

# SUSTAINABILITY REPORT 2021



# Sustainability Report

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## Glossary

For ease of reading, this glossary provides definitions of abbreviations that are frequently used throughout this report.

### Abbreviations used in Sustainability Report

ARF Acquisition	: The acquisition of the remaining 63.11% interest in AsiaRetail Fund Limited by FCT. The acquisition was completed on 27 October 2020.
BCA	: Building and Construction Authority, Singapore
ESG	: Environmental, Social and Governance
FCT	: Frasers Centrepoint Trust
GHG	: Greenhouse Gas
GRESB	: Global Real Estate Sustainability Benchmark
GRI	: Global Reporting Initiative
ISO 14001	: International Organisation for Standardisation (Environmental Management System)
ISO 45001	: International Organisation for Standardisation (Occupational Health and Safety Management System)
ISO 50001	: International Organisation for Standardisation (Energy Management System)
NGOs	: Non-governmental Organisations
PV	: Photo-voltaic
SDG	: Sustainable Development Goal
SSC	: Sustainability Steering Committee
TAFEP	: Tripartite Alliance for Fair and Progressive Employment Practices
TCFD	: Task Force on Climate-related Financial Disclosures
UN	: United Nations
UV	: Ultraviolet



## BOARD STATEMENT

The COVID-19 continued to impact businesses and how we work and live, even after 20 months since it was declared a pandemic in March 2020. At the same time, the retail industry is also subjected to evolving consumer behaviour and the shift to omnichannel retailing where both physical and digital retailing are the new normal with consumers. Amidst these challenges, we remain steadfast in our commitments to the sustainability goals of our Trust and that of our Sponsor, Frasers Property Limited.

FCT is committed to achieving net-zero carbon emissions by 2050, which was a groupwide strategic goal announced by Frasers Property Group in January 2021. As part of the Frasers Property Group, we are cognisant of the impact that our business operations and assets have on climate change and the environment. Together with the steering and working groups within the Frasers Property organisation, we made progress in many areas in our journey towards the net-zero carbon mission goal. These include the introduction of Responsible Sourcing Policy to our business partners and contractors; the completion of a climate risk and climate “value-at-risk” portfolio level assessment; the achievement of Green Mark





certifications of Gold and above for eight of the nine retail properties in FCT portfolio; and the achievement of 5 Stars rating in the 2021 GRESB Assessment. Some of the noteworthy highlights from the climate risk assessment for FCT portfolio include the material financial risks to FCT, as carbon pricing and demand for cooling increase at its portfolio properties. The impact could be as much as 2% to 6% of the net property income if the climate change impact exceeds the 1.5°C scenario.

We are also working on various initiatives to reduce consumption and to promote reuse and recycling, in our organisation and with our stakeholders. Among the initiatives we undertook during the year, FCT signed a Letter of Intent with the SP Group in August 2021, pledging our interest in subscribing to a proposed Distributed District Cooling (“DDC”) network in Tampines. This is Singapore's first brownfield DDC and we are proud to be part of the initiative. Two of our properties, Century Square and Tampines 1, will play the role of injection nodes of chilled water in the DDC comprising 17 commercial buildings in the Tampines Central precinct. The DDC initiative is projected to achieve significant reduction in energy consumption, carbon and GHG emissions as well as space and economic savings over the long run. We

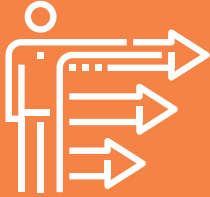
are also working toward achieving compliance with the Environmental Risk Management Guidelines published by the Monetary Authority of Singapore (“MAS”), which covers major areas including governance and strategy; stewardship and disclosures which are aligned to recommendations of Task Force on Climate-Related Financial Disclosures (“TCFD”).

The Board, with the support of the management team and the Frasers Property organisation, will continue to carry out its responsibilities in the assessment of material ESG risks and opportunities, to provide the strategic direction and oversight to achieve our sustainability goals. We have sought external assurance of this year's Sustainability Report on a voluntary basis. We believe this is an important initiative to strengthen stakeholder's confidence in our disclosure and data in the report. At the same time, it will also help us to maintain the robustness of our sustainability framework and quality of disclosure. We invite you to read the progress and achievements that we have made in our seventh Sustainability Report, and we look forward to working with you to deliver a sustainable impact.

#### **Board of Directors**

Frasers Centrepoint Asset Management Ltd.  
as Manager of Frasers Centrepoint Trust

## THE YEAR AT A GLANCE



### ACTING PROGRESSIVELY

- Completed climate risk assessment on our portfolio based on well below 2°C and 4°C warming scenarios
- All our properties are now ISO 14001, ISO 45001 and ISO 50001 certified
- Adopted and implemented Group Responsible Sourcing Policy to address risks in our supply chain
- 94% of portfolio by gross floor area certified BCA Green Mark Gold or higher, including 83% certified Green Mark Gold<sup>PLUS</sup> or Platinum
- Achieved 5 Stars at GRESB Assessment 2021 with a score of 92
- Secured S\$589 million sustainability-linked loan facility for Waterway Point
- Green loans make up approximately 18% of our total borrowings



### CONSUMING RESPONSIBLY

- Developed roadmap to achieve net-zero carbon emissions by 2050 and set interim carbon emissions targets for 2035
- Reduced energy and carbon emissions intensities by 8.3% and 11.0% respectively, compared to FY2019 baseline
- Reduced water use intensity by 19.1%, compared to FY2019 baseline
- Collected 1,765 tonnes of waste for recycling
- Signed the Letter of Intent to participate in Singapore's first brownfield Distributed District Cooling (DDC) network in the Tampines District, an initiative that is expected to reduce 17% in energy consumption, 18% in carbon emissions and achieve economic savings annually



### FOCUSING ON PEOPLE

- Women account for 17% and 50% of the Board of Directors and Senior Management, respectively
- Achieved 38 average training hours per employee
- 89% of the REIT manager's employees trained in sustainability
- Safety first approach with all our properties certified with ISO 45001
- One injury incident resulting in three lost days by an employee working in our malls
- Collected 5.8 tonnes of food donation for Food Bank Singapore

## CREATING VALUE WITH OUR SUSTAINABILITY FRAMEWORK

Being one of the largest suburban retail mall owners in Singapore, we have a part to play in mitigating climate impacts and delivering a positive impact to people and the environment. We have closely aligned our sustainability goals and focus areas to our Sponsor's Sustainability Framework, which consists of three pillars — Acting Progressively, Consuming Responsibly and Focusing on People. Under the pillars are 13 focus areas where we know we can make significant positive impact. These span a diverse range of interconnected environmental, social and governance topics. We regularly review our practices, policies, performance and targets in relation to these focus areas.

### PILLARS



#### ACTING PROGRESSIVELY



#### CONSUMING RESPONSIBLY



#### FOCUSING ON PEOPLE

### FOCUS AREAS

#### Innovation

Fostering an innovation culture that creates value and strengthens our competitive edge

#### Resilient Properties

Strengthening the resilience and climate adaptive capacity

#### Risk-based Management

Comprehensive assessment to address environmental, health and safety risks

#### Responsible Investment

Incorporating social, environment and governance criteria in the evaluation process

#### Materials & Supply Chain

Achieving the sustainable management and efficient use of materials along the supply chain

#### Biodiversity

Enhancing the environment and ecosystem through our developments

#### Energy & Carbon

Increasing substantially energy efficiency and renewable energy used

#### Waste

Reducing substantially waste generation through prevention, reduction, recycling and reuse

#### Water

Increasing substantially water efficiency and the recycling and safe reuse of water discharged

#### Community Connectedness

Considering social value principles for communities

#### Health & Well-being

Ensuring healthy and balanced work and community environments

#### Diversity, Equity & Inclusion

Empowering and promoting the social inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

#### Skills & Leadership

Developing skills and leadership programmes that support productive activities, creativity and innovation to deliver high-value products and services

## Sustainability Report

### MANAGING SUSTAINABILITY

Integrating sustainability into every part of our business and value chain requires an alignment of priorities at the highest levels of corporate strategy. Sustainability remains a key priority in strategic planning at Board and management levels.

#### SUSTAINABILITY GOVERNANCE

As a sponsored REIT, our sustainability agenda closely aligns with our Sponsor's to demonstrate our unified approach across the Frasers Property Group. The Group Sustainability Steering Committee, comprising senior management personnel, drives sustainability strategy, reviews performance and approves of action plans and policies in Frasers Property Group. This year, given its focus on its Net-zero carbon and Climate Risk & Resilience plans, our Sponsor also established a dedicated Advisory Group made up of senior management representatives from various corporate functions and representatives from business units across the Group, to support the Sustainability Steering Committee.

We work collaboratively with the Group's sustainability leadership and working teams to realise our goals and objectives. The Frasers Property Retail's Sustainability Steering Committee ("FPR SSC") makes key decisions in relation to the sustainability framework and goals. It comprises top management personnel, including FCAM's CEO, Mr Richard Ng and CEO of Frasers Property Retail, Mr Low Chee Wah. The FPR SSC provides stewardship and direction to the Sustainability Working Committee ("SWC"), which comprises management and executive personnel that implement the action plans and monitor performance against key performance indicators.

Our Board of Directors provides the strategic directions and oversees the determination, monitoring and the management of the environmental, social and governance material factors required for achieving the sustainability objectives of FCT.

#### STAKEHOLDER ENGAGEMENT

Delivering value for our stakeholders starts with putting their diverse needs at the centre of our offerings. We constantly engage our employees, customers, the community and other sets of stakeholders through various channels to understand what matters most to them and to build the trust essential to implementing our sustainability strategy and achieving our objectives. We seek, evaluate and act on all forms of feedback to enhance the solutions and experiences we provide.

#### Key Stakeholders

Tenants

Shoppers

Employees

Property Manager

Investors and FCT's Unitholders

Local Community

Regulators and Industry Associations






Key Topics of Concern	Mode of Engagement	Frequency of Engagement and FY2021 Highlights
<ul style="list-style-type: none"> <li>• Maintaining high shopper traffic</li> <li>• Competitive rental rates</li> <li>• Collaboration in marketing and promotional events</li> </ul>	<ul style="list-style-type: none"> <li>• Face to face dialogue</li> <li>• Partnership in promotional events</li> <li>• Regular tenant feedback meetings</li> <li>• Tenant satisfaction survey</li> </ul>	<ul style="list-style-type: none"> <li>• Throughout the year</li> <li>• Throughout the year</li> <li>• Throughout the year</li> <li>• Once every two years</li> </ul>
<ul style="list-style-type: none"> <li>• Meeting our shoppers' needs</li> <li>• Quality of services and facilities</li> <li>• Providing comfortable shopping environment and family-friendly amenities</li> <li>• Considerations for safety, accessibility and easy navigation within the mall</li> <li>• Good connectivity to public transport</li> </ul>	<ul style="list-style-type: none"> <li>• Shopper surveys</li> <li>• Focus group study</li> <li>• Feedback via online and various social media such as Facebook, Instagram and LinkedIn and FCT/Frasers Group Property websites</li> <li>• Regular events to engage shoppers and their families</li> <li>• Frasers Rewards, the Frasers shopper loyalty programme</li> <li>• Feedback forms</li> <li>• Feedback to customer service staff or at customer service counters and concierge</li> </ul>	<ul style="list-style-type: none"> <li>• Shopper surveys (no fixed period)</li> <li>• Throughout the year, as-and-when required for engagements on social media</li> <li>• Throughout the year</li> <li>• Throughout the year</li> <li>• Throughout the year</li> <li>• Throughout the year</li> <li>• Throughout the year</li> </ul>
<ul style="list-style-type: none"> <li>• Compensation and Benefits</li> <li>• Career progression</li> <li>• Continuous education and skills upgrading</li> <li>• Employee well-being</li> </ul>	<ul style="list-style-type: none"> <li>• Annual performance appraisals</li> <li>• Communal sports and activities (suspended during COVID-19)</li> <li>• Orientation and training programmes organised by Frasers Property Human Resource (virtually during COVID-19)</li> <li>• Regular department meetings</li> <li>• Family Day Events (suspended during COVID-19)</li> <li>• Employee satisfaction survey and organisation culture survey</li> </ul>	<ul style="list-style-type: none"> <li>• Once a year</li> <li>• Throughout the year</li> <li>• Upon joining and throughout the year. Employees registered an average of 38 hours of training per employee in FY2021</li> <li>• Throughout the year</li> <li>• Once a year, organised by the Frasers Property Group</li> <li>• Once in FY2021</li> </ul>
<ul style="list-style-type: none"> <li>• Key Performance Indicators (KPIs) for the property manager</li> </ul>	<ul style="list-style-type: none"> <li>• Regular meetings</li> <li>• Exchanges on Workplace by Facebook</li> <li>• Exchanges on emails and calls</li> </ul>	<ul style="list-style-type: none"> <li>• Every month for regular meetings and ad-hoc meetings as-and-when required</li> <li>• Throughout the year</li> <li>• Throughout the year</li> </ul>
<ul style="list-style-type: none"> <li>• Business and operations performance</li> <li>• Business strategy and outlook</li> <li>• Sustainability concerns</li> </ul>	<ul style="list-style-type: none"> <li>• Investor meetings, quarterly post-results luncheons and non-deal roadshows, mall tours and Annual General Meetings</li> <li>• Website, annual reports, SGXNET announcements, presentation slides, quarterly financial results briefings and conference calls</li> </ul>	<ul style="list-style-type: none"> <li>• Throughout the year</li> <li>• Throughout the year</li> </ul>
<ul style="list-style-type: none"> <li>• Helping the groups in need in the community</li> <li>• Foster strong community ties and promote family values</li> </ul>	<ul style="list-style-type: none"> <li>• Providing support for national vaccination programme and distribution of COVID-19 masks and sanitisation kits at FCT malls</li> <li>• Providing venue space to support community and charitable events that promote community bonding and well-being</li> </ul>	<ul style="list-style-type: none"> <li>• The events are organised throughout the year, but with reduced event size and strict compliance with the prevailing safe management measures due to COVID-19</li> </ul>
<ul style="list-style-type: none"> <li>• Compliance with relevant rules and regulations</li> <li>• Engagement with investors and Unitholders</li> <li>• Government policies on REITs or Real Estate sector</li> <li>• Issues concerning both short and long-term interests of the retail industry in Singapore</li> </ul>	<ul style="list-style-type: none"> <li>• Participation in industry associations including REIT Association of Singapore (REITAS), Investor Relations Professionals Association (IRPAS), Orchard Road Business Association (ORBA), Securities Investors Association (Singapore) (SIAS) and Singapore Retailers Association (SRA)</li> <li>• Participation in briefings and consultation with regulators such as the SGX and MAS</li> </ul>	<ul style="list-style-type: none"> <li>• Participation in the events organised by the various industry associations and by the regulator occur throughout the year</li> <li>• Throughout the year</li> </ul>

## Sustainability Report

### INDUSTRY ALIGNMENT

We aspire to collaborate with our stakeholders in our journey to achieve our long-term sustainability goals. We are cognisant of our role in acting and influencing to promote awareness and implementation of good sustainability practices in our business and industry. FCT actively participates in the following professional and business associations:

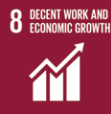










- Investor Relations Professionals Association (IRPAS) – Board membership
- Securities Investors Association (Singapore) (SIAS)
- REIT Association of Singapore (REITAS)
- Orchard Road Business Association (ORBA)
- Singapore Retailers Association (SRA)

Sustainability Pillars	Focus Areas	What does it mean to FCT
<b>ACTING PROGRESSIVELY</b> 	<b>Responsible Investment</b>	We invest with long-term views that includes financial and sustainability considerations to deliver regular and stable distributions to our Unitholders, and to achieve growth in FCT's net asset value per Unit. We target to achieve sustainable improvement in our economic performance.
	<b>Risk-based Management</b>	We have the duty to ensure our business continuously assess the environment, health and safety and social risks to ensure we are in compliance with the relevant environmental laws and regulations.  We have a zero-tolerance approach towards corruption and fraud. We strive to maintain high standards of integrity, accountability and corporate governance.  We ensure compliance with the Code of Advertising Practice and applicable guidelines and principles for responsible communications and marketing.
	<b>Resilient Properties</b>	We seek to understand and respond to the risks and opportunities related to climate change to enhance the resilience of our properties and future-proof our business.
	<b>Innovation</b>	Innovation is the key driver to remain relevant and competitive in the retail industry. An agile and adaptable business will lead to a viable business in the long-term.
<b>CONSUMING RESPONSIBLY</b> 	<b>Energy &amp; Carbon</b>	Real estate is one of the largest users of energy, particularly in heating and cooling. We strive to proactively reduce energy consumption of our properties and contribute towards achieving carbon neutrality.
	<b>Water</b>	Similar to energy management, we strive to reduce wastage of water and to recycle and reuse wherever we can.
<b>FOCUSING ON PEOPLE</b> 	<ul style="list-style-type: none"> <li>• <b>Diversity, Equity &amp; Inclusion</b></li> <li>• <b>Skills &amp; Leadership</b></li> </ul>	<p>We value our employees, and we seek to invest in their learning and help them in developing their career with us. We continuously seek to attract and retain the human capital and talents as we continue to grow in our business.</p> <p>We maintain open-door communication with our employees to foster trust and confidence in our communications.</p>
	<b>Health &amp; Well-being</b>	We want to provide space at our properties that our stakeholders, including shoppers, contractors and tenants, feel safe and comfortable to carry out their intended activities.
	<b>Community Connectedness</b>	We strive to foster healthy interactions with the local communities, to build strong sense of belonging and connections with them, and also to contribute back to the community by helping the less fortunate members of the community.



## MATERIALITY ASSESSMENT

We recognise the importance of ensuring the relevance of our material topics to our business. We regularly review our material topics with consideration of the business landscape and stakeholder concerns. Our material topics remain relevant and aligned to the 13 focus areas of our Sustainability Framework and the United Nations Sustainable Development Goals ("SDGs"). The table also shows the significance of each material topic and where we have caused or contributed to the impacts through our business relationships.

Material Topics & GRI Topic	Boundaries	Corresponding UN SDGs
Economic Performance <sup>1</sup> (GRI 201)	FCT	  
Environmental Compliance (GRI 307)	FCT, Suppliers/ Contractors and Shoppers/ Tenants	
Anti-corruption (GRI 205)	FCT, Suppliers/ Contractors and Shoppers/ Tenants	
Marketing and Labelling (GRI 417)	FCT	
Economic Performance (GRI 201)	FCT, Shoppers/ Tenants	
Economic Performance (GRI 201)	FCT, Shoppers/ Tenants	
Energy (GRI 302) Emissions (GRI 305)	FCT, Shoppers/ Tenants	  
Water (GRI 303)	FCT, Shoppers/ Tenants	
Employment (GRI 401) Training and Education (GRI 404) Labour / Management Relations (GRI 402)	FCT	    
Occupational Health & Safety (GRI 403)	FCT, Suppliers/ Contractors, Shoppers/ Tenants and NGOs/ Local Communities	
Local Communities (GRI 413)	FCT, NGOs/ Local Communities	

## Sustainability Report



### ACTING PROGRESSIVELY

#### OUR PRIORITIES

We believe good business ethics and integrity are driven by the leadership, and a robust framework of policies and procedures, which help the organisation foster positive corporate culture for its employees and stakeholders. We embrace innovation and digitalisation in driving better efficiency and efficacy of the objectives we target to achieve.

#### OUR APPROACH

- To institute policies that strengthen FCT's business operations and its resilience
- To pursue green building certifications for the properties
- To uphold responsible investment practices by incorporating ESG risks and opportunities into investment decisions

#### OUR PROGRESS

Focus area	Our goals	Our progress in FY2021	Status
<b>Risk-Based Management</b>	<ul style="list-style-type: none"> <li>• To establish holistic overarching internal policies to govern and guide management of the focus areas</li> </ul>	<ul style="list-style-type: none"> <li>• All our properties are now ISO 14001, ISO 45001 and ISO 50001 certified</li> <li>• Began implementation of Responsible Sourcing Policy</li> <li>• Property manager - Frasers Property Retail voluntarily committed to the new Code of Conduct for Leasing of Retail Premises in Singapore</li> </ul>	<b>On track<sup>2</sup></b>
<b>Responsible Investment</b>	<ul style="list-style-type: none"> <li>• To certify 80% of owned and managed assets with third-party and relevant green building schemes by 2024</li> </ul>	<ul style="list-style-type: none"> <li>• 94% of FCT retail portfolio by gross floor area is certified BCA Green Mark Gold or higher. Eight of the nine properties are certified Green Mark Gold and above, including four of them certified Platinum</li> <li>• Achieved a score of 92 and 5 Stars rating at the GRESB Real Estate Assessment 2021</li> </ul>	<b>On track</b>
	<ul style="list-style-type: none"> <li>• To finance majority of our sustainable asset portfolios with green and sustainable financing by 2024</li> </ul>	<ul style="list-style-type: none"> <li>• Secured S\$589 million sustainability-linked loan facility for Waterway Point.</li> <li>• Green loans make up approximately 18% of our total borrowings</li> </ul>	<b>On track</b>
<b>Resilient Properties</b>	<ul style="list-style-type: none"> <li>• To carry out climate risk assessments and implement asset-level adaptation and mitigation plans aligned to the Task Force on Climate-related Disclosures framework by 2024</li> </ul>	<ul style="list-style-type: none"> <li>• Completed a climate risk and climate 'value-at-risk' portfolio-level assessment of our retail malls in Singapore and designed an action plan to address and mitigate key physical and transition risks</li> </ul>	<b>On track</b>
<b>Innovation</b>	<ul style="list-style-type: none"> <li>• To cultivate a customer centric and collaborative mindset</li> </ul>	<ul style="list-style-type: none"> <li>• Commenced performance-based cleaning contracts in 5 properties</li> <li>• The Frasers' food and beverage digital ordering app, Frasers Makan Master was awarded two prizes at Marketing magazine's Loyalty &amp; Engagement Awards</li> </ul>	<b>In progress</b>

2 **On track:** Target is either achieved or is on track to be achieved on time

**In progress:** Target is delayed but progress is still being made and could still be achievable on time

**Not on track:** Target is delayed to the point that it is unlikely that it will be achieved on time

## RISK-BASED MANAGEMENT

Strong corporate governance and a robust framework of policy enforcement underpin our business operations. We strive to uphold fair and ethical business conduct and have zero tolerance for corruption and fraud. We also align our business practices to the relevant industry code of practice and/or regulations such as the Code of Advertising Practice and Code of Conduct for Leasing of Retail Premises.

Our approach is aligned with our Sponsor, Frasers Property Group, and we subscribe to the following corporate policies:

- Anti-Bribery Policy
- Board Diversity Policy
- Code of Business Conduct
- Competition Act Compliance Manual
- Complaints/Feedback Handling Policy
- Continuing Education of Capital Markets Services Representatives
- Corporate Social Responsibility Policy
- Diversity and Inclusion Policy
- Documents Management and Retention Policy
- Investment Manual and Guidelines - Acquisitions and Disposals
- Investor Relations Policy
- Personal Data Breach Incident Management Policy
- Personal Data Protection Policy
- Policy on Dealings in Units of Frasers Centrepoint Trust and Reporting Procedure
- Policy on Outsourcing
- Prevention of Money Laundering and Countering the Financing of Terrorism
- Procurement Policy
- Responsible Sourcing Policy
- Whistle-blowing Policy

This year, in line with our Sponsor, we implemented a Responsible Sourcing Policy, which sets out our expectations of our contractors and suppliers regarding four areas of sustainable procurement, namely environmental management; human rights and labour management; health, safety and well-being; and business ethics and integrity. We mapped out our key suppliers and analysed them on the dimensions of

spend amount and environmental and social risk. We began engaging with our target suppliers by sharing the Responsible Sourcing Policy for their acknowledgment, and in FY2021, we achieved an 83% acknowledgment rate. As priorities for FY2022, we aim to work more closely with our suppliers to ensure alignment to each of the four areas of our policy. Further, all the malls in our portfolio have implemented ISO 14001 environmental management systems, ISO 45001 occupational health and safety management systems and ISO 50001 energy management systems.

An internal audit process has been established to conduct independent appraisal and assurance of the adequacy and effectiveness of the Manager's existing processes and controls. This internal audit function sits within the Frasers Property Group<sup>3</sup>. We also worked closely with our Sponsor's Group Risk and Group Sustainability teams to incorporate environment, social and governance risk assessment into our risk management process and business operations.

To ensure the reliability of our data disclosure and processes in the publication of this year's sustainability report, we have sought independent external assurance of the report. Our assurance is carried out by Ere-S Pte Ltd with the engagement conducted under a limited level of assurance according to the International Standard on Assurance Engagements 3000 ("ISAE 3000") guidelines. Please refer to pages 102 to 104 for the findings and observations.

This year, contractors at two of our properties each paid nominal fine for breaching regulations relating to environmental public health. Another property paid a nominal fine for breaching regulations related to COVID-19. The payments have been acknowledged by the authorities and the matters are now closed. There were no other known incidents of breaches of any relevant laws and regulations, including environmental laws and regulations, bribery and corruption and marketing communications. Our objective is to take progressive steps to minimise non-compliance incidents and breaches and work together with stakeholders to ensure appropriate precautions are taken throughout our value chain. We strive to improve our performance in FY2022.

<sup>3</sup> Please refer to page 134 of this Annual Report for more information on internal audit.

## Sustainability Report

### RESPONSIBLE INVESTMENT

We embrace opportunities to invest responsibly and deliver shared value to our Unitholders. We do so by integrating sustainability standards into our portfolio management process and seeking ways to improve the ESG performance of our portfolio. We also measure our performance against credible benchmarks such as the Global Real Estate Sustainability Benchmark ("GRESB"), the global environmental, social and governance ("ESG") benchmark for real estate.

In line with one of the new goals set by our Sponsor, we made progress towards our goal in certifying 80% of our existing buildings by 2024 with a minimum, Building Construction Authority ("BCA")'s Green Mark Gold certification. We have met this goal ahead of the targeted timeline, having achieved certifications for 94% of our portfolio by gross floor area. Causeway Point, Tiong Bahru Plaza, Century Square and White Sands have attained BCA Green Mark Platinum certification. Tampines 1, Changi City Point and Waterway Point have been certified to Green Mark Gold<sup>PLUS</sup> standards, while Northpoint City North Wing (including the Yishun 10 Retail Podium) has been certified Green Mark Gold. Moreover, all our properties are regularly assessed to identify improvement opportunities to better serve our customers and tenants, and asset enhancement initiatives ("AEI") are conducted in a timely manner to continuously upgrade our properties for optimum performance.

In FY2021, we secured a S\$589 million green loan for Waterway Point that will enjoy a reduction in margin on its second year if Waterway Point retains its current Green Mark Gold<sup>PLUS</sup> certification status. With the completion of this loan, the proportion of green loans in our portfolio is approximately 18% of our total borrowings.

For the third year running, we participated in GRESB Real Estate Assessment and attained a score of 92 – up from 69 in 2020 and outperforming the global average of 73. This score earned us a 5 Stars rating, which represents the top quintile of all entities assessed by GRESB. We have performed a thorough gap analysis of our results, and we will continue to work towards long-term improvements in performance and elevated sustainability standards.

FCT is also proud to have been included in Solactive CarbonCare Asia Pacific Green REIT Index this financial year. Developed by consultancy service provider Carbon Care Asia and index provider Solactive, this rules-based index includes "Asia Pacific REITs that own the highest percentage of green-certified buildings in their portfolio and which are committed to climate-aligned emissions reduction targets."<sup>4</sup>

### RESILIENT PROPERTIES

The past year saw a surge of catastrophic global warming-linked weather events that disrupt lives of many across the world. There has never been a greater demand for businesses to integrate climate-related considerations into financial risk management processes than today. We recognise that climate risks must be viewed as financial risk and managed using robust framework.

Cognisant of this, our Sponsor has started to align its climate-related disclosures to the Financial Stability Board's Task Force on Climate-related Financial Disclosure ("TCFD") recommendations since 2019, and further declared support for the TCFD and its recommendations in 2021. As part of our Sponsor's commitment to manage its climate risks, our Sponsor has set a goal last year to carry out climate risk assessments and implement asset-level adaptation and mitigation plans with alignment to the TCFD framework by 2024. It has also started assessing climate risks material to its business in a phased approach.

In line with this group-wide target, this year FCT completed a climate risk and climate 'value-at-risk' portfolio-level assessment for our retail properties. This provided us with a deep understanding of the carbon emissions from our own operations as well as from our broader value chain – in particular, our tenants' and suppliers' energy use. Based on our assessment, the impact could be as much as 2% to 6% of our net property income if the climate change impact exceeds the 1.5°C scenario. As part of this work, we created an action plan to address and mitigate key physical and transition risks and prioritised asset-specific strategies to achieve net-zero carbon by 2050, including but not limited to phasing out refrigerants with high Global Warming Potential, increasing renewable energy procurement and partnering with our tenants to develop an enhanced green lease.



## INNOVATION

The advent of technology over past decades have heralded a significant shift in our stakeholders' needs and lifestyles. At FCT, we believe that fostering a strong culture of innovation will help us to create value for our customers with innovative business models and differentiate ourselves as an employer of choice. Our Sponsor held its inaugural group-wide Innovation Awards, which encourages innovation amongst its employee and to fortify their commitments to driving positive change in our business. The initiative garnered 112 staff submissions that had the potential to generate new revenue and/or to result in significant savings for the Group. In addition, we commenced performance-based cleaning contracts at Tiong Bahru Plaza, White Sands, Tampines 1, Century Square and Hougang Mall, leveraging on technology and Internet of Things ("IoT") devices to improve cleaning operations and standards.

### **Towards Omnichannel Retail**

In light of COVID-19, FCT, together with Frasers Property Retail, launched its omnichannel retail platforms Fraser eStore and Makan Master as part of its Frasers Experience shopper loyalty programme. During the year, we continue to onboard more retailers and F&B operators and ran marketing programmes to increase the adoption and traffic to these apps. To support our tenants to pivot to these omnichannel retail platforms, we waived the onboarding fees and helped them with delivery service support and savings through our partnership with third party logistics companies. Most importantly, the Frasers eStore and Makan Master enable our retail and F&B tenants to increase their sales via online orders in addition to their conventional walk-in or dine-in customers, which have been curtailed due to the restrictions on mall capacity and dine-in group size under the prevailing safe management measures. While omnichannel retailing has been on the rise even before COVID-19, the pace of adoption among retailers, F&B operators and landlords have been accelerated due to the pandemic. Since its launch, sales on the Frasers eStore has tripled and that for Makan Master have grown seven times. The Makan Master app was named Best Loyalty Programme - Lifestyle (Bronze) and Best Loyalty Programme - Relaunch (Bronze) at The Loyalty & Engagement Awards 2020 organised by Marketing magazine.

## Sustainability Report



### CONSUMING RESPONSIBLY

#### OUR PRIORITIES

The real estate industry is intensive in energy consumption and carbon emissions. It accounts for about 40% of raw material used globally and contributes about 39% of global energy-related greenhouse gas emissions<sup>5</sup>. As owner and manager of retail properties, we have the responsibility and role to play in addressing and mitigating the impact of our operations on the environment. We strive to streamline our resource consumption by reducing waste generation, conserving energy and water, enhancing energy efficiencies and using renewable energy wherever possible. We continue to foster meaningful partnerships with our tenants, employees and stakeholders to achieve our goal of net-zero carbon emissions.

#### OUR APPROACH

- To establish policies, targets and commitments that drive positive outcomes for the environment
- To adopt practices that help our employees and customers to manage and use resources efficiently
- To engage stakeholders in driving awareness through collaboration and advocacy

#### OUR PROGRESS

Focus area	Our goals	Our progress in FY2021	Status
<b>Energy &amp; Carbon</b>	<ul style="list-style-type: none"> <li>• To achieve net-zero carbon emissions by 2050</li> <li>• To develop a net-zero carbon roadmap and establish progressive carbon targets by FY2021</li> <li>• To reduce our Scope 1, 2 and 3 greenhouse gas emissions progressively by 2035, aligned to Science Based Targets.</li> </ul>	<ul style="list-style-type: none"> <li>• Developed roadmap for achieving net-zero carbon emissions by 2050, including carbon reduction strategies with specific targets and timelines</li> <li>• Signed Letter of Intent with SP Group to affirm our interest in subscribing to a proposed Distributed District Cooling (DDC) network in Tampines</li> <li>• Reduced GHG emissions intensity by 11.0% compared to FY2019 baseline</li> <li>• Reduced energy use intensity by 8.3% compared to FY2019 baseline</li> </ul>	<b>On track</b>
<b>Water</b>	<ul style="list-style-type: none"> <li>• To reduce water use intensity by 20% from 2015 by 2030 and establish interim targets by FY2021.</li> </ul>	<ul style="list-style-type: none"> <li>• Reduced water use intensity by 19.1% compared to FY2019 baseline</li> </ul>	<b>In progress</b>
<b>Waste</b>	<ul style="list-style-type: none"> <li>• To implement food waste recycling in all FCT's retail malls by 2024</li> <li>• To develop a general waste and recycling programme, a partnership with tenants under the green lease initiative</li> </ul>	<ul style="list-style-type: none"> <li>• Recycled 1,765 tonnes of post-consumer waste</li> <li>• Collected 12,987 kilograms of e-waste of post-consumer electronic waste for recycling</li> <li>• Collected 140,126 used cans and bottles from the public from Reverse Vending Machines across our malls</li> </ul>	<b>In progress</b>

**On track:** Target is either achieved or is on track to be achieved on time

**In progress:** Target is delayed but progress is still being made and could still be achievable on time

**Not on track:** Target is delayed to the point that it is unlikely that it will be achieved on time

5 Bringing Embodied Carbon Upfront (World Green Building Council, September 2019).  
[https://www.worldgbc.org/sites/default/files/WorldGBC\\_Bringing\\_Embodied\\_Carbon\\_Upfront.pdf](https://www.worldgbc.org/sites/default/files/WorldGBC_Bringing_Embodied_Carbon_Upfront.pdf)

## ENERGY AND CARBON

As much as 39% of the global energy-related carbon emissions are caused by the built environment, and the retail industry has a significant role to play in mitigating these climate impacts. Together with our sponsor, we have taken active steps towards decarbonising our business and achieving net-zero carbon emissions by 2050.

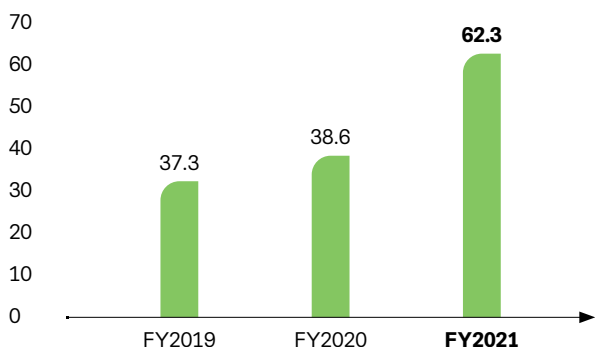
In FY2021, we have established a roadmap that details the carbon reduction strategies we aim to implement in our properties to reduce our Scope 1, 2 and 3 GHG emissions, coupled with specific targets and timelines. These include improving energy efficiencies, increasing our renewable energy mix, addressing tenant energy consumption, and practising sustainable procurement as well as waste and water management. In arriving at our roadmap, we first mapped out and prioritised active and passive strategies specific to the retail sector, then referred to industry-leading carbon reduction pathways to develop our absolute and sectoral decarbonisation trajectories. Based on science based approach, we also modelled alternative scenarios to understand potential emission reductions up till the year 2035.

### OUR PARTICIPATION IN PROPOSED DISTRIBUTED DISTRICT COOLING NETWORK

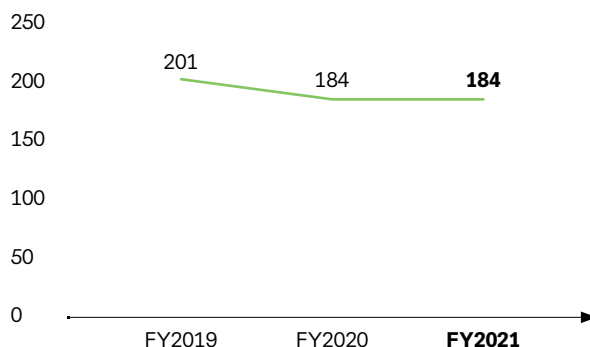
We took a key step towards our climate goals this year by signing a Letter of Intent with SP Group to affirm our interest in subscribing to a proposed Distributed District Cooling network in Tampines. Under this initiative, existing chiller plant systems in Century Square and Tampines 1, among other buildings in Tampines, will be harnessed to cool an entire district of buildings. By leveraging on economies of scale, the DDC network would consume less energy for the same amount of cooling, resulting in reduced carbon emissions.

To ensure that our properties are operating at optimum efficiency, we conduct energy audits to identify energy efficiency improvement opportunities. Our properties that are BCA Green Mark certified are subjected to chiller plant energy audits every three years. All our properties are also certified with ISO 14001 and ISO 50001, environment and energy management systems respectively.

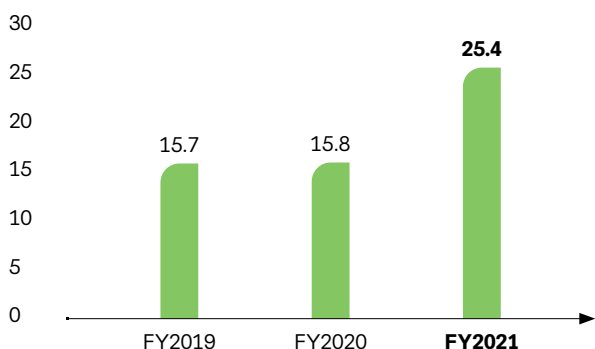
#### Electricity Consumption (GWh)



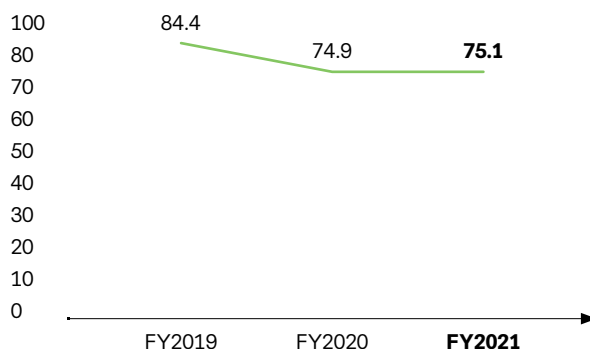
#### Energy Intensity (kWh/m<sup>2</sup>)



#### Scope 2 GHG Emissions ('000 tonnes of CO<sub>2</sub>e)

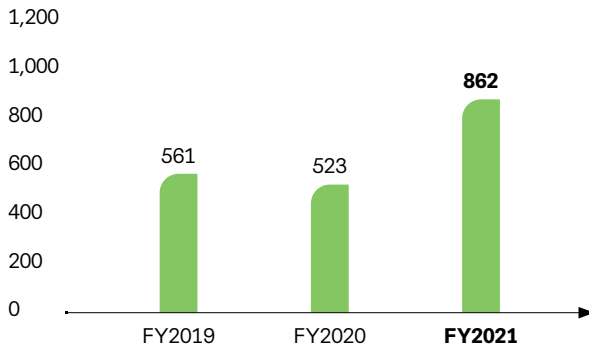


#### Scope 2 GHG Intensity (kgCO<sub>2</sub>e/m<sup>2</sup>)

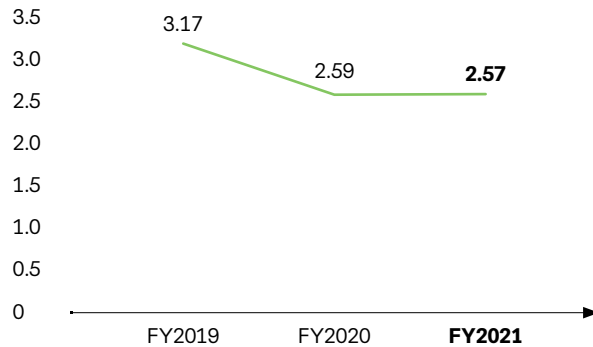


## Sustainability Report

### Water Consumption (megaliters)



### Water Intensity (m<sup>3</sup>/m<sup>2</sup>)



In FY2021, our total energy consumption<sup>6</sup> was 62.3 GWh, with the increase due to the ARF Acquisition during the year. Our building energy intensity remained stable at 184 kWh/m<sup>2</sup>, a 0.3% increase from FY2020 even though we resumed more services as COVID-19 restrictions were gradually eased during the year. Similarly, our GHG emissions increased to 25,354 tCO<sub>2</sub>e, while the GHG emissions intensity increased by 0.2% to 75.1 kgCO<sub>2</sub>e/m<sup>2</sup>, reflecting the slight decrease in emissions factors and use of renewable energy over the year. Compared to FY2019, our energy and GHG intensities decreased by 8.3% and 11.0% respectively.

To reduce our reliance on fossil-fuel based energy, we have been generating renewable energy on-site via solar panels installed at two of our properties, with the aim of expanding our renewable energy capacity over time. Tiong Bahru Plaza has a solar PV capacity of 114.66 kilowatts peak (kWp), while Changi City Point has installed a total of 1,800W of solar photovoltaic (PV) panels. We generated 135,696 kWh of renewable energy from these two properties, equivalent to 55 tCO<sub>2</sub>e of avoided emissions during the year.

### WATER

Water scarcity is one of the world's leading challenges, and we have seen this year that climate-related effects will only serve to exacerbate this problem. Furthermore, our properties are located in Singapore which is identified as a location under high water stress. We have implemented various water management initiatives in our properties, including using recycled water for non-potable purposes, and investing in water saving fittings as part of our commitment to enhance water resilience. Further, to better manage this precious resource, we have targeted to reduce water use intensity by 20% by 2030 from 2015 baseline. All our properties have been awarded PUB's Water Efficient Building (WEB) Certification, a testament of our efforts towards water conservation. We also consume NEWater as part of our water reduction initiative. NEWater is reclaimed water treated for safe consumption through advanced membrane technology. In FY2021, we consumed a total of 309,866 m<sup>3</sup> of NEWater.

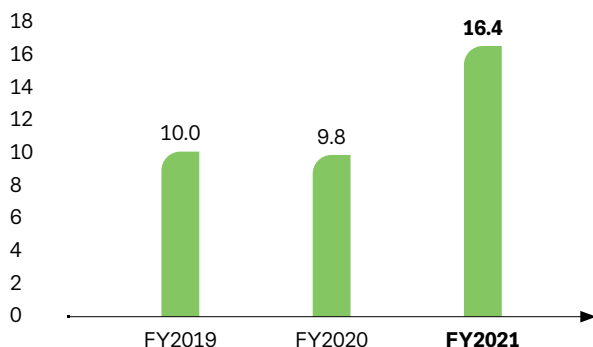
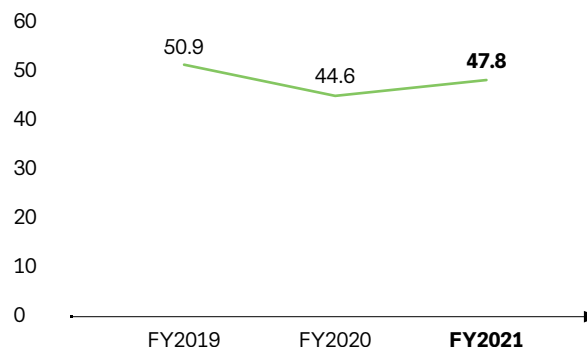
During the year, the total water<sup>7</sup> consumed<sup>8</sup> across our properties was 862 megaliters, with water intensity of 2.57 m<sup>3</sup>/m<sup>2</sup>, decrease of 1.1% from last year. Compared to FY2019 (pre-COVID), our water intensity decreased by 19.1% in FY2021.

6 Energy consumption and GHG emissions are based on landlord's areas and exclude tenants' areas. GHG emissions are calculated using the location-based method. Energy data for the reported periods are restated to factor in historical consumption from the acquired ARF portfolio. Scope 2 GHG data for the reported periods are restated to factor in historical emissions from the acquired ARF portfolio, avoided emissions from use of renewable energy, and updates in historical emissions factors.

7 Water consumed from PUB, municipal water supply.

8 Water consumption is based on landlord's areas and exclude tenants' areas. Water data for the reported periods are restated to factor in historical consumption from the acquired ARF portfolio.



**Waste Generated ('000 tonnes)****Waste Intensity (kg/m<sup>2</sup>)**

## WASTE

Everyday, significant amount of waste are generated in retail malls by consumers who patronise. This provides great opportunity for waste management and recycling. At FCT, we are committed to manage waste generated and increase our recycling rates to divert waste from landfill. We also encourage active waste management across our properties by engaging our customers and tenants in the right way of managing their waste. We track waste disposal and recycling activities across our properties. In FY2021, the total waste generated<sup>9</sup> from our properties increased to 16,375 tonnes, reflecting the inclusion of the ARF portfolio. Our waste intensity increased by 7.2 % yoy to 47.8 m<sup>3</sup>/m<sup>2</sup>, which reflects the increase in activity in our properties from the easing of COVID-19 restrictions during the year. We sent a total of 1,765 tonnes, or 10.8 %, of our waste for recycling while the remaining was directed to Singapore's waste-to-energy plants.

In line with our commitment to enable eco-friendly lifestyles by providing members of the public with accessible avenues for recycling, we continued to collect post-consumer electronic waste ("e-waste") via e-waste recycling bins in our malls as part of a longstanding partnership with StarHub and their Recycling the Nation's Electronic Waste ("RENEW") programme. Following the transition towards the

National Environment Agency ("NEA")'s new nationwide e-waste management system from 1 July 2021, we are now working with ALBA E-Waste Smart Recycling to establish new e-waste recycling points in our retail malls. Throughout the year, we collected a total of 12,987 kilograms of e-waste in our retail malls.

In FY2021, we also continued to partner with Frasers and Neave (F&N) in their joint initiative with NEA to roll out smart Reverse Vending Machines ("RVMs") islandwide, to encourage Singaporeans to adopt an eco-conscious lifestyle, by incentivising recycling and offering convenient avenues to recycle. In FY2021, members of the public deposited 140,126 used bottles and cans into RVMs at Northpoint City.

We are working on developing a general waste and recycling programmes and establishing partnerships with tenants through our green lease initiative in the coming year to further progress our waste management practices.

<sup>9</sup> Waste generated is based on total building area.

## Sustainability Report



### FOCUSING ON PEOPLE

#### OUR PRIORITIES

**Our people are our most valuable asset. Creating a diverse, equal and safe workplace remains a key priority, as is supporting and protecting the interests and well-being of our stakeholders through business and community investments. We also provide avenues for continuous learning and development for our staff.**

#### OUR APPROACH

- To develop policies that drive human capital development and positive impacts in communities
- To adopt fair employment practices and invest in equipping employees with relevant skills
- To invest in activities and programmes to support community development

#### OUR PROGRESS

Focus area	Our goals	Our progress in FY2021	Status
<b>Diversity, Equity &amp; Inclusion</b>	<ul style="list-style-type: none"> <li>• To embed diversity, equity and inclusion in our culture through employee engagement</li> <li>• To provide training and education that raises employee awareness of diversity and inclusion and associated benefits</li> <li>• To enhance processes and policies to encourage greater flexibility and diversity</li> </ul>	<ul style="list-style-type: none"> <li>• Continued alignment to Group Diversity &amp; Inclusion Policy</li> <li>• Women made up 17% and 50% of the Board of Directors and Senior Management respectively</li> </ul>	<b>In progress</b>
<b>Skills &amp; Leadership</b>	<ul style="list-style-type: none"> <li>• To achieve 40 average training hours per employee each year</li> <li>• To train all employees on sustainability by 2021, and extend such training to the supply chain and other stakeholders after 2021</li> </ul>	<ul style="list-style-type: none"> <li>• 38 average training hours per employee</li> <li>• 89% of employees trained in sustainability</li> </ul>	<b>On track</b>
<b>Health &amp; Well-being</b>	<ul style="list-style-type: none"> <li>• To transform our workplace by building a wellness culture that positively engages employees</li> <li>• To create awareness of health management, support mental wellness and foster a connected workforce</li> <li>• To create a safe working environment and achieve zero injuries</li> </ul>	<ul style="list-style-type: none"> <li>• All properties have implemented ISO 45001:2018 occupational health and safety (OH&amp;S) management system and four of our malls are also certified BizSAFE Level Star by the Workplace Safety and Health Council</li> <li>• One injury reported in our properties with three lost days</li> </ul>	<b>On track</b>
<b>Community Connectedness</b>	<ul style="list-style-type: none"> <li>• To seek meaningful long-term relationships that respect local cultures and create lasting benefits</li> <li>• To identify measurements to quantify positive contributions</li> <li>• To conduct tenant engagement programmes at least once a year for each property by FY2021</li> <li>• To conduct tenant satisfaction survey</li> </ul>	<ul style="list-style-type: none"> <li>• Collected 5.8 tonnes of foodstuff from members of the public and donated this to the Food Bank Singapore</li> <li>• Developed a tenant engagement plan to be implemented at FCT's properties</li> <li>• Completed tenant satisfaction survey in FY2021 for all FCT retail properties</li> </ul>	<b>In progress</b>

**On track:** Target is either achieved or is on track to be achieved on time

**In progress:** Target is delayed but progress is still being made and could still be achievable on time

**Not on track:** Target is delayed to the point that it is unlikely that it will be achieved on time

## DIVERSITY, EQUITY AND INCLUSION

FCT believes in the value of a diverse and inclusive culture that taps on the unique experiences and perspectives of the individuals in our workforce. Over the years, we have taken steps to create an environment in which all of our employees can realise their aspirations and potential. We are aligned with our Sponsor's Diversity and Inclusion Policy.

We are committed to fair and equal opportunities to all our employees. Together with our Sponsor, we are a signatory to the Tripartite Alliance for Fair & Progressive Employer Practices (TAFEP) in Singapore, demonstrating our commitment towards adopting fair and progressive HR practices. In addition, as a member of Singapore National Employer Federation, we are kept informed of the latest statutory guidelines to ensure we are aligned with national practices. We continue to practice an open appraisal system for all employees of the Manager and reward based on merit.

We also foster diversity and inclusion in our culture through regular employee engagement. We conducted our employee satisfaction survey to gather employees' feedback on work-life balance and concerns, especially from the impact of COVID-19 and work-from-home arrangements. The survey, which had a 100% response rate, had the following highlights:

- Majority of our employees felt they have the support they need from co-workers and family regarding issues at work.
- Employees' top three concerns about working from home were challenges communicating with co-workers, difficulties with keeping to a regular work schedule and having too many virtual meetings. These findings are consistent with the previous year.

- Regarding mental well-being, more than 70% of the respondents said although they felt languished at times, they are still able to re-charge from other activities. None said they feel worried all the time. Employees gave their own mental well-being an average score of 3.4 out of 5.

The findings from the survey are being shared with Group Human Resource for their consideration when formulating initiatives and plans at the Group level to address these concerns.

Our staff also participated in a Culture Survey led by our Sponsor this year to understand the current cultural traits of our business and lay a foundation for transforming it in a positive and impactful way. Members from the middle and senior management from FCAM participated in an open sharing session on the survey insights and the challenges faced by our teams. We will continue to partner our Sponsor and employees to develop a more resilient and purpose-driven culture at FCT.

### Our Employee Profile

We believe that a diverse team with wide range of skillsets and experiences brings to the table creative and innovative insights as well as improving productivity. As at 30 September 2021, FCT has a total of 27 full-time employees, all of whom are based in Singapore. A large majority (89%) of our employees fall within the 30-50 age band, and women make up 59% of our total staff headcount. In addition, women represent 17% of our board seats and 50% of senior management roles. During the year, we hired three new employees, representing a hiring rate of 11%, and experienced two voluntary employee turnovers, making up a turnover rate of 7%.

## Sustainability Report

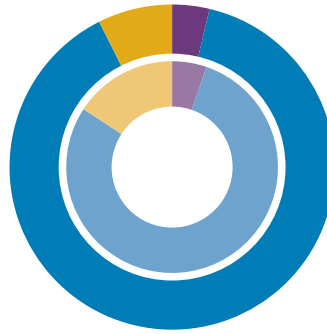
### Employee Breakdown by Gender and Age Group

By Gender



	FY2020	FY2021
Female	58%	59%
Male	42%	41%

By Age



	FY2020	FY2021
< 30 Years old	5%	4%
30-49 Years old	79%	89%
> 50 Years old	16%	7%

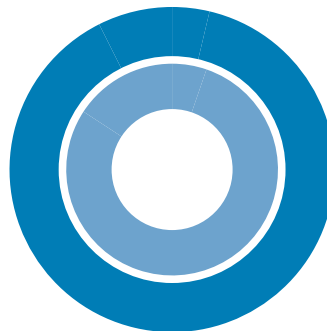
### New Hires by Gender and Age Group

By Gender



	FY2020	FY2021
Female	100%	67%
Male	0%	33%

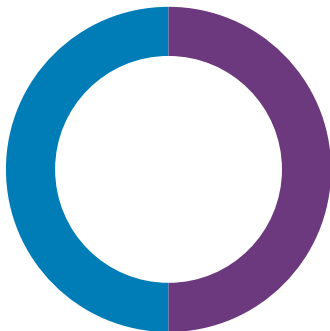
By Age



	FY2020	FY2021
< 30 Years old	0%	0%
30-49 Years old	100%	100%
> 50 Years old	0%	0%

### Turnover by Gender and Age Group

By Gender



	FY2021
Female	50%
Male	50%

By Age



	FY2021
< 30 Years old	50%
30-49 Years old	0%
> 50 Years old	50%

Note: There was no turnover in FY2020



## SKILLS AND LEADERSHIP

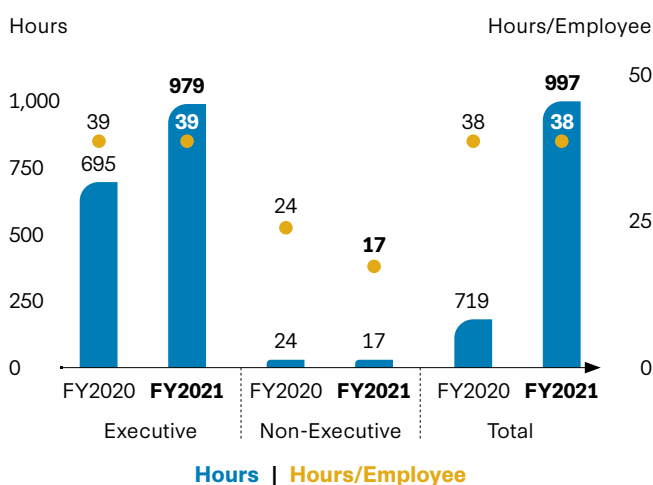
We believe that an empowered workforce is core to the business and helps us attract and retain top talent, which enables us to deliver the best solutions and services to our stakeholders. This is why we put learning and development at the centre of our human capital and talent management strategy.

As part of the Frasers Property Group, our learning and development programmes are supported by the Group's in-house Learning Academy. Established in 2017, the Academy provides a comprehensive range of Learning and Development programmes including tailored training sessions. In FY2021, our Sponsor's Learning Academy hosted a six-day group-wide Learning Festival around the theme "Rising Above Uncertainty". Thirteen virtual live sessions were

presented over three tracks – Scaling Core Capabilities, Customer Centricity, and Sustainability – by Frasers Property leaders and experts, including our CEO, Mr Richard Ng.

Our employees completed a total of 997 training hours in FY2021, an increase from 719 hours in FY2020. The average FCT employee underwent 38 hours of training (Male: 39; Female: 38) this year, two hours short of the Group's target of 40 training hours per employee due to business disruptions caused by the COVID-19 pandemic. Additionally, as part of our commitment to scale up employees' core capabilities, the Group introduced a sustainability e-learning module designed to facilitate the understanding of sustainability across the business. Besides explaining how sustainability is integrated into the organisation's business practices, it also encourages employees to adopt sustainability practices in daily work processes. We are pleased to share that 89% of our permanent and temporary staff completed training on sustainability via this e-learning module in FY2021. We endeavour to scale up our learning and development initiatives in coming years.

### Total Training Hours and Average Training Hours per Employee by Role (Executive / Non-Executive)

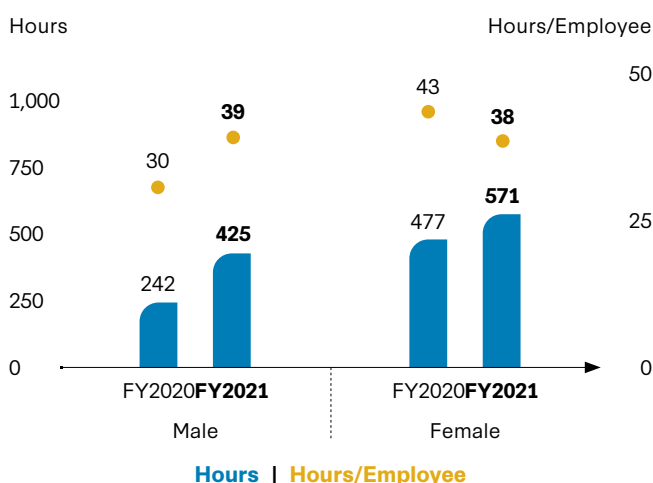


Starting from FY2022, the Group intends to set a revised goal for each employee to complete an average of 30 hours of training, with an increased focus on creating more meaningful learning experiences that are targeted at, and tailored to, individual learning pathways.

## HEALTH AND WELL-BEING

FCT puts the health and well-being of our staff, tenants, customers and other stakeholders at the center of what we do. This means implementing robust protocols, policies, procedures as well as regular training programmes to ensure a safe and conducive environment. In recent years, we have also seen workplace health and safety evolve beyond operational processes to include mental health and well-being, a mindset shift that has been accelerated by the COVID-19 pandemic and the ubiquity of work-from-home arrangements.

### Training Hours by Gender



We are committed to improving workplace safety to create better and safer working environment for our staff. We continue to adopt and implement the Group's Workplace Health and Safety Policy. This year, we implemented ISO 45001 occupational health and safety ("OH&S") management system across all the malls in our portfolio. Four of our malls are also certified BizSAFE Level Star by the Workplace Safety and Health Council. During our monthly sustainability working committee meetings, the subjects on safety, including safety-related incidents within the Group and FCT's portfolio were discussed. Finally, we also ensure our contractors working at our properties are certified BizSAFE Level 3, which is a prequalification requirement for contractors working on contract above certain value.

## Sustainability Report

During the year, we recorded one lost-time injury with a lost-time injury rate of 0.7 and severity rate of 2.2. We also recorded no work-related fatalities for our staff and contractors. However, we noted a work-related fatality by a third-party vendor working for a tenant in a Singapore retail property. We have taken appropriate follow-up action after the incident.

We strive to support the health and well-being of our staff by ensuring they have adequate access to professional resources. Our sponsor has initiated an Employee Assistance Programme in Singapore to enable employees with personal or work-related issues to seek help from a professional counsellor on a confidential basis. To encourage our staff to prioritise their mental well-being and connectivity with loved ones, we initiated a policy for staff to end the workday early on the last Friday of each month. Additionally, in alignment with the Group's practice, we also designate every last Friday of the school semester as 'Eat With Your Family Day' in Singapore for employees to leave work early and spend quality time over dinner with their families.

As part of the Frasers Property Health & Safety Month activities in August, we invited our staff to participate in two interactive learning sessions tailored to Frasers Property employees based in Singapore on overcoming negative thinking and eating right for job productivity. We also actively encourage staff to prioritise mental well-being by participating in the Group Corporate Wellness programmes organised throughout the year.

Our health and well-being commitment also extends to our shoppers and tenants as they can spend considerable amount of time in our spaces. We refer to the BCA Green Mark scheme as part of our commitment to healthy spaces for our customers and tenants. One of the initiatives include conducting indoor environment quality tests regularly across our properties to monitor our customers' and tenants' comfort levels.

We have also prioritised actions to keep our stakeholders safe during the COVID-19 pandemic. Our properties continue to implement safety measures in line with the government's guidelines as and when necessary, such as temperature screening and checking in and out using the TraceTogether app. This year, our property manager, Frasers Property Retail, negotiated improved cleaning contracts for several properties, leveraging on technology and Internet of Things ("IoT") devices to improve cleaning operations and standards. We continue to partner PBA group to deploy made-in-Singapore UV-disinfecting mobile robots across our malls in Singapore. Each UV Bot is equipped with a camera, built-in sensors, software, and an ultraviolet-C light module that emits powerful UV-C rays to eradicate viruses. Some properties also utilise UV photo plasma technology in new air handling units to eradicate airborne bacteria and germs.

### COMMUNITY CONNECTEDNESS

FCT strives to create places for good and provide healthy, vibrant spaces for our occupants and the larger community. We emphasise making meaningful contributions for communities to ensure that they



Changi City Point

grow alongside our business. We are guided by the Community Investment Framework launched by our Sponsor last year. The Framework sets the foundation for us to make informed decisions and influence change in the community, and articulates three areas we would like to make the greatest positive impact – health, education, and the environment.

Across our malls, we supported the government agency Health Promotion Board ("HPB")'s efforts to activate public health campaigns by offering complimentary venue space. These initiatives included exhibitions to educate members of the public on the LumiHealth app, co-designed by HPB and Apple to leverage on gamification to help Singaporeans lead healthier lives, as well as weekly workout sessions at Tiong Bahru Plaza. Additionally, to help address community needs arising from COVID-19, we offered complimentary venue space for Singapore government agencies across eight of our malls to set up interactive booths for members of the public to learn how to use TraceTogether, Singapore's digital contact tracing platform.

This year, we collaborated with a social enterprise *Design For Change* and ran our flagship hackathon Inclusive Spaces, which saw multiple stakeholders come together to co-create design solutions for Frasers Property malls. We challenged more than a hundred students from schools to propose concepts and initiatives to improve the space use and environment to cater to the needs of our seniors in the population. Inclusive Spaces was supported by 20 young mentors from the Singapore University of Technology and Temasek Polytechnic with background in design and training in design thinking, as well as 25 seniors who provided advice on improvement of the built environment. To share the learnings, we published a social impact microsite showcasing the participants' solutions and insights.

We also continued our partnership with Food Bank Singapore to collect and distribute food to the beneficiaries. This year, we collected and distributed 5.8 tonnes of food to the beneficiaries in the community.

To encourage active two-way communication and connect meaningfully with our retailers, we conducted tenant satisfaction survey this year for all FCT retail properties. We hope to use the feedback from the survey to improve the engagement with our tenants and their satisfaction going forward.

## ABOUT THIS REPORT

This is FCT's seventh Sustainability Report and this report discloses FCT's Environmental, Social and Governance ("ESG") performance for all FCT properties during the period from 1 October 2020 to 30 September 2021 (FY2021).

This report has been prepared in accordance with the sustainability reporting requirements set out in the SGX-ST Listing Manual (Rules 711A and 711B) and the GRI Standards: Core Option.

## REPORT SCOPE

Data disclosed in this Sustainability Report covers all properties owned by FCT during the year under review, in Singapore unless stated otherwise. These properties are Causeway Point, Waterway Point (of which FCT holds a 40% interest), Tampines 1, Northpoint City North Wing (inclusive of the Yishun 10 Retail Podium), Tiong Bahru Plaza, Century Square, Changi City Point, Hougang Mall and White Sands. Our disclosure also includes partial information on three properties – Anchorpoint, Bedok Point and Yew Tee Point – which we divested in FY2021.

The employee related information disclosed refers to the activities and performance of Frasers Centrepoint Asset Management (the "Manager" or "FCAM"). As the Manager of FCT, FCAM strives to support sustainability efforts by encouraging good sustainability practices at our properties. We have also included health & safety data of our contractor's employees working at our properties, where applicable. The contents within this report have been disclosed in good faith and to the best of our knowledge. Together with the other information set out in our Annual Report, this Sustainability Report provides a comprehensive and transparent reporting to our stakeholders.

## FEEDBACK

We are always looking to improve our sustainability efforts and we welcome your feedback. Please contact:

**Mr Chen Fung Leng**  
Vice President, Investor Relations  
Frasers Centrepoint Trust  
Email: [funleng.chen@frasersproperty.com](mailto:funleng.chen@frasersproperty.com)



## Sustainability Report

### INDEPENDENT ASSURANCE STATEMENT

To the management of Frasers Centrepoint Trust

Ere-S Pte Ltd (Ere-S) has undertaken an independent limited assurance on the content of Frasers Centrepoint Trust's ("FCT") Sustainability Report FY2021 ("the Report"). The engagement, which took place between September and November 2021, formed part of a wider assurance of Frasers Property Limited's Sustainability Report.

#### Scope

The assurance encompassed the entire Report and focused on all figures, statements and claims related to sustainability during the reporting period October 2020 to September 2021. This included the environmental and social management approach and performance related to the company's corporate office and portfolio of owned and managed properties (12 in total), covering the following topics as stated in the GRI Content Index of the Report:

- Energy Management
- Water Management
- Materials, Effluents and Waste
- Staff Retention and Development
- Health and Safety

Ere-S did not verify that all elements required by the GRI Standards (what to report) on each disclosure listed in the Report's GRI Content Index had been fully reported, or whether FCT's material issues, approaches and outcomes presented in the Report were specifically aligned with any other frameworks mentioned in the Report, such as the Sustainability Development Goals (SDGs).

Historical performance data prior to FY2021, and figures or statements unrelated to sustainability, were not covered in the assurance. These included organisation profile and corporate structure, corporate financial and economic performance, and, where applicable, technical descriptions and figures of construction, machineries, technologies, plants and production processes.

#### Reporting criteria

The information was verified against the principles of Accuracy, Verifiability, Clarity, Completeness, Balance, Comparability, Sustainability Context and Timeliness as defined under the Global Reporting Initiative (GRI) Standards.

#### Type of assurance

This assurance engagement was carried out to a limited level of assurance in accordance with the International Standard on Assurance Engagements 3000 (ISAE 3000), Assurance Engagements Other than Audits or Reviews of Historical Financial Information. A limited level assurance relies on desktop-based assessment and basic sampling that is sufficient to support the plausibility of the information.

#### Assurance methodology

The assurance procedures and principles applied in this engagement are compliant with ISAE 3000 and are drawn from a methodology developed by Ere-S comprising the following steps:

1. Identifying and classifying data sets according to the relevant topics and the types of evidence required for the verification process.
2. Carrying out virtual interviews and remote desktop-based data verification with the key data owners located at FCT's corporate office in Singapore. Specifically:
  - Enquiring about the quantitative and qualitative aspects of the performance disclosures, related statements and the underlying measurement systems, data collection and quality control mechanisms.
  - Requesting evidence of data sources from the data owner or key functional manager, as well as explanations of data collection and calculation methods (including conversion factors, estimates, key assumptions and apportionment methodologies) to substantiate the figures and claims.
  - Taking a broad sampling of quantitative data to validate data sets and corresponding sources, as well as other supporting information.
  - Challenging the claims made in the Report and comparing the presented evidence (including calculation methods, criteria and assumptions) with data from other properties covered in the wider assurance engagement and, where applicable, with external sources.
3. Assessing the collected data against the reporting criteria and providing recommendations for correction of the Report's content or for future improvement of the data collection and reporting procedures.
4. Validating the performance disclosures submitted in the final version of the Report and, where applicable, verifying that Ere-S recommendations have been applied.



Social performance figures, such as those relating to workforce profile, health and safety, training and survey results, as well as the compilation of environmental figures and some of the group-level initiatives disclosed in the Report, were verified in separate interviews as part of the Frasers Property Limited assurance.

Ere-S assessment of statements concerning the number (or absence) of complaints, incidents, and cases of non-compliance to policies and regulations related to environmental and social issues, was founded on confirmation by key data owners and, where available, internal documents presented during the interviews.

FCT's stakeholder groups or their representatives were not interviewed during the assurance to assess the results of the engagement initiatives and the impact of the actions taken by the organisation.

### Limitations

A limited assurance provides a relatively lower level of confidence in an organisation's disclosures than a reasonable level of assurance (as used in financial auditing) would provide. The restricted extent, timeline and precision of audit procedures in a limited assurance can leave small misstatements undetected. In addition, sustainability-related evidence being more persuasive rather than conclusive, the assurance findings are more constrained to the judgement of the assurance practitioner.

To mitigate the associated risk of material misstatement in the information being assessed during this engagement and to provide greater confidence in the accuracy of the information, Ere-S sought further confirmation of the presented evidence, including application of the management approach, data collection methods, criteria and assumptions, with multiple data owners and other documentation from internal and external sources.

### Responsibility and independence

This statement represents the independent opinion of Ere-S, whose responsibility was to provide the assurance, to express conclusions according to the agreed scope, and to prepare the assurance report and this assurance statement for the management of FCT alone and for no other purpose. The management of FCT was responsible for the preparation of the Report, including all statements and figures contained within it, and for the selection and application of the methods to collect and compile the performance data of its operations and properties. Ere-S was not involved in the development of the Report or any other aspects or projects related to the sustainability framework of FCT. The activities of Ere-S are independent of FCT and Frasers Property Limited and contain no financial interest in their business operations.

## FINDINGS AND OBSERVATIONS

Ere-S observed a strong alignment with the Frasers Property Limited's sustainability framework, with evidence showing effective implementation of environmental and social management approaches through the organisation's operations and properties. This includes corporate governance and management of sustainability-related risks, such as climate change, both globally and in the industry context. Efforts in implementing the Group's Net-zero carbon and Climate Risk & Resilience roadmap were particularly noticeable at all levels of the organisation.

Consistent stakeholder engagement through multiple channels and platforms could also be observed, with stronger evidence demonstrated for employees and customers than for other stakeholder groups, particularly the supply chain. Similarly, the organisation's response to stakeholder concerns during the reporting period was more evidenced for employees and customers.

Overall, the Report's content provides comprehensive, accurate and clear coverage of FCT's environmental and social management approaches and performance for all its key operations and portfolio, including parts of its supply chain.

The source information and evidence provided to support the reported figures was comprehensive and detailed, and interviewed data owners demonstrated a high level of preparedness and excellent knowledge of the topics and processes on which they were questioned.

Statements and figures assessed through sampling could be traced back to their source documents, such as internal reports and suppliers' invoices. In particular, the properties' performance data and collection processes presented an overall high level of quality. Based on our assessment, Ere-S did not observe significant gaps or inconsistencies in the performance measurement mechanisms, calculation methods and conversion factors, and the Report content shows overall good to high levels of accuracy, reliability and traceability, particularly in the environmental performance of its properties.

The content of the Report could, in Ere-S opinion, be better balanced with more statements and figures showing negative information and identified areas for improvement in the sustainability framework. Further improvement could be made by providing more detailed and expanded coverage of indirect sustainability performance in the rest of FCT's value chain, including Scope 3 emissions.

## Sustainability Report

### Conclusion

On the basis of a limited assurance engagement consistent with the above-listed criteria, nothing has come to Ere-S attention that causes us not to believe that, in all material respects, Frasers Centrepoint Trust's Sustainability Report FY2021 provides a credible and fair representation of the organisation's sustainability profile and includes statements and figures that achieve an adequate level of reliability and accuracy.

A detailed assurance report containing the above findings and additional recommendations for improvement has been presented to the management of Frasers Centrepoint Trust.



Reg no. 201003736W  
[www.ere-s.com](http://www.ere-s.com)

Singapore, 30 November 2021

### Jean-Pierre Dalla Palma

Director and Lead Certified Sustainability Assurance  
Practitioner

### Minju Kim

Certified Sustainability Assurance Practitioner, Partner

## GRI CONTENT INDEX

GRI Standards	Disclosure Number	Disclosure Title	Section and Page Reference / Notes
<b>Universal Standards</b>			
<b>GRI 102: General Disclosures</b>	<b>Organisational Profile</b>		
	102-1	Name of the organisation	Frasers Centrepoint Trust
	102-2	Activities, brands, products, and services	About Frasers Centrepoint Trust (Page 2)
	102-3	Location of headquarters	Corporate Information (Inside back cover)
	102-4	Location of operations	About Frasers Centrepoint Trust (Page 2)
	102-5	Ownership and legal form	About Frasers Centrepoint Trust (Page 2) Corporate Structure (Page 3)
	102-6	Markets served	Portfolio Overview (Page 52) Property Profiles (Pages 54 to 73)
	102-7	Scale of the organisation	About Frasers Centrepoint Trust (Page 2) Financial Highlights (Page 5 and Pages 8 to 9) Focusing on People – Diversity, Equity & Inclusion (Pages 97 to 98)
	102-8	Information on employees and other workers	Focusing on People – Diversity, Equity & Inclusion (Pages 97 to 98)
	102-9	Supply chain	Stakeholder Engagement (Pages 84 to 85) Consuming Responsibly (Pages 92 to 95) Focusing on People – Health and Well-being (Pages 99 to 100)
	102-10	Significant changes to organisation and its supply chain	About This Report – Report Scope (Page 101)
	102-11	Precautionary Principle or approach	FCT does not specifically refer to the precautionary approach when managing risk; however, our management approach is risk-based, and underpinned by our internal audit framework.
	102-12	External initiatives	Managing Sustainability – Stakeholder Engagement (Page 85) Acting Progressively – Responsible Investment (Page 90)
	102-13	Membership of associations	Managing Sustainability – Stakeholder Engagement (Page 85) Acting Progressively – Responsible Investment (Page 90)
	<b>Strategy</b>		
	102-14	Statement from senior decision-maker	Board Statement (Pages 80 to 81)
	<b>Ethics and Integrity</b>		
	102-16	Values, principles, standards, and norms of behaviour	Acting Progressively – Risk-based Management (Page 89)
	<b>Governance</b>		
	102-18	Governance structure	Corporate and Organisation Structure (Page 3) Board of Directors (Pages 16 to 19) Management Team (Pages 20 to 21) Corporate Governance (Pages 109 to 144) Managing Sustainability – Sustainability Governance (Page 84)
	<b>Stakeholder Engagement</b>		
	102-40	List of stakeholder groups	Managing Sustainability – Stakeholder Engagement (Page 84)
	102-41	Collective bargaining agreements	There are no collective bargaining agreements in place.
	102-42	Identifying and selecting stakeholders	Managing Sustainability – Stakeholder Engagement (Page 84)
	102-43	Approach to stakeholder engagement	Managing Sustainability – Stakeholder Engagement (Page 84)
	102-44	Key topics and concerns raised	Managing Sustainability – Stakeholder Engagement (Page 85)

## Sustainability Report

GRI Standards	Disclosure Number	Disclosure Title	Section and Page Reference / Notes
<b>GRI 102: General Disclosures</b>	<b>Reporting Practice</b>		
	102-45	Entities included in the consolidated financial statements	Structure of Frasers Centrepoint Trust (Page 3) Notes to Financial Statements (Pages 163 to 223)
	102-46	Defining report content and topic Boundaries	About This Report – Report Scope (Page 101) Creating Value with our Sustainability Framework (Page 83) Managing Sustainability – Stakeholder Engagement (Pages 84 to 85), Materiality Assessment (Pages 86 to 87)
	102-47	List of material topics	Managing Sustainability – Materiality Assessment (Page 86)
	102-48	Restatements of information	Consuming Responsibly – Energy & Carbon (Pages 93 to 94), Water (Page 94), Waste (Page 95)
	102-49	Changes in reporting	We included the ARF portfolio properties in this year's report following the completion of the ARF Acquisition on 27 October 2020
	102-50	Reporting period	About This Report (Page 101)
	102-51	Date of most recent report	December 2020
	102-52	Reporting cycle	Annual
	102-53	Contact point for questions regarding the report	About This Report – Feedback (Page 101)
	102-54	Claims of reporting in accordance with the GRI Standards	About This Report (Page 101)
	102-55	GRI content index	GRI Content Index (Pages 105 to 108)
	102-56	External assurance	Independent Assurance Statement (Pages 102 to 104)
<b>Management Approach</b>			
<b>GRI 103: Management Approach</b>	103-1	Explanation of the material topic and its boundary	Managing Sustainability – Materiality Assessment (Page 87)
<b>Topic-specific Standards</b>			
<b>Economic Performance</b>			
<b>GRI 103: Management Approach</b>	103-2	The management approach and its components	Business Objectives and Growth Strategies (Page 4)
	103-3	Evaluation of the management approach	
<b>GRI 201: Economic Performance</b>	201-1	Direct economic value generated and distributed	Financial Review (Pages 30 to 34) Financial Statements (Pages 145 to 223)
<b>Anti-corruption</b>			
<b>GRI 103: Management Approach</b>	103-2	The management approach and its components	Acting Progressively – Risk-based Management (Page 89)
	103-3	Evaluation of the management approach	
<b>GRI 205: Anti-corruption</b>	205-3	Confirmed incidents of corruption and actions taken	Acting Progressively – Risk-based Management (Page 89)
<b>Environmental Compliance</b>			
<b>GRI 103: Management Approach</b>	103-2	The management approach and its components	Acting Progressively – Risk-based Management (Page 89)
	103-3	Evaluation of the management approach	
<b>GRI 307: Environmental Compliance</b>	307-1	Non-compliance with environmental laws and regulations	Acting Progressively – Risk-based Management (Page 89)

GRI Standards	Disclosure Number	Disclosure Title	Section and Page Reference / Notes
<b>Ethical Marketing</b>			
<b>GRI 103: Management Approach</b>	103-2	The management approach and its components	Acting Progressively – Risk-based Management (Page 89)
	103-3	Evaluation of the management approach	
<b>GRI 417: Marketing and Labelling</b>	417-3	Incidents of non-compliance concerning marketing communications	Acting Progressively – Risk-based Management (Page 89)
<b>Energy Management</b>			
<b>GRI 103: Management Approach</b>	103-2	The management approach and its components	Consuming Responsibly – Energy & Carbon (Pages 93 to 94)
	103-3	Evaluation of the management approach	
<b>GRI 302: Energy</b>	302-1	Energy consumption within the organization	Consuming Responsibly – Energy & Carbon (Pages 93 to 94)
	302-3	Energy intensity	
<b>GRI 305: Emissions</b>	305-2	Energy indirect (Scope 2) GHG emissions	Consuming Responsibly – Energy & Carbon (Pages 93 to 94)
	305-4	GHG emissions intensity	Consuming Responsibly – Energy & Carbon (Pages 93 to 94)
<b>Water Management</b>			
<b>GRI 103: Management Approach</b>	103-2	The management approach and its components	Consuming Responsibly – Water (Page 94)
	103-3	Evaluation of the management approach	
<b>GRI 303: Water and Effluents</b>	303-1	Interactions with water as a shared resource	Consuming Responsibly – Water (Page 94)
	303-2	Management of water discharge-related impacts	Consuming Responsibly – Water (Page 94)
	303-5	Water consumption	Consuming Responsibly – Water (Page 94)
<b>Staff Retention and Development</b>			
<b>GRI 103: Management Approach</b>	103-2	The management approach and its components	Focusing on People – Diversity, Equity & Inclusion (Page 97) Focusing on People – Skills & Leadership (Page 99)
	103-3	Evaluation of the management approach	
<b>GRI 401: Employment</b>	401-1	New employee hires and employee turnover	Focusing on People – Diversity, Equity & Inclusion (Page 98)
<b>GRI 404: Training and Education</b>	404-1	Average hours of training per year per employee	Focusing on People – Skills & Leadership (Page 99)
	404-2	Programs for upgrading employee skills and transition assistance programmes	Focusing on People – Skills & Leadership (Page 99)
	404-3	Percentage of employees receiving regular performance and career	Focusing on People – Diversity, Equity & Inclusion (Page 97)
<b>Labour/Management Relations</b>			
<b>GRI 103: Management Approach</b>	103-2	The management approach and its components	Focusing on People – Diversity, Equity & Inclusion (Page 97)
	103-3	Evaluation of the management approach	
<b>GRI 402: Labour/Management Relations</b>	402-1	Minimum notice periods regarding operational changes	This is currently not covered in Group-wide collective agreements. The notice period varies.



## Sustainability Report

GRI Standards	Disclosure Number	Disclosure Title	Section and Page Reference / Notes
<b>Health and Safety</b>			
<b>GRI 103: Management Approach</b>	103-2	The management approach and its components	Focusing on People – Diversity, Equity & Inclusion (Page 97)
	103-3	Evaluation of the management approach	
<b>GRI 403: Occupational Health and Safety</b>	403-1	Occupational health and safety management system	Focusing on People – Health & Well-being (Pages 99 to 100)
	403-2	Hazard identification, risk assessment, and incident investigation	Focusing on People – Health & Well-being (Pages 99 to 100)
	403-3	Occupational health services	Focusing on People – Health & Well-being (Pages 99 to 100)
	403-4	Worker participation, consultation, and communication on occupational health and safety	Focusing on People – Health & Well-being (Pages 99 to 100)
	403-5	Worker training on occupational health and safety	Focusing on People – Health & Well-being (Pages 99 to 100)
	403-6	Promotion of worker health	Focusing on People – Health & Well-being (Pages 99 to 100)
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Focusing on People – Health & Well-being (Pages 99 to 100)
	403-8	Workers covered by an occupational health and safety management system	Focusing on People – Health & Well-being (Pages 99 to 100)
	403-9	Work-related injuries	Focusing on People – Health & Well-being (Pages 99 to 100)
<b>Local Communities</b>			
<b>GRI 103: Management Approach</b>	103-2	The management approach and its components	Focusing on People – Community Connectedness (Pages 100 to 101)
	103-3	Evaluation of the management approach	
<b>GRI 413: Local Communities</b>	413-1	Operations with local community engagement, impact assessments, and development programmes	Focusing on People – Community Connectedness (Pages 100 to 101)

### Notes

#### Energy, GHG emissions and Water Reporting Scope

- Energy, GHG and water intensities exclude both newly completed properties in FY2021 and properties divested at any point during the reporting period.
- The GHG emission factors are from Energy Market Authority – Singapore Energy Statistics 2021

#### Monetary Disclosure

All monetary related disclosures within the report are in Singapore Dollars (S\$) unless stated otherwise.