Keppel REIT

Driving Resilience & Sustainability

Annual Report 2022

Driving Resilience & Sustainability

To thrive in a world that is constantly changing, businesses need to be ready to face the challenges and embrace change.

At Keppel REIT, we continually enhance our portfolio of prime commercial assets in key gateway cities within Asia Pacific by driving income resilience and seeking long-term growth opportunities, while embedding sustainability at the heart of our strategy.

Vision

To be a successful commercial real estate investment trust with a sterling portfolio of assets in Asia Pacific.

Mission

Guided by our operating principles and core values, we will deliver stable and sustainable returns to Unitholders by continually enhancing our assets and expanding our portfolio.

Overview

Operations Review

Sustainability Report

Financial Statements

Governance

Other Information

Key Highlights for 2022

Higher Distribution to Unitholders

$220.9m

Distribution to Unitholders grew 4.1% year-on-year to $220.9 million[1]. Distribution per Unit increased 1.7% year-on-year to 5.92 cents.

Anniversary Distribution

$100m

To celebrate its 20th anniversary in 2026, Keppel REIT will be distributing a total of $100 million in Anniversary Distribution[2] over a five-year period in appreciation of Unitholders for their support.

Healthy Aggregate Leverage

38.4%

With a prudent approach to capital management, aggregate leverage was maintained at a healthy level of 38.4%. All-in interest rate was 2.29% per annum and adjusted interest coverage ratio[3] was 3.3 times for FY 2022.

Higher Percentage of Loans on Fixed Rates

76%

Increased the percentage of total borrowings on fixed rates from 63%[4] as at 31 December 2021 to 76%[4] as at 31 December 2022 to provide more certainty over interest payments.

Resilient Portfolio of Prime Commercial Assets

$9.2b

A portfolio of prime commercial assets in key business districts of Singapore, Australia, South Korea and Japan, providing both income resilience and long-term growth.

Total Leases Committed

>1.8m sf

Through our proactive leasing strategy, more than 1.8 million sf (approximately 909,500 sf in attributable area) was committed in FY 2022. Leases expiring in 2023 was 8.6% based on attributable net lettable area.

High Portfolio Committed Occupancy

96.3%

Portfolio committed occupancy increased from 95.4% as at 31 December 2021 to 96.3% as at 31 December 2022. Keppel REIT's high quality, green portfolio enjoys a strong tenant base comprising established blue-chip corporations from diverse sectors and remains attractive to leading companies from different sectors.

Long Portfolio Weighted Average Lease Expiry

6.0 years

Weighted average lease expiry (by net lettable area) for the portfolio and top 10 tenants were 6.0 years and 10.5 years as at 31 December 2022, enhancing income stability in the long term.

1 Distribution to Unitholders included the first semi-annual Anniversary Distribution of $10 million.
2 As announced on 25 October 2022, $20 million will be distributed annually with such distributions to be made semi-annually.
3 Defined in the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore as trailing 12 months EBITDA (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), over trailing 12 months interest expense, borrowing-related fees and distributions on hybrid securities.
4 Included Keppel REIT's proportionate share of external borrowings carried at One Raffles Quay Pte Ltd and Central Boulevard Development Pte. Ltd..

Corporate Profile and Strategic Direction

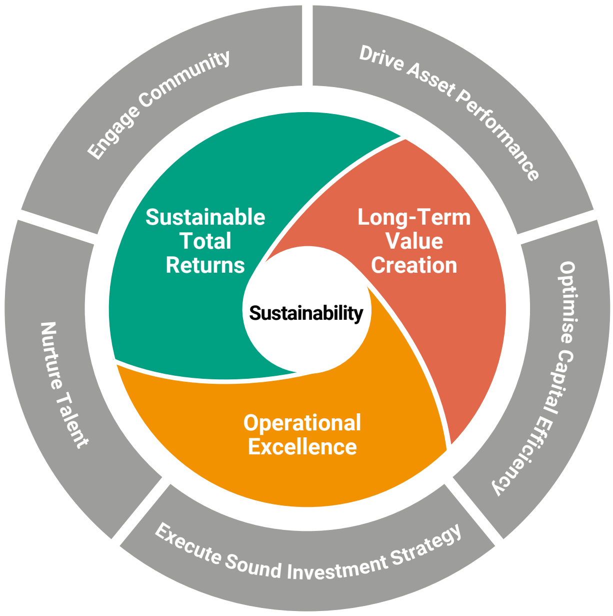
Listed by way of an introduction on 28 April 2006, Keppel REIT is one of Asia's leading real estate investment trusts with a portfolio of prime commercial assets in Asia Pacific's key business districts.

Keppel REIT's objective is to deliver stable income and drive sustainable long-term total return for its Unitholders by owning and investing in a portfolio of quality income-producing commercial real estate and real estate-related assets in Asia Pacific.

As at 31 December 2022, Keppel REIT had a total portfolio value of $9.2 billion, comprising properties in Singapore; the key Australian cities of Sydney, Melbourne and Perth; Seoul, South Korea, as well as Tokyo, Japan.

Keppel REIT is sponsored by Keppel Land Limited, a wholly-owned subsidiary of Keppel Corporation Limited. It is managed by Keppel REIT Management Limited, 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 centre and alternative assets in key global markets.

Keppel REIT is one of Asia's leading commercial real estate investment trusts with a strong and resilient portfolio of assets in Asia Pacific's key business districts.



Drive Asset Performance

- Provide quality office spaces and calibrate leasing strategy to meet tenants' needs
- Maintain high occupancy, long weighted average lease expiry and well-staggered lease expiry profile for steady income streams
- Create value by implementing initiatives to future-proof assets
- Enhance sustainability performance to improve resilience amid climate change

Optimise Capital Efficiency

- Optimise capital structure to maximise returns for Unitholders
- Extend debt maturity profile to manage refinancing risks, as well as explore alternative funding sources in debt and equity markets to minimise costs and enhance financial flexibility
- Manage exposure to fluctuations in interest and foreign exchange rates for income stability

Execute Sound Investment Strategy

- Optimise portfolio to improve yield and total Unitholder return while staying focused on Keppel REIT's core markets
- Seek strategic acquisitions that offer sustainable income and capital appreciation
- Hold quality assets across different markets for improved income stability and longer-term growth opportunities

Nurture Talent

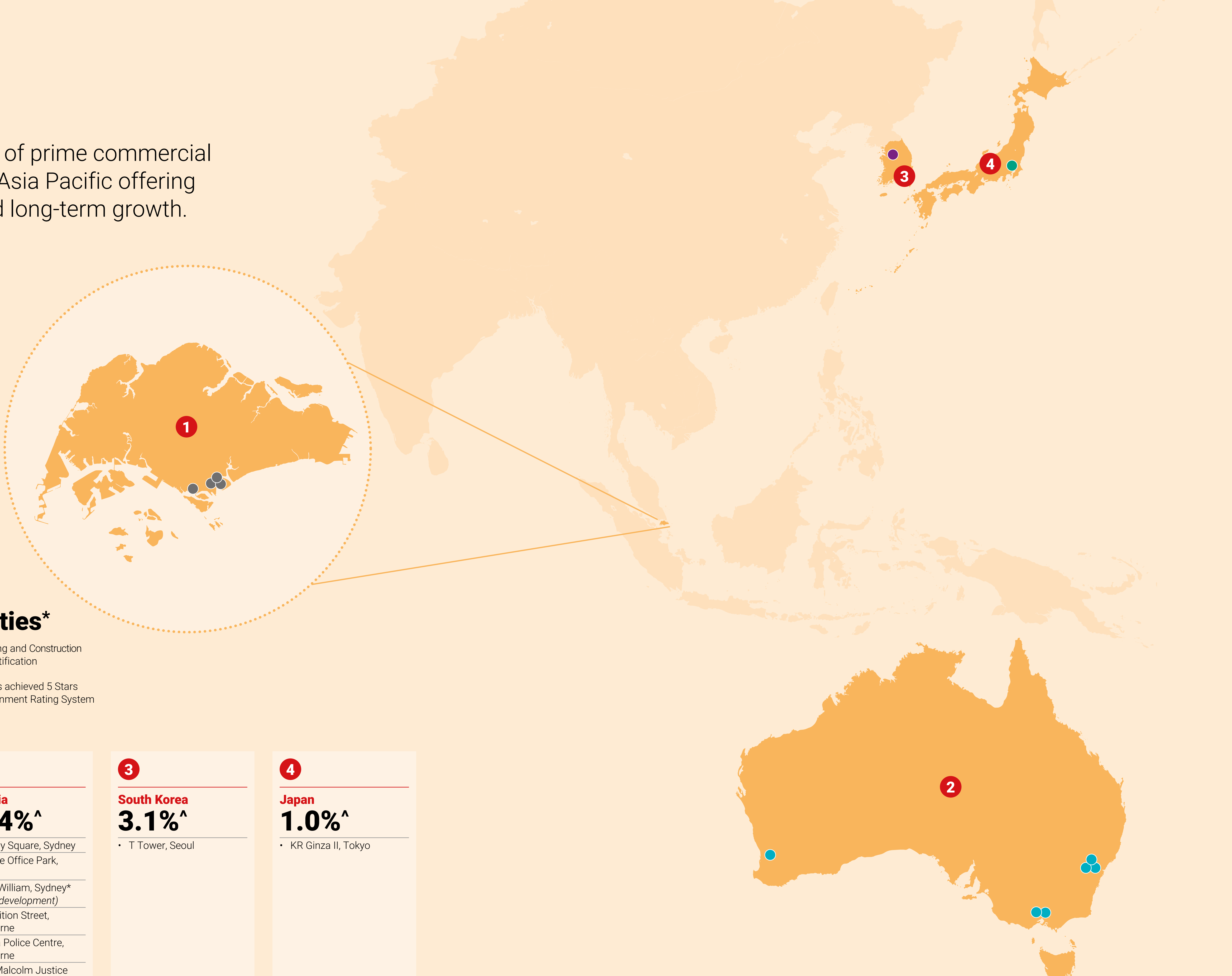
- Develop a motivated and capable team to drive growth
- Invest in employee training and leadership development
- Promote workplace wellness and safety to foster a healthy and resilient workforce

Engage Community

- Maintain timely and accurate disclosure of corporate developments, strategies and performance
- Communicate ESG integration and progress in alignment with international frameworks
- Encourage adoption of sustainability principles and continue efforts to uplift communities

Keppel REIT's Presence

A diversified portfolio of prime commercial properties located in Asia Pacific offering income resilience and long-term growth.



Portfolio Valuation

$9.2b^

Properties in key business districts of Singapore, Australia, South Korea and Japan

Attributable Net Lettable Area

>4m sf

Modern office spaces for established tenants from diverse sectors

Green-certified Assets

100% of operational properties*

All Singapore assets have maintained the Building and Construction Authority of Singapore Green Mark Platinum certification

The majority of the operational Australian assets achieved 5 Stars and above in the National Australian Built Environment Rating System (NABERS) Energy Rating

1

Singapore

78.5%^

- Ocean Financial Centre
- Marina Bay Financial Centre
- One Raffles Quay
- Keppel Bay Tower

2

Australia

17.4%^

- 8 Chifley Square, Sydney
- Pinnacle Office Park, Sydney
- Blue & William, Sydney* *(Under development)*
- 8 Exhibition Street, Melbourne
- Victoria Police Centre, Melbourne
- David Malcolm Justice Centre, Perth

3

South Korea

3.1%^

- T Tower, Seoul

4

Japan

1.0%^

- KR Ginza II, Tokyo

^ Based on portfolio value as at 31 December 2022, including Blue & William which is under development.
* Blue & William, which is currently under development, is designed to achieve the 5 Star Green Star Design and As Built Rating by the Green Building Council of Australia upon completion and the 5.5 Stars NABERS Energy Rating.

Financial Highlights

Results Highlights
for the financial year ended 31 December

	2022 $'000	2021 $'000	Change %
Property income	**219,286**[1]	216,606[2]	1.2
Net property income	**175,942**	172,532	2.0
Interest income	**25,264**	15,603	61.9
Share of results of associates[3]	**77,787**	89,039	(12.6)
Share of results of joint ventures[4]	**22,907**	29,556	(22.5)
Distribution to Unitholders	**220,936**	212,141	4.1

Balance Sheet
as at 31 December

	2022 $'000	2021 $'000	Change %
Total assets	**8,881,375**	8,487,684	4.6
Total liabilities	**3,016,071**	2,897,700	4.1
Unitholders' funds	**5,118,916**	4,866,188	5.2
Perpetual securities	**302,023**	302,023	–
Total borrowings (gross)[5]	**3,605,658**	3,485,220	3.5
Value of deposited properties	**9,395,471**	9,085,224	3.4
Market capitalisation[6]	**3,405,423**	4,175,823	(18.4)
Net asset value per Unit ($)	**1.37**	1.32	3.8
Adjusted net asset value per Unit ($) – excluding distribution to Unitholders[7]	**1.34**	1.29	3.9

Financial Ratios

	2022	2021	Change
Distribution per Unit (DPU) (cents)	**5.92**[8]	5.82[9]	1.7%
Distribution yield[6] (%)	**6.5**	5.2	1.3 pp
Adjusted interest coverage ratio (times)	**3.3**	3.9	(15.4%)
All-in interest rate per annum (%)	**2.29**	1.98	0.31 pp
Aggregate leverage (%)	**38.4**	38.4	–

1 Property income in 2022 comprised property income from Ocean Financial Centre, Keppel Bay Tower, T Tower, Pinnacle Office Park, 50% interest in 8 Exhibition Street office building and 100% interest in the three adjacent retail units, 50% interest in Victoria Police Centre, and KR Ginza II (formerly known as Ginza 2-chome) for the period of 30 November 2022 to 31 December 2022.
2 Property income in 2021 comprised property income from Ocean Financial Centre, T Tower, Pinnacle Office Park, 50% interest in 8 Exhibition Street office building and 100% interest in the three adjacent retail units, 50% interest in Victoria Police Centre, Keppel Bay Tower for the period of 19 May 2021 to 31 December 2021, and 50% interest in 275 George Street for the period of 1 January 2021 to 30 July 2021.
3 Share of results of associates comprised Keppel REIT's one-third interests in the respective profit after tax of One Raffles Quay Pte Ltd (ORQPL), BFC Development Limited Liability Partnership and Central Boulevard Development Pte. Ltd. (CBDPL).
4 Share of results of joint ventures comprised Keppel REIT's 50% interests in the respective profit after tax of Mirvac 8 Chifley Trust (M8CT) and Mirvac (Old Treasury) Trust (MOTT).
5 Included deferred borrowings and Keppel REIT's share of external borrowings carried at ORQPL and CBDPL.
6 Based on the market closing price of $0.91 per Unit as at 31 December 2022 for 2022, and $1.13 per Unit as at 31 December 2021 for 2021.
7 For 2022 and 2021, this excluded the distribution to Unitholders for the period of 1 July 2022 to 31 December 2022 paid in March 2023 and for the period of 1 July 2021 to 31 December 2021 paid in March 2022 respectively.
8 Total DPU for 2022 of 5.92 cents was based on 2.97 cents and 2.95 cents announced during the 1H 2022 and 2H 2022 results announcements respectively.
9 Total DPU for 2021 of 5.82 cents was based on advanced DPU of 0.94 cents for the period of 1 January 2021 to 28 February 2021, 2.00 cents for the period of 1 March 2021 to 30 June 2021 announced during the 1H 2021 results announcement and 2.88 cents announced during the 2H 2021 results announcement.

Half-Yearly Results

	First Half		Second Half		Full Year
	$'000	%	$'000	%	$'000
Distribution to Unitholders					
2022	**110,540**	**50**	**110,396**	**50**	**220,936**
2021	105,713	50	106,428	50	212,141
Property income					
2022	**109,769**	**50**	**109,517**	**50**	**219,286**
2021	105,814	49	110,792	51	216,606
Net property income					
2022	**89,471**	**51**	**86,471**	**49**	**175,942**
2021	84,382	49	88,150	51	172,532
Interest income					
2022	**9,094**	**36**	**16,170**	**64**	**25,264**
2021	7,866	50	7,737	50	15,603
Share of results of associates					
2022	**44,628**	**57**	**33,159**	**43**	**77,787**
2021	46,758	53	42,281	47	89,039
Share of results of joint ventures					
2022	**11,663**	**51**	**11,244**	**49**	**22,907**
2021	15,344	52	14,212	48	29,556

Driving Resilience & Sustainability

Tan Swee Yiow, Chairman

Dear Unitholders,

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

Steady Performance Amidst Global Uncertainty

2022 was a challenging year, as the world contended with geopolitical tensions, the conflict in Ukraine, the continued impact of COVID-19, rising interest rates to fight inflation and growing environmental concerns.

Despite the ongoing polycrisis, Keppel REIT continued to deliver a set of creditable results for FY 2022. Including the first tranche of the Anniversary Distribution, distribution to Unitholders increased 4.1% year-on-year to $220.9 million and Distribution per Unit (DPU) for FY 2022 grew 1.7% year-on-year to 5.92 cents. The increase was mainly due to acquisition of Keppel Bay Tower, partially offset by the divestment of 275 George Street in Brisbane and higher interest expenses.

Portfolio committed occupancy increased from 95.4% as at 31 December 2021 to 96.3% as at 31 December 2022. In addition, the weighted average lease expiry for the portfolio and top 10 tenants remained long at approximately 6.0 years and 10.5 years respectively. In FY 2022, we leased a total of 1,829,600 sf of premium commercial space, with Singapore contributing to the majority of the leases secured. For the Singapore office leases committed in FY 2022, the weighted average signing rent was approximately $11.54 psf per month[1].

Over the years, we have also made conscientious efforts to diversify our sector mix and tenant base to ensure that we are not overly exposed to any single sector or tenant. Our current tenant base comprises established blue-chip corporations and government agencies, with no single tenant contributing more than 10% to our monthly gross revenue, providing stability and resilience to our portfolio.

In December 2022, Blue & William, our property under development in North Sydney, secured its first anchor tenant, Equifax, a global data, analytics and technology company. Equifax will occupy approximately one third of the building, and is expected to move in from late 2023.

> We will continue to capitalise on the quality of our assets to drive returns and maintain a prudent approach to capital management.

Sharing the Rewards from Successful Portfolio Optimisation

Delivering stable income and driving sustainable long-term total return to Unitholders has always been a long-term key focus for us. Listed on the SGX Mainboard in April 2006, Keppel REIT had an initial portfolio of four assets in Singapore, with a total value of approximately $600 million. Through a disciplined portfolio optimisation strategy, Keppel REIT has transformed into one of Asia's leading REITs with a portfolio valuation of $9.2 billion as at 31 December 2022 and assets across key business districts in Singapore, Sydney, Melbourne, Perth, Seoul and Tokyo.

As part of our ongoing portfolio optimisation efforts to deliver higher returns to our Unitholders, Bugis Junction Towers, one of the assets injected by our Sponsor during the listing of Keppel REIT in 2006, was divested in 2019 at a sale price of more than 240% above the purchase price of $159.5 million. It delivered asset-level returns of 19.4% per annum over the 13-year holding period.

Bugis Junction Towers is just one of the examples of our portfolio optimisation efforts. Throughout the 16 years of Keppel REIT's history, we have successfully made six divestments resulting in more than $500 million of capital gains in our books. Going forward, in appreciation of our Unitholders' support, we will be distributing such capital gains, where appropriate.

We have announced an Anniversary Distribution totalling $100 million to be distributed from our accumulated capital gains over a five-year period, in the lead up to Keppel REIT's 20th Anniversary in 2026. The first tranche of the Anniversary Distribution of $10 million was distributed together with the second half of FY 2022 distribution on 1 March 2023, with the balance to be distributed semi-annually going forward.

Laying the Foundation for Future Growth

To build a resilient portfolio of quality assets that can provide growth opportunities and enhance the stability of distributions to Unitholders, Keppel REIT has strategically expanded into key commercial markets outside of Singapore.

In October 2022, we announced our entry into Tokyo, Japan, with the acquisition of an approximate 98.5%[2] effective interest in KR Ginza II (formerly known as Ginza 2-chome), a freehold boutique office building located in the Ginza district of Chuo ward.

[1] Weighted average for Singapore office leases concluded in FY 2022 in Ocean Financial Centre, Marina Bay Financial Centre and One Raffles Quay.
[2] Through the entry by KR Ginza TMK into an agreement to acquire the trust beneficial interest in the property.

We established a Board ESG Committee to enhance oversight on ESG-related matters and make advances to our ESG strategy, with the aim of deepening our ESG focus and driving long-term value creation.

This strategic acquisition further strengthens Keppel REIT's portfolio, laying the foundation for our future expansion in the well-established office market of Japan.

As at 31 December 2022, Singapore remained Keppel REIT's dominant market, with 78.5% of our portfolio by value in Singapore, 17.4% in Australia, 3.1% in South Korea and 1.0% in Japan.

Reinforcing Our Financial Position

At Keppel REIT, our prudent and proactive approach towards capital management continues to serve us well despite several rounds of interest rate hikes. Our all-in interest rate for FY 2022 increased moderately from 1.98% in FY 2021 to 2.29% in FY 2022, while we maintained a healthy adjusted interest coverage ratio of 3.3 times. We also ended the year in a robust financial position, with aggregate leverage at 38.4% and the weighted average term to maturity of borrowings at 2.7 years.

In 2022, we increased the percentage of borrowings on fixed rates from 63% as at 31 December 2021 to 76% as at 31 December 2022, providing more certainty over our interest costs. We will continue to monitor the overall interest rate environment and enter into hedges at appropriate junctures to manage our cost of debt.

We are committed to strengthening our green funding sources in line with our commitment towards responsible growth. Since obtaining our first green loan in 2019, we have made consistent progress in increasing the proportion of green financing in our capital structure. Five green loan facilities totalling $427.4 million were obtained in 2022, enabling us to achieve our target of 50% sustainability-focused funding during the year, ahead of our original 2025 target.

Continuing Our Sustainability Journey

In September 2022, we established a Board environmental, social and governance (ESG) Committee to enhance oversight on ESG-related matters and make advances to our ESG strategy, with the aim of deepening our ESG focus and driving long-term value creation.

During the year, we set ambitious ESG targets for ourselves and are pleased to share the key achievements below.

We enhanced our disclosures in Keppel REIT's 2022 sustainability report to align with the recommendations from the Taskforce on Climate-related Financial Disclosures (TCFD), as well as included all Scope 3 emission categories relevant to Keppel REIT.

We continued to do our part to engage various stakeholder groups to raise awareness on topics such as waste reduction, food sustainability, workplace safety, as well as staying active and promoting mental wellness. In 2022, employees, tenants and members of the public were invited to participate in events such as a therapeutic art workshop, a food drive, a mobile sustainability exhibition and fitness classes. Together with Keppel Capital, we also put in a total of more than 1,000 volunteer hours on various environmental and community outreach events, including activities held together with our adopted charity, Muscular Dystrophy Association (Singapore).

Key Achievements in 2022

During the year, we set ambitious ESG targets for ourselves and are pleased to share the following key achievements.

16.8% reduction in Scope 1 and 2 emissions from 2019's level

28.7% reduction in water usage from 2019's level

With T Tower achieving the LEED Platinum certification in December 2022, all operational properties are now green-certified[1]

Achieved 50% sustainability-focused funding in 2022, ahead of the original target of 2025

In 2022, there were no fatalities, work-related injuries or safety incidents reported among employees

Achieved an average of 30.6 hours of training per employee in 2022

[1] Blue & William, which is currently under development, is designed to achieve the 5 Star Green Star Design and As Built Rating by the Green Building Council of Australia upon completion and the 5.5 Stars NABERS Energy Rating.

Keppel Bay Tower is the first commercial building in Singapore to be certified as a Green Mark Platinum Zero Energy building by the Building and Construction Authority of Singapore.

Looking Forward

The International Monetary Fund increased its projection for global economic growth from 2.7% in October 2022 to 2.9% in January 2023 due to China's reopening and resilient demand from several countries including the United States.

Keppel REIT's portfolio of prime commercial properties has remained resilient despite the market volatilities. With around 8.6% of attributable net lettable area expiring in 2023, leasing risk is kept at a manageable level as we have been riding on the strong leasing momentum to pre-commit some of the leases expiring in 2023. Blue & William, which reached structural completion in September 2022, is on track to achieve practical completion by mid-2023 and will start to contribute meaningfully thereafter. In addition, Keppel REIT's portfolio of prime office assets is well-positioned to benefit from the growing demand for safe and high-quality work environments, as well as from the flight-to-quality trend as companies promote more conducive work environments as a way to attract and retain talent. We will continue to capitalise on the quality of our assets to drive returns and maintain a prudent approach to capital management.

Acknowledgements

Mrs Penny Goh, who had served on the Board of Keppel REIT Management Limited since October 2016 and became the Chairman of the Board in April 2017, stepped down on 31 May 2022. On behalf of the Board and management, we would like to express our heartfelt appreciation to Mrs Goh for her astute leadership and invaluable contributions.

In addition, on behalf of the Board, I would like to convey our appreciation to our Unitholders, business partners and tenants for their continued support and confidence in Keppel REIT. I would also like to thank my fellow Board members for their counsel and dedication, as well as the management team and staff for their commitment and hard work, as we continue to maximise the potential of Keppel REIT.

Yours sincerely,

Tan Swee Yiow
Chairman
7 March 2023

Trust and Organisation Structure

Unitholders

Holding of Units
Distributions

HSBC Institutional Trust Services (Singapore) Limited[1] (The Trustee)

Acting On Behalf of Unitholders
Trustee's Fees

Keppel REIT

Management Services
Management Fees

Keppel REIT Management Limited (The Manager)

Ownership of Assets
Income Contribution

Property Management Services
Property Management Fees

Properties	Property Managers
Singapore	
Ocean Financial Centre *79.9% interest*	Keppel REIT Property Management Pte. Ltd. *(for Ocean Financial Centre and Keppel Bay Tower)*
Keppel Bay Tower *100% interest*	
Marina Bay Financial Centre[2] *33.3% interest*	Raffles Quay Asset Management Pte Ltd *(for Marina Bay Financial Centre and One Raffles Quay)*
One Raffles Quay *33.3% interest*	
Australia	
8 Chifley Square, Sydney *50% interest*	Mirvac Real Estate Pty Limited *(for 8 Chifley Square)*
Pinnacle Office Park, Sydney *100% interest*	Jones Lang Lasalle (NSW) Pty Limited *(for Pinnacle Office Park)*
Blue & William, Sydney *(Under development)* *100% interest*	N.A.[3]
8 Exhibition Street, Melbourne *50% interest[4]*	GPT Property Management Pty Limited *(for 8 Exhibition Street)* Jones Lang Lasalle (VIC) Pty Ltd *(for the 3 adjacent retail units)*
Victoria Police Centre, Melbourne *50% interest*	Knight Frank Australia Pty Ltd *(for Victoria Police Centre)*
David Malcolm Justice Centre, Perth *50% interest*	Mirvac Real Estate Pty Limited *(for David Malcolm Justice Centre)*
South Korea	
T Tower, Seoul *99.4% interest*	CBRE Korea Co., Ltd. *(for T Tower)*
Japan	
KR Ginza II, Tokyo *98.5% interest*	Sun Frontier Fudousan Co., Ltd. *(for KR Ginza II)*

Board of Directors

- Nominating and Remuneration Committee
- Environmental, Social and Governance Committee[5]
- Audit and Risk Committee
  - Risk and Compliance
- Chief Executive Officer
  - Finance
  - Asset Management
  - Investment
  - Investor Relations and Sustainability

1 HSBC Institutional Trust Services (Singapore) Limited was appointed as the new trustee of Keppel REIT with effect from 30 September 2022, after RBC Investor Services Trust Singapore Limited retired as the trustee of Keppel REIT.
2 Marina Bay Financial Centre comprises Towers 1, 2 and 3, as well as the subterranean mall, Marina Bay Link Mall.
3 Property Manager for Blue & William will be appointed nearer to practical completion in mid-2023.
4 Keppel REIT owns 50% interest in the 8 Exhibition Street office building and 100% interest in the three adjacent retail units.
5 The Environmental, Social and Governance Committee was established on 12 September 2022.

Board of Directors

Tan Swee Yiow, 62
Chairman and Non-Executive Director

Date of first appointment as a director:
20 March 2017

Length of service as a director (as at 31 December 2022):
5 years 9 months

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

Academic & Professional Qualification(s):
Bachelor of Science (First Class Honours) in Estate Management, National University of Singapore;
Master of Business Administration in Accountancy, Nanyang Technological University

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

Other principal directorships
Keppel Land Limited;
E M Services Private Limited;
City Energy Pte. Ltd.

Major Appointments (other than directorships):
Keppel Corporation Limited (Senior Managing Director of Urban Development);
Board of World Green Building Council (Director);
Board of Singapore Green Building Council (Honorary Advisor);
Workplace Safety and Health Council (Construction and Landscape Committee) (Deputy Chairman);
Management Committee of the Real Estate Developers' Association of Singapore (President)

Past Directorships held over the preceding 5 years (from 1 January 2018 to 31 December 2022):
Various subsidiaries and associated companies of Keppel Land Limited and Keppel REIT

Others:
Nil

Alan Rupert Nisbet, 72
Independent Director

Date of first appointment as a director:
1 October 2017

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

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

Academic & Professional Qualification(s):
Diploma of Business Studies (Accounting), Caulfield Institute of Technology, Melbourne

Present Directorships (as at 1 January 2023):
Listed companies
CapitaLand India Trust Management Pte. Ltd. (the trustee-manager of CapitaLand India Trust)

Other principal directorships
Nil

Major Appointments (other than directorships):
Nil

Past Directorships held over the preceding 5 years (from 1 January 2018 to 31 December 2022):
Ascendas Pte. Ltd.;
Accounting and Corporate Regulatory Authority;
KrisEnergy Limited;
RF Capital group of companies;
Halcyon Agri Corporation Limited;
Standard Chartered Bank (Singapore) Limited

Others:
Nil

Board Committees

(A) Audit and Risk Committee (N) Nominating and Remuneration Committee (E) Environmental, Social and Governance Committee

Ian Roderick Mackie, 67
Lead Independent Director

Date of first appointment as a director:
5 December 2019

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

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 (Economics and Law), University of Canberra;
Associate, Society of Land Economists, Australia

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

Other principal directorships
Nil

Major Appointments (other than directorships):
Urban Land Institute Asia Pacific Foundation (Board Member);
Urban Land Institute (Global Governing Trustee);
Australian charity, Co-Housing for Older Women (Director and Management Committee)

Past Directorships held over the preceding 5 years (from 1 January 2018 to 31 December 2022):
Urban Land Institute, Australia (Chairman);
Urban Land Institute Asia Pacific (Board Member)

Others:
Former International Director and Head of Private Equity and Strategic Partnerships at LaSalle Investment Management Asia Pte Ltd

Christina Tan, 57
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 DC REIT Management Pte. Ltd. (the manager of Keppel DC 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):
Keppel Capital Holdings Pte. Ltd. (Chief Executive Officer)

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

Board of Directors

Mervyn Fong, 64
Independent Director

Date of first appointment as a director:
1 March 2021

Length of service as a director (as at 31 December 2022):
1 year 10 months

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

Academic & Professional Qualification(s):
Bachelor of Commerce (Second Class Upper Honours), University of Birmingham, UK;
MBA, National University of Singapore;
Business Management Programme, London Business School, UK;
Strategic Implementation Programme, IMD, Lausanne, Switzerland;
High Performance Leadership Programme, INSEAD, Fontainebleau, France;
Singapore Management University – Singapore Institute of Directors Executive Diploma in Directorship, Singapore Management University;
AXSI Digital Finance Leadership Programme, conducted jointly by Singapore Management University and National University of Singapore

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

Other principal directorships
Nil

Major Appointments (other than directorships):
Spark Systems Pte. Ltd. (Advisory Board Member);
Trinity Annual Conference, The Methodist Church in Singapore (Executive Board Member and Vice Chairman of the Board of Finance)

Past Directorships held over the preceding 5 years (from 1 January 2018 to 31 December 2022):
HSBC Bank (Singapore) Limited

Others:
Director of Mizuho Securities Asia Limited and Mizuho Securities (Singapore) Pte. Ltd. (with effect from 1 March 2023)

Yoichiro Hamaoka, 69
Independent Director

Date of first appointment as a director:
30 April 2021

Length of service as a director (as at 31 December 2022):
1 year 8 months

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

Academic & Professional Qualification(s):
Bachelor of Arts (Political Science and Economics), Waseda University, Japan

Present Directorships (as at 1 January 2023):
Listed companies
Akatsuki Corp.;
Nippon Prologis REIT, Inc.

Other principal directorships
EW Asset Management Co., Limited

Major Appointments (other than directorships):
Nil

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

Others:
Nil

Board Committees

A Audit and Risk Committee
N Nominating and Remuneration Committee
E Environmental, Social and Governance Committee

The Manager

Koh Wee Lih, 50
Chief Executive Officer

Mr Koh was appointed Chief Executive Officer of the Manager with effect from 1 December 2021.

Mr Koh has over 26 years of experience in investment, corporate finance and asset management, of which more than 18 years were in real estate, covering investments, developments, asset management and real estate private equity in the Asia Pacific region.

Prior to joining the Manager, Mr Koh was the Executive Director and CEO of AIMS APAC REIT Management Limited, the manager of AIMS APAC REIT (AA REIT) from 2014 to 2021, where he was responsible for the overall planning, management and operation of AA REIT. Mr Koh had also held various senior positions at AA REIT as well as other private funds and real estate developers, overseeing regional investment and asset management.

Mr Koh holds a Master of Business Administration, a Master of Science in Industrial and Operations Engineering and a Bachelor of Science (Summa Cum Laude) in Aerospace Engineering, all from the University of Michigan.

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

Past Directorships held over the preceding 5 years (from 1 January 2018 to 31 December 2022):
AIMS APAC REIT Management Limited, various subsidiaries and associated companies of AIMS APAC REIT

Kang Leng Hui, 45
Chief Financial Officer

Ms Kang has more than 20 years of experience in financial and corporate reporting, taxation, management accounting and audit.

Prior to joining the Manager in 2018, Ms Kang was the Financial Controller of Keppel Capital, the asset management arm of Keppel Corporation, since July 2016. She was also the Chief Financial Officer of Keppel Infrastructure Fund Management, the trustee-manager of Keppel Infrastructure Trust (previously K-Green Trust) from its listing in 2010 to 2013. She had held other senior positions in both Keppel Land Limited and Keppel Corporation Limited where she was responsible for financial and corporate reporting functions, as well as various corporate finance exercises.

Ms Kang started her career as an auditor with PricewaterhouseCoopers LLP Singapore before joining the Keppel Group in 2005.

Ms Kang holds a Bachelor of Accountancy Degree (Honours) from the Nanyang Technological University of Singapore. She is a Chartered Accountant (Singapore) and a member of the Institute of Singapore Chartered Accountants.

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

Past Directorships held over the preceding 5 years (from 1 January 2018 to 31 December 2022):
Various subsidiaries of Keppel Capital Holdings Pte. Ltd.

The Manager

Rodney Yeo, 51
Head of Asset Management

Mr Yeo has over 20 years of experience in the real estate and finance industries in Singapore, China and the US.

Prior to joining the Manager, he was Vice President, Asset and Investment Management, at OUE Commercial REIT Management Pte. Ltd., the manager of OUE Commercial REIT. He was previously Director of Investments with KOP Properties, a real estate developer, where he was responsible for investment sourcing and screening, as well as asset management.

Prior to that, Mr Yeo was Vice President, Investment and Asset Management, at Wachovia Bank's Real Estate Asia team in Singapore, as well as with Kailong REI in Shanghai. Mr Yeo started his career as an analyst in the US, and took on various real estate acquisition and asset management roles in his eight years there.

Mr Yeo holds a Bachelor of Science Degree in Business Administration from the University of Southern California.

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

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

Teo Xuan Lin, 39
Head of Investment

Ms Teo was appointed as the Head of Investment on 28 November 2022, overseeing the investment activities for Keppel REIT across the key Asia Pacific markets of Singapore, Australia, South Korea and Japan.

Ms Teo joined the Manager in June 2021 as Senior Vice President, Investments, and prior to that, she was Senior Vice President, Investments, at Alpha Investment Partners Limited, the real estate private fund management arm of Keppel Capital. During her time at Alpha Investment Partners from May 2008, she was primarily involved in investment activities in key gateway cities in Asia Pacific such as Singapore, Hong Kong, South Korea and Australia, as well as across various asset classes, including offices, retail, hotels, serviced apartments and data centres.

Before joining Alpha Investment Partners, Ms Teo was with the Investment Company of the People's Republic of China, a wholly owned subsidiary of the People's Bank of China, where she was involved in the risk management function.

Ms Teo holds a Bachelor of Business Administration (Honours) from National University of Singapore with a Major in Finance. She is also a CFA® Charterholder.

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

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

Sebastian Song, 42
Financial Controller

Mr Song has more than 15 years of experience in financial reporting, consolidation, taxation, compliance and audit.

Prior to joining the Manager in 2015, he was a Senior Audit Manager with Ernst & Young LLP, where he was involved in the audit of Singapore-listed corporations and multinational companies across various industries including real estate, construction and shipping, as well as initial public offerings.

Mr Song holds a Bachelor of Accountancy from Nanyang Technological University. He is a Chartered Accountant (Singapore) and a member of the Institute of Singapore Chartered Accountants.

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

Milestones

Blue & William in North Sydney, which is currently under development, achieved structural completion in September 2022 and is on track to complete by mid-2023.

1Q

1Q 2022 Distributable Income from Operations was up 4.3% year-on-year at $53.8 million.

2Q

1H 2022 Distribution to Unitholders increased 4.6% year-on-year to $110.5 million, and 1H 2022 Distribution per Unit (DPU) increased 1.0% year-on-year to 2.97 cents.

Convened virtual Annual General Meeting on 22 April 2022 with all proposed resolutions passed.

Completed 8 Chifley Square's internal and external foyer upgrading works to rejuvenate the amenities and enhance tenants' experience.

Victoria Police Centre was certified carbon neutral by Climate Active. It is the second property within Keppel REIT's portfolio, after 8 Exhibition Street, to be certified carbon neutral.

Victoria Police Centre was awarded a 6 Star Green Star rating in building operations, representing the world leadership under the Green Star – Performance v1.2 with the Green Building Council Australia.

Keppel Bay Tower was awarded the WELL Health-Safety Rating in May 2022, and also achieved the highest recognition of Platinum rating for WiredScore certification in June 2022, the first building in Asia to receive this rating.

Achieved 50% sustainability-focused funding ahead of the original target of 2025.

Mr Tan Swee Yiow was appointed as the Chairman of the Board with effect from 1 June 2022 after Mrs Penny Goh stepped down as the Chairman of the Board on 31 May 2022.

3Q

Distributable Income for the first nine months of 2022 was $165.4 million, 3.4% higher than the same period in 2021.

Keppel REIT to distribute a total of $100 million of Anniversary Distribution over the next five years as an appreciation to Unitholders for their support.

Blue & William achieved structural completion in September 2022.

Keppel REIT retained a 4 Star rating, Green Star Status and 'A' rating for Public Disclosure in the 2022 GRESB Assessment.

All of Keppel REIT's properties in Singapore have received the WELL Health-Safety Rating after Marina Bay Financial Centre and One Raffles Quay were awarded the WELL Health-Safety Rating in September 2022.

Victoria Police Centre achieved the WELL Health-Safety Rating in July 2022.

Established a Board environmental, social and governance (ESG) Committee to enhance oversight on ESG-related matters and make advances to Keppel REIT's ESG strategy.

4Q

Including the first tranche of the Anniversary Distribution of $10 million, FY 2022 Distribution to Unitholders was $220.9 million, a 4.1% increase year-on-year and FY 2022 DPU was 5.92 cents, a 1.7% increase year-on-year.

Announced strategic entry into the Japan market with the acquisition of 98.5% effective interest in KR Ginza II (formerly known as Ginza 2-chome) on 28 October 2022. The acquisition of KR Ginza II, a well-located freehold boutique office building in Tokyo, was completed on 30 November 2022.

Blue & William secured its first anchor tenant, Equifax, a global data, analytics and technology company.

T Tower was awarded the Platinum certification by Leadership in Energy & Environmental Design (LEED) for Building Operations and Maintenance: Existing Buildings in December 2022.

Keppel REIT maintained 'A' in the MSCI ESG Rating and Prime status in the ISS ESG Corporate Rating.

Investor Relations

Regular engagement with the investment community allows the Manager to articulate Keppel REIT's business strategy and provide updates on its business operations.

Keppel REIT participated in the panel discussion at the DBS SREITs Webinar: Withstanding the Test of Times that was held in June 2022.

Proactive Engagement with Investors and Analysts

>600

Engaged through conferences, meetings, teleconferences and webinars in 2022.

Strong Public Disclosure

'A' Rating

Recognised in public disclosure in the 2022 GRESB Assessment.

The Manager strives to maintain a high standard of disclosure and engage the investment community proactively to provide timely and transparent communication. Defined principles and practices are set out in the Investor Relations (IR) Policy which is available on Keppel REIT's corporate website.

Timely and Transparent Disclosures

While Keppel REIT has adopted half-yearly announcements of its financial statements and distributions, the Manager continues to engage the investment community through interim business updates for 1Q and 3Q which include commentaries on Keppel REIT's financial and portfolio performance, capital management efforts, as well as industry trends and prospects. Keppel REIT's half-yearly financial results and interim business updates are released within one month after the end of each period.

All announcements and media releases are promptly uploaded on SGXNet and updated on Keppel REIT's corporate website. Latest information such as annual reports, media releases, investor presentations, financial and portfolio information and general information are also updated regularly on the website. Investors who wish to receive the latest updates on Keppel REIT can subscribe to the email notification service via the website. In addition, investors can also submit their questions via the dedicated investor relations email.

Proactive Engagements

Since the beginning of 2022, various countries, including Singapore, have been gradually reopening their borders, allowing business travel to resume. At Keppel REIT, we continued to engage the investment community through various communication channels, including both virtual and in-person engagements.

In 2022, the senior management and investor relations team engaged more than 600 analysts and institutional investors through one-on-one and group conference calls, conferences, property tours, as well as held virtual and in-person meetings with investors from both local and global companies based in Australia, Canada, Hong Kong, Japan, Malaysia, the Netherlands, South Korea, Thailand, the United Kingdom and the United States.

As part of its efforts to engage retail investors, the Manager also attended a webinar hosted by Phillip Securities, panel discussions organised by DBS, as well as participated in the REITs Symposium, which was jointly organised by ShareInvestor, InvestingNote and the REIT Association of Singapore (REITAS), where the investor relations team addressed questions posed by the attendees.

For Keppel REIT's half-year and full-year results, "live" audio webcasts were organised, where analysts, media, as well as institutional and retail investors were able to dial in to listen to the management's presentation on Keppel REIT's strategy, performance, industry updates and outlook, and participate in the question-and-answer session. At the same time, teleconferences and virtual meetings continued to be held for analysts and investors following the announcements of Keppel REIT's first and third quarter key business and operational updates.

In November 2022, Keppel Capital organised a Corporate Day in partnership with DBS. Investors were invited to attend the event in-person to interact with the senior management of Keppel Capital and the managers of the listed REITs and business trust, including Keppel REIT.

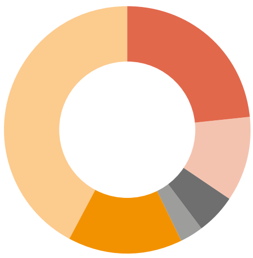
Through the various engagements, the Manager was able to have first-hand communication with the investment community for discussions and feedback.

In compliance with COVID-19 measures, Keppel REIT's Annual General Meeting (AGM) was convened and held by electronic means on 22 April 2022. Unitholders observed the AGM proceedings via the "live" audio-and-visual webcast or "live" audio-only stream. They were able to submit their questions before the AGM and responses to substantial and relevant questions were published ahead of the AGM on SGXNet and Keppel REIT's corporate website. During the AGM "live" webcast, Unitholders could further submit their questions via the "live" textbox function. Unitholders were also given an option to vote "live" or appoint a proxy other than the Chairman to vote "live" via electronic means during the AGM, in addition to appointing the Chairman as their proxy to vote on their behalf at the AGM. All proposed resolutions were approved by the Unitholders, and the results were announced during the meeting. Results and minutes of the AGM were also published on SGXNet and Keppel REIT's corporate website. An independent scrutineer was appointed to validate the results and oversee the AGM process.

Unitholdings by Investor Type (%)
as at 7 February 2023

Sponsor and related parties	46.7
Institutional	24.1
Retail	29.2
Total	**100.0**

Unitholdings by Geography[1] (%)
as at 7 February 2023



Singapore	23.6
Asia (excluding Singapore)	10.9
UK	5.3
Europe (excluding UK)	3.2
North America	14.9
Others[2]	42.1
Total	**100.0**

Research Coverage
Keppel REIT is covered by 17 research houses:

- Bank of America
- CGS-CIMB
- Citi
- CLSA
- Credit Suisse
- Daiwa
- DBS
- Goldman Sachs
- HSBC
- JP Morgan
- Macquarie
- Maybank Kim Eng
- Morgan Stanley
- Morningstar
- RHB
- UBS
- UOB Kay Hian

Constituent of Key Indices[3]
- FTSE4Good Developed Index
- FTSE4Good ASEAN 5 Index
- FTSE EPRA Nareit Singapore Index
- FTSE ST All-Share Real Estate Index
- GPR 250 Index Series
- MSCI Singapore Small Cap Index
- iEdge SG ESG Transparency Index
- iEdge SG ESG Leaders Index
- iEdge-UOB APAC Yield Focus Green REIT Index
- Morningstar Singapore REIT Yield Focus Index
- Solactive CarbonCare Asia Pacific Green REIT Index

1 Excluding Sponsor and related parties.
2 "Others" comprises the rest of the world, as well as unidentified holdings and holdings below the analysis threshold as at 7 February 2023.
3 The list of key indices is not exhaustive.

Investor Relations

All proposed resolutions were passed at Keppel REIT's Annual General Meeting held virtually on 22 April 2022.

Unitholder Enquiries
For more information, please contact the investor relations team at:

Telephone:
(65) 6803 1710

Email:
investor.relations@keppelreit.com

Website:
www.keppelreit.com

Investor Relations Calendar

Financial Year Ended 31 December 2022

1Q

- FY 2021 results webcast
- FY 2021 post-results investor engagement hosted by DBS
- Nomura ASEAN Virtual Conference 2022
- CITIC CLSA ASEAN Forum

2Q

- 1Q 2022 business and operational updates analyst teleconference
- 1Q 2022 post-business and operational updates investor engagement hosted by Bank of America
- 1Q 2022 post-business and operational updates in-person investor engagements
- Virtual AGM on 22 April 2022
- Maybank IBG-REITAS Singapore REIT Conference
- Bank of America 2022 APAC Financial, Real Estate Equity and Credit Conference
- BNP Paribas Singapore Property Days
- REITs Symposium
- Panel discussion at PERE Asia Summit
- Panel discussion at DBS SREITs Webinar: Withstanding the Test of Times
- HSBC Annual Asia Credit Conference
- Citi Asia Pacific Property Conference
- UBS APAC Property Conference

3Q

- 1H 2022 results webcast
- 1H 2022 post-results investor engagement hosted by Citi
- Investor meetings in Kuala Lumpur hosted by RHB
- Virtual meetings with investors from Bangkok and Tokyo hosted by CGS-CIMB
- Citi-SGX-REITAS REITs & Sponsors Forum 2022
- Bank of America 2022 Global Real Estate Conference
- Investor meetings in the United States hosted by DBS
- Investor meetings in Singapore and virtual meetings with investors from Hong Kong hosted by BNP Paribas

4Q

- 3Q 2022 business and operational updates analyst teleconference
- 3Q 2022 post-business and operational updates investor engagement hosted by CLSA
- Keppel Capital Corporate Day
- Phillip Securities webinar
- Morgan Stanley 21st Annual Asia Pacific Summit
- DBS-SGX-CSOP Bangkok Conference

Independent Market Review

Singapore Review by CBRE

Singapore Market Review

The Ministry of Trade and Industry (MTI) reported that Singapore's GDP expanded 3.6% year-on-year (y-o-y) in 2022 following the lifting of travel restrictions, which boosted the recovery of air travel and international visitor arrivals.

The manufacturing sector recorded a 2.5% growth in 2022, with declines across the chemicals and biomedical manufacturing clusters mitigating the gains recorded in the other manufacturing clusters.

The services industries expanded by 4.8% in 2022, supported by tourism-related industries (e.g. accommodation, food services and air transport) which benefitted from the recovery in international travel.

The construction sector grew 6.7% in 2022. Growth was supported by an increase in both public and private sector construction output.

Singapore Office Market Overview

Existing Supply

In 2022, total islandwide office stock rose 0.6% y-o-y to approximately 62.5 million square feet (sf). The Central Business District (CBD) Core[1] accounted for approximately 32.0 million sf of office stock (51.2% of total islandwide stock), of which 14.8 million sf is Grade A CBD Core office space. The CBD Fringe[2] and Decentralised[3] submarkets account for 15.9 million (25.4%) and 14.7 million sf (23.4%) respectively.

Approximately 1.0 million sf of office development was completed in 2022. Major completions in the CBD Fringe included the redevelopment of Hub Synergy Point (117,000 sf) and Guoco Midtown[4] (709,100 sf). However, with the removal of AXA Tower (645,700 sf) for redevelopment, office stock in the CBD Fringe only increased marginally.

Total stock increased in the Decentralised submarket with the completion of Rochester Commons (195,000 sf).

Future Supply

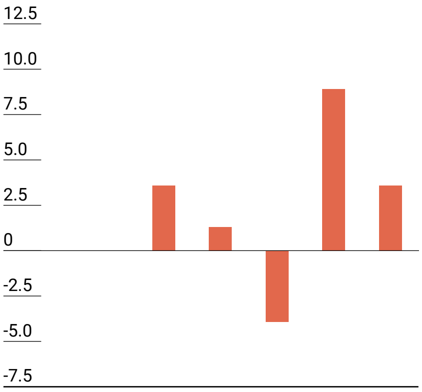
From 2023 to 2025, islandwide supply pipeline is estimated at approximately 3.9 million sf[5] (NLA). The CBD Core, CBD Fringe and Decentralised submarkets will account for 32.2% (1.3 million sf), 34.6% (1.4 million sf) and 33.3% (1.3 million sf) respectively.

In 2023, approximately 1.5 million sf of new office supply will be introduced.

1 CBRE defines CBD Core as a composition of three micromarkets comprising Raffles Place, Marina Centre and Shenton Way. A revision of CBRE's basket was conducted in 1Q 2019 with figures from 1Q 2019 onwards reflecting the revision of numbers. Historical figures are unchanged.
2 The CBD Fringe area includes Tanjong Pagar, Beach Road/City Hall as well as Orchard Road.
3 The Decentralised submarket is anchored mainly by clusters of office in Alexandra/HarbourFront, Western Suburban area and Eastern Suburban area.
4 CBRE noted that Temporary Occupation Permit (TOP) was obtained in January 2023, but CBRE considers the completion of Guoco Midtown as part of 2022 stock as the landlord commenced handover to some tenants in 4Q 2022.
5 The net lettable area and TOP dates are preliminary estimates and are subject to change.

Independent Market Review
Singapore

Singapore Real GDP Growth (%)

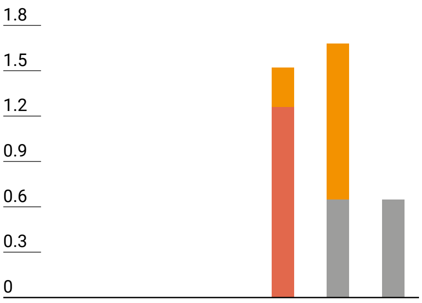


	2018	2019	2020	2021	2022
GDP Growth	3.6	1.3	(3.9)	8.9	**3.6**

Sources: MTI, CBRE

Singapore Islandwide Future Office Supply (2023-2025)

Net Lettable Area (million sf)



	2023	2024	2025
CBD Core	1.26	–	–
CBD Fringe	–	0.65	0.70
Decentralised	0.28	1.02	–
Total	**1.53**	**1.68**	**0.70**

Source: CBRE

Note: Due to rounding to the nearest 2 decimal places, numbers in this chart may not add up exactly to the total provided in this report.

Developments include One Holland Village (65,200 sf) and IOI Central Boulevard Towers (1,258,000 sf) in the Decentralised and CBD Core submarkets respectively. Completion of the Surbana Jurong Campus (211,600 sf) in the Decentralised submarket was delayed from 2022 to 2023.

New office supply in 2024 is estimated to be about 1.7 million sf. Developments such as 333 North Bridge Road (40,000 sf) and the redevelopment of Keppel Towers and Keppel Towers 2 (613,500 sf) in the CBD Fringe, and Labrador Tower (696,800 sf) and Paya Lebar Green (327,100 sf) in the Decentralised submarket, form part of the pipeline.

In 2025, approximately 0.7 million sf of office space will be added to the pipeline, which includes redevelopment of Shaw Tower (435,000 sf) and Newport Tower (262,600 sf) in the CBD Fringe submarket.

Demand and Vacancy

The positive momentum of office demand towards the end of 2021 was carried over to 2022, especially as Singapore lifted workplace restrictions, allowing 100% of employees to return to the office. Flight-to-quality persisted amid the adaptation to the hybrid working model and recalibration of office space requirements. While there were some rightsizing and consolidations across various sectors, renewal and expansion activities have been robust. Key demand drivers for most of 2022 were the technology, flexible workspace and non-banking financial sectors.

However, recent consolidations in the technology sector following mass layoffs and hiring freezes, and the rising caution amongst flexible workspace operators due to rising business costs and economic uncertainty, has led to a slowdown in activities amongst these sectors in 4Q 2022. This was however mitigated by stronger leasing activities in the legal sector, Fast-Moving Consumer Goods (FMCG) and non-banking financial companies. In general, total net absorption in the CBD Core office submarket fell in 2022 to 0.4 million sf.

While Singapore continues to focus on endemic living with more companies adopting hybrid working arrangements, total leasing volume from renewals, new setups and expansions in 2022 has been resilient. In fact, vacancy rate in the CBD Core submarket fell by 1.4 percentage points from 6.7% in 2021 to 5.3% in 2022. This showed that physical office spaces still play a crucial role in the workplace ecosystem.

Moving forward, with a weakening global outlook, companies may scale back on spending in anticipation of a recession, in turn slowing down demand. Furthermore, demand from the technology, media, and telecom (TMT) sector is starting to slow down, and this will likely continue in 2023. Demand for office spaces in 2023 is expected to be driven by non-banking financial institutions as well as tenant displacement from planned redevelopments.

Rental Values

Despite the slowing economic recovery, the tight supply environment has resulted in landlords raising their rental expectations. This indirectly posed lesser obstacles for landlords to increase service charge for tenants, which have resulted from rising utilities cost and inflationary pressures. CBD Core Grade A office rents increased 8.3% y-o-y from $10.80 to $11.70 psf per month, surpassing the pre-pandemic peak of $11.55 psf per month in 4Q 2019. CBD Core Grade B office rents increased 9.0% y-o-y from $7.80 to $8.50 psf per month, resulting in the premium narrowing to 37.6%.

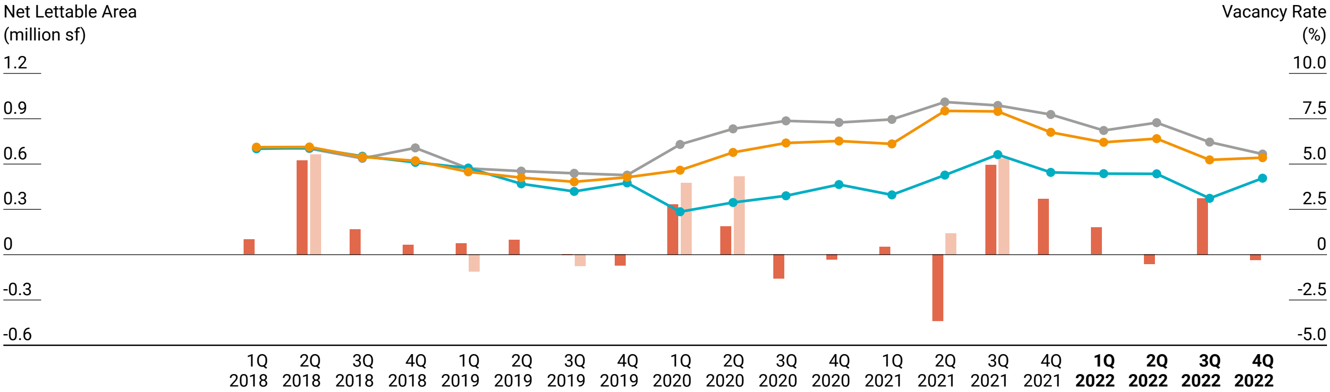
Breakdown of Singapore Office Supply (2023-2025)

Year	Proposed Project	Developer	Market	Estimated NLA (sf)
2023	Surbana Jurong Campus	SJ Capital (JID) Pte Ltd	Decentralised	211,600
	One Holland Village	Far East, Sekisui House, Sino Group	Decentralised	65,200
	IOI Central Boulevard Towers	Wealthy Link Pte Ltd	CBD Core	1,258,000
2024	333 North Bridge Road	UOL Group Ltd	CBD Fringe	40,000
	Keppel Towers Redevelopment	Keppel Land Ltd	CBD Fringe	613,500
	Labrador Tower	SP Group	Decentralised	696,800
	Paya Lebar Green (Certis Cisco Redevelopment)	Lendlease/Certis	Decentralised	327,100
2025	Shaw Tower Redevelopment	Shaw Towers Realty Pte Ltd	CBD Fringe	435,000
	Newport Tower (Fuji Xerox Towers Redevelopment)	City Developments Ltd	CBD Fringe	262,600

Source: CBRE

Note: Completion date is based on material information available at the time of this report and is subject to change.

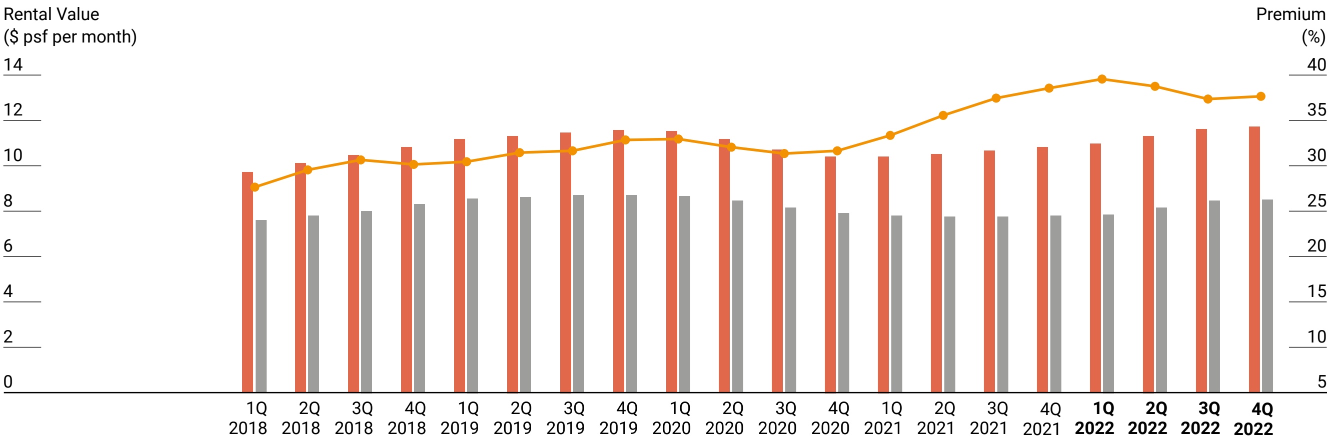
Singapore CBD Core Demand and Vacancy



Net Absorption CBD Core (million sf)	0.07	(0.07)	(0.03)	0.37	**(0.04)**
Net New Supply CBD Core (million sf)	–	–	–	–	**–**
Vacancy Rate CBD Core (%)	5.16	4.25	6.25	6.73	**5.33**
Vacancy Rate Grade A CBD Core (%)	5.07	3.94	3.85	4.52	**4.20**
Vacancy Rate Grade B CBD Core (%)	5.87	4.37	7.27	7.71	**5.53**

Source: CBRE

Singapore Monthly Rental Values and Premium



Grade A CBD Core ($ psf)	10.80	11.55	10.40	10.80	**11.70**
Grade B CBD Core ($ psf)	8.30	8.70	7.90	7.80	**8.50**
Premium (%)	30.1	32.8	31.6	38.5	**37.6**

Source: CBRE

Independent Market Review
Singapore

Office Investment Market and Capital Values
Total office investment volumes rose 53.6% y-o-y in 2022 to $7.3 billion as investors remained on the lookout for high quality office assets, especially those located in the CBD.

Notable transactions in 2022 included the acquisition of 79 Robinson Road by CapitaLand Integrated Commercial Trust (CICT) and CapitaLand Open End Real Estate Fund (COREF) for 70% and 30% respectively at $1.3 billion ($2,423 psf) in 1Q, and Income Insurance's sale of Income at Raffles for $1.0 billion ($3,617 psf) in 2Q. In 3Q, Lendlease invested in a joint venture with Singtel to redevelop Comcentre for $798.7 million (49.0% stake).

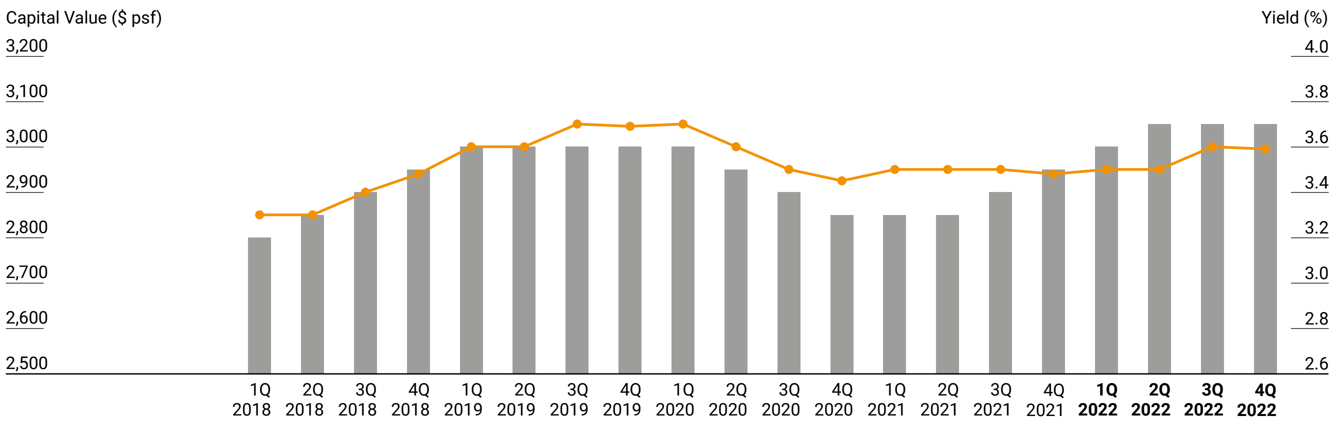
In 2022, Grade A CBD Core capital values increased by 3.4% y-o-y to $3,050 psf while net yield increased 0.1 percentage point from 3.5% to 3.6% y-o-y as rentals also rose.

Going forward, capital values are anticipated to remain resilient even as investors adopt a wait-and-see approach amidst the faster-than-expected interest rate hikes and global economic uncertainties. In the short term, the pricing gap between sellers and buyers is likely to increase, resulting in a slowdown in the movement of big-ticket institutional grade assets. However, with healthy liquidity in the market and strong market fundamentals, the mid to long term outlook for office assets remains positive. The interests from family offices and high net worth individuals (HNWIs) are likely to increase. Smaller assets and strata units are likely to see more transactions for wealth preservation or for their personal use.

HarbourFront/Alexandra Micro-market
The HarbourFront/Alexandra precinct is located within a 10-minute drive from the CBD. Banking, government agencies, FMCG, technology and shipping industries account for majority of the occupants. Large-format shopping centres like VivoCity and HarbourFront Centre, which offer a variety of retail, and food and beverage (F&B) options, support the precinct's prominent office developments like Keppel Bay Tower, HarbourFront Centre and Mapletree Business City, as well as Dyson's headquarters at St James Power Station which was completed in 2021.

The HarbourFront/Alexandra area is part of the Greater Southern Waterfront, which will be transformed into a new major gateway and location for urban living along Singapore's southern coast. Extending from Pasir Panjang to Marina East, it is expected to be developed in phases over the next five to ten years and aims to seamlessly connect various points of interest along the Greater Southern Waterfront. In addition, a potential cable car station and funicular system at the foothill of Mount Faber to shuttle visitors to the hilltop are being studied. If the plan comes to fruition, it will increase the accessibility of Mount Faber and the Southern Ridges to the public. Going forward, the HarbourFront/Alexandra precinct stands to reap the benefits that the Greater Southern Waterfront will bring to the area.

Singapore Grade A CBD Core Office Capital Values and Net Yield



Grade A CBD Core Capital Value ($ psf)	2,950	3,000	2,850	2,950	**3,050**
Grade A CBD Core Net Yield (%)	3.48	3.69	3.45	3.48	**3.59**

Source: CBRE

Keppel REIT's sterling portfolio of properties includes Marina Bay Financial Centre in Singapore, an integrated development comprising three premium Grade A office towers and the subterranean Marina Bay Link Mall.

The total office stock at HarbourFront/Alexandra micro-market remained at 3.7 million sf as of the end of 2022, with rentals increasing 6.6% y-o-y to $7.07 psf per month. Vacancy rate fell by 1.4 percentage points y-o-y to 2.9% at the end of 2022 as net absorption totalled 0.05 million sf.

Economic and Office Market Outlook
MTI expects the economy to moderate to 0.5%-2.5% in 2023. Prospects for outward-oriented sectors such as manufacturing, wholesale trade, water transport, and finance and insurance sectors remain weak given the anticipated slowdown in external demand and tight financial conditions. Further escalations in the Russia-Ukraine conflict and geopolitcal tensions among major global powers could worsen supply chain disruptions and further dampen consumer and business confidence. However, the reopening of China's borders should support the recovery of tourist-related industries such as accommodation, air transport, entertainment and recreation.

While the announcement that all employees may return to the workplace was released in April 2022, hybrid working arrangements have continued to persist through the rest of the year. Singapore has announced on 13th February 2023 that COVID-19 measures will continue to ease with the Disease Outbreak Response System Condition (DORSCON) level lowered from yellow to green, which could potentially boost the return of workers to the office moving forward. However, rising global macroeconomic headwinds and the technology sector consolidation could weigh on demand and soften office rental growth in 2023. That being said, there are still some bright spots in the office sector coming from non-banking financial institutions (especially private equity firms, hedge funds and asset managers), the legal sector, as well as the relocation of firms from across the region. Nevertheless, their requirements tend to be mid-size and will be insufficient to pick up the weakening demand from the technology sector. Also, in anticipation of the global economic uncertainties which could affect revenue, occupiers have become more cautious of expansion plans.

Although overall leasing activity is likely to ease in 2023, future CBD supply is relatively tight and will likely be compounded by the removal of stock from the CBD, from projects due for redevelopment and the government's focus on decentralisation. Hence, CBRE expects office rents to increase slightly in 2023, due mainly to landlords factoring in higher service charges as inflationary pressures continue to persist.

Qualifying Clause
This Independent Market Review (IMR) is subject to the following limiting conditions:

The content of this IMR is for information only and should not be relied upon as a substitute for professional advice, which should be sought from CBRE prior to acting in reliance upon any such information.

The opinions, estimates and information given herein or otherwise in relation hereto are made by CBRE and affiliated companies in their best judgment, in the utmost good faith and are as far as possible based on data or sources which they believe to be reliable in the context hereto. Where it is stated in the IMR that information has been supplied to CBRE's by another party, this information is believed to be reliable by CBRE. Other information is derived from sources which we believe to be reliable to the best of our ability. We can accept no responsibility if this should prove not to be so.

Notwithstanding this, CBRE disclaims any liability in respect of any claim that may arise from any errors or omissions, or from providing such advice, opinion, judgment or information. All rights are reserved. No part of this IMR may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior written permission of CBRE.

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a "Global Pandemic" on the 11th March 2020, has impacted many aspects of daily life and the global economy – with some real estate markets experiencing significantly lower levels of transactional activity and liquidity. This IMR has been prepared under conditions of heightened market uncertainty and conditions may change more rapidly and significantly than during standard market conditions. A higher degree of caution should be attached to our analysis than would normally be the case.

Independent Market Review

Australia Review by JLL

The Australian Economy

Australian GDP growth slowed to 2.7%[1] in 2022 after rising 4.9% the previous year, as rising cost-of-living pressures, higher interest rates and the waning boost from the reopening of the economy contributed to a moderation in economic growth.

Going forward, the aforementioned factors are expected to continue to weigh on growth, with GDP forecast to grow at 1.9% in 2023[2]. The reopening of China's borders and the return of Chinese tourists to Australia present an upside risk to the economic outlook.

Australia Office Market Overview

Sydney CBD

Despite the post-COVID bounce back in activity that Australia has experienced, accelerated global economic headwinds in 2022 weighed on leasing demand. Net absorption in the year was -27,300 sm. The contraction was driven mainly by financial services companies, flexible space providers, and technology and media companies. Financial and professional services firms and technology companies contributed to expansion demand.

Three new projects were completed in 2022 – delivering 164,300 sm to the market (around 113,100 sm or 69% was pre-committed), while nine buildings totalling 108,600 sm were withdrawn. The buildings were withdrawn for either refurbishment, office redevelopment or infrastructure development.

Given the contraction in demand, vacancy trended higher in 2022 to 14.0%, up from 12.5% in 2021. Prime vacancy increased to 14.7% over the year, while the secondary vacancy rate declined to 12.6%.

Sydney CBD prime gross effective rents increased by 3.8% in 2022, reversing a 4.8% decline recorded in 2021. This was supported by strong face rental growth of well-located premium buildings that have extensive views.

Transaction volumes in 2022 reached AUD 2.0 billion, with over half of this having been transacted in the first quarter of the year. This fell short of 2021 volumes, when AUD 4.1 billion in deals were transacted.

Yields expanded during the year, driven by changing sentiment in capital markets due to the rising cost of debt and global economic headwinds. Prime yields softened by 25 basis points (bps) to an average of 4.82%, while secondary yields decompressed by 31 bps to 5.13%. The prime-secondary yield spread also widened to 31 bps from 25 bps at the end of 2021.

Positive demand is projected over the medium term, with net absorption forecast to average 33,300 sm per year between 2023 and 2025. This will be counterbalanced by new supply which is projected to average 46,700 sm over the next three years, and vacancy will be kept at elevated levels. Supply may peak in 2024 with 168,000 sm of new projects.

Strong leasing demand for existing prime stock especially as tenants continue to take advantage of attractive financial metrics in the market, as well as larger organisations

[1] Australian Bureau of Statistics, 1 March 2023.
[2] Oxford Economics, January 2023.

8 Chifley Square is a 30-storey commercial building located in the heart of Sydney's prime business precinct.

targeting assets that have high ESG credentials – along with the launch of new high-quality prime stock are likely to support positive effective rental growth over the medium term, driven by rising face rents. Growth in prime gross effective rent is forecast to average 3.8% per year between 2023 and 2025.

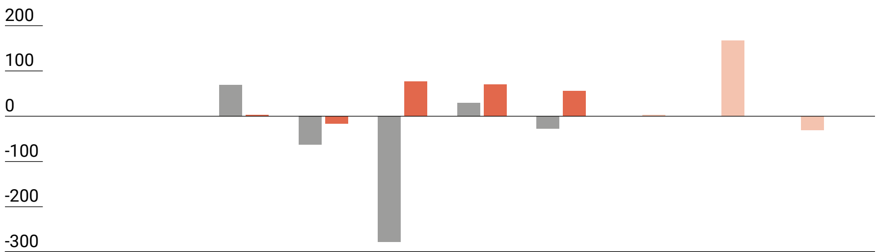
Macquarie Park
Demand in Macquarie Park has been historically underpinned by companies operating in the manufacturing, pharmaceutical, technology and media industries. However, Macquarie Park witnessed a net outflow of tenants in the first two quarters of 2022, driven by the consolidation of both small tenants and larger corporates in the market.

While net absorption recovered to positive levels in the second half of the year, full year 2022 net absorption still declined by 500 sm.

There was one new project completion – 1 Eden Park Drive – totalling 10,000 sm in 2022.

Due to the decline in net absorption, vacancy increased to 14.0% at the end of 2022, up from 12.8% in 2021. Prime vacancy was higher at 13.4% compared to 2021, while secondary vacancy declined, falling to 15.7%. Overall vacancy is above the five-year historical average of 9.0%.

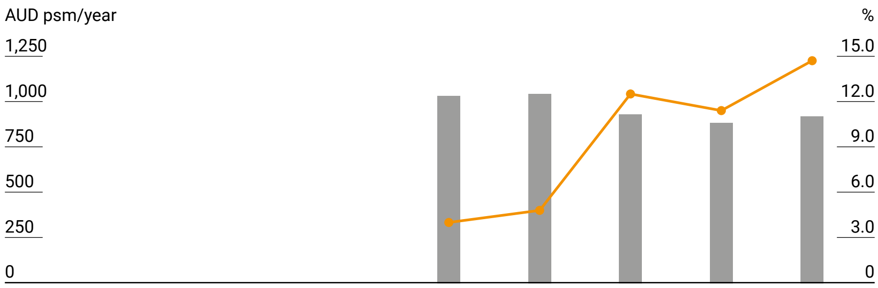
Sydney CBD Demand and Supply ('000 sm)



	2018	2019	2020	2021	2022	2023	2024	2025
Net Absorption	68.9	(63.2)	(278.1)	29.7	(27.3)			
Net New Supply	2.6	(16.0)	77.2	70.1	55.7			
Forecasted Net New Supply						2.6	168.0	(30.6)

Source: JLL

Sydney CBD Rent and Vacancy

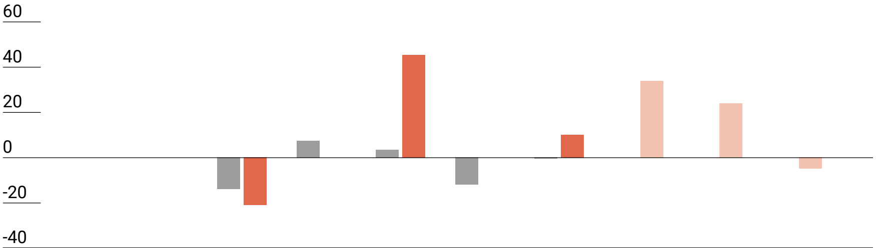


	4Q 2018	4Q 2019	4Q 2020	4Q 2021	**4Q 2022**
Prime Gross Effective Rent (AUD psm/year)	1,032	1,045	930	885	**919**
Prime Grade Vacancy (%)	4.0	4.8	12.5	11.4	**14.7**

Source: JLL

Independent Market Review
Australia

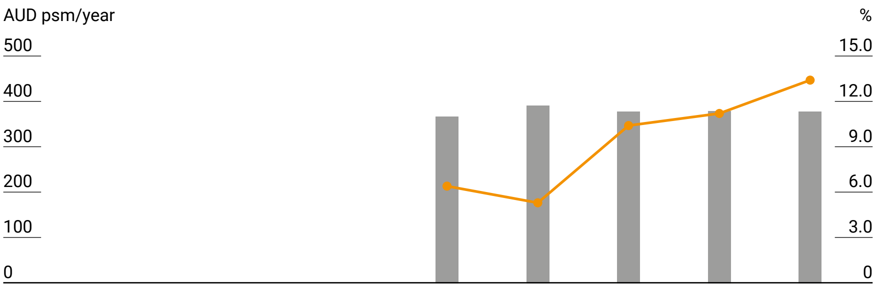
Macquarie Park Demand and Supply ('000 sm)



	2018	2019	2020	2021	2022	2023	2024	2025
Net Absorption	(14.0)	7.4	3.4	(12.0)	(0.5)			
Net New Supply	(21.1)	–	45.5	–	10.0			
Forecasted Net New Supply						33.9	24.0	(5.0)

Source: JLL

Macquarie Park Rent and Vacancy



	4Q 2018	4Q 2019	4Q 2020	4Q 2021	**4Q 2022**
Prime Gross Effective Rent (AUD psm/year)	367	391	378	379	**378**
Prime Grade Vacancy (%)	6.4	5.3	10.4	11.2	**13.4**

Source: JLL

Due to the attractiveness of Macquarie Park amongst manufacturing, pharmaceutical, technology and media companies, rents in the market had steadily increased before peaking in 2019 just before the pandemic hit. While COVID-19 caused prime gross effective rents to decline in 2020, rents have remained relatively stable since then. During 2022, prime incentives increased over the year even as prime gross face rents rose. As a result, on balance prime gross effective rents recorded a marginal decline of 0.4% in 2022 after a slight uptick of 0.4% the year before.

One investment transaction with a value of AUD 111.5 million was recorded in 2022. This marks a decline from 2021, when four investment transactions were recorded with a total transaction value of AUD 410.5 million.

Prime yields softened by 31 bps in 2022 to 5.38%, while secondary yields also decompressed by 32 bps to 5.82%. Macquarie Park is underpinned by a number of long-term growth sectors for the Australian economy such as life sciences, technology and education.

In the medium term, Macquarie Park is anticipated to remain significantly more affordable than other metro markets, and tenants may look to more cost-effective markets such as Macquarie Park to accommodate a low-cost economic environment. Net absorption is forecasted to average 8,700 sm per year between 2023 and 2025, although vacancy is expected to increase amid new completions in the coming years.

Strategically located in Macquarie Park, a key metropolitan office market in Sydney, Pinnacle Office Park offers quality office spaces and an array of on-site amenities.

As a result of rising vacancy, rents are forecasted to decline in 2023 and return to positive territory from 2024 onwards. Annual prime gross effective rental growth of 1.5% on average is anticipated between 2023 and 2025, as leasing demand recovers.

North Sydney
Net absorption in North Sydney fell into negative territory in 2022 (-18,500 sm), due largely to withdrawals of stock from the submarket.

Five buildings totalling 19,000 sm were withdrawn from the submarket in 2022. Of these, three (totalling 6,100 sm) were demolished for office redevelopment, while another (4,700 sm) will undergo refurbishment. A 8,300 sm building will also be converted to other use. There were no new project completions in 2022.

Given the stock withdrawals and negative net absorption, on balance vacancy moved marginally upwards over the year. Total vacancy reached 17.6% at the end of 2022, up from 17.3% in 2021. Prime vacancy was lower at 16.0% compared to 2021, while secondary vacancy increased to 19.1%.

After prime gross effective rents in North Sydney fell 5.4% in 2021, rents rebounded to a positive 2.9% over 2022. Rental growth has been underpinned by continued demand for higher quality and better located office space in the submarket.

10 investment transactions were recorded in 2022, with a total transaction value of AUD 1.0 billion. This is greater than 2021's transaction value of AUD 739 million.

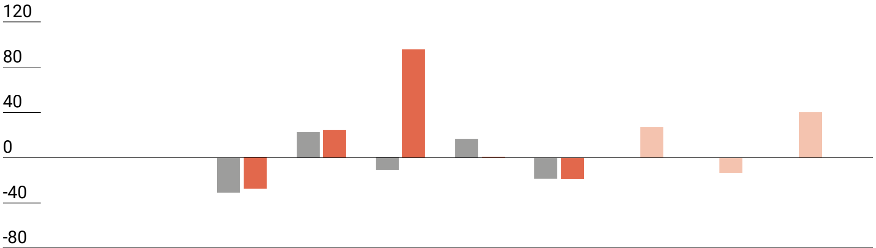
Prime yields softened by 32 bps in 2022 to 5.19%, while secondary yields decompressed by 51 bps to 5.88%. This yield softening was driven by weaker sentiment in capital markets due to the rising cost of debt and global economic headwinds.

Positive demand is projected over the medium-term in North Sydney, at an average of 15,000 sm per year between 2023 and 2025. Consequently, vacancy is expected to trend downward during this period.

As vacancy levels fall, rents are forecast to continue on an upward trend over the medium-term. Annual prime gross effective rental growth of 3.6% on average is anticipated between 2023 and 2025.

Melbourne CBD
Economic headwinds and market uncertainty weighed on leasing activity in the Melbourne CBD over the course of 2022. Net absorption during the year was -13,800 sm. Leasing demand over the duration of 2022 has been

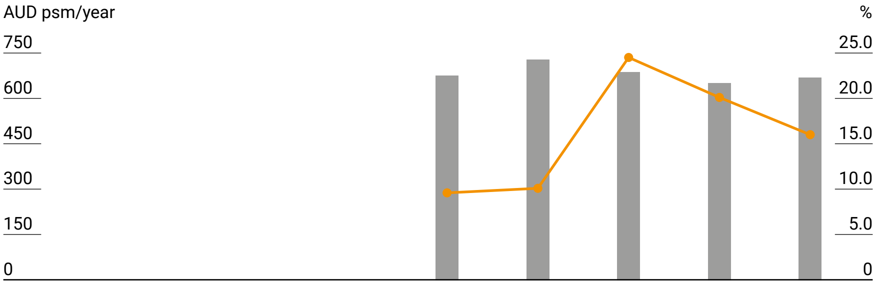
North Sydney Demand and Supply ('000 sm)



	2018	2019	2020	2021	2022	2023	2024	2025
Net Absorption	(30.9)	22.5	(11.3)	16.5	(18.5)			
Net New Supply	(27.6)	24.4	96.0	0.8	(19.0)			
Forecasted Net New Supply						27.4	(13.6)	40.0

Source: JLL

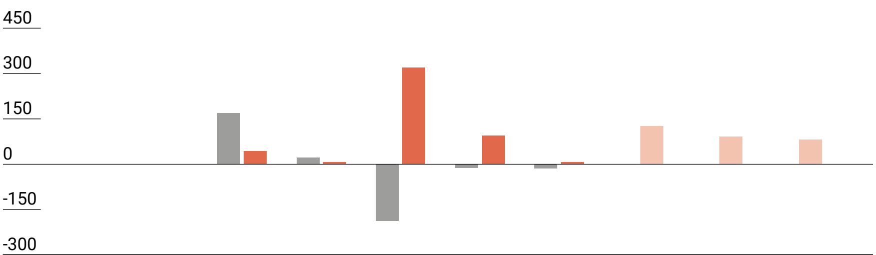
North Sydney Rent and Vacancy



	4Q 2018	4Q 2019	4Q 2020	4Q 2021	**4Q 2022**
Prime Gross Effective Rent (AUD psm/year)	676	729	688	651	**670**
Prime Grade Vacancy (%)	9.6	10.1	24.5	20.1	**16.0**

Source: JLL

Melbourne CBD Demand and Supply ('000 sm)



	2018	2019	2020	2021	2022	2023	2024	2025
Net Absorption	168.4	21.5	(188.8)	(12.8)	(13.8)			
Net New Supply	42.6	5.7	320.2	95.0	5.5			
Forecasted Net New Supply						126.6	90.3	81.6

Source: JLL

Independent Market Review
Australia

Keppel REIT's portfolio of prime assets in Australia includes 8 Exhibition Street in Melbourne.

primarily supported by transactions in the sub-1,000 sm market, as larger occupiers remained tentative in their willingness to seek new office space. Increasing adoption of hybrid working arrangements also reduced space requirements and contributed to several large tenants contracting and consolidating space early in the year.

While there were no new completions in 2022, the year saw the completion of one refurbishment project – 637 Flinders Street (25,100 sm), which had no pre-commitments. There were also no projects withdrawn from the market during the year.

Vacancy remained relatively steady over 2022, rising slightly to 15.4% in 2022 from 15.0% in the prior year. Prime vacancy increased marginally to 16.0% in 2022, while secondary vacancy fell to 13.8%.

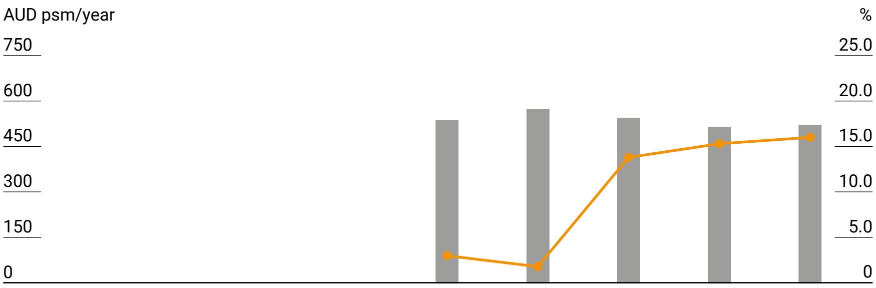
Prime gross effective rents in the Melbourne CBD reversed two straight years of declines, rising 1.2% in 2022 after falling 5.4% in 2021. Despite negative net absorption, inflationary pressures pushed rents marginally higher over the year.

Transaction volumes totalled around AUD 2.6 billion in 2022, up from the AUD 2.2 billion recorded in 2021. The strong performance was largely attributed to Charter Hall's acquisition of 50% stake in Southern Cross Towers. The deal represented an AUD 967.5 million sale across the two towers.

Despite higher investment volumes, market yields expanded in 2022 against the backdrop of economic headwinds from factors such as inflationary pressures and rising borrowing costs. Prime yields decompressed to 5.00%, up around 25 bps from 2021. Secondary yields softened to 5.13%, also up 25 bps over the same period. The prime to secondary yield spread remained at 12 bps.

Global markets will continue to experience economic turmoil over the short-term, which is expected to weigh on the short-to-medium outlook. Net absorption is expected to increase by an average annual rate of 30,000 sm from 2023 to 2025. Vacancy will increase over the

Melbourne CBD Rent and Vacancy



	4Q 2018	4Q 2019	4Q 2020	4Q 2021	**4Q 2022**
Prime Gross Effective Rent (AUD psm/year)	538	573	546	516	**522**
Prime Grade Vacancy (%)	3.0	1.8	13.8	15.3	**16.0**

Source: JLL

medium-term due to a considerable injection of stock to the CBD market over the next few years.

As leasing activity regains momentum, prime gross effective rents are anticipated to grow at an average pace of around 2.8% per year between 2023 and 2025.

Perth CBD

Momentum in the Perth CBD office market accelerated in 2022 after net absorption flipped into positive territory in 2021. 2022 saw net absorption increase to 32,600 sm. The centralisation of tenants from outer suburban markets as well as new business entrants into the Perth market were significant contributors to demand, and occupier activity was predominantly led by tenants within the mining and professional services sectors.

In 2022, there was one new completion – Capital Square Tower 2 (25,200 sm) – which was 53% pre-committed, and one refurbished project – Dynons Plaza (13,200 sm). There were no stock withdrawals during the year.

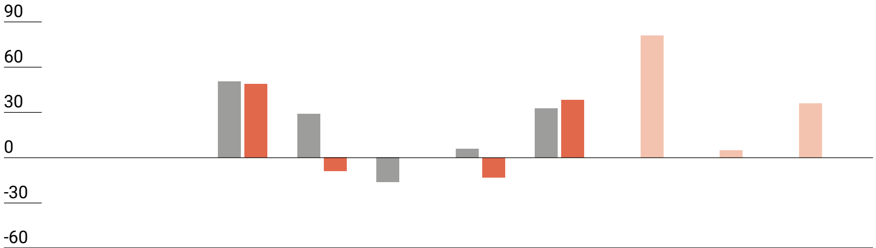
Vacancy remains high in the Perth CBD, and total vacancy declined only slightly in 2022 to 19.0%, from 19.1% in 2021. Prime vacancy rose to 15.0% (from 14.0% in 2021). Secondary vacancy fell to 25.3%.

Gross effective rents for prime assets continued on an upward trend albeit at a gradual pace, increasing marginally by 0.3% in 2022, on top of a 0.5% uptick in 2021. Prime incentives recorded a mild decrease in 2022 as a result of an improvement in demand conditions during the year.

The investment market slowed down in 2022 as investor sentiment moderated, with a transaction volume of AUD 384 million across five transactions. This is considerably lower than 2021, which saw AUD 940 million in transactions.

Yields have generally tightened across prime and secondary grade assets over the past several years, despite elevated vacancy. This is mainly attributable to the number of active investors looking to invest in the Perth market given the previous lower interest rate environment, and wide yield spreads relative to Sydney and Melbourne. However, 2022 marked the end of the yield tightening cycle, and by the end of the year, prime yields were 6.75% (up from 6.25% in 2021), while secondary yields were 8.25% (up from 8.00% in 2021).

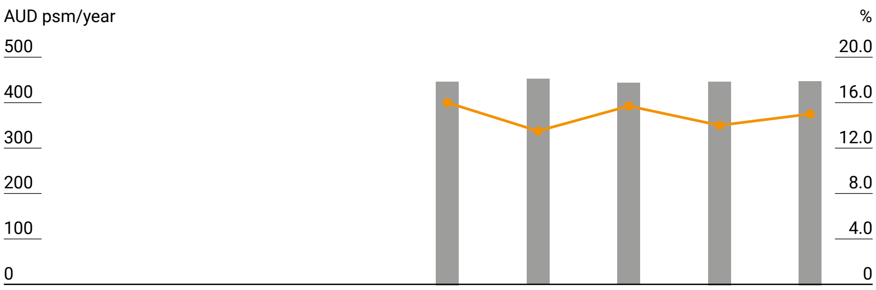
Perth CBD Demand and Supply ('000 sm)



	2018	2019	2020	2021	2022	2023	2024	2025
Net Absorption	50.8	28.9	(16.3)	5.9	32.6			
Net New Supply	49.0	(9.2)	–	(13.2)	38.4			
Forecasted Net New Supply						81.3	4.9	35.9

Source: JLL

Perth CBD Rent and Vacancy



	4Q 2018	4Q 2019	4Q 2020	4Q 2021	**4Q 2022**
Prime Gross Effective Rent (AUD psm/year)	447	453	444	447	**448**
Prime Grade Vacancy (%)	16.0	13.5	15.7	14.0	**15.0**

Source: JLL

In the short-term, the leasing market is expected to improve further, with the Perth CBD office net absorption forecast lifted off the back of a strong reading in 2022. Base demand from the resources and professional services sectors remains robust, potentially resulting in robust take-up of office space. Net absorption is forecast to average 26,700 sm per year from 2023 to 2025, while the overall vacancy rate is expected to remain elevated, reaching 20.0% by the end of 2025.

As momentum in office leasing activity continues in the Perth CBD over the medium-term, office rental growth is expected to accelerate. Prime gross effective rents are forecasted to grow by an average of 3.8% per year between 2023 and 2025, with the level of incentives also forecast to decline further as demand conditions continue to improve.

Qualifying Clause

The information and material presented in this Independent Market Review (IMR) were prepared for the sole benefit of Keppel REIT. Any and all the information and material in this IMR shall not constitute as advice or recommendation by JLL. Any and all the information and material in this IMR or any extract or derivation or analysis thereof should be read by any third party for informational purposes only and should not be used or considered as an offer or a solicitation to sell or an offer or solicitation to any party to buy the shares of Keppel REIT. JLL and any of its affiliates do not make any representation, warranty, or guarantee as to the completeness, accuracy, timeliness or suitability of any information contained within any part of the publication (whether in part or derived) and in the way they are utilised for any of purpose. JLL does not accept any liability (whether in contract or tort or otherwise howsoever caused) for any loss or damage (including, without limitation, loss of profit), costs or expenses, which may arise directly or indirectly from any use of, reliance upon, or any inference drawn from the information in, extracted or derived from this IMR.

Independent Market Review

South Korea Review by JLL

The South Korean Economy

South Korea's economy expanded by 2.6%[1] in 2022, as firm labour market conditions and reopening tailwinds have supported strong momentum in private consumption during the year.

South Korea's GDP growth is expected to slow to 1.0% in 2023[2]. Elevated inflation, higher interest rates and weakening consumer sentiment may weigh on consumer spending in 2023, and a weakening global growth outlook and rising cost of capital are likely to drag on business investment growth.

Office Market Overview

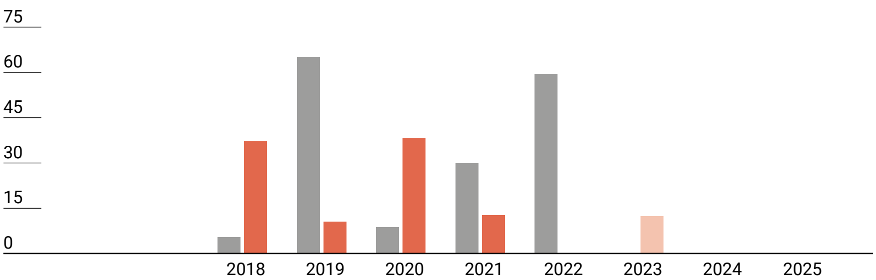
Seoul

The Seoul office market comprises three main business districts – the Central Business District (CBD), the Gangnam Business District (GBD) and the Yeouido Business District (YBD).

Strength in Seoul's office market continued in 2022, with overall net absorption of 118,300 pyeong (by gross floor area) during the year. Leasing activity has been upbeat especially amongst domestic tenants, while return-to-office rates have returned to pre-pandemic levels. While limited, there was also noteworthy leasing activity from foreign firms in 2022, such as Pfizer and Trip.com. Net absorption in the CBD (59,600 pyeong) was the highest across all three business districts, as space availability in the GBD and YBD was extremely limited. There were no new supply completions or withdrawals in 2022.

On the back of robust demand and lack of new supply in 2022, overall vacancy fell over the year, decreasing from 8.0% in 2021 to 1.8% in 2022. The YBD vacancy rate saw the sharpest decrease, with vacancy dropping

Seoul CBD Demand and Supply ('000 pyeong)



	2018	2019	2020	2021	2022	2023	2024	2025
Net Absorption	5.2	65.1	8.6	29.8	59.6			
Net New Supply	37.1	10.3	38.2	12.6	–			
Forecasted Net New Supply						12.2	–	–

Source: JLL

[1] Bank of Korea, Advance Estimate, 26 January 2023.
[2] Oxford Economics, January 2023.

from 12.5% to 1.8%. This was largely attributable to tenants moving into new completions, along with tenants expanding in existing buildings in the submarket. Vacancy also decreased in the CBD and GBD from 10.8% to 3.0%, and from 1.5% to 0.3%, respectively.

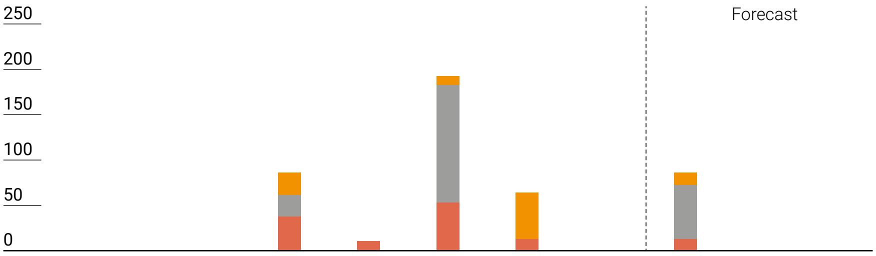
Momentum in Grade A office market rental growth accelerated in 2022. Grade A net effective rents in the CBD were up 22.7% in 2022, mainly due to a significant reduction in rent-free period incentives offered in the submarket. Rental growth in the YBD was even stronger, at 25.8%. The sharp rent uptick was largely attributable to the YBD's landmark buildings adjusting rents upward. Net effective rents in the GBD also showed a strong increase of 16.8% in 2022, driven primarily by information and communications technology (ICT) companies which have a strong preference towards the GBD and are often willing to accept higher rents.

Seoul's investment market slowed in 2022 compared to the previous year. Overall office transaction volumes in 2022 reached KRW 16.3 trillion, lower than the KRW 17.4 trillion recorded in 2021.

Tightening monetary policy and higher borrowing costs have contributed to softening market yields. Market yields in the CBD, YBD and GBD expanded by 50 bps each to 4.4%, 4.9% and 4.2% respectively.

Over the medium-term, positive net absorption across the Grade A market is expected over the next few years while new supply completions remain relatively limited. As a result, Grade A rents across Seoul's three main business districts are expected to grow at a steady pace between 2023 and 2025.

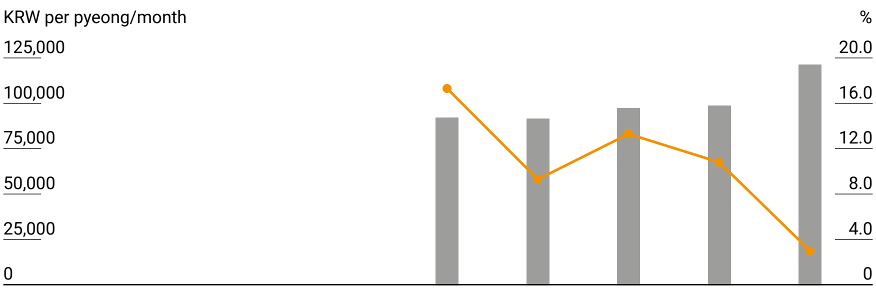
Seoul Grade A New Construction ('000 pyeong)



	2018	2019	2020	2021	2022	2023	2024	2025
CBD	37.1	10.3	52.9	12.6	–	12.2	–	–
YBD	24.1	–	129.7	–	–	60.3	–	–
GBD	24.7	–	10.3	51.2	–	13.5	–	–

Source: JLL

Seoul CBD Rent and Vacancy



	4Q 2018	4Q 2019	4Q 2020	4Q 2021	**4Q 2022**
Grade A Net Effective Rent (KRW per pyeong/month)	92,325	91,656	97,572	98,926	**121,356**
Grade A Vacancy (%)	17.3	9.3	13.3	10.8	**3.0**

Source: JLL

In 2022, leasing activity in Seoul's office market remained upbeat.

Qualifying Clause
The information and material presented in this Independent Market Review (IMR) were prepared for the sole benefit of Keppel REIT. Any and all the information and material in this IMR shall not constitute as advice or recommendation by JLL. Any and all the information and material in this IMR or any extract or derivation or analysis thereof should be read by any third party for informational purposes only and should not be used or considered as an offer or a solicitation to sell or an offer or solicitation to any party to buy the shares of Keppel REIT. JLL and any of its affiliates do not make any representation, warranty, or guarantee as to the completeness, accuracy, timeliness or suitability of any information contained within any part of the publication (whether in part or derived) and in the way they are utilised for any of purpose. JLL does not accept any liability (whether in contract or tort or otherwise howsoever caused) for any loss or damage (including, without limitation, loss of profit), costs or expenses, which may arise directly or indirectly from any use of, reliance upon, or any inference drawn from the information in, extracted or derived from this IMR.

Independent Market Review

Japan Review by JLL

The Japanese Economy

Japan's economy grew 1.1%[1] in 2022, supported by pent-up demand and easing supply chain disruptions.

GDP growth in Japan is forecasted to moderate to 0.7% in 2023[2], as the pace of economic recovery will gradually slow with inflation squeezing real incomes. Business investment and export momentum are also expected to be sluggish due to weak external demand and global economic growth.

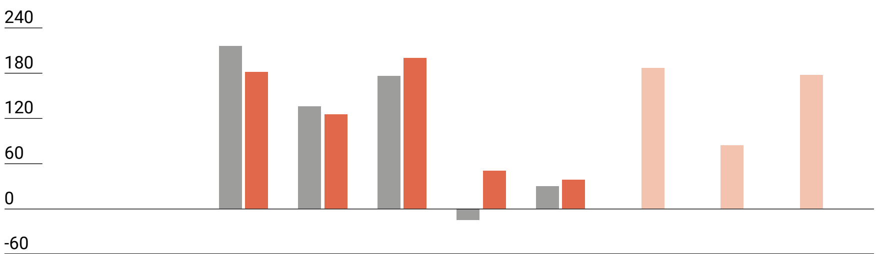
Office Market Overview

Tokyo CBD

Weakness in leasing demand in the Tokyo CBD office market persisted in 2022, with an overall net absorption of 29,800 tsubo (by net lettable area) for Grade A office space during the year. The return of corporate office floors by tenants persisted, and foreign-affiliated companies were also cognisant of the global economic slowdown, which further contributed to demand deterioration. Net absorption in the Grade B segment, where occupiers are mostly small- and medium-sized companies (while large companies mainly support the Grade A market), was also subdued in 2022 at 9,100 tsubo.

There was one new Grade A supply completion (38,300 tsubo) in 2022, while new Grade B completions totalled 50,200 tsubo over the year.

Tokyo CBD Grade A Demand and Supply ('000 tsubo)



	2018	2019	2020	2021	2022	2023	2024	2025
Net Absorption	216.0	135.8	176.5	(15.0)	29.8			
Net New Supply	181.9	125.2	200.4	50.3	38.3			
Forecasted Net New Supply						187.0	83.9	177.5

Source: JLL

1 Cabinet Office, Government of Japan, First Preliminary Estimates, 14 February 2023.
2 Oxford Economics, January 2023.

Given that new supply outpaced net absorption in 2022, Grade A vacancy ticked up over the year, increasing from 3.5% in 2021 to 3.7% in 2022. Vacancy for Grade B offices also increased from 1.8% to 3.3%.

Rents in the Tokyo CBD office market remained challenged in 2022. Grade A net effective rents were down 6.0% in 2022, following an 11.4% decline in 2021. This was attributable to landlords reducing rents to counter the rise in vacancy rates and secure tenants amid a dampened leasing environment. Grade B net effective rents also showed a decline of 1.9% in 2022, after falling 4.3% the year before.

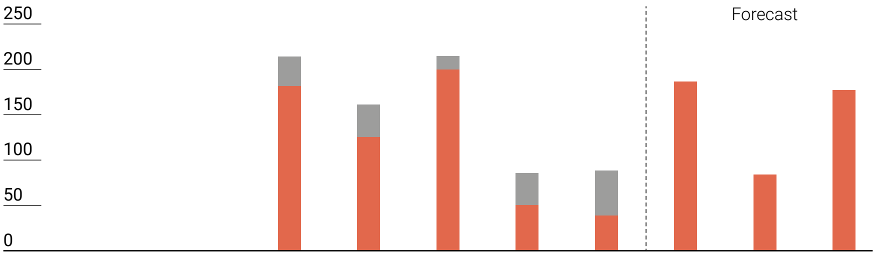
Despite the subdued rental outlook, investor interest for Tokyo offices remained robust in 2022. Overall office transaction volumes in 2022 reached JPY 1.5 trillion, albeit lower than the JPY 2.1 trillion in 2021.

Easy monetary policy and low interest rates continued in Japan despite tightening conditions in much of the rest of the world, and investors – especially domestic ones – continued to seek investment opportunities in the country, leading to tightening market yields. Grade A market yields compressed by 20 bps to 2.20%, while Grade B yields remained unchanged at 3.10%.

Over the medium-term, an influx of new supply is expected to enter the market and is likely to outpace forecast net absorption. As a result of the subsequent rising vacancy, Grade A rents in Tokyo's CBD are expected to decline between 2023 and 2025, at an annual average rate of 4.6%.

Investor interest for Tokyo offices remained robust in 2022.

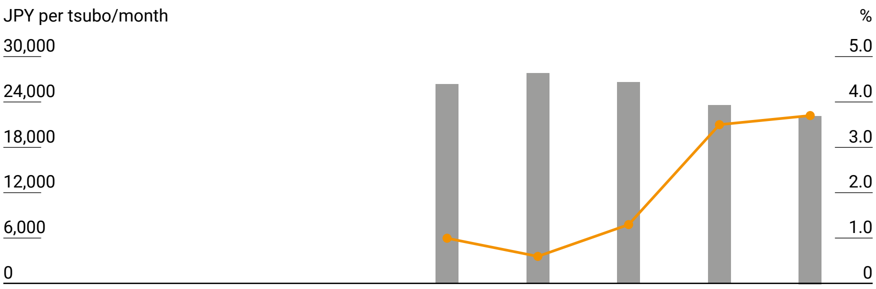
Tokyo CBD New Construction ('000 tsubo)



	2018	2019	2020	2021	2022	2023	2024	2025
Grade A	181.9	125.2	200.4	50.3	38.3	187.0	83.9	177.5
Grade B	32.8	36.4	14.8	35.1	50.2	–	–	–

Source: JLL

Tokyo CBD Grade A Rent and Vacancy



	4Q 2018	4Q 2019	4Q 2020	4Q 2021	**4Q 2022**
Grade A Net Effective Rent (JPY per tsubo/month)	26,365	27,866	26,650	23,609	**22,198**
Grade A Vacancy (%)	1.0	0.6	1.3	3.5	**3.7**

Source: JLL

Qualifying Clause

The information and material presented in this Independent Market Review (IMR) were prepared for the sole benefit of Keppel REIT. Any and all the information and material in this IMR shall not constitute as advice or recommendation by JLL. Any and all the information and material in this IMR or any extract or derivation or analysis thereof should be read by any third party for informational purposes only and should not be used or considered as an offer or a solicitation to sell or an offer or solicitation to any party to buy the shares of Keppel REIT. JLL and any of its affiliates do not make any representation, warranty, or guarantee as to the completeness, accuracy, timeliness or suitability of any information contained within any part of the publication (whether in part or derived) and in the way they are utilised for any of purpose. JLL does not accept any liability (whether in contract or tort or otherwise howsoever caused) for any loss or damage (including, without limitation, loss of profit), costs or expenses, which may arise directly or indirectly from any use of, reliance upon, or any inference drawn from the information in, extracted or derived from this IMR.

Property Portfolio

In 2022, the Manager continued to drive asset performance through proactive leasing and cost management strategies, while executing its portfolio optimisation strategy.

Driving Resilient and Sustainable Performance

Keppel REIT's portfolio continued to show strength and resilience in 2022 with its high portfolio committed occupancy, long weighted average lease expiry (WALE) and established tenants from diverse sectors. The Manager will continue to calibrate its value creation strategies to drive performance for Keppel REIT's stakeholders.

With more tenants returning to the workplace, the operations of retail tenants have improved to pre-COVID-19 levels. Additional tenant relief measures subsided while rental collection remained healthy for 2022. In the face of a rising cost environment and greater emphasis on sustainability, the Manager will calibrate and ensure the disciplined execution of its investment and asset management strategy to optimise Keppel REIT's portfolio long-term returns and drive towards stronger performance.

Portfolio Optimisation

The Manager remains focused on active portfolio optimisation to deliver stable income and drive sustainable long-term total return to Unitholders.

In November 2022, the Manager completed the acquisition of a freehold boutique office building located in Ginza, Chuo ward, Tokyo, from Tokyu REIT, Inc.. Keppel REIT acquired an approximate effective interest of 98.5% in KR Ginza II (formerly known as Ginza 2-chome), with the remaining 1.5% approximate effective interest in the property held by Keppel Capital Japan Limited, a subsidiary of Keppel Capital Holdings Pte. Ltd..

Property Portfolio Statistics
(Based on Keppel REIT's interest in the respective properties)

	As at 31 December 2022	As at 31 December 2021
Net lettable area (NLA)[1]	**4,064,265 sf**	4,030,776 sf
	377,579 sm	374,468 sm
Valuation[2]	**$9.2 billion**	$8.9 billion
Number of tenants[1,3]	**422**	384
Committed occupancy[1]	**96.3%**	95.4%
Weighted average lease expiry[1]	**6.0 years**	6.1 years

1 Excludes Blue & William which is currently under development.
2 Includes Blue & William's "as is" valuation since it is under development.
3 Tenants located in more than one building are accounted for as one tenant.
4 Based on an exchange rate of JPY 100 to S$0.9553 as at 24 October 2022.
5 The fully leased NPI yield of 3.1% is before taking into account any potential leasing commission and rent-free incentives arising from the leasing up of vacant space and is in line with the market convention of how yields are quoted in Japan.
6 The CASBEE Sustainability Rating system is one of the more widely adopted green certifications in Japan.

Achieving Operational Excellence

Maximising Performance

- Proactive leasing efforts saw a total of 207 leases (approximately 1,829,600 sf by total NLA) concluded in 2022.
- Healthy portfolio committed occupancy of 96.3% as at end-2022.
- Portfolio WALE of approximately 6.0 years and top 10 tenants' WALE of approximately 10.5 years as at end-2022.

Advancing Sustainability

- Upheld high standards in environmental sustainability and safety standards.
- All operational assets are green certified.
- All Singapore office assets certified Green Mark Platinum by the Building and Construction Authority (BCA), while the majority of the operational buildings in Australia have achieved 5 Stars and above in the National Australian Built Environment Rating System (NABERS) Energy Rating.
- Three buildings are fully powered by renewable energy, of which two are carbon neutral buildings.
- Maintained Green Star Status in GRESB 2022.

Enhancing Value

- Completed acquisition of KR Ginza II, a freehold boutique office building strategically located in Tokyo, Japan.
- Blue & William, a freehold Grade A office building currently under development, secured Equifax as its anchor tenant. Equifax has committed to occupy around a third of the building's NLA and is expected to move in from late 2023.

The total purchase consideration for the acquisition for 100% of the trust beneficial interest in the property is JPY 8.97 billion (S$85.7 million)[4] of which Keppel REIT paid JPY 8.83 billion (S$84.4 million)[4] for its 98.5% approximate effective interest. On a 100% basis, this represents a discount of approximately 1.4% to the valuation of JPY 9.1 billion by JLL Morii Valuation & Advisory K.K., the independent property valuer commissioned by the Manager and the Trustee. The independent valuation was prepared primarily using the Discounted Cash Flow Approach with reference to the Direct Capitalisation Approach and Cost Approach. The property is expected to have a net property income yield of approximately 3.1%[5] when fully leased.

The strategic acquisition of KR Ginza II marks Keppel REIT's first foray into Japan, the world's third largest economy and Asia's largest developed market. KR Ginza II will strengthen Keppel REIT's geographical and income diversification, provide greater stability and enhance overall portfolio returns. The acquisition will also improve Keppel REIT's visibility in the Japanese market and pave the way for future expansion in the well-established office market in Japan.

KR Ginza II was completed in 2008 and comprises eight storeys of office space and a retail unit on the ground floor, offering a total net lettable area (NLA) of approximately 37,000 sf. It is currently anchored by Netyear Group Corporation, a subsidiary of NTT Data Corporation. KR Ginza II is easily accessible via the Tokyo Metro and is within walking distance to four metro stations. The office building has a Comprehensive Assessment System for Building Environment Efficiency (CASBEE) A rating[6].

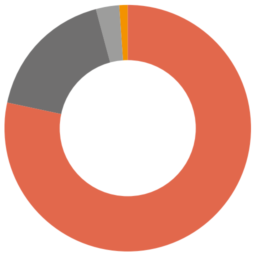
Designed with tenant experience and wellness as a priority, Blue & William in North Sydney will include advanced green features and offer panoramic views of the Sydney Harbour Bridge. (Artist's impression)

Property Portfolio

In December 2022, the Manager announced that Blue & William had secured Equifax, a global data, analytics, and technology company, as its anchor tenant. Equifax will occupy around a third of the building's NLA, which is approximately 4,350 sm across levels five to seven. They will be relocating employees from two separate offices in North Sydney to Blue & William. The property is on track to achieve practical completion by mid-2023, and Equifax is expected to move in from late 2023.

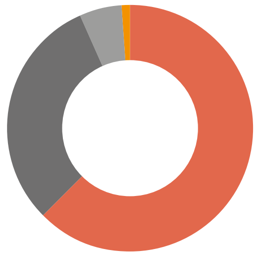
Blue & William is designed to achieve the 5 Star Green Star Design and As Built Rating by the Green Building Council of Australia upon completion, as well as the 5.5 Stars NABERS Base Building Energy Rating. With many companies moving towards modern and sustainable buildings, Blue & William is well-positioned to capture this strong demand.

Asset Distribution by Value (%)
as at 31 December 2022



Singapore	78.5
Australia[1]	17.4
South Korea	3.1
Japan	1.0
Total	**100.0**

Asset Distribution by NLA (%)
as at 31 December 2022



Singapore	62.6
Australia[2]	30.9
South Korea	5.6
Japan	0.9
Total	**100.0**

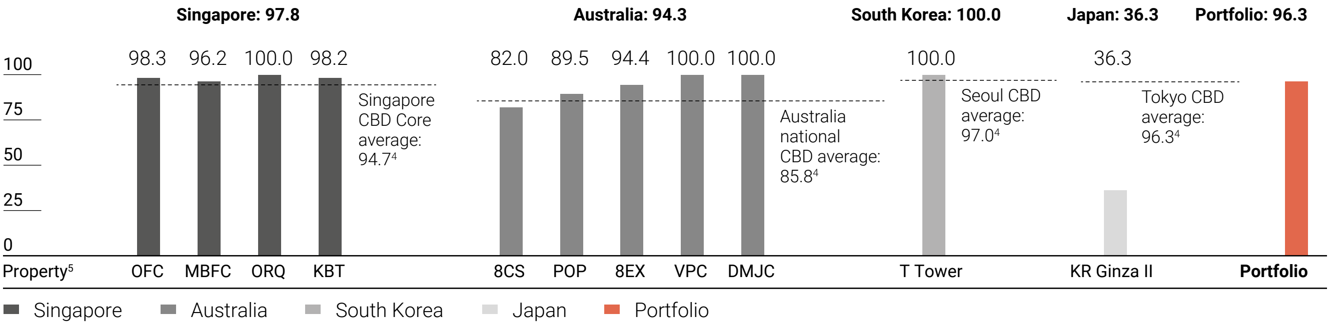
Proactive Lease Management

The Manager continues to adopt a proactive leasing strategy to drive healthy and sustainable returns from Keppel REIT's strategic portfolio of prime office buildings in Singapore, Australia, South Korea and Japan.

In 2022, the Manager concluded leases totalling approximately 1,829,600 sf of commercial space (approximately 909,500 sf in attributable area). The majority of the leases concluded in 2022 were in Singapore, and the weighted average signing rent for the Singapore office leases committed was approximately $11.54[3] psf pm. Of the total attributable NLA committed in 2022, more than a third were new leases and expansions, while the remainder were renewals. New leases and expansions committed during the year were signed with tenants from diverse industry sectors, namely the technology, media and telecommunications (TMT), manufacturing and distribution, as well as banking, insurance and financial services sectors.

Portfolio tenant retention rate remained stable at 78% for the year. The Manager will continue to strive for an optimal balance between achieving high occupancy levels and maximising returns from its assets.

Occupancy by Committed NLA (%)
as at 31 December 2022



1 Includes Blue & Wiliam that is currently under development.
2 Excludes Blue & William that is currently under development.
3 Weighted average for the Singapore office leases concluded in 2022 in Ocean Financial Centre, Marina Bay Financial Centre and One Raffles Quay.
4 Sources: Singapore – CBRE, as at 4Q 2022. Australia, Seoul and Tokyo – JLL, as at 4Q 2022.
5 OFC: Ocean Financial Centre; MBFC: Marina Bay Financial Centre Towers 1, 2 and 3, as well as Marina Bay Link Mall (MBLM); ORQ: One Raffles Quay; KBT: Keppel Bay Tower; 8CS: 8 Chifley Square; POP: Pinnacle Office Park; 8EX: 8 Exhibition Street; VPC: Victoria Police Centre; DMJC: David Malcolm Justice Centre.

One Raffles Quay is a prime Grade A office building in Singapore's central business district.

Portfolio Committed Occupancy

96.3%

Well-leased to diversified tenant base, including many established blue-chip corporations.

Long Portfolio WALE

6.0 years

Portfolio WALE at 6.0 years and top 10 tenants' WALE at 10.5 years.

Well-leased Portfolio with Healthy Committed Occupancy

As at end-2022, Keppel REIT's portfolio of approximately $9.2 billion comprised prime office space in Singapore; the key Australian cities of Sydney, Melbourne and Perth; Seoul, South Korea, as well as Tokyo, Japan. Keppel REIT's portfolio continued to be anchored by assets in Singapore, which made up approximately 78.5% of the portfolio value as at end-2022. Of the leases committed in 2022, 79.5% by net lettable area were made up of Singapore leases.

Keppel REIT's proactive marketing and leasing efforts have seen its portfolio committed occupancy remain healthy at 96.3% as at end-2022. The average committed occupancies for its properties in Singapore, Australia, South Korea and Japan were 97.8%, 94.3%, 100.0% and 36.3% respectively. These were higher than the Singapore CBD Core average of 94.7%[4], the Australia national CBD average of 85.8%[4] and the Seoul CBD average of 97.0%[4]. The occupancy for the property in Japan was lower than the market average for Grade A and B offices in Tokyo's central 5 wards of 96.3%[4]. However, with demand being healthy in the Tokyo market, the Manager is confident of leasing out the space.

Portfolio Lease Expiry Profile

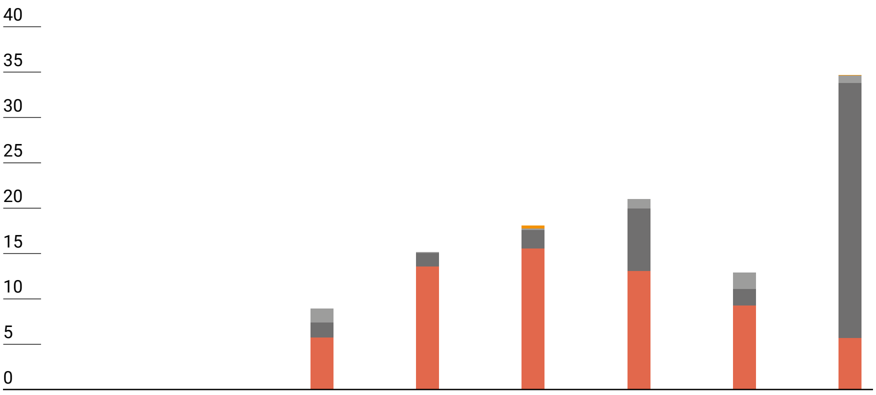
As at end-2022, Keppel REIT's WALE was 6.0 years for its overall portfolio and about 10.5 years for its top 10 tenants.

Keppel REIT's long leases in Singapore have mark-to-market rent reviews at pre-determined periods. In Australia, most leases are on a triple-net basis and tenants are responsible for the majority of the property expenses including taxes, insurance and common area maintenance. At the same time, leases in Australia and South Korea typically include fixed annual rental escalations throughout the lease terms, while those in Japan are on fixed rents.

Property Portfolio

David Malcolm Justice Centre is located in Perth's CBD and has the Minister for Works – Government of Western Australia as its principal tenant.

Geographical Breakdown of Expiring and Rent Review Leases[2,3] (%)



	2023	2024	2025	2026	2027	2028 & beyond
Singapore	5.7	13.6	15.6	13.1	9.3	5.7
Australia	1.7	1.5	2.0	6.9	1.8	28.2
South Korea	1.5	0.1	0.2	1.0	1.8	0.8
Japan	–	–	0.3	–	–	<0.1
Based on committed attributable NLA[2]						
Expiring leases	8.6	15.2	16.9	21.0	12.9	21.7
Rent review leases	0.3	–	1.2	–	–	13.0
Based on committed attributable gross rent[2]						
Expiring leases	8.7	18.1	20.6	18.8	13.8	20.0
Rent review leases	0.4	–	1.4	–	–	10.8

The WALE for new and renewal leases committed in 2022 was approximately 3.8 years as at end-2022. These leases constituted 25.0% of Keppel REIT's average attributable monthly property income in 2022.

The weighted average remaining tenure of leasehold properties in Keppel REIT's portfolio was 82.4 years (by attributable NLA).

Out of the total attributable NLA of 4,064,265 sf, 69.3% and 30.7% are leasehold and freehold properties respectively.

Well-staggered Lease Expiry Profile

Keppel REIT continues to maintain a well-staggered lease expiry profile. As at end-2022, not more than 21% of the portfolio's total committed leases (by NLA) will expire in any one year over the next five years.

Approximately 8.6% of leases based on the total attributable NLA are due for renewal in 2023, 15.2% in 2024, 16.9% in 2025, 21.0% in 2026 and 12.9% in 2027. The remaining 21.7% of leases are due for renewal only in 2028 and beyond. The average expiring rents[1] of Singapore office leases are $11.43 psf pm in 2023, $11.03 psf pm in 2024 and $11.11 psf pm in 2025.

1 Weighted average based on attributable NLA of office lease expiries and rent reviews in Ocean Financial Centre, Marina Bay Financial Centre and One Raffles Quay as at 31 December 2022.
2 Data as at 31 December 2022.
3 Based on committed attributable NLA.

Diversified Tenant Base

Keppel REIT's portfolio includes a well-diversified and stable tenant base with many being established corporations. As at end-2022, there were 422 tenants from various business sectors in Keppel REIT's portfolio.

Top 10 Tenants

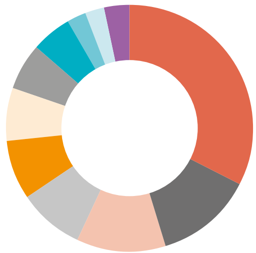
In 2022, the top 10 tenants contributed 34.8% of the total committed monthly gross rental income, on an attributable basis.

The top 10 tenants based on attributable committed monthly gross rent are from the government agencies, banking, insurance and financial services, accounting and consultancy services, real estate and property services, energy, natural resources, shipping and marine, as well as the TMT sectors.

Tenant Business Sector Analysis by Committed NLA (%)
as at 31 December 2022

Banking, insurance and financial services	27.9
Government agency	14.8
TMT	14.3
Manufacturing and distribution	7.7
Legal	7.3
Energy, natural resources, shipping and marine	6.9
Real estate and property services	6.6
Accounting and consultancy services	5.1
Services	3.2
Retail and F&B	2.7
Others	3.5
Total	**100.0**

Tenant Business Sector Analysis by Committed Monthly Gross Rent (%)
as at 31 December 2022



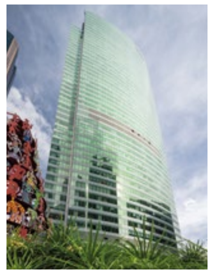
Banking, insurance and financial services	32.7
TMT	12.6
Government agency	11.8
Legal	8.5
Energy, natural resources, shipping and marine	7.8
Real estate and property services	7.0
Manufacturing and distribution	6.2
Accounting and consultancy services	5.1
Services	2.7
Retail and F&B	2.3
Others	3.3
Total	**100.0**

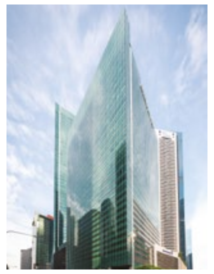
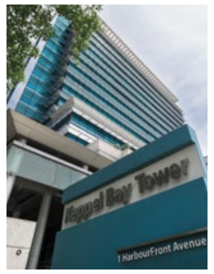
Top 10 Tenants by Committed Monthly Gross Rent

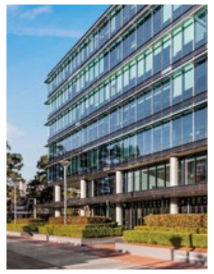
	Property[4]	Tenant	% of Total Committed Monthly Gross Rent[5]	% of Total Committed NLA[5]	Business Sectors
1	**VPC & 8EX**	Minister for Finance – State of Victoria	7.1	10.0	Government agency
2	**MBFC**	DBS Bank	5.1	4.6	Banking, insurance and financial services
3	**DMJC**	Minister for Works – Government of Western Australia	4.2	4.2	Government agency
4	**OFC**	BNP Paribas	3.5	3.2	Banking, insurance and financial services
5	**ORQ & 8EX**	Ernst & Young	2.9	3.3	Accounting and consultancy services
6	**KBT**	Keppel Group	2.9	3.8	Real estate and property services; Energy, natural resources, shipping and marine; Banking, insurance and financial services; Others
7	**ORQ**	TikTok	2.4	2.1	TMT
8	**MBFC, ORQ and OFC**	The Executive Centre	2.4	1.8	Real estate and property services
9	**MBFC**	Standard Chartered Bank	2.2	1.9	Banking, insurance and financial services
10	**ORQ**	Deutsche Bank	2.1	1.9	Banking, insurance and financial services
			34.8	**36.8**	

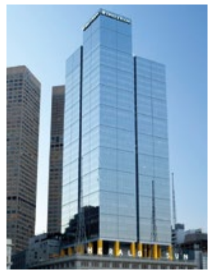
[4] VPC: Victoria Police Centre; 8EX: 8 Exhibition Street; MBFC: Marina Bay Financial Centre Towers 1, 2 and 3, as well as Marina Bay Link Mall; DMJC: David Malcolm Justice Centre; OFC: Ocean Financial Centre; ORQ: One Raffles Quay; KBT: Keppel Bay Tower.
[5] Based on Keppel REIT's interest in the respective properties.

Property Portfolio
At A Glance









	Singapore				Australia	
	Ocean Financial Centre[1]	**Marina Bay Financial Centre**[1,7]	**One Raffles Quay**[1]	**Keppel Bay Tower**[1]	**8 Chifley Square**[1]	**Pinnacle Office Park**[1]
Location	10 Collyer Quay, Singapore 049315	8, 8A,10 and 12 Marina Boulevard, Singapore 018981-4	1 Raffles Quay, Singapore 048583	1 HarbourFront Avenue, Singapore 098632	8 Chifley Square, Sydney, New South Wales 2000, Australia	6 Giffnock Avenue, Macquarie Park, New South Wales 2113, Australia
Title	Leasehold interest of 99 years expiring 13 December 2110	Leasehold estate of 99 years expiring 10 October 2104[8] Leasehold estate of 99 years expiring 7 March 2106[9]	Leasehold estate of 99 years expiring 12 June 2100	Leasehold estate of 99 years expiring 30 September 2096	Leasehold estate of 99 years expiring 5 April 2105	Freehold
Ownership Interest	79.9%	33.3%	33.3%	100%	50%	100%
Acquisition Date	14 December 2011[2] 25 June 2012[2]	15 December 2010[8] 16 December 2014[9]	10 December 2007	18 May 2021	28 July 2011	31 December 2020
Purchase Price	S$1,838.6 million[3]	S$1,426.8 million[8] S$1,248.0 million[9]	S$941.5 million	S$657.2 million	S$197.8 million A$165.0 million	S$289.9 million A$306.0 million
Valuation[1]	S$2,140.5 million S$3,067 psf	S$1,757.0 million[8] S$1,310.0 million[9] S$3,057 psf[8] S$2,948 psf[9]	S$1,282.0 million S$2,905 psf	S$710.0 million S$1,838 psf	S$209.2 million[12] A$227.5 million A$23,534 psm	S$280.5 million[12] A$305.0 million A$8,740 psm
Capitalisation Rate	3.40%	3.25%[9,10] 4.50%[11]	3.50%	3.55%	4.75%	5.38%
Attributable NLA	697,855 sf 64,832 sm	1,019,159 sf 94,682 sm	441,496 sf 41,016 sm	386,223 sf 35,881 sm	104,055 sf 9,667 sm	375,640 sf 34,898 sm
Committed Occupancy	98.3%	96.2%	100.0%	98.2%	82.0%	89.5%
FY 2022 Attributable NPI	S$67.1 million	S$93.0 million	S$39.6 million	S$27.2 million	S$6.7 million	S$15.1 million
Number of Tenants[4]	72	187	65	35	9	17
Principal Tenants[5]	BNP Paribas, Drew & Napier, The Executive Centre	DBS Bank, Standard Chartered Bank, HSBC	TikTok, Deutsche Bank, Ernst & Young	Keppel Group, Pacific Refreshments, BMW Asia	Corrs Chambers Westgarth, QBE Insurance, NSW Business Chamber	Aristocrat Technologies, Konica Minolta, Coles Supermarkets
Number of Carpark Lots[6]	224	1,052	713	245	28	746

	Australia				South Korea	Japan
	Blue & William[1] *(Under development)*	**8 Exhibition Street**[1,15]	**Victoria Police Centre**[1]	**David Malcolm Justice Centre**[1]	**T Tower**[1]	**KR Ginza II**[1]
Location	2 Blue Street, North Sydney, New South Wales 2060, Australia	8 Exhibition Street, Melbourne, Victoria 3000, Australia	311 Spencer Street, Melbourne, Victoria 3000, Australia	28 Barrack Street, Perth, Western Australia 6000, Australia	30 Sowolro, 2-gil, Jung-gu, Seoul, South Korea	2-15-2, Ginza, Chuo-ku, Tokyo, Japan
Title	Freehold	Freehold	Freehold	Leasehold estate of 99 years expiring 30 August 2114	Freehold	Freehold
Ownership Interest	100%	50%[15]	50%	50%	99.4%	98.5%
Acquisition Date	14 December 2021	1 August 2013[16] 12 October 2015[17]	31 July 2017	28 March 2013	27 May 2019	30 November 2022
Purchase Price	S$322.2 million[13] A$327.7 million[13]	S$192.4 million[16] A$160.2 million[16] S$8.9 million[17] A$8.6 million[17]	S$350.1 million A$347.8 million	S$208.1 million A$165.0 million	S$292.0 million KRW 252.6 billion	S$84.4 million JPY 8.83 billion
Valuation[1,12]	S$211.5 million[14] A$230.0 million[14]	S$280.2 million A$304.7 million A$13,436 psm	S$395.5 million A$430.0 million A$12,709 psm	S$221.6 million A$241.0 million A$15,461 psm	S$286.4 million KRW 275.9 billion KRW 22.1 million/py	S$88.3 million JPY 9.0 billion JPY 2.7 million/psm
Capitalisation Rate	4.63%	5.13%[16] 5.00%[17]	4.25%	5.50%	3.90%	2.70%
Attributable NLA	152,666 sf 14,183 sm (est.)	244,600 sf 22,724 sm	364,180 sf 33,833 sm	167,784 sf 15,588 sm	226,949 sf 21,084 sm	36,324 sf 3,375 sm
Committed Occupancy	30.7% (est.)	94.4%	100.0%	100.0%	100%	36.3%
FY 2022 Attributable NPI	–	S$12.0 million	S$27.2 million	S$16.3 million	S$12.1 million	S$0.1 million
Number of Tenants[4]	1	25	1	3	18	2
Principal Tenants[5]	Equifax	Ernst & Young, Amazon, Minister for Finance – State of Victoria	Minister for Finance – State of Victoria	Minister for Works – Government of Western Australia	Hankook Corporation, Philips Korea, SK Communications	Netyear Group Corporation
Number of Carpark Lots[6]	33	–	600	195	292	16

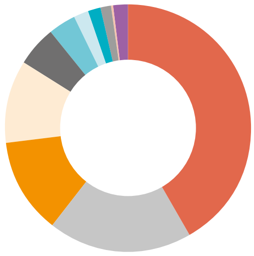
1 Based on Keppel REIT's interest in the respective properties as at 31 December 2022.
2 87.5% interest of the building was acquired on 14 December 2011 and 12.4% interest of the building was acquired on 25 June 2012. 20.0% interest of the building was subsequently divested on 11 December 2018.
3 Based on Keppel REIT's 79.9% of the historical purchase price.
4 Tenants located in more than one building are accounted as one tenant when computing the total number of tenants.
5 On committed gross rent basis.
6 Refers to all available carpark lots in the respective properties, excluding loading and unloading bays.
7 Comprises Marina Bay Financial Centre (MBFC) Towers 1, 2 and 3 and Marina Bay Link Mall (MBLM).
8 Refers to MBFC Towers 1 and 2 as well as MBLM.
9 Refers to MBFC Tower 3.
10 Refers to MBFC Towers 1 and 2.
11 Refers to MBLM.
12 Based on the exchange rate of A$1 = S$0.9197, KRW 1,000 = S$1.038 and JPY 100 = S$0.9849.
13 Total development consideration. Subject to further true up adjustments depending on final surveyed floor area, leasing status and actual rents achieved at the property. Based on the exchange rate of A$1 = S$0.9833.
14 Under development and based on "as is" valuation as at 31 December 2022.
15 Keppel REIT owns a 50% interest in the 8 Exhibition Street office building and a 100% interest in the three adjacent retail units.
16 Refers to Keppel REIT's 50% interest in the office building.
17 Refers to Keppel REIT's 100% interest in the three adjacent retail units.

Ocean Financial Centre

Ocean Financial Centre is a Building and Construction Authority of Singapore (BCA) Green Mark Platinum property located in the heart of Singapore's CBD. The 43-storey Grade A office tower offers approximately 873,000 sf of premium office spaces with large column-free floor plates of up to 25,000 sf. The property is situated at the intersection of the Raffles Place and Marina Bay precincts and is connected to the Raffles Place MRT interchange and the Marina Bay precinct by an underground pedestrian network. Ocean Colours, the retail component of the property, offers a variety of dining options and amenities that are located on the ground floor and basement levels.

Ocean Financial Centre was the first commercial building in Singapore to be certified with the WELL Health-Safety Rating by the International WELL Building Institute in February 2021.

Tenant Business Sector Analysis by Committed Monthly Gross Rent (%)
as at 31 December 2022

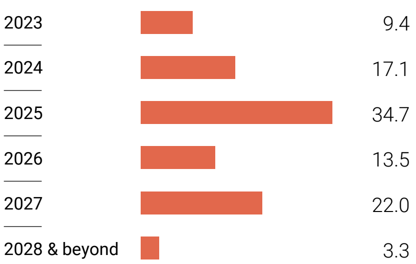


Banking, insurance and financial services	41.8
Legal	18.9
Energy, natural resources, shipping and marine	12.5
Real estate and property services	10.8
TMT	5.3
Services	3.5
Retail and F&B	2.0
Accounting and consultancy services	1.6
Manufacturing and distribution	1.5
Government agency	0.3
Others	1.8
Total	**100.0**

Top Five Tenants
as at 31 December 2022

	% of Total Committed Monthly Gross Rent
BNP Paribas	16.5
Drew & Napier LLC	8.6
The Executive Centre	8.1
ANZ	7.8
Reed Smith	4.3

Lease Expiry Profile by Committed Monthly Gross Rent (%)
as at 31 December 2022

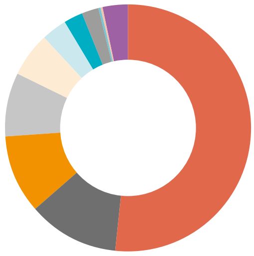


Marina Bay Financial Centre

Marina Bay Financial Centre is a BCA Green Mark Platinum integrated development comprising three Grade A office towers and the subterranean Marina Bay Link Mall. The office towers offer more than 3.0 million sf of premium office space with large column-free floor plates of between 20,000 sf and 45,000 sf, while Marina Bay Link Mall offers close to 100,000 sf of retail options. An underground pedestrian network connects Marina Bay Financial Centre to the Downtown MRT station, Raffles Place MRT interchange and other surrounding commercial buildings.

Marina Bay Financial Centre was certified with the WELL Health-Safety Rating by the International WELL Building Institute in September 2022.

Tenant Business Sector Analysis
by Committed Monthly Gross Rent (%)
as at 31 December 2022

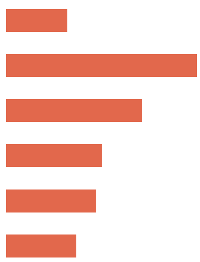


Banking, insurance and financial services	51.9
TMT	11.9
Energy, natural resources, shipping and marine	10.4
Legal	8.2
Real estate and property services	5.9
Retail and F&B	3.2
Accounting and consultancy services	2.6
Manufacturing and distribution	2.3
Services	0.3
Government agency	0.2
Others	3.1
Total	**100.0**

Top Five Tenants
as at 31 December 2022

	% of Total Committed Monthly Gross Rent
DBS Bank	16.6
Standard Chartered Bank	7.3
HSBC	4.8
LinkedIn	3.5
Nomura	3.3

Lease Expiry Profile
by Committed Monthly Gross Rent (%)
as at 31 December 2022



2023	9.5
2024	29.6
2025	21.1
2026	14.9
2027	14.0
2028 & beyond	10.9

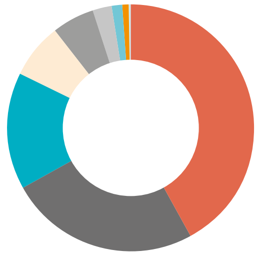
Property Portfolio
Singapore

One Raffles Quay

One Raffles Quay is a BCA Green Mark Platinum landmark commercial development located in the Marina Bay precinct. The 50-storey North Tower and 29-storey South Tower have column-free floor plates of 18,000 sf and 30,000 sf respectively, offering approximately 1.3 million sf of Grade A office spaces. The property is connected by an underground pedestrian walkway to the surrounding commercial buildings, as well as Raffles Place MRT interchange and Downtown MRT station.

One Raffles Quay was certified with the WELL Health-Safety Rating by the International WELL Building Institute in September 2022.

Tenant Business Sector Analysis
by Committed Monthly Gross Rent (%)
as at 31 December 2022

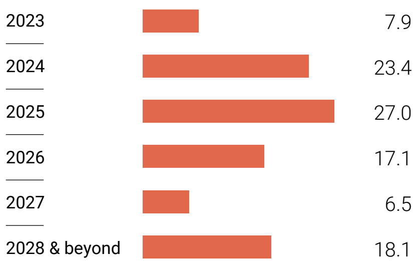


Banking, insurance and financial services	42.1
TMT	24.9
Accounting and consultancy services	15.3
Real estate and property services	7.3
Manufacturing and distribution	5.5
Legal	2.6
Services	1.3
Energy, natural resources, shipping and marine	0.7
Retail and F&B	0.3
Total	**100.0**

Top Five Tenants
as at 31 December 2022

	% of Total Committed Monthly Gross Rent
TikTok	18.1
Deutsche Bank	15.5
Ernst & Young	10.8
L'Oreal Singapore	5.4
Capital International	4.2

Lease Expiry Profile
by Committed Monthly Gross Rent (%)
as at 31 December 2022

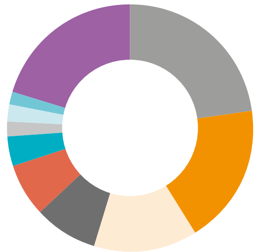


Keppel Bay Tower

Keppel Bay Tower is a Grade A commercial building situated in the HabourFront area, part of Singapore's Greater Southern Waterfront. The building comprises an 18-storey office tower and a six-storey podium block, offering a total net lettable area of approximately 386,000 sf. The property is well-connected to the nearby HarbourFront MRT and bus interchanges and is in proximity to landmarks such as VivoCity, HarbourFront Centre, Keppel Island and Sentosa Island.

The property earned the recognition for being Singapore's first commercial development to be certified as a Green Mark Platinum Zero Energy building by BCA, utilising renewable energy to power all of its operations, including tenant spaces. It was certified with the WELL Health-Safety Rating by the International WELL Building Institute in May 2022.

Tenant Business Sector Analysis
by Committed Monthly Gross Rent (%)
as at 31 December 2022

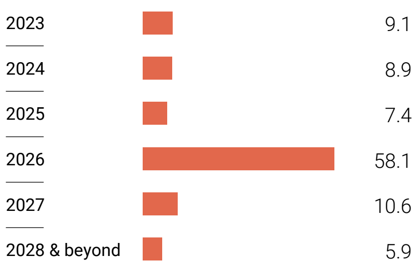


Manufacturing and distribution	22.8
Energy, natural resources, shipping and marine	18.5
Real estate and property services	13.6
TMT	8.3
Banking, insurance and financial services	6.9
Accounting and consultancy services	3.8
Legal	2.2
Retail and F&B	2.1
Services	1.6
Others	20.2
Total	**100.0**

Top Five Tenants
as at 31 December 2022

	% of Total Committed Monthly Gross Rent
Keppel Group	38.2
Pacific Refreshments	5.6
BMW Asia	5.0
Syngenta Asia	4.7
Chevron Phillips Chemicals Asia	4.7

Lease Expiry Profile
by Committed Monthly Gross Rent (%)
as at 31 December 2022

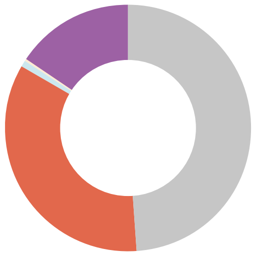


8 Chifley Square

8 Chifley Square is a Grade A 30-storey premium commercial building situated at the intersection of Hunter Street and Elizabeth Street in Sydney's prime business district. With a total net lettable area of approximately 208,000 sf, 8 Chifley Square boasts a unique interlinking "vertical village" concept that offers tenants greater flexibility in the layout and design of their offices to encourage increased employee interaction and collaboration. The refreshed end-of-trip facilities and lobby area also encourage community collaboration amongst tenants.

The property is certified with a 6 Star Green Star – Office Design v2 rating by the Green Building Council of Australia (GBCA), as well as a 4.5 Stars National Australian Built Environment Rating System (NABERS) Energy Rating.

Tenant Business Sector Analysis
by Committed Monthly Gross Rent (%)
as at 31 December 2022

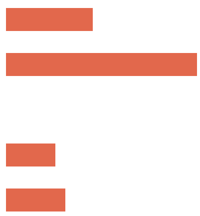


Legal	49.1
Banking, insurance and financial services	34.4
Retail and F&B	1.0
Real estate and property services	0.1
Others	15.4
Total	**100.0**

Top Five Tenants
as at 31 December 2022

	% of Total Committed Monthly Gross Rent
Corrs Chambers Westgarth	49.1
QBE Insurance Group	19.2
NSW Business Chamber Limited	15.4
Berkshire Hathaway	12.1
Natixis	3.1

Lease Expiry Profile
by Committed Monthly Gross Rent (%)
as at 31 December 2022

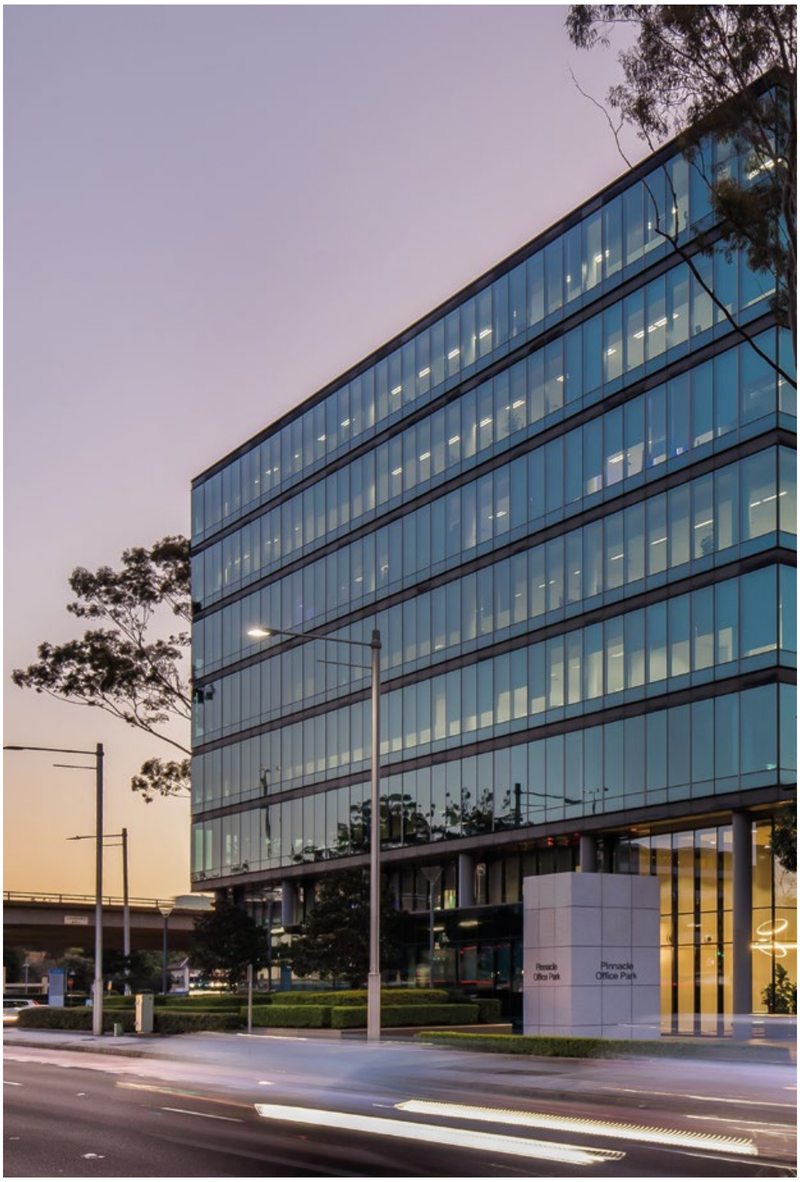


2023	–
2024	22.4
2025	49.5
2026	–
2027	12.7
2028 & beyond	15.4

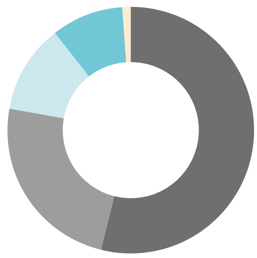
Pinnacle Office Park

Pinnacle Office Park is a freehold Grade A commercial development offering a net lettable area of approximately 376,000 sf. Its on-site amenities include a childcare centre, a gymnasium, end-of-trip facilities and a café. The property is strategically situated in the Macquarie Park, a key metropolitan office market in Sydney, and is easily accessible via public transportation from the nearby Macquarie Park metro station and a major bus interchange. In addition, it is well-connected to major arterial roads providing direct links to the Sydney CBD. The property is also close to Macquarie Centre, Sydney's largest suburban shopping centre, which provides a wide range of retail, food and entertainment options.

The Property has been certified with a 4 Stars NABERS Energy Rating.



Tenant Business Sector Analysis
by Committed Monthly Gross Rent (%)
as at 31 December 2022

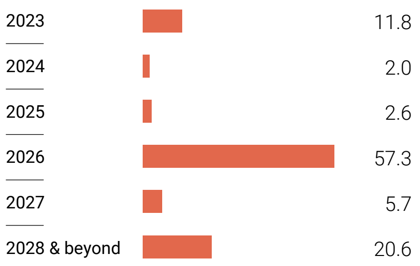


TMT	53.9
Manufacturing and distribution	24.0
Retail and F&B	11.6
Services	9.4
Real estate and property services	1.1
Total	**100.0**

Top Five Tenants
as at 31 December 2022

	% of Total Committed Monthly Gross Rent
Aristocrat Technologies	50.1
Konica Minolta	11.8
Coles Supermarkets	10.2
Douglas and Mann	7.4
MSA National	5.6

Lease Expiry Profile
by Committed Monthly Gross Rent (%)
as at 31 December 2022



Property Portfolio
Australia

Blue & William *(Under development)*

Blue & William is a freehold Grade A office building that is currently under development in North Sydney. Upon practical completion, estimated to be in mid-2023, the property will offer a total net lettable area of approximately 153,000 sf. Located at the prime intersection of Blue Street and William Street, the property is in proximity to the North Sydney Train Station, and it is well-connected to major arterial roads. The building will feature outdoor terraces overlooking the Sydney Harbour Bridge, as well as an on-site café and end-of-trip facilities.

It is designed to achieve the GBCA 5 Star Green Star Design and As Built Rating upon completion as well as the 5.5 Stars NABERS Energy Rating.

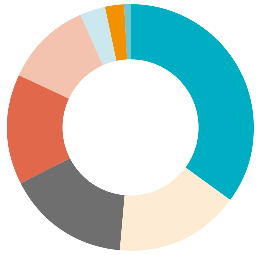
Artist's impression

8 Exhibition Street

8 Exhibition Street is a Grade A commercial building located in the Eastern Core of Melbourne's CBD. The freehold property offers a total net lettable area of approximately 485,000 sf across a 35-storey premium office tower and three adjacent retail units. The office tower offers tenants a panoramic view of various landmarks such as the Yarra River and the Royal Botanic Gardens. It is easily accessible with many surrounding public transportation nodes and is within walking distance to both the Parliament and Flinders Street major railway stations.

The property has been certified with a 5 Stars NABERS Energy Rating.

Tenant Business Sector Analysis by Committed Monthly Gross Rent (%)
as at 31 December 2022



Accounting and consultancy services	35.1
Real estate and property services	16.4
TMT	16.0
Banking, insurance and financial services	14.5
Government agency	11.5
Retail and F&B	3.2
Energy, natural resources, shipping and marine	2.5
Services	0.8
Total	**100.0**

Top Five Tenants
as at 31 December 2022

	% of Total Committed Monthly Gross Rent
Ernst & Young	33.0
Amazon	10.5
Minister for Finance – State of Victoria	10.0
UBS	7.9
CBRE	6.7

Lease Expiry Profile by Committed Monthly Gross Rent (%)
as at 31 December 2022

2023	7.3
2024	16.7
2025	13.4
2026	37.5
2027	19.9
2028 & beyond	5.2

Victoria Police Centre

Victoria Police Centre is a freehold 40-storey, Grade A office tower offering a total net lettable area of approximately 728,000 sf. It is fully leased to the Minister for Finance – State of Victoria and serves as the headquarters for the Victoria Police. Strategically located between Melbourne's CBD and the Docklands precinct, the property is within walking distance to the Southern Cross Station, the city's major railway and transportation hub.

The property is an eco-icon in Melbourne designed by leading architecture firm, Woods Bagot, and was awarded a GBCA 6 Star Green Star – Design and As Built v1.1 rating, GBCA 6 Star Green Star – Performance v1.2 rating and a 5 star NABERS Energy Rating.

Tenant Business Sector Analysis by Committed Monthly Gross Rent (%)
as at 31 December 2022

Government agency	100.0
Total	**100.0**

Top Five Tenants
as at 31 December 2022

	% of Total Committed Monthly Gross Rent
Minister for Finance – State of Victoria	100.0

Lease Expiry Profile by Committed Monthly Gross Rent (%)
as at 31 December 2022

2023	–
2024	–
2025	–
2026	–
2027	–
2028 & beyond	100.0

David Malcolm Justice Centre

David Malcolm Justice Centre is a Grade A property situated in Perth's CBD, at the intersection between Barrack Street and St Georges Terrace. Previously known as the Old Treasury Building, David Malcolm Justice Centre comprises a 33-storey commercial building and an annexe block, offering a total net lettable area of approximately 336,000 sf. It currently houses the Supreme Court's civil functions, judicial chambers, as well as the departments of Treasury and Justice.

The building has been certified with a GBCA 5 Star Green Star – Office Design v3 and Office As Built v3 ratings and GBCA 6 Star Green Star – Performance v1.2 rating. In addition, the building has also attained the 5 Stars NABERS Energy Rating.

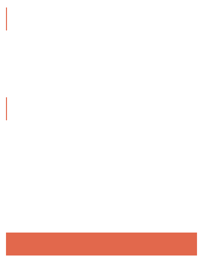
Tenant Business Sector Analysis
by Committed Monthly Gross Rent (%)
as at 31 December 2022

Government agency	99.4
Real estate and property services	0.3
Retail and F&B	0.3
Total	**100.0**

Top Five Tenants
as at 31 December 2022

	% of Total Committed Monthly Gross Rent
Minister for Works – Government of Western Australia	99.4
Cundall Johnston and Partners	0.3
Erimma International Pty Ltd (Just For You Breadhouse)	0.3

Lease Expiry Profile
by Committed Monthly Gross Rent (%)
as at 31 December 2022



2023	0.3
2024	–
2025	0.3
2026	–
2027	–
2028 & beyond	99.4

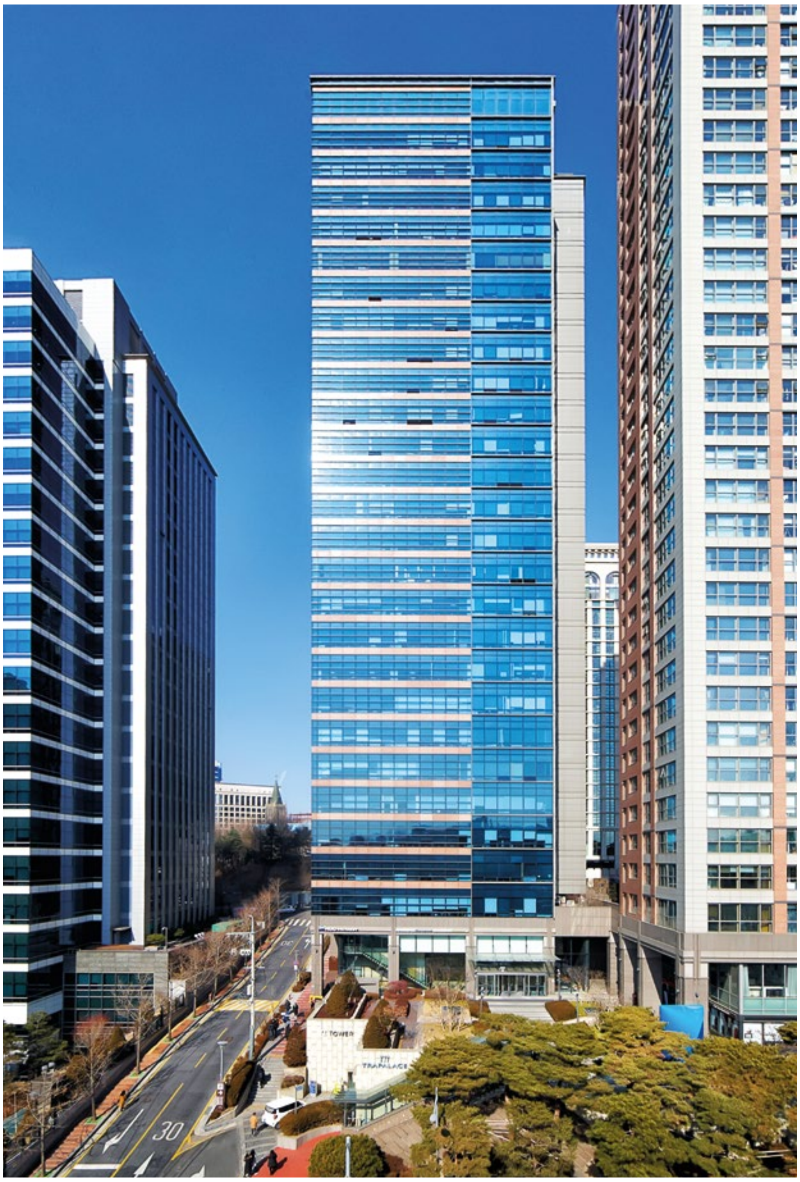
Property Portfolio
South Korea

T Tower

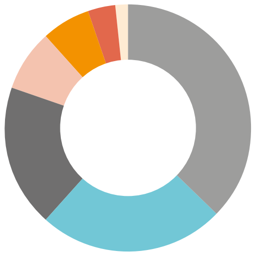
Located in Seoul's central business district, T Tower is a freehold Grade A 28-storey building offering approximately 228,000 sf of net lettable area.

T Tower enjoys excellent accessibility and is located close to key retail districts such as Myeong-dong and Namdaemun. The building is a five-minute walk from Seoul Station, the city's major railway station, and is well-connected to multiple rail, subway and bus networks, including direct connections across the Seoul metropolitan area and regionally via high-speed Korea Train Express services (KTX).

The building achieved the Leadership in Energy and Environmental Design (LEED) Building Operations and Maintenance: Existing Buildings Platinum Certification in December 2022.



Tenant Business Sector Analysis by Committed Monthly Gross Rent (%)
as at 31 December 2022

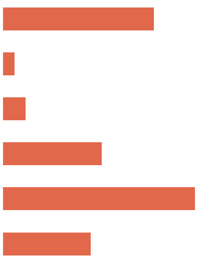


Manufacturing and distribution	37.3
Services	24.5
TMT	18.7
Government agency	7.9
Energy, natural resources, shipping and marine	6.5
Banking, insurance and financial services	3.7
Real estate and property services	1.4
Total	**100.0**

Top Five Tenants
as at 31 December 2022

	% of Total Committed Monthly Gross Rent
Hankook Corporation	18.6
Philips Korea	14.8
SK Communications	12.2
LG Electronics	8.1
Taiyo Yuden	4.4

Lease Expiry Profile by Committed Monthly Gross Rent (%)
as at 31 December 2022



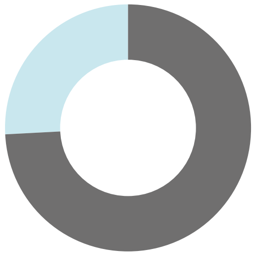
2023	26.8
2024	2.0
2025	4.0
2026	17.5
2027	34.1
2028 & beyond	15.6

KR Ginza II

KR Ginza II (formerly known as Ginza 2-chome) is situated in the prime Ginza district within Chuo ward, one of Tokyo's central five wards. This eight-storey freehold boutique office building offers a total net lettable area of 37,000 sf with a retail unit on the ground floor. The property is easily accessible via public transportation as it is within walking distance to four metro stations, with the nearest being the Shintomicho Station.

KR Ginza II has a Comprehensive Assessment System for Built Environment Efficiency A rating.

Tenant Business Sector Analysis
by Committed Monthly Gross Rent (%)
as at 31 December 2022



TMT	74.3
Retail and F&B	25.7
Total	**100.0**

Top Five Tenants
as at 31 December 2022

	% of Total Committed Monthly Gross Rent
Netyear Group Corporation	74.3
K.K. Seven Eleven Japan	25.7

Lease Expiry Profile
by Committed Monthly Gross Rent (%)
as at 31 December 2022

2023	–
2024	–
2025	74.3
2026	–
2027	–
2028 & beyond	25.7

Financial Review

Keppel REIT's distribution to Unitholders increased 4.1% year-on-year to $220.9 million for the financial year ended 31 December 2022.

Keppel REIT achieved distribution to Unitholders of $220.9 million for the financial year ended 31 December 2022, as compared to $212.1 million for the financial year ended 31 December 2021. The increase was due mainly to the full year contribution from Keppel Bay Tower which was acquired in May 2021, adjustments of income tax expense for previous years, as well as the first tranche of the Anniversary Distribution[1]. The increase was offset partially by the absence of contribution from 275 George Street which was divested in July 2021, lower contribution from 8 Chifley Square and higher borrowing costs.

Share of results of associates decreased due to higher borrowing costs, which was offset partially by higher interest income from advances to associates received by Keppel REIT. Share of results of joint ventures decreased due to lower contribution from 8 Chifley Square and a weaker Australian dollar (AUD).

Portfolio Optimisation

As part of its portfolio optimisation strategy, Keppel REIT acquired an approximate effective interest of 98.5% in KR Ginza II (formerly known as Ginza 2-chome) from Tokyu REIT, Inc. on 30 November 2022. KR Ginza II is a freehold boutique office building located in Tokyo, Japan.

The value of Keppel REIT's portfolio of properties was $9.2 billion as at 31 December 2022, an increase from $8.9 billion as at 31 December 2021. These comprised interests in 12 prime commercial assets strategically located in Singapore; the key Australian cities of Sydney, Melbourne and Perth; Seoul, South Korea, as well as Tokyo, Japan.

Distribution to Unitholders by Half Year ($'000)

1 As announced on 25 October 2022, in appreciation to Unitholders for their support, Keppel REIT will distribute a total of $100 million of Anniversary Distribution over the next five years to celebrate its 20th anniversary in 2026. $20 million will be paid annually with such distributions to be made semi-annually.

Overview

	2022 $'000	2021 $'000	Change %
Property income	**219,286**	216,606	1.2
Property expenses	**(43,344)**	(44,074)	(1.7)
Net property income	**175,942**	172,532	2.0
Share of results of associates	**77,787**	89,039	(12.6)
Share of results of joint ventures	**22,907**	29,556	(22.5)
Rental support[1]	**1,688**	2,672	(36.8)
Interest income	**25,264**	15,603	61.9
Manager's management fees	**(52,676)**	(50,682)	3.9
Borrowing costs	**(57,736)**	(51,472)	12.2
Other operating expenses	**(10,812)**	(11,547)	(6.4)
Net foreign exchange differences and change in fair value of derivatives	**3,116**	1,377	126.3
Net change in fair value of financial assets at fair value through profit or loss	**3,510**	(2,862)	N.m.
Profit before costs incurred on divestment of investment property and net change in fair value of investment properties	**188,990**	194,216	(2.7)
Costs incurred on divestment of investment property	**–**	(2,600)	(100.0)
Net change in fair value of investment properties	**261,458**	87,240	199.7
Income tax expense	**(2,045)**	(23,000)	(91.1)
Profit after tax	**448,403**	255,856	75.3
Attributable to:			
– Unitholders	**405,387**	231,738	74.9
– Perpetual securities holders	**9,450**	9,430	0.2
– Non-controlling interests	**33,566**	14,688	128.5
Distribution to Unitholders	**220,936**	212,141	4.1

1 This relates to the rental support drawn for Keppel Bay Tower. For the financial year ended 31 December 2021, it also included rental support drawn for Pinnacle Office Park.

N.m. = Not meaningful

In Singapore, Keppel REIT owns an approximate 79.9% interest in Ocean Financial Centre (Ocean Financial Centre Interest), 100% interest in Keppel Bay Tower, a one-third interest in Marina Bay Financial Centre (comprising Towers 1, 2 and 3 and the subterranean mall, Marina Bay Link Mall) (Marina Bay Financial Centre Interest), and a one-third interest in One Raffles Quay (One Raffles Quay Interest).

In Australia, Keppel REIT holds a 50% interest in 8 Chifley Square in Sydney (8 Chifley Square Interest), a 100% interest in Pinnacle Office Park in Sydney, a 100% interest in Blue & William in Sydney, a 50% interest in the office building and 100% interest in three adjacent retail units at 8 Exhibition Street in Melbourne (8 Exhibition Street Interest), a 50% interest in Victoria Police Centre in Melbourne (Victoria Police Centre Interest) and a 50% interest in David Malcolm Justice Centre in Perth (David Malcolm Justice Centre Interest).

Financial Year Ended 31 December 2022

1Q 2022 Key Business and Operational Updates	20 April 2022
1H 2022 Results Announcement	26 July 2022
1H 2022 Distribution to Unitholders	29 August 2022
9M 2022 Key Business and Operational Updates	25 October 2022
2H and FY 2022 Results Announcement	27 January 2023
2H 2022 Distribution to Unitholders	1 March 2023

In South Korea, Keppel REIT has an approximate 99.4% interest in T Tower in Seoul (T Tower Interest).

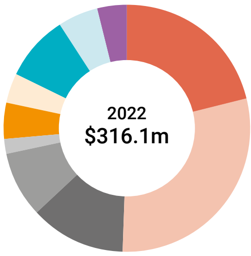
In Japan, Keppel REIT has an approximate 98.5% effective interest in KR Ginza II in Tokyo (KR Ginza II Interest).

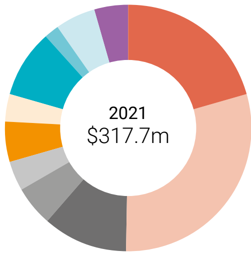
The contributions from Ocean Financial Centre, Keppel Bay Tower, Pinnacle Office Park, 8 Exhibition Street Interest, Victoria Police Centre Interest, T Tower and KR Ginza II are accounted for as property income. Upon practical completion of Blue & William, its contribution will also be accounted for as property income.

The contributions from the Marina Bay Financial Centre Interest and One Raffles Quay Interest are accounted for as share of results of associates. The contributions from the 8 Chifley Square Interest and David Malcolm Justice Centre Interest are accounted for as share of results of joint ventures.

Financial Review

Attributable NPI by Property (%)





	2022	2021
Ocean Financial Centre Interest	**21.2**	20.8
Marina Bay Financial Centre Interest	**29.4**	29.6
One Raffles Quay Interest	**12.5**	11.2
Keppel Bay Tower[1]	**8.6**	5.2
8 Chifley Square Interest	**2.1**	3.9
Pinnacle Office Park[1]	**4.8**	5.3
8 Exhibition Street Interest	**3.8**	3.7
Victoria Police Centre Interest	**8.6**	8.9
275 George Street Interest	**–**	1.7
David Malcolm Justice Centre Interest	**5.2**	5.4
T Tower Interest	**3.8**	4.3
KR Ginza II Interest	**–[2]**	–
Total	**100.0**	100.0

Valuation of Properties

	2022 $ million	2021 $ million	Change %
Ocean Financial Centre Interest	**2,140.5**	2,066.2	3.6
One-third interest in Marina Bay Financial Centre Towers 1 and 2, as well as Marina Bay Link Mall	**1,757.0**	1,683.3	4.4
One-third interest in Marina Bay Financial Centre Tower 3	**1,310.0**	1,265.3	3.5
One Raffles Quay Interest	**1,282.0**	1,250.0	2.6
Keppel Bay Tower	**710.0**	674.7	5.2
8 Chifley Square Interest	**209.2[3]**	228.5[7]	(8.4)
Pinnacle Office Park	**280.5[3]**	302.1[7]	(7.1)
Blue & William[4]	**211.5[3]**	162.5[7]	30.2
8 Exhibition Street Interest	**280.2[3]**	286.9[7]	(2.3)
Victoria Police Centre Interest	**395.5[3]**	394.7[7]	0.2
David Malcolm Justice Centre Interest	**221.7[3]**	231.4[7]	(4.2)
T Tower Interest	**286.4[5]**	313.1[8]	(8.5)
KR Ginza II Interest	**88.3[6]**	–	N.m.
Total	**9,172.8**	8,858.7	3.5

Property Income and Net Property Income

Property income for 2022 was $219.3 million, 1.2% higher than $216.6 million for 2021. Net property income (NPI) for 2022 was $175.9 million, 2.0% higher compared to $172.5 million for 2021. The increase was due mainly to a full year of contribution following the acquisition of Keppel Bay Tower in May 2021 and contribution from the newly acquired KR Ginza II in November 2022, as well as higher property income and net property income from Ocean Financial Centre and Pinnacle Office Park.

This was offset partially by the absence of contribution from 275 George Street which was divested in July 2021, lower property income and net property income from Victoria Police Centre due to a weaker AUD, as well as lower property income and net property income from T Tower due to tenancy changes and a weaker Korean Won (KRW).

Attributable NPI

Attributable NPI comprises NPI from the Ocean Financial Centre Interest, Keppel Bay Tower, Pinnacle Office Park, 8 Exhibition Street Interest, Victoria Police Centre Interest, 275 George Street Interest, T Tower Interest, KR Ginza II Interest, Marina Bay Financial Centre Interest, One Raffles Quay Interest, 8 Chifley Square Interest, David Malcolm Justice Centre Interest, as well as rental support, where applicable.

Keppel REIT's attributable NPI for 2022 was $316.1 million, 0.5% lower compared with $317.7 million for 2021 due mainly to the absence of contribution from 275 George Street which was divested on 30 July 2021, and lower attributable NPI from the Victoria Police Centre Interest, T Tower Interest, Marina Bay Financial Centre Interest, 8 Chifley Square Interest, and David Malcolm Justice Centre Interest. The decrease was partially offset by a full year of contribution from Keppel Bay Tower and contribution from the KR Ginza II Interest, which was acquired on 30 November 2022.

Attributable NPI from the Victoria Police Centre Interest, 8 Chifley Square Interest and David Malcolm Justice Centre Interest were lower in 2022 due mainly to a weaker AUD, coupled with occupancy changes

1 Includes rental support for Keppel Bay Tower. For the financial year ended 31 December 2021, it also included rental support for Pinnacle Office Park.
2 Less than 0.1% for 2022.
3 Based on the exchange rate of A$1 = S$0.9197 as at 31 December 2022.
4 Valuation on an "as is" basis.
5 Based on the exchange rate of KRW 1,000 = S$1.038 as at 31 December 2022.
6 Based on the exchange rate of JPY 100 = S$0.9849 as at 31 December 2022.
7 Based on the exchange rate of A$1 = S$0.9745 as at 31 December 2021.
8 Based on the exchange rate of KRW 1,000 = S$1.151 as at 31 December 2021.
9 Included Keppel REIT's proportionate share of external borrowings carried at One Raffles Quay Pte Ltd and Central Boulevard Development Pte. Ltd.

N.m. = Not meaningful

at 8 Chifley Square. Attributable NPI from the T Tower Interest was lower due to tenancy changes and a weaker KRW in 2022. Attributable NPI from the Marina Bay Financial Centre Interest was lower due to higher property expenses and lower one-off income, offset partially by lower rental rebates and higher carpark income.

In 2022, Keppel REIT received rental support of $1.7 million for Keppel Bay Tower, translating to a Distribution per Unit (DPU) of approximately 0.05 cents.

Portfolio Valuation

The value of Keppel REIT's portfolio of properties was approximately $9.2 billion as at 31 December 2022, an increase from $8.9 billion as at 31 December 2021. The increase is due mainly to the acquisition of KR Ginza II in November 2022, fair value gains for the Singapore properties and Victoria Police Centre Interest, as well as progress payments made for Blue & William during the year. This was offset partially by a decrease in the capital values for the 8 Chifley Square Interest and Pinnacle Office Park, due mainly to capitalisation rate expansion and depreciation of AUD.

The capital values of the 8 Exhibition Street Interest, David Malcolm Justice Centre Interest and T Tower Interest decreased due to the depreciation of their respective currencies in AUD and KRW.

Net Asset Value

As at 31 December 2022, Keppel REIT's net asset value excluding the 2H 2022 distribution to Unitholders was $1.34 per Unit.

Capital Management

The Manager adopts a prudent approach towards capital management. It regularly assesses and forecasts Keppel REIT's expense requirements and potential funding needs, as well as manages debt maturities and interest costs. Keppel REIT's cash flow position and working capital needs are monitored closely to ensure that there are adequate reserves in terms of cash and available credit facilities to meet short- to medium-term obligations.

Keppel REIT's portfolio of prime commercial assets in key business districts includes the Marina Bay Financial Centre in Singapore (pictured).

Percentage of Loans on Fixed Rates

76%

Increased the percentage of total borrowings on fixed rates to 76%[9] as at 31 December 2022 to provide more certainty over interest payments.

Financial Review

Debt Maturity Profile (%)

- Bank loans
- $75 million 7-year MTN at 3.275% (Issued in April 2017)
- $150 million 7-year MTN at 2.07% (Issued in September 2021)
- 5-year convertible bonds at 1.9% (Issued in April 2019)
- TMK bonds

Keppel REIT repaid $50.0 million of medium term notes on 11 February 2022 that were issued through Keppel REIT MTN Pte. Ltd., and redeemed $146.5 million of the $200 million in aggregate principal of convertible bonds on 11 April 2022.

To partially finance the acquisition of KR Ginza II, Japanese Yen (JPY) 4.2 billion of Tokutei Mokuteki Kaisha (TMK) bonds were issued on 30 November 2022. The remaining purchase consideration was funded with JPY-denominated loans.

In 2022, the Manager continued to strengthen its commitment to sustainability and Keppel REIT's drive towards sustainability-focused funding. Five green loan facilities totalling $427.4 million were obtained in 2022 to refinance existing borrowings, fund progress payments for the development of Blue & William and the acquisition of KR Ginza II, as well as for other general working capital purposes. As at 31 December 2022, green loans represented approximately 50%[1] of Keppel REIT's attributable share of total borrowings.

As at 31 December 2022, the proportion of AUD- and KRW-denominated borrowings to property values in Australia and South Korea were approximately 45% and 50% respectively. The acquisition of KR Ginza II in Japan was funded entirely with JPY-denominated borrowings.

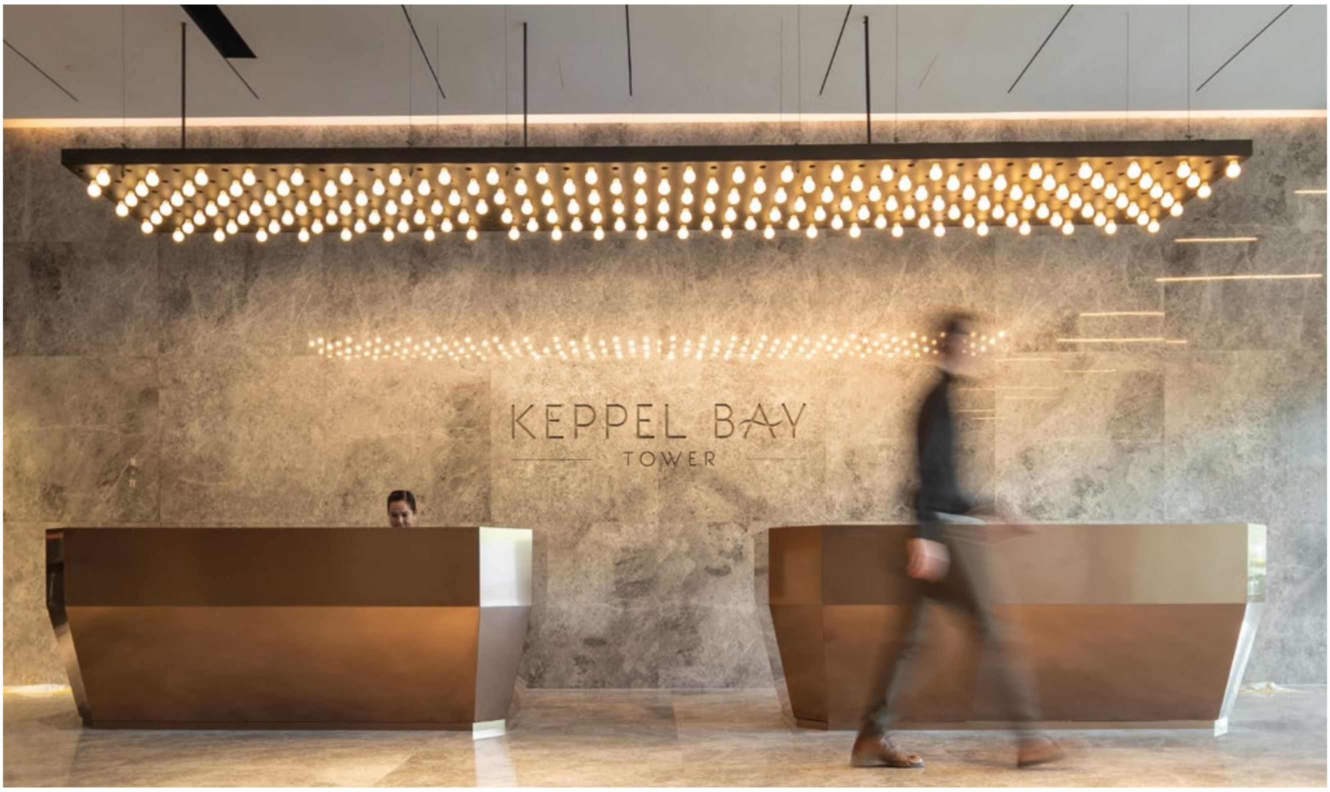
Funding and Borrowings

As at 31 December 2022, the total gross borrowings (excluding external borrowings carried at One Raffles Quay Pte Ltd (ORQPL) and Central Boulevard Development Pte. Ltd. (CBDPL)) of Keppel REIT increased to $2,857.4 million. The increase from $2,736.1 million as at 31 December 2021 was due mainly to borrowings taken up to fund the progress payments for the development of Blue & William and the acquisition of KR Ginza II. The aggregate leverage of Keppel REIT remained healthy at 38.4% as at 31 December 2022, the same level as at 31 December 2021.

The weighted average term to maturity of Keppel REIT's borrowings was 2.7 years as at 31 December 2022. Keppel REIT actively seeks refinancing at competitive costs and continues to maintain a well-spread debt maturity profile.

For 2022, Keppel REIT recorded an all-in interest rate of 2.29% per annum and an adjusted interest coverage ratio of 3.3 times.

Ocean Financial Centre, a 43-storey Grade A office tower, is located in the heart of Singapore's financial centre.



Keppel Bay Tower complements Keppel REIT's core CBD offering in Singapore and increases its income resilience.

As at 31 December 2022, the interest rates of 76% of Keppel REIT's total borrowings[1] were fixed to safeguard against interest rate volatility.

For periods beginning on or after 1 January 2022, the aggregate leverage limit of a property fund can be increased from 45% to 50% of a fund's deposited property if the property fund has a minimum adjusted interest coverage ratio of 2.5 times, after taking into account the interest payment obligations arising from the additional borrowings.

As at and for the year ended 31 December 2022, Keppel REIT's aggregate leverage of 38.4% and adjusted interest coverage ratio of 3.3 times are well within the prescribed limits. The Manager will continue to review and assess, amongst others, these metrics regularly as part of its risk management process and will place due consideration of the potential effects of any transaction on these metrics.

Cash Flows and Liquidity

As at 31 December 2022, Keppel REIT's cash and bank balances (including restricted cash and bank balances) stood at $186.4 million, as compared with $189.3 million as at 31 December 2021.

Net cash flows provided by operating activities for 2022 were $162.2 million, an increase of $48.5 million from the operating cash flows of $113.7 million in the preceding financial year. The higher operating cash flows were due mainly to the full year contribution from Keppel Bay Tower which was acquired in May 2021, higher NPI from Ocean Financial Centre, refund of GST pertaining to the acquisition of Blue & William, and refund of corporate income tax from the Inland Revenue Authority of Singapore for previous years of assessment.

Net cash flows used in investing activities for 2022 were $46.4 million. This pertained mainly to the acquisition of KR Ginza II amounting to $94.9 million, transaction

Aggregate Leverage

38.4%

Maintained a healthy aggregate leverage of 38.4% as at end-2022.

[1] Included Keppel REIT's proportionate share of external borrowings carried at ORQPL and CBDPL.

Financial Review

Key Statistics

	2022	2021
Aggregate leverage[1]	**38.4%**	38.4%
Interest coverage ratio[2]	**3.8 times**	4.6 times
Adjusted interest coverage ratio[3]	**3.3 times**	3.9 times
Percentage of assets unencumbered	**65%**	75%
All-in interest rate[4]	**2.29% p.a.**	1.98% p.a.
Weighted average term to maturity	**2.7 years**	3.1 years

1 Computed based on ratio of gross borrowings to value of deposited properties, as stipulated in the Property Funds Appendix to the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore. Gross borrowings included a deferred payment for the acquisition of the land for Blue & William, as well as Keppel REIT's share of external borrowings carried at ORQPL and CBDPL.
2 Defined as trailing 12 months earnings before interest, tax, depreciation and amortisation (EBITDA) (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), over trailing 12 months interest expense and borrowing-related fees.
3 Defined as trailing 12 months EBITDA (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), over trailing 12 months interest expense, borrowing-related fees and distributions on hybrid securities.
4 All-in interest rate included amortisation of upfront debt arrangement expenses.

and other related costs incurred on the acquisition of $1.7 million, progress payments (net of coupon received) made for the development of Blue & William of $60.4 million, and subsequent expenditure on investment properties of $10.6 million. This was offset partially by dividend and distribution income received from associates of $76.7 million, distribution income received from joint ventures of $23.1 million and interest income received of $25.0 million.

Net cash flows used in financing activities were $111.4 million. This included mainly repayment of loans and medium term notes of $419.2 million and $50.0 million respectively, redemption of convertible bonds of $146.5 million, distribution payments of $217.0 million and interest payments of $53.9 million, offset partially by loans drawn of $802.3 million.

Accounting Policies

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)), applicable requirements of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore and the provisions of the Trust Deed. SFRS(I) is identical to the International Financial Reporting Standards issued by the International Accounting Standards Board.

Change in Profit Before Tax ($'000)

Resulting from:	
0.5% increase in interest rate	(1,598)
0.5% decrease in interest rate	1,598
5% appreciation of AUD against SGD	2,354
5% depreciation of AUD against SGD	(2,354)
5% appreciation of KRW against SGD	N.m.
5% depreciation of KRW against SGD	N.m.
5% appreciation of JPY against SGD	N.m.
5% depreciation of JPY against SGD	N.m.

N.m. = Not material

Pinnacle Office Park, located within Macquarie Park in Sydney, offers an array of on-site amenities.

Distribution Policy

Keppel REIT's distribution policy is to distribute at least 90% of its taxable income for each financial year, with the actual level of distribution to be determined at the Manager's discretion. Distributions are paid in SGD on a half-yearly basis and within 60 days after the end of each distribution period.

For the financial year ended 31 December 2022, Keppel REIT has distributed 100% of its taxable income available for distribution to Unitholders.

Sensitivity Analysis

Keppel REIT is subject to interest rate fluctuations, which affect its interest-earning financial assets and interest-bearing financial liabilities. It is also subject to foreign exchange fluctuations, which affect the AUD-, KRW- and JPY-denominated income generated from its assets in Australia, South Korea and Japan respectively.

In respect of interest rates applicable to interest-earning financial assets and interest-bearing financial liabilities, a 50 basis-point increase or decrease in the interest rates will cause a corresponding decrease or increase of $1.6 million in Keppel REIT's profit before tax. The interest-bearing financial liabilities refer specifically to floating rate borrowings that are not hedged.

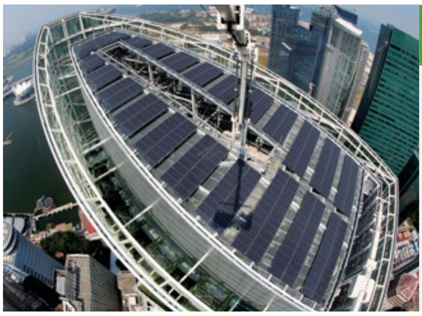
Keppel REIT adopts a policy of hedging its AUD-, KRW- and JPY-denominated income to limit exposure to fluctuations in foreign exchange rates and to provide greater certainty over future distributions.

Keppel REIT's profit before tax will increase or decrease by $2.4 million if the AUD appreciates or depreciates by 5% against the SGD. There is no significant impact on profit before tax if the KRW and JPY appreciate or depreciate by 5% against the SGD.

Sustainability Report

Sustainability Framework

We place sustainability at the heart of our strategy. 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 79 to 88**

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 89 to 92**

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 93 to 100**

Sustainability Highlights for 2022

Environmental Stewardship

Greenhouse Gas Emissions

16.8% reduction

Scope 1 and 2 emissions were 16.8% lower than 2019's level.

Water Management

28.7% reduction

Water usage was 28.7% lower than 2019's level.

Waste Management

15.3% recycling rate

15.3% of waste generated was recycled.

Green Certification

100%

As at end-2022, 100% of Keppel REIT's operational properties are green-certified[1].

Sustainability-focused Funding

50%

Achieved target of 50% sustainability-focused funding in 2022, ahead of the original 2025 target.

Responsible Business

Governance

Established ESG Committee

An ESG Committee was established in September 2022 to strengthen governance on sustainability-related matters and make advances to the ESG strategy.

GRESB

4 Star rating

Retained 4 Star rating, Green Star Status and 'A' rating for Public Disclosure in the 2022 GRESB Assessment.

MSCI ESG Ratings Assessment

'A' rating

Maintained 'A' in the MSCI ESG Ratings Assessment in December 2022.

People and Community

Employee Health and Wellbeing

Zero cases

There were no fatalities, work-related injuries or safety incidents reported in 2022.

Training and Development

30.6 hrs

The Manager's employees achieved an average of 30.6 hours of training in 2022.

Volunteerism

>1,000 hrs

Dedicated more than 1,000 hours to community outreach activities together with Keppel Capital.

[1] All properties in Singapore have achieved the Platinum certification under the BCA Green Mark Scheme and the majority of the Australian properties have achieved 5 Stars and above in the NABERS Energy Rating. Blue & William, which is currently under development, is designed to achieve the 5 Star Green Star Design and As Built Rating by the Green Building Council of Australia upon completion and the 5.5 Stars NABERS Energy Rating.

Driving Sustainability

Dear Stakeholders,

2022 has been a challenging yet fruitful year for Keppel REIT. Amidst the increasingly volatile environment with global growth decelerating on the back of elevated inflation, higher interest rates, and disruptions caused by the conflict in Ukraine, we remain committed to safeguarding and providing long-term value to our stakeholders. In 2022, we continued to drive portfolio performance while building a resilient, diversified portfolio of quality assets through a sustainable growth strategy as evidenced by our expansion into Japan, through the acquisition of KR Ginza II in Tokyo.

Keppel REIT's 2022 sustainability report provides an overview of our sustainability performance and efforts during the year. It also discusses our continued commitment to achieving our sustainability goals, focusing on three core areas, namely, environmental stewardship, responsible business practices and nurturing people and communities.

Guided by Keppel REIT's overarching sustainability strategy, we updated our environmental, social and governance (ESG) targets at the start of 2022. In addition, we established a Board ESG Committee in September 2022 to further strengthen our governance surrounding sustainability-related matters, as well as to lead in the enhancement of our ESG strategy.

Transitioning to a Low-carbon Future

As owners of a prime commercial portfolio, we continue to do our part to reduce our environmental impact as well as encourage our tenants to adopt green practices. We undertake a strategic approach to optimise energy consumption through implementing energy-efficient technologies and increasing the use of renewable energy.

In 2022, we continued to implement measures at certain properties to optimise energy usage, including the upgrading of chiller system air handling units (AHU), making improvements to system performance through the installation of smaller energy-efficient chilled water pumps and conducting energy data analysis as part of our data-driven maintenance strategy. We are also in the midst of conducting studies on the feasibility of expanding the harvesting of solar energy at our properties to increase our deployment of renewables.

We also continued to achieve high levels of environmental performance and implement best practices in sustainability. We are proud to share that as of 2022, all of our Singapore assets have achieved the Platinum certification under the BCA Green Mark scheme, while in Australia, the majority of our operational buildings have achieved 5 Stars and above in the NABERS Energy Rating. Currently, 100% of our operational properties are green-certified. Blue & William, which is currently under development, is designed to achieve the 5 Star Green Star Design and As Built Rating by the Green Building Council of Australia upon completion and the 5.5 Stars NABERS Energy Rating.

In terms of disclosures, Keppel REIT maintains and upholds internationally recognised standards, retaining its 4 Star rating, Green Star Status and 'A' rating for Public Disclosure in the GRESB Assessment, as well as maintaining an 'A' for the MSCI ESG Ratings. In 2022, we made our first submission to CDP's Climate Change 2022

[1] CDP is an internationally recognised global disclosure system designed for users to manage their environmental impacts.

> We remain committed to our sustainability roadmap, to integrate and embed ESG factors into our strategy and operations, as we safeguard and deliver long-term value to our stakeholders.

Koh Wee Lih, Chief Executive Officer

Questionnaire[1]. In addition, we have also analysed and disclosed our full Scope 3 carbon footprint of all categories assessed as relevant. These efforts are a testament to our commitment to place sustainability at the heart of our strategy as we transit towards a low-carbon future.

In line with our sustainability roadmap, we continue to make progress in implementing the Taskforce on Climate-related Financial Disclosures (TCFD) recommendations to support better decision-making, disclosures and performance. Building on our roadmap established in 2021, we conducted a detailed scenario analysis, to evaluate and understand the potential impacts of climate-related risks and opportunities facing Keppel REIT's portfolio to enhance decision-making related to climate change adaptation.

Ensuring Responsible Business Practices

Strong corporate governance is essential to our success as an organisation. We continue to uphold high standards through our systematic approach to risk management, which encompasses robust processes guided by our Enterprise Risk Management Framework. To ensure a holistic approach, ESG factors are integrated into the management's performance assessments. We adopt a zero-tolerance approach to corruption, bribery and fraud, and ensure that strong corporate governance is upheld through robust policies and continuous upskilling of our employees via relevant and timely training sessions, which include topics on ethics and cybersecurity. We extend these commitments to our supply chain and work closely with our suppliers to make a positive impact on their sustainability performance.

We strive to be a fair opportunity employer by offering equal opportunities across all functions. We adopt a zero-tolerance approach towards discrimination as we adhere to and endorse the Tripartite Guidelines on Fair Employment Practices and the Employer Pledge of Fair Employment Practices. We endeavour to continue promoting diversity and inclusion within the workplace while promoting education and awareness on these topics.

Caring for Our People and Communities

We are committed to the development, safety and wellbeing of our people. We take a proactive approach in mitigating potential safety risks and maintaining zero safety incidents at our workplace through the adoption of the Keppel Zero Fatality Strategy. In January 2023, a safety walkabout was organised for the Independent Directors and the management, including myself, where we inspected the safety features of our properties in Singapore and observed how work was carried out on a day-to-day basis.

We are also dedicated to supporting our employees' welfare through our designated 'wellbeing months', where we roll out initiatives to promote and encourage employees to take care of their physical, mental and financial health. In addition, we are committed to maintaining and developing a talented and engaged workforce. We adopt a merit-based approach, providing competitive compensation and comprehensive benefits. To ensure that our employees are future-ready, we provide ample training opportunities through various initiatives such as the employee development scheme, the Keppel Global Learning Festival and Keppel Capital Learning Festival, as well as provide access to LinkedIn Learning and various other training programmes. In 2022, we achieved an average of 30.6 hours of training per employee.

We also seek to engage and contribute to the local communities where we operate. In 2022, together with Keppel Capital, we contributed more than 1,000 hours to community activities and exceeded our goal of 500 hours of staff volunteerism. The Manager also contributed approximately $224,000 to the Keppel Care Foundation to support philanthropic initiatives and community needs.

Advancing Sustainability

As a responsible corporate citizen, we place sustainability at the core of how we conduct our business. We remain committed to our sustainability roadmap, to integrate and embed ESG factors into our strategy and operations, as we safeguard and deliver long-term value to our stakeholders.

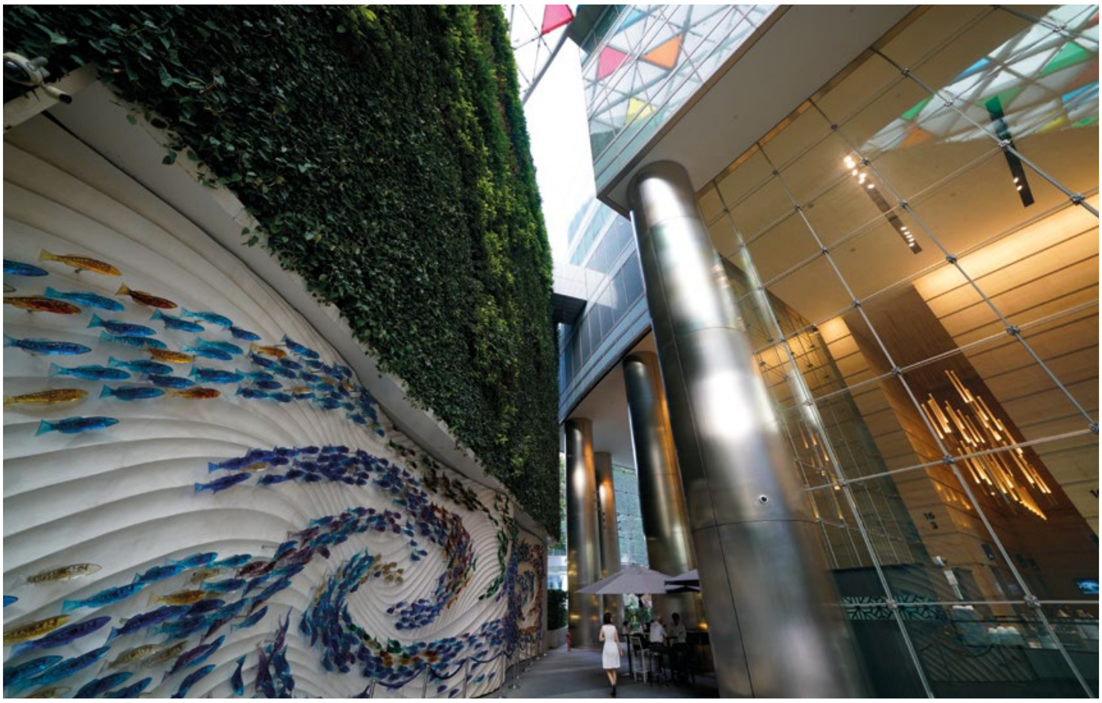
We would like to thank all our valued stakeholders for your support in our ESG journey and we look forward to advancing towards a more sustainable future together.

Yours sincerely,

Koh Wee Lih

Koh Wee Lih
Chief Executive Officer
7 March 2023

About this Report



Ocean Financial Centre is the first commercial building in Singapore to achieve the WELL Health-Safety Rating by the International WELL Building Institute for its robust health and safety management.

This sustainability report (Report) outlines Keppel REIT's sustainability strategy and provides a summary of its performance and progress in managing material ESG factors in 2022.

Reporting Period and Scope

This is Keppel REIT's 14th sustainability report and contains information pertaining to the financial year from 1 January to 31 December 2022. This Report covers the ESG factors identified based on a comprehensive materiality assessment which was conducted in 2021. The objective of the assessment was to review and identify ESG factors that are determined to be most relevant to Keppel REIT's business, operations and key stakeholders. The Manager reviewed the material ESG factors in 2022 and determined that they remain relevant. This Report covers the Manager's approach to managing these material ESG factors, including targets and metrics used to measure and track performance.

The scope of this Report is based on Keppel REIT's attributable interests in Ocean Financial Centre (79.9%), Marina Bay Financial Centre (33.3%), One Raffles Quay (33.3%) and Keppel Bay Tower (100%) in Singapore; 8 Chifley Square (50%) and Pinnacle Office Park (100%) in Sydney, 8 Exhibition Street (50%) and Victoria Police Centre (50%) in Melbourne, and David Malcolm Justice Centre (50%) in Perth, Australia, as well as T Tower (99.4%) in Seoul, South Korea. It excludes Blue & William in Sydney which was acquired in December 2021 and pending practical completion expected in mid-2023 as well as KR Ginza II (formerly known as Ginza 2-chome) in Tokyo, Japan, which was acquired on 30 November 2022.

Full year information and data have been provided for the majority of the report with the exception of environmental data. The environmental data, unless otherwise stated, was annualised based on 11 months of data for 2022, as the full year data was not available at the time of publication of this Report. Annualised environmental data for 2021 has also been updated with the full-year actual data. Social and governance performance data in this Report covers primarily employees of the Manager.

While this Report has not been externally assured, the data in this Report has undergone rigorous review.

Global Reporting Initiative Standards

Keppel REIT is reporting in accordance with the Global Reporting Initiative (GRI) Standards for the period from 1 January to 31 December 2022. It has applied the Reporting Principles from the GRI Standards to ensure high quality and proper presentation of the reported information: Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability Context, Timeliness and Verifiability. For a full list of disclosures reported, please refer to the GRI Content Index on page 101.

Contact for Feedback

The Manager welcomes feedback from stakeholders to help improve its approach to sustainability and communication of sustainability efforts. Suggestions can be sent to investor.relations@keppelreit.com.

Approach to Sustainability

Keppel REIT undertakes a strategic sustainability-focused approach in managing its portfolio of prime commercial assets. As one of Asia's leading REITs, Keppel REIT strives to be a responsible and sustainable REIT. The Manager ensures this by integrating ESG considerations within its business strategy and day-to-day operations to create and safeguard long-term value for Keppel REIT and its stakeholders.

Board Statement

"As part of its strategic oversight, the Board has reviewed, considered and approved the material ESG factors in Keppel REIT's business and strategy formulation. The Board will continue to review and monitor the management and performance of these ESG factors periodically, with inputs from the management team and its engagement with key stakeholders."

Sustainability Framework

The Manager's approach to sustainability is guided by three strategic pillars – Environmental Stewardship, Responsible Business, as well as People and Community. The Manager is committed to minimising environmental impact, upholding strong corporate governance, as well as creating positive impact and value for all the stakeholders.

Policies guiding Keppel 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, Health, Safety and Environmental Policy, Keppel Group Human Rights Policy, Keppel Group Supplier Code of Conduct and Employee Code of Conduct.

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) 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 REIT's operations are not tolerated, and the Manager supports the elimination of such exploitative labour. This approach also extends to the management of Keppel REIT's supply chain. The human rights performance of business partners is considered, and major suppliers are required 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 apply 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 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.

Keppel Group policies are reviewed and approved by the Board, Board Committees or Senior Management of Keppel Corporation in charge of the relevant policies where applicable. In addition, Keppel REIT's Whistle-Blower Policy is reviewed and approved by the Audit and Risk Committee. More information on the policies is available on the sustainability page of Keppel REIT's website.

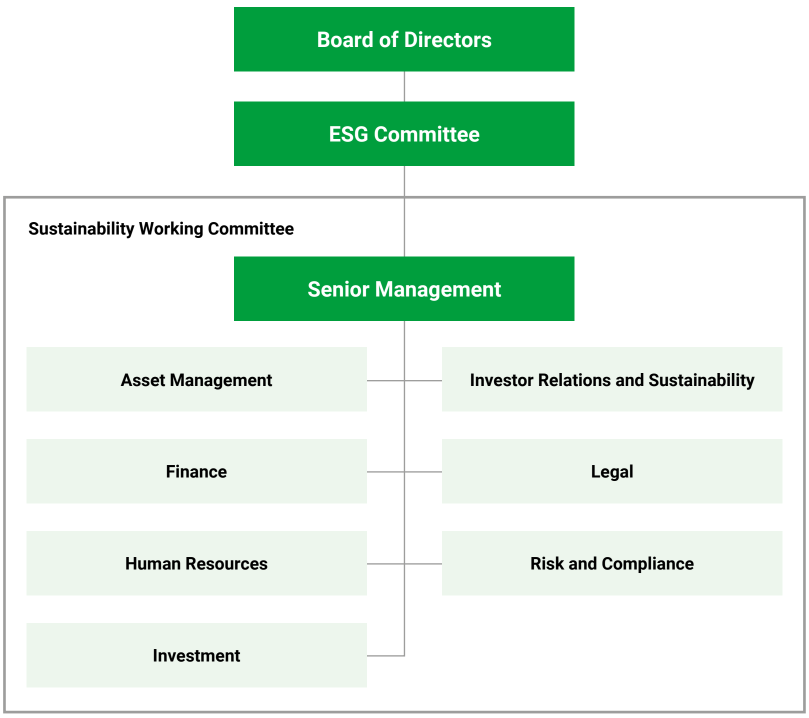
Apart from upholding high environmental standards and operational excellence at the properties, the Manager also established a Green Loan Framework to reinforce its emphasis on sustainability-focused funding. As at 31 December 2022, approximately 50% of Keppel REIT's total borrowings comprised sustainability-focused funding.

Sustainability Governance

The Manager is committed to integrating ESG considerations into Keppel REIT's business and strategy to create and safeguard long-term value for the REIT and its stakeholders. In 2022, the Manager set up a Board ESG Committee to enhance governance over sustainability matters. The ESG Committee leads in enhancing Keppel REIT's ESG strategy, providing oversight on Keppel REIT's sustainability efforts across its business operations. The Chairman of the ESG Committee regularly reports to the Board on the ESG Committee proceedings where appropriate.

The Manager's sustainability working committee oversees the implementation and monitoring of Keppel REIT's sustainability

Sustainability Management Structure



strategy and performance, and communicates progress to the Board. To facilitate integration and enhancement of sustainability throughout Keppel REIT's operations, the sustainability working committee comprises senior management and representatives from various functions including asset management, finance, human resources, investment, investor relations and sustainability, legal, as well as risk and compliance.

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

Materiality Assessment

Materiality is key to understanding the environmental, social, economic and governance issues that have the potential to impact or be impacted by Keppel REIT's business. Material ESG factors are key considerations in the Board's strategy formulation and in Keppel REIT's business operations. In 2021, the Manager worked with a sustainability consultancy to conduct a comprehensive materiality assessment to review Keppel REIT's ESG factors and targets against the changing context and evolving market trends.

Materiality Assessment Process

Understand Context & Identify Issues

- Conducted desk research, benchmarking and an internal document review to identify relevant industry trends and sustainability issues.
- Reviewed current list of ESG factors against this context and developed an updated shortlist of ESG factors to be prioritised.

Stakeholder Engagement

- Launched an online survey to prioritise the shortlist of ESG factors identified.
- Conducted interviews with investors to understand their perspectives on the sustainability context of the industry and their priorities.

Analysis & Validation

- Analysed quantitative and qualitative interview findings to prioritise material ESG factors.
- List of material ESG factors reviewed and validated by the management team.
- Final list of material ESG factors reviewed and approved by the Board.

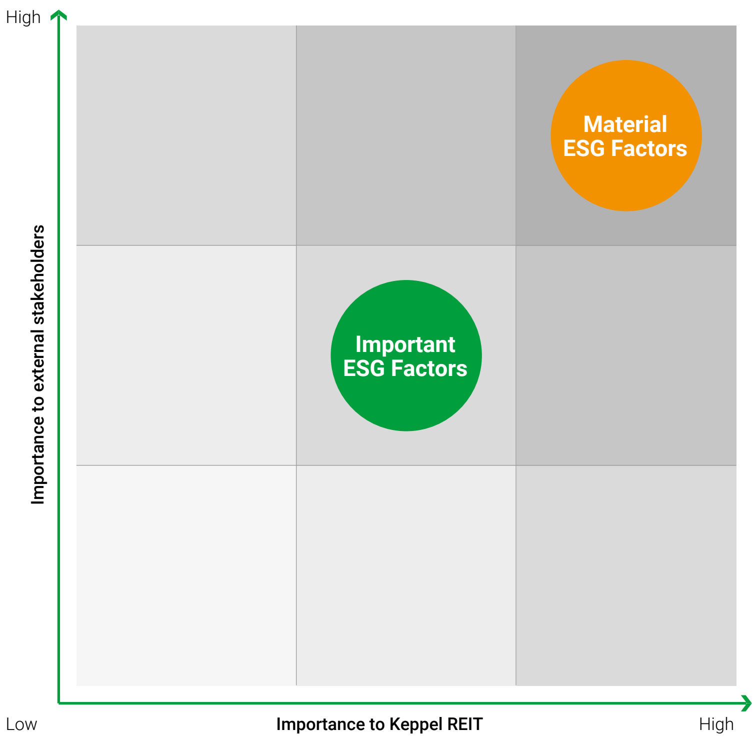
The materiality assessment was conducted based on a systematic process, through the engagement of internal and external stakeholders, including Board members, employees, investors, tenants, suppliers and business partners. The final list of material ESG factors has been reviewed and approved by the Board.

After thoroughly analysing and evaluating stakeholders' considerations and feedback, Keppel REIT developed a matrix on sustainability concerns and 16 material topics which are of significant interest and impact were selected as the material topics for Keppel REIT.

The prioritised list of ESG factors is presented in the chart below, categorised by material and important ESG factors (in alphabetical order), representing their level of materiality as determined through the assessment process.

The material factors are covered within this Report to the extent that it reflects their relative priority. The Manager will continue to review these factors regularly to ensure it is able to determine and respond to any shift in the impact and importance of issues currently identified.

In 2022, the Manager reviewed the material ESG factors and determined that the ESG factors identified in the previous year remain relevant.



Material ESG Factors

Factors of very high importance to Keppel 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
- Climate Change Adaptation
- Corporate Governance
- Emissions
- Employee Health and Wellbeing
- Energy
- Ethics and Integrity
- Human Capital Management
- Tenant Health and Safety

Important ESG Factors

Factors of moderate to high importance to Keppel 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.

- Community Development and Engagement
- Cybersecurity and Data Privacy
- Diversity and Inclusion
- Economic Sustainability
- Sustainable Supply Chain Management
- Water Management
- Waste Management

Targets and Commitments

The Manager has set out targets and commitments to drive performance and manage its material ESG factors. This section summarises the Manager's key targets and commitments, which it tracks and reports on.

Environmental Stewardship		
ESG Factor	**ESG Targets and Commitments**	**Performance and Progress**
Climate Change Adaptation	• Improve resilience against climate change by assessing climate-related risks and opportunities in business operations, as well as aligning with the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD).	• The Manager developed a two-year roadmap to progressively align with the recommendations of the TCFD framework, laying the foundation for continued implementation over the long term. • Progress was made in 2022 through a detailed scenario analysis, to evaluate and understand the potential impacts of climate-related risks and opportunities.
Emissions	• Halve Scope 1 and 2 emissions by 2030 from 2019's level.	• In 2022, Keppel REIT reduced Scope 1 and 2 emissions by 16.8% compared to 2019's level.
Energy	• 10% reduction in energy usage by 2030 from 2019's level. • Increase portfolio's renewable energy usage to 40% by 2030.	• In 2022, Keppel REIT reduced energy usage by 1.0% compared to 2019's level. • Keppel REIT's portfolio renewable energy usage was 15.3% in 2022.
Waste Management	• Increase waste recycling rate.	• In 2022, 15.3% of total waste generated was recycled. The Manager continues to work with tenants to promote recycling and responsible waste management.
Water Management	• 5% reduction in water usage by 2030 from 2019's level.	• Keppel REIT achieved a 28.7% reduction in water usage in 2022 compared to 2019's level and aims to maintain its target for 2023.

Responsible Business		
ESG Factor	**ESG Targets and Commitments**	**Performance and Progress**
Building and Service Quality	• All properties to achieve green certification by 2023. • Achieve at least the BCA Green Mark Gold^{PLUS} Award for all Singapore properties.	• As at end-2022, 100% of Keppel REIT's operational properties are green-certified. Its development project, Blue & William, is designed to achieve the 5 Star Green Star Design and As Built Rating by the Green Building Council of Australia upon completion and the 5.5 Stars NABERS Energy Rating. Keppel REIT is working towards achieving green certifications for all its properties in 2023. • All Singapore properties have achieved the Platinum certification under the BCA Green Mark Scheme. Keppel REIT aims to maintain at least the BCA Green Mark Platinum Award for all its Singapore properties in 2023.
Corporate Governance	• Uphold strong corporate governance, robust risk management, as well as timely and transparent communications with stakeholders.	• The Manager continues to uphold strong corporate governance and risk management practices, as well as timely and transparent communications with stakeholders.
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.	• There were no complaints received concerning breaches of customer privacy, nor any leaks, thefts, or losses of customer data identified in 2022. • A series of cybersecurity training and awareness sessions was conducted by the Keppel Group for all employees, including employees of the Manager.
Economic Sustainability	• Build a resilient portfolio that delivers stable income and drives sustainable long-term total return for Unitholders. • Achieve 50% sustainability-focused funding by 2025.	• Distribution to Unitholders increased 4.1% to $220.9 million and Distribution per Unit increased 1.7% to 5.92 cents. • Achieved its target of 50% sustainability-focused funding in 2022 and aims to maintain its target in 2023. **Refer to Keppel REIT's full financial statements on pages 106 to 174.**
Ethics and Integrity	• Maintain high standards of ethical business conduct and compliance best practices, with zero incidents of fraud, corruption, bribery and non-compliance with laws and regulations pertaining to fraud, corruption and bribery.	• There were zero incidents of fraud, corruption, bribery and non-compliance with laws and regulations pertaining to fraud, corruption and bribery.
Sustainable Supply Chain Management	• Encourage the adoption of sustainability principles throughout the supply chain.	• In 2022, there were no known instances of non-compliance with any applicable regulations regarding human rights and labour practices throughout Keppel REIT's supply chain. There were also no operations or suppliers with significant risks of forced or compulsory labour practices that the Manager is aware of. • The Manager will continue to review and assess its suppliers to encourage the adoption of Keppel's sustainability principles throughout the supply chain.
Tenant Alignment	• Engage with tenants to adopt green practices and green lease provisions.	• The Manager continues to engage tenants to adopt green practices and identify opportunities to improve the environmental performance of Keppel REIT's properties, including the signing of green lease agreements, where possible. The green leases include sustainability targets such as maintaining environmental ratings, ensuring efficient use of energy and water, reducing carbon emissions as well as reporting of tenant usage.

Approach to Sustainability

People and Community		
ESG Factor	**ESG Targets and Commitments**	**Performance and Progress**
Community Development and Engagement	• Engage with local communities and contribute to Keppel Capital's target of more than 500 hours of staff volunteerism in 2022.	• The Manager, together with Keppel Capital, dedicated more than 1,000 hours to support community outreach activities in 2022. The Manager aims to maintain this target of 500 hours for 2023.
Diversity and Inclusion	• Maintain at least 30% of female Board representation.	• Female Board directorship stood at 16.7%[1] as at end-2022. The Manager will work towards achieving the target of at least 30% female board representation.
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 2022, there were no fatalities, work-related injuries or safety incidents reported.
Human Capital Management	• Achieve at least an average of 20 training hours per employee in 2022. • Achieve at least 75% in employee engagement score in 2022.	• In 2022, the Manager's employees received an average of 30.6 hours of training per employee. The Manager aims to maintain its target of at least an average of 20 training hours per employee for 2023. • The engagement score for 2022 remained strong at above 75%. The Manager aims to continue conducting engagement surveys for 2023 to track and enhance employee engagement.
Tenant Health and Safety	• Maintain zero cases of violation of laws, regulations or voluntary codes concerning tenant health and safety.	• In 2022, there were zero cases of violation of laws, regulations or voluntary codes concerning tenant health and safety.

1 The decline in representation was due to the retirement of Chairman of the Board, Mrs Penny Goh.

Supporting the Sustainable Development Goals (SDGs)

The United Nations 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 10 SDGs as a supporting framework to guide its sustainability strategy.

SDG	Relevant ESG Factors	Activities and Initiatives Contributing to SDG
3 GOOD HEALTH AND WELL-BEING	**Employee Health and Wellbeing**	• Provide a safe work environment for all its employees to ensure adherence to industry best practices and compliance with all relevant regulations. • Adopt the Keppel Zero Fatality Strategy, which outlines actionable measures to prevent workplace fatalities through five strategic thrusts. • Organise initiatives to support employees' physical and mental wellbeing. **Read more on page 97.**
	Tenant Health and Safety	• Perform annual health and safety audits to ensure adherence to industry best practices and compliance with all relevant regulations. • Conduct fire drills and evacuation exercises to familiarise tenants with fire safety protocols. • Conduct emergency training for onsite fire wardens at least twice a year. **Read more on page 98.**
6 CLEAN WATER AND SANITATION	**Water Management**	• Installation of water-efficient fittings and fixtures, collection of water condensate for irrigation and facility cleaning, as well as installation of water leakage detectors and isolation sub-valves to reduce wastage in the event of water leakages. **Read more on page 87.**
7 AFFORDABLE AND CLEAN ENERGY	**Emissions** **Energy**	• Optimise energy performance of the buildings through best practices in energy management, as well as implement energy-efficient technology and sustainable smart building features. • Analyse energy data to improve energy efficiency and productivity. • Conduct feasibility studies on expanding the use of solar energy to increase the use of renewable energy. **Read more on pages 79 to 80.**
8 DECENT WORK AND ECONOMIC GROWTH	**Economic Sustainability**	• Keppel REIT's business operations generate employment, opportunities for suppliers and tax revenues for governments. **Read more on page 89.**

SDG	Relevant ESG Factors	Activities and Initiatives Contributing to SDG
8 DECENT WORK AND ECONOMIC GROWTH	**Human Capital Management**	• Adhere to the Tripartite Guidelines on Fair Employment Practices and uphold the Employers' Pledge of Fair Employment Practices. • Leverage digital learning platforms to provide training and development opportunities for employees. • Provide an employee development scheme that supports employees who aspire to upgrade themselves with higher professional certifications. **Read more on pages 93 to 96.**
	Diversity and Inclusion	• Zero-tolerance approach towards discrimination reinforced by the Keppel Group Human Rights Policy and Keppel Group Statement on Diversity and Inclusion. **Read more on pages 96 to 97.**
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	**Building and Service Quality**	• Ensure high standards of building quality and service levels through regular building maintenance and asset enhancement initiatives. **Read more on pages 90 to 91.**
11 SUSTAINABLE CITIES AND COMMUNITIES	**Building and Service Quality**	• Maintain high standards of building and service quality of the assets to attract and retain a well-diversified, quality tenant profile, as well as maintain high portfolio occupancy rate. **Read more on pages 90 to 91.**
	Climate Change Adaptation	• Consider sustainability issues in the evaluation of investment opportunities. • Conducted scenario analysis and assessment of climate-related risks and opportunities in 2022 in alignment with the recommendations of the TCFD. **Read more on pages 81 to 86 and 90 to 91.**
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	**Sustainable Supply Chain Management**	• Adhere to the Keppel Group Supplier Code of Conduct, which reinforces the principles of responsible business practices between employees and suppliers pertaining to business conduct, labour practices, safety and health, as well as environmental management. • The corporate sustainable procurement policy encourages employees to purchase environmentally friendly products. **Read more on pages 87 to 88.**
	Waste Management	• Further promote responsible waste management by encouraging tenants to reduce, reuse and recycle. Recycling bins are available at all properties and specific electronic waste collection points are available at most properties. **Read more on pages 81 to 86.**
13 CLIMATE ACTION	**Climate Change Adaptation**	• Consider sustainability issues in the evaluation of investment opportunities. • Embarked on a roadmap to implement the TCFD recommendations. **Read more on pages 79 to 80.**
	Emissions **Energy**	• Optimise energy performance of the buildings through best practices in energy management, as well as implement energy-efficient technology and sustainable smart building features. • Analyse energy data via Internet of Things' platform to improve energy efficiency and productivity. • Conduct feasibility studies on expanding the use of solar energy to increase the use of renewable energy. **Read more on page 80.**
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	**Corporate Governance**	• Adopted the Code of Corporate Governance 2018 (the Code) 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 Keppel REIT's Enterprise Risk Management Framework. **Read more on pages 89 to 90.**
	Ethics and Integrity	• Adopt a zero-tolerance approach towards corruption, bribery, fraud and unethical business practices. • Adopt the Keppel Group's Employee Code of Conduct and Global Anti-Bribery Policy which set out the principles of conduct that guide Directors and employees in carrying out their duties and responsibilities to the highest standards of personal and corporate integrity when dealing with competitors, customers, suppliers, other employees and key stakeholders. **Read more on page 90.**
17 PARTNERSHIPS FOR THE GOALS	**Community Development and Engagement**	• Contributed approximately $224,000 to the Keppel Care Foundation, to support philanthropic initiatives and community needs in 2022. • Together with Keppel Capital, dedicated more than 1,000 hours, to community outreach activities in 2022. • Provide two days of paid volunteerism leave for all employees each year. **Read more on pages 98 to 100.**

External Memberships, Initiatives and Certifications

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

The Manager is a wholly owned subsidiary of Keppel Capital, which is 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. Keppel Capital is also a CDP capital markets signatory, dedicated to driving corporate environmental transparency.

Keppel REIT is also a component of various ESG indices such as iEdge SG ESG Transparency Index, iEdge SG ESG Leaders Index, iEdge-UOB APAC Yield Focus Green REIT Index, Morningstar Singapore REIT Yield Focus Index and Solactive CarbonCare Asia Pacific Green REIT Index.

Keppel REIT's properties have received environmental certifications such as the Leadership in Energy and Environmental Design (LEED) by the US Green Building Council, the Platinum Award under the BCA Green Mark scheme and the NABERS Energy Rating. All of Keppel REIT's Singapore assets have achieved the Platinum certification under the BCA Green Mark scheme. In Australia, the majority of Keppel REIT's operational buildings have achieved 5 Stars and above in the NABERS Energy Rating. T Tower in South Korea and KR Ginza II in Japan have also achieved the LEED Building Operations and Maintenance Platinum Award and the Comprehensive Assessment System for Built Environment Efficiency A rating respectively.

The Manager is committed to having all its properties green-certified in 2023. As at end-2022, 11 out of Keppel REIT's 12 properties are green-certified. Blue & William, which is currently under development, is designed to achieve green certification post completion in mid-2023.

External Memberships and Certifications

CDP	Keppel REIT has commenced reporting its environmental data from 2022 to CDP, which runs a global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.
GRESB 2022	Keppel REIT has been participating in the GRESB survey, a sustainability benchmark for real assets. It retained its 4 Star rating, Green Star Status and 'A' rating for Public Disclosure in 2022.
Signatory of: PRI Principles for Responsible Investment	The Manager, through Keppel Capital, is a signatory of the United Nations-supported Principles for Responsible Investment, committed to adopting the PRI's six Principles where possible.
MSCI ESG Ratings A	Keppel REIT maintained 'A' in the internationally recognised MSCI ESG Ratings in December 2022.
REITAS	Keppel REIT is a founding 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.
Corporate ESG Performance Prime, Rated by ISS ESG	Keppel REIT retained the Prime status in ISS ESG corporate rating.
Property Council of Australia	The Manager is a member of the Property Council of Australia, an organisation that champions the interests of Australia's property industry.
SIAS Securities Investors Association (Singapore)	The Manager, through the Keppel Group, supports the Securities Investors Association (Singapore) (SIAS) in its efforts to empower the investment community through continuous investor education.

Sustainability Awards

Property	Sustainability Award/Certification	Year
Singapore		
Ocean Financial Centre	BCA Green Mark Platinum Award	2022
	WELL Health-Safety Rating	2022
	Safety and Security Watch Group (SSWG) Outstanding Individual Award	2022
	SG Clean quality mark	2022
	BCA Green Mark Pearl Award	2016
	BCA Green Mark Office Interior – Gold^{PLUS} Award (Management Office)	2016
	PUB Water Efficient Building (Gold)	2015
	SS577 – Water Efficiency Management System (WEMS) Certification	2015
	ASEAN Energy Awards – Large Building	2015
	Skyrise Greenery Award – Excellence Award	2013
	US LEED Platinum Certification – Core and Shell	2009

Property	Sustainability Award/Certification	Year
Marina Bay Financial Centre (Towers 1 and 2)	BCA Green Mark Platinum Award	2022
	WELL Health-Safety Rating	2022
	Safety and Health Award Recognition for Projects (SHARP) Award	2022
	SG Clean quality mark	2022
	SSWG Outstanding Individual Award	2018
	BCA Green Mark Office Interior – Platinum Award (Management Office)	2017
	PUB Water Efficient Building (Gold)	2015
	SS577 – WEMS Certification	2015
Marina Bay Financial Centre (Tower 3)	BCA Green Mark Platinum Award	2022
	WELL Health-Safety Rating	2022
	SHARP Award	2022
	SG Clean quality mark	2022
	BCA Green Mark Pearl Award	2019
	SSWG Outstanding Individual Award	2018
	PUB Water Efficient Building (Gold)	2015
	SS577 – WEMS Certification	2015
One Raffles Quay	BCA Green Mark Platinum Award	2022
	WELL Health-Safety Rating	2022
	SHARP Award	2022
	SG Clean quality mark	2022
	BCA – HPB Green Mark for Healthier Workspaces – Platinum Award (Management Office)	2019
	SSWG Outstanding Individual Award	2018
	SS577 – WEMS Certification	2015
	PUB Water Efficient Building (Silver)	2014
Keppel Bay Tower	WELL Health-Safety Rating	2022
	WiredScore Platinum Rating	2022
	SSWG Outstanding Individual Award	2022
	SG Clean quality mark	2022
	BCA Green Mark Platinum (Zero Energy) Award	2020
	BCA Green Mark Platinum Award	2018
	ASEAN Energy Awards – Retrofitted Building	2018
	BCA Green Mark Office Interior – Gold^{PLUS} Award (Management Office)	2017
	PUB Water Efficient Building (Certified)	2009
Australia		
8 Chifley Square, Sydney	4.5 Stars NABERS Energy Rating	2022
	GBCA 6 Star Green Star – Office As Built v2	2015
	GBCA 6 Star Green Star – Office Design v2	2012
Pinnacle Office Park, Sydney	4 Stars NABERS Energy Rating (6 Giffnock Avenue)	2022
	4 Stars NABERS Energy Rating (2 and 4 Drake Avenue)	2022
8 Exhibition Street, Melbourne	WiredScore Platinum Rating	2023
	5 Stars NABERS Energy Rating	2022
	5.5 Stars NABERS Indoor Environment Rating	2022
	Climate Active Carbon Neutral certification	2022
Victoria Police Centre, Melbourne	5 Stars NABERS Energy Rating	2022
	GBCA 6 Star Green Star – Performance v1.2	2022
	WELL Health-Safety Rating	2022
	5 Stars NABERS Indoor Environment Rating	2022
	GBCA 6 Star Green Star – Design & As Built v1.1	2021
David Malcolm Justice Centre, Perth	5 Stars NABERS Energy Rating	2022
	6 Stars NABERS Indoor Environment Rating	2022
	GBCA 6 Star Green Star – Performance v1.2	2018
	GBCA 5 Star Green Star – Office As Built v3	2017
	GBCA 5 Star Green Star – Office Design v3	2013
South Korea		
T Tower, Seoul	LEED Building Operations and Maintenance: Existing Buildings Platinum	2022
Japan		
KR Ginza II, Tokyo	Comprehensive Assessment System for Built Environment Efficiency A	2021

Stakeholder Engagement

In order to drive continual ESG performance improvements and refine sustainable business strategies, the Manager engages with key stakeholders to understand their concerns and expectations. Key stakeholder groups are identified based on their potential to impact or to be impacted by Keppel REIT's operations and ESG performance.

The Manager addresses the issues that are most important to stakeholders by measuring associated performance metrics, communicating its performance against material ESG factors in sustainability reporting, and adopting a management approach that integrates material ESG factors into decision-making processes.

To ensure meaningful engagement, the Manager seeks to provide relevant and accessible information on stakeholders' respective areas of concern through appropriate communication channels, and gather their feedback on an ongoing basis.

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

Employees

Objectives of Engagement
Build talent pool through continuous investments in training and development, as well as employee welfare.

Modes of Engagement
Involvement in different employees' interest groups, dialogue sessions with senior leaders, employee engagement survey, appreciation month, physical wellbeing month, staff communication sessions, leadership programmes, teambuilding activities, dinner & dance and overseas offsite.

Key Topics
Platforms for employees' personal and professional growth, sharing of ideas, building a culture of recognition and appreciation, enhance careers through self-directed learning and inspire others through leading by example.

Frequency of Engagement
Ongoing regular engagement.

Tenants

Objectives of Engagement
Grow tenant base, deepen relationships with existing and prospective tenants and receive feedback.

Modes of Engagement
Meetings and feedback sessions, tenant engagement activities and satisfaction surveys.

Key Topics
Provide quality and safe work environments by providing energy-efficient, well-managed and high-quality buildings, as well as delivering positive tenant experiences.

Frequency of Engagement
Ongoing regular engagement.

Regulatory Authorities

Objectives of Engagement
Engage and work alongside on issues of mutual interest.

Modes of Engagement
Visits and meetings.

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

Frequency of Engagement
Ongoing regular engagement.

Business Partners

Objectives of Engagement
Align practices for better planning, responsive vendor support and mutually beneficial relationships.

Modes of Engagement
Dialogue sessions, regular meetings with business partners including external property managers, key subcontractors and suppliers, as well as networking events.

Key Topics
Compliance, commitment towards safety and health, as well as environmental responsibility.

Frequency of Engagement
Ongoing regular engagement.

Investors

Objectives of Engagement
Ensure timely and accurate disclosure of information.

Modes of Engagement
Media releases, presentations, SGX announcements, annual reports, post-results webcasts/teleconferences, meetings, property tours and conferences.

Key Topics
Business strategy, financial performance, portfolio and sustainability performance, industry developments and market outlook.

Frequency of Engagement
Ongoing regular engagement.

Local Communities

Objectives of Engagement
Impact communities positively.

Modes of Engagement
Community outreach activities, promoting and organising community-related activities, as well as participation in industry events and talks.

Key Topics
Community engagement, as well as sharing of industry insights and knowledge.

Frequency of Engagement
Ongoing regular engagement.

Environmental Stewardship

The Manager remains committed to ensuring continued progress to meet its emission reduction goals and targets.

As the impact of climate change becomes increasingly evident, there is a growing consensus on the urgency of climate action. As a business committed to sustainability, Keppel REIT seeks to contribute to the transition towards a low-carbon future by proactively assessing opportunities to enhance the environmental performance of its buildings through the adoption of new technologies and approaches, so as to improve energy efficiency and reduce emissions.

Emissions & Energy

Management Approach

The Manager undertakes a strategic approach in the management of greenhouse gas (GHG) emissions. It focuses on optimising energy consumption across the portfolio and increasing the use of renewable energy resources. Keppel REIT optimises the energy performance of its buildings through best practices in energy management, as well as implementing energy-efficient technology and sustainable smart building features.

Keppel REIT has achieved high standards of environmental performance across its properties, leading to all its operational properties being green-certified by nationally and/or globally recognised standards. The full list of certifications can be found on pages 76 to 77. Blue & William is currently under development and is designed to achieve green certification post completion in mid-2023. The Manager remains committed in ensuring continued progress to meet its emission reduction goals and targets.

In its decarbonisation journey, the Manager works with the property manager of each asset to review opportunities for the reduction of GHG emissions and energy consumption. The Manager also engages with its tenants to adopt green practices and identify opportunities to improve the environmental performance of Keppel REIT's properties, including the signing of green lease agreements, where possible. The green leases include sustainability targets such as maintaining environmental ratings, ensuring efficient use of energy and water, as well as reducing carbon emissions.

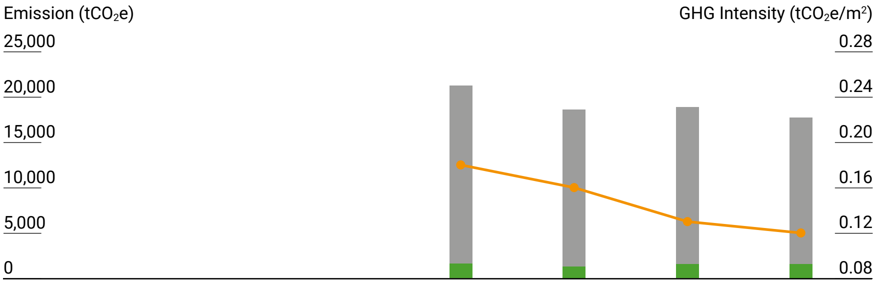
Performance and Progress

GHG Emissions

Keppel REIT's GHG emissions comprise mainly Scope 1 emissions from the use of natural gas for cogeneration systems and diesel, Scope 2 emissions from electricity use and Scope 3 emissions. In 2021, the Manager commenced a Scope 3 emissions screening exercise to better understand its carbon footprint and identify opportunities for reduction. Reporting on Scope 3 emissions categories has been expanded to include employee commuting, fuel and energy related activities, and downstream leased assets in 2021, on top of the two categories reported in 2020. The remaining relevant categories[1] will be covered in this Report.

Keppel REIT's total Scope 1 and 2 GHG emissions for 2022 was 17,675 tCO_2e. This is a 6.3% decrease in Scope 1 and 2 emissions as compared to 2021.

Scope 1 and 2 Emissions and Intensity



	2019	2020	2021	**2022**
Scope 1 (tCO_2e)	1,637	1,295	1,572	**1,551**
Scope 2 (tCO_2e)	19,598	17,271	17,293	**16,124**
Total Scope 1 and 2 Emissions (tCO_2e)	21,235	18,566	18,865	**17,675**
GHG Intensity (Scope 1 and 2) (tCO_2e/m^2)	0.18	0.16	0.13	**0.12**

Notes:
[a] GHG emissions are calculated in accordance with the equity share approach of the GHG Protocol standard – the most widely accepted international standard for GHG accounting. Gases included in the calculation are carbon dioxide (CO_2), methane (CH_4) and nitrous oxide (N_2O), with totals expressed in units of tonnes of carbon dioxide equivalent (tCO_2e).
[b] Conversion factors for Scope 1 and Scope 2 (location-based) emissions were obtained from the relevant service providers and local authorities, such as the International Emission Agency (IEA) and Australian Government's National Greenhouse and Energy Reporting (NGER). Scope 3 emission factors are referenced from the UK Department for Business, Energy & Industrial Strategy (BEIS) 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 the Land Transport Authority of Singapore.
[c] GHG intensity calculation includes Scope 1 and 2 emissions and is based on landlord controlled gross floor area (GFA) in square metres. GHG intensity figures have been restated based on revised GFA collection.
[d] 2019 and 2020 data has been rebased to include T Tower, Pinnacle Office Park and Keppel Bay Tower which were added to the portfolio in May 2019, December 2020 and May 2021 respectively.
[e] Bugis Junction Towers and 275 George Street were removed from the 2019 and 2020 data following the divestment of the properties in November 2019 and July 2021 respectively.

Scope 3 Category[a]	**Emissions in 2022 (tCO_2e)**
Business travel	115
Employee commuting	8
Waste generated in operations	232
Fuel and energy related activities	5,243
Downstream leased assets[b]	924
Purchased goods and services	5,864
Capital goods	2,895
Upstream transportation and distribution	410

Notes:
[a] Full year data has been provided for Scope 3 categories for purchased goods and services, capital goods, upstream transportation and distribution, business travel and employee commuting.
[b] Only covers assets in Singapore.

[1] Out of the 15 Scope 3 categories, seven have been assessed to be not applicable for Keppel REIT.

Environmental Stewardship

GHG intensity for Scope 1 and 2 was 0.12 tCO_2e/m^2. Market-based Scope 2 emissions for 2022 was 12,118 tCO_2e.

The GHG emissions over the past three years from 2020 to 2022 may not be comparable due to the unprecedented situation caused by the COVID-19 pandemic, with safety measures and workplace restrictions causing fluctuations in physical occupancies and usage of the properties.

Despite the fluctuations, compared to the baseline year of 2019, Keppel REIT has reduced Scope 1 and 2 emissions by 16.8%.

The majority of the GHG emissions is derived from energy consumption, hence Keppel REIT's GHG reduction strategy focuses on optimising energy performance and increasing the use of renewable energy at the properties.

Keppel REIT's total Scope 3 GHG emissions for 2022 was 15,691 tCO_2e. This was an increase of 156% compared to 6,127 tCO_2e in 2021[1]. The increase was mainly due to the expansion of Keppel REIT's Scope 3 reporting categories to include purchased goods and services, capital goods, and upstream transportation and distribution. In 2022, Keppel REIT has reported its full inventory of Scope 3 emissions deemed relevant to its operations.

Downstream leased assets, comprising energy used by the tenants, was the main contributor to Scope 3 emissions in 2022.

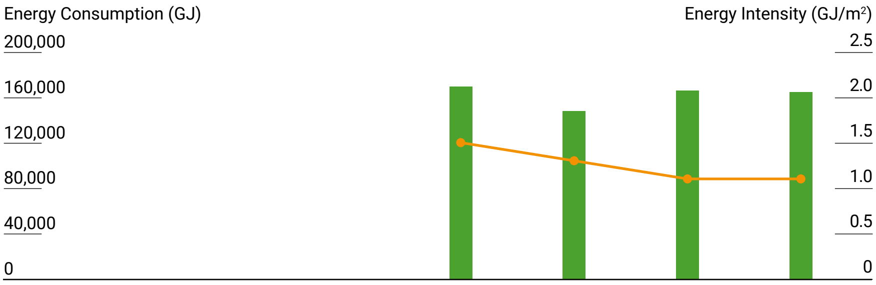
Energy

Keppel REIT's energy consumption as a landlord comprises mainly energy from electricity, district cooling, direct cooling and heating. In 2022, Keppel REIT's total energy consumption was 164,481 GJ, comprising 29,366 GJ in fuel consumption and 135,115 GJ in electricity consumption, of which 25,229 GJ was from renewable sources.

The total energy consumed fell by 1.0% from 2021 following the easing of the COVID-19 restrictions. The slight decrease in consumption is due to energy optimisation measures implemented by the Manager to improve efficiency of its assets.

Keppel REIT's energy intensity remained constant at 1.1 GJ/m^2 in 2022, attributable to the efforts to optimise energy performance across the properties.

Energy Consumption and Intensity



	2019	2020	2021	**2022**
Energy Consumption (GJ)	169,526	147,804	166,164	**164,481**
Energy Intensity (GJ/m^2)	1.5	1.3	1.1	**1.1**

Notes:
[a] Energy consumption was calculated based on a detailed assessment of invoices. Fuel and chilled water consumption values were converted using standard conversion factors.
[b] Energy intensity calculation is based on landlord's total energy consumption over landlord-controlled gross floor area in square metres.
[c] Energy intensity figures have been restated based on revised GFA collection.

The Manager has set a target to reduce energy consumption by 10% from 2019's level by 2030, as well as to increase renewable energy usage of its portfolio to 40% by 2030. In 2022, Keppel REIT achieved a reduction of 3.0% in energy usage from 2019's level and increased renewable energy usage to 15.3%.

The Manager also aims to track tenants' consumption of energy and find opportunities to engage them on improving environmental performance.

Measures to improve energy efficiency and optimisation include replacing lighting with light-emitting diodes (LED) fittings in common areas and tenanted spaces, as well as switching from a cogeneration system that uses fuel to the use of renewable energy sources.

To achieve the environmental targets, the Manager has charted an energy roadmap for Keppel REIT's assets to embark on potential technology upgrades to reduce energy consumption and carbon emissions. In collaboration with external consultants, the Manager is in the process of conducting feasibility studies at selected properties to improve solar energy efficiency and increase the use of renewable energy.

Energy Optimisation Initiatives

Upgrading of lighting to energy-efficient LED fittings at common areas such as lift lobbies, carparks, toilets and staircases.

Switching out of gas-generated systems such as cogeneration to renewable electricity sources.

Conduct energy data analysis via an Internet of Thing's platform to improve energy efficiency and productivity, as well as adobt a data-driven maintenance strategy.

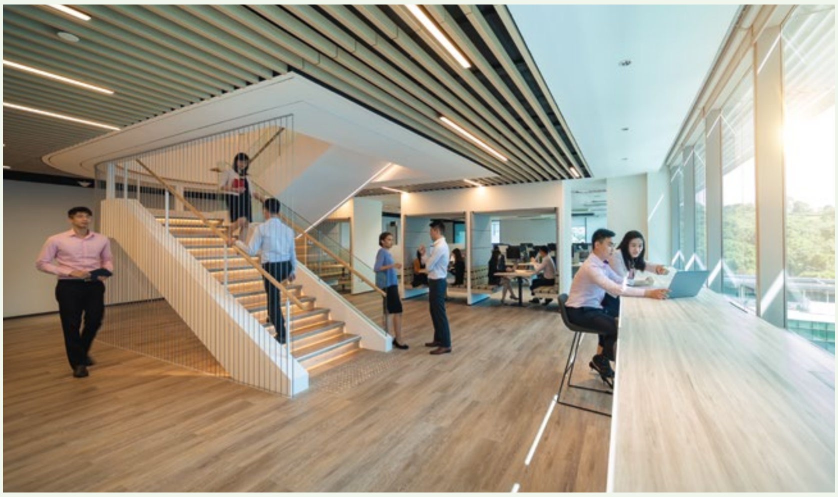
Upgrading of AHUs with multiple high-efficiency electronic commutator motor fans for energy optimisation.

Installation of smaller, energy-efficient chilled water pumps to improve system performance.

[1] Scope 3 emissions for 2021 has been restated based on improved data collection processes for accuracy.

Spotlight

Improving Energy Efficiency



At Keppel Bay Tower, the Manager is working on the installation of a Heating, Ventilation and Air Conditioning (HVAC) Load Reduction (HLR) unit for the air handling units. The HLR reduces outside air intake to an optimal level, thereby reducing the energy consumption required for cooling. The Manager aims to progressively implement this throughout the whole building, which would lead to potential energy savings of up to 8%.

The implementation of such energy optimisation measures will help to reduce carbon emissions and support Keppel REIT's progress towards meeting its target of halving Scope 1 and 2 emissions by 2030 from 2019's level.

Climate Change Resilience

Management Approach

The effects of climate change are increasingly apparent and globally recognised. Addressing climate-related impacts is crucial to ensure businesses remain sustainable and resilient. In this regard, the Manager is focused on strengthening Keppel REIT's portfolio and operational capabilities against climate change risks, as well as assess potential opportunities that Keppel REIT can capitalise on as the world transits to a low-carbon economy.

The TCFD was established to promote better disclosure of climate-related impacts, and enable stakeholders to make more informed financial decisions. Keppel REIT supports the TCFD as it provides a useful framework to increase transparency on climate-related risks and opportunities and seeks to align its approach with the TCFD recommendations. In 2021, the Manager developed a two-year roadmap to progressively align with the recommendations of the TCFD framework, laying the foundation for continued implementation over the long term. The roadmap 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. In 2022, with the support of an external consultant, the Manager conducted a more detailed scenario analysis, to evaluate and understand the potential impacts on the business from climate-related risks and opportunities.

Keppel REIT's Approach to Climate Change Adaptation

The diagram below describes Keppel REIT's approach to climate change adaptation, in alignment with the TCFD recommendations and its four core pillars.

2021 Established Roadmap

2022 Conducted Scenario Analysis

Where We Are

Establish Governance	Climate Scenario Analysis	Identify Potential Business Responses	Integration
• Established sustainability management structure	• Identified current and anticipated climate-related risks and opportunities • Developed appropriate climate scenarios and narratives • Assessed potential impact of climate-related risks and opportunities across scenarios	• Identify appropriate business response to mitigate and manage material risks and opportunities	• Integration of analysis of climate-related risks and opportunities into decision making, financial planning and risk management • Review and update climate-related metrics and targets

Monitor implementation progress of roadmap

Governance

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

With inputs from key stakeholders and the management team, the Board reviews the material ESG factors and monitors their performance against targets. The ESG Committee, set up in 2022 to enhance Keppel REIT's ESG agenda, including the management of climate-related risks and opportunities, meets at least twice a year. The management of ESG matters is carried out by the sustainability working committee, comprising senior management and representatives from various functions. The sustainability working committee oversees monitoring of performance, working with various representatives from asset management, finance, human resources, investment, investor relations and sustainability, legal, as well as risk and compliance. The Board receives updates and recommendations from the sustainability working committee at the quarterly Board meetings. These updates and recommendations include emissions performance, climate-related risk assessments, and follow-up actions for risk mitigation. At the asset level, the asset management team engages with both property managers and tenants to manage climate-related matters on their decarbonisation journey.

For more information on Keppel REIT's sustainability management structure, please refer to page 71.

Strategy

Keppel REIT recognises that a changing climate, as well as societies' efforts to decarbonise and mitigate climate change, present both risks and opportunities. Therefore, the Manager is committed to integrate climate-related considerations into its strategy and financial planning to strengthen the relevance and resilience of Keppel REIT's portfolio and operations against climate change risks.

In 2022, Keppel REIT commenced a detailed scenario analysis on its assets to understand the potential impacts of climate-related risks and opportunities. The results of the scenario analysis showed that the current portfolio is resilient in the short-term. Keppel REIT is in the process of assessing the extent of potential impacts in the medium and long term. The scenario analysis also highlighted some climate-related opportunities that are growing in significance and where Keppel REIT is strategically positioned to capitalise on.

These results are being used for decision-making, financial planning and risk management, to ensure that mitigation plans, and other business responses are put in place. This is part of Keppel REIT's overall transition plan towards a portfolio of assets that will remain resilient and relevant as the world moves towards net zero. The results of the scenario analysis, as well as the current and future business responses are presented in further detail below.

In addition to the scenario analysis, other initiatives that Keppel REIT currently implements include climate risk assessment in its investment decisions, as well as assessing the investment's sustainability credentials (including sustainability data and performance where available), potential opportunities to enhance energy efficiency and climate risk mitigation options. Keppel REIT also encourages the adoption of green practices through engaging with its tenants to sign green lease agreements, where possible. These green lease agreements have sustainability targets such as maintaining environmental ratings, ensuring efficient use of energy and water, as well as reducing carbon emissions.

Overview of Scenario Analysis

Scenario analysis is not a forecast or prediction, nor a full description of the future. However, as a decision-making tool, scenario analysis helps to evaluate the resilience of the current strategies and assets against plausible futures and subsequently identify options to strengthen the resilience of Keppel REIT's portfolio.

The TCFD has classified climate-related risks into two categories. Firstly, physical risks that arise from changes in the climate and can be event-driven (acute) or longer-term shifts (chronic). Secondly, transition risks that are associated with policy changes, reputational impacts, as well as shifts in market preferences, norms and technology as the world moves toward a low-carbon economy. With the knowledge of risks, actions taken to mitigate these risks can also lead to opportunities such as cost savings or innovation. The assessment of each of these is addressed below.

1. Physical Risk Assessment

A total of 10 assets[1] were assessed for Keppel REIT's physical climate risk assessment. 11 individual physical risks variables were identified and comprised a mix of chronic and acute or extreme events. Chronic risks include monthly changes in temperature, precipitation and relative humidity, whereas acute or extreme events assessed include wildfire risk and mean sea level rise. The potential impact of these risks to the business was then assessed through scenario analysis.

Shared Socioeconomic Pathways (SSPs) referenced in the latest Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6) have been utilised to select relevant scenarios for analysis. Scenarios were selected following the recommendations by TCFD requiring companies to consider a 2°C or lower scenario, as well as a scenario with increased physical climate-related risks.

The SSP scenarios are a collection of scenarios providing narratives describing alternative socio-economic developments, including projections of population and economic growth and technology and geopolitical trends to analyse the drivers of climate change and potential impact on climate-related risks. Keppel REIT has chosen the following three SSP scenarios for the assessment of physical risks. These three scenarios selected were analysed across several time frames to understand how these impacts change over the short, medium and long term, taking into account the lifespan of Keppel REIT's current assets. The scenarios and timeframes were selected to align to Keppel Corporation's group-wide targets.

Shared Socioeconomic Pathways:

SSP 1-2.6: Global CO_2 emissions are cut severely, but not as fast, 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: CO_2 emissions hover 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 CO_2 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.

This section provides the results of Keppel REIT's scenario analysis for physical climate risks. It provides an understanding of the potential impacts to Keppel REIT's business which have been assessed assuming no mitigation has been undertaken. Assessing the potential impact to the business in this way provides understanding of both the trajectory and comparative significance of climate-related risks. The results are being used for decision-making and financial planning. Keppel REIT has actively taken steps to mitigate and respond to these risks and is committed to continuing to evolve its approach to ensure its short, medium and long term resilience.

Physical Climate Risks[2]

Risk Description	Description of Potential Business Impact	Business 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 functionality of buildings for users.	• Assess potential mitigation options to retrofit and improve existing assets including installation of and/or enhancement of drainage systems, water level sensors, building elevation and usage of anti-slip materials where applicable. • Review and assess resiliency of potential investments towards such risks, and where necessary to introduce mitigating measures and capture such costs in the underwriting.
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.	
Extreme temperature Unexpected severe temperature variations above or below normal conditions	Exposure to extreme temperature changes may lead to reduced durability of building materials and affect the indoor climate of buildings. This can also affect productivity as well as pose health and safety risks to individuals. The potential need to restrict working hours to reduce exposure could affect business productivity and increase operating costs from higher energy consumption used to cool buildings.	• Installation of smart indoor temperature sensors and monitors to control and adjust temperature to ensure the health and safety of individuals. • Actively assess and monitor the durability of building materials of existing assets and for future acquisitions. • Ensure retrofitting of adequate and energy-efficient chiller system and AHU.
Heat wave days Persistent period of high temperatures	Prolonged exposure to excessive heat leading to human discomfort and posing a threat to health. Restricting working hours to reduce exposure increases impact to business. Increased energy consumption required for cooling buildings.	• Provision of cooling measures such as providing more shade or air-conditioning. • Establish protocols to adjust business operations and working arrangements (e.g. location, working hours) in the event of heat waves to reduce exposure.
Extreme wind speed Exposure of assets to an increased frequency of extreme wind gusts due to an increase in weather differentials	Increasingly strong and turbulent wind speeds could lead to higher frequencies and magnitude of property and equipment damage. This can include broken fixtures such as roofs, windows and outdoor equipment, leading to increased costs to repair and replace infrastructure and equipment.	• Enhance maintenance regime by monitoring building fixtures and materials of existing assets for future acquisitions.
Fire risk Increased potential and frequency of fire-related risks associated with warmer and low moisture conditions due to climate change	Increase potential of fire risks can lead to the destruction of property and the surrounding natural environment resulting in economic losses to re-build or replace property.	• Installation of fire-retardant materials to reduce impacts from fires. • Update business continuity plans and communicate to relevant stakeholders to reduce impacts from business interruptions. • Stay updated through fire protection and monitoring systems to ensure early response to protect assets, as well as the health and safety of employees.

1 The assessment did not include Blue & William which is under development and KR Ginza II which was acquired after the assessment had been completed.
2 The remaining four physical risks (cooling degree days, heating degree days, monthly mean precipitation and monthly mean temperature) were not material to Keppel REIT.

Environmental Stewardship

2. Transition Risks and Opportunities Assessment

To identify and qualitatively assess climate-related transition risks, initial sectoral and geographical research was conducted on potential climate-based and regulatory impacts as the world transitions to net zero. The Manager also engaged with internal stakeholders and business functions to identify risks and opportunities most relevant to Keppel REIT's business. Following the initial identification exercise, Keppel REIT followed the guidance from the Network for Greening the Financial System (NGFS) to identify relevant scenarios and conduct the assessment. The NGFS' scenarios aim to assist both public and private sector players in analysing the financial risks associated with climate change. Throughout this process, indicators from the IPCC and NGFS databases were considered to assess risks and opportunities over several scenarios and time frames.

Keppel REIT has identified three NGFS scenarios as relevant:

Orderly: Net Zero 2050 is an ambitious scenario that limits global warming to 1.5°C. This scenario assumes that climate policies are introduced immediately and becomes progressively more stringent. Early, ambitious action to a net zero economy means both physical and transition risks are relatively subdued. Through stringent climate policies and innovation, net zero CO_2 emissions is reached around 2050. This pathway assumes smooth physical changes in climate over time and that policies and technological actions are adopted in a coordinated and timely manner. Two sub-scenarios are factored:

i. Net Zero, where global warming is limited to 1.5°C through stringent climate policies and innovation, reaching global net zero CO_2 emissions around 2050. Some jurisdictions such as the US, EU, UK, Canada, Australia and Japan reach net zero for all GHGs.
ii. Below 2°C futures, where stringency of climate policies gradually increases, giving a 67% chance of limiting global warming to below 2°C.

Disorderly: Action that 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, lack of coordination and alignment with global policies. These disruptions often translate into higher transition risk due to policies being delayed or divergent across countries and sectors and annual emissions do not decrease until 2030. Strong policies are then needed to limit warming to below 2°C.

Hot house world: Limited action, as 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 sea-level rise. Two sub-scenarios are factored:

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

Marina Bay Financial Centre is a WELL Health-Safety Rating-certified development.

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

The level of risk or opportunity of each identified climate-related risk and opportunity was then examined and scored, taking into account and referencing Keppel REIT's existing Enterprise Risk Management (ERM) framework for future integration. For each identified risk, the level of risk was assessed by looking at 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 time periods for the three NGFS scenarios.

For the opportunities identified, factors considered include the size of the opportunity and ability for Keppel REIT to execute the potential opportunity. The findings from this exercise will allow Keppel REIT to refine its decision-making processes in evaluating potential risks and opportunities for future investments.

This section lists the results of Keppel REIT's scenario analysis for transition risks and opportunities. It provides a description of the potential impacts to Keppel REIT's business which have been assessed assuming no mitigation. Qualitatively assessing potential impact provides an understanding of both the trajectory and comparative significance of climate-related risks and opportunities. The results are being used for decision-making and financial planning. Keppel REIT has already actively taken steps to mitigate and respond to these risks and opportunities, and is committed to continuously evolving its approach to ensure its short, medium and long term resilience while capitalising on opportunities arising.

Transition Risks and Opportunities

Risk Description	Description of Potential Business Impact	Business Response
Regulatory		
Increasing price of carbon Carbon tax in Singapore is set to increase, while Australia, South Korea and Japan have adopted methods to account for CO_2 emissions.	As carbon tax increases across nations, this would lead to an increase in operating costs as businesses account for both direct and indirect carbon taxes due to energy consumption from processes such as the production of goods and services and the increase in prices of related materials. Increased operating costs could lead to a loss in revenue as customers choose other providers which are able to mitigate or remain unimpacted by carbon tax increases.	• Reduce energy consumption and optimise portfolio energy performance through implementation of energy-efficient technology and best practices as well as sustainable smart building features. • Actively track, monitor and analyse energy data to improve energy efficiency. • Actively assess the impact of carbon tax on the current portfolio and future potential investments.
Enhanced reporting obligations In Singapore, SGX has mandated issuers to provide climate-related reporting. Other upcoming frameworks such as those developed by the International Sustainability Standards Board (ISSB) will also be implemented to strengthen climate reporting.	To meet reporting regulations set by governments and institutions, businesses are required to bear extra costs in ensuring sufficient internal capacity and capabilities of the business in terms of data collection and reporting management. This could lead to increased operating costs to hire, upskill and deploy the appropriate systems to ensure robust processes. 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 REIT is fully compliant with the current reporting obligation standards across regulators, including adherence to GRI. • Developed a roadmap and to continue to make progress in TCFD reporting.
Stricter building/sector regulations Both Singapore and Australia have been putting in increasingly stringent regulations and performance standards (e.g. energy efficiency).	Due to evolving building sector regulations and certification standards, businesses are required to upgrade existing buildings to meet new sustainability standards and requirements. This could lead to an increase in costs required to retrofit existing buildings within the portfolio and increased capital expenditure. Being unable to meet these new sustainability standards and requirements can lead to associated reputational risks.	• As at end-2022, all of Keppel REIT's operational assets are green-certified. Blue & William, which is currently under development in North Sydney, is also expected to be green-certified post completion. • All Singapore assets have achieved the Platinum certification under the BCA Green Mark Scheme. • The majority of the operational Australian assets achieved 5 Stars and above in the NABERS Energy Rating.
Market		
Increased cost of materials As the building and construction industry comes under pressure to decarbonise, more stringent requirements for low carbon alternatives for building materials are introduced, resulting in an increase in construction cost.	Increased capital expenditure cost when purchasing materials and/or new buildings.	• To incorporate the impact of rising building material costs on capital expenditures, asset enhancement works and building construction in the acquisition evaluation.
Increased energy costs Expected increase in electricity costs, particularly in the short-term.	Higher energy costs may lead to lower profits.	• Increase usage of renewable energy, including through installation of more solar panels. • Reduce energy consumption and optimise portfolio energy performance through implementation of energy-efficient technology and best practices as well as sustainable smart building features. • Actively track, monitor and analyse energy data to improve energy efficiency.
Technology		
Unsuccessful investment in/deployment of new technology Investment in new low carbon technologies replaced by a lower cost, lower carbon and higher efficiency solution that may be adopted by competitors.	The rapid advancement of technology, and continued emergence of new lower carbon and more efficient solutions may lead to lower return on investments from prior more expensive and less efficient solutions.	• Assess the cost and benefit of potential technological investments for implementation across the portfolio, as well as assess the various options available.
Reputation		
Change in stakeholder expectations Demand for low/net zero building or office spaces would increase to align investor climate ambitions with the Paris Agreement.	Not meeting changing stakeholder expectations can lead to reduced capital availability from investors/lenders. Loss of tenants to competitors due to tenants preferring low/zero carbon buildings, which can lead to a decrease in revenue.	• Reduce energy consumption and optimise portfolio energy performance through implementation of energy-efficient technology and best practices as well as sustainable smart building features. • Actively track, monitor and analyse energy data to improve energy efficiency. • As at end-2022, all of Keppel REIT's operational assets are green-certified. Blue & William, Keppel REIT's office building under development in North Sydney, is also expected to be green-certified post completion. Three buildings are fully powered by renewable energy, of which two are carbon neutral buildings. • Review and monitor the environmental performance of assets across the portfolio against best practices.
Increased employee expectations and preferred workplace Increased awareness amongst employees on the importance of sustainability comes with expectations of workplaces to have sustainable initiatives and the preference to work for a sustainability leader.	Reputational loss amongst employees and stakeholders can lead to the inability to retain talent, resulting in reduced productivity. There would also be an increase in operating costs and expenditure to attract and retain talent.	

Environmental Stewardship

Opportunity	Opportunity Description	Description of Potential Business Impact
Resource efficiency and energy source	Improving energy efficiency can help to reduce operating cost and attract tenants in the medium to long term. It is expected that a net zero world will see a rapid introduction of new technologies to help buildings become more efficient.	• Reduced exposure to changes in energy prices, and decreased operating cost due to energy savings. • Increased demand from tenants looking for more energy-efficient/low carbon spaces.
Expansion of low carbon solutions and price competitiveness	Increased opportunity to provide low to net zero carbon solutions with the drive toward decarbonisation. Keppel REIT's market competitiveness is likely to increase.	• Increased demand for low carbon/net zero buildings leading to shorter time to lease out space. Reduced energy consumption to hedge against future energy price increases.
Increased access to incentives and capital	More capital availability (or diversification of funding sources) from ESG-centric investors/lenders to fund growth. Keppel REIT will also benefit from the reputational gains of offering sustainable office solutions.	• Increased access to finance which can be used to fund the acquisition of green buildings, redevelopment of existing buildings, initiatives to improve energy efficiency and expanding the use of renewable energy. • Reputational benefits resulting in increased demand for office solutions.
Tapping on government schemes	In tandem with the increasing focus to decarbonise buildings, there has been a growing number of incentives, some of which are from governments, that could potentially be tapped on to reduce costs in implementing sustainability initiatives. These include the BCA Green Mark Incentive Scheme, among others.	• Increased cost savings by tapping on government schemes and initiatives to implement green initiatives. • Reputational benefits of implementing initiatives and use of government schemes.

Risk Management

Climate change and sustainability-related matters are considered as part of ERM. Keppel REIT's ERM Framework, part of Keppel REIT's System of Management Controls, gives a holistic and systematic approach to risk management. Following the scenario analysis that was carried out, Keppel REIT will further integrate the results into the ERM process.

In 2021, the Manager committed to incorporate further mitigation/adaption actions for Keppel REIT's assets, in addition to the existing measures and requirements, to improve their climate resilience. For example, in 2022, an action plan for climate resistance was initiated for Raffles Quay Asset Management (the property manager for Marina Bay Financial Centre and One Raffles Quay), which included determining the climate change risk and, in response, developing an action plan based on the TCFD recommendations and initiating asset enhancement initiatives to improve the building's climate resilience. For more information on Keppel REIT's risk management strategy and processes, please refer to page 199.

Metrics and Targets

Keppel REIT continues to track its GHG emissions following the GHG Protocol Corporate Standard and Corporate Value Chain (Scope 3) Standard using the equity share approach. Keppel REIT is working towards meeting the ESG targets to halve its Scope 1 and 2 emissions by 2030 from 2019's level. The target is in line with the Paris Agreement's goal to limit global temperature increase to 1.5°C compared to pre-industrial levels. Keppel REIT also embarked on a Scope 3 screening exercise in 2021 and has expanded its reporting to include the full inventory of relevant Scope 3 categories in this Report. To meet the targets, Keppel REIT has developed roadmaps and is actively pursuing various initiatives such as achieving green certifications, shifting towards purchasing renewable energy where possible, and carrying out energy optimisation initiatives at its properties in an effort to reduce carbon emissions.

For more information on Keppel REIT's GHG emissions, please refer to page 79.

The Manager seeks to enhance tenant experience and wellbeing through green features at its developments, including Ocean Financial Centre (pictured).

Water Management

Management Approach

The Manager is committed to reducing water consumption through water conservation efforts and improving the efficiency of water usage. This is done through initiatives such as the use of water-efficient fittings and fixtures, collection of water condensate for irrigation and facility cleaning, as well as the installation of water leakage detectors and isolation sub-valves to reduce wastage in the event of water leakages.

All of Keppel REIT's assets utilise municipal water supplies and consumption is measured through direct metering.

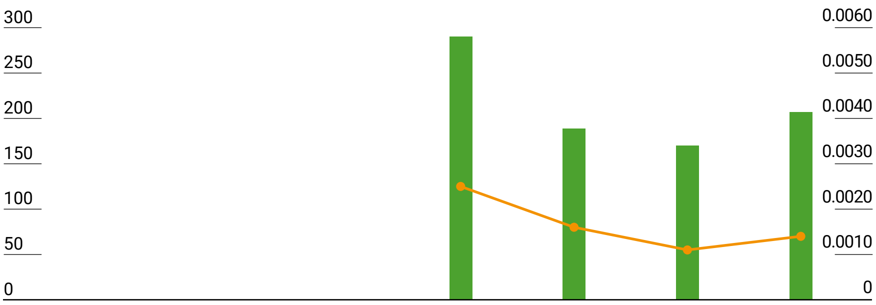
Performance and Progress

Total water consumption in 2022 was 206.6 megalitre (ML) which is an increase of 21.7% from 2021. This is due to more tenants returning to the office following the easing of the COVID-19 restrictions. Given that tenants contribute to the majority of water usage, this led to a rebound in water usage in 2022 compared to previous years when tenants were mainly telecommuting. Correspondingly, water usage intensity has rebounded slightly to 0.0014 ML/m². The Manager aims to reduce water consumption by continuing to implement water efficient measures, track water consumption and increase water recycling and reuse.

The Manager has set a target to achieve a 5% reduction of water usage by 2030 from 2019's level. Currently, Keppel REIT has achieved a 28.7% reduction in water usage compared to the baseline, exceeding its set target ahead of time in 2022.

The Manager will also continue to work with property managers to improve the performance and efficiency of the chilled water system by regulating the flow rate of chilled water and engage tenants to reduce water consumption further.

Water Consumption



	2019	2020	2021	**2022**
Water Consumption (ML)	289.6	188.5	169.7	**206.6**
Water Usage Intensity (ML/m²)	0.0025	0.0016	0.0011	**0.0014**

Notes:
[a] Only landlord's water consumption is included.
[b] Water intensity calculation is based on landlord's total water consumption over landlord-controlled gross floor area in square metres.
[c] Water intensity figures have been restated based on revised GFA collection.

Waste Management

Management Approach

The Manager seeks to minimise waste generation at its properties and ensure the responsible management of waste. The Manager works with tenants to further promote responsible waste management, by encouraging them to reduce, reuse and recycle. For example, in addition to waste collection, recycling bins are made available at all properties. In order to encourage proper disposal of electronic waste (e-waste), most properties are also equipped with the necessary e-waste collection point.

General waste at each property is collected via bins situated on-site and handled by a licensed third-party waste collector. Waste and recycling data is consolidated by the third-party waste collector and shared with the Manager.

Performance and Progress

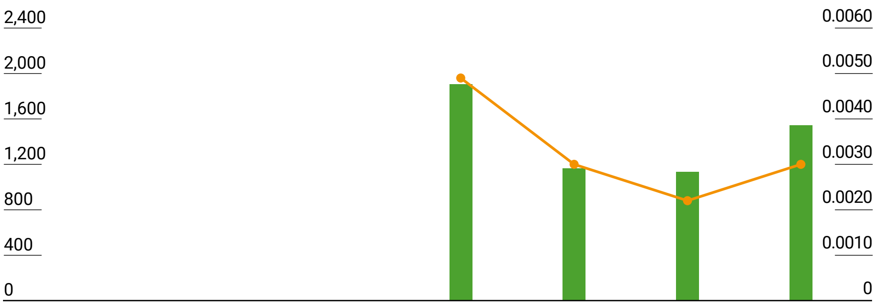
In 2022, Keppel REIT's properties generated a total of 1,540 tonnes of non-hazardous waste. 1,106 tonnes were disposed in a landfill while 434 tonnes were incinerated.

No hazardous waste was generated. Waste intensity in 2022 was 0.0030 tonne/m^2. In 2022, about 15.3% of the total waste generated was recycled.

The overall uptick in waste generation can be attributed largely to more tenants returning to office following the easing of the COVID-19 restrictions. The Manager intends to progressively increase efforts to raise the waste recycling rate.

The Manager will be implementing waste management systems for some of the properties to reduce food waste such as introducing a food waste digester to convert waste into liquids and fertiliser. In addition, to encourage recycling behaviour amongst tenants, the Manager is exploring the installation of recycling machines which provide incentives to reduce overall disposed waste.

Waste Generated



	2019	2020	2021	**2022**
Waste Generated (tonne)	1,901	1,164	1,130	**1,540**
Waste Intensity (tonne/m^2)	0.0049	0.0030	0.0022	**0.0030**

Note:
[a] Waste intensity calculation is based on total waste generated over total gross floor area in square metres.
[b] Waste intensity figures have been restated based on revised GFA collection.

Spotlight
E-waste Collection Initiative

As part of Keppel REIT's efforts to minimise waste generation, multiple e-waste recycling bins are placed at its properties. The e-waste recycling bins allow tenants to dispose items such as personal computers, laptops, monitors and other electronic devices conveniently, and in a responsible and safe manner.

In order to encourage tenants to further their recycling efforts, Keppel REIT has partnered with an electronic e-waste disposal vendor to hold quarterly door-to-door collection drives at Marina Bay Financial Centre and One Raffles Quay. This is a value-added service for the tenants to dispose their e-waste conveniently and at no additional cost. It is expected that the initial implementation of the door-to-door collection initiative will result in an estimated 20% more e-waste collected.

Responsible Business

The Manager implements strong corporate governance practices to ensure timely and transparent disclosures to stakeholders.

Economic Sustainability

Management Approach

The Manager is committed to maintaining a resilient portfolio that delivers stable income and drives sustainable long-term total return to Unitholders through its portfolio optimisation strategy, and is focused on driving operational excellence in its asset and capital management efforts.

The integration of ESG considerations into corporate strategy and business operations has become an essential component in ensuring sustainable business performance and accountability to stakeholders including investors, tenants, employees and communities. ESG factors are gaining prominence and will continue to play a bigger role in driving returns on investment.

To this end, the Manager had set a target to achieve 50% sustainability-focused funding by 2025 to reinforce its commitment towards sustainability and had achieved its target ahead of time in 2022.

Performance and Progress

In line with its portfolio optimisation strategy, Keppel REIT achieved various milestones in 2022, including the acquisition of KR Ginza II in Tokyo, Japan, in November 2022. Despite the challenging environment posed by the pandemic, Keppel REIT's prime office portfolio and high-quality tenant profile continued to provide income stability and resilience for its investors. The Manager obtained additional green loans during the year, increasing the portion of Keppel REIT's sustainability-focused funding to approximately 50% of total borrowings as at end-2022, thereby achieving its target ahead of time. Going forward, Keppel REIT aims to maintain sustainability-focused funding at 50% of its total borrowings.

In 2022, Keppel REIT received a total of \$397,000 in financial assistance from the Singapore, Australia and South Korea governments. Of the \$397,000, approximately 63.6% was from the government of Singapore mainly in relation to the BCA Green Mark Incentive Scheme, 36.1% was from the Australian government in relation to land tax relief received from the authorities of the State of New South Wales and State of Victoria as part of COVID-19 relief measures, and the remaining 0.3% was from the South Korean government. More information on Keppel REIT's strategic direction and financial performance can be found on pages 3 and 106 to 174 of the Annual Report.

Corporate Governance

Management Approach

In order to protect the interests of Keppel REIT's stakeholders and achieve long-term value creation, the Manager has in place a strong corporate governance framework, including a robust risk management system and processes. This ensures timely and transparent disclosures to stakeholders where necessary.

The Manager has adopted the Code of Corporate Governance 2018 (the Code) issued by the Monetary Authority of Singapore (MAS) as its benchmark for corporate governance policies and practices. By complying with and observing the Code, the Manager upholds high standards of corporate governance, including accountability, transparency and sustainability.

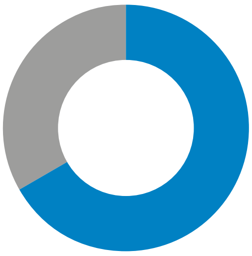
One of the core tenets of the Code concerns the centrality of the Board as a key principle to good corporate governance. It details how the Board should conduct its affairs and the appropriate level of independence and diversity in its composition. The majority of the Directors on the Manager's Board are independent.

The Manager maintains a sound and effective system of risk management and internal controls. Keppel REIT's ERM Framework, which forms part of Keppel REIT's System of Management Controls, provides a holistic and systematic approach to risk management. It outlines the reporting structure, monitoring mechanisms, specific risk management processes and tools, as well as Keppel REIT's policies and limits in addressing and managing key risks identified. This framework guides Keppel REIT 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. This allows the Manager to respond promptly and effectively amidst the constantly evolving business landscape, including emerging ESG risks and opportunities.

Keppel REIT continues to uphold strong corporate governance and risk management practices as it builds a robust and resilient portfolio.

Responsible Business

Board Diversity (%)



Independent	66.7
Non-independent	33.3
Total	**100.0**

To integrate sustainability into corporate governance, ESG factors are also incorporated into the Manager's corporate scorecard and remuneration.

More information can be found on pages 175 to 198, regarding Keppel REIT's corporate governance guidelines and practices, and on pages 199 to 200 regarding its risk management strategy and processes.

Ethics and Integrity

Management Approach

Maintaining high ethical standards and adhering to industry-recommended compliance practices is a top priority for Keppel REIT. The Manager adopts a zero-tolerance approach towards corruption, bribery, fraud and unethical business practices. The Manager also adopts the Keppel Group's Employee Code of Conduct and Global Anti-Bribery Policy which set out the principles of conduct that guide Directors and employees in carrying out their duties and responsibilities to the highest standards of personal and corporate integrity when dealing with competitors, customers, suppliers, other employees and key stakeholders. See page 189 for more details on the Employee Code of Conduct and Anti-Bribery Policy.

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, updating, revising and implementing corrective measures as necessary. The Audit and Risk Committee (ARC) supports the Board in its oversight of regulatory compliance, in addition to implementing effective compliance and governance mechanisms.

All of Keppel REIT's 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. The Employee Code of Conduct outlines the responsibilities of all employees to uphold anti-corruption and anti-bribery principles, and has defined ethical business standards for conflict of interest, the offering and receiving of gifts, as well as hospitality and promotional expenditures. All employees are required to declare potential conflicts of interest and avoid any conflict in their dealings with suppliers, customers and other third parties. Third party associates of Keppel REIT, including joint venture partners, are also required to acknowledge the Employee Code of Conduct, which includes anti-bribery and anti-corruption sections.

Keppel REIT has a Whistle-Blower Policy which provides the mechanisms through 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 & regulations, without fear of reprisal. Any concerns or issues can be reported through the whistle-blower reporting channel operated by an independent third party. The ARC Chairman is directly responsible for issues under the policy and the ARC reviews the Whistle-Blower Policy annually to ensure a proper process for investigation and follow-up of any incident. See page 193 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 also has a formal Insider Trading Policy on dealings in the securities of Keppel 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 the Manager. See page 188 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 REIT Units are subject to trade clearance/restrictions. See page 189 for more details on the Dealing in Securities Policy.

To increase awareness and knowledge, the Manager informs and guides employees on how to pre-emptively identify and avoid instances of corruption through regular communication and mandatory training.

Performance and Progress

All employees, senior management and Board of Directors of the Manager received annual mandatory training on anti-corruption policies and procedures in 2022.

In 2022, there were no confirmed incidents of corruption, bribery or fraud, or any non-compliance with laws or regulations pertaining to the same.

Building and Service Quality

Management Approach

The Manager is committed to ensuring high standards of building quality and service levels, to attract and retain a well-diversified and high-quality tenant profile, as well as to maintain high portfolio occupancy rates.

Each asset is managed by a dedicated team of property and facility managers and the Manager works with the respective teams to ensure regular building maintenance as well as to continually improve Keppel REIT's properties through asset enhancement initiatives. Efforts to enhance the properties include the continued re-programming of lift destination control systems, as well as the use of contactless security access within its buildings. Disability access and direct public transport access are available at most of its buildings, while the Manager is looking to implement similar initiatives to improve accessibility at other properties where possible. The Manager also harnesses technology to improve the environmental performance of the buildings, including monitoring of energy, waste and water consumption of each asset.

Despite the lower physical occupancies at the beginning of 2022, when COVID-19 restrictions were in place, the Manager continued to keep buildings operational and maintained a high level of service standard by having regular cleaning and sanitisation of common areas. Buildings are also equipped with strong and stable broadband network infrastructure to support tenants' video conferencing requirements, especially during the pandemic. The Manager works closely with the property managers to engage building occupants, as well as provide a safe and conducive work environment. Read more about the management of Tenant Health and Safety on page 98.

The Manager recognises that in order to minimise the environmental impact across its value chain and tackle Scope 3 emissions, it is crucial to work collaboratively with tenants and help support their sustainability aspirations. The Manager engages the tenants regularly on sustainability issues, specifically in the adoption of green practices and green lease provisions.

Performance and Progress

The Manager also conducts regular Tenant Satisfaction Surveys at its properties in Singapore and Australia to evaluate tenant satisfaction levels, as well as to obtain feedback for areas of improvement.

Across 2021 and 2022, tenant surveys were conducted by external parties or by the respective building's property managers. The surveys focused on several areas such as on-site services, building management, building maintenance, cleanliness, security, management personnel and green features.

All of Keppel REIT's Singapore assets are certified Green Mark Platinum by the BCA. In Australia, the majority of the operational assets have achieved 5 Stars and above in the NABERS Energy Rating. In South Korea, T Tower has achieved the Platinum status awarded by LEED Building Operations and Maintenance. In addition, Keppel Bay Tower and 8 Exhibition Street have also achieved the Platinum rating for WiredScore. Please refer to page 76 for the list of sustainability certifications and awards attained by Keppel REIT.

Cybersecurity and Data Privacy

Management Approach

Cybersecurity and data privacy have become increasingly important with the widespread digitalisation and normalisation of hybrid work and collaboration platforms brought forth by the pandemic. More emphasis is being placed on ensuring systems are safeguarded against cyber threats, as well as ensuring data protection and privacy for all personal and sensitive information being handled, by establishing robust cybersecurity measures.

At Keppel REIT, cybersecurity and data privacy is managed at the Keppel Group level by the Keppel Group's Cybersecurity team and Keppel Capital's IT team, including monitoring of cybersecurity incidents. Keppel REIT adopts the Keppel Group Technology and Data Risk Management (TDRM) standards and framework.

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

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

Spotlight

WELL Health-Safety Rating

The WELL Health-Safety Rating by the International WELL Building Institute is an evidence-based, third party verified rating for buildings and facilities with robust health and safety management, based on high quality operational policies, maintenance protocols, occupant engagement and emergency plans. In 2021, Keppel REIT's Ocean Financial Centre (in picture) became Singapore's first commercial building to achieve the WELL Health-Safety Rating. Building on these efforts, in 2022, the Manager progressed further to achieve the WELL Health-Safety rating for all other Keppel REIT's assets in Singapore.

Keppel REIT is committed to sustainable and responsible business practices across its portfolio of properties.

mitigation and control measures that commensurate with the criticality of the information assets. Policies and procedures governing the monitoring and management of cybersecurity incidents are reviewed on an annual basis for effectiveness.

The policies in place cover:

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 assessment of risk.
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.

Regular advisories and trainings, including an annual mandatory cybersecurity threats training, policies and good practices are conducted to reinforce the adoption of good cyber hygiene.

Performance and Progress
In 2022, the Keppel Group conducted a series of cybersecurity trainings and awareness sessions for all employees, including Keppel REIT staff. The trainings covered awareness of cybersecurity threats and timely reporting and resolution of potential security incidents.

There were no substantiated complaints received by the Manager concerning breaches of customer privacy, nor any leaks, thefts, or losses of customer data identified in 2022.

Sustainable Supply Chain Management

Management Approach
Keppel REIT's supply chain comprises service providers and suppliers including building consultants, electricity retailers, building material suppliers, as well as contractors in the fields of maintenance and repair, landscaping, horticulture, security, cleaning, pest control, waste disposal and recycling.

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, as well as environmental management. The corporate sustainable procurement policy also encourages the purchase of environmentally friendly products.

The Manager seeks to work with service providers and suppliers that are ISO 14001- and bizSAFE-certified. Suppliers are encouraged to use sustainable products when they perform their contractual duties at Keppel REIT's properties. Products with the Singapore Green Label are preferred. All major suppliers that provide Keppel REIT with products and services valued at $200,000 or more per contract or over cumulative purchase orders in the calendar year are expected to sign and abide by the Keppel Group Supplier Code of Conduct.

Performance and Progress
In 2022, there were no known instances of non-compliance with any applicable regulations regarding human rights and labour practices throughout Keppel REIT's supply chain. There were also no operations or suppliers with significant risks of forced or compulsory labour practices that Keppel REIT is aware of.

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.

People and Community

The Manager is committed to investing in the development and wellbeing of its people and contribute to uplifting society wherever it operates.

Human Capital Management

Management Approach

A talented and engaged workforce is key to Keppel REIT's continued growth and success. The Manager is committed to building its human capital by attracting, developing and retaining a talented and engaged workforce with fair employment practices, as well as providing them with learning and development opportunities. The Manager also seeks to provide a conducive environment for its people to collaborate, innovate and share ideas through a culture of recognition and appreciation.

The Manager encourages its people to make a positive impact on the community by focusing 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, appreciation and 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 23 full-time permanent employees, comprising 17 females and six males who were seconded from Keppel Capital to the Manager to support the investment, asset management and finance functions. All of the Manager's employees were hired from and based in Singapore. More information on the Manager's Board of Directors and management team is available on pages 14 to 18.

The Manager continues to be supported by Keppel Capital's workforce in functions such as investor relations and sustainability, risk and compliance, human resources, information technology, as well as legal and corporate secretarial services. 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 the Manager's people agenda. To attract and retain talent, the Manager offers competitive compensation and comprehensive benefits to all its full-time employees. These benefits 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.

The Manager believes in a multi-pronged approach to build talent streams from entry to mid-career levels, to meet the varied requirements of Keppel REIT. Talent is sourced from varsity level and groomed through careful selection of development approaches coupled with coaching and mentoring from experienced leaders and Board members. Experienced hires are added to the talent pool to address skill gaps. This comprehensive strategy brings about a diverse workforce with an experienced senior team mentoring young talents and helps to create a future leadership pipeline.

There are multiple platforms within the Keppel eco-system, including the Keppel Internship Programme, Keppel Associate Programme, Keppel Young Leaders, Emerging Leaders Programme, Advanced Leaders Programme and Keppel Fellows. Through these programmes, talent across the different business units learn and grow, build connections and form friendships which help strengthen collaboration.

Employees are motivated and rewarded through a merit-based approach. The Manager has a performance framework which is aligned to its strategy, targets and values, and supports career planning and development. Regular performance reviews serve as a platform for employees to engage their supervisors about their career goals and development. Targets for senior leaders are set using a balanced scorecard approach. Bearing equal importance to financial targets are non-financial targets such as health, safety, employee wellbeing, environmental and governance. 100% of eligible employees of the Manager received annual performance and career development reviews in 2022.

In August 2022, the Manager organised its first overseas offsite in Bangkok since the onset of the pandemic.

People and Community

Training Hours per Employee by Gender

Training Hours per Employee by Employee Category

[1] Managerial includes senior management and heads of department.

As part of the strategic workforce planning, the Manager embarked on a Talent Mapping exercise in 2022. The objective was to assess its current capabilities and to identify future capabilities needed to drive and execute its long term strategy. Using people analytics, the exercise provided the Manager the opportunity to take stock of the skills, experience and mindsets needed in its workforce, identify talent gaps and put to plan actions to address those gaps. Development, redeployment and recruitment decisions were made with the insights gathered from the exercise. Looking ahead, talent mapping will be an ongoing and iterative process to support the future needs of Keppel REIT and the Manager.

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.

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.

Upskill, Uplift and Upstream

Upskill
Development of employees' organisational agility and growth mindset through skills upgrade and exposure to different roles in preparation for growth opportunities.

Uplift
Encouraging career mobility across the Group as part of the OneKeppel culture and aligning employees' career ambitions with Keppel's purpose.

Upstream
Building employee resilience and engagement through inculcating the Keppel can do spirit.

Developing People

Regular training drives both individual competencies, as well as the collective capacity of the Manager's employees to achieve overall 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. In 2022, the Manager's employees received an average of 30.6 hours of training, exceeding its target of at least an average of 20 hours of training per employee. Employees can discuss their training needs with their supervisors and identify skills gaps with a skills navigation tool implemented by the human resources department.

The Manager has implemented an employee development scheme to support employees who are encouraged to upgrade themselves with a higher professional certification that will aid in their career progression. This scheme is available to confirmed permanent employees with at least two years of service at the point of application. Under the Flexible Benefits Programme, employees can also claim 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).

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

New Hires and Turnover by Gender and Age Group

	New Hire		Turnover	
	No. of Employees	Rate (%)	No. of Employees	Rate (%)
By Gender				
Male	1	4	1	4
Female	2	9	3	13
By Age Group				
<30 years old	0	0	2	9
30 to 50 years old	3	13	2	9
50 years old & above	0	0	0	0

As part of Keppel's pledge to plant 10,000 trees in Singapore in support of NParks' OneMillionTrees movement, volunteers from Keppel Capital, including employees of the Manager, planted a total of 110 trees at Labrador Nature Reserve in 2022.

To help employees with their career development, employees were encouraged to attend the Keppel Global Career Festival which consisted of talks by industry leaders and senior management.

To cater to different learning styles and needs, bite-sized on-demand learning is also made available through LinkedIn Learning. A digital library of over 16,000 courses covering a wide range of topics is made available to all employees through this platform.

Talent Management and Succession Planning

It is also important for the Manager to continually develop existing and new leaders. This ensures a talent pipeline for succession planning and business continuity. The Manager's succession planning and talent management framework identifies and develops its future leaders. The succession plans for the Manager's key management positions are discussed and reviewed with its Nominating and Remuneration Committee.

Succession planning is also part of the senior management's yearly targets. In addition, opportunities are provided for Board members to interact with potential successors and younger talents.

The talent management process is a rigorous talent identification and development process with strong management commitment to build a robust bench strength. The KEP ("K"apacity, Execution, People) framework is a leadership potential structure that is used to identify and develop leadership potential in employees. The same framework is also used to evaluate existing and incoming talents.

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.

As part of the talent development initiatives, People Managers were invited to participate in the Executive Conversation Series to hone their leadership and people management skills. The series targeted areas such as building trust, influence, empowerment, accountability and leading change. These sessions focused on practical applications and the effectiveness was measured through identified metrics.

Engaging Employees

The COVID-19 pandemic has changed the way we live and work. The easing of safe management measures in Singapore and the reopening of borders allowed employees to return to the office. A flexible work arrangement was rolled out to support alternative work arrangements while fostering team camaraderie and open collaboration.

Developing Talent

30.6 hrs

Of training on average per employee in 2022

To provide employees with an outlet for feedback, a yearly employee engagement survey is carried out by an external independent survey provider. 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. Focus group discussions were carried out to garner in-depth data on areas identified for action through the survey results. Action plans were formulated from issues distilled from the focus group discussions. Progress on these was shared with employees during staff townhall meetings, reinforcing management's commitment to build a listening and open communication culture.

Along with the easing of safe management measures, in-person employee engagement activities such as team bonding activities, tea sessions with senior management, as well as townhalls have resumed. In August 2022, the first overseas offsite since the onset of the pandemic was held in Bangkok. During the overseas offsite, employees based in different geographical locations came together in-person to engage in various teambuilding activities and stronger relationships were forged.

As part of Appreciation Month in August 2022, a breakfast gathering was organised, where senior leaders served breakfast to employees to show their appreciation to employees for their steadfast commitment. An Appreciation Board was set up for all to dedicate thank you notes to one another. There was also a K'Tunes session for employees to express their appreciation to their colleagues through song dedications and messages. Other corporate activities were organised to promote wellbeing and forge closer ties among employees, such as the annual dinner and dance, a lunch event to recognise long-serving staff and other teambuilding events.

Diversity and Inclusion

Management Approach

The Manager is committed to fostering an inclusive workplace and believes that diversity of cultures and perspectives help to drive value and innovation.

The Manager ensures equal opportunities in hiring, career development, promotion and compensation, regardless of race, gender, religion, marital status or age. To demonstrate its commitment to non-discrimination and equal opportunities, the Manager adheres to the Tripartite Guidelines on Fair Employment Practices and strives to uphold the Employers' 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;
4. Reward employees fairly based on their ability, performance, contribution and experience; and
5. Abide by labour laws and adopt the Tripartite Guidelines on Fair Employment Practices.

Percentage by Males and Females per Employee Category

	2022		2021		2020	
	Male	Female	Male	Female	Male	Female
Board	83.3	16.7	71.4	28.6	71.4	28.6
Managerial[1]	50.0	50.0	50.0	50.0	50.0	50.0
Executive	21.1	78.9	20.0	80.0	21.1	78.9

Percentage by Age Group per Employee Category

	2022			2021			2020		
	<30 years old	30 to 50 years old	50 years old & above	<30 years old	30 to 50 years old	50 years old & above	<30 years old	30 to 50 years old	50 years old & above
Board	0	0	100.0	0	0	100.0	0	0	100.0
Managerial[1]	0	75.0	25.0	0	100.0	0	0	100.0	0
Executive	10.5	89.5	0	35.0	65.0	0	31.6	68.4	0

[1] Managerial includes senior management and heads of department.

The Manager has zero tolerance for discrimination of any kind. Principles of human rights and anti-discrimination are further reinforced by the Employee Code of Conduct, which outlines rules of conduct for all employees. The Keppel Group Human Rights Policy and Corporate Statement on Diversity and Inclusion articulate the Keppel Group and the Manager's stance on human rights, diversity and inclusion. These statements, as well as the code of conduct, are available on Keppel REIT's corporate website.

The Manager has effective procedures in place for the reporting of incidents of discrimination and responds to all reports in a timely manner. The Manager is committed to remediating the incidents raised and upholding the effectiveness of the incident reporting process.

Performance and Progress
The Manager continues to promote diversity and inclusion in the workplace. This includes the provision of education and awareness on diversity and inclusion through talks via Keppel Digital Learning. The Manager also 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 between both parents. The Manager also seeks to support greater diversity on the Board and senior management. In 2022, the female Board directorship stands at 16.7%, a drop from 2021 due to the retirement of the Chairman of the Board, Mrs Penny Goh, in May 2022. The Manager will work towards its target to achieve at least 30% female Board directorship.

In 2022, there were no incidents of discrimination reported.

Employee Health, Safety and Wellbeing

Management Approach
The employee's health, safety and wellbeing is the Manager's top priority. Its health and safety management practice focuses on identification and elimination of hazards and minimisation of risks. Annual health and safety audits are performed to ensure adherence to industry best practices and compliance with all relevant regulations. If any health and safety issues are identified, corrective action is taken and procedures are improved when necessary.

Keppel 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 competency, as well as streamlining learning from incidents.

Every 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 issues they encounter. Various platforms are made 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 on health and safety. These include the annual Keppel Group Safety Convention and Global Safety Timeout, which reiterate and reinforce a strong culture of safety.

Performance and Progress
In 2022, there were no fatalities, work-related injuries or safety incidents reported. Testament to Keppel REIT's commitment to upholding workplace health and safety, Raffles Quay Asset Management and Keppel REIT Property Management (the property manager for Ocean Financial Centre and Keppel Bay Tower) have both attained bizSAFE Partner and bizSAFE Star certifications for the eighth consecutive year.

The Manager is dedicated to support employees' overall health and wellness. In line with this, certain months have been designated as wellbeing months. For example, March has been designated as the Financial Wellbeing Month. In 2022, the Keppel Group held webinars on topics such as sustainable investment, financial literacy and avoiding financial scams to raise awareness and financial literacy.

Staying fit and maintaining a healthy lifestyle are actively encouraged at Keppel REIT. The Physical Wellness Month was held in June, and employees participated in a global steps challenge organised by the Keppel Group to help them to maintain a healthy lifestyle. Across the Group, numerous initiatives to promote physical wellbeing were also held, including exercise sessions and health webinars.

Noting the impact of the pandemic on mental wellbeing, October has been dedicated as Mental Wellbeing Month, in conjunction with the Global World Mental Health Day. Activities organised in 2022 included mindfulness sessions, mental health art workshops, a Vibe Board, which is an interactive board for employees to interact with one another, as well as an Art Exhibition on Self-Care where nominated employees shared captioned photographs on "What Self Care Means to You". In addition, through the Employee Assistance Programme, the Manager continues to offer employees and their families mental health support. The Singapore Counselling Centre offers employees and their dependents face-to-face or online counselling with qualified counsellors on a confidential basis.

Tenant Health and Safety

Management Approach
Providing a safe and healthy environment for building occupants is a top priority and a key part of upholding service levels for Keppel REIT's tenants.

During the selection, acquisition and operation of its properties, the Manager has processes in place to identify potential health and safety concerns, thereby reducing the probability of potential risks and vulnerabilities.

Annual health and safety audits are performed to ensure adherence to industry best practices in health and safety management, and compliance with all relevant regulations. Any health and safety incident that occurs within the property will be reported by the property manager to the Manager. The Manager will assess the severity of the incident and report it accordingly to the relevant parties. An incident report covering root cause analysis and an immediate action plan will also be prepared. Relevant incidents will also be shared across the assets to prevent similar incidents from occurring.

At Keppel REIT's properties in Singapore and South Korea, fire drills and evacuation exercises are conducted to raise safety awareness amongst tenants. Through these exercises, the tenants familiarise themselves with safety procedures, fire hazards, use of preventive gears and emergency exit routes. At the Australian properties, external accredited trainers provide training on emergencies to on-site fire wardens at least twice a year.

Performance and Progress
In 2022, the Manager continued to adopt measures in line with health and safety advisories from the authorities to ensure a safe environment for tenants and visitors to its properties. Regular communications ensured tenants were kept up-to-date on the government regulations and operational changes.

Safety measures put in place to prevent the spread of COVID-19 and provide peace of mind as tenants progressively return to the workplace include:

- Use of card access and re-programming of lift destination control systems to facilitate contactless entry and safe distancing
- Increased cleaning and disinfection of high-contact surfaces, as well as providing hand sanitisers at common areas
- Regular purging of air as well as advanced air filtration systems

In 2022, there were zero cases of violation of laws, regulations or voluntary codes concerning tenant health and safety.

The focus of maintaining high health and safety standards at Keppel REIT's properties is evidenced by the WELL Health and Safety Rating achieved by all Singapore properties and the NABERS Indoor Environmental Award, where the majority of the operational Australian assets have been certified with at least 5 Stars.

In January 2023, a safety walkabout was organised for the Independent Directors and management to observe the safety features of Keppel REIT's Singapore properties and how work was carried out on a day-to-day basis.

In addition to ensuring the safety of its tenants, Keppel REIT has put in place initiatives to care for the health of its tenants and encourage an active lifestyle. A variety of fitness classes such as WeBarre and yoga were organised throughout 2022 for tenants at the various properties.

Community Development and Engagement

Management Approach
The Manager believes in uplifting communities wherever it operates and seeks to make positive impact on local communities through Keppel Capital's Corporate Social Responsibility (CSR) initiatives, charitable donations and community engagement activities. To encourage employees to participate in community initiatives organised by the Keppel Group and give back to society, all employees are given two days of paid volunteerism leave each year.

Beyond CSR, the Manager engages with tenants and the community proactively to raise awareness of important issues such as climate change and resource conservation.

A safety walkabout was organised for the Independent Directors and management to inspect the safety features of Keppel REIT's properties in Singapore and observe how work was carried out on a day-to-day basis.

MDAS and Keppel Capital have come a long way since 2014 and we have collaborated on numerous projects and activities. Thank you for always being supportive towards this journey of partnership. Your continued support has strengthened MDAS to enable us to accomplish the dreams and vision of our members. We are so grateful, and we look forward to building an even closer rapport between Keppel Capital and our MD members.

Judy Wee, Executive Director of MDAS

Some of the community engagement activities in 2022 included:

Grant-A-Wish

Employees and tenants from Ocean Financial Centre and Keppel Bay Tower partnered with Care Corner to fulfil the wishes of 150 students. The children were invited to the offices for a carolling performance by the Anglo-Chinese Junior College choir and received gifts including educational materials, stationery and toys.

Distribution of Care Packs

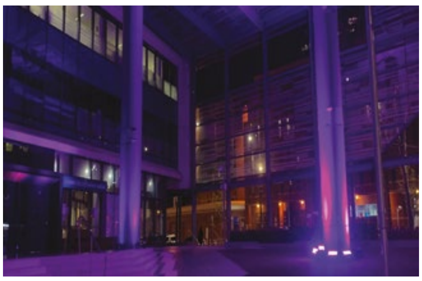
In collaboration with TOUCH Community Services, tenants from Ocean Financial Centre, One Raffles Quay and Marina Bay Financial Centre packed and distributed more than 450 bags of food and daily essentials to the seniors at TOUCH Senior Activity Centre.

Bone Marrow Donation

Keppel REIT organised a Bone Marrow Donation Programme at Ocean Financial Centre. The event garnered over 100 sign-ups from members of the public as potential bone marrow donors.

Day Out with Children from Big Love Child Protection Specialist Centre

In collaboration with Big Love Child Protection Specialist Centre, volunteers spent a fun-filled and rewarding day with 20 children at an urban farm, Edible Garden City, where they learnt about the importance of food sustainability.



Candlelight Vigil for Victims of Domestic Violence

Victoria Police Centre participated in the Candlelight Vigil for victims of domestic violence. The property was illuminated in purple to demonstrate support for this initiative, as well as to emphasise the role of the Victoria Police in protecting the community from domestic violence.

Food Drive

From 7 to 11 November 2022, Keppel REIT, in collaboration with KLOUD, Keppel Land's new generation serviced office, organised a Food Drive for Food from the Heart at Keppel Bay Tower. Over $10,000 worth of food items were collected to support the underprivileged in Singapore.

> A big thank you to the team for delivering this festive care package that includes personal care items to keep us safe during this pandemic.
>
> **Meldip Kaur d/o Paramjit Singh,** MDAS beneficiary

Performance and Progress
The Manager, together with Keppel Capital, dedicated more than 1,000 hours to community outreach activities in 2022. In addition, in 2022, the Manager contributed approximately $224,000 to the Keppel Care Foundation, to support philanthropic initiatives and community needs.

In June 2022, Keppel Capital organised a trip to River Wonders, Singapore's river-themed zoo and aquarium, for the beneficiaries of its adopted charity, the Muscular Dystrophy Association (Singapore) (MDAS). Keppel Capital volunteers brought the beneficiaries to various attractions such as the panda exhibit and the animal show.

In October 2022, Keppel Capital volunteers brought cheer to and engaged in art and craft activities with elderly patients at Thye Hua Kwan Hospital. Keppel Capital also provided care packages to the elderly patients, which included daily necessities.

As part of the Keppel Group's commitment to plant 10,000 trees in Singapore in support of NParks' OneMillionTrees movement, the Manager's employees took part in a tree planting exercise and spent a few days planting 110 trees at Labrador Nature Reserve together with other volunteers from Keppel Capital. These trees are rare native coastal species which will help to strengthen the resilience of the Reserve's habitats and support its rich biodiversity.

In addition to employees' participation in community activities, Keppel REIT also actively engages its tenants to contribute to the community. In collaboration with various organisations, such as TOUCH Community Services, Big Love Child Protection Specialist Centre and Care Corner, the Manager's employees, together with tenants, organised and participated in various community outreach activities. They include Grant a Wish, the distribution of food packs to seniors, as well as an excursion to an urban farm, Edible Garden City, for children to learn more about food sustainability.

In November 2022, employees took part in a beach clean-up initiative at Pasir Ris Park. The event aimed to contribute to the community through the cleaning up of public spaces as well as further raise recycling awareness among employees.

To increase awareness on the importance of mental health, in partnership with the Health Promotion Board, a therapeutic art workshop was organised for tenants at Keppel Bay Tower to learn more on effective methods to unwind while increasing productivity at work.

GRI Content Index

Statement of Use	Keppel 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 Standard(s)	Not applicable

GRI Standard	Disclosure Number	Disclosure Title	Page References	Omission
General Disclosure				
GRI 2: General Disclosures 2021	2-1	Organisational details	3	
	2-2	Entities included in the organisation's sustainability reporting	70	
	2-3	Reporting period, frequency and contact point	70	
	2-4	Restatements of information	79 to 80, 87 to 88	
	2-5	External assurance	70	
	2-6	Activities, value chain and other business relationships	No significant changes	
	2-7	Employees	93 to 95	
	2-8	Workers who are not employees	93	
	2-9	Governance structure and composition	14 to 18	
	2-10	Nomination and selection of the highest governance body	178 to 179	
	2-11	Chair of the highest governance body	14	
	2-12	Role of the highest governance body in overseeing the management of impacts	71 to 72	
	2-13	Delegation of responsibility for managing impacts	71 to 72	
	2-14	Role of the highest governance body in sustainability reporting	71 to 72	
	2-15	Conflicts of interest	176	
	2-16	Communication of critical concerns	90	
	2-17	Collective knowledge of the highest governance body	14 to 16	
	2-18	Evaluation of the performance of the highest governance body	90, 181 to 184	
	2-19	Remuneration policies	90, 181 to 184	
	2-20	Process to determine remuneration	181 to 184	
	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 pages 181 to 184.
	2-22	Statement on sustainable development strategy	71	
	2-23	Policy commitments	71, 90	
	2-24	Embedding policy commitments	71, 90, 92	
	2-25	Processes to remediate negative impacts	193 to 194	
	2-26	Mechanisms for seeking advice and raising concerns	90, 193 to 194	
	2-27	Compliance with laws and regulations	90	
	2-28	Membership associations	76	
	2-29	Approach to stakeholder engagement	78	
	2-30	Collective bargaining agreements	93	
GRI 3: Material Topics 2021	3-1	Process to determine material topics	72	
	3-2	List of material topics	72	

GRI Content Index

GRI Standard	Disclosure Number	Disclosure Title	Page References	Omission
		Environmental Stewardship		
		Energy		
GRI 3: Material Topics 2021	3-3	Management of material topics	79 to 80	
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	79 to 80	
	302-2	Energy consumption outside of the organisation	79 to 80	
	302-3	Energy intensity	79 to 80	
		Emissions		
GRI 3: Material Topics 2021	3-3	Management of material topics	79 to 80	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	79 to 80	
	305-2	Energy indirect (Scope 2) GHG emissions	79 to 80	
	305-3	Other indirect (Scope 3) GHG emissions	79 to 80	
	305-4	GHG emissions intensity	79 to 80	
		Climate Change Adaptation		
GRI 3: Material Topics 2021	3-3	Management of material topics	81 to 86	
		Waste Management		
GRI 3: Material Topics 2021	3-3	Management of material topics	87 to 88	
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	87 to 88	
	306-2	Management of significant waste-related impacts	87 to 88	
		Water Management		
GRI 3: Material Topics 2021	3-3	Management of material topics	87	
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	87	
	303-2	Management of water discharge-related impacts	87	
	303-4	Water discharge	87	
	303-5	Water consumption	87	

GRI Standard	Disclosure Number	Disclosure Title	Page References	Omission
		Responsible Business		
		Economic Sustainability		
GRI 3: Material Topics 2021	3-3	Management of material topics	19, 89, 105 to 174	
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	19, 89, 105 to 174	
		Corporate Governance		
GRI 3: Material Topics 2021	3-3	Management of material topics	89 to 90	
		Ethics and Integrity		
GRI 3: Material Topics 2021	3-3	Management of material topics	90	
GRI 205 Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	90	
	205-3	Confirmed incidents of corruption and actions taken	90	
		Building and Service Quality		
GRI 3: Material Topics 2021	3-3	Management of material topics	90 to 91	
		Cybersecurity and Data Privacy		
GRI 3: Material Topics 2021	3-3	Management of material topics	91 to 92	
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	91 to 92	
		Sustainable Supply Chain Management		
GRI 3: Material Topics 2021	3-3	Management of material topics	92	

GRI Content Index

GRI Standard	Disclosure Number	Disclosure Title	Page References	Omission
		People and Community		
		Human Capital Management		
GRI 3: Material Topics 2021	3-3	Management of material topics	93 to 96	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	93 to 96	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	93 to 96	
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	93 to 96	
	404-2	Programs for upgrading employee skills and transition assistance programs	93 to 96	
	404-3	Percentage of employees receiving regular performance and career development reviews	93 to 96	
		Diversity and Inclusion		
GRI 3: Material Topics 2021	3-3	Management of material topics	96 to 97	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	96 to 97	
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	96 to 97	
		Employee Health, Safety and Wellbeing		
GRI 3: Material Topics 2021	3-3	Management of material topics	97	
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	97	
	403-2	Hazard identification, risk assessment, and incident investigation	97	
	403-5	Worker training on occupational health and safety	97	
	403-6	Promotion of worker health	97	
	403-9	Work-related injuries	97	
		Community Development and Engagement		
GRI 3: Material Topics 2021	3-3	Management of material topics	98 to 100	

Report of the Trustee

For the financial year ended 31 December 2022

HSBC Institutional Trust Services (Singapore) Limited (the "Trustee") is under a duty to take into custody and hold the assets of Keppel REIT and its subsidiaries in trust for the holders of units ("Unitholders") in Keppel REIT. In accordance with the Securities and Futures Act 2001 of Singapore, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of Keppel REIT Management Limited (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 28 November 2005 (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 REIT and its subsidiaries during the period covered by these financial statements, set out on pages 111 to 174 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,
HSBC Institutional Trust Services (Singapore) Limited

Authorised Signatory

Singapore, 22 February 2023

Statement by the Manager

For the financial year ended 31 December 2022

In the opinion of the Directors of Keppel REIT Management Limited (the "Manager"), the accompanying financial statements set out on pages 111 to 174 comprising the Balance Sheets, Consolidated Statement of Profit or Loss, Consolidated Statement of Comprehensive Income, Distribution Statement, Portfolio Statement, Statements of Movements in Unitholders' Funds, Consolidated Statement of Cash Flows and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial positions of the Group and the Trust as at 31 December 2022, the profit or loss and other comprehensive income, distributable income, movements in Unitholders' funds and cash flows of the Group and the movements in Unitholders' funds of the Trust for the year ended on that date 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. At the date of this statement, there are reasonable grounds to believe that the Group and the Trust would be able to meet their financial obligations as and when they materialise.

For and on behalf of the Manager,
Keppel REIT Management Limited

Christina Tan
Director

Singapore, 22 February 2023

Independent Auditor's Report to the Unitholders of Keppel REIT

(Constituted under a Trust Deed in the Republic of Singapore)
For the financial year ended 31 December 2022

Our opinion

In our opinion, the accompanying consolidated financial statements of Keppel REIT (the "Trust") and its subsidiaries (the "Group") and the balance sheet and the statement of movements in unitholders' funds of the Trust are properly drawn up in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)s") 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 in 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 balance sheets of the Group and the Trust as at 31 December 2022;
- the consolidated statement of profit or loss of the Group for the financial year ended 31 December 2022;
- the consolidated statement of comprehensive income of the Group for the financial year ended 31 December 2022;
- the distribution statement of the Group for the financial year then ended;
- the portfolio statement of the Group as at 31 December 2022;
- the statements of movements in unitholders' funds for the Group and the Trust for the financial year then ended;
- the consolidated statement of cash flows of the Group for the financial year then ended; 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
Valuation of investment properties	
Refer to *Note 3 (Investment properties)*	Our audit procedures included the following:
The Group owns a portfolio of investment properties stated at their fair values based on independent external valuations. As at 31 December 2022, the carrying value of the Group's investment properties of $4.9 billion accounted for about 55.4% of the Group's total assets. Information relating to these investment properties are disclosed in Note 3 to the accompanying financial statements. The valuation of the investment properties is a key audit matter due to the significant judgement in the key inputs used in the 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.	Assessed the competence, capabilities and objectivity of the independent valuers engaged to perform the valuations of the investment properties; Assessed the appropriateness of methodologies and assumptions applied for valuation by the independent valuers: • 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
The information about the key inputs that were used to determine the fair value of the investment properties are disclosed in Note 31(d) to the accompanying financial statements.	• 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 used in the valuations by comparing them against industry rates and those of comparable properties. 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. We have assessed the adequacy of the disclosures relating to the assumptions in the valuation of investment properties.

Other Information

The Manager is responsible for the other information. The other information comprises the information included in the 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 SFRS(I)s and applicable requirements of 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 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 REIT

(Constituted under a Trust Deed in the Republic of Singapore)
For the financial year ended 31 December 2022

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, 22 February 2023

Balance Sheets

As at 31 December 2022

	Note	Group 2022 $'000	Group 2021 $'000	Trust 2022 $'000	Trust 2021 $'000
Non-current assets					
Investment properties	3	**4,917,045**	4,707,363	**–**	–
Investments in subsidiaries	4	**–**	–	**2,087,193**	2,086,432
Investments in associates	5	**2,615,186**	2,454,993	**2,023,195**	2,023,195
Advances to associates	7	**51,343**	621,167	**51,343**	621,167
Investments in joint ventures	6	**430,898**	457,639	**–**	–
Amounts owing by subsidiaries	8	**–**	–	**1,665,012**	1,625,539
Fixed assets		**116**	132	**–**	–
Financial assets at fair value through profit or loss	10	**17,474**	12,474	**–**	–
Derivative financial instruments	13	**52,504**	7,982	**34,157**	4,602
Other non-current asset		**948**	–	**–**	–
		8,085,514	8,261,750	**5,860,900**	6,360,935
Current assets					
Trade and other receivables	9	**19,866**	32,884	**28,463**	29,471
Advances to associates	7	**570,156**	–	**570,156**	–
Prepaid expenses		**958**	556	**10**	9
Financial assets at fair value through profit or loss	10	**–**	2,452	**–**	–
Cash and bank balances	11	**186,433**	189,299	**98,182**	114,346
Derivative financial instruments	13	**18,448**	743	**17,390**	743
		795,861	225,934	**714,201**	144,569
Total assets		**8,881,375**	8,487,684	**6,575,101**	6,505,504
Current liabilities					
Trade and other payables	12	**57,837**	59,503	**18,342**	26,892
Income received in advance		**2,324**	4,716	**–**	–
Borrowings (secured)	14	**1,579**	–	**–**	–
Borrowings (unsecured)	14	**642,111**	187,886	**63,975**	–
Security deposits		**8,528**	14,397	**–**	–
Derivative financial instruments	13	**56**	2,146	**56**	2,146
Provision for taxation		**1,831**	4,628	**–**	28
		714,266	273,276	**82,373**	29,066
Non-current liabilities					
Borrowings (secured)	14	**644,407**	619,739	**–**	–
Borrowings (unsecured)	14	**1,563,783**	1,919,182	**2,145,678**	2,109,183
Derivative financial instruments	13	**7,084**	3,448	**7,084**	2,634
Security deposits		**37,374**	29,968	**–**	–
Deferred tax liabilities	16	**49,157**	52,087	**–**	–
		2,301,805	2,624,424	**2,152,762**	2,111,817
Total liabilities		**3,016,071**	2,897,700	**2,235,135**	2,140,883
Net assets		**5,865,304**	5,589,984	**4,339,966**	4,364,621
Represented by:					
Unitholders' funds		**5,118,916**	4,866,188	**4,037,943**	4,062,598
Perpetual securities	17	**302,023**	302,023	**302,023**	302,023
Non-controlling interests	18	**444,365**	421,773	**–**	–
		5,865,304	5,589,984	**4,339,966**	4,364,621
Units in issue ('000)	17	**3,742,223**	3,695,419	**3,742,223**	3,695,419
Net asset value per Unit ($)		**1.37**	1.32	**1.08**	1.10

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Profit or Loss

For the financial year ended 31 December 2022

	Note	Group 2022 $'000	Group 2021 $'000
Property income	20	219,286	216,606
Property expenses	21	(43,344)	(44,074)
Net property income		175,942	172,532
Rental support	22	1,688	2,672
Share of results of associates	5	77,787	89,039
Share of results of joint ventures	6	22,907	29,556
Interest income		25,264	15,603
Trust expenses	23	(63,488)	(62,229)
Borrowing costs	24	(57,736)	(51,472)
Net foreign exchange differences		(2,390)	1,052
Net change in fair value of financial assets at fair value through profit or loss		3,510	(2,862)
Net change in fair value of derivative financial instruments		5,506	325
Profit before costs incurred on divestment of investment property and net change in fair value of investment properties		188,990	194,216
Costs incurred on divestment of investment property	3	–	(2,600)
Net change in fair value of investment properties	25	261,458	87,240
Profit before tax		450,448	278,856
Income tax expense	26	(2,045)	(23,000)
Profit for the year		448,403	255,856
Attributable to:			
Unitholders		405,387	231,738
Perpetual securities holders		9,450	9,430
Non-controlling interests		33,566	14,688
		448,403	255,856
Earnings per Unit (cents) based on profit for the year attributable to Unitholders			
- Basic	27	10.89	6.37
- Diluted	27	10.76	6.26
Earnings per Unit (cents) based on profit before costs incurred on divestment of investment property, net change in fair value of investment properties and related tax expenses			
- Basic	27	4.37	4.49
- Diluted	27	4.36	4.45

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Comprehensive Income

For the financial year ended 31 December 2022

		Group	
	Note	2022 $'000	2021 $'000
Profit for the year		**448,403**	255,856
Items that may be reclassified subsequently to profit or loss:			
Cash flow hedges			
- Fair value changes arising during the year	19	**62,318**	14,493
- Realised and transferred to profit or loss	19	**(7,143)**	17,678
Foreign currency translation			
- Exchange difference arising during the year	19	**(63,159)**	(22,098)
Share of other comprehensive income of associates			
- Cash flow hedges	19	**26,674**	13,386
Other comprehensive income for the year, net of tax		**18,690**	23,459
Total comprehensive income for the year		**467,093**	279,315
Attributable to:			
Unitholders		**420,799**	253,096
Perpetual securities holders		**9,450**	9,430
Non-controlling interests		**36,844**	16,789
		467,093	279,315

The accompanying notes form an integral part of these financial statements.

Distribution Statement

For the financial year ended 31 December 2022

	Group	
	2022 $'000	2021 $'000
Income available for distribution to Unitholders at beginning of the year	**106,666**	100,087
Profit before costs incurred on divestment of investment property and net change in fair value of investment properties	**188,990**	194,216
Profit attributable to perpetual securities holders	**(9,450)**	(9,430)
Profit before net change in fair value of investment properties attributable to non-controlling interests	**(15,004)**	(14,829)
Net tax and other adjustments (Note A)	**58,445**	65,184
Income tax expense	**(2,045)**	(23,000)
	220,936	212,141
Income available for distribution to Unitholders	**327,602**	312,228
Distribution to Unitholders:		
Distribution of 2.93 cents per Unit for the period from 1/7/2020 to 31/12/2020	**–**	(99,849)
Distribution of 0.94 cents per Unit for the period from 1/1/2021 to 28/2/2021	**–**	(32,185)
Distribution of 2.00 cents per Unit for the period from 1/3/2021 to 30/6/2021	**–**	(73,528)
Distribution of 2.88 cents per Unit for the period from 1/7/2021 to 31/12/2021	**(106,428)**	–
Distribution of 2.97 cents per Unit for the period from 1/1/2022 to 30/6/2022	**(110,540)**	–
Total Unitholders' distribution (including capital gains) (Note B)	**(216,968)**	(205,562)
Income available for distribution to Unitholders at end of the year	**110,634**	106,666
Note A – Net tax and other adjustments comprise:		
- Manager's management fees paid and payable in Units	**52,676**	50,682
- Trustee's fees	**1,000**	1,287
- Amortisation of capitalised transaction costs	**1,941**	1,629
- Share of results of associates	**(77,787)**	(89,039)
- Share of results of joint ventures	**(22,907)**	(29,556)
- Effects of recognising rental income on a straight-line basis over the lease terms	**(9,947)**	(12,580)
- Interest income to be received	**(263)**	(10)
- Interest accretion relating to convertible bonds	**1,046**	2,187
- Net change in fair value of financial assets at fair value through profit or loss	**(3,510)**	2,862
- Net change in fair value of derivative financial instruments	**(5,506)**	(325)
- Overseas withholding tax on capital gains from divestment of investment property	**–**	16,453
- Deferred tax expense/(credit)	**169**	(197)
- Coupon income received	**6,754**	–
- Capital gains distribution	**10,000**	2,000
- Other items	**4,970**	1,469
	(41,364)	(53,138)
Dividend and distribution income from associates	**76,742**	88,082
Distribution income from joint ventures	**23,067**	30,240
Net tax and other adjustments	**58,445**	65,184
Note B – Total Unitholders' distribution		
- Taxable income	**(149,534)**	(111,561)
- Tax exempt income	**(65,586)**	(94,001)
- Capital gains	**(1,848)**	–
	(216,968)	(205,562)

The accompanying notes form an integral part of these financial statements.

Portfolio Statement

As at 31 December 2022

Group

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value 2022 $'000	Carrying value 2021 $'000	Percentage of net assets 2022 %	Percentage of net assets 2021 %
Investment properties in Singapore:									
Ocean Financial Centre [1]	Leasehold interest	99 years	88.0 years	10 Collyer Quay	Commercial	**2,679,000**	2,586,000	**45.7**	46.3
Keppel Bay Tower [2]	Leasehold interest	99 years	73.7 years	1 HarbourFront Avenue	Commercial	**710,000**	672,600	**12.1**	12.0
Investment properties in Australia:									
8 Exhibition Street [3]	Freehold	NA	NA	Melbourne	Commercial	**280,233**	286,893	**4.8**	5.1
Victoria Police Centre [4]	Freehold	NA	NA	Melbourne	Commercial	**395,471**	394,673	**6.7**	7.1
Pinnacle Office Park [5]	Freehold	NA	NA	Sydney	Commercial	**280,509**	302,095	**4.8**	5.4
Blue & William [6]	Freehold	NA	NA	Sydney	Commercial	**194,057**	150,073	**3.3**	2.7
Investment property in South Korea:									
T Tower [7]	Freehold	NA	NA	Seoul	Commercial	**288,149**	315,029	**4.9**	5.6
Investment property in Japan:									
KR Ginza II (formerly known as Ginza 2-chome) [8]	Freehold	NA	NA	Tokyo	Commercial	**89,626**	–	**1.5**	–
Investment properties, at valuation (Note 3)						**4,917,045**	4,707,363	**83.8**	84.2
Investments in associates and joint ventures, advances to associates (Notes 5, 6 and 7)						**3,667,583**	3,533,799	**62.5**	63.2
Investment properties held by joint ventures:									
8 Chifley Square [9]	Leasehold	99 years	82.3 years	Sydney	Commercial				
David Malcolm Justice Centre [10]	Leasehold	99 years	91.7 years	Perth	Commercial				
Investment properties held by associates:									
One Raffles Quay [11]	Leasehold	99 years	77.5 years	1 Raffles Quay	Commercial				
Marina Bay Financial Centre Towers 1 & 2 and Marina Bay Link Mall [12]	Leasehold	99 years	81.8 years	Nos. 8, 8A and 10 Marina Boulevard	Commercial				
Marina Bay Financial Centre Tower 3 [13]	Leasehold	99 years	83.2 years	No. 12 Marina Boulevard	Commercial				
Other assets and liabilities (net)						**(2,719,324)**	(2,651,178)	**(46.3)**	(47.4)
Net assets						**5,865,304**	5,589,984	**100.0**	100.0

1 Carrying value is based on 100.0% (2021: 100.0%) interest in Ocean Financial Centre. Keppel REIT owns approximately 79.9% (2021: 79.9%) interest in Ocean Financial Centre.
2 Carrying value is based on 100.0% (2021: 100.0%) interest in Keppel Bay Tower.
3 Comprises 50.0% (2021: 50.0%) interest in 8 Exhibition Street office building and 100.0% (2021: 100.0%) interest in the three adjacent retail units.
4 Comprises 50.0% (2021: 50.0%) interest in Victoria Police Centre.
5 Carrying value is based on 100.0% (2021: 100.0%) interest in Pinnacle Office Park.
6 Carrying value is based on 100.0% (2021: 100.0%) interest in Blue & William.
7 Carrying value is based on 100.0% (2021: 100.0%) interest in T Tower. Keppel REIT owns approximately 99.4% (2021: 99.4%) interest in T Tower.
8 Carrying value is based on 100.0% (2021: nil) interest in KR Ginza II. Keppel REIT owns approximately 98.5% (2021: nil) interest in KR Ginza II. KR Ginza II was acquired on 30 November 2022.
9 Comprises 50.0% (2021: 50.0%) interest in 8 Chifley Square, held through Mirvac 8 Chifley Trust.
10 Comprises 50.0% (2021: 50.0%) interest in David Malcolm Justice Centre, held through Mirvac (Old Treasury) Trust.
11 Comprises one-third (2021: one-third) interest in One Raffles Quay, held through One Raffles Quay Pte Ltd.
12 Comprise one-third (2021: one-third) interest in Marina Bay Financial Centre Towers 1 & 2 and Marina Bay Link Mall, held through BFC Development LLP.
13 Comprises one-third (2021: one-third) interest in Marina Bay Financial Centre Tower 3, held through Central Boulevard Development Pte. Ltd..

The accompanying notes form an integral part of these financial statements.

Portfolio Statement

As at 31 December 2022

The carrying values of the Group's investment properties as at 31 December 2022 and 31 December 2021 are based on valuations undertaken by various independent valuers. The independent valuers have appropriate professional qualifications and experience in the location and asset class of the properties being valued. The following valuations are determined based on the capitalisation approach, discounted cash flows analysis and direct comparison method, and assessed in accordance with the Group's respective interests in the properties.

FY2022

Property	Independent valuer	Date of valuation	Valuation $'000
Investment properties in Singapore:			
Ocean Financial Centre	Colliers International Consultancy & Valuation (Singapore) Pte Ltd	31 December 2022	**2,140,521**[1]
Keppel Bay Tower	Colliers International Consultancy & Valuation (Singapore) Pte Ltd	31 December 2022	**710,000**
Investment properties in Australia:			
8 Exhibition Street, comprising 50% interest in the office building and 100% interest in the three adjacent retail units	m3property Australia Pty Ltd	31 December 2022	**280,233**
Victoria Police Centre	m3property Australia Pty Ltd	31 December 2022	**395,471**
Pinnacle Office Park	Cushman & Wakefield (Valuations) Pty Ltd	31 December 2022	**280,509**
Blue & William	CIVAS (NSW) Pty Limited	31 December 2022	**211,531**[2]
Investment property in South Korea:			
T Tower	Kyungil Appraisal Co Ltd	31 December 2022	**286,364**[3]
Investment property in Japan:			
KR Ginza II	JLL Morii Valuation & Advisory K.K.	31 December 2022	**88,255**[4]
Investment properties held by associates:			
One Raffles Quay	Savills Valuation and Professional Services (S) Pte Ltd	31 December 2022	**1,282,000**
Marina Bay Financial Centre Towers 1 & 2 and Marina Bay Link Mall	CBRE Pte. Ltd.	31 December 2022	**1,757,000**
Marina Bay Financial Centre Tower 3	CBRE Pte. Ltd.	31 December 2022	**1,310,000**
Investment properties held by joint ventures:			
8 Chifley Square	CIVAS (NSW) Pty Limited	31 December 2022	**209,232**
David Malcolm Justice Centre	Cushman & Wakefield (Valuations) Pty Ltd	31 December 2022	**221,648**
			9,172,764

The accompanying notes form an integral part of these financial statements.

FY2021

Property	Independent valuer	Date of valuation	Valuation $'000
Investment properties in Singapore:			
Ocean Financial Centre	Colliers International Consultancy & Valuation (Singapore) Pte Ltd	31 December 2021	2,066,214[1]
Keppel Bay Tower	Cushman & Wakefield VHS Pte Ltd	31 December 2021	674,700[5]
Investment properties in Australia:			
8 Exhibition Street, comprising 50% interest in the office building and 100% interest in the three adjacent retail units	m3property Australia Pty Ltd	31 December 2021	286,893
Victoria Police Centre	CIVAS (VIC) Pty Limited	31 December 2021	394,673
Pinnacle Office Park	CBRE Valuations Pty Limited	31 December 2021	302,095
Blue & William	CIVAS (NSW) Pty Limited	31 December 2021	162,547[2]
Investment property in South Korea:			
T Tower	Kyungil Appraisal Co Ltd	31 December 2021	313,077[3]
Investment properties held by associates:			
One Raffles Quay	Colliers International Consultancy & Valuation (Singapore) Pte Ltd	31 December 2021	1,250,000
Marina Bay Financial Centre Towers 1 & 2 and Marina Bay Link Mall	Colliers International Consultancy & Valuation (Singapore) Pte Ltd	31 December 2021	1,683,300
Marina Bay Financial Centre Tower 3	Savills Valuation and Professional Services (S) Pte Ltd	31 December 2021	1,265,300
Investment properties held by joint ventures:			
8 Chifley Square	Cushman & Wakefield (Valuations) Pty Ltd	31 December 2021	228,520
David Malcolm Justice Centre	Cushman & Wakefield (Valuations) Pty Ltd	31 December 2021	231,444
			8,858,763

1 The carrying value based on 100.0% interest in Ocean Financial Centre is $2,679,000,000 (2021: $2,586,000,000).
2 The valuation of the property is derived on an "as is" basis. The carrying value excluding rental support is $194,057,000 (2021: $150,073,000).
3 The carrying value based on 100.0% interest in T Tower is $288,149,000 (2021: $315,029,000).
4 The carrying value based on 100.0% interest in KR Ginza II is $89,626,000 (2021: nil).
5 The carrying value excluding rental support was $672,600,000 as at 31 December 2021.

The investment properties comprise commercial properties that are mainly leased to third party tenants. Generally, these leases contain an initial non-cancellable period of between 1 and 30 years. Subsequent renewals are negotiated with individual lessees.

The accompanying notes form an integral part of these financial statements.

Statements of Movements in Unitholders' Funds

For the financial year ended 31 December 2022

Group	Units in issue $'000	Foreign currency translation reserve $'000	Hedging reserve $'000	Accumulated profits $'000	Other reserves $'000	Unitholders' funds $'000	Perpetual securities $'000	Non-controlling interests $'000	Total $'000
	Attributable to Unitholders								
At 1 January 2022	3,890,819	(80,899)	(6,260)	1,048,269	14,259	4,866,188	302,023	421,773	5,589,984
Operations									
Profit attributable to Unitholders and non-controlling interests	–	–	–	405,387	–	405,387	–	33,566	438,953
Net increase in net assets resulting from operations	–	–	–	405,387	–	405,387	–	33,566	438,953
Unitholders' transactions									
Creation of Units									
- Payment of management fees in Units	52,362	–	–	–	–	52,362	–	–	52,362
Distribution to Unitholders	–	–	–	(216,968)	–	(216,968)	–	–	(216,968)
Net increase/(decrease) in net assets resulting from Unitholders' transactions	52,362	–	–	(216,968)	–	(164,606)	–	–	(164,606)
Perpetual securities									
Profit attributable to perpetual securities holders	–	–	–	–	–	–	9,450	–	9,450
Distribution to perpetual securities holders	–	–	–	–	–	–	(9,450)	–	(9,450)
Net movement in net assets resulting from perpetual securities holders' transactions	–	–	–	–	–	–	–	–	–
Net movement in foreign currency translation reserve	–	(63,052)	–	–	–	(63,052)	–	(107)	(63,159)
Net change in fair value of cash flow hedges	–	–	51,790	–	–	51,790	–	3,385	55,175
Share of net change in fair value of cash flow hedges of associates	–	–	26,674	–	–	26,674	–	–	26,674
Distribution to non-controlling interests	–	–	–	–	–	–	–	(15,086)	(15,086)
Redemption of convertible bonds	–	–	–	4,620	(8,085)	(3,465)	–	–	(3,465)
Capital contribution from non-controlling interest	–	–	–	–	–	–	–	834	834
At 31 December 2022	3,943,181	(143,951)	72,204	1,241,308	6,174	5,118,916	302,023	444,365	5,865,304

The accompanying notes form an integral part of these financial statements.

Group	Units in issue $'000	Foreign currency translation reserve $'000	Hedging reserve $'000	Accumulated profits $'000	Other reserves $'000	Unitholders' funds $'000	Perpetual securities $'000	Non-controlling interests $'000	Total $'000
	Attributable to Unitholders								
At 1 January 2021	3,570,515	(58,853)	(49,664)	1,022,093	14,259	4,498,350	302,056	419,727	5,220,133
Operations									
Profit attributable to Unitholders and non-controlling interests	–	–	–	231,738	–	231,738	–	14,688	246,426
Net increase in net assets resulting from operations	–	–	–	231,738	–	231,738	–	14,688	246,426
Unitholders' transactions									
Creation of Units									
- Payment of management fees in Units	48,561	–	–	–	–	48,561	–	–	48,561
- Payment of acquisition fee in Units	6,540	–	–	–	–	6,540	–	–	6,540
- Issue of Units for private placement	270,001	–	–	–	–	270,001	–	–	270,001
Issue expenses for private placement	(4,798)	–	–	–	–	(4,798)	–	–	(4,798)
Distribution to Unitholders	–	–	–	(205,562)	–	(205,562)	–	–	(205,562)
Net increase/(decrease) in net assets resulting from Unitholders' transactions	320,304	–	–	(205,562)	–	114,742	–	–	114,742
Perpetual securities									
Profit attributable to perpetual securities holders	–	–	–	–	–	–	9,430	–	9,430
Distribution to perpetual securities holders	–	–	–	–	–	–	(9,450)	–	(9,450)
Issue expenses for perpetual securities	–	–	–	–	–	–	(13)	–	(13)
Net movement in net assets resulting from perpetual securities holders' transactions	–	–	–	–	–	–	(33)	–	(33)
Net movement in foreign currency translation reserve	–	(22,046)	–	–	–	(22,046)	–	(52)	(22,098)
Net change in fair value of cash flow hedges	–	–	30,018	–	–	30,018	–	2,153	32,171
Share of net change in fair value of cash flow hedges of associates	–	–	13,386	–	–	13,386	–	–	13,386
Distribution to non-controlling interests	–	–	–	–	–	–	–	(14,743)	(14,743)
At 31 December 2021	3,890,819	(80,899)	(6,260)	1,048,269	14,259	4,866,188	302,023	421,773	5,589,984

The accompanying notes form an integral part of these financial statements.

Statements of Movements in Unitholders' Funds

For the financial year ended 31 December 2022

Trust	Units in issue $'000	Hedging reserve $'000	Accumulated profits $'000	Other reserves $'000	Unitholders' funds $'000	Perpetual securities $'000	Total $'000
	Attributable to Unitholders						
At 1 January 2022	3,890,819	836	159,906	11,037	4,062,598	302,023	4,364,621
Operations							
Profit attributable to Unitholders	–	–	104,877	–	104,877	–	104,877
Net increase in net assets resulting from operations	–	–	104,877	–	104,877	–	104,877
Unitholders' transactions							
Creation of Units							
- Payment of management fees in Units	52,362	–	–	–	52,362	–	52,362
Distribution to Unitholders	–	–	(216,968)	–	(216,968)	–	(216,968)
Net increase/(decrease) in net assets resulting from Unitholders' transactions	52,362	–	(216,968)	–	(164,606)	–	(164,606)
Perpetual securities							
Profit attributable to perpetual securities holders	–	–	–	–	–	9,450	9,450
Distribution to perpetual securities holders	–	–	–	–	–	(9,450)	(9,450)
Net movement in net assets resulting from perpetual securities holders' transactions	–	–	–	–	–	–	–
Net change in fair value of cash flow hedges	–	38,539	–	–	38,539	–	38,539
Redemption of convertible bonds	–	–	4,620	(8,085)	(3,465)	–	(3,465)
At 31 December 2022	3,943,181	39,375	52,435	2,952	4,037,943	302,023	4,339,966

The accompanying notes form an integral part of these financial statements.

Trust	Units in issue $'000	Hedging reserve $'000	Accumulated profits $'000	Other reserves $'000	Unitholders' funds $'000	Perpetual securities $'000	Total $'000
	Attributable to Unitholders						
At 1 January 2021	3,570,515	(20,343)	151,716	11,037	3,712,925	302,056	4,014,981
Operations							
Profit attributable to Unitholders	–	–	213,752	–	213,752	–	213,752
Net increase in net assets resulting from operations	–	–	213,752	–	213,752	–	213,752
Unitholders' transactions							
Creation of Units							
- Payment of management fees in Units	48,561	–	–	–	48,561	–	48,561
- Payment of acquisition fee in Units	6,540	–	–	–	6,540	–	6,540
- Issue of Units for private placement	270,001	–	–	–	270,001	–	270,001
Issue expenses for private placement	(4,798)	–	–	–	(4,798)	–	(4,798)
Distribution to Unitholders	–	–	(205,562)	–	(205,562)	–	(205,562)
Net increase/(decrease) in net assets resulting from Unitholders' transactions	320,304	–	(205,562)	–	114,742	–	114,742
Perpetual securities							
Profit attributable to perpetual securities holders	–	–	–	–	–	9,430	9,430
Distribution to perpetual securities holders	–	–	–	–	–	(9,450)	(9,450)
Issue expenses for perpetual securities	–	–	–	–	–	(13)	(13)
Net movement in net assets resulting from perpetual securities holders' transactions	–	–	–	–	–	(33)	(33)
Net change in fair value of cash flow hedges	–	21,179	–	–	21,179	–	21,179
At 31 December 2021	3,890,819	836	159,906	11,037	4,062,598	302,023	4,364,621

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2022

	Group	
	2022 $'000	2021 $'000
Operating activities		
Profit before tax	**450,448**	278,856
Adjustments for:		
Interest income	**(25,264)**	(15,603)
Share of results of associates	**(77,787)**	(89,039)
Share of results of joint ventures	**(22,907)**	(29,556)
Borrowing costs	**57,736**	51,472
Management fees paid and payable in Units	**52,676**	50,682
Net change in fair value of financial assets at fair value through profit or loss	**(3,510)**	2,862
Net change in fair value of derivative financial instruments	**(5,506)**	(325)
Costs incurred on divestment of investment property	**–**	2,600
Net change in fair value of investment properties	**(261,458)**	(87,240)
Depreciation	**32**	20
Rental support	**(1,688)**	(2,672)
Unrealised currency translation differences	**4,628**	(2,523)
Operating cash flows before changes in working capital	**167,400**	159,534
Decrease/(increase) in receivables	**112**	(30,239)
(Decrease)/increase in payables	**(1,822)**	8,977
Increase in security deposits	**1,893**	1,652
Cash flows from operations	**167,583**	139,924
Income taxes paid	**(5,349)**	(26,252)
Net cash flows provided by operating activities	**162,234**	113,672
Investing activities		
Net cash outflow on acquisition of a subsidiary	**–**	(599,046)
Acquisition of investment property (Note A)	**(94,912)**	(168,280)
Transaction and other related costs incurred on acquisition of investment properties, net of manager's acquisition fee paid in Units	**(1,659)**	(15,173)
Progress payments on investment property under development, net of coupon received (Note B)	**(60,401)**	–
Subsequent expenditure on investment properties	**(10,611)**	(5,119)
Proceeds from divestment of investment property, net of transaction and other related costs	**–**	271,297
Purchase of fixed assets	**(16)**	–
Interest received	**25,011**	15,623
Rental support received	**1,688**	2,672
Investment in a joint venture	**(4,956)**	(1,198)
Dividend and distribution income received from associates	**76,742**	88,082
Distribution income received from joint ventures	**23,067**	30,240
Advance to an associate	**(332)**	(2,230)
Net cash flows used in investing activities	**(46,379)**	(383,132)

The accompanying notes form an integral part of these financial statements.

	Group	
	2022 $'000	2021 $'000
Financing activities		
Loans drawdown	802,281	1,499,890
Repayment of loans	(419,190)	(1,333,568)
Redemption of convertible bonds	(146,500)	–
Repayment of medium term notes	(50,000)	–
Proceeds from private placement of Units	–	270,001
Proceeds from issuance of medium term notes	–	150,000
Payment of financing expenses/upfront debt arrangement costs	(2,637)	(1,244)
Issue expenses for private placement of Units	–	(4,798)
Issue expenses for perpetual securities	–	(13)
Issue expenses for medium term notes	–	(337)
Distribution to non-controlling interests	(15,086)	(14,743)
Distribution to Unitholders	(216,968)	(205,562)
Distribution to perpetual securities holders	(9,450)	(9,450)
Interest paid	(53,866)	(46,824)
Net cash flows (used in)/provided by financing activities	(111,416)	303,352
Net increase in cash and cash equivalents	4,439	33,892
Cash and cash equivalents at beginning of the year	176,232	143,961
Effect of exchange rate changes on cash and cash equivalents	(5,708)	(1,621)
Cash and cash equivalents at end of the year (Note 11)	174,963	176,232
Cash and bank balances	186,433	189,299
Less: Restricted cash and bank balances (Note C)	(11,470)	(13,067)
Cash and cash equivalents per Consolidated Statement of Cash Flows	174,963	176,232

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2022

Reconciliation of liabilities arising from financing activities

	2022			2021		
	Borrowings $'000	**Convertible bonds $'000**	**Total $'000**	Borrowings $'000	Convertible bonds $'000	Total $'000
Group						
As at 1 January	**2,532,954**	**193,853**	**2,726,807**	2,183,885	191,259	2,375,144
Acquisition of a subsidiary	**–**	**–**	**–**	44,700	–	44,700
Net principal drawn and financing expenses/ upfront debt arrangement costs	**381,664**	**–**	**381,664**	165,078	–	165,078
Proceeds from issuance of medium term notes, net of issue expenses	**–**	**–**	**–**	149,663	–	149,663
Repayment of medium term notes	**(50,000)**	**–**	**(50,000)**	–	–	–
Redemption of convertible bonds	**–**	**(146,500)**	**(146,500)**	–	–	–
Difference between principal redeemed and carrying value of liability component on redemption of convertible bonds	**–**	**3,383**	**3,383**	–	–	–
Non-cash changes						
Amortisation of capitalised transaction costs	**1,483**	**785**	**2,268**	1,550	407	1,957
Interest accretion	**–**	**1,046**	**1,046**	–	2,187	2,187
Foreign exchange movement	**(66,788)**	**–**	**(66,788)**	(11,922)	–	(11,922)
As at 31 December	**2,799,313**	**52,567**	**2,851,880**	2,532,954	193,853	2,726,807

Note A – Acquisition of investment property

On 30 November 2022, the Group acquired an effective interest of approximately 98.5% in KR Ginza II (formerly known as Ginza 2-chome), a freehold boutique office building in Tokyo, Japan. The remaining 1.5% interest in the property is held by Keppel Capital Japan Limited.

The purchase consideration includes:

	2022 $'000
Investment property (Note 3)	**95,746**
Less: Non-controlling interest	**(834)**
Total purchase consideration	**94,912**

The accompanying notes form an integral part of these financial statements.

Note B – Progress payments on investment property under development, net of coupon received

During the development period of Blue & William, the developer will provide a coupon of 4.5% per annum on cumulative progress payments made. During the financial year ended 31 December 2022, coupon received of $6,754,000 was offset against progress payments made.

Note C – Restricted cash and bank balances

This relates to tenant security deposits held in designated accounts for T Tower and cash reserves maintained for KR Ginza II which is a requirement of the bank.

As at 31 December 2021, this pertained to tenant security deposits for T Tower and rental support received in advance from the vendor of Keppel Bay Tower held in designated accounts.

Note D – Significant non-cash transactions

The following were the significant non-cash transactions:

(i) 46,804,424 (2021: 43,186,075) Units were issued as payment of management fees to the Manager, amounting to $52,362,000 (2021: $48,561,000).

(ii) During the financial year ended 31 December 2021, 5,468,684 Units were issued as payment of acquisition fee to the Manager in relation to the acquisition of Keppel Bay Tower, amounting to $6,450,000.

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements
For the financial year ended 31 December 2022

These notes form an integral part of the financial statements.

The financial statements of Keppel REIT (the "Trust") and its subsidiaries (the "Group") for the financial year ended 31 December 2022 were authorised for issue by the Manager on 22 February 2023.

1. General

Keppel REIT is a Singapore-domiciled real estate investment trust constituted by the Trust Deed dated 28 November 2005 (as amended) (the "Trust Deed") between Keppel REIT Management Limited (the "Manager") and the trustee. On 30 September 2022, RBC Investor Services Trust Singapore Limited retired as the trustee and HSBC Institutional Trust Services (Singapore) Limited was appointed the replacement trustee (the "Trustee"). 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 Trust and its subsidiaries 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 10 Marina Boulevard, #48-01 Marina Bay Financial Centre Tower 2, Singapore 018983.

The Trust was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 28 April 2006 and was included in the Central Provident Fund Investment Scheme on 28 April 2006. The principal activity of the Trust is to invest in a portfolio of quality real estate and real estate-related assets which are predominantly used for commercial purposes in Singapore and Asia with the primary objective of generating stable returns to its Unitholders and achieving long-term capital growth. The principal activities of its subsidiaries, associates and joint ventures are set out in Notes 4, 5 and 6 respectively.

The Trust has entered into several service agreements in relation to the management of the Trust and its property operations. The fee structures of these services are as follows:

(a) Property management fees
Under the property management agreements for property management services rendered by Keppel REIT Property Management Pte. Ltd. (the "Property Manager"), the Trustee will pay the Property Manager property management fees at the following rates:

Ocean Properties LLP
3.0% per annum of the property income.

The Property Manager is also entitled to receive leasing commission of up to one month's Gross Rent (base rental income and tenant service charge) or licence fee, as applicable, for securing a tenancy or licence depending on the length of the new or renewed tenancy.

The property management fees are payable monthly in arrears.

Keppel Bay Tower LLP
$55,000 per month; or 3.0% of the month's net property income, whichever is higher.

The Property Manager is also entitled to receive leasing commission of up to two months' Gross Rent (base rental income and tenant service charge) or licence fee, as applicable, for securing a tenancy or licence depending on the length of the new or renewed tenancy.

The property management fees are payable monthly in arrears.

(b) Manager's management fees
Pursuant to the Trust Deed, the Manager is entitled to the following management fees:

(i) a base fee of 0.5% per annum of the value of all the assets for the time being of the Trust or deemed to be held upon the Trust constituted under the Trust Deed ("Deposited Property"); and
(ii) an annual performance fee of 3.0% per annum of the Net Property Income (as defined in the Trust Deed) of the Trust and any Special Purpose Vehicles (as defined in the Trust Deed) after deducting all applicable taxes payable.

The management fees will be paid in the form of cash and/or Units (as the Manager may elect). The management fees payable in Units will be 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 10 Business Days (as defined in the Trust Deed) immediately preceding the relevant Business Day.

The base fee component of the Manager's management fees is payable quarterly in arrears. This is presented net of management fees paid to external asset and investment managers. The performance fee component of the Manager's management fees will be paid on an annual basis in arrears, subsequent to the applicable financial year.

The Manager is also entitled to receive an acquisition fee at the rate of 1.0% of acquisition price and a divestment fee of 0.5% of sale price on all acquisitions or disposals of properties respectively.

(c) Trustee's fees
Under the Trust Deed, the maximum fee payable to the Trustee is 0.03% per annum of the value of the Deposited Property and shall be payable quarterly in arrears.

2. Summary of significant accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)"), the applicable requirements of the Code on Collective Investment Schemes ("CIS Code") issued by the Monetary Authority of Singapore ("MAS") and the provisions of the Trust Deed.

The MAS granted Keppel REIT 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 the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" ("RAP 7") issued by the Institute of Singapore Chartered Accountants. RAP 7 requires the accounting policies to generally comply with the principles relating to recognition and measurement under the Singapore Financial Reporting Standards.

The financial statements, which are expressed in Singapore dollar ("SGD" or "$") and rounded to the nearest thousand ($'000), unless otherwise stated, are prepared on the historical cost basis, except as disclosed in the accounting policies below.

(b) Changes in accounting policies

The accounting policies adopted in the financial statements are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards that are effective for annual periods beginning on 1 January 2022.

(c) Interest rate benchmark reform – Phase 2

The Group had adopted the amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7 and SFRS(I) 16 Interest Rate Benchmark Reform – Phase 2 amendments (collectively the "Phase 2 amendments"), that were effective from 1 January 2021. In accordance with the transition provisions, the amendments shall be applied retrospectively to hedging relationships and financial instruments. Comparative amounts have not been restated, and there was no impact on the opening reserves on adoption.

Hedge relationships

The Phase 2 amendments address issues arising during the interest rate benchmark reform ("IBOR reform"), including specifying when hedge designations and documentation should be updated, and when amounts accumulated in cash flow hedge reserve should be recognised in profit or loss.

Financial instruments measured at amortised cost

The Phase 2 amendments require that, for financial instruments measured at amortised cost, changes to the basis for determining the contractual cash flows required by the IBOR reform are reflected by adjusting their effective interest rate. No immediate gain or loss is recognised.

These expedients are only applicable to changes that are required by the IBOR reform, which is the case if, and only if, the change is necessary as a direct consequence of the IBOR reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the change.

For the year ended 31 December 2022, the Group has applied the practical expedients provided under the Phase 2 amendments to gross borrowings of $569,750,000 and interest rate swaps of $279,750,000 which transitioned from the Singapore Swap Offer Rate ("SOR") to the Singapore Overnight Rate Average ("SORA").

Effect of IBOR reform

The Group's exposure that is directly affected by the IBOR reform predominantly relates to its variable rate borrowings that are referenced to the SOR. A significant portion of these borrowings are hedged using interest rate swaps, which have been designated as cash flow hedges.

The SOR will cease publication after 30 June 2023, and it will be replaced by the SORA. The financial instruments of the Group and Trust that are affected by the IBOR reform comprise SOR-referenced instruments, with maturity dates falling after 30 June 2023. The following table provides details of affected financial instruments of the Group and Trust, which have not transitioned to the SORA as at 31 December 2022.

	Group $'000	Trust $'000
31 December 2022		
Liabilities		
- Borrowings	(164,000)	(164,000)

The Group's communication with its counterparties is ongoing for these affected financial instruments and has continued to apply temporary reliefs provided previously for hedge accounting on cash flow hedges relating to risk arising from the IBOR reform.

2. Summary of significant accounting policies (continued)

(d) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Trust and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date and use accounting policies consistent with the Trust.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases. Losses within a subsidiary are attributed to the non-controlling interests even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- derecognises the carrying amount of any non-controlling interest;
- derecognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in the Consolidated Statement of Profit or Loss; and
- re-classifies the Group's share of components previously recognised in other comprehensive income to the Consolidated Statement of Profit or Loss or accumulated profits, as appropriate.

(e) Transactions with non-controlling interests

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to Unitholders of the Trust, and are presented separately in the Consolidated Statement of Profit or Loss and within equity in the consolidated Balance Sheet, separately from equity attributable to the Unitholders of the Trust.

Changes in the Trust's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to Unitholders of the Trust.

(f) Functional and foreign currency

(i) Functional currency

The Manager has determined the currency of the primary economic environment in which the Trust operates, i.e. functional currency, to be Singapore dollar. The financial statements are presented in Singapore dollar.

(ii) Foreign currency transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Trust and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in the Consolidated Statement of Profit or Loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised under foreign currency translation reserve in Unitholders' funds. The foreign currency translation reserve is reclassified from Unitholders' funds to the Consolidated Statement of Profit or Loss on disposal of the foreign operation.

(iii) Consolidated financial statements

For consolidation purposes, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profits are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised under foreign currency translation reserve in Unitholders' funds. On disposal of a foreign operation, the foreign currency translation reserve relating to that particular foreign operation is recognised in the Consolidated Statement of Profit or Loss.

(g) Investment properties

Investment properties are properties that are owned by the Group in order to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or in the ordinary course of business. Investment properties comprise completed investment properties and properties that are being constructed or developed for future use as investment properties.

Investment properties are initially recorded at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met. The cost of investment property under development includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for its intended use, and capitalised borrowing costs.

Subsequent to initial recognition, investment properties are measured at fair value. Gains or losses arising from changes in the fair values of investment properties are included in the Consolidated Statement of Profit or Loss in the year in which they arise.

Investment properties are derecognised when either they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognised in the Consolidated Statement of Profit or Loss in the year of retirement or disposal.

(h) Fixed assets

Fixed assets are initially recorded at cost and subsequently measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of fixed asset initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Included within fixed assets are artwork and sculpture that are considered inexhaustible, in that their values do not diminish over time. These artwork and sculpture are not depreciated but their carrying values are reviewed for impairment at the level of the respective cash-generating units to which they relate when events or changes in circumstances indicate that the carrying values may not be recoverable.

All other fixed assets are depreciated on a straight-line basis over their estimated useful lives as follows:

Computer	3 years
Machinery and equipment	5 years

The carrying values of fixed assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The estimated useful lives, residual values and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of fixed assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

(i) Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Trust's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

(j) Joint arrangements

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement.

To the extent the joint arrangement provides the Group with rights to the assets and obligations for the liabilities relating to the arrangement, the arrangement is a joint operation. To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the arrangement is a joint venture.

The Group recognises its interest in a joint venture as an investment and accounts for the investment using the equity method. The accounting policy for investment in joint venture is set out in Note 2(k).

2. Summary of significant accounting policies (continued)

(k) Associates and joint ventures

An associate is an entity over which the Group has significant influence, but not control over the financial and operating policy decisions of the investee.

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.

The Group accounts for its investments in associates and joint ventures using the equity method less impairment losses, if any, from the date on which the investment becomes an associate or joint venture.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate's or joint venture's profit or loss in the period in which the investment is acquired.

Under the equity method, the investments in associates or joint ventures are carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates or joint ventures. The profit or loss reflects the share of results of the operations of the associates or joint ventures. Distributions or dividends received from associates or joint ventures reduce the carrying amounts of the investments. Where there has been a change recognised in other comprehensive income by the associates or joint ventures, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and associates or joint ventures are eliminated to the extent of the interest in the associates or joint ventures.

When the Group's share of losses in an associate or joint venture equals or exceeds its interest in the associate or joint venture, the Group does not recognise further losses, unless it has incurred legal and constructive obligations to make or has made payments on behalf of the associate or joint venture.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investments in associates or joint ventures. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate or joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognises the amount in profit or loss.

The financial statements of the associates and joint ventures are prepared for the same reporting date as the Trust. Property held for sale is stated at the lower of cost and net realisable value. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group, and adjustments are made for the effects of significant transactions or events that occur between that date and the reporting date of the Trust.

(l) Impairment of non-financial assets

The Group assesses at each reporting date whether there is any indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. If that is the case, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in profit or loss, except for assets that were previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment losses are also recognised in other comprehensive income up to the amount of any previous revaluation.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

(m) Financial instruments

Financial assets

(i) Classification and measurement

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through profit or loss

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset. The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

(ii) At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(iii) At subsequent measurement

Debt instruments mainly comprise cash and cash equivalents, advances to associates, trade and other receivables and derivative financial instruments. Depending on the Group's business model for managing the asset and the cash flow characteristics of the asset, the Group uses the following measurement categories:

- Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

- Fair value through profit or loss: Debt instruments that do not meet the criteria for classification as amortised cost or fair value through other comprehensive income are classified as fair value through profit or loss. Movement in fair values is recognised in profit or loss in the period which it arises.

(iv) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

(v) Rental support

Rental support provided by the vendor or developer of an investment property is recognised as a financial asset when the Group becomes a party to the contractual provisions of the support arrangement, and classified as a financial asset at fair value through profit or loss in the balance sheet.

Financial liabilities

(i) Recognition and derecognition

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(ii) Initial and subsequent measurement

All financial liabilities are recognised initially at fair value plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

2. Summary of significant accounting policies (continued)

(n) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 29(a) details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(o) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, and demand deposits, and exclude amounts which are restricted for use.

(p) Unit capital, perpetual securities and issue expenses

Proceeds from issuance of Units are recognised as units in issue in Unitholders' funds and incidental costs directly attributable to the issuance are deducted against Unitholders' funds.

Proceeds from issuance of perpetual securities are recognised in equity and incidental costs directly attributable to the issuance of perpetual securities are deducted against the proceeds from the issue. Upon redemption of perpetual securities, the incidental costs directly attributable to its issuance are reclassified to accumulated profits.

(q) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(r) 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 conveys 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.

- *Short-term and low value leases*
  The Group has elected not to 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. 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

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases. The accounting policy for rental income is set out in Note 2(t)(i).

(s) Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

(i) Borrowings

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transactions costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

(ii) **Convertible bonds**
The total proceeds from convertible bonds issued are allocated to the liability component and the equity component, which are separately presented on the balance sheet.

The liability component is recognised initially at its fair value, determined using a market interest rate for non-convertible bonds. It is subsequently carried at amortised cost using the effective interest method until the liability is extinguished on conversion or redemption of the bonds.

The difference between the total proceeds and the liability component is allocated to the conversion option (equity component), which is presented in equity net of any deferred tax effect. The carrying amount of the conversion option is not adjusted in subsequent periods. When the conversion option is exercised, its carrying amount is transferred to units in issue. When the conversion option lapses, its carrying amount is transferred to accumulated profits.

(t) 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 and excluding taxes or duty.

(i) **Rental income**
Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms. The aggregate cost of incentives provided to lessees is recognised as a reduction of rental income over the lease term on a straight-line basis.

(ii) **Interest income**
Interest income is recognised using the effective interest method.

(iii) **Rental support, dividend income and distribution income**
Rental support, dividend income and distribution income are recognised when the Group's right to receive payment is established.

(u) Expenses

(i) **Trust expenses**
Trust expenses are recognised on an accrual basis.

(ii) **Property expenses**
Property expenses are recognised on an accrual basis. Included in property expenses are property management fees which are based on the applicable formula stipulated in Note 1(a).

(iii) **Manager's management fees**
Manager's management fees are recognised on an accrual basis based on the applicable formula stipulated in Note 1(b).

(v) Borrowing costs
Borrowing costs are recognised in the Consolidated Statement of Profit or Loss using the effective interest method except for those costs that are directly attributable to the development of investment properties. These include costs on borrowings acquired specifically for the development of investment properties.

The actual borrowing costs incurred during the period up to the issuance of the temporary occupation permit or practical completion of the investment property under development less any investment income on temporary investment of these borrowings, are capitalised in the cost of the investment property under development.

(w) Taxation

(i) **Current income tax**
Current income tax is the expected tax payable on the taxable income for the year, using tax rates and tax laws enacted or substantively enacted at the reporting date.

Current income tax is recognised as an expense or income in profit or loss, except when it relates to items credited or debited directly to equity, in which case the tax is also recognised directly in equity, or where it arises from the initial accounting for a business combination.

(ii) **Deferred tax**
Deferred tax is provided, using the liability method, on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which those assets and liabilities are expected to be realised or settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

2. Summary of significant accounting policies (continued)

(w) Taxation (continued)

(ii) Deferred tax (continued)

Deferred tax is measured based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

Deferred tax is recognised as an expense or income in profit or loss, except when it relates to items credited or debited directly to equity, in which case the tax is also recognised directly in equity, or where it arises from the initial accounting for a business combination.

(iii) 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 include 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.

In the event that there are subsequent adjustments to the taxable income when the actual taxable income of the Trust is finally agreed with the IRAS, such adjustments are taken up as adjustments to the amount to be distributed for the next distribution following the agreement with the IRAS.

Subject to the terms and conditions of the Tax Transparency Ruling, the Trust will not be taxed on Specified Taxable Income distributed to the Unitholders in the year in which the income was derived. Instead, the Trust 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 (as defined herein), distributions will be made to such Unitholder without deducting any income tax;

b) where the beneficial owner is a Qualifying Non-Resident Non-Individual Unitholder (as defined herein), income tax will be deducted at a reduced rate of 10% from the distributions made up to 31 December 2025, unless otherwise extended; and

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 2022 to 31 December 2025, unless otherwise extended.

A Qualifying Unitholder is a Unitholder who is:

a) an individual and who hold Units either in their own name or jointly with other individuals;

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 statutory board;
- a co-operative society registered under the Co-operative Societies Act 1979;
- a trade union registered under the Trade Unions Act 1940;
- a charity registered under the Charities Act 1994 or established by any written law; or
- a town council;

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) real estate investment trust exchange-traded funds which have been accorded the tax transparency treatment.

A Qualifying Non-Resident Non-Individual Unitholder is one who is not a resident in Singapore for Singapore income tax purposes and:

a) who does not have any permanent establishment in Singapore; or

b) who carries on any operation in Singapore through a permanent establishment in Singapore, where the funds used to acquire the Units are not obtained from that operation.

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 estate properties. Such gains, if they are considered as trading gains, are assessable to tax on the Trust. Where the gains are capital gains, the Trust will not be assessed to tax and may distribute the capital gains to Unitholders without having to deduct tax at source.

Any distributions made by the Trust to the Unitholders out of tax-exempt income and taxed income would be exempt from Singapore income tax in the hands of all Unitholders, regardless of their corporate or residence status.

(iv) Sales tax

Revenue, expenses and assets are recognised net of the amount of sales tax except:

a) Where the sales tax incurred on a purchase of asset or service is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

b) Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables on the Balance Sheets.

(x) Portfolio reporting

For management reporting purposes, the Group is organised into operating segments based on individual investment property within the Group's portfolio, and financial information is prepared on a property by property basis. The properties are independently managed by property managers who are responsible for the performance of the property under their charge. Discrete financial information is provided to the Board of Directors (the "Board") on a property by property basis. The Board regularly reviews this information in order to allocate resources to each property and to assess the property's performance.

(y) Derivative financial instruments and hedge accounting

Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at fair value. Derivative financial instruments are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Gains or losses arising from the changes in fair value of derivative financial instruments that do not qualify for hedge accounting are taken to profit or loss and presented in "net change in fair value of derivative financial instruments".

The Group applies hedge accounting for certain qualifying hedging transactions. For the purpose of hedge accounting, hedges are classified as:

- fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment (except for foreign currency risk);

- cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment; or

- hedges of a net investment in a foreign operation.

At the inception of a hedging relationship, the Group formally designates and documents the hedging relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the Group will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

2. Summary of significant accounting policies (continued)

(y) Derivative financial instruments and hedge accounting (continued)

The following hedges in place as at 31 December 2022 qualified respectively as cash flow and net investment hedges under SFRS(I) 9. The Group's management strategies and hedge documentation are aligned with the requirements of SFRS(I) 9 and are thus treated as continuing hedges.

(i) Cash flow hedges
The effective portion of the gain or loss on the hedging instrument is recognised directly in hedging reserve in Unitholders' funds, while any ineffective portion is recognised immediately in profit or loss.

Amounts recognised in hedging reserve in Unitholders' funds are transferred to profit or loss when the hedge transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs.

If the forecast transaction or firm commitment is no longer expected to occur, the cumulative gain or loss previously recognised in hedging reserve in Unitholders' funds is transferred to profit or loss. If the hedging instrument has expired or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, any cumulative gain or loss previously recognised in hedging reserve in Unitholders' funds remains in Unitholders' funds until the forecast transaction or firm commitment affects profit or loss.

The Group uses interest rate swaps to hedge its exposure to interest rate risk for bank loans with floating interest rates. Details of the interest rate swaps are disclosed in Note 13.

The Group uses forward currency contracts to hedge foreign currency risk mainly arising from the cash flows of its investment properties in Australia, South Korea and Japan. Details of the forward currency contracts are disclosed in Note 13.

(ii) Net investment hedge
The Group has foreign currency denominated borrowings that qualify as net investment hedges of foreign operations. These hedging instruments are accounted for similarly to cash flow hedges. The currency translation differences on the borrowings relating to the effective portion of the hedge are recognised in other comprehensive income in the consolidated financial statements, accumulated in the currency translation reserve and reclassified to profit or loss as part of the gain or loss on disposal of the foreign operation. The currency translation differences relating to the ineffective portion of the hedge are recognised immediately in profit or loss.

(z) 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.

Government grants relating to assets are deducted against the carrying amount of the assets.

(aa) Significant accounting judgements and estimates
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. 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 on-going basis. Financial impact arising from revisions to accounting estimates is 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 are as follows:

Valuation of investment properties
Investment properties are stated at fair value, with changes in fair value recognised in profit or loss. The Group engaged independent professional valuers to determine the fair value of its investment properties as at the financial year-end.

The fair value of investment properties held by the Group and through its associates and joint ventures is determined by independent real estate valuation experts using approved valuation methodologies. In determining the fair value, the valuers have used valuation methods which involve judgements and estimates applicable to those assets. The Manager is satisfied that the valuation methods and estimates are reflective of current market conditions. Specific assumptions and estimates are disclosed in Note 31(d).

3. Investment properties

	Completed investment properties $'000	Investment property under development $'000	Total $'000
Group			
2022			
At 1 January	4,557,290	150,073	4,707,363
Acquisition of investment property	95,746	–	95,746
Transaction and other related costs capitalised on acquisition of investment property	1,659	–	1,659
Progress payments on investment property under development	–	67,155	67,155
Coupon receivable/received	–	(8,219)	(8,219)
Capitalised expenditure	5,787	4,824	10,611
Net change in fair value of investment properties (Note 25)	157,795	(10,114)	147,681
Translation differences	(95,289)	(9,662)	(104,951)
At 31 December	4,722,988	194,057	4,917,045
2021			
At 1 January	4,080,321	–	4,080,321
Acquisition of investment property under development	–	155,806	155,806
Acquisition of a subsidiary	654,000	–	654,000
Transaction and other related costs capitalised on acquisition of investment properties	8,819	12,894	21,713
Capitalised expenditure	4,970	149	5,119
Divestment of investment property	(271,304)	–	(271,304)
Net change in fair value of investment properties (Note 25)	99,787	(13,088)	86,699
Translation differences	(19,303)	(5,688)	(24,991)
At 31 December	4,557,290	150,073	4,707,363

Investment properties are stated at fair value based on valuations performed by independent valuers. In determining the fair value, the valuers have used the direct comparison method, capitalisation approach and discounted cash flows analysis which make reference to estimated market rental values and equivalent yields. The key assumptions used to determine the fair value of investment properties include, amongst others, market-corroborated capitalisation yields, discount rates and transacted prices of comparable properties. Details of valuation techniques and inputs used are disclosed in Note 31(d).

On 30 November 2022, Keppel REIT acquired an effective interest of approximately 98.5% in KR Ginza II, Tokyo, Japan through KR Ginza TMK for a consideration of approximately $94,912,000.

On 14 December 2021, Keppel REIT acquired a 100% interest in the land located at 2-4 Blue Street and 1-5 William Street, North Sydney, Australia, to be developed into a Grade A office building named "Blue & William". The total development consideration for the project is $322,244,000, including the consideration for the acquisition of land of $147,495,000.

On 30 June 2021, Keppel REIT entered into a contract of sale for the divestment of its 50% interest in 275 George Street, Brisbane, Australia. Consequently, the carrying value of the investment property was recorded at $271,295,000 being the sale consideration of $282,617,000, net of outstanding incentives, capital expenditures and related costs payable to the purchaser amounting to $11,322,000. A fair value gain on the investment property of $19,801,000 was recorded for the half year ended 30 June 2021. The divestment was completed on 30 July 2021, and costs incurred on the divestment of $2,600,000 were recorded for the year ended 31 December 2021.

On 18 May 2021, Keppel REIT acquired a 100% interest in Keppel Bay Tower, Singapore for a consideration of approximately $657,200,000, including financial asset at fair value through profit or loss of $3,200,000.

Included in capitalised expenditure for investment property under development are capitalised borrowing costs of $4,697,000 (2021: $149,000).

The Group has investment properties of an aggregate amount of $1,155,291,000 (2021: $1,083,700,000) that are secured for credit facilities granted (Note 14).

4. Investments in subsidiaries

	Trust 2022 $'000	Trust 2021 $'000
Unquoted equity, at cost	2,087,193	2,086,432

Name	Country of incorporation/ constitution	Principal activities	Effective equity interest 2022 %	Effective equity interest 2021 %
Held by the Trust				
Keppel REIT MTN Pte. Ltd.[1]	Singapore	Provision of treasury services	100.0	100.0
Keppel REIT (Australia) Pte. Ltd.[1]	Singapore	Investment holding	100.0	100.0
Keppel REIT Fin. Company Pte. Ltd.[1]	Singapore	Provision of treasury services	100.0	100.0
Ocean Properties LLP ("OPLLP") [1, 6]	Singapore	Property investment	~79.9	~79.9
Keppel REIT (Korea) Pte. Ltd.[1]	Singapore	Investment holding	100.0	100.0
Keppel REIT (Singapore) Pte. Ltd.[1]	Singapore	Investment holding	–	100.0
Keppel REIT (Singapore) Trust [1]	Singapore	Investment holding	100.0	100.0
Keppel REIT (Japan) Holdings Pte. Ltd. [5]	Singapore	Investment holding	100.0	–
Keppel REIT (Japan) Investments Pte. Ltd. [5]	Singapore	Investment holding	100.0	–
Held through the Trust and Keppel REIT (Japan) Investments Pte. Ltd.				
Keppel REIT (Singapore) Pte. Ltd.[1]	Singapore	Investment holding	100.0	–
Held through Keppel REIT (Australia) Pte. Ltd.				
Keppel REIT (S) Limited [2]	Bermuda	Investment holding	100.0	100.0
Keppel REIT (Australia) Trust [3]	Australia	Property investment	100.0	100.0
Keppel REIT (Australia) Sub-Trust 2 [3]	Australia	Investment holding	100.0	100.0
Keppel REIT (Australia) Sub-Trust 3 [3]	Australia	Investment holding	100.0	100.0
Keppel REIT (Australia) Sub-Trust 4 [3]	Australia	Property investment	100.0	100.0
Keppel REIT (Australia) Sub-Trust 5 [3]	Australia	Property investment	100.0	100.0
Keppel REIT (Australia) Sub-Trust 6 [3]	Australia	Property investment	100.0	100.0
Keppel REIT (Australia) Sub-Trust 7 [3]	Australia	Property investment	100.0	100.0

Name	Country of incorporation/ constitution	Principal activities	Effective equity interest 2022 %	2021 %
Held through Keppel REIT (Korea) Pte. Ltd.				
Keppel No.4 General Investors' Private Real Estate Investment Limited Liability Company ("K4 LLC") [4]	South Korea	Property investment	**~99.4**	~99.4
Held through Keppel REIT (Singapore) Trust and Keppel REIT (Singapore) Pte. Ltd.				
Keppel Bay Tower LLP [1]	Singapore	Property investment	**100.0**	100.0
Held through Keppel REIT (Japan) Investments Pte. Ltd. and Keppel REIT (Japan) Holdings Pte. Ltd.				
KR Ginza TMK [7, 8]	Japan	Property investment	**~98.5**	–
Held through Keppel REIT (Japan) Investments Pte. Ltd.				
KR Shintomi GK [8, 9]	Japan	Investment holding	**97.0**	–
Held through Keppel REIT (Japan) Holdings Pte. Ltd.				
KR Ginza ML GK [9]	Japan	Leasing and management of real estate	**100.0**	–

1 Audited by PricewaterhouseCoopers LLP, Singapore.

2 There is no statutory requirement for the financial statements of Keppel REIT (S) Limited to be audited.

3 Audited by PricewaterhouseCoopers, Australia.

4 Audited by Samil PricewaterhouseCoopers, South Korea.

5 Keppel REIT (Japan) Holdings Pte. Ltd. and Keppel REIT (Japan) Investments Pte. Ltd. were incorporated on 23 September 2022. The first set of financial statements of these subsidiaries will be for the period from their dates of incorporation to 31 December 2023.

6 OPLLP owns Ocean Financial Centre. For the approximate 87.5% equity interest in OPLLP which the Trust acquired on 14 December 2011 for a period of 99 years from Straits Property Investments Pte Ltd ("SPIPL"), the Trust granted a call option under an option deed to SPIPL for the right to acquire the approximate 87.5% equity interest in OPLLP for $1.00 at the expiry of the 99-year period after the acquisition date. Under the option deed, the Trust shall not dispose of its legal or beneficial interest in OPLLP to any person unless SPIPL's right of first refusal has lapsed. In addition, if any of certain specified events occur anytime during the 99 years after the acquisition date, SPIPL has the right to procure OPLLP to take the necessary steps to carve out and transfer a leasehold title of the remaining tenure to a special purpose vehicle owned by SPIPL and Avan Investments Pte Ltd ("AIPL").

On 25 June 2012, the Trust acquired an additional equity interest in OPLLP of approximately 12.4% from a third party, AIPL for a period of 99 years from 14 December 2011. This acquisition increased the Group's interest in OPLLP from an approximate 87.5% to an approximate 99.9%. AIPL continues to hold a remaining equity interest of approximately 0.1% in OPLLP. The Trust also entered into an option deed pursuant to which AIPL shall have the right to acquire the approximate 12.4% interest in OPLLP for $1.00, such option to be exercisable only after the expiry of a period of 99 years after 14 December 2011.

On 11 December 2018, the Trust divested a 20.0% equity interest in OPLLP to a third party, Allianz Real Estate, decreasing the Group's interest in OPLLP from an approximate 99.9% to an approximate 79.9%.

7 Incorporated on 13 October 2022. The first set of financial statements of KR Ginza TMK will be for the period from the date of incorporation to 30 June 2023.

8 These entities have been consolidated in these financial statements in accordance with SFRS(I) 10 – Consolidated Financial Statements as the Group is able to demonstrate control on its investment in these entities.

9 KR Shintomi GK and KR Ginza ML GK were incorporated on 13 October 2022 and 10 November 2022 respectively. There is no statutory requirement for the financial statements of these entities to be audited.

5. Investments in associates

	Group		Trust	
	2022 $'000	2021 $'000	**2022 $'000**	2021 $'000
Unquoted equity, at cost	**2,023,195**	2,023,195	**2,023,195**	2,023,195
Share of post-acquisition reserves	**591,991**	431,798	**–**	–
	2,615,186	2,454,993	**2,023,195**	2,023,195

The movement in share of post-acquisition reserves is as follows:

	Group	
	2022 $'000	2021 $'000
At 1 January	**431,798**	405,094
Share of results of associates		
- Profit excluding net change in fair value of investment properties	**77,787**	89,039
- Net change in fair value of investment properties (Note 25)	**132,728**	12,640
- Effects of recognising rental income on a straight-line basis over the lease terms	**(254)**	(279)
	210,261	101,400
Share of net change in fair value of cash flow hedges	**26,674**	13,386
Dividend and distribution income received	**(76,742)**	(88,082)
At 31 December	**591,991**	431,798

Details of the associates are as follows:

			Effective equity interest	
Name	**Country of incorporation**	**Principal activities**	**2022 %**	2021 %
One Raffles Quay Pte Ltd [1]	Singapore	Property development and investment	**33.3**	33.3
BFC Development LLP [2]	Singapore	Property development and investment	**33.3**	33.3
Central Boulevard Development Pte. Ltd.[3]	Singapore	Property development and investment	**33.3**	33.3

[1] Audited by Ernst & Young LLP, Singapore.
One Raffles Quay Pte Ltd ("ORQPL") is the owner of One Raffles Quay.

[2] Audited by Ernst & Young LLP, Singapore.
BFC Development LLP ("BFCDLLP") is the owner of Marina Bay Financial Centre Towers 1 & 2 and Marina Bay Link Mall.

[3] Audited by Ernst & Young LLP, Singapore.
Central Boulevard Development Pte. Ltd. ("CBDPL") is the owner of Marina Bay Financial Centre Tower 3.

The Group does not equity account for the results of Marina Bay Suites Pte. Ltd. ("MBSPL"), which is a wholly-owned subsidiary of CBDPL, as the acquisition of the one-third interest in CBDPL was structured to effectively exclude any interest in MBSPL. MBSPL was dissolved on 31 December 2022.

A deed of undertaking was signed between Bayfront Development Pte. Ltd. (the "Vendor") and the Trust, whereby the Trust agrees not to participate in the financial and operating policy decisions in MBSPL and that it would exercise all voting rights and other rights and powers that it directly or indirectly has or controls in CBDPL and MBSPL in accordance with the written instructions of the Vendor on all matters arising from, relating to, or otherwise connected with MBSPL, and/or CBDPL's ownership of MBSPL.

The summarised financial information of the associates, excluding CBDPL's interest in MBSPL, and a reconciliation with the carrying amounts of the investments in the consolidated financial statements, are as follows:

	ORQPL		BFCDLLP		CBDPL	
	2022 $'000	2021 $'000	**2022 $'000**	2021 $'000	**2022 $'000**	2021 $'000
Summarised Balance Sheet						
Current assets (including property held for sale)	**1,459,893**	1,458,626	**27,235**	17,267	**37,864**	33,656
Non-current assets	**1,667,597**	1,595,144	**5,240,194**	5,019,094	**3,909,004**	3,749,160
Total assets	**3,127,490**	3,053,770	**5,267,429**	5,036,361	**3,946,868**	3,782,816
Current liabilities	**(38,706)**	(36,794)	**(1,740,865)**	(28,257)	**(38,130)**	(42,687)
Non-current liabilities	**(1,088,608)**	(1,090,618)	**(37,786)**	(1,741,602)	**(1,653,282)**	(1,669,158)
Total liabilities	**(1,127,314)**	(1,127,412)	**(1,778,651)**	(1,769,859)	**(1,691,412)**	(1,711,845)
Net assets	**2,000,176**	1,926,358	**3,488,778**	3,266,502	**2,255,456**	2,070,971
Proportion of the Group's ownership	**33.3%**	33.3%	**33.3%**	33.3%	**33.3%**	33.3%
Group's share of net assets	**666,725**	642,119	**1,162,926**	1,088,834	**751,819**	690,324
Other adjustments	**13,734**	13,734	**5,060**	5,060	**14,922**	14,922
Carrying amount of the investment	**680,459**	655,853	**1,167,986**	1,093,894	**766,741**	705,246
Summarised Statement of Comprehensive Income						
Property income	**162,403**	149,137	**214,958**	208,543	**161,116**	163,195
Profit for the year	**123,162**	94,063	**311,762**	169,070	**195,860**	41,067
Other comprehensive income	**27,478**	13,964	**–**	–	**52,543**	26,194
Total comprehensive income	**150,640**	108,027	**311,762**	169,070	**248,403**	67,261

Notes to the Financial Statements
For the financial year ended 31 December 2022

6. Investments in joint ventures

	Group	
	2022 $'000	2021 $'000
Unquoted equity, at cost	317,137	331,228
Share of post-acquisition reserves	113,761	126,411
	430,898	457,639

The movement in share of post-acquisition reserves is as follows:

	Group	
	2022 $'000	2021 $'000
At 1 January	126,411	126,981
Share of results of joint ventures		
- Profit excluding net change in fair value of investment properties	22,907	29,556
- Net change in fair value of investment properties (Note 25)	(5,704)	2,695
- Effects of recognising rental income on a straight-line basis over the lease terms	(104)	(3,206)
	17,099	29,045
Translation differences	(6,547)	(1,563)
Distribution received/receivable	(23,202)	(28,052)
At 31 December	113,761	126,411

Details of the joint ventures are as follows:

			Effective equity interest	
Name	Country of incorporation	Principal activities	2022 %	2021 %
Held through Keppel REIT (S) Limited				
Mirvac 8 Chifley Pty Limited [1]	Australia	Fund administration	50.0	50.0
Mirvac (Old Treasury) Pty Limited [1]	Australia	Fund administration	50.0	50.0
Held through Keppel REIT (Australia) Sub-Trust 2				
Mirvac 8 Chifley Trust ("M8CT") [2]	Australia	Investment in real estate properties	50.0	50.0
Held through Keppel REIT (Australia) Sub-Trust 3				
Mirvac (Old Treasury) Trust ("MOTT") [2]	Australia	Investment in real estate properties	50.0	50.0

[1] There is no statutory requirement for the financial statements to be audited.

[2] Audited by PricewaterhouseCoopers, Australia.

The summarised financial information of the joint ventures and a reconciliation with the carrying amounts of the investments in the consolidated financial statements, are as follows:

	M8CT		MOTT	
	2022 $'000	2021 $'000	**2022 $'000**	2021 $'000
Summarised Balance Sheet				
Cash and bank balances	**3,418**	2,588	**5,110**	5,151
Other current assets	**1,827**	357	**4,041**	4,138
Non-current assets	**412,335**	450,548	**438,386**	457,685
Total assets	**417,580**	453,493	**447,537**	466,974
Current liabilities	**(5,483)**	(7,870)	**(8,876)**	(9,014)
Total liabilities	**(5,483)**	(7,870)	**(8,876)**	(9,014)
Net assets	**412,097**	445,623	**438,661**	457,960
Proportion of the Group's ownership	**50.0%**	50.0%	**50.0%**	50.0%
Group's share of net assets	**206,049**	222,812	**219,331**	228,980
Other adjustments	**3,063**	3,246	**2,455**	2,601
Carrying amount of the investment	**209,112**	226,058	**221,786**	231,581
Summarised Statement of Profit or Loss				
Property income	**18,805**	30,494	**40,436**	42,640
Interest income	**13**	–	**17**	3
(Loss)/profit for the year	**(1,060)**	20,039	**35,258**	38,050

7. Advances to associates

These relate to advances to ORQPL and BFCDLLP which are unsecured and denominated in Singapore dollar. They carried interest ranging from 2.64% to 5.70% (2021: 2.40% to 2.88%) per annum during the year.

During the year ended 31 December 2022, there was a transition of the interest rate for the advances to ORQPL from a margin plus the prevailing 3-month SOR, to a margin plus the 3-month compounded SORA. The interest rates are repriced every quarter. The advances from ORQPL are not expected to be repaid within the next 12 months.

The advances to BFCDLLP carry interest at rates which are repriced every quarter at a margin plus the prevailing 3-month SOR. As at 31 December 2022, the advances to BFCDLLP are classified as current as they are expected to be repaid within the next 12 months.

8. Amounts owing by subsidiaries (non-trade)

	Trust	
	2022 $'000	2021 $'000
Interest bearing	874,249	857,128
Non-interest bearing	790,763	768,411
	1,665,012	1,625,539

The amounts owing by subsidiaries are unsecured, to be settled in cash and not expected to be repaid within the next 12 months. As at 31 December 2022, amounts of $195,907,000 (2021: $191,817,000) are denominated in Singapore dollar, $1,415,556,000 (2021: $1,433,722,000) are denominated in Australian dollar and $53,549,000 (2021: nil) are denominated in Japanese Yen.

The amounts denominated in Australian dollar and Japanese Yen are considered hedges against foreign exchange risk arising from net investment in foreign operations. For the year ended 31 December 2022, a net unrealised loss of $87,277,000 (2021: gain of $101,189,000) was recorded in the foreign currency translation reserve.

The interest bearing portions bear interest ranging from 1.03% to 7.00% (2021: 0.94% to 7.00%) per annum. The non-interest bearing portions are considered part of the Trust's net investment in certain subsidiaries.

9. Trade and other receivables

	Group		Trust	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Trade receivables - net	17,140	30,407	948	4,130
Amounts due from related parties (trade)	55	32	–	–
Amounts due from subsidiaries (non-trade)	–	–	27,360	20,867
Amounts due from joint ventures (non-trade)	1,924	1,806	–	–
Interest receivable	263	10	155	–
Others	484	629	–	4,474
	19,866	32,884	28,463	29,471

Amounts due from subsidiaries and joint ventures are unsecured, interest-free, repayable on demand and are to be settled in cash.

As at 31 December 2022 and 31 December 2021, the Group and Trust did not have trade and other receivables denominated in currencies other than the respective entities' functional currencies.

Receivables that are past due but not impaired

	Group		Trust	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Trade receivables past due but not impaired:				
Past due < 3 months	2,098	3,626	–	–
Past due 3 - 6 months	559	547	–	–
Past due > 6 months	35	208	–	–
	2,692	4,381	–	–

Analysis of allowance for doubtful debts

	Group		Trust	
	2022 $'000	2021 $'000	**2022 $'000**	2021 $'000
At 1 January	**318**	759	**–**	194
Charge for the year	**303**	383	**–**	–
Over provision in respect of previous financial years	**(233)**	(115)	**–**	–
Write-off	**–**	(720)	**–**	(194)
Translation differences	**(10)**	11	**–**	–
At 31 December	**378**	318	**–**	–

10. Financial assets at fair value through profit or loss

The non-current portion of financial assets at fair value through profit or loss pertains to rental support provided by the developer of Blue & William in lieu of vacant spaces and leases upon practical completion.

As at 31 December 2021, the current portion of financial assets at fair value through profit or loss pertained to rental support provided by the vendor of Keppel Bay Tower in lieu of vacant spaces and leases.

11. Cash and bank balances

	Group		Trust	
	2022 $'000	2021 $'000	**2022 $'000**	2021 $'000
Cash and bank balances	**134,235**	186,484	**70,182**	114,346
Fixed deposits	**52,198**	2,815	**28,000**	–
	186,433	189,299	**98,182**	114,346
Less: Restricted cash and bank balances	**(11,470)**	(13,067)	**–**	–
Cash and cash equivalents	**174,963**	176,232	**98,182**	114,346

Cash at banks earned interest at floating rates based on daily bank deposit rates ranging from 0% to 3.1% (2021: 0% to 0.8%) per annum. Fixed deposits were made for varying periods of 62 days to 686 days (2021: 1 year to 2 years) depending on the cash requirements of the Group, and earned interest at rates ranging from 0.74% to 4.52% (2021: 0.10% to 1.50%) per annum.

Cash and bank balances of the Group and the Trust, denominated in currencies other than the respective entities' functional currencies, amounted to $46,965,000 (2021: $47,432,000) and $42,322,000 (2021: $47,432,000) respectively. These balances are denominated in Australian dollar.

Notes to the Financial Statements
For the financial year ended 31 December 2022

12. Trade and other payables

	Group		Trust	
	2022 $'000	2021 $'000	**2022 $'000**	2021 $'000
Trade payables	**4,234**	3,685	**2**	–
Accrued expenses	**18,002**	18,740	**2,226**	1,454
Other payables	**7,329**	7,622	**102**	–
Amounts due to related companies (trade)	**22,049**	23,564	**15,466**	24,310
Other deposits	**230**	417	**–**	–
Interest payable	**5,993**	5,475	**546**	1,128
	57,837	59,503	**18,342**	26,892

As at 31 December 2022, other payables mainly relate to accrual of land cost amounting to $6,438,000 (2021: $6,822,000) for Blue & William, as well as estimated acquisition expenses of $891,000 for KR Ginza II (2021: estimated acquisition expenses of $800,000 for Blue & William).

Amounts due to related companies are unsecured, interest-free and repayable on demand. These amounts are to be settled in cash except for management fees payable to the Manager which will be settled in the form of cash and/or Units (Note 1(b)).

As at 31 December 2022, trade and other payables of the Group denominated in currencies other than the respective entities' functional currencies, amounted to $1,429,000 (2021: $1,527,000) in Australian dollar and $79,000 (2021: nil) in Japanese Yen. The Trust did not have trade and other payables denominated in currencies other than its functional currency.

13. Derivative financial instruments

		2022 $'000				2021 $'000		
Group	**Maturity**	**Contractual notional amount**	**Assets**	**Liabilities**	**Notional amount directly impacted by IBOR reform**	Contractual notional amount	Assets	Liabilities
Derivatives whereby hedge accounting is applied								
Cash flow hedges								
Forward currency contracts	2023 – 2024	**209,593**	**6,312**	**(56)**	**–**	60,883	835	(1,119)
Interest rate swaps	2023 – 2028	**1,937,029**	**59,527**	**(7,083)**	**–**	1,267,915	7,890	(4,082)
Derivatives whereby hedge accounting is not applied								
Interest rate swaps	2023 – 2027	**192,573**	**5,113**	**(1)**	**–**	102,450	–	(393)
		2,339,195	**70,952**	**(7,140)**	**–**	1,431,248	8,725	(5,594)
Less: Current portion		**(905,209)**	**(18,448)**	**56**	**–**	(208,411)	(743)	2,146
Non-current portion		**1,433,986**	**52,504**	**(7,084)**	**–**	1,222,837	7,982	(3,448)
Percentage of derivative financial instruments to net asset value				**1.09%**				0.06%

Trust	Maturity	2022 $'000 Contractual notional amount	2022 $'000 Assets	2022 $'000 Liabilities	2022 $'000 Notional amount directly impacted by IBOR reform	2021 $'000 Contractual notional amount	2021 $'000 Assets	2021 $'000 Liabilities
Derivatives whereby hedge accounting is applied								
Cash flow hedges								
Forward currency contracts	2023 – 2024	206,369	6,292	–	–	57,934	713	(1,119)
Interest rate swaps	2023 – 2028	1,335,735	40,122	(7,038)	–	988,165	4,510	(3,268)
Derivatives whereby hedge accounting is not applied								
Forward currency contracts	2023	3,224	20	(56)	–	2,949	122	–
Interest rate swaps	2023 – 2027	231,366	5,113	(46)	–	102,450	–	(393)
		1,776,694	51,547	(7,140)	–	1,151,498	5,345	(4,780)
Less: Current portion		(812,459)	(17,390)	56	–	(208,411)	(743)	2,146
Non-current portion		964,235	34,157	(7,084)	–	943,087	4,602	(2,634)
Percentage of derivative financial instruments to net asset value				1.02%				0.01%

13. Derivative financial instruments (continued)

Hedging instruments used in the Group's hedging strategy, whereby hedge accounting is applied, are as follows:

2022

		Carrying Amount		Changes in fair value used for calculating hedge ineffectiveness			
	Contractual notional amount $'000	Assets/ (Liabilities) $'000	Financial statement line item	Hedging instrument $'000	Hedged item $'000	Weighted average hedged rate	Maturity date
Group							
Cash flow hedges							
Foreign exchange risk							
- Forward currency contracts	209,593	6,256	Derivative financial instruments	6,539	(6,539)	A$1: $0.93 KRW1,000: $1.03	2023 – 2024
Interest rate risk							
- Interest rate swaps to hedge floating rate borrowings	1,937,029	52,444	Derivative financial instruments	45,251	(45,251)	SOR: 1.07% SORA: 1.94% BBSW: 1.21% TONA: 0.46% DTIBOR: 0.50%	2023 – 2028
Net investment hedge							
Foreign exchange risk							
- Borrowings to hedge net investment in foreign operations	–	(962,465)	Borrowings	(64,379)	64,379	A$1: $0.99 KRW1,000: $1.16 JPY100: $1.07	2023 – 2028
Trust							
Cash flow hedges							
Foreign exchange risk							
- Forward currency contracts	206,369	6,292	Derivative financial instruments	6,698	(6,698)	A$1: $0.93	2023 – 2024
Interest rate risk							
- Interest rate swaps to hedge floating rate borrowings	1,335,735	33,084	Derivative financial instruments	31,841	(31,841)	SOR: 1.07% SORA: 2.22% BBSW: 1.21% TONA: 0.46% DTIBOR: 0.50%	2023 – 2028

2021

	Contractual notional amount $'000	Carrying Amount: Assets/ (Liabilities) $'000	Carrying Amount: Financial statement line item	Changes in fair value used for calculating hedge ineffectiveness: Hedging instrument $'000	Changes in fair value used for calculating hedge ineffectiveness: Hedged item $'000	Weighted average hedged rate	Maturity date
Group							
Cash flow hedges							
Foreign exchange risk							
- Forward currency contracts	60,883	(284)	Derivative financial instruments	4,285	(4,285)	A$1: $0.98 KRW1,000: $1.20	2022 – 2023
Interest rate risk							
- Interest rate swaps to hedge floating rate borrowings	1,267,915	3,808	Derivative financial instruments	25,733	(25,733)	SOR: 0.92% SORA: 1.01% BBSW: 0.82%	2022 – 2026
Net investment hedge							
Foreign exchange risk							
- Borrowings to hedge net investment in foreign operations	–	(829,811)	Borrowings	(22,392)	22,392	A$1: $0.99 KRW1,000: $1.16	2022 – 2026
Trust							
Cash flow hedges							
Foreign exchange risk							
- Forward currency contracts	57,934	(406)	Derivative financial instruments	4,002	(4,002)	A$1: $0.98	2022 – 2023
Interest rate risk							
- Interest rate swaps to hedge floating rate borrowings	988,165	1,242	Derivative financial instruments	17,177	(17,177)	SOR: 1.04% SORA: 1.01% BBSW: 0.82%	2022 – 2025

13. **Derivative financial instruments** (continued)

Forward currency contracts
Forward currency contracts are mainly used to hedge foreign currency risk arising from the cash flows of the Group's investments in Australia and South Korea.

The Group designates these forward currency contracts as cash flow hedges which were assessed to be highly effective. A net unrealised gain of $6,539,000 (2021: $4,285,000) was included in hedging reserve in Unitholders' funds in respect of these contracts.

Interest rate swaps
Interest rate swaps are used to hedge interest rate risk arising from the underlying floating interest rates of certain bank loans. Under the interest rate swaps, the Group receives floating interest equal to SOR, SORA, BBSW, TONA and DTIBOR at specific contracted intervals and pays fixed rates of interest ranging from 0.15% to 3.88% (2021: 0.15% to 2.09%) per annum.

A breakdown of the notional amounts of these interest rate swaps, expressed as a percentage of total borrowings, is as follows:

	2022		2021	
	$'000	**% of total borrowings**	$'000	% of total borrowings
Group				
3-month SOR	**355,000**	**12%**	634,750	23%
3-month SORA	**1,132,500**	**40%**	205,000	8%
3-month BBSW	**549,521**	**19%**	530,615	19%
3-month TONA	**53,185**	**2%**	–	–
3-month DTIBOR	**39,396**	**1%**	–	–
Total	**2,129,602**	**74%**	1,370,365	50%

The Group designates most interest rate swaps as cash flow hedges which were assessed to be highly effective. A net unrealised gain of $45,251,000 (2021: $25,733,000) was included in hedging reserve in Unitholders' funds in respect of these contracts. A fair value gain of $5,506,000 (2021: $1,320,000) was recognised in profit or loss for interest rate swaps that were not designated as hedging instruments.

Cross currency swap
Cross currency swap was used to hedge foreign currency risk arising from cash flow payments for an Australian dollar denominated loan. During the year ended 31 December 2021, the cross currency swap of notional amount of $99,790,000 matured and a fair value loss of $995,000 was recognised in profit or loss as the cross currency swap was not designated as a hedging instrument.

14. Borrowings

	Interest rate range	Maturity	2022 $'000	2021 $'000
Group				
Current:				
TMK bonds (secured) [1]	0.50%	2023	**1,579**	–
Bank loans [2]	3.28% – 4.83% (2021: 0.88% – 1.32%)	2023 (2021: 2022)	**570,811**	137,886
Revolving loans [3]	3.23% – 4.70%	2023	**71,300**	–
Medium term notes [4]	3.15%	2022	**–**	50,000
Borrowings (unsecured)			**642,111**	187,886
Non-current:				
Bank loans [2]	2.75% – 3.98% (2021: 1.18% – 2.75%)	2024 – 2025	**605,301**	619,739
TMK bonds [1]	0.50%	2027	**39,106**	–
Borrowings (secured)			**644,407**	619,739
Bank loans [2]	0.70% – 4.53% (2021: 1.03% – 1.18%)	2025 – 2027 (2021: 2023 – 2027)	**798,860**	1,135,353
Revolving loans [3]	2.95% – 4.14% (2021: 0.73% – 1.12%)	2026 – 2028 (2021: 2023 – 2027)	**487,356**	364,977
Medium term notes [4]	2.07% – 3.275%	2024 – 2028	**225,000**	225,000
Convertible bonds (Note 15)	1.90%	2024	**52,567**	193,852
Borrowings (unsecured)			**1,563,783**	1,919,182
Total borrowings			**2,851,880**	2,726,807
Percentage of total borrowings to net asset value			**48.6%**	48.8%

14. Borrowings (continued)

	Interest rate range	Maturity	2022 $'000	2021 $'000
Trust				
Current:				
Bank loans	4.83%	2023	**63,975**	–
Non-current:				
Bank loans	4.53% (2021: 1.11% –1.12%)	2025 (2021: 2023 – 2025)	**99,881**	163,774
Convertible bonds (Note 15)	1.90%	2024	**52,567**	193,852
Borrowings from subsidiaries [5]	0.70% – 4.75% (2021: 0.88% – 3.275%)		**1,993,230**	1,751,557
Borrowings (unsecured)			**2,145,678**	2,109,183
Total borrowings			**2,209,653**	2,109,183
Percentage of total borrowings to net asset value			**50.9%**	48.3%

1 Bonds issued by a Tokutei Mokutei Kaisha incorporated under the Asset Liquidation Law of Japan ("TMK bonds") amounting to $40,685,000 (2021: nil) are secured over an investment property of the Group (Note 3). The bonds are repayable upon maturity.

The Group has entered into interest rate swaps (Note 13) to hedge $39,106,000 (2021: nil) of the TMK bonds that are on floating interest rates.

2 Bank loans amounting to $605,301,000 (2021: $619,739,000) are secured by mortgage over certain investment properties of the Group (Note 3). The loans are repayable upon maturity.

Bank loans amounting to $135,597,000 (2021: $150,057,000) are on a fixed interest rate of 2.75% (2021: 2.75%) per annum. The Group has entered into interest rate swaps (Note 13) to hedge $1,704,406,000 (2021: $1,106,013,000) of the bank loans that are on floating interest rates.

3 The Group has entered into interest rate swaps (Note 13) to hedge $290,314,000 (2021: $83,320,000) of the revolving loans that are on floating interest rates.

4 On 6 April 2017, Keppel REIT MTN Pte. Ltd. issued $75,000,000 of medium term notes due in 2024 through the multicurrency debt issuance programme, at a fixed coupon rate of 3.275% per annum.

On 15 September 2021, Keppel REIT MTN Pte. Ltd. issued $150,000,000 of medium term notes due in 2028 through the multicurrency debt issuance programme, at a fixed coupon rate of 2.07% per annum.

During the year, Keppel REIT MTN Pte. Ltd. repaid $50,000,000 of medium term notes that were due in 2022.

5 Borrowings from subsidiaries are not due for repayment within the next 12 months.

Borrowings of both the Group and the Trust denominated in currencies other than the respective entities' functional currencies amounted to $726,407,000 (2021: $679,030,000) that are denominated in Australian dollar and $59,094,000 (2021: nil) that are denominated in Japanese Yen.

For the current portion of borrowings, the Group has sufficient loan facilities available to refinance these borrowings when they fall due.

As at 31 December 2022, the Group had unutilised facilities of $814,964,000 (2021: $990,189,000) available to meet its future obligations.

15. Convertible bonds

On 10 April 2019, the Trust issued $200,000,000 in principal amount of 1.90% convertible bonds due 2024, denominated in Singapore dollar. On 10 April 2022, $146,500,000 in aggregate principal of these convertible bonds were redeemed. As at 31 December 2022, $53,500,000 in aggregate principal of the convertible bonds remained outstanding.

The convertible bonds may be converted into Units of the Trust at the option of the convertible bond holder at the prevailing conversion price from 21 May 2019, up to the close of business on 31 March 2024. The convertible bonds may also be redeemed, in whole or in part, at the option of the Trustee at any time after 10 April 2022 but not less than seven business days prior to the maturity date on 10 April 2024 (subject to satisfaction of certain conditions).

Unless previously redeemed, converted or purchased and cancelled, the convertible bonds will be redeemed five years from the issue date on 10 April 2024 at 100% of its nominal value together with accrued interest.

On the date of issuance, the initial conversion price was $1.4625 per Unit and is subject to adjustments under certain events set out in the trust deed for the convertible bonds.

As at 31 December 2022, the prevailing conversion price was $1.3494 (2021: $1.3887) per Unit. On 27 January 2023, the Manager announced that the conversion price will be further adjusted to $1.2999 with effect from 1 March 2023, subsequent to the distribution payment for the period from 1 July 2022 to 31 December 2022.

The fair value of the liability component, included in non-current borrowings, is calculated using a market interest rate for an equivalent non-convertible bond at the date of issue. The residual amount, representing the value of the equity conversion component, is included within Unitholders' funds.

The carrying amount of the liability component of the convertible bonds at the balance sheet date is derived as follows:

	2022 $'000	2021 $'000
Group and Trust		
Nominal value of convertible bonds at issuance	**200,000**	200,000
Redemption during the year	**(146,500)**	–
Equity conversion component on initial recognition	**(11,037)**	(11,037)
Adjustment to equity conversion component on redemption	**8,085**	–
Liability component after redemption/on initial recognition	**50,548**	188,963
Interest accretion	**2,158**	5,813
Unamortised portion of issue expenses	**(139)**	(924)
At 31 December	**52,567**	193,852

16. Deferred tax liabilities

Movement in deferred tax liabilities is as follows:

	Group	
	2022 $'000	2021 $'000
Investment properties		
At 1 January	**52,087**	52,946
Translation differences	**(3,099)**	(662)
Tax charged/(credited) to Consolidated Statement of Profit or Loss (Note 26)	**169**	(197)
At 31 December	**49,157**	52,087

Deferred tax liabilities are expected to be settled after one year from the balance sheet date.

17. Units in issue and perpetual securities

(a) Units in issue

Group and Trust	No. of units '000	Amount $'000
At 1 January 2022	**3,695,419**	**3,890,819**
Issue of Units:		
- Payment of management fees in Units	**46,804**	**52,362**
At 31 December 2022	**3,742,223**	**3,943,181**
At 1 January 2021	3,407,825	3,570,515
Issue of Units:		
- Payment of management fees in Units	43,186	48,561
- Issuance of Units in connection with a private placement	238,939	270,001
- Payment of acquisition fee in Units	5,469	6,540
Issue expenses for private placement	–	(4,798)
At 31 December 2021	3,695,419	3,890,819

During the current financial year, 46,804,424 (2021: 43,186,075) Units were issued at unit prices ranging from $1.0384 to $1.2221 (2021: $1.0505 to $1.2150) as payment of management fees to the Manager.

During the year ended 31 December 2021, 5,468,684 Units were issued at a unit price of $1.1959 as payment of acquisition fee to the Manager in relation to the acquisition of Keppel Bay Tower.

Each Unit represents an undivided interest in the Trust. The rights and interests of Unitholders are contained in the Trust Deed and include the right to:

- receive income and other distributions attributable to the Units held;
- 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 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 transfer to it any assets (or part thereof) or of any estate or interest in any asset (or part thereof) of the Trust; and
- attend all Unitholders' meetings. The Trustee or the Manager may (and the Manager shall at the request in writing of not less than 50 Unitholders or Unitholders representing not less than 10% of the issued Units of the Scheme) at any time convene a meeting of Unitholders in accordance with the provisions of the Trust Deed.

The restrictions of a Unitholder include, *inter alia*, 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 repurchase or redeem his or her Units while the Units are listed on SGX-ST. The Trust Deed contains provisions designed to limit the liability of a Unitholder to the amount paid or payable for any Unit, and to ensure that no Unitholder, by reason alone of being a Unitholder, will be personally liable to indemnify the Trustee or any creditor of the Group in the event that the liabilities of the Group exceed its assets, if the issue price of the Units held by that Unitholder has been fully paid.

(b) Perpetual securities

On 11 September 2020 and 7 October 2020, the Trust issued a total of $300,000,000 of subordinated perpetual securities at a fixed rate of 3.15% per annum, with the first distribution rate reset falling on 11 September 2025 and subsequent resets occurring every five years thereafter.

Perpetual securities have no fixed redemption date and redemption is at the option of the Trust in accordance with the terms of issue of the securities. The distribution is payable semi-annually at the discretion of the Trust and is non-cumulative.

In terms of distribution payments or in the event of winding-up of the Trust:

- These perpetual securities rank pari passu with the holders of preferred units (if any) and rank ahead of the Unitholders of the Trust, but junior to the claims of all other present and future creditors of the Trust.
- The Trust shall not declare or pay any distribution to the Unitholders, or make redemption, unless the Trust declares or pays any distribution to the perpetual securities holders.

Perpetual securities are classified as equity instruments and recorded in equity in the Statements of Movements in Unitholders' Funds. The $302,023,000 (2021: $302,023,000) presented on the Balance Sheets represent the $300,000,000 (2021: $300,000,000) perpetual securities issued net of issue expenses, and include the profit attributable to perpetual securities holders from the last distribution date.

18. Non-controlling interests

Material non-controlling interests ("NCI") of the Group are as follows:

	NCI percentage of ownership interest and voting interest		Carrying amount of NCI	
	2022 %	2021 %	**2022 $'000**	2021 $'000
Ocean Properties LLP	**~20.1**	~20.1	**442,537**	420,608

Summarised financial information before inter-group elimination:

	Ocean Properties LLP	
	2022 $'000	2021 $'000
Non-current assets	**2,929,441**	2,797,460
Current assets	**25,683**	22,012
Non-current liabilities	**(493,018)**	(489,676)
Current liabilities	**(30,820)**	(31,613)
Net assets	**2,431,286**	2,298,183
Revenue	**103,708**	102,732
Profit for the year	**191,096**	88,996
Other comprehensive income	**16,839**	10,709
Total comprehensive income	**207,935**	99,705
Total comprehensive income attributable to NCI	**36,971**	14,623
Distribution of partnership profits to NCI	**(15,041)**	(14,695)
Net cash flows provided by operating activities	**86,877**	85,990
Net cash flows used in investing activities	**(772)**	(885)
Net cash flows used in financing activities	**(83,159)**	(82,629)

19. Reserves

(a) Hedging reserve

	Group 2022			
	Interest rate risk $'000	Foreign exchange risk $'000	Hedging reserves of associates $'000	Total $'000
At 1 January	**3,292**	**(283)**	**(9,269)**	**(6,260)**
Fair value gains	**56,492**	**5,826**	**–**	**62,318**
Reclassification to profit or loss, as hedged item has affected profit or loss				
- Trust expenses	**–**	**713**	**–**	**713**
- Borrowing costs	**(7,856)**	**–**	**–**	**(7,856)**
Share of associates' fair value gains	**–**	**–**	**26,674**	**26,674**
Less: Non-controlling interests	**(3,385)**	**–**	**–**	**(3,385)**
	45,251	**6,539**	**26,674**	**78,464**
At 31 December	**48,543**	**6,256**	**17,405**	**72,204**

	Group 2021			
	Interest rate risk $'000	Foreign exchange risk $'000	Hedging reserves of associates $'000	Total $'000
At 1 January	(22,441)	(4,568)	(22,655)	(49,664)
Fair value gains/(losses)	14,632	(139)	–	14,493
Reclassification to profit or loss, as hedged item has affected profit or loss				
- Trust expenses	–	4,424	–	4,424
- Borrowing costs	13,254	–	–	13,254
Share of associates' fair value gains	–	–	13,386	13,386
Less: Non-controlling interests	(2,153)	–	–	(2,153)
	25,733	4,285	13,386	43,404
At 31 December	3,292	(283)	(9,269)	(6,260)

	Trust		
	2022		
	Interest rate risk $'000	Foreign exchange risk $'000	Total $'000
At 1 January	**1,242**	**(406)**	**836**
Fair value gains	**37,124**	**5,826**	**42,950**
Reclassification to profit or loss, as hedged item has affected profit or loss			
- Trust expenses	**–**	**872**	**872**
- Borrowing costs	**(5,283)**	**–**	**(5,283)**
	31,841	**6,698**	**38,539**
At 31 December	**33,083**	**6,292**	**39,375**

	Trust		
	2021		
	Interest rate risk $'000	Foreign exchange risk $'000	Total $'000
At 1 January	(15,935)	(4,408)	(20,343)
Fair value gains/(losses)	8,197	(306)	7,891
Reclassification to profit or loss, as hedged item has affected profit or loss			
- Trust expenses	–	4,308	4,308
- Borrowing costs	8,980	–	8,980
	17,177	4,002	21,179
At 31 December	1,242	(406)	836

Notes to the Financial Statements

For the financial year ended 31 December 2022

19. Reserves (continued)

(b) Foreign currency translation reserve

	Group	
	2022 $'000	2021 $'000
At 1 January	**(80,899)**	(58,853)
Net currency translation differences of financial statements of foreign subsidiaries and joint ventures	**(40,261)**	(145,679)
Net currency translation differences of hedging instruments designated as net investment hedge of foreign operations	**(22,898)**	123,581
Less: Non-controlling interests	**107**	52
	(63,052)	(22,046)
At 31 December	**(143,951)**	(80,899)

As at 31 December 2022, losses of $45,768,000 recorded in the foreign currency translation reserve relate to continuing hedges. None of the foreign currency translation reserve relates to hedging relationships for which hedge accounting is no longer applied.

(c) Other reserves

	Group		
	Discount on acquisition of non-controlling interest $'000	**Equity component of convertible bonds $'000**	**Total $'000**
At 1 January 2022	**3,222**	**11,037**	**14,259**
Redemption of convertible bonds	**–**	**(8,085)**	**(8,085)**
At 31 December 2022	**3,222**	**2,952**	**6,174**
At 1 January and 31 December 2021	3,222	11,037	14,259

	Trust	
	Equity component of convertible bonds $'000	**Total $'000**
At 1 January 2022	**11,037**	**11,037**
Redemption of convertible bonds	**(8,085)**	**(8,085)**
At 31 December 2022	**2,952**	**2,952**
At 1 January and 31 December 2021	11,037	11,037

20. Property income

	Group	
	2022 $'000	2021 $'000
Gross rent	**207,777**	204,681
Car park income	**8,290**	8,631
Other income	**3,219**	3,294
	219,286	216,606

21. Property expenses

	Group	
	2022 $'000	2021 $'000
Property tax	**14,137**	13,590
Property management fee	**5,829**	5,782
Property management reimbursements	**1,664**	1,567
Marketing expenses	**2,022**	2,144
Utilities	**3,599**	4,082
Repair and maintenance	**13,050**	13,637
Other property expenses	**3,043**	3,272
	43,344	44,074

22. Rental support

Rental support relates to top-up payments from the respective vendors of Keppel Bay Tower and Pinnacle Office Park in lieu of vacant spaces and leases. The rental support arrangements for Pinnacle Office Park and Keppel Bay Tower ceased in December 2021 and November 2022 respectively.

23. Trust expenses

	Group	
	2022 $'000	2021 $'000
Manager's base fees	**43,676**	41,567
Manager's performance fees	**9,000**	9,115
Trustees' fees	**1,579**	1,934
Auditor's remuneration	**479**	424
Professional fees	**4,239**	3,250
Other trust expenses	**4,515**	5,939
	63,488	62,229

For the financial years ended 31 December 2022 and 2021, the Manager has elected to receive 100% of base fees and performance fees earned in Units. The Manager's base fees are presented net of management fees paid to external asset and investment managers. The fees to these external asset and investment managers amounting to $1,264,000 (2021: $1,328,000) are paid in cash and recorded in other trust expenses. This represents 2.4% (2021: 2.6%) of the gross amount of the Manager's base fees and performance fees.

24. Borrowing costs

	Group	
	2022 $'000	2021 $'000
Interest expense on borrowings	55,468	49,515
Amortisation of capitalised transaction costs	2,268	1,957
	57,736	51,472

25. Net change in fair value of investment properties

	Group	
	2022 $'000	2021 $'000
Investment properties held directly by the Group (Note 3)	147,681	86,699
Investment properties held by associates (Note 5)	132,728	12,640
Investment properties held by joint ventures (Note 6)	(5,704)	2,695
Effects of recognising rental income on a straight-line basis over the lease terms	(13,247)	(14,794)
	261,458	87,240

26. Income tax expense

	Group	
	2022 $'000	2021 $'000
Singapore current tax:		
- current year	3	72
- over provision in respect of previous financial years	(3,608)	–
Overseas deferred tax:		
- current year	169	(197)
Overseas withholding tax:		
- current year	6,725	23,125
- over provision in respect of previous financial year	(1,244)	–
	2,045	23,000
Reconciliation of effective tax:		
Profit before tax	450,448	278,856
Income tax using Singapore tax rate of 17% (2021: 17%)	76,576	47,406
Effects of:		
- expenses not deductible for tax purposes	10,496	12,449
- income not subject to tax	(62,518)	(26,118)
- effects of tax rates in foreign jurisdictions	138	(11,438)
- tax transparency	(24,520)	(22,424)
- over provision in respect of previous financial years	(4,852)	–
- withholding tax	6,725	23,125
Income tax expense recognised in Consolidated Statement of Profit or Loss	2,045	23,000

For the financial year ended 31 December 2022, there was a refund of corporate income tax of $3,586,000 from the Inland Revenue Authority of Singapore for previous years of assessment.

27. Earnings per unit

The basic earnings per Unit is calculated by dividing profit for the year attributable to Unitholders against the weighted average number of Units in issue during the year.

	Group	
	2022 $'000	2021 $'000
Profit for the year attributable to Unitholders	405,387	231,738
Profit for the year attributable to Unitholders before costs incurred on divestment of investment property, net change in fair value of investment properties and related tax expenses	162,659	163,214
	No. of Units '000	No. of Units '000
Weighted average number of Units in issue during the year	3,723,146	3,636,748
Basic earnings per Unit based on:		
- Profit for the year attributable to Unitholders	10.89 cents	6.37 cents
- Profit for the year attributable to Unitholders before costs incurred on divestment of investment property, net change in fair value of investment properties and related tax expenses	4.37 cents	4.49 cents

The diluted earnings per Unit is calculated by dividing adjusted profit for the year attributable to Unitholders against the weighted average number of Units in issue (diluted) during the year.

	Group	
	2022 $'000	2021 $'000
Profit for the year attributable to Unitholders	405,387	231,738
Add: Interest expense on convertible bonds	2,679	5,064
Adjusted profit for the year attributable to Unitholders	408,066	236,802
Profit for the year attributable to Unitholders before costs incurred on divestment of investment property, net change in fair value of investment properties and related tax expenses	162,659	163,214
Add: Interest expense on convertible bonds	2,679	5,064
Adjusted profit for the year attributable to Unitholders before costs incurred on divestment of investment property, net change in fair value of investment properties and related tax expenses	165,338	168,278
	No. of Units '000	No. of Units '000
Weighted average number of Units in issue during the year	3,723,146	3,636,748
Effects of potential dilutive Units arising from the assumed conversion of outstanding convertible bonds to Units	69,094	144,020
Weighted average number of Units in issue during the year (diluted)	3,792,240	3,780,768
Diluted earnings per Unit based on:		
- Adjusted profit for the year attributable to Unitholders	10.76 cents	6.26 cents
- Adjusted profit for the year attributable to Unitholders before costs incurred on divestment of investment property, net change in fair value of investment properties and related tax expenses	4.36 cents	4.45 cents

28. Significant related party transactions

During the financial year, other than those disclosed elsewhere in the financial statements, the following significant related party transactions took place at terms agreed between the parties:

	Group	
	2022 $'000	2021 $'000
Acquisition fee paid to the Manager	**870**	9,730
Divestment fee paid to the Manager	**–**	1,313
Trustee's fees	**1,000**	1,287
Property and asset management fees and reimbursements paid/payable to related companies	**6,422**	5,944
Leasing commissions paid/payable to a related company	**2,178**	1,386
Service fees paid/payable to a related company	**237**	211
Rental income and other related income from related companies	**12,836**	7,960
Interest income received from associates	**24,320**	15,410
Rental support received from a related company	**1,688**	747
Electricity supply provided by a related company	**3,059**	2,549
Acquisition of a subsidiary from a related company	**–**	645,727
Joint investment with a related company in connection with the acquisition of an investment property	**94,974**	–

29. Financial risk management objectives and policies

The Group is exposed to credit, interest rate, liquidity, foreign currency and operational risks in the normal course of its business. Assessment of financial risks is carried out regularly by the Manager.

The Manager ascribes importance to risk management and constantly takes initiatives to systematically review the risks it faces and mitigate them. Some of the key risks that the Manager has identified are as follows:

(a) Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Credit assessments on prospective tenants are carried out by way of evaluation of information from corporate searches and conducted prior to the signing of lease agreements. Security deposits are collected from tenants, and the Group's tenant trade sector mix in its property portfolio is actively monitored and managed to avoid excessive exposure to any one potentially volatile trade sector.

The Manager has ensured that appropriate terms and/or credit controls are stipulated in the agreements to ensure that the counterparty fulfils its obligations.

In measuring the lifetime expected credit loss allowance for trade receivables, debtors 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 debtor to settle the receivables. Allowances are made for impaired receivables (net of security deposits and bank guarantees) when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where such allowances are made, the Manager continues to engage in enforcement activity to attempt to recover these receivables due. Where recoveries are made, these are recognised in profit or loss.

Exposure to credit risk
At the reporting date, the Group's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the Balance Sheets.

Credit risk concentration profile
At the reporting date, approximately 10% (2021: 6%) of the Group's trade and other receivables were due from related companies and joint ventures. Concentration of credit risk relating to trade receivables is limited due to the Group's many and varied tenants. The tenants are engaged in diverse businesses and are of good quality and strong credit standing.

Financial assets that are neither past due nor impaired
Trade and other receivables and advances to associates that are neither past due nor impaired relate to creditworthy debtors and counterparties with good payment record. Cash and bank balances are placed and derivative financial instruments are entered into with financial institutions with good credit ratings.

The Group has identified a group of receivables relating to certain tenants who were experiencing financial difficulties. The carrying amount of impaired trade receivables is disclosed in Note 9.

(b) Interest rate risk
The Group's exposure to changes in interest rates arises primarily from its interest earning financial assets and interest bearing financial liabilities.

The Group constantly monitors its exposure to changes in interest rates of its interest bearing financial liabilities. Interest rate risk is managed on an on-going basis with the primary objective of limiting the extent to which net interest expense can be affected by adverse movements in interest rates through the use of financial instruments or other suitable financial products.

The Group manages interest costs by using a mix of fixed and floating rate debts. The details of the interest rates relating to interest earning financial assets and interest bearing financial liabilities are disclosed in Notes 7,11,14 and 15 respectively.

Cash flow and fair value interest rate risk
As at the balance sheet date, the Group is exposed to the SOR, SORA, BBSW, TONA and DTIBOR. During the year ended 31 December 2022, the Group transitioned certain SOR-referenced loans and interest rate swaps to the SORA.

Sensitivity analysis
At the reporting date, if interest rates had been 0.5% (2021: 0.1%) per annum higher/lower with all other variables constant, the Group's profit before tax would have been $1,598,000 (2021: $609,000) lower/higher, and the Group's accumulated gains (2021: accumulated losses) in the hedging reserve would have been $20,398,000 higher/lower (2021: $2,171,000 lower/higher), arising mainly as a result of an increase/decrease in the fair value of interest rate swaps designated as cash flow hedges.

29. **Financial risk management objectives and policies** (continued)

(c) Liquidity risk

The Manager monitors and maintains the Group's cash flow position and working capital to ensure that there are adequate liquid reserves in terms of cash and credit facilities to meet short-term obligations. Steps have been taken to plan for funding and expense requirements so as to manage the cash position at any point of time.

The table below summarises the financial liabilities of the Group and the Trust and their maturity profile at the reporting date based on contractual undiscounted repayment obligations.

	2022				2021			
Group	1 year or less $'000	> 1 year to 5 years $'000	> 5 years $'000	Total $'000	1 year or less $'000	> 1 year to 5 years $'000	> 5 years $'000	Total $'000
Trade and other payables	57,837	–	–	57,837	59,503	–	–	59,503
Derivative financial instruments:								
– Interest rate swaps (settled net)	(18,977)	(19,858)	8	(38,827)	8,138	10,579	–	18,717
– Forward currency contracts (gross payments)	194,208	8,277	–	202,485	45,022	12,961	–	57,983
– Forward currency contracts (gross receipts)	(199,602)	(9,191)	–	(208,793)	(44,670)	(13,264)	–	(57,934)
– Forward currency contracts (settled net)	29	–	–	29	(115)	–	–	(115)
Security deposits	8,528	37,053	321	45,902	14,397	28,981	987	44,365
Borrowings	738,965	2,017,771	400,386	3,157,122	222,697	2,138,116	486,684	2,847,497
	780,988	2,034,052	400,715	3,215,755	304,972	2,177,373	487,671	2,970,016

	2022				2021			
Trust	1 year or less $'000	> 1 year to 5 years $'000	> 5 years $'000	Total $'000	1 year or less $'000	> 1 year to 5 years $'000	> 5 years $'000	Total $'000
Trade and other payables	18,342	–	–	18,342	26,892	–	–	26,892
Derivative financial instruments:								
– Interest rate swaps (settled net)	(12,172)	(10,543)	8	(22,707)	6,615	8,735	–	15,350
– Forward currency contracts (gross payments)	194,208	8,277	–	202,485	45,022	12,961	–	57,983
– Forward currency contracts (gross receipts)	(199,602)	(9,191)	–	(208,793)	(44,670)	(13,264)	–	(57,934)
– Forward currency contracts (settled net)	29	–	–	29	(115)	–	–	(115)
Borrowings	716,329	1,341,337	400,386	2,458,052	213,989	1,500,508	486,684	2,201,181
	717,134	1,329,880	400,394	2,447,408	247,733	1,508,940	486,684	2,243,357

(d) Foreign currency risk

Foreign currency risk arises when transactions are denominated in currencies other than the respective functional currencies of the various entities in the Group and impact the Group's net assets and profit for the year.

The Group's foreign currency risk relates mainly to the exposure from its investments in Australia, South Korea and Japan, and the regular distributable income and interest income from these investments. The Manager monitors the Group's foreign currency exposure on an on-going basis and manages its exposure to adverse movements in foreign currency exchange rates through financial instruments or other suitable financial products.

The Group has outstanding forward currency contracts with notional amounts totalling $209,593,000 (2021: $60,883,000) (Note 13). As at the reporting date, net derivative financial assets of $6,256,000 (2021: liabilities of $284,000) were recorded on the Balance Sheets based on the fair value of these forward exchange contracts.

Sensitivity analysis

At the reporting date, if the Australian dollar strengthened/weakened against the Singapore dollar by 5% (2021: 5%) with all other variables constant, the Group's profit before tax would have been $2,354,000 (2021: $2,300,000) higher/lower, and the Group's accumulated gains (2021: accumulated losses) in the hedging reserve would have been $6,262,000 (2021: $2,902,000) higher/lower.

If the Korean Won strengthened/weakened against the Singapore dollar by 5% (2021: 5%) with all other variables constant, the Group's accumulated gains (2021: accumulated losses) in the hedging reserve would have been $161,000 lower/higher (2021: $2,000 higher/lower). There would be no significant impact on the Group's profit before tax.

If the Japanese Yen strengthened/weakened against the Singapore dollar by 5% (2021: nil) with all other variables constant, there would be no significant impact on the Group's profit before tax and hedging reserve.

30. Capital management

The primary objective of the Group's capital management is to optimise the Group's funding structure and ensure that it maintains a healthy aggregate leverage.

Under the Property Funds Appendix of the CIS Code, the aggregate leverage should not exceed 45.0% of the Group's deposited properties, and is allowed a maximum aggregate leverage of 50.0% only if the Group has an adjusted interest coverage ratio of at least 2.5 times after taking into account the interest payment obligations arising from the new borrowings.

The Group's capital is represented by its Unitholders' funds as disclosed in the Balance Sheets. The Group constantly monitors capital using the aggregate leverage, which is total gross borrowings divided by the value of its deposited properties. The value of the deposited properties refers to the value of the property fund's total assets (excluding restricted cash and bank balances) based on the latest valuation. At the balance sheet date, the Group has gross borrowings (including deferred borrowings and the Group's respective share of external borrowings carried at ORQPL and CBDPL) totalling $3,605,658,000 (2021: $3,485,220,000) and an aggregate leverage of 38.4% (2021: 38.4%).

31. Fair value of assets and liabilities

(a) Fair value hierarchy

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction other than in a forced or liquidation sale.

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

(i) Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can assess at the measurement date;
(ii) Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
(iii) Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in their entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

31. Fair value of assets and liabilities (continued)

(b) Assets and liabilities measured at fair value

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

	Group 2022 $'000		
	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets			
Financial assets at fair value through profit or loss	–	17,474	17,474
Derivative financial instruments:			
- Forward currency contracts	6,312	–	6,312
- Interest rate swaps	64,640	–	64,640
Financial assets as at 31 December	70,952	17,474	88,426
Financial liabilities			
Derivative financial instruments:			
- Forward currency contracts	(56)	–	(56)
- Interest rate swaps	(7,084)	–	(7,084)
Financial liabilities as at 31 December	(7,140)	–	(7,140)
Non-financial assets			
Investment properties	–	4,917,045	4,917,045
Non-financial assets as at 31 December	–	4,917,045	4,917,045

	Group 2021 $'000		
	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets			
Financial assets at fair value through profit or loss	–	14,926	14,926
Derivative financial instruments:			
- Forward currency contracts	835	–	835
- Interest rate swaps	7,890	–	7,890
Financial assets as at 31 December	8,725	14,926	23,651
Financial liabilities			
Derivative financial instruments:			
- Forward currency contracts	(1,119)	–	(1,119)
- Interest rate swaps	(4,475)	–	(4,475)
Financial liabilities as at 31 December	(5,594)	–	(5,594)
Non-financial assets			
Investment properties	–	4,707,363	4,707,363
Non-financial assets as at 31 December	–	4,707,363	4,707,363

	Trust		
	2022 $'000		
	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets			
Derivative financial instruments:			
- Forward currency contracts	6,312	–	6,312
- Interest rate swaps	45,235	–	45,235
Financial assets as at 31 December	51,547	–	51,547
Financial liabilities			
Derivative financial instruments:			
- Forward currency contracts	(56)	–	(56)
- Interest rate swaps	(7,084)	–	(7,084)
Financial liabilities as at 31 December	(7,140)	–	(7,140)

	Trust		
	2021 $'000		
	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets			
Derivative financial instruments:			
- Forward currency contracts	835	–	835
- Interest rate swaps	4,510	–	4,510
Financial assets as at 31 December	5,345	–	5,345
Financial liabilities			
Derivative financial instruments:			
- Forward currency contracts	(1,119)	–	(1,119)
- Interest rate swaps	(3,661)	–	(3,661)
Financial liabilities as at 31 December	(4,780)	–	(4,780)

There were no transfers between Levels 2 and 3 for the Group and Trust in the years ended 31 December 2022 and 2021.

(c) Level 2 fair value measurements

Forward currency contracts and interest rate swaps are valued using valuation techniques with market observable inputs. The most frequently applied valuation technique includes forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, interest rate curves and forward rate curves.

(d) Level 3 fair value measurements

(i) Valuation policies and procedures

The Group engages external, independent and qualified valuers to determine the fair value of the Group's investment properties at least once at the end of every financial year. As at 31 December 2022, the Group has obtained valuations by external valuers of its investment properties.

The Manager is responsible for selecting and engaging valuation experts that possess the relevant credentials and knowledge of valuation of investment properties. In accordance to the CIS Code, the Group rotates the independent valuers every two years.

Management reviews the appropriateness of the valuation methodologies and assumptions adopted by the external valuers.

Significant changes in fair value measurements from period to period are evaluated by management for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent external sources, or internal sources if necessary and appropriate. Significant valuation issues are reported to the Audit and Risk Committee.

31. Fair value of assets and liabilities (continued)

(d) Level 3 fair value measurements (continued)

(ii) Information about significant unobservable inputs used in Level 3 fair value measurements

The following table presents the valuation techniques and key inputs that were used to determine the fair value of investment properties categorised under Level 3 of the fair value hierarchy.

Description	Fair value as at 31 December 2022 $'000	Valuation techniques	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Investment properties	4,917,045	Capitalisation approach	Capitalisation rate	2.70% - 5.38%	The higher the rate, the lower the fair value
		Discounted cash flows analysis	Discount rate	2.50% - 6.75%	The higher the rate, the lower the fair value
		Direct comparison method	Transacted prices of comparable properties	$735/sf - $2,715/sf	The higher the price, the higher the fair value

Description	Fair value as at 31 December 2021 $'000	Valuation techniques	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Investment properties	4,707,363	Capitalisation approach	Capitalisation rate	3.50% - 5.13%	The higher the rate, the lower the fair value
		Discounted cash flows analysis	Discount rate	6.00% - 6.75%	The higher the rate, the lower the fair value
		Direct comparison method	Transacted prices of comparable properties	$657/sf - $10,224/sf	The higher the price, the higher the fair value

The investment properties categorised under Level 3 of the fair value hierarchy are generally sensitive to the various unobservable inputs tabled above. A significant movement of each input would result in a significant change to the fair value of the respective investment properties.

(iii) Financial assets at fair value through profit or loss

Rental support provided by the vendor or developer of investment properties to the Group is classified as financial assets at fair value through profit or loss.

Fair value adjustments due to changes in estimated cash flows are recognised as net change in fair value of financial assets at fair value through profit or loss in the Consolidated Statement of Profit or Loss.

In determining the fair value of the financial assets at fair value through profit or loss classified as current assets, the time value of money has been assessed to be insignificant as the expected cash flows are due within 12 months from the balance sheet date.

The financial assets at fair value through profit or loss classified as non-current assets pertain to rental support provided by the developer of Blue & William in lieu of spaces which remain unleased for a period of up to three years after practical completion. The fair value as at 31 December 2022 was determined by the external valuer of Blue & William, contemporaneously in their valuation of the investment property. The key unobservable input used in their valuation technique to determine the fair value of financial assets at fair value through profit or loss was the assumed leasing pre-commitment of 31% (31 December 2021: 62%) of Blue & William prior to practical completion. An increase/decrease in the level of assumed leasing pre-commitment would result in a decrease/increase to its fair value. Please refer to the fair value measurements of investment properties above for more information on the valuation of the investment property.

(e) 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, trade and other receivables, trade and other payables, security deposits and current borrowings reasonably approximate their fair values. The carrying amounts of advances to associates and floating rate borrowings reasonably approximate their fair values because they are floating rate instruments that are repriced to market interest rates on or near the end of the reporting period.

The fair values of non-current fixed-rate 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.

	2022		2021	
	Carrying value $'000	**Fair value $'000**	Carrying value $'000	Fair value $'000
Group				
Borrowings (non-current)	**413,165**	**380,521**	568,910	568,813
Trust				
Borrowings (non-current)	**277,568**	**253,015**	418,853	422,592

(f) Classification of financial instruments

Group	**Financial assets at amortised cost $'000**	**Financial liabilities at amortised cost $'000**
2022		
Assets		
Advances to associates	**621,499**	**–**
Trade and other receivables	**19,866**	**–**
Cash and bank balances	**186,433**	**–**
Total	**827,798**	**–**
Liabilities		
Trade and other payables	**–**	**57,837**
Borrowings	**–**	**2,851,880**
Security deposits	**–**	**45,902**
Total	**–**	**2,955,619**
2021		
Assets		
Advances to associates	621,167	–
Trade and other receivables	32,884	–
Cash and bank balances	189,299	–
Total	843,350	–
Liabilities		
Trade and other payables	–	59,503
Borrowings	–	2,726,807
Security deposits	–	44,365
Total	–	2,830,675

31. Fair value of assets and liabilities (continued)

(f) Classification of financial instruments (continued)

Trust	Financial assets at amortised cost $'000	Financial liabilities at amortised cost $'000
2022		
Assets		
Advances to associates	621,499	–
Trade and other receivables	28,463	–
Cash and bank balances	98,182	–
Total	748,144	–
Liabilities		
Trade and other payables	–	18,342
Borrowings	–	2,209,653
Total	–	2,227,995
2021		
Assets		
Advances to associates	621,167	–
Trade and other receivables	29,471	–
Cash and bank balances	114,346	–
Total	764,984	–
Liabilities		
Trade and other payables	–	26,892
Borrowings	–	2,109,183
Total	–	2,136,075

The Group and the Trust have financial assets at fair value through profit or loss amounting to $22,587,000 (2021: $14,926,000) and $5,133,000 (2021: $122,000) respectively, and financial liabilities at fair value through profit or loss amounting to $1,000 (2021: $393,000) and $102,000 (2021: $393,000) respectively.

32. Portfolio reporting

The Group's business is investing in real estate and real estate-related assets which are predominantly used for commercial purposes. All its existing properties are located in Singapore, Australia, South Korea and Japan.

Discrete financial information is provided to the Board on a property by property basis. The information provided includes net rental (including property income and property expenses) and the value of the investment properties. The Board is of the view that the portfolio reporting is appropriate as the Group's business is investing in prime commercial properties located in the key business districts of Singapore, Australia, South Korea and Japan. In making this judgement, the Board considers the nature and location of these properties which are similar for the entire portfolio of the Group.

Investments in One Raffles Quay and Marina Bay Financial Centre are held through one-third interests in ORQPL, BFCDLLP and CBDPL, investments in 8 Chifley Square and David Malcolm Justice Centre are held through 50% interests in M8CT and MOTT, and the information provided below is in relation to the properties.

By property	Group	
	2022 $'000	2021 $'000
Property income		
Ocean Financial Centre	**103,708**	102,732
Keppel Bay Tower [1]	**31,836**	19,724
275 George Street [2]	**–**	8,033
8 Exhibition Street [3]	**17,277**	17,470
Victoria Police Centre [4]	**32,847**	33,937
Pinnacle Office Park	**17,676**	17,615
T Tower	**15,835**	17,095
KR Ginza II [5]	**107**	–
Total property income of directly held properties	**219,286**	216,606
Net property income		
Ocean Financial Centre	**84,014**	82,559
Keppel Bay Tower [1]	**25,506**	15,746
275 George Street [2]	**–**	5,517
8 Exhibition Street [3]	**11,976**	11,602
Victoria Police Centre [4]	**27,165**	28,421
Pinnacle Office Park	**15,083**	15,033
T Tower	**12,133**	13,654
KR Ginza II [5]	**65**	–
Total net property income of directly held properties	**175,942**	172,532
Less: Net property income attributable to non-controlling interests		
– Ocean Financial Centre [6]	**(16,887)**	(16,594)
– T Tower [7]	**(75)**	(85)
– KR Ginza II [8]	**(1)**	–
Total net property income attributable to non-controlling interests	**(16,963)**	(16,679)
One-third interest in ORQPL [9]	**39,587**	35,453
One-third interests in BFCDLLP [10] and CBDPL [10]	**92,977**	94,133
50% interest in M8CT [11]	**6,652**	12,449
50% interest in MOTT [12]	**16,257**	17,141
Total attributable net property income of associates and joint ventures	**155,473**	159,176
Total net property income attributable to Unitholders	**314,452**	315,029
Rental support		
Keppel Bay Tower	**1,688**	747
Pinnacle Office Park	**–**	1,925
Total rental support	**1,688**	2,672
Total net property income attributable to Unitholders, including rental support	**316,140**	317,701

1 Keppel Bay Tower was acquired on 18 May 2021.
2 Comprised 50.0% interest in 275 George Street. The property was divested on 30 July 2021.
3 Comprises 50.0% (2021: 50.0%) interest in 8 Exhibition Street office building and 100.0% (2021: 100.0%) interest in the three adjacent retail units.
4 Comprises 50.0% (2021: 50.0%) interest in Victoria Police Centre.
5 KR Ginza II was acquired on 30 November 2022.
6 Represents an approximate interest of 20.1% (2021: 20.1%) in Ocean Financial Centre.
7 Represents an approximate interest of 0.6% (2021: 0.6%) in T Tower.
8 Represents an approximate interest of 1.5% in KR Ginza II.
9 Comprises one-third (2021: one-third) interest in ORQPL which holds One Raffles Quay.
10 Comprise one-third (2021: one-third) interests in BFCDLLP and CBDPL which hold Marina Bay Financial Centre Towers 1, 2 and 3 and Marina Bay Link Mall.
11 Comprises 50.0% (2021: 50.0%) interest in M8CT which holds 8 Chifley Square.
12 Comprises 50.0% (2021: 50.0%) interest in MOTT which holds David Malcolm Justice Centre.

32. Portfolio reporting (continued)

By property (continued)

Reconciliation to profit before costs incurred on divestment of investment property and net change in fair value of investment properties per Consolidated Statement of Profit or Loss:

	Group 2022 $'000	Group 2021 $'000
Total net property income attributable to Unitholders, including rental support	**316,140**	317,701
Add/(less):		
Net property income attributable to non-controlling interests	**16,963**	16,679
Net property income of associates and joint ventures attributable to Unitholders	**(155,473)**	(159,176)
Interest income	**25,264**	15,603
Share of results of associates	**77,787**	89,039
Share of results of joint ventures	**22,907**	29,556
Borrowing costs	**(57,736)**	(51,472)
Manager's management fees	**(52,676)**	(50,682)
Net foreign exchange differences	**(2,390)**	1,052
Net change in fair value of financial assets at fair value through profit or loss	**3,510**	(2,862)
Net change in fair value of derivative financial instruments	**5,506**	325
Less: Other unallocated expenses	**(10,812)**	(11,547)
Profit before costs incurred on divestment of investment property and net change in fair value of investment properties	**188,990**	194,216

	Group 2022 $'000	Group 2021 $'000
Interests in associates		
One-third interest in ORQPL		
Investment in associate	**680,459**	655,853
Advances to associate	**51,343**	51,343
	731,802	707,196
One-third interest in BFCDLLP		
Investment in associate	**1,167,986**	1,093,894
Advances to associate	**570,156**	569,824
	1,738,142	1,663,718
One-third interest in CBDPL		
Investment in associate	**766,741**	705,246

	Group 2022 $'000	Group 2021 $'000
Interests in joint ventures		
50% interest in M8CT		
Investment in joint venture	**209,112**	226,058
50% interest in MOTT		
Investment in joint venture	**221,786**	231,581

By geographical area	Group	
	2022 **$'000**	2021 $'000
Property income		
- Singapore	**135,544**	122,456
- Australia	**67,800**	77,055
- South Korea	**15,835**	17,095
- Japan	**107**	–
Total property income of directly held properties	**219,286**	216,606
Net property income		
- Singapore	**109,520**	98,305
- Australia	**54,224**	60,573
- South Korea	**12,133**	13,654
- Japan	**65**	–
Total net property income of directly held properties	**175,942**	172,532
Net property income attributable to Unitholders, including rental support		
- Singapore	**226,885**	212,044
- Australia	**77,133**	92,088
- South Korea	**12,058**	13,569
- Japan	**64**	–
Total net property income attributable to Unitholders, including rental support	**316,140**	317,701
Investment properties, at valuation		
- Singapore	**3,389,000**	3,258,600
- Australia	**1,150,270**	1,133,734
- South Korea	**288,149**	315,029
- Japan	**89,626**	–
Total value of investment properties	**4,917,045**	4,707,363

Notes to the Financial Statements
For the financial year ended 31 December 2022

33. Commitments and contingencies

(a) Operating lease commitments – as lessor
The Group leases out its investment properties. Lease arrangements for the Group's overseas investment properties include rental escalation clauses. Future minimum rental receivable under non-cancellable operating leases is as follows:

	Group	
	2022 $'000	2021 $'000
Less than one year	191,776	171,542
One to two years	176,009	145,047
Two to three years	128,392	125,718
Three to four years	94,354	86,215
Four to five years	53,362	60,499
Beyond five years	669,998	719,075
	1,313,891	1,308,096

(b) Capital commitments
Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements is as follows:

	Group	
	2022 $'000	2021 $'000
Committed progress payments for investment property under development	82,745	156,927

(c) Guarantee
The Trust has provided corporate guarantees amounting to $1,904,206,000 (2021: $1,627,337,000) and $225,000,000 (2021: $275,000,000) to banks for loans taken by subsidiaries and medium term notes issued by a subsidiary respectively.

34. Financial ratios

	2022 %	2021 %
Expenses to weighted average net assets [1]		
- including performance component of Manager's management fees	1.29	1.22
- excluding performance component of Manager's management fees	1.11	1.03
Total operating expenses to net asset value [2]	3.0	3.3
Portfolio turnover rate [3]	–	5.7

[1] The ratios are computed in accordance with the guidelines of the Investment Management Association of Singapore. The expenses used in the computation relate to the trust expenses, excluding property expenses, amortisation expense, foreign exchange differences and borrowing costs for the financial year.

[2] The ratio is computed based on the total property expenses as a percentage of net asset value as at the end of the financial year. Total property expenses include the Group's share of property expenses incurred by its associates and joint ventures, and all fees and charges paid to the Manager and related parties for the financial year.

[3] The ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of average net asset value.

35. Subsequent events

On 27 January 2023, the Manager announced a distribution of 2.95 cents per Unit for the period from 1 July 2022 to 31 December 2022.

Corporate Governance

The Board of Directors (the “Board”) and management of Keppel REIT Management Limited (the “Manager”), the manager of Keppel REIT, are fully committed to good corporate governance as they firmly believe that it is essential in protecting the interests of the unitholders of Keppel 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 ("MAS") 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 REIT has complied with the principles of the 2018 Code as well as 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 REIT

The Manager has general powers of management over the assets of Keppel REIT. The Manager’s main responsibility is to manage the assets and liabilities of Keppel REIT for the benefit of Unitholders. The Manager manages the assets of Keppel REIT with a focus on delivering sustainable distributions and creating long-term value for Unitholders.

The primary role of the Manager is to set the strategic direction of Keppel REIT and make recommendations to HSBC Institutional Trust Services (Singapore) Limited as trustee of Keppel REIT (the “Trustee”)[1] on the acquisitions to, and divestments from, Keppel REIT’s portfolio of assets, as well as enhancement of the assets of Keppel 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 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 REIT, at arm’s length.

Other functions and responsibilities of the Manager include:

(a) developing a business plan for Keppel REIT with a view to delivering sustainable distributions;

(b) acquiring, selling, leasing, licensing or otherwise dealing with any real estate in furtherance of the prevailing investment policy and investment strategy that the Manager has for Keppel REIT;

(c) supervising and overseeing the management of Keppel REIT’s properties (including lease management, systems control, data management and business plan implementation);

(d) undertaking regular individual asset performance analysis and market research analysis;

(e) managing the finances of Keppel 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 relevant legislation pertaining to the operations of Keppel REIT, 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 MAS and the tax rulings issued by the Inland Revenue Authority of Singapore on taxation of Keppel REIT and its Unitholders;

(g) managing regular communications with Unitholders; and

(h) supervising the property managers who perform day-to-day property management functions (including leasing, accounting, budgeting, marketing, promotion, property management, maintenance and administration) for Keppel REIT’s properties, pursuant to the property management agreements signed for the respective properties.

Keppel 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 REIT. All directors (the “Directors”) and employees of the Manager are remunerated by the Manager, and not by Keppel REIT.

The Manager is appointed in accordance with the terms of the Trust Deed dated 28 November 2005, as amended by the Supplemental Deed dated 2 February 2006, the Second Supplemental Deed dated 17 March 2006, the Third Supplemental Deed dated 30 July 2007, the Fourth Supplemental Deed dated 17 October 2007, the Fifth Supplemental Deed dated 19 January 2009, the Sixth Supplemental Deed dated 16 April 2009, a First Amending and Restating Deed dated 19 April 2010, a Supplemental Deed dated 15 October 2012 to the First Amending and Restating Deed, a Second Amending and Restating Deed dated 23 March 2016, the Tenth Supplemental Deed dated 20 April 2018, the Eleventh Supplemental Deed dated 21 February 2020, the Twelfth Supplemental Deed dated 7 April 2020, the Thirteenth Supplemental Deed dated 29 August 2022, a Supplemental Deed of Retirement and Appointment of Trustee dated 30 August 2022 and a Third Amending and Restating Deed dated 30 September 2022 (collectively, the “Trust Deed”)[2]. 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) 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 is responsible for the overall management and the corporate governance of Keppel 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-

[1] The retirement of RBC Investor Services Trust Singapore Limited and appointment of HSBC Institutional Trust Services (Singapore) Limited took effect on 30 September 2022.
[2] A copy of the Trust Deed is available for inspection by Unitholders 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.

top and desired organisational culture, and ensures proper accountability within the Manager and Keppel REIT.

Role: The principal functions of the Board are to:

(a) provide entrepreneurial leadership and decide on matters in relation to Keppel 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;

(b) oversee the business and affairs of Keppel 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;

(c) hold Management accountable for performance and ensure proper accountability within Keppel REIT and the Manager;

(d) 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;

(e) 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 REIT and its stakeholders; and

(f) 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 set out the level of authorisation and financial authority limits for investment/ business acquisition and divestment, operating/capital expenditure, capital management, leasing, disposal 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:

(a) material acquisitions, investments and divestments;

(b) issuance of new units in Keppel REIT ("Units");

(c) income distributions and other returns to Unitholders; and

(d) matters which involve a conflict of interest for a controlling unitholder or a Director.

Independent Judgment: All Directors are fiduciaries who are expected to act objectively and exercise independent judgment in the best interests of Keppel 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 REIT or the Manager as soon as is practicable after the relevant facts have come to his knowledge, and recuse themselves when the conflict-related matter is discussed unless the Board is of the opinion that his 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

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
Mr Tan Swee Yiow	Chairman and Non-Executive Director	-	-	Chairman
Mr Ian Roderick Mackie	Lead Independent Director	-	Chairman	Member
Mr Alan Rupert Nisbet	Independent Director	Chairman	-	-
Ms Christina Tan	Non-Executive Director	-	Member	-
Mr Mervyn Fong	Independent Director	Member	Member	Member
Mr Yoichiro Hamaoka	Independent Director	Member	-	-

The number of Board and Board committee meetings held in FY2022, as well as the attendance of each Board member at these meetings, are disclosed in the following table:

Director	Board Meetings Attended	Audit and Risk Committee Meetings Attended	Nominating and Remuneration Committee Meetings Attended	Environmental, Social and Governance Committee Meetings Attended
Mr Tan Swee Yiow	6	-	-	1
Mr Ian Roderick Mackie	6	-	2	1
Mr Alan Rupert Nisbet	6	4	-	-
Ms Christina Tan	6	-	2	-
Mr Mervyn Fong	6	4	2	1
Mr Yoichiro Hamaoka	6	4	-	-
Mrs Penny Goh [1]	4/4	-	-	-
No. of Meetings held in FY2022	6	4	2	1

1 Mrs Penny Goh stepped down as Director on 31 May 2022.

basis, each Director is also required to submit details of his associates for the purpose of monitoring interested person 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 ("ESG") 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 REIT, proposed acquisitions and divestments, the annual budget, the performance of the business and the financial performance of Keppel 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 REIT, and acts upon any comments from the internal and external auditors of Keppel 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.

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. 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, 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. The Company Secretaries are also the primary channel of communication between Keppel 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 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 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 have sufficient time to review the materials and understand the matters prior to the Board meeting, enabling discussions to 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 also 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 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 annually for in-depth discussion on strategic issues and direction of Keppel REIT, to give the Directors a better understanding of Keppel 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 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 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 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

Corporate Governance

and refresh them on matters that affect or may enhance their performance as Board or Board committee members.

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 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 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 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 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 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, as well as conduct annual reviews of board diversity, board size, board independence and Directors' commitment. The NRC comprises three Directors (including the lead independent director "Lead Independent Director", Mr Ian Roderick Mackie), the majority of whom, including the Chairman of the NRC, are independent; namely:

Mr Ian Roderick Mackie	Chairman
Ms Christina Tan	Member
Mr Mervyn Fong	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.
Mr Ian Roderick Mackie was appointed as Lead Independent Director of the Board on 18 June 2021.

Mr Ian Roderick Mackie 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 (investor.relations@keppelreit.com) to the Lead Independent Director. 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:

(a) 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;

(b) in light of such review and in consultation with Management, the NRC assesses if there are 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;

(c) 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;

(d) 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

(e) 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:

(a) Integrity;

(b) Independent mindedness;

(c) Diversity – possess core competencies that meet the current needs of Keppel REIT and the Manager and complement the skills and competencies of the existing Directors on the Board;

(d) Able to commit time and effort to carry out duties and responsibilities effectively;

(e) Track record of making good decisions;

(f) Experience in high-performing corporations or property funds; and

(g) Financially literate.

Endorsement by Unitholders of Appointment of Directors

Keppel Capital Holdings Pte. Ltd. ("Keppel Capital") had 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:

(a) 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;

(b) (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 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:

(a) Keppel Capital remains as the holding company (as defined in the Companies Act) of the Manager; and

(b) Keppel REIT Management Limited remains as the manager of Keppel REIT.

The Manager is seeking the re-endorsement of the appointments of Mr Tan Swee Yiow, Mr Ian Roderick Mackie and Ms Christina Tan at the AGM to be held in 2023.

The NRC recommends the 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 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 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 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 ensuring that at least approximately 30% of the Board will comprise female directors. As at the date of this Annual Report, there was one female Director out of a total of six Directors on the Board. The Board continues its efforts to meet this gender diversity target by ensuring that female candidates are included for consideration when identifying suitable candidates for appointment to the Board.

Annual Review of Board Size and Composition

The Board consists of six members, four of whom are non-executive independent Directors.

The NRC is of the view that, taking into account the nature and scope of Keppel 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, 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

Corporate Governance

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 judgment, 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 judgment in the best interests of Keppel 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 REIT;

(b) is independent from any business relationship with the Manager and Keppel REIT;

(c) is independent from every substantial shareholder of the Manager, and every substantial unitholder of Keppel REIT;

(d) is not a substantial shareholder of the Manager, or a substantial unitholder of Keppel REIT; and

(e) has not served as a director of the Manager for a continuous period of 9 years or longer.

Taking into account the views of the NRC, the Board has determined that:

(a) each of Mr Alan Rupert Nisbet, Mr Mervyn Fong and Mr Yoichiro Hamaoka (i) has been independent from Management and business relationships with the Manager and Keppel REIT, (ii) has not been a substantial shareholder of the Manager or a substantial Unitholder of Keppel REIT, and (iii) has been independent from every substantial shareholder of the Manager and substantial Unitholder of Keppel REIT;

(b) Mr Ian Roderick Mackie (i) has been independent from Management and business relationships with the Manager and Keppel REIT, and (ii) has not been a substantial shareholder of the Manager or a substantial Unitholder of Keppel REIT. The Board has also determined that Mr Mackie shall nevertheless be considered independent notwithstanding that he is a member of the investment committee of the Keppel-MMP Indonesia Logistics Fund Private Limited (the "Fund"), which is managed by Alpha Investment Partners Limited. Alpha Investment Partners Limited is a related corporation of the substantial shareholder of the Manager and the substantial Unitholder of Keppel REIT, namely Keppel Corporation Limited ("Keppel Corporation"). Taking into consideration (I) Mr Mackie having declared that (a) he is not in any employment relationship with the Keppel Group; (b) the Fund has a different investment objective from Keppel REIT whereby the Fund seeks to acquire, develop, manage and operate modern logistics real estate projects in Indonesia and given the different investment objective, asset class and geographic focus between Keppel REIT and the Fund, his position as investment committee member of the Fund does not interfere with and reasonably should not be regarded as interfering with his exercise of independent judgment and ability to act in the best interests of Keppel REIT and its Unitholders as a whole; and (c) he would recuse himself in the event of a potential conflict of interest, and (II) the instances of constructive challenge and probing of Management by Mr Mackie at the Board and the Board committee meetings of the Manager, the Board is satisfied that Mr Mackie is able to act in the best interests of all the Unitholders of Keppel REIT as a whole; and

(c) Ms Christina Tan and Mr Tan Swee Yiow are not considered independent from Keppel Corporation. Ms Tan is the Chief Executive Officer of Keppel Capital, a related corporation of Keppel Corporation, and Mr Tan is Senior Managing Director of Urban Development at Keppel Corporation.

None of the Directors have served on the Board for a continuous period of nine years or longer.

The Chairman and CEO are separate persons, the independent Directors currently comprise a majority of the Board, and the ARC and NRC are chaired by and comprise at least a majority of independent Directors.

In addition to the foregoing, the Board appointed Mr Ian Roderick Mackie 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 (the "ARC Chairman").

The current Board comprises individuals who are business leaders and professionals with real estate, finance, banking 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 and strategic planning. Their varied backgrounds enable Management to benefit from their diverse expertise and experience to further the interests of Keppel 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 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 REIT and the Manager and has been able to discharge his/her duties as director effectively.

ESG Committee
On 12 September 2022, the Board constituted the ESG Committee for the primary purpose of, among others, enhancing and articulating Keppel REIT's ESG strategy, as well as providing oversight on Keppel REIT's sustainability efforts across its business operations. As of the date of this Annual Report, the ESG Committee comprises three Directors:

Mr Tan Swee Yiow	Chairman
Mr Ian Roderick Mackie	Member
Mr Mervyn Fong	Member

The detailed responsibilities of the ESG Committee are disclosed at pages 192 to 193.

Key Information regarding Directors
The following key information regarding Directors are set out in the following pages of this Annual Report:

- Pages 14 to 16: 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;
- Pages 195 to 197: 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 re-endorsement by Unitholders at the annual general meeting; and
- Pages 204 to 205: Unitholdings in Keppel REIT as at 3 March 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 each of its Board committees separately, the contribution by the Chairman and each individual Director to the effectiveness of 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 Coordinator") to assist in collating and analysing the returns of the Board members. Ernst & Young Advisory Pte. Ltd. ("EY") was appointed for this role. While EY and Ernst & Young LLP are both member firms of the Ernst & Young global network of firms, EY is a separate entity that provides, among others, consulting services that are independent and unrelated to the audit and tax services that Ernst & Young LLP provide to Keppel REIT.

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 to discharge his 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 Matters

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, and the relationships between 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 178. 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. 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.

The NRC has access to expert advice from external remuneration consultant where required. In FY2022, the NRC sought views from external remuneration consultant, Willis Towers Watson ("WTW"), 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 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 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

Corporate Governance

meetings with management during the year and are not paid for attending such meetings.

In FY2022, the NRC, in consultation with WTW, conducted a review of the 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 director fees in Keppel REIT's Units. The incorporation of an equity component in the total remuneration of the non-executive Directors is intended to achieve the objective of aligning the interests of the non-executive Directors with those of the Unitholders and the long-term interests of Keppel REIT. An all-in fee had been recommended by WTW for the Chairman of the Board in view of the larger role and responsibilities.

Each of the independent Directors will receive 70% of his/her total Directors' fees in cash and 30% in the form of Units in Keppel REIT. The Director's fees for Mr Tan Swee Yiow will be paid in cash to Keppel Corporation. The Director's fees for Ms Christina Tan will be paid in cash to Keppel Capital.

Remuneration Policy in respect of Key Management Personnel
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 in the longer term.

The current total remuneration structure reflects four key objectives:

(a) Unitholder's Interest 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; and

(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 with the relevant industry market data. The size of the Manager's annual performance bonus pot is mainly determined by Keppel REIT's financial and non-financial performance, and is distributed to employees based on 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 that are determined on an annual basis and will vest over a longer-term horizon.

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 REIT already owned by the Manager. Therefore, no new Units are or will be issued by Keppel 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 judgment in ensuring that the amount and mix of remuneration are aligned with the interests of Unitholders and promote the long-term success of Keppel REIT. The mix of fixed and variable rewards are considered appropriate for the Manager and for each individual role.

The remuneration structure is directly linked to the performance of the respective individual, Keppel REIT and the Manager 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 subject to a vesting schedule;

(b) by incorporating appropriate key performance indicators ("KPIs") for awarding 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; and

    (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 Keppel REIT Management Limited ("KRML") PUP such as Assets under Management, Distribution per Unit and Absolute Total Unitholder Return that are aligned with Unitholders' interests;

(d) by requiring those KPIs or conditions to be met in order for the at-risk component of remuneration to be awarded and contingent Units to be vested; and

The framework for determining the Directors' fees is shown in the table below:

	Chairman	Lead Independent Director	Director	Member
Main Board	S$150,000 per annum	S$72,000 per annum	S$60,000 per annum	
Audit and Risk Committee	S$42,500 per annum			S$25,000 per annum
Nominating and Remuneration Committee	S$25,000 per annum			S$15,000 per annum
Environmental, Social and Governance Committee	S$12,000 per annum			S$6,000 per annum

(e) forfeiture of the at-risk component 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 determining the remuneration structure, the NRC had taken into account the risk policies and risk tolerance of Keppel 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;

(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 Keppel REIT and 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 set forth above had been met. The NRC is of the view that remuneration is aligned to the performance in FY2022.

In order to align the interests to 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 his 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 granted to them under the PUP and RUP.

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 REIT industry, the Manager is disclosing the remuneration of the CEO in bands of $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 Unitholders as (i) the NRC, which comprises a majority of independent directors, conducted reviews of the Manager's 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 their performance, as set out in this Annual Report.

Long Term Incentive Plans – KRML Unit Plans

The RUP and the PUP (the "KRML Unit Plans") are long-term incentive schemes implemented by the Manager since 2010. No employee share option schemes or share schemes have been implemented by Keppel REIT.

The KRML 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 achieve long-term Unitholder value. The KRML 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

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 (S$)	Variable or performance-related income/bonuses (S$)	Directors' Fees[1] (S$)	Benefits-in-Kind (S$)
Mr Tan Swee Yiow [2], [3]	-	-	112,767	-
Mr Ian Roderick Mackie [3], [4]	-	-	98,825	-
Mr Alan Rupert Nisbet	-	-	102,500	-
Ms Christina Tan [5]	-		75,000	-
Mr Mervyn Fong [3]	-	-	101,825	-
Mr Yoichiro Hamaoka	-	-	85,000	-
Mrs Penny Goh [6]	-	-	62,055	-

1. 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 in Keppel REIT, unless otherwise specified.
2. Mr Tan Swee Yiow will be paid an all-in fee effective from his appointment as Chairman of the Board and which will be paid 100% in cash to Keppel Corporation.
3. Mr Tan Swee Yiow, Mr Ian Roderick Mackie and Mr Mervyn Fong were appointed to the ESG Committee on 12 September 2022. Fees are pro-rated accordingly for Mr Ian Roderick Mackie and Mr Mervyn Fong. As Chairman of the Board, Mr Tan Swee Yiow will be paid a pro-rated all-in fee.
4. Mr Ian Roderick Mackie's fee includes a lead independent director's fee for his appointment as Lead Independent Director.
5. Ms Christina Tan's fee will be paid 100% in cash to Keppel Capital.
6. Mrs Penny Goh stepped down as Director on 31 May 2022. Her fee is pro-rated accordingly and will be paid 100% in cash.

Corporate Governance

targets to be set under the PUP includes stretched or strategic targets aimed at sustaining longer-term growth.

The NRC has the discretion not to 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 REIT or the Manager. Outstanding performance bonuses under the KRML Unit Plans 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 REIT or an immediate family member of a Director, the CEO, a substantial shareholder of the Manager or a substantial unitholder of Keppel REIT and whose remuneration exceeded $100,000 during the financial year ended 31 December 2022. "Immediate family member" refers to the employee's spouse, child, adopted child, step-child, brother, sister and parent.

Accountability and Audit: 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 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 REIT. Financial reports and other price sensitive information are disseminated to Unitholders through announcements via SGXNet, media releases, as well as Keppel REIT's corporate website.

Management provides all members of the Board with management accounts which present a balanced and understandable assessment of Keppel REIT's performance, position and prospects on a periodic basis. Such reports include financial results, market and business developments, as well as business and operational information. The financial results are compared against the respective budgets, together with explanations of 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 Alan Rupert Nisbet and the members are Mr Mervyn Fong and Mr Yoichiro Hamaoka.

All the members of the ARC have accounting or related financial management expertise or experience. Thus, the Board is of the view that all 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 a sound internal control and risk management system is 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. Keppel REIT's and the Manager's internal audit function has been outsourced to Keppel Corporation's Group Internal Audit department[4]. They, together with the external auditor, report their findings and recommendations independently to the ARC.

A total of four ARC meetings were held in FY2022. In addition, the ARC met with the external auditor and the internal auditor at least once during FY2022, in each case without the presence of the Management.

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$1,000,000 to S$1,250,000					
Mr Koh Wee Lih (4)	44%	13%	2%	29%	12%
Above S$250,000 to S$500,000					
Ms Kang Leng Hui	54%	30%	3%	3%	10%
Ms Teo Xuan Lin (5)	55%	32%	3%	-	10%
Mr Rodney Yeo	62%	26%	4%	-	8%

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 2022 were met.
3. Units awarded under the 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 PUP was $1.02. As at 15 February 2023 (being the grant date for the contingent deferred units under the RUP), the volume-weighted average unit price granted in respect of the contingent awards under the RUP was $1.06. For the 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. In addition to the remuneration disclosed above, Mr Koh Wee Lih was granted performance shares on a one-off basis under the five-year Keppel Corporation Limited ("KCL") Performance Share Plan ("PSP") 2020 - Transformation Incentive Plan ("TIP") on 29 April 2022. Shares awarded under the KCL PSP 2020–TIP are subject to pre-determined performance targets over a five-year performance period. As at 29 April 2022, being the grant date for the contingent awards under the KCL PSP 2020-TIP, the estimated value of each share was $1.77. The total allocation value of the awards is estimated at $88,500. For the KCL PSP 2020-TIP, the figures are based on the value of the PSP-TIP shares 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.
5. Ms Teo Xuan Lin was appointed as Head of Investment of the Manager with effect from 28 November 2022. The remuneration disclosed is on an annual basis.

During FY2022, the ARC performed independent reviews of the financial statements of Keppel REIT before the announcement of Keppel REIT's half- and full-year results. In the process, the ARC reviewed the key areas of management judgment applied for adequate provisioning and disclosure, critical accounting policies and any significant changes made that would have a significant impact on the financial statements.

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 REIT and the Manager. Such significant controls comprise financial, operational, compliance and 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 the ARC 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 FY2022, an aggregate amount of S$494,000, comprising non-audit service fees of S$15,000 and audit service fees of S$479,000, was paid/ payable to the external auditor of Keppel REIT and its subsidiaries.

Cognisant that the external auditor should be free from any business or other relationships with Keppel 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 REIT's relationships with them during FY2022. In determining the independence of the external auditor, the ARC reviewed all aspects of Keppel REIT's relationships with it including the processes, policies and safeguards adopted by Keppel REIT and the external auditor relating to auditor independence. The ARC also considered the nature of the provision of non-audit services in FY2022 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 REIT's statutory financial audit. Keppel REIT has complied with Rule 712 and Rule 715 read with Rule 716 of the Listing Manual in relation to its appointment of audit firms. In addition, none of the ARC members were former partners or directors of the external auditors within the last two years or hold any financial interest in the external auditor.

The ARC also reviewed the independence and performance of the internal audit function and was satisfied that the internal audit team was independent, effective and adequately resourced to perform its functions, and had appropriate standing within Keppel 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 follows 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 193 to 194 herein.

The ARC members are kept updated whenever there are changes to the financial reporting standards or issues that may have an impact on the financial statements of Keppel REIT.

Accountability and Audit: 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 assists the Board in examining the adequacy and effectiveness of Keppel REIT's and the Manager's risk management system to ensure that it remains robust. The ARC also reviews and guides Management in the formulation of risk policies and processes to effectively identify, evaluate and manage significant risks, in order to safeguard Unitholders' interests and Keppel REIT's assets. The ARC reports to the Board any critical risk issues, material matters, findings and recommendations in respect of significant risk matters. 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 REIT and to protecting Unitholders' interests and value. Keppel 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.

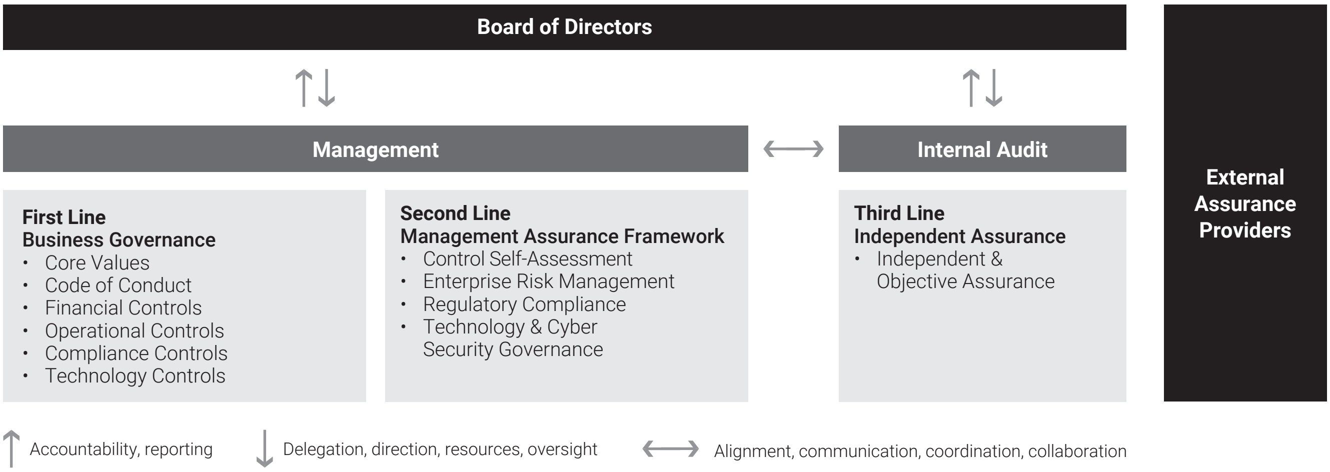
The Board met six times in FY2022. Management surfaces key risk issues for discussion and confers with the ARC and the Board regularly.

Keppel REIT's Enterprise Risk Management framework ("ERM Framework") provides Keppel 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 property 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 199 to 200 of this Annual Report. The Manager is guided by a set of Risk Tolerance Guiding Principles ("Guiding Principles"), as disclosed on page 199.

The Manager has in place a risk management assessment framework (the "Assessment Framework") which was established to facilitate the Board's assessment on the adequacy and effectiveness of Keppel REIT's and the Manager's risk management system. The

[4] For audit efficiency purposes, the internal audit of the property level operations in Australia, South Korea and Japan is outsourced to various reputable third-party service providers approved by the ARC.

Keppel REIT’s System of Management Controls



Assessment Framework lays out the governing policies, processes and systems pertaining to each of the key risk areas of Keppel REIT and the Manager, and assessments are made on the adequacy and effectiveness of such policies, processes and systems. The Guiding Principles and 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 the Management’s commitment to conduct its business within a framework that fosters the highest ethical and legal standards.

Independent Review of Internal Controls
Keppel REIT’s and the Manager’s internal auditor conducts an annual risk-based review of the adequacy and effectiveness of Keppel REIT’s and the Manager’s material internal controls, including financial, operational, compliance and 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 in this respect.

Keppel REIT and the Manager also have in place the Keppel REIT’s System of Management Controls Framework (the “Framework”) outlining Keppel REIT’s and the Manager’s internal control and risk management processes and procedures. The Framework comprises the Three-Lines Model to ensure the adequacy and effectiveness of Keppel REIT’s and the Manager’s system of internal controls and risk management.

Under the First Line of Business Governance, Management, supported by their respective line functions, is responsible for the identification and mitigation of risks (including financial, operational, compliance and technology risks) facing Keppel REIT and the Manager in the course of running their business. Appropriate policies, procedures and controls are implemented and operationalised in line with Keppel 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 the Employee 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. Keppel REIT and the Manager are required to conduct a control self-assessment (“CSA”) exercise to assess the status of their respective internal controls on an annual basis. Remedial actions are implemented to address all control gaps identified during the CSA exercise. Under Keppel REIT’s ERM Framework, significant risk areas are also identified and assessed, with systems, policies and processes put in place to manage and mitigate the identified risks, to ensure that such risks fall within the established risk appetite and tolerance levels. Regulatory Compliance works alongside Management to ensure relevant policies, processes and controls are effectively designed, implemented and managed to mitigate compliance risks that Keppel REIT and the Manager face in the course of their business.

The Technology Governance Framework aims to align technology strategy to enterprise vision, whilst strengthening technology controls and security and manage technology risks for Keppel 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 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 REIT’s and the Manager’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 the 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 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 REIT and the Manager.

The Board has received assurance:

(a) from the CEO and CFO that, as at 31 December 2022, the financial records of Keppel REIT and the Manager have been properly maintained and the financial statements for the year ended 31 December 2022 give a true and fair view of Keppel REIT's and the Manager's operations and finances; and

(b) from the CEO and CFO that, as at 31 December 2022, Keppel REIT's and the Manager's internal controls (including financial, operational, compliance and IT controls) and risk management systems were adequate and effective to address the risks which Keppel REIT and the Manager consider relevant and material to its operations.

Based on the internal controls and enterprise-wide risk management framework established and maintained by Keppel REIT and the Manager, work performed by 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 REIT's and the Manager's internal controls (including financial, operational, compliance and IT controls) and risk management systems were adequate and effective to address the risks which Keppel REIT and the Manager considers relevant and material to its operations.

The Board notes that the system of internal controls and risk management established by Keppel REIT and the Manager provides reasonable, but not absolute, assurance that Keppel REIT and the Manager will not be adversely affected by any event that could 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 judgment in decision- making, human error, losses, fraud and other irregularities.

The ARC concurs with the Board's view that, as at 31 December 2022, Keppel REIT's and the Manager's internal controls (including financial, operational, compliance and IT controls) and risk management systems were adequate and effective to address the risks which Keppel REIT and the Manager considers relevant and material to its operations.

Internal Audit

The internal audit function of Keppel REIT and the Manager is outsourced to Keppel Corporation's Group Internal Audit department ("Internal Audit"). They have been appointed as the internal auditor since 2006. The role of the internal auditor is to provide independent assurance to the ARC that Keppel REIT and the Manager maintain a sound system of internal controls by conducting risk-based reviews of key controls and procedures and their effectiveness, undertaking investigations as directed by the ARC, and conducting regular in-depth audits of high-risk areas. For audit efficiency purposes, the internal audit of the property level operations in Australia, South Korea and Japan is outsourced to various reputable third-party service providers approved by the ARC.

Staffed with suitably qualified executives, Internal Audit has unrestricted access to the ARC and to all of Keppel REIT's and the Manager's documents, records, properties and personnel. The Head of Internal Audit's primary line of reporting is to the ARC Chairman.

As a member of the Institute of Internal auditors ("IIA"), Internal Audit is guided by the International Standards for the Professional Practice of Internal Auditing set by the IIA. External quality assessment reviews are carried out at least once every five years by qualified professionals, with the last assessment conducted in 2021. The results re-affirmed that the internal audit activity generally conforms to the International Standards for the Professional Practice of Internal Auditing. 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.

During FY2022, Internal Audit adopted a risk-based approach to audit planning and execution that focused on key risks, including financial, operational, compliance and technology risks. An annual audit plan is developed using a structured risk and control assessment framework. Internal Audit's reports are submitted to the ARC for deliberation with copies of these reports extended to the relevant senior management personnel. A summary of 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 discussed with the ARC. The ARC also reviews the effectiveness of the actions taken by Management on the recommendations made by Internal Audit.

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.

The number of unitholders' meetings held in FY2022, as well as the attendance of each board member, are disclosed in the following table:

Director	Unitholders' Meetings Attended
Mr Tan Swee Yiow	1
Mr Ian Roderick Mackie	1
Mr Alan Rupert Nisbet	1
Ms Christina Tan	1
Mr Mervyn Fong	1
Mr Yoichiro Hamaoka	1
Mrs Penny Goh [(1)]	1
No. of Unitholders' Meetings held in FY2022	1

[1] Mrs Penny Goh stepped down as the Chairman of the Board and Director on 31 May 2022 and Mr Tan Swee Yiow was appointed as the Chairman of the Board with effect from 1 June 2022.

Corporate Governance

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.

The Manager maintains regular and two-way communication with Unitholders to share views and address any queries on Keppel REIT's business strategies, developments and performance.

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 material stakeholder groups and to manage its relationships with such groups.

In addition to Unitholders' meetings, management engaged with a total of more than 600 global institutional investors and analysts through one-on-one and group conference calls, virtual and in-person conferences and roadshows, meetings, site visits, as well as webinars.

Since the start of 2021, audio webcasts were implemented for Keppel REIT's half- and full-year results. This provides institutional and retail investors an opportunity to listen to Management's presentation on Keppel REIT's latest developments and performance and ask "live" questions thereafter. Analysts teleconferences and investor updates continue to be held, following the release of Keppel REIT's first and third quarter key business and operational updates. More details of the Manager's investor relations activities and efforts are set out on pages 20 to 22 of this Annual Report.

Material information is disclosed in a comprehensive, accurate and timely manner via SGXNet. The Manager ensures that unpublished price sensitive information is not selectively disclosed, and if on the rare occasion when such information is inadvertently disclosed, it is immediately released to the public via SGXNet.

Unitholders are also kept abreast of the latest announcements and updates regarding Keppel REIT via its website at www.keppelreit.com. Unitholders and members of the public can post questions via the feedback and general enquiries email, or to the investor relations contact available on Keppel REIT's website, through which they are able to ask questions and receive responses in a timely manner. An email alert option is also available on the website where subscribers will be notified of Keppel REIT's latest announcements and developments.

The Manager actively engages with Unitholders and the investment community to provide information necessary for them to make well-informed investment decisions, as well as to gather feedback and understand their views. An Investor Relations Policy ("IR Policy") which sets out the principles and best practices is in place and available on Keppel REIT's website. The IR Policy is reviewed regularly to ensure relevance and effectiveness.

Unitholders are informed of Unitholders' meetings and rules governing such meetings through notices published via SGXNet, Keppel REIT's website and newspapers. Relevant materials such as annual reports and circulars are also published via SGXNet and Keppel REIT's website. 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 as well as the Joint Statement by the Accounting and Corporate Regulatory Authority, MAS and Singapore Exchange Regulation issued on the conduct of general meetings, Keppel REIT's AGM was convened virtually on 22 April 2022, ensuring Unitholders were able to continue to participate, vote and pose questions to senior management. At the virtual meeting, the Board and Management reported on Keppel REIT's FY2021 performance, and addressed questions and comments from Unitholders that were submitted ahead of the AGM as well as "live" via the textbox Q&A 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 and minutes of the meeting, as well as responses to relevant and substantial questions from Unitholders were published on SGXNet and Keppel REIT's website.

Where possible, all the Directors will attend Unitholders' meetings. In particular, the Chairman of the Board, the respective Chairman of the ARC and the NRC as well as the Lead Independent Director are required to be present to address questions at general meetings. The external auditor is also present at such meetings to assist the Directors to address Unitholders' queries, where necessary.

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 of the Manager prepare minutes of Unitholders' meetings, which incorporate comments or queries from Unitholders and responses from the Board and Management. These minutes will also be published on Keppel REIT's website.

Keppel REIT's distribution policy is to distribute at least 90% of its taxable income for each financial year, with the actual level of distribution to be determined at the Manager's discretion. Distributions are denominated in Singapore dollar and announced on a half-yearly basis, and generally paid within 60 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 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 compliance with Rule 1207(19) of the Listing Manual on best practices on dealing in securities, the Manager issues notices to its Directors and officers informing that the Manager and its officers must not deal in listed securities of Keppel 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. The Manager's Directors and officers are also informed that they should not deal in Keppel 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 Keppel REIT's 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, before trading, check if the intended securities are listed on this restricted list. 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 REIT.

(b) All resolutions in writing of the directors of the Manager in relation to matters concerning Keppel 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.

(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 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 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 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.

Employee 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 addresses, at the employee level, the standards of acceptable and unacceptable behaviour and personal decorum as well as issues of workplace harassment. On the business front, the policy addresses the standards of ethical business behaviour including anti-corruption, the offering and receiving of gifts, hospitality and promotional expenditures as well as conflicts of interests. 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 REIT and the Manager. Employees must not offer or authorise the giving, directly or indirectly, or through third parties, of any bribe, kickback, illicit payment, or any benefit-in-kind or any other advantage to any government official or government entity, private sector customer, supplier, contractor or any other 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, directly or indirectly, any bribe, kickback, illicit payment, benefit in kind or any other advantage from any government official or government entity, customer, supplier, contractor or any other person or entity that is intended to induce or reward an improper performance or non-performance of a function or activity.

The employee code of conduct is published on the intranet which is accessible by all employees of the Manager. New employees are briefed on the policy when they join the Manager. Subsequently, all employees are required to acknowledge 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 (any "interested person" as defined in the Listing Rules and/or, as the case may be, an "interested party" defined in the Property Funds Appendix) transactions:

(a) will be undertaken on normal commercial terms; and

(b) will not be prejudicial to the interests of Keppel REIT and the Unitholders.

As a general rule, the Manager must demonstrate to the ARC that such transactions satisfy the foregoing criteria, which may entail obtaining (where practicable) quotations from parties unrelated to the Manager. In the case of acquisition or disposal of assets undertaken with a Related Party, the Manager and Trustee will obtain two independent valuations for each of those real estate assets (in accordance with the Property Funds Appendix), with one of the valuers commissioned independently by the Trustee. Each of those assets must be

Corporate Governance

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 REIT and the Unitholders.

The Manager maintains a register to record all Related Party transactions which are entered into by Keppel 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 REIT. The ARC reviews the internal audit reports 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:

(a) 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 $100,000 in value but below 3.0% of the value of Keppel REIT's net tangible assets will be subject to review by the ARC at regular intervals;

(b) 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 REIT's 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 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

(c) 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 REIT's 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 REIT relate to transactions entered into or to be entered into by the Trustee for and on behalf of Keppel REIT with a Related Party of Keppel REIT or the Manager, the Trustee is required to consider the terms of such transactions to satisfy itself that such transactions:

(a) are conducted on normal commercial terms;

(b) are not prejudicial to the interests of Keppel REIT and the Unitholders; and

(c) 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 REIT or the Manager. If the Trustee is to sign any contract with a Related Party of Keppel 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 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 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 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.

The Manager maintains a register to record all Related Party transactions which are entered into by Keppel REIT and the bases used for evaluation, including any quotations from unrelated parties and independent valuations, on which they are entered into.

On a semi-annual basis, Management reports to the ARC the Related Party transactions entered into by Keppel REIT. The Related Party transactions are also reviewed by Internal Audit and all findings, if any, are reported during the ARC meetings. The Trustee also has the right to review such internal audit reports to ascertain that the requirements of the Property Funds Appendix have been complied with.

The ARC reviews all 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.

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

A. Audit and Risk Committee

(1) Review financial statements and formal announcements relating to financial performance, and review significant financial reporting issues and judgments contained in them, for better assurance of the integrity of such statements and announcements.

(2) Review and report to the Board at least annually the adequacy and effectiveness of the Manager's and Keppel REIT's internal controls, including financial, operational, compliance and information technology controls and risk management system (such review can be carried out internally or with the assistance of any competent third parties).

(3) Review the scope, audit plans and reports of the external auditor and internal auditor, and consider the effectiveness of actions or policies taken by Management on the recommendations and observations annually.

(4) Review the independence and objectivity of external and internal auditors annually.

(5) Review the nature and extent of non-audit services performed by the external auditor.

(6) Meet with external and internal auditors, without the presence of management, at least annually.

(7) 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.

.

(8) Review the adequacy and effectiveness of the Manager's and Keppel REIT's internal audit function, at least annually.

(9) Ensure that the internal audit function is adequately resourced and has appropriate standing with the Manager and Keppel REIT at least annually.

(10) Approve the accounting/auditing firm or corporation to which the internal audit function is outsourced.

(11) Review the whistle-blowing policy and the Manager's or Keppel REIT's procedures for detecting and preventing fraud, and other arrangements 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.

(12) Report significant matters raised through the whistle-blowing channel to the Board.

(13) 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).

(14) Review the financial guidelines, procedures and financial authority limits, and make a recommendation to the Board for its approval.

(15) 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).

(16) Investigate any matters within the ARC's purview, whenever it deems necessary.

(17) 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 REIT may take in achieving its strategic objectives; and

(ii) Overall levels of risk tolerance, risk parameters and risk policies.

(18) Review and discuss, as and when appropriate, with Management, the Manager's and Keppel REIT's risk governance structure and framework including risk policies, risk strategy, risk culture, risk assessment, risk mitigation and monitoring processes and procedures.

(19) Review the Information Technology ("IT") governance and cybersecurity framework to ascertain alignment with business strategy and Keppel 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.

(20) Receive and review at least quarterly reports from management on the Manager's and Keppel REIT's risk profile and major risk exposures and the steps taken to monitor, control and mitigate such risks.

(21) 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.

(22) Review and monitor Management's responsiveness to the critical risk and compliance issues and material matters identified and recommendations of the ARC.

(23) Provide timely input to the Board on critical risk and compliance issues, material matters, findings and recommendations.

(24) Review the assurance and steps taken by the Chief Executive Officer (CEO) and Chief Financial Officer on the financial records and financial statements and the assurance and 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 risk management system and internal controls.

(25) Receive and review updates from Management to assess the adequacy and effectiveness of the Manager's compliance framework in line with relevant laws, regulations and best practices.

(26) Through interactions with the compliance lead who has a direct reporting line to the ARC, review and oversee performance of the Manager's implementation of compliance programmes.

(27) Review and monitor the Manager's approach to ensuring compliance with regulatory commitments, including progress of remedial actions where applicable.

(28) Review the adequacy, effectiveness and independence of the Manager's Risk and Compliance function, at least annually, and report the ARC's assessment to the Board.

(29) Review the ARC's terms of reference annually and recommend any proposed changes to the Board.

(30) Review and report to the Board annually on the adequacy and effectiveness of the Manager's and Keppel REIT's risk management systems and internal controls, including financial, operational, compliance and information technology controls so that the Board may form an opinion on the adequacy of the risk management system and internal controls.

(31) Review the Board's opinion on the adequacy and effectiveness of the Manager's risk management system and internal controls and state whether it concurs with the Board's opinion.

(32) Where there are material weaknesses identified in the Manager's risk management system, to consider and recommend the necessary steps to be taken to address them.

(33) Ensure that the compliance lead has direct and unrestricted access to the ARC Chairman.

(34) Perform such other functions as the Board may determine.

(35) Sub-delegate any of its powers within its terms of reference as listed above from time to time as the ARC may deem fit.

B. Nominating and Remuneration Committee

(1) Recommend to the Board the appointment and re-appointment of Directors (including alternate Directors, if any).

(2) 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.

(3) 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.

(4) Annual review of the independence of each Director, and to ensure that the Board comprises (a) majority non-executive Directors, and (b) at least one-third, or (if Chairman is not independent) a majority of, independent Directors.

(5) 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 duties as Director of the Manager.

(6) 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.

(7) Annual assessment of the effectiveness of the Board as a whole, the Board committees and the contribution of the Chairman and individual Directors.

(8) Review the succession plans for the Board (in particular, the Chairman) and key management personnel.

(9) Review talent development plans.

(10) Review the training and professional development programmes for Board members.

(11) Review and recommend to the Board a framework of remuneration for Board members and key management personnel, and the specific remuneration 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 Manager's long-term strategy and performance.

(12) Consider all aspects of remuneration to ensure that they are fair, and review the Manager'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.

(13) 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).

(14) 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 Manager, taking into account the strategic objectives of the Manager.

(15) 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 Manager and key management personnel to successfully manage the Manager for the long term.

(16) Set performance measures and determine targets for any performance-related pay schemes.

(17) Administer the Manager's long-term incentive schemes in accordance with the rules of such schemes.

(18) Report to the Board on material matters and recommendations.

(19) Review the NRC's terms of reference annually and recommend any proposed changes to the Board for approval.

(20) Perform such other functions as the Board may determine.

(21) Sub-delegate any of its powers within its terms of reference as listed above, from time to time, as this Committee may deem fit.

C. Environmental, Social and Governance Committee

(1) Enhance and articulate Keppel REIT's Environmental, Social and Governance strategy.

(2) Provide an oversight of sustainability initiatives across Keppel 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.

(3) Recommend the Management's proposals to the Board, including policies, strategies, workplans and targets pertaining to sustainability and ESG matters (collectively, "ESG Framework") and reviewing the effectiveness of the ESG Framework benchmarked against global and local ESG trends and best practices, as well as the implementation and integration of the ESG Framework. Keppel REIT's ESG Framework, which forms an integral part of Keppel REIT's strategies and core competencies, will drive long-term value creation.

(4) Provide an oversight over the Manager's compliance with sustainability-related legal and regulatory requirements imposed on the Manager under applicable laws and regulations, including but not limited to the SGX's Listing Rules and other disclosure requirements.

(5) Review the adequacy of resources allocated to achieving compliance as well as strategies, workplans and targets pertaining to the ESG Framework.

(6) Report to the Board on sustainability and ESG performance, incidents, rectifications, risk management and other material matters.

(7) 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 Coordinator 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 Coordinator prepares a consolidated report and briefs the NRC Chairman and Chairman on the report. Thereafter, the Independent Coordinator or the NRC Chairman 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 Coordinator 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 Coordinator 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 Coordinator within five working days. Based on the returns from each of the non-executive Directors, the Independent Coordinator prepares a consolidated report and briefs the NRC Chairman and the Chairman on the report.

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, 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 fulfil 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, (1) interactive skills (under which factors as to whether the Director works well with other Directors, and participates actively are taken into account); (2) knowledge (under which factors as to the Director's industry and business knowledge, functional expertise, whether he provides valuable inputs, his ability to analyse, communicate and contribute to the productivity of meetings, and his understanding of finance and accounts are taken into consideration); (3) Director's duties (under which factors as to the Director's Board committee work contribution, whether the Director takes his role of Director seriously and works to further improve his own performance, whether he listens and discusses objectively and exercises independent judgment, and meeting preparation are taken into consideration); (4) availability (under which the Director's attendance at Board and Board committee meetings, whether he is available when needed, and his informal contribution via e-mail, telephone and written notes are considered); and (5) overall contribution, bearing in mind that each Director was appointed for his/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 his ability to lead, whether he established proper procedures to ensure the effective functioning of the Board, whether he 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 he 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 he guides discussions effectively so that there is timely resolution of issues, whether he ensured that meetings are conducted in a manner that facilitates open communication and meaningful participation, and whether he 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.

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 of the Manager 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 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 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 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 prefer 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, via the established reporting channel.

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 any way 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.

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 re-endorsement by Unitholders at the annual general meeting to be held in 2023 is set out below.

Name of Director	Mr Tan Swee Yiow	Mr Ian Roderick Mackie	Ms Christina Tan
Date of appointment	20 March 2017	5 December 2019	15 September 2016
Date of last re-appointment (if applicable)	4 June 2020	4 June 2020	4 June 2020
Age	62	67	57
Country of principal residence	Singapore	Australia	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 178 to 179 of this Annual Report.	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 178 to 179 of this Annual Report.	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 178 to 179 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 Chairman of the Environmental, Social and Governance Committee	Lead Independent Director, Chairman of the Nominating and Remuneration Committee and Member of the Environmental, Social and Governance Committee	Non-executive Director and Member of the Nominating and Remuneration Committee
Professional qualifications	Bachelor of Science (First Class Honours) in Estate Management, National University of Singapore; Master of Business Administration in Accountancy, Nanyang Technological University	Bachelor of Arts (Economics & Law), University of Canberra; Associate, Society of Land Economists, Australia	Bachelor of Accountancy (Honours), National University of Singapore; CFA® Charterholder
Working experience and occupation(s) during the past 10 years	From February 2021 to Current: Senior Managing Director, Urban Development, Keppel Corporation Limited From February 2021 to Current: Non-executive Director, Keppel Land Limited From January 2019 to Current: Non-executive Director, Keppel REIT Management Limited (the manager of Keppel REIT) From January 2019 to February 2021: Chief Executive Officer and Executive Director, Keppel Land Limited From March 2017 to December 2018: Chief Executive Officer and Executive Director, Keppel REIT Management Limited (the manager of Keppel REIT) From January 2013 to March 2017: President, Singapore & Head, Hospitality Management, Keppel Land International Limited From January 2010 to December 2012: President, Singapore Commercial & Head, Regional Investments, Keppel Land International Limited	From June 2021 to Current: Lead Independent Director, Keppel REIT Management Limited (the manager of Keppel REIT) From December 2019 to Current: Independent Director, Keppel REIT Management Limited (the manager of Keppel REIT) From April 2015 to December 2018: International Director & Asia Pacific Head of Strategic Partnerships, Lasalle Investment Management (Australia) Pty Ltd From January 2000 to April 2015: International Director & Head of Private Equity and Strategic Partnerships, LaSalle Investment Asia Pte Ltd	From October 2021 to Current: Director, Keppel Land Limited From October 2021 to Current: Director, Keppel Telecommunications & Transportation Ltd From November 2019 to Current: Director, Keppel Capital Alternative Asset Pte. Ltd. From September 2016 to Current: Non-executive Director, Keppel DC REIT Management Pte. Ltd. (the manager of Keppel DC REIT) From September 2016 to Current: Non-executive Director, Keppel Infrastructure Fund Management Pte. Ltd. (the trustee-manager of Keppel Infrastructure Trust) From July 2016 to Current: Chief Executive Officer, Keppel Capital Holdings Pte. Ltd. From May 2016 to Current: Director, Keppel Capital Holdings Pte. Ltd. From January 2012 to February 2018: Managing Director, Alpha Investment Partners Limited From April 2007 to Current: Director, Alpha Investment Partners Limited
Shareholding interest in the listed issuer and its subsidiaries	1,853,456 units in Keppel REIT	45,100 units in Keppel REIT	12,000 units in Keppel REIT

Corporate Governance

Name of Director	Mr Tan Swee Yiow	Mr Ian Roderick Mackie	Ms Christina Tan
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	Mr Tan Swee Yiow is the Senior Managing Director of Urban Development at Keppel Corporation Limited and Director of Keppel Land Limited	No	Ms Christina Tan is CEO and Director of Keppel Capital Holdings Pte. Ltd., the parent company of Keppel REIT Management Limited, and Director of Keppel Land Limited
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 Keppel Land Limited and Keppel REIT	Urban Land Institute, Australia (Chairman); Urban Land Institute Asia Pacific (Board Member)	Various subsidiaries and associated companies of Alpha Investment Partners Limited and funds managed by Alpha Investment Partners Limited
Other Principal Commitments including Directorships- Present	Keppel Land Limited; E M Services Private Limited; City Energy Pte. Ltd.; Keppel Corporation Limited (Senior Managing Director of Urban Development); Board of World Green Building Council (Director); Board of Singapore Green Building Council (Honorary Advisor); Workplace Safety and Health Council (Construction and Landscape Committee) (Deputy Chairman); Management Committee of the Real Estate Developers' Association of Singapore (President)	Urban Land Institute Asia Pacific Foundation (Board Member); Urban Land Institute (Global Governing Trustee); Australian charity, Co-Housing for Older Women (Director and Management Committee)	Keppel Capital Holdings Pte. Ltd.; Alpha Investment Partners Limited; Keppel Capital Alternative Asset Pte. Ltd.; Keppel Land Limited; Keppel Telecommunications & Transportation 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 REIT Management Limited (the manager of Keppel REIT)	Keppel DC REIT Management Pte. Ltd. (the manager of Keppel DC REIT); Keppel Infrastructure Fund Management Pte. Ltd. (the trustee-manager of Keppel Infrastructure Trust)
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. 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).	N.A.	N.A.	N.A.
(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 judgment against him?	No	No	No

Name of Director	Mr Tan Swee Yiow	Mr Ian Roderick Mackie	Ms Christina Tan
(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
(f) Whether at any time during the last 10 years, judgment 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, judgment 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: (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?	No	No	No
(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

Corporate Governance

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. This summary of disclosures describes our corporate governance practices with specific reference to the disclosure requirement under the 2018 Code.

Risk Management

A sound and robust risk management framework ensures that Keppel REIT Management Limited (the "Manager") is ready to meet challenges and seize opportunities.

Keppel REIT's Enterprise Risk Management ("ERM") Framework, which forms part of Keppel REIT's System of Management Controls, provides a holistic and systematic approach to risk management. It outlines the reporting structure, monitoring mechanisms, specific risk management processes and tools, as well as Keppel REIT's policies and limits in addressing and managing key risks identified. The ERM Framework also allows Keppel REIT to respond promptly and effectively in the constantly evolving business landscape.

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 ERM Framework is dynamic and evolves to adapt to the changing business environment.

5-step risk management process

Step 1 Identify	**Understand strategy, identify value drivers and risk factors**
Step 2 Assess	**Prioritise risk factors by assessing their potential impact and likelihood of occurrence**
Step 3 Mitigate	**Develop action plans to mitigate risks and identify key risk indicators (KRI) to monitor risks**
Step 4 Implement	**Communicate and implement action plans**
Step 5 Monitor	**Monitor mitigation results and KRI**

The risk assessment takes into account both the impact of the risk event and likelihood of occurrence, as well as covers the investment, financial, operational, reputational and other major aspects of Keppel REIT's business.

In its risk management process, the Manager utilises tools including risk rating matrices and risk registers.

The Board of Directors (the "Board"), supported by the Audit and Risk Committee (the "ARC"), is responsible for the governance of risks and ensures that the Manager maintains a sound risk management system and internal controls to safeguard Unitholders' interests and Keppel REIT's assets. The Board and the ARC provide valuable advice to management in formulating various risk policies and guidelines. The terms of reference of the ARC are disclosed on pages 190 to 192 of this Annual Report.

The Board and management of the Manager meet quarterly, or more frequently, when necessary, to review Keppel REIT's performance, assess its current and emerging risks, as well as respond to feedback from the risk and compliance manager and auditors.

The Board, assisted by the ARC, has in place three Risk Tolerance Guiding Principles for the Manager and Keppel REIT. These principles, which determine the nature and extent of the significant risks that the Board is willing to take in achieving its strategic objectives, are:

1. Risks taken should be carefully evaluated, commensurate with rewards, and in line with the Manager's and Keppel 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 the Manager and Keppel REIT.

3. Keppel 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 REIT.

In 2022, the Board, with the concurrence of the ARC, assessed and deemed Keppel 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 REIT's strategies to ensure income sustainability and stability. Measures include prompt lease renewals to reduce rental voids, and monitoring of rental payments to minimise rental arrears and bad debts.

- Standard operating procedures are reviewed regularly and industry best practices are incorporated into daily operations.

- The Manager actively engages and fosters close relationships with tenants and manages a well-spread lease expiry profile.

- Business continuity plans are updated and tested regularly to ensure Keppel REIT is able to respond effectively to disruptions resulting from internal and external events, while continuing its critical business functions and minimising impact on its people, assets and building operations.

- Keppel REIT's assets undergo regular external audits to ensure that safety standards and procedures are implemented and up-to-date.

- For assets that are co-owned, the Manager works closely with the property managers and co-owners to optimise asset performance and achieve cost efficiencies. The Manager and co-owners jointly assess and approve all leases and capital expenditures. The Manager also attends regular operational meetings to ensure that Keppel REIT's assets are well-managed.

Risk Management

- Asset enhancement works are conducted, when applicable, to ensure that the properties remain competitive.

2. **Financing risk**
   - Liquidity and financing risks are managed in accordance with established guidelines and policies. The Manager proactively monitors its cash flow, debt maturity profile, aggregate leverage and liquidity positions, including diversifying its funding sources and managing tenure of borrowings, to ensure a well-staggered debt maturity profile.
   - The Manager monitors its cash flows and ensures optimal cash management and sufficient working capital lines are in place to meet its financial obligations.

3. **Exposure to financial markets risk**
   - The Manager constantly monitors exposure to foreign exchange and interest rates. It utilises various financial instruments, where appropriate, to hedge against such risks.
   - As at end 2022, interest rates of approximately 76% of total borrowings were fixed.
   - In 2022, the Manager adhered to its policy and forward-hedged its income from the assets in Australia and South Korea.

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.
   - Creditworthiness of tenants is assessed prior to signing of lease agreements. Credit risks are further mitigated through the upfront collection of security deposits and obtaining bank guarantees, where applicable.
   - Systematic rental collection procedures are implemented to ensure regular collection of rents, thereby minimising rental arrears.

5. **Investment risk**
   - Comprehensive due diligence is conducted prior to any proposed transaction to assess and evaluate potential investment risks.
   - All investment proposals are evaluated objectively based on the Manager's investment criteria, as well as the target asset's specifications, location, expected returns, growth potential and performance sustainability, taking into account the prevailing economic climate and market conditions.
   - The Board reviews and approves all investment proposals only after evaluating the feasibilities and risks involved.
   - To manage concentration risk, the effect of each proposed transaction on the Singapore-overseas ratio is assessed before any transaction.
   - Risks are taken in a considered and controlled manner, exercising the spirit of enterprise and prudence, to earn the optimal risk-adjusted returns on invested capital.

6. **Compliance risk**
   - As a Capital Markets Services Licence holder, the Manager complies with applicable laws and regulations, including but not limited to the Listing Rules of the Singapore Exchange Securities Trading Limited, Code on Collective Investment Schemes ("CIS Code"), Property Funds Appendix of the CIS Code 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 in legislations and regulations, as well as new developments in its operating environment.
   - Keppel REIT and the Manager undergo regular internal and external audits to ensure that they adhere to relevant policies and processes.
   - Recognising that non-compliance with laws and regulations has potential significant reputational and financial impact, particular emphasis is placed on regulatory compliance in all of Keppel REIT's business operations.

7. **Emerging risks**
   - The Manager monitors evolving or emerging risks. Risks identified are considered and actions are taken to mitigate the risks as necessary.
   - Cybersecurity, climate change and sustainability related matters are areas of risks noted. They are monitored closely and actions are taken, when necessary, to mitigate the risks.

Additional Information

Interested Person Transactions

The transactions entered into with interested persons during the financial year which fall under the Listing Manual of the Singapore Exchange Securities Trading Limited (the "Listing Manual") and Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (the "Property Funds Appendix") are as follows:

Name of Interested Person	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than $100,000) FY2022 $'000	Aggregate value of all interested person transactions conducted under Unitholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000)[1] FY2022 $'000
Keppel Corporation Limited and its subsidiaries or associates	Keppel Corporation Limited is a "controlling unitholder" of the REIT and a "controlling shareholder" of the REIT Manager under the Listing Manual and the Property Funds Appendix		
- Manager's management fees		52,676	Nil
- Acquisition fee		870	Nil
- Property management and asset management fees and reimbursables		4,580	Nil
- Leasing commissions		1,269	Nil
- Electricity and related expenses [2]		12,586	Nil
- Rent, service charge and other income [2]		854	Nil
- Joint investment with a related company in connection with the acquisition of an investment property [2]		94,974	Nil
RBC Investor Services Trust Singapore Limited	Trustee of the REIT (retired with effect from 30 September 2022)		
- Trustee's fees		1,000	Nil

[1] Keppel REIT does not have a Unitholders' mandate.
[2] The aggregate value of interested person transactions refers to the total contract sum entered into during the financial year.

The payments of the Manager's management fees and acquisition fee, as well as payments of the Trustee's fees pursuant to the Trust Deed have been approved at the extraordinary general meeting of shareholders of Keppel Land held on 11 April 2006, and are therefore not subject to Rules 905 and 906 of the Listing Manual. Such payments are not to be included in the aggregate value of total interested person transactions as governed by Rules 905 and 906 of the Listing Manual. In addition, certain other interested person transactions as outlined in the Introductory Document dated 25 March 2006 are deemed to have been specifically approved by the Unitholders and are therefore not subject to Rules 905 and 906 of the Listing Manual insofar, in respect of each such agreement, there is no subsequent change to the rates and/or basis of the fees charged thereunder which will adversely affect Keppel REIT.

Save as disclosed above, there were no other interested person transactions (excluding transactions less than $100,000 each) entered into during the financial year ended 31 December 2022 nor any material contracts entered into by Keppel REIT that involved the interests of the Chief Executive Officer, any Director or controlling Unitholder of Keppel REIT.

Please also see significant related party transactions in Note 28 to the financial statements.

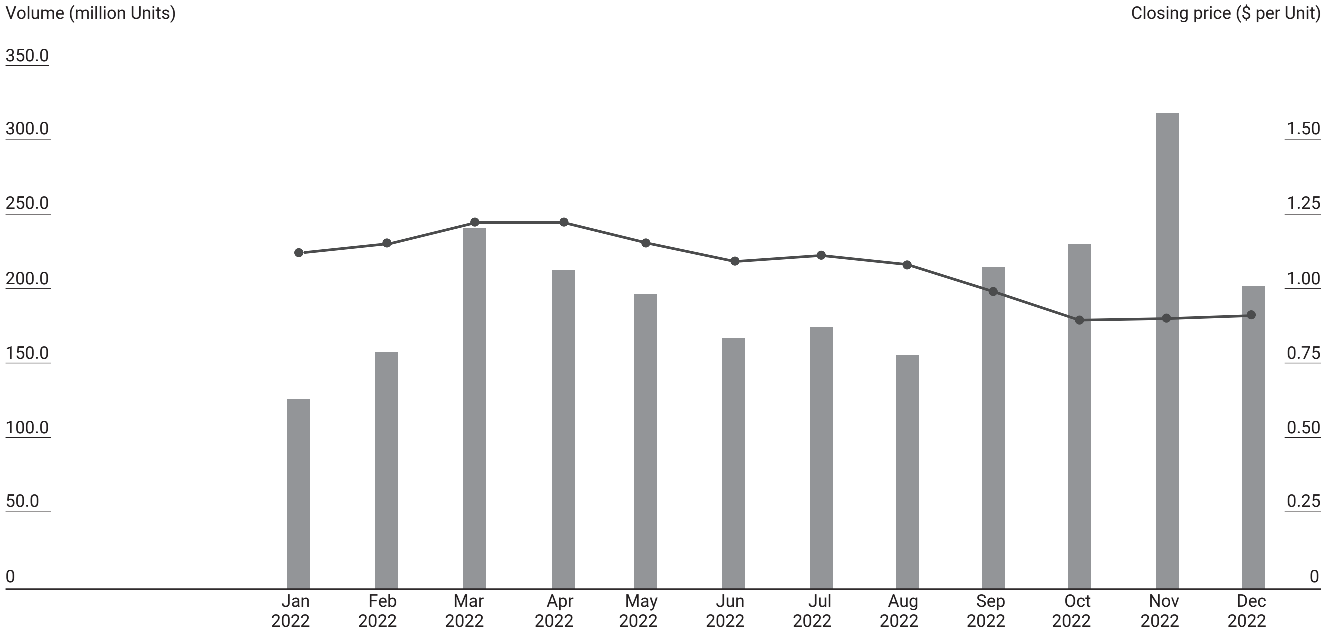
Subscription of Keppel REIT Units

During the financial year ended 31 December 2022, Keppel REIT issued 46,804,424 new Units as payment of the Manager's management fees.

Unit Price Performance

Approximately 2.4 billion Keppel REIT Units were traded in 2022 and the Unit closing price as at 31 December 2022 was $0.91. Distribution per Unit (DPU) for 2022 was 5.92 cents, translating to a distribution yield of 6.5% based on the Unit closing price of $0.91. Total Unitholder return in 2022 was -15.1%.

2022 Monthly Trading Performance

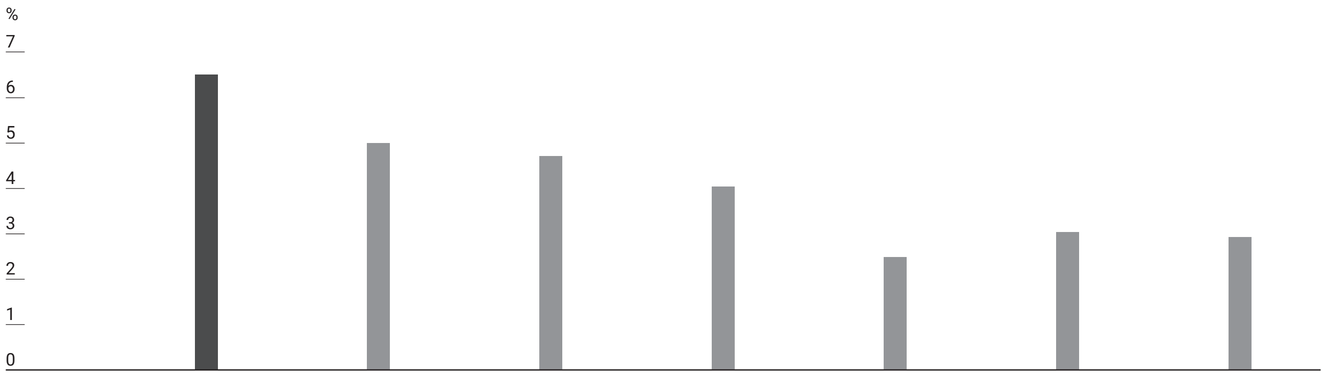


	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Jul 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022
Monthly trading volume (million Units)	127.5	159.5	242.4	214.3	198.3	168.8	176.0	157.0	216.1	231.8	319.9	203.4
Month-end Unit closing price ($ per Unit)	1.12	1.15	1.22	1.22	1.15	1.09	1.11	1.08	0.99	0.895	0.90	0.91

Unit Price Performance

	2022	2021
Highest closing price ($ per Unit)	**1.25**	1.25
Lowest closing price ($ per Unit)	**0.86**	1.02
Average closing price ($ per Unit)	**1.08**	1.15
Closing price as at the last trading day of the year ($ per Unit)	**0.91**	1.13
Total trading volume (million Units)	**2,415.0**	2,521.3

Comparative Yields (%)
as at 31 December 2022



Keppel REIT[1]	FTSE ST REIT Index	FTSE ST RE Index	STI	CPF Ordinary Account	10-year SG Govt Bond	5-year SG Govt Bond
6.5%	5.0%	4.7%	4.1%	2.5%	3.1%	2.8%

Unit Price Performance Against Indices (%)
for the period from 1 January 2022 to 31 December 2022

Keppel REIT	-19.5%
FTSE ST REIT Index	-15.0%
FTSE ST RE Index	-11.0%
STI	+4.1%

[1] Based on total DPU of 5.92 cents for 2022 and the closing price as at 31 December 2022 of $0.91 per Unit.

Sources: Bloomberg, Monetary Authority of Singapore and Central Provident Fund.

Statistics of Unitholdings

As at 3 March 2023

Issued and Fully Paid Units

3,764,450,769 Units (Voting rights: 1 vote per Unit)

There is only one class of Units in Keppel REIT.

Market capitalisation of S$3,425,650,200 based on market closing price of S$0.91 per Unit on 3 March 2023.

DISTRIBUTION OF UNITHOLDINGS

SIZE OF UNITHOLDINGS	NO. OF UNITHOLDERS	%	NO. OF UNITS	%
1 - 99	4,846	10.57	264,176	0.01
100 - 1,000	15,303	33.39	7,316,406	0.19
1,001 - 10,000	16,883	36.84	72,241,179	1.92
10,001 - 1,000,000	8,750	19.09	385,895,301	10.25
1,000,001 and above	50	0.11	3,298,733,707	87.63
TOTAL	**45,832**	**100.00**	**3,764,450,769**	**100.00**

TWENTY LARGEST UNITHOLDERS

NO.	NAME	NO. OF UNITS	%
1	Keppel REIT Investment Pte. Ltd.	1,476,216,367	39.21
2	Citibank Nominees Singapore Pte Ltd	498,599,659	13.24
3	HSBC (Singapore) Nominees Pte Ltd	235,150,409	6.25
4	DBS Nominees (Private) Limited	234,776,998	6.24
5	Raffles Nominees (Pte.) Limited	196,190,063	5.21
6	Keppel Capital Investment Holdings Pte. Ltd.	156,929,868	4.17
7	DBSN Services Pte. Ltd.	141,760,112	3.77
8	Keppel REIT Management Limited	114,091,360	3.03
9	BPSS Nominees Singapore (Pte.) Ltd.	35,552,271	0.94
10	Merrill Lynch (Singapore) Pte. Ltd.	23,993,693	0.64
11	United Overseas Bank Nominees (Private) Limited	22,546,874	0.60
12	Phillip Securities Pte Ltd	18,294,582	0.49
13	OCBC Securities Private Limited	12,339,623	0.33
14	OCBC Nominees Singapore Private Limited	11,506,628	0.31
15	BNP Paribas Nominees Singapore Pte. Ltd.	11,123,435	0.30
16	UOB Kay Hian Private Limited	8,820,238	0.23
17	Morgan Stanley Asia (Singapore) Securities Pte Ltd	8,761,810	0.23
18	Ong Kay Eng	8,500,000	0.23
19	DB Nominees (Singapore) Pte Ltd	7,977,956	0.21
20	iFAST Financial Pte. Ltd.	7,729,090	0.21
	TOTAL	**3,230,861,036**	**85.84**

Unitholdings of the Directors of the Manager

Based on the Register of Directors' Unitholdings maintained by the Manager, the direct and deemed interests of each Director in the Units[1] of Keppel REIT as at 21 January 2023 are as follows:

Name of Director	No. of Units
Mr Tan Swee Yiow	1,853,456 (Direct)
Mr Ian Roderick Mackie	45,100 (Direct)
Mr Alan Rupert Nisbet	85,400 (Deemed)[2]
Ms Christina Tan	12,000 (Direct)
Mr Mervyn Fong	21,000 (Direct) and 1,853 (Deemed)[2]
Mr Yoichiro Hamaoka	14,400 (Direct)

[1] As at 21 January 2023, none of the Directors have any interests in any convertible securities in Keppel REIT.
[2] Each of Mr Nisbet and Mr Fong has a deemed interest in Units held by their respective spouses.

Substantial Unitholders

Based on the Register of Substantial Unitholders' Unitholdings maintained by the Manager, the direct and deemed interests of each Substantial Unitholder of Keppel REIT in the Units of Keppel REIT as at 3 March 2023 are as follows:

Name	No. of Units	%
Temasek Holdings (Private) Limited	1,786,757,183 (Deemed)[1]	47.46
Keppel Corporation Limited	1,747,237,795 (Direct and Deemed)[2]	46.41
Keppel Land Limited	1,476,216,367 (Deemed)[3]	39.21
Keppel Land (Singapore) Pte. Ltd.	1,476,216,367 (Deemed)[4]	39.21
Keppel REIT Investment Pte. Ltd.	1,476,216,367 (Direct)	39.21
Keppel Capital Holdings Pte. Ltd.	271,021,228 (Deemed)[5]	7.20

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 Capital Investment Holdings Pte. Ltd. and Keppel REIT Management Limited, both of which are wholly-owned subsidiaries of Keppel Corporation Limited held through Keppel Capital Holdings Pte. Ltd. and (ii) Keppel REIT Investment Pte. Ltd., a wholly-owned subsidiary of Keppel Corporation Limited held through Keppel Land (Singapore) Pte. Ltd. and Keppel Land Limited.

(3) Keppel Land Limited's deemed interest arises from its shareholdings in Keppel REIT Investment Pte. Ltd., a wholly-owned subsidiary of Keppel Land (Singapore) Pte. Ltd. which in turn is a subsidiary of Keppel Land Limited.

(4) Keppel Land (Singapore) Pte. Ltd.'s deemed interest arises from its shareholdings in Keppel REIT Investment Pte. Ltd., a wholly-owned subsidiary of Keppel Land (Singapore) Pte. Ltd.

(5) Keppel Capital Holdings Pte. Ltd.'s deemed interest arises from its shareholdings in Keppel Capital Investment Holdings Pte. Ltd. and Keppel REIT Management Limited, both of which are wholly-owned subsidiaries of Keppel Capital Holdings Pte. Ltd.

Public Unitholders

Based on the information available to the Manager as at 3 March 2023, approximately 52.48% of the issued Units in Keppel REIT are held by the public and therefore, pursuant to Rules 1207 and 723 of the Listing Manual of the SGX-ST, it is confirmed that at least 10% of the issued Units in Keppel REIT are at all times held by the public.

Treasury Units and Subsidiary Holdings

As at 3 March 2023, there are no treasury units or subsidiary holdings held by Keppel REIT or the Manager.

Corporate Information

Trustee
HSBC Institutional Trust Services (Singapore) Limited
10 Marina Boulevard
#48-01 Marina Bay Financial Centre Tower 2
Singapore 018983
Phone: +65 6658 6667

Auditor
PricewaterhouseCoopers LLP
7 Straits View
Level 12, Marina One, East Tower
Singapore 018936
Phone: +65 6236 3388
(Partner-in-charge: Maurice Loh Seow Wee)
(With effect from financial year ended 31 December 2021)

The Manager
Keppel REIT Management Limited
(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
Website: www.keppelreit.com

Principal Business Address
1 HarbourFront Avenue
Level 2 Keppel Bay Tower
Singapore 098632

Investor Relations Contact
Phone: +65 6803 1710
Email: investor.relations@keppelreit.com

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
Fax: +65 6438 8710

For updates or change of mailing address, please contact:
The Central Depository (Pte) Limited
Phone: +65 6535 7511
Email: asksgx@sgx.com
Website: https://www.sgx.com/cdp-customer-service

Company Secretaries
Chiam Yee Sheng
Gillian Loh

Directors of The Manager
Tan Swee Yiow
Chairman and
Non-Executive Director

Ian Roderick Mackie
Lead Independent Director

Alan Rupert Nisbet
Independent Director

Christina Tan
Non-Executive Director

Mervyn Fong
Independent Director

Yoichiro Hamaoka
Independent Director

Audit and Risk Committee
Alan Rupert Nisbet (Chairman)
Mervyn Fong
Yoichiro Hamaoka

Nominating and Remuneration Committee
Ian Roderick Mackie (Chairman)
Christina Tan
Mervyn Fong

Environmental, Social and Governance Committee
Tan Swee Yiow (Chairman)
Ian Roderick Mackie
Mervyn Fong

Notice of Annual General Meeting

(Constituted in the Republic of Singapore pursuant
to a trust deed dated 28 November 2005 (as amended))

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the "**AGM**") of the holders of units of Keppel REIT (the "**Unitholders**") will be 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 14) on Friday, 21 April 2023 at 10.30 a.m. (Singapore time) to transact the following business:

(A) As Ordinary Business

1. To receive and adopt the Report of HSBC Institutional Trust Services (Singapore) Limited, as trustee of Keppel REIT (the "**Trustee**"), the Statement by Keppel REIT Management Limited, as manager of Keppel REIT (the "**Manager**"), and the Audited Financial Statements of Keppel 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 REIT to hold office until the conclusion of the next AGM of Keppel REIT, and to authorise the Manager to fix their remuneration. (**Ordinary Resolution 2**)

3. To re-endorse the appointment of the following directors of the Manager (the "**Directors**") pursuant to the undertaking dated 1 July 2016 provided by Keppel Capital Holdings Pte. Ltd. ("**Keppel Capital**") to the Trustee:

   (a) Mr Tan Swee Yiow; (**Ordinary Resolution 3**)

   (b) Mr Ian Roderick Mackie; and (**Ordinary Resolution 4**)

   (c) Ms Christina Tan (**Ordinary Resolution 5**)

   (Please see Explanatory Note 11)

(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 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 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);

(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 28 November 2005 constituting Keppel 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 REIT or (ii) the date by which the next AGM of Keppel REIT is required by applicable law or 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 REIT to give effect to the authority conferred by this Resolution. (**Ordinary Resolution 6**)

(Please see Explanatory Note 12)

5. That:

(a) the exercise of all the powers of the Manager to repurchase issued Units for and on behalf of Keppel REIT not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Manager from time to time up to the Maximum Price (as hereafter defined), whether by way of:

(i) market purchase(s) on the SGX-ST and/or, as the case may be, such other stock exchange for the time being on which the Units may be listed and quoted; and/or

(ii) off-market purchase(s) (which are not market purchase(s)) in accordance with any equal access scheme(s) as may be determined or formulated by the Manager as it considers fit in accordance with the Trust Deed,

and otherwise in accordance with all applicable laws and regulations including the rules of the SGX-ST or, as the case may be, such other stock exchange for the time being on which the Units may be listed and quoted, be and is hereby authorised and approved generally and unconditionally (the "**Unit Buy-Back Mandate**");

(b) (unless revoked or varied by the Unitholders in a general meeting) the authority conferred on the Manager pursuant to the Unit Buy-Back Mandate may be exercised by the Manager at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:

(i) the date on which the next AGM of Keppel REIT is held;

(ii) the date by which the next AGM of Keppel REIT is required by applicable laws and regulations or the Trust Deed to be held; or

(iii) the date on which repurchases of Units pursuant to the Unit Buy-Back Mandate are carried out to the full extent mandated;

(c) in this Resolution:

"**Average Closing Price**" means the average of the closing market prices of the Units over the last five Market Days, on which transactions in the Units were recorded, immediately preceding the date of the market purchase or, as the case may be, the date of the making of the offer pursuant to the off-market purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five-day period and the day on which the market purchase(s) or, as the case may be, the date on which the offer pursuant to the off-market purchase(s), is made;

"**date of the making of the offer**" means the date on which the Manager makes an offer for an off-market purchase, stating therein the repurchase price (which shall not be more than the Maximum Price for an off-market purchase) for each Unit and the relevant terms of the equal access scheme for effecting the off-market purchase;

"**Market Day**" means a day on which the SGX-ST and/or, as the case may be, such other stock exchange for the time being on which the Units may be listed and quoted, is open for trading in securities;

"**Maximum Limit**" means that number of Units representing 10% of the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) as at the date of the passing of this Resolution; and

"**Maximum Price**" in relation to a Unit to be repurchased, means the repurchase price (excluding brokerage, stamp duty, commission, applicable goods and services tax and other related expenses) which shall not exceed in the case of both a market repurchase and off-market repurchase of a Unit, 105% of the Average Closing Price of the Units.

(d) 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 REIT to give effect to the Unit Buy-Back Mandate and/or this Resolution. (**Ordinary Resolution 7**)

(Please see Explanatory Note 13)

6. That:

(a) approval be and is hereby given to amend the Trust Deed in the manner set out in the Appendix dated 30 March 2023 in relation to the Proposed Trust Deed Amendments (the "**Proposed Trust Deed Amendments**"); and

(b) 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 REIT to give effect to the Proposed Trust Deed Amendments and/or this Resolution. (**Extraordinary Resolution 8**)

(Please see Explanatory Note 14)

(C) As Other Business

7. To transact such other business as may be transacted at an AGM of Keppel REIT.

Unitholders are invited to send in their questions relating to the resolutions above to the Manager by 10.30 a.m. on 8 April 2023. Please see Explanatory Note 8 of this Notice of AGM on how Unitholders may submit their questions.

BY ORDER OF THE BOARD

Keppel REIT Management Limited
(Company Registration Number: 200411357K)
as Manager of Keppel REIT

Chiam Yee Sheng / Gillian Loh
Company Secretaries
Singapore
30 March 2023

Notice of Annual General Meeting

Explanatory Notes:

1. The AGM 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 21 April 2023 at 10.30 a.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 be made available to Unitholders by electronic means via publication on Keppel REIT's website at https://www.keppelreit.com/investor-relations/agm-and-egm and SGXNet.

2. The Manager may implement such COVID-19 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 Singapore. Unitholders should check Keppel REIT's website at https://www.keppelreit.com/investor-relations/agm-and-egm or SGXNet for the latest updates.

3. 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.

4. 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 30 March 2023. This announcement may be accessed at Keppel REIT's website at https://www.keppelreit.com/investor-relations/agm-and-egm and SGXNet.

5. 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 REIT's website at https://www.keppelreit.com/investor-relations/agm-and-egm 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.

6. **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 **10.30 a.m. on 18 April 2023**, **being 72 hours before the appointed time for holding the 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.

7. 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 11 April 2023, being 7 working days before the date of the AGM.

   Investors holding Units through relevant intermediaries (other than CPF/SRS investors) who wish to vote should instead approach his/her/its relevant intermediary as soon as possible, and by no later than 5.00 p.m. on 11 April 2023 to specify his/her/its voting instructions, including but not limited to, whether he/she/it wishes to vote at the AGM.

8. **All Unitholders and Investors may also submit questions relating to the business of the AGM no later than 10.30 a.m. on 8 April 2023:**

   (a) by email to investor.relations@keppelreit.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 through the publication of its responses on Keppel REIT's website and on SGXNet prior to the AGM.

9. All documents (including Keppel REIT's Annual Report 2022, the Proxy Form, this Notice of AGM, the first Appendix to this Notice of AGM dated 30 March 2023 in relation to the Unit Buy-Back Mandate and the second Appendix to this Notice of AGM dated 30 March 2023 in relation to the Proposed Trust Deed Amendments) and information relating to the business of this AGM have been, or will be, published on SGXNet and/or Keppel REIT's website at https://www.keppelreit.com/investor-relations/agm-and-egm. **Printed copies of Keppel REIT's Annual Report 2022 and the Appendices will not be despatched to Unitholders.** Unitholders and Investors are advised to check SGXNet and/or Keppel REIT's website regularly for updates.

10. Any reference to a time of day is made by reference to Singapore time.

11. **Ordinary Resolutions 3, 4 and 5**

Keppel Capital had on 1 July 2016 provided an undertaking (the "**Undertaking**") to the Trustee:

(a) to procure the Manager to seek Unitholders' re-endorsement for the appointment of each Director no later than every third AGM of Keppel REIT after the relevant general meeting at which such Director's appointment was last endorsed or re-endorsed, as the case may be;

(b) (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/her appointment as a Director at the next AGM of Keppel REIT immediately following his/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 of Keppel 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 remains as the holding company (as defined in the Companies Act 1967 of Singapore) of the Manager; and (ii) Keppel REIT Management Limited remains as the manager of Keppel REIT.

As the appointments of Mr Tan Swee Yiow, Mr Ian Roderick Mackie and Ms Christina Tan were last endorsed by Unitholders on 4 June 2020, the Manager is seeking the re-endorsement of the appointments of Mr Tan Swee Yiow, Mr Ian Roderick Mackie and Ms Christina Tan at this AGM.

Detailed information on Mr Tan Swee Yiow, Mr Ian Roderick Mackie and Ms Christina Tan can be found in the "Board of Directors" section in Keppel REIT's Report to Unitholders 2022.

Mr Tan Swee Yiow will, upon re-endorsement, continue to serve as the Chairman of the Board and the Chairman of the Environmental, Social and Governance Committee. Mr Ian Roderick Mackie will, upon re-endorsement, continue to serve as Lead Independent Director, Chairman of the Nominating and Remuneration Committee and member of the Environmental, Social and Governance Committee. Ms Christina Tan will, upon re-endorsement, continue to serve as a member of the Nominating and Remuneration Committee.

12. **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 REIT; (ii) the date on which the next AGM of Keppel REIT is required by applicable laws and 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.

13. **Ordinary Resolution 7**

Ordinary Resolution 7 above, if passed, will empower the Manager from the date of the AGM of Keppel REIT until (i) the date on which the next AGM of Keppel REIT is held, (ii) the date by which the next AGM of Keppel REIT is required by applicable laws and regulations or the Trust Deed to be held, or (iii) the date on which the repurchases of Units pursuant to the Unit Buy-Back Mandate are carried out to the full extent mandated, whichever is the earliest, to exercise all the powers to repurchase issued Units for and on behalf of Keppel REIT not exceeding in aggregate 10% of the total number of Units (excluding treasury Units and subsidiary holdings, if any) as at the date of the passing of this Resolution, whether by way of market purchase(s) or off-market purchase(s), on the terms of the Unit Buy-Back Mandate set out in the Appendix in relation to the Unit Buy-Back Mandate unless such authority is revoked or varied by the Unitholders in a general meeting. The Manager intends to utilise Keppel REIT's internal sources of funds, external borrowings or a combination of both to finance the repurchase of Units on behalf of Keppel REIT pursuant to the Unit Buy-Back Mandate, subject to the requirements of the applicable laws and/or regulations in force at the relevant time.

(See the Appendix in relation to the Unit Buy-Back Mandate for further details.)

14. **Extraordinary Ordinary Resolution 8**

Extraordinary Ordinary Resolution 8, if passed, will approve the Proposed Trust Deed Amendments which are set out in the Appendix in relation to the Proposed Trust Deed Amendments. .

(See the Appendix in relation to the Proposed Trust Deed Amendments for further details.)

Personal Data Privacy:

By (a) submitting any question prior to or at the AGM; and/or (b) 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 (i) consents to the collection, use and disclosure of the Unitholder's personal data by the Manager (or their agents or service providers) for the purpose of the processing, administration and analysis by the Manager (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 (or their agents or service providers) to comply with any applicable laws, listing rules, takeover rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies) and/or representative(s) to the Manager (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 (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees to provide the Manager with written evidence of such prior consent upon reasonable request.

Proxy form

Keppel REIT

(Constituted in the Republic of Singapore pursuant
to a trust deed dated 28 November 2005 (as amended))

IMPORTANT:

1. The AGM 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 21 April 2023 at 10.30 a.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 REIT ("**Unitholders**"), Unitholders can also access the Notice of AGM and this Proxy Form on Keppel REIT's website at https://www.keppelreit.com/investor-relations/agm-and-egm and SGXNet.
2. 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 in advance of, or at, the AGM, addressing of substantial and relevant questions in advance of, or at the AGM, and voting at the AGM by Unitholders (including CPF/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 30 March 2023. This announcement may be accessed at Keppel REIT's website at https://www.keppelreit.com/investor-relations/agm-and-egm and SGXNet.
3. This Proxy Form is not valid for use by investors holding units in Keppel 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 30 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 11 April 2023 to make the necessary arrangements.
4. **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 30 March 2023.
5. **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 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 ("**Chairman**") as my/our proxy/proxies to attend, speak and vote on my/our behalf at the Annual General Meeting of Keppel REIT ("**AGM**") to be held at Suntec Singapore Convention and Exhibition Centre, Nicoll 1-2, Level 3, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Friday, 21 April 2023 at 10.30 a.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 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 REIT and authorise the Manager to fix the Auditor's remuneration. (Ordinary Resolution 2)			
3.	To re-endorse the appointment of Mr Tan Swee Yiow as Director. (Ordinary Resolution 3)			
4.	To re-endorse the appointment of Mr Ian Roderick Mackie as Director. (Ordinary Resolution 4)			
5.	To re-endorse the appointment of Ms Christina Tan as Director. (Ordinary Resolution 5)			
Special Business				
6.	To authorise the Manager to issue Units and to make or grant convertible instruments. (Ordinary Resolution 6)			
7.	To approve the renewal of the Unit Buy-Back Mandate. (Ordinary Resolution 7)			
8.	To approve the Proposed Trust Deed Amendments. (Extraordinary Resolution 8)			

* 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 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 11 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 11 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 **10.30 a.m. on 18 April 2023**, being 72 hours before the time appointed for holding the 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.

Fold along this line (1)

Keppel REIT

Affix
Postage
Stamp

Keppel REIT Management Limited
(as Manager of Keppel REIT)
c/o Boardroom Corporate & Advisory Services Pte. Ltd.
1 HarbourFront Avenue
#14-07 Keppel Bay Tower
Singapore 098632

Fold along this line (2)

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.

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 or authority 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.

Keppel REIT Management Limited
1 HarbourFront Avenue
Level 2 Keppel Bay Tower
Singapore 098632

Tel: (65) 6803 1818
Fax: (65) 6251 4710
www.keppelreit.com

Company Registration Number: 200411357K