



# UNI-ASIA GROUP LIMITED

Company Registration No: 201701284Z  
Incorporated in the Republic of Singapore

## Sustainability Report 2018

## Table of Contents

Chairman and CEO's Message .....	3
About Uni-Asia .....	4
Our services.....	4
Geographic presence.....	7
About our report .....	8
Our approach towards Sustainability & Corporate Responsibility.....	9
Stakeholder engagement .....	9
Materiality assessment .....	11
Environmental performance.....	12
Energy management.....	12
Water management .....	16
Social performance .....	18
Occupational health and safety.....	19
Training and education .....	20
Customer health and safety.....	23
Economic performance .....	25
Ethics and anti-corruption.....	25
GRI Standards Content Index .....	26

## ***Chairman and CEO's Message***

Dear Stakeholders,

On behalf of the Board and management of Uni-Asia Group Limited (“Uni-Asia” or the “Group”), I present our second Sustainability Report (the “Report”), which compiles our sustainability performance and approach towards bringing a positive change within our Group and the wider community.

The Uni-Asia Board and management is committed to sustainability and fully supports the adoption of the new SGX sustainability reporting guidelines. The Board oversees the Group’s sustainability performance, practices and initiatives and its compliance with SGX guidelines on corporate governance and sustainability reporting. It has determined Uni-Asia’s material Environmental, Social and Governance topics, and exercises oversight in the management and monitoring of these topics. The Board considers sustainability issues as part of its strategy formulation. As a listed company, Uni-Asia is committed to the Code of Corporate Governance of Singapore. The Code provides the framework for controls, checks and accountabilities and requires the Board of Directors to consider sustainability issues in business decisions. It is our sincere attempt to present Uni-Asia’s sustainability performance and management approach in a neutral and balanced manner. The contents have been defined on the basis of an internal materiality assessment.

At Uni-Asia, we try to incorporate sustainable practices in all aspects of our operations. Our business can be categorised into two main business segments – Shipping and Properties & Hotels operations. We aim to promote sustainable business practices amongst our employees, clients, partners and suppliers.

As a company specialising in creating alternative investments opportunities and providing integrated services relating to shipping and property investments, we recognise that we must conduct our operations in a manner that considers the environmental and social impact to ensure the success and longevity of our business. We are committed to being transparent about our business, and this report is a reflection of that commitment.

We will continue to improve in all aspects under sustainability through measures such as energy reduction schemes, adopting innovative technology and conducting regular employee engagements.

We hope this Report will provide valuable insights to our stakeholders on Uni-Asia’s sustainability efforts. We appreciate your interest and welcome your feedback on this report.

Michio Tanamoto  
Chairman and CEO

## About Uni-Asia

Uni-Asia specialises in creating alternative investment opportunities and providing integrated services relating to such investments. The Group's alternative investment targets are mainly cargo ships and properties. A common trait of these investments is that they require specialised skillset to manage the cash flows in order for value to be created and extracted. The Group also has extensive know-how and network relating to such alternative investments and provides services relating these investments. By having a diversified portfolio of alternative investments, and capabilities to provide services pertaining to different alternative investment assets, the Group is less susceptible to the downside risk of a particular asset class and more resilient in the long run.

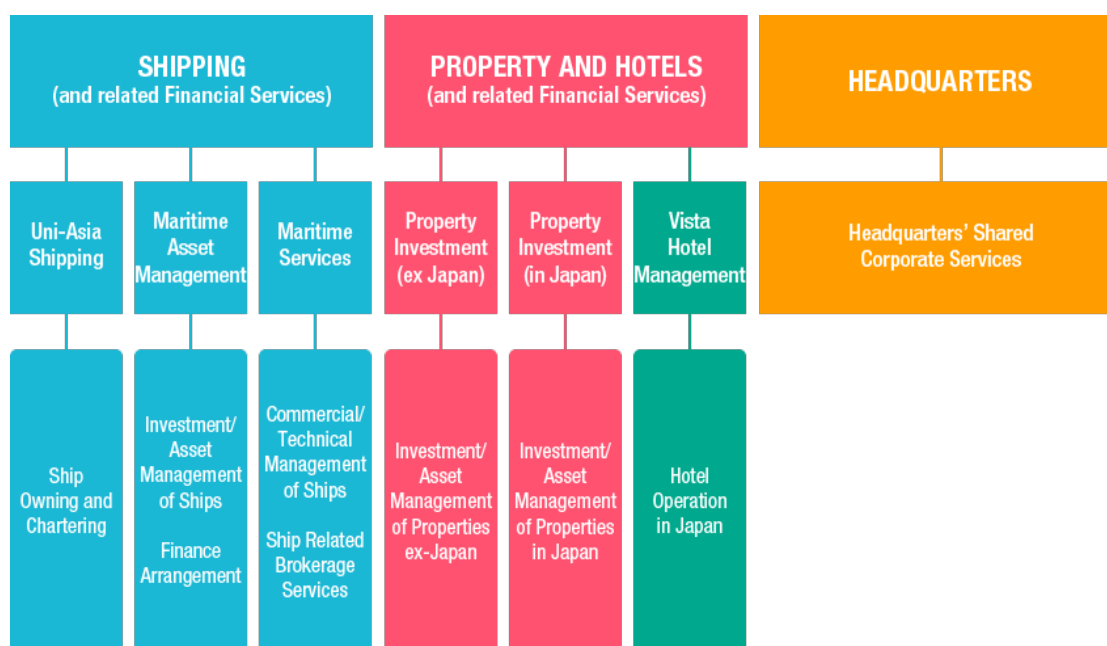
### Our services

Uni-Asia aims to become a trusted leader in producing and providing alternative investment opportunities to all our clients. We produce and offer alternative investment opportunities for assets such as vessels and properties to our clients. We also provide integrated services relating to alternative asset investments including, but not limited to:

- (i) asset/ investment management;
- (ii) finance arrangement;
- (iii) sale and purchase brokerage of ships and properties;
- (iv) ship chartering as a ship owner;
- (v) ship chartering brokerage;
- (vi) ship technical management;
- (vii) project management;
- (viii) property development/construction management;
- (ix) property management and leasing arrangements; and
- (x) hotel operation.

Uni-Asia constantly strives to improve the quality of services provided to clients, develop innovative products to expand client base, and strengthen its portfolio to generate recurrent returns. Uni-Asia's business segments are as follow:

Figure 1 Business Segments



## **Shipping**

The business strategy employed by the Group towards shipping is to offer a one-stop integrated ship-related service solutions for clients. Ship investors can approach us for ship investments and investment related services including asset management services; ship operators can look to us for ship chartering and management; and ship owners can contact us for ship finance arrangement solutions, ship management and brokerage services. The strategy of offering a wide array of maritime related services is adopted to ensure the Group is resilient regardless of the market conditions and to ensure growth in the long term.

The Group's shipping business is organised into the following three sub-categories:

### *Uni-Asia Shipping:*

Uni-Asia Shipping is earmarked as the Group's ship-owning subsidiary focusing on a portfolio of small and medium size dry bulk carriers to provide a stable recurrent charter income base to the Group. Further, Uni-Asia Shipping is able to provide ship commercial management.

### *Maritime Asset Management:*

Maritime Asset Management ("MAM") has the expertise to (i) plan and develop investment structures, either as standalone special purpose vehicles or shipping funds, and (ii) manage such structures as asset manager.

### *Maritime Services:*

Maritime Services specialises in ship management through the Group's subsidiaries, Uni Ships and Management Limited in Hong Kong as well as Wealth Ocean Ship Management Shanghai Co., Ltd, a ship management company based in Shanghai.

For the complete ship portfolio of the Group namely Bulk Carrier and Containership, please refer our website<sup>1</sup>.

## **Property & Hotels**

### *Property Investment, Hong Kong*

The Group's property investment (excluding Japan) business is managed by Property Investment Department ("PID") based in Hong Kong. To date, PID has invested in Hong Kong office development projects and office investment in Guangzhou, China. The Head of PID also oversees the Japan investments, and PID acts as a bridge in connecting investors (both offshore and onshore Japan) to the Group's property business in Japan. The following are investments made by PID.

### *Hong Kong Property Investments*

- 1<sup>st</sup> Hong Kong Property Project (35HTR Project): The Group's first investment into Hong Kong property redevelopment project was a project at 35 Hung To Road in Kwun Tong, Kowloon East, Hong Kong invested in 2010 which was successfully completed in 2013.
- 2<sup>nd</sup> Hong Kong Property Project (CSW650 Project): The Group's second Hong Kong property redevelopment project is located at No. 650 Cheung Sha Wan Road in Hong Kong.
- 3<sup>rd</sup> Hong Kong Property Project (K83 Project): The Group's third Hong Kong property project is located at Kwai Chung Town Lot No. 517 at Tai Lin Pai Road, Kwai Chung, New Territories, Hong Kong. The Hong Kong Government has since assigned the number 83 to the site and the address of the site is No. 83, Tai Lin Pai Road, Kwai Hing.
- 4<sup>th</sup> Hong Kong Property Project: The Group's fourth Hong Kong property project is located at 18-20 Tai Chung Road, Tsuen Wan, Hong Kong.

---

<sup>1</sup> <http://www.uni-asia.com/shipping.html>

- 5<sup>th</sup> Hong Kong Property Project: The Group's fifth Hong Kong property project is located at 71-75 Chai Wan Kok Street, Tsuen Wan, Hong Kong.
- 6<sup>th</sup> Hong Kong Property Project: The Group's sixth Hong Kong property project is located at 1016 - 1018 Tai Nam West Street, Kowloon, Hong Kong

#### *China Office Investment*

- China Shine Plaza Office Units Investment: In Guangzhou, China, the Group invested in 14 office units in China Shine Plaza with a total gross floor area of 1,320 sqm in 2007, 10 units out of which were disposed up to date.

#### *Property Investment, Japan*

Uni-Asia Capital (Japan) Ltd. ("UACJ"), a subsidiary of the Group, is the licensed asset management company of the Group, while the investment holding subsidiary is Uni-Asia Investment Ltd. UACJ has built up its capabilities in Japan property investment management over the years and has the expertise in following areas:

- Investment Advisory and Management: Before helping clients embark on any investments, UACJ will first understand clients' risk profile and investment requirements. Thereafter, UACJ would source for suitable property investments that meet clients' requirements and conduct comprehensive due diligence on the potential investment. UACJ is able to provide the necessary investment advisory, including relevant market intelligence, to help clients make sound investment decisions.
- Asset Management: UACJ is able to provide asset management services to a wide array of property investment products especially residence and hotel investments.
- Construction Management: UACJ is able to provide a full spectrum of services for properties during the development phase, from the selection of architects and general contractors, advising of architectural design, overseeing of the construction process, to leasing of properties upon completion of construction.
- Brokerage Service: With a strong network of property contacts built up over the years, UACJ is able to tap on this network to provide property brokerage services to clients, including sale and purchase brokerage services.

#### *Vista Hotel Management, Japan*

Vista Hotel Management ("VHM") is the Group's hotel operating arm specialising in operating business hotels in Japan. VHM primarily operates hotels under Hotel Vista brand name as well as the premier Hotel Vista Premio brand, but may also operate a brand name as dictated by the owner. The rooms in our hotels are stylish and adopt a unique yet functional layout design including the separation of bathroom and washroom. Such designs are especially popular with our Japanese guests. Accordingly, VHM hotels received good reviews from clients on online travel websites and have many repeat guests.

VHM is able to provide the following services:

- Hotel operations under the "Hotel Vista / Hotel Vista Premio" brand name or a brand name as dictated by the owner of the hotel
- Hotel pre-opening services, including assistance in planning of hotel layout and logistic advisory
- Hotel development advisory
- Hotel renovation and improvement management

---

## Mission Statement

*Uni-Asia aims to be a truly trusted partner for our clients as a producer of alternative investment opportunities and an integrated service provider relating to alternative investments so as to deliver value to the Group's shareholders, clients and employees. To achieve this vision, we strive to improve the quality of our services to our clients, develop innovative new products to expand our clients' base for further growth, and strengthen our investment portfolio so as to generate recurrent returns.*

---

## Geographic presence

The Group has established a strong network across Asia. Hong Kong serves as the business headquarters for the Group. Uni-Asia's office locations are listed below:



### HONG KONG

#### Uni-Asia Holdings Limited

30/F, Prosperity Millennia Plaza,  
No. 663 King's Road,  
North Point  
Hong Kong  
Tel: (852) 2528 5016  
Fax: (852) 2528 5020



### TAIWAN

#### Uni Ships and Management (Taiwan) Limited

11F, No. 456, Section 4,  
Xinyi Dist, Taipei 11052,  
Taiwan  
Tel: (886) 2 7746 8191



### KOREA

#### Uni Ships and Management Korea Ltd.

15F, Tower 8, 7 Jongro 5-Gil,  
Jongro-Gu, Seoul 03157, Korea  
Tel: (82) (2) 6226 7272  
Fax: (82) (50) 4469 3690



### SHANGHAI

#### Wealth Ocean Ship Management (Shanghai) Co., Ltd

Room 2106,  
Yongda International Tower,  
2277 Longyang Road,  
Pudong District, Shanghai, 201204, China  
Tel: (8621) 5888 8007  
Fax: (8621) 5888 8053



### SINGAPORE

#### UNI-ASIA GROUP LIMITED

8 Shenton Way  
#37-04 AXA Tower  
Singapore 068811  
Tel: (65) 6438 1800  
Fax: (65) 6438 1500



### JAPAN

#### Uni-Asia Capital (Japan) Ltd.

MD Kanda Building 7F,  
9-1 Kanda Mitoshirocho, Chiyoda-ku,  
Tokyo, Japan, 101-0053  
Tel: (81) 3 3518 9200  
Fax: (81) 3 3518 9201



### JAPAN

#### Vista Hotel Management Co., Ltd.

MD Kanda Building 7F,  
9-1 Kanda Mitoshirocho, Chiyoda-ku,  
Tokyo, Japan, 101-0053  
Tel: (81) 3 3518 9220  
Fax: (81) 3 3518 9221



### GUANGZHOU

#### Uni-Asia Guangzhou Property Management Co., Ltd.

Room 2401, Guangzhou Foreign Economic &  
Trade Building,  
351 Tianhe Road,  
Guangzhou, 510620, China  
Tel: (8620) 3880 2213

## ***About our report***

This report presents the annual sustainability performance of the Group for the period 1 January 2018 to 31 December 2018. This report has been prepared in reference to the Global Reporting Initiative (GRI) Standards. This report covers material Environmental, Social and Governance (“ESG”) issues that are significant to Uni-Asia’s main operating entities in Hong Kong, Japan and Singapore.

Data presented in this report has been either sourced centrally from our enterprise resource planning system or directly from the operations included within the report boundary. The data measurement techniques and underlying assumptions or calculations have been duly provided in the relevant sections of the report. Going forward, we will use this assessment to set sustainability targets for ourselves and will aim to continuously monitor and improve our performance in the coming years.

The GRI Standards Content Index is included at the end of the report. The data and statements presented in this report have not been externally assured.

For any further query/ clarification/ suggestion related to this report or Uni-Asia’s sustainability initiatives, please reach out to us at [Uni-Asia@uni-asia.com.sg](mailto:Uni-Asia@uni-asia.com.sg).



## ***Our approach towards Sustainability & Corporate Responsibility***

Our approach towards embedding sustainability aspects in organisation's operations is based on two key principles: transparency and accountability. Doing what's right is sacred to us and therefore at Uni-Asia, integrity drives these two key principles. Integrity is fundamental to the Group. By acting with integrity, we reflect positively on the values and reputation of the Group in the locations we operate.

Everyone in Uni-Asia must follow the law, act with integrity and honesty in all matters, and be accountable for our actions. We organise our operations and conduct business in a sustainable & ethical manner and aim to offset our impact on the environment. We all want to do what is right, for ourselves and for the Group. Uni-Asia's Code of Business Conduct (the "Code") is incorporated in Uni-Asia's Group Policy and Procedure Manual. The Code defines how employees should conduct themselves as representatives of the Group. The Code addresses the employees' responsibilities to the Company, to each other and towards our key stakeholders - clients, suppliers, governments and the community. Our aim is to build a sustainable business and a sustainable society together with our stakeholders.

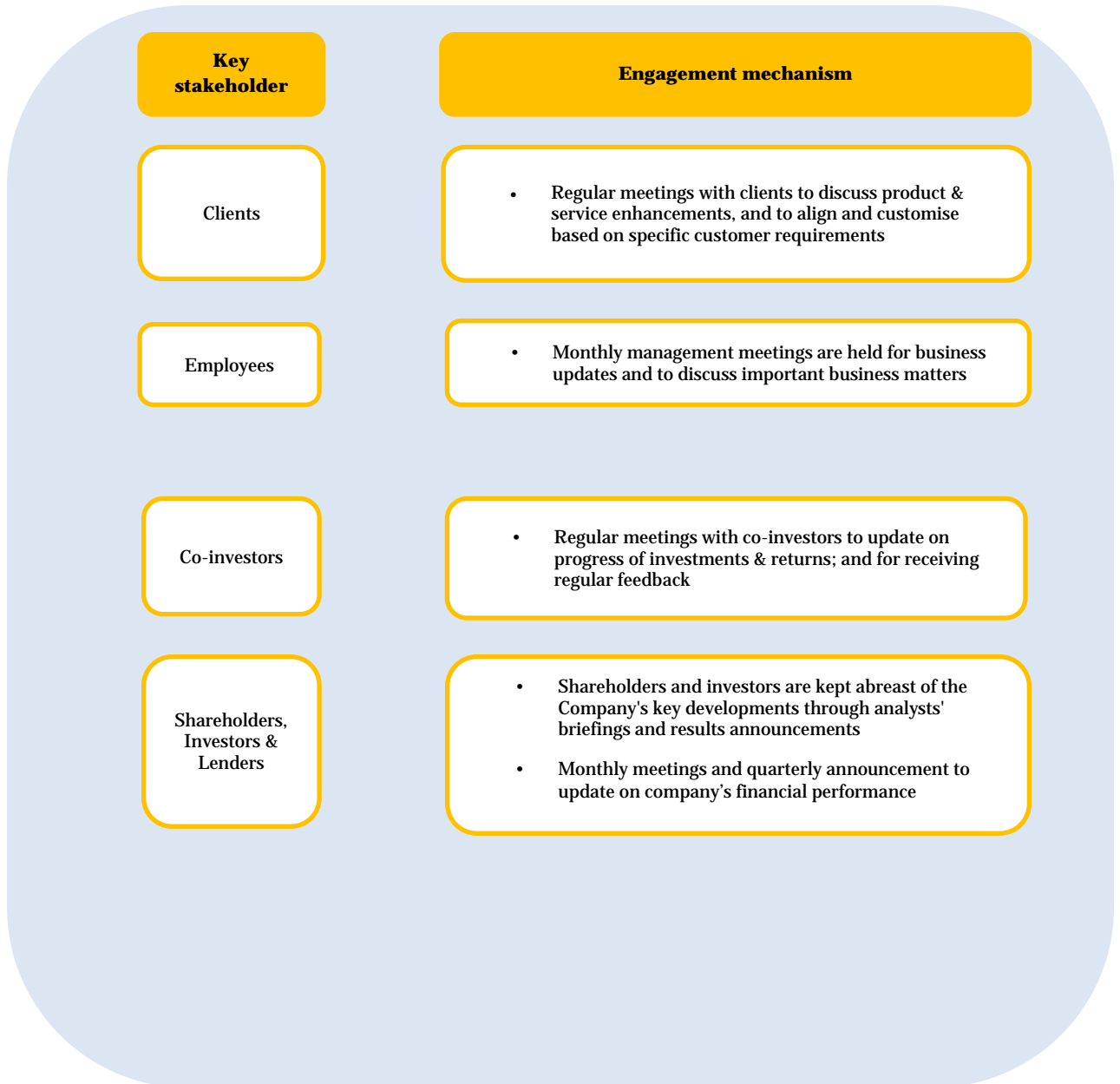
### ***Stakeholder engagement***

Stakeholders are defined as groups of people or entities that are directly or indirectly influenced by our business operations and outcomes, or that can significantly influence our businesses. Feedback from our key stakeholder groups forms a crucial part of our strategic and business planning, and is viewed as a valuable insight for the Group to continuously improve our sustainability performance. As such, at Uni-Asia, we seek to ensure that our stakeholders are at the core of our sustainability strategy. We want our stakeholders to provide us with their insights and perspectives, as we believe that their opinion enriches our business and will enable us to create long term value. We conduct open dialogues with our key stakeholders on regular basis to help us understand their concerns and issues.

### ***Engagements with Key Stakeholder Groups in 2018 on key topics and concerns***

We are committed to expand and report on our stakeholder engagement methods. Uni-Asia's management is determined to continuously improve upon sustainability performance by further strengthening stakeholder engagement mechanisms.

Figure 2 Stakeholder engagement mechanism

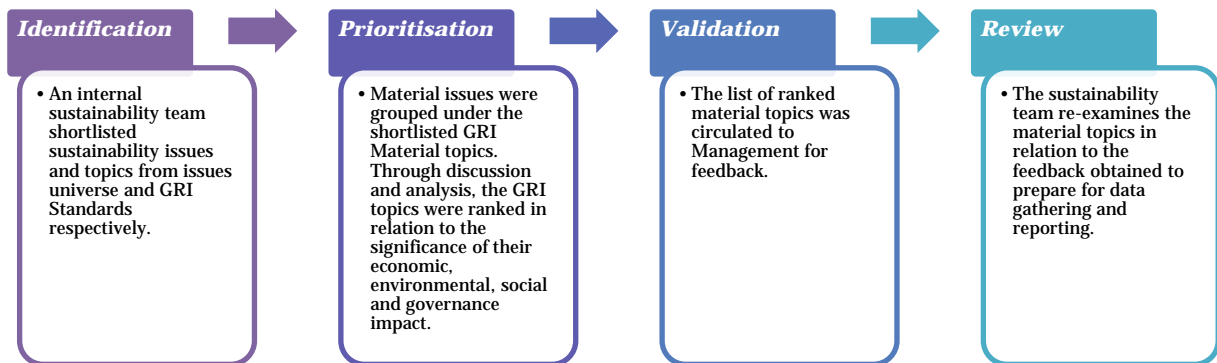


## Materiality assessment

Materiality assessment is a critical input to our corporate sustainability reporting strategy as it ensures we provide our stakeholders with the sustainability information most relevant to them and our business. In 2018, we continue with the materiality assessment we conducted in the previous year for three locations, Hong Kong, Singapore, and Japan. These locations together form the reporting boundary for this report. Each location includes one operating entity and are considered significant locations of operations, as in these regions our economic, social and environmental footprint is greatest.

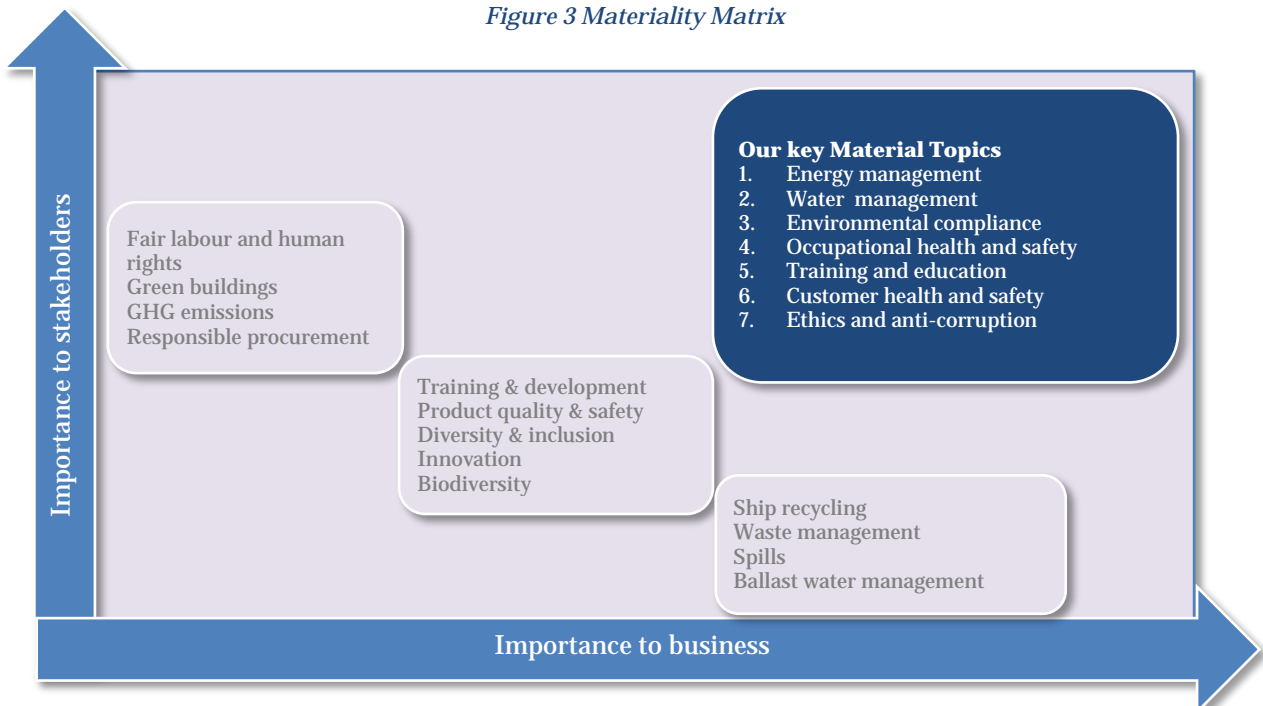
The materiality assessment process included interviews with internal stakeholders, including employees and management, as well as internal workshops to identify the most important sustainability issues. We identified seven material topics that we believe reflect our significant economic, environmental and social impacts or that substantively influence the assessments and decisions of our stakeholders. We will continue to examine our material issues on an annual basis and will work to strengthen our internal sustainability data management framework, processes and procedures.

Last year, Uni-Asia adopted a four-step process to define the material topics.



To illustrate their relative degree of importance, the material topics have been plotted on a materiality matrix. The seven topics in the top right quadrant represents the key material topics which are high significance - high impact topics.

Figure 3 Materiality Matrix



## ***Environmental performance***

### ***Energy management***

The shipping and property & hotel industries are large consumers of energy and resources as well as contributors to the Greenhouse Gases (“GHG”) emissions. At Uni-Asia we understand our responsibility towards environment. We are taking steps to reduce environmental impacts of our operations and simultaneously protect and preserve the natural environment.

When measured by weight, maritime transport is generally seen as one of the most environmentally friendly transportation methods. This is because ships move large volumes of goods, which means that emissions are low when distributed per unit weight. However, any amount of emissions from shipping are significant in any statistics and detrimental to the environment at all cost. Besides emissions, ships also produce other sources of pollution and the most significant pollution that brings international attention is oil pollution caused by collision or grounding incident.

As the owner of more than 20 vessels, we do strive to select users who carry environment-friendly cargoes. The Group is taking all necessary measures to reduce risks of pollution caused by incidents as well as to reduce the operational pollution and emissions. We keep updating ourselves with the international and regional conventions and regulations regarding environmental protection and our operation is in strict conformity with the international standards and regional rules in specific operational waters.

During the year, the company has made numerous measures in regard to environmental protection which comprise mainly on prevention of oil spill pollution, prevention of operational pollution and prevention of air pollution. These efforts are elaborated below.

#### **Prevention of Oil Spill Pollution**

Historically, anti-pollution legislation has been directed towards pollution caused by the escape of oil carried as cargo. The vessels operated by Uni-Asia Group are bulk carriers and container ships, we do not own or operate any tankers. Even though we are Non-tanker Owners, there still remain risks of oil pollution caused by the collision with tankers or escape of bunker oil in either collision or grounding incident. Wealth Ocean Ship Management Shanghai (“WOSMS”) Co Ltd as a ship management company under the Group, takes the following measures to prevent oil pollution:

- 1) Preventive education to onboard deck officers about safe navigation in accordance with Convention on the International Regulations for Preventing Collisions at Sea, 1972 (“COLREGs”) to prevent collision incident, for example, to maintain proper look-out through the voyage, to operate at safe speed, to obey traffic separation scheme, to take actions to avoid collision by ‘giving way’, to be especially cautious when conducting vessels in restricted visibility, etc.
- 2) Education and instructions given to onboard deck officers in preventing grounding incident.
- 3) Training given to deck officers about the use of Electronic Chart Display and Information System (“ECDIS”).
- 4) Periodical inspection of vessels about the navigation equipment and speed log.
- 5) Implementation of the oil spill contingency plan.
- 6) Periodical drills to be conducted by both onboard Crew and Ship Manager in oil spill response, including the notification to underwriters, Protection and Indemnity Insurance (“P&I”) Club and following salvage services to be arranged.
- 7) Compulsory liability insurance certificates carried onboard in accordance with International Bunker Convention and US OPA 90.

## Prevention of Operational Pollution

In more recent years, international attention has also been given to other forms of pollution other than oil pollution, for example, hazardous and noxious substances such as chemical and other volatile products as well as garbage, sewage and other wastes.

The International Convention for the Prevention of Pollution from Ships (“MARPOL”) is the main international convention covering prevention of pollution of the marine environment by ships from operational or accidental causes. It provides detailed regulations aimed at preventing or minimising pollution from the operation of ships.

WOSMS is managing and operating vessels in strict conformity with MARPOL regulations, we pay special attention to the installation and maintenance of oily water separating equipment and filter system, sewage treatment and discharge, garbage disposal and various operational matters that put concern on the environment absolutely.

## Prevention of Air Pollution

According to MARPOL Annex VI (Regulations for the Prevention of Air Pollution from Ships) regulation 14, ships trading in designated emission control areas (“ECAs”) will have to use on board fuel oil with Sulphur content of no more than 0.10% from 1 January 2015 and to use fuel oil with Sulphur content of no more than 0.5% globally from 1 January 2020.

*Table 1: Fuel Oil Sulphur Limits*

	GLOBAL	ECA
Initial limits	4.5%	1.5%
1 July 2010	4.5%	1.0%
1 January 2012	3.5%	1.0%
1 January 2015	3.5%	0.1%
1 January 2020	0.5%	0.1%

WOSMS is taking below measures in responding to the regulations:

- 1) Close monitoring of vessel’s movement and mandatory instruction to onboard Master to change into low-Sulphur fuel that abides to the requirements of MARPOL and other regional rules before entering into ECAs. Generally, it is the Charterer’s task and responsibility on ensuring the fuel choice and replenishment is in accordance to MARPOL requirements. The Ship Manager responsibility is to follow the regulation while maneuvering the ship.
- 2) Studying the possibility of installing an exhaust gas cleaning after-treatment system or scrubbers as these items are more typically known to respond to the global Sulphur limit regulation which will be effective from 1 Jan 2020 onwards.

As a result of these measures and efforts in place, our shipping business are accredited with the following certificates to-date:

- International Air Pollution Prevention (IAPP)
- International Oil Pollution Prevention (IOPP)
- International Engine Efficiency (IEE)
- International Sewage Pollution Prevention (ISPP)
- International Anti-Fouling (IAF) System
- Nitrogen Oxide Compliance

Energy conservation is important to us. Across all of our locations, including our offices, we use a variety of environmental friendly measures such as using more energy efficient technology, using high-efficiency heating & cooling systems and regularly identify ways to reduce our overall energy consumption.

Uni-Asia actively communicates to its workforce the significance of energy conservation. The Group fervently monitors operations to locate sources of high energy consumption and seeks to improve with regards to its environmental performance. These not only help the Group manage cost but ensure optimal performance of operations without the compromise of standards. Identified areas of high energy use are then assessed and amended to improve energy efficiency and reduce unnecessary energy consumption where possible. We will continue to further strengthen our data collection process with respect to energy consumption and will be reporting our performance more comprehensively in the subsequent years.

### Energy consumption within the organisation

Figure 4 Energy consumption (million mega joules)

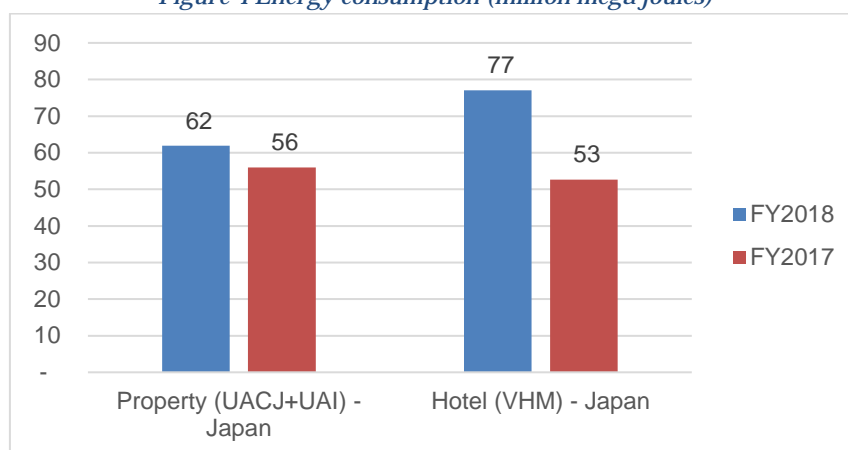


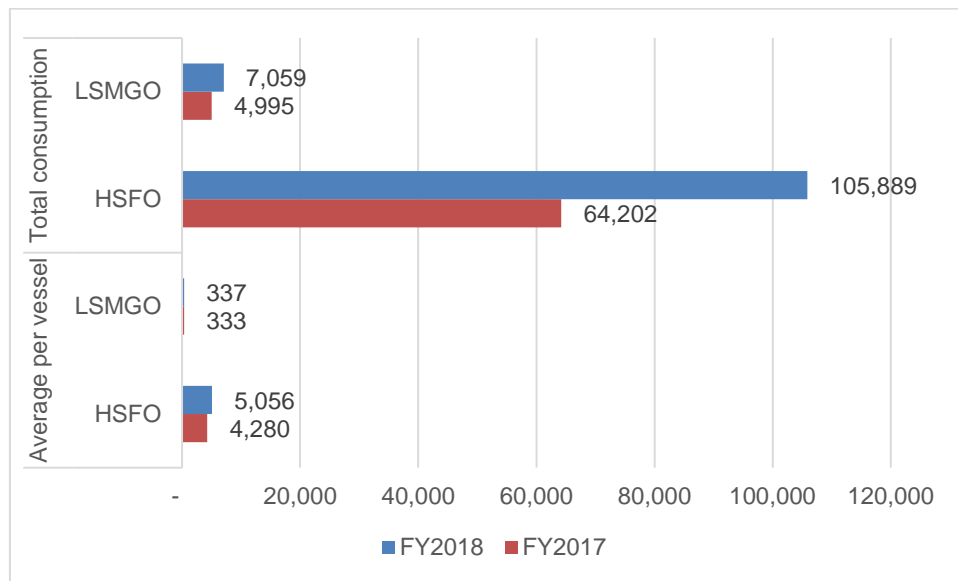
Table 2 Energy consumption (million mega joules) by fuel type and business region

	Property (UACJ+UAI) - Japan		Hotel (VHM) - Japan	
	FY2018	FY2017	FY2018	FY2017
Natural Gas	0.92	0.45	33	23
Oil	60.59	55.28	-	-
Electricity	0.38	0.22	38	28
Steam	-	-	6	1
Total	61.9	55.9	77	52

The significant increase in energy consumption in VHM business segment is attributable to five new hotels operating this year. The new hotels are Hotel Vista Sapporo Odori, Hotel Vista Premio Tokyo Akasaka, Hotel Vista Kanazawa, Hotel Vista Premio Kyoto Nagomitei and Hotel Vista Hiroshima. The significant increase in energy consumption in (UACJ+UAI) business segment is mainly attributable to a shipping entity under UAI. Although UAI is classified under property business segment, one Japan-flagged ship is held by an entity under UAI. There is an increased voyage distance of this ship held by the entity under UAI due to bad weather such as typhoon during the year, resulting in more fuel intake by the ship and hence the overall increase in energy consumption. Training on disaster management and climate resilience was planned in 2018 and employees are expected to complete the training by 2019. Both Hong Kong property and shipping segment presently do not generate significant impact to the environment, hence the data is not being tracked and reported.

We plan to put in place our energy policy for hotels operations and to report on energy intensity for our hotel operations in subsequent years.

Figure 5 Fuel Consumption (metric tonnes), Shipping, Hong Kong



Based on internal analysis, we noted that over a span of around 3,862 days, the amount of fuel consumed by twenty of our vessels, at an average eco-speed of around 110 days is 105,889 metric tonnes of High Sulphur Fuel Oil (HSFO) and 7,059 metric tonnes of Low Sulphur Marine Gas Oil (LSMGO) in 2018.

This explains the increase from prior year which was over a span of around 2,700 days for amount of fuel consumed by fifteen of our vessels, at an average eco-speed of around 120 days recorded at 64,202 metric tonnes of High Sulphur Fuel Oil (HSFO) and 4,995 metric tonnes of Low Sulphur Marine Gas Oil (LSMGO) in 2017.

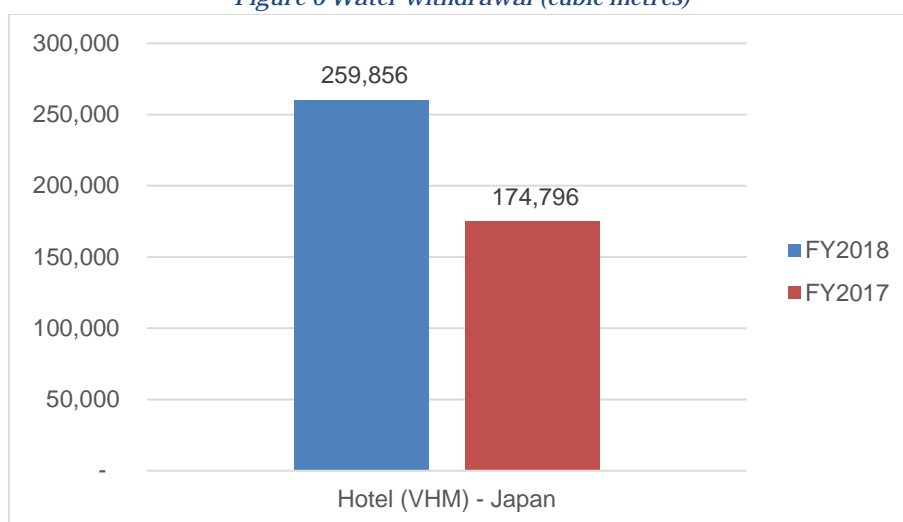
## Water management

### Water Withdrawal by Source

Water management is an important topic at Uni-Asia and we understand the growing concerns worldwide on water scarcity. Concerted efforts have been put in place for many of our properties in order to manage our water use. It is important for us to take a strategic approach in implementing effective water management and to minimise water consumption. Water conservation initiatives are championed by all our employees and our workers are always notified to conserve water to the extent possible. We continually look for ways to reduce water consumption or preserve its quality.

The Group strives to continuously improve its current water conservation initiatives. As such, planning and discussions are currently in progress to find innovative ways to bring in water efficiency in our operations. At hotel (VHM), around 259,856 m<sup>3</sup> of water from municipal supplies or other public or private water utilities was consumed during the reporting period. In the case of shipping (HK), surface water is used for operations. Vessels used (i) ballast water from sea water, (ii) water for cleaning, washing, shower etc. from sea water and (iii) drinking water was purchased at port.

Figure 6 Water withdrawal (cubic metres)



As VHM segment has expanded in operation during the year with five new hotels, which explains the significant increase in water consumption from prior year. The other business segments presently do not generate significant impact to the environment, hence the data is not being tracked and reported.

Eco-friendly measures are in place in some of our hotels (for example, while unrelated to water management, in our new hotels in Japan we are currently using re-usable hotel slippers which are more environmental friendly). Further efforts have been made to create awareness amongst customers on resource conservation by encouraging them to assist hotel in water conservation measures example - prudent replacements of bedsheets and towels. We aim to reduce and report on water intensity in subsequent years (based on number of hotel rooms).

### Ballast Water Management

With regards to the Group's shipping industry specifically in Hong Kong, the Group is aware of the implication of the ballast water process which involves loading and unloading untreated ballast water which in turn poses a major threat to the environment, public health and the economy. This is due to the fact that ships become a vector for the transfer of organisms between ecosystems from one part of the world to another. Therefore the Group has enforce the Ballast Water Convention for the Group's shipping business segment which requires each ship to follow a pre-approved Ballast Water Management Plan specific to that ship to treat and manage ballast water and sediment.



All of the vessels operating by us are carrying a ballast water record book and are accredited with the International Ballast Water Management Certificate. Furthermore, WOSMS as ship manager has also implemented necessary training for the Crew on-board to carry out ballast water management procedures to a given standard in accordance with IMO regulations and some regional rules in operating waters. As of 2018, 14 out of 16 which constitute 68.8% of our operating vessels have already been equipped with US Coast Guard (“USCG”) type approved Ballast Water Treatment System (“BWTS”) equipment. We plan to install the BWTS equipment on the remaining vessels within next 2-3 years during vessel's dry-docking in the shipyard, i.e. 100% completion by 2022.

We will also continue to further strengthen our data collection process with respect to water consumption data and will be reporting our performance more comprehensively in the subsequent years.

### ***Environmental compliance***

At Uni-Asia, we fully support all governmental laws and regulations on the environment. We aim to ensure compliance with all environmental laws and regulations. During 2018, there were no non-compliance with environmental laws and regulations. We aim to improve our environmental compliance related processes and procedures going forward so as to maintain zero incidents of non-compliance with applicable environmental laws and/or regulations.

## Social performance

Human capital is a critical element of the Group's business model. We value our employees as they are the core of our operations. Uni-Asia emphasises the career development, welfare, health and safety of each employee. Due to our diverse operations, we hire a wide range of highly skilled employees. We value the diverse experiences and expertise contributed by our employees. The hire rate across the Group, has grown in the past year. Currently we have over 400 employees across Asia locations, and are committed to ensuring their development and wellbeing. The overall increase in employee headcounts is attributed to the five new hotels operating this year under Vista Hotel Management (VHM) business unit as illustrated below.

Figure 7 Total no. of employee by employment type

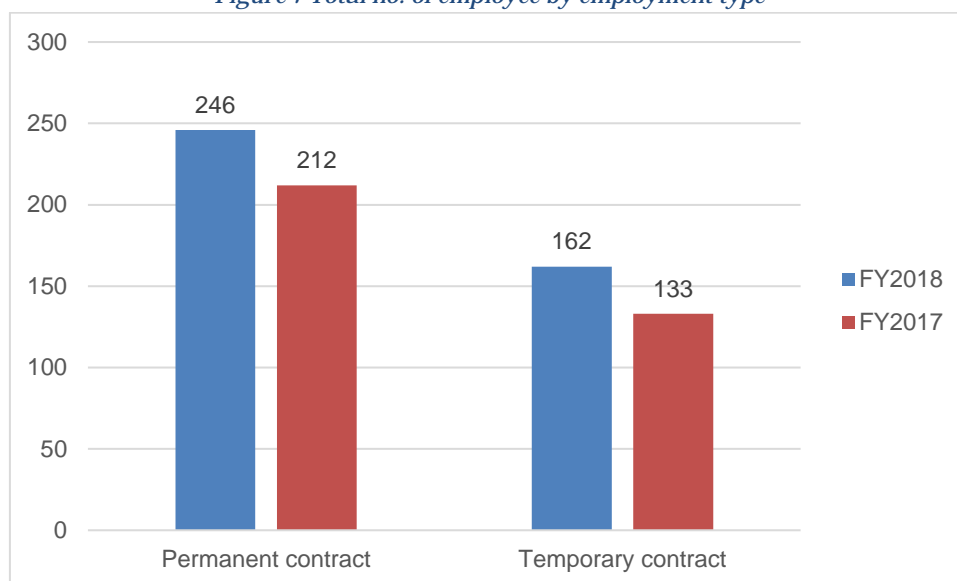
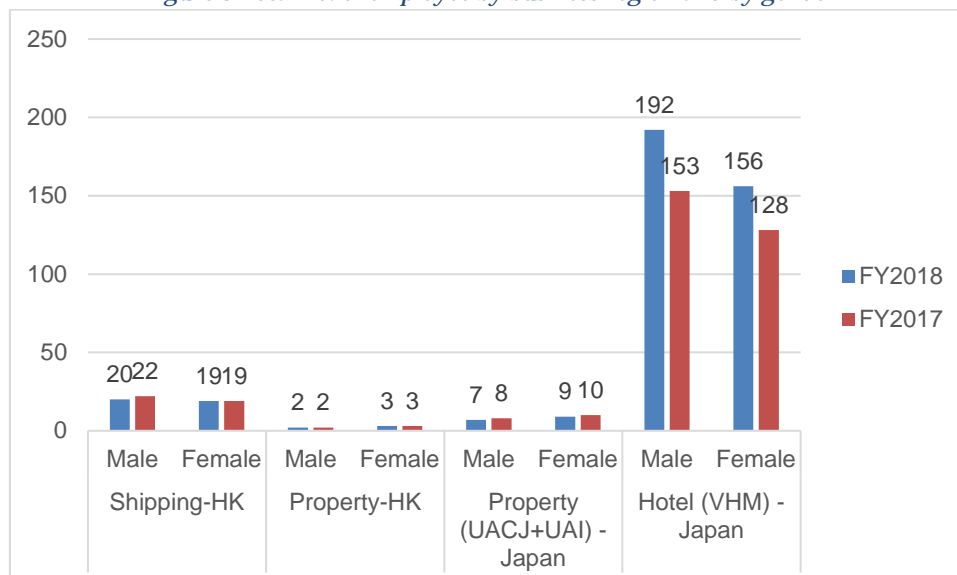


Figure 8 Total no. of employee by business region and by gender



Our employees' feedback and suggestions are important to us. We believe that the feedback will help us improve and grow as a leader in the shipping, and property and hotel operations business. We aim to increase and strengthen our employee engagements by conducting various employee activities and to ensure employee satisfaction within the entire Group.

## ***Occupational health and safety***

Our clients worldwide depend on us to meet important deadlines every day. Meeting our service responsibilities to clients requires a deep-seated commitment to the health, safety, and well-being of our employees. In this section, we present our initiatives and compliance with respect to workplace safety and health regulations.

Our commitment to employee health, safety and well-being permeates not only our culture but also the design of our products, processes, and supply chain. We take a whole-person management approach, offering a wide variety of guides, training, processes, programs, and benefits to promote employee health, safety and wellness. These include companywide initiatives, as well as plans and programs specific to the locations in which we operate.

We are conforming to all relevant safety regulations for our respective business entities such as for shipping there is a crew member assigned as Health and Safety (“H&S”) Officer on-board who is responsible for safety measures in line with standard ship safety procedures.

For Hotel business in Japan, Uni-Asia has a designated Health and Safety Promoter at each hotel in accordance with the Industrial Safety and Health Act in Japan which require every Group’s hotel to appoint a Health and Safety Promoter. Such Health and Safety Promoters have completed a training course provided by a person/organization designated by the Director of the Prefectural Labour Bureau. VHM Headquarter manages health and safety parameters across the hotel business operation.

## ***Types of injury and rates of injury***

This year reported injury rate for male and female in Vista Hotel Management (“VHM”) business unit are 0.5 work related injuries rate and 0.7 work related injuries rate deriving from 1 male and 1 female employee respectively. There is no injury incidents in the other business units during the year. The nature of injury reported were of minor fracture, minor abrasions and bruises. There were no major injuries to the workers across our business segments as a result of industrial accidents<sup>23</sup>. We take up all necessary preventive measures and corrective actions to avoid any injuries to our employees. At Uni-Asia, we aim to ensure no cases of injuries occur in any of our operations.

---

<sup>2</sup> Minor (first-aid level) injuries are excluded in the Injury Rate calculations. Injuries only which were approved as industrial accident are included.

<sup>3</sup> Workers are those whose work or workplace is controlled by the organisation, excluding employees.

## Training and education

We aim to provide diverse and equal opportunities to all our employees at Uni-Asia. We do not judge our potential employee candidates based on their race, religion or nationality.

### Average hours of training per year per employee

Our training programmes are designed to provide opportunities for our staff to upgrade themselves and enhance their professional effectiveness, thereby improving their career prospects within the organisation. Uni-Asia adopted a directors' training policy and has an on-going budget for all directors to attend appropriate courses, conferences and seminars for them to stay abreast of relevant business developments and outlook. These include programmes run by the Singapore Institute of Directors or other training institutions.

We also focus on conducting safety trainings and workshops for our employees. Training, coaching, and recognition are critical components to continuously encouraging a culture of safety. We customize trainings to meet market-specific standards. Additionally, we continually enhance training techniques with current multimedia technology. After safety-related training, employees and management recognize employees with exceptional safety records and encourage our people to strive for the same high standards. We aim to increase our average training hours in the subsequent years. We are committed to strengthening our internal projects on employee trainings and identifying training & development needs and are in the process of setting targets for increasing training hours across employee categories.

Figure 9 Average training hours per year per employee by business unit

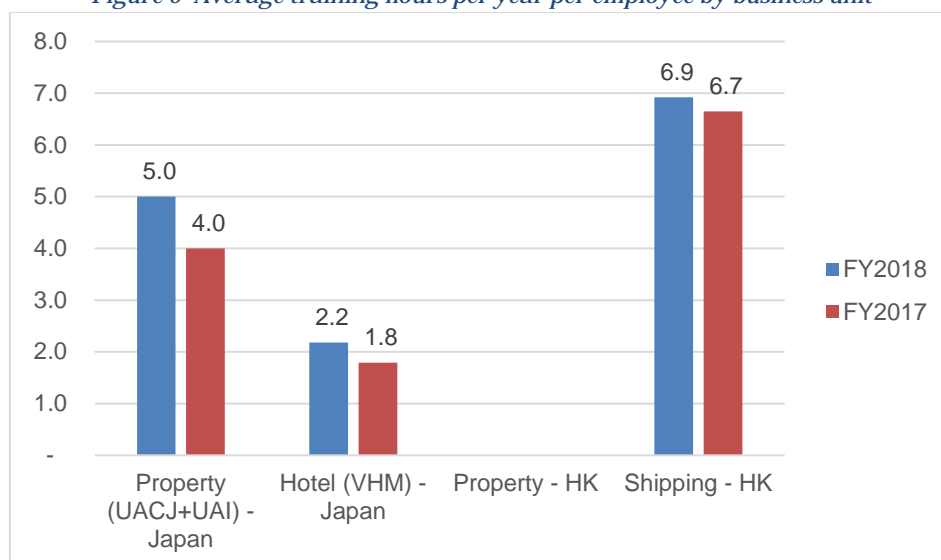
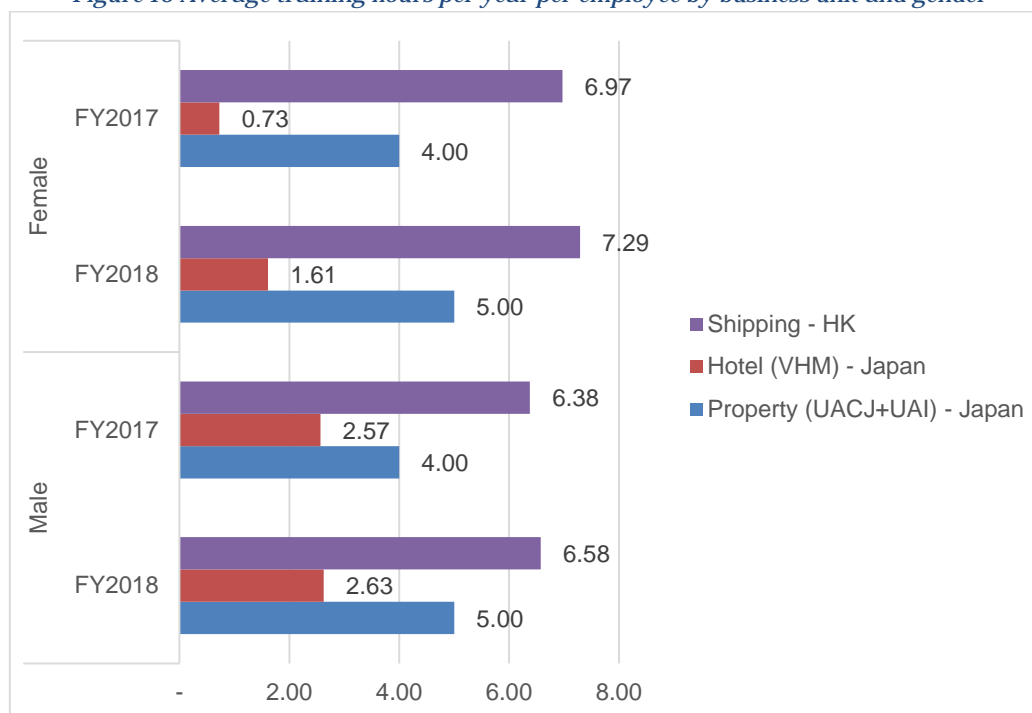


Figure 10 Average training hours per year per employee by business unit and gender



Overall there is an increase in training hours across all business segments. For Vista Hotel Management (“VHM”) business unit, this is attributed by the increase in training session for hotel employees from two training sessions last year to at least three training sessions this year. Below mentioned are the key training programmes conducted during the year in VHM Japan:

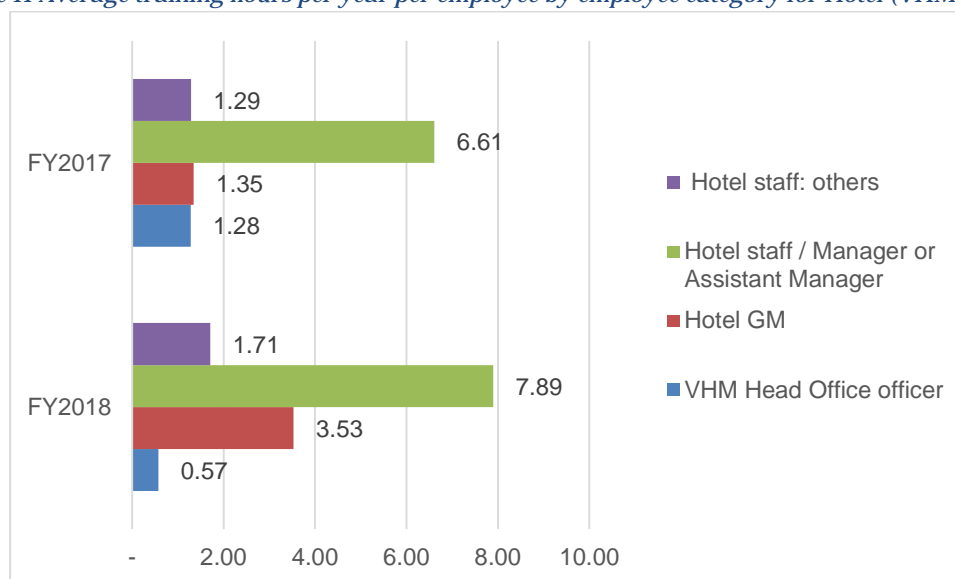
- i. Hotel Manual Training
- ii. Revenue Management Training
- iii. Customer Satisfaction Training
- iv. Hotel Service Training

There is a restatement on prior year 2017 figure for VHM from 2.8 reported last year to corrected figure of 1.8 this year as presented in the bar chart above. Figures below are restated after an internal verification exercise: 2017 Hotel (VHM) Japan Average training hours per year per employee: 2.8 hours (erroneous), 1.8 hours (restated).

Similarly, there is also an increase in the number of training conducted during the year for the Group’s UACJ Japan business segment. The types of training programmes that took place during the year for UACJ entity are as follows:

- i. Training workshop on the current renewable energy business in Japan and our future involvement
- ii. Training on UACJ’s policy
- iii. Introduction of new law on personal information protection
- iv. Legal and business issue related to evacuation and cancellation of lease agreement for housing
- v. Training on compliance issues

Figure 11 Average training hours per year per employee by employee category for Hotel (VHM) Japan



Overall, there is an increase in training hours across all employment category in VHM business segment except for Head Office Officer whereby there is less training allocated during the year due to tighter work schedule compared to last year. There is a restatement on prior year 2017 figure for VHM as mentioned above, hence presented below the reported figures last year and corrected figures restated this year by employment category respectively.

Table 3 Restatement on FY2017 Average training hours per year per employee by employee category for Hotel (VHM) Japan

Employee category	FY2017 corrected (restated)	FY2017 reported (erroneous)
VHM Head Office officer	1.28	1.31
Hotel GM	1.35	1.14
Hotel staff / Manager or Assistant Manager	6.61	8.06
Hotel staff: others	1.29	2.49

At Uni-Asia we aim to continuously conduct comprehensive range of workshops, certifying frontline managers and supervisors who, in turn, instruct employees in the specifics of each course. Besides that, we aim that by 2019, all employees will complete the training on disaster management and climate resilience that was in planning progress during the year. In our subsequent reports we will report data on average training-hours by employee category for Shipping (HK) and Property (Japan) operations as well.

## Customer health and safety

Our consumers rely on our brands for safe and quality services that they can trust. We use international standards to ensure the quality and safety of our services. We believe we are able to effectively compete with our competitors based on our focus on our strengths and by providing our customers with a level of service that meets or exceeds their expectations, hence leading to repeat business from satisfied customers, as well as referrals from them for new business opportunities.

In this section, we will reflect on the periodic assessment of the health and safety impacts of our products and services. At Uni-Asia, we seek to effectively identify, assess and treat all quality and safety related risks associated with Uni-Asia's business activities, products and services in a responsible manner.

## Assessment of the health and safety impacts of product and service categories

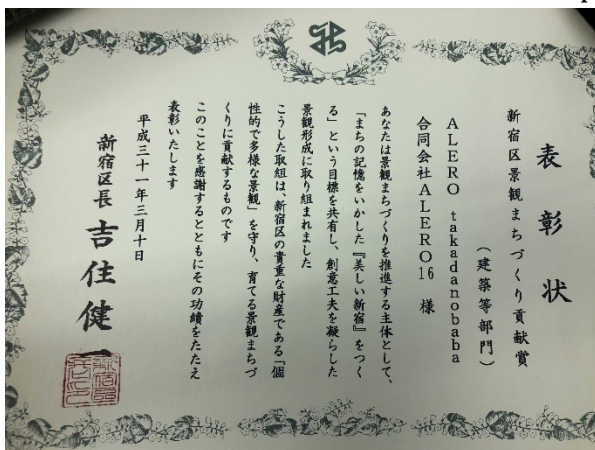
As a producer of alternative investment opportunities and an integrated service provider relating to alternative investments, the Group aims to be a truly trusted partner for all our clients. Uni-Asia strives to deliver value to the Group's shareholders, clients and employees.

There were no incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services within the reporting period. We have not identified any non-compliance with regulations and/or voluntary codes with respect to health and safety impacts of our products and services. Within the asset management business and finance arrangement business, we did not identify any material instances of customer dissatisfaction. Within our shipping fleet, there were no known or reported cases identified of non-compliance with regulations.

## Awards and Achievements

During the year, the company's UACJ property business segment in Japan was granted an award by Shinjuku-ward, Tokyo Metropolis for its contribution to creating the exquisite city landscape of Tokyo through its excellent design for the developed ALERO Takadanobaba project. Winning the award proves the quality of the Group's property development as well as its continuous contribution to the society that the Group belongs to.

Certificate and award for ALERO Takadanobaba project:



In regards to the Group's VHM hotel business segment in Japan, the Group was voted first under two categories of 2017 Hotel Chain Ranking Award organised by "Jalan.net", one of the largest online hotels and ryokans booking site in Japan. The Group's VHM was voted first for two categories:

- i. "Business Travel – Less Than JPY15,000 Per Night" Category
- ii. "Family Travel – Less Than JPY15,000 Per Night" Category

We aim to continue to strive for the hotel customer satisfaction award annually.

**泊まってよかったチェーンホテル部門**

2017年度1年間で、クチコミ総合評点において、  
顕著な実績を取められたチェーンホテル様に贈られます。(金額・利用シーンごとに選出)

利用シーン：出張×15,000円未満

<p><b>1位</b> HOTEL VISTA</p> <p>ビスタホテルグループ</p>  <p>ワンランク上のサービスで、自分らしいライフスタイルを旅先でも実現</p> <p>施設数 15</p>	<p><b>2位</b> Richmond Hotels</p> <p>リッチモンドホテルズ</p>  <p>ひとと自然にやさしい、常にお客さまのために進化するホテル</p> <p>施設数 41</p>	<p><b>3位</b> JR九州ホテルズ</p> <p>JR九州ホテルグループ</p>  <p>また会いたくなるホテルへ。</p> <p>施設数 12</p>
---	---	---

利用シーン：ファミリー×15,000円未満

<p><b>1位</b> HOTEL VISTA</p> <p>ビスタホテルグループ</p>  <p>ワンランク上のサービスで、自分らしいライフスタイルを旅先でも実現</p> <p>施設数 15</p>	<p><b>2位</b> 東急ホテルズ</p> <p>東急REIホテル(東急ホテルズ)</p>  <p>日常のくつろぎと小さな感動</p> <p>施設数 19</p>	<p><b>3位</b> スーパーホテル</p> <p>スーパーホテル</p>  <p>北海道～沖縄、ビジネス・観光に最適! 五感で感じるLohasスタイル</p> <p>施設数 126</p>
--	--	---



## ***Economic performance***

### ***Ethics and anti-corruption***

We have zero tolerance for any financial crime including corruption and bribery. We seek to conduct our business in a responsible manner by ensuring that our policies and code of conduct are implemented and communicated to all our employees, business partners and board members consistently throughout our entire global operations.

At Uni-Asia, the whistle-blowing policy applies to all staff including its subsidiaries and associated companies. In our continuing effort to improve corporate governance and to encourage open communication, this policy aims to provide an avenue for staff to raise concerns in good faith about possible misconduct, with the assurance of protection from possible retaliation or victimisation. The whistle-blowing policy is intended to cover serious concerns that could have a material impact on the Group, including but not limited to actions that:

- (a) may lead to incorrect financial reporting;
- (b) are unlawful;
- (c) are not in-line with the Group's policy; or
- (d) otherwise amount to unethical conduct.

We have a clear set of policies and code of conduct for managing corruption, bribery and fraud. We also conduct trainings on anti-corruption and bribery and ensure that all new hires are familiar with our code of conduct.

### ***Incidents of corruption and actions taken***

There have been no cases of corruption at Uni-Asia within the reporting year. The Groups' initiative in this aspect is more stringent and prevalent in the Groups' property asset management entity UACJ in Japan. The Anti-Money Laundering ("AML") and Counter Financing Terrorism ("CFT") guideline issued in February 2018 in Japan, requires all related financial institutions to comply with the guideline. As UACJ's nature of business as an asset manager constitute as a financial institution, we comply strictly with the guideline and have strengthened our internal controls to be in conformance. We have checklist and policies in place to ensure compliance with regulations. We also aim to conduct training session for all relevant staffs in 2019.

We aim at all times to remain vigilant and constantly monitor our operations, instilling strong values on anti-corruption and bribery in all members of the Group.

## GRI Standards Content Index

GRI Content Index			
GRI Standard	Disclosure	Page number and/or URL	
<b>General Disclosures</b>			
GRI 102: General disclosures	<b>Organisational profile</b>		
	102-1	Name of the organisation	4
	102-2	Activities, brands, products, and services	4
	102-3	Location of headquarters	7
	102-4	Location of operations	7
	102-5	Ownership and legal form	Refer to <a href="#">Corporate structure</a>
	102-6	Markets served	5
	102-7	Scale of the organisation	4
	102-8	Information on employees and other workers	18
	102-9	Supply chain	Refer to <a href="#">Corporate structure</a>
	102-10	Significant changes to the organisation and its supply chain	Refer to <a href="#">Milestones</a>
	102-11	Precautionary Principle or approach	Refer to <a href="#">Annual Report</a> p.32
	102-12	External initiatives	Nil
102-13	Membership of associations	Nil	
<b>Strategy</b>			
102-14	Statement from senior decision-maker	3	
<b>Ethics and integrity</b>			
102-16	Values, principles, standards, and norms of behaviour	Refer to <a href="#">Annual Report</a> p. 45	
<b>Governance</b>			
102-18	Governance structure	Refer to <a href="#">Governance</a>	
<b>Stakeholder engagement</b>			
102-40	List of stakeholder groups	10	
102-41	Collective bargaining agreements	Nil	
102-42	Identifying and selecting stakeholders	9	
102-43	Approach to stakeholder engagement	10	
102-44	Key topics and concerns raised	10	
<b>Reporting practice</b>			
102-45	Entities included in the consolidated financial statements	Refer to <a href="#">Annual Report</a>	
102-46	Defining report content and topic Boundaries	8	
102-47	List of material topics	11	
102-48	Restatements of information	22	
102-49	Changes in reporting	Nil	
102-50	Reporting period	8	
102-51	Date of most recent report	31 December 2018	
102-52	Reporting cycle	8	
102-53	Contact point for questions regarding the report	8	
102-54	Claims of reporting in accordance with the GRI Standards	8	
102-55	GRI content index	26 - 27	
102-56	External assurance	Not Applicable	

<b>Material Topics</b>			
<b>Energy management</b>			
GRI 103: Management Approach	103-1	Explanation of the material topic and its boundary	12 – 14
	103-2	The management approach and its components	12 – 14
	103-3	Evaluation of the management approach	12 – 14
GRI 302: Energy	302-1	Energy consumption within the organisation	14 – 15
<b>Water management</b>			
GRI 103: Management Approach	103-1	Explanation of the material topic and its boundary	16 – 17
	103-2	The management approach and its components	16 – 17
	103-3	Evaluation of the management approach	16 – 17
GRI 303: Water	303-1	Water withdrawal by source	16
<b>Environmental compliance</b>			
GRI 103: Management Approach	103-1	Explanation of the material topic and its boundary	17
	103-2	The management approach and its components	17
	103-3	Evaluation of the management approach	17
GRI 307: Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	17
<b>Occupational health and safety</b>			
GRI 103: Management Approach	103-1	Explanation of the material topic and its boundary	19
	103-2	The management approach and its components	19
	103-3	Evaluation of the management approach	19
GRI 403: Occupational Health & Safety	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	19
<b>Training and education</b>			
GRI 103: Management Approach	103-1	Explanation of the material topic and its boundary	20 – 22
	103-2	The management approach and its components	20 – 22
	103-3	Evaluation of the management approach	20 – 22
GRI 404: Training and Education	404-1	Average hours of training per year per employee	20 - 22
<b>Customer health and safety</b>			
GRI 103: Management Approach	103-1	Explanation of the material topic and its boundary	23 – 24
	103-2	The management approach and its components	23 – 24
	103-3	Evaluation of the management approach	23 – 24
GRI 416: Customer Health and Safety	416-1	Assessment of the health and safety impacts of products and service categories	23 – 24
<b>Ethics and anti-corruption</b>			
GRI 103: Management Approach	103-1	Explanation of the material topic and its boundary	25
	103-2	The management approach and its components	25
	103-3	Evaluation of the management approach	25
GRI 205: Anti-corruption	205-3	Confirmed incidents of corruption and actions taken	25