

FY2023 ESG Report



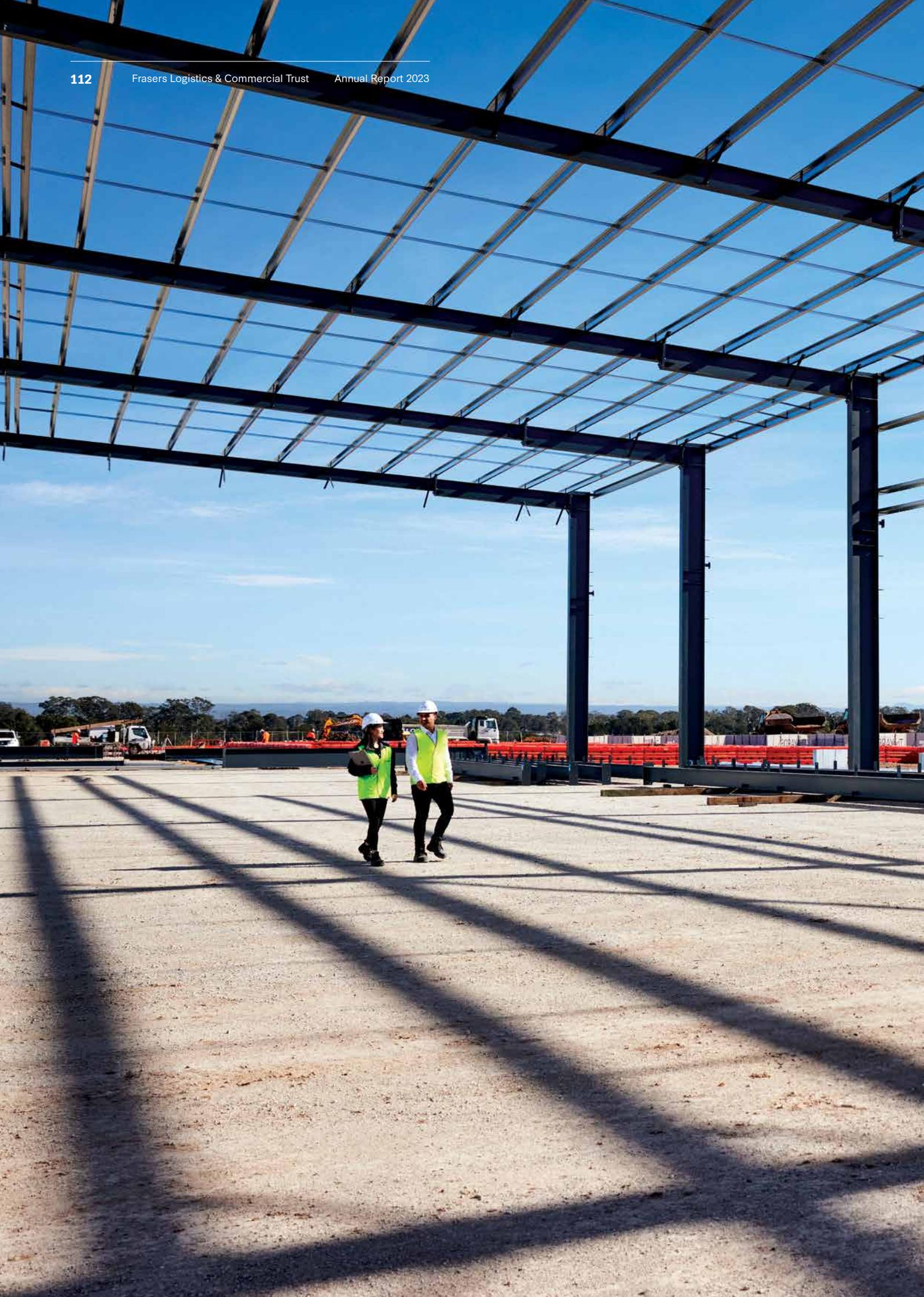
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Glossary

A glossary of the abbreviations used in this report:

ARCC	: Audit, Risk and Compliance Committee
BBP	: Better Buildings Partnership
BCA	: Building and Construction Authority, Singapore
BREEAM	: Building Research Establishment Environmental Assessment Method
BVP	: Blythe Valley Business Park
CPF	: Central Provident Fund
CSR	: Corporate Social Responsibility
DGNB	: German Sustainable Building Council
EAP	: Employee Assistance Program
ERM	: Enterprise-wide Risk Management
ESG	: Environmental, Social and Governance
FBP	: Farnborough Business Park
GBCA	: Green Building Council of Australia
GBP	: Green Bond Principles
GLP	: Green Loan Principles
GFA	: Gross Floor Area
GHG	: Greenhouse Gas
GRI	: Global Reporting Initiative
HSE	: Health, Safety and Environment
IEQ	: Indoor Environment Quality
ISO 9001	: International Organisation for Standardisation (Quality Management System)
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)
K	: A unit of measurement representing one thousand
MAS	: Monetary Authority of Singapore
NABERS	: National Australian Built Environment Rating System
NGOs	: Non-governmental Organisations
OH&S	: Occupational Health and Safety
PUB	: Public Utilities Board
PV	: Photo-voltaic
RCP	: Representative Concentration Pathway
REIT	: Real Estate Investment Trust
REITAS	: REIT Association of Singapore
SBTi	: Science Based Targets initiative
SDG	: Sustainable Development Goal
SIAS	: Securities Investors Association (Singapore)
SLBP	: Sustainability Linked Bond Principles
SLLP	: Sustainability Linked Loan Principles
SSC	: Sustainability Steering Committee
TAFEP	: Tripartite Alliance for Fair and Progressive Employment Practices
TCFD	: Task Force on Climate-related Financial Disclosures
UN	: United Nations
UNGC	: United Nations Global Compact
UNWEP	: United Nations Women Empowerment Principles
Y-o-y	: Year-on-year



Board Statement

Dear Fellow Stakeholders,

As a leading logistics and industrial-focused REIT, with a portfolio of industrial and commercial properties across five developed markets, the Board recognises FLCT's ability to influence positive change, and that advancing ESG initiatives is integral to strengthening our resilience, reputation as well as in maintaining stakeholder trust. Further, we recognise that occupiers are increasingly leaning towards sustainability, which positions properties with strong ESG credentials favourably in meeting tenants' requirements and thereby enhancing occupancies.

FLCT's sustainability agenda is guided by three pillars: Acting Progressively, Consuming Responsibly and Focusing on People. FLCT works closely with our Sponsor, Frasers Property Limited ("Frasers Property", or the "Group") to deliver sustainable value to our stakeholders while moving towards a net-zero future.

In FY2023, our Sponsor refreshed the Group's ESG goals following a benchmark and review of the progress against targets announced in FY2021. The refresh took in a range of considerations including a market review of global sustainability trends, a FY2022 stakeholder survey exercise, and evolving regulatory requirements. Accordingly, FLCT has aligned its net-zero target with the Sponsor to achieve net-zero by 2050. The Board also views diversity at the Board level as an essential element for driving value in decision-making and has, as part of its board diversity policy, put in place a target for achieving 25% female representation on the Board by 2025.

We continued to progress our FLCT's sustainability objectives in FY2023. We maintain FLCT's standing as having the highest Green Star Performance rated industrial portfolio in Australia and retained our 5-star GRESB rating, and have also validated our near-term targets and roadmap with the Science Based Targets initiative ("SBTi").

We are also pleased to report a number of sustainability initiatives, including the implementation of smart water monitoring systems to our German properties in FY2023. Further, we have also embedded sustainability criteria in investment evaluations and adopted responsible financing practices, with 64% of FLCT's total borrowings as at 30 September 2023 in the form of green or sustainable financing.

In recognition of our strong corporate governance performance and stakeholder engagement efforts, we were awarded silver for Best Annual Report and bronze for Best Investor Relations, under the REITs and Business Trusts category at the 18th Singapore Corporate Awards this year.

Our achievements are built upon the dedication of our staff and support of the communities in which we operate making them the cornerstone of our success. We continue to invest in our staff and the communities where we operate by prioritising their overall safety, inclusivity and well-being. We also continued our year-long participation in the Milk & Diapers programme which supports low-income families by providing milk and diapers for their children up to three years old.

As we look ahead, continuing to foster strong collaborative relationships with our stakeholders will be key to FLCT achieving its sustainability goals and in fortifying our long-term resiliency. In closing, we would like to thank all our stakeholders for supporting us in our journey for a more sustainable future.

Board of Directors

Frasers Logistics & Commercial Asset Management Pte. Ltd.
REIT Manager of Frasers Logistics & Commercial Trust

Sustainability

FY2023 Performance – The Year at a Glance



**ACTING
PROGRESSIVELY**

64% of FLCT’s total borrowings are in the form of green or sustainable financing

Maintained **5-star GRESB Rating** 

Maintained the **highest Green Star performance rating** for industrial in Australia

Best Annual Report (Silver) and Best Investor Relations (Bronze) – both under the REITs & Business Trusts category, at the 18th Singapore Corporate Awards 2023

Highest Growth in Profit After Tax (PAT) Over Three Years (Winner) and Overall Sector (Winner) – both under the REITs category at The Edge Singapore Billion Dollar Club 2023



**CONSUMING
RESPONSIBLY**

Validated near-term **Science-Based Targets**



Expansion of the installation of **Smartvatten** (water consumption monitoring devices) from our Netherlands assets to our properties in Germany

At Central Park in Perth, the facade modernisation project includes the recycling of approximately **95%** of the replaced material including all aluminium panels, polyurethane cores and temporary steel structures.

Collected **301 tonnes** of waste for recycling with a recycling rate of 17%



**FOCUSING
ON PEOPLE**



80% of female representation in the REIT Manager’s Senior Management Team

Year-long participation in Community Investment – **Milk & Diapers programme**

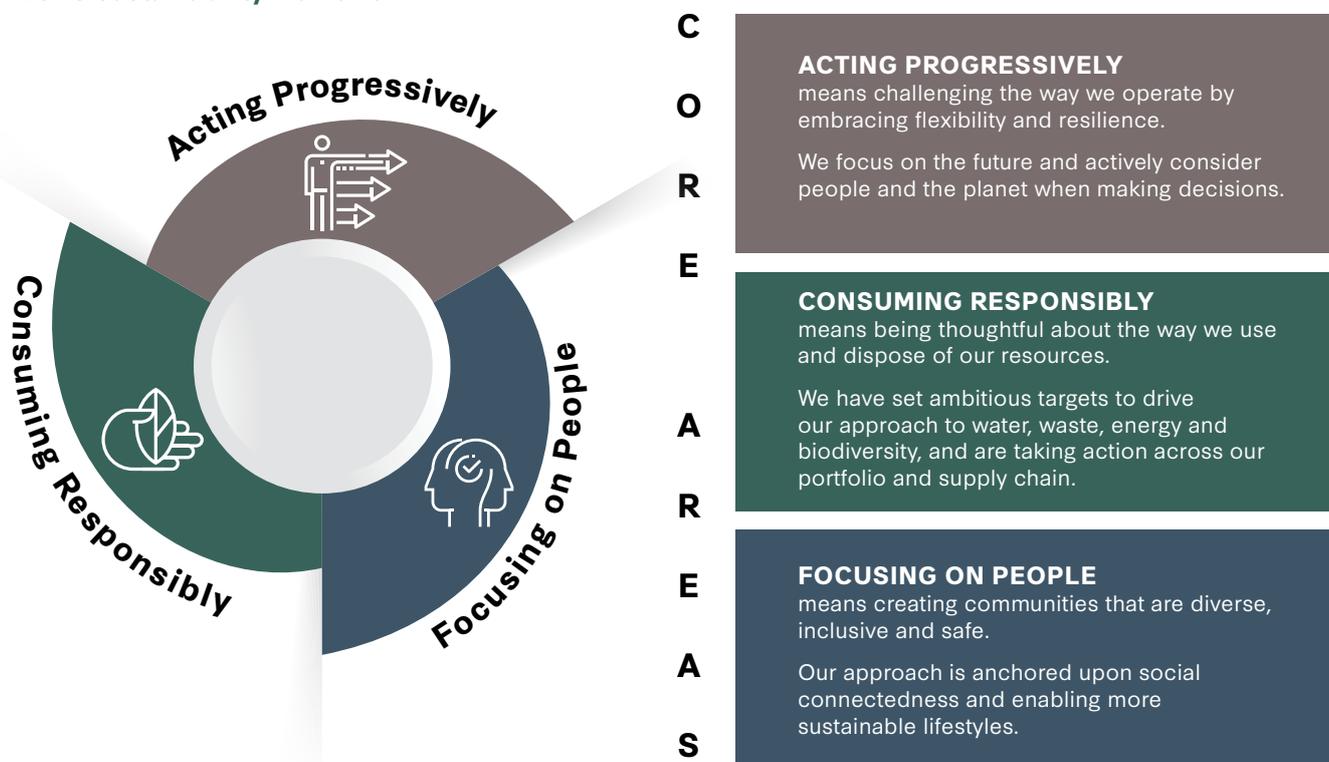


Our Approach to ESG

Embedding Sustainability Within Our Core

We are cognisant that the integration of key global environmental and social considerations in the way we do business is critical in today's rapidly changing world. In addition to risk management, we regard sustainability as a platform for us to create value, bolster our resilience, enhance customer offerings, and safeguard our business for the long-term. These key considerations form the foundation of our sustainability framework which guides FLCT's sustainability approach focusing on three pillars - Acting Progressively, Consuming Responsibly and Focusing on People.

FLCT's Sustainability Framework



Our Sustainability Roadmap

To execute our strategy, we have established a sustainability roadmap that outlines a clear action plan which features interim goals and key milestones. In FY2023, our Sponsor refreshed the Group ESG goals following a benchmark and review of the progress against targets announced in FY2021. The refresh took in a range of considerations including a market review of global sustainability trends, a FY2022 stakeholder survey exercise, and evolving regulatory requirements. Accordingly, FLCT will also be targeting net-zero carbon by 2050.

Our Sponsor's Refreshed ESG goals:

- Achieve net-zero carbon across Scopes 1, 2 and 3 by 2050.
- Install 215 MW of renewable energy capacity on properties by 2030.
- Deploy a group-wide climate risk analytics platform to identify, assess and manage climate-related risks by FY2024.
- Have 100% by Gross Floor Area ("GFA") of new development projects, and 85% of owned and asset-managed properties, to be either green-certified or have been submitted for green certification by 2030.
- Engage 75% of suppliers by spend on our Responsible Sourcing Policy by FY2025.
- Develop a framework to assess and prioritise biodiversity risks and opportunities by FY2025.

Sustainability



Managing Sustainability

GRI 2-9

A robust governance framework stands as a cornerstone in achieving our sustainability goals and targets. Furthermore, effective management serves as the foundation of how we operate and collaborate with our Sponsor on sustainability. The Sponsor's Sustainability Steering Committee ("SSC") drives the sustainability strategy and consists of senior management personnel from the Sponsor who meet six times a year. The SSC meets to assess sustainability performance based on key material metrics and endorse action plans and policies aimed at internalising sustainability practices.

FLCT is supported by the Sponsor's sustainability team, as well as a dedicated sustainability manager who is responsible for monitoring and improving the REIT's sustainability performance, including the tracking of our sustainability goals. At the Group level, the SSC's efforts are championed by the Frasers Property Group Sustainability Team to foster close collaboration with FLCT in crafting sustainability action plans and monitoring advancements.

Frasers Property and FLCT have committed to being a net-zero organisation by 2050. To realise this goal, our Sponsor has 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 SSC. In alignment with the net-zero goal, FLCT's near-term carbon reduction targets have been validated by the SBTi.

Participation in Membership Associations and Alignment with Recognised Standards

GRI 2-28

As a part of the real estate industry and a member of Frasers Property, FLCT sees the importance of creating and increasing our positive impact. We do this by actively participating, either independently or through Frasers Property, in international and local movements to advance shared sustainability goals, sharing our knowledge and experience with industry bodies on sustainability matters.

REIT Association of Singapore ("REITAS")

REITAS serves as the representative advocate for the Singapore REIT ("S-REIT") sector, facilitating member engagement in policy consultations. REITAS supports the growth of the S-REIT industry by improving transparency and governance for investor decision-making, collaborating with regulators for industry-friendly policies. FLCT plays an active role as a member of REITAS, participating in industry events organised by the association as well as relevant surveys e.g. by the regulators which seek to gather feedback from S-REITs. FLCT, through Frasers Property, is also represented on REITAS' Sustainability Taskforce.

As part of Frasers Property, we are also aligned with sectoral, national and international platforms to elevate standards and scale up best practices. These include:

- GRESB Real Estate Assessment
- Property Council of Australia
- Science Based Targets initiative ("SBTi")
- Task Force on Climate-related Financial Disclosures
- United Nations Global Compact ("UNGC")
- United Nations Women's Empowerment Principles ("UNWEP")
- Urban Land Institute ("ULI") Singapore
- Tripartite Guidelines on Fair Employment Practices ("TAFEP")
- Net Zero Carbon Buildings Commitment of the World Green Building Council ("WGBC")
- Singapore Green Nation Pledge by Ministry of Sustainability and the Environment

Stakeholder Engagement

GRI 2-29

Engagement with our stakeholders fosters collaboration, helps us gain valuable insights and maintain alignment for the achievement of sustainable and impactful outcomes. Continuous and consistent engagement with our various stakeholders is vital for us to understand and address their evolving expectations and concerns. Through our various engagement avenues, we can pinpoint key material issues to address to support continuous improvement. Refer to the table on Key Stakeholders on page 117.

Key Stakeholders	Key Topics of Concern	Mode and Frequency of Engagement
Tenants	<ul style="list-style-type: none"> • Clean, safe and pleasant environment • Reliable and efficient buildings • Tenant engagement • Tenant satisfaction • Quality of facilities and services • Health and safety • Tenants' corporate social responsibility ("CSR") goals • Improving the energy and water efficiency of our properties 	<ul style="list-style-type: none"> • Annual tenant surveys • Held regularly throughout the year through the REIT Manager or property managers • Tenant engagement programs • Joint community programs with tenants • Tenant meetings
Employees	<ul style="list-style-type: none"> • Friendly, inclusive and safe working environment • Fair and competitive employment policies • Staff development • Health and safety • Business' impacts on the environment and society 	<ul style="list-style-type: none"> • Twice a year performance reviews • Employee culture survey conducted every two years • Orientation programme for new staff upon joining • Annual employee pulse surveys <p>Held regularly throughout the year:</p> <ul style="list-style-type: none"> • Communication via Frasers Property intranet and the Workplace platform • Training • Employee personal development plans • Environmental and Health & Safety awareness activities • Team bonding and employee wellness activities
Contractors/ Consultants/ Suppliers	<ul style="list-style-type: none"> • Health and safety • Business performance • Environment • Diversity and inclusion 	<ul style="list-style-type: none"> • Established action plan for regular interactions with key contractors, consultants and suppliers starting from FY2023 • Evaluation during market engagement of alignment with the Sponsor's HSE policies. Stakeholder acknowledgement and acceptance of HSE policies during onboarding. • Requirement for acknowledgement and acceptance of our modern slavery statement during contractor / supplier onboarding and we assess contractor / supplier commitment to diversity during the market engagement process.
Property Managers	<ul style="list-style-type: none"> • Key performance indicators for property managers • Operational performance of the properties 	<p>Held regularly throughout the year:</p> <ul style="list-style-type: none"> • Meetings and discussions • Emails and phone calls
Unitholders and investor community	<ul style="list-style-type: none"> • Sustainable distribution • Operational and financial performance • Business strategies and outlook • Timely and transparent reporting • Good corporate governance 	<ul style="list-style-type: none"> • Throughout the year, FLCT participated in six local and overseas conferences, corporate days and roadshows; as well as two business updates and two results briefings for analysts and investors. In aggregate, FLCT engaged with over 150 institutional investors • Annual General Meetings • Ongoing website, announcement, management presentations, press release, webcasts of half-year and full-year results briefings, bilateral communication, one-on-one meetings and site tours • Regular ESG surveys • Maintained our 5-Star Rating and achieved a score of 88 at the 2023 GRESB Real Estate Assessment
Local Communities	<ul style="list-style-type: none"> • Build and nurture relationships with the wider community • Community investments • Business's impacts on the environment and society 	<ul style="list-style-type: none"> • Social and community events and activities • Annual ESG Report
Regulators/ Non-Governmental Organisations (NGOs)/ Industry bodies	<ul style="list-style-type: none"> • Government policies on S-REITs or the real estate sector • Compliance with rules and regulations • Engagement with industry forums and trade associations • Corporate governance 	<ul style="list-style-type: none"> • Annual ESG Reporting in alignment with SGX regulations and GRI Standards <p>Participate regularly throughout the year:</p> <ul style="list-style-type: none"> • Meetings, briefings and consultations • Industry conferences and seminars, and memberships in industry bodies such as REITAS

Sustainability

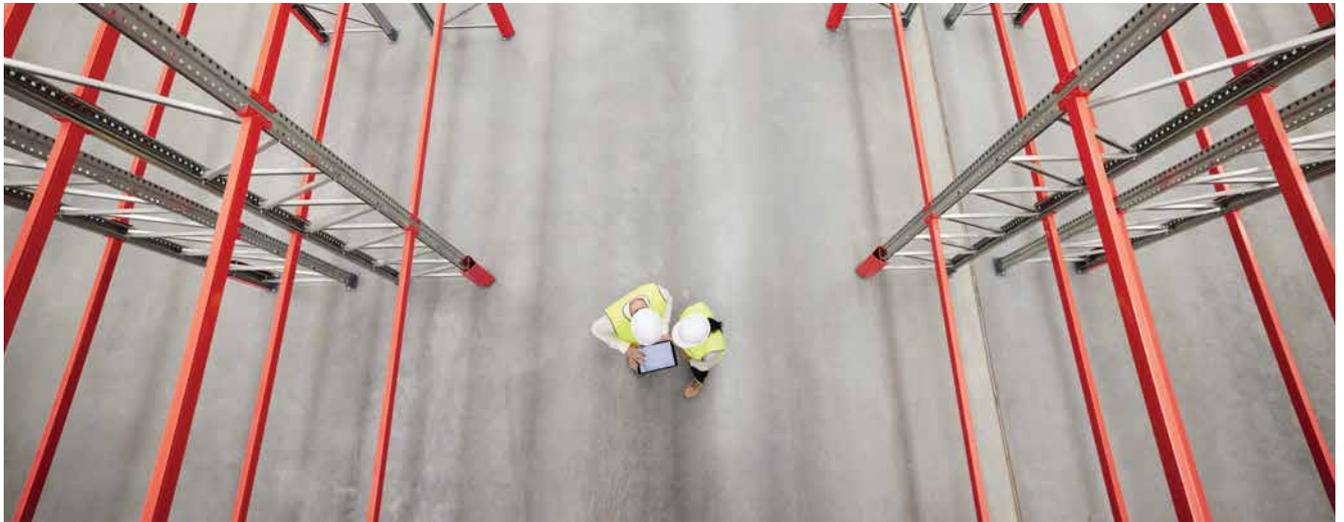
Materiality Assessment

GRI 3-1, 3-2

Regular review of material focus areas is essential to ensure both relevance and that the most significant focus areas that impact FLCT, our stakeholders and global trends are prioritised. This in turn, enables informed decision-making, resource allocation, and strategic planning. Our Sponsor conducts a global market review of sustainability trends and a survey with internal and external stakeholders to understand views on material ESG topics every two years. The next review is scheduled to be completed in FY2024. This year, we have aligned our material focus areas with that of our Sponsor’s, resulting in the addition of three new material topics, being water, materials and supply chain, and biodiversity. This alignment of material focus areas with our Sponsor affirms that these topics continue to remain relevant with our stakeholder expectations and aligned with the GRI Universal Standards.

The table below lists the significant impacts for each of our material focus areas and where we have caused or contributed to the impacts through our business relationships.

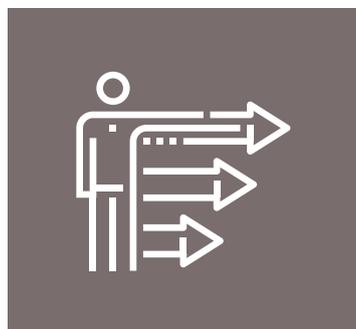
GROUP SUSTAINABILITY FRAMEWORK PILLARS	MATERIAL FOCUS AREAS	RATIONALE
ACTING PROGRESSIVELY 	Risk-based Management	We must maintain high standards of integrity, accountability and responsible governance and comply with the relevant laws and regulations to earn the trust of our stakeholders.
	Responsible Investment	Achieving long-term value is a priority for the REIT. It is critical to ensure the sustainable growth of FLCT’s economic performance.
	Resilient Properties	Being flexible and resilient in the way we operate is crucial in responding to a rapidly changing industry. We need to build our properties’ resilience to better face climate change and future challenges, as well as to grow our business.
	Innovation	Fostering an innovation culture that creates value and strengthens our competitive edge. We deliver added value to our tenants through innovative solutions.
CONSUMING RESPONSIBLY 	Energy & Carbon	Energy consumption in the building sector is one of the largest sources of energy usage around the world. We endeavour to improve overall energy performance for our properties and proactively work with our tenants to help them manage the properties’ energy consumption.
	Water	Water is a scarce resource. We strive to optimise water usage at our properties and to work with tenants to conserve water, where possible.
	Waste	Waste is a natural byproduct of our operations. Our objective is to substantially minimise waste generation by adhering to the 3Rs hierarchy: Reduce, reuse and recycle.
	Materials & Supply Chain	As a responsible business, it is important that we have oversight of the materials and supply chain activities, minimising risks along our value chain.
	Biodiversity	Biodiversity forms a critical piece for the built environment. We strive to safeguard and cultivate local ecosystems to enhance biodiversity in our properties.
FOCUSING ON PEOPLE 	Diversity, Equity & Inclusion	Empowering and promoting social inclusion for all, irrespective of age, sex, disability, race, ethnicity, origin, religion, economic or other status.
	Skills & Leadership	It is paramount that the REIT Manager has the capabilities and capacity to manage and expand FLCT’s portfolio to create value for our stakeholders. We seek to attract, develop and retain a workforce with diverse skills and knowledge that forms the cornerstone of our success.
	Health & Well-being	As landlords, our priority is to create places where people feel comfortable, safe and assured of their well-being. We ensure that our employees, suppliers, contractors, and tenants have a safe working environment.
	Community Connectedness	Through our properties, we have the potential to create significant positive impacts in the communities in which we operate. We endeavour to run a business that responds to our communities’ needs.



BOUNDARIES

FLCT/REIT MANAGER	SUPPLIERS/ CONTRACTORS	CUSTOMERS AND TENANTS	GOVERNMENT, NGOs AND LOCAL COMMUNITIES
✓	✓	✓	
✓			
✓	✓	✓	
✓		✓	
✓		✓	
✓		✓	
✓		✓	
✓	✓		
✓			✓
✓			
✓			
✓	✓	✓	
✓			✓

Sustainability



Acting Progressively

FLCT’s commitment lies in building lasting value for our portfolio and our stakeholders through the careful integration of ESG factors in our decision-making processes. This comprehensive approach allows us to build resilience and effectively manage risks inherent in our industry, positioning us as industry leaders. Our corporate governance culture is grounded in a solid framework of policies and a forward-thinking ethos. This entails formulating relevant policies to steer our processes toward business and sustainability goals, embracing green building certifications, engaging in responsible investment and nurturing an innovation-driven culture.

Focus Area	Our Goals	Our Progress in FY2023
Risk-Based Management	<ul style="list-style-type: none"> Establish holistic overarching internal policies to govern and guide management of the focus areas 	<ul style="list-style-type: none"> Incorporated environmental risk as a distinct key area to manage as part of the overall Enterprise-wide Risk Management framework “A” MSCI ESG Ratings by MSCI ESG Research LLC
Responsible Investment	<ul style="list-style-type: none"> Achieve green certification for at least 80% of our industrial and commercial portfolio by FY2024 Achieve at least an average 4-Star Green Star Performance as assessed by the Green Building Council of Australia (“GBCA”) for the Australian industrial portfolio 	<ul style="list-style-type: none"> Achieved with 80% of our properties and 100% of our new development projects by GFA are green building certified or have been submitted for green building certifications FLCT retained its standing of having the highest Green Star Performance rated industrial portfolio in Australia, maintaining an average 4-Star rating across our Australian industrial portfolio Obtained BREEAM In-Use certification for five of our Dutch assets and 16 of our German assets
	<ul style="list-style-type: none"> Achieve at least BCA Green Mark Gold Certifications for all commercial assets in Singapore by FY2024 	<ul style="list-style-type: none"> Alexandra Technopark A is certified Green Mark Gold^{PLUS} by the Building and Construction Authority (“BCA”) of Singapore
	<ul style="list-style-type: none"> Endeavour to continue structuring new borrowings in the form of green, sustainable or sustainability-linked financing 	<ul style="list-style-type: none"> 64% of FLCT’s total borrowings as at 30 September 2023 are in the form of green, sustainable or sustainability-linked financing
Resilient Properties	<ul style="list-style-type: none"> Carry out climate risk assessments and implement asset-level adaptation and mitigation plans aligned to the TCFD framework by 2024 	<ul style="list-style-type: none"> The Board’s oversight over FLCT’s sustainability strategy was expanded in FY2022 by redefining the remit of the Audit, Risk and Compliance Committee A climate risk and climate ‘value at-risk’ portfolio-level assessment of our portfolio and developed action plan was completed in FY2022 to address and mitigate key physical and transition risks
Innovation	<ul style="list-style-type: none"> Foster an innovation culture to create value for all by 2030 Fostering an innovation culture that creates value and strengthens our competitive edge 	<ul style="list-style-type: none"> Continue to embrace design thinking as a tool to spur innovation We deliver added value to our tenants through innovative solutions.

Risk-Based Management

Our Approach GRI 3-3

To be equipped with robust policies and procedures is important to future-proof our business while creating

long-term value for our portfolio. To achieve this, we are mindful of evaluating and mitigating the environmental, health and safety, and social risks associated with our business. This allows us to uphold the highest standards of integrity and accountability throughout our operations, enhancing the trust and confidence that our stakeholders have in us.

To strike an appropriate balance between risks and performance, the FLCT Board provides oversight to the REIT Manager, ensuring that a sound system of risk management and internal controls is maintained. An independent evaluation of the adequacy of existing processes and controls is carried out through the REIT Manager's established audit process, guided by the Sponsor's internal audit function – For details, please refer to page 187 of the Annual Report.

Moreover, the REIT Manager remains vigilant in identifying, reviewing and closely monitoring key risks. Identified risks are mapped to our Risk Register and monitored quarterly. Some of the key risks that are actively monitored include operational and investment activities, capital and financial management, human capital, fraud, foreign currency, information technology and environmental risks. As a demonstration of our commitment to enhancing corporate governance, FLCT has been a signatory of the Security Investors Association (SIAS) annual Corporate Governance Statement of Support since its listing in 2016.

Our Actions and Progress

GRI 2-23, 2-24, 2-25, 2-26, 2-27, 205-1, 205-2, 205-3, 206-1

Strong corporate governance goes beyond compliance with laws and regulations. Our commitment to maintaining fair and ethical business practices coupled with our zero-tolerance stance against corruption and fraud, helps instil trust and confidence in our stakeholders.

Furthermore, periodic reviews and updates of our key corporate policies are carried out by the respective policy holders to ensure that they remain relevant and aligned with our corporate purpose and operations:

- Anti-bribery Policy
- Board Diversity Policy
- Business Continuity Management Policy
- Code of Business Conduct
- Competition Act Compliance
- Complaints/Feedback Handling Policy
- Policy for Continuing Education of Capital Markets Services Representatives
- Corporate Social Responsibility Policy
- Documents Management and Retention Policy
- Diversity & Inclusion Policy
- Investor Relations Policy
- Personal Data Protection Policy
- Personal Data Breach Incident Management Policy
- Policy for Disclosure and Approval of Purchase of Property Projects
- Policy for Investment Management
- Policy for Prevention of Money Laundering and Countering of Financing of Terrorism
- Policy on Dealings in Units of Frasers Logistics & Commercial Trust and Reporting Procedure
- Procurement Policy
- Responsible Sourcing Policy

- Technology Risk Management Policy
- Treasury and Hedging Policy
- Valuation Policy
- Whistle-blowing Policy

These policies are approved by the senior leadership of the REIT Manager, and where required, by the Board.

Anti-Bribery, Anti-Corruption and Anti-Competition

At FLCT, we endeavour to uphold the highest standards of ethical business conduct and refrain from any involvement in unlawful practices. This is exemplified in our policies, namely the Anti-Bribery Policy, the Competition Act Compliance Manual and the Policy for Prevention of Money Laundering and Countering the Financing of Terrorism.

FLCT takes a proactive approach to ensure compliance with all applicable laws and regulations within the markets we operate in. This year, there were no records of any breaches of laws and regulations in relation to environment, bribery and corruption, anti-competitive behaviour and violations of anti-trust and monopoly legislation, or industry codes around marketing communications regarding the environment, health and safety regulations. As a proactive step, 90% of our employees in Singapore attended anti-corruption training sessions.

Whistle-Blowing and Raising Concerns

Our whistle-blowing policy plays a crucial role in promoting transparency and accountability within FLCT. Employees and stakeholders can access independent feedback channels which provide a secure avenue for reporting any concerns without fear of reprisal. These concerns can be reported through mail, electronic mail or by calling a hotline. Particularly, employees and stakeholders are encouraged to raise their concerns on any of the following issues relating to FLCT and its staff:

- Financial fraud and mismanagement;
- Bribery, corruption, conflict of interest and anti-competitive behaviour;
- Violation of any laws and regulations;
- Violation of legal or professional obligations;
- Discrimination and harassment;
- Deliberate concealment of any of the above; and
- Any other unethical behaviour that is inconsistent with FLCT's internal policies and procedures.

Individuals who wish to file a whistle-blowing report may refer to the details on our website.

Any report submitted through these channels are received by our Sponsor's Head of Group Internal Audit, who has been designated as an independent function to investigate all whistle-blowing reports. Every incident reported is handled in strict confidence and FLCT condemns any retaliatory actions taken against whistle-blowers. Should there be any incidences of retaliation be found, appropriate disciplinary action can be taken against the individuals involved.

Sustainability

In FY2023, we did not receive any cases via our whistle-blowing channels. We will continue to foster close collaboration with stakeholders and ensure that we pre-empt and mitigate any risks throughout our value chain. Additionally, our stakeholders can provide us with feedback, which can be done through various avenues such as email, and/or through our culture survey.

Supply Chain Management

Effective supply chain management is not only important for optimising operational efficiency but also for minimising risks. This conveys resilience and ensures a sustainable supply chain. For this, it is essential to continue to foster close partnerships through regular engagement with our suppliers which can facilitate alignment with our sustainability visions and values. In turn, this ensures that our high quality environmental, health and safety standards are upheld. These elements are clearly laid out in our Responsible

Sourcing Policy. For more information, please refer to the Materials and Supply Chain section on page 136 of this report.

Data Privacy

Data privacy is important for building a secure and ethical business environment. Ensuring that the confidentiality of our customers’ data is maintained develops trust with our stakeholders and complies with regulatory requirements. Through our Personal Data Protection Policy, we educate our employees on their responsibilities, thereby enabling us to safeguard the data confidentiality, security and protection of our information assets. In the event of any breach, the Personal Data Breach Incident Management Policy sets out clear procedures for employees to effectively manage and mitigate potential negative impacts.

There was no recorded information on security breaches in FY2023.

Aligning with the Monetary Authority of Singapore (“MAS”) Guidelines on Environmental Risk Management for Asset Managers

The guideline was issued by MAS to enhance the management of environmental risk for asset managers. Environmental risk arises from the potential adverse impacts from changes in the environment on economic activities and human well-being. Consequently, environmental risk has the potential to financially impact funds managed by asset managers. The guideline details MAS’ expectations over five key areas of environmental risk management. In alignment with this, we have implemented processes and practices that are essential to allow us to meet MAS’s expectations.

Key Areas of MAS Guidelines on Environmental Risk Management	Status
<p>Governance and strategy The Board and senior management should oversee integration of environmental risk considerations into asset managers’ roles and responsibilities, policies, strategies, business plans and product offerings.</p>	We expanded the Board’s oversight over the FLCT sustainability strategy by redefining the remit of the Audit, Risk and Compliance Committee (“ARCC”).
<p>Research and portfolio construction Asset managers should evaluate the potential impact of environmental risk on the return potential of our investments. Where required, asset managers should include measurement and management of material environmental risks present within the portfolio.</p>	Operational indicators (such as greenhouse gas emissions, energy, waste and water and indoor air quality) are measured, monitored, and evaluated as they can influence tenant demand – Please refer to the Energy and Carbon section on pages 131-133 of this report for further details.
<p>Portfolio risk management Asset managers should put in place appropriate processes and systems to systematically assess, manage and monitor the impact of any risk. Asset managers should also be well equipped through capacity building and training to assess, manage and monitor environmental risk. Where material, scenario analysis should be carried out to assess the environmental risk impact, portfolio resilience and their alignment with climate goals.</p>	FLCT has implemented processes to manage environmental risk – for further information, please refer to Risk-Based Management - Our Approach on pages 120-121 of this report for further details. Climate risk assessment comprising scenario analysis from rising temperatures was completed. The scenarios used were the below 2°C scenario (RCP 2.6) and below 4°C scenario (RCP 8.5) from the IPCC AR5. Following this, FLCT established a roadmap to achieve net-zero by 2050.
<p>Stewardship Asset managers should engage and where possible, work collaboratively with investee companies to improve risk profile, support their efforts in the transition towards more sustainable policies and practices.</p>	We have implemented asset enhancement initiatives with measures to improve energy and water efficiency and waste management.
<p>Disclosures Clear and meaningful disclosures referencing well-regarded international reporting frameworks. Disclosures should also be regularly reviewed for improvements, completeness, clarity and relevance.</p>	We continue to enhance disclosures to further align to the TCFD recommendations.

Responsible Investment

Our Approach

GRI 3-3

Responsible investment at FLCT entails making prudent investment choices that incorporate and elevate the social and environmental performance of our properties, creating long-term value for our stakeholders. Moreover, it ensures sustainable commercial benefits for our properties. This encompasses the implementation of sustainable financing, obtaining green building certifications and benchmarking our performance against established standards such as the GRESB Real Estate Assessment.

Our Sustainable Finance Framework guides our approach for our sustainable financing activities. To ensure that we have a robust framework, it has gone through an independent third-party assurance to ensure that it adheres to the following international principles and guidelines:

- Green Bond Principles (“GBP”) 2021, Sustainability Bond Guidelines (“SBG”) 2021 and Sustainability Linked Bond Principles (“SLBP”) 2020 by the International Capital Market Association (“ICMA”)
- Green Loan Principles (“GLP”) 2021 and Sustainability Linked Loan Principles (“SLLP”) 2021 by the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications and Trading Association

In keeping with our aim of elevating the environmental performance of our properties and enhancing our sustainability offerings, we endeavour to certify our properties against established green building standards such as the BCA Green Mark 2021 and PUB Water Efficient Building in Singapore, Green Star and/or NABERS in Australia as well as BREEAM in Germany, the Netherlands and the UK.

Besides environmental performance, we actively monitor our performance against the internationally recognised GRESB ratings (formerly known as the Global Real Estate Sustainability Benchmark). GRESB provides a benchmark for us to gauge our sustainability progress, allowing us to identify areas for growth.

Our Actions and Progress

Green & Sustainable Financing

FLCT is committed to further strengthening our green and sustainable financial practices, ensuring that they are in alignment with international standards. Our objective is to harness financing opportunities to realise our sustainability goals. We endeavour to structure FLCT’s new borrowings in the form of sustainability-linked or green/sustainable loans or bonds.

As at 30 September 2023, 64% of FLCT’s total borrowings are in the form of green, sustainable or sustainability-linked financing.

Our Green Portfolio

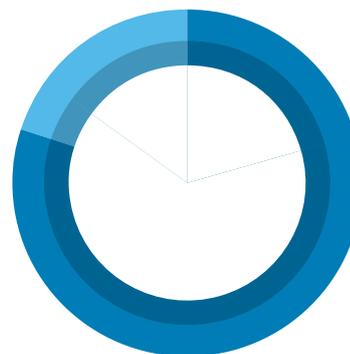
Certification of our properties with recognised green building certifications assures that FLCT is aligned with sustainable practices. This alignment also allows us to contribute to creating an environment which is more resilient and sustainable. As of 30 September 2023, 80% of our portfolio by GFA is green building certified or has been submitted for green building certifications.

With an average 4-Star Green Star Performance portfolio, FLCT retains its position as having the highest rated Green Star industrial portfolio in Australia. During the year, three of our properties in the Netherlands were certified with a BREEAM New Construction Certificate with a Very Good score.

Five of our existing assets in Germany were certified with a DGNB Gold certificate at the completion of their construction, in 2017-2018. In 2022, 16 German existing assets obtained BREEAM In-Use Certification, with nine further assets currently being certified. We are going to continue the BREEAM In-Use certification project in FY2024. In the Netherlands, five assets will be recertified, and one asset will be certified for the first time. In Germany, six assets will be certified for the first time.

In the UK, we acquired the prime logistics development Ellesmere Port located in Northwest England. The state-of-the-art facility will be leased to Peugeot upon completion, providing strong sustainability credentials through achieving a BREEAM Outstanding rating, EPC A, and reaching net-zero carbon in operation for CAT A works.

FLCT Portfolio Green Certification Status (by GFA)



Certified or submitted for certification	80%
Not certified	20%

Sustainability

Benchmarking Our ESG Performance via GRESB

In tandem with our green building certifications, our GRESB Real Estate Assessment scores play a pivotal role in providing both greater transparency and accountability for our investors to assess our sustainability performance. The GRESB Real Estate Assessment captures ESG performance and sustainability performance by assessing what investors and the industry consider to be material issues in the sustainability performance of real asset investments. The methodology that the assessment uses is aligned with international reporting frameworks.

FLCT maintained our 5-Star GRESB Real Estate Assessment rating this year, with an overall score of 88 points out of 100 and we are ranked second out of 18 in Asia-Pacific under the “Diversified – Office/Industrial” category. We remain steadfast in our commitment to advancing our sustainability progress, generating positive impact to our stakeholders.

Resilient Properties

Our Approach

GRI 3-3

Climate change has been shown to present significant risks to businesses. These risks range from supply chain disruptions, increasing operational risks requiring adaptation and changing regulations and consumer preferences. FLCT recognises that these risks have the potential to negatively impact our business financially. As an investor and manager of real estate, enhancing the resilience of our properties in the face of these future risks remain a priority. The integration of these risks into our financial risk management processes will enable us to effectively measure and manage our climate risks and opportunities.

In line with global climate goals, FLCT has set reduction targets, aiming to be net-zero across our business and value chain by 2050. Our near-term targets, in line with the 1.5°C warming scenario outlined in the Paris Agreement, have been validated by the SBTi. We will also be tapping on green and sustainable financing to facilitate this transition.

Our Actions and Progress

GRI 201-2

The table below outlines our approach and progress towards managing climate-related risks and opportunities.

TCFD core element	Our activities to support TCFD Alignment
Governance	
Describe the organisation’s governance around climate-related risks and opportunities.	<p>The Board of FLCT provides oversight on broader sustainability trends, risks and opportunities and FLCT’s sustainability strategy (redefining the scope of the audit, risk and compliance committees). This would facilitate linking sustainability with corporate purpose and strategy.</p> <p>The Board is supported by the Sponsor’s Sustainability Steering Committee and Group Sustainability team.</p> <p>We have expanded the Board’s oversight over the FLCT sustainability strategy by redefining the remit of the Audit, Risk and Compliance Committee.</p>
Describe management’s role in assessing and managing climate-related risks and opportunities.	<p>Sustainability metrics for senior management’s respective climate risk responsibilities were established, including the identification of potential opportunities. Updates on progress towards the management of climate-related risks are delivered to the Board quarterly to support decision making. As part of the senior management’s incentive plans, sustainability-related KPIs are set as targets and achievements are measured against the pre-agreed targets at the end of the financial year.</p> <p>To enhance the proficiency in evaluating climate risks and opportunities, three members of senior management underwent training in 2023 which focused on increasing alignment with the TCFD recommendations and how to develop a robust risk management for our strategy.</p>
Strategy	
Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	<p>We have prioritised key physical and transitional climate-related risks to FLCT based on their potential financial impact. We have also identified potential opportunities that we can leverage on.</p> <p>For further details on our assessed material risks and opportunities, please refer to Table A on page 127 of this report.</p>

TCFD core element	Our activities to support TCFD Alignment
<p>Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.</p>	<p>The evaluation of the various climate-related risks and opportunities encompassed financial impacts on operational revenue and costs in the absence of mitigation and the potential cost of damages to assets.</p> <p>FLCT developed an action plan to address and mitigate key physical and transition risks and prioritised strategies to achieve net-zero carbon by 2050. This includes (but is not limited to):</p> <ul style="list-style-type: none"> • Improving greenhouse gas data coverage to facilitate more targeted decision-making; • Developing enhanced green leases to help our tenants reduce power consumption while improving our visibility over energy usage patterns; and • Building partnerships for greater supply chain resilience
<p>Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<p>Property managers for our Australia portfolio at FLCT have developed a Resilience Policy and Framework to guide the sustainability strategy's implementation and embed resilience across these assets.</p> <p>The readiness assessment provided key recommendations for closer alignment with the TCFD recommendations and provided inputs to update the Resilience Policy and Framework.</p> <p>We have reassessed climate-related risks in our assets in line with Green Star performance. This process is conducted every three years to ensure a continuous review of risks and trends.</p> <p>We have performed a readiness assessment of our practices as they relate to managing climate-related risk. This informed a roadmap to align more closely with TCFD recommendations. Examples of actions within the roadmap include:</p> <ul style="list-style-type: none"> • Better integrating climate change risks and opportunities into strategic decision making • Providing annual training for business leaders • Strengthening processes to identify, assess, and manage climate-related risks and improving the quality of climate-related financial disclosures <p>This roadmap, approved by the FLCT Board, enables us to methodically address and mitigate physical and transition risks that are key to our business.</p>
<p>Risk Management</p>	
<p>Describe the organisation's processes for identifying and assessing climate-related risks.</p>	<p>Cognisant of the serious impact that climate-related risks have on our properties and operations, environmental risk has been included in the FLCT Risk Register for monitoring. The relevant key risk indicators include retaining a 4-Star GRESB Real Estate Assessment rating for the FLCT portfolio and future-proofing FLCT's assets via green initiatives.</p>
<p>Describe the organisation's processes for managing climate-related risks.</p>	<p>We strive to ensure that our investment process accurately captures physical and transitional climate risks.</p> <p>Further, climate-related risk is managed through the inclusion of 'Climate Adaptation Plans' across all Australian developing activities to help manage, mitigate, and where appropriate, adapt to climate change and its impacts.</p> <p>We have integrated mandatory criteria on climate-related risks into our acquisition process, including:</p> <ul style="list-style-type: none"> • Availability of climate risk assessments • Availability of climate change adaptation plans • Attributes including solar capacity, rainwater tank capacity, and availability of LED and EV charging stations • Certification against recognised green building standards <p>In addition, FPUK, which supports us in the management of FLCT's properties in the UK, has implemented a sustainability acquisitions checklist which considers, among other factors:</p> <ul style="list-style-type: none"> • Availability of climate risk assessments • Risk rating for various flood risks • History of climate-related events causing damage on site <p>We include provisions within new and renewed lease agreements for tenants to share environmental data with our asset managers. This enables us to monitor the usage of the property and provide performance benchmarks and guide tenants' electrical and water consumption to align with our own performance goals closely and consistently.</p>

Sustainability

TCFD core element	Our activities to support TCFD Alignment
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	<p>We have implemented an Environmental, Health & Safety Policy and an Environmental, Health & Safety Management System aligned to the ISO 14001 and ISO 45001 standards in our key operating regions.</p> <p>We included climate related issues in our environmental risk identification and commenced integrating our climate related risk identification activities within FLCT Enterprise Risk Management processes and associated risk register practices.</p>
Metrics and Targets	
Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	<p>To ensure that we are on track to meet our target of net-zero carbon emissions by 2050, we measure and disclose our performance using metrics including:</p> <ul style="list-style-type: none"> • Scope 1, 2 and 3 energy consumption (GJ) • Scope 1, 2 and 3 energy intensity (GJ/m²) • Absolute Scope 1, 2 and 3 greenhouse gas emissions (tCO₂e) • Scope 1, 2 and 3 greenhouse gas intensity (tCO₂e/m²) <p>FLCT has also restructured this ESG Report to better align with recommended TCFD disclosures.</p> <p>Across asset classes and regions, we certify our properties using third-party green building standards.</p> <p>As at 30 September 2023, 80% of our portfolio by GFA is certified or has been submitted for certification against third-party green building schemes such as Green Star, NABERS, BREEAM and BCA Green Mark. Refer to "Green Building Certification Progress" under the Responsible Investment section on page 123 of this report for a full list of certifications.</p> <p>Founded by GBCA in 2003 and built on a quality process accredited to ISO 9001 standards, the Green Star rating system and certification process is a benchmark for healthy, resilient, positive buildings and places. While our industrial properties in Australia are certified to an average of 4-Star Green Star Performance ratings, the highest in the country, we are targeting a minimum of 5-Star Green Star Design & As Built ratings for all new industrial projects.</p>
Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	<p>We are continuously increasing our carbon and climate related data coverage under Scopes 1, 2, and 3. Examples of new data disclosed in this ESG Report include:</p> <ul style="list-style-type: none"> • Scope 3 energy consumption (GJ) • Scope 3 energy intensity (GJ/m²) • Absolute Scope 3 greenhouse gas emissions (tCO₂e) • Scope 3 greenhouse gas intensity (tCO₂e/m²) <p>Please refer to the Energy and Carbon section for further information on metrics related to greenhouse gas emissions.</p>
Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	<p>Each year, we track and disclose Our Actions and Progress against our targets. Key initiatives include developing a road map to achieving net-zero carbon emissions by 2050, including setting interim carbon emissions targets, and submitting these targets to the SBTi for validation.</p> <p>As at 30 September 2023, 64% of our total borrowings are in the form of green, sustainable and/or sustainability-linked financing.</p> <p>FPUK, which supports the management of our properties in the UK, has also targeted to reduce its carbon emissions in its business parks, by taking steps such as phasing out gas in new developments, installing rooftop solar photovoltaics and greening the supply chain.</p>

Table A: FLCT's Climate-related Physical Risks**Physical Climate Risk**

Risk Description	Description of Potential Business Impact	Business Response
<p>Floods (flash floods and general/river floods)</p> <p>More frequent and intense levels of rainfall can lead to flooding as well as rising sea levels</p>	<p>Exposure of assets to river floods or heavy rain fall damaging both the built and surrounding infrastructure and natural environment. This impairs accessibility and damages functionality of buildings for tenants as well as stored goods. Consequentially, this necessitates increased frequency of repair and maintenance. Closure of operations and repairs and maintenance expenditures lower net income</p>	<p>As a minimum, all new developments are built to meet local planning requirements including flood management. This includes meeting site permeability requirements through landscape design.</p> <p>In Australia, customers are given access to a dedicated online customer platform which is monitored by facilities management teams. The response rate is measured in monthly Business Unit Reviews and enables the business to identify recurring impacts and improve design and construction decisions.</p> <p>In Australia, roof and all external facades are designed to handle extreme weather conditions. For example, by selecting roofing products that are hail-resistant and durable (long warranties), it is intended that this product will minimise damage to assets.</p> <p>In Europe, assets are being designed with rainwater retention where possible, which also reduces rainwater fees to the municipality. Additionally new developments are designed with rainwater tanks.</p>
<p>Rising temperatures</p> <p>Higher mean temperatures, heatwaves</p>	<p>Higher temperatures reduce durability of building materials and affect the indoor climate. This leads to higher expenses and more frequent maintenance checks and higher energy consumption required for cooling.</p> <p>Extreme temperatures also pose health and safety risks to workers. Restricting/shifting working hours can affect business productivity.</p>	<p>The impacts of increased heat on the thermal comfort of occupants are considered as part of development/asset-level climate adaptation plans, while the use of on-site and off-site renewable will help mitigate the emissions associated with the need for additional cooling. Some design responses to these climate adaptation plans include:</p> <ul style="list-style-type: none"> • High performance double glazing with low e-coating (Australia), triple glazing (in Europe) to minimise the ingress of heat transmission into the office spaces. • Loading canopies and outdoor shade areas are provided. Office areas and lunch/break rooms are conditioned. Shade and conditioned spaces provide workers with refuge from extreme heat during heatwaves. <p>FLCT has also implemented a due diligence checklist for all acquisitions which incorporates questions regarding the availability of a climate risk assessment and climate change adaptation plan.</p>
<p>Fire risk</p> <p>Increased potential and frequency of fire-related events linked to the warm and dry conditions due to climate change</p>	<p>Destruction of assets and the surrounding environment. Increased expenditure due to having to re-build and replace assets lost.</p>	<p>In Australia, developments are designed to be provided with a fire protection system, estate-based water supply, and complete vehicle perimeter access around all buildings. This will provide protection in the event of a fire and/or mains cut-off.</p> <p>In Australia, it is an ongoing performance requirement that this fire protection system is regularly tested and uses at least 80% recycled water.</p> <p>In Europe, the sprinkler system is tested monthly.</p>

Sustainability

Table B: FLCT's Climate-related Transition Risks and Opportunities

Transition Risks

Risk Description	Description of Potential Business Impact	Business Response
Carbon pricing	Increasing carbon prices across countries would lead to increased operating costs due to direct and indirect carbon taxes on energy consumption and from within the value chain. These increased operating costs would affect revenue and customers/tenants may move towards landlords who are able to mitigate/avoid these costs.	<p>FLCT has committed its alignment with FPL group to achieving net-zero carbon emissions by 2050 to prioritise deep emissions reductions and mitigate the potential impacts of any carbon pricing.</p> <p>The due diligence checklist for acquisition incorporates green building certification and sustainability attributes. Green building certification of a new acquisition is important for FLCT as it serves as a proxy for performance. Increased uptake of green building certifications across the regions where FLCT operates, many of which target increased resilience to physical and transitional climate-related shocks and stresses, is better positioning our organisation to unlock opportunities as a partner and landlord of choice.</p> <p>For Europe, a carbon price is already in place, and strategies to reduce carbon emissions (e.g. PV strategy, refurbishment paths, etc.) are currently developed. Acquisitions are also checked against their carbon emissions.</p>
Policy requirements for low carbon buildings	With evolving building sector standards and regulations and national policies, businesses may need to upgrade existing assets or ensure new builds or assets comply. This could lead to increased expenditure to retrofit existing assets and ensure new builds comply. Failure to meet these policy requirements can lead to reputational risks.	<p>The latest building standards and codes have been integrated into a new standard design brief.</p> <p>In Australia, potential customers interested in existing facilities complete an ESG survey from which the business gains insights about their current decarbonisation goals and initiatives as well as their willingness to engage with the development team to achieve them. These insights form decisions around which assets need to be upgraded (e.g. installing more solar or smart metering) and which customers can help the business manage this risk.</p> <p>For Europe, negotiations with external parties are currently underway to keep abreast of rapidly evolving regulatory requirements. New standard design is ahead of legal requirements especially with regards to energy efficiency and carbon emissions where possible.</p>

Transition Opportunities

Opportunity	Opportunity Description	Description of Potential Business Impact
Improving the resilience and energy efficiency of our portfolio	Improving energy efficiency would help to reduce operating costs. New technologies are becoming increasingly available to increase the energy efficiency of buildings.	<p>FLCT is increasing its commitment to renewable energy to further unlock associated benefits including reducing energy costs for our customers, accelerating decarbonisation, and reducing overall asset level energy demand.</p> <p>Increased uptake of green building certifications across the regions where FLCT operates, many of which target increased resilience to physical and transitional climate-related shocks and stresses, is better positioning our organisation to unlock opportunities as a partner and landlord of choice.</p> <p>One of the key performance requirements of these green building certifications is providing evidence of energy and water metering. Consumption is tracked through automatic data monitoring systems, which raise an alarm when the energy or water use increase beyond certain parameters and instantly issue an alert to the facilities manager.</p>
Increased access to green and sustainable financing	In appropriately managing our climate-related risks we can improve our alignment with sustainable financing criteria, unlocking greater access to capital with more favorable lending terms and reduced borrowing costs. This will also help position us a partner of choice for lenders looking to reduce their financed-emissions and reinforce our market leadership in this area.	FLCT continues with its green/sustainability-linked finance coverage with FY2023 seeing FLCT reaching 64% of overall financing being green/sustainability-linked.
Deepening partnerships with our tenants	As a landlord, collective efforts with our tenants are a crucial part for the decarbonisation of our operations. These partnerships enable us to drive sustainable practices within our shared spaces.	<p>In Australia, all new logistics & industrial leases include a GreenPower clause as standard practice to encourage future customers to purchase renewable electricity.</p> <p>An ESG checklist is included during the on-boarding of new tenants, to understand their sustainability commitments and to identify opportunities to collaborate on initiatives.</p> <p>The business also worked closely with tenants to achieve their decarbonisation goals, such as Climate Active's carbon neutral building certification. This included agreeing in the lease to subsidise the tenant's purchase of carbon offsets.</p> <p>For Europe, all new leases or lease addendums are signed with a green clause covering support with (consumption) data sharing, usage of sustainable products and where possible green power. Further sustainable topics are covered in tenant discussions and different strategies/papers/measures aim to increase tenant partnerships (energy guide, PV Strategy, Refurbishment paths, LED measures).</p>

Sustainability

Innovation

Our Approach

GRI 3-3

Innovation drives continuous growth, fosters adaptability, and allows us to create unique solutions to meet evolving market demands. As an employer, having a culture of innovation fuels creativity and empowers our team to contribute fresh ideas, strengthening our competitive edge in a rapidly changing business landscape.

To help them take their innovation to the next level, FLCT ensures that our employees undergo training, equipping them with the necessary skills to promote and implement new ideas. Employees are also encouraged to participate in workshops that teach them how to effectively collaborate online while working remotely.

Our Actions and Progress

As the business landscape rapidly changes, we are also cognisant of the need to leverage technology to adapt to new challenges. We have started implementing digital solutions to manage our portfolio of properties and make better-informed decisions. This includes a tenant application, MyICEPortal, which was soft-launched across our Sponsor's and FLCT's commercial properties in Singapore. This application aims to bring convenience to our office tenants that include the booking of amenities to assess the latest building updates and events.



Consuming Responsibly

In managing our industrial and commercial property portfolio across five developed markets, FLCT recognises our dual responsibility and valuable opportunity to minimise environmental impacts throughout our value chain. This entails the adoption of energy-efficient solutions, increased utilisation of renewable energy and collaborative partnerships for sustainable property practices. Continually adapting to meet evolving stakeholder needs, FLCT actively engages with and supports our tenants in their environmental objectives. Our approach encompasses establishing sustainable operational policies and conducting regular reviews to identify areas for improvement.

Our Progress

Focus Area	Our Goals	Our Progress in FY2023
Energy & Carbon	<ul style="list-style-type: none"> Be net-zero carbon in operation from 2050 	<ul style="list-style-type: none"> Developed roadmap to achieve net-zero carbon emissions by 2050, including setting interim carbon emissions targets Submitted carbon reduction targets to the SBTi for validation which was received in April 2023 Enhanced data coverage for Scope 1 and 3 emissions, monitoring closely on refrigerant and fuels purchased
Water	<ul style="list-style-type: none"> Achieve 20% water usage intensity reduction by 2030 from a baseline of 2015 for Singapore assets 	<ul style="list-style-type: none"> Water intensity remained relatively unchanged at 0.4 kL/m² Alexandra Technopark in Singapore is a certified Water Efficient Building by PUB
Waste	<ul style="list-style-type: none"> Develop a general waste and recycling program, a partnership with tenants under the green lease initiative in Singapore 	<ul style="list-style-type: none"> Increased scope of disclosure in this Report to include metrics on waste and recycling for landlord-controlled areas Reduction in waste generated in our commercial properties by 11.1% y-o-y Sent 17.0% of waste for recycling, a 15.6% y-o-y increase in recycling rate
Materials & Supply Chain	<ul style="list-style-type: none"> Establish a responsible sourcing policy and implement it by the start of 2021 	<ul style="list-style-type: none"> Implementation of Group Responsible Sourcing Policy underway Fraser's Property Australia, Fraser's Property Industrial Australia and FLT Australia Trust jointly published their third Modern Slavery Statement FPUK published its fourth Modern Slavery Statement
Biodiversity	<ul style="list-style-type: none"> Improve biodiversity outcomes and engagement activities with occupiers in the UK by FY2024 	<ul style="list-style-type: none"> Initiated across all business parks. FBP & BVP had surveys conducted in FY2023 to establish levels & state of biodiversity. Proven through FBP's 2023 Green Flag award.

Energy and Carbon

Our Approach

GRI 3-3

In the face of the climate emergency, businesses play an important role in adopting sustainable practices to actively reduce their impact and contribute to global efforts. Reducing our energy consumption and carbon emissions stands as an essential part of responsible business. As a REIT, we are aware of the importance of collaborating with our stakeholders in driving the transition to a low-carbon economy. Through these collaborations, we seek out potential avenues to decarbonise each stage of the building construction and operations.

During the year, we have successfully validated our near-term Science-based Targets. FLCT has committed to the reduction of carbon emissions. In this process, we have developed our roadmap to being net-zero by 2050, complete with interim carbon emission targets. Guided by these, we continue to take the following approaches:

- Measure and monitor our energy consumption and greenhouse gas (GHG) emissions
- Implement policies that would support sustainable business operations and the efficient use of resources
- Increase awareness and promote responsible consumption practices amongst tenants and customers

Our carbon inventory development is based on the requirements within the internationally recognised GHG Protocol Corporate Accounting and Reporting Standard as well as Corporate Value Chain (Scope 3) Accounting and Reporting Standard. The operational control approach is adopted for carbon inventory establishment. This ensures that we take ownership of emissions generated by activities from which economic profit is derived.

To generate meaningful insights for decarbonisation, we strive to enhance the accuracy and quality of our database. A more detailed set of environmental performance data will be published on our website in the ESG Databook, which is expected to be made available in due course.

Our Actions and Progress

Energy

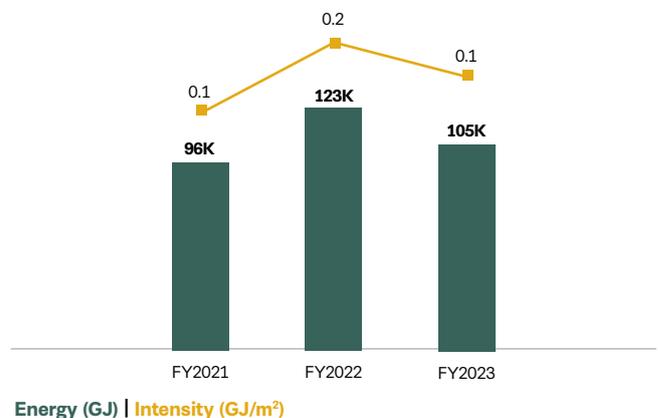
GRI 302-1, 302-3, 302-4, 305-2

Energy consumption¹ across our landlord-controlled areas arises mainly from electricity consumption, natural gas consumption and diesel purchased. The total electricity consumption at common areas across our Singapore, the UK and Australia operations in FY2023 continues to decrease as a testament to our efforts of identifying and implementing more energy efficient practices. A total of 23 GWh of grid electricity consumption was reported within FY2023, a 14.8% y-o-y decrease. Close to 23,000 GJ of natural gas was consumed in our Australia and UK commercial properties, a 16.9% reduction compared to FY2022.

We have also recorded the purchase of 200 kL of diesel at Alexandra Technopark in Singapore during the year. This leads to a total 105,072 GJ of energy consumed in FY2023, with a relatively unchanged energy intensity of 0.1 GJ/m².

Amongst our properties, FLCT’s logistics & industrial properties are fully tenant-controlled. Nevertheless, we continue to take proactive measures to engage with our tenants to reduce energy consumption. In FY2023, we have obtained more than 90% of our Australian and European industrial tenants’ electricity and natural gas data. This is significant as most of the energy usage in tenant-controlled areas stems from these two key regions. A large portion of the energy consumption in our tenant-controlled properties can be attributed to electricity use of 105 GWh and natural gas consumption of 389,289 GJ. With a better understanding of our tenants’ consumption behaviours, this enables us to give practical enhancement inputs.

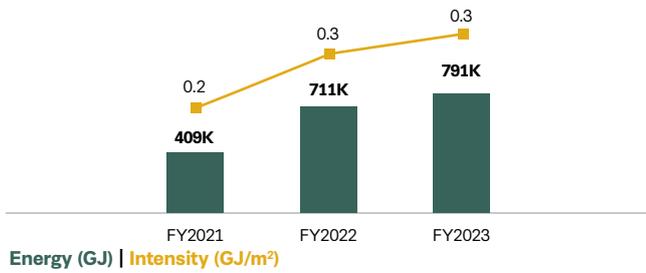
FLCT Landlord Energy (GJ) and Intensity (GJ/m²)



¹ Energy data for the reported periods are restated to factor in replacement of previous estimates with actual data. Fuel consumption has been restated for FY2021 and FY2022 to reflect overall performance over the years

Sustainability

FLCT Tenant Energy (GJ) and Intensity (GJ/m²)

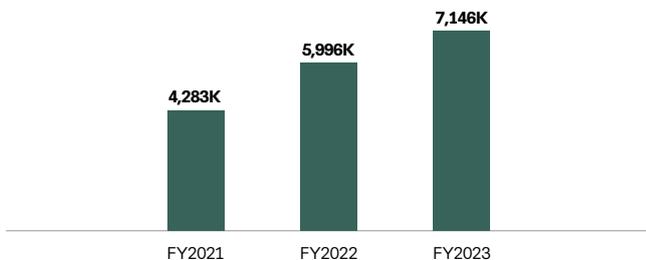


Green energy, particularly solar power supports FLCT’s commitment to achieving its goal of net-zero by 2050. Solar power represents a clean and sustainable energy source that not only reduces our carbon footprint but also fosters energy self-sufficiency. We seek to advance our commitment towards sustainable energy practices by implementing solar installation plans on our properties. In FY2023, we have installed 10,509 kW of solar panels on our properties, including 3,636 kW installed in Europe and the remaining 6,873 kW in Australia.

The amount of renewable energy generated on-site has shown steady growth over the years, with a 19.2% increase to 7.1 GWh from FY2022 to FY2023. We have also recorded a total of 1.7 GWh of solar energy exported out of our premises in FY2023.

In FY2023, our assets in the UK and Europe have purchased more than 9 GWh of renewable energy offsite. Such consistent rise in purchased green energy reflects the proactive measures taken to fortify our commitment to renewable energy sources.

Renewable Energy Generated Onsite (kWh)



Carbon Emissions

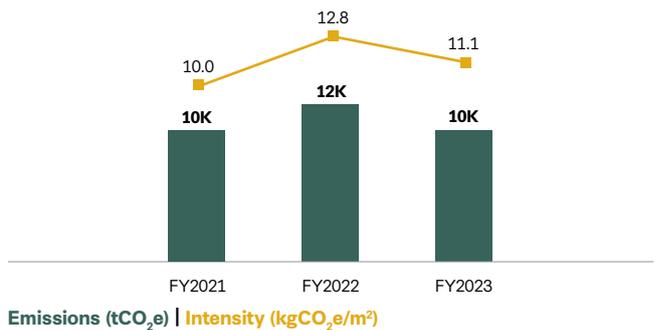
GRI 305-1, 305-2, 305-3, 305-4, 305-5

FLCT’s Scope 1 includes direct emissions from natural gas consumption, diesel purchased and refrigerant leakages² across our assets with direct operational control, while Scope 2 includes indirect emissions from purchased electricity consumed at common areas of FLCT at our managed buildings.

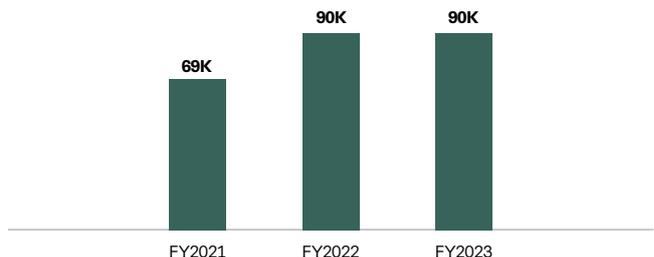
In FY2023, FLCT’s total Scope 1 and Scope 2 location-based carbon emissions amounted to 1 and 9 kilo tonnes of CO₂ equivalent (ktCO₂e) respectively³, a 17.1% decrease compared to FY2022 and a reduction of 39.7% as compared to the base year of FY2019. Our total Scope 2 market-based emissions was 7 ktCO₂e, with majority of the avoided emissions coming from our commercial properties in Australia and the UK.

As FLCT’s logistics & industrial properties are fully tenant-controlled, these do not contribute to our Scope 1 and 2 emissions. Four of the relevant Scope 3 categories include emissions arising from upstream energy-related transmission activities, employee remote working and commuting, waste generated in operations, as well as downstream leased assets. This year, our Scope 3 emissions was 90 ktCO₂e, representing a 4.8% increase from FY2022.

FLCT Scope 1 & 2 Location Based Emissions (tCO₂e) and Intensity (kgCO₂e/m²)



Scope 3 GHG Emission (tCO₂e) Category 3, 5, 7 & 13



² Refrigerant leakages are computed via proxies including top-up amount documented and 2% of overall machine specifications

³ Scope 1, 2 and 3 carbon emissions for the reported periods are restated to factor in replacement of previous estimates with actual data and updates in emission factors

Scope 3 Emissions by category	FY2023 emissions (ktCO ₂ e)
Category 3 Fuel- and energy-related activities	0.8
Category 5 Waste generated in operations	1.2
Category 7 Employee commuting⁴	<0.1
Category 13 Downstream leased assets	87.9

Our Decarbonisation Initiatives

We continue to make significant progress towards our target to be net-zero by 2050 through optimising our energy performance and reducing our reliance on non-renewable energy sources.

In FY2023, our key decarbonisation efforts include:

- Fully-electrified Air Source Heat Pumps have been installed at 150 Farnborough, thus eliminating the dependence on natural gas and has the potential of reducing primary consumption of energy by up to 60%. This initiative has reduced its energy use intensity (EUI), thereby attracting a potential new occupier.
- Installation of solar PV at Maxis Business Park – covering 8,746 square feet, this installation will save 45 tCO₂e per year, equivalent to planting 2,055 new trees.
- CarboniCa in-house carbon calculator tool for Maxis Business Park – with the extensive reuse of furniture, a reduction of 5.6 tCO₂e in embodied carbon was calculated.
- Climate Active certified – meeting the requirements of the climate active carbon neutral standard which are to measure, reduce and offset remaining carbon emissions.

To benchmark our energy efficiency efforts, several of FLCT's properties are certified by renowned third-party green building standards. Our properties in Australia are assessed against the National Australian Built Environment Rating System (NABERS) Energy ratings, which evaluates building efficiency across four areas (energy, water, waste and indoor environment). Out of six stars, each of our Australia commercial properties has at least a score of 4.5 stars, with 357 Collins Street achieving a 6-star score, showcasing a pinnacle level of performance. Besides NABERS, Alexandra Technopark in Singapore is certified ISO 50001⁵ and ISO 14001⁶, demonstrating optimal energy efficiency.

FLCT's business parks in the UK are all certified against ISO 14001 standards and aligned with FPUK's roadmap. The roadmap outlines FPUK's path to achieving net-zero carbon emissions across all its landlord-controlled areas by 2030. In addition to this, FLCT's UK properties are aligned with Better Buildings Partnership's ("BBP's") UK net-zero carbon framework.

Water

Our Approach

GRI 3-3, 303-1, 303-2

Water is essential to our business and operations, from its use in construction activities to our domestic and process uses. With more than 50% of FLCT's assets located in countries faced with high or extremely high water stress⁷, this emphasises the importance of consuming water sustainably and responsibly. Coupled with the effects of climate change, the effects of water scarcity are set to increase. As such, reducing our water footprint remains one of our biggest priorities that needs to be managed.

With the importance of water for our business and location of some of our assets, we have set a goal to reduce the water footprint intensity of our Singapore assets by 20% by 2030 compared to the baseline year of 2015. Given our role as owner and manager of logistics and commercial properties, this goal requires us to work closely with our tenants. We have accomplished this by measuring, monitoring, and managing their water use, along with evaluating our properties against established third-party building certifications.

⁴ 47 tCO₂e is calculated for Category 7 based on 43% of response rate from our annual employee commuting survey.

⁵ ISO 50001 – energy management requires the organisation to establish, manage and improve energy consumption and efficiency

⁶ ISO 14001– specifies requirements for an environmental management system that an organisation uses to enhance environmental performance

⁷ According to the classification by the World Resources Institute's research (2013)

Sustainability

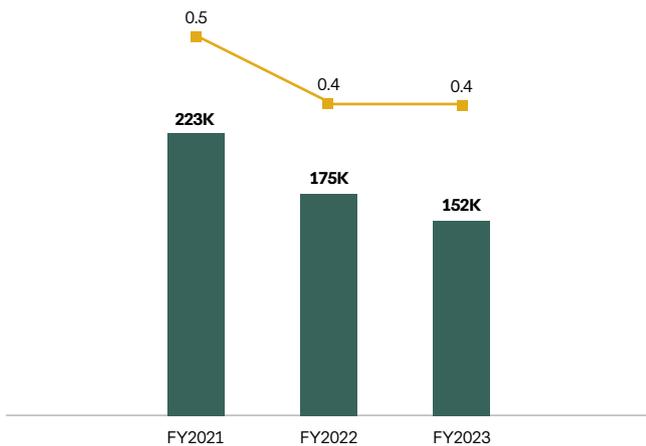
Our Actions and Progress

GRI 303-1, 303-2, 303-3

Water for FLCT’s industrial and commercial portfolio is supplied by municipal water suppliers, which are from various sources (i.e. surface water, groundwater and seawater). The water discharged is also handled by municipalities.

In FY2023, we saw a decrease of 13.3% y-o-y in water consumption at the common areas of our commercial properties. Water intensity remained relatively unchanged, landing at 0.4 kL/m². In Singapore, 30 megalitres of NEWater⁸ were consumed at Alexandra Technopark. We have also reused over 4 megalitres of rainwater at Caroline Chisholm Centre for multiple purposes such as irrigation and cleaning.

Landlord Water Consumption (kL) and Intensity (kL/m²)



Landlord Water Consumption (kL) | Intensity (kL/m²)

Comparing our performance against established third-party building certifications not only allows us to assess our adherence to industry standards but also to gauge the effectiveness of our sustainable water management initiatives and identify areas for improvement. Both our properties at 357 Collins Street in Melbourne and Caroline Chisholm Centre in Canberra have retained their NABERS water ratings of 6.0 and 5.5 stars respectively. Central Park in Perth holds a 3.5-star NABERS rating. In Singapore, Alexandra Technopark was certified as a Water Efficient Building by PUB having installed water efficient fixtures.

For tenanted areas, total water consumption in our properties across all five geographies that we operate in saw a 16.2% decrease y-o-y, to 230 megalitres⁹. Tenants at our industrial assets in Australia consumed 156 megalitres of water within FY2023. In tandem, their water intensity decreased by 19.2% compared to FY2022.

As our tenants form the major source of water consumption, working together with our tenants is a key to managing consumption. As an essential starting point, we have been collating water consumption data from our tenant-controlled areas and we strive to continually enhance our coverage of these areas.

With the data collated, we would be able to identify our top water usage intensive properties and subsequently engage the tenants within them. In these engagements, we present recommendations for improvements and ways to incorporate these into FLCT’s development activities or asset enhancement deliveries, where possible.



WATER CONSUMPTION MONITORING

Riding on a successful pilot of using Smartvatten devices in our industrial assets in the Netherlands, installation was expanded to our properties in Germany. This required us to engage with our German tenants through interactive training and workshops. These sessions provided insights into the importance of monitoring water consumption and how the Smartvatten devices can help to increase water efficiency. These workshops provided tenants an avenue to voice their specific needs, enabling us to ensure the effective installation of devices. Currently 90% of our German properties have Smartvatten devices installed.

Leveraging on these smart water systems allows our customers to obtain their water usage data straight from the meter, saving time and effort. Particularly, this would be important to identify and mitigate potential leaks, thus prevent wastage and allow for efficient water use.

⁸ In Singapore, NEWater is reclaimed water produced through advanced water treatment processes, including microfiltration, reverse osmosis, and ultraviolet disinfection. It is primarily used for non-potable purposes such as industrial processes, cooling water for power plants, and irrigating public spaces

⁹ Water data for the reported periods are restated to factor in replacement of previous estimates with actual data, covering around 95% of water consumption at tenanted areas.

Waste

Our Approach

GRI 3-3, 306-1, 306-3

Waste generation is an inevitable byproduct of our various activities such as construction materials and activities and from domestic and process use during operations. Managing our waste remains important not only for complying with regulatory requirements but also aligns with our commitment to consuming responsibly. Furthermore, effective management is crucial to our group-wide efforts of reducing our environmental footprint and aligning with our commitment to operate sustainably.

If not carefully managed, the waste we produce can impact our business, environment and reputation. Conversely, when well-managed, can have several benefits including cost savings through efficient use of resources and possibly promote innovative thinking on how to reduce and reuse various resources. FLCT takes a partnership-based approach towards waste management. For our properties in Singapore, our goal is to implement a general waste and recycling programme through close collaborations with our tenants under our green lease initiative.

Our Actions and Progress

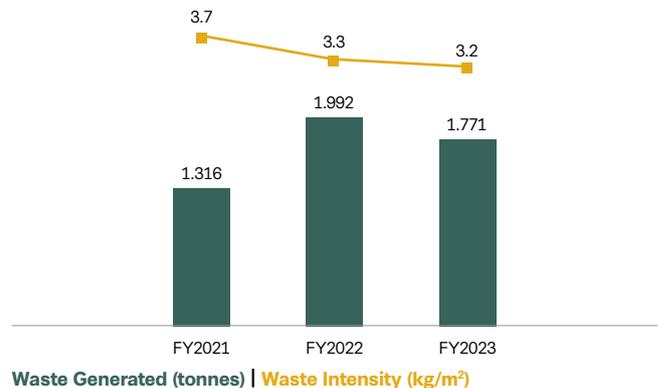
GRI 306-2, 306-3, 306-4, 306-5

All waste collected at our various properties are handled by licensed waste collectors. Singapore adopts waste-to-energy incineration to handle most domestic waste produced, alongside various recycling initiatives such as the national recycling programme which involves collecting smaller recyclables including paper and plastics to more specialised types such as electronic waste.

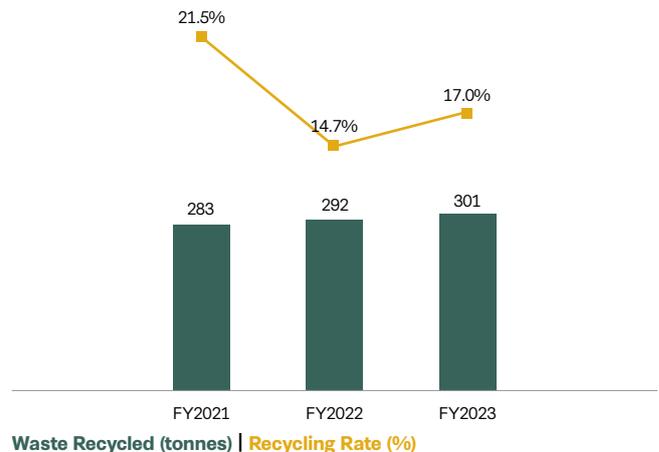
Across our commercial properties, the amount of waste generated continued to decrease whereby a total of 1,771 tonnes of waste¹⁰ was collected. Correspondingly, waste intensity decreased to 3.2 kg/m². For all general waste collected, 19.0% was incinerated, 21.6% was sent for landfill, 42.4% was sent to unknown destination and the remaining was recycled. We have successfully recycled 301 tonnes of waste in FY2023, including 31.7% of comingled recyclables, 20.3% of paper and cardboard, and the rest being various materials such as glass and metal. A 15.6% y-o-y increase in recycling rate was observed, stemming from increased participation rates amongst our tenants and the public through various engagements and initiatives at our properties.

Some recycling initiatives that we continue to maintain include recycling of used cooking oil into other products such as biofuel and livestock feed at 357 Collins Street in Australia. In Singapore, to encourage our commercial tenants to recycle electronic waste (“e-waste”) we have continued to partner with ALBA E-waste and recycled 319 kg in FY2023 from Alexandra Technopark. The e-waste collected in Singapore is processed under a national regulated e-waste management system. These recycling initiatives in Singapore are some of the steps we are taking towards achieving the general waste and recycling programme under our green lease initiative, in partnership with our tenants.

Waste Generated (tonnes) and Waste Intensity (kg/m²)



Waste Recycled (tonnes) and Recycling Rate (%)



¹⁰ Waste data for the reported periods are restated to factor in replacement of previous estimates with actual data. Waste generated and recycled is based on whole building area for properties we have direct operational control on. We do not report our waste generation for industrial properties as it is largely dependent on tenants' economic activity and are hence not meaningful

Sustainability

Materials and Supply Chain

In FY2023, our Sponsor set a new goal of engaging 75% of suppliers by spending on our Responsible Sourcing Policy by the end of FY2025. This will be achieved through our supplier e-learning programme, designed to strengthen sustainability awareness and capabilities across our supply chain, along with other direct engagement strategies. We will be onboarding suppliers of the REIT Manager onto the programme, which aims to encourage and equip our stakeholders to implement sustainable business practices. This will serve as a springboard towards reducing environmental and social impacts in our value chain.

Our Approach

GRI 3-3

As an investor of industrial and commercial properties, we are aware of our position in influencing our supply chain and use of materials within our value chain. Our Responsible Sourcing Policy is aligned to our Sponsor's Group Responsible Sourcing Policy and governs our approach to sustainable procurement. Through mapping of our value chain, we identified our key suppliers based on the level of environmental and social risks. With this assessment, we engaged our key suppliers on our Responsible Sourcing policy, which was implemented detailing the expectations of our contractors and suppliers across the following four key areas:

- Environmental management – To manage the environmental impacts of their products and services and continuously seek to improve their environmental efforts
- Human rights and labour management – To eliminate human rights violations and oppose human trafficking in their operations and supply chains and provide fair and transparent employment conditions to their employees
- Health, safety and well-being – To manage health and safety risks and ensure that workers are safe and protected
- Business ethics and integrity – To uphold strong business ethics and ensure that business is conducted lawfully and with integrity

Our Actions and Progress

At FLCT, our Modern Slavery Statement demonstrates our zero-tolerance stance toward any form of modern

slavery in our operations. Eliminating modern slavery is our commitment towards improving the well-being of our stakeholders across our Australian portfolio. This also emphasises our commitment to ethical practices, transparency and upholding human rights.

Together with Frasers Property Australia and Frasers Property Industrial, we have published our third Modern Slavery Statement which is based on a robust framework focusing on identifying, mitigating, and remediating modern slavery risks and assessing the effectiveness of these actions.

In FY2023, 123 suppliers completed the Modern Slavery Supplier Assessment in partnership with the Property Council of Australia, the technology company Informed365, and other leading property developers through the Property Council of Australia Supplier Platform. As we further develop our understanding of and approach to reducing the risks of modern slavery, we will expand our engagement by rolling out the assessment to other suppliers. To ensure relevance, all suppliers that have gone through the assessment will be required to do an annual resubmission.

Continuous engagement with our various stakeholders is crucial to building strong relationships and fosters collaborations. These partnerships are instrumental in achieving our sustainability goals and objectives effectively. For our industrial tenants, we have incorporated a green lease standard which promotes the use of sustainable materials and efficient management of properties.

Biodiversity

Our Approach

GRI 3-3

Biodiversity underpins economic development, providing several key ecosystem services such as clean air and water, as well as promoting both physical and mental well-being through recreation. Despite this, biodiversity remains under threat from various activities such as habitat destruction, climate change and pollution. In the built environment, avenues for creating positive impacts include incorporating habitat creation, conserving or restoring natural areas and implementing sustainable landscaping practices that support local flora and fauna.

The introduction of the Kunming Montreal Global Biodiversity Framework alongside complementary frameworks such as the Taskforce on Nature-related Financial Disclosures (“TNFD”) and the Science-Based Targets for Nature (“SBTN”), presents us with the opportunity to mitigate FLCT’s impacts on biodiversity. This provides a platform for identifying strategic focal points where our actions can best contribute to biodiversity protection and conservation.

Recognising the importance of biodiversity in sustaining our environment, we are committed to exploring ways to measure and address our impacts on nature, together with our Sponsor. One of our Sponsor’s refreshed Group-wide ESG Goals involves developing a framework by FY2025 to guide the assessment and prioritisation of biodiversity risks and opportunities. The framework will be a foundational step within a wider roadmap to promote sustainable use of biodiversity within the organisation.

As part of our evolving goals, we are committed to exploring ways to measure and address our impacts on nature.



Sustaining Urban Biodiversity at Farnborough Business Park

Farnborough Business Park exemplifies biodiversity within a suburban commercial environment and values the surrounding natural areas, heritage, and diverse built form. In combination with modern sustainable offices and accessible public spaces, Farnborough Business Park stands as a resilient and adaptable business park.

In FY2023, through baseline and ongoing surveys, engagement with the local community and ecological advice, the team managing Farnborough Business Park created an action plan to continue enhancing biodiversity throughout the park. Urban trees, better woodland management, modified grasslands, roadside landscaping, ornamental ponds, and open mosaic habitats, are all key natural features either currently found or are planned to be introduced throughout the business park.

Key urban greening initiatives introduced prior to 2023 include the exterior green walls on the double stacked car parks which sit opposite the main building at Farnborough Business Park – which was once the main terminal building of Farnborough airport – serving as a visual testament of our efforts towards the natural environment. Additionally, the Grade I listed hangar frame and surrounding green spaces offer our occupiers an open green space to relax, work and interact.

Sustainability



Focusing on People

At FLCT, we recognise that people are our greatest asset, and we strive to create an environment where they can thrive and reach their full potential. We foster the development of core skills such as resilience and design thinking by investing in continuous employee growth, while cultivating a progressive, respectful, and diverse culture.

FLCT’s goal is to create lasting value and contribute to the well-being of the communities in which we operate. As part of our commitment to social responsibility, we continually invest in our local communities and establish policies that strengthen human capital and ensure equitable outcomes. Additionally, we actively engage stakeholders through collaboration, education, and advocacy to make a positive impact in the core areas of Health, Education and the Environment.

Our Actions and Progress

Focus Area	Our Goals	Our Progress in FY2023
Diversity, Equity & Inclusion	<ul style="list-style-type: none"> To embed diversity, equity and inclusion in our culture through employee engagement To provide training and education that raises employee awareness of diversity and inclusion and associated benefits To enhance processes and policies to encourage greater flexibility and diversity 	<ul style="list-style-type: none"> Women made up 12.5% and 80% of the Board of Directors and senior management respectively
Skills & Leadership	<ul style="list-style-type: none"> To ensure continuous learning to build a resilient organisation 	<ul style="list-style-type: none"> Achieved 19 learning hours per employee per year
Health & Well-being	<ul style="list-style-type: none"> To transform our workplace by building a wellness culture that positively engages employees To create awareness of health management, support mental wellness and foster a connected workforce To create a safe working environment and achieve zero injuries 	<ul style="list-style-type: none"> Zero incident of injuries for employees and zero incident of high-consequence or work related injuries for contractors ISO 45001 certification for our commercial property in Singapore
Community Connectedness	<ul style="list-style-type: none"> To seek meaningful long-term relationships that respect local cultures and create lasting benefits To identify measurements to quantify positive contributions 	<ul style="list-style-type: none"> Supported the Milk and Diapers Programme with employee volunteering

Diversity, Equity, and Inclusion (“DEI”)

GRI 2-8

Our Approach

GRI 3-3, 2-29

FLCT embraces diversity and is deeply committed to cultivating an inclusive workplace. We firmly believe that a diverse talent pool is a catalyst for fostering growth and driving innovation. At FLCT, job opportunities are offered based on merit, regardless of age, race, gender, religion, marital status or disability. We view diversity as an asset that empowers us to create a thriving and vibrant workplace. The diversity significantly enhances our business performance by boosting our productivity and retaining our talented employees.

Frasers Property, of which the REIT Manager is a part of, is a signatory to Singapore’s Tripartite Alliance for Fair & Progressive Employer Practices (“TAFEP”), underscoring our commitment to implementing fair and progressive HR practices. Additionally, as a member of the Singapore National Employer Federation, we ensure alignment with the latest statutory guidelines and national standards. We maintain an open appraisal system for all REIT Manager employees, with rewards based on meritocracy.

In addition to this, all employees are expected to uphold the principles of fairness and equality as enshrined in the Code of Business Conduct and Frasers Property Group’s Diversity and Inclusion Policy. We are also in alignment with our Sponsor’s Group DEI Policy and Framework. The framework comprises four key equity strands: gender equity, generation equity, cultural equity and ability equity.



Our human resources department is tasked with the responsibility of overseeing these policies, as well as handling instances of discrimination and harassment that may arise. Employees can report such incidents through our Sponsor’s whistleblowing channels. FLCT is committed to resolving all cases and implementing the necessary remediation measures.

To foster a culture of diversity and inclusivity, we regularly engage our employees in surveys, such as the biennial Culture Survey led by our Sponsor. The insights gained from these engagements not only enhance our understanding of our teams’ work dynamics but also promote improved communication and cooperation among employees.

FLCT recognises the importance of building a sustainable talent pipeline. We carry out yearly performance evaluations that encompass an open and transparent appraisal approach, enabling our employees to evaluate their performance and gain insights into their career growth. All staff eligible for incentives receive a performance and career development review. Our reward system is rooted in meritocracy, ensuring that employees are recognised and incentivised based on their achievements. Moreover, we are committed to fostering equal access to opportunities for all, promoting a pathway for professional development. This underscores our dedication to fostering a work environment that nurtures individual growth and potential.

Our Actions and Progress
GRI 2-7, 401-1, 404-3, 405-1

All permanent employees received a performance and career development review in FY2023. In addition, we had a participation rate of over more than 90% for our Culture Survey led by our Sponsor every two years. The strong level of participation in the culture survey enabled us to obtain a meaningful understanding of the organisational culture and employee considerations. Following the survey, employee engagement sessions were organised, where the survey results were shared and feedback from employees were also collected. The feedback were shared with management for their strategic action planning to strengthen our organisational culture.

We also embrace a workforce that spans diverse age groups, demonstrating our commitment to equal opportunity employment. Recognising the significance of age diversity, FLCT values the unique perspectives and experiences that each generation brings to our operations. This inclusivity enhances innovation, collaboration, and a dynamic work environment, enabling us to better serve our customers and navigate the ever-changing business landscape.

Sustainability

Hiring & Turnover Rates

	Female	Male	Age under 30	Age 30 - 50	Age over 50	Singapore	Rest of the world
Hiring rate	13%	5%	5%	13%	0%	16%	3%
Turnover rate	11%	11%	3%	13%	5%	13%	8%

We measure progress against applicable international standards by tracking and disclosing our employee composition in alignment with relevant GRI recommendations.

As at 30 September 2023, all 38 employees of the REIT Manager were permanent, full-time employees, with no temporary or part-time employees. 76% of the employees are based in Singapore and the remaining 24% outside of Singapore. Women made up 63% of REIT Manager employees and 80% of its senior management. They also held 12.5% of positions on the Board.

In FY2023, seven employees were hired, while eight employees contributed to the total turnover over the year. A breakdown of hiring and turnover rates during the reporting period by gender, age group and region is presented in the table above.

Skills and Leadership

Our Approach

GRI 3-3

In recognition of the substantial digitalisation and innovation reshaping the real estate sector, FLCT strives to proactively empower our team with the necessary competencies. We aim to ensure that our team possesses not only the ability to keep pace with industry changes but also to be leaders in this evolving landscape. We are confident that by investing in our people, we will continue to thrive in a world that is constantly evolving. To this end, we collaborate closely with our Sponsor’s Talent & Learning team, which identifies and curates comprehensive training programmes to meet the diverse needs of our employees.

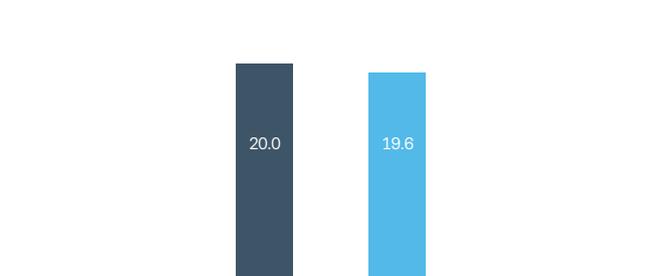
Our Actions and Progress

GRI 404-1, 404-2

FLCT participates actively in learning needs dialogue discussions alongside our Sponsor’s Talent & Learning team. During these sessions, we engage in constructive discussions about our employees’ learning needs, devising solutions that align with our business priorities.

19 Average Learning Hours in FY2023

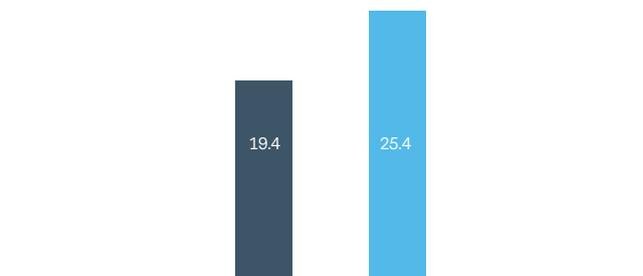
Average Learning Hours by Gender



Female | Male

	Gender
Female	20.0
Male	19.6

Average Learning Hours by Employment Category



Executive | Non-Executive

	Employment Category
Executive	19.4
Non-Executive	25.4

In FY2023, our employees continued to participate actively in learning and development programmes, with each employee undergoing an average of 19 learning hours as at 30 September 2023. By equipping our employees with knowledge on sustainability concepts and practices, we ensure that they are empowered to integrate eco-conscious decisions into their roles and responsibilities. This enables them to develop a deeper appreciation for sustainability and its implications across various aspects of our operations. All our new hires undergo sustainability training via an e-learning module. Further, to ensure that sustainability is incorporated into our strategy at the highest levels, every member of our Board underwent SGX-prescribed sustainability training in FY2023.

Health and Well-being

Our Approach

GRI 3-3

Recognising the global reach of FLCT's portfolio and the diversity within our workforce, our utmost priority lies in safeguarding the holistic well-being of our stakeholders, be it our employees, tenants or the local communities that we engage with. To ensure this, we maintain rigorous safety and well-being standards across our workplace practices and in the development and management of our assets. We acknowledge that our actions have an impact that extends beyond our organisation and can significantly affect our stakeholders. We are committed to creating a secure and healthy environment for people to work, live and enjoy leisure activities. This commitment is underscored by our unwavering efforts to uphold the highest safety standards within our workplace and across all our business operations.

Upholding the Highest Occupational Health and Safety Standards Across Our Properties

GRI 403-1, 403-2, 403-4, 403-7, 403-8

We are dedicated to safeguarding the well-being and safety of our employees, contractors, clients and the neighbourhood in which we operate. At FLCT, we prioritise the creation of healthy working environments within our properties through a well-established safety framework guided by our Health, Safety and Environment Policy. In line with this framework, we have established a robust occupational health and safety ("OHS") management system that aligns with ISO 45001:2018 within two of our properties, Alexandra Technopark in Singapore and 357 Collins Street in Melbourne, Australia. This standard specifies requirements for an OHS management system, allowing us to vigilantly monitor and address potential risks.

As part of our unwavering dedication to safety, we consistently inform to the Audit, Risk and Compliance Committee and our Board of any material events and actions to rectify any incidents.

In addition, all employees are encouraged to report any work-related hazard they observe and have the freedom to remove themselves from potentially hazardous situations, without fear of reprisal. Employees can also look to the whistle-blowing channels to make these reports.

Furthermore, we take guidance from our Sponsor's Enterprise Risk Management ("ERM") framework, which encompasses the tracking of health and safety risks.

Cultivating Holistic Employee Health, Safety and Well-Being

GRI 403-6, 401-2, 401-3

We recognise that maintaining a healthy work life balance is pivotal for the overall satisfaction, long-term success and productivity of our employees. A balanced work-life equation not only enhances employee morale but also contributes to reduced stress levels, increased job satisfaction and higher retention of top talent.

As a part of Frasers Property, all our full-time and contract employees have access to a suite of welfare and benefits. These include insurance, medical and dental benefits, maternity and parental leave and family care leave. In line with the social security policies legislated, we make monthly contributions to our Singapore employees' Central Provident Fund accounts and, to our Australian employees' superannuation fund accounts. These contributions are a vital component of our comprehensive benefit package, aimed at ensuring our employees have a secure financial future.



Sustainability

On top of these benefits, employees of the REIT Manager have access to our Sponsor's Employee Assistance Program ("EAP") which provides confidential counselling to our employees.

To achieve this, our Sponsor's Corporate Wellness team takes great pride in crafting programs that foster a workplace culture deeply committed to the well-being of our staff. These programs operate within our Sponsor's Group Corporate Wellness Framework, covering various dimensions of well-being, including physical, mental, financial and environmental aspects.

Our commitment to maintaining a healthy work-life balance stems from our understanding of its positive impact on our employees' overall well-being, job satisfaction, and ultimately, the success of our organisation.

Creating Places for the Good of Tenant Health and Well-Being

GRI 403-6

Our tenants spend a considerable amount of time in our spaces. As one of our major immediate stakeholders, designing spaces with safety and well-being in mind is crucial to creating an environment that promotes good health, productivity and overall quality for our tenants. We benchmark our space through various frameworks like the WELL health-safety rating for our Australian properties and Fitwel in the UK. Moreover, we carry out Indoor Environment Quality (IEQ) assessments as a part of the Green Star Performance indicators.

Our Actions and Progress

Upholding The Highest Occupational Health and Safety Standards Across Our Properties

GRI 403-1, 403-2, 403-4, 403-7, 403-9, 403-10

Our employees work across various functions and environments, thus the main hazards they face would vary. In our office environments, some examples of the main hazards would include ergonomic issues, slip and trip hazards. All FLCT employees, activities and workplaces are covered by the occupational health and safety management system. No work-related fatalities, high-consequence injuries, recordable injuries, work-related ill health or significant safety-related non-compliance cases were recorded across our properties in FY2023.

Cultivating Holistic Employee Health, Safety and Well-Being

GRI 403-6

In FY2023, 7% of the REIT Manager's male employees and 4% of our female employees were availed paid parental leave, of which all of these employees returned to work in the same year. Of the REIT Manager employees who took parental leave in FY2022, half remained employed with the REIT Manager a year later. None of our employees went on maternity leave in the previous reporting year. We firmly believe in fostering a workplace culture that champions gender equality and family values. In FY2022, within our Australian operations, we implemented a gender-neutral approach to parental leave, offering an 18-week primary parental leave option.

We highly respect our employees' diverse responsibilities and needs at various life stages. To accommodate this diversity, we have in place a flexible work arrangement policy for all Singapore-based non-shift staff. This policy empowers them to tailor their work to their specific needs, whether through job sharing, flexible hours, or remote work options. Additionally, we have introduced a special initiative in Singapore, designating the last Friday of each school term as 'Eat with Your Family Day'. This encourages employees to leave work early and spend quality time with their loved ones.

Creating Places for the Good of Tenant Health and Well-Being

GRI 403-6

In our property design and management, we prioritise the health and well-being of our tenants, recognising the time they spend in our spaces. Some of the key achievements for FY2023 include:

- **Central Park** in Perth was one of the first assets in Western Australia to have earned the WELL health-safety rating, due to features like handwashing support, cleaning practices, health services and air, and water quality monitoring protocols.
- **Blythe Valley Business Park** is in the midst of collating documentation for a Fitwel 2-star certification.
- **Farnborough Business Park** in the UK has earned a Fitwel commercial site certification with a prestigious 3-Star rating, establishing a global benchmark for exceptionally healthy business parks.

- **Maxis Business Park's** health and well-being framework encompasses key focus areas of maintaining high air quality standards, promoting active travel and transport through accessible pedestrian walkways and outdoor spaces, providing access to healthier food choices and hosting events that are in line with the theme of supporting healthy outcomes.

We are also actively conducting IEQ assessments in alignment with the Green Star Performance indicators. As at 30 September 2023, we have successfully conducted the assessments in all but one of our industrial properties in Australia.

Community Connectedness

Our Approach

GRI 3-3

At FLCT, we are devoted to building genuine and enduring relationships with our guests, employees, suppliers, and local communities where we operate. We express this commitment through our involvement in community investment activities, including food donations, as well as guest engagement initiatives such as residence career talks. These initiatives aim to enhance the sense of community connectedness and foster a stronger, more interconnected community.

We are committed to being responsible corporate citizens. We aim to make a positive impact on the communities where we operate, fostering a sense of belonging and well-being among our stakeholders. To ensure the efficient execution of our programmes, we deploy community managers at our Singapore commercial property and maintain dedicated community development teams in Australia, underscoring our dedication to enhancing our community service efforts. We consistently seek feedback from our tenants through surveys to build in improvements to our various programmes.

Our Actions and Progress

We share in our Sponsor's mission of "Inspiring experiences, creating places for good". We dedicate our resources towards making a positive difference to society, in key focus areas of health, environment and local communities, and understanding and engaging with our employees and tenants. This year, employees from our REIT Manager volunteered with packing milk powder tins and diaper packs for beneficiaries under the Milk & Diapers Programme, which provides parents from low-income families with milk and diapers for children up to three years of age.

In the UK, the engagement of our stakeholders is outlined by the targets set through our social value framework. Every year, each business park selects a local charity to support. In FY2023, 300kg of easter eggs were donated to the Farnborough Food Bank to spread the festive joy to the children and families that they support. Both Chineham Park (owned by the Sponsor) and Farnborough Business Park have been re-awarded the Green Flag Award which recognises well-managed public parks and green spaces. The award sets the benchmark for the management of recreational outdoor spaces across the UK and around the world.



MILK & DIAPERS 2023

FLCT continued to support the Milk & Diapers Programme in FY2023. In demonstration of our support this year, employees from the REIT Manager volunteered with the programme monthly, supporting the outreach to some 375 low-income families with daily essentials.

Care packs were also distributed in conjunction with the International Day of Charity on 5 September 2023.



Sustainability

We are also pleased that FPI's Sustainability Manager who supports us in our sustainability efforts, received the prestigious 2021 WELL community award accorded by the International WELL Building Institute in recognition of strong leadership in educating others, advocating for buildings, organisations and communities that support global health, impacting the lives of countless people and paving the way for a healthier future.

Understanding and Engaging with Our Tenants

At FLCT, we consistently monitor stakeholder satisfaction levels to ensure that the spaces and experiences we provide are tailored to our tenants' unique needs. Our annual surveys provide valuable feedback and insights that enable our teams to improve our performance. This ongoing dialogue with stakeholders allows us to adapt and refine our offerings, strengthening our relationship and enhancing overall satisfaction.

We conduct annual tenant satisfaction surveys at our industrial properties in Australia to gauge our

operational efficiency and assess our ability to meet tenants' requirements. In our most recent customer survey, we achieved a Net Promoter Score ("NPS") of 53 points. Based on customer feedback received, we monitor the performance of our team across a variety of functions such as building management, property management, operations and satisfaction levels of the facilities provided and the build environment.

Beyond monitoring our tenant's satisfaction and our performance, we also curate various activities to actively engage our tenants. In the UK, regular tenant engagement events are organised by the property manager, that includes such as food festivals, book op-ups and coffee mornings for our tenants. Activities such as wellness classes, Christmas wreath making, flower arranging, Halloween pumpkin carving, honey making from bees in the parks are also organized amongst the slew of social and wellness initiatives during the year. In Singapore, tenant engagement events such as health talks, yoga sessions, food pop-ups, food trucks and futsal challenge have been organised, adding to the vibrancy of Alexandra Technopark.



Recreational and health promotion initiative at Farnborough Business Park



Futsal championship for tenants at Alexandra Technopark

About this Report

GRI 2-3

Report Scope

This is FLCT's seventh annual ESG report. It provides a summary of our sustainability commitments and Our Actions and Progress in managing our material sustainability issues.

The information contained in this report pertains to the period 1 October 2022 to 30 September 2023 (FY2023) and covers our operations and properties in Australia, Germany, Singapore, the United Kingdom and the Netherlands.

Restatements of data and further notes to the performance data included in this report can be found on pages 131 to 135.

International Standards and Guidelines

This report has been prepared in accordance with:

- the Global Reporting Initiative (GRI) Universal Standards 2021
- the SGX-ST Listing Manual (Rules 711A and 711B)
- MAS Guidelines on Environmental Risk Management for Asset Managers

FLCT has applied the Reporting Principles from the GRI Standards to ensure high quality and proper representation of the reported information. For a full list of disclosures reported, please refer to the GRI Content Index on pages 149 to 156.

This report has also incorporated the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

External Assurance

To verify the reliability of the data and management approach disclosed in our Integrated ESG Report, we sought an independent limited assurance by Ere-S Pte Ltd, an independent third-party assurance provider. Details of the assurance scope and findings can be found in the Independent Assurance Statement on pages 146 to 148.

Feedback

FLCT welcomes any feedback regarding this ESG Report and our sustainability performance. Please address all feedback to ir_flct@frasersproperty.com.



Independent Assurance Statement

GRI 2-5

To the Management of Frasers Logistics and Commercial Trust

Ere-S Pte Ltd ("Ere-S") has undertaken an independent limited assurance on the content of Frasers Logistics and Commercial Trust's ("FLCT") ESG Report FY2023 (the "Report"). The engagement, which took place between September and November 2023, formed part of a wider assurance of Frasers Property Limited's ESG Report.

Scope

The assurance encompassed the entire Report and focused on all figures, statements and claims related to sustainability during the FY2023 reporting period October 2022 to September 2023. This included the environmental and social management approach and performance related to the company's corporate office and portfolio of owned and managed properties (over 100 in total) in Australia, Europe and Singapore. The topics covered included energy, carbon emissions, water, waste, diversity, employment, training, and safety. However, the assurance excluded the environmental performance of properties in FLCT's United Kingdom portfolio, as they underwent a separate independent third-party verification.

Ere-S did not verify that the Report contained all information required by the GRI Standards for each disclosure listed in the Report's GRI Content Index, nor did Ere-S assess the validity of the information given in the Index, including the reasons for omissions. Similarly, the verification did not cover whether FLCT's material issues, approaches and outcomes presented in the Report were specifically aligned with any other frameworks mentioned in the Report, such as the Task Force on Climate-related Financial Disclosures (TCFD) framework, the MAS guidelines, the GHG Protocol, and the Sustainable Development Goals (SDGs). Figures or statements unrelated to sustainability were not covered in the assurance. These include 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.

Assurance 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 FLCT's corporate and management offices in Australia, Europe and 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 external sources and information from other business units and portfolios covered in the wider assurance engagement or from previous assurance engagements conducted for FLCT.
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.
5. Ere-S was given access to the data management systems covering the entire FLCT portfolio to allow our assurance team to evaluate the environmental and safety data more comprehensively. Social performance figures, such as those relating to workforce profile and training, as well as group-level initiatives disclosed in the Report, were verified in separate interviews as part of the assurance process for Frasers Property Limited.

Ere-S assessment of statements concerning the number (or absence) of complaints, incidents, breaches, 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.

FLCT'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 disclosures being assessed during this engagement and to provide greater confidence in the accuracy of the information, including the application of the management approach, data collection methods, criteria and assumptions, further confirmation of the presented evidence was sought by Ere-S from multiple data owners and using other internal and external documentation.

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 FLCT alone and for no other purpose. The Management of FLCT 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 FLCT. The activities of Ere S are independent of FLCT and Frasers Property Limited and contain no financial interest in their business operations.

Findings and Observations

Our assessment shows that, during the reporting period, FLCT's corporate governance and management approach to sustainability was consistent and supported by policies and standardised procedures. There was evidence of sustained alignment with Fraser Property Limited's ESG structure and goals, including sustained integration of a risk-based approach for evaluating social and environmental issues and establishing mitigation measures, particularly regarding impacts and responses related to climate change and performance measurement in the value chain. Commendable improvements for this period include collecting and reporting fugitive emissions (refrigerants) and four additional categories of Scope 3 GHG emissions.

Engagement with key stakeholder groups was also observable throughout the reporting period, although there was limited evidence showing consistent two-way engagement with stakeholders and their participation in decision-making.

As for the collection and reporting of ESG performance, we observed further streamlining of ESG data management and improvements in the completeness, accuracy and verifiability of the data and its underlying calculation processes. For example, a high level of completeness was visible in the data sets covering tenants' energy and water performance, while data on fugitive emissions (refrigerants) and solar energy generated on-site was still missing for a non-negligible number of tenants (25%-45%) in FLCT's portfolios.

No significant gaps or inconsistencies were found in the Report's disclosures, and the reporting team promptly applied Ere-S recommendations for minor corrections.

Although FLCT made reasonable progress in its reporting scope during the year, the content of the Report could achieve a higher level of completeness with additional data on the social and environmental impacts in the rest of FLCT's value chain. Along the same line, the Report would benefit from more balanced content showing positive and negative information, for example, highlights on current gaps and negative performance related to internal targets or alignment with standards.

Independent Assurance Statement

GRI 2-5

Conclusion

On the basis of a limited assurance engagement consistent with the above-listed criteria and findings, nothing has come to Ere-S attention that causes us not to believe that, in all material respects, FLCT's ESG Report FY2023 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 FLCT.



Reg no. 201003736W
www.ere-s.com

Singapore, 23 November 2023

Jean-Pierre Dalla Palma

Director and Lead Certified Sustainability Assurance Practitioner

Ere-S Pte Ltd is a consulting company specialising in business sustainability and provides services in the domains of sustainability reporting, sustainability report assurance, stakeholder engagement and training. Our assurance team is composed of assurance practitioners with expertise in corporate sustainability and each member is required to follow Ere-S' assurance code of conduct, which can be found at www.ere-s.com/assurance-code-of-conduct. Ere-S is not responsible for any actions taken by other parties as a result of the findings presented in this assurance statement.

GRI Content Index

Statement of use	Frasers Logistics & Commercial Trust ("FLCT") has reported in accordance with the GRI Standards for the period 1 October 2022 to 30 September 2023 (FY2023).
GRI 1 used	GRI 1: Foundation 2021

GRI Standard/ Other Source	Disclosure	Location	Page No.	Requirement(s) Omitted	Omission		
					Reason	Explanation	
General disclosures							
GRI 2: General Disclosures 2021	2-1 Organizational details	<ul style="list-style-type: none"> Corporate Profile Our Multinational Presence 	6 7				
	2-2 Entities included in the organization's sustainability reporting	<ul style="list-style-type: none"> About This Report 	145				
	2-3 Reporting period, frequency and contact point	<ul style="list-style-type: none"> About This Report 	145				
	2-4 Restatements of information	Consuming Responsibly: <ul style="list-style-type: none"> Energy & Carbon Water Waste 	131-133 133-134 135				
	2-5 External assurance	<ul style="list-style-type: none"> Independent Assurance Statement 	146-148				
	2-6 Activities, value chain and other business relationships	<ul style="list-style-type: none"> Corporate Profile Our Multinational Presence 	6 7				
	2-7 Employees	<ul style="list-style-type: none"> Focusing on People - Diversity, Equity and Inclusion 	138-140				
	2-8 Workers who are not employees				a, b, c	Not applicable.	The REIT Manager does not engage a significant number of workers who are not employees.
	2-9 Governance structure and composition	<ul style="list-style-type: none"> Corporate Structure Board of Directors Management Team Managing Sustainability Corporate Governance Report - Board Composition Corporate Information 	21 22-25 26-28 116-117 168 IBC				

GRI Content Index

GRI Standard/ Other Source	Disclosure	Location	Page No.	Requirement(s) Omitted	Omission Reason	Explanation
General disclosures						
	2-10 Nomination and selection of the highest governance body	<ul style="list-style-type: none"> Corporate Governance Report - Board Composition 	168			
	2-11 Chair of the highest governance body	<ul style="list-style-type: none"> Board of Directors 	22-25			
	2-12 Role of the highest governance body in overseeing the management of impacts	<ul style="list-style-type: none"> Managing Sustainability 	116-117			
	2-13 Delegation of responsibility for managing impacts	<ul style="list-style-type: none"> Corporate Governance Report - Delegation of Authority Framework 	165			
	2-14 Role of the highest governance body in sustainability reporting	<ul style="list-style-type: none"> Board Statement 	112-113			
	2-15 Conflicts of interest	<ul style="list-style-type: none"> Corporate Governance Report - Conflict of Interest Policy 	176			
	2-16 Communication of critical concerns	<ul style="list-style-type: none"> Corporate Governance Report - Governance of Risk and Internal Controls 	185-188			
	2-17 Collective knowledge of the highest governance body	<ul style="list-style-type: none"> Resilient Properties - Our Actions and Progress Corporate Governance Report - Training and Development of Directors 	124 167			
	2-18 Evaluation of the performance of the highest governance body	<ul style="list-style-type: none"> Corporate Governance Report - Board Performance Evaluation 	176-177			
	2-19 Remuneration policies	<ul style="list-style-type: none"> Corporate Governance Report - Remuneration Matters 	177-184			
GRI 2: General Disclosures 2021	2-20 Process to determine remuneration	<ul style="list-style-type: none"> Corporate Governance Report - Remuneration Matters 	177-184			

GRI Standard/ Other Source	Disclosure	Location	Page No.	Requirement(s) Omitted	Omission Reason	Explanation
	2-21 Annual total compensation ratio			a, b, c	Confidentiality constraints.	We are unable to disclose the ratio due to our highly competitive labour market.
	2-22 Statement on sustainable development strategy	• Board Statement	112-113			
	2-23 Policy commitments	• Risk-based Management	120-122			
	2-24 Embedding policy commitments	• Risk-based Management	120-122			
	2-25 Processes to remediate negative impacts	• Risk-based Management	120-122	e	Information unavailable.	We do not track the effectiveness of the mechanisms, but FLCT readily welcomes feedback through our various communication channels.
	2-26 Mechanisms for seeking advice and raising concerns	• Risk-based Management	120-122			
	2-27 Compliance with laws and regulations	• Risk-based Management	120-122			
	2-28 Membership associations	• Managing Sustainability - Participation in Membership Associations and Alignment with Recognised Standards	116			
	2-29 Approach to stakeholder engagement	• Managing Sustainability - Stakeholder Engagement	116-117, 138-140			
	2-30 Collective bargaining agreements			a, b	Confidentiality constraints.	We do not publicly disclose this data.
Material topics						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	• Managing Sustainability - Materiality Assessment	118-119			
	3-2 List of material topics	• Managing Sustainability - Materiality Assessment	118-119			

GRI Content Index

GRI Standard/ Other Source	Disclosure	Location	Page No.	Requirement(s) Omitted	Omission Reason	Explanation
Acting Progressively						
Risk-based Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	<ul style="list-style-type: none"> Acting Progressively – Risk-based Management 	120-122			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	<ul style="list-style-type: none"> Acting Progressively – Risk-based Management 	120-122	a, b	Information incomplete.	Lack of data for meaningful disclosure.
	205-2 Communication and training about anti-corruption policies and procedures	<ul style="list-style-type: none"> Acting Progressively – Risk-based Management 	120-122	c, d	Information incomplete.	Lack of data for meaningful disclosure.
	205-3 Confirmed incidents of corruption and actions taken	<ul style="list-style-type: none"> Acting Progressively – Risk-based Management 	120-122			
GRI 206: Anti-competitive Behaviour	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	<ul style="list-style-type: none"> Acting Progressively – Risk-based Management 	120-122			
Responsible Investment						
GRI 3: Material Topics 2021	3-3 Management of material topics	<ul style="list-style-type: none"> Acting Progressively - Responsible Investment 	123 – 124			
Resilient Properties						
GRI 3: Material Topics 2021	3-3 Management of material topics	<ul style="list-style-type: none"> Acting Progressively - Resilient Properties 	124-129			
Innovation						
GRI 3: Material Topics 2021	3-3 Management of material topics	<ul style="list-style-type: none"> Acting Progressively - Innovation 	130			
Consuming Responsibly						
Energy and Carbon						
GRI 3: Material Topics 2021	3-3 Management of material topics	<ul style="list-style-type: none"> Consuming Responsibly – Energy and Carbon 	131-133			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	<ul style="list-style-type: none"> Consuming Responsibly – Energy and Carbon 	131-133			
	302-2 Energy consumption outside of the organization	<ul style="list-style-type: none"> Consuming Responsibly – Energy and Carbon 	131-133			
	302-3 Energy intensity	<ul style="list-style-type: none"> Consuming Responsibly – Energy and Carbon 	131-133			
	302-4 Reduction of energy consumption	<ul style="list-style-type: none"> Consuming Responsibly – Energy and Carbon 	131-133			

GRI Standard/ Other Source	Disclosure	Location	Page No.	Requirement(s) Omitted	Omission Reason	Explanation
	302-5			a, b, c	Information incomplete.	Due to the management of diverse properties and y-o-y fluctuations, we are unable to provide specific numerical reductions in energy consumption that are directly tied to initiatives. This complexity makes it challenging to precisely isolate the impact of its reduction measures.
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	<ul style="list-style-type: none"> Consuming Responsibly – Energy and Carbon 	131-133			
	305-2 Energy indirect (Scope 2) GHG emissions	<ul style="list-style-type: none"> Consuming Responsibly – Energy and Carbon 	131-133			
	305-3 Other indirect (Scope 3) GHG emissions	<ul style="list-style-type: none"> Consuming Responsibly – Energy and Carbon 	131-133			
	305-4 GHG emissions intensity	<ul style="list-style-type: none"> Consuming Responsibly – Energy and Carbon 	131-133			
	305-5 Reduction of GHG emissions	<ul style="list-style-type: none"> Consuming Responsibly – Energy and Carbon 	131-133			
Water						
GRI 3: Material Topics 2021	3-3 Management of material topics	<ul style="list-style-type: none"> Consuming Responsibly – Water 	133-134			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	<ul style="list-style-type: none"> Consuming Responsibly – Water 	133-134			
	303-2 Management of water discharge-related impacts	<ul style="list-style-type: none"> Consuming Responsibly – Water 	133-134			
	303-3 Water withdrawal	<ul style="list-style-type: none"> Consuming Responsibly – Water 	133-134	b, c	Information incomplete.	FLCT tracks total water withdrawal but currently does not break this down to source and water stress areas.

GRI Content Index

GRI Standard/ Other Source	Disclosure	Location	Page No.	Requirement(s) Omitted	Omission Reason	Explanation
Waste						
GRI 3: Material Topics 2021	3-3 Management of material topics	<ul style="list-style-type: none"> Consuming Responsibly – Waste 	135			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	<ul style="list-style-type: none"> Consuming Responsibly – Waste 	135			
	306-2 Management of significant waste-related impacts	<ul style="list-style-type: none"> Consuming Responsibly – Waste 	135			
	306-3 Waste generated	<ul style="list-style-type: none"> Consuming Responsibly – Waste 	135	a	Information incomplete.	FLCT does not currently track the waste composition.
	306-4 Waste diverted from disposal	<ul style="list-style-type: none"> Consuming Responsibly – Waste 	135			
	306-5 Waste directed to disposal	<ul style="list-style-type: none"> Consuming Responsibly – Waste 	135			
Materials and Supply Chain						
GRI 3: Material Topics 2021	3-3 Management of material topics	<ul style="list-style-type: none"> Consuming Responsibly, Materials and Supply Chain 	136			
Biodiversity						
GRI 3: Material Topics 2021	3-3 Management of material topics	<ul style="list-style-type: none"> Consuming Responsibly, Biodiversity 	136-137			
Focusing on People						
Diversity, Equity and Inclusion						
GRI 3: Material Topics 2021	3-3 Management of material topics	<ul style="list-style-type: none"> Focusing on People, Diversity, Equity and Inclusion 	138-140			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	<ul style="list-style-type: none"> Focusing on People, Diversity, Equity and Inclusion 	138-140			
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes			a, b	Not applicable.	The notice period varies on a situational basis.
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	<ul style="list-style-type: none"> Focusing on People, Diversity, Equity and Inclusion 	138-140			
	405-2 Ratio of basic salary and remuneration of women to men	<ul style="list-style-type: none"> Focusing on People, Diversity, Equity and Inclusion 	138-140	a, b	Information incomplete.	Lack of data for meaningful disclosure.

GRI Standard/ Other Source	Disclosure	Location	Page No.	Requirement(s) Omitted	Omission Reason	Explanation
Skills and Leadership						
GRI 3: Material Topics 2021	3-3 Management of material topics	<ul style="list-style-type: none"> Focusing on People, Skills and Leadership 	140-141			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	<ul style="list-style-type: none"> Focusing on People, Skills and Leadership 	140-141			
	404-2 Programmes for upgrading employee skills and transition assistance programmes			b	Information incomplete.	Lack of data for meaningful disclosure.
	404-3 Percentage of employees receiving regular performance and career development reviews	<ul style="list-style-type: none"> Focusing on People, Diversity, Equity and Inclusion 	138-140			
Health and Well-being						
GRI 3: Material Topics 2021	3-3 Management of material topics	<ul style="list-style-type: none"> Focusing on People – Health and Well-being 	141-143			
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	<ul style="list-style-type: none"> Focusing on People – Health and Well-being 	141-143			
	401-3 Parental Leave	<ul style="list-style-type: none"> Focusing on People – Health and Well-being 	141-143			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	<ul style="list-style-type: none"> Focusing on People – Health and Well-being 	141-143			
	403-2 Hazard identification, risk assessment, and incident investigation	<ul style="list-style-type: none"> Focusing on People – Health and Well-being 	141-143	a, c, d	Information incomplete.	Lack of data for meaningful disclosure.
	403-4 Worker participation, consultation, and communication on occupational health and safety	<ul style="list-style-type: none"> Focusing on People – Health and Well-being 	141-143	a	Information incomplete.	Lack of data for meaningful disclosure.
	403-5 Worker training on occupational health and safety	<ul style="list-style-type: none"> Focusing on People – Health and Well-being 	141-143	a	Information incomplete.	Lack of data for meaningful disclosure.
	403-6 Promotion of worker health	<ul style="list-style-type: none"> Focusing on People – Health and Well-being 	141-143			

GRI Content Index

GRI Standard/ Other Source	Disclosure	Location	Page No.	Requirement(s) Omitted	Omission Reason	Explanation
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<ul style="list-style-type: none"> Focusing on People – Health and Well-being 	141-143			
	403-8 Workers covered by an occupational health and safety management system	<ul style="list-style-type: none"> Focusing on People – Health and Well-being 	141-143			
	403-9 Work-related injuries	<ul style="list-style-type: none"> Focusing on People – Health and Well-being 	141-143	c, f	Information incomplete.	Lack of data for meaningful disclosure.
	403-10 Work-related ill health	<ul style="list-style-type: none"> Focusing on People – Health and Well-being 	141-143	c, d	Information incomplete.	Lack of data for meaningful disclosure.
Community and Connectedness						
GRI 3: Material Topics 2021	3-3 Management of material topics	<ul style="list-style-type: none"> Focusing on People, Community Connectedness, Our Approach 	143			

Notes

General

- Discrepancies between individual figures and aggregates, or derived values, in the charts and tables of this report are due to rounding.

Energy, Gas GHG, Water and Waste Reporting Scope

- The baseline of FY2019 was chosen because of the relatively complete dataset established and it was more representative of our usual business activities.
- No mobile combustion considered for Scope 1 emissions as there are no owned vehicles. Stationary combustion is considered due to diesel usage for generators. Industrial Processes and Product Use (IPPU) emissions are calculated based on refrigerants purchased for air conditioners and cooling systems. Refrigerant emissions were estimated assuming 2% evaporation for assets in Australia and the purchased amount was used for the commercial properties in Singapore.
- Scope 3 disclosures in this report include fuel- and energy-related activities, waste generated in operations, employee commuting, and downstream leased assets. Fuel- and energy related well-to-tank transmission and distribution emissions are calculated based on the data provided in Scope 1 and 2. Waste generated in operations includes emissions from third-party disposal and treatment of waste generated (solid waste and wastewater) at controlled operations, assuming zero emissions for recycled waste. Employee commuting includes emissions from the transportation of employees between their homes and their worksites as well as teleworking. The category of downstream leased assets includes emissions from the operation of assets that are owned by the business and are leased to tenants, accounting for tenants' Scope 1 and 2 emissions.
- Energy, GHG, water and waste intensities exclude both newly completed properties in FY2023 and properties divested at any point during the reporting period.
- The GHG emission factors are from National Greenhouse Account Factors (2021, 2022 and 2023) by Australia's National Greenhouse and Energy Reporting Scheme; Greenhouse Gas Reporting Conversion Factors 2021, 2022 and 2023 by the United Kingdom's Department for Energy Security and Net Zero and Department for Business, Energy & Industrial Strategy; Singapore Energy Statistics (published in Oct 2022) from Energy Market Authority; Entwicklung der Spezifischen Treibhausgas-Emissionen des Deutschen Strommix in den Jahren 1990 – 2022 by the umweltbundesamt (German Environment Agency), and Association of Issuing Bodies for The Netherlands.

Monetary Disclosure

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



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