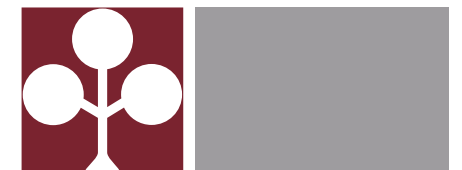
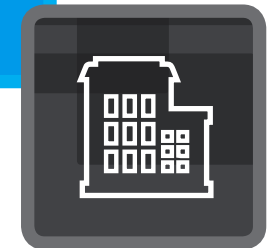


Sustainability Report 2016/17

Building a sustainable future



SUMMERTOWN

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“

Our mission continues to be, as it was when we were established 20 years ago, to deliver high quality interior fit outs for our clients, which not only minimise environmental impact and deliver cost savings, but also maximise employees' sense of wellbeing and happiness.”

Marcos Bish,
Managing Director



Setting the standard for sustainability

A Statement from Managing Director, Marcos Bish (G4-1)

I am delighted to share Summertown's second sustainability report. It represents the next step on our journey to embed sustainability into every aspect of our business. Building on our first report, the central theme this year has been to go and listen to our stakeholders to understand what they think of our performance and what matters most to them. This included asking stakeholders what they wanted to see within our sustainability report, improving our client feedback process and talking with our employees to understand how we can improve our wellbeing strategy. Our task is now to integrate this insight into our business practice and to report back on our progress.

These past 12 months have seen exciting global developments for sustainable business practice, through the Paris Climate Agreement and the United Nation's Sustainable Development Goals. Here, in the United Arab Emirates – **UAE Vision 2021**, the **Green Agenda 2030**, the **UAE Happiness Charter** and **UAE CSR Mandate** each set out clear objectives for a future sustainable economy. Sustainable buildings will play a critical role in achieving these global and national objectives.

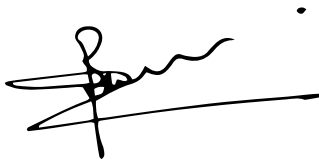
Our mission continues to be to deliver high quality interior fit outs for our clients, which not only minimise environmental impact and deliver cost savings, but also maximise employees' sense of wellbeing and happiness.

I believe this mission will be further strengthened through our new partnership with The United Workplace Group, an international alliance of workplace and fit out specialists, each of which share our values for quality and sustainability and our passion for delighting clients.

This year, I am pleased to share some exciting developments. Our new Sustainability and HSE committees have been set up to drive our sustainability performance across the organisation. In our own offices, we have built upon our **LEED Interior Gold certification (2009)** and **LEED Existing Buildings: Operation and Maintenance (EBOM) Gold certification (2016)** by formally embedding sustainable practices into our ISO quality management processes.

For our clients, we have implemented a new waste management policy on-site and a pilot programme to record energy and water usage. Together, these practices will help us transparently demonstrate our resource usage to clients, identify opportunities to reduce our impacts and help our clients embed sustainability management and measurement into their ongoing building occupancy.

I look forward to continued progress in this our 20th Anniversary year and to sharing the results in future reports.



Marcos Bish,
Managing Director



About us

For 20 years, Summertown Interiors has been among the United Arab Emirates' (UAE) leading contractors, offering superior quality interior fit out solutions ^(G4-3). Reputed for our green expertise and exceptional client service, we specialise in commercial, healthcare and education projects for global Fortune 500 companies, government authorities and local businesses ^[G4-4, G4-8].

We operate entirely within the UAE and employ more than 120 people at our Head Office in Dubai and office in Abu Dhabi ^[G4-5, G4-6, G4-9]. Our team consists of dedicated account managers who oversee the project and client relationship from initial consultation, through project delivery and follow-up. During the execution phase, we deploy specialist teams of architects, procurement professionals, project managers, construction managers and our own labour workforce. All are trained in international HSE standards. Our experienced teams regularly work with the world's largest project management firms, interior architects and designers to interpret and execute our clients' requirements and deliver bespoke, high quality projects on time and within budget.

Our mission is to help our clients:

- Achieve their environmental goals, improving energy, water and resource efficiency for buildings
- Create inspiring workplaces to enhance employee health and happiness
- Deliver operational savings, increase building value and decrease utility costs.

All of our projects are executed in accordance with the internationally recognised ISO 9001 Quality Management System. We are also working with external experts to create an OHSAS 18001 HSE Management System and aim to obtain certification by 2018. These processes underpin our commitment to meet the highest quality, sustainability and safety expectations of our clients.

» Full details of our incorporated status can be found on page 29 of this report.

Achieving our mission depends on our ability to listen, interpret and respond to our clients' needs throughout their fit out journey.



Pre-contract consultation

We work with clients and partners to identify sustainability priorities and assess what we can do to maximise sustainability.

Project execution

We are committed to sustainable purchasing; waste, energy and water reporting; quality and health and safety.



Post-project

We ensure seamless project handover, and sharing best practice for the ongoing sustainable operations and occupancy of buildings through our 'client workshops'.



Sustainability is fundamental to our business strategy

We are proud of our reputation within the UAE as pioneers for sustainable working environments. This is evidenced through both our own sustainability credentials and our expertise in delivering projects in accordance with sustainability best practice.

Our approach to sustainability is shaped by, and recognises, a variety of global and regional priorities and targets. In particular, we are committed to delivering towards the **UAE Green Agenda 2030** which builds upon the **UAE Vision 2021** priorities that focus on improving the quality of air, preserving water resources, increasing the contribution of clean energy and implementing green growth plans. Key global priorities and UAE targets of relevance to Summertown's work and impact include:



THE UAE'S ROLE IN GLOBAL PRIORITIES

UAE TARGETS

OUR PERFORMANCE THIS YEAR

CLIMATE CHANGE

Is one of the biggest threats to the natural world the UAE ratified the UN Paris Climate Change agreement – 21st September, 2016

27% by 2021
Increase in renewable and nuclear energy

15%
Reduction in our carbon emissions



WATER SCARCITY

The UAE is one of the most arid countries in the world

20% by 2030
Reduce in water consumption per person

11%
Reduction in our water consumption



SUSTAINABLE URBAN DEVELOPMENT

In October 2016, the UAE endorsed the New Urban Agenda. Currently, only 14% of waste in the UAE is recovered

75%
Of waste recovered by 2021*

44%
Of waste recycled or recovered**



HAPPINESS

In 2016, the UAE was ranked 28th in the World Happiness Index and Dubai appointed its first Minister of State for Happiness

Top 5
For the UAE to be among the five happiest countries by 2021

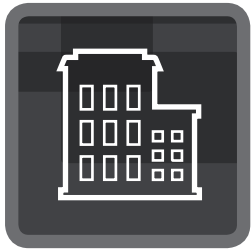
76%
Summertown employees stating their morale has been improved by our wellbeing and wellness strategy

* Recovery of waste includes treatment methods such as recycling, Incineration and waste-to-energy [UAE Green Agenda 2030].

** This figure was calculated based on volume recycled internally by Summertown and UAE Government recycling rate of 22.6% [UAE Vision 2021 – 2016 update].

Understanding our business impacts

We define sustainability as identifying and managing the environmental, social and economic impacts of our business in a responsible way. We recognise that these impacts occur at different stages across our business:



In our workplace:

- Going beyond green interior certification to embed environmental sustainability practices in our workplace through empowering our people to adopt environmental best practices
- Enhancing the wellbeing, wellness and happiness of our employees and their families.



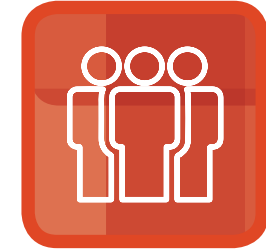
On site:

- Ensuring the health, safety, wellness and wellbeing of all our employees and subcontractors
- Enabling the sustainable use of resources – in particular raw materials, energy and water, and reducing the GHG emissions and waste generated from our activities on client sites
- Supporting our clients to consider sustainable solutions, before, during and beyond the fit out process.



In our supply chain:

- Engaging with our supply chain to ensure, our products and materials meet internationally recognised labour and environment standards, and, wherever possible, to procure materials which meet internationally recognised sustainability criteria
- Supporting our local economy through purchasing from SMEs where possible
- Helping our clients to make sustainable decisions for the materials we purchase for our projects.



In our local communities:

- Supporting our wider community through the Summertown Employee Volunteering programme and the provision of financial and in-kind support to local causes
- Continuing our role as thought-leaders, by sharing our knowledge with clients, partners and other stakeholders to drive forward the shift to sustainable interiors
- Engaging young people in the importance of sustainable building practices through community outreach programmes with local universities and offering internships.

Evolving our sustainability strategy

Since 2012, we have used the Dubai Chamber CSR Label as a diagnostic framework as well as a learning and development tool to help define and improve our sustainability strategy, policies and management practices across four impact areas.

We are proud that we continue to be a leading performer in CSR within the UAE and have made progress against each impact area every year for the past five years.

The governance and direction of our sustainability strategy is led by the Summertown Corporate Team [G4-34]. The team includes the Managing Director and senior representatives from the Finance, Operations, Projects, Quality, Human Resources, Marketing and Commercial departments.

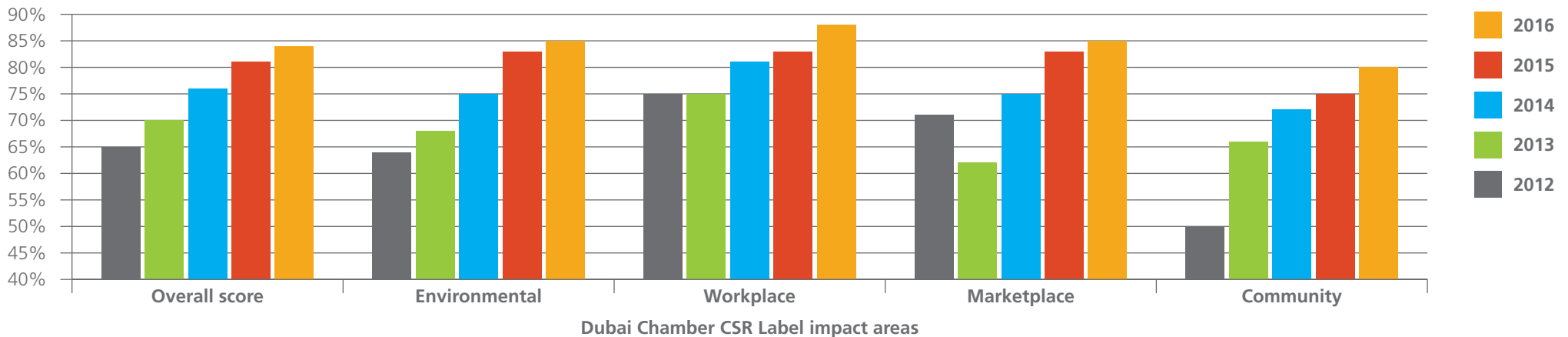
This year, to further embed sustainability across our business, we established the Summertown Sustainability Steering Committee. The committee is comprised of personnel from across the business and meets between four and six times a year.

The committee acts as a taskforce to deliver our sustainability strategy and their responsibilities include:

- Collecting and reviewing stakeholder feedback and identifying emerging trends and international best practice to provide recommendations to the Corporate Team to evolve our future strategy
- The delivery of our sustainability strategy and plans
- Establishing relevant and meaningful metrics for impact measurement
- Assessing performance and progress against our sustainability targets
- Measuring and reporting our sustainability performance
- Acting as champions to promote sustainability into daily business activities.



Demonstrating leading performance and continual improvement against the Dubai Chamber CSR Label



Understanding what matters most to our stakeholders

Our approach to materiality

Our first materiality assessment in 2015 identified the issues that we believe matter most to our business and our stakeholders.

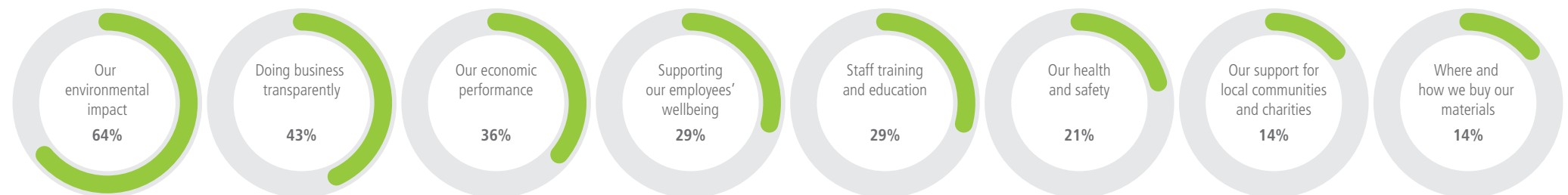
This involved assessing our own impacts, reviewing our stakeholders' priorities and analysing the wider environmental, social and ethical issues associated with the construction and fit out industry. These inputs were reviewed and priorities agreed through a senior management workshop attended by 20 cross-functional representatives, facilitated by external sustainability experts. The outcome of this assessment has provided us with a critical understanding of what matters most, and where we believe we should focus our activities and the key topics to include within this report [G4-17] [G4-18] [G4-19].

What matters most to our stakeholders

This year, we continued this assessment by asking a number of our stakeholders what matters most in their relationship with Summertown. This included conducting a short survey with employees and their family members, clients, partners, suppliers and investors to ask:



In your relationship with Summertown, which topics are most important to you? ^{N=15}



Our material issues



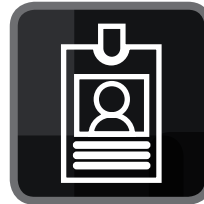
1. Our environmental impact

Our use of resources, our GHG emissions and how we dispose of our waste represent key costs to our business, which will increase with future resource scarcity and regulation.



2. Our economic performance

It is imperative that we remain committed to delivering high quality, sustainable projects and building lasting relationships to support repeat business.



3. Supporting our employees

We rely upon the expertise of our employees and are committed to making Summertown a great place to work for all, by supporting a healthy work-life balance and enhancing employee health and wellbeing.



4. Training and Education

We are proud to be thought-leaders within our industry. This relies upon the continual development of our people to attain the skills required to deliver quality fit out projects and support our clients on their sustainability journey.



5. Health, Safety and Environment

Ensuring we provide a safe and healthy environment for our workers is paramount at all times.



6. Being part of our community

Contributing to local causes in the community through financial and in-kind donations and engaging young people through local universities and internships.



7. Responsible procurement

We have a duty to assess all suppliers to ensure they meet our Code of Business Conduct and to support our clients' shift towards sustainable and responsibly-produced materials.



8. Transparency and anti-corruption

By operating in a transparent manner with our clients, employees and across our supply chain, we can build trusted relationships and mitigate risk.

Informed by our stakeholder feedback and existing analysis, we believe these are the issues which matter most to Summertown and our stakeholders. This report details our progress against these 8 material issues. We will continue to review this assessment every year and expand the involvement of our external stakeholders to better understand what matters most to those who have a relationship with us or are affected by our operations.

Reducing our environmental impact

Our approach

Our approach to environmental sustainability is based upon the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) framework, the most widely used third-party verification for the design, operation and maintenance of sustainable buildings. The LEED framework provides guidelines for energy and resource-efficient buildings, which optimise the use of energy, water and natural resources, improve indoor environmental quality and enhance employee productivity and wellbeing ^[G4-14].

When discussing our environmental impact, we recognise two key areas – our work with clients 'on-site' and our own operations. For both, our aim is to not only improve our environmental impact, but also to reduce costs associated with building operations and to offer healthier and more productive workspaces for employees. We continue to translate lessons and best practice identified within our operations to our client sites, as part of client briefings and our 'Green in Action' workshops.



Water



Energy



Emissions



Waste

Our environmental performance

We are committed to embody best practice in our own environmental performance. Our approach is based upon the USGBC guidelines for Existing Buildings: Operations & Maintenance (LEED EBOM) which encompasses ongoing energy, resource and water efficiency, sustainable purchasing, indoor environment quality, and enhancing employee productivity and wellbeing.

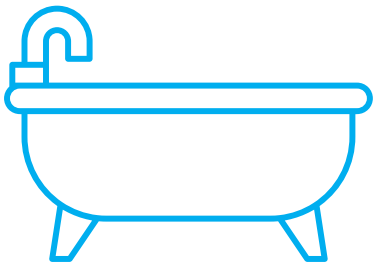
Since receiving LEED EBOM certification for our offices in 2016, we continue to use the guidelines, and other international frameworks, to identify areas where we can improve our performance. To ensure that we continually improve, we have embedded LEED EBOM practices into our own ISO process.

We reduced our water consumption by

120M³

from last year. This saving is equivalent to the water used within approximately

1,500 bathtubs



Water

We recognise the critical importance of responsible water stewardship to the future of the United Arab Emirates. The UAE is in the top 10 most water-scarce countries in the world, yet the UAE's water consumption per person is ranked among the highest in the world. This year, we used a total of **946 M³** of water at our offices, a reduction of **120M³** from last year, as a result of installing water saving devices and raising internal awareness. Over the past three years, we have achieved a **57%** reduction in our water consumption. We have set a target to reduce our water usage by a further **50M³** over the next 12 months.



Table 1: Our water usage* [G4-EN8]

| | 2014-15 | 2015-16 | 2016-17 |
|-------------------------------------|----------------------|----------------------|--------------------|
| Water consumption (M ³) | 2,182 M ³ | 1,066 M ³ | 946 M ³ |

* All water was sourced from municipal water supplies

Energy

Over the past three years, we have reduced our energy usage while continuing to grow our business by adopting energy-saving procedures and processes. As a result, our energy intensity (measured as units of energy per person) has decreased by **10%** over the past three years [G4-EN5]. Over the past 12 months, we used **139,840 kWh** of energy at our offices, mainly for cooling [G4-EN6]. This is a reduction of **24,080 kWh**. Reducing our energy consumption remains a priority, both to reduce expenditure and to support our carbon commitment, and we have set the target of reducing our energy usage by a further **7,000 kWh** in the next year.



Table 2: Our energy consumption* [G4-EN3]

| | 2014-15 | 2015-16 | 2016-17 |
|-----------------------------------|---------|---------|---------|
| Total energy consumption (kWh) | 162,040 | 163,920 | 139,840 |
| Energy intensity (kWh per person) | 3,241 | 2,980 | 2,913 |

* All our energy is purchased through the state energy provider, which provides information on CO₂ emissions

Emissions

In 2012, we set a target for our offices to be carbon neutral by 2020. This year, our Sustainability Committee examined the GHG emissions which arise across our organisation and assessed which are the most significant and which we are currently able to measure. Based on this scoping, we currently define our carbon footprint as the direct GHG emissions related to the purchased electricity used within our offices (scope 1 and 2).



This year, our GHG emissions (Scope 1 and 2) were **69,902 Kg CO2e**. This was a reduction of **12,058Kg**. As part of our commitment to becoming carbon neutral, we aim to further reduce our energy consumption.

We recognise that employee travel to work represents an important contribution to our wider carbon footprint. To reduce this impact, we encourage all employees to look for opportunities to reduce the number of car journeys, this includes switching to commuting by public transport and through car pooling.

Table 3: Our greenhouse gas (GHG) emissions (Scope 1 and 2)* [G4-EN15]

| | 2014-15 | 2015-16 | 2016-17 |
|--|---------|---------|---------|
| GHG emissions (Kg CO2)** | 81,020 | 81,960 | 69,902 |
| GHG intensity (Kg CO2 per person) | 1,620 | 1,490 | 1,456 |

* These figures have been calculated based on GHG emission information provided by the Dubai Electricity and Water Authority (DEWA).

** Metric tonnes of CO2 equivalent.

Waste

We recognise that the generation and treatment of waste has a significant environmental impact and represents a loss of valuable materials. We are committed to reducing the amount of waste we generate by improving efficiency and by following the 'waste hierarchy' of "Reduce, Reuse, Recycle". We record weekly how much waste is generated and how much plastic, aluminium and paper is separated for recycling. In the last three years, we have reduced the total amount of waste generated within our offices by **202kg**. By increasing our recycling of aluminium, paper and glass, we have also reduced the amount of waste sent to landfill from our offices by **39%**.



Table 4: Total weight of waste by type and disposal method [G4-EN23] *

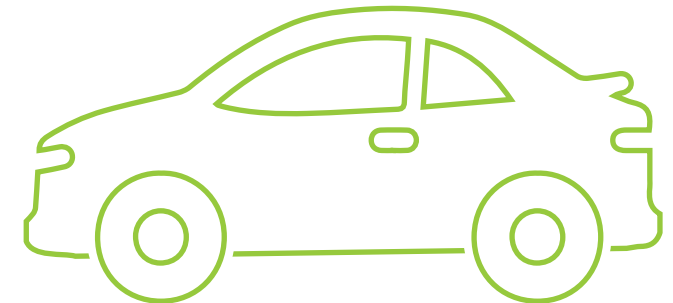
| | 2014-15 | 2015-16 | 2016-17 |
|--------------------------------|---------|---------|---------|
| TOTAL WASTE | 860kg | 739kg | 658kg |
| Waste to landfill (KGs) | 779 | 570 | 477 |
| Recycled (KGs) | 81 | 169 | 181 |

* All waste is disposed of using the state provider, and segmented into landfill and recycling only. Green waste is composted at the company's own facility.

Our employees saved

650

'car journeys' over the past 12 months



Reducing our environmental impact on site

Central to our business strategy is supporting clients on their sustainability journeys. Of the projects¹ we undertook in the past 12 months, 64% met either regional sustainability criteria or have been LEED certified. In all cases, even when LEED or other sustainability certification is not requested by the client, we apply the same underlying environmental principles, thereby providing added value for our clients.

Energy and water use on site:

An important step this year was our new pilot programme to measure and record the energy and water usage relating to our operations on-site. Readings are taken, and shared with our clients, at the beginning of the project, during site execution and at the end of the project. This offers operational transparency, helps our teams engage clients around sustainable fit out solutions and, post-project, helps clients embed sustainability management and measurement into their ongoing building occupancy. We aim to roll out this programme for all major fit out projects.

Waste management on site:

The waste generated on site is an important impact of our business and we have taken a number of steps to reduce it. Over the past 12 months, we have introduced a new waste management policy for all site projects. Key elements include:

- Identifying a green waste area on every site so that materials which can be recycled and re-used can be easily separated
- Discussion with the client teams at project inception to agree ways to minimise our environmental impact; this includes highlighting, wherever possible, the cost benefits of reusing items/materials
- Promoting the measurement of waste and re-use of materials used within the project execution.

Supporting a client on their sustainability journey

We were recently invited to quote for a fit out project for a leading German multinational conglomerate, alongside a global project management firm. During the pre-contract consultation phase, we proposed assessing their site to identify what materials and existing fixtures and fittings could be reused during the fit out of their new workspace. This included carpets, glass and wooden doors. As a result of this innovative approach, we significantly reduced the environmental impact of the project and saved the client over **500,000 AED**.

1. Figures based on project value.



Case study: Smart Dubai

A 14-week programme to fit out Smart Dubai's new 1850m² office space in the Dubai Design District.

Our team worked in close collaboration with Design World Partnership (DWP) to execute an office space to reflect Smart Dubai as a progressive, innovative organisation; a workspace of the future that is efficient, sustainable and healthy. The office concept drew inspiration from the UAE's natural elements – the shifting sands and desert oasis – to emphasise movement and fluidity through the space and provide plenty of natural light. We worked in partnership with SLCE (mechanical, electrical and plumbing consultants) to install the specialised technology required.

We managed the LEED certification process for the project, which achieved LEED Gold certification. During the fit out sustainability initiatives included:

1 Waste Management

Green waste strategies were implemented to minimise the environmental impact, recycling and re-using materials where possible. **51% of waste was recycled or reused.**

2 Sustainable Purchasing

31% of the purchases for the project met sustainable criteria, for instance, FSC-certified wood and energy efficient electrical goods.

3 Energy and Water Consumption

This was measured on a daily basis to track our consumption during project execution. We could then share this information with the client on project handover to help build greater awareness and understanding of how to ensure ongoing sustainable occupancy.

4 Supporting the client to achieve their sustainability ambitions

Workshops were held with the client at the beginning of the programme to identify ways to improve the sustainability of the project, and at the end to show how to maximise the benefits of an occupied green office.



Over a 14-week fit out programme

51%

of waste was recycled or reused



“

We employed a team of experts from Design Worldwide Partnership (DWP) and Summertown Interiors to ensure our office adheres to international environmental standards. DWP and Summertown did an outstanding job and built a space that reflects our identity as a progressive smart organisation, as well as our mission to make Dubai the happiest city on the planet – starting with our own workspace.”

H.E. Dr Aisha Bint Butti Bin Bishr, Director-General of the Smart Dubai Office



Sustainability as a driver of growth

Our economic performance

Globally and regionally, the green and sustainable building sector continues to grow. As such, building long-term relationships and delivering projects that gain sustainability accreditations remains a critical focus for our business.

Our belief in sustainability as a driver of growth and profitability is mirrored in our latest financial results. In line with our ambition to accelerate the shift to green interiors, this year almost **two-thirds** of our projects were accredited as meeting sustainability criteria.

We recognise that the quality of client service begins before we start work. As such, we monitor our ability to offer clients the best solution for their requirements, from initial inquiry through to submitting proposals.

This has been supported during the past 12 months through our Customer Relationship Management (CRM) system, and is a focus for the next year.

Even when sustainability certification is not requested, we apply the same principles and added value to all our clients. This includes executing projects in a sustainable way, being open and transparent in our progress, health and safety, risk management and energy and water use, and by providing free workshops on the sustainable management of buildings during occupancy. Through this commitment, we believe we build strong long-term relationships and are delighted that two-thirds of our projects in the past 12 months have been with repeat clients.

Table 5: Our clients and the importance of long-term and sustainable relationships

| | 2014-15 | 2015-16 | 2016-17 |
|--|---------|---------|---------|
| COMMITMENT TO SUSTAINABLE PROJECT EXECUTION | | | |
| % of conventional projects | 49% | 51% | 36% |
| % of our projects meeting sustainability criteria* | 51% | 49% | 64% |
| BUILDING LONG-TERM RELATIONSHIPS | | | |
| % New clients | 56% | 51% | 34% |
| % Repeat clients | 44% | 49% | 66% |

* Sustainability criteria refer to projects developed in accordance with:

- The Leadership in Energy and Environmental Design (LEED) certification system.
- 'The Masdar Construction Environmental Management Plan' – a sustainability framework for construction companies working within Masdar City. Requirements include responsible and sustainable practices during construction, including in relation to air-quality, noise, water, materials, waste and energy usage.



A best in class employer

Our performance on supporting our employees

We strongly believe that the strength of our company lies within our team. As a company, we've grown since our inception in 1997 and pride ourselves on the fact that many of our employees have been with us since the early days.

It is critical that we understand what matters to our employees, from rewards and benefits, training and professional development, to safe and happy working environments and supporting work-life balance. This year we conducted a training gap analysis and asked employees how we could further support employee health and wellbeing.

Building a strong and diverse team

We believe our commitment to understanding and addressing what matters most to our people is reflected in our low staff turnover. Over **50%** of our staff have been working with Summertown for at least five years, with nearly a **third** working with us for more than 10 years. We are proud that over half of our management team are women and we offer flexible working hours and part-time positions for working parents. We have also adopted a goal that no more than 50% of a single department can be of any one nationality. Our office staff members alone (48 people) represent 11 different nationalities.

Our approach to training

The provision of high quality training is crucial to being a best-in-class employer. At the heart of our training approach is our Goals and Objectives Performance Appraisal System. Every office employee agrees five goals and objectives and three competencies with their manager at the beginning of each financial year. At the end of the year, appraisal reviews are conducted and employee's performances evaluated. This evaluation enables managers to determine appropriate training needs in line with business objectives and identify high achievers for future career development. As part of this programme, during the past year our employees **undertook on average 14 hours of training**.^[LA9]



Table 6: Total number of employees ^[G4-10]

| NUMBER OF EMPLOYEES – OFFICE | | 2014-15 | 2015-16 | 2016-17 |
|------------------------------|--------|---------|---------|---------|
| SENIOR MANAGEMENT | Males | 3 | 4 | 3 |
| | Female | 5 | 4 | 4 |
| OFFICE – EMPLOYEES | Males | 35 | 35 | 33 |
| | Female | 7 | 12 | 8 |
| ON-SITE – EMPLOYEES | Male | 65 | 58 | 55 |
| Total | | 115 | 113 | 103 |

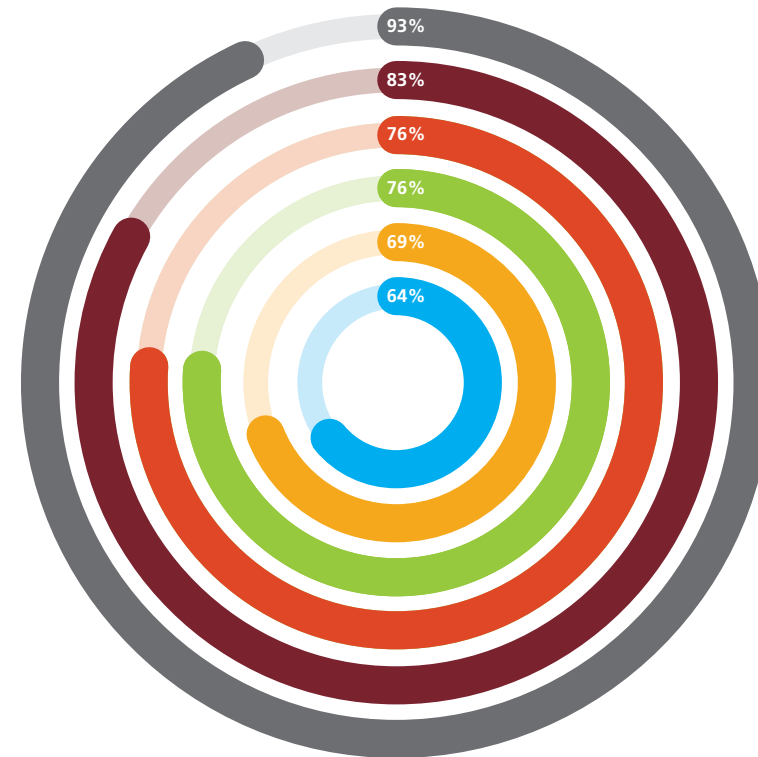
Table 7: Employee continuity – turnover and longevity ^{[G4-LA1] *}

| | 2014-15 | 2015-16 | 2016-17 |
|---|---------|---------|---------|
| Employees at Summertown for at least 2 years (%) | 61% | 60% | 73% |
| Employees at Summertown for at least 5 years (%) | 37% | 40% | 56% |
| Employees at Summertown for at least 10 years (%) | 16% | 20% | 29% |

* Information refers to office-based employees.

Measuring the impact of our health and wellbeing strategy

This year, we conducted a survey to assess the impact of our existing health and wellbeing activities to understand our employees preferred initiatives and where we should focus in the future. We aim to use this insight to refine what we offer and to develop objectives and impact measurements for health and wellbeing activities.



- I feel proud of my company
- It has increased the team spirit amongst employees
- It has increased my morale
- It has increased my loyalty to the company
- It has helped me to change my habit/habits in my personal life
- I like talking about our wellbeing initiatives with my industry peers



Promoting health, wellness and wellbeing

We take the health, wellness and wellbeing of our staff very seriously, as we recognise that a healthy and happy workforce delivers wider business benefits, including:

- Preventing ill health occurring and reducing sickness absenteeism
- Enhancing employee productivity
- Supporting better staff engagement, satisfaction and motivation.

This year, we have worked hard to establish a more robust strategy to promote and support the health and wellbeing of our office staff, on-site teams and their families and focused on three elements.

Employee wellness and the physical aspects of health

We promote regular physical exercise, provide regular health check-ups and encourage healthy eating.

Employee wellbeing and the social, emotional and mental aspects of health

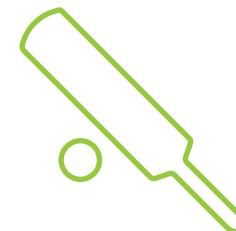
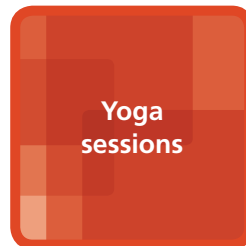
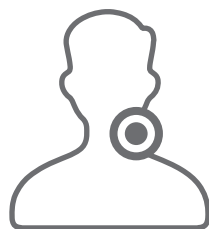
We aim to offer a safe, productive, healthy and collaborative space for our employees to work in. We build awareness of common wellbeing topics through our monthly newsletters, offer workshops on stress management, breathing and meditation techniques and mindfulness.

A sustainable and healthy working environment

We measure the quality of our air and improve air quality in populated areas. Populated spaces such as meeting rooms are fitted with carbon dioxide (CO₂) sensors, enabling us to measure and improve the air quality when required. All our workspaces have direct access to natural light. This reduces our energy consumption and is proven to boost productivity. We offer workshops on topics such as Feng shui, and office ergonomics. In a comfort survey completed by our employees in October 2015, we scored 81%.



Top 5 wellbeing and wellness activities – as voted by our staff





Aiming for the highest international HSE standards

Our record on health, safety and the environment

Health and safety in the work environment is of the utmost importance to Summertown. We are proud that we have not had any injury serious enough to cause any lost working days in the last four years.

To maintain this high standard of performance, our approach to health and safety includes investing in machinery maintenance, recording safety observations and 'near-misses', providing appropriate protective equipment and empowering staff through training. We believe that, through these activities, we can maintain a healthy, safe and productive working environment for our staff, clients and partners on-site and at our own premises.

This year, we undertook a review of all health, safety and environment (HSE) activities and performance. From this, we identified that, whilst we are undertaking a wide range of activities, these are not always consistently applied. Therefore, our focus for this year has been to develop a unified system.

At the centre of this system is the **Summertown HSE Committee**. Established this year, the committee's responsibilities include:

- Managing and controlling the procedures and policies put in place to encourage site safety throughout Summertown's sites
- Monthly reporting to the Summertown Corporate Team
- Reviewing current practices and providing feedback to inform future HSE decision making
- Monthly meetings to review/update any regulations/procedures as required by UAE Construction HSE Laws.

One of the main goals of our HSE Committee is to achieve OHSAS 18001 certification, an internationally recognised occupational health and safety management system, by 2018.



Employee safety

We set SMART², project-specific HSE objectives and targets for all our on-site work and monitor performance through key performance indicators monthly. On-site, we hold daily Tool Box Talks and regular safety drills; this includes all subcontractors' employees.

We keep records of all injuries and illness – and use this to identify potential future risks and ways to improve our health and safety performance. As part of this approach, a 'Frank Bird Model' is used to forecast and mitigate potential incidences. This is included in the monthly HSE Management Report to the Corporate Team³.

All vendors providing services (including subcontractors) to Summertown's projects are required to comply with Summertown's HSE requirements and to complete a vendor HSE pre-qualification questionnaire for each project. This assessment includes the provision of their Health and Safety Policy, risk assessments and safety method statements. In addition, vendors must submit a detailed summary of their Health and Safety accident statistics – including the number of fatal accidents, reportable injuries, injuries to the public and near misses.

Worker welfare

We provide free furnished accommodation with cooking facilities for all of our workers. We operate company buses to enable them to travel to and from work. All workers are entitled to overtime payments where applicable. Every employee is also given a copy of our Workers Handbook. This outlines the company's rules and procedures and the full extent of their rights and responsibilities. Each employee is entitled to health insurance provided and paid for by the company and our HSE Charter is prominently displayed in our offices^{4,5,6}.

Table 8: Our absolute commitment to health and safety [G4-LA6]

| | 2014-15 | 2015-16 | 2016-17 |
|--|---------|---------|---------|
| Lost-time injuries frequency rate (LTIFR) – Targets | <0.05 | <0.05 | <0.05 |
| Lost-time injuries frequency rate (LTIFR) – Actual | 0.00 | 0.00 | 0.00 |

0 working days lost due to injury in the last four years.

2. S – specific, M – measurable, A – attainable, action-oriented, R – realistic, T – time-based.

3. The Frank Bird Model (or Safety Triangle) refers to a globally recognised ratio for accident ratio of 1-30-300 (major injury to minor injuries to no-injury accidents).

4. For HSE reporting purposes, statistics have been sourced from both Dubai and Abu Dhabi -based projects. There is no differentiation by region or gender.

5. HSE data reports are only for Summertown direct employees. The information is derived from site attendance records as well as timesheets for verification. Subcontractors are recorded on and off-site, but not included in man-hour calculations.

6. Data reported for period 1st April – 31st March, data refers to per 100,000 hours worked.



Recognising our wider community

Our support for local causes

We value our place within our local communities and support a variety of local causes, both directly through financial support and in-kind via employee volunteering. Through this activity, we are proud to be contributing to the UAE's Year of Giving and the Ministry of Economy's ambition that companies across the UAE increase their support for philanthropic causes.

Employee volunteering

Our ambition is that all our employees are able and encouraged to 'give back' to the communities in which we operate, via the Summertown Employee Volunteering Scheme. All employees are offered two days of paid leave every year to participate in voluntary activities during working hours. As part of this, we are a member of Dubai Chamber's ENGAGE programme, an network of businesses and community organisations that support employee volunteering in local communities.

We are delighted that there has been a significant increase in the uptake of this scheme. Over the past twelve months, **almost half** of our employees were involved in volunteering activities, spending an average of six hours working with different groups and causes, which include:

- **Senses Care Home** – a purpose-built centre for children with special needs in Dubai
- **Education for All** – to help college education for girls from rural communities
- **Al Noor Training Centre for Children with Special Needs**
- **The Dubai Centre for Special Needs**
- **Gift of Education – Room to Read.**

We intend to build on the momentum of the past 12 months and encourage even more of our employees to participate and support our local communities. To increase participation rates, we plan to share employee volunteering stories internally to build awareness of how people can get involved and the benefits it brings.



Table 9: Encouraging our employees to support our community through volunteering*

| | 2014-15 | 2015-16 | 2016-17 |
|---|---------|---------|---------|
| Percentage of employees who volunteered | 12% | 35% | 48% |
| Hours of volunteering (average per volunteer) | 4 | 9 | 6 |

* Employee volunteering hours refers to activities undertaken during working hours which have been discussed and approved by line management and HR (including name of organisation, nature of involvement and time to be spent). Formal confirmation is provided by the voluntary organisation.

Over the past four years
we have raised over
134,245AED
for community partners

Committed to sharing our knowledge

Raising environmental awareness is a central objective outlined within the UAE Green Agenda, and an area where we believe Summertown can support the UAE's transition to a green economy.

As a member of the Dubai Chamber Sustainability Network [G4-15, G4-16], knowledge sharing is central to our sustainability strategy. We are committed to improving and developing our own knowledge and expertise through exchanging ideas with partners and clients, via memberships of sustainability-focused groups and associations, and training and development of our employees, including through LEED-certified accreditation programmes.

This year, we were delighted to deliver a wide range of 'CSR in Action' and 'Green in Action' workshops and presentations for our clients, local students, partners, project managers and employees. These were free to attend and topics included:

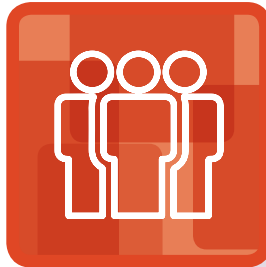
- **Why go green – what are the costs and what are the benefits?**
- **How to integrate CSR into your business strategy**
- **Wellness and wellbeing in the workplace – what is the business benefit for your organisation?**

In March this year, we also invited clients and partners to attend a speaking season, delivered by Oliver Baxter from Herman Miller, a global leader in office furniture.

A focus for our knowledge sharing this year has been to engage younger generations around sustainability and sustainable buildings, a topic we know is of particular interest to young people. For instance, the 2016 Masdar Gen Z Global sustainability study found that 59% of millennials are interested in working or studying in an area related to sustainability. We were honoured to deliver guest lectures to business ethics students at the University of Wollongong (UOWD). We invited students from the UOWD to visit our office premises and we offer internships for young people to join our team.

Our Managing Director, Marcos Bish, and other members of the management team regularly present at trade and business events and we offer mentoring to other organisations that are beginning their own CSR journeys.

As a past winner, and recognised leader in sustainability, Marcos is also an invited judge for Gulf Capital SME Awards and the Daman Corporate Health Awards.



Sustainability across our entire supply chain

Our approach to responsible procurement and supplier assessment

We recognise that one of our biggest impacts relates to the materials we buy for our clients and our own operations. Our aim is to procure materials that are responsibly sourced and meet internationally recognised environmental and labour standards. Moving beyond this, our ambition is that 100% of the materials we purchase, for our operations and our clients, meets internationally recognised sustainability standards. We have put in place performance measures to track our purchasing from sustainable sources, whether for ourselves or on behalf of our clients – and set yearly targets.

Our supply chain [G4-12] spans a wide range of materials used for individual client projects and our own business operations – this includes:

- Building materials, such as gypsum, glass and paint
- Electrical and plumbing items, such as cable, light fixtures, wire and wiring accessories
- Office furniture, fixtures and fittings, such as blinds, carpet tiles
- Labour and joinery services
- Office consumables and professional services.

Working with our suppliers

We have established a pre-qualification process to assess all the materials we procure, so they are, at a minimum, sourced from suppliers who hold similar sustainability values to our own. In 2016, all our suppliers met our labour, environment and social criteria which are based on international standards [G4-LA14], and include:

- No full-time employed workers under the minimum age of 18
- Does not use forced or bonded labour
- All workers are provided with a contract of employment
- Compliance with local environmental regulation and laws
- Ensure that harassment, including sexual harassment, physical or verbal abuse and intimidation in working practices, are not tolerated and are grounds for disciplinary action
- Has a written disciplinary and grievance procedure
- All workers are provided with written details of their wages, deductions and benefits
- Compliance with the Summertown Business Code of Conduct.

Sustainable procurement for our own operations

As part of our commitment to embody best practice, we set targets to ensure the materials used within own operations also meet sustainable criteria. Over the past 12 months, 75% of our total purchases met these criteria, which include:

- **Cleaning products and materials** which meet criteria such as Green Seal Standard
- **Ongoing consumables purchase** such as recycled certified paper and rechargeable batteries
- **Durable goods**, e.g. computers, printers and photocopier units meeting environmental criteria
- **Food**, e.g. manufactured and purchased locally.

Over the next year, we plan to engage key suppliers and contractors to strengthen our relationship, and identify opportunities to purchase greater volumes of sustainable materials.

Table 10: Sustainable purchasing for our own workplace

| OUR OFFICES | 2015-16 | 2016-17 | 2017-18 – Goal |
|--------------|---------|---------|----------------|
| TOTAL | 61% | 75% | 79% |

Table 11: Sustainable purchasing for our clients

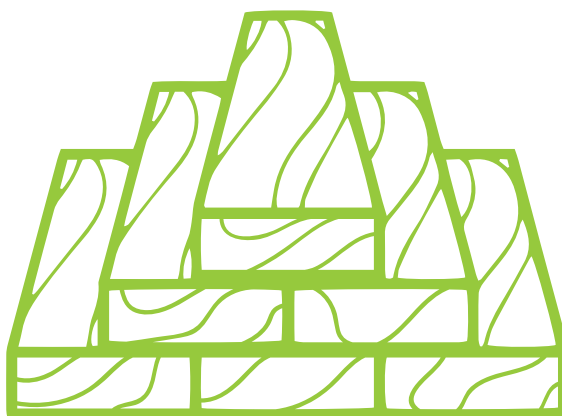
| Client spend | 2015-16 | 2016-17 | 2017-18 – Goal |
|---|---------|---------|----------------|
| Goal (% of spend on sustainable products) | 25% | 30% | 35% |
| Achieved (% of spend on sustainable products) | 28% | 33% | Ongoing |

We have begun to track the purchasing of all products and materials for our projects and to monitor the value of materials that are sustainably sourced. We use this information to identify opportunities to increase the proportion of sustainable materials for other projects. This year, for 90% of our projects at least ¼ of the materials used were from sustainable sources.

Supporting clients in sustainable procurement

For the past four years, we have set targets to increase the proportion of our procurement of sustainable materials for client projects. Last year, we exceeded our goal of 30% of our purchasing meeting our sustainability criteria. Over the next 12 months our goal is to reach 35%. Criteria we use include:

- **Wood-based materials** which are FSC-Certified
- **Metal materials** with recycled content
- **Glass and ceramics** which are regionally sourced
- **Paints** which are low in volatile organic compounds (VOCs)
- **Ceiling tiles, fixture and fittings** with content salvaged off-site
- **White goods (e.g. electrical goods)** which meet international standards such as ENERGY STAR.



90%

of projects used more than 25% of materials that met sustainable criteria



Listening, learning and improving

Our progress on stakeholder engagement

We recognise that to build a sustainable business is a journey in which we need to continually listen and understand what matters most to our staff, our customers, our suppliers and the communities affected by our operations. Engaging with these stakeholders and responding to their concerns and views is a key priority for us.

Our employees – listening, learning and improving

As part of our quality management system, we have an Improvement Opportunity Request model, which enables any employee or client to raise suggestions for how we can improve any aspect of our business.

Our clients – listening, learning and improving

As part of the journey to improve how we engage our stakeholders, this year, we have updated the way we collect client feedback. The feedback is collated and passed to our project planner who can take any immediate action to address client concerns, or review our project processes to identify how we can improve.

Customer feedback is then reviewed by the Summertown Corporate Team every month, with individual actions agreed. Over the past three years, we are pleased to report that **92%** of our projects received at least a 4 out of 5 for overall client satisfaction.

WHAT WE HEARD

WHAT WE DID



Table 12: Capturing client feedback to ensure continuous improvement [G4-PR5]

| | 2014-15 | 2015-16 | 2016-17 |
|--|------------|------------|------------|
| Project quality and handover (out of 5) | 3.5 | 4.0 | 4.1 |
| Environment and safety at work (out of 5) | 4.3 | 4.9 | 4.3 |
| Commitment and expertise of our project team (out of 5) | 4.1 | 4.8 | 4.3 |
| Average score rating | 3.9 | 4.5 | 4.2 |

* As a result of refining our calculation for scores, we have updated previous years to enable more accurate comparison

Our stakeholders and what matters most

As described throughout this report, over the past year, we have sought to engage as many of our different stakeholders as possible so as to understand what matters most and how we can improve our relationships. The following diagram outlines our key stakeholder groups and the topics we believe are of most interest to them [G4-24, G4-25, G4-26, G4-27].



Committing ourselves to being open and transparent



Our position on anti-corruption

Transparency is important to us and we believe that it begins internally. We are committed to an open and ethical approach to business across our organisation and with our suppliers and clients. This includes being transparent in our performance against the issues which matter most to our stakeholders through our sustainability reporting.

Central to our open and transparent culture is the **Summertown Code of Business Conduct** ^[G4-56], which provides the guiding principles we believe are central for our people to uphold ethical standards when conducting business. All employees receive a copy on induction and regular training on key aspects. At the heart of the Code are four simple questions which we ask all employees, if ever in doubt, to ask themselves:

- Is it consistent with the Code?
- Is it ethical?
- Is it legal?
- Will it reflect well on me and the Company?

Anti-corruption

In June 2016, we updated the Summertown Code of Conduct to include further details on our position on anti-corruption and bribery. This stipulates avoidance of conflicts of interest, including gifts and donations. This formal policy on anti-corruption has been communicated to all our employees and supply chain partners.

This year, all our employees undertook training on our anti-corruption policy. This 20 minute online module covered topics such as ethical dilemmas, how to treat confidential

information, scenarios around gifts and entertainment, and tips for preventing bribery ^[G4-S04].

Why anti-corruption matters to Summertown: how we avoid conflicts of interest

Each of us and our immediate families should avoid any situation that may create or appear to create a conflict between our personal interests and the interests of Summertown. A conflict of interest may arise when an employee takes actions or has interests that may make it difficult to perform his or her duties and responsibilities to the Company objectively and effectively. Examples of actual or potential conflicts of interest include:

- Accepting a gift or loan from a current or potential supplier, clients, competitor or partner organisation
- Having a close family member work for clients or competitor
- Receiving any form of compensation from a supplier, clients, competitor or partner organisation
- Having a personal interest or potential for gain in any company transactions
- Having outside (paid or non-paid) employment with an organisation that competes with our company
- Using company property or equipment to conduct business for another enterprise or personal gain.

How this report was prepared

This is our second sustainability report produced in accordance with the GRI G4 guidelines ^[G4-29] and covering the period from April 2016 to April 2017 ^[G4-28].

There were no significant changes during the reporting period to the organisation's size, structure, locations, financial structure, ownership, or its supply chain ^[G4-13]. The report includes the material activities and operations of all the financial entities owned by Summertown Holdings Limited, a private limited company registered in Jersey, UK ⁷^[G4-7]^[G4-17].

It is our intention to continue reporting against the same criteria on an annual basis ^[G4-30]. The contact point for further information is Marcos Bish, Summertown Interiors Managing Director – email: marcos@summertown.ae ^[G4-31]

Annex: GRI Index

Status of this report

Summertown believes that this report complies with the GRI G4 Guidelines.

Content index

The following table provides an index ^[G4-32] for the location of all the GRI aspects ^[G4-19] represented by performance indicators within this report together with an analysis of the threshold determinations, boundary of impact ^[G4-20, G4-21] and level of disclosure. The report has not been subject to assurance ^[G4-33]. There are no restatements, or significant changes from previous reporting periods to consider ^[G4-22, G4-23].

Glossary of terms used in compiling this report

- **Relevant:** Relevant topics are those that may reasonably be considered important for reflecting the organisation's economic, environmental and social impacts, or influencing the decisions of stakeholders, and, therefore, potentially meriting inclusion in the report
- **Materiality threshold:** Materiality is the threshold at which aspects become sufficiently important that they should be reported – and whether it is material for all entities within the organisation
- **Boundary:** Signifies the location of the data disclosed:
 - Supply chain
 - Our offices (HQ)
 - On-site (customer operations)

7. Trading offices: Summertown International LLC, PO Box 43530, Abu Dhabi, UAE; Summertown Interiors LLC, PO Box 262807, Dubai, UAE.



Annex: GRI Index

| Indicators (for core compliance) | G4 Code | Page reference |
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| Primary brands, products and services | G4-4 | Page 4 |
| Location | G4-5 | Page 4 |
| Countries | G4-6 | Page 4 |
| Ownership and legal form | G4-7 | Page 29 |
| Markets served | G4-8 | Page 4 |
| Scale – employees, sales, etc. | G4-9 | Page 4 |
| Employee analysis | G4-10 | Page 17 |
| Extent of collective bargaining | G4-11 | Page 30* |
| Description of supply chain | G4-12 | Page 24 |
| Significant recent changes, including in supply chain | G4-13 | Page 29 |
| Approach to precautionary principle | G4-14 | Page 10 |
| List of charters, principles, etc., subscribed to | G4-15 | Page 23 |
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| Restatements | G4-22 | Page 29 |
| Significant changes from previous reports | G4-23 | Page 29 |

| Indicators (for core compliance) | G4 Code | Page reference |
|--|---------|----------------|
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| List of stakeholders engaged | G4-24 | Page 28 |
| Basis for identification of stakeholders | G4-25 | Page 28 |
| Approach and frequency of stakeholder engagement | G4-26 | Page 28 |
| Key topics raised by stakeholders | G4-27 | Page 28 |
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| Contact point | G4-31 | Page 29 |
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| Policy on external assurance | G4-33 | Page 29 |
| GOVERNANCE | | |
| Governance structure | G4-34 | Page 7 |
| ETHICS & INTEGRITY | | |
| Values, standards and codes of conduct | G4-56 | Page 26 |

* Employee associations, such as unions and collective bargaining, are not present in the UAE ^[G4-11]

| Indicators (for core compliance) | G4 Code | Boundary of disclosure | | | Page |
|---|---------|------------------------|--------------------|--------------|---------|
| | | HQ | Site of operations | Supply Chain | |
| MATERIAL ASPECTS | | | | | |
| ENERGY | | | | | |
| Direct energy consumption | G4-EN3 | ★ | ● | – | Page 11 |
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| Total water withdrawal | G4-EN8 | ★ | ● | – | Page 11 |
| EMISSIONS | | | | | |
| Direct greenhouse emissions | G4-EN15 | ★ | ● | – | Page 12 |
| EFFLUENTS & WASTE | | | | | |
| Total waste by type, disposal, etc. | G4-EN23 | ★ | ● | – | Page 12 |
| EMPLOYMENT | | | | | |
| Employee volunteering | Non-GRI | ★ | – | – | Page 22 |
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| HEALTH, SAFETY AND THE ENVIRONMENT | | | | | |
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| TRAINING & EDUCATION | | | | | |
| Average hours training | G4-LA9 | ★ | – | – | Page 17 |
| SUPPLIER ASSESSMENT – LABOUR PRACTICES | | | | | |
| % of suppliers screened for labour practices | G4-LA14 | ★ | ★ | ★ | Page 24 |
| PRODUCT & SERVICE LABELLING | | | | | |
| Customer satisfaction survey | G4-PR5 | ★ | ★ | n/a | Page 26 |
| ANTI-CORRUPTION | | | | | |
| Extent of training on corruption | G4-SO4 | ★ | ★ | ★ | Page 28 |

★ Data disclosed within this report ● Pilot for data collection / disclosed within this report – Data disclosed within this report



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Summertown interiors is proud to be a partner of The United Workplace Group