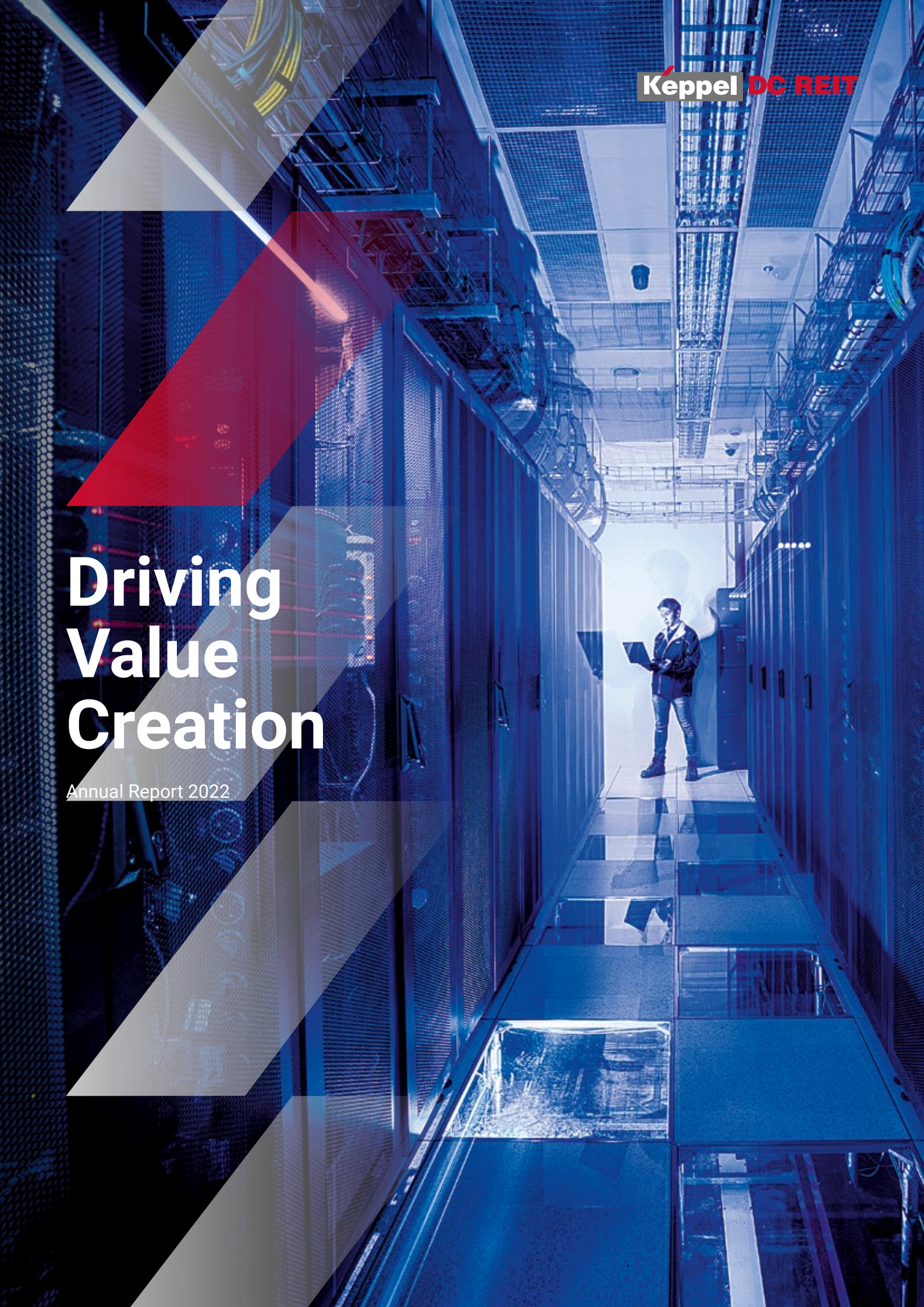


Driving Value Creation

Annual Report 2022





Driving Value Creation

The Keppel Group is well positioned to take advantage of the growth in the digital and cloud sectors, given its cross disciplinary expertise as a developer, operator and asset manager of data centres.

At Keppel DC REIT, we will continue to acquire and own a diverse and high-quality portfolio of data centre assets in key international data centre hubs. By doing so, we believe we can deliver long-term value to our investors and contribute to the growth of the digital economy.

As a responsible corporate citizen, we continue to integrate environmental, social and governance factors into our strategy as we grow our business sustainably, doing good while doing well.

Vision

To be the preferred data centre real estate investment trust, serving as a trusted partner to our stakeholders.

Mission

Guided by the Keppel Group's operating principles and core values, we will create value for our investors by growing a quality portfolio of data centre assets that generates sustainable returns.

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Key Figures for 2022

Higher Distributable Income

\$184.9m

7.7% increase from FY 2021's \$171.6 million, mainly due to contributions from accretive acquisitions, investment and proactive asset management.

Continued Growth in Distribution per Unit¹ (DPU)

10.214 cts

3.7% growth from FY 2021's 9.851 cents. This represents a distribution yield of 5.77%, based on the closing price of \$1.770 per Unit as at 31 December 2022.

Healthy Aggregate Leverage²

36.4%

This will provide sufficient debt headroom to pursue strategic opportunities. Interest coverage ratio remained high at 7.6 times and average cost of debt remained low at 2.2% per annum as at 31 December 2022.

Majority of Loans are Hedged

74%

Prudent capital management with 74% of loans fixed as at end 2022 and forecast foreign sourced distributions substantially hedged until end 2023.

Diversified Portfolio of Quality Data Centres

\$3.7b

Assets under management increased from \$3.4 billion a year ago, resulting from acquisitions and proactive asset management.

High Portfolio Occupancy

98.5%

Portfolio occupancy increased from 98.3% a year ago to 98.5% as at 31 December 2022, reflective of continued proactive asset management efforts.

Long Portfolio WALE³

8.4 years

Portfolio Weighted Average Lease Expiry (WALE) was lengthened from 7.5 years a year ago to 8.4 years as at 31 December 2022, mainly due to acquisitions of assets with long remaining lease tenures.

MSCI ESG Rating

'AA' rating

Keppel DC REIT was rated 'AA' in the MSCI ESG Ratings assessment in 2022, an improvement from an 'A' rating in 2021.

¹ Computed based on the distributable income to Unitholders after the deduction of Capex Reserves that has been set aside.

² Computed based on gross borrowings and deferred payment as a percentage of deposited properties, both of which do not consider the lease liabilities pertaining to land rent options and an extension offer. Aggregate leverage as at 31 December 2021 was 34.6%.

³ By area. WALE by rental income was 5.1 years as a higher proportion of rental income is from colocation assets, which typically have shorter contractual periods.

Corporate Profile and Strategic Direction

Keppel DC REIT was listed on the Singapore Exchange on 12 December 2014 as the first pure-play data centre REIT in Asia.

Keppel DC REIT's investment strategy is to principally invest, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are used primarily for data centre purposes, as well as real estate and assets necessary to support the digital economy.

Keppel DC REIT has a diversified global portfolio with strong Asia Pacific presence, with assets under management (AUM)

of approximately \$3.7 billion¹ as at 31 December 2022. Its portfolio comprises 23 data centres strategically located in key data centre hubs, with an attributable lettable area of 3,065,633 sq ft in 13 cities across nine countries in Asia Pacific and Europe. Keppel DC REIT's investments comprise an optimal mix of colocation, fully-fitted and shell and core assets, as well as debt securities issued by NetCo which holds network assets², thereby reinforcing the diversity and resiliency of its portfolio.

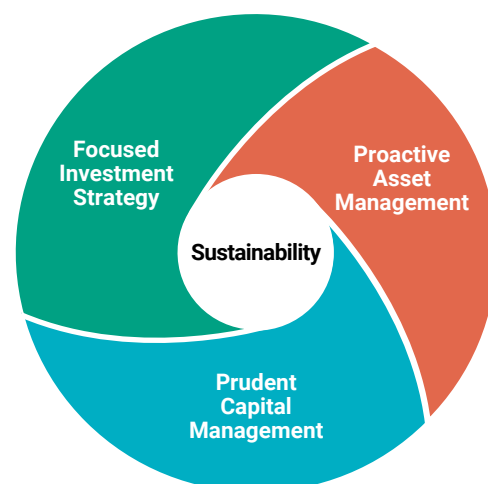
Keppel DC REIT is sponsored by Keppel Telecommunications & Transportation Ltd

(Keppel T&T), a wholly-owned subsidiary of Keppel Corporation Limited. Keppel DC REIT is managed by Keppel DC REIT Management Pte. Ltd. (the Manager), a wholly-owned subsidiary of Keppel Capital Holdings Pte. Ltd. (Keppel Capital). Keppel Capital is a premier global asset manager with a diversified portfolio in real estate, infrastructure, data centres and alternative assets in key global markets through its listed REITs and Trust, as well as private funds. The Keppel Group, through Keppel T&T and the private data centre funds, currently has over \$2 billion worth of data centre assets under development and management.

Keppel DC REIT aims to be the preferred data centre real estate investment trust, serving as a trusted partner to its stakeholders.

The Manager's key objectives are to provide Unitholders with regular and stable distributions, as well as achieve long-term growth with at least 90% of its AUM in data centre investments, while maintaining an optimal capital structure.

With ESG at the core of its business and strategy, the Manager employs a three-pronged strategy to capture value from the data centre industry and deliver sustainable returns to investors.



Focused Investment Strategy

- Pursue strategic growth opportunities that complement the portfolio, strengthen presence across existing and emerging data centre hubs and drive long-term growth
- Build a geographically-diversified portfolio with well-staggered lease expiries to enhance income stability
- Maintain at least 90% of AUM in data centre investments
- Maintain an optimal mix of lease types with (i) colocation assets, which are diversified in terms of client profile and lease terms, as well as (ii) fully-fitted and shell and core assets with stable long-term leases

Proactive Asset Management

- Optimise portfolio returns through proactive management of existing leases and engaging prospective clients on new opportunities
- Manage property expenses prudently for operational efficiency
- Optimise portfolio through asset enhancement initiatives and other value-creation opportunities including sustainability initiatives
- Deliver quality offerings that meet the evolving needs and requirements of a global clientele

Prudent Capital Management

- Employ an optimal mix of debt and equity in financing acquisitions to optimise returns while maintaining financial flexibility
- Apply appropriate hedging strategies to achieve good risk-adjusted returns and enhance stability of distributions to Unitholders
- Diversify sources of funding and achieve well-spread debt maturity profile to reduce concentration risks
- Secure favourable credit facilities and terms to fund operational needs
- Monitor risk exposure closely to ensure effectiveness of policies against evolving market conditions

¹ The acquisition of the building shell of Guangdong Data Centre 3 was completed in August 2022 and is expected to be fully-fitted by the third quarter of 2023.

² Bonds issued by M1 Network Private Limited (NetCo).

Driving Value Creation

Keppel DC REIT will continue to grow its diversified global portfolio with strong Asia Pacific presence and strengthen its income resilience through acquisitions.

Dear Unitholders,

On behalf of the Board and management, I am pleased to present the annual report for Keppel DC REIT for the financial year ended 31 December 2022 (FY 2022).

Keppel DC REIT has delivered another year of growth through acquisitions and proactive asset management. Our focus on strengthening our portfolio, whilst exercising prudence in terms of capital management has enabled us to emerge with a strong set of results for FY 2022, amidst high inflation, aggressive interest rate hikes as well as increased geopolitical tensions.

Growing a Resilient Portfolio

Distributable income for FY 2022 was \$184.9 million, a 7.7% increase from \$171.6 million in FY 2021. Distribution per Unit (DPU) for FY 2022 rose 3.7% year-on-year to 10.214 cents. The improved financial performance was mainly due to contributions from the accretive acquisitions, the investment in the NetCo bonds¹, as well as contributions following the completion of the asset enhancement initiatives at DC1 and the Dublin assets.

In line with our value creation strategy, Keppel DC REIT expanded its presence in London, one of the top global data centre hubs with the acquisition of London Data Centre, and in Guangdong, one of Asia's most established data centre markets, with the acquisitions of Guangdong Data Centres 2 and 3 in 2022. This has strengthened our portfolio, with assets under management of \$3.7 billion as at 31 December 2022.

Portfolio occupancy was 98.5% with a long weighted average lease expiry (WALE) by area of 8.4 years as at 31 December 2022. The improved portfolio occupancy and lengthened WALE were mainly attributable to newly acquired assets with long remaining lease tenures, and the Manager's continued proactive asset management efforts to improve the occupancy and income resiliency of the portfolio assets. Keppel DC REIT has also secured an offer to extend the remaining land tenure of Keppel DC Singapore 5 for a further term of nine years.



Christina Tan, Chairman

Our focus on strengthening our portfolio, whilst exercising prudence in terms of capital management has enabled us to emerge with a strong set of results for FY 2022.

Upholding Financial Discipline

We continue to adopt a prudent approach towards capital management. Our average cost of debt was 2.2% for FY 2022 and interest coverage ratio was healthy at 7.6 times as at end 2022. Aggregate leverage was 36.4% which provides debt headroom to pursue strategic acquisitions.

The Manager continues to hedge its foreign currency exposure by borrowing in local currencies where investments are made, minimising the impact of significant currency fluctuations. Keppel DC REIT has a favourable debt profile, with the bulk of debt expiring in 2026 and beyond. As at 31 December 2022, our cost of borrowings for 74% of loans is fixed through interest rate swaps. To enhance the stability of

distributions to Unitholders, our forecast foreign sourced distributions have also been substantially hedged with foreign currency forward contracts until end 2023.

Pursuing Sustainable Growth

As a responsible corporate citizen, we continue to integrate environmental, social and governance (ESG) considerations into our business. Setting the tone from the top, a dedicated ESG Committee was established at the Board level in February 2022. The ESG Committee provides oversight of Keppel DC REIT's ESG strategy, polices and initiatives, and monitors its progress in driving long-term climate risk management and decarbonisation initiatives. As part of the Board's strategic oversight, the Board has reviewed, considered and approved the

¹ Bonds issued by M1 Network Private Limited.

With an established track record, extensive network with industry players, a healthy balance sheet and access to diversified funding sources, we are well-positioned to capitalise on growth opportunities.

material ESG factors in Keppel DC REIT’s strategy formulation and business. The Board remains committed to reviewing and monitoring these ESG factors periodically, together with the management, incorporating feedback from key stakeholders.

We are pleased to share that we have achieved our ESG targets for 2022 and remain committed to achieving our mid to longer-term targets.

In 2022, we made our maiden submissions for two global ESG benchmarking and reporting frameworks – the GRESB Real Estate Assessment 2022 and the CDP Climate Change 2022 Questionnaire. We will continue to review our practices, benchmark against industry best practices and enhance our ESG disclosures, and are on track to participate in the full CDP Climate Change Questionnaire for our submission in 2023.

We have also expanded our reporting disclosures to progressively align with the

recommendations of the Taskforce for Climate-related Financial Disclosures (TCFD) and have also included the relevant inventory for Scope 3 emissions in our 2022 Sustainability Report.

Keppel DC REIT’s commitment to sustainable growth is further reflected in the ‘AA’ rating in the MSCI ESG Ratings Assessment 2022, an improvement from the ‘A’ rating in 2021. In recognition of our strong corporate governance practices, Keppel DC REIT’s ranking improved from sixth to fifth place in the Governance Index for Trusts, and from 31st to 12th position in the Singapore Governance and Transparency Index under the REIT and Business Trust category in 2022.

Driving Value Creation

The World Bank forecasts that global economic growth will decelerate to 1.7% in 2023, factoring in downside risks from higher inflation, tighter monetary policies, deeper weakness in major economies and rising geopolitical tensions.



Strong continued growth of the colocation market is projected, driven by demand from large cloud and internet companies, as well as enterprises moving their IT infrastructure off-premise.

Key Highlights

- DPU for FY 2022 rose 3.7% year-on-year to 10.214 cents
- Achieved ‘AA’ rating in the MSCI ESG Ratings Assessment 2022
- Ranking improved from sixth to fifth place in the Governance Index for Trusts
- Advanced from 31st to 12th position in the Singapore Governance and Transparency Index under the REIT and Business Trust category

Notwithstanding the macroeconomic headwinds, the foundations of our business remain strong and industry trends remain positive. We are optimistic about the continued demand for data centres, against the backdrop of increasing digitalisation, continued adoption of technologies such as the internet of things and generative artificial intelligence, as well as the rise of the digital economy. The colocation market is also projected to continue to grow, underpinned by demand from large cloud and internet companies², as well as limited supply of data centres in key data centre markets.

We will continue to drive organic growth in our diversified global portfolio and strengthen income resilience through acquisitions. With an established track record, extensive network with industry players, a healthy balance sheet and access to diversified funding sources, we are well-positioned to capitalise on growth opportunities. The Keppel Group has more than \$2 billion worth of data centre assets that Keppel DC REIT could potentially acquire. We will also benefit from the Keppel ecosystem in providing end-to-end solutions from data centre facilities management to innovative solutions to drive sustainable growth for our clients.

In Appreciation

I would like to extend a warm welcome to Ms Yeo Siew Eng who joined the Board in November 2022. She brings more than three decades of experience as a professional in finance roles, which will be extremely valuable for Keppel DC REIT.

In closing, I would like to express my sincere appreciation to Unitholders and business associates for their trust and support, the management and employees for their dedication and hard work, and my fellow Directors for their guidance. We remain committed to driving value creation to optimise returns from Keppel DC REIT’s portfolio in the years ahead.

Yours sincerely,

Christina Tan

Christina Tan
Chairman
2 March 2023



In 2022, Keppel DC REIT expanded its presence in the fast-growing data centre hub of Greater London with the acquisition of London Data Centre.

² Equinix, Digital Realty and NTT Control 30% of the Growing Worldwide Colocation Market, Synergy Research, September 2022.

Overview

Group Financial Highlights

Results Highlights and Ratios

for the financial year ended 31 December

	2022 \$'000	2021 \$'000	Change %
Gross revenue	277,322	271,065	2.3
Net property income	252,545	248,154	1.8
Distributable income	184,872	171,606	7.7
Distribution per Unit (DPU) ¹ (cents)	10.214	9.851	3.7
Distribution yield ² (%)	5.77	3.99	178 bps
Weighted average all-in interest rate (% per annum)	2.2	1.6	60 bps
Interest coverage ratio (times)	7.6	10.8	-3.2 times

Balance Sheet Highlights and Ratios

as at 31 December

	2022 \$'000	2021 \$'000	Change %
Investment properties ³	3,639,453	3,401,436	7.0
Total assets ^{3,4}	4,107,663	3,780,150	8.7
Deposited properties	4,051,734	3,725,005	8.8
Gross borrowings ^{4,5}	(1,464,792)	(1,289,580)	13.6
Deferred payment ⁶	(8,106)	–	Nm
Lease liabilities ^{3,4}	(12,717)	(12,104)	5.1
Total liabilities	(1,650,745)	(1,444,474)	14.3
Unitholders' funds	2,414,118	2,293,247	5.3
Units in issue ('000)	1,718,650	1,715,512	0.2
Net asset value (NAV) per Unit (\$)	1.40	1.34	4.5
Adjusted NAV per Unit, excluding distribution (\$)	1.35	1.30	3.8
Aggregate leverage ⁴ (%)	36.4	34.6	180 bps

¹ Computed based on the distributable income to Unitholders after the deduction of Capex Reserves that has been set aside.

² Based on closing unit price of \$1.770 and \$2.470 per Unit as at 31 December 2022 and 31 December 2021 respectively.

³ Investment properties and total assets include the carrying value of the lease liabilities pertaining to the land rent options and extension offers.

⁴ Computed based on gross borrowings and deferred payment as a percentage of deposited properties, both of which do not consider the lease liabilities pertaining to land rent options and/or an extension offer.

⁵ Gross borrowings relates to external borrowings drawn down from term loan facilities, revolving credit facilities and multicurrency debt issuance programme.

⁶ Deferred payment relates to the remaining amount payable on the building shell of Guangdong DC 3.

bps = basis points

Nm = Not meaningful

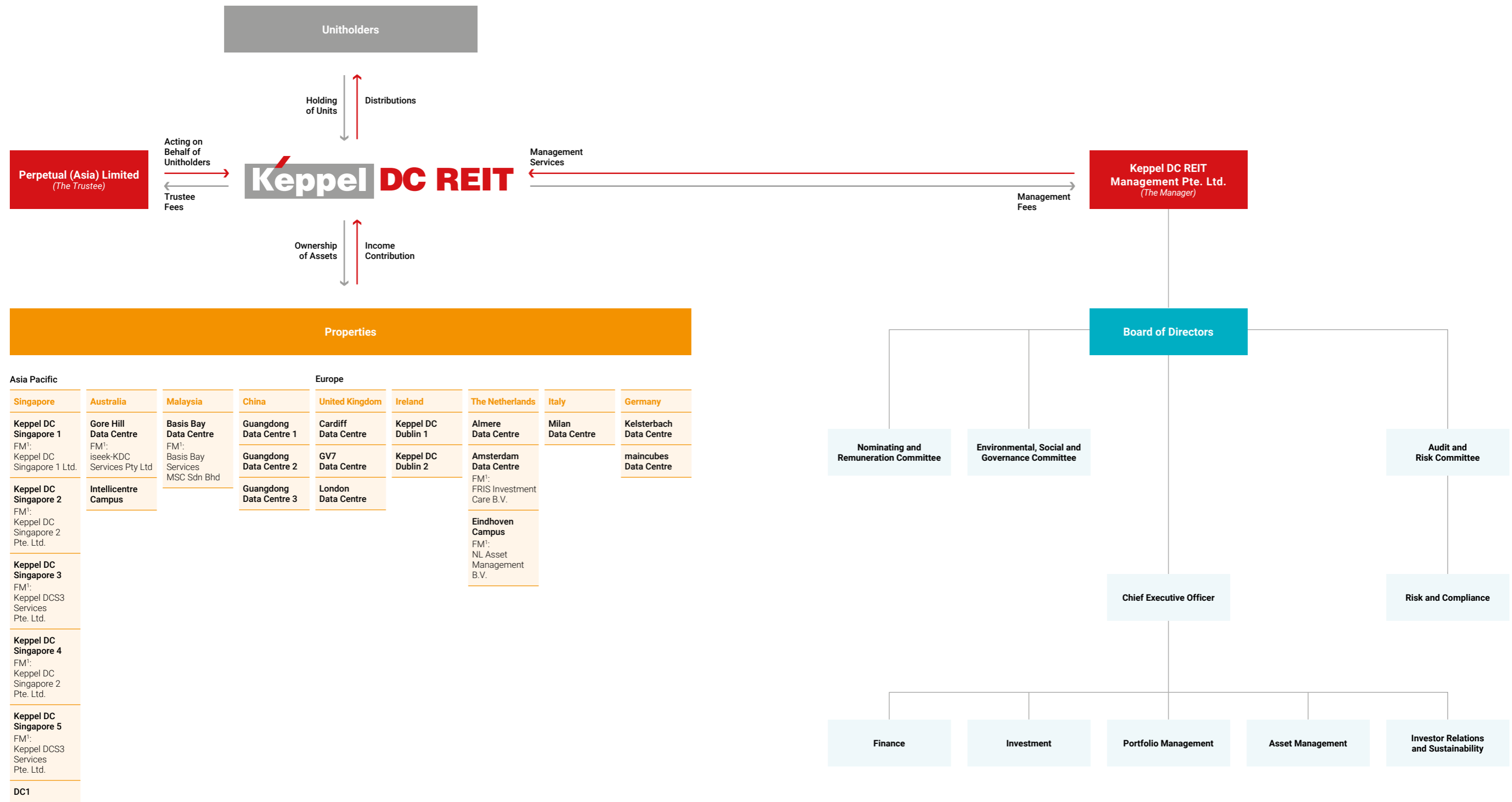
Overview

Group Quarterly Results

	Quarter 1		Quarter 2		Quarter 3		Quarter 4		Full Year
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000
Gross Revenue									
2022	66,104	24	69,436	25	70,322	25	71,460	26	277,322
2021	66,685	25	68,462	25	69,341	26	66,577	24	271,065
Net Property Income									
2022	60,129	24	63,106	25	64,087	25	65,223	26	252,545
2021	60,989	25	62,845	25	63,781	26	60,539	24	248,154
Distributable Income									
2022	44,528	24	46,630	25	46,943	26	46,771	25	184,872
2021	42,029	24	42,227	25	43,052	25	44,298	26	171,606
DPU¹ (cents)									
2022	2.466	24	2.583	25	2.585	26	2.580	25	10.214
2021	2.462	25	2.462	25	2.462	25	2.465	25	9.851

¹ Computed based on the distributable income to Unitholders after the deduction of Capex Reserves that has been set aside.

Trust and Organisation Structure



¹ The facility managers (FM) are appointed pursuant to the facility management agreements entered into for the respective properties.

Board of Directors



Christina Tan, 57
Chairman and Non-Executive Director

Date of first appointment as a director:
15 September 2016

**Length of service as a director
(as at 31 December 2022):**
6 years 4 months

Board Committee(s) served on:
Member of Nominating and Remuneration Committee

Academic & Professional Qualification(s):
Bachelor of Accountancy (Honours), National University of Singapore; CFA® Charterholder

Present Directorships (as at 1 January 2023):
Listed companies
Keppel REIT Management Limited (the manager of Keppel REIT); Keppel Infrastructure Fund Management Pte. Ltd. (the trustee-manager of Keppel Infrastructure Trust)

Other principal directorships
Keppel Capital Holdings Pte. Ltd.; Alpha Investment Partners Limited; Keppel Capital Alternative Asset Pte. Ltd.; Keppel Land Limited; Keppel Telecommunications & Transportation Ltd

Major Appointments (other than directorships):
Chief Executive Officer, Keppel Capital Holdings Pte. Ltd.

Past Directorships held over the preceding 5 years (from 1 January 2018 to 31 December 2022):
Various subsidiaries and associated companies of Alpha Investment Partners Limited and funds managed by Alpha Investment Partners Limited

Others:
Nil



Kenny Kwan, 53
Lead Independent Director

Date of first appointment as a director:
28 February 2019

**Length of service as a director
(as at 31 December 2022):**
3 years 10 months

Board Committee(s) served on:
Member of Nominating and Remuneration Committee

Academic & Professional Qualification(s):
Bachelor of Law (Honours), National University of Singapore

Present Directorships (as at 1 January 2023):
Listed companies
Micro-Mechanics (Holdings) Ltd.

Other principal directorships
M1 Network Private Limited

Major Appointments (other than directorships):
Principal, Baker & McKenzie (ended 10 March 2023)

Past Directorships held over the preceding 5 years (from 1 January 2018 to 31 December 2022):
Nil

Others:
Nil



Lee Chiang Huat, 73
Independent Director

Date of first appointment as a director:
18 November 2014

**Length of service as a director
(as at 31 December 2022):**
8 years 2 months

Board Committee(s) served on:
Chairman of Audit and Risk Committee

Academic & Professional Qualification(s):
Bachelor of Business Administration, University of Singapore; Master of Business Administration, University of New South Wales; Master of Social Science (Applied Economics), National University of Singapore

Present Directorships (as at 1 January 2023):
Listed companies
Nil

Other principal directorships
Jurong Port Pte Ltd;
Jurong Port Tank Terminals Pte. Ltd.

Major Appointments (other than directorships):
Nil

Past Directorships held over the preceding 5 years (from 1 January 2018 to 31 December 2022):
Icurrencies Pte. Ltd.; Keppel REIT Management Limited (the manager of Keppel REIT)

Others:
Former Chief Financial Officer of Singapore Petroleum Company Limited and NOR Offshore Ltd.

Board Committees

A Audit and Risk Committee

N Nominating and Remuneration Committee

E Environmental, Social and Governance Committee



Dr Tan Tin Wee, 61
Independent Director

Date of first appointment as a director:
18 November 2014

**Length of service as a director
(as at 31 December 2022):**
8 years 2 months

Board Committee(s) served on:
Chairman of Nominating and Remuneration Committee;
Member of Environmental, Social and Governance Committee

Academic & Professional Qualification(s):
Bachelor of Arts (Natural Science Tripos majoring in Biochemistry), University of Cambridge;
Master of Science (Applied Molecular Biology and Biotechnology), University of London;
PhD (Recombinant Chlamydial Vaccines), University of Edinburgh

Present Directorships (as at 1 January 2023):
Listed companies
Nil

Other principal directorships
Knorex Pte. Ltd.

Major Appointments (other than directorships):
Chief Executive, National Supercomputing Centre, Singapore; Associate Professor, Department of Biochemistry, National University of Singapore; Senate Member, Management Development Institute of Singapore (MDIS)

Past Directorships held over the preceding 5 years (from 1 January 2018 to 31 December 2022):
Keppel Telecommunications & Transportation Ltd; Asia Pacific Bioinformatics Network Limited; iGates Bioinnovation Pte. Ltd.

Others:
Internet Hall of Fame Inaugural Inductee 2012 of the Internet Society; Founding principal investigator of the Singapore Advanced Research and Education Network (SINGAREN); Founder of multilingual Internet domain name system (IDN); Former Chairman of ASEAN Sub-Committee on Biotechnology (SCB); Former Chairman of the Asia Pacific Network Group (APNG); Former President of the Association for Medical and Bioinformatics Singapore (AMBIS); Former three-term Board Director of the International Society for Computational Biology (ISCB); Former Master of Eusoff Hall, National University of Singapore; Former Founding Secretariat, Asia Pacific Bioinformatics Network and International Conference on Bioinformatics



Dileep Nair, 72
Independent Director

Date of first appointment as a director:
18 November 2014

**Length of service as a director
(as at 31 December 2022):**
8 years 2 months

Board Committee(s) served on:
Member of Audit and Risk Committee;
Member of Nominating and Remuneration Committee

Academic & Professional Qualification(s):
Bachelor of Engineering, McGill University;
Master in Public Administration, Harvard University

Present Directorships (as at 1 January 2023):
Listed companies
Thakral Corporation Ltd

Other principal directorships
Health Sciences Authority of Singapore;
MS First Capital Insurance Limited;
Singapore Reinsurance Corporation Limited

Major Appointments (other than directorships):
Nil

Past Directorships held over the preceding 5 years (from 1 January 2018 to 31 December 2022):
Agri-Food Veterinary Authority of Singapore

Others:
Former High Commissioner to the Republic of Ghana; Former Ambassador to the Lao People's Democratic Republic; Former Consul-General to the Emirate of Dubai; Former Under-Secretary-General (Internal Oversight Services), United Nations; Former Managing Director, DBS Bank; Former Chief Executive Officer, Post Office Savings Bank of Singapore

Overview

Board of Directors



Low Huan Ping, 66
Independent Director

Date of first appointment as a director:
28 February 2019

**Length of service as a director
(as at 31 December 2022):**
3 years 10 months

Board Committee(s) served on:
Member of Audit and Risk Committee;
Member of Environmental, Social and
Governance Committee

Academic & Professional Qualification(s):
Bachelor of Arts (Honours) and Master of Arts
in Engineering, Cambridge University; Master
of Science (Industrial Engineering), National
University of Singapore; Advanced Management
Program, Harvard Business School

Present Directorships (as at 1 January 2023):
Listed companies
Nil

Other principal directorships
M1 Network Private Limited

Major Appointments (other than directorships):
Nil

**Past Directorships held over the preceding
5 years (from 1 January 2018 to
31 December 2022):**
iFast Corporation Ltd.; Magzter Inc;
Shareinvestor.com Holdings Pte Ltd;
M1 Limited

Others:
Former Executive Vice President, Technology
of Singapore Press Holdings Limited



Yeo Siew Eng, 65
Independent Director

Date of first appointment as a director:
1 November 2022

**Length of service as a director
(as at 31 December 2022):**
1 month

Board Committee(s) served on:
Member of Audit and Risk Committee

Academic & Professional Qualification(s):
Bachelor of Accountancy, University of
Singapore (n.k.a. National University of Singapore);
Fellow of the Singapore Institute of
Chartered Accountants;
Member of the Singapore Institute of Directors

Present Directorships (as at 1 January 2023):
Listed companies
Venture Corporation Limited;
Nam Lee Pressed Metal Industries Limited

Other principal directorships
Transit Link Pte Ltd

Major Appointments (other than directorships):
Nil

**Past Directorships held over the preceding
5 years (from 1 January 2018 to
31 December 2022):**
Nil

Others:
Former Partner of Deloitte and Touche LLP,
Singapore/Deloitte and Touche



Thomas Pang Thieng Hwi, 58
Non-Executive Director

Date of first appointment as a director:
18 November 2014

**Length of service as a director
(as at 31 December 2022):**
8 years 2 months

Board Committee(s) served on:
Chairman of Environmental,
Social and Governance Committee

Academic & Professional Qualification(s):
Bachelor of Arts (Engineering) and Master of
Arts (Honorary Award), University of Cambridge

Present Directorships (as at 1 January 2023):
Listed companies
SVOA Public Company Ltd

Other principal directorships
Keppel Telecommunications & Transportation Ltd;
ADCF C Private Limited; Keppel Data Centres Pte Ltd;
Keppel Capital Holdings Pte Ltd; M1 Limited;
Keppel Anhui Food Logistics Park Pte Ltd;
Keppel Jilin Food Logistics Park Pte. Limited;
Keppel Technology and Innovation Pte Ltd;
Keppel Networks Infrastructure Pte Ltd;
Computer Generated Solutions, Inc

Major Appointments (other than directorships):
Chief Executive Officer, Keppel
Telecommunications & Transportation Ltd

**Past Directorships held over the preceding
5 years (from 1 January 2018 to
31 December 2022):**
Various subsidiaries and associated
companies of Keppel Telecommunications
& Transportation Ltd and Keppel DC REIT

Others:
Nil

The Manager



Anthea Lee Meng Hoon, 49
Chief Executive Officer

Ms Lee has more than 24 years of experience in real estate investment, business development, asset management and project management.

She joined the Manager circa Keppel DC REIT's listing date as Head of Investment and Asset Management and has been instrumental in growing Keppel DC REIT through various accretive acquisitions and portfolio management. She was appointed Deputy CEO and Head of Investment in 2018, and has been actively involved in all aspects of Keppel DC REIT's business.

Prior to joining the Manager, Ms Lee was Vice President, Investment at Keppel REIT Management Limited, managing regional investments and divestments. Before joining the Keppel Group in 2006, she was with JTC Corporation and Ascendas Land, where she was responsible for business development,

asset management and project management of industrial and business park facilities and development for approximately 10 years.

Ms Lee graduated with a Bachelor of Science (Estate Management), Second Class Honours (Upper Division) from the National University of Singapore and a Master of Science (International Construction Management) from the Nanyang Technological University.

Present Directorships (as at 1 January 2023):
Various subsidiaries and associated companies of Keppel DC REIT

Past Directorships held over the preceding 5 years (from 1 January 2018 to 31 December 2022):
Nil



Adam Lee Sin Jun, 38
Chief Financial Officer

Mr Lee has close to 15 years of experience in the areas of financial and statutory reporting, management accounting, taxation and audit.

Mr Lee has been with the Manager prior to the initial public offering (IPO) of Keppel DC REIT in 2014 and was part of the key team in the preparation of the IPO. In his previous role as Vice President, Finance, Mr Lee assisted the finance heads of the Manager with financial and statutory reporting, management reporting and annual budgeting, as well as certain compliance matters. Mr Lee was also involved in various acquisitions and fund-raising exercises.

Mr Lee started his career in an audit function within the real estate and hospitality sectors with PricewaterhouseCoopers LLP Singapore

where he was the engagement manager for listed real estate investment trusts and property developers.

Mr Lee holds a Bachelor of Accountancy, Second Class Honours (Upper Division), from the Nanyang Technological University of Singapore. He is a Chartered Accountant (Singapore) and is a member of the Institute of Singapore Chartered Accountants.

Present Directorships (as at 1 January 2023):
Various subsidiaries and associated companies of Keppel DC REIT

Past Directorships held over the preceding 5 years (from 1 January 2018 to 31 December 2022):
Lakson Technology Pte. Ltd.

The Manager



Charmaine Cai Jialing, 41
Head of Portfolio Management

Ms Cai has over 17 years of experience in the real estate and financial services industries.

Before joining Keppel DC REIT, she was Head of Acquisitions at Rockworth Capital Partners Pte Ltd (Rockworth), where she was primarily responsible for the origination and execution of direct property deals and was also involved in several indirect investment-related transactions.

Before joining Rockworth, she held senior investment positions in a private European fund management company for 10 years, seeing through full cycles of acquisition, asset management and divestment of assets across Asia Pacific, including Australia, China, Japan and Korea. She was also involved in strategic planning and investor relations matters.

Her prior experiences include portfolio allocation, investment advisory, risk management and corporate finance at Morgan Stanley and CapitaLand.

Ms Cai holds a Bachelor of Business Management with First Class Honours from the Singapore Management University, majoring in Finance and Law, and spent half a year at the Wharton School of the University of Pennsylvania during her undergraduate years.

Present Directorships (as at 1 January 2023):
Nil

Past Directorships held over the preceding 5 years (from 1 January 2018 to 31 December 2022):
AM alpha (Singapore) Pte. Ltd.;
AM alpha (HK) Limited



Andrew Lin Jing, 40
Head of Investment

Mr Lin has more than 15 years of experience in real estate investment, asset management and strategic planning. He has been with the Manager since 2016 as part of the Investment and Asset Management team, where he was actively involved in various acquisitions across Europe and Asia Pacific.

Prior to joining the Manager, Mr Lin was Director, Corporate Planning at Stamford Land Corporation and Singapore Shipping Corporation, where he was responsible for business development, investments, asset and development management. Earlier in his career, Mr Lin was with the Singapore government service, and was involved in reserves and investment management matters, tax and water-related policies and planning.

Mr Lin holds a Bachelor of Engineering (Civil and Environmental Engineering), First Class Honours and a Master of Science (Civil Engineering) with Distinction, from the University College London, United Kingdom.

Present Directorships (as at 1 January 2023):
Nil

Past Directorships held over the preceding 5 years (from 1 January 2018 to 31 December 2022):
Nil

Significant Events



In 2022, Keppel DC REIT secured an offer to extend the remaining land tenure of Keppel DC Singapore 5 for a further term of nine years.

Q1

Strengthened presence in the United Kingdom with the acquisition of London Data Centre

Established a dedicated Environmental, Social and Governance (ESG) Committee that oversees Keppel DC REIT's ESG strategy and sustainability initiatives

Q2

Issued €75 million of 2.610% fixed rate notes due 2028 pursuant to the \$2 billion Multicurrency Debt Issuance Programme

Q3

Expanded portfolio of master lease assets in China with the acquisitions of Guangdong Data Centre 2 and the building shell of Guangdong Data Centre 3

Improved ranking from 31st to 12th in the Singapore Governance and Transparency Index under the REIT and Business Trust category

Q4

Improved ranking from sixth to fifth in the Governance Index for Trusts

Achieved 25% female board representation with the appointment of Ms Yeo Siew Eng as Independent Director of the Board

Investor Relations

The Manager proactively engages with the investment community to communicate Keppel DC REIT’s strategy and provide regular updates on its business operations and performance.

In its communication with the investment community, Keppel DC REIT is guided by the principles and guidelines set out in the Investor Relations (IR) policy which is published on its corporate website. The Manager employs various platforms to enhance its outreach to Unitholders and the investment community, with an emphasis on timely, accurate, fair and transparent disclosure of information.

Effective and Timely Disclosures

Keppel DC REIT announces its financial results on a half-yearly basis and provides interim operational updates for the first and third quarters of the year. In 2022, the Manager announced its half- and full-year financial results via a live audio webcast, where Management provided updates on Keppel DC REIT’s financial and operational performance, and answered questions received from Unitholders, analysts and media. Meetings and teleconferences with analysts and investors were also conducted post the announcement of operational updates for the first and third quarters of the year. The Manager engages with the investment community on an ongoing basis to help them better understand its strategy, performance and outlook.

Keppel DC REIT’s website is kept up to date to provide investors with the latest information including the annual report, factsheet, financial and portfolio information, investor presentations and media releases. Investors may also subscribe to receive email alerts for key announcements. The IR contact details are available on the corporate website and in all media releases to facilitate communication with the investment community.



As part of COVID-19 precautionary measures, Keppel DC REIT’s AGM was convened virtually on 20 April 2022. To enhance engagement, Unitholders were able to ask questions “live” via the textbox Q&A function at the AGM.

Deepening Relationships with Key Stakeholders

The Manager actively engages with Unitholders to understand their concerns. In 2022, the Manager had more than 850 engagements with institutional investors and analysts in Singapore, Australia, Europe, Hong Kong, Japan, North America, South Korea and Thailand through a mix of in-person and virtual investor conferences, roadshows, meetings, teleconferences and site visits.

Keppel Capital hosted its second Keppel Capital Corporate Day in partnership with DBS to reach out to institutional investors.

As one of the asset managers under Keppel Capital, the Manager engaged with investors via a panel discussion themed “To the Future and Beyond”, followed by a tour of Keppel Marina East Desalination Plant and a site visit to Keppel DC Singapore 4.

To broaden its outreach to retail investors, the Manager participated in the Singapore REITS Symposium 2022 where the team engaged with approximately 110 attendees via a live chat session. Keppel DC REIT also participated in two webinars hosted by PhillipCapital and Syfe with approximately 410 attendees.

The Manager also organised a small group luncheon with the online financial community.

Keppel DC REIT will continue to enhance and strengthen relationships with key stakeholders through regular engagements via multiple channels.

Unitholder Meetings

Keppel DC REIT held its Annual General Meeting (AGM) on 20 April 2022 in compliance with government advisories and COVID-19 regulations. At the virtual meeting, the Board and senior management reported on Keppel DC REIT's performance for 2021, and addressed "live" questions from Unitholders via the textbox question & answer (Q&A) function at the AGM. Ahead of the AGM, the Manager published responses to substantial and relevant questions from Unitholders on SGXNet and the corporate website.

All AGM resolutions were polled electronically with an independent scrutineer appointed to count and validate the AGM's votes. Results of the AGM were announced during the meeting. Minutes of the meeting, as well as the presentation

slides were published on SGXNet and Keppel DC REIT's website. All resolutions tabled at the AGM were passed.

Raising Visibility Among Global Investors

Keppel DC REIT is a constituent of the benchmark Straits Times Index, FTSE EPRA Nareit Global Real Estate Index, MSCI Singapore Small Cap Index, GPR 250 Index Series, iEdge SG ESG Indices and Morningstar Singapore Yield REIT Focus Index. The inclusion in these globally-recognised indices further increases Keppel DC REIT's visibility among global investors, and enhances its trading liquidity.

Keppel DC REIT is a member of the REIT Association of Singapore (REITAS), which aims to promote the growth and development of the S-REIT industry.

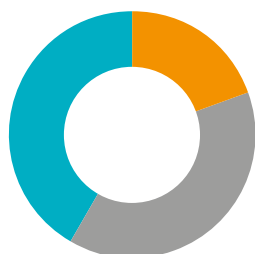
Keppel DC REIT continued to be recognised for strong corporate governance and was ranked fifth in the Governance Index for Trusts, and 12th in the Singapore Governance and Transparency Index under the REIT and Business Trust category in 2022.

Research Coverage

Keppel DC REIT is covered by 15 equity research houses and Bloomberg:

- Bank of America Securities
- CGS-CIMB
- Citi Research
- CLSA
- Credit Suisse
- Daiwa Capital Markets
- DBS Group Research
- Goldman Sachs Equity Research
- HSBC Global Research
- J.P. Morgan
- Macquarie Capital Securities
- Morgan Stanley Research
- Morningstar Institutional Equity Research
- OCBC Investment Research
- PhillipCapital

Unitholding by Type (%) as at 9 February 2023



● Sponsor and related parties	19.5
● Institutional	39.1
● Retail	41.4
Total	100.0

Unitholding by Geography¹ (%) as at 9 February 2023



● Singapore	15.6
● North America	14.1
● Asia (excluding Singapore)	11.2
● United Kingdom (UK)	6.6
● Europe (excluding UK)	5.7
● Others ²	46.8
Total	100.0

¹ Excluding Sponsor and related parties.

² Others comprise the rest of the world, as well as unidentified holdings and holdings below the analysis threshold.

Investor Relations

Investor Relations Calendar

Financial Year Ended 31 December 2022

Q1

DBS Vickers Pulse of Asia Conference 2022

FY 2021 results announcement and webcast

FY 2021 post-results group investor virtual meeting hosted by Credit Suisse

Virtual roadshow for Europe investors hosted by DBS

Virtual roadshow for Thailand investors hosted by CLSA

Nomura Virtual Global Real Estate Forum

Virtual roadshow for Australia investors hosted by Macquarie

Q2

Virtual roadshow for Canada investors hosted by UOB Kay Hian

1Q 2022 operational updates and analyst teleconference

1Q 2022 post-operational updates group investor virtual meeting hosted by CGS-CIMB

Keppel DC REIT's seventh AGM which was convened virtually

Bank of America 2022 APAC Financial, Real Estate Equity and Credit Conference

Maybank IBG-REITAS Singapore REIT Day

J.P. Morgan Asia Pacific Data Centers Panel Discussion

BNP Paribas Singapore Property Days

Singapore REITS Symposium 2022

DBS Virtual Property Conference

UBS OneASEAN Conference

Citi Asia-Pacific Property Conference 2022

Virtual roadshow for Korea investors hosted by SGX

Q3

1H 2022 results announcement and webcast

1H 2022 post-results group investor luncheon and virtual meeting hosted by DBS

Webinar for retail investors and trading representatives hosted by PhillipCapital

Group luncheon with online financial community

Virtual roadshow for Thailand investors hosted by DBS

Virtual roadshow for Japan investors hosted by CGS-CIMB

Webinar for retail investors hosted by Syfe

Citi-SGX-REITAS REITs & Sponsors Forum 2022

Bank of America 2022 Global Real Estate Conference

Q4

3Q 2022 operational updates and analyst teleconference

3Q 2022 post-results group investor luncheon and virtual meeting hosted by Morgan Stanley

Keppel Capital Corporate Day

UBS S-REITs Australia Corporate Day

Roadshow for Japan investors hosted by Daiwa

UBS Global Real Estate Conference 2022

Roadshow for Thailand investors hosted by CGS-CIMB



Investors at a data centre site visit.

Unitholder Enquiries

For more information, please contact the IR team at:

Telephone

+65 6803 1679

Email

investor.relations@keppeldcreit.com

Website

www.keppeldcreit.com

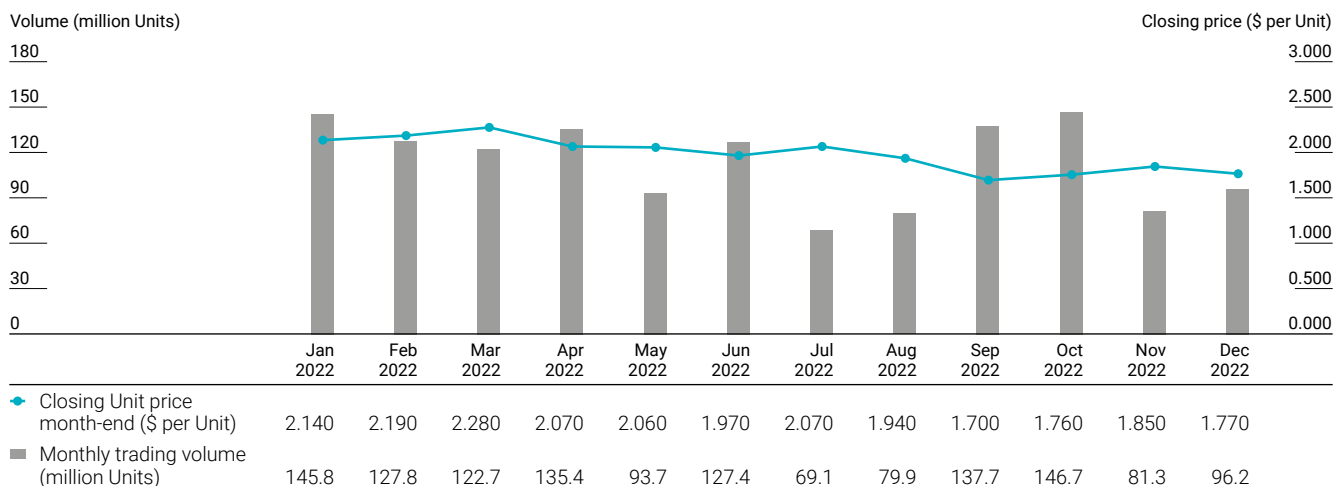
Overview

Unit Price Performance

Keppel DC REIT's market closing price was \$1.770 per Unit as at 31 December 2022 (FY 2022).

Distribution per Unit (DPU) was 10.214 cents for FY 2022, which translated to a distribution yield of 5.8% based on the market closing price per Unit of \$1.770 as at 31 December 2022.

Monthly Trading Performance



Unit Price Performance (\$ per Unit)

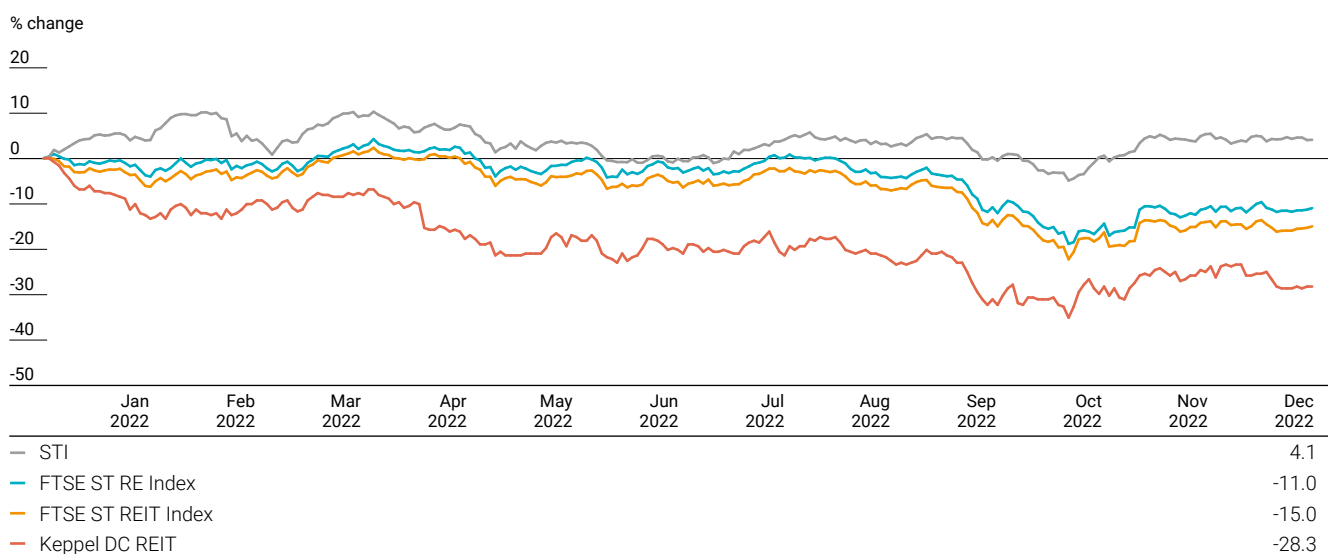
	2022	2021
Highest closing price	2.470	3.030
Lowest closing price	1.600	2.330
Average closing price	2.002	2.590
Closing price on last trading day of the year	1.770	2.470
Trading volume (million Units)	1,363.8	1,607.1

Comparative Yields (%) as at 31 December 2022

	Yield
Keppel DC REIT	5.8 ¹
FTSE ST REIT Index	5.0
FTSE ST RE Index	4.7
STI	4.1
10-year SG Govt Bond	3.1
5-year SG Govt Bond	2.8
CPF Ordinary Account	2.5

Unit Price Performance Against Indices (%)

for the period from 1 January 2022 to 31 December 2022

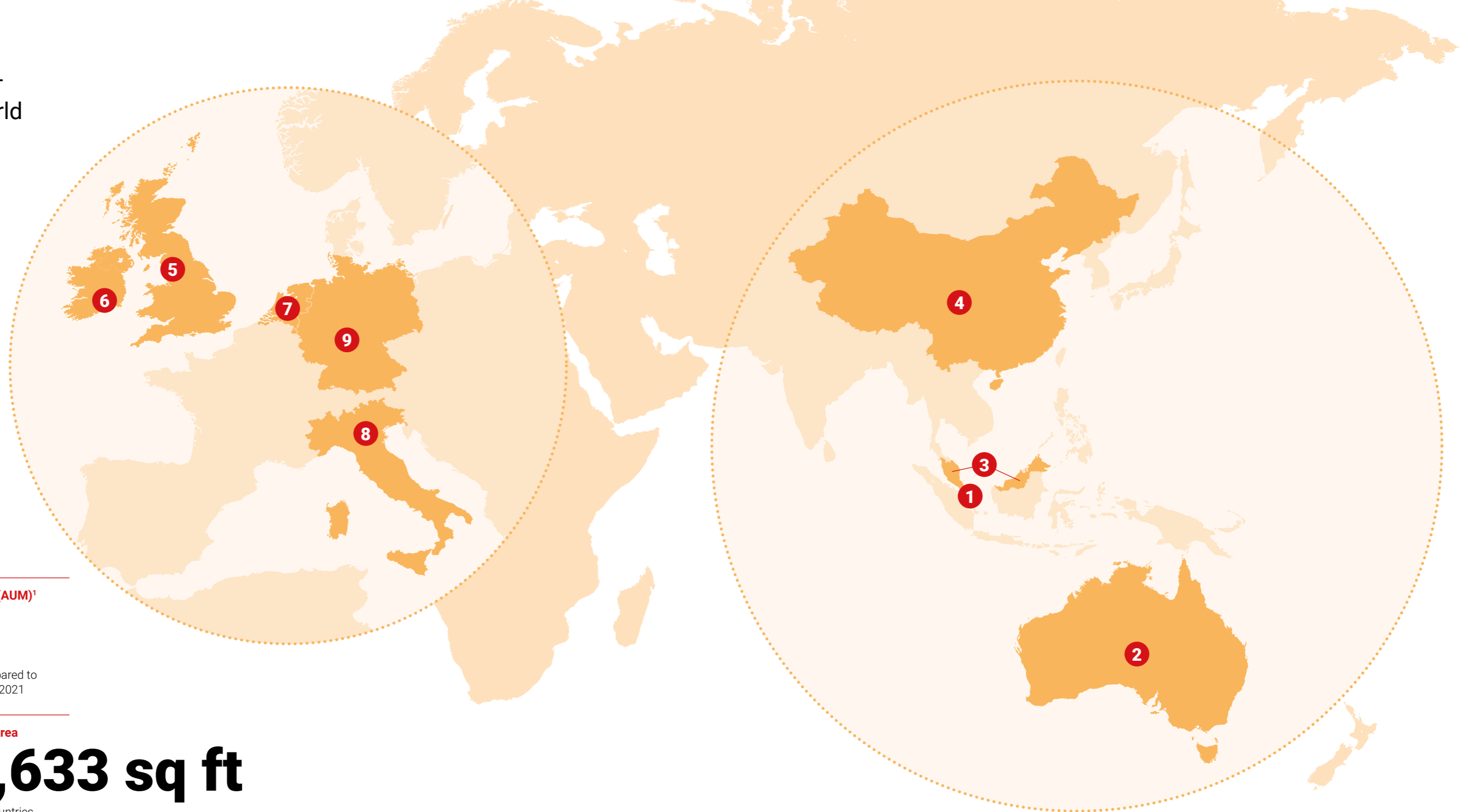


Sources: Bloomberg and Central Provident Fund.

¹ Based on Keppel DC REIT's total DPU of 10.214 cents for FY 2022 and the market closing price per Unit of \$1.770 as at 31 December 2022.

Overview

Keppel DC REIT Around the World



Assets Under Management (AUM)¹

\$3.7b

as at 31 December 2022, compared to \$3.4 billion as at 31 December 2021

Total Attributable Lettable Area

3,065,633 sq ft

23 data centres across nine countries

1

Singapore

- Keppel DC Singapore 1
- Keppel DC Singapore 2
- Keppel DC Singapore 3
- Keppel DC Singapore 4
- Keppel DC Singapore 5
- DC1

2

Australia

- Gore Hill Data Centre, Sydney
- Intellicentre Campus, Sydney

3

Malaysia

- Basis Bay Data Centre, Cyberjaya

4

China

- Guangdong Data Centre 1, Guangdong Province
- Guangdong Data Centre 2, Guangdong Province
- Guangdong Data Centre 3, Guangdong Province

5

United Kingdom

- Cardiff Data Centre, Cardiff
- GV7 Data Centre, London
- London Data Centre, London

6

Ireland

- Keppel DC Dublin 1, Dublin
- Keppel DC Dublin 2, Dublin

7

The Netherlands

- Almere Data Centre, Almere
- Amsterdam Data Centre, Amsterdam
- Eindhoven Campus, Eindhoven

8

Italy

- Milan Data Centre, Milan

9

Germany

- Kelsterbach Data Centre, Kelsterbach
- maincubes Data Centre, Offenbach am Main

¹ The acquisition of the building shell of Guangdong Data Centre 3 was completed in August 2022 and is expected to be fully-fitted by the third quarter of 2023.

Independent Market Review

by Danseb Consulting

Despite challenges to the global economy in 2022, the global colocation market grew by 14% in tandem with the growth of the digital economy.

This report is prepared by Danseb Consulting (Danseb), an independent research and consulting firm specialising in the data centre sector. Within the report, the term 'colocation' refers to a centrally managed data centre where data centre services can be provided to single or multiple clients, through large wholesale colocation leases or smaller retail colocation offerings. This report covers the key data centre hubs in countries where Keppel DC REIT is present in, namely Singapore, Australia, Malaysia, China, the United Kingdom (UK), Ireland, the Netherlands, Italy and Germany.

Industry Overview

Despite challenges to the global economy in 2022, with high inflation and power shortages impacting many countries, the global colocation market grew by 14% in tandem with the growth of the digital economy. According to the International Monetary Fund, global gross domestic product (GDP) grew an estimated 3.4% in 2022, from 6.2% in 2021. The World Bank estimates that the digital economy has been growing at around two and a half times as quickly as the overall economy in the last few years.

Across the Asia Pacific region, there was strong growth of 16% year-on-year in colocation demand in 2022, led by hyperscaler demand in both established and emerging data centre markets. In markets such as Singapore, Japan and South Korea, there was an acceleration

of digital transformation plans driven by factors such as local demand and competition among cloud providers. Established markets continue to have high demand, but new supply is often limited, particularly due to land and power availability. This has helped the growth of emerging data centre markets such as Malaysia and Thailand, where governments have been very supportive of the digital economy. The relative lack of cloud adoption in such markets has also attracted strong interest from hyperscalers.

The Western Europe region also saw strong growth in colocation demand above the 2021 rate of 12%, at 14% in 2022, with some supply constraints due to power availability and the impact of the Russia-Ukraine conflict which led to higher power costs and delayed investment plans. While demand remained strong in established data centre markets, such as London and Frankfurt, there was faster growth in less established data centre markets, such as Milan and Madrid, which have seen lower investment volumes previously and saw strong hyperscaler interest in 2022. Established data centre markets in Europe are often seeing severe restrictions on new builds, with governments enforcing temporary moratoriums, restricting new builds to designated zones, and enforcing additional requirements for operators to obtain planning consent.

This is not just due to land and power constraints, but also an increased focus on data centre operations to be more sustainable in order to mitigate climate change.

The Global Data Centre Market in 2022

Cloud computing usage, both by enterprises and governments, continued to grow strongly in 2022. Danseb estimates the year-on-year global growth in cloud spend in 2022 at over 25%, a figure that would have been 30% if it were not for the strength of the US dollar. Throughout the COVID-19 pandemic, many enterprises accelerated their cloud migration plans as they view cloud as a means to reduce costs and to offer new services such as cloud-based gaming, cloud collaboration tools and e-healthcare.

Hyperscalers dominate the cloud computing market. According to Danseb's analysis, Microsoft, Amazon Web Services (AWS) and Google have over 65% of the global market share in revenue terms. The hyperscalers remain positive on their cloud businesses, which saw growth rates of 20% to 37% in 2022, and their ability to benefit from associated technologies, such as artificial intelligence (AI) and virtual reality, which would in turn bolster demand for data centres. This is in spite of the increased pressures on hyperscalers' overall profitability in 2022 due to higher

costs and weaker economic growth. While technology giants such as Amazon, Google, Meta and Microsoft have announced plans to lay off between 5% to 13% of their global workforce, these job cuts are mostly from outside their cloud and IT infrastructure divisions. In November 2022, Meta announced plans to increase their spending on data centres by over 10% in 2023 in support of its 10-year plans. Amazon described its cloud offering, AWS, as its 'profit engine' and said that in 2023, it would be investing more in data centres as it views data centres as the key driver of future profitability. Much of this data centre spend will be in colocation data centres, as the building and operation of data centres are typically not seen as core competencies for the hyperscalers.

The demand for colocation has attracted significant new investments into the sector and higher valuations. Danseb estimates that the valuation of colocation assets in mergers and acquisitions (M&A) rose from an average of 18-20X earnings before interest, taxes, depreciation and amortisation (EBITDA) in 2018, to 25-30X EBITDA in 2022. According to Danseb's analysis, the total value of data centre M&As in 2022 is estimated to be around US\$60 billion, more than twice the level in 2021. This has enabled capitalisation rates to remain steady, even as global interest rates have risen.

The global market remains highly fragmented. Although Equinix and Digital Realty account for around 30% of the global data centre market in terms of revenue, the top 10 data centre providers, including NTT and China Telecom, in total have approximately 50% market share by revenue, and this is likely to lead to further industry M&A in 2023.

Overcoming Potential Challenges

In 2022, hyperscalers continued to expand through self-built and colocation data centres to support their expansion plans. There was a higher number of land acquisitions in 2022, and major self-build projects by AWS and Microsoft in cities such as Dublin and Sydney.

Hyperscaler colocation demand remained strong, accounting for around 80% of new hyperscaler demand in 2022, compared to 70% in 2021 according to Danseb's estimates. Reasons for this include the time-to-market advantage, potential cost advantages, local presence, knowledge and expertise of colocation providers. Danseb believes that hyperscalers will continue to grow via colocation data centres.

Power has long been a major challenge for the data centre industry, and this was exacerbated by the Russia-Ukraine conflict as Russia reduced its gas exports in 2022, leading to an energy crisis in Europe.



Many enterprises accelerated their cloud migration plans as they view cloud as a means to reduce costs and to offer new services such as cloud-based gaming, cloud collaboration tools and e-healthcare.

Independent Market Review by Danseb Consulting



Hyperscaler colocation demand remained strong, accounting for around 80% of new hyperscaler demand in 2022, compared to 70% in 2021, according to Danseb's estimates.

Prior to the Russia-Ukraine conflict, Poland, Germany and Finland were dependent on Russia for more than 50% of their natural gas usage. The reduction in power availability has led to increased costs, as these three countries seek alternative power sources. However, since Russian gas supplies to Germany were stopped in September 2022, Germany has ramped up renewable energy sources to offset the impact. Power availability remains a challenge in some countries. In Ireland, national energy grid provider, EirGrid, announced that they will not accept new grid connection applications for data centres in Dublin until 2028 due to the limitations in national power infrastructure.

Additional power costs, increased component costs and supply chain issues, have led to the cost of construction of data centres rising by around 12% in 2022, and this trend is likely to continue for several years. Supply chain issues saw the time required to construct a data centre double in some markets.

Land availability also remains a concern for many governments. Some countries have

introduced zoning for data centres in cities, such as Amsterdam and Frankfurt, and new builds were only permitted where sufficient land and power are available. In Singapore, data centre applicants must demonstrate how the new data centre will contribute to Singapore's international connectivity, the nation's broader economic objectives as well as sustainability efforts. With limited land available for data centres, existing data centres in prime city locations are viewed as increasingly premium assets, and rental pricing in 2022 rose by an average of 10% and up to 15% for many of these facilities, particularly in supply-constrained locations.

Another further challenge for the colocation industry in 2022 was staffing. More than half of the respondents to Uptime Institute's 2022 Global Data Centre Survey reported that their organisations experienced difficulties finding qualified data centre candidates. The colocation industry is responding to the staffing challenge by building up their own workforce. A case in point would be Microsoft's establishment of a Data Centre Academy in Singapore, with the ambition of training 300 students in the building and operation of data centres.

Ensuring Sustainable Growth

Sustainability is at the forefront of the agendas of nations and corporates. At the United Nations Framework Convention on Climate Change (COP27) in 2022, nations reaffirmed their commitment to limit global temperature rise to 1.5 degrees Celsius above pre-industrial levels. Companies have also set ambitious sustainability targets such as Amazon's commitment to reach net zero carbon by 2040, a decade ahead of the Paris Agreement.

The colocation industry has taken steps to ensure sustainable growth, through global industry groups, such as The iMasons' Climate Accord which seeks to achieve carbon neutrality in digital infrastructure. In Singapore, there have been initiatives to use hydrogen to power data centres, while in Ireland, there were efforts to supply waste heat from data centres to homes and return energy to the national grid. Companies have also stepped up to develop their own technologies, including Keppel's indirect evaporative cooling (IDEC) systems for its upcoming Huailai Data Centre in China, which uses evaporating water to cool airstreams and maintain humidity, consuming 50% less energy than traditional chilled water systems.

Another key factor in sustainability is water, with researchers at Virginia Tech, a leading US university, estimating that an average data centre could use 300,000 gallons of water per day, which is approximately the same consumption as 100,000 homes. This has led to company initiatives, such as one from Meta, which plans to replenish more water than it consumes by 2030, with initiatives such as improved design, re-circulation of water and use of AI to increase efficiency.

Looking Ahead

Data centres are central to the digital economy and to the enablement of incredible innovation, from healthcare to manufacturing to financial services. There will be increased global media focus on the industry in 2023 with growing attention on environmental and climate change considerations. However, existing facilities and efficient new data centre builds will be increasingly recognised as central to achieving governmental and societal ambitions in the 2020s, such as the Dutch Climate Act which commits the Netherlands to reducing its carbon emissions to net zero by 2050.

¹ Infrastructure Masons

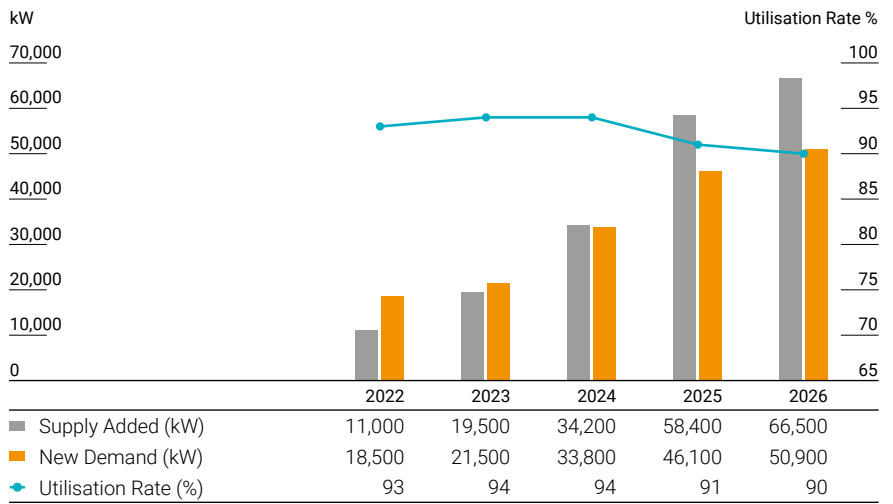
Singapore

Singapore remains a highly attractive colocation market. It was ranked third in Cushman & Wakefield’s 2023 Global Data Centre Market Comparison, behind United States (US) locations, due to its excellent telecommunications and data centre ecosystem. Singapore is also a highly attractive regional hub and, in 2022, we saw several corporations relocate their regional data centres from Hong Kong to Singapore.

New supply has been limited in recent years, following the moratorium imposed in 2019. Although this was lifted in 2022, the total new capacity to be allocated is up to 60MW in the initial phase. Each successful bidder for a new data centre build will also be limited to receiving the first 10MW of power in 2025. A key reason for the restrictions is due to government policies to better manage the growth of data centres in line with Singapore’s climate targets. Data centres are estimated to account for around 7% of electricity consumption in Singapore in 2020. We expect to see an increase in data centre supply from 2025 onwards as restrictions ease, given the high level of demand.

Although some potential demand for colocation in Singapore may spill over to Malaysia or Indonesia, existing sites in

Data Centre Supply/Demand/Utilisation in Singapore



Singapore remain close to full occupancy, and Danseb estimates that some colocation providers were able to raise rents by 10% to 15% in 2022.

Hyperscaler demand remained strong, with Google completing its third data centre in 2022, having invested over US\$850 million into data centres in Singapore since 2011. Meta’s first self-build data centre in Asia

Pacific is in Singapore, and is expected to be operational in 2023. Nearly 40% of hyperscaler space in Singapore is leased from colocation providers.

New demand in Singapore is estimated to grow at a compound annual growth rate (CAGR) of 28.8% between 2022 and 2026. The average utilisation rate was 93% as at end 2022.



DC1 is a purpose-built five-storey data centre facility located outside the Woodlands Regional Centre.

Independent Market Review

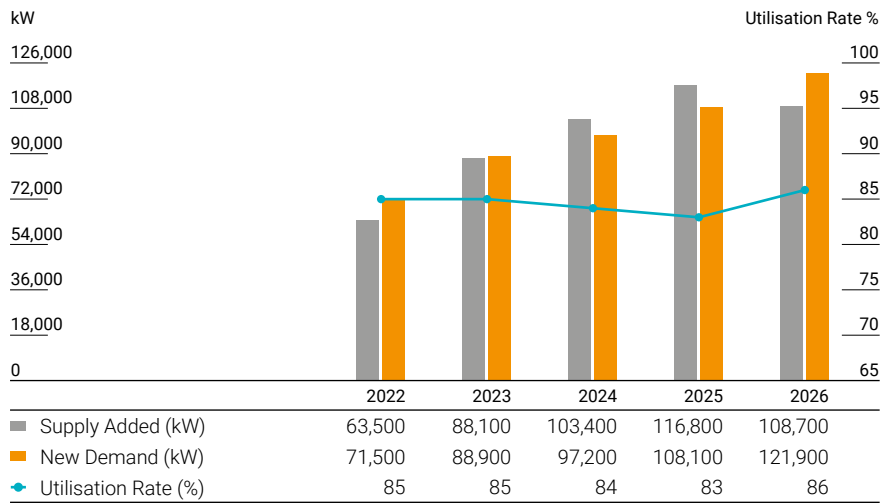
by Danseb Consulting

Sydney, Australia

Sydney continues to be a highly attractive colocation market and the main data centre hub in Australia. Although Melbourne is becoming an increasingly important second hub in the country, Sydney still has the advantage as an international and financial hub, with better telecommunications connectivity and its broader data centre ecosystem. It is connected to 18 international subsea cables, with a further six currently being developed. There is strong government support, with The Digital Economy Strategy 2030 outlining plans for Australia to become a top 10 digital global economy by 2030. Other demand drivers include strong usage of cloud and high levels of government outsourcing, which mandate government data must be kept within Australia and limited to certified suppliers.

Hyperscalers particularly favour data centres in Australia as employees are able to work across the different time zones in the US, Europe and Australia and offer support to clients in their local time zone. Sydney remains the favoured location in Australia for hyperscalers, given their existing operations in the city, access to

Data Centre Supply/Demand/Utilisation in Sydney



skilled staff, presence of local partners as well as cable landing stations.

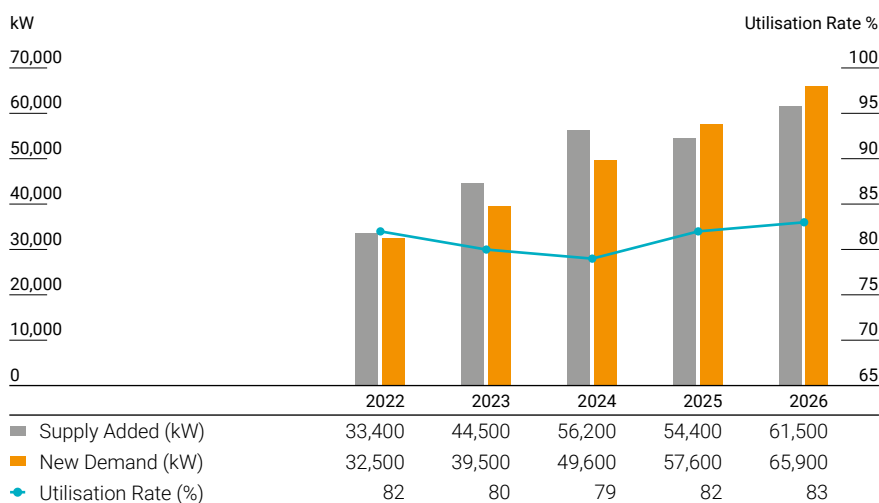
Key 2022 builds included facilities from NextDC, AirTrunk and CDC. In 2023, there is a large pipeline of new colocation facilities

from both domestic and international providers, including AirTrunk, NextDC, Macquarie, Trifalga, Equinix and Stockland. However, Danseb expects such builds to be in tandem with demand and therefore have a limited impact on utilisation.



Intellicentre Campus is located within Macquarie Park, a research and business park in Sydney with a high concentration of companies in the communications and information technology sectors.

Data Centre Supply/Demand/Utilisation in Cyberjaya



Microsoft is planning to invest a further US\$930 million into building data centres in Sydney and across Australia. Google plans to invest around US\$730 million in the next five years into IT infrastructure in Australia, with the bulk in Sydney. Danseb understands both Google and Microsoft intend to take up substantial colocation space in Sydney in 2023 and 2024 to meet anticipated demand.

Given the concerns about the availability and cost of land, new data centre builds are increasingly located in north and west Sydney. Colocation providers are also building further from the centre of the city to ensure they can find suitable sites which provide the power, reliability and connectivity needed. One example is the Equinix development in Parramatta, which offers lower costs and better availability of land and power compared to central Sydney.

New demand in Sydney is estimated to grow at a CAGR of 14.3% between 2022 and 2026. The average utilisation rate was 85% as at end 2022.

Cyberjaya, Malaysia

Cyberjaya is a purpose-built technology business park located approximately 30km south of Kuala Lumpur and spans an area of 28km². It is the nucleus of Malaysia's Multimedia Super Corridor hosting over 2,000 companies from the information and communications technology sector. It is home to over 140,000 jobs and more than 400 start-ups. Cyberjaya has 10 technology focus areas, including cloud computing, AI and the internet of things.

Cyberjaya, together with Kuala Lumpur, accounts for over 75% of the data centre capacity in the country, though other locations, such as Johor, are also quickly developing. This has led to some potential oversupply in Cyberjaya particularly as new demand moves towards Johor.

Cyberjaya saw limited data centre demand in the last few years due to the various COVID-19 restrictions, but activity has started to pick up in the second half of 2022.

There will be new data centre supply in Cyberjaya from Vantage, Microsoft and NTT. Danseb forecasts potential increased demand from government, hyperscalers and customers. Government initiatives, such as the Malaysia Digital Blueprint (MyDIGITAL), aim to accelerate the growth of digital products and services. Under MyDIGITAL, 80% of public sector data was to be stored in the cloud by 2022. There will also be an improved environment for colocation facilities including 95% coverage for 4G mobile network, and the completion of the Myanmar/Malaysia-India-Singapore Transit (MIST) subsea cable linking Malaysia to India.

Another challenge in Malaysia is the need for more renewable energy, a key requirement for the hyperscalers. There are now efforts for Malaysia to increase the availability of renewable energy, with a target of 31% of installed capacity by 2025, and 40% by 2035.

New demand in Cyberjaya is estimated to grow at a CAGR of 19.3% between 2022 and 2026. The average utilisation rate was 82% as at end 2022.

Independent Market Review

by Danseb Consulting



Keppel DC REIT has three data centres in Guangdong, which are designed in accordance with the Code for Design of Data Centre Grade A GB, where Grade A is the highest standard for data centres in China.

Guangdong, China

On a global scale, China is the largest data centre market in Asia, and second to the US in terms of data centre power capacity. With a population of 127 million, Guangdong is the most populous province in China. Housing three of China's six Special Economic Zones, namely Shenzhen, Shantou and Zhuhai, Guangdong contributed approximately 12% of the country's national economic output in 2021.

Together with Hong Kong and Macau, Guangdong is part of the Greater Bay Area (GBA), which is marketed to international investors as a key global technology location, seen as competing with the Bay Area, on the west coast of the US, as a technology hub. Shenzhen, including the Shenzhen Bay High-Tech Eco-Park, is one of such key technology locations. The GBA is also one of the national computing hubs under the government's "Eastern Data, Western Computing" initiative to migrate data centres away from eastern China.

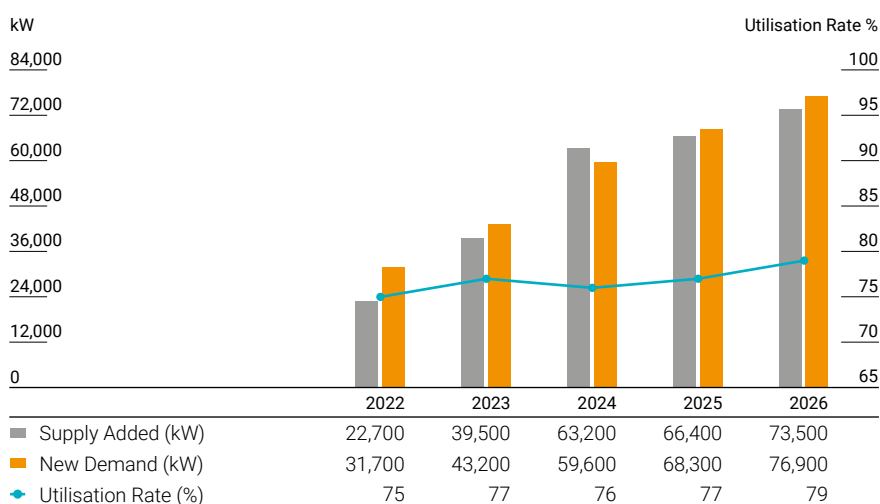
Guangdong is a key location for Chinese internet companies due to its geographic position and e-commerce ecosystem, and it is estimated that the digital economy accounted for over 25% of regional GDP in 2021. For instance, Tencent has its largest data centre cluster in Qingyuan, Guangdong, while Alibaba opened China South 3 in Guangzhou in 2020. Elsewhere, data centres can be found across Guangdong, in locations such as Shenzhen, Jiangmen, Shaoguan and Heyuan, where Alibaba has one of its five super data centres.

The size and growth of the digital economy creates strong demand for data centres in Guangdong, and it is also perceived as highly attractive for international customers, particularly the GBA. There are also government initiatives, such as the Guangzhou AI and Digital Economy Experimental Zone, which are focused on developing new AI and digital technologies.

Key colocation providers in the Guangdong region include Dr Peng, GDS and China Telecom. GDS and China Telecom have announced major expansion plans for 2023. However, supply is expected to remain constrained in the next several years. In line with the government's push for green data centres, there are strict Energy Saving Assessment (ESA) requirements enforced across China that affect both existing data centres and new builds. New data centres will need to operate at power usage effectiveness (PUE) of below 1.3 to be considered for ESA.

New demand in Guangdong is estimated to grow at a CAGR of 24.8% between 2022 and 2026. The average utilisation rate was 75% as at end 2022.

Data Centre Supply/Demand/Utilisation in Guangdong



Cardiff, UK

Cardiff, the capital of Wales, is the closest capital city to London at 244km away. The city, together with neighbouring Bristol and Newport, serves the communications and data requirements of a large part of the UK's Southwest.

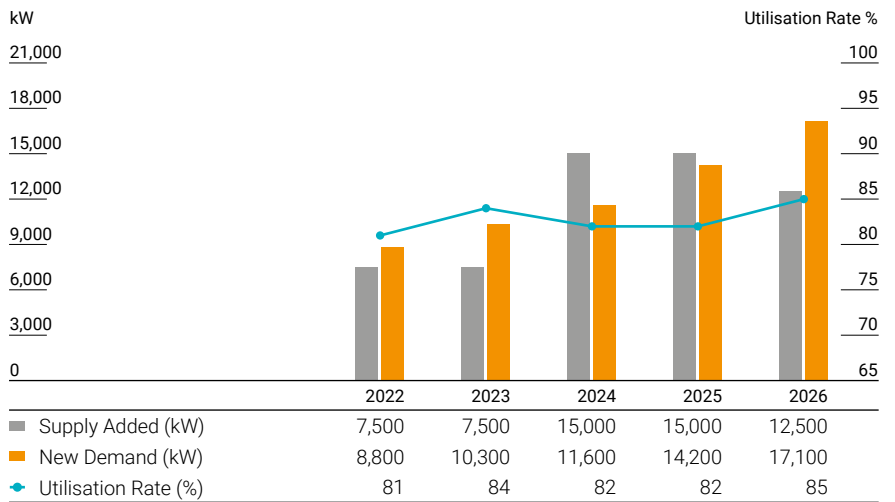
Cardiff's current metro area population is 485,000 and the region contributed nearly 20% of Welsh GDP in 2021. Between 2011 and 2021, it was the second fastest growing metro location within Wales.

Trade and Invest Wales estimated the technology sector in Wales was worth US\$11.6 billion and employed over 45,000 people in 2022. Key areas for growth in 2023 include semiconductors, fintech and cybersecurity.

The climate allows free air cooling for most of the year and the city has access to the UK supergrid, providing high voltage transmission to data centres, which leads to lower costs and higher reliability.

Cardiff is part of the UK's tech corridor and the region is home to Microsoft's cloud zones. It has also attracted colocation demand from financial and technology enterprises, based on its relatively lower operating costs compared to London, as well as its ability to

Data Centre Supply/Demand/Utilisation in Cardiff



serve as a reliable back-up to data centres in London. It also benefits from the challenges in finding suitable sites with available power in the London area.

The Cardiff market is currently under-supplied. Microsoft acquired a building of over 100,000m² in Newport just outside Cardiff in 2022 and is able to potentially

convert the building into a data centre. Vantage, which acquired local player NGD in 2020, is also expanding its presence within the region, with a further 40MW expansion.

New demand in Cardiff is estimated to grow at a CAGR of 18.1% between 2022 and 2026. The average utilisation rate was 81% as at end 2022.



Cardiff Data Centre is strategically situated within the Celtic Gateway Business Park.

Independent Market Review

by Danseb Consulting



London Data Centre is strategically located in Bracknell, a commercial centre in the Thames Valley, a region considered to be the Silicon Valley of the UK.

London, UK

The London data centre market benefits from its position as a global leading financial and technology hub.

In 2022, the UK technology sector reached US\$1 trillion in value, alongside the technology sectors in the US and China, and is now worth more than double that of Germany, its closest European rival. Over the course of 2022, more than 18,500 technology startups were established in London. This has helped accelerate cloud usage in the UK market, which is much further ahead of other European countries.

London was ranked second globally, behind New York, in the Global Financial Centres Index 2022 and is the only European city in the Top 10 list. The financial sector has been a key customer of data centre services in London and there is also a very strong fintech sector in the city.

New supply is limited, particularly in North and West London, due to the lack of power availability and suitable land for data centres. New developments are increasingly located away from Central London, and further west from the existing data centre hub in Slough. West London is considered particularly attractive due to strong telecoms connectivity, proximity to the Thames Valley IT corridor and accessibility, including proximity to Heathrow Airport.

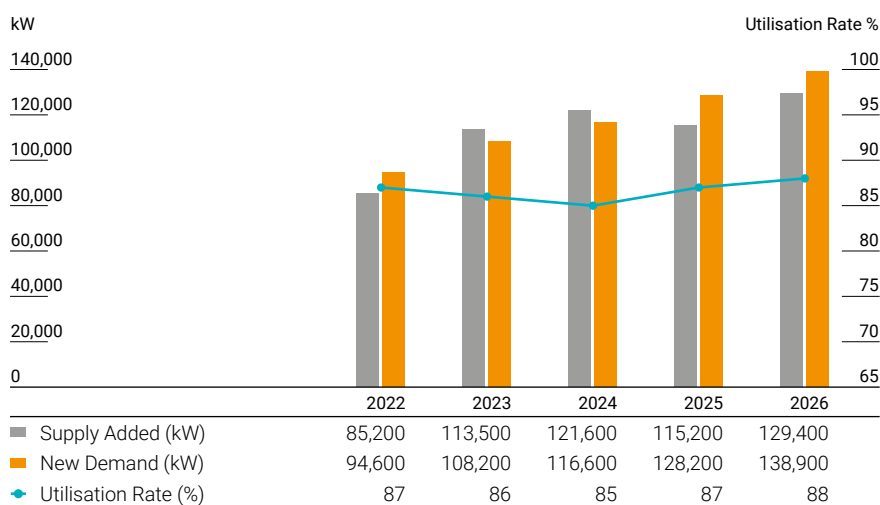
Central London sites, particularly in Docklands, increased their already premium pricing levels due to the lack of new supply as powered sites were not available in the area. Colocation facilities in Central London, which are next to the London Internet Exchange (LINX), have typically been able to price colocation rents at around 15% to 20% above other UK data centres.

Demand in 2022 remained strong in London with hyperscalers such as AWS,

Google and Microsoft expanding their presence through land acquisitions in 2022. Nonetheless, Danseb expects most of hyperscalers' future expansion to be through colocation data centres as there are challenges in obtaining relevant approvals for new data centre builds given concerns about power availability.

New demand in London is estimated to grow at a CAGR of 10.1% between 2022 and 2026. The average utilisation rate was 87% as at end 2022.

Data Centre Supply/Demand/Utilisation in London



Dublin, Ireland

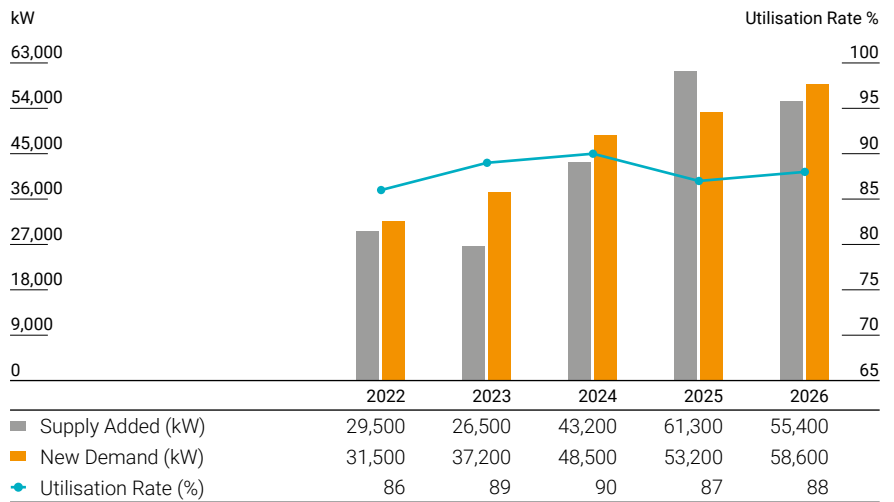
The Dublin market faced challenges in 2022 with restrictive local planning, government concerns over power usage, and lack of power availability.

The Irish government wishes to encourage data centre investments. In the 'Government Statement on the Role of Data Centres in Ireland's Enterprise Strategy' published in July 2022, it emphasised the value of data centres to the Irish economy. However, new builds must have the potential to provide energy back to the national grid, access renewable energy and use their own power sources.

A particular challenge in Dublin is the lack of power availability for large data centres, with EirGrid, the national power provider, stating it is not able to support any major data centres (that do not already have power secured) until 2028. These concerns have led some potential data centre investments to be put on hold, or to be potentially located elsewhere in Europe where they can. This trend has been accelerated by the fact that many hyperscalers' builds in Dublin support users across Europe and Africa, and data sovereignty laws are pushing more data centres to be located in the respective countries.

Nonetheless, the Irish economy continued to attract international corporations, particularly in the technology sector. In 2022, foreign-owned multinational companies in Ireland added 24,000 jobs, compared with 17,000 in 2021. Dublin continues to be highly attractive to the hyperscalers, with a favourable tax and regulatory regime, strong

Data Centre Supply/Demand/Utilisation in Dublin



data connectivity to the US and a highly skilled workforce.

In 2022, Microsoft announced a significant expansion in its Dublin data centre presence, including its own 170MW gas power plant. AWS also announced a further 144MW build, alongside a commitment to build 229MW of wind farms in the country. Both data centres are expected to be operational in 2024. There have also been significant deployments from technology companies such as Oracle and Workday. Further, Danseb expects supply to increase in the next two years with the expected completion of several major

new schemes, which secured power before the government restrictions were imposed. For example, AWS will start building a new data centre in 2023, based on planning permission and power obtained in 2019.

There are also significant new build plans from colocation providers. These have targeted Chinese players, such as ByteDance as well as other hyperscalers from the US.

New demand in Dublin is estimated to grow at a CAGR of 16.8% between 2022 and 2026. The average utilisation rate was 86% as at end 2022.

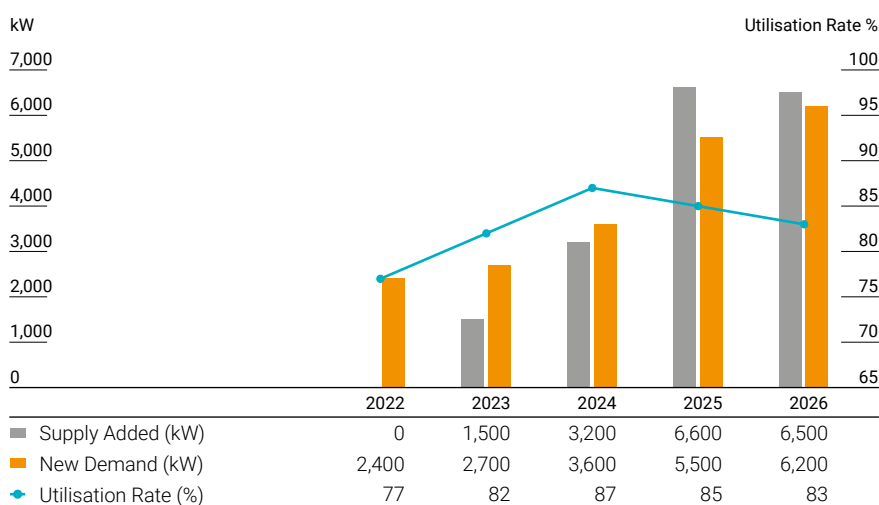


Keppel DC Dublin 1 is located in the Citywest Business Campus, a prime suburban industrial and commercial location in Dublin.

Independent Market Review

by Danseb Consulting

Data Centre Supply/Demand/Utilisation in Almere



With connection to North America and Europe via submarine cables, Almere Data Centre provides a highly-connected and secure environment for clients.

Almere, The Netherlands

Almere is the seventh largest city in the Netherlands with a population of 210,000. By 2030, it is estimated to have a population of 350,000, becoming the fifth largest city in the Netherlands. Although it is located within the Amsterdam Metropolitan Area, costs are much lower than central Amsterdam, with land costing much less and comparatively cheaper labour costs.

The city has a strong focus on sustainability compared to other parts of Europe and plans to become a fully circular economy by 2050. It has benefitted from its status as a new city with modern infrastructure. Since its origins in the 1970s, all planning decisions have a focus on sustainability.

The Dutch government, in its Spatial Strategy Data Centres 2030, has recommended new data centres be built in Almere, South Holland and designated coastal areas, rather than central Amsterdam. Such new builds will need to conform to Dutch regulations, such as a PUE of under 1.2 and limiting its impact on local power infrastructure. The Dutch government believes these designated areas can provide power availability, the potential to use waste heat in district heating and strong digital connectivity.

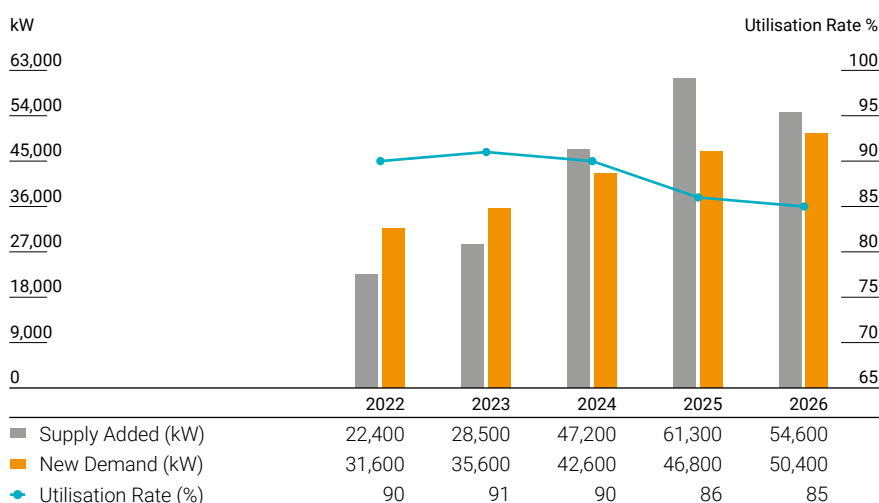
This will lead to further development of the Almere market, particularly given the lack of power and land availability, as well as the moratorium in central Amsterdam. Within Almere, the development of new builds will lead to a growing ecosystem and skillset for data centres. However, there were no new data centres completed in Almere in 2022 due to a lack of clarity on government regulations around data centres and broader supply chain issues such as component shortages. Nonetheless, there are some potential new builds coming online in 2025, which have been mainly pre-sold.

New demand in Almere is estimated to grow at a CAGR of 26.8% between 2022 and 2026. The average utilisation rate was 77% as at end 2022.

Amsterdam, The Netherlands

2022 was a challenging year for the Amsterdam data centre market. The national government enforced a nine month ban on hyperscaler data centres at the start of 2022 as the government viewed that the environmental cost of hyperscale data centres outweighed their social and economic benefits. There are strict restrictions on other new data centre builds, which need to be located in designated areas of Amsterdam such as AgriPort or outside of Amsterdam, and enforcement of efficiency criteria, such as a PUE of under 1.2.

Data Centre Supply/Demand/Utilisation in Amsterdam



These challenges were illustrated by Meta withdrawing a planned 200MW build in Zeewolde, just outside Amsterdam, after prolonged local protests, which were specifically against that development.

New supply in 2022 was mainly due to expansions by schemes with existing planning permission such as data centres built by NorthC and Equinix.

Central Amsterdam has not only faced issues with power, but also land availability with data centre plans often competing with planned housing developments. This has led to increased pricing and occupancy in central Amsterdam, while new developments have been focused on specific locations which have land and power availability. One example is Agriport, an industrial and technology park to the north of the city, in which Microsoft further expanded in 2022, and Google is looking to add around 50MW in 2023.

However, Amsterdam remains an attractive data centre location with excellent telecommunications, including the second largest European Internet Exchange, a business-friendly environment and its geographic position within Europe, which means more than 170 million consumers are within 500km.

New demand in Amsterdam is estimated to grow at a CAGR of 12.4% between 2022 and 2026. The average utilisation rate was 90% as at end 2022.

Eindhoven, The Netherlands

Due to the challenges in terms of land and power in Amsterdam, and the desire of the government to see data centres located throughout the country, data centre users including semiconductor giant, ASML, have started to move to other locations within the Netherlands, such as Eindhoven.

Eindhoven is a natural alternative data centre hub in the Netherlands, located at the opposite end of the country to Amsterdam and close to the German border.

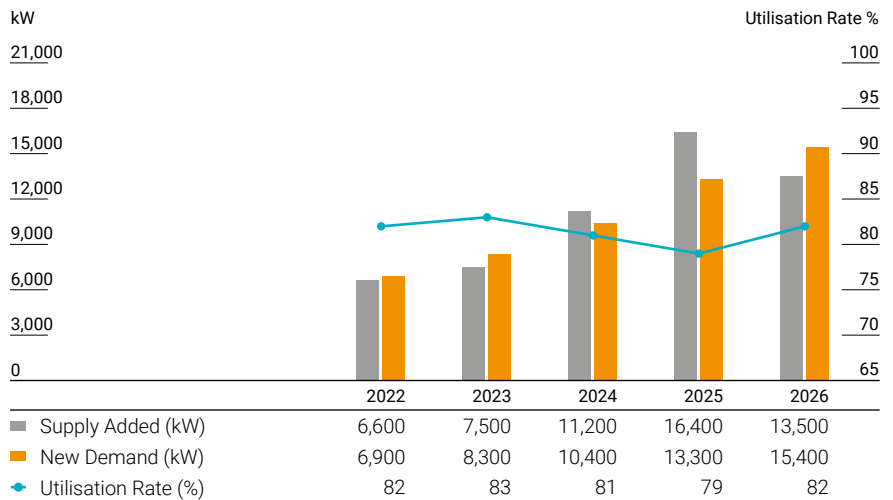
Eindhoven is home to Brainport Eindhoven, which positions itself as 'the Silicon Valley of Europe'. Brainport Eindhoven covers 200 hectares, and houses technology companies, such as ASML, Siemens, Ortec and KPN. In 2025, Brainport Eindhoven will begin expanding, with plans to triple the size of the site. It is also investing in a local energy network, solar panels and wind turbines.

Eindhoven is also home to the High Tech Campus, which houses over 260 technology companies in sectors, such as Sustainability,



Eindhoven Campus is situated in De Hurk, the largest business park in Eindhoven, the Netherlands.

Data Centre Supply/Demand/Utilisation in Eindhoven



Applied Intelligence, Smart Environments, Connectivity and Software. High Tech Campus aims to be the most sustainable European technology park by 2025, and its #Campus2030 plan is to be one of the leading global technology hubs worldwide by 2030.

The Dutch Climate Act commits the Netherlands to reducing its carbon emissions to net zero by 2050. This, together with limitations on power availability, will push data centre providers to build more efficient data centres, and also locate in more sustainable regions. This is expected to further move new builds from Amsterdam into Eindhoven, which is developing new renewable sources,

such as a heat battery, and is home to the Eindhoven Institute for Renewable Energy. Although Eindhoven is subject to the same strict restrictions on new data centres as Amsterdam, the city is far better equipped to be able to support data centres that can overcome these limitations.

Current providers in Eindhoven include NorthC, SmartDC and NLDC. Among planned new builds, NorthC is adding 4.5MW in 2023.

New demand in Eindhoven is estimated to grow at a CAGR of 22.2% between 2022 and 2026. The average utilisation rate was 82% as at end 2022.

Independent Market Review

by Danseb Consulting

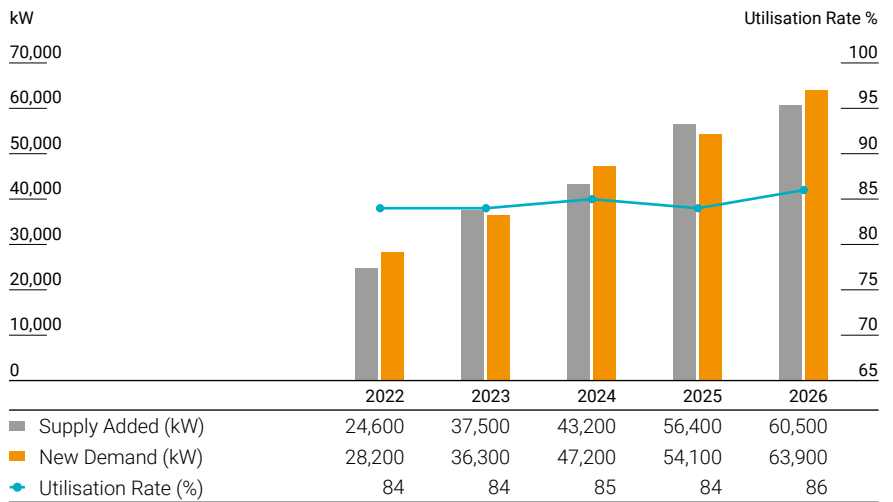
Milan, Italy

The Milan market grew strongly in 2022, and looks set to see accelerated growth to 2026, particularly due to demand from hyperscalers. Milan is positioned behind major European hubs, such as Amsterdam and Frankfurt, and competes with Madrid to be the leading data centre hub in Southern Europe. It will become increasingly important as it benefits both from local demand, and the requirement from hyperscalers seeking to have a presence in Italy to meet local demand.

While Madrid also saw strong investments in 2022, Milan benefitted from new colocation supply, hyperscaler investment, and improving telecommunications. In the next three years, a further eight subsea cables will land in Italy, improving its connectivity to Africa, India and the Middle East. A key landing station is in Genoa, which is around 120km from Milan, with other subsea cables landing in Sicily.

Planned new supply and entrants in the market include Aruba, Compass, Data4 and STACK. The Compass site has the potential for a 48MW development, and STACK has the potential to add a

Data Centre Supply/Demand/Utilisation in Milan



further 80MW to its existing campus. These builds show the international appeal of the Milan market, with Compass and STACK being US players, while Data4 is a French company. Google announced three cloud zones in and around Milan,

and is also an investor in the Blue Submarine Cable System, connecting Italy, France, Greece and Israel. It follows Microsoft which has invested US\$1.5 billion to establish an Italian cloud region in Milan.

Currently, AWS has a small presence in Milan but is believed to be looking for a much larger Milan site in 2023. Oracle also announced a new cloud presence in Milan in 2022.

New demand in Milan is estimated to grow at a CAGR of 22.7% between 2022 and 2026. The average utilisation rate was 84% as at end 2022.

Frankfurt, Germany

The Frankfurt market saw strong demand in 2022, led by hyperscalers and international players who want to be present in Germany and benefit from the strongest connectivity in Europe. However, there were further restrictions on new supply.

Across Germany, planned new regulations that have yet to be finalised state that data centres beginning operations from 1 January 2025 onwards must have a planned energy reuse factor of at least 30%. This means that new data centres must channel at least 30% of



Milan is home to the Milan Internet Exchange point and is an emerging regional IT hub that is well connected to other European markets.

their waste heat to local or district heating by 2025. The energy reuse factor rises to 40% from 1 January 2027.

Seven designated zones in Frankfurt have been allocated for future development of data centres. However, even in these regions, there is often no power availability until around 2028. To obtain a data centre permit, operators of new builds must show a strong commitment to sustainability, particularly demonstrating that they will have minimal impact on the local environment and power availability. Although existing data centres need to meet regulations around waste heat, they do not have the same costs and challenges in meeting environmental legislation as new builds, thus giving the existing builds a strong competitive advantage.

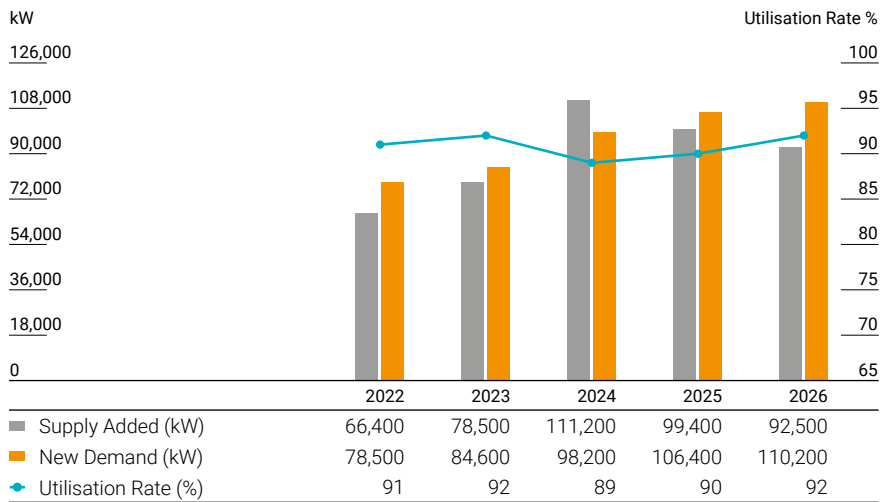
However, demand remains very strong in Frankfurt, particularly from hyperscalers and international corporations. A key element is the Internet Exchange, DE-CIX, which hit a peak of 14.4 terabit per second (Tbit/s) in 2022, equivalent to over three million high-definition quality videos streamed simultaneously. The high transmission speed of the DE-CIX and the presence of a larger number of telecommunications companies in Frankfurt provides data centres with multiple choices at a lower cost.

Germany is also attractive as it is the largest economy in Europe, and local customers prefer their data to be stored within Germany. This is both for legal reasons, such as the Federal Data Protection Act, which ensures that data originating in Germany must stay within the country, but also due to user preference, with local users preferring to use German-based data centres.

Although some other locations in Germany, particularly Berlin, are becoming increasingly important data centre hubs, Frankfurt is still home to around 50% of German colocation supply. This is despite a population of just 780,000.

This imbalance in supply and demand has translated to a very high utilisation in existing Frankfurt data centres, and pricing is typically 10% to 20% higher than in other German cities. Planned new supply

Data Centre Supply/Demand/Utilisation in Frankfurt



in Frankfurt failed to be deployed in 2022, for reasons such as planning issues, power availability and supply chain challenges. Danseb expects a significant increase in 2024 supply as these issues are mitigated, although power availability

will continue to be a major challenge for at least the next five years.

New demand in Frankfurt is estimated to grow at a CAGR of 8.8% between 2022 and 2026. The average utilisation rate was 91% as at end 2022.



maincubes DC is located within a data centre hub and offers high interconnectivity to the world's leading internet exchange point, DE-CIX.

Portfolio Review

The Manager is committed to proactively review opportunities for organic and income growth to optimise value and long-term competitiveness.

Driving Continuous Growth

2022 was a year of forging ahead amidst global geopolitical tensions and economic shifts. Despite the challenging environment, Keppel DC REIT was focused on growth and continued to pursue data centre acquisition opportunities. In 2022, the Manager completed the acquisition of a data centre in Bracknell, United Kingdom (UK) and two data centres in Guangdong, China, all of which are on long-term master leases, adding stability and income resilience to the portfolio.

In January 2022, the Manager strengthened its foothold in London through the completion of the acquisition of London DC at £57.0 million¹ from a Fiera Real Estate/ SEDCO Capital joint venture. The purchase price was arrived at, on a willing-buyer and willing-seller basis. The purchase price was supported by an independent valuation of £57.0 million, as at 23 December 2021, by Newmark Valuation & Advisory, LLC, an independent valuation firm appointed by the Trustee. The valuation was based on the direct capitalisation, discounted cash flow and sales comparison methods. London DC is well-located in Bracknell, a commercial centre in the Thames Valley, a region considered to be the Silicon Valley of the UK due to its large concentration of multinational technology companies and conglomerates.

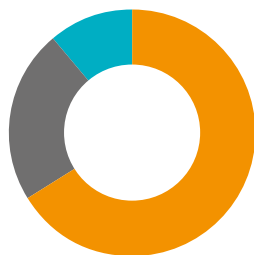
Portfolio Glossary

Keppel DC Singapore 1	KDC SGP 1
Keppel DC Singapore 2	KDC SGP 2
Keppel DC Singapore 3	KDC SGP 3
Keppel DC Singapore 4	KDC SGP 4
Keppel DC Singapore 5	KDC SGP 5
DC1	DC1
Gore Hill Data Centre	Gore Hill DC
Intellicentre Campus	IC DC
Basis Bay Data Centre	Basis Bay DC
Guangdong Data Centre 1	Guangdong DC 1
Guangdong Data Centre 2	Guangdong DC 2
Guangdong Data Centre 3	Guangdong DC 3
Cardiff Data Centre	Cardiff DC
GV7 Data Centre	GV7 DC
London Data Centre	London DC
Keppel DC Dublin 1	KDC DUB 1
Keppel DC Dublin 2	KDC DUB 2
Almere Data Centre	Almere DC
Amsterdam Data Centre	Amsterdam DC
Eindhoven Campus	Eindhoven DC
Milan Data Centre	Milan DC
Kelsterbach Data Centre	Kelsterbach DC
maincubes Data Centre	maincubes DC

In August 2022, the Manager completed the acquisition of Guangdong DC 2 on a fully-fitted basis and Guangdong DC 3 on a shell and core basis from Guangdong Bluesea Data Development Co., Ltd.

¹ Purchase price included a rental top-up of approximately £0.55 million. As part of the commercial agreement, the seller agreed to provide a rental top-up for the period from the date of legal completion of the acquisition (being 11 January 2022) to 14 June 2024 (both dates inclusive).

Rental Income Breakdown by Type of Contract (%)
for December 2022



Colocation	66.3
Fully-fitted	22.6
Shell and Core	11.1
Total	100.0

(the Seller) and its parent company, Guangdong Bluesea Mobile Development Co., Ltd.. Guangdong DC 3 will be fully fitted out by the Seller, before full payment is made.

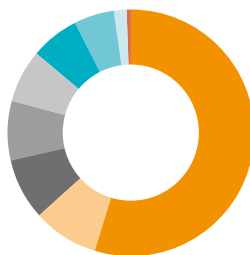
Guangdong DC 2 is a seven-storey fully-fitted data centre. The purchase consideration was RMB690.3 million, arrived at, on a willing-buyer and willing-seller basis. This was supported by a RMB698.0 million valuation dated 1 June 2022 by Savills Valuation and Professional Services (S) Pte Ltd (Savills), an independent valuation firm appointed by the Trustee, using the income capitalisation and discounted cashflow methods.

Guangdong DC 3 is a seven-storey shell and core data centre expected to be fully-fitted out by the third quarter of 2023.

The purchase consideration of RMB690.3 million on a fully-fitted basis, was supported by the RMB691.0 million valuation dated 1 June 2022 by Savills, using the income capitalisation and discounted cashflow methods.

Both Guangdong DC 2 and Guangdong DC 3 were designed in accordance with the Code for Design of Data Centre Grade A GB, where Grade A is the highest standard for data centres in China. Located within the Greater Bay Area, one of China's most vibrant economic regions and one of China's eight national computing hubs, these acquisitions further anchor Keppel DC REIT's presence in the Asia Pacific region.

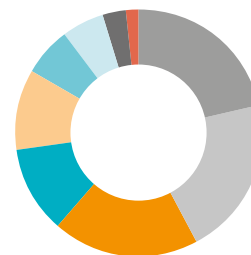
Portfolio AUM by Geography (%)
as at 31 December 2022¹



Singapore	54.8
Australia	8.8
Ireland	8.0
China	7.7
Germany	6.9
The Netherlands	6.5
UK	5.3
Italy	1.5
Malaysia	0.5
Total	100.0

¹ Includes investment in debt securities issued by M1 Network Private Limited. This investment is excluded from the Rental Income Breakdown by Type of Contract and Total Attributable Lettable Area by Geography (%) charts as it is not a real estate asset.

Total Attributable Lettable Area by Geography (%)
as at 31 December 2022



China	21.6
Germany	20.8
Singapore	19.2
The Netherlands	11.2
Australia	10.6
UK	6.5
Italy	5.4
Ireland	3.1
Malaysia	1.6
Total	100.0

Portfolio Statistics

	As at 31 December 2021	As at 31 December 2022
Total attributable lettable area ²	2,470,814 sq ft	3,065,633 sq ft
Valuation ²	\$3.35 billion	\$3.59 billion
Others (debt securities)	\$0.09 billion	\$0.09 billion
Number of unique clients ³	83	80
Occupancy	98.3%	98.5%
WALE by area	7.5 years	8.4 years

² Based on respective ownership interests of real estate assets

³ Clients in multiple data centres are counted as one client

With a disciplined approach when seeking investment opportunities that complements the portfolio growth, Keppel DC REIT's assets under management (AUM) increased from approximately \$3.4 billion as at end 2021 to \$3.7 billion as at end 2022. Moving forward, the Manager will continue to remain focused on sustainable and long-term growth.

Value Creation Through Active Asset and Portfolio Management

The Manager is committed to proactively review opportunities for organic income

growth to optimise value and long-term competitiveness.

At KDC SGP 5, the Manager secured an offer to extend the remaining land tenure for a further term of nine years, from the current term of 19 years remaining. The upfront land premium will only be payable in approximately 19 years' time when the existing lease expires.

Portfolio resiliency is reinforced with over half of Keppel DC REIT's contracts having built-in income and rental escalations pegged to

Portfolio Review

annual Consumer Price Index or similar indexation, fixed rate increases, or a mixture of both, which serve to mitigate inflationary pressures. The remaining contracts without escalations have a relatively short weighted average lease expiry (WALE) by rental income of 2.2 years as at end December 2022, enabling the negotiation of higher rates during renewals. In addition, significantly above 90% of electricity costs were passed through to colocation clients whereas master lease clients contract electricity directly with the power suppliers. With concerns over rising electricity costs and inflation, such in-place mechanisms are continuously reviewed as opportunities for negotiation over terms arise during contract renewal discussions, to manage the resultant financial impact.

Leveraging Strong Demand for Data Centres

Keppel DC REIT is well-placed to capture opportunities from the positive data centre

industry trends. In 2022, the Manager concluded new, renewal and expansion contracts across its portfolio on the back of strong leasing momentum and achieved up to double-digit positive income reversions.

In Ireland, the Manager secured healthy new take-ups and expansion contracts following the completion of asset enhancement initiatives (AEI) at KDC DUB 1 to increase power capacity at the facility in 2021, improving asset occupancy from 57.6% as at September 2017 before the commencement of AEI to 97.4% as at end 2022.

For 2022, contract renewals across the portfolio were healthy. This included KDC SGP 4 where the asset's WALE (by area) was lengthened from 0.7 year as at end 2021 to 2.4 years as at end 2022.

As macroeconomic conditions evolve, the Manager will continue to monitor the

situation and put in place measures to ensure business continuity, regulatory compliance, and a safe environment for all clients and employees.

Balanced and Diversified Portfolio

As at 31 December 2022, Keppel DC REIT's portfolio comprises 23 data centres with a total attributable lettable area of 3,065,633 sq ft spanning 13 cities in nine countries across Asia Pacific and Europe. 71.8% of the portfolio's AUM is located in Asia Pacific while 28.2% is located in Europe.

The portfolio has a good mix of colocation facilities leased to diversified clients with more flexible and staggered contractual terms, as well as master lease facilities which provide income stability with longer contractual periods.

In December 2022, colocation assets contributed approximately 66.3% of

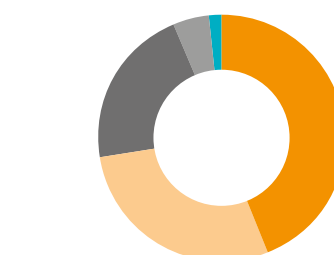
Top 10 Clients^{1,2} by Rental Income (%)
for December 2022

Internet Enterprise	35.9
IT Services	8.0
Telecommunications	7.8
Telecommunications	5.8
Internet Enterprise	4.9
IT Services	4.3
IT Services	3.5
IT Services	3.0
Telecommunications	2.9
Internet Enterprise	2.9

¹ The names of the clients cannot be identified and matched to the information set out above as many of the leases and colocation arrangements contain confidentiality provisions. Furthermore, there are commercial sensitivities involved due to the mission-critical nature of data centre operations and some clients prefer to keep their presence in a data centre facility confidential to minimise the risk of physical threats and/or intrusions into the data centre.

² Clients refer to those contracted under service level agreements with Keppel DC REIT and/or its subsidiaries with the exceptions of KDC SGP 1, KDC SGP 2, KDC SGP 3, KDC SGP 4 and KDC SGP 5 where clients refer to those who contracted with Keppel DC Singapore 1 Ltd., Keppel DC Singapore 2 Pte. Ltd. and Keppel DCS3 Services Pte. Ltd. respectively. Clients which are in multiple data centres are only accounted for once.

Rental Income Breakdown by Clients' Trade Sector (%)
for December 2022



Internet Enterprise	44.0
IT Services	28.5
Telecommunications	21.3
Financial Services	4.7
Corporate	1.5
Total	100.0

Keppel DC REIT's rental income, while its fully-fitted and shell and core assets accounted for the remaining 33.7%. Portfolio profile remains diversified across a high-quality global client base, with the majority of rental income derived from clients with investment grade or equivalent credit profiles.

Keppel DC REIT's data centres also cater to the stringent requirements of clients from the internet enterprise, information technology services, telecommunications, financial services and corporate sectors.

Healthy Portfolio Occupancy

As at 31 December 2022, Keppel DC REIT's portfolio occupancy remained healthy at 98.5%. 17 of the 23 assets in the portfolio assets were fully occupied. The occupancy of the remaining assets was also above 90%, with the exception of Basis Bay DC which is the smallest asset by valuation.

Portfolio WALE remained long at 8.4 years by area as at end 2022, an increase from 7.5 years as at end 2021, providing income stability for Keppel DC REIT. In 2022, the WALE by area of new and renewal contracts, including those from London DC, Guangdong DC 2 and Guangdong DC 3, was 12.2 years. These contracts contributed 26.4% of Keppel DC REIT's rental income as at end December 2022.

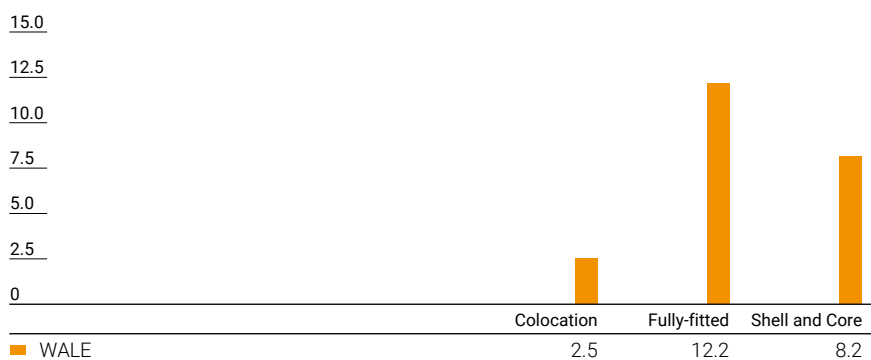
Keppel DC REIT's contract expiry profile was also well-staggered. As at 31 December 2022, approximately 52.9% of the REIT's occupied lettable area have more than five years to expiry.

Looking ahead, the Manager will continue to strengthen the portfolio by pursuing accretive acquisitions with good client covenants to provide stability and certainty of income.

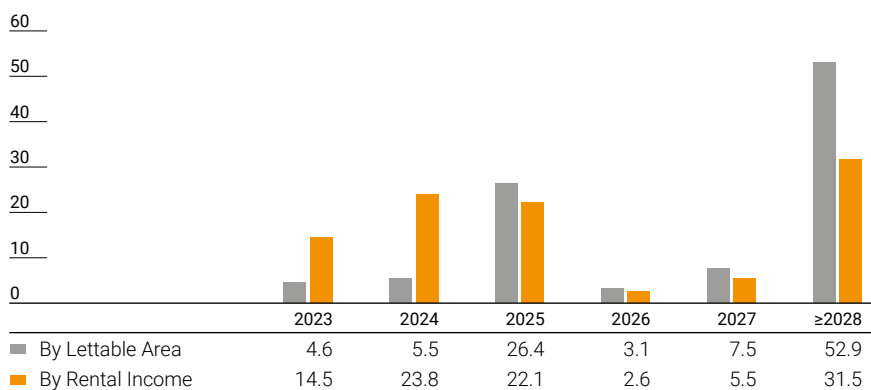
Occupancy Rates (%) as at 31 December 2022

Portfolio	Occupancy Rate (%)
Portfolio	98.5
KDC SGP 1	90.1
KDC SGP 2	98.2
KDC SGP 3	100.0
KDC SGP 4	95.7
KDC SGP 5	100.0
DC1	100.0
Gore Hill DC	100.0
IC DC	100.0
Basis Bay DC	40.2
Guangdong DC 1	100.0
Guangdong DC 2	100.0
Guangdong DC 3	100.0
Cardiff DC	100.0
GV7 DC	100.0
London DC	100.0
KDC DUB 1	97.4
KDC DUB 2	100.0
Almere DC	100.0
Amsterdam DC	99.7
Eindhoven DC	100.0
Milan DC	100.0
Kelsterbach DC	100.0
maincubes DC	100.0

Weighted Average Lease Expiry (WALE) by Type of Contracts (years) as at 31 December 2022



Portfolio Contract Expiry Profile (%) as at 31 December 2022



Portfolio Review

At a Glance

Asia Pacific



Keppel DC Singapore 1

Location
25 Serangoon North Avenue 5,
Singapore 554914

Title
Leasehold
(Expiring 30 September 2025,
with option to extend by 30 years)

Ownership Interest
100%

Land Area (sq ft)
78,928

Gross Floor Area (sq ft)
225,945

Attributable Lettable Area (sq ft)
109,721

Number of Clients¹
24

Lease Type
Keppel lease/Colocation

Facility Manager
Keppel DC Singapore 1 Ltd.²

Occupancy Rate
90.1%

Purchase Price (million)
S\$262.8

Valuation³ (million)
S\$339.3

Keppel DC Singapore 2

25 Tampines Street 92,
Singapore 528877

Leasehold
(Expiring 31 July 2051)

100%

53,821

106,726

38,480

5

Keppel lease/Colocation

Keppel DC Singapore 2 Pte. Ltd.⁴

98.2%

S\$162.0

S\$183.0

Keppel DC Singapore 3

27 Tampines Street 92,
Singapore 528878

Leasehold
(Expiring 31 January 2052)

90%

53,815

133,878

49,433⁵

2

Keppel lease/Colocation

Keppel DCS3 Services Pte. Ltd.⁶

100%

S\$202.5

S\$287.1

Keppel DC Singapore 4

20 Tampines Street 92,
Singapore 528875

Leasehold
(Expiring 30 June 2050)

99%

73,248

181,734

83,698⁵

6

Keppel lease/Colocation

Keppel DC Singapore 2 Pte. Ltd.⁴

95.7%

S\$384.9

S\$441.5



Keppel DC Singapore 5

Location
13 Sunview Way,
Singapore 627541

Title
Leasehold
(Expiring 31 August 2050⁸)

Ownership Interest
99%

Land Area (sq ft)
83,331

Gross Floor Area (sq ft)
208,096

Attributable Lettable Area (sq ft)
92,889⁵

Number of Clients¹
3

Lease Type
Keppel lease/Colocation

Facility Manager
Keppel DCS3 Services Pte. Ltd.⁶

Occupancy Rate
100%

Purchase Price (million)
S\$295.1

Valuation³ (million)
S\$386.7

DC1

18 Riverside Road,
Singapore 739088

Leasehold
(Expiring 31 July 2044)

100%

91,902

–

213,815

1

Triple-net lease (Fully-fitted)

–

100%

S\$200.2

S\$286.3

Gore Hill Data Centre

5 Broadcast Way (South Gate)
Artarmon, New South Wales 2064,
Australia

Freehold

100%

72,032

127,283

90,955

3

Triple-net lease (Shell and Core)
and Colocation

iseek-KDC Services Pty Ltd⁷

100%

S\$210.9
A\$190.0

S\$211.5
A\$230.0

Intellicentre Campus

17-23 Talavera Road, Macquarie
Park, New South Wales 2113,
Australia

Freehold

100%

215,612

–

235,527

1

Triple-net lease (Shell and Core)

–

100%

S\$73.0⁹
A\$70.0⁹

S\$113.1
A\$123.0

¹ Certain clients have signed more than one colocation arrangement using multiple entities. Clients refer to those contracted under service level agreements with Keppel DC REIT and/or its subsidiaries with the exceptions of KDC SGP 1, KDC SGP 2, KDC SGP 3, KDC SGP 4 and KDC SGP 5 where clients refer to those who contracted with Keppel DC Singapore 1 Ltd., Keppel DC Singapore 2 Pte. Ltd. and Keppel DCS3 Services Pte. Ltd. respectively.

² Keppel DC REIT outsources facilities management of KDC SGP 1 to Keppel DC Singapore 1 Ltd. Keppel DC Singapore 1 Ltd. is a wholly-owned subsidiary of Keppel Data Centres Holding Pte. Ltd. (Keppel Data Centres), which is 100% held by Keppel Telecommunications & Transportation (Keppel T&T), a wholly owned subsidiary of Keppel Corporation.

³ Based on respective ownership interest and independent valuations as at 31 December 2022, unless otherwise stated.

⁴ Keppel DC REIT outsources facilities management of KDC SGP 2 and KDC SGP 4 to Keppel DC Singapore 2 Pte. Ltd.. Keppel DC Singapore 2 Pte. Ltd. is a wholly-owned subsidiary of Keppel Data Centres.

⁵ Attributable lettable area of KDC SGP 3 is 90%, while KDC SGP 4, KDC SGP 5 and Basis Bay DC is 99% of total building net lettable area respectively.

⁶ Keppel DC REIT outsources facilities management of KDC SGP 3 and KDC SGP 5 to Keppel DCS3 Services Pte. Ltd.. Keppel DCS3 Services Pte. Ltd. is a wholly-owned subsidiary of Keppel Data Centres.

⁷ Keppel DC REIT outsources facilities management to iseek-KDC Services Pty Limited in respect of the colocation space at Gore Hill DC which is used by two end-clients. iseek-KDC Services Pty Limited is 60% owned by Keppel T&T and 40% owned by iseek Pty Ltd.

⁸ In August 2022, Keppel DC REIT received an offer to extend the remaining land tenure of KDC SGP 5 for a further term of nine years.

⁹ This includes the development cost for Intellicentre 3 East Data Centre.

Portfolio Review

At a Glance

Asia Pacific



Basis Bay Data Centre	Guangdong Data Centre 1	Guangdong Data Centre 2	Guangdong Data Centre 3
Location No. 4710, Jalan Cyber Point 5, Zone Flagship Cyberjaya 63000 Cyberjaya, Selangor Darul Ehsan, Malaysia	No.5 Data Centre, Bluesea Intelligence Valley, Shaping Street, Heshan, Jiangmen, Guangdong Province, China	No.6 Data Centre, Bluesea Intelligence Valley, Shaping Street, Heshan, Jiangmen, Guangdong Province, China	No.7 Data Centre, Bluesea Intelligence Valley, Shaping Street, Heshan, Jiangmen, Guangdong Province, China
Title Freehold	Leasehold (Expiring 17 January 2067)	Leasehold (Expiring 17 January 2067)	Leasehold (Expiring 17 January 2067)
Ownership Interest 99%	100%	100%	100%
Land Area (sq ft) 64,809	839,811 (shared land area of whole campus)	839,811 (shared land area of whole campus)	839,811 (shared land area of whole campus)
Gross Floor Area (sq ft) 88,600	–	–	–
Attributable Lettable Area (sq ft) 48,193 ³	221,689	218,615	221,847
Number of Clients 1	1	1	1
Lease Type Colocation	Triple-net lease ² (Fully-fitted)	Triple-net lease ² (Fully-fitted)	Triple-net lease ² (Shell and Core)
Facility Manager Basis Bay Services MSC Sdn Bhd	–	–	–
Occupancy Rate 40.2%	100%	100%	100%
Purchase Price (million) S\$42.9 RM112.3	S\$136.4 RMB635.9	S\$141.3 RMB690.3	S\$13.1 ⁵ RMB64.2 ⁵
Valuation¹ (million) S\$ 19.8 RM64.4	S\$135.1 RMB700.0	S\$135.1 RMB700.0	S\$12.4 RMB64.4

Europe



Cardiff Data Centre	GV7 Data Centre	London Data Centre	Keppel DC Dublin 1
Location Ty Cynnal, Dunleavy Drive, Celtic Gateway, Cardiff CF110SW, United Kingdom	7 Greenwich View Place, Millharbour Road, London, E14 9NN, United Kingdom	Waterside House, Longshot Lane, Bracknell RG12 1WB, United Kingdom	Unit 4033-4035 Citywest Business Campus, Naas Road, Dublin 24, Ireland
Title Freehold	Leasehold (Expiring 28 September 2183)	Freehold	Leasehold (Expiring 31 December 2998)
Ownership Interest 100%	100%	100%	100%
Land Area (sq ft) 279,864	N.A. ⁴	204,732	218,236
Gross Floor Area (sq ft) –	34,850	–	125,044
Attributable Lettable Area (sq ft) 79,439	24,972	94,867	66,124
Number of Clients 1	1	1	23
Lease Type Triple-net lease (Shell and Core)	Triple-net lease (Fully-fitted)	Triple-net lease (Shell and Core)	Colocation
Facility Manager –	–	–	–
Occupancy Rate 100%	100%	100%	97.4%
Purchase Price (million) S\$58.1 £34.0	S\$77.0 £37.7	S\$103.8 £57.0	S\$102.8 €62.7
Valuation¹ (million) S\$41.7 £25.4	S\$59.0 £36.0	S\$93.5 £57.0	S\$152.9 €108.0

¹ Based on respective ownership interest and independent valuations as at 31 December 2022, unless otherwise stated.

² With the exception of applicable real estate tax where the lessee shall bear up to a certain threshold.

³ Attributable lettable area of KDC SGP 3 is 90%, while KDC SGP 4, KDC SGP 5 and Basis Bay DC is 99% of total building net lettable area respectively.

⁴ For GV7 DC, neither the lease nor the registered title of the Property refers, nor are they required to refer, to the land area of the Property.

⁵ This is the purchase price for the building shell.

Portfolio Review
At a Glance

Europe



Keppel DC Dublin 2	Almere Data Centre	Amsterdam Data Centre	Eindhoven Campus
Location Unit B10, Ballycoolin Business and Technology Park, Blanchardstown, Dublin 15, Ireland	Rondebeltweg 62 'Sallandsekant' Business Park, Almere, the Netherlands	Tupolevlaan 101-109, Schiphol-Rijk (1119 PA), the Netherlands	Dillenburgstraat 25A-25E, 25E1, 25F, 25G and 25J-25M, 5652 AM, Eindhoven, the Netherlands
Title Leasehold (Expiring 31 December 2997)	Freehold	Freehold	Freehold
Ownership Interest 100%	100%	100%	100%
Land Area (sq ft) 149,620	85,358	167,725	201,222
Gross Floor Area (sq ft) 76,747	–	–	–
Attributable Lettable Area (sq ft) 28,128	118,403	141,698	83,841
Number of Clients 4	1	10	3
Lease Type Colocation	Double-net lease (Fully-fitted)	Double-net Lease (Shell and Core)	Double-net lease (Shell and Core)
Facility Manager –	–	FRIS Investment Care B.V.	NL Asset Management B.V.
Occupancy Rate 100%	100%	99.7%	100%
Purchase Price (million) S\$111.1 €70.7	S\$131.6 €80.3	S\$48.1 €30.0	S\$59.1 €37.2
Valuation¹ (million) S\$139.8 €98.8	S\$144.6 €102.1	S\$41.4 €29.2	S\$52.6 €37.2

Europe



Milan Data Centre	Kelsterbach Data Centre	maincubes Data Centre
Location Via Bisceglie 71, 73 and 75, Milan, Italy	Am Weiher 24, 65451 Kelsterbach, Germany	Goethering 29, Offenbach am Main, Germany
Title Freehold	Freehold	Freehold
Ownership Interest 100%	100%	100%
Land Area (sq ft) 128,791	499,116	60,235
Gross Floor Area (sq ft) –	–	–
Attributable Lettable Area (sq ft) 165,389	540,869	97,043
Number of Clients 1	1	1
Lease Type Double-net lease (Shell and Core)	Triple-net lease (Shell and Core)	Triple-net lease (Fully-fitted)
Facility Manager –	–	–
Occupancy Rate 100%	100%	100%
Purchase Price (million) S\$61.9 €40.2	S\$125.4 €81.8	S\$130.0 €84.0
Valuation¹ (million) S\$55.2 €39.0	S\$106.4 €75.1	S\$148.7 €105.0

¹ Based on respective ownership interest and independent valuations as at 31 December 2022, unless otherwise stated.

Portfolio Review Asia Pacific



Keppel DC Singapore 1

KDC SGP 1 is located within the Serangoon North Industrial Estate, 10.5km north of the city centre. The property is well connected to arterial roads as well as to expressways such as the Central Expressway and Kallang-Paya Lebar Expressway, providing accessibility to the city centre, Changi Airport and other parts of the island.

KDC SGP 1 consists of a six-storey data centre main building and an adjoining five-storey annexe building. The main building was originally built in the 1990s and converted for use as a data centre in 2001. It went through major retrofitting works between 2011 and 2013 to further upgrade the data centre specifications. KDC SGP 1 provides 24/7 technical support to its clients.



Keppel DC Singapore 2

KDC SGP 2 is situated within the Tampines Industrial Park A, 12km from the city centre.

The property is well connected to major roads and expressways such as the Pan-Island Expressway, Tampines Expressway and East Coast Parkway, which provide good accessibility to the city centre, Changi Airport and other parts of the island.

KDC SGP 2 comprises a five-storey main building and a four-storey annexe building. The main building was built in the 1990s and was extensively retrofitted in 2010 for conversion into a data centre. KDC SGP 2 provides 24/7 technical support to its clients and has been certified with the BCA Green Mark Award (Gold^{PLUS}) since 2015.



Keppel DC Singapore 3

KDC SGP 3 is adjacent to KDC SGP 2 in Tampines.

Completed in 2015, KDC SGP 3 is a five-storey carrier-neutral and purpose-built data centre providing data centre solutions, dedicated colocation suites, as well as 24/7 technical support to its clients.

Built to energy-efficient specifications, the facility is equipped with redundant power and cooling infrastructure to meet high-powered rack requirements. KDC SGP 3 has been certified with the BCA Green Mark Award (Platinum) and Leadership in Energy & Environmental Design (LEED) Gold Award since 2014.



Keppel DC Singapore 4

KDC SGP 4 is located in the Tampines Industrial Park A, within walking distance from KDC SGP 2 and KDC SGP 3.

Completed in 2017, KDC SGP 4 is a five-storey carrier-neutral and purpose-built facility providing data centre solutions, dedicated colocation suites, as well as 24/7 technical support to its clients.

KDC SGP 4 was designed and constructed with environmentally-friendly features. The facility has been certified with the BCA Green Mark Award (Platinum) and Leadership in Energy & Environmental Design (LEED) Gold Award since 2017.



Keppel DC Singapore 5

KDC SGP 5 is located in western Singapore.

It is well connected to major roads and expressways such as the Ayer Rajah Expressway, Pan-Island Expressway as well as major arterial roads such as Jalan Ahmad Ibrahim, Pioneer Road and Jalan Buroh, which provide efficient linkages to the city centre, Changi Airport and other parts of the island.

Built in 2015, KDC SGP 5 is a five-storey purpose-built data centre with ancillary offices and critical mechanical and electrical infrastructure, providing 24/7 technical support to its clients. In 2020, KDC SGP 5 was conferred the BCA Green Mark Award (Platinum).



DC1

DC1 is located at the junction of Riverside Road and Marsiling Road, approximately 23km from the city centre. It is located outside the Woodlands Regional Centre, a planned commercial hub that will serve the Northern Agri-Tech and Food Corridor.

Completed in 2016, DC1 is a purpose-built five-storey data centre facility that is well connected to major roads and expressways such as the Bukit Timah Expressway and Seletar Expressway, providing efficient linkages to the city centre, Changi Airport and other parts of the island.

The fit-out works to convert level 2 and level 3 to data centre space, to accommodate client's expansion requirements, were completed in February 2021.



Gore Hill Data Centre

Gore Hill DC is located within the Gore Hill Technology Park in Sydney, Australia, a mixed use commercial and technology area located approximately 9km northwest of Sydney's Central Business District (CBD).

The Gore Hill Technology Park features a mix of data centres, Grade A offices, retail and community sports facilities, and is situated along one of Sydney's main power and data arteries, allowing access to large, secure power sources, as well as multiple carrier networks.

The Gore Hill Expressway, M2, M5 and M7 motorways are all easily accessible, providing excellent transport connectivity to other parts of Greater Sydney.

Gore Hill DC is a four-storey facility built in 2011 with 24/7 technical support and additional capital works undertaken in 2012 and 2013 to meet clients' business needs.



Intellicentre Campus

IC DC, comprising IC2 DC and Intellicentre 3 East Data Centre (IC3 East DC), is located within the Macquarie Park in the north of Sydney, and is 12km away from the CBD.

Located at Talavera Road, the asset is well-served by major telecommunication carriers, with ample network capacity.

Macquarie Park is a research and business park in Sydney with a high concentration of companies in the communications and information technology sectors. It is set on over 200ha of commercial land and is the second largest commercial office region in New South Wales after Sydney's CBD.

IC2 DC is a two-storey data centre built in 2012 whereas IC3 East DC was a new development completed in July 2021. IC2 DC and IC3 East DC were collectively renamed Intellicentre Campus.



Basis Bay Data Centre

Basis Bay DC is located in the township of Cyberjaya, Malaysia, approximately 35km southwest of Kuala Lumpur City Centre and 26km northwest of Kuala Lumpur International Airport (KLIA).

Cyberjaya is well-equipped with network and supporting infrastructure. It also features a science park which forms part of the 750km² Multimedia Super Corridor in Malaysia.

It is well connected with major roads and expressways, as well as the Express Rail Link service between Cyberjaya and KLIA, providing accessibility to other key strategic economic areas within the Greater Klang Valley.

Basis Bay DC is a four-storey facility with an adjoining two-storey office building. Completed in 2009, the building was built with provision for future expansion.



Guangdong Data Centre 1

Guangdong DC 1 is a fully-fitted data centre building located within the Bluesea Intelligence Valley Mega Data Centre Campus in Jiangmen, Guangdong Province, China, completed in 2019.

The campus is well connected via expressway to the Guangzhou CBD, Guangzhou's international airport and the wider Guangdong Province, which is a major technology hub and one of China's most established data centre markets.

The asset is a seven-storey facility designed in accordance with the Code for Design of Data Centre Grade A GB, the highest standard for data centres in China as at completion.

The property was acquired from and is fully leased to a master lease client on a triple-net basis for 15 years.



Guangdong Data Centre 2

Guangdong DC 2 is a fully-fitted data centre building located adjacent to Guangdong DC 1 within the Bluesea Intelligence Valley Mega Data Centre Campus in Jiangmen, Guangdong Province, China.

Completed in 2020, Guangdong DC 2 is a seven-storey facility designed in accordance with the Code for Design of Data Centre Grade A GB, with Grade A being the highest standard for data centres in China.

The asset was acquired from and is fully leased to a master lease client on a triple-net basis for 15 years.



Guangdong Data Centre 3

Guangdong DC 3 is located within the same campus as Guangdong DC 1 and Guangdong DC 2, at the Bluesea Intelligence Valley Mega Data Centre Campus in Jiangmen, Guangdong Province, China.

The building shell of the seven-storey facility was completed in 2020 and is leased to a master lease client while it is being fitted out. Completion of the fit-out works is expected to take place by the third quarter of 2023. After which, it will be leased to the master lease client on a fully-fitted, triple-net basis for 15 years.

Portfolio Review Europe



Cardiff Data Centre

Cardiff DC is located in the capital city of Wales in the UK.

Strategically situated within the Celtic Gateway Business Park, the facility is approximately 4km from Cardiff's city centre and is well-served by major modes of transportation.

Completed in 2003, the facility comprises a two-storey data centre connected to a three-storey office block.



GV7 Data Centre

GV7 DC is located in Greenwich View Place in London.

The facility is located approximately 750m south of Canary Wharf, East London, within a secure estate that primarily houses data centres and office accommodation services.

With its excellent fibre optic connectivity, Greenwich View Place has established itself as a data centre hub with many operators offering high connectivity services.

GV7 DC is a two-storey facility that was built in 1987 and extensively refurbished in 2000.



London Data Centre

London DC comprises three interlinked two-storey buildings that house data centre space and ancillary offices. The asset is located in Bracknell, UK, which forms part of the Greater London Urban Area. Bracknell is a thriving commercial centre in the Thames Valley, a region known as the Silicon Valley of the UK due to its large concentration of multinational technology companies and conglomerates.

Constructed in 1986, London DC is strategically located near Bracknell's town centre, 32km from London Heathrow Airport, and 55km from Central London.



Keppel DC Dublin 1

KDC DUB 1 is located in the Citywest Business Campus, a prime suburban industrial and commercial location in Dublin. It is approximately 14km southwest of Dublin City Centre.

The Citywest Business Campus is located south of the N7 Dublin-Limerick Road via its dedicated interchange and is home to over 130 companies, many of which have a technology focus. The Citywest Business Campus comprises high-specification industrial properties in a low density park environment.

KDC DUB 1 is a two-storey detached facility built in 2000 with data halls of varying sizes, and provides 24/7 technical support to its clients. In 2017, the project went through a refurbishment, which was completed in October 2020 to improve the energy efficiency and increase power capacity at the facility.



Keppel DC Dublin 2

KDC DUB 2 is an energy-efficient carrier-neutral colocation data centre within the Ballycoolin Business and Technology Park in Dublin, Ireland, approximately 12km from the Dublin city centre and 13km from Dublin Airport. KDC DUB 2 is well-served by major transportation modes and provides 24/7 technical support to its clients.

Built in 2013, KDC DUB 2 is a single-storey detached facility with a two-storey office block. AEIs to increase the facility's power capacity and facilitate client expansion requirements were completed in February 2021.



Almere Data Centre

Almere DC is located in the Sallandsekant business park, in the city of Almere, the Netherlands. The property is located approximately 50km from Schiphol Airport and 135km from Rotterdam Harbour.

The Sallandsekant business park is targeted at users of logistics properties. Several distribution centres of well-known brands have established a presence there.

The property is well connected to a network of motorways including the A1, A6 and A27 which are linked to other cities. There are also public bus lines serving the business estate.

Almere DC is a three-storey facility built in 2008.

Portfolio Review Europe



Amsterdam Data Centre

Amsterdam DC is located in the Amsterdam Metropolitan Area, which is approximately 27km from the city of Amsterdam.

The asset is located within the Schiphol-Rijk business park where the Amsterdam Internet Exchange, one of the world's largest in terms of connection and traffic, has a point of presence. The business park houses over 200 international companies and data centres, making it an ideal location for the head offices of IT and technology companies.

Built in 2001, the facility comprises a two-storey data centre connected to a three-storey office block.



Eindhoven Campus

Eindhoven DC comprises two shell and core data centre buildings as well as a warehouse and an ancillary office building in De Hurk, the largest business park in Eindhoven, the Netherlands.

Originally built in the 1970s, Eindhoven DC is located close to Eindhoven's city centre and international airport, and is well connected to the Netherlands' national road network.

As one of the major cities in the Netherlands, Eindhoven hosts the Neutral Internet Exchange (NL-IX), one of the top 10 largest internet exchanges in the world. The region continues to gain momentum as a key location for companies developing solutions for the digital economy.



Milan Data Centre

Milan DC comprises three interconnected buildings located approximately 8km away from Milan's city centre.

The facility is well connected and easily accessible via the Milan Metro system. Milan is home to the Milan Internet Exchange point and is an emerging regional IT hub that is well connected to other European markets.

The facility was completed in 1998 with an additional ancillary building constructed in 2004.



Kelsterbach Data Centre

Kelsterbach DC is located near Frankfurt Airport and approximately 18km from Frankfurt's city centre. Frankfurt is an established international connectivity hub with significant investments from hyperscale cloud and international players. Home to DE-CIX, the world's largest internet exchange, Frankfurt's data centre demand is supported by its strong connectivity, favourable business climate, as well as its position as a major financial hub in Germany.

Constructed in 1989, Kelsterbach DC is a campus comprising a five-storey shell and core purpose-built data centre connected to a six-storey office block.



maincubes Data Centre

maincubes DC is a fully-fitted data centre in Offenbach am Main, Germany. Located approximately 10km from Frankfurt, maincubes DC is within a data centre hub and offers high interconnectivity to the world's leading internet exchange point, DE-CIX.

The proximity of maincubes DC to the DE-CIX minimises latency issues, a key consideration for end users such as financial institutions and e-commerce firms.

Completed in 2018, maincubes DC is a four-storey facility and a TÜV Certified Level 3 (Highly Available) data centre.

Financial Review

The Manager seeks to maintain an optimal combination of debt and equity to balance the cost of capital and the returns to Unitholders.

Group Overview

Keppel DC REIT is a Singapore-domiciled real estate investment trust (REIT) listed on the Singapore Exchange Securities Trading Limited (SGX-ST) on 12 December 2014. This review is for the financial year ended 31 December 2022 (FY 2022).

Keppel DC REIT completed the acquisitions of London Data Centre (London DC) on 11 January 2022, Guangdong Data Centre 2 (Guangdong DC 2) and the building shell of Guangdong Data Centre 3 (Guangdong DC 3) on 12 August 2022.

Distributable Income and Distribution per Unit

Distributable income for FY 2022 was \$184.9 million, 7.7% higher than the distributable income of \$171.6 million for FY 2021. This was mainly due to the acquisitions of London DC, Guangdong Data Centre 1 (Guangdong DC 1), 2 and building shell of Guangdong DC 3, Eindhoven Campus (Eindhoven DC), the investment in the NetCo bonds, the contributions post asset enhancement initiatives (AEIs) at DC1 and the Dublin assets as well as the completion of Intellicentre 3 East Data Centre (IC3 East DC).

Distribution per Unit (DPU) for FY 2022 was 10.214 cents, 3.7% higher than FY 2021's 9.851 cents.

Based on the market closing price of \$1.770 per Unit as at 31 December 2022, Keppel DC REIT's distribution yield was 5.77% for FY 2022.

Revenue and Expenses

Keppel DC REIT recorded gross revenue of \$277.3 million in FY 2022, which was \$6.2 million or 2.3% higher than that of FY 2021.

Gross rental income for FY 2022 was \$273.5 million, an increase of \$7.7 million or 2.9% from FY 2021 of \$265.8 million. This was mainly due to the acquisitions of Guangdong DC 1, 2 and building shell of Guangdong DC 3, London DC, Eindhoven DC, positive income reversions, as well as contributions following the completion of AEIs at the Dublin assets and completion of IC3 East DC. This was partially offset by net lower contributions from the Singapore colocation assets, largely arising from the higher facility expenses (including electricity, staff and maintenance costs) and provisions made in relation to the dispute with DXC¹ at Keppel DC Singapore 1 (KDC SGP 1). In addition, there were depreciation of foreign currencies against the Singapore Dollar (SGD) and cessation of contribution following the divestment of iseek Data Centre (iseek DC).

Other income of \$3.8 million was \$1.5 million lower than FY 2021 mainly due to the cessation of rental top up at Keppel DC Singapore 4 (KDC SGP 4), partially offset by one-off government incentives received at Guangdong DC 1. Rental top up income for FY 2022 of \$377,000 (2021: \$2,723,000), translated to an effect on the DPU by approximately 0.022 cents (2021: 0.163 cents).

¹ Keppel DC Singapore 1 Ltd. has, out of prudence and without concession to the strength of its claim, made provisions in FY 2021 and FY 2022.

Property operating expenses, which included facility management fees of \$10.2 million, for FY 2022 was \$24.8 million, an increase of \$1.9 million or 8.1% from FY 2021 of \$22.9 million. This was mainly due to the assets in Dublin following the completion of the AEs.

As a result, net property income of \$252.5 million for FY 2022 was \$4.4 million or 1.8% higher than FY 2021.

Profit Attributable to Unitholders

Profit after tax for FY 2022 was \$234.2 million, after taking into account the net fair value gain in investment properties of \$68.3 million (2021: net fair value gain of \$151.4 million) and deferred tax expense of \$13.3 million (2021: deferred tax

expense of \$10.1 million) provided on the fair value movement for the portfolio.

Excluding the fair value changes and related deferred tax impact, profit after tax for FY 2022 was \$179.2 million, a decrease of \$1.1 million or 0.6% as compared to FY 2021 of \$180.3 million. This was mainly due to depreciation of foreign currencies against the SGD, higher finance costs and share of results of a joint venture, partially offset by higher net contributions from the portfolio, income from the NetCo debt securities and net gains on derivatives recorded.

Profit attributable to Unitholders was \$230.9 million for FY 2022, \$82.8 million or 26.4% lower than the \$313.7 million recorded in FY 2021.

Distributable Income

\$184.9m

7.7% higher than \$171.6 million in FY 2021

Distribution per Unit

10.214 cts

3.7% higher than 9.851 cents in FY 2021

Group Financial Overview

	2022 \$'000	2021 \$'000	Change %
Gross rental income	273,517	265,797	2.9
Other income ¹	3,805	5,268	(27.8)
Gross revenue	277,322	271,065	2.3
Property operating expenses	(24,777)	(22,911)	8.1
Net property income	252,545	248,154	1.8
Finance income	9,254	558	>100.0
Finance costs	(31,072)	(21,215)	46.5
Trustees' fees	(524)	(470)	11.5
Manager's base fee	(17,741)	(15,375)	15.4
Manager's performance fee	(8,598)	(8,411)	2.2
Audit fees	(435)	(382)	13.9
Valuation fees	(251)	(271)	(7.4)
Net gains on derivatives	8,627	4,400	96.1
Other trust expenses	(5,943)	(6,412)	(7.3)
Profit before joint venture	205,862	200,576	2.6
Share of results of a joint venture	(8,983)	(1,000)	>100.0
Profit before divestment of a subsidiary and net change in fair value of investment properties	196,879	199,576	(1.4)
Loss on divestment of a subsidiary	–	(200)	(100.0)
Net change in fair value of investment properties	68,289	151,373	(54.9)
Profit for the year before tax	265,168	350,749	(24.4)
Tax expenses	(30,994)	(29,176)	6.2
Profit for the year after tax	234,174	321,573	(27.2)
Profit after tax attributable to:			
Unitholders	230,905	313,656	(26.4)
Non-controlling interests	3,269	7,917	(58.7)
Profit after tax for the year	234,174	321,573	(27.2)
Profit attributable to Unitholders	230,905	313,656	(26.4)
Net tax and other adjustments to profit after tax attributable to Unitholders	(46,033)	(142,050)	(67.6)
Distributable income²	184,872	171,606	7.7

¹ Other income includes rental top up income provided by the relevant vendors of assets acquired.

² Distributable income includes capital expenditure set aside for certain properties (Capex Reserves).

Financial Review

Distribution Policy

Keppel DC REIT's distribution policy is to distribute, on a half-yearly basis, at least 90.0% of its distributable income for each financial year, with the actual level of distribution to be determined at the Manager's discretion. Distributions will be in SGD and are generally paid within 90 days after the end of each distribution period.

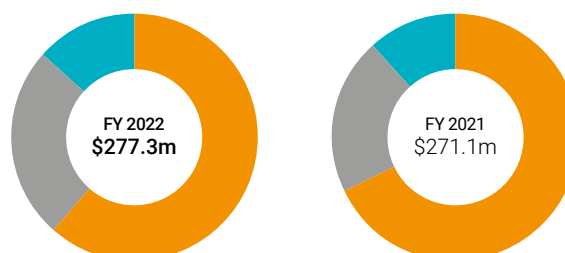
Investment Properties

The carrying value of investment properties was \$3,639.5 million as at 31 December 2022 as compared to \$3,401.4 million as at 31 December 2021. This included lease liabilities capitalised pertaining to land rent options and/or an extension offer of \$12.7 million (31 December 2021: \$12.1 million). The increase of \$238.1 million or 7.0% in carrying value was mainly due to the addition of London DC, Guangdong DC 2 and building shell of Guangdong DC 3 to the portfolio, capital expenditures and net fair value gains from the revaluation of the Group's investment properties. This was partially offset by foreign exchange translation losses.

Net Asset Value (NAV) per Unit

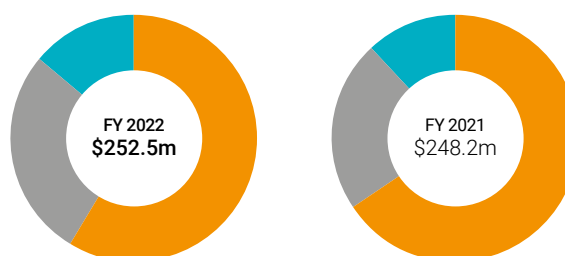
NAV per Unit as at 31 December 2022 was \$1.40 (31 December 2021: \$1.34). Excluding the distributable income for the financial period from 1 July 2022 to 31 December 2022 (2021: financial period from 23 August to 31 December 2021), the adjusted NAV per Unit was \$1.35 (31 December 2021: \$1.30).

Gross Revenue (\$m)



	2022	2021
Colocation	170.7	184.3
Fully-fitted	69.7	55.8
Shell and Core	36.9	31.0
Total	277.3	271.1

Net Property Income (\$m)



	2022	2021
Colocation	148.6	163.1
Fully-fitted	69.1	56.1
Shell and Core	34.8	29.0
Total	252.5	248.2

Distributable Income¹ (\$m)

Q1	44.5	42.0
Q2	46.7	42.2
Q3	46.9	43.1
Q4	46.8	44.3
2022 Total	184.9	
2021 Total		171.6

¹ Distributable income includes Capex Reserves.

Cash Flows and Liquidity

As at 31 December 2022, Keppel DC REIT's cash and cash equivalents were \$190.4 million (31 December 2021: \$195.9 million).

Cash generated from operating activities for FY 2022 was \$218.3 million, \$26.8 million higher than \$191.5 million for last year. This was mainly due to higher operational cashflow and lower working capital requirements.

Net cash used in investing activities for FY 2022 was \$298.7 million, comprising mainly the acquisitions of London DC, Guangdong DC 2 and Guangdong DC 3 as well as capital expenditures. This was partially offset by coupon received and partial receipt of notes receivables. Net cash used in investing activities for last year was \$374.4 million, comprising mainly the acquisitions of Eindhoven DC and Guangdong DC 1, investment in debt securities as well as capital expenditures which include completion of fit-out works for DC1 and a deposit paid for the acquisition of London DC. These were partially offset by the net proceeds from the divestment of Iseek DC.

The Group recorded net cash generated from financing activities of \$83.7 million in FY 2022 as compared to \$135.0 million for last year. Net cash generated from financing activities in FY 2022 was mainly from the drawdown of bank borrowings. These were partially offset by distributions paid to Unitholders, repayment of borrowings, settlement of lease liabilities and finance costs. Net cash generated from financing activities for FY 2021 was mainly from the issuance of equity and the drawdown of bank borrowings. These were partially offset by distributions paid to Unitholders, repayment of borrowings, settlement of lease liabilities and finance costs.

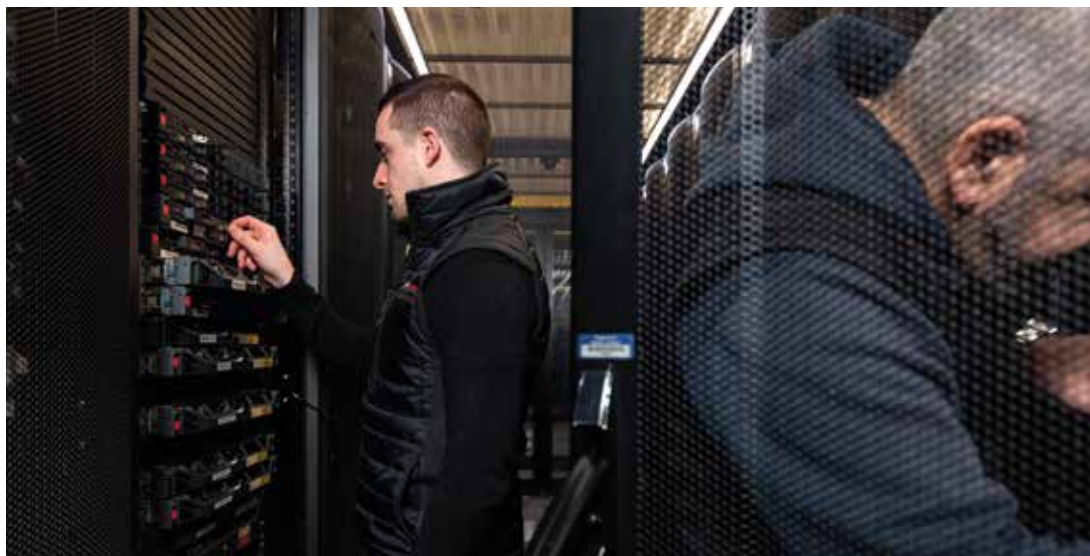
Investment Properties¹ (\$m)

as at 31 December

Keppel DC Singapore 1		347.2 343.7
Keppel DC Singapore 2		183.0 183.0
Keppel DC Singapore 3		319.0 316.4
Keppel DC Singapore 4		446.0 426.0
Keppel DC Singapore 5		395.4 360.0
DC1		286.3 273.0
Gore Hill Data Centre		211.5 224.1
Intellicentre Campus		113.1 102.3
Basis Bay Data Centre		20.0 22.1
Guangdong Data Centre 1		135.1 148.0
Guangdong Data Centre 2		135.1 -
Guangdong Data Centre 3		12.4 -
Cardiff Data Centre		41.7 47.4
GV7 Data Centre		59.0 65.7
London Data Centre		92.9 -
Keppel DC Dublin 1		153.0 150.6
Keppel DC Dublin 2		139.9 141.3
Almere Data Centre		144.6 155.3
Amsterdam Data Centre		41.4 45.0
Eindhoven Campus		52.6 57.5
Milan Data Centre		55.2 60.5
Kelsterbach Data Centre		106.4 124.2
maincubes Data Centre		148.7 155.3
2022 Total		3,639.5
2021 Total		3,401.4

¹ Investment properties include the carrying value of the lease liabilities pertaining to the land rent options and/or an extension offer.

Financial Review



Resilient portfolio performance was driven by accretive acquisitions and proactive asset management.

Funding and Borrowings

The Group's total borrowings as at 31 December 2022 was \$1,464.8 million (31 December 2021: \$1,289.6 million). The increase was mainly due to borrowings drawn to fund the acquisitions of London DC, Guangdong DC 2 and initial payment for Guangdong DC 3.

As at 31 December 2022, there were \$486.9 million unutilised facilities (31 December 2021: \$481.5 million) for the Group. The Group had a weighted average debt tenor and weighted average hedge tenor of 3.7 years and 3.3 years respectively, as at 31 December 2022. The all-in weighted average cost of debt was 2.2% per annum

for FY 2022, with an interest coverage ratio of 7.6 times as at 31 December 2022.

In arriving at the aggregate leverage of 36.4% as at 31 December 2022 under the Property Funds Appendix in the Code on Collective Investment Schemes (CIS Code) issued by the Monetary Authority of Singapore (MAS), \$12.7 million of lease liabilities pertaining to land rent options and an extension offer were excluded.

Capital Management

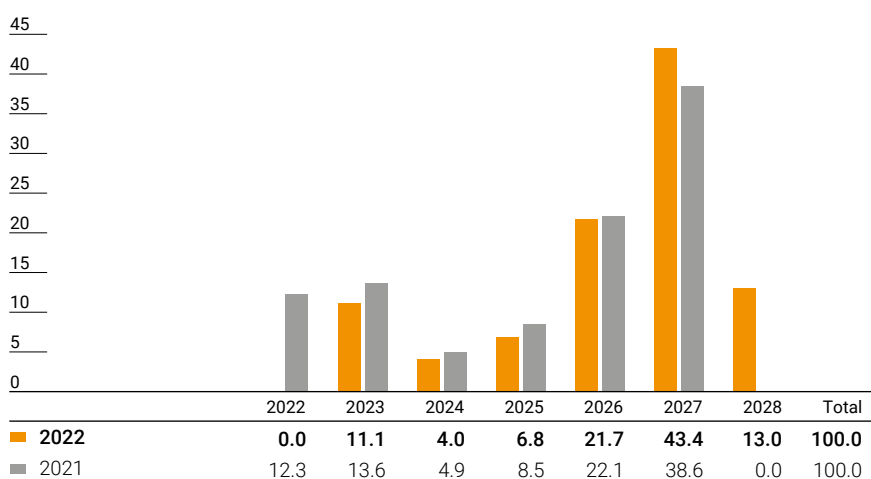
The Manager regularly reviews the Group's financial policy, as well as its debt and capital management structures to optimise the Group's funding sources. The Group's

exposure to various risk elements is also monitored closely through clearly established management policies and procedures.

The Manager seeks to maintain an optimal combination of debt and equity to balance the cost of capital and the returns to Unitholders. The Manager closely monitors the externally imposed capital requirements and ensures that the adopted capital structure complies with such requirements.

Under the Property Funds Appendix of the CIS Code, the aggregate leverage should not exceed 50.0% of the Group's deposited properties. The Group has complied with this requirement for the financial year ended 31 December 2022.

Debt Maturity Profile (%)
as at 31 December



Financial Risk Management

The Group operates across multiple jurisdictions and is exposed to a variety of financial risks, including credit, liquidity and market (mainly currency and interest rate) risks. The Manager carries out financial risk management in accordance with its established policies and guidelines while achieving a balance between the cost of risks occurring and the cost of managing them. The Group's financial risk management is discussed in greater detail in the notes to the financial statements.

The Manager has been adopting appropriate hedging strategies to manage interest rate and foreign currency exposure for the Group. Interest rate swaps and forward currency contracts have been entered into to mitigate interest rate

Key Statistics

as at 31 December

	2022	2021
Aggregate leverage ¹ (%)	36.4	34.6
Interest coverage ratio (ICR) ²	7.6 times	10.8 times
Weighted average debt tenor (years)	3.7	3.9
Percentage of assets unencumbered (%)	100.0	100.0

¹ Computed based on gross borrowings and deferred payment as a percentage of deposited properties, both of which do not consider the lease liabilities pertaining to land rent options and/or an extension offer.

² As the Group has not issued any hybrid securities, the adjusted ICR is identical to ICR.

exposures of long-term loans and foreign currency exposures of forecast foreign-sourced income respectively. Natural hedging is in place with borrowings in currencies that match the corresponding investments. As at 31 December 2022, the Manager has substantially hedged the REIT's forecasted foreign-sourced distributions till end 2023 with foreign currency forward contracts.

Net fair value of derivative assets and liabilities of \$55.2 million (31 December 2021: \$0.3 million) is disclosed in Note 11 to the financial statements, representing 2.3% (31 December 2021: less than 0.1%) of the net assets of the Group as at 31 December 2022.

Accounting Policies

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (SFRS(I)), issued by the Accounting Standards Council (Singapore), the applicable requirements of the CIS Code and the provisions of the Trust Deed.

The Monetary Authority of Singapore has granted the Group a waiver from compliance with the requirement under Paragraph 4.3 of Appendix 6 to the CIS Code to prepare its financial statements in accordance with Singapore Financial Reporting Standards (SFRS).

The Group's significant accounting policies are discussed in more detail in the notes to the financial statements. The preparation of the financial statements in conformity with SFRS(I) requires the Manager to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income, expenses and disclosures made. In particular, the valuation of investment properties is one significant area which requires estimation and critical judgement in applying accounting policies. This has the most significant effect on the amounts recognised in the financial statements, and is discussed in greater detail in the notes to the financial statements.



Keppel DC REIT's acquisition of Eindhoven Campus in the Netherlands contributed positively to higher distributable income in FY 2022.

Sustainability Report

Sustainability Framework

We place sustainability at the heart of our strategy and guided by our three strategic pillars, we are committed to generating stable and sustainable returns for our Unitholders.



Environmental Stewardship

In line with Keppel's Vision 2030, we will do our part to combat climate change, and are committed to improving resource efficiency and reducing our environmental impact.

» For more information, go to: pages 74 to 81



Responsible Business

The long-term sustainability of our business is driven at the highest level of the organisation through a strong and effective Board, good corporate governance and prudent risk management.

» For more information, go to: pages 82 to 85



People and Community

People are the cornerstone of our business. We are committed to providing a safe and healthy workplace, investing in training and developing our people to help them reach their full potential, as well as uplifting communities wherever we operate.

» For more information, go to: pages 86 to 92

Sustainability Highlights

Environmental Stewardship



Emissions

Halve by 2030

The Manager continues to progressively reduce its combined Scope 1 and Scope 2 emissions with an aim to halve this by 2030 from a 2019 baseline.



Green Certification

80%

of Singapore colocation assets maintained green certifications.



Renewable Energy

≥50% by 2030

Renewable energy has been introduced at about 16% of colocation assets as at end 2022, and procured by clients at all of the portfolio's master lease assets in Europe.

Responsible Business



Ratings

AA Rating

in the MSCI ESG Ratings assessment 2022, which measures a company's resilience to long-term, financially relevant material ESG risks.



Economic Value

\$184.9m

Distributable income grew 7.7% year-on-year in 2022.



Governance

12th

in the Singapore Governance and Transparency Index under the REIT and Business Trust category in 2022, an improvement from 31st position in 2021.

People and Community



Diversity and Inclusion

25%

female Board representation as at 31 December 2022.



Training and Development

38.3 hrs

of training on average per employee in 2022.



Volunteerism

>1,000 hrs

dedicated to community outreach activities by the Manager, together, with Keppel Capital, in 2022.

Letter to Stakeholders

We strive to drive further progress in our ESG performance, amidst shifting stakeholder expectations and an evolving regulatory landscape.



Dear Stakeholders,

I am pleased to present Keppel DC REIT's eighth sustainability report. This report details our continued progress towards environmental stewardship, advancing our social and governance practices, and creating long-term value for our stakeholders.

The introduction of more stringent sustainability-related standards and regulations in 2022 has intensified the push for enhanced sustainability efforts and increased environmental, social and governance (ESG) disclosures. Keppel DC REIT's focus on driving and incorporating sustainability as part of our strategy and in our operations has put us in good stead to grow in a manner consistent with global climate change objectives, and we will continue to explore innovative solutions to manage our resource use and carbon footprint.

At the beginning of 2022, we set forth ESG targets and established an ESG Committee at Board level which oversees Keppel DC REIT's sustainability initiatives. I am grateful to the team for achieving all our 2022 ESG targets. We remain committed to achieve our longer-term targets. We have also made good progress on our roadmap to align our

reporting with the Taskforce on Climate-related Financial Disclosures (TCFD) recommendations, which is further detailed in this report.

Environmental Stewardship

To manage the environmental impact of Keppel DC REIT's operations, we continued to implement measures to optimise energy consumption at our data centres. In 2022, we upgraded systems and carried out replacements (including cooling infrastructure overhaul) at several of our data centres. We will continue to explore ways to enhance efficiency and make our data centre operations even more sustainable.

In 2022, we also maintained our certifications in energy and water management systems, attesting to our ability to meet our clients' needs with high-quality service and zero downtime, while ensuring high levels of environmental performance.

The year also saw our first submission for the 2022 GRESB Assessment (where we attained the Green Star Status) as well as the CDP Climate Change 2022 Questionnaire. We will continue to review our practices, benchmark against industry best practices and enhance our ESG disclosures.

In 2022, Keppel DC REIT's MSCI ESG rating was upgraded from 'A' to 'AA'. We are encouraged by this achievement and will continue to embed sustainability into our day-to-day operations and corporate culture. We organised informal activities, such as lunchtime ESG brown bag video screenings, to learn about the sustainability initiatives adopted or being pursued by other companies and hyperscalers, help our employees understand the relevance of ESG in daily activities, as well as encourage the adoption of sustainable habits. For Keppel DC REIT, we have committed to reduce the use of single-use disposables and have discontinued the use of plastic bottled water for meetings that we host.

Responsible Business

Upholding strong corporate governance and robust risk management to ensure long-term value creation continue to be of utmost importance. This is crucial to maintaining the trust we have built with our stakeholders and we remain fully committed to fulfil the fiduciary duties entrusted to us.

I am delighted to share that our efforts were recognised in the Governance Index for Trusts (GIFT) and Singapore Governance and Transparency Index (SGTI) under the REIT and Business Trust category. Keppel DC REIT's ranking improved in 2022 from sixth to fifth place for GIFT, and from 31st to 12th position for SGTI.

People and Community

A talented and engaged workforce is integral to Keppel DC REIT's continued growth and success. We prioritise the training and development, as well as mental and physical wellbeing of our people.

Employees are provided with competitive compensation and comprehensive benefits. This includes long-term incentives in the form of Unit plans. The Performance Unit Plan incorporates key performance indicators including Assets Under Management, Distribution per Unit (DPU) and Absolute Total Unitholder Returns that are aligned with Unitholders' interests.

A merit-based approach is used to recognise employees' efforts, offer internal job rotation opportunities to allow employees to develop their knowledge and skills, and in succession planning to identify and develop future leaders.

To help our employees to be future-ready, we offer in-person and virtual learning opportunities via a mix of talks, workshops and access to courses offered on the LinkedIn Learning platform. Our post-pandemic resumption of training efforts has led us to exceed our target of 20 training hours to reach 38.3 hours on average per employee in 2022.

As we emerge from the pandemic, we recognised employees' desire for continued flexible work arrangements. As such, we rolled out a work from home arrangement which balances the need for some form of focused work environment while building team camaraderie and collaboration, which are important to create a sense of belonging and spur innovation for the business.

We also continuously engage our employees through initiatives such as regular feedback from line managers and a dedicated Appreciation Month for employees.

In line with our focus on doing good while doing well, the Manager, together with Keppel Capital, dedicated over 1,000 hours to community outreach activities in 2022, double the original target of 500 hours. The Manager also contributed \$57,000 to Keppel Care Foundation as part of the Keppel Group's philanthropic initiatives.

Looking Ahead

Notwithstanding an uncertain economic outlook and increased geopolitical tensions for the year ahead, we will persevere in our efforts to balance our sustainability goals and commercial considerations. We strive to drive further progress in our ESG performance, amidst shifting stakeholder expectations and an evolving regulatory landscape. With the support of our stakeholders, we will continue to build a sustainable and resilient growing business.

Yours sincerely,

Anthea Lee
Chief Executive Officer
2 March 2023

About This Report



As a responsible corporate, the Manager continues to integrate ESG considerations within its business strategy and day-to-day operations to create long-term value for stakeholders.

This sustainability report (the Report) outlines Keppel DC REIT Management Pte. Ltd.'s (the Manager) strategy and approach towards sustainability. This Report also provides a summary of Keppel DC REIT's performance and progress in managing environmental, social and governance (ESG) factors.

Reporting Period and Scope

This is Keppel DC REIT's eighth sustainability report and contains information pertaining to the financial year 1 January to 31 December 2022 (FY 2022). The Report covers the ESG factors most relevant to Keppel DC REIT's business, operations and key stakeholders, which were identified through a comprehensive materiality assessment, as well as describes the Manager's approach to managing these ESG factors, including targets and metrics used to measure and track performance.

The scope of the Report covers Keppel DC REIT's colocation data centre assets, which the Manager has operational oversight of. These assets are listed on the right.

Master lease facilities are not included in the reporting scope as the Manager does not have full operational control over these assets. On this basis, the following master lease assets are excluded from this Report: DC1 in Singapore, Intellicentre Campus in Australia, Guangdong Data Centres 1, 2 and 3

in China, Cardiff Data Centre, GV7 Data Centre and London Data Centre in the United Kingdom, Almere Data Centre, Amsterdam Data Centre and Eindhoven Campus in the Netherlands, Milan Data Centre in Italy as well as Kelsterbach Data Centre and maincubes Data Centre in Germany. Social and governance performance data in this Report covers primarily employees of the Manager.

While the Report has not been externally verified, the data in this Report has undergone rigorous review and the Manager will consider external assurance for future publications.

Global Reporting Initiative (GRI) Standards

The Report has been prepared in accordance with the GRI Standards. The Manager has applied the Reporting Principles from the GRI Standards to ensure high-quality and proper presentation of the reported information. For a full list of disclosures reported, please refer to the GRI Content Index on pages 93 to 95.

Contact

The Manager welcomes feedback from stakeholders to help improve its approach to sustainability and communication of sustainability efforts.

Please contact Keppel DC REIT at investor.relations@keppeldcreit.com

Assets in Reporting Scope

Singapore

- Keppel DC Singapore 1 (KDC SGP 1)
- Keppel DC Singapore 2 (KDC SGP 2)
- Keppel DC Singapore 3 (KDC SGP 3)
- Keppel DC Singapore 4 (KDC SGP 4)
- Keppel DC Singapore 5 (KDC SGP 5)

Australia

- Gore Hill Data Centre (Gore Hill DC)

Malaysia

- Basis Bay Data Centre (Basis Bay DC)

Ireland

- Keppel DC Dublin 1 (KDC DUB 1)
- Keppel DC Dublin 2 (KDC DUB 2)

Approach to Sustainability

The continued growth of the digital economy and adoption of digitalisation has translated into strong demand for data centres, an essential infrastructure for businesses, governments and communities. As a responsible corporate, the Manager recognises its role in ensuring sustainable growth of its data centre portfolio. It integrates ESG considerations within its business strategy and day-to-day operations to create long-term value for stakeholders and to position Keppel DC REIT as the preferred data centre real estate investment trust (REIT).

Sustainability Framework and Policies

The Manager's approach to sustainability is guided by the three pillars of Environmental Stewardship, Responsible Business, and People and Community. Keppel DC REIT is committed to minimising its environmental impact, upholding strong corporate governance, as well as contributing back to the community.

This is aligned with the sustainability management framework of the Keppel Group and the Manager takes reference from the Group's policies to further guide the management of ESG factors. The Keppel Group policies are reviewed and approved by the Keppel Group's Board, Board Committees or senior management in charge of the relevant policies where applicable. In addition, Keppel DC REIT's Whistle-Blower Policy is reviewed and approved by the Manager's Audit and Risk Committee (ARC). The policies are periodically reviewed to ensure they are up-to-date and relevant.

Board Statement

"As part of its strategic oversight, the Board has reviewed, considered and approved the material ESG factors in Keppel DC REIT's strategy formulation and business. The Board remains committed to reviewing and monitoring these ESG factors periodically together with the management and incorporating feedback from key stakeholders."

Policies guiding Keppel DC REIT's commitments toward responsible business conduct include the Whistle-Blower Policy and other Keppel Group policies such as the Global Anti-Bribery Policy, Insider Trading Policy, Competition Law Compliance Manual, as well as the Health, Safety and Environmental Policy.

The Keppel Group Human Rights Policy states the Group's commitment to uphold and respect the fundamental principles set out in the United Nations Universal Declaration of Human Rights and the International Labour Organization's (ILO's) Declaration on Fundamental Principles and Rights at Work. The Manager's approach to human rights is

also informed and guided by the United Nations Guiding Principles on Business and Human Rights. Unethical labour practices such as child labour, forced labour, slavery and human trafficking in any of Keppel DC REIT's operations are not tolerated, and Keppel DC REIT supports the elimination of such exploitative labour. The human rights performance of business partners is considered, and major suppliers are expected to sign and abide by the Keppel Group Supplier Code of Conduct and are subject to audits when required.

These policy commitments are embedded in the Employee Code of Conduct, which applies to all employees of Keppel Corporation and its subsidiary companies. These policies are communicated and reinforced to all employees on an annual basis through exercises such as online training courses and declarations of adherence to the Keppel Group policies. They also extend to the management of Keppel DC REIT's supply chain. The Keppel Group Supplier Code of Conduct spells out the Group's expectations of suppliers with regard to ethical business conduct and human rights.

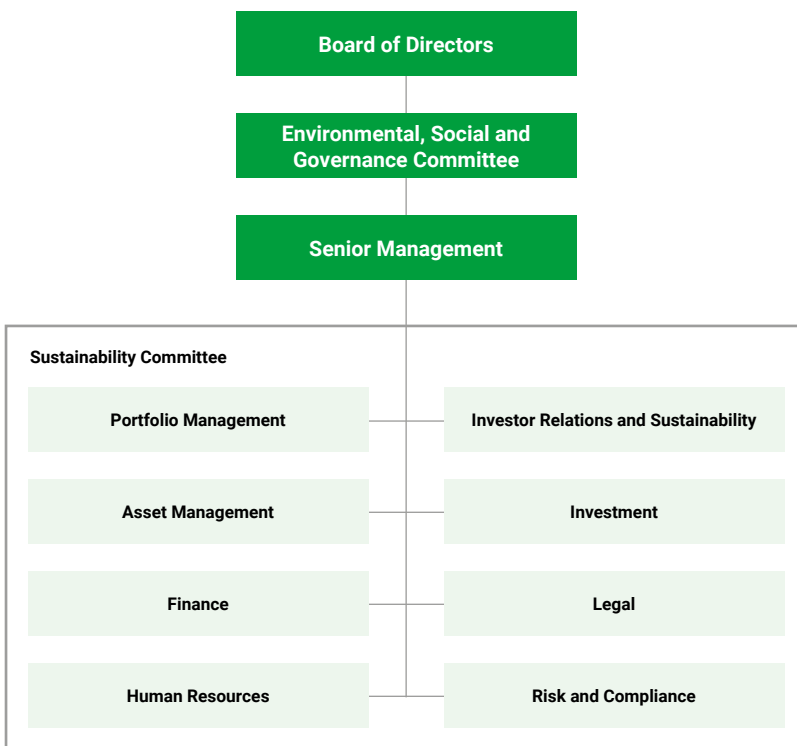
The policies are published within the sustainability section of Keppel DC REIT's website.

Sustainability Governance

The ESG Committee provides oversight of Keppel DC REIT's ESG strategy, policies and initiatives, and monitors its progress in driving long-term climate risk management and decarbonisation initiatives. The ESG Committee meets semi-annually.

The Manager's Sustainability Committee, which involves all relevant functions including Portfolio Management, Asset Management, Finance, Human Resources, Investor Relations and Sustainability, Investment, Legal, as well as Risk and Compliance, supports and implements the Manager's sustainability strategy and goals.

Sustainability Governance Structure



Approach to Sustainability

The Sustainability Committee is also responsible for monitoring Keppel DC REIT’s performance against the identified material ESG factors and providing updates to the management team and the Board for review.

In 2022, as part of the Keppel Group, an internal review of the Manager’s sustainability reporting process was initiated with advisory assistance from an external consultant. Going forward, the Manager will undergo an internal review conducted by the Group’s internal audit function to strengthen its sustainability reporting process, procedures and controls.

Materiality Assessment

The Manager undertakes regular materiality assessments to identify and review the ESG factors that are of greatest significance to Keppel DC REIT’s business, its stakeholders, as well as their impact on the economy, environment and people.

In 2021, the Manager worked with an independent sustainability consultancy to review Keppel DC REIT’s material ESG factors, to ensure that material factors are accounted for and to manage the potential impact. The materiality assessment in 2021 was conducted in three stages, with in-depth

Materiality Assessment



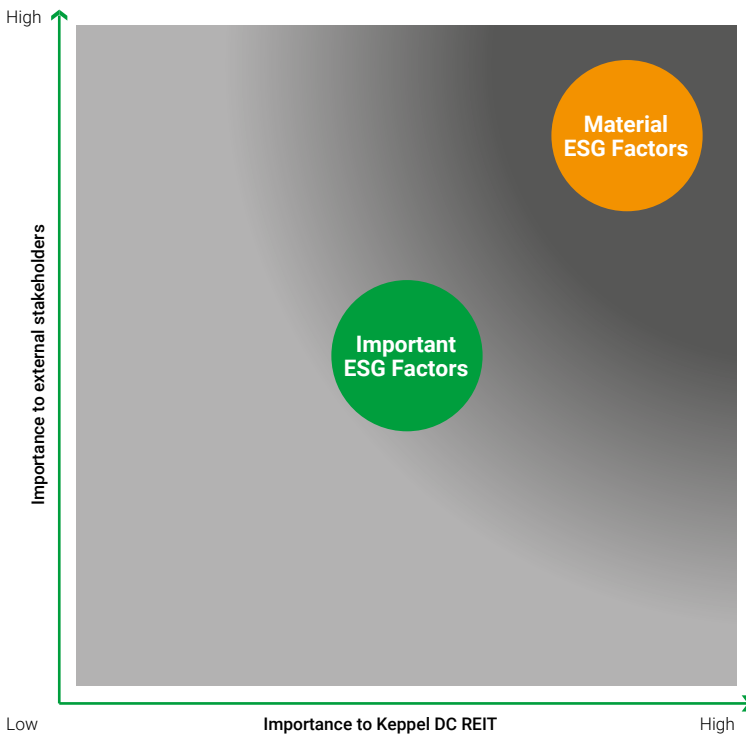
engagement with both internal and external stakeholders including the Board, employees of the Manager, investors, clients, suppliers, and service providers.

For 2022, the Manager reviewed its material ESG factors and determined that material factors identified in the previous year remain relevant. This final list of material ESG factors has been reviewed and approved by the Board.

The prioritised list of ESG factors is presented below, categorised by material and important factors (in alphabetical order), as determined through the assessment process. The material factors are covered within this Report.

The Manager actively assesses the materiality of the identified factors, determines any changes in potential impact and adjusts its strategies where appropriate to ensure business sustainability.

Prioritisation of ESG Factors



Material ESG Factors

Factors of very high importance to Keppel DC REIT and its key stakeholders, and considered most material and of top priority. These form the focus of its sustainability strategy and reporting, for which it aims to disclose goals, targets and performance.

- Building and Service Quality
- Corporate Governance
- Cybersecurity and Data Privacy
- Diversity and Inclusion
- Economic Sustainability
- Emissions
- Employee Health and Wellbeing
- Energy
- Ethics and Integrity
- Human Capital Management

Important ESG Factors

Factors of moderate to high importance to Keppel DC REIT and its key stakeholders. These are actively monitored and managed, and will be included in external reporting as relevant, based on the sustainability context and stakeholder interest.

- Climate Change Adaptation
- Community Development and Engagement
- Sustainable Supply Chain Management
- Waste Management
- Water

Note: The factors are arranged in alphabetical order.

ESG Targets and Commitments

The Manager is committed to managing its material ESG factors. This section summarises Keppel DC REIT's key targets and commitments, with its progress in achieving these targets.

Environmental Stewardship			
ESG Factor	Target/Commitment	Performance and Progress in 2022	Page No.
Climate Change Adaptation	Align reporting with the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD).	The Manager has in place a roadmap to progressively implement the TCFD recommendations. Further progress was made in 2022 through a detailed scenario analysis, to evaluate and understand the potential impact of climate-related risks and opportunities to Keppel DC REIT's business. The results are used for decision-making and planning, as well as to identify measures and responses to mitigate potential climate risks and capitalise on opportunities.	Pages 76 to 81
Emissions	Progressively reduce its combined Scope 1 and Scope 2 emissions with an aim to halve this by 2030 from a 2019 baseline.	In 2022, Keppel DC REIT's combined Scope 1 and Scope 2 emissions were 69,245 tCO ₂ e, which is 2.3% lower than the 2021 levels. The Manager continues to explore ways to optimise energy consumption in the day-to-day operations of its colocation assets to reduce its emissions where feasible.	Pages 74 to 75
Energy	Introduce renewable energy ¹ (RE) to at least 50% of the colocation assets by 2030, as well as encourage RE use at all other portfolio assets.	Out of the total electricity consumed at our colocation assets, about 16% was sourced from renewable sources, including the procurement of renewable wind energy at the Dublin assets. In Australia, the Manager engages with clients periodically to identify potential renewable energy procurement opportunities. RE is procured by clients at all of the portfolio's master lease assets in Europe.	Pages 75 to 76
	Achieve at least a 10% reduction in effective power usage effectiveness (PUE) for colocation assets that undergo major asset enhancement ² works, by 2025 from a 2019 baseline.	Ongoing	Page 76
Responsible Business			
ESG Factor	Target/Commitment	Performance and Progress in 2022	Page No.
Building and Service Quality	Obtain and maintain green certification for all Singapore colocation assets by 2025 and obtain green certification for all colocation assets by 2030.	Green certifications for 80% (4 out of 5 buildings) of Singapore colocation assets were maintained. KDC SGP 1 has yet to be certified to date.	Page 84
	Achieve an above satisfactory score for the Annual Customer Satisfaction Survey ³ .	Achieved	Page 84
	Achieve zero client dissatisfaction over the physical security of all its colocation properties in the Annual Customer Satisfaction Survey.	Achieved	Page 84
Corporate Governance	Uphold strong corporate governance, robust risk management, as well as timely and transparent communications with stakeholders.	In compliance	Pages 82 to 83
Cybersecurity and Data Privacy	Uphold high standards of cybersecurity and data protection best practices through the Keppel Cybersecurity governance structure, with zero incidents of data breaches and non-compliance with data privacy laws.	In compliance	Page 85
Ethics and Integrity	Maintain high standards and best practices in ethical business conduct and compliance, with zero incidents of fraud, corruption, bribery and non-compliance with laws and regulations.	In compliance	Page 83

¹ This includes exploring the use of solar powered ancillary equipment.

² Major asset enhancement – Any capex above \$1 million targeted at enhancing asset value and/or revenue but excludes repairs, maintenance and replacement.

³ Ratings based. A scale of 1-5 is used in the survey. The higher the score, the more satisfied/confident the client is with Keppel DC REIT's assets.

Approach to Sustainability








People and Community			
ESG Factor	Target/Commitment	Performance and Progress in 2022	Page No.
Community Development and Engagement	Engage with local communities and contribute to Keppel Capital's target of >500 hours of staff volunteerism in 2022.	The Manager, together with Keppel Capital, dedicated over 1,000 hours to community outreach activities in 2022. In 2023, the Manager strives to continue to contribute to Keppel Capital's target of over 500 hours of staff volunteerism to aid and engage the local communities.	Pages 91 to 92
Diversity and Inclusion	Have female directors represent at least 25% of the Board by 2025.	Achieved	Pages 89 to 90
Employee Health and Wellbeing	Provide a safe and healthy environment for all stakeholders, adopting the Keppel Zero Fatality Strategy to achieve a zero-fatality workplace.	In compliance	Page 90
Human Capital Management	Achieve at least an average of 20 training hours per employee in 2022.	Achieved an average of 38.3 training hours per employee in 2022. In 2023, the Manager strives to achieve at least an average of 20 training hours per employee.	Page 87
	Achieve at least 75% in employee engagement score in 2022.	Achieved In 2023, the Manager will continue to conduct employee engagement surveys to track and enhance employee engagement.	Page 88













Supporting the Sustainable Development Goals (SDGs)

The United Nations Sustainable Development Goals (SDGs) provide a common global platform and language to communicate and act on the most pressing challenges facing the world today.

The Manager is committed to advancing sustainable development by focusing on the SDGs that it can contribute most meaningfully to and where it has the greatest opportunities to partner other stakeholders to build a more sustainable future. In support of the United Nations'

2030 Agenda for Sustainable Development, the Manager has incorporated eight SDGs as a supporting framework to guide its sustainability strategy. This includes SDG 17 as an underlying SDG for ensuring partnership and collaboration towards achieving sustainable development.

SDG	Relevant ESG Factors	Contribution to SDG
	Employee Health and Wellbeing	<ul style="list-style-type: none"> Ensure adherence to industry best practices and compliance with all relevant regulations to provide a safe work environment for all stakeholders. Adopt the Keppel Zero Fatality Strategy, which outlines actionable measures to prevent workplace fatalities. Implemented initiatives to support the physical and mental wellbeing of employees. There were no fatalities, work-related injuries, or safety incidents reported in 2022. <p> Read more on pages 90 to 91.</p>
	Water	<ul style="list-style-type: none"> Optimise water efficiency by adopting water-efficient equipment and water conservation efforts. All colocation facilities in Singapore attained the ISO 46001:2019 Water Efficiency Management Systems (WEMS) certification. <p> Read more on page 81.</p>
	Economic Sustainability	<ul style="list-style-type: none"> Keppel DC REIT's business operations generate employment, opportunities for suppliers and tax revenues for governments. Declared a total DPU of 10.214 cents for FY 2022, an increase from 9.851 cents for FY 2021. <p> Read more on page 82.</p>
	Human Capital Management	<ul style="list-style-type: none"> Adhere to the Singapore Tripartite Guidelines on Fair Employment Practices and strive to uphold the Employers' Pledge of Fair Employment Practices. Provide training and development opportunities to employees, including an employee development scheme that supports employees who aspire to upgrade themselves with a higher professional certification. Zero tolerance for discrimination of any kind, which is reinforced by the Keppel Group Corporate Statement on Human Rights and Corporate Statement on Diversity and Inclusion. <p> Read more on pages 86 to 90.</p>
	Diversity and Inclusion	

SDG	Relevant ESG Factors	Contribution to SDG
	Building and Service Quality	<ul style="list-style-type: none"> Maintain high standards of building and service quality to ensure the resiliency and sustainability of data centres. <p> Read more on pages 83 to 84.</p>
	Building and Service Quality	<ul style="list-style-type: none"> Keppel DC REIT's colocation assets achieved various sustainability and ISO certifications indicating the attainment of nationally and internationally recognised standards of environmental, safety and quality management. Keppel DC REIT's properties have received BCA's Green Mark Certifications up to Platinum. <p> Read more on pages 83 to 84.</p>
	Emissions Energy	<ul style="list-style-type: none"> Adopt energy-efficient equipment and technologies, study the use of advanced energy management practices like artificial intelligence for predictive machine learning and support the use of clean energy sources where feasible. Keppel DC REIT continues to procure wind energy for the data centres in Dublin. Keppel DC REIT is a signatory of the Climate Neutral Data Centre Pact in Europe. <p> Read more on pages 74 to 76.</p>
	Sustainable Supply Chain Management	<ul style="list-style-type: none"> Adhere to the Keppel Group Supplier Code of Conduct, which reinforces the principles of responsible business practices between employees and suppliers. The Manager encourages the adoption of Keppel's sustainability principles throughout the supply chain. <p> Read more on page 85.</p>
	Waste Management	<ul style="list-style-type: none"> Minimise waste generated by increasing waste recycling rate. Work with clients to further promote responsible waste management by encouraging them to reduce, reuse and recycle, where possible. <p> Read more on page 81.</p>
	Corporate Governance Ethics and Integrity	<ul style="list-style-type: none"> Adopt the Code of Corporate Governance 2018 (as amended) issued by the Monetary Authority of Singapore (MAS) as its benchmark for corporate governance policies and practices. Maintain a sound and effective system of risk management and internal controls through the Enterprise Risk Management (ERM) Framework. Employees are required to adhere to the Employee Code of Conduct, which aims to establish and reinforce the highest standards of integrity and ethical business practices. In 2022, there were no confirmed incidents of corruption, bribery or fraud, nor any non-compliance with laws or regulations. <p> Read more on pages 82 to 83.</p>
	Community Development and Engagement	<ul style="list-style-type: none"> Committed to uplifting communities wherever Keppel DC REIT operates and making a difference to the lives of the less privileged. Beyond monetary contributions, employees are encouraged to participate in community outreach efforts. All employees are provided two days of paid volunteerism leave each year to participate in community initiatives within the Keppel Group. In 2022, together with Keppel Capital, the Manager committed more than 1,000 volunteer hours and contributed \$57,000 to the Keppel Care Foundation to support community needs. <p> Read more on pages 91 to 92.</p>

Approach to Sustainability

Memberships and Certifications

As part of its commitment towards upholding best practices in sustainability and industry standards, Keppel DC REIT participates in the following industry associations and initiatives, green certification and award schemes.

Keppel DC REIT's properties have received environmental certifications such as awards under BCA's Green Mark scheme as well as ISO certifications. Please refer to page 84 for the full list of sustainability certifications and awards received.

External Memberships and Certifications



Keppel DC REIT improved its rating from 'A' to 'AA' in the MSCI ESG Ratings assessment 2022 which measures a company's resilience to long-term, financially relevant material ESG risks¹.



Keppel DC REIT made its inaugural submission to the 2022 GRESB Assessment, the sustainability benchmark for real assets, and attained the Green Star Status.



In 2022, Keppel DC REIT commenced reporting on environmental data to CDP, a global environmental disclosure system that investors, companies, cities, states and regions use to measure and to manage environmental risks and opportunities.

Keppel Capital is a CDP capital markets signatory, dedicated to driving corporate environmental transparency.

Signatory of:



The Manager, through Keppel Capital, is a signatory of the United Nations-supported Principles for Responsible Investment (PRI), committed to adopting the PRI's six Principles where possible.



Keppel DC REIT is a signatory of the Climate Neutral Data Centre Pact in Europe, which is a voluntary commitment to take actions to make data centres climate neutral by 2030.

Large Industry Energy Network (LIEN)
(supported by Sustainable Energy Authority of Ireland)

Keppel DC Ireland is a member of the Large Industry Energy Network (LIEN), supported by the Sustainable Energy Authority of Ireland. LIEN member companies collaborate to improve energy management and implement sustainable energy solutions.



Keppel DC REIT is a member of the REIT Association of Singapore (REITAS), an organisation that aims to collaboratively strengthen and promote the Singapore REIT industry through education, research, and professional development.



The Manager works with the Securities Investors Association (Singapore) (SIAS) to empower the investment community through continuous investor education and outreach.

United Nations Global Compact

The Manager, through Keppel Capital, is also a signatory of the United Nations Global Compact and is committed to the Global Compact's 10 universal principles, which include human rights, labour, environment, and anti-corruption.

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Stakeholder Engagement

The Manager engages key stakeholders regularly to understand their concerns and expectations, and in turn uses the feedback to refine business strategies and drive continuous ESG performance improvements. Key stakeholder groups are identified based on their impact on, or potential to be impacted by, Keppel DC REIT's operations and ESG performance.

The Manager addresses the factors that are most important to Keppel DC REIT's stakeholders by measuring associated performance metrics, communicating its performance against material ESG factors, as well as adopting a management approach that integrates material ESG factors into decision-making processes.

To ensure meaningful two-way communication, the Manager endeavours to provide clear, fair and balanced disclosures of pertinent information to all stakeholders and incorporates feedback from stakeholders on an ongoing basis.

The table below outlines the modes of engagement and key topics of concern of the key stakeholder groups.



Investors

Objectives of Engagement

Ensure timely and accurate disclosure of information

Engagement Platforms

Annual and sustainability reports; general meetings; investor presentations; SGX announcements; media releases; in-person and virtual local and overseas investor roadshows; quarterly teleconferences or webcasts; corporate website; email feedback; meetings and conference calls

Key Topics

Business strategy and corporate developments; financial and portfolio performance; ESG strategy and performance

Frequency of Engagement

Ongoing regular engagement



Clients

Objectives of Engagement

Build deep relationships with existing and prospective clients

Engagement Platforms

Annual survey; onsite audits and in-person and/or virtual meetings; industry conferences

Key Topics

Building and service quality; health, safety, and environmental matters

Frequency of Engagement

Ongoing regular engagement



Business Partners

Objectives of Engagement

Align business partners to Keppel values to enhance operational resilience

Engagement Platforms

Regular meetings; safety and operations workshops; annual reviews and feedback sessions

Key Topics

Compliance; collaboration; health, safety, and environmental matters; opportunities for business collaborations

Frequency of Engagement

Ongoing regular engagement



Governments & Regulatory Bodies

Objectives of Engagement

Collaborate and work alongside on topics of mutual interest

Engagement Platforms

Meetings; consultation exercises and surveys

Key Topics

Adherence to rules and regulations, consultation on policies regarding the REIT sector and communication on industry/sector trends including sustainability

Frequency of Engagement

Ongoing regular engagement



Local Communities

Objectives of Engagement

Understand and support community needs and build lasting positive relationships

Engagement Platforms

Community outreach activities, promoting and organising community-related activities, as well as participation in industry events and/or talks

Key Topics

Community engagement, as well as sharing of industry insights and knowledge

Frequency of Engagement

Ongoing regular engagement



Employees

Objectives of Engagement

Build talent pool through continuous investments in training and development, as well as employee wellbeing and welfare

Engagement Platforms

Dialogue sessions with senior leaders; annual employee engagement survey; appreciation month; physical and mental wellbeing month; staff communication sessions; leadership programmes; team building activities; dinner & dance; involvement in different employee interest groups; overseas offsite

Key Topics

Employees' personal and professional growth; sharing of ideas; build culture of recognition and appreciation; enhance careers through self-directed learning; inspiring others through leading by example

Frequency of Engagement

Ongoing regular engagement

Environmental Stewardship

The Manager is committed to ensuring energy efficiency and optimisation, and tap renewable energy sources where possible to reduce emissions.

As a data centre REIT with a diversified global portfolio, the Manager recognises that its business and operations have a significant environmental impact. The Manager is committed to improving Keppel DC REIT's environmental performance and has integrated environmental sustainability considerations into major business decisions. For example, considerations during due diligence covering key environment risks relevant to each location, such as flooding, contamination and more, are incorporated as part of the investment considerations prior to any acquisition.

The Manager is also committed to managing and mitigating environmental impacts where it arises in Keppel DC REIT's operations. For more information on policies and commitments, see Keppel Group Environmental Sustainability Policy.



Keppel DC Dublin 1 (pictured) and Keppel DC Dublin 2 continue to procure renewable energy.

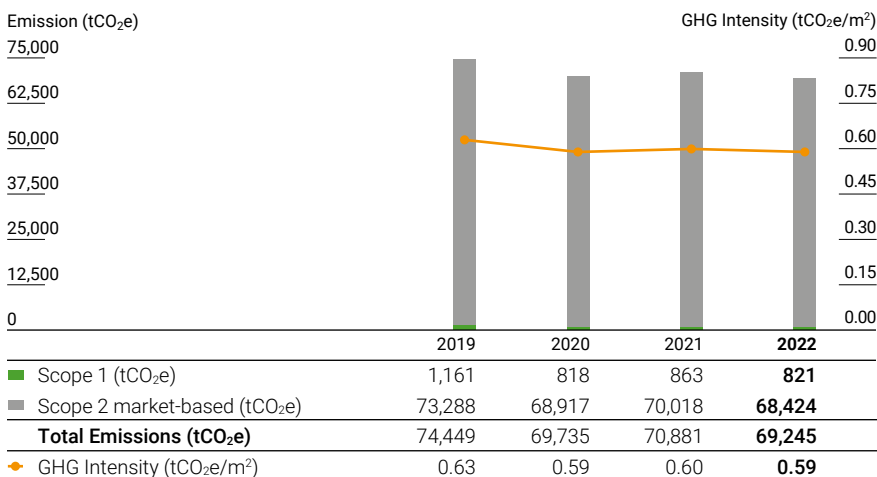
Emissions & Energy Management Approach

The Manager supports climate action and the transition to a low-carbon economy by adopting feasible technologies and approaches to reduce emissions and energy consumption. To achieve these goals, the Manager, as part of its ongoing operations, evaluates the practicality of adopting energy-efficient equipment and technologies, and studies the use of advanced energy management practices such as artificial intelligence for predictive machine learning and energy optimisation measures.

In Singapore, all colocation facilities have maintained their ISO 50001 certifications in energy management system to ensure high levels of sustainable environmental performance, while balancing the need for operational resiliency and zero downtime to meet clients' needs.

In 2022, Keppel DC REIT continued to procure renewable energy to meet the electricity requirements at the Dublin assets. As a signatory of the Climate Neutral Data Centre Pact, the Dublin team continues to work closely with consultants and peers to manage energy consumption and work towards achieving climate neutrality by 2030. Testament to their efforts, Keppel DC REIT's Dublin facilities have maintained the ISO 14001 and ISO 50001 certifications, which aid building greater awareness and behavioural change around the operational team's practices in energy management.

Total Scopes 1 and 2 GHG Emissions (tCO₂e)



Notes:
GHG emissions are calculated in accordance with the operational control approach of the GHG Protocol standard – the most widely accepted international standard for GHG accounting. Gases included in the calculation are carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O), with totals expressed in units of tonnes of carbon dioxide equivalent (tCO₂e).

Conversion factors for Scope 1 and Scope 2 (market-based) GHG emissions were obtained from UK Department for Business, Energy & Industrial Strategy (BEIS) and the International Energy Agency for country-specific emission factors. Scope 3 emission factors are referenced from the DEFRA and IEA for fuel and energy, waste, and from International Civil Aviation Organisation for business air travel. Emission factors for downstream leased assets are based on country-specific grid emission factors. Employee commuting emissions are estimated based on Singapore Census of Population 2020 survey with emission factors provided by SMRT Corporation and Land Transport Authority.

GHG intensity calculation is based on total gross floor area in square metres. It includes Scopes 1 and 2 emissions.

Keppel DC REIT has set 2019 as the base year for its emissions benchmarking. The 2019 base year emissions inventory has been adjusted to account for the acquisition of KDC SGP 4 at end 2019. Subsequent years' emission data already includes KDC SGP 4.

The Manager is also reviewing available options to introduce renewable energy to other colocation assets, working towards its ESG targets.

Energy management systems are in place at all Keppel DC REIT's colocation facilities to ensure power consumption is monitored and measured accurately, to enable identification of energy reduction opportunities.

Performance and Progress

Greenhouse Gas (GHG) Emissions

Keppel DC REIT's GHG emissions comprise Scope 1 emissions from diesel consumption for backup generators, Scope 2 emissions from electricity use and Scope 3 value chain emissions.

Total Scopes 1 and 2 emissions declined by 2.3% from 2021 levels to 69,245 tCO₂e in 2022, and GHG emissions intensity dipped slightly to 0.59 tCO₂e/m² correspondingly. The procurement of wind energy at KDC DUB 1 and KDC DUB 2 resulted in 21,820 tCO₂e of avoided emissions.

Working with Corporate Citizenship, an external sustainability consultant, a Scope 3 emissions screening exercise was conducted in 2021 to better understand Keppel DC REIT's carbon footprint. To determine relevance, the Manager, with the support of the consultant, reviewed the GHG Protocol Scope 3 Standard's description of each Scope 3 category and consulted appropriate contacts across the company, looking at factors including significance of contribution to total emissions and influence over emission source. Through this exercise, nine relevant Scope 3 categories were identified. Keppel DC REIT has progressively expanded its Scope 3 reporting from air travel in 2020, to five categories in 2021 and to the full relevant inventory of nine categories in 2022.

In 2022, Keppel DC REIT's total GHG emissions was 225,184 tCO₂e. The gases included in the calculation are carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O), where the summation is expressed in units of tonnes of carbon dioxide equivalent tCO₂e.

Energy

In 2022, Keppel DC REIT's colocation facilities consumed a total of 1,893,354 GJ of energy, a 0.6% increase over 2021. Correspondingly, the energy usage intensity (by gross floor area) rose to 16.0 GJ/m² from 15.9 GJ/m² in 2021. The rate of increase was notably lower than previous year's increase in energy consumption due to the ongoing energy optimisation measures. These include continuous monitoring and management of temperature setpoints to avoid over-cooling and to reduce excessive energy consumption,

as well as managing factors affecting envelope thermal transfer value.

Keppel DC REIT's energy consumption comprised primarily electricity consumption, making up almost 99.4% of the total in 2022, and the remaining 0.6% from diesel consumption for backup generators. Out of the total electricity consumed, about 16% was sourced from renewable

sources at KDC DUB 1 and KDC DUB 2 which procure wind energy.

While the total energy consumption is expected to increase in tandem with the growth of Keppel DC REIT's portfolio, the Manager is committed to ensuring energy efficiency and optimisation, and tap renewable energy sources where possible to reduce emissions.

Total GHG Emissions in 2022 (tCO₂e)

Scope 1 (direct emissions) ¹	821
Scope 2 (indirect emissions) ²	68,424
Scope 3 (indirect emissions) ³	155,939
Total	225,184

Notes:

¹ Fuel (diesel) consumption

² Use of electricity

³ Based on the nine categories of purchased goods and services, capital goods, fuel and energy related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting, downstream leased assets and investments.

Scope 3 Categories	Emissions in 2022 (tCO ₂ e)
Purchased goods and services	2,495.1
Capital goods	7,098.4
Fuel and energy related activities	22,349.0
Upstream transportation and distribution	1,221.5
Waste generated in operations	23.7
Business travel	1.8
Employee commuting	5.8
Downstream leased assets	120,295.3
Investments	2,448.5

Total Energy Consumption (GJ)

Total Energy Consumption (GJ)	Energy Intensity (GJ/m ²)			
2,100,000	24.0			
1,750,000	20.0			
1,400,000	16.0			
1,050,000	12.0			
700,000	8.0			
350,000	4.0			
0	0.0			
	2019	2020	2021	2022
Landlord Consumption (GJ)	688,102	650,902	677,300	684,844
Client Consumption (GJ)	1,173,285	1,061,204	1,204,414	1,208,510
Total Energy Consumption (GJ)	1,861,387	1,712,106	1,881,714	1,893,354
Energy Intensity (GJ/m ²)	15.7	14.5	15.9	16.0

Notes:

Landlord Consumption and Client Consumption figures include renewable energy from KDC DUB 1 and KDC DUB 2.

Energy intensity calculation is based on total energy consumption in gigajoules (GJ) of both landlord and clients and the total gross floor area in square metres.

2019 data was rebased to include KDC SGP 4 which was added to the portfolio in November 2019.

Environmental Stewardship



Energy Optimisation Measures

There are several ongoing efforts to reduce emissions including:

Continuous monitoring and recalibration of temperature setpoints within each data centre, to avoid over cooling, reduce excessive energy consumption and identify and prevent leakage

Optimising or right-sizing the number of chillers and computer room air conditioners needed to ensure energy-efficient cooling

Managing factors affecting envelope thermal transfer value

Installing LED lights and motion sensors to reduce electricity usage

Calibrating equipment test durations to optimise diesel consumption

Implementing a hot or cold aisle containment whenever possible to manage airflow, thereby reducing energy usage

The Manager has committed to progressively reduce its combined Scopes 1 and 2 emissions with an aim to halve this by 2030 from a 2019 baseline which will be adjusted for acquisitions and divestments when they occur. To reduce Scope 2 emissions from electricity usage which

contributes the bulk of Scopes 1 and 2 emissions, the Manager targets to introduce renewable energy to at least 50% of its colocation assets by 2030, including exploring the use of solar-powered ancillary equipment.

For colocation assets that undergo major asset enhancement works (defined as those above \$1 million in capital expenditure), the Manager will also aim to achieve at least a 10% reduction in effective PUE¹ by 2025 from a 2019 baseline.

Climate Change Adaptation

The effects of climate change are increasingly apparent globally and gaining attention from countries to corporates. Understanding and addressing climate-related impact is crucial to ensuring the business remains sustainable and resilient. In this regard, the Manager is focused on strengthening Keppel DC REIT's portfolio (covering all significant colocation assets) and operational capabilities against climate change risks, as well as assessing potential opportunities the Manager can capitalise on as the world transits to a low-carbon economy.

The Taskforce on Climate-related Financial Disclosures (TCFD) aims to promote better disclosure of climate-related impact and to enable stakeholders to make more informed financial decisions. TCFD provides a useful framework to increase transparency on climate-related risks and opportunities and hence Keppel DC REIT seeks to align its approach with TCFD's recommendations.

In 2021, the Manager charted a roadmap to align with the TCFD framework, laying the foundation for phased implementation over the long term. This is in line with the Singapore Exchange (SGX) listing requirements and the phased approach suggested in SGX's Practice Note 7.6 Sustainability Reporting Guide.

This section describes Keppel DC REIT's approach to climate change adaptation, in alignment with the TCFD recommendations and its four core pillars.

Governance

To bolster the resilience of Keppel DC REIT's business, responses to climate-related risks and opportunities are assessed and integrated into strategy formulation and business operations.

A dedicated ESG Committee was established at the Board level in February 2022. Taking into account inputs from the ESG Committee, senior management and Sustainability Committee, the Board reviews and approves the ESG strategy, roadmap and targets, which include climate change adaptation and the related targets on emissions and energy. The ESG Committee meets at least semi-annually.

For more information on Keppel DC REIT's sustainability governance structure, please refer to page 67.

Strategy

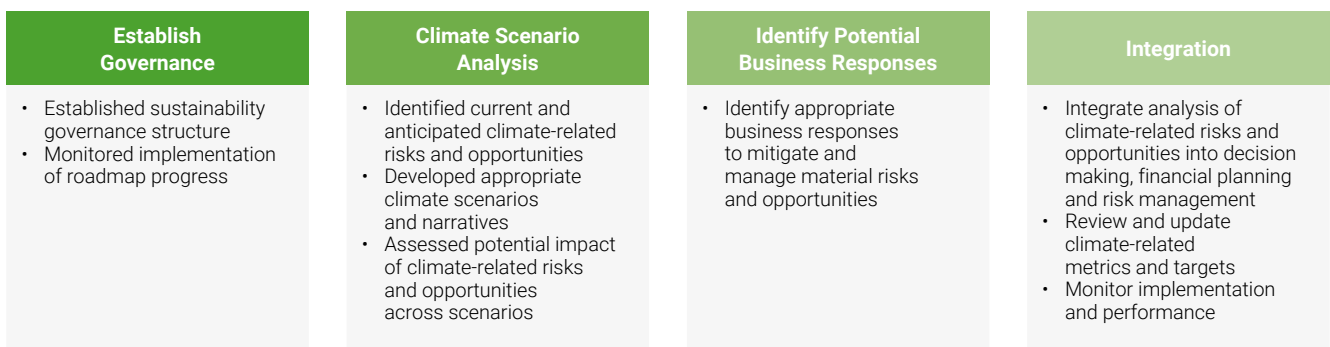
Keppel DC REIT recognises that the changing climate, as well as governments and societies' push to decarbonise and mitigate climate change, present risks and opportunities.

Keppel DC REIT's Approach to Climate Change Adaptation

2021
Roadmap
Established

2022
Conducted
Scenario Analysis

**Where
We Are**



¹ Power usage effectiveness is a ratio that describes how efficiently a data centre uses energy. The lower the PUE, the better the energy efficiency of the data centre.

Therefore, the Manager is committed to integrating climate-related considerations into its strategy and financial planning to strengthen the relevance and resilience of Keppel DC REIT's portfolio and operations against climate change risks.

With the guidance of an external consultant, the Manager conducted a scenario analysis on its operational assets, to evaluate and understand the potential impact on the assets arising from climate-related risks and opportunities.

The first phase of the scenario analysis showed that the current portfolio is resilient in the short-term and Keppel DC REIT is in the process of assessing the extent of potential impacts in the medium and long-term. The scenario analysis also highlights, on page 80, climate-related opportunities that are growing in significance and areas where Keppel DC REIT is strategically positioned to capitalise on. The results of the scenario analysis are taken into consideration or adopted where relevant for decision-making, financial planning, risk management and evaluation of investment opportunities, to ensure that plans for mitigation and other business responses are put in place.

The scenario analysis forms part of the Manager's overall transition plan to move towards a portfolio of assets that will remain resilient and relevant as the world transits towards net zero. The results of the scenario analysis and mitigation responses are further detailed below.

Overview of Scenario Analysis

Scenario analysis is not a forecast or prediction, nor a full description of the future. As a decision-making tool, scenario analysis aids the Manager in the evaluation of the effectiveness of current strategies and resilience of assets against plausible futures and subsequent identification of options to strengthen Keppel DC REIT's portfolio.

The TCFD has classified climate-related risks into two categories i.e. physical risks and transition risks. Physical risks are risks that arise from changes in the climate and can be event driven (acute) or longer-term shifts (chronic). Transition risks are risks associated with policy changes, shifts in norms and technology as well as reputation risk resulting from changing community expectations and/or perception as the world moves toward a low-carbon economy. The assessment of each of these is addressed in this Report.

1. Physical Risk Assessment

A total of eight colocation assets² where we have service level obligations towards multiple clients and hence more active operational control were assessed. Eleven physical risks were identified to be relevant to these assets comprising a mix of chronic and acute or extreme events. Chronic physical risks which arise from longer-term shifts in climate patterns include monthly changes in temperature, precipitation and relative humidity and a rise in mean sea level. Acute or extreme events physical risks which are event driven include extreme weather events such as cyclones, hurricanes, or floods.

Shared Socioeconomic Pathways (SSPs) in the latest Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6) have been referenced to select relevant scenarios for analysis.

Keppel DC REIT has chosen the following scenarios for the assessment following recommendations by the TCFD requiring companies to consider a 2°C or lower scenario, as well as a scenario with increased physical climate-related risks. The scenarios and timeframes are also aligned with Keppel Corporation's group-wide assessment. The selected scenarios were then analysed over several time frames to understand the impact over the short, medium and long-term, taking into account the lifespan of Keppel DC REIT's assets.

Definition of Selected Climate Scenarios:

SSP 1-2.6: Global CO₂ emissions are cut severely, reaching net zero after 2050, limiting warming to below 2°C. The world shifts gradually toward a more sustainable path, emphasising inclusive development that respects environmental boundaries, reducing inequality both across and within countries.

SSP 2-4.5: CO₂ emissions stay around current levels before starting to fall mid-century but do not reach net zero by 2100, with an average global temperature reaching an increase of 2.7°C. Socioeconomic factors follow their historic trends, with no notable shifts. Progress toward sustainability is slow, with development and income growing unevenly.

SSP 5-8.5: This is a future to avoid at all costs. Current CO₂ emissions levels roughly double by 2050. The global economy grows quickly, but this growth is fuelled by exploiting fossil fuels and energy-intensive lifestyles. By 2100, the average global temperature is a scorching 4.4°C higher.

² This refers to KDC SGP 1-5 (Singapore), Gore Hill DC (Australia) and KDC DUB 1 and 2 (Ireland).

Environmental Stewardship

This section provides a description of the potential impact to Keppel DC REIT's business which have been assessed assuming no actions have been taken. It provides an understanding of the

trajectory and relative significance of climate-related risks. The results are then used for decision-making and financial planning. The review also includes active measures taken by Keppel DC REIT

to mitigate and respond to these physical and transition risks, with the Manager committed to continue evolving and adapting its approach, for long-term resilience.

Physical Climate Risks		
Risk Description ¹	Description of Potential Business Impact	Business Mitigating Response
Extreme precipitation Exposure of assets to substantial exceedance in the amount of rainfall delivered	More frequent, extreme or high-intensity, short-duration precipitation can cause flooding, damaging property and the natural environment. This can impair the accessibility or function of buildings for users.	As part of data centre site selection, the evaluation of flooding risks is of primary importance and evaluated as part of the location review and design process. Data centres are thus typically not located in or near flood zone(s) or in coastal environments. Operationally, onsite facility managers actively monitor climate conditions and put in-place systems to prevent disruptions to operations where possible. Where applicable, Keppel DC REIT also assesses potential mitigation options to retrofit and improve existing assets including the enhancement of drainage systems, installation of water leak sensor, and building elevation.
Extreme water level Coastal extreme sea-level elevations occurring with a confluence of events such as storms, high tides, and sea level change	Destruction of the built environment, including the physical structure of buildings, surrounding infrastructure and the natural environment. Reduced accessibility may impact productivity for employees and tenants leading to financial loss.	
Mean sea level rise Location-specific variations in sea-level changes influenced by factors such as vertical land movement, regional ocean currents etc	Property damage due to exposure to sea spray and contact with water as a result of flooding.	
Extreme temperature Unexpected severe temperature variations above or below normal conditions	For data centres, maintaining a constant temperature is critical, with changes in indoor temperature potentially impacting service level agreement (SLA) obligations and resulting in penalties. Operating costs could also increase from higher energy consumption used to cool buildings. Exposure to extreme temperature changes may lead to reduced durability of building materials and affect the indoor climate of buildings. This can cause discomfort to employees and clients, affecting productivity and pose health and safety risks.	Keppel DC REIT continuously monitors indoor temperature conditions, with cooling systems adjusted accordingly as part of daily operations. Regular scheduled maintenance is also performed, with technical refresh or end-of-life replacements of cooling systems planned to optimise efficiency. Where feasible, factors affecting envelope thermal transfer value will be carefully managed to reduce building heat absorption.
Heat wave days Persistent period of high temperatures	Exposure to excessive heat may lead to business disruption arising from the failure of cooling systems at the data centres and potential breaches of SLA obligations, human discomfort or health and safety issues. These can result in penalties from clients and/or increased energy and water consumption costs arising from preventive measures required.	For data centres, the design and equipment selection take into consideration historical data of localised environmental conditions. In-built redundancies are also in place for the cooling infrastructure to manage unexpected operational conditions. Where needed, appropriate insurance coverage will be reviewed. Where feasible, the use of materials or energy efficient colour schemes are also implemented to reduce heat absorption or to facilitate heat dissipation of the external façade.
Fire risk Increased potential and frequency of fire-related risks associated with warmer, and low moisture conditions due to climate change	Increased potential of fire risks can lead to the destruction of property and the surrounding natural environment resulting in economic losses to reconstruct property or business interruption losses not covered by insurance.	For data centre site selection, the evaluation of fire risks, is of primary importance and evaluated as part of the design process. Vegetation surrounding the data centres is kept to a minimum level to reduce the potential spread of fire. Business continuity plans are also in place to manage unexpected operational conditions. Where needed, appropriate insurance coverage will be reviewed.

2. Transition Risks and Opportunities Assessment

In 2022, to understand the climate-related risks and opportunities relevant to Keppel DC REIT, the Manager undertook a scenario analysis to identify and qualitatively assess climate-related transition risks. Initial sectoral and geographical research was conducted on potential climate-

based and regulatory impact as the world transits to net zero.

The Manager also engaged with internal stakeholders to identify risks and opportunities most relevant to Keppel DC REIT. Guidance, and indicators from the Network for Greening the Financial System (NGFS) and IPCC were considered to

identify relevant scenarios and timeframes for assessment. The NGFS scenarios aim to assist both public and private sector players in analysing the financial risks associated with climate change. The IPCC is the United Nations body that carries out regular assessments and provides governments with scientific information for the development of climate policies.

¹ The remaining five physical risks (cooling degree days, heating degree days, monthly mean precipitation, extreme wind speed and monthly mean temperature) were found to be not material to Keppel DC REIT.

The NGFS scenarios identified by Keppel DC REIT as being relevant are as follows:

Orderly: This scenario is achieved as climate policies and innovations are introduced early and adopted in an orderly, coordinated and timely manner, and become gradually more stringent. Both physical and transition risks are thus relatively subdued. Two sub-scenarios are factored:

1. Net Zero 2050 is an ambitious scenario that limits global warming to 1.5°C from 2020 to the end of the century. Global warming is limited to 1.5°C through stringent climate policies and innovation, reaching global net zero CO₂ emissions around 2050. Some jurisdictions such as the US, EU, UK, Canada, Australia and Japan reach net zero for all GHGs.
2. Below 2°C sub-scenario, where climate policies become gradually more stringent with a 67% chance of limiting global warming to below 2°C.

Disorderly: This scenario assumes that action is late, disruptive, sudden and/or unanticipated. The introduction of new climate policies is delayed and divergent across countries and sectors, with varied implementations and effectiveness, as well as a lack of coordination and alignment with global policies. These disruptions translate into higher transition risks and annual emissions do not decrease until 2030. Strong policies are then introduced after 2030 to limit warming to below 2°C.

Hot house world: This scenario assumes limited action. Only currently implemented policies are preserved, leading to a hot house world with significant global warming and, as a result, strongly increased exposure to physical risks which includes irreversible impact like higher sea level rise. Two sub-scenarios are factored:

1. Current Policies, which assumes only currently implemented policies are preserved.
2. Nationally Determined Contributions, which includes all pledged targets, regardless of evidence of implementation of effective policies.

Each chosen scenario explores a different set of assumptions (e.g., climate policy, emissions, and temperature), across time to assess risks and opportunities in the near, medium and long-term. This process aids the Manager in understanding the evolving implications of potential risks and opportunities over time, enables better decision-making and

supports the identification of effective and immediate mitigation options.

Each identified climate-related risk and opportunity was examined and scored, referencing Keppel DC REIT's existing ERM framework for future integration. For each identified risk, the level of risk was assessed referencing three broad factors:

- i. vulnerability which accounts for susceptibility to impact and the capacity to cope and adapt,
- ii. the magnitude of the potential impact of the risk and
- iii. the likelihood of that risk occurring in the context of the chosen time periods for the three NGFS scenarios. For the opportunities identified, factors considered include the size of the opportunity and the ability for Keppel DC REIT to execute the potential opportunity.

The findings from this exercise will be integrated into decision-making processes and the evaluation of potential risks and future investment opportunities.

Transition Risks and Opportunities

This section provides a description of the identified transition risks and opportunities assuming no mitigating actions. It provides an understanding of the trajectory and relative significance of transition risks and opportunities. The results are then used for decision-making and financial planning. The review also includes active measures taken by Keppel DC REIT to mitigate and respond to the transition risks, with the Manager committed to continue evolving and adapting its approach, to optimise long-term resilience while capitalising on arising opportunities.

Transition Risks		
Risk Description	Description of Potential Business Impact	Business Mitigating Response
Regulatory		
Increasing price of carbon Direct/indirect exposure to carbon tax in Singapore, Australia and Ireland due to current and future potential legislation	Increasing price of carbon will lead to rising operating costs as businesses account for both direct and indirect carbon taxes arising from energy consumption. This may correspondingly result in lower profits arising from higher landlord expenses for common areas or the loss of clients who may seek other operators to provide low-carbon alternatives.	Keppel DC REIT looks to secure access to reasonably priced renewable energy sources where feasible, and is committed to reducing energy consumption and optimising portfolio energy performance through the implementation of energy optimisation measures. Keppel DC REIT is also monitoring and analysing energy data to find ways to reduce emissions. Decision-making considers insights gathered from active assessment of the impact of carbon tax on both current portfolio and future potential investments.
Enhanced reporting obligations In Singapore, SGX has mandated issuers to provide climate-related reporting. Other upcoming frameworks including the International Sustainability Standards Board (ISSB) will also be implemented to strengthen climate reporting	To meet reporting obligations, businesses are required to bear extra costs to ensure sufficient internal capacity and capabilities to comply with disclosure regulations. This could lead to increased operating costs to hire and/or upskill employees. Violations of mandatory regulations could also lead to potential financial penalties and associated reputational risks, leading to losses in financing opportunities and appearing less attractive to potential investors.	Keppel DC REIT has in place a roadmap to align reporting with TCFD recommendations and other evolving and relevant reporting frameworks. It is fully compliant with current Singapore listing obligations and adheres to GRI reporting standards. Additionally, employees within the Keppel Group attend relevant training courses to continuously upskill and to develop in-house reporting capabilities.
Stricter building/sector regulations Building sector regulations and performance standards are likely to progressively increase, becoming more stringent over time across all nations	Due to evolving building sector regulations and certification standards, businesses may be required to upgrade existing buildings specifications to meet new sustainability standards. This will lead to higher retrofitting costs and/or increased capital expenditure to invest in cleaner technologies associated with energy consumption including lighting, heating and cooling of buildings, water and waste. The inability to meet these new sustainability standards and requirements may lead to associated reputational risks.	Keppel DC REIT is fully compliant with current building regulations. The majority of its colocation properties have obtained green certifications including LEED and BCA Green Mark Awards. Regular maintenance and active evaluation of improvement or upgrading works are also conducted to maintain green certifications and to future-proof the assets in a long-term and sustainable manner.

Environmental Stewardship

Transition Risks		
Risk Description	Description of Potential Business Impact	Business Mitigating Response
Market		
Revenue loss due to increase in cost Expected increase in electricity costs may lead to revenue loss	Higher energy costs may lead to lower profits. Revenue loss may occur as clients prefer data centres that are more energy efficient.	Keppel DC REIT will continue to optimise building energy consumption and will look to reduce reliance on carbon intensive fuels through the procurement of renewable energy where feasible.
Reputation		
Change in stakeholder (Client & Investor) expectations Demand for low/zero carbon data centres would increase to align investor climate ambitions with the Paris Agreement and a shift away from carbon-intensive assets	Not meeting changing stakeholder expectations can lead to reduced capital availability from investors. Loss of clients as they prefer low/zero carbon buildings may lead to a decrease in revenue.	Keppel DC REIT's assets have received green building certifications including LEED and BCA Green Mark Awards. To further meet stakeholder expectations, Keppel DC REIT will continue to actively engage stakeholders via surveys, direct dialogue and feedback sessions to track their preferences and review the relevant ESG factors for these stakeholders. Additionally, Keppel DC REIT will continue its efforts to optimise the energy consumption of its portfolio through the implementation of sustainable initiatives and procurement of renewable energy, while also actively tracking, monitoring, analysing energy data and adopting sustainability initiatives to reduce emissions where feasible.

Opportunities	
Opportunity Description	Description of Potential Business Impact
Cost savings from tapping on energy-efficient technology and cooling infrastructure Improving energy efficiency can help to reduce operating costs and attract clients in the medium to long-term. It is expected that a net zero world will see a rapid introduction of new technologies to help data centres to become more efficient	Reduced exposure to changes in energy prices and decreased operating costs due to energy savings Increased revenue from clients looking for higher energy efficiency/low-carbon data centres
Increased access to green capital Increase in demand and supply for green bonds as the number of sustainability-oriented debt investors increase. Keppel DC REIT will also benefit from the reputation of issuing sustainability-linked loans and bonds	Greater access to additional financing sources which can be used to fund energy-efficient initiatives to ensure resilience Reputational benefits
Incentives provided by government entities Public sector incentives may likely increase over time to encourage and assist companies pursuing decarbonisation	Increased access to finance and support to fund energy efficiency incentives Improved reputational benefits resulting from government partnerships and improved energy efficiency
Shift in stakeholder (Client and Investor) expectations Preferences from clients to take up spaces in data centres with green building certifications and sustainability initiatives. This can improve market competitiveness and lead to increased revenue Rising investors' interest to invest in companies with ESG focus and certifications	Increased revenue due to increased demand for data centres with green building certification and clients' preference to occupy data centres with sustainability initiatives With the focus on sustainability, this can lead to an increased access to potential investors that have a sustainability focus.

Risk Management

ESG-related matters, including climate change, are considered as part of Keppel DC REIT's ERM assessment. Material physical and transition climate-related risks and opportunities were thus identified and evaluated. Following the scenario analysis conducted, Keppel DC REIT will take steps to further integrate the results into the ERM process.

More information on Keppel DC REIT's risk management strategy and processes can be found on pages 172 to 174.

Metrics and Targets

Keppel DC REIT continues to track its GHG emissions following the GHG Protocol Corporate Standard and Corporate Value Chain (Scope 3) Standard using the operational control approach. It also concluded a Scope 3 screening review and has expanded its reporting to include the full inventory of relevant Scope 3 categories in this report.

The Manager has committed to progressively reduce its combined Scope 1 and Scope 2 emissions with an aim to halve this by 2030 from a 2019 baseline.

For more information on Keppel DC REIT's GHG emissions, please refer to pages 74 to 75.

Waste Management

Management Approach

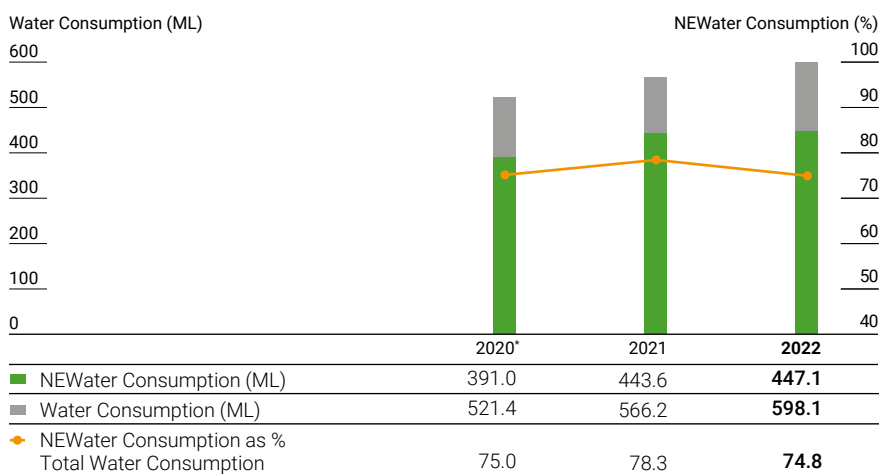
Minimal waste is generated at the data centres in its day-to-day operations. Any significant waste generated is usually due to renovation works by clients which will be handled by their appointed contractor. Nevertheless, the Manager is committed to the responsible management of waste and minimising waste generation by increasing waste recycling rate through the provision of recycling bins for paper, encouraging clients to reduce, reuse and recycle through reminder notices placed in the data centres as well as prioritising clients contract renewals to limit reinstatement debris.

The Manager started tracking and reporting waste and recycling data in 2021. Disposal and recycling bins were provided on site for general waste at each property, and the waste was collected by a licensed third-party waste disposal company who then consolidates the waste and recycling data and shares the data with the Manager.

Performance and Progress

In 2022, Keppel DC REIT's colocation assets generated a total of 210.5 tonnes of non-hazardous waste, of which 106.0 tonnes were sent for incineration and 45.3 tonnes were sent to landfills.

Total Water Consumption



* The water consumption for 2020 has been restated to reflect actual billing.

59.2 tonnes of waste were recycled. No hazardous waste was generated.

The Manager will continue to track waste data to better understand and manage the waste footprint of its colocation assets.

Water Management Management Approach

Data centres use water for chillers and cooling towers to maintain the ideal cool environment for the equipment to function properly. The Manager actively monitors the water consumption of data centres and undertakes measures to reduce water consumption through water conservation efforts and the water-efficient fittings.

All of Keppel DC REIT's colocation facilities utilise municipal water supplies and consumption is measured through direct metering. Some of the Singapore colocation facilities also use NEWater, which is reclaimed wastewater produced by PUB, Singapore's national water agency. Water consumption is continuously monitored, and conservation technologies and strategies are implemented to improve water efficiency. These include the use of low flow sanitary appliances and reclaimed stormwater as part of the water recycling efforts at Gore Hill DC.

All of the colocation facilities in Singapore attained the ISO 46001:2019 Water Efficiency Management Systems (WEMS) certification.

Performance and Progress

Total water consumption in 2022 was 598.1ML, a 5.6% increase from 2021. The increase in water consumption was due to the higher occupancy at KDC DUB 1

and inclement weather as a result of the heatwaves in Europe.

The Manager will continue to implement water efficiency measures, track water consumption, look into ways to increase water recycling and reuse, and explore alternative cooling solutions.

Environmental Management

The Manager and its facility managers, including Keppel Data Centres Holding, the data centre division of its sponsor Keppel Telecommunications & Transportation (Keppel T&T), work together to identify and implement initiatives that reduce environmental impact. In the short term, the Manager looks to optimise assets' energy efficiencies through the planned capital expenditure works, focusing on energy-efficient options and leveraging latest technology where feasible and applicable.

There are multiple ongoing initiatives within the Keppel Group to secure alternative renewable energy sources. The Manager closely monitors these and are in contact with the relevant personnel, for opportunities to introduce renewable energy to Keppel DC REIT's assets at the appropriate time, to achieve its targets.

All of Keppel DC REIT's colocation facilities in Singapore and Dublin attained the ISO 14001:2015 certification in Environmental Management Systems to drive their environmental performance. The Manager continues to review in-place certifications and will plan and expand upon the relevant certifications in a progressive manner.

Responsible Business

Strong corporate governance and robust risk management underpin Keppel DC REIT’s ability to safeguard the interests of its stakeholders and ensure business continuity and long-term value creation.



Keppel DC REIT supports climate action by adopting feasible technologies and approaches to reduce emissions and energy consumption.

Responsible and sustainable business practices form the cornerstone of how the Manager seeks to deliver long-term value and maintain trust and confidence of its stakeholders.

Economic Sustainability Management Approach

The Manager is focused on generating sustainable distributions and economic value to Unitholders and other stakeholders. It does this by driving operational excellence in its asset management efforts, while maintaining an optimal capital structure.

Incorporating ESG considerations into the corporate strategy and business operations help to ensure sustainable business performance and accountability to all stakeholders. As the data centre industry continues to evolve, the Manager expects ESG considerations to be increasingly considered in addition to return on investments. It will look to integrate ESG practices into its business operations where feasible, to build resilience and manage risks. Examples include understanding the potential financial impact of climate-related risks and opportunities on its assets and business.

Performance and Progress

In terms of direct economic value generated and distributed, Keppel DC REIT delivered the highest DPU to Unitholders in 2022 since

its listing eight years ago. The financial performance highlights may be found on pages 8 to 9.

For more information on Keppel DC REIT’s portfolio, please refer to pages 38 to 55.

Corporate Governance Management Approach

Strong corporate governance and robust risk management underpin Keppel DC REIT’s ability to safeguard the interests of its stakeholders and ensure business continuity and long-term value creation.

The Manager aligns its corporate governance policies and practices with the Monetary Authority of Singapore’s Code of Corporate Governance 2018 (the Code), as amended from time to time. By observing and complying with principles of the Code, the Manager upholds high standards of corporate governance, including accountability, transparency and sustainability in its business practices.

A diverse, knowledgeable, and experienced board is essential to enhance the growth and sustainable development of Keppel DC REIT. Complying with the Code’s guidance on the appropriate level of independence and diversity in the composition of the Board, the majority of the

Manager’s Board comprises independent directors. Incorporating sustainable development into the business, ESG factors are also incorporated into senior management’s corporate scorecard and linked to remuneration.

Keppel DC REIT’s ERM framework provides a holistic and systematic approach to risk management, outlining the reporting structure, monitoring mechanisms, specific risk management processes and tools, as well as policies and limits in addressing and managing key risks identified. This framework provides guidance to assess key risks (including its likelihood and impact) and identify mitigating actions to respond to these risk drivers. The effectiveness of mitigating actions is evaluated on an ongoing basis, allowing the Manager to respond promptly and effectively in an ever-evolving business landscape, including emerging ESG risks and opportunities.

Guided by the ERM framework, the Board and the ESG Committee collectively ensure all ESG-related risks with the potential to impact long-term Unitholder value are identified and mitigated while maintaining responsible business practices and operational continuity. The risk management process also ensures the adequacy and effectiveness of Keppel DC REIT’s ERM framework.

In recognition of its strong corporate governance practices, Keppel DC REIT was ranked fifth in the Governance Index for Trusts (GIFT), and 12th in the Singapore Governance and Transparency Index (SGTI) under the REIT and Business Trust category in 2022.

More information may be found on pages 162 to 185 regarding Keppel DC REIT's corporate governance guidelines and practices, and on pages 186 to 187 regarding its risk management strategy and processes.

Ethics and Integrity Management Approach

The Manager is committed to responsible business conduct and adheres to the Keppel Group's policies. The Keppel Group policies are reviewed and approved by the Keppel Group's Board, Board Committees or senior management in charge of the relevant policies where applicable. In addition, Keppel DC REIT's Whistle-Blower Policy is reviewed and approved by the Manager's ARC. The policies are periodically reviewed to ensure they are up-to-date and relevant.

For Keppel Group Human Rights Policy and Supplier Code of Conduct, please see our Approach to Sustainability on page 67.

Under the Employee Code of Conduct and the Keppel Group's Global Anti-Bribery Policy, there is zero tolerance for corruption, bribery, fraud and unethical business practices. All employees are to deal with competitors, customers, suppliers, other employees and key stakeholders with the highest standards of personal and corporate integrity. As part of the onboarding process, new employees are required to declare any conflict of interest and made aware of the Employee Code of Conduct, anti-bribery and Whistle-Blower policies. These policies are communicated and reinforced to all employees on an annual basis through exercises such as online training courses and declarations of adherence to the Keppel Group policies. These policies are readily available to employees through an online portal. Third-party associates (TPAs) including joint venture (JV) partners, are also required to acknowledge the Employee Code of Conduct, which includes anti-bribery and anti-corruption sections.

The Regulatory Compliance Governance Structure is in place to enhance overall corporate governance and manage anti-corruption efforts. The Board regularly reviews anti-corruption policies, updates, revises and implements corrective measures as necessary. The ARC supports the Board in its oversight of regulatory compliance, in addition to implementing effective compliance and governance mechanisms.

Keppel DC REIT has a Whistle-Blower Policy which provides the channel by which employees, customers, suppliers, and other stakeholders may raise concerns or report, in good faith, incidents of actual or suspected illegal and/or unethical conduct and violation of laws and regulations, without fear of reprisal. Any concerns or issues can be reported through the whistle-blower reporting channel operated by an independent third party. Matters under the Whistle-Blower Policy are reported to the Head of Internal Audit who reports directly to the ARC Chairman (an independent director) on all matters arising under the Whistle-Blower Policy. The ARC reviews the Whistle-Blower Policy annually to ensure a proper process for investigation and follow-up of any incident. See pages 180 to 181 for more details on the Whistle-Blower Policy.

The Competition Law Compliance Manual provides guidelines for the Manager and its employees to avoid anti-competitive behaviour in its business activities.

The Manager has a formal Insider Trading Policy on dealings in the securities of Keppel DC REIT, which sets out the implications of insider trading and guidance on such dealings. This policy is applicable to all the directors and officers of Keppel DC REIT. See page 175 of the Annual Report for more details on the Insider Trading Policy. In addition to the Insider Trading Policy, the Manager has a Dealing in Securities Policy, which applies to all employees and the securities accounts that employees have a beneficial interest in. Pursuant to this Dealing in Securities Policy, the trading of rights and the subscription of excess rights of Keppel DC REIT Units are subject to trade clearance/restrictions. See page 175 of the Annual Report for more details on the Dealing in Securities Policy.

Performance and Progress

All employees, including part-timers and contract staff, as well as senior management and Board of Directors of the Manager received mandatory training on anti-bribery and anti-corruption in 2022.

In 2022, there were no confirmed incidents of corruption, bribery, nor any non-compliance with laws or regulations for the Manager. There were also no public legal cases regarding corruption for the Manager.

Building and Service Quality Management Approach

Keppel DC REIT's building and service quality directly affects the quality of its portfolio and hence its clients. The Manager is committed to ensure high standards of building quality and service levels to

support clients' needs, including the physical security of the assets, as well as provide a safe and healthy environment for building occupants and visitors.

Data centres are mission-critical facilities that operate round-the-clock to provide uninterrupted power services, constant humidity and temperatures. Ensuring optimal performance with minimal downtime and maximum physical security are of utmost importance.

The Manager aligns its practices with international standards to achieve high technical specifications and operational resilience. Keppel DC REIT's high-quality global client base includes internet enterprises, telecommunications, information technology services and financial services firms, as well as corporations with strict service-level requirements. A breakdown of Keppel DC REIT's rental income breakdown by clients' trade sector is available on page 40.

Maintaining strict operating processes and standards for high infrastructure resiliency enables the Manager to support clients' needs and ensure operational excellence. The Manager engages external consultants periodically, to conduct independent technical and facility manager audits across all colocation assets, to ensure that assets are in good condition, scheduled maintenance is properly carried out, and service level agreement requirements are met.

The Manager meets with facility managers on a regular basis to ensure robust health, safety and environment (HSE) practices are implemented across colocation facilities, and that satisfactory service level requirements to clients based on contractual obligations are met. These engagements include working with facility managers to ensure compliance with local regulatory requirements and adherence to any regulatory changes. To foster a strong HSE culture and ensure compliance with local regulatory requirements, senior management also conducts site visits focused on HSE. For more information on Keppel DC REIT's HSE policies, please refer to the Keppel Group Health, Safety and Environment Policy.

Keppel DC REIT's assets are well protected against unauthorised entry with robust round-the-clock physical security systems. Standard operating procedures within the facilities mandate that all visitors be pre-approved and registered in advance with facility managers. Processes and measures such as the non-display of client directories or logos at the facilities are in place to safeguard clients' privacy.

Responsible Business

To ensure the resiliency of the data centres, Business Continuity Management exercises are carried out regularly to train employees to handle adverse business interruptions, prevent and mitigate potential risks through robust power outage scenario planning, as well as fire and influenza pandemic drills. The Manager monitors the occurrence of incidents across its colocation assets to identify potential issues that can be mitigated by proactive measures. Continued active monitoring and preventive maintenance initiatives are in place to reduce the number of incidents, including the review of recurrent incidents, with preventive maintenance and replacement undertaken as and when necessary.

Another key aspect of service quality is providing building occupants with a clean, safe and secure working environment. Read more about how Health and Safety is managed on pages 90 to 91.

Performance and Progress

Keppel DC REIT's colocation assets have attained various national and international sustainability and ISO certifications. The full list of sustainability certifications and awards of Keppel DC REIT's colocation assets is provided below.

The Manager engages with its colocation clients regularly and conducts an annual customer satisfaction survey to formally gather feedback relating to infrastructure resiliency, service delivery and physical security of the facilities to identify potential areas of improvement. In the 2022 customer satisfaction survey, the Manager achieved an above satisfactory rating across all categories of Data Protection & Client Privacy, Physical Security and Building & Service Quality. There were zero cases of client dissatisfaction over the physical security of all its colocation properties. Similar to the previous year, the 2022 survey was conducted internally based on a rating scale of one to five, where a higher score signifies a more satisfied and confident client regarding the building and service quality offered.

Together with the facility managers, the Manager consistently reviews feedback from clients to address their concerns where possible. In 2022, the Manager also achieved an above satisfactory score on average from its master lease clients for the "Overall Satisfaction" category.

There were zero recorded cases of contractual breaches of customer privacy and zero

non-compliance with applicable regulations and standards across the portfolio.

Cybersecurity and Data Privacy Management Approach

With widespread digitalisation and the growing reliance on virtual work and collaboration platforms, it is increasingly important to ensure systems are safeguarded against cyber threats, and ensuring data protection and privacy for all personal and sensitive information handled, by establishing robust cybersecurity measures.

Cybersecurity and data privacy are supported at the Keppel Group level by the Keppel Group Cybersecurity team and Keppel Capital's IT team, including the monitoring of cybersecurity incidents.

Keppel DC REIT adopts the Keppel Group Technology and Data Risk Management (TDRM) standards and framework.

The TDRM framework assesses the risks of information technology and operational technology systems, including technology, data and cyber risks, and provides guidance to develop and implement risk mitigation and control measures that commensurate with the criticality of the information assets.

Sustainability Awards, Accreditations and Certifications

	KDC SGP 1	KDC SGP 2	KDC SGP 3	KDC SGP 4	KDC SGP 5	Basis Bay DC	KDC DUB 1	KDC DUB 2	Gore Hill DC
BCA Green Mark Award (Gold ^{PLUS})		✓							
BCA Green Mark (Platinum)			✓	✓	✓				
bizSAFE Level Star	✓	✓	✓	✓	✓				
Leadership in Energy & Environmental Design (LEED) Gold Award			✓	✓					
ISO 14001:2015 Environmental Management System	✓	✓	✓	✓	✓		✓	✓	
ISO/IEC 27701:2019 Privacy Information Management System	✓	✓	✓	✓	✓				
Certificate of Compliance Payment Card Industry Data Security Standard							✓	✓	
ISO 37001:2016 Anti-Bribery Management System	✓	✓	✓	✓	✓		✓	✓	
ISO 45001:2018 Occupational Health and Safety Management System	✓	✓	✓	✓	✓				
ISO 46001:2019 Water Efficiency Management System	✓	✓	✓	✓	✓				
ISO 50001:2018 Energy Management System	✓	✓	✓	✓	✓		✓	✓	
ISO 9001:2015 Quality Management System	✓	✓	✓	✓	✓		✓	✓	
ISO/IEC 27001:2013 Information Security Management System	✓	✓	✓	✓	✓	✓			✓
ISO 27001:2013 Information Security Management System							✓	✓	
ANSI/TIA-942-B:2017 - Rated 3	✓	✓	✓	✓	✓	✓			
SS 507:2015 Provision of Business Continuity and Disaster Recovery Facilities Services	✓	✓	✓	✓	✓				
SS 564 Part-1:2020 Energy & Environment Management System	✓	✓	✓	✓	✓				
Water Efficient Building by PUB	✓	✓	✓	✓	✓				



The Manager upholds strong corporate governance and robust risk management to safeguard the interests of its stakeholders.

The policies in place cover the following:

- a. Cybersecurity incidents must be assigned to the cybersecurity incident response team.
- b. All risks including technology, data and cyber risks must be considered in the annual risk assessment.
- c. Compliance with cybersecurity is documented in agreements with vendors.
- d. For projects, system security requirements should be identified based on applicable compliance requirements and cybersecurity risk profile of the systems.
- e. Policies and procedures governing the management of cyber incidents from preparation, identification, tracking and closure are established and reviewed on an annual basis for efficiency and effectiveness.

An overarching Keppel IT Governance Framework is also in place to ensure business resiliency through the enhancement of IT Security Operations Centre (SOC) capabilities and IT infrastructure transformation to address increasing frequency of cybersecurity attacks.

The colocation assets in Dublin attained the SOC 2 compliance certification,

a voluntary compliance standard for service organisations, developed by the American Institute of CPAs, which specifies how organisations should manage customer data, as well as the Payment Card Industry Data Security Standard attestation, which is a set of security standards relating to credit card information.

Performance and Progress

Regular advisories and training, including an annual mandatory training on cybersecurity threats, policies and good practices are conducted to reinforce the adoption of good cyber hygiene. There were no substantiated complaints received concerning breaches of customer privacy, nor any leaks, thefts, or losses of customer data identified in 2022.

Sustainable Supply Chain Management Approach

Keppel DC REIT's supply chain comprises primarily mechanical and electrical equipment suppliers and facility management service providers for physical security, technical maintenance and cleaning services.

The Manager assesses the track record, quality and reputation of potential suppliers and partners to ensure that best practices are upheld. As part of the initial screening process,

suppliers are screened against a database and through extensive online searches to ensure that there are no compliance issues or red flags associated with the supplier. This screening process flags out a series of information, including any litigations, politically exposed personnel¹, or adverse news including forced or compulsory labour practices. Suppliers and vendors with poor health and safety practices or environment performance are tracked on a blacklist and will not be engaged.

In addition, sustainability policies, performance, procedures, accreditations and certifications are considered in the assessment, such as ISO 14001 and bizSAFE-certified service providers and suppliers. All new suppliers and vendors are required to complete a pre-qualifying questionnaire and submit all necessary supporting documents for clearance, after which a score will be assigned by the facility manager. Those scoring less than 75% will not be invited to participate in the tender process.

The Manager encourages the adoption of Keppel's sustainability principles throughout the supply chain. It also adheres to the Keppel Group Supplier Code of Conduct, which reinforces the principles of responsible business practices between employees and suppliers. The Keppel Group Supplier Code of Conduct covers areas pertaining to business conduct, labour practices, safety and health, human rights, as well as environmental management.

All suppliers that provide Keppel DC REIT with products and services valued at \$200,000 or more per contract or over cumulative purchase orders in the calendar year are required to sign and abide by the Keppel Group Supplier Code of Conduct and are also required to adhere to local prevailing health and safety standards when working on premises.

Performance and Progress

There were no known instances of non-compliance with any applicable regulations regarding human rights and labour practices throughout Keppel DC REIT's supply chain. There were no operations or suppliers with significant risks of forced or compulsory labour practices. The Manager will continue to review and assess its suppliers and partners to encourage adoption of the Keppel Group Supplier Code of Conduct in their business conduct, labour practices, safety and health, as well as local environmental regulations.

¹ Politically exposed personnel includes all Government or state-employed workers; military personnel; representatives of political parties; candidates for political office; directors, managers or employees of state-owned or controlled entities; and any entity hired by a Government Entity for any purpose.

People and Community

The Manager fosters a conducive environment where people can thrive in and a culture that celebrates collaboration, innovation, recognition and appreciation.

The Manager is committed to investing in the development and wellbeing of its people, and does so by supporting and enhancing the lives of the local communities and bringing about positive impact to society.

Human Capital Management Management Approach

A talented and engaged workforce is integral to Keppel DC REIT’s continued growth and success. To attract, develop, and retain such talents, the Manager engages in fair employment practices and provides employees with learning and development opportunities.

To foster a conducive environment where people can thrive in and a culture that celebrates collaboration, innovation, recognition and appreciation, the Manager focuses on five key areas:



Five Key Areas for Building Human Capital

Making a Difference

Provide platforms for employees to contribute to the communities

Having a Voice

Encourage employees to engage in company conversations and sharing of ideas for improvement

Feeling Valued

Foster a culture of recognition and appreciation with an emphasis on employee wellbeing

Growing a Career

Enhance career development by providing pathways for skills acquisition and mentorship

Inspiring Growth

Provide platforms for leadership development and encouraging employees to lead by example

Performance and Progress

Employee Profile

As at end 2022, the Manager’s workforce consisted of 16 full-time permanent employees, comprising 11 females and five males. The dedicated Asset Management, Finance, Investment and Portfolio Management headcounts are seconded from Keppel Capital to the Manager. All of the Manager’s employees were hired from and are based in Singapore. More information on the Manager’s Board of Directors and management team is available from pages 12 to 16.

The Manager continues to be supported by Keppel Capital for shared functions such as Human Resources, Information Technology, Investor Relations and Sustainability, Legal and Corporate Secretarial as well as Risk and Compliance. Employees are governed by Keppel Policies for terms of employment and none of the Manager’s employees are currently covered under any collective bargaining agreements.

Investing in Talent

Recruiting and developing talent remains at the forefront of Keppel DC REIT’s people agenda. All full-time employees are provided with competitive compensation and comprehensive benefits that include life insurance, healthcare benefits, disability and invalidity coverage, annual, medical and parental leave entitlements, as well as contributions to the local pension fund, i.e., the Central Provident Fund in Singapore.

Employees are recognised and rewarded through a merit-based approach.

The Manager adopts a performance-based framework. Employees are rewarded based on targets set in four key areas: financial, process, customers & stakeholders, and people. Rewards are determined by the achievement of these corporate and individual targets. People leaders identify skill development areas in their teams and make available learning and development opportunities for improvement. Beyond supporting career planning and development, performance reviews also serve as a platform for employees to have an in-depth dialogue about their career goals, work satisfaction and developmental needs with their supervisors. In 2022, 100% of eligible Keppel DC REIT employees received annual performance and career development reviews.

The Manager seeks to develop talent from within by identifying talented and high-potential employees for internal opportunities through its talent management process and preparing them for leadership responsibilities. The Manager also benefits from the Keppel Group’s centralised talent management unit, which coordinates talent management information across all business units to optimise human capital management, and to offer leadership and executive development programmes.

New Hires and Turnover by Gender and Age Group

	New Hire		Turnover	
	No. of Employees	Rate (%)	No. of Employees	Rate (%)
By Gender				
Male	1	6	2	13
Female	2	13	–	–
By Age Group				
Under 30 years old	–	–	–	–
30–50 years old	3	19	2	13
Over 50 years old	–	–	–	–

Facilitating internal mobility is not only a way to build the talent pipeline but also to support employees' ambitions and professional development. The 'UP' framework has been developed and applied to enable this.



Upskill, Uplift and Upstream

Upskill

Refers to developing organisational agility and adopting growth mindsets by equipping oneself with skills and functional exposure in preparation for growth opportunities.

Uplift

Refers to the nurturing of the OneKeppel culture in career mobility and aligning career ambitions to Keppel's purpose.

Upstream

Refers to building up resilience and embodying the Keppel can-do spirit.

Collectively, the 'UP' framework will enable employees to realise their career aspirations through the Keppel support structure, including learning courses available internally and externally to build a high performance culture.

Developing People

Regular training drives both individual competencies, as well as the collective capacity of Keppel DC REIT to achieve

success. Employees are provided with training and development opportunities that enable them to stay ahead of industry trends, gain essential knowledge and develop the skills they need to advance their careers while creating value. Employees are also encouraged to discuss their training needs with their supervisors and identify skills gaps with a skills navigation tool implemented by the Human Resources team. In 2022, the Manager's employees received an average of 38.3 hours of training, up from 20.3 hours in 2021, reflecting the Manager's increased emphasis on training in 2022. It will continue to maintain this focus and aim to achieve at least an average of 20 training hours per employee in 2023.

For employees keen to upgrade themselves with a higher professional certification, Keppel DC REIT has an employee development scheme that supports such aspirations, subject to the permanent employee having completed at least two years of service. Employees are also eligible for up to seven working days of examination leave in any calendar year for both company-sponsored and work-related self-sponsored courses. Under the Flexible Benefits Programme, employees may also file claims for personal development or enrichment courses expenses including but not limited to professional or academic courses, and educational fees (e.g., MBA programme, degree programme, financial planning, etc). A Global Career Festival was also organised by the Human Resources team to provide employees access to industry leaders and senior management via talks and question-and-answer sessions.

Training Hours per Employee by Gender

Female	38.0
Male	38.8

Training Hours per Employee by Employee Category

Managerial ¹	50.3
Executive	32.5

¹ Managerial includes senior management and heads of department.

To ensure employees remain competitive amid a changing landscape, employees were encouraged to attend talks related to digitalisation and sustainability at the Global Learning Festival and Keppel Capital Learning Festival held in 2022. Additionally, there were also hands-on programmes to equip employees with skills to help them remain future-ready, such as Python Programming and Power BI. Recognising the importance of gaining digital skills, programmes under WSQ SkillsFuture on topics, such as Robotics Process Automation, Artificial Intelligence and Machine Learning were made available to employees.

The Manager also takes into account different learning styles and needs. To cater to these needs, bite sized on-demand learning is made available through LinkedIn Learning, which has a digital library of over 16,000 courses covering a wide range of topics.

Talent Management and Succession Planning

The Manager adopts a multi-pronged approach to build talent, from entry to mid-career levels, so as to meet the varied requirements of the business. Young talents are sourced from varsity level and groomed through different programmes coupled with coaching and mentoring from experienced leaders and board members. Experienced hires are added to the talent pool to address skill gaps. This strategy creates a diverse workforce with an experienced senior team mentoring young talents and creates a future leadership pipeline.



In August, employees from all over the world converged in Bangkok for the first overseas offsite since the COVID-19 pandemic, to build new friendships via team bonding activities.

People and Community

Keppel DC REIT benefits from being part of a larger Group and its ability to draw talent from the Keppel Group, leveraging the centralised talent management platform, programmes and resources to further support its efforts to drive leadership and executive development. There are multiple platforms within the Keppel ecosystem including the Keppel Internship Programme, Keppel Associate Programme, Keppel Young Leaders, Emerging Leaders Programme, Advanced Leaders Programme and Keppel Fellows. Through these programmes, talents across the different business units learn and grow, build connections, and form friendships, which help to strengthen collaboration.

There is a performance framework in place, which is aligned to the Manager’s strategy, targets, and values. Besides financial targets, non-financial targets, such as health, safety, employee wellbeing, environmental and governance, are also important.

The Manager is committed to developing leadership and building a robust bench strength. To support these commitments, a Talent Management process that enables rigorous talent identification and development with strong management commitment has been put in place.

The KEP (“K”apacity, Execution, People) framework is a structure that is used to

identify and develop leadership potential in employees. The same framework is also used to evaluate existing and incoming talents who are new to the team. Regular reviews are carried out using a bespoke Leadership Potential Assessment tool to identify high potential employees. Reviews involve both line managers and senior management, demonstrating the Manager’s commitment to leadership development. Succession plans are also in place for key management positions. These plans are discussed and reviewed with the Manager’s Nominating and Remuneration Committee. Opportunities are provided for board members to interact with potential successors and younger talents. In addition, succession planning is also part of senior management’s yearly targets.

To further hone leadership and people management skills, People Managers are invited to participate in the Executive Conversation Series. The series targets areas such as building trust, influence, empowerment, accountability and change. The sessions are focused on practical applications and its effectiveness is measured through identified metrics.

Furthermore, as part of strategic workforce planning, a Talent Mapping exercise was conducted in 2022. The objective was to assess the Manager’s current capabilities and

to identify future capabilities needed to drive and execute the long-term strategy. Using people analytics, the exercise provided the Manager the opportunity to take stock of the skills, experience and mindsets needed in the workforce, identify talent gaps and put in action plans to address the gaps. Development, redeployment and recruitment decisions were made using the insights gathered from the exercise. Moving forward, talent mapping will be an ongoing and iterative process to support the Manager’s future needs.

Engaging Employees

An annual employee engagement survey was carried out by an external independent survey provider, giving employees a platform to voice their feedback. The engagement score for 2022 remained strong at above 75%. The results of the survey provided insights for the Manager to refine its strategies on innovation and agility, collaboration, sustainability, people development and employee engagement. The survey results also prompted focus group discussions, where the Manager garnered in-depth data on areas that require further action. Issues distilled from the focus group discussions were incorporated into action plans for 2023. Progress made on the relevant fronts was then shared during staff townhall meetings in line with management’s commitment to address feedback received from the ground.

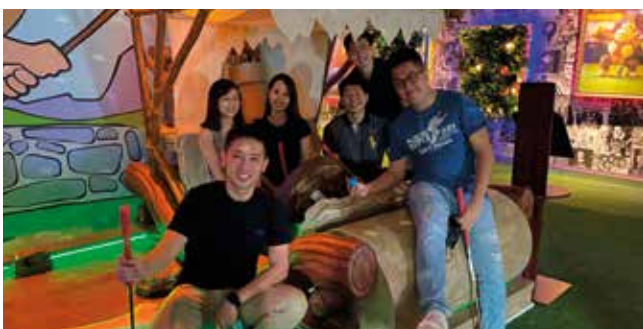
Annual Dinner and Dance



Outing to Universal Studios Singapore



Team Bonding Activity – Mini Golf Session



Team Bonding Activity – Bowling



Moving forward in 2023, the Manager will continue to conduct engagement surveys to track and enhance employee engagement.

Along with the easing of safe management measures, physical in-person employee engagement activities also resumed. These activities included team bonding activities, tea sessions with senior management, as well as townhalls. Different tea sessions were organised, allowing members of various teams to come together and get to know one another in a meaningful way. In August, employees from all over the world converged in Bangkok for the first overseas offsite since the COVID-19 pandemic, to build new friendships via team bonding activities.

As part of Appreciation Month, a breakfast session was organised, where senior leaders served breakfast to all employees to show their heartfelt appreciation, and an Appreciation Board was set up for all to dedicate thank you notes to one another. There was also a global event where a musical duo performed song dedications for all employees. In addition, the Manager organised corporate activities which promoted the wellbeing of employees and helped forge closer ties. Activities in 2022 included annual dinner and dance, long service awards, meal engagements and other teambuilding events.

The easing of COVID-19 safe management measures in Singapore and the opening up of borders and the economy allowed for a return to the office. Recognising employees' desire for continued flexibility on work arrangements, the Manager rolled out a work from home arrangement which balances the need for some form of focused work environment while building team

camaraderie and collaboration, which are important to create a sense of belonging and spur innovation for the business.

On a quarterly basis, management also hosts sharing sessions with local and overseas employees to update them on the financial results and portfolio performance, as well as gather feedback.

Diversity and Inclusion

Management Approach

The Manager strives to ensure equal opportunities in hiring, career development, promotion, and compensation, regardless of age, race, gender, religion or marital status. Keppel DC REIT believes in fostering an inclusive workplace culture which enables a diversity of voices and ideas that drives innovation and value creation.

The Manager has zero tolerance for discrimination of any kind. The Manager ensures non-discrimination and the provision of equal opportunities. It adheres to the Tripartite Guidelines on Fair Employment Practices and strives to uphold the Employer's Pledge of Fair Employment Practices, which is guided by the following five principles:

1. Recruit and select employees on the basis of merit (such as skills, experience or ability to perform the job), and regardless of age, race, gender, religion, marital status and family responsibilities, or disability;
2. Treat employees fairly and with respect, as well as implement progressive human resources management systems;
3. Provide employees with fair opportunity to be considered for training and development based on their strengths and needs to help them achieve their full potential;

25.0%

female Board representation
as at 31 December 2022

Percentage of Males and Females Per Employee Category

	2022		2021		2020	
	Male	Female	Male	Female	Male	Female
Board	75.0	25.0	85.7	14.3	85.7	14.3
Managerial ¹	40.0	60.0	60.0	40.0	66.7	33.3
Executive	27.3	72.7	30.0	70.0	75.0	25.0

Percentage by Age Group Per Employee Category

	2022			2021			2020		
	<30 years old	30-50 years old	>50 years old	<30 years old	30-50 years old	>50 years old	<30 years old	30-50 years old	>50 years old
Board	-	-	100.0	-	-	100.0	-	14.3	85.7
Managerial ¹	-	100.0	-	-	100.0	-	-	100.0	-
Executive	18.2	81.8	-	30.0	70.0	-	12.5	87.5	-

¹ Managerial includes senior management and heads of department.

People and Community

- Reward employees fairly based on their ability, performance, contribution and experience; and
- Abide by labour laws and adopt the Tripartite Guidelines on Fair Employment Practices.

Principles of human rights and anti-discrimination are further reinforced by the Employee Code of Conduct. The Keppel Group Corporate Statement on Human Rights and Corporate Statement on Diversity and Inclusion articulates the Keppel Group and the Manager's stance on human rights, diversity and inclusion. These statements are available on Keppel DC REIT's corporate website.

With Keppel DC REIT's Whistle-Blower Policy, employees can report any incidents of discrimination. Remediation efforts are conducted in a timely manner to uphold the effectiveness of this incident-reporting process.

Performance and Progress

The Manager continues to promote diversity and inclusion in the workplace. The Manager provides parental leave to eligible employees and encourages employees of both genders to take the leave without prejudicing their employment security and career path. Through this, it also hopes to encourage equitable sharing of responsibilities.

There is also continued support for diversity on the Board and senior management. Keppel DC REIT has achieved its target of

female directors representing at least 25% of the Board. In 2022, there were no incidents of discrimination reported.

Employee Health and Wellbeing Management Approach

The employees' health, safety and wellbeing is the Manager's top priority. To ensure a safe working environment for all, management practices focusing on identification and elimination of hazards, and minimisation of risks have been put in place. Colocation facilities in Singapore have attained the ISO 45001:2018 Occupational Health and Safety Management Systems certification.

The Manager works closely with the facility managers to implement industry best practices. Periodic inspections and maintenance of facilities and equipment are conducted by qualified specialists who help to ensure the proper implementation of all relevant safety standards. If any health and safety concerns are identified, corrective action is taken, and procedures are improved where necessary.

All of Keppel DC REIT assets are equipped with state-of-the-art fire protection systems. All visitors, employees and clients are briefed on emergency evacuation routes and procedures in the event of a fire. Evacuation routes are also displayed prominently throughout the facility.

If a safety incident occurs, all details are documented in an incident reporting system. Senior management and the relevant safety

personnel will review this information to identify root causes and implement corrective and preventive measures to minimise the risk of similar incidents recurring. This information is also used to evaluate the effectiveness of the Manager's health and safety management.

The senior management team also conducts site visits periodically and empowers all stakeholders and employees to speak up and intervene should they encounter any unsafe behaviours.

Keppel DC REIT adopts the Keppel Zero Fatality Strategy, which outlines actionable measures to prevent workplace fatalities through five strategic thrusts, namely, building a high-performance safety culture, adopting a proactive approach to safety management, leveraging technology to mitigate safety risks, harmonising global safety practices and competencies, as well as streamlining learning from incidents.

Every Keppel employee is expected to comply with all safety policies and procedures. To prevent or mitigate safety incidents, employees are encouraged to be proactive and report any safety concerns. Various platforms are available to employees to facilitate learning about best practices in health and safety, as well as for employees, contractors and partners to share knowledge and experiences regarding health and safety. These include the annual Keppel Group Safety Convention and Global Safety Timeout, which reiterate and reinforce a strong culture of safety. Employees at the data centres undergo regular training in first aid, emergency response, fire evacuation and being a fire warden.

As part of cross-functional collaboration and learning, the Manager also organised visits to Keppel Bay Tower, Keppel Marina East Desalination Plant and Marina Bay District Cooling Network to learn more about how technological innovations are used to enhance the environmental performance of the facilities.

Performance and Progress

There were no fatalities, work-related injuries, or safety incidents reported in 2022. The Manager will continue to foster a culture of safety that upholds high standards and applies industry best practices.

Supporting Health and Wellbeing During the Pandemic

The Manager is dedicated to supporting employees' overall health and wellness. To address the multifaceted wellbeing of employees, certain months have been designated as wellbeing months.



Site Visit to KDC DUB 1



Site Visit to KDC SGP 4



Irish Team Visit to Singapore Assets



Site Visit to Keppel Marina East Desalination Plant



Financial Wellbeing Month was observed in March 2022. To raise awareness and educate employees about financial literacy, there were webinars held on topics such as sustainable investment, financial literacy, and avoiding financial scams.

June was designated as the Physical Wellness Month. Employees participated in the global steps challenge organised by the Keppel Group and numerous initiatives to promote physical wellbeing were also held, including exercise sessions and health webinars.

Apart from financial and physical wellbeing, the Manager also focused on ensuring employees' mental health. As part of the Employee Assistance Program, employees and their dependents have access to face-to-face or online counselling sessions with qualified counsellors on a confidential basis. In conjunction with Global World Mental Health Day, October was dedicated as Mental Wellbeing Month. Activities organised included mindfulness sessions and mental health art workshops. To encourage interaction with colleagues, an interactive "Vibe Board" was set up and nominated employees shared about what self-care meant to them via an Art Exhibition on Self-Care.

Community Development and Engagement Management Approach

The Manager believes in uplifting communities wherever it operates. It does so by supporting initiatives that build lasting positive relationships and conducting business in a responsible manner.

Through Keppel Capital's Corporate Social Responsibility (CSR) initiatives, the Manager seeks to make a difference to the local communities. These include charitable donations and community engagement activities. To encourage employees to participate in community initiatives, all employees are provided with two days of paid volunteerism leave each year.

Performance and Progress

The Manager contributed \$57,000 to Keppel Care Foundation in 2022 to support the Keppel Group's multiple philanthropic initiatives. Beyond monetary donations, the Manager, together with Keppel Capital, committed more than 1,000 community engagement hours through in-person activities with Keppel Capital's long-term partner, the Muscular Dystrophy Association (Singapore) (MDAS) in 2022.

During the year, employee volunteers brought beneficiaries on excursions to River Wonders and the ArtScience Museum,

as well as organised an ice-cream making workshop and a year-end carnival for beneficiaries.

Volunteers also brought cheer to elderly patients at Thye Hua Kwan (THK) Hospital where they spent time with and engaged in craft activities together. Care packages that include daily necessities, such as dental kits and towels, were also distributed to the patients.

In partnership with the Keppel Group's commitment to plant 10,000 trees as a nature-based solution to combat climate change and reduce the ambient heat of urban areas, volunteers from Keppel Capital, including the Manager, took part in a tree planting exercise and planted a total of 110 trees at Labrador Nature Reserve. These trees are rare native coastal species that help to strengthen the resilience of Labrador Nature Reserve's habitats and support its rich native biodiversity.

Keppel DC REIT's team in Ireland has been an integral member of "DCs for Bees" Orchards in the Community programme, which looks to reverse the decline in Ireland's bee population to enhance biodiversity while driving community action and awareness. In support of Host in Ireland, the key group behind the initiative, Keppel DC REIT donated a further 100 orchards which were planted throughout Ireland in 2022.

People and Community

I am very thankful to Keppel Capital for their invitation to the fantastic physical year-end carnival. I enjoyed myself greatly and was grateful for the games, toys, food, and magic performance prepared by the Keppel Capital volunteers. It was a wonderful experience to finally have a physical party to get in touch with my old friends from MDAS and meet new friends after the COVID-19 pandemic.

Goh Kem Siong, MDAS Member

It's been so long since we had physical activities with the Keppel volunteers. I am glad to meet all of you during the ice-cream making session, even though I was not able to make the ice-cream. I am thankful to my two volunteers who helped me. Thank you, Keppel, for planning this activity, I really had so much fun.

Saifudeen, MDAS Member

Some of the community engagement activities during the year include:



Tree Planting for OneMillionTrees Movement

The Manager participated in a tree planting activity as part of the efforts to transform Singapore into a City in Nature, which is a key pillar under the Singapore Green Plan 2030.

River Wonders Outing

Volunteers, together with MDAS beneficiaries, had an interactive outing to River Wonders, Singapore's river-themed zoo and aquarium.



Arts and Craft Workshop

Volunteers bonded with patients from THK Hospital through craft activities.

Excursion to ArtScience Museum

Volunteers and MDAS beneficiaries immersed themselves in a world of art, science, magic and metaphor through a collection of digital interactive installations.



Ice-Cream Making Workshop

Volunteers and MDAS beneficiaries learnt how to make ice cream from an award-winning gelato chef and enjoyed some sweet treats.

Year-End Carnival

Volunteers hosted a Superheroes themed year-end carnival featuring activities such as a magic show, airbrush tattooing and balloon sculpting.

GRI Content Index

Statement of Use	Keppel DC REIT has reported in accordance with the GRI Standards for the period from 1 January to 31 December 2022
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standards	Not applicable

GRI Standard	Disclosure Number	Disclosure Title	Page Reference and Remarks
General Disclosure			
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	2-3	Reporting period, frequency and contact point	66
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	2-5	External assurance	66
	2-6	Activities, value chain and other business relationships	3, 39, 42–55
	2-7	Employees	86–92
	2-8	Workers who are not employees	86
	2-9	Governance structure and composition	10–14, 67
	2-10	Nomination and selection of the highest governance body	165–166
	2-11	Chair of the highest governance body	12
	2-12	Role of the highest governance body in overseeing the management of impacts	67–68
	2-13	Delegation of responsibility for managing impacts	67–68
	2-14	Role of the highest governance body in sustainability reporting	67–68
	2-15	Conflicts of interest	82–83, 175–176
	2-16	Communication of critical concerns	67–68, 73
	2-17	Collective knowledge of the highest governance body	164
	2-18	Evaluation of the performance of the highest governance body	168
	2-19	Remuneration policies	168–171
	2-20	Process to determine remuneration	168–171
	2-21	Annual total compensation ratio	Confidentiality constraints. Due to the highly competitive conditions in the industry where poaching of senior management is commonplace, the Manager is not able to disclose this information. For more details on our remuneration policy and structure, please refer to pg 170.
	2-22	Statement on sustainable development strategy	64–65
	2-23	Policy commitments	67
	2-24	Embedding policy commitments	64–65, 67–68, 82–83, 86–88
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	302-2	Energy consumption outside of the organisation	75
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GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	74–75
	305-2	Energy indirect (Scope 2) GHG emissions	74–75
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	305-5	Reduction of GHG emissions	74–76
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GRI 3: Material Topics 2021	3-3	Management of material topics	76–80
		Waste Management	
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	306-4	Waste diverted from disposal	81
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GRI 3: Material Topics 2021	3-3	Management of material topics	82–83
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GRI Standard	Disclosure Number	Disclosure Title	Page Reference and Remarks
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		Cybersecurity and Data Privacy	
GRI 3: Material Topics 2021	3-3	Management of material topics	84–85
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	85
		Sustainable Supply Chain Management	
GRI 3: Material Topics 2021	3-3	Management of material topics	85
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GRI 3: Material Topics 2021	3-3	Management of material topics	86
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	86
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	86–87
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	63, 87
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Corporate Information

Trustee

Perpetual (Asia) Limited

Registered Address

8 Marina Boulevard #05-02
Marina Bay Financial Centre
Singapore 018981
Phone: +65 6908 8203
Fax: +65 6438 0255

Principal Business Address

16 Collyer Quay
#07-01
Singapore 049318

Auditor

PricewaterhouseCoopers LLP

7 Straits View,
Marina One, East Tower,
Level 12, Singapore 018936
Phone: +65 6236 3388

Partner-in-charge:

Maurice Loh Seow Wee
(With effect from financial year ended
31 December 2022)

The Manager

Keppel DC REIT Management Pte. Ltd. (a member of Keppel Capital Holdings Pte. Ltd.)

Registered Address

1 HarbourFront Avenue
#18-01 Keppel Bay Tower
Singapore 098632
Phone: +65 6803 1818
Fax: +65 6251 4710

Principal Business Address

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Level 2 Keppel Bay Tower
Singapore 098632

Investor Relations Contact

Phone: +65 6803 1679
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Unit Registrar and Unit Transfer Office

Boardroom Corporate & Advisory Services Pte. Ltd.

1 HarbourFront Avenue
#14-07 Keppel Bay Tower
Singapore 098632
Phone: +65 6536 5355
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please contact:*

The Central Depository (Pte) Limited

Phone: +65 6535 7511
Email: asksgx@sgx.com
Website: [https://www.sgx.com/
cdp-customer-service](https://www.sgx.com/cdp-customer-service)

Company Secretaries

Chiam Yee Sheng

Tan Wei Ming, Darren

Directors of the Manager

Christina Tan

Chairman and Non-Executive Director

Kenny Kwan

Lead Independent Director

Lee Chiang Huat

Independent Director

Dr Tan Tin Wee

Independent Director

Dileep Nair

Independent Director

Low Huan Ping

Independent Director

Yeo Siew Eng

Independent Director

Thomas Pang

Non-Executive Director

Audit and Risk Committee

Lee Chiang Huat

Chairman

Dileep Nair

Low Huan Ping

Yeo Siew Eng

Nominating and Remuneration Committee

Dr Tan Tin Wee

Chairman

Kenny Kwan

Christina Tan

Dileep Nair

Environmental, Social and Governance Committee

Thomas Pang

Chairman

Dr Tan Tin Wee

Low Huan Ping

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Report of the Trustee

For the year ended 31 December 2022

Perpetual (Asia) Limited (the "Trustee") is under a duty to take into custody and hold the assets of Keppel DC REIT (the "Trust") and its subsidiaries (collectively, the "Group") in trust for the holders of units ("Unitholders") in the Trust. In accordance with, inter alia, the Securities and Futures Act 2001 of Singapore, its subsidiary legislation and the Code on Collective Investment Schemes and the Listing Manual (collectively referred to as the "laws and regulations"), the Trustee shall monitor the activities of Keppel DC REIT Management Pte. Ltd. (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 17 March 2011 (as amended) (the "Trust Deed") between the Manager and the Trustee in each annual accounting period and report thereon to Unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed Keppel DC REIT and its subsidiaries during the period covered by these financial statements, set out on pages 103 to 161 in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee,

Perpetual (Asia) Limited



Sin Li Choo

Director

Singapore, 16 February 2023

Statement by the Manager

For the year ended 31 December 2022

In the opinion of the directors of Keppel DC REIT Management Pte. Ltd., the accompanying financial statements of Keppel DC REIT (the "Trust") and its subsidiaries (collectively, the "Group") set out on pages 103 to 161, comprising the Statements of Financial Position for the Group and the Trust, the Portfolio Statement of the Group as at 31 December 2022, the Consolidated Statement of Profit and Loss of the Group, the Consolidated Statement of Comprehensive Income of the Group, the Statements of Movements in Unitholders' Funds of the Group and the Trust, and the Consolidated Statement of Cash Flows and the Distribution Statement of the Group, and the Notes to the Financial Statements for the year have been drawn up so as to present fairly, in all material respects, the financial positions of the Group and the Trust and the portfolio statement of the Group, as at 31 December 2022, the consolidated profit and loss of the Group, the consolidated comprehensive income of the Group, the movements in Unitholders' funds of the Group and the Trust, and the distribution statement and the consolidated cash flows of the Group for the year ended in accordance with the Singapore Financial Reporting Standards (International) and the provisions of the Trust Deed dated 17 March 2011 (as amended) and the relevant requirements of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore. At the date of this statement, there are reasonable grounds to believe that the Trust will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager,

Keppel DC REIT Management Pte. Ltd.

Christina Tan

Christina Tan

Director

Singapore, 16 February 2023

Independent Auditor's Report to the Unitholders of Keppel DC REIT

(Constituted under a Trust Deed in the Republic of Singapore)

Our opinion

In our opinion, the accompanying consolidated financial statements of Keppel DC REIT (the "Trust") and its subsidiaries (the "Group") and the statement of financial position and statement of movements of unitholders' funds of the Trust are properly drawn up in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") and applicable requirements of the Code on Collective Investment Schemes relating to financial reporting (the "CIS Code") so as to present fairly, in all material respects, the consolidated financial position of the Group and the financial position of the Trust and the consolidated portfolio holdings of the Group as at 31 December 2022 and the consolidated financial performance of the Group, the consolidated amount distributable of the Group, the consolidated movements of unitholders' funds of the Group and movements in unitholders' funds of the Trust, and the consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of the Group and the Trust comprise:

- the statements of financial position of the Group and the Trust as at 31 December 2022;
- the consolidated statement of profit and loss of the Group for the year ended 31 December 2022;
- the consolidated statement of comprehensive income of the Group for the year ended 31 December 2022;
- the statements of movements in unitholders' funds of the Group and the Trust for the year ended 31 December 2022;
- the consolidated statement of cash flows of the Group for the year then ended;
- the distribution statement of the Group for the year then ended;
- the portfolio statement of the Group as at 31 December 2022; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Our audit approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 December 2022. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter
<p>Valuation of investment properties</p> <p>Refer to Note 4 – Investment Properties</p> <p>The Group owns a portfolio of investment properties stated at their fair value based on independent external valuations.</p> <p>As at 31 December 2022, the carrying value of the Group's investment properties of \$3.64 billion accounted for about 88.6% of the Group's total assets. Information relating to these investment properties are disclosed in Note 4 to the accompanying financial statements.</p>	<p>Our audit procedures included the following:</p> <p>Assessed the competence, capabilities and objectivity of the independent valuers engaged by the Group to perform the valuations of the investment properties;</p> <p>Assessed the appropriateness of methodologies and assumptions applied for valuation by the independent valuers:</p> <ul style="list-style-type: none"> • Obtained an understanding of the techniques used by the independent valuers in determining the valuations of individual investment properties; • Discussed the significant assumptions made by the independent valuers for the key inputs used in the valuation techniques;

Key Audit Matter	How our audit addressed the key audit matter
<p>The valuation of investment properties is a key audit matter due to the significant judgement in the key inputs used in valuation techniques. These key inputs include capitalisation rates and discount rates and are dependent on the nature of each investment property and the prevailing market conditions.</p> <p>The information about the key inputs that were used to determine the fair value of the investment properties are disclosed in Note 30 to the accompanying financial statements.</p>	<ul style="list-style-type: none"> • Tested the integrity of information, including underlying lease and financial information provided to the independent valuers; and • Assessed the reasonableness of the capitalisation rates and discount rates by benchmarking these against industry rates and those of comparable properties. <p>The independent valuers are members of recognised bodies for professional valuers. The valuation techniques used were appropriate in relation to the Group's investment properties and the significant assumptions used for the key inputs were within the range used by valuers of similar investment properties.</p> <p>We have assessed the adequacy of the disclosures relating to the assumptions in the valuation of investment properties.</p>

Other information

The Manager is responsible for the other information. The other information comprises the information included in Report of the Trustee, and Statement by the Manager, (but does not include the financial statements and our auditor's report thereon) which we obtained prior to the date of this auditor's report, and other sections of the Trust's annual report ("Other Sections"), which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of the Manager for the financial statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with Singapore Financial Reporting Standards International ("SFRS(I)"), applicable requirements of the Code on Collective Investment Schemes relating to financial reporting (the "CIS Code") and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to terminate the Group or to cease the Group's operations, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor's Report to the Unitholders of Keppel DC REIT

(Constituted under a Trust Deed in the Republic of Singapore)

Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Maurice Loh Seow Wee.



PricewaterhouseCoopers LLP

Public Accountants and Chartered Accountants

Singapore, 16 February 2023

Statements of Financial Position

As at 31 December 2022

	Note	Group		Trust	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Non-current assets					
Investment properties	4	3,639,453	3,401,436	530,228	526,726
Investment in subsidiaries	6	–	–	2,246,084	2,128,751
Loans to subsidiaries	7	–	–	311,881	335,854
Investment in a joint venture	8	26,475	–	–	–
Notes receivables	9	82,559	85,768	82,559	85,768
Trade and other receivables	10	31,233	24,798	–	–
Derivative financial assets	11	49,762	3,954	1,607	1,747
Deposits	12	13,896	–	–	–
Deferred tax assets	13	1,679	2,006	–	–
		3,845,057	3,517,962	3,172,359	3,078,846
Current assets					
Notes receivables	9	3,208	2,932	3,208	2,932
Trade and other receivables	10	61,404	50,373	14,232	31,079
Derivative financial assets	11	7,595	2,540	6,784	2,540
Deposits	12	–	10,402	–	–
Cash and cash equivalents	14	190,399	195,941	98,079	90,590
		262,606	262,188	122,303	127,141
Total assets		4,107,663	3,780,150	3,294,662	3,205,987
Current liabilities					
Loans from subsidiaries	15	–	–	161,899	158,659
Loans and borrowings	16	175,425	163,037	–	–
Trade and other payables	17	62,646	50,143	21,713	21,429
Derivative financial liabilities	11	–	892	–	317
Provision for taxation	18	6,569	6,537	2,549	2,239
		244,640	220,609	186,161	182,644
Non-current liabilities					
Loans from subsidiaries	15	–	–	1,139,538	1,045,121
Loans and borrowings	16	1,299,708	1,136,233	7,928	7,726
Trade and other payables	17	6,338	–	–	–
Derivative financial liabilities	11	2,180	5,290	–	–
Provision	19	18,273	20,025	–	–
Deferred tax liabilities	13	79,606	62,317	13,191	13,191
		1,406,105	1,223,865	1,160,657	1,066,038
Total liabilities		1,650,745	1,444,474	1,346,818	1,248,682
Net assets		2,456,918	2,335,676	1,947,844	1,957,305
Represented by:					
Unitholders' funds		2,414,118	2,293,247	1,947,844	1,957,305
Non-controlling interests	27	42,800	42,429	–	–
		2,456,918	2,335,676	1,947,844	1,957,305
Units in issue ('000)	21	1,718,650	1,715,512	1,718,650	1,715,512
Net asset value per Unit (\$)		1.40	1.34	1.13	1.14

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Profit and Loss

Year ended 31 December 2022

	Note	Group	
		2022 \$'000	2021 \$'000
Gross revenue	22	277,322	271,065
Property operating expenses	23	(24,777)	(22,911)
Net property income		252,545	248,154
Finance income		9,254	558
Finance costs	24	(31,072)	(21,215)
Trustees' fees		(524)	(470)
Manager's base fee		(17,741)	(15,375)
Manager's performance fee		(8,598)	(8,411)
Audit fees		(435)	(382)
Valuation fees		(251)	(271)
Net gains on derivatives		8,627	4,400
Other trust expenses		(5,943)	(6,412)
Profit before joint venture		205,862	200,576
Share of results of a joint venture	8	(8,983)	(1,000)
Profit before divestment of a subsidiary and net change in fair value of investment properties		196,879	199,576
Loss on divestment of a subsidiary	6	-	(200)
Net change in fair value of investment properties	25	68,289	151,373
Profit before tax		265,168	350,749
Tax expenses	26	(30,994)	(29,176)
Profit after tax		234,174	321,573
Profit attributable to:			
Unitholders		230,905	313,656
Non-controlling interests	27	3,269	7,917
		234,174	321,573
Earnings per Unit (cents)			
- Basic and diluted	28	13.44	18.87
- Basic and diluted (excluding net change in fair value of investment properties and their related deferred tax impact)	28	10.25	10.37

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Comprehensive Income

Year ended 31 December 2022

	Group	
	2022 \$'000	2021 \$'000
Profit after tax	234,174	321,573
Other comprehensive income/(loss):		
Movement in hedging reserve	50,403	19,979
Share of movement in hedging reserve of a joint venture	35,458	–
Realisation of net current translation differences upon divestment of a subsidiary	–	110
Foreign currency translation movement	(56,057)	(8,838)
Total other comprehensive income	29,804	11,251
Total comprehensive income	263,978	332,824
Attributable to:		
Unitholders	260,720	324,910
Non-controlling interests	3,258	7,914
	263,978	332,824

The accompanying notes form an integral part of these financial statements.

Statement of Movements in Unitholders' Funds

Year ended 31 December 2022

Group (2022)	Note	Units in Issue \$'000	Foreign Currency Translation Reserve \$'000	Hedging Reserve \$'000	Other Reserve \$'000	Accumulated Profits \$'000	Unitholders' Funds \$'000	Non-Controlling Interests \$'000	Total \$'000
At 1 January 2022		2,054,294	5,869	(3,616)	(95,751)	332,451	2,293,247	42,429	2,335,676
Operations									
Profit after tax for the year		-	-	-	-	230,905	230,905	3,269	234,174
Net increase in net assets resulting from operations		-	-	-	-	230,905	230,905	3,269	234,174
Other comprehensive income/(loss)									
Movement in hedging reserve		-	-	50,403	-	-	50,403	-	50,403
Share of movement in hedging reserve of a joint venture	8	-	-	35,458	-	-	35,458	-	35,458
Foreign currency translation movement		-	(56,046)	-	-	-	(56,046)	(11)	(56,057)
Net increase in other comprehensive income		-	(56,046)	85,861	-	-	29,815	(11)	29,804
Unitholders' transactions									
Distributions to Unitholders	21	(35,056)	-	-	-	(111,820)	(146,876)	-	(146,876)
Payment of management fees in Units	21	7,027	-	-	-	-	7,027	-	7,027
Net decrease in net assets resulting from Unitholders' transactions		(28,029)	-	-	-	(111,820)	(139,849)	-	(139,849)
Capital reduction of non-controlling interests		-	-	-	-	-	-	(100)	(100)
Dividends paid to non-controlling interests		-	-	-	-	-	-	(2,787)	(2,787)
At 31 December 2022		2,026,265	(50,177)	82,245	(95,751)	451,536	2,414,118	42,800	2,456,918

The accompanying notes form an integral part of these financial statements.

Group (2021)	Note	Units in Issue \$'000	Foreign Currency Translation Reserve \$'000	Hedging Reserve \$'000	Other Reserve \$'000	Accumulated Profits \$'000	Unitholders' Funds \$'000	Non-Controlling Interests \$'000	Total \$'000
At 1 January 2021		1,859,299	14,594	(23,595)	(95,751)	190,105	1,944,652	37,590	1,982,242
Operations									
Profit after tax for the year		-	-	-	-	313,656	313,656	7,917	321,573
Net increase in net assets resulting from operations		-	-	-	-	313,656	313,656	7,917	321,573
Other comprehensive income/(loss)									
Movement in hedging reserve		-	-	19,979	-	-	19,979	-	19,979
Realisation of net currency translation differences upon divestment of subsidiary	6	-	110	-	-	-	110	-	110
Foreign currency translation movement		-	(8,835)	-	-	-	(8,835)	(3)	(8,838)
Net increase in other comprehensive income		-	(8,725)	19,979	-	-	11,254	(3)	11,251
Unitholders' transactions									
Net increase in net assets resulting from Unitholders' contribution	21	202,024	-	-	-	-	202,024	-	202,024
Distributions to Unitholders	21	(10,652)	-	-	-	(171,310)	(181,962)	-	(181,962)
Payment of management fees in Units	21	3,623	-	-	-	-	3,623	-	3,623
Net increase in net assets resulting from Unitholders' transactions		194,995	-	-	-	(171,310)	23,685	-	23,685
Dividends paid to non-controlling interests		-	-	-	-	-	-	(3,075)	(3,075)
At 31 December 2021		<u>2,054,294</u>	<u>5,869</u>	<u>(3,616)</u>	<u>(95,751)</u>	<u>332,451</u>	<u>2,293,247</u>	<u>42,429</u>	<u>2,335,676</u>

The accompanying notes form an integral part of these financial statements.

Financial Statements

Statement of Movements in Unitholders' Funds

Year ended 31 December 2022

Trust (2022)	Note	Units in Issue \$'000	Other Reserve \$'000	Accumulated Profits \$'000	Unitholders' Funds \$'000
At 1 January 2022		2,054,294	(95,751)	(1,238)	1,957,305
Operations					
Profit after tax for the year		-	-	130,388	130,388
Net increase in net assets resulting from operations		-	-	130,388	130,388
Unitholders' transactions					
Distribution to Unitholders	21	(35,056)	-	(111,820)	(146,876)
Payment of management fees in Units	21	7,027	-	-	7,027
Net decrease in net assets resulting from Unitholders' transactions		(28,029)	-	(111,820)	(139,849)
At 31 December 2022		2,026,265	(95,751)	17,330	1,947,844

Trust (2021)	Note	Units in Issue \$'000	Other Reserve \$'000	Accumulated Profits \$'000	Unitholders' Funds \$'000
At 1 January 2021		1,859,299	(95,751)	(31,625)	1,731,923
Operations					
Profit after tax for the year		-	-	201,697	201,697
Net increase in net assets resulting from operations		-	-	201,697	201,697
Unitholders' transactions					
Net increase in net assets resulting from Unitholders' contribution	21	202,024	-	-	202,024
Distribution to Unitholders	21	(10,652)	-	(171,310)	(181,962)
Payment of management fees in Units	21	3,623	-	-	3,623
Net increase in net assets resulting from Unitholders' transactions		194,995	-	(171,310)	23,685
At 31 December 2021		2,054,294	(95,751)	(1,238)	1,957,305

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

Year ended 31 December 2022

	Note	2022 \$'000	2021 \$'000
Cash flows from operating activities			
Profit after tax		234,174	321,573
Adjustments for:			
Tax expenses		30,994	29,176
Finance income		(9,254)	(558)
Finance costs	24	31,072	21,215
Net change in fair value of financial asset through profit or loss		377	2,723
Loss on divestment of a subsidiary	6	–	200
Share of results of a joint venture	8	8,983	1,000
Net change in fair value of derivatives		(4,463)	(7,068)
Net change in fair value of investment properties	25	(68,289)	(151,373)
Management fees paid in Units		4,974	2,433
Unrealised currency translation differences		3,941	1,789
		232,509	221,110
Changes in working capital:			
Trade and other receivables		(19,804)	(14,091)
Trade and other payables		15,388	(7,790)
Cash generated from operations		228,093	199,229
Net tax paid	18	(9,802)	(7,728)
Net cash from operating activities		218,291	191,501
Cash flows from investing activities			
Acquisitions of interests in investment properties (Note A)		(246,877)	(195,523)
Additions to investment properties		(8,669)	(8,764)
Capital expenditures on investment properties	4	(39,422)	(77,571)
Payment on property under development		–	(26,406)
Divestment of a subsidiary, net of cash received	6	–	33,982
Acquisition of a financial asset		(1,004)	–
Rental top up received		1,004	–
Coupon received from notes receivables		8,067	–
Receipt of notes receivables	9	2,933	–
Investment in notes and preference shares in a joint venture		–	(89,700)
Deposits paid to vendors		(14,738)	(10,402)
Net cash used in investing activities		(298,706)	(374,384)
Cash flows from financing activities			
Gross proceeds from equity fund raising	21	–	204,282
Proceeds from borrowings		518,006	551,183
Capital reduction of a non-controlling interest		(100)	–
Payment of financing transaction costs		(509)	(1,060)
Repayment of borrowings		(251,551)	(408,401)
Payment of lease liabilities		(4,378)	(3,950)
Finance costs paid		(28,135)	(19,789)
Distributions paid to Unitholders		(146,876)	(181,962)
Dividends paid to non-controlling interests		(2,787)	(3,075)
Payment of transaction costs relating to fund raising	21	–	(2,258)
Net cash generated from financing activities		83,670	134,970
Net increase/(decrease) in cash and cash equivalents		3,255	(47,913)
Cash and cash equivalents at beginning of the year		195,941	244,387
Effects of exchange rate fluctuations on cash held		(8,797)	(533)
Cash and cash equivalents at end of the year	14	190,399	195,941

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

Year ended 31 December 2022

Note A – Acquisitions of interests in investment properties

In September 2021 and December 2021, Keppel DC REIT completed the acquisitions of Eindhoven DC and Guangdong DC 1 respectively.

In January 2022, Keppel DC REIT completed the acquisition of London DC located at Waterside House, Longshot Lane, Bracknell RG12 1WB, United Kingdom. The remaining balance of the purchase consideration was paid, along with the release of the deposit, to the vendor as settlement of the purchase consideration.

In August 2022, Keppel DC REIT completed the acquisitions of Guangdong DC 2 and building shell of Guangdong DC 3 located at No. 6 and 7 Bluesea Intelligence Valley, Shaping Street, Heshan, Jiangmen, Guangdong Province, People's Republic of China respectively.

Reconciliation of liabilities arising from financing activities

	As at 1 January \$'000	Net cash flows \$'000	Non-cash changes			As at 31 December \$'000
			Addition/ (Disposal) \$'000	Interest expense \$'000	Foreign exchange movement \$'000	
2022						
Bank borrowings	1,287,166	265,946	–	618	(91,243)	1,462,487
Lease liabilities	12,104	(4,378)	4,718	202	–	12,646
Interest payable	1,936	(28,135)	–	30,252	(111)	3,942
	1,301,206	233,433	4,718	31,072	(91,354)	1,479,075
2021						
Bank borrowings	1,163,765	141,722	–	638	(18,959)	1,287,166
Lease liabilities	24,155	(4,772)	(8,555)	1,305	(29)	12,104
Interest payable	1,507	(18,967)	–	19,272	124	1,936
	1,189,427	117,983	(8,555)	21,215	(18,864)	1,301,206

The accompanying notes form an integral part of these financial statements.

Distribution Statement

Year ended 31 December 2022

	Group	
	2022 \$'000	2021 \$'000
Amount available for distribution to Unitholders at beginning of the year	85,489	95,845
Profit after tax attributable to Unitholders after tax	230,905	313,656
Net tax and other adjustments (Note A)	(46,033)	(142,050)
Amount available for distribution to Unitholders	270,361	267,451
Distributions to Unitholders:		
Distribution of 4.795 cents per Unit for the period from 1/7/2020 to 30/12/2020	–	(78,308)
Distribution of 4.924 cents per Unit for the period from 1/1/2021 to 30/6/2021	–	(80,438)
Distribution of 1.421 cents per Unit for the period from 1/7/2021 to 22/8/2021	–	(23,216)
Distribution of 3.506 cents per Unit for the period from 23/8/2021 to 31/12/2021	(60,146)	–
Distribution of 5.049 cents per Unit for the period from 1/1/2022 to 30/6/2022	(86,730)	–
	(146,876)	(181,962)
Amount available for distribution to Unitholders at end of the year	123,485	85,489

Note A:

Net tax and other adjustments comprise:

	Group	
	2022 \$'000	2021 \$'000
Trustee's fees	442	389
Rental income adjustment on a straight-line basis ¹	(2,834)	(2,805)
Amortisation of capitalised transaction costs	940	943
Net change in fair value of investment properties ¹	(68,172)	(146,775)
Foreign exchange losses	2,476	296
Deferred tax ¹	21,025	18,658
Net change in fair value of financial assets at fair value through profit or loss	377	2,723
Loss on divestment of a subsidiary	–	200
Share of results of a joint venture	8,983	1,000
Other net adjustments ^{1,2}	(9,270)	(16,679)
	(46,033)	(142,050)

¹ Net of non-controlling interests.

² Included in other net adjustments were dividends and distribution income, lease charges, management fees paid/payable in units, other non-taxable income and non-deductible expenses.

Financial Statements

Portfolio Statement

As at 31 December 2022

Description of investment properties	Location	Land tenure	Term of lease ¹	Remaining term of lease ¹	Carrying amount at fair value		Percentage of total net assets	
			(Years)	(Years)	2022 \$'000	2021 \$'000	2022 %	2021 %
Fully-fitted								
DC1	Woodlands, Singapore	Leasehold	70	21.6	286,300	273,000	11.7	11.7
Guangdong Data Centre 1 ("Guangdong DC 1")	Jiangmen Guangdong Province, People's Republic of China	Leasehold	50	44.0	135,100	148,005	5.5	6.3
Guangdong Data Centre 2 ("Guangdong DC 2")	Jiangmen Guangdong Province, People's Republic of China	Leasehold	50	44.0	135,100	-	5.5	-
GV7 Data Centre ("GV7 DC")	Greenwich, London, United Kingdom	Leasehold	199	160.7	59,033	65,696	2.4	2.8
Almere Data Centre ("Almere DC")	Almere, The Netherlands	Freehold	Not applicable	Not applicable	144,594	155,270	5.9	6.6
maincubes Data Centre ("maincubes DC")	Offenbach am Main, Germany	Freehold	Not applicable	Not applicable	148,701	155,270	6.1	6.6
Shell and core								
Intellicentre Campus ("IC DC")	Macquarie Park, New South Wales, Australia	Freehold	Not applicable	Not applicable	113,123	102,323	4.6	4.4
Cardiff Data Centre ("Cardiff DC")	Cardiff, United Kingdom	Freehold	Not applicable	Not applicable	41,651	47,447	1.7	2.0
London Data Centre ("London DC")	London, United Kingdom	Freehold	Not applicable	Not applicable	92,927	-	3.8	-
Milan Data Centre ("Milan DC")	Milan, Italy	Freehold	Not applicable	Not applicable	55,232	60,478	2.2	2.6
Kelsterbach Data Centre ("Kelsterbach DC")	Kelsterbach, Germany	Freehold	Not applicable	Not applicable	106,356	124,216	4.3	5.3
Amsterdam Data Centre ("Amsterdam DC")	Schiphol-Rijk, The Netherlands	Freehold	Not applicable	Not applicable	41,353	45,028	1.7	1.9
Eindhoven Campus ("Eindhoven DC")	Eindhoven, The Netherlands	Freehold	Not applicable	Not applicable	52,612	57,450	2.1	2.5
Guangdong Data Centre 3 ("Guangdong DC 3")	Jiangmen Guangdong Province, People's Republic of China	Leasehold	50	44.0	12,429	-	0.5	-

The accompanying notes form an integral part of these financial statements.

Description of investment properties	Location	Land tenure	Term of lease ¹ (Years)	Remaining term of lease ¹ (Years)	Carrying amount at fair value		Percentage of total net assets	
					2022 \$'000	2021 \$'000	2022 %	2021 %
Colocation								
Keppel DC Singapore 1 ("KDC SGP 1") ²	Serangoon, Singapore	Leasehold	60	32.8	347,228	343,725	14.1	14.7
Keppel DC Singapore 2 ("KDC SGP 2")	Tampines, Singapore	Leasehold	60	28.6	183,000	183,000	7.4	7.8
Keppel DC Singapore 3 ("KDC SGP 3") ²	Tampines, Singapore	Leasehold	60	29.1	319,000	316,378	13.0	13.5
Keppel DC Singapore 4 ("KDC SGP 4")	Tampines, Singapore	Leasehold	60	27.5	446,000	426,000	18.2	18.2
Keppel DC Singapore 5 ("KDC SGP 5") ²	Jurong, Singapore	Leasehold	30	27.7	395,389	360,000	16.1	15.4
Basis Bay Data Centre ("Basis Bay DC")	Cyberjaya, Malaysia	Freehold	Not applicable	Not applicable	19,994	22,107	0.8	0.9
Gore Hill Data Centre ("Gore Hill DC") ³	Artarmon, New South Wales, Australia	Freehold	Not applicable	Not applicable	211,531	224,135	8.6	9.6
Keppel DC Dublin 1 ("KDC DUB 1")	Dublin, Republic of Ireland	Leasehold	999	976.0	152,950	150,612	6.2	6.4
Keppel DC Dublin 2 ("KDC DUB 2")	Dublin, Republic of Ireland	Leasehold	999	975.0	139,850	141,296	5.7	6.0
Total investment properties at fair value					3,639,453	3,401,436	148.1	145.2
Notes receivables (Note 9)					85,767	88,700	3.5	3.8
Other assets and liabilities (net)					(1,268,302)	(1,154,460)	(51.6)	(49.0)
Total net assets of the Group					2,456,918	2,335,676	100.0	100.0

¹ Term of lease includes option to renew the land leases and extension offers.

² Included in the investment properties were lease liabilities pertaining to land rent options and an extension offer.

³ A portion of the premises at Gore Hill DC relates to colocation lease arrangements and the remaining portion of the premises relates to shell and core lease arrangements.

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

Year ended 31 December 2022

These notes form an integral part of the financial statements.

The financial statements of Keppel DC REIT (the "Trust") and its subsidiaries (collectively, the "Group") for the financial year ended 31 December 2022 were authorised for issue by the Manager on 16 February 2023.

1 General Information

Keppel DC REIT is a Singapore-domiciled real estate investment trust constituted by the trust deed dated 17 March 2011 (as amended) (the "Trust Deed") between Keppel DC REIT Management Pte. Ltd. and AEP Investment Management Pte. Ltd., together as Trustee-Managers.

Pursuant to the Deed of Appointment and Retirement dated 24 October 2014, the Trustee-Managers were replaced by Keppel DC REIT Management Pte. Ltd. (the "Manager"). Meanwhile, Perpetual (Asia) Limited (the "Trustee") was appointed as the trustee of the Trust on 24 October 2014.

The Trust Deed is governed by the laws of The Republic of Singapore. The Trustee is under a duty to take into custody and hold the assets of the Group in trust for the holders ("Unitholders") of units in the Trust (the "Units"). The address of the Trustee's registered office and principal place of business is 8 Marina Boulevard #05-02, Marina Bay Financial Centre, Singapore 018981 and 16 Collyer Quay #07-01, Singapore 049318 respectively.

The Trust was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 12 December 2014 and was included under the Central Provident Fund ("CPF") Investment Scheme on 12 December 2014.

The principal activity of the Trust is to invest, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are used primarily for data centre purposes, as well as real estate and assets necessary to support the digital economy. The principal activities of the subsidiaries are disclosed in Note 6.

The Trust has entered into several service agreements in relation to management of the Trust and its property operations. The fee structures for these services are as follows:

(a) Trustee's fees

The Trustee's fees are charged on a scaled basis of up to 0.015% per annum of the value of Deposited Property (as defined in the Trust Deed) subject to a minimum amount of \$15,000 per month.

(b) Manager's fees

The Manager is entitled under the Trust Deed to the following management fees:

- (i) a Base Fee of 0.5% per annum of the value of Deposited Property; and
- (ii) a Performance Fee of 3.5% per annum of the Group's Net Property Income (as defined in the Trust Deed) in the relevant financial year.

The Manager is also entitled to receive an acquisition fee at the rate of 1.0% of the acquisition price and a divestment fee of 0.5% of the sale price on all acquisitions or disposals of properties respectively.

The Manager is also entitled to receive a development management fee equivalent to 3.0% of the total project costs incurred in a development project undertaken by the Manager on behalf of the Group.

Any increase in the rate or any change in the structure of the Manager's fees must be approved by an Extraordinary Resolution of Unitholders passed at a Unitholders meeting duly convened and held in accordance with the provisions of the Trust Deed.

The management fees are paid in the form of cash and/or Units (as the Manager may elect). The management fees payable in Units are issued at the volume weighted average price for a Unit for all trades on the SGX-ST in the ordinary course of trading on the SGX-ST for the period of last 10 Business Days (as defined in the Trust Deed) of the relevant period in which the relevant component of the management fees accrues. The Manager's management fees are payable in arrears.

(c) Facility management fees

Under the facility management agreement in respect of certain properties, the facility manager provides facility management services, lease management services and project management services. The facility manager is entitled to receive the following fees:

- (i) KDC SGP 1, KDC SGP 2, KDC SGP 3, KDC SGP 4 and KDC SGP 5: facility management fee of 4.0% of EBITDA derived from the underlying end-users (after deducting the fixed rent payable to the Group and operating expenses incurred for each property); and
- (ii) Gore Hill DC: facility management fee of AUD 2.6 million subject to an increase of 4.0% per annum on each anniversary of 10 March 2022, being the commencement date.

2 Basis of Preparation

2.1 Statement of Compliance

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)"), the provisions of the Trust Deed and the relevant requirements of the Code on Collective Investment Schemes ("CIS Code") issued by the Monetary Authority of Singapore ("MAS").

The Monetary Authority of Singapore has granted the Group a waiver from compliance with the requirement under Paragraph 4.3 of Appendix 6 to the CIS Code to prepare its financial statements in accordance with Singapore Financial Reporting Standards.

On 1 January 2022, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The related changes to significant accounting policies are described in Note 2.5.

2.2 Basis of Measurement

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies set out in Note 3.

2.3 Functional and Presentation Currency

The Manager has determined the functional currency of the primary economic environment in which the Trust operates, i.e. functional currency, to be Singapore dollars (\$). The financial statements are expressed in Singapore dollars and rounded to the nearest thousand (\$'000) unless otherwise stated.

2.4 Use of Estimates and Judgements

The preparation of financial statements requires the Manager to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, incomes and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in Note 4 – Investment Properties and Note 30 – Fair Value of Assets and Liabilities.

2.5 Changes in accounting policies

New standards and amendments

The following are the new or amended SFRS(I)s, SFRS (I) Interpretations and amendments to SFRS(I)s, that are relevant to the Group:

- Amendments to SFRS(I) 3 Business Combinations: Reference to the Conceptual Framework
- SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets (Onerous Contracts – Costs of Fulfilling a Contract)
- Annual Improvements to SFRS(I)s 2018-2020

The adoption of the above new or amended SFRS(I)s, SFRS (I) Interpretations and amendments to SFRS(I)s did not have a significant impact on the financial statements of the Group in the current or future periods.

3 Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the entities in the Group.

3.1 Basis of Consolidation

Business combination

The Group accounts for business combination using the acquisition method when the acquired set of activities and assets meet the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

Notes to the Financial Statements

Year ended 31 December 2022

3 Significant Accounting Policies (continued)

3.1 Basis of Consolidation (continued)

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests ("NCI") in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree, over the fair value of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment and whenever there is indication that the goodwill may be impaired.

When the excess is negative, a bargain purchase gain is recognised immediately in the profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the profit or loss.

Any contingent consideration payable is recognised at fair value at the acquisition date and included in the consideration transferred. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in the profit or loss.

NCI that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the date of acquisition. The measurement basis taken is elected on a transaction-by-transaction basis. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by SFRS(I)s.

Costs related to the acquisition, other than those associated with the issue of debt or equity investments, that the Group incurs in connection with a business combination are expensed as incurred.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Subsidiaries

Subsidiaries are all entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

Loss of control

When the Group loses control over a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any NCI and other components of equity. Any related resulting gain or loss is recognised in profit or loss.

Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Accounting for subsidiaries by the Trust

Investment in subsidiaries are stated in the Trust's statement of financial position at cost less accumulated impairment losses.

Joint ventures

Joint ventures are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investments in joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

Acquisition

Investments in joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on joint ventures represents the excess of the cost of acquisition of the joint ventures over the Group's share of the fair value of the identifiable net assets of the joint ventures and is included in the carrying amount of the investments.

Equity method of accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise Group's share of its joint ventures' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the joint ventures are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in a joint venture equals to or exceeds its interest in the joint venture, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the joint venture. If the joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. Interest in a joint venture includes any long-term loans for which settlement is never planned nor likely to occur in the foreseeable future.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of joint ventures are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

Disposals

Investments in associates or joint ventures are derecognised when the Group loses significant influence or joint control. If the retained equity interest in the former associates or joint venture is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

3.2 Foreign Currency

Foreign currency transactions

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars ("SGD or "\$"), which is the functional currency of the Trust.

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency of the Group at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognised in the profit and loss. However, foreign currency differences arising from the following items are recognised in OCI:

- an equity investment designated as at FVOCI;
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or
- qualifying cash flow hedges to the extent the hedges are effective.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at the average exchange rates unless the average is not a reasonable approximation of the cumulating effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rate at the date of the transaction for the reporting period.

Foreign currency differences are recognised in OCI. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to the profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

Notes to the Financial Statements

Year ended 31 December 2022

3 Significant Accounting Policies (continued)

3.2 Foreign Currency (continued)

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of a net investment in a foreign operation are recognised in OCI and are presented in the translation reserve in Unitholders' funds.

3.3 Financial Instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables and debt investments issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held-for-trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Direct attributable transaction costs are recognised in profit or loss as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the profit or loss.

Other financial liabilities comprise loans and bank borrowings and trade and other payables.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
 - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
 - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Notes to the Financial Statements

Year ended 31 December 2022

3 Significant Accounting Policies (continued)

3.3 Financial Instruments (continued)

(iii) Derecognition (continued)

Interest rate benchmark reform

When the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changes as a result of interest rate benchmark reform, the Group updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. No immediate gain or loss is recognised. A change in the basis for determining the contractual cash flow is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

When changes were made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Group first updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. After that, the Group applies the policies on accounting for modifications to the additional changes.

(iv) Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.4 Hedge Accounting

Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to mitigate its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value and any directly attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

The Group designates certain derivatives and non-derivative financial instruments as hedging instruments in qualifying hedging relationships. At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Hedging relationships for which 'Phase 2' amendments apply

The Group has judged that IBOR uncertainty is no longer present with respect to its cash flow hedge of SGD SOR and GBP LIBOR-linked borrowing, once both the hedging instrument and the hedged item have been amended to the alternative benchmark rate with fixed adjustment spreads.

In the current year, the Group has applied the following hedge accounting reliefs provided by the Phase 2 amendments for its hedging relationships that have already transited from SOR and LIBOR to SORA and SONIA respectively:

Hedge designation: When the Phase 1 amendments cease to apply, the Group has amended its hedge designation to reflect the following changes which are required by IBOR reform:

- designating SORA and SONIA as a hedged risk;
- the contractual benchmark rate of the hedged SGD and GBP borrowing has been amended from SOR and LIBOR to SORA and SONIA respectively plus an adjustment spread; and/or
- the variable rate of the hedging interest rate swap has been amended from SOR and LIBOR to SORA and SONIA respectively, with an adjustment spread added to the fixed rate.

These amendments to the hedge documentation do not require the Group to discontinue its hedge relationships.

Amounts accumulated in the cash flow hedge reserve: When the Group amended its hedge designation for changes to its SGD SOR and GBP LIBOR borrowing that is required by IBOR reform, the accumulated amount outstanding in the cash flow hedge reserve was deemed to be based on SORA and SONIA. The amount is reclassified to profit or loss in the same periods during which the hedged SORA and SONIA cash flows affect profit or loss.

Cash flow hedges

The Group designates certain derivatives as hedging instruments to mitigate the variability in cash flows associated with highly probable forecast transactions arising from changes in interest rates.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts ('forward points') is separately accounted for as a cost of hedging and recognised in a cost of hedging reserve within equity.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item, the amount accumulated in the hedging reserve and the cost of hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve and the cost of hedging reserve remains in equity until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

Net investment hedges

The Group designates certain non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of changes in the fair value of a derivative or, foreign exchange gains and losses for a non-derivative is recognised in OCI and presented in the translation reserve within equity. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains and losses on the non-derivative is recognised immediately in profit or loss. The amount recognised in OCI is fully or partially reclassified to profit or loss as a reclassification adjustment on disposal of the foreign operation, respectively.

3.5 Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the date of acquisition that are subject to insignificant risk of changes in their fair value and are used by the Group in the management of short term commitments.

3.6 Unitholders' Funds

Unitholders' funds represent the Unitholders' residual interest in the Group's net assets upon termination. Proceeds from issuance of Units are recognised as Units in issue in Unitholders' funds. Incremental costs directly attributable to the issue of Units are recognised as deduction from Unitholders' funds.

3.7 Investment Properties

Investment property is property held either to earn rental income or capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss. Rental income from investment properties is accounted for in a manner described in Note 3.12.

Notes to the Financial Statements

For the financial year ended 31 December 2022

3 Significant Accounting Policies (continued)

3.7 Investment Properties (continued)

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

On disposal of an investment property, the differences between the disposal proceeds and the carrying amount is recognised in profit or loss.

3.8 Intra-group financial guarantees

Financial guarantees are financial instruments issued by the Trust that require the issuer to make specified payments to reimburse the holder for the loss it incurs because a specified debtor fails to meet payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at the higher of the loss allowance determined in accordance with SFRS(I) 9 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15.

Expected credit losses ("ECL") are a probability-weighted estimate of credit losses. ECLs are measured for financial guarantees issued as the expected payments to reimburse the holder less any amounts that the Trust expects to recover.

Liabilities arising from financial guarantees are included within loans and borrowings.

3.9 Impairment

(i) Non-derivative financial assets

The Group recognises loss allowances for ECL on financial assets measured at amortised costs, trade receivables and intra-group financial guarantee contracts ("FGC").

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables and accrued income. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group assesses that the credit risk on a financial asset has increase significantly if it is more than 90 days past due.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); and
- the financial asset is more than 90 days past due.

The Trust considers a FGC to be in default when the debtor of the loan is unlikely to pay its credit obligations to the creditors and the Trust in full, without recourse by the Trust to actions such as realising security (if any is held).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost and accrued income are deducted from the gross carrying amount of these assets. Loss allowances for FGC are recognised as a financial liability to the extent that they exceed the initial carrying amount of the FGC less the cumulated income recognised.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment property, property under development and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses are recognised in profit or loss. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if and only if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Notes to the Financial Statements

Year ended 31 December 2022

3 Significant Accounting Policies (continued)

3.10 Employee Benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligations to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an expense in the profit or loss in the periods during which services are rendered by employees.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

3.11 Leases

(i) When the Group is the lessee:

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

- **Right-of-use assets**

The Group recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

Right-of-use asset which meets the definition of an investment property is presented within "Investment Properties" and accounted for in accordance with Note 3.7.

- **Lease liabilities**

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Amount expected to be payable under residual value guarantees; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There are modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

- **Short term and low value leases**

The Group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

(ii) When the Group is the lessor:

The Group leases investment properties under operating leases to non-related parties.

- **Lessor – Operating leases**
Leases where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is accounted for in a manner described in Note 3.12.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

3.12 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment.

Rental income

Rental income from investment property is recognised over time in the profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income over the term of the lease. Contingent rents are recognised as income in profit or loss when earned.

Power revenue

Power revenue derived from clients is recognised over time in the profit or loss when there is provision of power to the clients. Net power revenue or net power costs are included in other income and property operating expenses respectively.

Service revenue

Service revenue derived from clients is recognised at point in time in the profit or loss as and when the services are rendered. Service revenue is included in other income.

Rental top up income

Rental top up income provided from the vendors is recognised over time in the profit or loss as and when there is an economic inflow of benefits. Rental top up income is included in other income.

3.13 Finance Costs

Borrowing costs are recognised using the effective interest method, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

3.14 Finance Income

Interest income is recognised using the effective interest method.

3.15 Income Tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the profit or loss except to the extent that it relates to items recognised directly in Unitholders' funds or in OCI.

Current income tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Notes to the Financial Statements

Year ended 31 December 2022

3 Significant Accounting Policies (continued)

3.15 Income Tax (continued)

Deferred tax (continued)

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects at the end of the reporting period to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the presumption that the carrying amount of the investment property will be recovered through sale has not been rebutted. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events.

New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Tax transparency

Pursuant to the Tax Transparency Ruling issued by the Inland Revenue Authority of Singapore ("IRAS"), tax transparency treatment has been granted to the Trust in respect of certain taxable income ("Specified Taxable Income"). Subject to meeting the terms and conditions of the tax ruling which includes a distribution of at least 90% of the taxable income of the Trust, the Trust will not be assessed for tax on the portion of its taxable income that is distributed to Unitholders. Any portion of the Trust's taxable income that is not distributed to Unitholders will be taxed at the prevailing corporate tax rate at the Trust's level.

In the event that there are subsequent adjustments to the Specified Taxable Income when the actual taxable income of the Trust is finally agreed with the IRAS, such adjustments are taken up as an adjustment to the amount distributed for the next distribution following the agreement with the IRAS.

Subject to the terms and conditions of the Tax Transparency Ruling, the Trustee will not be taxed on Specified Taxable Income distributed to the Unitholders in the year in which the income was derived. Instead, the Trustee and the Manager will undertake to deduct income tax at the prevailing corporate tax rate on the distributions made to the Unitholders out of such Specified Taxable Income except:

- a) where the beneficial owner is a Qualifying Unitholder, the Trustee and the Manager will make the distributions to such Unitholder without deducting any income tax; and
- b) where the beneficial owner is Qualifying Foreign Non-Individual Unitholder (as defined below), the Trustee and the Manager will undertake to deduct income tax at a reduced rate of 10% from the distributions made up to 31 December 2025, unless otherwise extended.
- c) where the beneficial owner is a Qualifying Non-Resident Fund (as defined herein), income tax will be deducted at a reduced rate of 10% from the distributions made from 1 July 2021 to 31 December 2025, unless otherwise extended.

A Qualifying Unitholder is a Unitholder who is:

- a) an individual;
- b) a company incorporated and tax resident in Singapore;
- c) a Singapore branch of a company incorporated outside Singapore;
- d) a body of persons (excluding company or partnership) incorporated or registered in Singapore, including a charity registered under the Charities Act 1994 or established by any written law, a town council, a statutory board, a co-operative society registered under the Co-operative Societies Act 1979 or a trade union registered under the Trade Unions Act 1940;

- e) an international organisation that is exempt from tax on such distributions by reason of an order made under the International Organisations (Immunities and privileges) Act 1948; or
- f) a real estate investment trust exchange-traded fund which has been accorded the tax transparency treatment.

A Qualifying Foreign Non-Individual Unitholder is a person other than an individual not resident in Singapore for Singapore income tax purposes and:

- a) who does not have a permanent establishment in Singapore; or
- b) who carries on an operation in Singapore through a permanent establishment in Singapore, where the funds used by that person to acquire the Units are not obtained from that operation in Singapore.

A Qualifying Non-Resident Fund is one who is not a resident in Singapore for Singapore income tax purposes, qualifies for tax exemption under section 13D, 13U or 13V of the Income Tax Act 1947 and:

- a) who does not have any permanent establishment in Singapore (other than the fund manager in Singapore); or
- b) who carries on any operation in Singapore through a permanent establishment in Singapore (other than the fund manager in Singapore), where the funds used to acquire the Units are not obtained from that operation.

The above tax transparency ruling does not apply to gains from sale of real properties. Such gains, if they are considered as trading gains, are assessable to tax in accordance with Section 10(1)(a) of the Income Tax Act (1947) and be collected from the Trustee. Where the gains are capital gains, they will not be assessed to tax and the Trustee and Manager may distribute the capital gains to Unitholders without having to deduct tax at source.

Tax exemption

Pursuant to the Foreign-Source Income Tax Exemption Ruling issued by the Ministry of Finance and subject to meeting the terms and conditions of the tax ruling, the Trust and/or its Singapore subsidiaries (i.e. KDCR GVP Pte. Ltd., KDCR Netherlands 1 Pte. Ltd., KDCR Netherlands 2 Pte. Ltd., KDCR Netherlands 3 Pte. Ltd., KDCR Netherlands 4 Pte. Ltd., KDCR UK Pte. Ltd., and KDCR Australia Pte. Ltd. (collectively, the "Singapore Subsidiaries")) will be exempted from Singapore tax on foreign-sourced dividends and interest income received from overseas entities in Australia, Malaysia, England, The Netherlands, Germany, the British Virgin Islands and the Bailiwick of Guernsey ("Guernsey").

Any distributions made by the Trust to the Unitholders out of tax-exempt income and income taxed at Trust's level would be exempted from Singapore income tax in the hands of all Unitholders.

3.16 Operating Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Manager to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to the senior management of the Manager include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Trust's head office), head office expenses, and tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire and fit-out investment properties.

3.17 Provisions

A provision is recognised if, as a result of a past event, the Group has a present obligation (legal or constructive) that can be estimated reliably, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

3.18 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income within gross revenue.

Notes to the Financial Statements

Year ended 31 December 2022

3 Significant Accounting Policies (continued)

3.19 Significant Accounting Estimates and Judgements

The preparation of the financial statements requires the Manager to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income, expenses and disclosures made. The estimates and associated assumptions are based on historical experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Estimates and underlying assumptions are reviewed on an ongoing basis. Financial impact arising from revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is the valuation of investment properties included in Note 4 – Investment Properties and specific assumptions and estimates included in Note 30 – Fair Value of Assets and Liabilities.

3.20 New Standards and Interpretations not adopted

Below are the new or amended standards and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2023 and which the Group has not early adopted:

- Amendments to SFRS(I) 1-1 Presentation of Financial Statements (Classification of Liabilities as Current or Non-current)
- Amendments to SFRS(I) 1-1 Presentation of Financial Statements and SFRS(I) Practice Statement 2 (Disclosure of Accounting Policies)
- Amendments to SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets (Onerous Contracts – Cost of Fulfilling a Contract)

The new or amended accounting Standards and Interpretations listed above are not mandatory for 31 December 2022 reporting periods and have not been early adopted by the Group. These are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

4 Investment Properties

	Group		Trust	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
At 1 January	3,401,436	3,005,038	526,726	483,182
Acquisitions ^(b)	257,279	195,523	–	–
Additions ^(c)	15,790	10,263	–	288
Divestment of a subsidiary ^(d)	–	(43,269)	–	–
Capital expenditure	39,422	77,571	15,632	13,687
Transfer from property under development	–	27,169	–	–
Net change in fair value	70,969	159,475	(12,130)	29,569
Currency translation differences	(145,443)	(30,334)	–	–
At 31 December	3,639,453	3,401,436	530,228	526,726

Reconciliation of fair value measurement to valuation reports

	Group		Trust	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Fair value on investment properties based on valuation reports	3,626,736	3,389,332	522,300	519,000
Add: Carrying amount of lease liabilities ^(e)	12,717	12,104	7,928	7,726
Carrying amount of investment properties	3,639,453	3,401,436	530,228	526,726

- (a) Investment properties are stated at fair value based on valuations performed by independent valuers, Savills Valuation and Professional Services (S) Pte Ltd and Knight Frank LLP (2021: CBRE Pte. Ltd., CBRE Limited, Cushman & Wakefield (Valuations) Pty Ltd, Cushman & Wakefield Netherlands B.V., Jones Lang LaSalle Limited and Savills Valuation and Professional Services (S) Pte Ltd). The external independent valuers have the appropriate recognised professional qualifications and recent experience in the locations and categories of properties being valued. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably.

In determining the fair value, the valuers have used capitalisation approach and discounted cash flows approach which make reference to certain estimates. The key assumptions used to determine the fair value of investment properties include, amongst others, market-corroborated capitalisation yields, terminal yields and discount rates. In relying on the valuation reports, the Manager has exercised its judgement and is satisfied that the valuation approaches and estimates are reflective of current market conditions and that the valuation reports are prepared in accordance with recognised appraisal and valuation standards.

The capitalisation approach capitalises in perpetuity an income stream with appropriate adjustments for rental shortfalls and overages and discounts the stream using an appropriate capitalisation rate to arrive at the market value. The discounted cash flow approach involves estimation and projection of an income stream over a period and discounting the income stream with an internal rate of return to arrive at the market value. The discounted cash flow approach requires the valuer to assume a rental growth rate indicative of the market and the selection of a target internal rate of return consistent with current market requirements.

- (b) Keppel DC REIT completed the acquisitions of London DC on 11 January 2022, and Guangdong DC 2 and building shell of Guangdong DC 3 (Note 12) on 12 August 2022. These acquisitions have been accounted for as asset acquisitions.

In 2021, Keppel DC REIT completed the acquisitions of Eindhoven DC and Guangdong DC 1.

- (c) The additions include transaction-related costs and any costs other than capital expenditures capitalised as part of the investment properties.
- (d) In 2021, Keppel DC REIT completed the divestment of iseek DC.
- (e) The lease liabilities of the Group relate to estimated payments for certain leasehold lands in Singapore for (i) extension options of which the Group is reasonably certain to exercise and (ii) an offer to extend the remaining land tenure for a further term. In 2022, the Group extended the leasehold land interest in KDC SGP 3 by 30 years.

The lease liabilities of the Trust relate to estimated payments for extension options of certain leasehold lands in Singapore which the Group is reasonably certain to exercise.

- (f) At 31 December 2022, the Group's investment properties amounting to \$3,639.5 million (2021: \$3,401.4 million) were free from encumbrances for debt facilities.

5 Property Under Development

	Group	
	2022 \$'000	2021 \$'000
At 1 January	-	24,676
Additions	-	1,951
Currency translation differences	-	542
Transfer to investment properties	-	(27,169)
At 31 December	-	-

In August 2018, the Group entered into an agreement to construct IC3 East DC on the vacant land within the IC DC site, which Intellicentre 2 Data Centre was located at. The development has been completed on 13 July 2021 and \$27,169,000 recognised as property under development has been transferred to investment properties as disclosed in Note 4.

Notes to the Financial Statements

Year ended 31 December 2022

6 Investment in Subsidiaries

	Trust	
	2022 \$'000	2021 \$'000
Investment in subsidiaries, at cost		
At 1 January	2,128,751	1,946,969
Incorporation of subsidiaries	–	– ^(a)
Capital injection, net of capital reductions	182,255	201,021
Impairment loss	(64,922)	(19,239)
At 31 December	2,246,084	2,128,751

^(a) Less than \$1,000

The Manager assesses at the end of each financial year whether there is any indication of impairment for Keppel DC REIT's subsidiaries. The assessment takes into account the recoverable amount based on the cash flow estimates of the underlying assets, which comprise mainly investment properties which are stated at fair value based on revaluation performed by independent valuers. The Manager assessed the recoverable amount of the investments and recognised impairment loss of \$64,922,000 (2021: \$19,239,000) during the year, which arose mainly due to depreciation of local currencies of the foreign operations and fair value losses on certain overseas investment properties.

Listing of significant subsidiaries in the Group

Name of entities	Principal activities	Place of incorporation/ business	Effective equity held by the Trust	
			2022 %	2021 %
<i>Subsidiaries</i>				
Basis Bay Capital Management Sdn. Bhd. ^(a)	Investment in real estate properties	Malaysia	99	99
Keppel DC REIT Fin. Company Pte. Ltd.	Provision of treasury services	Singapore	100	100
Keppel DC REIT MTN Pte. Ltd.	Provision of treasury services	Singapore	100	100
Keppel DC Singapore 3 LLP ("KDCS3 LLP")	Letting of self-owned or leased real estate property	Singapore	90	90
Keppel DC Singapore 4 LLP ("KDCS4 LLP")	Letting of self-owned or leased real estate property	Singapore	99	99
Keppel DC Singapore 5 LLP ("KDCS5 LLP")	Letting of self-owned or leased real estate property	Singapore	99	99
Datacentre One Pte. Ltd.	Letting of self-owned or leased real estate property	Singapore	100	100
KDCR Singapore 2 Pte. Ltd.	Investment Holding	Singapore	100	100
KDCR Australia Trust No.2 ^(b)	Investment in real estate properties	Australia	100	100
KDCR Australia 2 Pty Limited ^(b)	Trustee	Australia	100	100

Name of entities	Principal activities	Place of incorporation/ business	Effective equity held by the Trust	
			2022 %	2021 %
<u>Subsidiaries</u>				
KDCR Australia Sub-Trust 1 ^(b)	Investment in real estate properties	Australia	100	100
Greenwich View Place Limited ^(b)	Investment in real estate properties	Guernsey	100	100
KDCR Almere B.V. ^(b)	Investment in real estate properties	The Netherlands	100	100
Borchveste Almere B.V. ^(b)	Letting of leased real estate property	The Netherlands	100	100
KDCR Netherlands 3 B.V. ^(b)	Investment in real estate properties	The Netherlands	100	100
KDCR Netherlands 5 B.V. ^(b)	Investment in real estate properties	The Netherlands	100	100
KDCR Netherlands 6 B.V. ^(b)	Investment in real estate properties	The Netherlands	100	100
KDCR (Ireland) Limited ^(a)	Investment in real estate properties and provision of data services and colocation services	Republic of Ireland	100	100
KDCR Ireland Fin. Company Limited ^(a)	Provision of financial and treasury services	Republic of Ireland	100	100
KDCR (Ireland) 2 Limited ^(a)	Investment in real estate properties	Republic of Ireland	100	100
KDCR Cardiff Limited ^(b)	Investment in real estate properties	Guernsey	100	100
KDCR England Limited ^(b)	Investment in real estate properties	Guernsey	100	100
BI71 SRL ^(b)	Investment in real estate properties	Italy	100	100
KDCR Guangdong Co., Ltd ^(a)	Letting of self-owned or leased real estate property	China	100	100

^(a) PricewaterhouseCoopers LLP, is the auditor of the Singapore-incorporated subsidiaries. KDCR (Ireland) Limited, KDCR (Ireland) 2 Limited, KDCR Ireland Fin. Company Limited, KDCR Ireland Holdings Limited, Basis Bay Capital Management Sdn Bhd and KDCR Guangdong Co., Ltd, are audited by PricewaterhouseCoopers, PricewaterhouseCoopers PLT, and PricewaterhouseCoopers Zhong Tian LLP.

^(b) Not required to be audited by law in the country of incorporation.

Notes to the Financial Statements

Year ended 31 December 2022

6 Investment in Subsidiaries (continued)

Divestment of a subsidiary

In September 2021, Keppel DC REIT divested 100% interest in iseek Facilities Pty Ltd which holds iseek DC. The entity is a wholly-owned subsidiary of KDCR Australia Trust No.1, which is managed by KDCR Australia No. 1 Pty Limited. The effect of the disposal on the cash flows of the Group were:

	\$'000
Carrying amounts of assets and liabilities as at the date of disposal:	
Cash and cash equivalents	–
Investment property	43,269
Trade and other receivables	186
Trade and other payables	(92)
Lease liability	(9,463)
Net assets disposed	33,900
Release of currency translation reserve	110
	34,010
Loss on divestment of subsidiary, net of divestment costs	(200)
Consideration received, satisfied in cash	33,810
Add back: Divestment fees paid in units	172
Less: Cash and cash equivalents in subsidiary disposed of	–
Net cash inflow on disposal, net of divestment costs	33,982

7 Loans to Subsidiaries

	Trust	
	2022 \$'000	2021 \$'000
Loans to subsidiaries	112,499	120,264
Quasi-equity loans to subsidiaries	199,382	215,590
	311,881	335,854

Loans to subsidiaries are unsecured, interest-bearing and not expected to be repaid within the next 12 months. The interest rates range from 0.4% to 7.1% (2021: 0.4% to 7.1%).

Quasi-equity loans to subsidiaries are non-trade in nature. These loans are unsecured, interest free and settlement is neither planned nor likely to occur in the foreseeable future.

8 Investment in a Joint Venture

	Group	
	2022 \$'000	2021 \$'000
Equity investments at cost	1,000	1,000
Share of reserves	25,475	(1,000)
	26,475	–

M1 Network Private Limited (“NetCo”), which was incorporated in and maintain a place of business in Singapore. Based on the agreement, the Group has a 100% preference shares investment in NetCo and its joint venture partner has 100% ordinary shares investment in NetCo. Accordingly, the Group accounts for its interest based on 100% economic interest in NetCo.

Set out below is the summarised financial information for NetCo.

Summarised statement of financial position

	For the year ended 31 December 2022 \$'000	For the period ended 31 December 2021 \$'000
Current assets	43,012	49,260
Includes:		
- Cash and cash equivalents	651	3,558
Current liabilities	(37,330)	(79,656)
Includes:		
- Financial liabilities (excluding trade payables)	(36,906)	(39,055)
Non-current assets	540,274	578,941
Non-current liabilities	(519,481)	(551,061)
Includes:		
- Financial liabilities (excluding trade payables)	(519,481)	(551,061)
Net assets/(liabilities)	26,475	(2,516)

Summarised statement of comprehensive income

Revenue	50,900	1,368
Expenses		
Includes:		
- Depreciation and amortisation	(38,667)	(1,059)
- Finance costs	(19,994)	(555)
- Other costs	(30)	(5,195)
Loss before taxation	(7,791)	(5,441)
Taxation	1,325	925
Loss after taxation	(6,466)	(4,516)
Other comprehensive income	35,458	-
Total comprehensive income/(loss)	28,992	(4,516)

The information above reflects the amounts presented in the financial statements of the joint venture, adjusted for difference in accounting policies between the Group and the joint venture. Other comprehensive income comprises mark-to-market gains from an interest rate swap.

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interest in the joint venture, is as follows:

	2022 \$'000	2021 \$'000
At 1 January/incorporation of a joint venture	-	1,000
Share of results for the year	(8,983)	(1,000)
Share of movement in hedging reserve	35,458	-
At 31 December	26,475	-

Notes to the Financial Statements

Year ended 31 December 2022

9 Notes receivables

	Group and Trust	
	2022 \$'000	2021 \$'000
At 1 January	88,700	–
Notes issued by a joint venture	–	88,700
Receipt during the year	(2,933)	–
At 31 December	85,767	88,700
Non-current	82,559	85,768
Current	3,208	2,932
Total notes receivables	85,767	88,700

The notes receivables of \$85,767,000 (2021: \$88,700,000) from a joint venture matures in 2036, with fixed interest rate of 9.17% per annum, the receipt of principal and interest would amount to \$11.0 million per annum, payable semi-annually.

The above notes are unsecured and may be redeemed at par by the joint venture prior to their maturity, subject to certain conditions.

10 Trade and Other Receivables

	Group		Trust	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Trade receivables	37,014	32,491	3,406	5,874
Accrued income	5,686	3,662	1,455	1,176
Other receivables	33,624	22,419	598	230
Amount due from a related company	11,745	12,753	–	–
Amount due from subsidiaries	–	–	8,773	23,799
Prepayments	4,568	3,846	–	–
	92,637	75,171	14,232	31,079
Non-current	31,233	24,798	–	–
Current	61,404	50,373	14,232	31,079
Total trade and other receivables	92,637	75,171	14,232	31,079

Accrued income relates to lease income which has been recognised but not yet billed to the clients.

Amount due from a related company is non-trade in nature, unsecured, interest-free and recoverable in relation to a contractual obligation assumed as disclosed in Note 19.

Amount due from subsidiaries are non-trade in nature, unsecured, interest-free and repayable on demand.

11 Derivative Financial Instruments

	Maturity	Contract/ Notional amount \$'000	Assets \$'000	Liabilities \$'000	Notional amount directly impacted by IBOR reform \$'000
Group					
2022					
Current					
Derivatives not designated as hedging instruments:					
- Forward exchange contracts	2023	100,134	6,784	-	
Derivatives designated as hedging instruments:					
Cash-flow hedge					
- Interest rate swaps	2023	161,899	811	-	-
			7,595	-	
Non-current					
Derivatives not designated as hedging instruments:					
- Forward exchange contracts	2024	26,694	1,607	-	
Derivatives designated as hedging instruments:					
Cash-flow hedge					
- Interest rate swaps	2024 - 2028	816,450	48,155	(2,180)	-
			49,762	(2,180)	
2021					
Current					
Derivatives not designated as hedging instruments:					
- Forward exchange contracts	2022	164,126	2,540	(317)	
Derivatives designated as hedging instruments:					
Cash-flow hedge					
- Interest rate swaps	2022	158,659	-	(575)	-
			2,540	(892)	
Non-current					
Derivatives not designated as hedging instruments:					
- Forward exchange contracts	2023	48,795	1,747	-	
Derivatives designated as hedging instruments:					
Cash-flow hedge					
- Interest rate swaps	2023 - 2027	801,098	2,207	(5,290)	335,400
			3,954	(5,290)	

Notes to the Financial Statements

Year ended 31 December 2022

11 Derivative Financial Instruments (continued)

	Maturity	Contract/ Notional amount \$'000	Assets \$'000	Liabilities \$'000
Trust				
2022				
Current				
Derivatives not designated as hedging instruments:				
- Forward exchange contracts	2023	100,134	6,784	-
Non-current				
Derivatives not designated as hedging instruments:				
- Forward exchange contracts	2024	26,694	1,607	-
2021				
Current				
Derivatives not designated as hedging instruments:				
- Forward exchange contracts	2022	164,126	2,540	(317)
Non-current				
Derivatives not designated as hedging instruments:				
- Forward exchange contracts	2023	48,795	1,747	-

Derivatives not designated as hedging instruments reflect the change in fair value of foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for highly probable transactions. Derivatives designated as hedging instruments reflect the change in fair value of foreign exchange forward contracts, designated as cash flow hedges to hedge highly probable transactions.

Interest rate swaps are used to hedge interest rate risk arising from the underlying floating interest rates of respective bank borrowings (Note 16). Under these interest rate swaps, the Group receives the following floating interest equal to SORA, A\$ bank bill swap bid rate ("BBSW"), Euro interbank offer rate ("EURIBOR"), SONIA and 1-year loan prime year ("1Y LPR") (2021: SORA, BBSW, EURIBOR, SONIA and 1Y LPR) at specific contracted intervals.

The Group designates the interest rate swaps as cash flow hedges. In respect of these contracts, a fair value gain of \$50,403,000 (2021: fair value gain of \$19,979,000) were included in hedging reserve for the Group as at the financial year.

Hedging instruments used in Group's hedging strategy in 2022 and 2021

	Contractual notional amount \$'000	Carrying Amount Assets/ (Liabilities) \$'000	Category	Changes in fair value used for calculating hedge ineffectiveness		Weighted average hedged rate	Maturity date
				Hedging instrument \$'000	Hedged item \$'000		
Group							
2022							
Cash flow hedge							
Interest rate risk							
- Interest rate swaps to hedge floating rate borrowings	978,349	46,786	Derivative financial instruments	43,170	(43,170)	1.77%	2023-2028
Net investment hedge							
Foreign exchange risk							
- Borrowings to hedge net investments in foreign operations	-	(978,574)	Borrowings	77,319	(77,319)	AUD 1 : \$0.92 EUR 1 : \$1.42 GBP 1 : \$1.64 RMB 1 : \$0.19	2023-2028
2021							
Cash flow hedge							
Interest rate risk							
- Interest rate swaps to hedge floating rate borrowings	959,757	(3,616)	Derivative financial instruments	19,980	(19,980)	1.27%	2022 – 2027
Net investment hedge							
Foreign exchange risk							
- Borrowings to hedge net investments in foreign operations	-	(879,830)	Borrowings	20,043	(20,043)	AUD 1 : \$0.97 EUR 1 : \$1.55 GBP 1 : \$1.82	2022 – 2027

12 Deposits

In June 2022, the Group entered into an agreement to acquire Guangdong DC 3, in 7 Bluesea Intelligence Valley, Shaping Street, Heshan, Jiangmen, Guangdong Province, People's Republic of China. Guangdong DC 3 will be fitted out, with its expected completion to take place by the third quarter of 2023. On 12 August 2022, the Group paid a deposit of \$13.9 million (RMB 72.0 million) for the Facilities and Equipment, with the remainder to be paid when the fit-out works are completed.

In December 2021, the Group paid a deposit to the vendor to acquire London DC in Bracknell, United Kingdom. The deposit was released to the vendor and the remaining balance of the purchase consideration was paid on completion of the purchase in January 2022.

Notes to the Financial Statements

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13 Deferred Taxation

Deferred tax assets and liabilities are attributable to the following:

	Group		Group	
	Assets 2022 \$'000	Liabilities 2022 \$'000	Assets 2021 \$'000	Liabilities 2021 \$'000
Investment properties	–	(83,700)	–	(66,989)
Tax losses carried forward	5,773	–	6,678	–
	5,773	(83,700)	6,678	(66,989)
Offset	(4,094)	4,094	(4,672)	4,672
Deferred tax assets/(liabilities)	1,679	(79,606)	2,006	(62,317)

	Trust	
	Liabilities 2022 \$'000	Liabilities 2021 \$'000
Investment properties		
Deferred tax liabilities	(13,191)	(13,191)

Movement in temporary differences during the year:

	At 1 January \$'000	Acquisition \$'000	Recognised in profit or loss \$'000	Exchange difference \$'000	At 31 December \$'000
Group					
2022					
Investment properties	(66,989)	–	(20,648)	3,937	(83,700)
Tax losses carried forward	6,678	–	(375)	(530)	5,773
Net deferred tax liabilities	(60,311)	–	(21,023)	3,407	(77,927)
2021					
Investment properties	(49,901)	–	(18,149)	1,061	(66,989)
Tax losses carried forward	7,437	–	(458)	(301)	6,678
Net deferred tax liabilities	(42,464)	–	(18,607)	760	(60,311)

	At 1 January \$'000	Recognised in profit or loss \$'000	At 31 December \$'000
Trust			
2022			
Investment properties	(13,191)	–	(13,191)
2021			
Investment properties	(8,136)	(5,055)	(13,191)

Net deferred tax assets and liabilities are determined by offsetting deferred tax assets against deferred tax liabilities of the same entities. Deferred tax assets are recognised for unutilised tax benefits carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable.

As at 31 December 2022 and 31 December 2021, the Group and Trust does not have unrecognised deductible temporary differences in respect of tax losses which can be carried forward and used to offset against future taxable income.

14 Cash and Cash Equivalents

	Group		Trust	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Bank balances	127,442	171,934	47,840	71,583
Short-term deposits	62,957	24,007	50,239	19,007
Cash and cash equivalents in the Consolidated Statement of Cash Flows	190,399	195,941	98,079	90,590

15 Loans from Subsidiaries

Trust

The loans from subsidiaries are unsecured, interest-bearing, and have loan maturities of one to six years (2021: one to five years) with interest ranging from 1.01% to 3.93% (2021: 0.25% to 3.33%) per annum.

Terms and debt repayment schedule

Terms and conditions of loans from subsidiaries are as follows:

	Interest rate % per annum	Year of maturity	2022		2021	
			Face value \$'000	Carrying amount \$'000	Face value \$'000	Carrying amount \$'000
Trust						
Non-current liabilities						
Loans from subsidiaries	1.32 – 3.93 (2021: 0.25 – 3.33)	2024 - 2028 (2021: 2023 - 2027)	1,139,538	1,139,538	1,045,121	1,045,121
Current liabilities						
Loans from subsidiaries	1.01 – 3.33 (2021: 1.37 – 1.55)	2023 (2021: 2022)	161,899	161,899	158,659	158,659

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16 Loans and Borrowings

	Group		Trust	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Non-current liabilities				
Bank borrowings	1,289,367	1,130,921	–	–
Capitalised transaction costs of debt financing	(2,305)	(2,414)	–	–
	1,287,062	1,128,507	–	–
Lease liabilities	12,646	7,726	7,928	7,726
	1,299,708	1,136,233	7,928	7,726
Current liabilities				
Bank borrowings	175,425	158,659	–	–
Lease liabilities	–	4,378	–	–
	175,425	163,037	–	–
Total loans and borrowings	1,475,133	1,299,270	7,928	7,726

The loans and borrowings are carried at amortised cost.

All bank borrowings are unconditionally and irrevocably guaranteed by Perpetual (Asia) Limited, in its capacity as Trustee of Keppel DC REIT.

Terms and debt repayment schedule

Terms and conditions of outstanding financial liabilities are as follows:

	Interest rate % per annum	Year of maturity	2022		2021	
			Face value \$'000	Carrying amount \$'000	Face value \$'000	Carrying amount \$'000
Group						
Bank borrowings	1.01 – 4.68 (2021: 0.25 – 4.68)	2023 – 2028 (2021: 2022 – 2027)	1,464,792	1,464,792	1,289,580	1,289,580

17 Trade and Other Payables

	Group		Trust	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Trade payables	5,366	8,466	417	4,394
Amount due to subsidiaries	–	–	4,726	3,724
Interest payables	3,942	1,936	–	–
Other payables and accruals	59,676	39,741	16,570	13,311
	68,984	50,143	21,713	21,429
Non-current	6,338	–	–	–
Current	62,646	50,143	21,713	21,429
Total trade and other payables	68,984	50,143	21,713	21,429

Amount due to subsidiaries are non-trade, unsecured, interest-free and repayable on demand.

As at 31 December 2022 and 31 December 2021, other payables and accruals mainly relate to deferred payment, accruals for management fees, unearned revenue, rental deposit, audit fees, valuation fees and other expenses.

18 Provision for Taxation

Movement in current tax liabilities:

	Group		Trust	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
At 1 January	6,537	3,953	2,239	2,913
Income tax paid	(9,802)	(7,728)	(2,051)	(2,239)
Tax expense	9,971	10,569	2,361	1,565
Currency translation differences	(137)	(257)	–	–
At 31 December	6,569	6,537	2,549	2,239

19 Provision

The provision for the Group relates to a contractual obligation assumed on the acquisition of a subsidiary. Cash has been set aside by the vendor to settle part of the contractual obligation assumed, and the remaining obligation is recoverable from a related corporation.

20 Unitholders' Funds

(a) Foreign currency translation reserve

The foreign currency translation reserve attributable to Unitholders comprises:

- foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the presentation currency of the Group; and
- foreign exchange differences on monetary items which form part of the Group's net investment in foreign operations, provided certain conditions are met.

	Group	
	2022 \$'000	2021 \$'000
At 1 January	5,869	14,594
Currency translation differences of financial statements of foreign subsidiaries	21,262	11,205
Realisation of net currency translation differences upon divestment of a subsidiary	–	110
Less: Non-controlling interests	11	3
Net currency translation difference on borrowings designated as net investment hedge of foreign operations	(77,319)	(20,043)
At 31 December	(50,177)	5,869

(b) Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss when the hedged cash flows affect profit or loss.

	2022	2021
	Interest rate risk \$'000	Interest rate risk \$'000
Group		
At 1 January	(3,616)	(23,595)
Fair value gains	49,297	12,030
Share of hedging reserve of a joint venture (Note 8)	35,458	–
	81,139	(11,565)
Reclassified to profit or loss, as hedged item has affected profit or loss (Note 24)	1,106	7,949
At 31 December	82,245	(3,616)

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Year ended 31 December 2022

20 Unitholders' Funds (continued)

(c) Other reserve

Other reserve comprises an excess amounting to \$95,751,000 of the consideration paid by Trust over the nominal value of the Unitholders' funds for the redemption of the existing units from unitholders on the listing date.

Capital management

The Manager reviews the Group's debt and capital management cum financial policy regularly so as to optimise the Group's funding structure. The Group's exposures to various risk elements are also monitored closely through clearly established management policies and procedures.

The Manager seeks to maintain an optimal combination of debt and equity in order to balance the cost of capital and the returns to Unitholders. The Manager also monitors the externally imposed capital requirements closely and ensures the capital structure adopted complies with the requirements.

Under the Property Funds Appendix of the CIS Code, the aggregate leverage should not exceed 50.0% of the Group's deposited properties. The Group has complied with this requirement and all externally imposed capital requirements for the financial years ended 31 December 2022 and 31 December 2021.

The Manager also monitors the Group's capital using a net debt to total funding ratio, which is defined as the (1) net borrowings divided by (2) total Unitholders' funds and liabilities:

	Group	
	2022 \$'000	2021 \$'000
Gross bank borrowings (Note 16)	1,464,792	1,289,580
Less: cash and cash equivalents (Note 14)	(190,399)	(195,941)
(1) Net borrowings	1,274,393	1,093,639
(2) Total Unitholders' funds and liabilities	4,064,863	3,737,721
Net debt to total funding ratio at end of the year	0.31	0.29

There were no significant changes in the Manager's approach to capital management for the Group during the year.

21 Units in Issue

	Group and Trust			
	2022		2021	
	No. of Units	\$'000	No. of Units	\$'000
Units in issue:				
At 1 January	1,715,511,855	2,054,294	1,633,120,606	1,859,299
Issue of Units:				
Management fees ^(a)	1,779,047	3,755	778,094	2,072
Acquisition, Divestment and Development Management fees ^(a)	1,359,113	3,272	613,155	1,551
Issuance of Units ^(b)	-	-	81,000,000	204,282
Issue expenses (net)	-	-	-	(2,258)
Capital distribution ^(d)	-	(35,056)	-	(10,652)
At 31 December	1,718,650,015	2,026,265	1,715,511,855	2,054,294

- (a) During the financial year, the Trust issued 1,779,047 new Units (2021: 778,094) to the Manager as payment of 100% of the base fees and performance fees in respect of IC DC, Amsterdam DC, Eindhoven DC, Guangdong DC 1, Guangdong DC 2 and building shell of Guangdong DC 3, London DC and 50% of the base fees and performance fees in respect of 99% interest in KDC SGP 5 for the period from 1 October 2021 to 30 September 2022 (2021: 1 October 2020 to 30 September 2021).

The Trust also issued 1,359,113 new units to the Manager as payment of acquisition fees for the acquisition of Guangdong DC 1, London DC as well as the net aggregate subscription amount of investment in bonds and preference shares issued by NetCo.

In 2021, the Trust issued 613,155 new units to the Manager as payment of acquisition fees for the acquisition of Eindhoven DC, divestment fees in relation to isseek DC and development management fees in relation to the completion of IC3 East DC.

- (b) Pursuant to the private placement announced on 12 August 2021, the Trust issued 81,000,000 new Units at an issue price of \$2.522. The new Units were listed on 23 August 2021.
- (c) Each Unit in the Trust represents an undivided interest in the Trust. The rights and interests of Unitholders are contained in the Trust Deed which includes the rights to:
- receive income and other distributions attributable to the Units;
 - participate in the termination of the Trust by receiving a share of all net cash proceeds derived from the realisation of the assets of the Trust less any liabilities, in accordance with their proportionate interests in the Trust. However, a Unitholder has no equitable or proprietary interest in the underlying assets of the Trust and is not entitled to the transfer to it of any assets (or part thereof) or of any estate or interest in any asset (or part thereof) of the Trust; and
 - have the right to receive notice of, attend and one vote per Unit at any meeting of the Unitholders.

The holders of Units are entitled to receive all distributions declared and paid by the Trust. Upon winding up, the holders of Units are entitled to a return of capital based on the net asset value per Unit of the Trust.

The restrictions on Unitholders include the following:

- A Unitholder's right is limited to the right to require due administration of the Trust in accordance with the provisions of the Trust Deed; and
- A Unitholder has no right to request the Manager to redeem his Units while the Units are listed on SGX-ST.

A Unitholder's liability is limited to the amount paid or payable for any Units in the Trust. The provisions of the Trust Deed provide that no Unitholders will be personally liable for indemnifying the Trustee or any creditor of the Trustee in the event that the liabilities of the Trust exceed its assets.

- (d) Capital distribution represents a return of capital to Unitholders during the year.

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Year ended 31 December 2022

22 Gross Revenue

	Group	
	2022 \$'000	2021 \$'000
Rental income	273,517	265,797
Other income	3,805	5,268
	277,322	271,065

Other income mainly refers to one-off government incentives received at Guangdong DC 1 in 2022 as well as non-recurring service fee charged to clients as stipulated in the lease agreements. In 2021, rental top up income of \$2,723,000 was provided by a related corporation as the vendor of an asset acquired.

Contingent rent recognised as rental income amounted to \$91.4 million (2021: \$99.7 million).

23 Property operating expenses

	Group	
	2022 \$'000	2021 \$'000
Property-related taxes	3,713	3,449
Facility management and related costs	12,700	13,300
Repairs and maintenance	1,842	1,140
Other property-related costs	6,522	5,022
	24,777	22,911

Other property-related costs mainly relate to net power costs, insurance, security costs and other relevant costs at the property.

24 Finance costs

	Group	
	2022 \$'000	2021 \$'000
Interest expense for bank borrowings	29,146	11,323
Amortisation of:		
- lease charges	202	1,305
- capitalised transaction costs of debt financing	618	638
	29,966	13,266
Cash flow hedges, reclassified from hedging reserve (Note 20(b))	1,106	7,949
	31,072	21,215

25 Net change in fair value of investment properties

	Group	
	2022 \$'000	2021 \$'000
Investment properties held directly by the Group (Note 4)	70,969	159,475
Effects of recognising rental income on a straight-line basis over the lease terms	(2,680)	(8,102)
	68,289	151,373

26 Tax Expenses

	Group	
	2022 \$'000	2021 \$'000
Current tax expense	9,971	10,569
Deferred tax – origination and reversal of temporary differences	21,023	18,607
	30,994	29,176
<i>Reconciliation of effective tax rate</i>		
Profit before tax	265,168	350,749
Tax calculated using Singapore tax rate of 17% (2021: 17%)	45,079	59,627
Effects of tax rates in foreign jurisdictions	5,088	2,842
Income not subject to tax	(15,156)	(33,508)
Non-deductible expenses	5,606	6,102
Utilisation of previously unrecognised tax benefits	(5,374)	(5,234)
Effect of other temporary differences	7,046	12,215
Tax transparency	(11,295)	(12,868)
	30,994	29,176

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Year ended 31 December 2022

27 Non-Controlling Interests

As at 31 December 2022, non-controlling interests in relation to KDCS3 LLP, KDCS4 LLP and KDCS5 LLP are significant to the Group. Set out below are the summarised financial information for KDCS3 LLP, KDCS4 LLP and KDCS5 LLP. These are presented before inter-company eliminations.

	KDCS3 LLP		KDCS4 LLP		KDCS5 LLP	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<i>Summarised balance sheet</i>						
Current						
Assets	21,919	27,243	22,948	28,034	25,305	30,091
Liabilities	(2,723)	(858)	(2,506)	(1,782)	(3,843)	(4,266)
Total current net assets	19,196	26,385	20,442	26,252	21,462	25,825
Non-current						
Assets	319,000	316,378	446,000	426,000	395,389	360,000
Liabilities	–	(4,378)	–	–	(4,719)	–
Total non-current net assets	319,000	312,000	446,000	426,000	390,670	360,000
Net assets	338,196	338,385	466,442	452,252	412,132	385,825
<i>Summarised income statement</i>						
Revenue	26,317	27,818	34,464	30,287	30,468	33,014
Profit before tax	22,230	69,361	51,449	66,175	52,996	26,880
Income tax	–	–	–	5,106	–	–
Profit after tax	22,230	69,361	51,449	71,281	52,996	26,880
Other comprehensive income	–	–	–	–	–	–
Total comprehensive income	22,230	69,361	51,449	71,281	52,996	26,880
Total comprehensive income allocated to non-controlling interests	2,223	6,936	514	713	530	269
Dividends paid to non-controlling interests	(2,242)	(2,493)	(273)	(270)	(267)	(296)
<i>Summarised cash flows</i>						
Cash flows from operating activities						
Cash generated from operations	33,474	21,762	31,795	27,525	29,385	29,202
Income tax paid	–	–	–	–	–	–
Net cash generated from operating activities	33,474	21,762	31,795	27,525	29,385	29,202
Net cash used in investing activities	(5,640)	(2,116)	(1,272)	(374)	(6,609)	(4,200)
Net cash used in financing activities	(26,797)	(24,932)	(37,259)	(27,018)	(26,689)	(29,556)
Net (decrease)/increase in cash and cash equivalents	1,037	(5,286)	(6,736)	133	(3,913)	(4,554)
Cash and cash equivalent at the beginning of financial year	11,566	16,852	21,064	20,931	22,327	26,881
Cash and cash equivalent at the end of financial year	12,603	11,566	14,328	21,064	18,414	22,327

28 Earnings per Unit and Distribution per Unit

(a) Basic and diluted earnings per Unit

The calculation of basic and diluted earnings per Unit is based on the profit or loss for the year and weighted average number of Units during the year:

	Group	
	2022 \$'000	2021 \$'000
Profit attributable to Unitholders	230,905	313,656
Profit attributable to Unitholders (excluding net change in fair value of investment properties and their related deferred tax impact)	175,899	172,342

	Number of Units	
	2022 \$'000	2021 \$'000
Weighted average number of Units:		
- outstanding during the year	1,662,473	1,632,901
- effects of Units issued	55,205	29,572
Weighted average number of Units during the year	1,717,678	1,662,473

	Group	
	2022 \$'000	2021 \$'000
Basic and diluted earnings per Unit (cents)	13.44	18.87
Basic and diluted earnings per Unit (cents) (excluding net change in fair value of investment properties and their related deferred tax impact)	10.25	10.37

(b) Distribution per Unit

The calculation of distribution per Unit for the financial year is based on:

	Group	
	2022 \$'000	2021 \$'000
Total amount available for distribution for the year	184,872	171,606
Distribution per Unit (cents)	10.214	9.851

The amount available for distribution for the financial year included an amount of capital expenditure set aside for certain assets of \$9.4 million (2021: \$7.8 million).

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Year ended 31 December 2022

29 Financial Risk Management

Overview

The Manager has a system of controls for the Group in place to determine an acceptable balance between the cost of risks occurring and the cost of managing risks. The Manager continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Credit risk

Credit risk is the risk of financial loss to the Group if a counterparty fails to meet its contractual obligations.

Prior to signing any major contracts, credit assessments on prospective clients are carried out. This is usually done by way of evaluating information from corporate searches. The Group's client trade sector mix in its property portfolio is actively managed to avoid excessive exposure to any one potentially volatile trade sector.

Cash and cash equivalents are placed and derivative financial instruments are entered into with banks and financial institution counterparties which are of good credit ratings. Credit standing of note receivables issued by the joint venture in Singapore is not rated. The Manager assesses all counterparties for credit risk for the Group before contracting with them.

At the reporting date, the carrying amount of each class of financial assets recognised in the statement of financial position represents the Group's maximum credit exposure.

Trade and other receivables that are neither past due nor impaired are substantially with companies with good collection track record with the Group.

There were no significant trade and other receivables that are past 90 days due but not impaired.

Credit risk concentration profile

At the reporting date, approximately \$28.1 million representing 32.0% (2021: \$31.3 million representing 43.9%) and \$3.4 million representing 23.9% (2021: \$5.9 million representing 18.9%) of trade and other receivables of the Group and the Trust respectively, were due from a related corporation. The Group has assessed that the related corporation has strong financial capacity to meet the contractual obligation and hence does not expect significant credit losses.

In measuring the lifetime expected credit losses, trade receivables are grouped based on shared credit risk characteristics and days past due.

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables. The Group assessed the expected credit risk on these financial assets as low and subject to immaterial credit loss.

Trade receivables

Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group may consider a financial asset as in default if the counterparty fails to make contractual payments within 90 days when they fall due, and writes off the financial asset when a debtor fails to make contractual payments on a case by case basis. Where receivables are written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

Notes receivables

For the purpose of impairment assessment, the notes receivables are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowances is measured at an amount equal to 12-month ECL.

In determining the ECL, the Manager has taken into account the historical default experience and the financial position of the joint venture, adjusted for the factors that are specific to the joint venture and general economic conditions of the industry in which the joint venture operate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default of each case.

Accordingly, the Manager believes that there is no loss allowance required.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for these financial assets.

Other receivables, amount due from a related company and subsidiaries

The Group monitors the credit risk based on the past due information to assess if there is any significant increase in credit risk. The other receivables, amount due from a related company and subsidiaries are measured on 12-month ECL. The credit loss is immaterial.

Cash and cash equivalents

Bank balances and short-term deposits are mainly transacted with banks of high credit ratings assigned by international credit-rating agencies and are considered to have low credit risk. The cash balances are measured on 12-month expected credit losses and subject to immaterial credit loss.

Loan to subsidiaries

The Trust has assessed that its subsidiaries will be able to meet the contractual obligation and considered to have low credit risk. The loans are measured on 12-month expected credit losses and subject to immaterial credit loss.

Financial Guarantee contracts

The Trust has issued financial guarantees to banks for borrowings of its subsidiaries. These guarantees are subject to the impairment requirement of SFRS(I) 9. The Trust has assessed that its subsidiaries will be able to meet the contractual cash flow obligations in the near future and hence, does not expect credit losses arising from these guarantees.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Manager manages the liquidity structure of the Group's assets, liabilities and commitments so that cash flows are appropriately balanced and all funding obligations are met when due.

The Manager monitors and maintains a level of cash and cash equivalents of the Group deems adequate to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Steps will be taken to plan early for funding and expense requirements so as to manage the cash position at any point in time.

The following are the contractual undiscounted cash flows of financial liabilities, including estimated finance costs and excluding the impact of netting agreements:

	Contractual cash flows (including finance costs)			
	Total \$'000	Within 1 year \$'000	Within 1 to 5 years \$'000	More than 5 years \$'000
Group				
2022				
Non-derivative financial liabilities				
Bank borrowings	(1,674,302)	(225,785)	(1,254,827)	(193,690)
Lease liabilities	(15,305)	(300)	(8,613)	(6,392)
Trade and other payables	(68,984)	(62,646)	(169)	(6,169)
	(1,758,591)	(288,731)	(1,263,609)	(206,251)
Derivative financial instruments				
Forward foreign exchange contracts				
- Outflow	(117,505)	(92,602)	(24,903)	-
- Inflow	126,828	100,134	26,694	-
Interest rate swaps	56,800	14,822	41,590	388
	66,123	22,354	43,381	388
2021				
Non-derivative financial liabilities				
Bank borrowings	(1,358,967)	(173,488)	(682,116)	(503,363)
Lease liabilities	(12,903)	(4,581)	(8,322)	-
Trade and other payables	(50,143)	(50,143)	-	-
	(1,422,013)	(228,212)	(690,438)	(503,363)
Derivative financial instruments				
Forward foreign exchange contracts				
- Outflow	(212,921)	(164,126)	(48,795)	-
- Inflow	216,891	166,349	50,542	-
Interest rate swaps	(31,280)	(7,495)	(19,774)	(4,011)
	(27,310)	(5,272)	(18,027)	(4,011)

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Year ended 31 December 2022

29 Financial Risk Management (continued)

Liquidity risk (continued)

	Contractual cash flows (including finance costs)			
	Total \$'000	Within 1 year \$'000	Within 1 to 5 years \$'000	More than 5 years \$'000
Trust				
2022				
Non-derivative financial liabilities				
Loans from subsidiaries	(1,420,056)	(189,733)	(1,037,021)	(193,302)
Lease liabilities	(8,525)	(208)	(8,317)	-
Trade and other payables	(21,713)	(21,713)	-	-
	(1,450,294)	(211,654)	(1,045,338)	(193,302)
Derivative financial instruments				
Forward foreign exchange contracts				
- Outflow	(117,505)	(92,602)	(24,903)	-
- Inflow	126,828	100,134	26,694	-
	9,323	7,532	1,791	-
2021				
Non-derivative financial liabilities				
Loans from subsidiaries	(1,284,080)	(176,912)	(599,794)	(507,374)
Lease liabilities	(8,525)	(203)	(8,322)	-
Trade and other payables	(21,429)	(21,429)	-	-
	(1,314,034)	(198,544)	(608,116)	(507,374)
Derivative financial instruments				
Forward foreign exchange contracts				
- Outflow	(212,921)	(164,126)	(48,795)	-
- Inflow	216,891	166,349	50,542	-
	3,970	2,223	1,747	-

Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Group's profit or loss. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

The Group's exposure to market risk for changes in interest rate environment relates mainly to its credit facilities.

	Group	
	2022 \$'000	2021 \$'000
Fixed rate instruments		
Interest rate swaps (Notional)	(978,349)	(959,757)
Lease liabilities	(12,646)	(12,104)
Variable rate instruments		
Bank borrowings	(1,464,792)	(1,289,580)
Interest rate swaps (Notional)	978,349	959,757

The Group enters into interest rate swap agreements to mitigate the interest rate risk exposure arising from its SGD, EUR, GBP, AUD and RMB variable rate term loans (Note 16).

As at the end of the financial year, the Group has interest rate swap agreements with notional amount totalling \$ 978,349,000 (2021: \$959,757,000) whereby it receives variable rates equal to SORA, EURIBOR, SONIA, BBSW and 1Y LPR (2021: SORA, EURIBOR, SONIA, BBSW and 1Y LPR) and pays fixed rates of interest. The all-in fixed interest rates ranges between 1.01% and 4.68% (2021: 1.01% and 4.68%) on the notional amount. These interest rate swap agreements are held for hedging interest rate risk arising from variable rate borrowings, with interest rates based on SORA, EURIBOR, SONIA, BBSW and 1Y LPR (2021: SORA, EURIBOR, SONIA, BBSW and 1Y LPR). This amounts to 74% (2021: 74%) of the Group's total amount of borrowings.

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial asset and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore a change in interest rates at the reporting date would not affect the statement of profit and loss.

Cash flow sensitivity analysis for variable rate instruments

The Group manages interest risks by using interest rate swaps (Note 11). The details of the interest rates relating to interest-bearing financial liabilities are disclosed in Note 16.

As at 31 December 2022 and 31 December 2021, the Group is not exposed to significant floating interest rate risk since its floating rate bank borrowings are substantially hedged with interest rate swaps. The Group has applied hedge accounting in order to manage volatility in profit or loss.

As at 31 December 2022 and 31 December 2021, the Trust is not exposed to significant floating interest rate risk.

Derivatives assets and liabilities designated as cash flow hedges

The following table indicates the periods in which the cash flows associated with cash flow hedges are expected to occur and the fair value of the related hedging instruments.

	Carrying amount \$'000	Expected cash flows \$'000	Within 1 year \$'000	Within 1 to 5 years \$'000	More than 5 years \$'000
Group					
2022					
Interest rate swaps					
Assets	48,966	60,053	15,442	42,092	2,519
Liabilities	(2,180)	(3,253)	(620)	(502)	(2,131)
	46,786	56,800	14,822	41,590	388
2021					
Interest rate swaps					
Assets	2,207	(8,102)	(1,791)	(5,228)	(1,083)
Liabilities	(5,865)	(23,178)	(5,704)	(14,546)	(2,928)
	(3,658)	(31,280)	(7,495)	(19,774)	(4,011)

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29 Financial Risk Management (continued)

Foreign currency risk

The Group operates across multiple jurisdictions and is exposed to various currencies, particularly AUD, EUR, GBP and RMB.

The Group manages its foreign currency risk, whenever possible, by borrowing in the currency of the country in which the property or investment is located or by borrowing in currencies that match the future revenue stream to be generated from its investments.

Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

In relation to its overseas investments in its foreign subsidiaries whose net assets are exposed to currency translation risk and which are held for long term investment purposes, the differences arising from such translation are captured under the foreign currency translation reserve. These translation differences are reviewed and monitored on a regular basis.

The Group's exposure to fluctuations in foreign currency rates relates primarily to its receivables, borrowings and payables that are denominated in a currency other than the presentation currency of the Group. The Group has material receivables, borrowings and payables denominated in foreign currencies in AUD, EUR, GBP and RMB. To hedge against the volatility of future cash flows caused by changes in foreign currency rates, the Group utilises forward foreign currency contracts to mitigate the Group's exposure to specific currency risks relating to receivables and payables.

As at the end of the financial year, the Group and Trust has outstanding forward foreign exchange contracts with notional amounts totalling \$126.8 million (2021: \$212.9 million). The net positive fair value of forward foreign exchange contracts is \$8.4 million (2021: \$4.0 million) comprising assets of \$8.4 million (2021: \$ 4.3 million) and liabilities of Nil (2021: \$0.3 million). These amounts are recognised as derivative financial instruments in Note 11.

Exposure to currency risk:

The summary of quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

	2022				2021			
	AUD \$'000	EUR \$'000	GBP \$'000	RMB \$'000	AUD \$'000	EUR \$'000	GBP \$'000	RMB \$'000
Group								
Cash and cash equivalents	24,177	37,447	11,513	11,231	30,376	54,472	15,179	7,454
Trade receivables and other receivables	3,897	21,464	1,119	5,266	5,029	21,939	345	14,360
Deposits	-	-	-	13,896	-	-	10,402	-
Bank borrowings	(89,439)	(561,692)	(164,088)	(163,355)	(94,768)	(611,456)	(87,806)	(85,800)
Trade payables and other payables	(3,231)	(14,798)	(826)	(16,115)	(2,254)	(35,625)	(2,269)	(4,035)
Add: Firm commitments and highly probable forecast transactions in foreign currencies	18,215	51,479	12,940	44,194	21,664	80,447	110,810	-
Less: Forward exchange contracts	(18,215)	(51,479)	(12,940)	(44,194)	(21,664)	(80,447)	(110,810)	-
Add: Borrowings designated as net investment hedge of foreign operations	89,439	561,692	164,088	163,355	94,768	611,456	87,806	85,800
Net exposure	24,843	44,113	11,806	14,278	33,151	40,786	23,657	17,779

The summary of quantitative data about the Trust's exposure to currency risk as reported to the management of the Trust is as follows:

	2022			2021		
	AUD \$'000	EUR \$'000	GBP \$'000	AUD \$'000	EUR \$'000	GBP \$'000
Trust						
Cash and cash equivalents	16,601	16,918	8,633	22,246	27,935	13,042
Trade receivables and other receivables	4,628	259	246	4,927	1,093	10,575
Trade payables and other payables	(597)	(1,677)	(1,283)	(628)	(1,032)	(1,100)
Loans from subsidiaries	(89,439)	(561,692)	(164,088)	(94,768)	(611,456)	(87,806)
Loans to subsidiaries	115,660	196,221	-	122,552	213,302	-
Add: Firm commitments and highly probable forecast transactions in foreign currencies	18,215	51,479	12,940	21,664	80,447	110,810
Less: Forward exchange contracts	(18,215)	(51,479)	(12,940)	(21,664)	(80,447)	(110,810)
Net exposure	46,853	(349,971)	(156,492)	54,329	(370,158)	(65,289)

Sensitivity analysis:

A 10% (2021: 10%) strengthening of the Group's presentation currency against the following foreign currencies at the reporting date would increase/(decrease) the Group and Trust's profit or loss as at the reporting date by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Group		Trust	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
AUD	(2,484)	(3,315)	(4,685)	(5,433)
EUR	(4,411)	(4,079)	34,997	37,016
GBP	(1,181)	(2,366)	15,649	6,529
RMB	(1,428)	(1,778)	-	-
	(9,504)	(11,538)	45,961	38,112

A 10% (2021: 10%) weakening of the Group's presentation currency against the above currencies would have an equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Financial instruments by category

The carrying amount of the different categories of financial instruments are as follows:-

	Group		Trust	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Financial assets at amortised cost	352,888	352,486	197,821	209,542
Financial liabilities at amortised cost	1,525,293	1,333,171	1,323,150	1,225,209

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Year ended 31 December 2022

29 Financial Risk Management (continued)

Climate risk

The effects of climate change are increasingly apparent globally and gaining attention from countries to corporates. Understanding and addressing climate-related impacts is crucial to ensuring the business remains sustainable and resilient. In this regard, the Group is focused on strengthening the portfolio (covering all significant colocation assets) and operational capabilities against climate change risks, as well as assessing potential opportunities the Group can capitalise on as the world endeavours to transit to a low-carbon economy.

The Taskforce on Climate-related Financial Disclosures (TCFD) has classified climate-related risks into two categories – physical risks and transition risks.

Firstly, physical risks that arise from changes in the climate can be event driven or can emerge as a result of longer-term shifts. The Manager continues to maintain appropriate level of insurance and schedule regular maintenance to ensure the resilience and durability of the building and equipment, in response to risks such as extreme precipitation and weather.

Secondly, transition risks are business-related risks that follow societal and economic shifts in market preferences, norms and technology towards a low-carbon and more climate-sensitive economy. Governments globally have been taking steps such as increasing price of carbon and stricter building regulations. Examples of mitigating responses include optimising building energy consumption through the adoption of energy-efficient equipment, technologies and sustainable building designs, as well as be fully compliant with current regulations with most properties being green certified with high standards of environmental performance.

To bolster the resilience of the Group's portfolio and operations, the Manager continues to evolve its approach to ensure resilience over such climate-related risks. The Manager with the support and guidance of the Environmental, Social and Governance (ESG) Board Committee, reviews the ESG strategy, roadmaps and targets, which includes climate-related targets on emissions and energy, as well as climate change adaptation. The Manager will continue to consider and integrate ESG factors in the Group's strategy formulation and business operations and growth.

30 Fair Value of Assets and Liabilities

Determination of fair values

The following valuation methods and assumptions are used to estimate the fair values of the following significant classes of assets and liabilities:

Investment properties

External, independent valuation companies, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued, value the Group's investment properties portfolio annually. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably.

In the absence of current prices in an active market, the valuations are prepared by considering the estimated rental revenue of the property. A market yield is applied to the estimated rental value to arrive at the gross property valuation. When actual rents differ materially from the estimated rental value, adjustments are made to reflect actual rents.

Valuations reflect, when appropriate, the type of clients actually in occupation or responsible for meeting lease commitments or likely to be in occupation after letting vacant accommodation, the allocation of maintenance and insurance responsibilities between the Group and the lessee, and the remaining economic life of the property. When rent reviews or lease renewals are pending with anticipated reversionary increases, it is assumed that all notices, and when appropriate counter-notices, have been served validly and within the appropriate time.

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of expected future principal and interest cash flows, where the discount rate is computed from the market rate of interest at the reporting date.

Notes receivables

The Manager estimates that the carrying value of the notes receivable approximate their fair value as these notes may be redeemed at par at the option of the borrower prior to their maturity dates on any interest payment date.

Other financial assets and liabilities

The carrying amounts of financial assets and financial liabilities with a maturity of less than one period (including trade and other receivables, cash and cash equivalents and trade and other payables) are assumed to approximate their fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine their fair values.

The carrying amounts of the Trust's interest-bearing amounts owing by subsidiaries are assumed to approximate their fair values because of the short period to maturity.

Fair value hierarchy

The table below analyses fair value measurements for financial assets, financial liabilities and non-financial assets carried at fair value. The different levels are defined as follows:

- Level 1:* quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2:* inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3:* unobservable inputs for the asset or liability.

Assets and liabilities carried at fair value

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Group				
2022				
Derivative financial assets	–	57,357	–	57,357
Investment properties	–	–	3,639,453	3,639,453
	–	57,357	3,639,453	3,696,810
Derivative financial liabilities	–	(2,180)	–	(2,180)
2021				
Derivative financial assets	–	6,494	–	6,494
Investment properties	–	–	3,401,436	3,401,436
	–	6,494	3,401,436	3,407,930
Derivative financial liabilities	–	(6,182)	–	(6,182)
Trust				
2022				
Derivative financial assets	–	8,391	–	8,391
Investment properties	–	–	530,228	530,228
	–	8,391	530,228	538,619
2021				
Derivative financial assets	–	4,287	–	4,287
Investment properties	–	–	526,726	526,726
	–	4,287	526,726	531,013
Derivative financial liabilities	–	(317)	–	(317)

There were no transfers between levels of the fair value hierarchy during the years ended 31 December 2022 and 31 December 2021.

Movement in Level 3 fair values of investment properties for the financial year is as shown in Note 4.

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Year ended 31 December 2022

30 Fair Value of Assets and Liabilities (continued)

Assets and liabilities carried at fair value (continued)

Level 3 fair values

The following table shows the valuation techniques and the significant unobservable inputs used in the determination of fair value.

Valuation method	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investment properties – data centres		
Capitalisation approach	Capitalisation rate: 3.96% to 11.55% (2021: 4.40% to 9.31%)	The estimated fair value varies inversely against the capitalisation rate.
Discounted cash flow approach	Discount rate: 4.88% to 10.50% (2021: 5.50% to 11.25%) Terminal yield rate: 4.00% to 8.25% (2021: 5.49% to 10.50%)	The estimated fair value varies inversely against the discount rate and terminal yield rate.

Fair value

The basis for fair value measurement of financial assets and liabilities is set out above. The carrying amounts of other financial assets and liabilities approximate their fair values.

Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value

The Manager has determined that the carrying amounts of cash and bank balances, note receivables, trade and other receivables, deposits, trade and other payables and current bank borrowings reasonably approximate their fair values.

The fair values of non-current fixed-rate bank borrowings as at 31 December 2022 and 31 December 2021 are as stated below. They are estimated using discounted cash flows analyses based on current rates for similar types of borrowing arrangements.

Group	2022		2021	
	Carrying value \$'000	Fair value \$'000	Carrying value \$'000	Fair value \$'000
Bank borrowings (non-current)	106,215	94,815	–	–

31 Leases

Nature of the leasing activities

The Group as a lessee

The right-of-use assets relating to the leasehold lands presented under Investment Properties (Note 4) are stated at fair value and have carrying amounts at balance sheet date of \$12,717,000 (2021: \$12,104,000).

There is no externally imposed covenant on these lease arrangements.

Future cash outflow which are not capitalised in lease liabilities

The leases for certain leasehold lands contain extension periods, for which the related lease payments had not been included in lease liabilities as the Group is not reasonably certain to exercise these extension option. The Group negotiates extension options to optimise operational flexibility in terms of managing the assets used in the Group's operations. The majority of the extension options are exercisable by the Group and not by the lessor.

The Group as a lessor

Leasehold property

The Group have leased out their owned investment properties to a third party for monthly lease payments. Where considered necessary to reduce credit risk, the Group may obtain bank guarantees for the term of the lease. This lease is classified as an operating lease because the risk and rewards incidental to ownership of the assets are not substantially transferred.

Rental income from investment properties are disclosed in Note 22.

Undiscounted lease payments from the operating leases to be received after the reporting date are as follows:

Operating leases under SFRS (I) 16	Group		Trust	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Less than one year	177,919	163,744	10,150	9,854
One to two years	164,194	156,326	9,895	10,150
Two to three years	150,826	143,455	–	9,895
Three to four years	133,112	131,725	–	–
Four to five years	116,981	114,915	–	–
More than five years	676,277	610,317	–	–
Total undiscounted lease payment	1,419,309	1,320,482	20,045	29,899

32 Related Party Transactions

For the purpose of these financial statements, parties are considered to be related to the Group when the Group has the ability, whether directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions or vice-versa, or where the Group and the party are subject to common control or with a Unitholder that has significant influence. Other than disclosed elsewhere in the financial statements, the following are significant transactions with related parties on terms agreed between the parties.

	Group	
	2022 \$'000	2021 \$'000
Fixed rental income from related corporations	30,473	28,902
Variable rental income from related corporations	91,447	99,678
Management base fees to the Manager	(17,741)	(15,375)
Management performance fees to the Manager	(8,598)	(8,411)
Acquisition and development management fees to the Manager	(2,622)	(4,563)
Divestment fees to the Manager	–	(172)
Facility management fees to related corporations	(3,695)	(4,027)
Project management fees to a related corporation	(102)	(475)
Support services fee to a related corporation	(615)	(468)
Interest expense to a related corporation	–	(988)
Interest income from a joint venture	8,060	223
Investment in notes and preference shares in a joint venture	–	89,700

Notes to the Financial Statements

Year ended 31 December 2022

33 Commitments and Contingencies

Capital commitments

In June 2022, Keppel DC REIT entered into an agreement to acquire Guangdong DC 3, in 7 Bluesea Intelligence Valley, Shaping Street, Heshan, Jiangmen, Guangdong Province, People's Republic of China for \$133.2 million¹ (RMB 690.3 million) on a fully fitted basis.

Guangdong DC 3 will be fitted out, with its expected completion to take place by the third quarter of 2023. On 12 August 2022, the Group paid \$19.3 million (RMB 100.0 million) for the initial tranche of payment, with the remaining \$127.4 million to be paid when the fit-out works are completed.

In September 2022, Keppel DC REIT entered into a Supplemental Deed to supplement the existing master lease agreement dated 12 April 2016 with the master lessee in DC1 where after the completion of the fit-out works, there will be rental uplift. Keppel DC REIT shall pay up to \$7.8 million to fund the costs of the additional core M&E.

In December 2021, Keppel DC REIT entered into an agreement to acquire a shell and core data centre facility in Bracknell, United Kingdom, for \$104.0 million (GBP 57.0 million). The REIT paid a deposit of \$10.4 million (GBP 5.7 million), with the remaining \$93.6 million (GBP 51.3 million) to be paid upon legal completion.

¹ The purchase consideration of Guangdong DC 3 inclusive of VAT amounts to \$146.7 million (RMB 760.0 million).

34 Financial Ratios

	Group	
	2022 %	2021 %
Expenses to average net assets ²		
- including asset management fees	1.30	1.50
- excluding asset management fees	0.18	0.35

	Group	
	2022	2021
Operating expenses ³ (\$'000)	86,133	80,235
Operating expenses ³ to net asset value as at 31 December (%)	3.65	3.87

² The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). The calculation of the expense ratio was based on total expenses of the Group divided by the average net asset value for the year. The expenses used in the computation exclude property expenses, finance costs, foreign exchange gains/losses, gains/losses from derivatives and tax expenses. The average net asset value is based on the month-end balances.

³ The operating expenses include property expenses, the Manager's management fees, trustee's fees and all other fees and charges paid to interested persons as well as taxation incurred.

35 Operating Segments

The Group has 23 (2021: 20) investment properties, as described in the portfolio statement in three reportable segments. The various investment properties are managed separately given the different geographic locations. For each of the investment properties, the Manager reviews internal management reports at least on a quarterly basis.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit or loss before tax, as included in the internal management reports that are reviewed by the Manager. Segment return is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Information about reportable segments

By type of asset

	2022			Total \$'000
	Colocation \$'000	Fully-fitted \$'000	Shell and core \$'000	
Gross revenue	170,722	69,708	36,892	277,322
Net property income	148,667	69,066	34,812	252,545
Finance income	715	479	–	1,194
Finance costs	(11,851)	(10,715)	(6,329)	(28,895)
Net change in fair value of financial assets at fair value through profit or loss	–	–	(377)	(377)
Net change in fair value of investment properties	45,472	22,507	310	68,289
Reportable segment profit before tax	182,484	80,464	26,262	289,210
Unallocated amounts:				
- Finance income				8,060
- Finance costs				(2,177)
- Other corporate expenses				(29,925)
Profit before tax				265,168
Segment assets	2,175,408	979,366	729,290	3,884,064
Other unallocated amounts				223,599
Consolidated assets				4,107,663
Segment liabilities	588,926	567,475	425,181	1,581,582
Other unallocated amounts				69,163
Consolidated liabilities				1,650,745
Other segment items:				
Capital expenditure/net additions	42,696	2,616	9,901	55,213

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Year ended 31 December 2022

35 Operating Segments (continued)

Information about reportable segments (continued)

By type of asset (continued)

	2021			
	Colocation \$'000	Fully-fitted \$'000	Shell and core \$'000	Total \$'000
Gross revenue	184,287	55,819	30,959	271,065
Net property income	163,088	56,070	28,996	248,154
Finance income	208	125	–	333
Finance costs	(11,077)	(5,935)	(3,564)	(20,576)
Net change in fair value of financial assets at fair value through profit or loss	(2,723)	–	–	(2,723)
Net change in fair value of investment properties	122,727	29,727	(1,081)	151,373
Reportable segment profit before tax	283,770	81,035	7,613	372,418
Unallocated amounts:				
- Finance income				225
- Finance costs				(639)
- Other corporate expenses				(21,255)
Profit before tax				350,749
Segment assets	2,124,693	841,964	627,735	3,594,392
Other unallocated amounts				185,758
Consolidated assets				3,780,150
Segment liabilities	592,474	407,772	366,065	1,366,311
Other unallocated amounts				78,163
Consolidated liabilities				1,444,474
Other segment items:				
Capital expenditure/net additions	22,959	58,590	8,260	89,809

By geographical area

	Group	
	2022 \$'000	2021 \$'000
Gross revenue		
- Singapore	147,619	157,414
- Australia	24,363	28,607
- Ireland	31,807	32,449
- China	19,381	564
- Germany	17,540	19,184
- The Netherlands	15,965	15,762
- Other countries	20,647	17,085
Total gross revenue	277,322	271,065
Investment properties		
- Singapore	1,976,917	1,902,103
- Australia	324,654	326,458
- Ireland	292,800	291,908
- China	282,629	148,005
- Germany	255,057	279,486
- The Netherlands	238,559	257,748
- Other countries	268,837	195,728
Total carrying value of investment properties	3,639,453	3,401,436

Major customers

Gross revenue of approximately \$121.7 million (2021: \$129.9 million) is derived from one client from Singapore (2021: Singapore).

36 Subsequent Event

On 31 January 2023, the Manager declared a distribution of 5.165 cents per Unit for the period from 1 July 2022 to 31 December 2022.

Corporate Governance

The board and management of Keppel DC REIT Management Pte. Ltd., the manager of Keppel DC REIT (the "Manager"), are fully committed to good corporate governance as they firmly believe that it is essential in protecting the interests of the unitholders of Keppel DC REIT (the "Unitholders"). Good corporate governance is also critical to the performance and success of the Manager.

The Manager adopts the Code of Corporate Governance 2018 issued by the Monetary Authority of Singapore on 6 August 2018, as amended from time to time (the "2018 Code") as its benchmark for corporate governance policies and practices. The following sections describe the Manager's main corporate governance policies and practices, with specific reference to the 2018 Code and its accompanying Practice Guidance. The Manager is pleased to share that Keppel DC REIT has complied with the principles of the 2018 Code and complied in all material aspects with the provisions and practices in the 2018 Code. Where there are deviations from the provisions of the 2018 Code, appropriate explanations have been provided in this Annual Report.

The Manager of Keppel DC REIT

The Manager has general powers of management over the assets of Keppel DC REIT. The Manager's main responsibility is to manage the assets and liabilities of Keppel DC REIT for the benefit of Unitholders. The Manager manages the assets of Keppel DC REIT with a focus on generating rental income and enhancing asset value over time so as to optimise the returns from investments, and ultimately the distributions and total returns to Unitholders.

The primary role of the Manager is to set the strategic direction of Keppel DC REIT and make recommendations to Perpetual (Asia) Limited as trustee of Keppel DC REIT (the "Trustee") on the acquisitions to, and divestments from, Keppel DC REIT's portfolio of assets, as well as enhancement of the assets of Keppel DC REIT, in accordance with its investment strategy. The research, analysis and evaluation required to achieve this is carried out by the Manager. The Manager is also responsible for the risk management of Keppel DC REIT.

The Manager uses its best endeavours to carry on and conduct its business in a proper and efficient manner and to conduct all transactions with, or for Keppel DC REIT, at arm's length.

Other functions and responsibilities of the Manager include:

- (a) developing a business plan for Keppel DC REIT with a view to maximise the distributable income of Keppel DC REIT;
- (b) acquiring, selling, leasing, contracting, licensing, entering into colocation arrangements for the use of colocation space or otherwise dealing with any real estate in furtherance of the investment policy and prevailing investment strategy that the Manager has for Keppel DC REIT;
- (c) supervising and overseeing the management of Keppel DC REIT's properties (including lease and facility management, systems control, data management, business plan implementation and implementation of sustainability solutions);
- (d) undertaking regular individual asset performance analysis and market research analysis;
- (e) managing the finances of Keppel DC REIT, including accounts preparation, capital management, co-ordination of the budget process, forecast modeling, performance analysis and reporting, corporate treasury functions and ongoing financial market analysis;
- (f) ensuring compliance with the applicable provisions of the Companies Act, the Securities and Futures Act and all other relevant legislation of Singapore, the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX"), the Code on Collective Investment Schemes (including the Property Funds Appendix) issued by the Monetary Authority of Singapore ("MAS"), the tax rulings issued by the Inland Revenue Authority of Singapore on taxation of Keppel DC REIT and its Unitholders;
- (g) managing regular communications with Unitholders;
- (h) managing sustainability risks (including environmental, social and governance factors) as part of its decision-making process; and
- (i) supervising the facility managers who perform day-to-day facility management functions (including contracting, accounting, budgeting, marketing, promotion, facility management, maintenance and administration) for Keppel DC REIT's properties, pursuant to the facility management agreements signed for the respective properties.

Keppel DC REIT, constituted as a trust, is externally managed by the Manager. The Manager appoints an experienced and well-qualified management team to run the day-to-day operations of Keppel DC REIT. All directors of the Manager (the "Directors") and employees of the Manager are remunerated by the Manager, and not by Keppel DC REIT.

The Manager is appointed in accordance with the terms of the Deed of Trust dated 17 March 2011 as amended and supplemented by a First Supplemental Deed dated 24 October 2014, a Supplemental Deed of Appointment and Retirement dated 24 October 2014, the First Amending and Restating Deed dated 24 October 2014, the Second Supplemental Deed dated 18 November 2014, the Third Supplemental Deed dated 21 January 2015, the Fourth Supplemental Deed dated 11 March 2016, the Fifth Supplemental Deed dated 17 April 2018, the Sixth Supplemental Deed dated 9 April 2020 and the Seventh Supplemental Deed dated 10 December 2021 (collectively, the "Trust Deed")¹. The Trust Deed outlines certain circumstances under which the Manager can be removed by notice in writing given by the Trustee in favour of a corporation appointed by the Trustee, upon the occurrence of certain events, including if the Unitholders by a resolution duly proposed and passed by a simple majority of Unitholders present and voting at a meeting of Unitholders, with no Unitholder (including the Manager and its related parties) being disenfranchised, vote to remove the Manager.

Board Matters: The Board's Conduct of Affairs

Principle 1:

The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Principle 3:

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The Board of Directors of the Manager (the "Board") is responsible for the overall management and the corporate governance of Keppel DC REIT and the Manager, including establishing goals for management and monitoring the achievement of these goals. The Board puts in place a code of conduct and ethics, sets appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the Manager and Keppel DC REIT.

¹ A copy of the Trust Deed is available for inspection at the registered office of the Manager during usual business hours and Unitholders should make an appointment with the Manager should they wish to do so

Role: The principal functions of the Board are to:

- provide entrepreneurial leadership and decide on matters in relation to Keppel DC REIT's and the Manager's activities of a significant nature, including decisions on strategic direction, guidelines and the approval of periodic plans and major investments and divestments;
- oversee the business and affairs of Keppel DC REIT and the Manager, establish, with management, the strategies and financial objectives (including appropriate focus on value creation, innovation and sustainability) to be implemented by management, and monitor the performance of management and ensure that the Manager has necessary resources to meet its strategic objectives;
- hold management accountable for performance and ensure proper accountability within Keppel DC REIT and the Manager;
- oversee processes for evaluating the adequacy and effectiveness of internal controls, risk management, financial reporting and compliance, and satisfy itself as to the adequacy of such processes;
- be responsible for the governance of risk and ensure that management maintains a sound system of risk management and internal controls, to safeguard the interests of Keppel DC REIT and its stakeholders; and
- assume responsibility for corporate governance and ensure transparency and accountability to key stakeholder groups.

Internal Limits of Authority: The Manager has adopted a set of internal guidelines which sets out the level of authorisation and financial authority limits for investment/ business acquisition and divestment, operating/capital expenditure, capital management, leasing, contracting and write-off of assets and corporate matters. Transactions and matters which require the approval of the Board are clearly set out in the internal guidelines and clearly communicated to management in writing. Appropriate delegations of authority and approval sub-limits are also provided at management level to facilitate operational efficiency.

The Board has reserved authority to approve certain matters including:

- material acquisitions, investments and divestments;
- issuance of new units in Keppel DC REIT ("Units");
- income distributions and other returns to Unitholders; and
- matters which involve conflicts of interest.

Independent Judgement: All Directors are fiduciaries who are expected to act objectively and exercise independent Judgement in the best interests of Keppel DC REIT and hold management accountable for performance. All Directors have discharged this duty consistently well.

Conflicts of Interest: All Directors are required to promptly disclose any conflict of interest, whether direct or indirect, in relation to a transaction or proposed transaction with Keppel DC REIT or the Manager as soon as is practicable after the relevant facts have come to his or her knowledge,

and recuse themselves when the conflict-related matter is discussed unless the Board is of the opinion that his or her presence and participation is necessary to enhance the efficacy of such discussion, and abstain from voting in relation to conflict-related matters. On an annual basis, each Director is also required to submit details of his or her associates for the purpose of monitoring interested persons transactions.

Board Committees: To assist the Board in the discharge of its oversight function, the Audit and Risk Committee ("ARC"), the Nominating and Remuneration Committee ("NRC") and the Environmental, Social and Governance Committee have been constituted with clear written terms of reference, setting out their compositions, authorities and duties, including reporting back to the Board, and play important roles in ensuring good corporate governance. The responsibilities of the Board committees are disclosed in the Appendix hereto.

Meetings: The Board meets at least four times a year and as warranted by particular circumstances to discuss and review the Manager's key activities, including its business strategies and policies for Keppel DC REIT, proposed acquisitions and divestments, the annual budget, the performance of the business and the financial performance of Keppel DC REIT and the Manager. The Board also reviews and approves the release of the financial results. In addition, the Board reviews the risks to the assets of Keppel DC REIT, and acts upon any comments from the internal and external auditors of Keppel DC REIT. Board meetings are scheduled in advance and the scheduled dates are circulated to the Directors prior to the start of the financial year to allow Directors to plan ahead to attend such meetings, so as to maximise participation.

Director	Board Meetings Attended	Audit and Risk Committee Meetings Attended	Nominating and Remuneration Committee Meetings Attended	Environmental, Social and Governance Committee Meetings Attended
Ms Christina Tan	5	-	2	-
Mr Kenny Kwan	5	-	2	-
Mr Lee Chiang Huat	5	4	-	-
Dr Tan Tin Wee	5	-	2	1
Mr Dileep Nair	5	4	2	-
Mr Low Huan Ping	5	4	-	1
Ms Yeo Siew Eng ¹	-	-	-	-
Mr Thomas Pang Thieng Hwi	5	-	-	1
No. of Meetings held in FY 2022	5	4	2	1

¹ Ms Yeo Siew Eng was appointed to the Board on 1 November 2022 and she was appointed as member of the ARC on 30 January 2023.

Corporate Governance

The Manager's constitution permits Board meetings to be held by way of conference via telephone or any other electronic means of communication by which all persons participating are able, contemporaneously, to hear and be heard by all other participants.

The number of Board and Board committee meetings held in FY 2022, as well as the attendance of each Board member at these meetings, are disclosed in the table below.

If a Director is unable to attend a Board or Board committee meeting, he or she still receives all the papers and materials for discussion at that meeting. He or she will review them and will advise the Chairman or Board committee chairman of his or her views and comments on the matters to be discussed so that they can be conveyed to other members at the meeting.

Closed Door Directors' Meetings: Time is also set aside at the end of each scheduled quarterly Board meeting, and as and when required, for closed door discussions without the presence of management to discuss matters such as board processes, corporate governance initiatives, succession planning, and performance management and remuneration matters.

Company Secretaries: The Company Secretaries administer, attend and prepare minutes of Board proceedings. They assist the Chairman to ensure that Board procedures (including but not limited to assisting the Chairman to ensure timely and good information flow to the Board and its Board committees, and between management and the Directors) are followed and regularly reviewed to ensure effective functioning of the Board and that the Manager's constitution and relevant rules and regulations are complied with. They also assist the Chairman and the Board to implement corporate governance practices and processes with a view to enhancing long-term Unitholder value. They are also the primary channel of communication between Keppel DC REIT and the SGX. The appointment and removal of the Company Secretaries are subject to the approval of the Board.

Access to Information: The Board and management fully appreciate that fundamental to good corporate governance is an effective and robust Board whose members engage in open and constructive debate and challenge management on its assumptions and proposals and that for this to happen, the Board must be kept well informed of Keppel DC REIT's businesses and affairs and be knowledgeable about the industry in which the businesses operate.

Management provides the Board with complete, adequate, relevant and accurate information in a timely manner relating to matters to be brought before the Board, prior to Board meetings and on an ongoing basis to enable the Board to make informed decisions and discharge their duties and responsibilities. The information provided to the Board includes financial results, market and business developments, and business and operational information. Such reports keep the Board informed, on a balanced and understandable basis, of Keppel DC REIT's business, performance, business and financial environment, risk and prospects. The financial results are also compared against the budgets, together with explanations given for significant variances for the reporting period. Management also surfaces key risk issues for discussion and confers with the ARC and the Board regularly.

As a general rule, Board papers are required to be distributed to Directors at least seven days before the Board meeting so that the Directors may better understand the matters prior to the Board meeting and discussions may be focused on questions that the Directors may have. Directors are provided with tablet devices to facilitate their access to and review of board materials. However, sensitive matters may be tabled at the meeting itself or discussed without any papers being distributed. Managers who can provide additional insight into the matters at hand would be present at the relevant time during the Board meeting. The Directors also have separate and independent access to management and the Company Secretaries, and are provided with the names and contact details of senior management and the Company Secretaries to facilitate direct access to senior management and the Company Secretaries. The Directors are entitled to request from management, and would be provided with, such additional information as may be needed from time to time in order to make informed decisions. In addition, Directors also have separate and independent access to external advisers (where necessary).

Subject to the approval of the Chairman, the Directors, whether as a group or individually, may seek and obtain independent professional advice to assist them in their duties, at the expense of Keppel DC REIT or the Manager, as appropriate.

The Board reviews the budget on an annual basis, and any material variance between the projections and actual results would be disclosed and explained. A board strategy meeting is organised periodically for in-depth discussion on strategic issues and direction of Keppel DC REIT, to give the Directors a better understanding of Keppel DC REIT and its businesses, and to provide

an opportunity for the Directors to familiarise themselves with the management team so as to facilitate the Board's review of Keppel DC REIT's succession planning.

Director Orientation: A formal letter is sent to newly-appointed Directors upon their appointment explaining their roles, duties, obligations and responsibilities as a Director. All newly-appointed Directors undergo a comprehensive orientation programme which includes management presentations on the businesses and strategic plans and objectives of Keppel DC REIT, as well as site visits.

Training: Changes to laws, regulations, policies, accounting and financial reporting standards and industry-related matters are monitored closely. Where the changes have an important and significant bearing on Keppel DC REIT and its disclosure obligations, the Directors are briefed either during Board meetings, at specially convened sessions or via the circulation of Board papers. The Directors are also provided with opportunities to develop and maintain their skills and knowledge through continuing education in areas such as directors' duties and responsibilities, corporate governance, changes in financial reporting standards, insider trading, changes in the Companies Act or other applicable legislation and industry-related matters, so as to update and refresh them on matters that affect or may enhance their performance as Board or Board committee members. All induction, training and development costs are at the Manager's expense.

Directors who are appointed to the Board from time to time either have prior experience as a director of an issuer listed on the SGX-ST or will undergo the training required under Rule 210(5)(a) of the Listing Manual. Rule 720(7) of the Listing Manual requires all directors of an issuer to undergo training on sustainability matters as prescribed by the SGX. All Directors have undergone the required sustainability training prescribed by the SGX.

Chairman and CEO: The positions of Chairman and Chief Executive Officer ("CEO") are held by two separate persons to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making. The Chairman and CEO are not immediate family members.

The Chairman, with the assistance of the Company Secretaries, schedules meetings and prepares meeting agenda to enable the Board to perform its duties responsibly having regard to the flow of Keppel DC REIT's operations.

The Chairman sets guidelines on and monitors the flow of information from management to the Board to ensure that all material information is provided in a timely manner to the Board for the Board to make good decisions. The Chairman also encourages constructive relations between the Board and management. At Board meetings, the Chairman encourages a full and frank exchange of views, drawing out contributions from all Directors so that the debate benefits from the full diversity of views, in a robust yet collegiate setting.

At annual general meetings ("AGM") and other Unitholders' meetings, the Chairman ensures constructive dialogue between Unitholders, the Board and management. The Chairman sets the right ethical and behavioural tone and takes a leading role in Keppel DC REIT's drive to achieve and maintain a high standard of corporate governance with the full support of the Directors, Company Secretaries and management.

The CEO, assisted by management, makes strategic proposals to the Board and after robust and constructive Board discussion, executes the agreed strategy, manages and develops Keppel DC REIT's businesses and implements the Board's decisions.

The clear separation of roles of the Chairman and CEO provides a healthy professional relationship between the Board and management with clarity of roles and robust deliberations on the business activities of Keppel DC REIT.

Board Matters: Board Composition and Guidance

Principle 2:

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Principle 4:

The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Nominating and Remuneration Committee

The Manager has established the NRC to, among other things, make recommendations to the Board on all Board appointments and oversee the Board and senior management's succession plans and conducting annual review of board diversity, board size, board independence and directors' commitment. The NRC comprises four Directors (including the lead independent director "Lead Independent Director", Mr Kenny Kwan), the majority of

whom, including the Chairman of the NRC, are independent; namely:

Dr Tan Tin Wee	Chairman
Mr Kenny Kwan	Member
Ms Christina Tan	Member
Mr Dileep Nair	Member

The responsibilities of the NRC are disclosed in the Appendix hereto. In addition, Provision 3.3 of the 2018 Code recommends appointing an independent director to be the lead independent director in certain circumstances, including where the Chairman is not independent. As such, Mr Kenny Kwan was appointed as Lead Independent Director of the Board in November 2020.

Mr Kenny Kwan as the Lead Independent Director provides leadership among the Directors in a way that enhances the objectivity and independence of the Board and he acts as an additional conduit to the Board for communicating Unitholder concerns when the normal channels are not able to resolve the matter or when the result is not appropriate or adequate. Questions or feedback may be submitted via email to the Lead Independent Director at investor_relations@keppeldcreit.com. The Lead Independent Director may also arrange and chair periodic meetings with other independent directors as and when required, without the presence of management and provides feedback to the Chairman.

Process for Appointment of New Directors and Succession Planning for the Board

The NRC is responsible for reviewing the succession plans for the Board (in particular, the Chairman). In this regard, it has put in place a formal process for the renewal of the Board and the selection of new Directors. The NRC leads the process and makes recommendations to the Board as follows:

- the NRC reviews annually the balance and diversity of skills, experience, gender, age and knowledge required by the Board and the size of the Board which would facilitate decision-making;
- in light of such review and in consultation with management, the NRC assesses if there is any inadequate representation in respect of those attributes and if so, prepares a description of the role and the essential and desirable competencies for a particular appointment;
- external help (for example, the Singapore Institute of Directors, search consultants, open advertisement) to be used to source for potential candidates if need be. Directors and management may also make suggestions;

- the NRC meets with the shortlisted candidates to assess suitability and to ensure that the candidate(s) is/are aware of the expectations and the level of commitment required; and
- the NRC makes recommendations to the Board for approval.

The Board believes that orderly succession and renewal is achieved as a result of careful planning, where the appropriate composition of the Board is continually under review.

Criteria for Appointment of New Directors

All new appointments are subject to the recommendations of the NRC based on the following objective criteria:

- Integrity;
- Independent mindedness;
- Diversity – possess core competencies that meet the current needs of Keppel DC REIT and the Manager and complement the skills and competencies of the existing Directors on the Board;
- Able to commit time and effort to carry out duties and responsibilities effectively;
- Track record of making good decisions;
- Experience in high-performing corporations or property funds; and
- Financially literate.

Endorsement by Unitholders of Appointment of Directors

Keppel Capital Holdings Pte. Ltd. ("Keppel Capital") and Keppel Telecommunications & Transportation Ltd ("Keppel T&T") have on 1 July 2016 provided an undertaking to the Trustee (the "Undertaking") to provide Unitholders with the right to endorse the appointment of each of the Directors by way of an ordinary resolution at the AGM. Pursuant to the Undertaking, Keppel Capital undertakes to the Trustee:

- to procure the Manager to seek Unitholders' re-endorsement for the appointment of each Director no later than every third AGM after the relevant general meeting at which such Director's appointment was last endorsed or re-endorsed, as the case may be;
- (where a person is appointed as Director, either to fill a vacancy or as an addition to the existing Directors, at any time) to procure the Manager to seek Unitholders' endorsement for his or her

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appointment as a Director at the next AGM immediately following his or her appointment; and

- (c) to procure any person whose appointment as a Director has not been endorsed or re-endorsed (as the case may be) by the Unitholders at the relevant general meeting where the endorsement or re-endorsement (as the case may be) for his or her appointment was sought, to resign or otherwise be removed from the Board either (i) within 21 days from the date of the relevant general meeting or (ii) in the event that the Board determines that a replacement Director has to be appointed, no later than the date when such replacement Director is appointed, and the regulatory approval for such appointment (if any) has been obtained.

The endorsement or re-endorsement from Unitholders of any appointment of any person as a Director shall be by way of an ordinary resolution passed at the relevant general meeting. The Undertaking shall not restrict the Manager or Keppel Capital from appointing any Director from time to time in accordance with applicable laws and regulations (including any applicable rules of SGX) and the constitution of the Manager.

The Undertaking shall remain in force for so long as (i) Keppel Capital continues to hold shares in the Manager; and (ii) Keppel DC REIT Management Pte. Ltd. remains as the manager of Keppel DC REIT.

As Ms Yeo Siew Eng was first appointed to the Board on 1 November 2022, the Manager is seeking the endorsement of her appointment at the AGM to be held in 2023. In addition, the Manager is also seeking the re-endorsement of the appointments of Ms Christina Tan and Mr Lee Chiang Huat at the AGM to be held in 2023, as their appointments were last endorsed by Unitholders on 1 June 2020.

The NRC recommends the endorsement and re-endorsement of Directors to the Board, having regard to the Director's skills, experience, profile, contribution and performance (such as attendance, preparedness, participation and candour), with reference to the results of the assessment of the performance of the individual Director.

Alternate Director

The Manager has no alternate directors on the Board.

Board Diversity

The Manager recognises that diversity in relation to composition of the Board provides a range of perspectives, insights

and challenge needed to support good decision-making for the benefit of Keppel DC REIT, and is committed to ensuring that the Board comprises directors who, as a group, provide an appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity (such as gender and age) so as to promote the inclusion of different perspectives and ideas, mitigate against groupthink, foster constructive debate and ensure that Keppel DC REIT has the opportunity to benefit from all available talent.

It is paramount that the Manager continues to maintain the appropriate balance and mix of skills, knowledge and experience on the Board to support the needs and long-term sustainability of Keppel DC REIT's and the Manager's businesses. When assessing Board composition or identifying suitable candidates for appointment or re-endorsement to the Board, the Manager will consider candidates on merit against objective criteria set by the Board after having given due regard to the benefits of diversity and the needs of the Board.

The Manager has in place a Board Diversity Policy that sets out the framework and approach for the Board to set its qualitative and measurable quantitative objectives for achieving diversity, and to annually assess the progress in achieving these objectives.

The Board will, taking into consideration the recommendations of the NRC, review and agree annually the qualitative and measurable quantitative objectives for achieving diversity on the Board. At the recommendation of the NRC and in recognition of the merits of gender diversity, the Board has committed to (i) maintaining at least 25% of female board representation; and (ii) ensuring that the NRC will endeavour to include female candidates for consideration when identifying suitable candidates for new appointments to the Board. As at 31 December 2022, with the appointment of Ms Yeo Siew Eng to the Board in addition to Ms Christina Tan, the Board has achieved the objective of at least 25% female board representation as there are two female Directors out of a total of eight Directors on the Board.

Annual Review of Board Size and Composition

The Board consists of eight members, majority of whom (six members) are non-executive independent Directors.

The NRC is of the view that, taking into account the nature and scope of Keppel DC REIT's operations, the present Board size is appropriate and facilitates effective decision making.

The nature of the Directors' appointments on the Board and details of their Board committee membership are set out in the Appendix hereto.

The NRC has recently conducted its assessment in January 2023 and is satisfied that the Board and the Board committees comprise Directors who as a group provide an appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate. The NRC is also satisfied that the Directors, as a group, possess core competencies such as accounting or finance, legal and regulatory, business or management experience, industry knowledge, strategic planning experience and customer-based experience or knowledge, required for the Board and the Board committees to be effective.

The composition of the Board is also determined using the following principles:

- (a) the Chairman of the Board should be a non-executive Director of the Manager;
- (b) the Board comprises Directors with a broad range of commercial experience including expertise in fund management, audit and accounting and the property industry; and
- (c) at least one-third of the Board comprises independent Directors.

Further, in accordance with Provision 2.2 of the 2018 Code, at least a majority of the Board should comprise independent Directors where the Chairman is not an independent director.

The composition is reviewed regularly to ensure that the Board has the appropriate mix of expertise and experience.

Board Independence

The Board determines on an annual basis, taking into account the views of the NRC, whether or not a Director is independent, bearing in mind the 2018 Code's definition of an "independent director" and guidance as to relationships the existence of which would deem a Director not to be independent, as well as the independence criteria under the Securities and Futures (Licensing and Conduct of Business) Regulations ("SF(LCB) Regulations").

Under the 2018 Code, a Director who is independent in conduct, character and judgement, and has no relationship with the Manager, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the

Director's independent business judgement in the best interests of Keppel DC REIT, is considered to be independent. In addition, under the SF(LCB) Regulations, an independent Director is one who:

- (a) is independent from the management of the Manager and Keppel DC REIT;
- (b) is independent from any business relationship with the Manager and Keppel DC REIT;
- (c) is independent from every substantial shareholder of the Manager, and every substantial unitholder of Keppel DC REIT;
- (d) is not a substantial shareholder of the Manager, or a substantial unitholder of Keppel DC REIT; and
- (e) has not served as a director of the Manager for a continuous period of nine years or longer.

Taking into account the views of the NRC, the Board has determined that:

- (a) Mr Kenny Kwan (i) has been independent from the management of the Manager and Keppel DC REIT; and (ii) has not been a substantial shareholder of the Manager or a substantial unitholder of Keppel DC REIT. The Board has also determined that Mr Kenny Kwan shall nevertheless be considered independent notwithstanding that he is a partner of Baker & McKenzie.Wong & Leow which is one of the Singapore law firms providing legal services to the Keppel Group. Taking into consideration (A) Mr Kenny Kwan having declared that (i) he does not hold a substantial partnership interest (less than 5%) in Baker & McKenzie.Wong & Leow; and (ii) he has not provided any legal services to Keppel DC REIT; (B) he is not in any employment relationship with the Keppel Group and is not under any obligation to act in accordance with the directions, instructions or wishes of the Keppel Group; and (C) the instances of constructive challenge and probing of management by Mr Kenny Kwan at the Board and the Board committee meetings of the Manager, the Board is satisfied that Mr Kenny Kwan is able to act in the best interests of all the Unitholders as a whole;
- (b) each of Mr Lee Chiang Huat, Dr Tan Tin Wee, Mr Dileep Nair, Mr Low Huan Ping and Ms Yeo Siew Eng (i) has been independent from management and business relationships with the Manager and Keppel DC REIT; (ii) has not been a

substantial shareholder of the Manager or a substantial unitholder of Keppel DC REIT; and (iii) has been independent from every substantial shareholder of the Manager and substantial unitholder of Keppel DC REIT; and

- (c) Ms Christina Tan and Mr Thomas Pang are not considered independent from Keppel Corporation. Ms Christina Tan is the Chief Executive Officer of Keppel Capital and Mr Thomas Pang is the Chief Executive Officer of Keppel T&T, both being related corporations of Keppel Corporation.

As at the last day of FY 2022, none of the Directors have served on the Board for continuous period of nine years or longer.

For purposes of transparency, Mr Kenny Kwan and Mr Low Huan Ping are appointed as directors of M1 Network Private Limited ("NetCo"), which is a joint venture of Keppel DC REIT, and will receive director's fees from NetCo. As NetCo is a joint venture of Keppel DC REIT and not a related corporation of the Manager, such appointment does not affect the assessment of their independence. In addition, it should be noted that each of Mr Kenny Kwan and Mr Low Huan Ping serves as a Keppel DC REIT nominated director on the board of NetCo and in that capacity, each of them acts in the interests of the Unitholders. The appointments to the board of NetCo is also in accordance with the circular dated 10 November 2021 which discloses that Keppel DC REIT is entitled to have 50% board representation on the board of NetCo and the rationale of such appointment is meant to provide Keppel DC REIT with oversight on the performance of NetCo and early line of sight of any issues that may pose credit risks.

The Chairman and CEO are separate persons, the independent Directors currently comprise a majority of the Board, and the Board committees are chaired by and comprise at least a majority of independent Directors. In addition to the foregoing, the Board appointed Mr Kenny Kwan as Lead Independent Director to diligently maintain the high standards of corporate governance. If the Chairman is conflicted, the Lead Independent Director will lead the Board. In addition, the Whistle-Blower Policy provides an independent mechanism for employees and other persons to raise any concerns, and matters under the policy are reported directly to the Chairman of the ARC ("ARC Chairman").

The current Board comprises individuals who are business leaders and professionals with legal, real estate, technology, finance, audit and investment backgrounds. Together, the Board as a group provides an

appropriate balance and diversity of skills with core competencies such as industry knowledge, business and management experience, age, gender (two female Directors), strategic planning and customer-based experience. Their varied backgrounds enable Management to benefit from their diverse expertise and experience to further the interests of Keppel DC REIT and its Unitholders.

Taking into account the strong independent character and diversity of the Board, the NRC is of the view that the Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of Keppel DC REIT.

Annual Review of Directors' Time Commitments

The NRC assesses annually whether a director is able to and has been adequately carrying out his/her duties as a Director. Instead of fixing a maximum number of listed company board representation and/or other principal commitments that a director may have, the NRC assesses holistically whether a director is able to and has been adequately carrying out his/her duties as a Director, taking into account the results of the assessment of the effectiveness of the individual Director, the level of commitment required of the Director's listed company board representations and/or other principal commitments, and the Director's actual conduct and participation on the Board and Board committees, including availability and attendance at regular scheduled meetings and ad-hoc meetings. The NRC is of the view that such an assessment is sufficiently robust to detect and address, on a timely basis, any time commitment issues that may hinder the effectiveness of the directors.

Taking into account the abovementioned factors, the NRC is of the view that each Director has given sufficient time and attention to the affairs of Keppel DC REIT and the Manager and has been able to discharge his/her duties as director effectively.

Key Information regarding Directors

The following key information regarding Directors are set out in the following pages of this Annual Report:

- Pages 12 to 14: Academic and professional qualifications, Board committee served on (as a member or Chairman), date of first appointment as a Director, listed company directorships and other principal commitments both present and past held over the preceding five years and other major appointments, whether appointment is executive or non-executive, whether considered by the Board to be independent;

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- Pages 182 to 184: The information required under Rule 720(6) read with Appendix 7.4.1 of the Listing Manual in respect of Directors whom the Manager is seeking endorsement and re-endorsement by Unitholders at the annual general meeting; and
- Pages 190 to 191: Unitholdings in Keppel DC REIT as at 28 February 2023.

Board Matters: Board Performance

Principle 5:

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The Board has implemented formal processes for assessing the effectiveness of the Board as a whole and of each of its Board committees separately, the contribution by the Chairman and each individual Director to the Board, as well as the effectiveness of the Chairman of the Board.

Independent Coordinator: To ensure that the assessments are done promptly and fairly, the Board has appointed an independent third party (the "Independent Co-ordinator") to assist in collating and analysing the returns of the Board members. Mr Terry Wee, partner at Ernst & Young LLP, was appointed for this role. Mr Terry Wee does not have any other connection with Keppel DC REIT, the Manager or any of its directors.

Formal Process and Performance Criteria:

The evaluation processes and performance criteria are set out in the Appendix hereto.

Objectives and Benefits: The Board assessment exercise provided an opportunity to obtain constructive feedback from each Director on whether the Board's procedures and processes allow him or her to discharge his or her duties effectively and the changes which should be made to enhance the effectiveness of the Board and/or Board committees. The assessment exercise also helped the Directors to focus on their key responsibilities. The individual director assessment exercise allowed for peer review with a view of raising the quality of Board members. It also assisted the Board in evaluating the skills required by the Board, the size and the effectiveness of the Board as a whole.

Remuneration Report

Principle 6:

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Principle 7:

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Principle 8:

The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, performance and value creation.

The composition of the NRC has been set out at the section "Board Matters: Board Composition and Guidance" on page 165. The NRC comprises entirely non-executive Directors, a majority of whom are independent Directors and includes the Lead Independent Director.

The NRC is responsible for ensuring a formal and transparent procedure for developing policy on executive remuneration and for determining the remuneration packages of individual Directors and key management personnel. The NRC assists the Board to ensure that remuneration policies and practices are sound in that they are able to attract, retain and motivate without being excessive, and thereby maximise Unitholder value. The NRC recommends to the Board for endorsement a framework of remuneration (which covers all aspects of remuneration including Directors' fees, salaries, allowances, bonuses and Unit grants) and the specific remuneration packages for each Director and the key management personnel. The NRC also reviews the remuneration of the key management personnel of the Manager and administers the Manager's Unit-based incentive plans. In addition, the NRC reviews the Manager's obligations arising in the event of termination of key management personnel's contract of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

The NRC has access to expert advice from external remuneration consultant(s) where required. In FY 2022, the NRC sought views from external remuneration consultant Willis Towers Watson on market practice and trends, as well as benchmarks against comparable organisations. The NRC undertook a review of the independence and objectivity of the external remuneration consultant through discussions with the external remuneration consultant. The NRC has confirmed that the external remuneration consultant had no relationships with the Manager which would affect their independence and objectivity.

Annual Remuneration Report

Although the remuneration of the Directors and employees of the Manager is paid by the Manager, and not by Keppel DC REIT, the Manager is disclosing the following information on the remuneration of its Directors, CEO and key management personnel.

Policy in respect of Directors' Remuneration

The remuneration of Directors is appropriate to the level of contribution, taking into account factors such as effort, time spent, and responsibilities. Each Director is paid a basic fee and an additional fee for services performed on Board committees. The Chairman of the Board and the chairman of each Board committee are paid a higher fee compared with members of the Board and of such Board committee in view of the greater responsibility carried by that office. The Directors' fee structure is regularly benchmarked with comparable listed companies to ensure that their remuneration is fair and appropriate. The non-executive Directors participated in additional ad-hoc meetings with management during the year and are not paid for attending such meetings.

In FY 2022, the NRC, in consultation with Willis Towers Watson, conducted a review of the FY 2022 non-executive Directors' fee structure. The review took into account a variety of factors, including prevailing market practices, referencing Directors' fees against comparable benchmarks, as well as the roles and responsibilities of the Board and Board committees. Recognising that Directors have ongoing oversight responsibilities towards the Manager, the Directors' fee structure includes payment of Units to Directors. The incorporation of an equity component in the total remuneration of the Directors is intended to achieve the objective of aligning the interests of the Directors with those of Unitholders and the long-term interests of Keppel DC REIT.

Each of the Directors will receive 70% of his or her total Director's fees in cash and the balance 30% in the form of Units. The Director's fees for Ms Christina Tan and Mr Thomas Pang Thieng Hwi will be paid in cash to Keppel Capital and Keppel T&T respectively.

Remuneration Policy in respect of Key Management Personnel

The Manager advocates a performance-based remuneration system that is highly flexible and responsive to the market, corporate and individual performance.

In designing the remuneration structure, the NRC seeks to ensure that the level and mix of remuneration is competitive, relevant and appropriate in achieving a balance between

current versus long-term remuneration and between cash versus equity incentive remuneration, to attract, retain and motivate key management personnel for the longer term.

The current total remuneration structure reflects four key objectives:

- (a) Unitholder alignment: To incorporate performance measures that are aligned to Unitholder's interests
- (b) Long-term orientation: To motivate employees to drive sustainable long-term growth
- (c) Simplicity: To ensure that the remuneration structure is easy to understand and communicate to stakeholders
- (d) Synergy: To facilitate talent mobility and enhance collaboration across businesses

The total remuneration structure comprises three components - annual fixed pay, annual performance bonus and long-term incentive. The annual fixed pay component comprises the annual basic salary plus any other fixed allowances which the Manager benchmarks against the relevant industry market data. The size of the Manager's annual performance bonus pot is mainly determined by Keppel DC REIT's financial and non-financial performance, and is distributed to employees based on their individual performance. The long-term incentive is in the form of two Unit plans, being the Restricted Unit Plan ("RUP") and the Performance Unit Plan ("PUP"). A portion of the annual performance bonus is granted in the form of deferred Units that are awarded under the RUP. The PUP comprises performance targets determined on an annual basis and which vest over a longer term horizon. The RUP and PUP are long term incentive plans of the Manager.

Executives who have greater ability to influence strategic outcomes have a greater proportion of their overall remuneration at risk. The Manager performs regular benchmarking reviews on employees' total remuneration to ensure market

competitiveness. Eligible employees of the Manager are granted existing Units in Keppel DC REIT that are already owned by the Manager. Therefore, no new Units are or will be issued by Keppel DC REIT to satisfy the grant of the Units under the RUP and/or the PUP as the Units that are granted under these plans will be taken from the Units which are already owned by the Manager.

The NRC exercises broad discretion and independent judgement in ensuring that the amount and mix of remuneration are aligned with the interests of Unitholders and promote the long-term success of Keppel DC REIT. The mix of fixed and variable reward is considered appropriate for the Manager and for each individual role.

The remuneration structure is directly linked to corporate and individual performance, both in terms of financial and non-financial performances. This link is achieved in the following ways:

- (a) By placing a significant portion of executive's remuneration at risk ("at-risk component") and in some cases, subject to a vesting schedule;
- (b) By incorporating appropriate key performance indicators ("KPIs") for awarding of annual cash incentives:
 - (i) There are four scorecard areas that the Manager has identified as key to measuring its performance –
 - (1) Financial;
 - (2) Process;
 - (3) Customers & Stakeholders; and
 - (4) People.

Some of the key sub-targets within each of the scorecard areas include key financial indicators, safety goals, risk management, compliance and controls measures, corporate social responsibility activities, sustainability efforts, employee engagement, talent development and succession planning;

(ii) The four scorecard areas have been chosen because they support how the Manager achieves its strategic objectives. The framework provides a link for staff in understanding how they contribute to each area of the scorecard, and therefore to the Manager's overall strategic goals. The NRC reviews and approves the scorecard annually;

- (c) By selecting performance conditions for the KDCRM PUP such as Assets Under Management, Distribution Per Unit and Absolute Total Unitholder Returns that are aligned with Unitholders' interests;
- (d) By requiring those KPIs or conditions to be met in order for the at-risk components of remuneration to be awarded or to vest; and
- (e) Forfeiture of the at-risk components of remuneration when those KPIs or conditions are not met at a satisfactory level.

The NRC also recognises the need for a reasonable alignment between risk and remuneration to discourage excessive risk taking. Therefore, in reviewing the remuneration structure, the NRC had taken into account the risk policies and risk tolerance of Keppel DC REIT and the Manager as well as the time horizon of risks, and incorporated risks-adjustments into the remuneration structure through several initiatives, including but not limited to:

- (a) Prudent funding of annual performance bonus;
- (b) Granting a portion of the annual performance bonus in the form of deferred Units, to be awarded under the RUP;
- (c) Vesting of contingent Unit awards under the PUP being subjected to KPIs and/or performance conditions being met;
- (d) Potential forfeiture of variable incentives in any year due to misconduct;

The Framework For Determining The Directors' Fees Is Shown In The Table Below:

	Chairman	Lead Independent Director	Director	Member
Main Board	S\$90,000 per annum	S\$66,000 per annum	S\$55,000 per annum	
Audit and Risk Committee	S\$30,000 per annum			S\$20,000 per annum
Nominating and Remuneration Committee	S\$20,000 per annum			S\$12,000 per annum
Environmental, Social and Governance Committee	S\$12,000 per annum			S\$6,000 per annum

Corporate Governance

- (e) Requiring the CEO and eligible key management personnel to hold a minimum number of Units under the unit ownership guideline; and
- (f) Exercising discretion to ensure that remuneration decisions are aligned to the Manager's long-term strategy and performance and discourage excessive risk taking.

The NRC is of the view that the overall level of remuneration is not considered to be at a level which is likely to promote behaviours contrary to the Manager's risk profile.

In determining the actual quantum of the variable component of remuneration, the NRC took into account the extent to which the performance conditions, as set out above had been met. The NRC is of the view that remuneration is aligned to performance during FY 2022.

In order to align the interests of the CEO and key management personnel with that of the Unitholders, the CEO and key management personnel are remunerated partially in the form of Units owned by the Manager and are encouraged to hold such Units while they remain in the employment of the Manager. Under the unit ownership guideline, the CEO is required to hold at least two times of her annual fixed pay in the form of Units, while other key senior management who are eligible for PUP are required to hold at least 1.5 times of their annual fixed pay in the form of Units delivered to them under the PUP and RUP, so as to maintain a beneficial ownership stake in the Manager, thus further aligning their interests with Unitholders.

The Directors, the CEO and the key management personnel (who are not Directors or the CEO) are remunerated on an earned basis and there are no termination, retirement and post-employment benefits

that are granted over and above what have been disclosed.

In order not to hamper the Manager's efforts to retain and nurture its talent pool and given the highly competitive conditions in the industry where poaching of senior management is commonplace, the Manager is disclosing the remuneration of the CEO and key management personnel (who are not Directors or the CEO) in bands of S\$250,000, and is not disclosing the aggregate total remuneration paid to the top five key management personnel. While such non-disclosure is a deviation from Provision 8.1 of the 2018 Code, the Manager is of the view that such disclosure or non-disclosure (as the case may be) is consistent with the intent of Principle 8 of the 2018 Code and will not be prejudicial to the interests of the Unitholders as: (i) the NRC, which comprises a majority of independent directors, conducted reviews of the Manager's

Level and Mix of Remuneration of Directors and Key Management Personnel for the year ended 31 December 2022

The level and mix of each of the Directors' remuneration are set out below:

Name of Director	Base/ Fixed Salary (\$)	Variable or performance-related income/bonuses (\$)	Directors' Fees ¹ (\$)	Benefits-in-Kind (\$)
Ms Christina Tan ²	-	-	102,000	-
Mr Kenny Kwan	-	-	78,000	-
Mr Lee Chiang Huat	-	-	85,000	-
Dr Tan Tin Wee ³	-	-	80,162	-
Mr Dileep Nair	-	-	87,000	-
Mr Low Huan Ping ³	-	-	80,162	-
Ms Yeo Siew Eng ⁴	-	-	9,192	-
Mr Thomas Pang Thieng Hwi ^{3,5}	-	-	65,323	-

¹ Unless otherwise stated, each of the Directors will receive 70% of his/her total Director's fee in cash and the balance 30% in the form of Units.

² Ms Christina Tan's fees will be paid 100% in cash to Keppel Capital.

³ Dr Tan Tin Wee, Mr Low Huan Ping and Mr Thomas Pang Thieng Hwi were appointed to the Environmental, Social and Governance Committee on 21 February 2022. Fees are pro-rated accordingly.

⁴ Ms Yeo Siew Eng was appointed to the Board on 1 November 2022 and she was appointed as member of the ARC on 30 January 2023. Fees are pro-rated accordingly.

⁵ Mr Thomas Pang Thieng Hwi's fees will be paid 100% in cash to Keppel T&T.

The level and mix of the remuneration of the CEO and each of the other key management personnel, in bands of S\$250,000, are set out below:

Remuneration Band and Names of CEO and Key Management Personnel ¹	Base/ Fixed Salary	Variable or Performance-related income/ bonuses ²	Benefits-in-kind	Contingent award of units/ shares	
				PUP ³	RUP ³
Above S\$750,000 to S\$1,000,000					
Ms Anthea Lee	39%	20%	2%	19%	20%
Above S\$250,000 to S\$500,000					
Mr Adam Lee	50%	33%	3%	4%	10%
Ms Charmaine Cai	63%	25%	4%	-	8%
Mr Andrew Lin ⁴	53%	33%	4%	-	10%

¹ The Manager has less than five key management personnel other than the CEO as at 31 December 2022.

² The NRC is satisfied that the quantum of performance-related bonuses earned by the CEO and key management personnel of the Manager was fair and appropriate taking into account the extent to which their KPIs for FY 2022 were met.

³ Units awarded under the KDCRM PUP are subject to pre-determined performance targets set over a three-year performance period. As at 29 April 2022 (being the grant date), the estimated value of each unit granted in respect of the contingent awards under the KDCRM PUP was S\$1.55. As at 15 February 2023 (being the grant date for the contingent deferred units under the KDCRM RUP), the volume-weighted average unit price granted in respect of the contingent awards under the KDCRM RUP was S\$2.01. For the KDCRM PUP, the figures were based on the value of the PUP units at 100% of the award and the figures may not be indicative of the actual value at vesting which can range from 0% to 150% of the award.

⁴ Mr Andrew Lin was appointed Head, Investment with effect from 23 September 2022. The remuneration disclosed is on an annual basis.

remuneration policies and packages; and (ii) sufficient information is provided on the Manager's remuneration framework to enable Unitholders to understand the link between the remuneration paid to the CEO and its key management personnel, and performance as set out on pages 168 to 171.

Long Term Incentive Plans - KDCRM Unit Plans

The RUP and the PUP (the "KDCRM Unit Plans") are long-term incentive schemes implemented by the Manager since 2015. No employee share option schemes or share schemes have been implemented by Keppel DC REIT.

The KDCRM Unit Plans are put in place to increase the Manager's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to achieve superior performance and to motivate them to continue to strive for long-term Unitholders' value. The KDCRM Unit Plans also aim to strengthen the Manager's competitiveness in attracting and retaining talented key management personnel and employees. The RUP applies to a broader base of employees while the PUP applies to a selected group of key management personnel. The range of performance targets to be set under the PUP emphasises stretched or strategic targets aimed at sustaining longer-term growth.

The NRC has the discretion to not award variable incentives in any year if an executive is directly involved in a material restatement of financial statements or in misconduct resulting in restatement of financial statements or financial losses to Keppel DC REIT or the Manager. Outstanding performance bonuses under the RUP and the PUP are also subject to the NRC's discretion before further payment or vesting can occur.

Remuneration of Employees who are Substantial Shareholders/Unitholders or Immediate Family Members of a Director, Chief Executive Officer or a Substantial Shareholder/Unitholder

No employee of the Manager was a substantial shareholder of the Manager or a substantial unitholder of Keppel DC REIT or an immediate family member of a Director, the CEO, a substantial shareholder of the Manager or a substantial unitholder of Keppel DC REIT and whose remuneration exceeded S\$100,000 during the financial year ended 31 December 2022. "Immediate family member" refers to the spouse, child, adopted child, step-child, brother, sister and parent.

Audit Committee

Principle 10:

The Board has an Audit Committee which discharges its duties objectively.

The Board is responsible for providing a balanced and understandable assessment of Keppel DC REIT's performance, position and prospects, including interim and other price-sensitive public reports, and reports to regulators, if required.

The Board has embraced openness and transparency in the conduct of the Manager's affairs, whilst preserving the commercial interests of Keppel DC REIT. Financial reports and other price sensitive information are disseminated to Unitholders through announcements via SGXNet, media releases, as well as Keppel DC REIT's corporate website.

Management provides all members of the Board with management accounts which present a balanced and understandable assessment of Keppel DC REIT's performance, position and prospects on a periodic basis. Such reports include financial results, market and business developments, and business and operational information. The financial results are compared against the respective budgets, together with explanations for significant variances for the reporting period.

Audit And Risk Committee

The ARC has been appointed by the Board from among the Directors of the Manager and comprises three non-executive Directors, all of whom (including the ARC Chairman) are independent Directors. The ARC Chairman is Mr Lee Chiang Huat and the members are Mr Dileep Nair, Mr Low Huan Ping and Ms Yeo Siew Eng (appointed as member to the ARC on 30 January 2023).

At least three of the members of the ARC have accounting or related financial management expertise or experience. None of the ARC members were former partners or directors of Keppel DC REIT's external auditor, PricewaterhouseCoopers LLP ("PwC"), within the last two years or hold any financial interest in PwC. Thus, the Board is of the view that the members of the ARC are suitably qualified to assist the Board in areas of internal controls, financial and accounting matters, compliance and risk management, including oversight over management in the design, implementation and monitoring of risk management and internal control systems.

The ARC's role includes assisting the Board to ensure the integrity of financial reporting and that sound internal control and risk

management systems are in place. The responsibilities of the ARC are disclosed in the Appendix hereto.

The ARC has authority to investigate any matter within its terms of reference, full access to and co-operation by management and full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly. The Manager's internal audit functions are performed by Keppel Corporation's Group Internal Audit department ("Internal Audit"). They, together with the external auditor, report their findings and recommendations independently to the ARC.

A total of four ARC meetings were held in 2022. In addition, the ARC met with the internal auditor and the external auditor on separate occasions, at least once during the year, in each case without the presence of management.

During the year, the ARC performed independent reviews for Keppel DC REIT before the announcement of Keppel DC REIT's key business and operational updates in the first and third quarter, and financial statements in the half- and full-year results. In the process, the ARC reviewed the key areas of management judgement applied for adequate provisioning and disclosure, critical accounting policies and any significant changes made that would have a significant impact on the financials.

The ARC also reviewed and approved both the internal auditor's and external auditor's plans to ensure that the plans covered sufficiently in terms of audit scope in reviewing the significant internal controls of Keppel DC REIT and the Manager. Such significant controls comprise financial, operational, compliance and information technology controls. All significant audit findings and recommendations reported by the internal and external auditors were forwarded to the ARC. Significant issues were discussed at these meetings.

In addition, the ARC undertook a review of the independence and objectivity of the external auditor through discussions with the external auditor as well as reviewing the non-audit services provided by them and the corresponding fees paid to them, and has confirmed that the non-audit services performed by the external auditor would not affect their independence.

For FY 2022, an aggregate amount of S\$423,000, comprising audit service fees of S\$419,000 and non-audit service fees of S\$4,000, was paid/payable to Keppel DC REIT's external auditor.

Corporate Governance

Cognisant that the external auditor should be free from any business or other relationships with Keppel DC REIT that could materially interfere with its ability to act with integrity and objectivity, the ARC undertook a review of the independence of the external auditor and gave careful consideration to Keppel DC REIT's relationships with them during FY 2022. In determining the independence of the external auditor, the ARC reviewed all aspects of Keppel DC REIT's relationships with it including the processes, policies and safeguards adopted by Keppel DC REIT and the external auditor relating to auditor independence. The ARC also considered the nature of the provision of the non-audit services in FY 2022 and the corresponding fees and ensured that the fees for such non-audit services did not impair or threaten auditor independence. Based on the review, the ARC is of the opinion that the external auditor is, and is perceived to be, independent for the purpose of Keppel DC REIT's statutory financial audit.

Keppel DC REIT has complied with Rule 712 and Rule 715, read with Rule 716 of the SGX Listing Manual in relation to its appointment of audit firms.

The ARC also reviewed the independence and performance of the internal audit function and was satisfied that the internal audit team was independent, adequately resourced and effective in performing its functions, and had appropriate standing within Keppel DC REIT and the Manager.

The ARC reviewed the Whistle-Blower Policy (the "Policy") which provides for the mechanisms by which employees and other persons may, in confidence, raise concerns about possible improprieties in financial reporting or other matters, and was satisfied that arrangements are in place for the independent investigation of such matters and for appropriate follow-up action. To facilitate the management of incidences of alleged fraud or other misconduct, the ARC is guided by a set of guidelines to ensure proper conduct of investigations and appropriate closure actions following completion of the investigations, including administrative, disciplinary, civil and/or criminal actions, and remediation of any control weaknesses that perpetrated the fraud or misconduct so as to prevent a recurrence. In addition, the ARC reviews the Policy annually to ensure that it remains current. The details of the Policy are set out on pages 180 to 181 herein.

The ARC members are kept updated whenever there are changes to the accounting standards or issues that may have an impact on the financial statements of Keppel DC REIT.

Risk Management and Internal Controls

Principle 9:

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

The ARC also assists the Board in examining the adequacy and effectiveness of Keppel DC REIT's and the Manager's risk management system to ensure that a robust risk management system is maintained. The ARC reviews and guides management in the formulation of risk policies and processes to effectively identify, evaluate and manage significant risks, to safeguard Unitholders' interests and Keppel DC REIT's assets. The ARC reports to the Board on critical risk issues, material matters, findings and recommendations. The responsibilities of the ARC are disclosed in the Appendix hereto.

Risk Assessment and Management of Business Risk

Identifying and managing risks is central to the business of Keppel DC REIT and to protecting Unitholders' interests and value. Keppel DC REIT operates within overall guidelines and specific parameters set by the Board. Responsibility for managing risks lies with the Manager, working within the overall strategy outlined by the Board. The Manager has appointed experienced and well-qualified management to handle its day-to-day operations.

The Board met five times in 2022. Management surfaces key risk issues for discussion and confers with the ARC and the Board regularly.

Keppel DC REIT's Enterprise Risk Management framework ("ERM Framework") provides Keppel DC REIT and the Manager with a holistic and systematic approach to risk management. In assessing business risk, the Board takes into consideration the economic environment and the risks relevant to the data centre industry. The Manager has implemented a systematic risk assessment process to identify business risks and mitigating actions. Details of the Manager's approach to risk management and internal controls and the management of key business risks are set out in the "Risk Management" section on pages 186 to 187 of this Annual Report. The Manager is guided by a set of Risk Tolerance Guiding Principles, as disclosed on page 186.

The Manager has in place a risk management assessment framework which

was established to facilitate the Board's assessment on the adequacy and effectiveness of Keppel DC REIT's and the Manager's risk management system. The framework lays out the governing policies, processes and systems pertaining to each of the key risk areas of Keppel DC REIT and the Manager and assessments are made on the adequacy and effectiveness of such policies, processes and systems. The risk tolerance guiding principles and risk management assessment framework are reviewed and updated annually.

In addition, the Manager has adopted, among others, the Whistle-Blower Policy, Insider Trading Policy, Dealing in Securities Policy and Code of Practice for Safeguarding Information which reflect management's commitment to conduct its business within a framework that fosters the highest ethical and legal standards.

Independent Review of Internal Controls

Keppel DC REIT's and the Manager's internal auditor and external auditor conduct an annual risk-based review of the adequacy and effectiveness of Keppel DC REIT's and the Manager's material internal controls, including financial, operational, compliance and information technology controls, and risk management systems. Any material non-compliance or failures in internal controls and recommendations for improvements are reported to the ARC. The ARC also reviews the effectiveness of the actions taken by management on the recommendations made by the internal auditor and external auditor in this respect.

Keppel DC REIT and the Manager also have in place the Keppel DC REIT's System of Management Controls Framework (the "Framework") outlining Keppel DC REIT's and the Manager's internal control and risk management processes and procedures. The Framework comprises of the Three-Lines Model to ensure the adequacy and effectiveness of Keppel DC REIT's and the Manager's system of internal controls and risk management.

Under the First Line of Business Governance, management is responsible for the identification and mitigation of risks (including financial, operational, compliance and technology risks) facing Keppel DC REIT and the Manager in the course of running their business. Appropriate policies, procedures and controls are implemented and operationalised in line with Keppel DC REIT's and the Manager's risk appetite to address such risks. Employees are guided by the Manager's Core Values and expected to comply strictly with Keppel's Code of Conduct.

Under the Second Line, Management Assurance Frameworks are established to enable oversight and governance over operations and activities undertaken by management under the First Line.

- Business units and entities scoped in for control self-assessment (“CSA”) are required to conduct a self-assessment exercise to assess the status of their respective internal controls on an annual basis. The annual CSA exercise is overseen by Control Assurance. Remedial actions are implemented to address all control gaps identified during the CSA exercise.
- Under Keppel DC REIT’s ERM Framework, significant risk areas are identified and assessed, with systems, policies and processes put in place to manage and mitigate the identified risks, to ensure that risks fall within the established risk appetite and tolerance.
- Regulatory Compliance works alongside management to ensure relevant policies, processes, and controls are effectively designed, implemented, and managed to mitigate compliance risks that Keppel DC REIT’s and the Manager’s face in the course of their business.

The Technology Governance Framework overseen by Group Information Technology aims to align technology strategy to enterprise vision, whilst strengthening technology controls and security and manage technology risks for Keppel DC REIT and the Manager. This framework was further strengthened with the formalisation of an enhanced Group Cybersecurity Governance structure which includes the repurposing of Keppel’s existing IT Security Operations Centre into a Cybersecurity

Centre with enhanced capabilities to ensure that the baseline security posture of Keppel DC REIT and the Manager is maintained, and is overseen by a dedicated Group Cyber Security function which drives the enterprise vision, strategy and programme to ensure that Keppel’s technology assets are adequately protected. The Technology and Cyber Security Governance Frameworks balance strategic technology adoption, business resiliency and security outcomes towards effective business continuity and technology risk mitigations.

The Third Line comprises independent assurance, including internal and external audit. Internal audit provides the Board and Keppel DC REIT’s and the Manager’s senior management with independent assurance over the adequacy and effectiveness of the system of internal controls, risk management and governance, while external audit considers the internal controls relevant to Keppel DC REIT’s and the Manager’s preparation of financial statements and performs tests on such internal controls where they are assessed to be necessary, in support of the audit opinion issued on the financial statements of Keppel DC REIT.

The CEO and Chief Financial Officer (“CFO”) are required to provide Keppel DC REIT and the Manager with written attestation as to the adequacy and effectiveness of their system of internal controls and risk management.

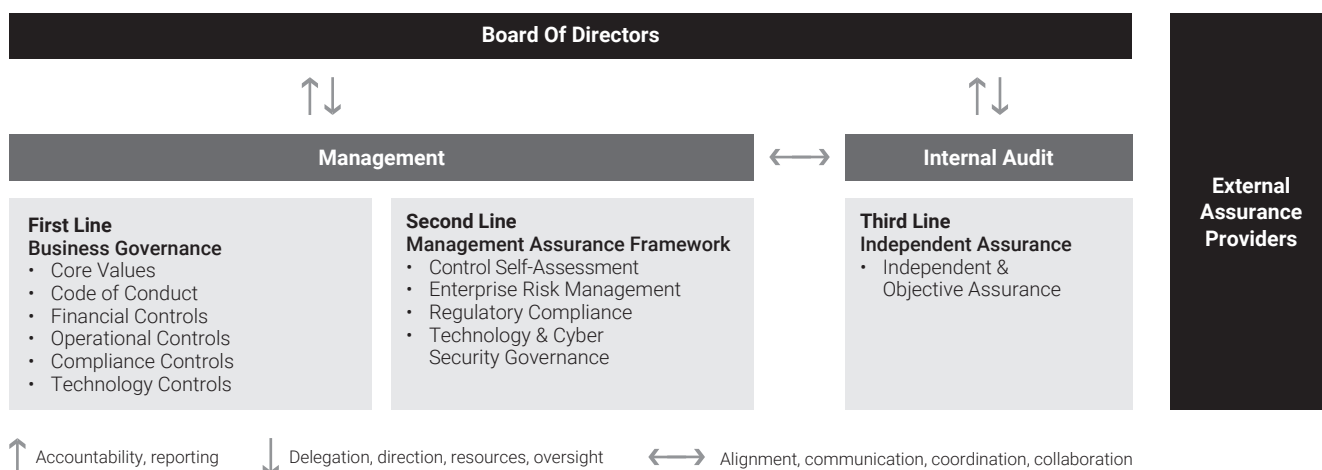
The Board, supported by the ARC, oversees Keppel DC REIT’s and the Manager’s system of internal controls and risk management. The Board has received assurance from the CEO, Ms Anthea Lee and the CFO, Mr Adam Lee (being the other key management personnel responsible regarding the adequacy and effectiveness of

Keppel DC REIT’s and the Manager’s risk management and internal control systems), that, among others, as at 31 December 2022:

- the financial records of Keppel DC REIT has been properly maintained and the financial statements for the financial year then ended give a true and fair view of the operations and finances of Keppel DC REIT;
- the internal controls of Keppel DC REIT and the Manager are adequate and effective to address the financial, operational, compliance and information technology risks which Keppel DC REIT and the Manager consider relevant and material to its current business scope and environment and that they are not aware of any material weaknesses in the system of internal controls; and
- they are satisfied with the adequacy and effectiveness of Keppel DC REIT’s and the Manager’s risk management and internal controls systems.

Based on the internal controls and ERM Framework established and maintained by Keppel DC REIT and the Manager, work performed by the internal and external auditors, and reviews performed by management, the ARC, as well as the assurances set out above, the Board is of the view that, as at 31 December 2022, Keppel DC REIT’s and the Manager’s internal controls (including financial, operational, compliance and information technology controls) and risk management systems, are adequate and effective to address the risks which Keppel DC REIT and the Manager consider relevant and material to its operations.

Keppel DC REIT’s System Of Management Controls



Corporate Governance

The Board notes that the system of internal controls and risk management established by Keppel DC REIT and the Manager provides reasonable, but not absolute, assurance that Keppel DC REIT and the Manager will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. In this regard, the Board also notes that no system of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human errors, losses, fraud or other irregularities.

The ARC concurs with the Board's view that, as at 31 December 2022, Keppel DC REIT's and the Manager's internal controls (including financial, operational, compliance and information technology controls) and risk management systems, are adequate and effective to address the risks which Keppel DC REIT and the Manager consider relevant and material to its operations taking into account the nature, scale and complexity of Keppel DC REIT's and the Manager's operations.

Internal Audit

The internal audit function of the Manager is performed by Keppel Corporation's Group Internal Audit. The role of the internal auditor is to provide independent assurance to the ARC that Keppel DC REIT and the Manager maintain a sound system of internal controls by performing risk-based reviews on the key controls and procedures and their effectiveness, undertaking investigations as directed by the ARC and conducting regular in-depth audits of high-risk areas.

Staffed with suitably qualified executives, Internal Audit has direct access to the ARC and unrestricted access to all of Keppel DC REIT's and the Manager's documents, records, properties and personnel, and has appropriate standing within the Manager and Keppel DC REIT. The primary line of reporting is to the ARC.

Group Internal Audit is guided by and has aligned its practices with the International Standards for the Professional Practice of Internal Auditing established by the Institute of Internal Auditors Incorporated (IIA). External quality assessment reviews are carried out at least once every five years by qualified professionals with the last assessment conducted in 2021 by the appointed firm KPMG. KPMG rated Group Internal Audit as adequate and effective and re-affirmed that it generally conforms to all the international standards promulgated by IIA. The professional competence of Internal Audit is maintained through its continuing professional development programme for its staff which includes sending auditors to

attend professional courses conducted by external accredited organisations to ensure that their technical knowledge and skill sets remain current and relevant.

Group Internal Audit adopts a risk-based approach to audit planning and execution, that focuses on key risks, including financial, operational, compliance and technology risks. An annual audit plan is developed based on a structured risk and control assessment framework. Group Internal Audit's reports are submitted to the ARC for deliberation with copies of these reports extended to the relevant senior management personnel. In addition, significant audit findings and recommendations are discussed at the ARC meetings. To ensure timely and proper closure of audit findings, the status of the implementation of the actions agreed by management is tracked and reported to the ARC. The ARC also reviews the effectiveness of the actions taken by management on the recommendations made by Group Internal Audit and the external auditors.

Unitholder Rights, Conduct of Unitholder Meetings and Engagement with Unitholders and Stakeholders

Principle 11:

The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Principle 12:

The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

Principle 13:

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

In addition to the matters mentioned above in the section "Access to Information" at page 164, the Manager regularly communicates with Unitholders and responds promptly to their queries and concerns.

The Manager employs various platforms to enhance its outreach to Unitholders, with an emphasis on timely, accurate, fair and transparent disclosure of information. The Manager has arrangements in place to identify and engage with its key stakeholder

groups and to manage its relationships with such groups.

In 2022, the Manager had more than 850 engagements with institutional investors and analysts in Singapore, Australia, Europe, Hong Kong, Japan, North America, South Korea and Thailand through a mix of in-person and virtual investor conferences, roadshows, meetings, teleconferences and site visits.

More details on the Manager's investor relations activities are found on pages 18 to 20 of this Annual Report.

The Manager actively engages with Unitholders to understand their concerns. The Manager has in place an Investor Relations Policy which sets out the principles and practices applied to provide Unitholders and prospective investors with information necessary to make well-informed investment decisions and to ensure a level playing field. The Investor Relations Policy is published on Keppel DC REIT's website at <https://www.keppeldcreit.com/>.

Material information is disclosed in a comprehensive, accurate and timely manner via SGXNet and/or media releases. The Manager ensures that unpublished price-sensitive and trade-sensitive information is not selectively disclosed and if on the rare occasion when such information is inadvertently disclosed, this would be immediately released to the public via SGXNet and/or media releases.

Unitholders are also kept abreast of latest announcements and updates regarding Keppel DC REIT via the corporate website and email alert system. Unitholders and members of the public can post their queries and feedback to a dedicated investor relations contact via email or the phone, through which they are able to ask questions and receive responses in a timely manner.

The Manager ensures that Unitholders have the opportunity to participate effectively and vote at Unitholders' meetings. Unitholders are informed of Unitholders' meetings and rules governing such meetings through notices published via SGXNet, Keppel DC REIT's website and in newspapers, as well as reports or circulars sent to all Unitholders. Unitholders are invited to such meetings to put forth any questions they may have on the motions to be debated and decided upon. If any Unitholder is unable to attend, he or she is allowed to appoint up to two proxies to vote on his or her behalf at the meeting through proxy forms sent in advance. Where a Unitholder is a relevant intermediary (including but not limited to, a nominee company, a custodian bank or a

CPF agent bank), such Unitholder may appoint more than one proxy to vote on its behalf at the meeting through proxy forms sent in advance, provided that each proxy must be appointed to exercise the rights attached to a different Unit or Units held by it (which number of Units and class shall be specified). The Manager tables separate resolutions at Unitholders' meetings on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the Manager explains the reasons and material implications in the notice of meeting.

In compliance with the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 and the Joint Statement by Accounting and Corporate Regulatory Authority, Monetary Authority of Singapore and Singapore Exchange Regulation issued on the conduct of general meetings, Keppel DC REIT's AGM was convened in a virtual format on 20 April 2022, ensuring that Unitholders continued to have the ability to participate, vote and pose questions to senior management. At the virtual meeting, the Board and senior management reported on Keppel DC REIT's performance for FY 2021, and addressed "live" questions from Unitholders via the textbox question & answer function at the AGM.

All AGM resolutions were polled electronically with an independent scrutineer appointed to count and validate the AGM's votes. Results of the AGM were announced during the meeting. Minutes of the meeting, presentation slides as well as responses to relevant and substantial questions from Unitholders were published on SGXNet and Keppel DC REIT's website.

Where possible, all the Directors will attend Unitholders' meetings. In particular, the Chairmen of the Board and the Board committees are required to be present to address questions at Unitholders' meetings. The external auditor is also present at such meetings to assist the Directors to address

Unitholders' queries, if necessary. The number of Unitholders' meetings held in FY 2022, as well as the attendance of each Board member, are disclosed in the table below.

The Trust Deed allows for absentia voting at general meetings by way of proxy. While the Manager has implemented absentia voting by way of proxy through the proxy forms disseminated to Unitholders, the Manager has not implemented other absentia voting methods such as voting via mail, e-mail or fax until security, integrity and other pertinent issues are satisfactorily resolved.

The Company Secretaries prepare minutes of Unitholders' meetings, which incorporates comments or queries from Unitholders and responses from the Board and management. These minutes are published on SGXNet and Keppel DC REIT's website.

Keppel DC REIT's policy is to distribute, on a half-yearly basis, at least 90% of its distributable income for each financial year. The Manager endeavours to pay distributions no later than 90 days after the end of each distribution period.

Securities Transactions Insider Trading Policy

The Manager has a formal Insider Trading Policy on dealings in the securities of Keppel DC REIT, which sets out the implications of insider trading and guidance on such dealings. The policy has been distributed to the Manager's directors and officers. It has also adopted the best practices on securities dealings issued by the SGX. In FY 2022, the Manager issued notices to its Directors and officers informing that the Manager and its officers must not deal in listed securities of Keppel DC REIT if they are in possession of unpublished price-sensitive information, and during the period commencing one month before the release of the half year and full year results and ending on the date of the announcement of the relevant results, this being consistent with Rule 1207(19) of the Listing Manual. The Manager's directors and officers are also informed that they should not deal in Keppel DC REIT's securities on short-term considerations.

Dealing in Securities Policy

In addition to the Insider Trading Policy, the Manager has a formal Dealing in Securities Policy, which applies to all employees and the securities accounts that employees have a beneficial interest. Pursuant to this policy, the trading of rights and the subscription of excess rights of Units are subject to trade clearance/restrictions. In general, a list of securities which employees are not allowed to trade without pre-clearance from the Keppel Capital compliance team is maintained. All employees must check if the intended securities are listed on this restricted list before trading. The restricted list is broadcasted to all employees at the beginning of each week and as and when it is updated. The policy also informs all licensed representatives of the Manager that they are required to maintain a register of interests in securities in the prescribed form and to notify the Keppel Capital compliance team of any changes no later than seven days after the relevant change. Upon request, licensed representatives are required to submit position statements, including the accounts which they have a beneficial interest, to facilitate reconciliation of trades executed during each period. In addition, the policy also states that all employees should not trade on short-term considerations or be engaged in same day turnaround trades or swing trading.

Conflicts of Interests

The Manager has instituted the following procedures to deal with potential conflicts of interests issues:

- (a) The Manager will not manage any other real estate investment trust which invests in the same type of properties as Keppel DC REIT.
- (b) All resolutions in writing of the directors of the Manager in relation to matters concerning Keppel DC REIT must be approved by at least a majority of the directors of the Manager, including at least one Independent Director.
- (c) At least one-third of the Board shall comprise independent Directors.

Director	Unitholders' Meetings Attended
Ms Christina Tan	1
Mr Kenny Kwan	1
Mr Lee Chiang Huat	1
Dr Tan Tin Wee	1
Mr Dileep Nair	1
Mr Low Huan Ping	1
Mr Thomas Pang Thieng Hwi	1
Ms Yeo Siew Eng (appointed to the Board on 1 November 2022)	-

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- (d) In respect of matters in which Keppel Corporation and/or its subsidiaries have an interest, direct or indirect, any nominees appointed by Keppel Corporation and/or its subsidiaries to the Board to represent their interests will abstain from deliberation and voting on such matters. For such matters, the quorum must comprise a majority of the independent directors and must exclude nominee directors of Keppel Corporation and/or its subsidiaries.

It is also provided in the Trust Deed that if the Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of Keppel DC REIT with a Related Party (meaning any "interested person" as defined in the Listing Manual and/or, as the case may be, an "interested party" as defined in the Property Funds Appendix) of the Manager, the Manager shall be obliged to consult with a reputable law firm (acceptable to the Trustee) which shall provide legal advice on the matter. If the said law firm is of the opinion that the Trustee, on behalf of Keppel DC REIT, has a prima facie case against the party allegedly in breach under such agreement, the Manager shall be obliged to take appropriate action in relation to such agreement. The directors of the Manager (including its independent directors) will have a duty to ensure that the Manager so complies. Notwithstanding the foregoing, the Manager shall inform the Trustee as soon as it becomes aware of any breach of any agreement entered into by the Trustee for and on behalf of Keppel DC REIT with a Related Party of the Manager and the Trustee may take such action as it deems necessary to protect the rights of Unitholders and/or which is in the interests of Unitholders. Any decision by the Manager not to take action against a Related Party of the Manager shall not constitute a waiver of the Trustee's right to take such action as it deems fit against such Related Party.

Keppel's Code of Conduct

The Manager has in place an employee code of conduct which establishes a culture of high integrity as well as reinforces ethical business practices.

This policy sets out important principles to guide employees in executing their duties and responsibilities to the highest standards of business integrity, as well as issues of workplace harassment. The policy encompasses topics ranging from conduct in the workplace to business conduct, including clear provisions on prohibitions against bribery and corruption, the offering and receiving of gifts, hospitality and promotional expenditures as well as

conflicts of interests amongst others. The policy also requires all staff to avoid any conflict between their own interests and the interests of the Manager in dealing with its suppliers, customers and other third parties.

The policy requires business to be conducted with integrity, fairly, impartially, in an ethical and proper manner, and in compliance with all applicable laws and regulations. Relevant anti-corruption rules are also spelt out to protect the business, resources and reputation of Keppel DC REIT and the Manager. Employees must not offer or authorise the giving, directly or through third parties, of any bribe, kickback, illicit payment, benefit-in-kind or any other advantage to any person or entity, as an inducement or reward for an improper performance or non-performance of a function or activity. Similarly, employees must not solicit or accept illicit payment, directly or indirectly, from any person or entity that is intended to induce or reward an improper performance or non-performance of a function or activity.

New employees are briefed on the policy when they join the Manager. Subsequently, all employees are required to acknowledge and comply with the policy annually to ensure awareness.

Related Party Transactions

The Manager's Internal Control System

The Manager has established an internal control system to ensure that all Related Party transactions:

- will be undertaken on normal commercial terms; and
- will not be prejudicial to the interests of Keppel DC REIT and the Unitholders.

As a general rule, the Manager must demonstrate to the ARC that such transactions satisfy the foregoing criteria. This may entail:

- obtaining (where practicable) quotations from parties unrelated to the Manager; or
- obtaining two or more valuations from independent professional valuers (in compliance with the Property Funds Appendix), with one of the valuers commissioned independently by the Trustee. Each of those assets must be acquired from the Related Party at a price not more than the higher of the two assessed values, or sold to the Related Party at a price not less than the lower of the two assessed values. The ARC may further choose to appoint an independent financial adviser to evaluate and provide an opinion that the transaction is on normal commercial terms

and is not prejudicial to the interests of Keppel DC REIT and the Unitholders.

The Manager maintains a register to record all Related Party transactions which are entered into by Keppel DC REIT and the bases used for evaluation, including any quotations from unrelated parties and independent valuations, on which they are entered into. The Manager also incorporates into its internal audit plan a review of all Related Party transactions entered into by Keppel DC REIT. The ARC reviews the internal audit reports at least twice a year to ascertain that the guidelines and procedures established to monitor Related Party transactions have been complied with. The Trustee also has the right to review such audit reports to ascertain that the Property Funds Appendix has been complied with.

The following procedures are undertaken:

- transactions (either individually or as part of a series or if aggregated with other transactions involving the same Related Party during the same financial year) equal to or exceeding S\$100,000 in value but below 3.0% of the value of Keppel DC REIT's latest audited net tangible assets will be subject to review by the ARC at regular intervals;
- transactions (either individually or as part of a series or if aggregated with other transactions involving the same Related Party during the same financial year) equal to or exceeding 3.0% but below 5.0% of the value of Keppel DC REIT's latest audited net tangible assets will be subject to the review and prior approval of the ARC. Such approval shall only be given if the transactions are on normal commercial terms and not prejudicial to the interests of Keppel DC REIT and its Unitholders and are consistent with similar types of transactions made by the Trustee with third parties which are unrelated to the Manager; and
- transactions (either individually or as part of a series or if aggregated with other transactions involving the same Related Party during the same financial year) equal to or exceeding 5.0% of the value of Keppel DC REIT's latest audited net tangible assets will be reviewed and approved prior to such transactions being entered into, on the basis described in the preceding paragraph, by the ARC which may, as it deems fit, request advice on the transaction from independent sources or advisers, including the obtaining of valuations from independent professional valuers. Furthermore, under the Listing Manual and the Property Funds Appendix, such

transactions would have to be approved by the Unitholders at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed.

Where matters concerning Keppel DC REIT relate to transactions entered into or to be entered into by the Trustee for and on behalf of Keppel DC REIT with a Related Party of Keppel DC REIT or the Manager, the Trustee is required to consider the terms of such transactions to satisfy itself that such transactions are conducted:

- on normal commercial terms;
- are not prejudicial to the interests of Keppel DC REIT and the Unitholders; and
- are in accordance with all applicable requirements of the Property Funds Appendix and/or the Listing Manual relating to the transaction in question.

The Trustee has the discretion under the Trust Deed to decide whether or not to enter into a transaction involving a Related Party of Keppel DC REIT or the Manager. If the Trustee is to sign any contract with a Related Party of Keppel DC REIT or the Manager, the Trustee will review the contract to ensure that it complies with the requirements relating to interested party transactions in the Property Funds Appendix (as may be amended from time to time) and the provisions of the Listing Manual relating to interested person transactions (as may be amended from time to time) as well as such other guidelines as may from time to time be prescribed by the MAS and the SGX to apply to REITs.

Keppel DC REIT will, in compliance with Rule 905 of the Listing Manual, announce any interested person transaction in accordance with the Listing Manual if such transaction, by itself or when aggregated with other interested person transactions entered into with the same interested person during the same financial year, is 3.0% or more of Keppel DC REIT's latest audited net tangible assets.

The aggregate value of all Related Party transactions which are subject to Rules 905 and 906 of the Listing Manual in a particular financial year will be disclosed in Keppel DC REIT's annual report for that financial year.

Role of the Audit and Risk Committee for Related Party Transactions

The Manager's internal control procedures are intended to ensure that Related Party transactions are conducted at arm's length and on normal commercial terms and are not prejudicial to Unitholders.

On a half-yearly basis, management reports to the ARC the Related Party transactions entered into by Keppel DC REIT. The Related Party transactions were also reviewed by the internal auditor and all findings, if any, are reported during the ARC meetings.

The ARC reviews Related Party transactions to ensure compliance with the internal control procedures and with the relevant provisions of the Listing Manual and the Property Funds Appendix. The review includes the examination of the nature of the transaction and if necessary, its supporting documents or such other data deemed necessary by the ARC. In addition, the Trustee will review such internal audit reports to ascertain that the requirements of the Property Funds Appendix have been complied with.

If a member of the ARC has an interest in a transaction, he or she is to abstain from participating in the review and approval process in relation to that transaction.

Appendix

Board Committees – Responsibilities

1. Audit and Risk Committee

- (a) Review financial statements and formal announcements relating to financial performance, and review significant financial reporting issues and judgement contained in them, for better assurance of the integrity of such statements and announcements.
 - (b) Review and report to the Board at least annually the adequacy and effectiveness of the Manager's and Keppel DC REIT's risk management and internal controls, including financial, operational, compliance and information technology controls in relation to financial reporting and other financial-related risks (such review can be carried out internally or with the assistance of any competent third parties).
 - (c) Review the audit plans and reports of the internal auditor and external auditor, and consider the effectiveness of actions or policies taken by management on the recommendations and observations.
 - (d) Review the nature and extent of non-audit services performed by external auditor, to ensure their independence and objectivity and to approve their appointments.
 - (e) Meet with internal auditor (without the presence of management and external auditor) and external auditor (without the presence of management and internal auditor), at least annually.
- (f) Make recommendations to the Board on the proposals to Unitholders on the appointment, re-appointment and removal of the external auditor, and approve the remuneration and terms of engagement of the external auditor.
 - (g) Review the adequacy, effectiveness and independence, of the Manager's and Keppel DC REIT's external audit function and internal audit function, at least annually and report the ARC's assessment to the Board.
 - (h) Ensure at least annually that the internal audit function is adequately resourced and has appropriate standing with the Manager and Keppel DC REIT.
 - (i) Approve the accounting/auditing firm or corporation to which the internal audit function is outsourced.
 - (j) Review the policy and arrangements (such as Whistle-Blower Policy) by which employees of the Manager and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters, to ensure that arrangements are in place for such concerns to be raised and independently investigated, and for appropriate follow up action to be taken.
 - (k) Report significant matters raised through the whistle-blowing channel to the Board.
 - (l) Monitor the procedures in place to ensure compliance with applicable legislation, the Listing Manual and the Code on Collective Investment Schemes (including the Property Funds Appendix).
 - (m) Review Related Party transactions, including ensuring compliance with the provisions of the Listing Manual relating to "interested person transaction" (as defined therein) and the provisions of the Property Funds Appendix relating to "interested party transactions" (as defined therein).
 - (n) Investigate any matters within the ARC's purview, whenever it deems necessary.
 - (o) Obtain recommendations on risk tolerance and strategy from management, and where appropriate, report and recommend to the Board for its determination:
 - (i) The nature and extent of significant risks which the Manager and Keppel DC REIT may take in achieving its strategic objectives; and

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- (ii) Overall levels of risk tolerance, risk parameters and risk policies.
- (p) Review and discuss, as and when appropriate, with management the Manager's and Keppel DC REIT's risk governance structure and framework, including risk policies, risk strategy, risk culture, risk assessment, risk mitigation and monitoring processes and procedures.
- (q) Review the Information Technology (IT) governance and cybersecurity framework to ascertain alignment with business strategy and the Manager's and Keppel DC REIT's risk tolerance including monitoring the adequacy of IT capability and capacity to ensure business objectives are well-supported with adequate measures to safeguard corporate information, operating assets, and effectively monitor the performance, quality and integrity of IT service delivery.
- (r) Review at least quarterly reports from management on the Manager's and Keppel DC REIT's risk profile and major risk exposures and the steps taken to monitor, control and mitigate such risks to ensure that such risks are managed within acceptable levels.
- (s) Review the Manager's risk management capabilities including capacity, resourcing, systems, training, communication channels as well as competencies in identifying and managing new risk types.
- (t) Receive and review updates from management to assess the adequacy and effectiveness of the Manager's and Keppel DC REIT's compliance framework in line with relevant laws, regulations and best practices.
- (u) Through interactions with the Head of Keppel Capital Risk and Compliance, review and oversee performance of the Manager's implementation of compliance programmes.
- (v) Review and monitor the Manager's approach to ensuring compliance with regulatory commitments, including progress of remedial actions where applicable.
- (w) Review the adequacy, effectiveness and independence of the Risk and Compliance function, at least annually, and report the ARC's assessment to the Board.
- (x) Review and monitor management's responsiveness to the risks, matters, and identified recommendations of the Risk and Compliance function.
- (y) Providing timely input to the Board on critical risk and compliance issues, material matters and recommendations.
- (z) Review management's proposals in respect of new risk focused products, focusing, in particular, on the risk and compliance aspects and implications of the proposed action for the risk tolerance of the Manager and Keppel DC REIT, and make recommendations to the Board.
- (aa) Review the assurance from the CEO and CFO on the financial records and financial statements and the steps taken by the CEO and other key management personnel for their relevant areas of responsibilities, regarding the adequacy and effectiveness of the Manager's and Keppel DC REIT's risk management and internal controls systems.
- (bb)(i) Review the Board's comment on the adequacy and effectiveness of the Manager's and Keppel DC REIT's risk management and internal control system and state whether it concurs with the Board's comments.
- (ii) Where there are material weaknesses identified in the Manager's and Keppel DC REIT's risk management and internal control systems, to consider and recommend the necessary steps to be taken to address them.
- (cc) Ensure that the Head of Keppel Capital Risk and Compliance has direct and unrestricted access to the ARC Chairman.
- (dd) Review the ARC's terms of reference annually and recommend any proposed changes to the Board.
- (ee) Perform such other functions as the Board may determine.
- (ff) Sub-delegate any of its powers within its terms of reference as listed above from time to time as this ARC may deem fit.
- (b) Annual review of the structure and size of the Board and Board committees, and the balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age.
- (c) Recommend to the Board a Board Diversity Policy (including the qualitative, and measurable quantitative, objectives (as appropriate) for achieving board diversity), and conduct an annual review of the progress towards achieving these objectives.
- (d) Annual review of the independence of each Director, and to ensure that the Board comprises (i) majority non-executive Directors, and (ii) at least one-third, or (if Chairman is not independent) a majority of, independent Directors.
- (e) Assess, where a Director has other listed company board representation and/or other principal commitments, whether the Director is able to and has been adequately carrying out his or her duties as Director of the Manager.
- (f) Recommend to the Board the process for the evaluation of the performance of the Board, the Board committees and individual Directors, and propose objective performance criteria to assess the effectiveness of the Board as a whole, the Board committees and the contribution of the Chairman and each Director.
- (g) Annual assessment of the effectiveness of the Board as a whole, the Board committees and the contribution of the Chairman and individual Directors.
- (h) Review the succession plans for the Board (in particular, the Chairman) and key management personnel (including the CEO).
- (i) Review talent development plans.
- (j) Review the training and professional development programs for Board members. The NRC has noted that all Directors must undergo training on sustainability matters as prescribed by the SGX, and that if the NRC is of the view that training is not required because the Director has expertise in sustainability matters, the basis of its assessment must be disclosed in Keppel DC REIT's annual report.
- (k) Review and recommend to the Board a framework of remuneration for Board members and key management personnel, and the specific remuneration

2. Nominating and Remuneration Committee

- (a) Recommend to the Board the appointment and re-appointment of Directors (including alternate Directors, if any).

packages for each Director as well as the key management personnel, including review of all long-term and short-term incentive plans, with a view to aligning the level and structure of remuneration to the Company's long-term strategy and performance.

- (l) Consider all aspects of remuneration to ensure that they are fair, and review the Company's obligations arising in the event of termination of the executive Directors' and key management personnel's contracts of service, to ensure that such clauses are fair and reasonable and not overly generous.
- (m) Consider whether Directors should be eligible for benefits under long-term incentive schemes (including weighing the use of share schemes against the other types of long-term incentive scheme).
- (n) Review the ongoing appropriateness and relevance of the remuneration policy to ensure that the level and structure of the remuneration are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.
- (o) Review the level and structure of remuneration for directors and key management personnel relative to the internal and external peers and competitors to ensure that the remuneration is appropriate to attract, retain and motivate the directors to provide good stewardship of the company and key management personnel to successfully manage the Company for the long term.
- (p) Set performance measures and determine targets for any performance-related pay schemes.
- (q) Administer the Company's long-term incentive schemes in accordance with the rules of such schemes.
- (r) Report to the Board on material matters and recommendations.
- (s) Review the NRC's terms of reference annually and recommend any proposed changes to the Board for approval.
- (t) Perform such other functions as the Board may determine.
- (u) Sub-delegate any of its powers within its terms of reference as listed above, from time to time, as the NRC may deem fit.

3. Environmental, Social and Governance Committee

- (a) Develop and articulate Keppel DC REIT's Environmental, Social and Governance strategy.
- (b) Provide an oversight of sustainability initiatives across Keppel DC REIT's business operations. This includes, but is not limited to, the setting, disclosure and achievement of ESG targets, reviewing the effectiveness of the sustainability risk management framework, people development and community involvement, as well as where needed, provide oversight of and advice to the Manager's sustainability committee (which for the avoidance of doubt is a working level committee involving all relevant functions including asset management, finance, investment, investor relations, legal, portfolio management and risk and compliance).
- (c) Recommend management's proposals to the Board, including policies, strategies, workplans and targets pertaining to sustainability and ESG matters (collectively, "ESG Framework") and review the effectiveness of the ESG Framework benchmarked against global and local ESG trends and best practices. Keppel DC REIT's sustainability and ESG standards, which would form an integral part of Keppel DC REIT's strategies and core competencies, will drive long-term value creation.
- (d) Review the implementation and integration of the ESG Framework.
- (e) Review the adequacy of resources allocated to achieving compliance as well as strategies, workplans and targets pertaining to the ESG Framework.
- (f) Report to the Board on sustainability and ESG performance, incidents, rectifications, risk management and other material matters.
- (g) Perform such other functions as the Board may determine.

Board Assessment Evaluation processes Board

Each Board member is required to complete a Board Evaluation Questionnaire and send the completed Questionnaire directly to the Independent Co-ordinator within five working days. An "Explanatory Note" is attached to the Questionnaire to clarify the background, rationale and objectives of the various performance criteria used in the Board Evaluation Questionnaire with the aim

of achieving consistency in the understanding and interpretation of the questions. Based on the returns from each of the Directors, the Independent Co-ordinator prepares a consolidated report and briefs the NRC Chairman and Chairman on the report. Thereafter, the Independent Co-ordinator will present the report to the Board for discussion on the changes which should be made to help the Board discharge its duties more effectively.

Individual Directors

In the assessment of the performance of the non-executive Directors, each Director is required to complete the non-executive Directors' assessment form and send the completed form directly to the Independent Co-ordinator within five working days. Each non-executive Director is also required to perform a self-assessment in addition to a peer assessment. Based on the returns, the Independent Co-ordinator prepares a consolidated report and briefs the NRC Chairman and the Chairman. Thereafter, the report is presented to the NRC. Following the meeting and if necessary, the NRC Chairman will meet with non-executive Directors individually to provide feedback on their respective performance with a view to improving their board performance.

Chairman

The Chairman Evaluation Form is completed by each non-executive Director (other than the Chairman) and sent directly to the Independent Co-ordinator within five working days. Based on the returns from each of the non-executive Directors, the Independent Co-ordinator prepares a consolidated report and briefs the NRC Chairman and the Chairman on the report. Thereafter, the Independent Co-ordinator will present the report to the NRC.

Performance Criteria

The performance criteria for the board evaluation are in respect of board size and composition, board independence, board processes, board information and accountability, management in diversity, board performance in relation to discharging its principal functions and board committee performance in relation to discharging its responsibilities set out in its terms of reference. Based on the responses received, the Board continues to perform and fulfill its duties, responsibilities and performance objectives in accordance with the established Board processes of the Manager.

The individual Director's performance criteria are categorised into five segments; namely, (i) interactive skills (under which factors as to whether the Director works well with other Directors, and participates

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actively are taken into account); (ii) knowledge (under which factors as to the Director's industry and business knowledge, functional expertise, whether he or she provides valuable inputs, his or her ability to analyse, communicate and contribute to the productivity of meetings, and his or her understanding of finance and accounts are taken into consideration); (iii) Director's duties (under which factors as to the Director's board committee work contribution, whether the Director takes his or her role of Director seriously and works to further improve his or her own performance, whether he or she listens and discusses objectively and exercises independent judgement, and meeting preparation are taken into consideration); (iv) availability (under which the Director's attendance at board and board committee meetings, whether he or she is available when needed, and his or her informal contribution via e-mail, telephone, written notes etc are considered); and (v) overall contribution, bearing in mind that each Director was appointed for his or her strength in certain areas which, taken together with the skill sets of the other Directors, provides the Board with the required mix of skills and competencies.

The assessment of the Chairman of the Board is based on her ability to lead, whether she established proper procedures to ensure the effective functioning of the Board, whether she ensured that the time devoted to Board meetings was appropriate (in terms of number of meetings held a year and duration of each Board meeting) for effective discussion and decision making by the Board, whether she ensured that information provided to the Board was adequate (in terms of adequacy and timeliness) for the Board to make informed and considered decisions, whether she guided discussions effectively so that there is timely resolution of issues, whether she

ensured that meetings are conducted in a manner that facilitates open communication and meaningful participation, and whether she ensured that Board committees are formed where appropriate, with clear terms of reference, to assist the Board in the discharge of its duties and responsibilities.

Keppel DC REIT Management Whistle-Blower Policy

The Policy was established and has been put in place to encourage reporting in good faith of suspected Reportable Conduct (as defined below) by establishing clearly defined processes and reporting channels through which such reports may be made with confidence that employees and other persons making such reports will be treated fairly and, to the extent possible, protected from reprisal. The ARC is responsible for oversight and monitoring of whistleblowing.

Reportable Conduct refers to any act or omission by a director, officer, employee of the Manager or a third party that provides services or engages in business activities on behalf of the Manager, which occurred in the course of his or her work (whether or not the act is within the scope of his or her employment) which in the view of a Whistle-Blower acting in good faith, is:

- (a) Dishonest, including but not limited to theft or misuse of the resources owned by or under the management of the Manager;
- (b) Fraudulent;
- (c) Corrupt;
- (d) Illegal;
- (e) Other serious improper conduct;
- (f) An unsafe work practice; or

- (g) Any other conduct which may cause financial or non-financial loss to the Manager or damage to the Manager's reputation.

A person who files a report or provides evidence which he or she knows to be false, or without a reasonable belief in the truth and accuracy of such information, will not be protected by the Policy and may be subject to administrative and/or disciplinary action, including termination of employment or other contract, as the case may be.

Similarly, a person may be subject to administrative and/or disciplinary measures, including but not limited to termination of employment or contract if he or she subjects (i) a person who has made or intends to make a report in accordance with the Policy, or (ii) a person who was called or who may be called as a witness, to any form of reprisal which would not have occurred if he or she did not intend to or had not made the report or be a witness.

The Head of Internal Audit is the Receiving Officer for the purposes of the Policy, and is responsible for the administration, implementation and overseeing ongoing compliance with the Policy. He reports directly to the ARC Chairman (who is an independent director) on all matters arising under the Policy.

Reporting Mechanism

The Whistle-Blower's role is as a reporting party. Whistle-Blowers are not investigators or finders of fact, nor do they determine the appropriate corrective or remedial actions that may be warranted.

Employees are encouraged to make a report in relation to a suspected Reportable Conduct to their respective supervisors who are responsible for promptly informing the Receiving Officer, who in turn is required to

Nature of Current Directors' Appointments and Membership on Board Committees

Director	Board Membership	Audit and Risk Committee Membership	Nominating and Remuneration Committee Membership	Environmental, Social and Governance Committee Membership
Ms Christina Tan	Chairman and Non-Executive Director	-	Member	-
Mr Kenny Kwan	Lead Independent Director	-	Member	-
Mr Lee Chiang Huat	Independent Director	Chairman	-	-
Dr Tan Tin Wee	Independent Director	-	Chairman	Member
Mr Dileep Nair	Independent Director	Member	Member	-
Mr Low Huan Ping	Independent Director	Member	-	Member
Ms Yeo Siew Eng ¹	Independent Director	Member	-	-
Mr Thomas Pang Thieng Hwi	Non-Executive Director	-	-	Chairman

¹ Ms Yeo Siew Eng was appointed to the Board on 1 November 2022 and she was appointed as member of the ARC on 30 January 2023.

promptly report to the ARC Chairman, of any such report. The supervisor shall not, upon receiving or becoming aware of any report, take any independent action or start any investigation in connection with such report unless otherwise directed by the ARC Chairman or the Receiving Officer. If any of the persons in the reporting line prefers not to disclose the matter to the supervisor and/or Receiving Officer (as the case may be), he or she may make the report directly to the ARC Chairman.

Other Whistle-Blowers (other than employees) may report a suspected Reportable Conduct to either the Receiving Officer or the ARC Chairman via the established reporting channel.

All reports and related communications will be documented by the person first receiving the report. The information disclosed should be as precise as possible to allow for proper assessment of the nature, extent and urgency of preliminary investigative procedures to be undertaken.

Investigation

Every Protected Report (referring to a report made in good faith that discloses suspected Reportable Conduct) received, whether oral or written, and anonymous or otherwise, will be assessed by the Receiving Officer, who will exercise his own discretion or in consultation with the Investigation Advisory Committee, make recommendations to the ARC Chairman. Where the circumstances warrant an investigation, the ARC Chairman or the ARC (as the case may be) and the Investigation Advisory Committee (if consulted) will use their respective best endeavours to ensure that there is no conflict of interests on the part of any person involved in the investigations. The Investigation Advisory Committee (comprising representatives from each of the Keppel Capital Human Resources, Keppel Capital Legal and Keppel Capital Risk & Compliance departments, or such other representatives as the ARC may determine) assists the ARC Chairman with overseeing the investigation process and any matters arising therefrom or in connection therewith. The ARC Chairman will also require the matter to be reported to the authorities if a crime is involved, and/or to the relevant insurance company in accordance with the terms of the applicable insurance policies.

The Receiving Officer, in consultation with the Investigation Advisory Committee, will prepare a report on his findings including recommendations on any corrective or remedial actions to be taken, and such report shall be submitted to the ARC Chairman upon the conclusion of the investigation into any Reportable Conduct. The ARC Chairman (whether in the exercise

of his own discretion or in consultation with the ARC) shall determine the adequacy of corrective or remedial actions proposed (if any).

Identities of Whistle-Blowers, participants of the investigations and the investigation subject(s) will be kept confidential to the extent possible.

No Reprisal

No person shall be subject to any reprisal for having made a Protected Report in accordance with the Policy or having participated in an investigation. A reprisal means personal disadvantage by:

- (a) Dismissal;
- (b) Demotion;
- (c) Suspension;
- (d) Termination of employment/contract;
- (e) Any form of harassment or threatened harassment;
- (f) Discrimination; or
- (g) Current or future bias.

Any reprisal suffered may be reported to the Receiving Officer (who shall refer the matter to the ARC Chairman) or directly to the ARC Chairman. The ARC Chairman shall review the matter and determine the appropriate actions to be taken.

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Rule 720(6) of the Listing Manual of the SGX-ST

The information required under Rule 720(6) read with Appendix 7.4.1 of the Listing Manual in respect of Directors whom the Manager is seeking endorsement by Unitholders at the annual general meeting to be held in 2023 is set out below.

Name of Director	Ms Christina Tan	Mr Lee Chiang Huat	Ms Yeo Siew Eng
Date of Appointment	15 September 2016	18 November 2014	1 November 2022
Date of last re-appointment (if applicable)	1 June 2020	1 June 2020	N.A.
Age	57	73	65
Country of principal residence	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The process for succession planning for the Board, appointment of directors, and the seeking of endorsement or re-endorsement of Directors to the Board, is set out in pages 165 to 168 of this Annual Report.		
Whether the appointment is executive, and if so, the area of responsibility	Non-executive	Non-executive	Non-executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Chairman of the Board and Member of the Nominating and Remuneration Committee	Independent Director and Chairman of the Audit and Risk Committee	Independent Director and Member of the Audit and Risk Committee
Professional qualifications	Bachelor of Accountancy (Honours), National University of Singapore; CFA® Charterholder	Bachelor of Business Administration, University of Singapore; Master of Business Administration, University of New South Wales; Master of Social Science (Applied Economics), National University of Singapore	Bachelor of Accountancy, University of Singapore (n.k.a. National University of Singapore); Fellow of the Singapore Institute of Chartered Accountants; Member of the Singapore Institute of Directors
Working experience and occupation(s) during the past 10 years	<p>From October 2021 to Current: Director, Keppel Land Limited</p> <p>From October 2021 to Current: Director, Keppel Telecommunications & Transportation Ltd</p> <p>From November 2019 to Current: Director, Keppel Capital Alternative Asset Pte. Ltd.</p> <p>From September 2016 to Current: Non-executive Director, Keppel REIT Management Limited (the manager of Keppel REIT)</p> <p>From September 2016 to Current: Non-executive Director, Keppel Infrastructure Fund Management Pte. Ltd. (the trustee-manager of Keppel Infrastructure Trust)</p> <p>From July 2016 to Current: Chief Executive Officer, Keppel Capital Holdings Pte. Ltd.</p> <p>From May 2016 to Current: Director, Keppel Capital Holdings Pte. Ltd.</p> <p>From Jan 2012 to February 2018: Managing Director, Alpha Investment Partners Limited</p> <p>From April 2007 to Current: Director, Alpha Investment Partners Limited</p>	<p>From 2019 to Current: Director, Jurong Port Tank Terminals Pte. Ltd.</p> <p>From 2018 to Current: Director, Jurong Port Pte Ltd</p> <p>From November 2014 to April 2021: Independent Director, Keppel REIT Management Limited (the manager of Keppel REIT)</p>	<p>From August 2022 to Current: Non-executive Director, Transit Link Pte Ltd</p> <p>From October 2020 to Current: Non-executive Independent Director, Venture Corporation Limited</p> <p>From March 2020 to 16 January 2023: Non-executive Independent Director, Nam Lee Pressed Metal Industries Limited</p> <p>From October 1998 to May 2018: Partner, Deloitte & Touche LLP</p>
Shareholding interest in the listed issuer and its subsidiaries	55,250 units in Keppel DC REIT	127,582 units in Keppel DC REIT	Nil

Name of Director	Ms Christina Tan	Mr Lee Chiang Huat	Ms Yeo Siew Eng
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Ms Christina Tan is CEO and Director of Keppel Capital Holdings Pte. Ltd., the parent company of Keppel DC REIT Management Pte. Ltd.; and Director of Keppel Telecommunications & Transportation Ltd	No	No
Conflict of interest (including any competing business)	Nil	Nil	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes
Other Principal Commitments including Directorships - Past (for the last 5 years)	Various subsidiaries and associated companies of Alpha Investment Partners Limited and funds managed by Alpha Investment Partners Limited	Icurrencies Pte. Ltd.; Keppel REIT Management Limited (the manager of Keppel REIT)	Partner of Deloitte & Touche LLP; Non-executive Independent Director of Nam Lee Pressed Metal Industries Limited
Other Principal Commitments including Directorships - Present	Keppel Capital Holdings Pte. Ltd.; Alpha Investment Partners Limited; Keppel Capital Alternative Asset Pte. Ltd.; Keppel Land Limited; Keppel Telecommunications & Transportation Ltd	Nil	Non-executive Independent Director of Venture Corporation Limited; Non-executive Director of Transit Link Pte Ltd
Any prior experience as a director of an issuer listed on the Exchange?	Yes	Yes	Yes
If yes, please provide details of prior experience	Keppel REIT Management Limited (the manager of Keppel REIT); Keppel Infrastructure Fund Management Pte. Ltd. (the trustee-manager of Keppel Infrastructure Trust)	Keppel REIT Management Limited (the manager of Keppel REIT)	Venture Corporation Limited; Nam Lee Pressed Metal Industries Limited
If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	N.A.	N.A.	N.A.
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).			
a. Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No
b. Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
c. Whether there is any unsatisfied judgement against him?	No	No	No
d. Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No
e. Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No

Governance

Corporate Governance

Name of Director	Ms Christina Tan	Mr Lee Chiang Huat	Ms Yeo Siew Eng
f. Whether at any time during the last 10 years, judgement has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No
g. Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
h. Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
i. Whether he has ever been the subject of any order, judgement or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No
j. Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:	No	No	No
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or			
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or			
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or			
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?			
k. Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No

Summary of Disclosures of 2018 Code

Rule 710 of the SGX Listing Manual requires Singapore listed companies to describe their corporate governance practices with specific reference to the 2018 Code in their annual reports for financial years commencing on or after 1 January 2019. This summary of disclosures describes our corporate governance practices with specific reference to the disclosure requirement under the 2018 Code.

Principles	
Board Matters	
The Board's Conduct of Affairs	
Provision 1.1	Pages 163, 175 to 177
Provision 1.2	Page 164
Provision 1.3	Page 163
Provision 1.4	Pages 162 to 174, 177 to 179
Provision 1.5	Pages 163 to 167
Provision 1.6	Pages 163 to 164
Provision 1.7	Pages 163 to 164
Board Composition and Guidance	
Provision 2.1	Pages 166 to 167
Provision 2.2	Pages 166 to 167
Provision 2.3	Page 166
Provision 2.4	Pages 165 to 166
Provision 2.5	Page 164
Chairman and Chief Executive Officer	
Provision 3.1	Page 164
Provision 3.2	Pages 164 to 165
Provision 3.3	Pages 165 and 167
Board Membership	
Provision 4.1	Pages 165 to 168, 178 to 179
Provision 4.2	Page 165
Provision 4.3	Page 165
Provision 4.4	Pages 166 to 167
Provision 4.5	Pages 12 to 14 and 167
Board Performance	
Provision 5.1	Pages 166 to 168 and 178 to 180
Provision 5.2	Pages 166 to 168 and 178 to 180
Remuneration Matters	
Procedures for Developing Remuneration Policies	
Provision 6.1	Pages 168 to 171
Provision 6.2	Page 165
Provision 6.3	Pages 168 to 171
Provision 6.4	Page 168
Level and Mix of Remuneration	
Provision 7.1	Pages 168 to 171
Provision 7.2	Pages 168 to 171
Provision 7.3	Pages 168 to 171

Principles	
Disclosure on Remuneration	
Provision 8.1	Pages 169 to 170
Provision 8.2	Page 171
Provision 8.3	Pages 168 to 171
Accountability and Audit	
Risk Management and Internal Controls	
Provision 9.1	Page 172
Provision 9.2	Page 173
Audit Committee	
Provision 10.1	Pages 171 to 172, 177 to 178
Provision 10.2	Page 171
Provision 10.3	Pages 171 to 172
Provision 10.4	Page 174
Provision 10.5	Page 171
Shareholder Rights and Responsibilities	
Shareholder Rights and Conduct of General Meetings	
Provision 11.1	Pages 174 to 175
Provision 11.2	Pages 174 to 175
Provision 11.3	Pages 174 to 175
Provision 11.4	Pages 174 to 175
Provision 11.5	Pages 174 to 175
Provision 11.6	Pages 174 to 175
Engagement with Shareholders	
Provision 12.1	Pages 174 to 175
Provision 12.2	Pages 174 to 175
Provision 12.3	Pages 174 to 175
Managing Stakeholders Relationship	
Engagement with Stakeholders	
Provision 13.1	Pages 174 to 175
Provision 13.2	Pages 174 to 175
Provision 13.3	Pages 174 to 175

Risk Management

The Manager adopts a robust approach in the identification and management of risks associated with the execution of business strategies.

Risk management is a key element of the Manager’s business strategy. The Manager adopts a robust approach in the identification and management of risks associated with the execution of business strategies. This enables the Manager to respond promptly and effectively to a constantly evolving business landscape.

Keppel DC REIT has an Enterprise Risk Management (ERM) framework, a component of its System of Management Controls, which provides the Manager with a holistic and systematic approach to risk management. It outlines the reporting structure, monitoring mechanisms, specific risk management processes and tools. This framework includes Keppel DC REIT’s policies and limits in addressing and managing the identified key risks. The ERM framework is dynamic and evolves with the business.

Robust ERM Framework

The Manager adopts a five-step risk management process comprising risk identification, risk assessment, formulation of risk mitigation measures, communication and implementation, as well as monitoring and review.

The impact and likelihood of risk events are taken into consideration during the risk assessment process.

This framework encompasses strategic, investment, financial, operational, reputational and other major aspects of Keppel DC REIT’s business. Tools deployed include risk rating matrices and risk registers to assist the Manager in its performance of risk management.

The Board is responsible for governing risks and ensuring that the Manager maintains a sound risk management system and internal controls to safeguard Unitholders’ interests and Keppel DC REIT’s assets. With the support of the ARC, the Board advises management in formulating various risk policies and guidelines. Terms of reference of the ARC are disclosed on pages 177 to 178 of this Report.

On a quarterly basis, or more frequently if necessary, the Board and management review Keppel DC REIT’s financial performance, assess its current and future operational, financial and investment risks, as well as address feedback from the auditors on compliance matters. The Board, aided by the ARC, has implemented three Risk Tolerance Guiding



Principles for Keppel DC REIT and the Manager. These principles serve to determine the nature and extent of the significant risks that the Board is willing to take in achieving its strategic objectives:

1. Risk taken should be carefully evaluated, commensurate with rewards and in line with Keppel DC REIT’s core strengths and strategic objectives.
2. No risk arising from a single area of operation, investment or undertaking should be so huge as to endanger Keppel DC REIT.
3. Keppel DC REIT does not condone safety breaches or lapses, non-compliance with laws and regulations, as well as acts such as fraud, bribery and corruption.

The risk management assessment framework also determines the adequacy and effectiveness of the risk management system within Keppel DC REIT. In 2022, the Board has assessed and deemed Keppel DC REIT’s risk management system to be adequate and effective in addressing the key risks identified below:

1. Operational Risk

- All operations are aligned with Keppel DC REIT’s strategies to ensure income sustainability and growth. Measures include proactive lease management and marketing to reduce rental voids, monitoring of rental arrears to minimise bad debts,

and managing property expenses to raise operational efficiency.

- Formalised guidelines, procedures, internal training and tools are used to provide guidance in assessing, mitigating and monitoring risks.
- The Manager fosters close relationships with clients and manages lease expiries to avoid a disproportionate amount of space expiring in any one year.
- The Manager and the facility managers ensure that asset performance is well managed and adheres to the respective service level agreements.

The Manager also assesses and approves all renewals, new leases as well as capital expenditures. The Manager actively engages the facility managers in regular operational meetings to ensure that the assets are managed in accordance with Keppel DC REIT’s operating plans and standards.

- Business continuity plans (BCP) enable Keppel DC REIT to respond effectively to potential disruptions resulting from internal and external events, while continuing critical business functions. Regular BCP drills are conducted to ensure operational resilience.

2. Financing Risk

- Liquidity and financing risks are managed in accordance with established guidelines and policies. The Manager also monitors its cash flows, debt maturity profile, aggregate leverage and liquidity positions on a regular basis.
- The Manager seeks to diversify its funding sources and achieve a well-spread debt maturity profile.

3. Financial Risk

- The Manager constantly monitors the exposure of Keppel DC REIT to changes in interest and foreign exchange rates. It utilises various financial instruments, where appropriate, to hedge against exposure.
- The Manager enters into floating to fixed interest rate swaps to manage its interest rate exposure, with the primary objective of limiting the extent to which net interest expense can be affected by adverse movements in interest rates.
- The Manager mitigates the impact of currency fluctuations through the use of foreign currency forward contracts to hedge the REIT's forecasted foreign-sourced distributions.

4. Credit Risk

- The Manager maintains a proactive approach to monitor the credit risk exposure and ensures mitigation measures are in place should the risk impact become material.
- Procedures are implemented to ensure regular collection of rents and minimise potential rental arrears.
- The Manager maintains a well-diversified client base across high value-added trade sectors to minimise concentration risk.

5. Investment Risk

- Comprehensive due diligence to assess and evaluate potential investment risks are conducted prior to any transaction.

All investment proposals are objectively evaluated based on the Manager's stringent investment criteria as well as the target asset's specifications, expected returns,

growth potential and overall value-add to Keppel DC REIT, taking into consideration the current economic climate and market conditions.

- The Board reviews and approves transactions after evaluating all aspects of the investment proposal and risks involved.
- The effect of each proposed transaction on the Singapore-overseas ratio is evaluated prior to any transaction to manage concentration risk.

6. Compliance Risk

- As a Capital Markets Services Licence holder, the Manager complies with applicable laws and regulations including the SGX-ST Listing Rules, the Code on Collective Investment Schemes, Property Fund Appendix and conditions of the Capital Markets Services Licence for REIT Management issued by the Monetary Authority of Singapore under the Securities and Futures Act, as well as the tax rulings issued by the Inland Revenue Authority of Singapore.
- The Manager closely monitors changes to legislations and regulations as well as new developments in its operating environment to uphold regulatory compliance in all operations.
- Keppel DC REIT and the Manager undergo periodic internal and external audits to ensure that they adhere to relevant policies and processes.
- The Manager adopts a strong anti-corruption and anti-bribery stance and regularly communicates key policy requirements to all employees.

7. Emerging Risks

- The Manager performs monitoring of evolving or emerging risks – tangential or ancillary type threats which may otherwise have been non-major concerns.

Cybersecurity, Climate Change and sustainability related matters are areas of risks noted. They are monitored closely and actions are taken, when necessary, to prevent and mitigate them.

Other Information

Additional Information

Interested Person Transactions

The transactions entered into with interested persons during the financial year which falls under the Listing Manual of the SGX-ST and the CIS Code are as follows:

Name of Interested Persons	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under Unitholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under Unitholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
		FY 2022 S\$'000	FY 2022 S\$'000
Temasek Holdings Group	"Controlling Unitholder" of the REIT and "Controlling Shareholder" of the REIT Manager		
- Rental income		28,722	NIL
Keppel Corporation Limited and its subsidiaries	"Controlling Unitholder" of the REIT and "Controlling Shareholder" of the REIT Manager		
- Variable rental income		88,892	NIL
- Facility management fees and property management fees		8,554	NIL
- Manager's management fees		26,339	NIL
- Manager's acquisition and development management fees		2,622	NIL
- Project management fees		102	NIL
- Support services fees		857	NIL
Perpetual (Asia) Limited	"Trustee" of the REIT		
- Trustee fees		442	NIL

Certain other interested person transactions outlined in the Prospectus dated 5 December 2014 are deemed to have been approved by the Unitholders and are therefore not subject to Rules 905 and 906 of the Listing Manual to the extent that specific information on these agreements have been disclosed in the Prospectus and there is no subsequent change to the rates and/or bases of the fees charged thereunder which will adversely affect Keppel DC REIT.

Keppel DC REIT has not obtained a general mandate from Unitholders for Interested Person Transactions for the financial period under review. Please also see significant related party transactions on Note 32 in the financial statements.

In accordance with Rule 906(1) of the Listing Manual, the below interested person transactions have not been computed as a percentage of the net assets of Keppel DC REIT for purposes of Rule 906(1) because the following transactions have been approved or have been deemed approved by Unitholders:

- (a) Aggregate variable rental income amount of S\$88,892,000, comprising:
 - (i) the lease agreements (each for a period of 10 years) for Keppel DC Singapore 1 and Keppel DC Singapore 2 deemed approved by the Unitholders upon subscription of Units and are therefore not subject to Rule 906 by way of disclosure in the prospectus of Keppel DC REIT dated 5 December 2014;
 - (ii) 90% (representing Keppel DC REIT's ownership interest in the property) of the lease agreement for Keppel DC Singapore 3 (for a period of 10 years) approved by Unitholders by way of an extraordinary general meeting held on 7 November 2016 pursuant to the circular dated 18 October 2016 in connection with the acquisition of an interest in Keppel DC Singapore 3;
 - (iii) 99% (representing Keppel DC REIT's ownership interest in the property) of the lease agreement for Keppel DC Singapore 4 (for a period of 10 years) approved by Unitholders by way of an extraordinary general meeting held on 23 October 2019 pursuant to the circular dated 8 October 2019 in connection with, among others, the acquisition of an interest in Keppel DC Singapore 4; and
 - (iv) 99% (representing Keppel DC REIT's ownership interest in the property) of the lease agreement for Keppel DC Singapore 5 (this concerns a 9-year renewal of the lease) approved by Unitholders by way of an extraordinary general meeting held on 16 April 2019 pursuant to the circular dated 25 March 2019 in connection with, among others, the renewal of the Keppel DC Singapore 5 lease.

- (b) Rental income amounting to S\$18,359,000 arising from the master lease entered into by the company holding DC1 ("DC1PL"). As disclosed in the circular to the Unitholders dated 8 October 2019, Keppel DC REIT acquired 100% of the interest in DC1PL and in accordance with the Listing Manual and the aforementioned circular, the existing master lease is deemed approved by Unitholders and need not be included in any subsequent aggregation for purposes of Rule 906(1) of the Listing Manual.
- (c) Investment in notes in a joint venture and total interest income receivable from a joint venture amounting to an aggregate of S\$165,000,000, approved by Unitholders by way of an extraordinary general meeting held on 2 December 2021 pursuant to the circular dated 10 November 2021.

As Unitholders' approval has been obtained or have been duly deemed obtained in connection with the foregoing transactions, these are excluded for the purposes of Listing Rule 906(1)(b) and it is therefore noted that Keppel DC REIT has not exceeded the threshold stipulated in Listing Rule 906(1).

Subscription of Keppel DC REIT Units

During the financial year ended 31 December 2022, Keppel DC REIT issued:

1. 1,779,047 new Units to the Manager as payment of 100% of the base and performance fees in respect of Intellicentre Campus in Australia, Amsterdam Data Centre and Eindhoven Campus in the Netherlands, Guangdong Data Centre 1, Guangdong Data Centre 2 and the building shell of Guangdong Data Centre 3 in China, London Data Centre in the United Kingdom and 50% of the base and performance fees in respect of 99% interest in Keppel DC Singapore 5 for the period from 1 October 2021 to 30 September 2022 at issue prices ranging from S\$1.7795 - S\$2.4248 per Unit; and
2. 1,359,113 new Units to the Manager as payment of 100% of the acquisition fees of Guangdong Data Centre 1 and London Data Centre, as well as the net aggregate subscription amount of investment in bonds and preference shares issued by M1 Network Private Limited at the issue price of S\$2.4077 per Unit based on the average of the relevant issue prices per Unit calculated based the respective days on which the acquisitions and investment were completed.

Other Information

Statistics of Unitholdings

As at 28 February 2023

Issued and Fully Paid Units

1,720,032,026 Units (Voting rights: 1 vote per Unit)

There is only one class of Units in Keppel DC REIT.

Market capitalisation of S\$3,405,663,411 based on market closing price of S\$1.98 per Unit on 28 February 2023.

DISTRIBUTION OF UNITHOLDINGS

SIZE OF UNITHOLDINGS	NO. OF UNITHOLDERS	%	NO. OF UNITS	%
1 - 99	166	0.67	6,495	0.00
100 - 1,000	4,059	16.26	2,964,200	0.17
1,001 - 10,000	15,435	61.82	71,727,244	4.17
10,001 - 1,000,000	5,279	21.14	179,922,035	10.46
1,000,001 AND ABOVE	27	0.11	1,465,412,052	85.20
TOTAL	24,966	100.00	1,720,032,026	100.00

TWENTY LARGEST UNITHOLDERS

NO.	NAME	NO. OF UNITS	%
1	Keppel DC Investment Holdings Pte. Ltd.	336,131,978	19.54
2	Citibank Nominees Singapore Pte Ltd	311,664,795	18.12
3	DBS Nominees (Private) Limited	218,998,666	12.73
4	HSBC (Singapore) Nominees Pte Ltd	208,830,703	12.14
5	Raffles Nominees (Pte.) Limited	140,083,993	8.14
6	DBSN Services Pte. Ltd.	99,698,620	5.80
7	BPSS Nominees Singapore (Pte.) Ltd.	21,125,933	1.23
8	United Overseas Bank Nominees (Private) Limited	16,491,038	0.96
9	Phillip Securities Pte Ltd	16,223,655	0.94
10	iFAST Financial Pte. Ltd.	12,450,037	0.72
11	Keppel DC REIT Management Pte. Ltd.	11,110,133	0.65
12	OCBC Nominees Singapore Private Limited	10,410,206	0.61
13	OCBC Securities Private Limited	9,803,123	0.57
14	DB Nominees (Singapore) Pte Ltd	9,612,118	0.56
15	ABN AMRO Clearing Bank N.V.	9,431,803	0.55
16	UOB Kay Hian Private Limited	7,190,716	0.42
17	Tiger Brokers (Singapore) Pte. Ltd.	4,623,400	0.27
18	Societe Generale Singapore Branch	4,300,750	0.25
19	BNP Paribas Nominees Singapore Pte. Ltd.	4,164,933	0.24
20	Maybank Securities Pte. Ltd.	3,513,314	0.20
TOTAL		1,455,859,914	84.64

The Manager's Directors' Unitholdings

Based on the Register of Directors' Unitholdings maintained by the Manager, as at 21 January 2023, the direct and deemed interests of each Director of Keppel DC REIT Management Pte. Ltd. in the Units in Keppel DC REIT are set out below. As at 21 January 2023, there are no convertible securities in Keppel DC REIT.

Name of Director	No. of Units
Ms Christina Tan	55,250 (Direct)
Mr Kenny Kwan	17,000 (Direct)
Mr Lee Chiang Huat	127,582 (Direct)
Dr Tan Tin Wee	124,538 (Direct)
Mr Dileep Nair	50,077 (Direct)
Mr Low Huan Ping	17,900 (Direct)
Ms Yeo Siew Eng	Nil
Mr Thomas Pang	97,188 (Direct)

Substantial Unitholders

Based on the Register of Substantial Unitholders' Unitholdings maintained by the Manager, as at 28 February 2023, the Substantial Unitholders of Keppel DC REIT and their interests in the Units in Keppel DC REIT are as follows:

Name	No. of Units	%
Temasek Holdings (Private) Limited	374,853,486 (Deemed) ¹	21.79
Keppel Corporation Limited	347,020,264 (Deemed) ²	20.18
Keppel Telecommunications & Transportation Ltd	336,131,978 (Deemed) ³	19.54
Keppel DC Investment Holdings Pte. Ltd.	336,131,978 (Direct)	19.54

Notes:

- (1) Temasek Holdings (Private) Limited's deemed interest arises from the deemed interest held by Keppel Corporation Limited and other subsidiaries and associated companies of Temasek Holdings (Private) Limited.
- (2) Keppel Corporation Limited's deemed interest arises from its shareholdings in (i) Keppel DC Investment Holdings Pte. Ltd., a wholly-owned subsidiary of Keppel Telecommunications & Transportation Ltd, which is in turn a subsidiary of Keppel Corporation Limited and (ii) Keppel DC REIT Management Pte. Ltd., a wholly-owned subsidiary of Keppel Capital Holdings Pte. Ltd., which is in turn a subsidiary of Keppel Corporation Limited.
- (3) Keppel Telecommunications & Transportation Ltd's deemed interest arises from its shareholding in Keppel DC Investment Holdings Pte. Ltd., a wholly-owned subsidiary of Keppel Telecommunications & Transportation Ltd.

Public Unitholders

Based on the information available to the Manager as at 28 February 2023, approximately 78.15% of the issued Units in Keppel DC REIT are held by the public and therefore, pursuant to Rules 1207 and 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited, it is confirmed that at least 10% of the issued Units in Keppel DC REIT are at all times held by the public.

Treasury Units

As at 28 February 2023, there are no treasury units held by Keppel DC REIT or the Manager.

Other Information

Financial Calendar

Financial Year Ended 31 December 2022

First Quarter 2022 Key Business and Operational Updates	19 April 2022
Annual General Meeting	20 April 2022
First Half 2022 Results Announcement	25 July 2022
Distribution for 1 January 2022 to 30 June 2022	9 September 2022
Third Quarter 2022 Key Business and Operational Updates	26 October 2022
Full Year 2022 Results Announcement	31 January 2023
Distribution for 1 July 2022 to 31 December 2022	14 March 2023

Notice of Annual General Meeting



(Constituted in the Republic of Singapore pursuant to a trust deed dated 17 March 2011 (as amended))

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the “**AGM**”) of the holders of units of Keppel DC REIT (the “**Unitholders**”) will be convened and held at Suntec Singapore Convention and Exhibition Centre, Nicoll 1-2, Level 3, 1 Raffles Boulevard Suntec City, Singapore 039593 (see Explanatory Notes 1 to 11) on **Wednesday, 19 April 2023 at 3.00 p.m.** (Singapore time) to transact the following business:

(A) As Ordinary Business

1. To receive and adopt the Report of Perpetual (Asia) Limited, as trustee of Keppel DC REIT (the “**Trustee**”), the Statement by Keppel DC REIT Management Pte. Ltd., as manager of Keppel DC REIT (the “**Manager**”), and the Audited Financial Statements of Keppel DC REIT for the financial year ended 31 December 2022 and the Auditor’s Report thereon. (**Ordinary Resolution 1**)
2. To re-appoint Messrs PricewaterhouseCoopers LLP as the Auditor of Keppel DC REIT to hold office until the conclusion of the next AGM of Keppel DC REIT, and to authorise the Manager to fix their remuneration. (**Ordinary Resolution 2**)
3. To endorse the appointments of the following directors of the Manager (“**Directors**”), pursuant to the undertaking dated 1 July 2016 provided by Keppel Capital Holdings Pte. Ltd. (“**Keppel Capital**”) to the Trustee:
 - (a) Ms Christina Tan; (**Ordinary Resolution 3**)
 - (b) Mr Lee Chiang Huat; and (**Ordinary Resolution 4**)
 - (c) Ms Yeo Siew Eng. (**Ordinary Resolution 5**)

(Please see Explanatory Note 10)

(B) As Special Business

To consider, and, if thought fit, to pass with or without any modifications, the following resolutions:

4. That authority be and is hereby given to the Manager to:
 - (a) (i) issue units in Keppel DC REIT (“**Units**”) whether by way of rights, bonus or otherwise, and including any capitalisation of any sum for the time being standing to the credit of any of Keppel DC REIT’s reserve accounts or any sum standing to the credit of the profit and loss account or otherwise available for distribution; and/or
 - (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that would or might require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, securities, warrants, debentures or other instruments convertible into Units,

at any time and upon such terms and conditions and for such purposes and to such persons as the Manager may in its absolute discretion deem fit; and

- (b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time such Units are issued) issue Units in pursuance of any Instrument made or granted by the Manager while this Resolution was in force,

provided that:

- (1) the aggregate number of Units to be issued pursuant to this Resolution (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution and any adjustment effected under any relevant Instrument) shall not exceed fifty per cent. (50%) of the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) in each class (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Units to be issued other than on a pro rata basis to Unitholders (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution and any adjustment effected under any relevant Instrument) shall not exceed twenty per cent. (20%) of the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) in each class (as calculated in accordance with sub-paragraph (2) below);

Other Information

Notice of Annual General Meeting

- (2) subject to such manner of calculation as may be prescribed by Singapore Exchange Securities Trading Limited (the "SGX-ST") for the purpose of determining the aggregate number of Units that may be issued under sub-paragraph (1) above, the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) shall be calculated based on the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) at the time this Resolution is passed, after adjusting for:
 - (a) any new Units arising from the conversion or exercise of any Instruments which were issued and are outstanding or subsisting at the time this Resolution is passed; and
 - (b) any subsequent bonus issue, consolidation or subdivision of Units;
- (3) in exercising the authority conferred by this Resolution, the Manager shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (the "Listing Manual") (unless such compliance has been waived by the SGX-ST) and the trust deed dated 17 March 2011 constituting Keppel DC REIT (as amended) (the "Trust Deed") (unless otherwise exempted or waived by the Monetary Authority of Singapore);
- (4) (unless revoked or varied by the Unitholders in a general meeting) the authority conferred by this Resolution shall continue in force until (i) the conclusion of the next AGM of Keppel DC REIT or (ii) the date by which the next AGM of Keppel DC REIT is required by law or applicable regulations to be held, whichever is earlier;
- (5) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Units into which the Instruments may be converted in the event of rights, bonus or other capitalisation issues or any other events, the Manager is authorised to issue additional Instruments or Units pursuant to such adjustment, notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments or Units are issued; and
- (6) the Manager and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing, as the case may be, all such documents as may be required) as the Manager or, as the case may be, the Trustee may consider necessary, expedient, incidental or in the interest of Keppel DC REIT to give effect to the authority conferred by this Resolution. (**Ordinary Resolution 6**)

(Please see Explanatory Note 11)

(C) As Other Business

5. To transact such other business as may be transacted at an AGM of Keppel DC REIT.

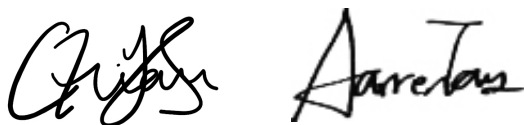
Unitholders are invited to send in their questions relating to the resolutions above to the Manager by 3.00 p.m. on 6 April 2023. Please see Explanatory Note 7 of this Notice of AGM on how Unitholders may submit their questions.

BY ORDER OF THE BOARD

Keppel DC REIT Management Pte. Ltd.

(Company Registration Number: 199508930C)

as Manager of Keppel DC REIT



Chiam Yee Sheng / Tan Wei Ming, Darren

Company Secretaries

Singapore

28 March 2023

Explanatory Notes:

1. This AGM is being convened and will be held in a wholly physical format, at Suntec Singapore Convention and Exhibition Centre, Nicoll 1-2, Level 3, 1 Raffles Boulevard Suntec City, Singapore 039593 on Wednesday, 19 April 2023 at 3.00 p.m., pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for

Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. **There will be no option for Unitholders to participate virtually.** In addition to printed copies of the Notice of AGM and the accompanying Proxy Form that will be sent to Unitholders, this Notice of AGM and the accompanying Proxy Form will also be sent to Unitholders by electronic means via publication on Keppel DC REIT's website at <https://www.keppeldcreit.com/en/investor-relations/agmegm-information/> and SGXNet.

The Manager may implement such COVID-19 safe management measures (including vaccination-differentiated safe management measures) at the AGM as may be required or recommended under any regulations, directives, measures or guidelines that may be issued from time to time by any government or regulatory agency in light of the COVID-19 situation in Singapore. Unitholders should check Keppel DC REIT's website at <https://www.keppeldcreit.com/en/investor-relations/agmegm-information/> or SGXNet for the latest updates.

2. Investors holding Units through relevant intermediaries ("**Investors**") (other than investors holding Units through the Central Provident Fund ("**CPF**") or Supplementary Retirement Scheme ("**SRS**") ("**CPF/SRS investors**")) and who wish to participate in the AGM by (i) attending the AGM in person; (ii) submitting questions to the Manager in advance of, or at, the AGM; and/or (iii) voting at the AGM (A) themselves; or (B) by appointing the Chairman as proxy in respect of the Units held by such relevant intermediary on their behalf, should contact the relevant intermediary through which they hold such Units as soon as possible in order for the necessary arrangements to be made for their participation in the AGM.

In this Notice of AGM, a "**relevant intermediary**" means:

- (a) a banking corporation licensed under the Banking Act 1970, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001, and who holds Units in that capacity; or
- (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act 1953, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

3. Arrangements relating to:

- (a) attendance at the AGM by Unitholders, including CPF and SRS investors;
- (b) submission of questions to the Manager in advance of, or at, the AGM, and addressing of substantial and relevant questions in advance of, or at, the AGM; and
- (c) voting at the AGM by Unitholders, including CPF and SRS Investors, or (where applicable) their duly appointed proxy,

are set out in the accompanying announcement dated 28 March 2023. This announcement may be accessed at Keppel DC REIT's website at <https://www.keppeldcreit.com/en/investor-relations/agmegm-information/> and SGXNet.

4. A proxy need not be a Unitholder. A Unitholder can appoint the Chairman as his/her/its proxy, but this is not mandatory.

The instrument for the appointment of proxy ("**Proxy Form**") will be sent to Unitholders and may be accessed at Keppel DC REIT's website at <https://www.keppeldcreit.com/en/investor-relations/agmegm-information/> and SGXNet. Where a Unitholder (whether individual or corporate) appoints the Chairman as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the appointment of the Chairman as proxy for that resolution will be treated as invalid.

A Unitholder who is not a relevant intermediary is entitled to appoint not more than two proxies. A Unitholder who is a relevant intermediary may appoint more than two proxies to exercise all or any of its rights to attend, speak and vote at the AGM. In any case where a Proxy Form appoints more than one proxy, the proportion of the holding of Units concerned to be represented by each proxy shall be specified in the Proxy Form.

5. **A Proxy Form must be submitted in the following manner:**

- (a) if submitted by post, be lodged with the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or
- (b) if submitted electronically, be submitted via email to keppel@boardroomlimited.com,

in either case, by **3:00 p.m. on 16 April 2023, being 72 hours before the time appointed for holding this AGM.**

A Unitholder who wishes to submit the Proxy Form must complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

6. The Proxy Form is not valid for use by Investors (including CPF/SRS investors) and shall be ineffective for all intents and purposes if used or purported to be used by them.

CPF/SRS investors may appoint Chairman as proxy to vote on his/her behalf at the AGM, in which case he/she should approach his/her respective CPF bank or SRS operator to specify his/her voting instructions by 5.00 p.m. on 6 April 2023, being 7 working days before the date of the AGM.

An Investor (other than CPF/SRS investors) who wishes to vote should instead approach his/her/its relevant intermediary as soon as possible, and by no later than 5.00 p.m. on 6 April 2023 to specify his/her/its voting instructions, including but not limited to, whether he/she/it wishes to vote at the AGM.

7. **All Unitholders and Investors may also submit questions relating to the business of this AGM no later than 3.00 p.m. on 6 April 2023:**

- (a) by email to investor_relations@keppeldcreit.com; or
- (b) by post to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632.

The Manager will answer all substantial and relevant questions received prior to **3.00 p.m. on 14 April 2023** through the publication of its responses on Keppel DC REIT's website and on SGXNet prior to the AGM.

8. All documents (including Keppel DC REIT's Report to Unitholders 2022, the Proxy Form and this Notice of AGM) and information relating to the business of this AGM have been, or will be, published on SGXNet and/or Keppel DC REIT's website at <https://www.keppeldcreit.com/en/investor-relations/agmegm-information/>. **Printed copies of Keppel DC REIT's Report to Unitholders 2022 will not be despatched to Unitholders.** Unitholders and Investors are advised to check SGXNet and/or Keppel DC REIT's website regularly for updates.

Other Information

Notice of Annual General Meeting

9. Any reference to a time of day is made by reference to Singapore time.

10. Ordinary Resolutions 3, 4 and 5

Keppel Capital had on 1 July 2016 provided an undertaking (the "**Undertaking**") to the Trustee:

- to procure the Manager to seek Unitholders' re-endorsement for the appointment of each Director no later than every third AGM of Keppel DC REIT after the relevant general meeting at which such Director's appointment was last endorsed or re-endorsed, as the case may be;
- (where a person is appointed as Director, either to fill a vacancy or as an addition to the existing Directors, at any time) to procure the Manager to seek Unitholders' endorsement for his appointment as a Director at the next AGM of Keppel DC REIT immediately following his appointment; and
- to procure any person whose appointment as a Director has not been endorsed or re-endorsed (as the case may be) by the Unitholders at the relevant general meeting of Keppel DC REIT where the endorsement or re-endorsement (as the case may be) for his/her appointment was sought, to resign or otherwise be removed from the Board of Directors of the Manager either (i) within 21 days from the date of the relevant general meeting or (ii) in the event that the Board of Directors of the Manager determines that a replacement Director has to be appointed, no later than the date when such replacement Director is appointed, and the regulatory approval for such appointment (if any) has been obtained.

The endorsement or re-endorsement from Unitholders of any appointment of any person as a Director shall be by way of an ordinary resolution passed at the relevant general meeting. The Undertaking shall not restrict the Manager or Keppel Capital from appointing any Director from time to time in accordance with applicable laws and regulations (including any applicable rule of the SGX-ST) and the Constitution of the Manager.

The Undertaking shall remain in force for so long as (i) Keppel Capital continues to hold shares in the Manager; and (ii) Keppel DC REIT Management Pte. Ltd. remains as the Manager of Keppel DC REIT.

As the appointments of Ms Christina Tan and Mr Lee Chiang Huat were last endorsed by Unitholders on 1 June 2020, the Manager is seeking the re-endorsement of the appointments of Ms Christina Tan and Mr Lee Chiang Huat at the AGM to be held in 2023. In addition, as Ms Yeo Siew Eng was appointed to the Board of Directors on 1 November 2022, the Manager is also seeking the endorsement of her appointment at this AGM.

Detailed information on Ms Christina Tan, Mr Lee Chiang Huat and Ms Yeo Siew Eng can be found in the "Board of Directors" section in Keppel DC REIT's Report to Unitholders 2022.

Ms Christina Tan will, upon re-endorsement, continue to serve as the Chairman of the Board and a member of the Nominating and Remuneration Committee. Mr Lee Chiang Huat will, upon re-endorsement, continue to serve as an Independent Director and Chairman of the Audit and Risk Committee. Ms Yeo Siew Eng will, upon endorsement, continue to serve as an Independent Director and member of the Audit and Risk Committee.

11. Ordinary Resolution 6

Ordinary Resolution 6 above, if passed, will empower the Manager from the date of this AGM until (i) the conclusion of the next AGM of Keppel DC REIT; (ii) the date on which the next AGM of Keppel DC REIT is required by law or applicable regulations to be held, or (iii) the date on which such authority is revoked or varied by the Unitholders in a general meeting, whichever is the earliest (the "**Mandated Period**"), to issue Units, to make or grant Instruments and to issue Units pursuant to such Instruments, up to a number not exceeding 50% of the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) in each class, of which up to 20% may be issued other than on a pro rata basis to Unitholders.

Ordinary Resolution 6 above, if passed, will empower the Manager to issue Units, during the Mandated Period, as either full or partial payment of fees which the Manager is entitled to receive for its own account pursuant to the Trust Deed.

For determining the aggregate number of Units that may be issued, the percentage of issued Units (excluding treasury Units and subsidiary holdings, if any) will be calculated based on the total number of issued Units at the time Ordinary Resolution 6 above is passed, after adjusting for new Units arising from the conversion or exercise of any Instrument which were issued and are outstanding or subsisting at the time Ordinary Resolution 6 is passed and any subsequent bonus issue, consolidation or subdivision of Units.

Fund raising by issuance of new Units may be required in instances of property acquisitions or debt repayments. In any event, if the approval of Unitholders is required under the Listing Manual, the Trust Deed or any applicable laws and regulations, the Manager will then obtain the approval of Unitholders accordingly.

Personal Data Privacy:

By (i) submitting any question prior to or at the AGM; and/or (ii) submitting a proxy form appointing a proxy(ies) and/or a representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a Unitholder (A) consents to the collection, use and disclosure of the Unitholder's personal data by the Manager and the Trustee (or their agents or service providers) for the purpose of the processing, administration and analysis by the Manager and the Trustee (or their agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Manager and the Trustee (or their agents or service providers) to comply with any applicable laws, listing rules, takeover rules, regulations and/or guidelines (collectively, the "**Purposes**"), (B) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies) and/or representative(s) to the Manager and the Trustee (or its agents or service providers), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Manager and the Trustee (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (C) agrees to provide the Manager and the Trustee with written evidence of such prior consent upon reasonable request.

Proxy Form

Keppel DC REIT

(Constituted in the Republic of Singapore pursuant to a trust deed dated 17 March 2011 (as amended))

IMPORTANT:

- This AGM (as defined below) will be held, in a wholly physical format, at Suntec Singapore Convention and Exhibition Centre, Nicoll 1-2, Level 3, 1 Raffles Boulevard Suntec City, Singapore 039593 on Wednesday, 19 April 2023 at 3.00 p.m. pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. **There will be no option for Unitholders to participate virtually.** In addition to printed copies of the Notice of AGM and this Proxy Form that will be sent to unitholders of Keppel DC REIT ("Unitholders"), Unitholders can also access the Notice of AGM and this Proxy Form on Keppel DC REIT's website at <https://www.keppeldcreit.com/en/investor-relations/agmeggm-information/> and SGXNet.
- Arrangements relating to attendance at the AGM by Unitholders (including investors holding Units through Central Provident Fund ("CPF") or Supplementary Retirement Scheme ("SRS") ("CPF/SRS investors")), submission of questions to the Manager prior to the AGM or at the AGM, addressing of substantial and relevant questions prior to the AGM or at the AGM and voting at the AGM by Unitholders (including CPF or SRS investors) or, where applicable, by appointing a proxy to vote on his/her/its behalf at the AGM, are set out in the Notice of AGM and the accompanying announcement dated 28 March 2023. This announcement may be accessed at Keppel DC REIT's website at <https://www.keppeldcreit.com/en/investor-relations/agmeggm-information/> and SGXNet.
- This Proxy Form is not valid for use by investors holding units in Keppel DC REIT ("Units") through relevant intermediaries ("Investors") (including CPF/SRS investors) and shall be ineffective for all intents and purposes if used or purported to be used by them. Such Investors (including CPF/SRS investors) should refer instead to the instructions set out in the Notice of AGM and the accompanying announcement dated 28 March 2023. An Investor (other than a CPF/SRS investor) who wishes to vote should instead approach his/her/its relevant intermediary as soon as possible, and no later than 5.00 p.m. on 6 April 2023 to make the necessary arrangements.
- Personal Data Privacy:** By submitting this Proxy Form, a Unitholder accepts and agrees to the personal data terms set out in the Notice of AGM dated 28 March 2023.
- Please read the notes overleaf which contain instructions on, inter alia, the appointment of proxies to vote on his/her/its behalf at the AGM.**

Annual General Meeting

I/We _____ (Name(s))
_____ (NRIC/Passport/Company Registration Number(s)) of
_____ (Address)

being a Unitholder/Unitholders of Keppel DC REIT, hereby appoint:

Name	Address	NRIC/Passport number	Proportion of Unitholdings	
			No. of Units	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport number	Proportion of Unitholdings	
			No. of Units	%

or failing him/her, or if no persons are named above, the Chairman of the Annual General Meeting (the "Chairman"), as my/our proxy/proxies to attend, speak and vote on my/our behalf at the Annual General Meeting of Keppel DC REIT ("AGM") to be convened and held on Wednesday, 19 April 2023 at 3.00 p.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote or abstain from voting on the resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies (other than the Chairman) will vote or abstain from voting at his/her/their discretion, as he/she/they may determine on any other matter arising at the AGM. In the absence of specific directions in respect of a resolution, any appointment of the Chairman as your proxy for that resolution will be treated as invalid.

No.	Ordinary Resolutions	For*	Against*	Abstain*
Ordinary Business				
1.	To receive and adopt the Trustee's Report, the Manager's Statement, the Audited Financial Statements of Keppel DC REIT for the financial year ended 31 December 2022 and the Auditor's Report thereon.			
2.	To re-appoint Messrs PricewaterhouseCoopers LLP as the Auditor of Keppel DC REIT and authorise the Manager to fix the Auditor's remuneration.			
3.	To re-endorse the appointment of Ms Christina Tan as Director.			
4.	To re-endorse the appointment of Mr Lee Chiang Huat as Director.			
5.	To endorse the appointment of Ms Yeo Siew Eng as Director.			
Special Business				
6.	To authorise the Manager to issue Units and to make or grant convertible instruments.			

* If you wish to exercise all your votes "For" or "Against" the relevant resolution, please mark with an "X" within the relevant box provided. Alternatively, if you wish to exercise your votes for both "For" and "Against" the relevant resolution, please indicate the number of Units in the boxes provided. If you wish to abstain from voting on a resolution, please mark with an "X" within the relevant box provided. Alternatively, please indicate the number of Units which you wish to abstain from voting in the box provided.

Dated this _____ day of _____ 2023

Total Number of Units Held

Signature(s) of Unitholder(s) / Common Seal of Corporate Unitholder

IMPORTANT: Please read the notes overleaf before completing this Proxy Form

Fold and glue all sides firmly

Fold and glue all sides firmly

Fold and glue all sides firmly



Notes to the Proxy Form

1. A Unitholder should insert the total number of Units held in the Proxy Form. If the Unitholder has Units entered against his/her/its name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 and maintained by The Central Depository (Pte) Limited ("**CDP**")), he/she/it should insert that number of Units. If the Unitholder has Units registered in his/her/its name in the Register of Unitholders of Keppel DC REIT, he/she/it should insert that number of Units. If the Unitholder has Units entered against his/her/its name in the said Depository Register and registered in his/her/its name in the Register of Unitholders, he/she/it should insert the aggregate number of Units. If no number is inserted, this Proxy Form will be deemed to relate to all the Units held by the Unitholder.
2. A proxy need not be a Unitholder. A Unitholder can appoint the Chairman as his/her/its proxy. Where a Unitholder (whether individual or corporate) appoints the Chairman as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the appointment of the Chairman as proxy for that resolution will be treated as invalid.
3. The Proxy Form is not valid for use by Investors (including CPF/SRS investors) and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS investors may appoint the Chairman as proxy to vote on his/her/its behalf at the AGM, in which case he/she/it should approach his/her/its respective CPF bank or SRS operator to specify his/her/its voting instructions by 5.00 p.m. on 6 April 2023, being 7 working days before the date of the AGM. An Investor (other than CPF/SRS investors) who wishes to vote should instead approach his/her/its relevant intermediary as soon as possible, and by no later than 5.00 p.m. on 6 April 2023 to specify his/her/its voting instructions, including but not limited to, whether he/she/it wishes to vote at the AGM.
4. The Proxy Form must be submitted in the following manner:
 - (a) if submitted by post, be lodged with the Unit Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or
 - (b) if submitted electronically, be submitted via email to keppel@boardroomlimited.com,in either case, by **3.00 p.m.** on **16 April 2023**, being **72 hours before the time appointed for holding this AGM**.
5. A Unitholder who wishes to submit the Proxy Form must complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.
6. Completion and return of the Proxy Form shall not preclude a Unitholder from attending and voting at the AGM. Any appointment of a proxy shall be deemed to be revoked if a Unitholder attends the AGM.

Fold along this line (1)

Keppel DC REIT

Postage will be paid by addressee. For posting in Singapore only.

BUSINESS REPLY SERVICE
PERMIT NO. 09289



Keppel DC REIT Management Pte. Ltd.
(as manager of Keppel DC REIT)
c/o Boardroom Corporate & Advisory Services Pte Ltd
1 HarbourFront Avenue
#14-07 Keppel Bay Tower
Singapore 098632

Fold along this line (2)

7. The Proxy Form shall be in writing, under the hand of the appointor or of his/her/its attorney duly authorised in writing or if the appointor is a corporation either under the common seal or under the hand of an officer or attorney so authorised. The Manager and the Trustee shall have the right to reject a Proxy Form which has not been properly completed. In determining the rights to vote and other matters in respect of a completed Proxy Form submitted to it, the Manager and the Trustee shall have regard to any instructions and/or notes set out in the Proxy Form.
8. Where the Proxy Form is signed on behalf of the appointor by an attorney or a duly authorised officer, the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney, must (failing previous registration with the Manager) be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.
9. The Proxy Form and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited at such place as the Manager may in the notice convening the meeting direct, or if no such place is appointed, then at the registered office of the Manager not less than 72 hours before the time appointed for holding the meeting or adjourned meeting (or in the case of a poll before the time appointed for the taking of the poll) at which the person named in the Proxy Form proposes to vote and in default the Proxy Form shall not be treated as valid. No Proxy Form shall be valid after the expiration of 12 months from the date named in it as the date of its execution.
10. Any reference to a time of day is made by reference to Singapore time.

General:

The Manager and the Trustee shall be entitled to reject the Proxy Form if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form. In addition, in the case of Units entered in the Depository Register, the Manager may reject any Proxy Form if the Unitholder, being the appointor, is not shown to have Units entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by the CDP to the Manager.

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Keppel DC REIT Management Pte. Ltd.

1 HarbourFront Avenue
Level 2 Keppel Bay Tower
Singapore 098632

Tel: (65) 6803 1818

Fax: (65) 6251 4710

www.keppeldcreit.com

Company Registration Number: 199508930C