Keppel DC REIT

ADVANCING SUSTAINABILITY **CREATING VALUE**

Annual Report 2021

ADVANCING SUSTAINABILITY **CREATING VALUE**

We are advancing sustainability, as we grow our business to expand our portfolio of quality data centre assets across key data centre hubs, and deliver greater value for our stakeholders.

Concurrent with our pursuit of sustainable growth, we will continue to integrate environmental, social and governance factors into our strategy, doing good while doing well.

VISION

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

MISSION

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

KEY FIGURES FOR 2021

HIGHER DISTRIBUTABLE INCOME

$171.6m

9.4% increase from FY 2020's $156.9 million, due mainly to contributions from accretive acquisitions and completion of asset enhancement initiative works in Singapore and Dublin.

CONTINUED GROWTH IN DISTRIBUTION PER UNIT[1] (DPU)

9.851 cts

7.4% growth from FY 2020's 9.170 cents. This translated to a distribution yield of 3.99%, based on the closing price of $2.470 per Unit as at 31 December 2021.

RESILIENT & DIVERSIFIED PORTFOLIO

$3.4b

Assets under management[2] (AUM) grew 13.3% to $3.4 billion as at end-2021 from $3.0 billion a year ago, underpinned by new investments and portfolio valuation uplift.

HEALTHY AGGREGATE LEVERAGE[3]

34.6%

This will provide sufficient debt headroom to pursue growth opportunities. Interest coverage ratio remained high at 10.8 times and average cost of debt remained low at 1.6% per annum as at 31 December 2021.

HIGH PORTFOLIO OCCUPANCY

98.3%

Portfolio occupancy was 98.3% as at end-2021, up from 97.8% as at end-2020, reflective of proactive portfolio and leasing management efforts.

LONG PORTFOLIO WEIGHTED AVERAGE LEASE EXPIRY (WALE)[4]

7.5 years

Portfolio WALE was lengthened to 7.5 years as at end-2021, as compared to 6.8 years a year ago, due to acquisitions of long lease assets and lease renewals.

MSCI ESG RATING

'A' rating

Keppel DC REIT maintained an 'A' rating in the MSCI ESG Ratings assessment, the same rating held since September 2018.

1 DPU was computed based on the distributable income after the deduction of capex reserves. Keppel DC REIT has paid an advanced distribution of 1.421 cents per Unit to eligible Unitholders on 20 October 2021 for the period from 1 July to 22 August 2021 in connection with the private placement launched on 12 August 2021. For the period from 23 August to 31 December 2021, eligible Unitholders will receive a distribution of 3.506 cents per Unit.
2 Including London Data Centre which was acquired in January 2022, AUM would be $3.5 billion.
3 Computed based on gross borrowings and deferred payment as a percentage of deposited properties, both of which do not consider the lease liabilities pertaining to land rent commitment and options. Aggregate leverage as at 31 December 2020 was 36.2%.
4 By leased area. WALE by rental income was 4.9 years as a higher proportion of rental income was from colocation assets, which typically have shorter lease periods.

CORPORATE PROFILE AND STRATEGIC DIRECTION

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

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

As at 31 December 2021, Keppel DC REIT had assets under management (AUM) of approximately $3.4 billion[1]. Its portfolio comprised 20 data centres strategically located in key data centre hubs, with an attributable lettable area of 2,470,814 sq ft in 13 cities across nine countries in Asia Pacific and Europe. Keppel DC REIT's investments comprise an optimal mix of colocation, fully-fitted and shell and core assets, as well as network assets through its investments in debt securities, thereby reinforcing the diversity and resiliency of its portfolio.

Keppel DC REIT is sponsored by Keppel Telecommunications & Transportation Ltd (Keppel T&T), and managed by Keppel DC REIT Management Pte. Ltd. (the Manager). Keppel Capital Holdings Pte. Ltd. (Keppel Capital) has a 50% interest in the Manager, with the remaining interest held by Keppel T&T.

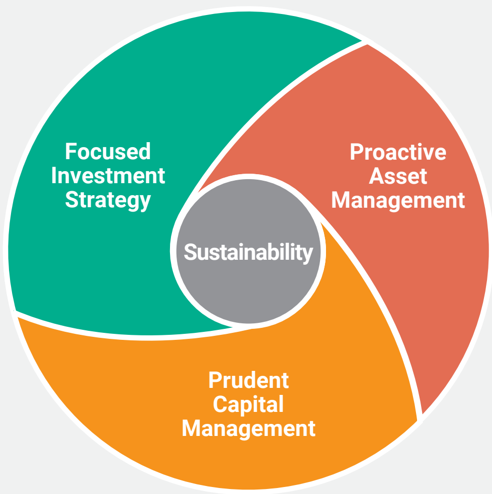
Keppel Capital is a premier asset manager in Asia with a diversified portfolio in real estate, infrastructure, data centres and alternative assets in key global markets through its listed REITs and Trust, as well as private funds. The Keppel Group, through Keppel T&T and the private data centre funds, has currently over $2 billion worth of data centre assets under development and management.

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

[1] Including London Data Centre which was acquired in January 2022, AUM would be $3.5 billion. Keppel DC REIT's portfolio comprises 21 data centres with an attributable lettable area of 2,565,681 sq ft.

KEPPEL DC REIT AIMS TO BE THE PREFERRED DATA CENTRE REAL ESTATE INVESTMENT TRUST, SERVING AS A TRUSTED PARTNER TO OUR STAKEHOLDERS.

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



FOCUSED INVESTMENT STRATEGY

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

PROACTIVE ASSET MANAGEMENT

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

PRUDENT CAPITAL MANAGEMENT

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

ADVANCING SUSTAINABILITY **CREATING VALUE**

Aligned with our commitment to expand our portfolio, with at least 90% of our assets under management (AUM) invested in data centres.

THE DATA CENTRE INDUSTRY CONTINUED TO SEE STRONG GROWTH MOMENTUM, WITH THE RISE IN DATA CONSUMPTION, DRIVEN LARGELY BY REMOTE WORK, E-COMMERCE AND CLOUD COMPUTING.

CHRISTINA TAN Chairman

DEAR UNITHOLDERS,

On behalf of the Board and management, I am pleased to present the annual report for Keppel DC REIT for the financial year ended 31 December 2021 (FY 2021).

2021 was another year characterised by constant change, as the world transitioned towards endemic living amid fresh concerns of new COVID-19 variants. Globally, economies and businesses continued to adapt to varying restrictions, while mapping new growth paths through the lingering pandemic.

The data centre industry continued to see strong growth momentum, with the rise in data consumption, driven largely by remote work, e-commerce and cloud computing, all of which transmit large amounts of data through data centres. The Internet of Things (IoT), including artificial intelligence, cybersecurity and industrial IoT technologies, as well as continued investments into digital infrastructure such as submarine cables also provide a strong push to the growth and demand for data centres.

As data centres continue to serve as critical and essential infrastructure that support the digital economy, we endeavour to grow Keppel DC REIT in a sustainable manner. At the same time, we will continue to integrate environmental, social and governance (ESG) considerations in our strategy to build a sustainable business.

DELIVERING GREATER VALUE TO UNITHOLDERS

FY 2021 saw us deliver distributable income of $171.6 million, a 9.4% increase from $156.9 million in FY 2020. Distribution per Unit (DPU) for FY 2021 was also up 7.4% year-on-year to 9.851 cents. This growth was supported by contributions from DPU-accretive acquisitions and asset enhancement initiatives (AEI) works. Our acquisitions in 2020 and 2021 – Kelsterbach Data Centre in Germany, Amsterdam Data Centre and Eindhoven Campus in the Netherlands all contributed positively to DPU. The completion of Intellicentre 3 East Data Centre (IC3 East DC) development in Sydney, Australia, as well as the completion of the AEIs at our data centres in Dublin and Singapore boosted our performance further.

Value creation and portfolio optimisation will continue to be our key focus. In keeping with our strategy, we solidified Keppel DC REIT's position with four accretive investments, expanded into a new market and divested an asset in Australia. We expanded our footprint into China, one of the top and fastest-growing data centre markets in Asia, with the acquisition of Guangdong Data Centre.

As the Netherlands is among the top four major data centre hubs in Europe, we strategically added a third data centre, Eindhoven Campus. We also strengthened our presence in the United Kingdom with the announcement of the acquisition of London Data Centre in Bracknell in December 2021. The acquisition was completed in January 2022.

In line with our mandate to expand our acquisitions to real estate and assets necessary to support the digital economy, we completed the investment in the bonds and preference shares issued by M1 Network Private Limited (NetCo) in December 2021. NetCo owns these network assets that are critical infrastructure to support M1's core operations. In return, Keppel DC REIT will enjoy regular and stable cash flow of $11.0 million per annum for 15 years, providing an effective yield of 9.17% per annum.

This DPU-accretive investment further strengthens the income resilience of Keppel DC REIT's portfolio.

On the portfolio management front, we completed the development of IC3 East DC in July 2021 and commenced a new 20-year triple-net master lease with Macquarie Data Centres Pty Ltd for IC3 East DC and refreshed the lease at Intellicentre 2 Data Centre (IC2 DC) to end co-terminus. Both data centres have been collectively renamed as Intellicentre Campus. As part of our strategy to continuously review and selectively consider divestments to optimise portfolio mix, the divestment of iseek Data Centre in Brisbane was completed in September 2021. During the year, we also completed the AEIs at DC1 and Keppel DC Dublin 2. These initiatives combined with portfolio valuation uplifts, saw Keppel DC REIT's AUM grow to $3.4 billion[1] as at end-2021.

[1] Including London Data Centre which was acquired in January 2022, AUM would be $3.5 billion.

CHAIRMAN'S STATEMENT

As at 31 December 2021, portfolio occupancy was 98.3%, the highest since listing, with a long weighted average lease expiry of 7.5 years by leased area, a 10.3% increase from a year ago. The improved portfolio performance was driven by active acquisitions and proactive asset management efforts, which are aligned with our goal to provide stable income to Unitholders.

PRUDENT CAPITAL MANAGEMENT

We continue to maintain a healthy financial position. As at end-2021, our average cost of debt remained low at 1.6% per annum and interest coverage ratio was high at 10.8 times. Aggregate leverage remained healthy at 34.6%, and our debt maturity profile was well spread at 3.9 years.

Amid evolving market conditions and expectations of interest rate hikes, we continue to monitor our risk exposure and take mitigation measures where appropriate. As at end-2021, approximately 74% of our borrowings have been hedged through floating-to-fixed interest rate swaps, with the remaining unhedged borrowings Euro-denominated. In terms of the debt that is procured for the funding of acquisitions, we seek to borrow in currencies that correspond with our overseas investments to provide a natural hedge as far as possible. Our forecast foreign sourced distributions have also been substantially hedged with foreign currency forward contracts until the first half of 2023 to enhance the stability of distributions to Unitholders.

In August 2021, we raised $204.3 million via a private placement, priced at the top end of the range, reflecting a 1.5% discount to the adjusted volume-weighted average price. The private placement was approximately 3.7 times covered with strong demand from new and existing Unitholders globally, comprising institutional investors and accredited investors. The proceeds have been fully utilised to fund acquisitions and pare down debt, which will provide us good debt headroom.

GROWING SUSTAINABLY

In addition to financial discipline, we are committed to build a resilient and sustainable business for the future. As part of its strategic oversight, the Board has considered the material ESG issues in Keppel DC REIT's business and strategy formulation, with inputs from the management team and Sustainability Committee. The Board will continue to review and monitor material ESG issues periodically, with support from a dedicated Board ESG Committee that was established in February 2022.

In 2021, we also embarked on a journey to implement the recommendations of the Taskforce for Climate-related Financial Disclosures (TCFD) in 2021, voluntarily committed to the Climate Neutral Data Centre Pact in Europe, and set sustainability goals. These goals include a 50% reduction in Scope 1 and Scope 2 emissions by 2030 from a 2019 baseline, obtaining and maintaining green building certifications, upholding strong corporate governance and having female directors represent at least 25% of the Board by 2025.

Testament to our sustainability efforts, we are happy to share that Keppel DC REIT maintained our 'A' rating in the MSCI ESG Ratings assessment, which measures a company's resilience to long-term financial relevant material ESG risks[1].

CREATING VALUE

The World Bank forecasts that global growth will moderate to 4.1% in 2022 from 5.5% in 2021, amid COVID-19 resurgences, diminished government policy support and supply chain disruptions. The global outlook remains uncertain with risks such as new COVID-19 variants, rising inflation and from recent geopolitical events.

Against the backdrop of an uncertain global outlook, we remain optimistic about the data centre industry as seen in the increase in investments in digital infrastructure and adoption of IoT, automation, artificial intelligence, and the ongoing rollout of 5G infrastructure. The amount of data produced is expected to increase exponentially as these trends intensify, translating into demand for data centres[1].

Continued focus on operational excellence and value-creation efforts will see Keppel DC REIT continue to deliver quality offerings that meet the evolving needs and requirements of a global clientele.

[1] The use by Keppel DC REIT of any MSCI ESG Research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Keppel DC REIT by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

In September 2021, Keppel DC REIT acquired Eindhoven Campus in the Netherlands.

DELIVERING VALUE THROUGH QUALITY ACQUISITIONS AND VALUE ENHANCEMENT INITIATIVES

- Maiden entry into China with the acquisition of Guangdong Data Centre
- Expanded European presence with the acquisitions of Eindhoven Campus in the Netherlands and London Data Centre in the UK
- Enhanced income resilience through investment in bonds and preference shares issued by NetCo
- Completed the development of IC3 East Data Centre in Australia, with both IC3 East DC and IC2 DC collectively renamed as Intellicentre Campus
- Value creation via completion of AEIs at Keppel DC Dublin 2 and DC1 in Singapore

In tandem with the continued growth in data centre demand, there have been rapid increases in market size. As growth across Asia continues rapidly, formerly secondary and tertiary markets are forecast to scale up towards a primary level[2]. Notwithstanding these positive market trends, the industry faces pressures such as increasing expectations for data centres to be sustainable, as operators and clients work towards fulfilling their carbon reduction commitments.

Looking ahead, we will continue to focus on growing our portfolio in Asia Pacific and Europe, and remain open to exploring opportunities in new markets and key data centre hubs from both our Sponsor and third parties. Our Sponsor and Keppel's private data centre funds have more than $2 billion worth of assets under management and development, which we can potentially acquire. Leveraging our healthy balance sheet and access to diversified funding sources, we are well-positioned to pursue strategic acquisition opportunities for Keppel DC REIT.

We will also tap on the Keppel ecosystem in providing end-to-end solutions from project development to facilities management and innovative carbon reduction solutions to further drive portfolio growth.

ACKNOWLEDGEMENTS

On behalf of the Board, I would like to thank all Unitholders, business partners and valued clients for placing their trust in and supporting Keppel DC REIT. I would also like to extend my appreciation to management and employees for their dedication and solid results, and my fellow Directors for their invaluable guidance. We look forward to your continued support as we work towards delivering greater value for all our stakeholders.

Yours sincerely,

Christina Tan

CHRISTINA TAN
Chairman
2 March 2022

[1] Data Centre Insight, Colliers, November 2021.
[2] 2022 Global Data Center Market Comparison, Cushman and Wakefield, January 2022.

GROUP FINANCIAL HIGHLIGHTS

RESULTS HIGHLIGHTS AND RATIOS

for the financial year ended 31 December

	2021 $'000	2020 $'000	Change %
Gross revenue	**271,065**	265,571	2.1
Net property income	**248,154**	244,166	1.6
Distributable income	**171,606**	156,915	9.4
Distribution per Unit (DPU) (cents)[1]	**9.851**	9.170	7.4
Distribution yield[2] (%)	**3.99**	3.71	28 bps
Weighted average all-in interest rate (% per annum)	**1.6**	1.6	–
Interest coverage ratio (times)	**10.8**	13.3	Nm

BALANCE SHEET HIGHLIGHTS AND RATIOS

as at 31 December

	2021 $'000	2020 $'000	Change %
Investment properties[3]	**3,401,436**	3,005,038	13.2
Total assets[3,4]	**3,780,150**	3,349,828	12.8
Gross borrowings[4,5]	**(1,289,580)**	(1,165,756)	10.6
Deferred payments[4]	**–**	(24,676)	(100.0)
Lease liabilities[3,4]	**(12,104)**	(24,155)	(49.9)
Total liabilities	**(1,444,474)**	(1,367,586)	5.6
Unitholders' funds	**2,293,247**	1,944,652	17.9
Units in issue ('000)	**1,715,512**	1,633,121	5.0
Net asset value (NAV) per Unit ($)	**1.34**	1.19	12.6
Adjusted NAV per Unit, excluding distribution ($)	**1.30**	1.14	14.0
Aggregate leverage[4] (%)	**34.6**	36.2	(160 bps)

1 DPU was computed based on the distributable income after the deduction of capex reserves. Keppel DC REIT has paid an advanced distribution of 1.421 cents per Unit to eligible Unitholders on 20 October 2021 for the period from 1 July to 22 August 2021 in connection with the private placement launched on 12 August 2021. For the period from 23 August to 31 December 2021, eligible Unitholders will receive a distribution of 3.506 cents per Unit.
2 Based on FY 2021's closing price of $2.470 per Unit.
3 Investment properties and total assets include the carrying value of the lease liabilities pertaining to the land rent commitment and options.
4 Aggregate leverage is computed based on gross borrowings and deferred payments as a percentage of total deposited properties as stipulated in the Property Funds Appendix in the Code on Collective Investment Schemes issued by MAS, both of which do not consider the lease liabilities pertaining to land rent commitment and options.
5 Gross borrowings relates to external borrowings drawn down from term loan facilities, revolving credit facilities and multicurrency debt issuance programme.

bps = basis points
Nm = Not meaningful

GROUP QUARTERLY RESULTS

	Quarter 1		Quarter 2		Quarter 3		Quarter 4		Full Year
	$'000	%	$'000	%	$'000	%	$'000	%	$'000
Gross Revenue									
2021	**66,685**	**25**	**68,462**	**25**	**69,341**	**26**	**66,577**	**24**	**271,065**
2020	60,272	23	63,678	24	67,666	25	73,955	28	265,571
Net Property Income									
2021	**60,989**	**25**	**62,845**	**25**	**63,781**	**26**	**60,539**	**24**	**248,154**
2020	55,443	23	58,774	24	62,370	25	67,579	28	244,166
Distributable Income									
2021	**42,029**	**24**	**42,227**	**25**	**43,052**	**25**	**44,298**	**26**	**171,606**
2020	35,781	23	39,199	25	40,482	26	41,453	26	156,915
DPU (cents)[1]									
2021	**2.462**	**25**	**2.462**	**25**	**2.462**	**25**	**2.465**	**25**	**9.851**
2020	2.085	22	2.290	25	2.357	25	2.438	28	9.170

[1] DPU was computed based on the distributable income after the deduction of capex reserves. Keppel DC REIT has paid an advanced distribution of 1.421 cents per Unit to eligible Unitholders on 20 October 2021 for the period from 1 July to 22 August 2021 in connection with the private placement launched on 12 August 2021. For the period from 23 August to 31 December 2021, eligible Unitholders will receive a distribution of 3.506 cents per Unit.

TRUST AND ORGANISATION STRUCTURE

UNITHOLDERS

Holding of Units

Distributions

PERPETUAL (ASIA) LIMITED
(THE TRUSTEE)

Acting on Behalf of Unitholders

Trustee Fees

Keppel DC REIT

Management Services

Management Fees

KEPPEL DC REIT MANAGEMENT PTE. LTD.
(THE MANAGER)

Ownership of Assets

Income Contribution

PROPERTIES

Asia Pacific

Singapore	Malaysia	Australia	China
Keppel DC Singapore 1 FM[1]: Keppel DC Singapore 1 Ltd.	**Basis Bay Data Centre** FM[1]: Basis Bay Services MSC Sdn Bhd	**Gore Hill Data Centre** FM[1]: iseek-KDC Services Pty Ltd	**Guangdong Data Centre**
Keppel DC Singapore 2 FM[1]: Keppel DC Singapore 2 Pte. Ltd.		**Intellicentre Campus**	
Keppel DC Singapore 3 FM[1]: Keppel DCS3 Services Pte. Ltd.			
Keppel DC Singapore 4 FM[1]: Keppel DC Singapore 2 Pte. Ltd.			
Keppel DC Singapore 5 FM[1]: Keppel DCS3 Services Pte. Ltd.			
DC1			

Europe

United Kingdom	Ireland	The Netherlands	Italy	Germany
Cardiff Data Centre	**Keppel DC Dublin 1**	**Almere Data Centre**	**Milan Data Centre**	**Kelsterbach Data Centre**
GV7 Data Centre	**Keppel DC Dublin 2**	**Amsterdam Data Centre** FM[1]: FRIS Investment Care B.V.		**maincubes Data Centre**
London Data Centre[2]		**Eindhoven Campus** FM[1]: NL Asset Management B.V.		

BOARD OF DIRECTORS

- Nominating and Remuneration Committee
- Environmental, Social and Governance Committee[1]
- Audit and Risk Committee
  - Risk and Compliance
- Chief Executive Officer
  - Finance
  - Investment
  - Portfolio Management
  - Asset Management
  - Investor Relations and Sustainability

[1] The facility managers (FM) are appointed pursuant to the facility management agreements entered into for the respective properties.
[2] Acquisition was completed in January 2022.

[1] Environmental, Social and Governance Committee was established on 21 February 2022.

BOARD OF DIRECTORS

Board Committees

A Audit and Risk Committee

N Nominating and Remuneration Committee

E Environmental, Social and Governance Committee

CHRISTINA TAN, 56

Chairman and Non-Executive Director

N

Date of first appointment as a director:
15 September 2016

Length of service as a director (as at 31 December 2021):
5 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 2022):
Listed companies
Keppel REIT Management Limited (the manager of Keppel REIT);
Keppel Infrastructure Fund Management Pte. Ltd. (the trustee-manager of Keppel Infrastructure Trust)

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

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

Past Directorships held over the preceding 5 years (from 1 January 2017 to 31 December 2021):
Various subsidiaries and associated companies of Alpha Investment Partners Limited and funds managed by Alpha Investment Partners Limited

Others:
Nil

KENNY KWAN, 52

Lead Independent Director

N

Date of first appointment as a director:
28 February 2019

Length of service as a director (as at 31 December 2021):
2 years 10 months

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

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

Present Directorships (as at 1 January 2022):
Listed companies
Micro-Mechanics (Holdings) Ltd.

Other principal directorships
M1 Network Private Limited

Major Appointments (other than directorships):
Principal, Baker & McKenzie

Past Directorships held over the preceding 5 years (from 1 January 2017 to 31 December 2021):
Nil

Others:
Nil

LEE CHIANG HUAT, 72
Independent Director

A

Date of first appointment as a director:
18 November 2014

Length of service as a director (as at 31 December 2021):
7 years 2 months

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

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

Present Directorships (as at 1 January 2022):
Listed companies
Nil

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

Major Appointments (other than directorships):
Nil

Past Directorships held over the preceding 5 years (from 1 January 2017 to 31 December 2021):
Icurrencies Pte. Ltd.; Keppel REIT Management Limited (the manager of Keppel REIT)

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

DR TAN TIN WEE, 60
Independent Director

N E

Date of first appointment as a director:
18 November 2014

Length of service as a director (as at 31 December 2021):
7 years 2 months

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

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

Present Directorships (as at 1 January 2022):
Listed companies
Nil

Other principal directorships
Knorex Pte. Ltd.

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

Past Directorships held over the preceding 5 years (from 1 January 2017 to 31 December 2021):
Keppel Telecommunications & Transportation Ltd; Asia Pacific Bioinformatics Network Limited; iGates Bioinnovation Pte. Ltd.

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

DILEEP NAIR, 71
Independent Director

A N

Date of first appointment as a director:
18 November 2014

Length of service as a director (as at 31 December 2021):
7 years 2 months

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

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

Present Directorships (as at 1 January 2022):
Listed companies
Thakral Corporation Ltd

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

Major Appointments (other than directorships):
Nil

Past Directorships held over the preceding 5 years (from 1 January 2017 to 31 December 2021):
Agri-Food Veterinary Authority of Singapore

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

BOARD OF DIRECTORS

LOW HUAN PING, 65
Independent Director

A E

Date of first appointment as a director:
28 February 2019

Length of service as a director (as at 31 December 2021):
2 years 10 months

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

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

Present Directorships (as at 1 January 2022):
Listed companies
Nil

Other principal directorships
M1 Network Private Limited

Major Appointments (other than directorships):
Nil

Past Directorships held over the preceding 5 years (from 1 January 2017 to 31 December 2021):
iFast Corporation Ltd.; Magzter Inc; Shareinvestor.com Holdings Pte Ltd; MediaCorp Press Pte. Ltd.; M1 Limited

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

THOMAS PANG THIENG HWI, 57
Non-Executive Director

E

Date of first appointment as a director:
18 November 2014

Length of service as a director (as at 31 December 2021):
7 years 2 months

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

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

Present Directorships (as at 1 January 2022):
Listed companies
SVOA Public Company Ltd

Other principal directorships
Keppel Telecommunications & Transportation Ltd; ADCF C Private Limited; Keppel Data Centres Pte Ltd; Keppel Logistics Pte Ltd; Keppel Capital Holdings Pte Ltd; M1 Limited; Keppel Anhui Food Logistics Park Pte Ltd; Keppel Jilin Food Logistics Park Pte. Limited; Keppel Technology and Innovation Pte Ltd; Indo-Trans Keppel Logistics Vietnam Co. Ltd.; Asia Airfreight Terminal Company Limited; Radiance Communications Pte Ltd; Keppel Networks Infrastructure Pte Ltd; Computer Generated Solutions, Inc

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

Past Directorships held over the preceding 5 years (from 1 January 2017 to 31 December 2021):
Various subsidiaries and associated companies of Keppel Telecommunications & Transportation Ltd and Keppel DC REIT

Others:
Nil

THE MANAGER

ANTHEA LEE MENG HOON, 48
Chief Executive Officer

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

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

Prior to joining the Manager, Ms Lee was Vice President, Investment, at Keppel REIT Management Limited, managing regional investments and divestments. Before joining the Keppel Group in 2006, she was with JTC Corporation and Ascendas Land, where she was responsible for business development, asset management and project management of industrial and business park facilities and development for approximately 10 years.

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

Present Directorships (as at 1 January 2022):
Various subsidiaries and associated companies of Keppel DC REIT

Past Directorships held over the preceding 5 years (from 1 January 2017 to 31 December 2021):
Nil

ADAM LEE SIN JUN, 37
Chief Financial Officer

Mr Lee has more than 13 years of experience in the areas of financial and statutory reporting, management accounting, taxation, and audit.

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

Mr Lee started his career in an audit function within the real estate and hospitality sectors with PricewaterhouseCoopers LLP Singapore where he was the engagement manager for listed real estate investment trusts and property developers.

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

Present Directorships (as at 1 January 2022):
Various subsidiaries and associated companies of Keppel DC REIT

Past Directorships held over the preceding 5 years (from 1 January 2017 to 31 December 2021):
Lakson Technology Pte. Ltd.

CHARMAINE CAI JIALING, 40
Head of Portfolio Management

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

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

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

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

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

Present Directorships (as at 1 January 2022):
Nil

Past Directorships held over the preceding 5 years (from 1 January 2017 to 31 December 2021):
AM alpha (Singapore) Pte. Ltd.;
AM alpha (HK) Limited

THE MANAGER

JUSTIN CHAM DAO YONG, 35
Head of Investment

Mr Cham has more than 11 years of experience in the real estate investment, fund management and investment banking industries. He has been with the Manager since 2016 as part of the Investment and Asset Management team, where he was involved in various acquisitions and asset management.

Prior to joining the Manager, Mr Cham was involved in the portfolio and fund management of an Asia Pacific real estate fund at PGIM Real Estate, and handled real estate investments globally at MEAG Pacific Star Asia. Earlier in his career, Mr Cham was with DBS Bank's investment banking team, where he was focused on the origination, structuring and execution of IPOs and equity fundraisings for real estate investment trusts.

Mr Cham holds a Bachelor of Business, First Class Honours from Nanyang Technological University, Singapore, with a double major in Banking & Finance and Business Law. He is also a CFA® Charterholder.

Present Directorships (as at 1 January 2022):
Nil

Past Directorships held over the preceding 5 years (from 1 January 2017 to 31 December 2021):
Nil

EDWIN CHENG JIT PING, 49
Head of Asset Management

Mr Cheng has over 23 years of experience in the property and asset management industry.

As Head of Asset Management, Mr Cheng is responsible for developing plans and strategies to maximise asset returns and performance. Prior to joining Keppel DC REIT, Mr Cheng was with Mercatus Co-operative Limited where he formulated and executed strategies to maximise asset returns and performance through active leasing, asset enhancements, property and asset management for commercial, retail and industrial properties for NTUC Income Insurance Co-operative Limited (NTUC Income).

Before joining NTUC Income, Mr Cheng was involved in the management and maintenance of mission critical facilities in hospitals for Keppel FMO from 2009 to 2011. His main responsibilities included meeting stringent key performance indicators and service level agreements prescribed by SingHealth when maintaining their hospital facilities.

Mr Cheng holds a Bachelor of Arts (Architectural Studies) with Second Upper Honours from the University of Nottingham and a Master of Science (Real Estate) from the National University of Singapore.

Present Directorships (as at 1 January 2022):
Nil

Past Directorships held over the preceding 5 years (from 1 January 2017 to 31 December 2021):
Nil

SIGNIFICANT EVENTS

In July 2021, Keppel DC REIT completed the development of Intellicentre 3 East Data Centre at Intellicentre Campus in Sydney, Australia.

Q1 2021

Ms Anthea Lee appointed as Chief Executive Officer, succeeding Mr Chua Hsien Yang who assumed a senior appointment at Keppel Corporation.

Completion of asset enhancement initiatives at Keppel DC Dublin 2 in Ireland and DC1 in Singapore.

Q2 2021

Expansion of Keppel DC REIT's mandate to include investments into real estate and assets necessary to support the digital economy.

Pledged support to the Climate Neutral Data Centre Pact in Europe.

Q3 2021

Completed the development of Intellicentre 3 East Data Centre in Sydney, Australia, with both IC3 East DC and Intellicentre 2 Data Centre collectively renamed as Intellicentre Campus; and the commencement of the 20-year triple-net lease with Macquarie Data Centres.

Expanded European presence with the acquisition of Eindhoven Campus in the Netherlands.

Completed the divestment of iseek Data Centre in Brisbane, Australia.

Recognised as Overall Sector Winner, Best Returns to Shareholders over 3 Years and Fastest Growth for the REITs category at The Edge's Billion Dollar Club Awards.

Q4 2021

Completed the acquisition of Guangdong Data Centre, Keppel DC REIT's first data centre in China.

Convened virtual Extraordinary General Meeting and obtained Unitholders' approval for all resolutions relating to Keppel DC REIT's proposed investment in the bonds issued by M1 Network Private Limited (NetCo).

Completed the investment in the bonds and preference shares issued by NetCo.

Pledged support to the Task Force on Climate-Related Financial Disclosures.

Announced the acquisition of London Data Centre and strengthened footprint in the United Kingdom.

THE MANAGER PROACTIVELY ENGAGES WITH THE INVESTMENT COMMUNITY TO COMMUNICATE KEPPEL DC REIT'S STRATEGY AND PROVIDE REGULAR UPDATES ON ITS BUSINESS OPERATIONS AND PERFORMANCES.

UNITHOLDING BY TYPE (%)
as at 7 February 2022

Sponsor and related parties	19.6
Institutional	41.5
Retail	38.9
Total	**100.0**

UNITHOLDING BY GEOGRAPHY[1] (%)
as at 7 February 2022

Singapore	16.8
North America	15.4
Asia (excluding Singapore)	11.4
UK	7.1
Europe (excluding UK)	5.0
Others[2]	44.3
Total	**100.0**

1 Excluding Sponsor and related parties.
2 Others comprise the rest of the world, as well as unidentified holdings and holdings below the analysis threshold.

Keppel DC REIT is guided by its Investor Relations (IR) policy in its communication with the investment community. The Manager strives to enable Unitholders and the investment community to better understand its business and operations through transparent, accurate and timely disclosures. The IR policy is published on Keppel DC REIT's corporate website.

ENSURING TRANSPARENT, ACCURATE AND TIMELY DISCLOSURES

Keppel DC REIT announces its financial results on a half-yearly basis and provides interim business updates for the first and third quarters of the year. Starting in 2021, the Manager announced its half- and full-year financial results via a live audio webcast, comprising a presentation by management followed by a live question and answer session. The Manager continues to engage with the investment community after results announcements to address queries relating to Keppel DC REIT's performance and outlook.

Keppel DC REIT's website is updated regularly to provide investors with the latest information. This includes the annual report, factsheet, financial and portfolio information, investor presentations and media releases. Investors may also subscribe to receive email alerts for key announcements. The IR contact is available on Keppel DC REIT's corporate website and in all media releases to facilitate communication with the investment community.

BUILDING RELATIONSHIPS WITH KEY STAKEHOLDERS

Notwithstanding travel restrictions arising from the pandemic, Keppel DC REIT continued to actively engage the investment community via digital platforms. In 2021, the Manager engaged more than 800 investors and analysts through a mix of in-person meetings conducted in line with safe management measures, as well as virtual investor conferences and meetings, roadshows and teleconferences. Besides Singapore, the Manager engaged with investors in Australia, Hong Kong, Japan, Korea, Taiwan, Thailand, Europe, and North America.

In May 2021, Keppel Capital hosted its inaugural Keppel Capital Day in partnership with DBS to reach out to global institutional investors. As one of the asset managers under Keppel Capital, the Manager engaged with investors via a fireside chat on the opportunities in the digital and infrastructure space, followed by a question and answer session.

The Manager also proactively engaged with retail Unitholders in 2021 through various platforms including webinars and dialogue sessions. At the 2021 Virtual REITs Symposium, the IR team engaged with approximately 65 Unitholders via a live chat. Keppel DC REIT also participated in the REITs Outlook webinar hosted by the Securities Investors Association (Singapore) (SIAS) with approximately 370 attendees and a webinar hosted by DBS for close to 700 of its private banking clients.

Ahead of the Extraordinary General Meeting (EGM) on Keppel DC REIT's proposed investment in the bonds and preference shares to be issued by M1 Network Private Limited (NetCo), the Manager proactively reached out to global institutional investors and engaged with approximately 70 retail Unitholders at a virtual dialogue session with SIAS in November 2021. The engagement with investors and the dialogue session with SIAS provided Unitholders the opportunity to hear from management on the proposed investment and its merits and allowed Unitholders to make an informed decision when casting their votes ahead of the meeting. A transcript of the virtual dialogue session was uploaded on SGXNet and the corporate website.

Keppel DC REIT will continue to enhance and strengthen relationships with key stakeholders through multiple channels, while concurrently expanding its reach to new investor groups.

UNITHOLDER MEETINGS

In compliance with government advisories and regulations for COVID-19, Keppel DC REIT held its Annual General Meeting (AGM) on 21 April 2021 and its EGM on

As part of COVID-19 precautionary measures, Keppel DC REIT's EGM was convened by electronic means on 2 December 2021.

2 December 2021 via electronic means. During these virtual meetings, management provided an update on matters relating to the respective meetings.

Ahead of the AGM and EGM, the Manager published responses to substantial and relevant questions from Unitholders on SGXNet and the corporate website. To facilitate engagement with Unitholders, a live question and answer function was introduced at the EGM whereby Unitholders could put forth their questions on the two resolutions via a textbox function.

Resolutions for both the AGM and EGM were polled ahead of the meetings and an independent scrutineer was appointed to count and validate the votes. Results were announced during the meeting and minutes of the meeting, as well as the presentation slides of the results were published on SGXNet and Keppel DC REIT's website. All resolutions tabled at the AGM and EGM in 2021 were passed.

RAISING THE BAR

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

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

Keppel DC REIT continued to be recognised for strong corporate governance practices. In 2021, Keppel DC REIT ranked sixth in the Governance Index for Trusts (GIFT), and 31st in the Singapore Governance and Transparency Index (SGTI) under the REIT and Business Trust category.

Keppel DC REIT was also honoured at The Edge Singapore Billion Dollar Club 2021 as the Overall Sector Winner, Best Returns to Shareholders over 3 Years and Fastest Growth for the REITs category.

RESEARCH COVERAGE

Keppel DC REIT is widely covered by 16 equity research houses, including the initiation of Daiwa and Goldman Sachs in 2021:

- Bank of America
- CGS-CIMB
- Citi
- CLSA
- Credit Suisse
- Daiwa
- DBS
- Goldman Sachs
- HSBC
- JP Morgan
- KGI Securities
- Macquarie
- Morgan Stanley
- Morningstar
- OCBC
- Phillip Capital

INVESTOR RELATIONS

INVESTOR RELATIONS CALENDAR

Financial Year ended 31 December 2021

Q1

- FY 2020 results announcement and analysts' teleconference
- FY 2020 post-results investors' luncheon hosted by Bank of America Securities
- Virtual meeting with US investors hosted by Cowen Equity Research
- Virtual roadshow for Thailand investors hosted by DBS
- Nomura Global Real Estate Forum
- Nomura ASEAN Virtual Conference
- Citi Virtual Global Property CEO Conference
- CITIC CLSA ASEAN Access Month – Digitising ASEAN

Q2

- 1Q 2021 operational updates and analysts' teleconference
- Post 1Q 2021 operational updates group investor meeting hosted by Goldman Sachs
- Keppel DC REIT's sixth AGM which was convened virtually
- Virtual roadshow for Malaysia investors hosted by Maybank
- SGX-Korea Investment & Securities Virtual Corporate Day for Korea Investors
- Keppel Capital Virtual Corporate Day
- REITs Outlook Webinar hosted by SIAS
- Virtual roadshow for Taiwan investors hosted by Yuanta Securities
- BNP Paribas Singapore REIT Day
- 'S-REITs in the New Normal' webinar for private banking clients hosted by DBS

Q2

- Virtual REITs Symposium hosted by ShareInvestor and REITAS
- Citi Pan-Asia Regional Investor Conference
- DBS-SGX-REITAS Virtual Conference

Q3

- 1H 2021 results announcement and analysts' teleconference
- 1H 2021 post-results group investor meeting hosted by Daiwa
- Citi-SGX-REITAS REITs & Sponsors Forum 2021
- Daiwa Pan-Asia REIT Conference 2021
- Bank of America Securities Global Real Estate Conference 2021
- SGX-Credit Suisse Real Estate Day

Q4

- 3Q 2021 operational updates and analysts' teleconference
- Post 3Q 2021 operational updates group investor meeting hosted by Credit Suisse
- SGX-JP Morgan Corporate Day
- SGX-Korea Investment & Securities Virtual Conference for Korea Investors
- SIAS-Keppel DC REIT Virtual Dialogue Session
- SGX-SinoPac Securities Virtual Conference for Taiwan Investors
- EGM for the Proposed Investment in the NetCo Bonds and Preference Shares

In 2021, the Manager engaged more than 800 investors and analysts through a mix of in-person meetings conducted in line with safe management measures, as well as virtual investor conferences and meetings, roadshows and teleconferences.

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

Telephone:
+65 6803 1679

Email:
investor.relations@keppeldcreit.com

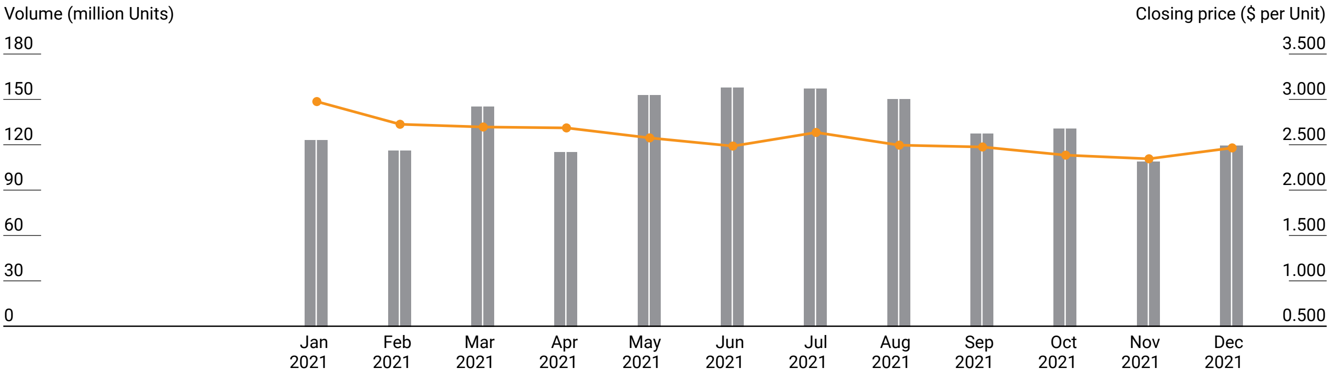
Website:
www.keppeldcreit.com

UNIT PRICE PERFORMANCE

Keppel DC REIT's market closing price was $2.470 per Unit as at 31 December 2021 (FY 2021). Over 1.6 billion Units were traded in FY 2021.

Distribution per Unit (DPU) was 9.851 cents for FY 2021, which translated to a distribution yield of 4.0% based on the market closing price per Unit of $2.470 as at 31 December 2021.

MONTHLY TRADING PERFORMANCE



	Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021	Jul 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021	Dec 2021
Closing Unit price month-end ($ per Unit)	2.980	2.730	2.700	2.690	2.580	2.490	2.640	2.500	2.480	2.390	2.350	2.470
Monthly trading volume (million Units)	123.3	116.5	145.5	115.5	153.1	158.1	157.2	150.5	127.7	130.9	109.1	119.7

UNIT PRICE PERFORMANCE ($ per Unit)

	2021	2020
Highest closing price	**3.030**	3.060
Lowest closing price	**2.330**	1.760
Average closing price	**2.590**	2.608
Closing price on last trading day of the year	**2.470**	2.810
Trading volume (million Units)	**1,607.1**	1,758.1

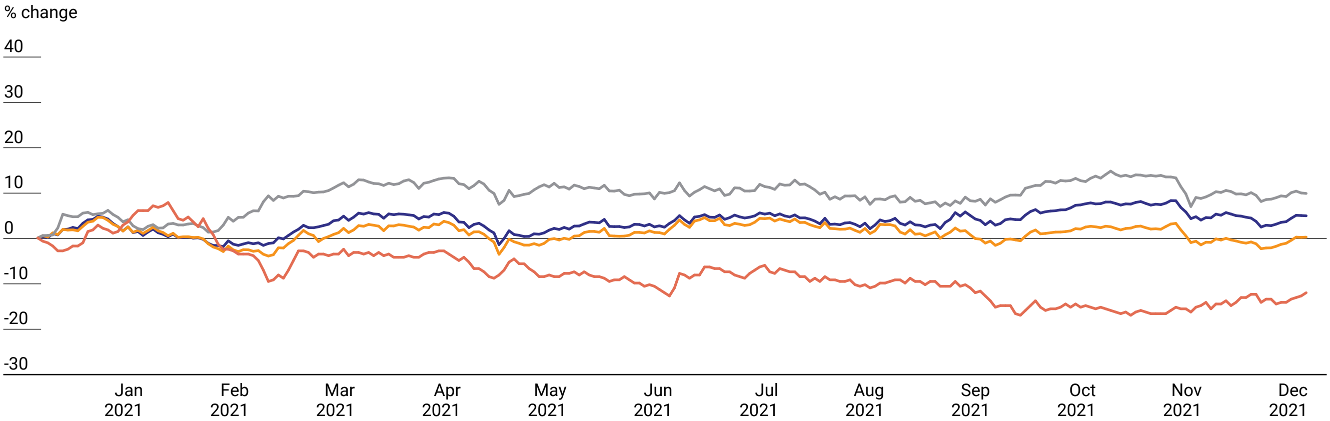
COMPARATIVE YIELDS (%)

as at 31 December 2021

	Yield
FTSE ST REIT Index	4.3
Keppel DC REIT	4.0[1]
FTSE ST RE Index	3.8
STI	3.2
CPF Ordinary Account	2.5
10-year SG Govt Bond	1.7
5-year SG Govt Bond	1.4

UNIT PRICE PERFORMANCE AGAINST INDICES (%)

for the period from 1 January 2021 to 31 December 2021



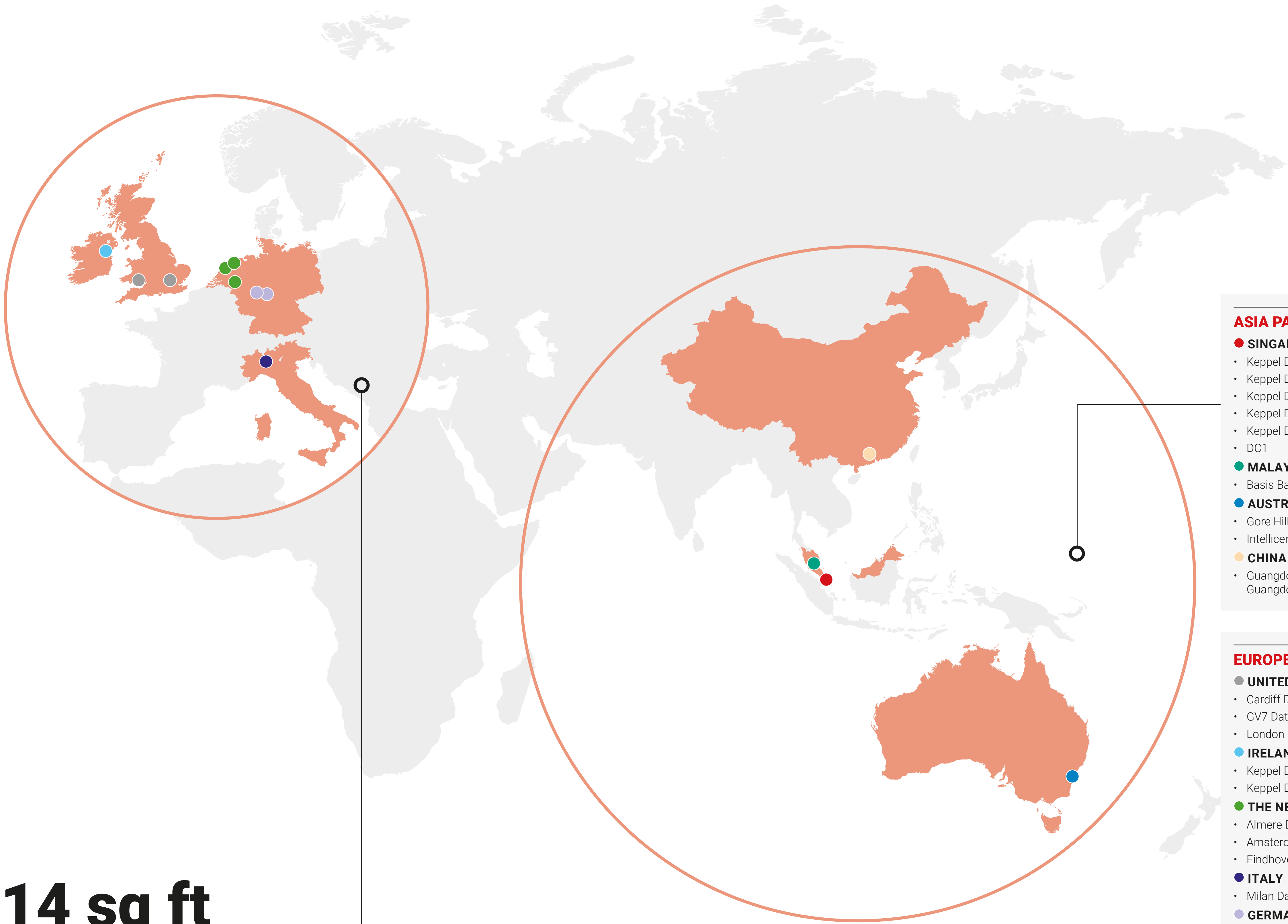
STI	9.8
FTSE ST RE Index	4.9
FTSE ST REIT Index	0.2
Keppel DC REIT	-12.1

Sources: Bloomberg, Monetary Authority of Singapore and Central Provident Fund.

1 Based on Keppel DC REIT's total DPU of 9.851 cents for FY 2021 and the market closing price per Unit of $2.470 as at 31 December 2021.

OVERVIEW

KEPPEL DC REIT AROUND THE WORLD



ASIA PACIFIC

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

MALAYSIA
- Basis Bay Data Centre, Cyberjaya

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

CHINA
- Guangdong Data Centre, Guangdong Province

EUROPE

UNITED KINGDOM
- Cardiff Data Centre, Cardiff
- GV7 Data Centre, London
- London Data Centre[1], London

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

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

ITALY
- Milan Data Centre, Milan

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

ASSETS UNDER MANAGEMENT (AUM)[1]

$3.4b

13.3% higher than $3.0 billion as at 31 December 2020

TOTAL ATTRIBUTABLE LETTABLE AREA[1]

2,470,814 sq ft

20 data centres across nine countries

[1] Including London Data Centre which was acquired in January 2022, AUM and total attributable lettable area would be $3.5 billion and 2,565,681 sq ft respectively.

INDEPENDENT MARKET REVIEW
BY DANSEB CONSULTING

GREATER RELIANCE ON TECHNOLOGY FOR BUSINESSES GLOBALLY HAS LED TO AN ACCELERATION IN ENTERPRISE ADOPTION OF CLOUD COMPUTING.

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

INDUSTRY OVERVIEW

The rapid adoption of technology, further spurred by the COVID-19 pandemic, continues to have a positive impact on the global data centre market.

Greater reliance on technology for businesses globally has also led to an acceleration in enterprise adoption of cloud computing. Research by Danseb Consulting showed a 36% increase in global cloud usage in 2021, with over 90% of enterprises looking to deploy hybrid cloud infrastructure by end-2022, and the requirement for access to multiple clouds reinforcing the benefits of colocation data centres.

The COVID-19 pandemic has reinforced the focus of enterprises and governments on data sovereignty and hosting data locally, with greater importance placed on being able to easily and safely access data centres given the ongoing restrictions on international travel. Other factors such as security and latency have also led to a greater desire to use data centres within the country. This has resulted in higher growth in the data centre industry in emerging countries such as Indonesia, and faster growth in large markets such as India.

On the consumer front, digitalisation has also been a key theme as individuals pivoted online and continue to rely on technology in the way they live, work and play. For example, Ericsson estimates that there were over 600 million 5G subscribers globally as at end-2021, and global mobile data traffic is expected to grow at over 40% per annum between 2022 and 2025. 5G facilitates more data generation and faster connectivity, leading to increased demand for storage and processing at data centres.

These trends reinforce the need for quality data centres to support the growth of the digital economy. Meta, for one, has indicated that it will invest US$29-34 billion on data centres, servers and artificial intelligence software/systems in 2022, an increase of over 50% compared to 2021.

Across the Asia Pacific region, Danseb Consulting estimated growth of 14% in colocation demand in 2021, led by regions such as Guangdong, which saw significant increases in both domestic and hyperscaler demand, with such increased demand outstripping supply. Australia also had a very strong 2021 led by hyperscaler demand and high levels of outsourcing. Supply has been strong in the region, led by increased investor awareness and interest in the data centre sector.

The European region saw slightly slower demand growth in 2021 at 12%, with some supply constraints and restrictions due to the COVID-19 pandemic. Demand was particularly strong in European markets such as Milan and Stockholm. We expect demand for colocation data centres to increase by 16% in 2022, as restrictions ease and strong hyperscaler and local demand remains, led by industries such as finance, pharmaceutical and IT.

Governments around the world have shown strong support for supply of shell and core data centres, and investment into the broader data centres sector. Danseb Consulting's analysis shows that 23 states in the United States offer specific tax incentives for investments in colocation data centres, while countries such as Saudi Arabia, Norway and Malaysia have attracted data centre investments through the development of specific policies including tax incentives as well as fast-tracked planning and approval.

In 2021, the United States-China trade issues saw some impact on data centre location decisions. The planned Pacific Light Cable Network subsea cable has been diverted away from Hong Kong, and will now connect the United States with Taiwan and the Philippines. This has led to Google moving a planned data centre from Hong Kong to Taiwan.

On the environmental front, data centres are believed to be responsible for around 1.5-2.0% of annual global power usage, according to Danseb Consulting's estimates. This figure could potentially be higher in some countries, with governments becoming increasingly concerned about the impact that data centres could have on their ability to meet climate change targets. Such concerns have led to moratoriums on new data centre builds in locations such as Singapore and Amsterdam, which have since been eased, although with some continuing restrictions that will limit the amount of data centre space that can be added in these locations.

In response, the global colocation industry has in recent years, seen improvements in energy efficiency and access to renewable energy, and have developed sustainable schemes such as waste heat reuse and district heating. There have also been more innovative schemes that are being explored, such as Keppel's Floating Data Centre Park which, in addition to overcoming energy issues, alleviates land and water constraints. Other schemes that are currently being explored include High-Rise Green Data Centre and Underwater Data Centre, both overcoming land scarcity issues.

SINGAPORE

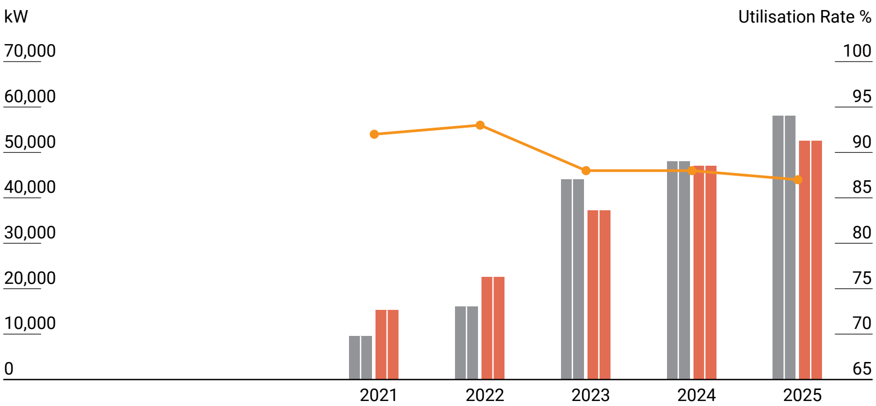
The Singapore market has long been one of the major data centre hubs in Asia Pacific alongside Tokyo, Shanghai and Hong Kong.

Excellent telecoms connectivity is often a key reason that hyperscalers and digital content providers choose Singapore and this is being enhanced by the new Bifrost Cable System linking Singapore with the West Coast of North America. Singapore also attracts global financial players as a key financial centre, having retained its fourth position in the Global Financial Centres Index 2021.

The moratorium on new data centre builds in Singapore was applied in 2019 as the government sought to manage the growth of data centres in a sustainable manner consistent with the country's climate change commitments. With restrictions gradually being eased, new data centre plans can be submitted from Q2 2022, but must demonstrate high efficiency and may be subject to other restrictions. Within this pilot phase of 12-18 months, only three data centres of 10-30MW will be approved. The availability of renewable energy in Singapore is also improving, following the Green Economy Agreement signed between Australia and Singapore, and plans to purchase up to 20% of Singapore's power needs from Australia via a 5,000km subsea power line providing solar energy, according to estimates by Sun Cable.

New demand in Singapore is estimated to grow at a compound annual growth rate (CAGR) of 36.3% between 2021 and 2025, with the rapid growth due in part to the lack of available space in 2021 due to the moratorium. The average utilisation rate was 92% as at end-2021.

DATA CENTRE SUPPLY/DEMAND/UTILISATION IN SINGAPORE



	2021	2022	2023	2024	2025
Supply Added (kW)	9,500	16,000	44,000	48,000	58,000
New Demand (kW)	15,200	22,500	37,200	47,000	52,500
Utilisation Rate (%)	92	93	88	88	86

CYBERJAYA, MALAYSIA

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

The country's digital economy is estimated by the government to be worth approximately 19% of Malaysia's gross domestic product (GDP) in 2021. The Malaysia Digital Economy Blueprint forecasts that this will rise to 22.7% of GDP by 2025, and a further 50,000 technology-related jobs will be created.

As Malaysia moves towards digitalising government functions, there are plans to migrate 80% of public data to hybrid cloud systems by the end of 2022.

In February 2021, the Malaysian government granted special permission to Amazon Web Services (AWS), Google, Microsoft, and Telekom Malaysia to build data centres and provide cloud services in Malaysia. Investments from these four companies are expected to total between US$2.9 billion and US$3.6 billion by end-2026. In April 2021, Microsoft announced that it would invest US$1.0 billion in data centre developments in Malaysia, particularly in Johor. Intel followed in December 2021, announcing a US$7.1 billion investment to increase chipset production across Malaysia.

Government support and international IT investment are helping to develop the Cyberjaya colocation market, after several years of relative underperformance.

New demand in Cyberjaya is estimated to grow at a CAGR of 18.2% between 2021 and 2025. The average utilisation rate was 82% as at end-2021.

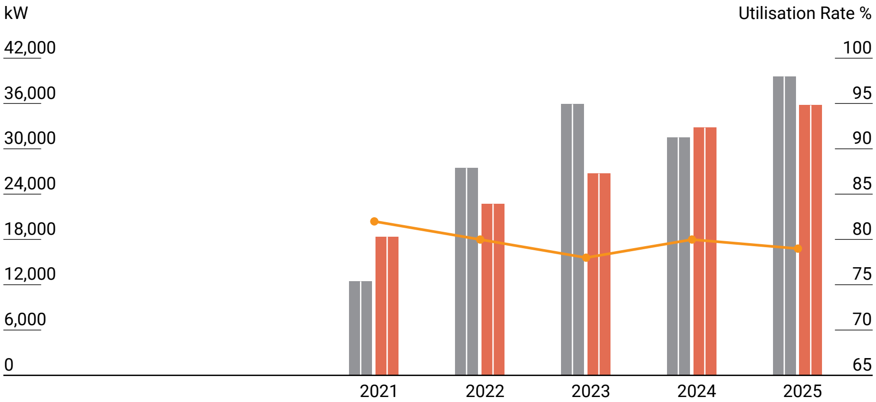
SYDNEY, AUSTRALIA

The Australian market, and particularly Sydney, remains a global hub for hyperscaler investments. It benefits from its geographic location, and the ability of hyperscalers to take advantage of the different time zones and run 24-hour operations between data centres in the US, Europe and Australia.

Two key drivers include domestic demand – led by strong government support and high levels of outsourcing; and international demand due to Australia's positioning as a regional hub.

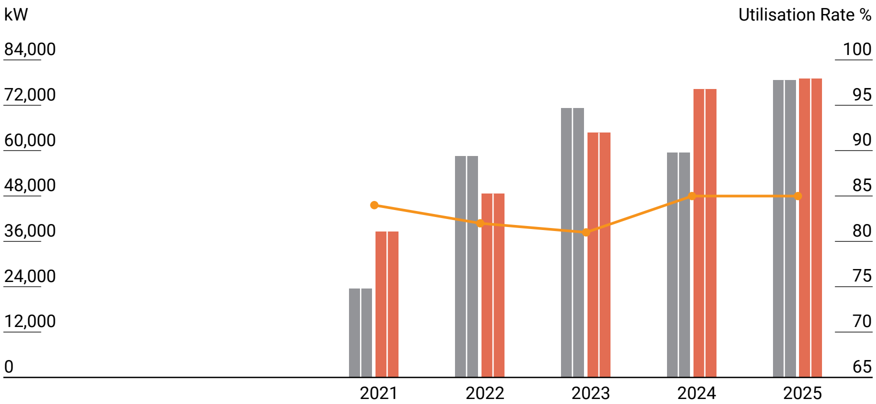
2021 saw continued strong hyperscaler investments, led by Alibaba, Google and Microsoft.

DATA CENTRE SUPPLY/DEMAND/UTILISATION IN CYBERJAYA



	2021	2022	2023	2024	2025
Supply Added (kW)	12,400	27,400	35,850	31,440	39,500
New Demand (kW)	18,300	22,640	26,655	32,730	35,700
Utilisation Rate (%)	82	80	78	80	79

DATA CENTRE SUPPLY/DEMAND/UTILISATION IN SYDNEY



	2021	2022	2023	2024	2025
Supply Added (kW)	23,500	58,500	71,200	59,400	78,500
New Demand (kW)	38,500	48,500	64,600	76,100	78,900
Utilisation Rate (%)	84	82	81	85	85

Gore Hill Data Centre is located within the Gore Hill Technology Park in Sydney, Australia.

Guangdong Data Centre is located in the Bluesea Intelligence Valley Mega Data Centre Campus in Jiangmen, Guangdong Province in China.

Strong telecoms connectivity is supported by the deployment of the Hawaiki Submarine Cable, linking Australia and New Zealand with Hawaii and the West Coast of the United States, which is likely to further drive hyperscaler demand.

Sydney continues to attract major new builds. While other Australian cities, and particularly Melbourne, have seen further colocation supply and demand, Sydney is seen to be the key colocation hub in Australia for the foreseeable future given its excellent connectivity and broader data centre ecosystem.

New demand in Sydney is estimated to grow at a CAGR of 19.6% between 2021 and 2025. The average utilisation rate was 84% as at end-2021.

GUANGDONG, CHINA

With a population of 126 million, Guangdong is the most populous province in China[1]. Housing three of China's six Special Economic Zones, namely Shenzhen, Shantou and Zhuhai, Guangdong contributed approximately 12% of the country's national economic output in 2020.

Shenzhen, including the Shenzhen Bay High-Tech Eco-Park, is a key technology location within China. There are plans for government and private investors to invest US$108 billion in high-tech research and development over the next five years, and it is forecast that the digital economy will account for more than 31% of local GDP.

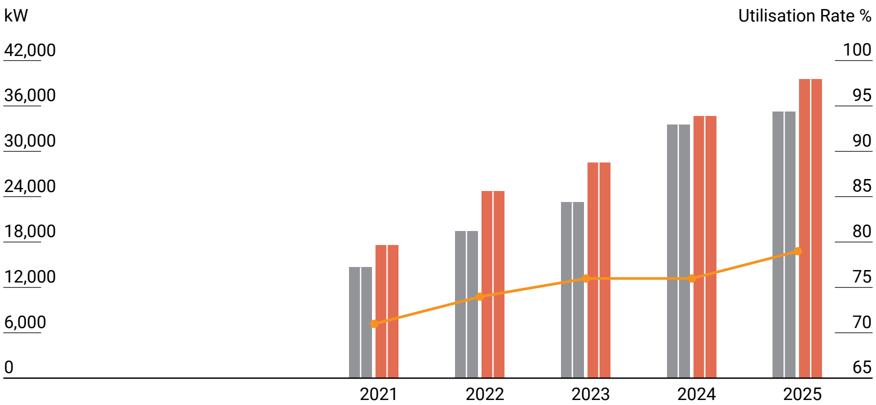
Alongside Hong Kong and Macau, Shenzhen is also positioned as part of the Greater Bay Area, which is marketed to international investors as a key global technology location. This is seen as competing with the Bay Area, on the West Coast of the United States, as a technology hub.

In August 2021, it was decreed by the Ministry of Industry and Information Technology that personal information and important data collected and generated within China should be stored in China in accordance with relevant laws and regulations, and this has boosted local colocation demand. Regulatory tightening in areas such as online gaming and e-commerce has also led to more focus on user data, which also increases the need for local data centre space.

Supply to 2025 is forecast to be strong in the Guangdong area. Guangdong benefits from having greater power availability than locations such as Shanghai and Beijing, as well as leading in the development of a smart grid which optimises power allocation. Chinese provinces have an annual energy consumption quota, and this has led to power restrictions in some regions of the country. In 2021, the Guangdong authority also announced measures tightening the approvals for new data centre developments for the next few years, and to cease operation and construction for data centres that have not obtained energy saving approval.

New demand in Guangdong is estimated to grow at a CAGR of 22.4% between 2021 and 2025. The average utilisation rate was 71% as at end-2021. This relatively low utilisation is due to new builds, which are yet to be filled, and lower usage at facilities owned by Chinese telecommunication companies.

DATA CENTRE SUPPLY/DEMAND/UTILISATION IN GUANGDONG

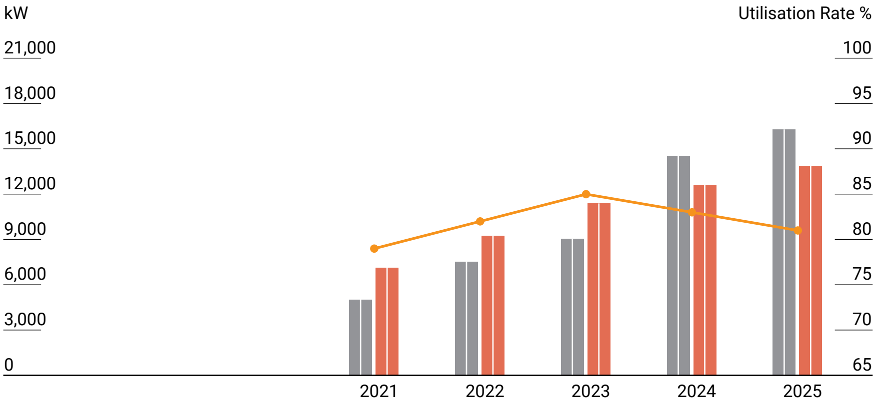


	2021	2022	2023	2024	2025
Supply Added (kW)	14,600	19,400	23,200	33,455	35,200
New Demand (kW)	17,560	24,654	28,437	34,555	39,455
Utilisation Rate (%)	71	74	76	76	79

[1] Statista analysis.

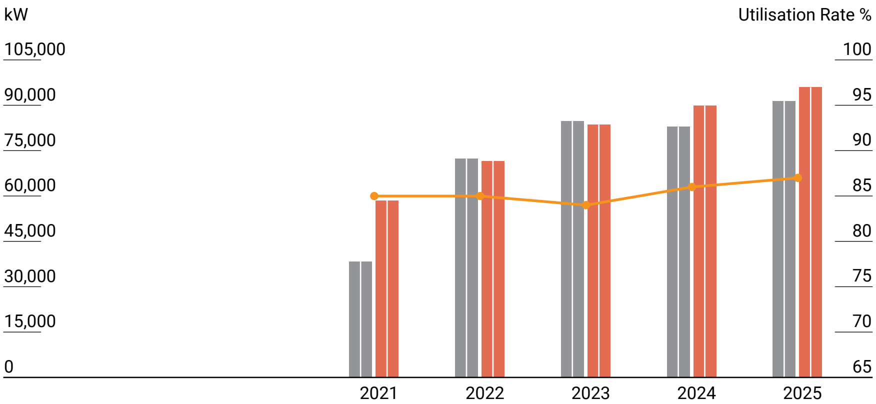
INDEPENDENT MARKET REVIEW
BY DANSEB CONSULTING

DATA CENTRE SUPPLY/DEMAND/UTILISATION IN CARDIFF



	2021	2022	2023	2024	2025
Supply Added (kW)	5,000	7,500	9,000	14,500	16,250
New Demand (kW)	7,107	9,210	11,355	12,570	13,850
Utilisation Rate (%)	79	82	85	83	81

DATA CENTRE SUPPLY/DEMAND/UTILISATION IN LONDON



	2021	2022	2023	2024	2025
Supply Added (kW)	38,279	72,218	84,655	82,745	91,308
New Demand (kW)	58,400	71,421	83,432	89,677	95,800
Utilisation Rate (%)	85	85	84	86	87

CARDIFF, UNITED KINGDOM (UK)

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

The current metro area population of Cardiff is 481,000, and it contributes to nearly 20% of the Welsh economy.

According to Trade and Invest Wales, the technology sector is worth an estimated US$11.6 billion and employed over 44,000 people as at end-2020.

The region is home to Microsoft and Oracle cloud zones, and has also attracted colocation demand from financial and technology enterprises, given its lower operating costs, and ability to serve as reliable back-ups to data centres in London.

New colocation demand in Cardiff is estimated to grow at a CAGR of 18.2% between 2021 and 2025. With new supply being developed in anticipation of such demand, the utilisation rate is expected to remain stable. The average utilisation rate was 79% as at end-2021.

LONDON, UK

The UK has maintained its position as a leading global financial and trading centre post-Brexit. London has also retained its second position in the Global Financial Centres Index 2021.

The UK, and particularly London, is a key hub for technology investment. According to the Atomico 2021 State of European Technology, the UK gained 37% of all European technology funding of over US$100 million and has more than 100 unicorns and technology companies each valued at over US$1 billion, the vast majority of which are based in London.

London Data Centre is located in Bracknell, UK. Bracknell is a thriving commercial centre in the Thames Valley, a region known as the Silicon Valley of the UK.

As securing space and power in London is becoming more challenging, with new colocation sites up to 100km away, the premium for well-connected, central London colocation data centres is increasing. Demand is particularly strong in areas to the West of London, especially in the Thames Valley which includes towns such as Slough and Bracknell. This region is the key technology hub for the UK and continues to see supply from new entrants such as CloudHQ and Global Technical Realty (GTR).

Hyperscaler demand remained strong in 2021, including large deployments from AWS, Google and Microsoft.

New demand in London is estimated to grow at a CAGR of 13.2% between 2021 and 2025. The average utilisation rate was 85% as at end-2021.

DUBLIN, IRELAND

Ireland, with a population of five million people, continues to be a major European data centre hub, with multiple hyperscalers present. There have also been recent deployments from Chinese hyperscalers, such as ByteDance, which moved its United States operations to Ireland.

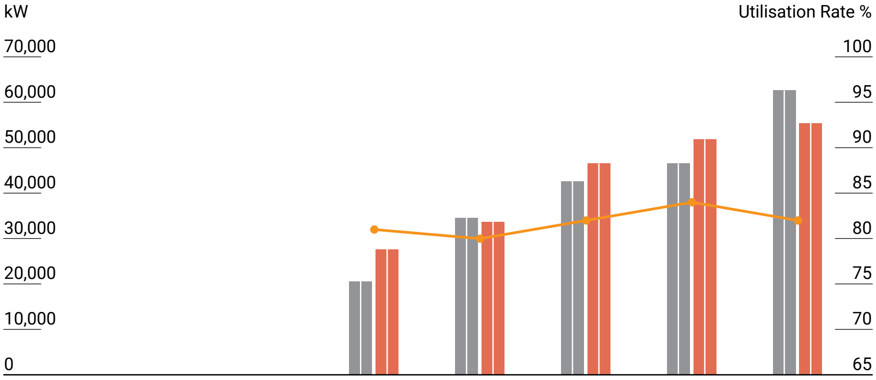
Within Ireland, Dublin remains the key data centre hub, with over 90% of colocation deployments in and around the city. It benefits from an attractive foreign direct investment environment, excellent telecommunications and a strong data centre ecosystem.

There have been concerns in Ireland over the impact of data centres. Power provider, EirGrid, has estimated that data centres will potentially use nearly 30% of Irish power by 2028, impacting the nation's ability to meet climate change targets. This has led to more stringent planning provisions, such as for data centres to have their own emergency power supplies, and to provide power back to the grid. In December 2021, EirGrid announced it would not supply power to new data centre schemes in Dublin until at least 2028.

However, we expect to see continued strong deployments in Dublin, given the existing plans, staffing and partnerships of global hyperscalers and enterprises. This includes major expansions planned by AWS and Microsoft.

New demand in Dublin is estimated to grow at a CAGR of 19.0% between 2021 and 2025. The average utilisation rate was 81% as at end-2021.

DATA CENTRE SUPPLY/DEMAND/UTILISATION IN DUBLIN



	2021	2022	2023	2024	2025
Supply Added (kW)	20,500	34,500	42,500	46,450	62,500
New Demand (kW)	27,550	33,600	46,420	51,712	55,312
Utilisation Rate (%)	81	80	82	84	82

Keppel DC Dublin 2 is located within the Ballycoolin Business and Technology Park in Dublin, Ireland.

INDEPENDENT MARKET REVIEW
BY DANSEB CONSULTING

AMSTERDAM, THE NETHERLANDS

The data centre industry in the Netherlands has seen some challenges relating to power and water availability, as well as land scarcity. This has been particularly evident in Amsterdam, where over 70% of colocation supply is currently situated. This has led to restrictions on new data centre builds, such as mandating that facilities must have a PUE of under 1.2 and show a direct benefit to the Dutch economy, such as job creation.

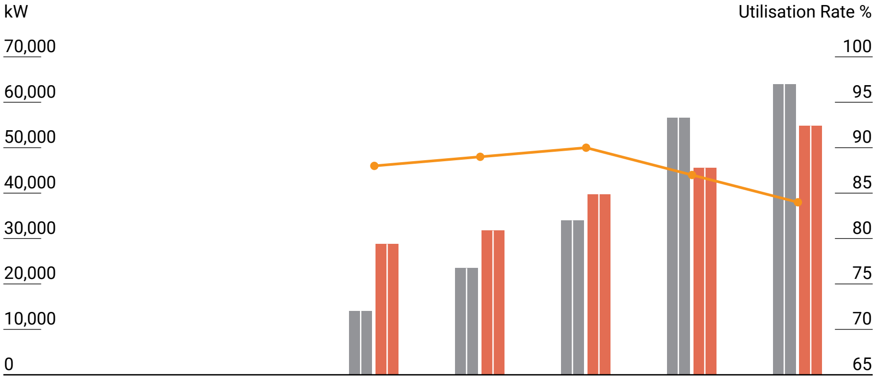
Power availability has been an issue, with some parts of Amsterdam experiencing power outages in 2021. Dutch utility company, Liander, has warned that the electricity grid in North Holland is reaching its maximum capacity in a number of locations, particularly in central Amsterdam. It has recommended new electricity stations in Amsterdam be built and existing stations expanded, but the work is expected to take four to six years.

Notwithstanding these challenges, Amsterdam remains a highly attractive colocation market, with a strong ecosystem and global enterprises. The Amsterdam Internet Exchange (AMS-IX) competes with DE-CIX in Frankfurt as the largest in Europe, and carries around 11Tbit/s of traffic.

New colocation build is focused on specific areas outside Amsterdam, such as Agriport, where Microsoft has a large data centre. Meta is moving further away from Amsterdam, building in the town of Zeewolde, 50km east of Amsterdam and close to Almere.

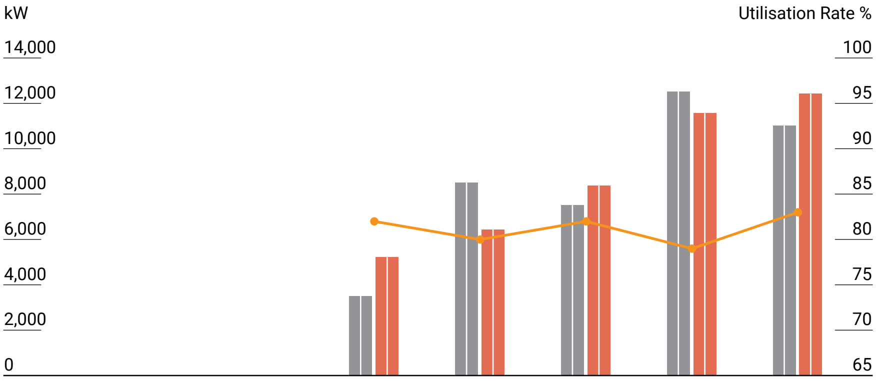
New demand in Amsterdam is estimated to grow at a CAGR of 17.5% between 2021 and 2025. The average utilisation rate was 88% as at end-2021.

DATA CENTRE SUPPLY/DEMAND/UTILISATION IN AMSTERDAM



	2021	2022	2023	2024	2025
Supply Added (kW)	14,000	23,400	33,900	56,500	63,900
New Demand (kW)	28,700	31,655	39,658	45,444	54,700
Utilisation Rate (%)	88	89	90	87	84

DATA CENTRE SUPPLY/DEMAND/UTILISATION IN EINDHOVEN



	2021	2022	2023	2024	2025
Supply Added (kW)	3,500	8,500	7,500	12,500	11,000
New Demand (kW)	5,200	6,421	8,355	11,544	12,400
Utilisation Rate (%)	82	80	82	79	83

Almere Data Centre is located in the Sallandsekant Business Park, in the city of Almere, the Netherlands.

EINDHOVEN, THE NETHERLANDS

The North Brabant province, which includes Eindhoven, is responsible for around 15% of the Netherlands' GDP in 2020. Brainport Eindhoven, within North Brabant, focuses on advanced manufacturing, artificial intelligence, digital technologies, integrated photonics and micro- and nanoelectronics. This area includes the High Technology Campus, which houses around 235 companies, including over 40 new companies added in 2021, and the Eindhoven University of Technology.

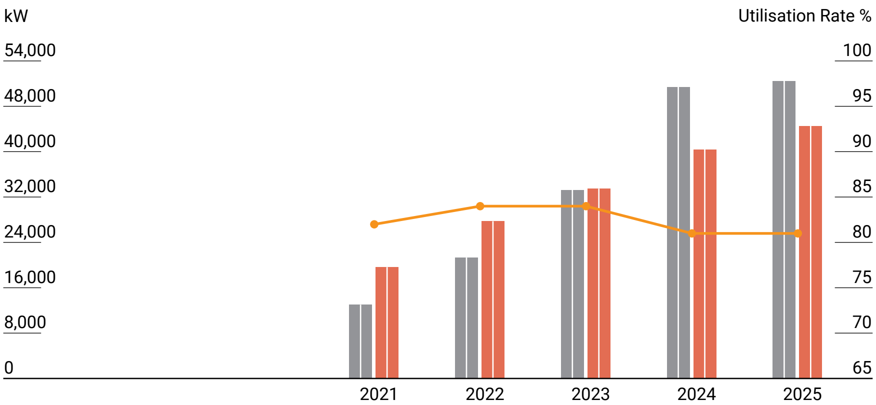
Due to the challenges in terms of land and power in Amsterdam, as well as the desire of government to see data centres located throughout the country and less concentrated in Amsterdam, data centre users have started to move to other locations within the Netherlands, such as Eindhoven. Eindhoven is a natural second data centre hub within the Netherlands, located at the opposite end of the country to Amsterdam, and also close to the German border.

New demand in Eindhoven is estimated to grow at a CAGR of 24.3% between 2021 and 2025. The average utilisation rate was 82% as at end-2021.

INDEPENDENT MARKET REVIEW
BY DANSEB CONSULTING

Milan Data Centre is located approximately 8km away from Milan's city centre.

DATA CENTRE SUPPLY/DEMAND/UTILISATION IN MILAN



	2021	2022	2023	2024	2025
Supply Added (kW)	12,500	20,500	32,000	49,500	50,500
New Demand (kW)	18,875	26,677	32,215	38,877	42,850
Utilisation Rate (%)	82	84	84	81	81

MILAN, ITALY

The Italian data centre market has not grown as quickly as other European countries such as the UK and Germany. Demand has been limited by the lack of outsourcing by Italian enterprises which often prefer to use in-house data centres, while the country has been in competition with Spain as a Southern European hub for international customers.

However, in 2021, there was evidence of growing demand in Italy, particularly Milan, from global hyperscalers. This is partly to support hyperscaler customers in Italy and also users in neighbouring countries.

AWS has opened three data centres in and around Milan since 2020, which are also able to potentially support customers in neighbouring markets such as Austria, Greece, and Bulgaria.

Google is partnering Telecom Italia to develop cloud services in Italy, and also funding the Equiano cable linking Italy to Africa, expected to be ready for service in 2H 2022. In 2021, Microsoft announced a US$1.5 billion investment plan to accelerate Italy's digital transformation over the next five years, with a large proportion of this on data centres in the country, particularly in and around Milan.

The Italian government is also spending around US$2.4 billion to promote the online migration of public administration data and services over the next five years, starting in 2021.

Although there has been some data centre development in subsea cable landing points in southern Italy, Milan remains the major data centre hub in Italy and is the key location for telecommunications.

New demand in Milan is estimated to grow at a CAGR of 22.7% between 2021 and 2025. The average utilisation rate was 82% as at end-2021.

FRANKFURT, GERMANY

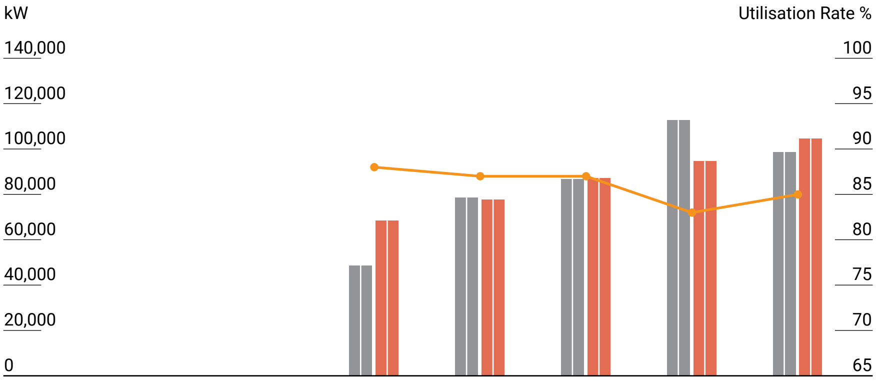
Germany benefits from its position as the largest European market and key entry point for global enterprises. Many German enterprises also prefer to be located within their own country, where there is a greater emphasis on security and data privacy in comparison to other European countries.

We have seen other German locations, such as Berlin and Munich, become more important data centre hubs in 2021, driven both by local demand and some hyperscaler deployments. However, Frankfurt remains the key data centre hub, and is particularly popular among global enterprises and financial companies, as well as industries such as insurance and automotive as Frankfurt remains a key financial and global hub.

In 2021, Google announced it would spend US$1 billion to develop its campus in Frankfurt, and there were self-build and data centre leasing plans announced by AWS, Microsoft, Oracle and Yandex. These will commence operations in 2022.

Supply continues to be severely limited in and around Frankfurt by the lack of suitable sites and particularly, power. Local government proposals include designated data centre zones, taller facilities which use less land, and more environmental builds such as reusing waste heat.

DATA CENTRE SUPPLY/DEMAND/UTILISATION IN FRANKFURT



	2021	2022	2023	2024	2025
Supply Added (kW)	48,500	78,400	86,550	112,500	98,500
New Demand (kW)	68,242	77,555	86,950	94,450	104,355
Utilisation Rate (%)	88	87	87	83	85

Danseb Consulting expects new data centre builds to be increasingly innovative to meet expected new environmental requirements, and to be built outside of Frankfurt, which will add to the premium for well-located data centres.

New demand in Frankfurt is estimated to grow at a CAGR of 11.2% between 2021 and 2025. The average utilisation rate was 88% as at end-2021.

maincubes Data Centre is strategically located within the data centre hub across Frankfurt and Offenbach in Germany.

PORTFOLIO REVIEW

THE MANAGER CONTINUES TO FOCUS ON GROWING AND STRENGTHENING KEPPEL DC REIT'S PORTFOLIO THROUGH DPU-ACCRETIVE ACQUISITIONS AND VALUE ENHANCEMENT INITIATIVES.

HIGH PORTFOLIO OCCUPANCY

98.3%

Of Keppel DC REIT's 20 assets, 14 are fully leased

LONG WEIGHTED AVERAGE LEASE EXPIRY (WALE)[1]

7.5 years

Provides income stability for Unitholders

DRIVING VALUE CREATION

2021 was an active year, with Keppel DC REIT's entry into China, new acquisitions that expanded its presence in Europe, and the completion of value-adding initiatives in Australia and Singapore.

In September 2021, the Manager further strengthened Keppel DC REIT's foothold in the Netherlands through the acquisition of Eindhoven DC. Comprising shell and core data centre buildings, as well as a warehouse and an ancillary office building, Eindhoven DC is located in De Hurk, the largest business park in Eindhoven, a key technology hub. The asset was acquired from a fund affiliated with MCAP Global Finance (UK) LLP, the European subsidiary of New York headquartered Marathon Asset Management LP, for €37.2 million, with the purchase price arrived at on a willing buyer and willing seller basis. Based on the valuation dated 7 July 2021 by CBRE Valuation & Advisory Services B.V., an independent valuation firm appointed by the Trustee, the market value of the property was €35.4 million based on the income

PORTFOLIO GLOSSARY

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

[1] By leased area. WALE by rental income was 4.9 years as a higher proportion of rental income was from colocation assets, which typically have shorter lease periods.

capitalisation and discounted cash flow methods. Eindhoven DC is Keppel DC REIT's third asset in the Netherlands, which houses two of the top 10 largest internet exchanges in the world, namely the Amsterdam Internet Exchange (AMS-IX) and the Neutral Internet Exchange (NL-IX).

In December 2021, the Manager completed the acquisition of Guangdong DC in China, the second largest global data centre market and entered into an agreement to acquire a 100% freehold interest in London DC in Bracknell, the United Kingdom, growing its footprint in London, a key European market for technology investments. Guangdong DC marked Keppel DC REIT's expansion into China, enhancing its geographical diversification and positioning to capture growth opportunities in the fastest growing data centre market in Asia. Guangdong DC is a seven-storey facility designed in accordance with the Code for Design of Data Centre Grade A GB, the highest standard for data centres in China. Situated within the Greater Bay Area, which includes Guangzhou, Shenzhen and Jiangmen, the fully-fitted data centre facility was acquired from Guangdong Bluesea Data Development Co., Ltd. and its parent company, Guangdong Bluesea Mobile Development Co., Ltd., at an agreed value of RMB 635.9 million, arrived at on a willing buyer and willing seller basis. The acquisition was supported by the RMB 690.0 million valuation dated 1 July 2021 by Savills Valuation and Professional Services (S) Pte Ltd, an independent valuation firm appointed by the Trustee, using the income capitalisation, discounted cash flow and direct comparison methods.

The acquisition of London DC at £57.0 million[1] from a Fiera Real Estate/SEDCO Capital joint venture was completed on 11 January 2022. The purchase price was arrived at on a willing buyer and willing seller basis, supported by the independent valuation of £57.0 million as at 23 December 2021 by Newmark Valuation & Advisory, LLC, an independent valuation firm appointed by the Trustee based on the direct capitalisation, discounted cash flow and sale comparison methods.

As part of the Manager's value creation initiatives and portfolio rebalancing efforts, the Manager completed the development of Intellicentre 3 East Data Centre (IC3 East DC) in July 2021 and divested iseek Data Centre in Australia in September 2021. Both IC3 East DC and Intellicentre 2 Data Centre are located within the same site in Macquarie Park, Sydney and have been collectively renamed as Intellicentre Campus.

iseek Data Centre in Brisbane was sold to iseek Pty Ltd for A$34.5 million with the sales price arrived at on a willing buyer and willing seller basis. Based on the valuation dated 30 June 2021 by Cushman & Wakefield (Valuations) Pty Ltd, an independent valuation firm

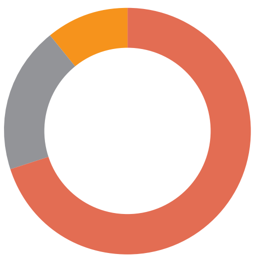
1 Purchase price included a rental top-up of approximately £0.55 million. As part of the commercial agreement, the seller had agreed to provide a rental top-up for the period from the date of legal completion of the acquisition (being 11 January 2022) to 14 June 2024 (both dates inclusive).

PORTFOLIO STATISTICS[2]

	As at 31 December 2021	As at 31 December 2020
Total attributable lettable area[3]	**2,470,814 sq ft**	2,089,085 sq ft
Valuation[3]	**$3.35 billion**	$2.95 billion
Number of unique clients[4]	**83**	77
Occupancy	**98.3%**	97.8%
WALE by leased area[5]	**7.5 years**	6.8 years

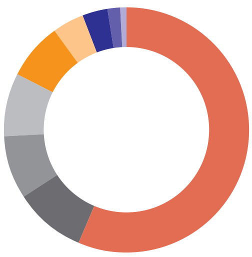
2 Excludes London DC which was acquired on 11 January 2022. Including London DC, portfolio valuation would be $3.45 billion and total attributable lettable area would be 2,565,681 sq ft.
3 Based on respective ownership interests of assets.
4 Clients in multiple data centres will be counted as one client.
5 WALE by rental income was 4.9 years in 2021 and 4.5 years in 2020.

RENTAL INCOME BREAKDOWN BY LEASE TYPE (%)
for December 2021



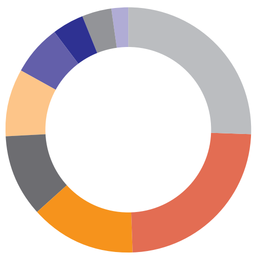
Colocation	70.0
Fully-fitted	19.2
Shell and core	10.8
Total	**100.0**

PORTFOLIO AUM BY GEOGRAPHY (%)
as at 31 December 2021[6]



Singapore	56.4
Australia	9.5
Ireland	8.5
Germany	8.1
The Netherlands	7.5
China	4.3
UK	3.3
Italy	1.8
Malaysia	0.6
Total	**100.0**

TOTAL ATTRIBUTABLE LETTABLE AREA BY GEOGRAPHY (%)
as at 31 December 2021



Germany	25.8
Singapore	23.8
The Netherlands	13.9
Australia	10.7
China	9.0
Italy	6.7
UK	4.2
Ireland	3.9
Malaysia	2.0
Total	**100.0**

6 Includes investment in debt securities and preference shares issued by M1 Network Private Limited. This investment is excluded from the rental income breakdown by lease type and total attributable lettable area by geography charts as it is not a real estate investment.

appointed by the Trustee, the assessed market value of the 100% leasehold interest in the property was A$34.0 million, using the income capitalisation, discounted cash flow and direct comparison methods. The divestment is in line with Keppel DC REIT's strategy to continually review and selectively consider divestments to ensure an optimal portfolio mix.

To facilitate growth, the Manager expanded its investment mandate to principally invest, directly or indirectly, in real estate and assets that are necessary to support the digital economy. The broader mandate provides Keppel DC REIT with the flexibility to evaluate a wider range of opportunities across the digital connectivity sector, including data centre campuses that come with non-data centre assets such as offices and network assets. Notwithstanding the mandate expansion, the Manager will continue to focus on investing in assets used primarily as data centres.

In December 2021, the Manager completed its investment of $89.7 million in debt securities and preference shares issued by M1 Network Private Limited, which owns $580 million of M1 Limited's mobile, fixed and fibre assets[1]. The opportunistic DPU-accretive investment strengthens the income resilience of Keppel DC REIT, allowing Unitholders to benefit from diversification in income streams with a long-term stable cash flow of $11.0 million per annum (comprising both principal and interest) for 15 years.

The Manager continuously seeks investment opportunities that complement the portfolio's growth and remains focused to achieve sustainable growth with at least 90% of AUM in data centre investments. As at end-2021, Keppel DC REIT's AUM was approximately $3.4 billion, a 13.3% increase from approximately $3.0 billion as at end-2020. Including the acquisition of London DC which was completed in January 2022, Keppel DC REIT's AUM would be approximately $3.5 billion.

ASSET ENHANCEMENT INITIATIVES

The Manager remains committed to unlock value within its portfolio through asset enhancement initiatives (AEI) works.

In Singapore, fit-out works were completed at DC1 in February 2021, with the asset fully leased on a fully-fitted basis.

In Ireland, the conversion of unutilised space into a new data hall for a client's expansion was also completed at KDC DUB 2 in February 2021, resulting in a 9.7% increase in lettable area to 28,128 sq ft with occupancy unchanged at 100.0%.

In Australia, the completion of IC3 East DC in Sydney in July 2021 saw the commencement of a new 20-year triple-net lease with Macquarie Data Centres Pty Ltd. These initiatives demonstrate the Manager's ability to create value from unutilised space within an existing site to grow and enhance the stability of income streams for Unitholders.

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

LEVERAGING STRONG DEMAND FOR DATA CENTRES

The data centre industry remained resilient throughout the COVID-19 pandemic with strong demand from hyperscale cloud firms. In 2021, the Manager concluded new, renewal and expansion leases across its portfolio on the back of strong leasing momentum.

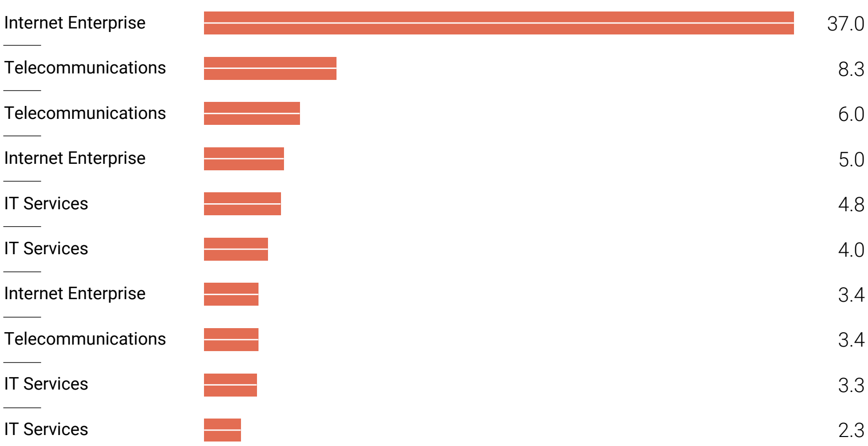
In Singapore, the Manager secured new take-ups in KDC SGP 1, increasing the asset's occupancy from 91.1% as at end-2020 to 93.1% as at end-2021. Healthy lease renewals were also secured with key clients at KDC SGP 2 and KDC SGP 3, lengthening the assets' respective WALE (by leased area) from 1.6 years and 1.4 years as at end-2020 to 2.8 years as at end-2021 for both facilities.

During the year, the Manager exercised the option to extend the land lease at KDC SGP 2 by 30 years to July 2051. In January 2022, the Manager obtained approval from JTC Corporation on the land lease extension at KDC SGP 3 for another 30 years to January 2052.

In Ireland, leasing initiatives progressed well, with a new take-up at KDC DUB 1 following the practical completion of AEI works to improve energy efficiency and increase power capacity at the facility.

[1] Excluding 5G standalone assets which are jointly owned between M1 and another party, as well as the co-owned and "right of use" assets that cannot be transferred and will not be part of the Network Assets.

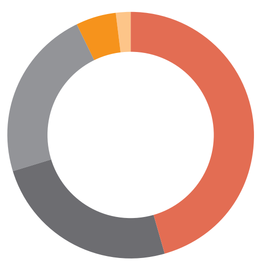
TOP 10 CLIENTS[2,3] BY RENTAL INCOME (%)
for December 2021



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

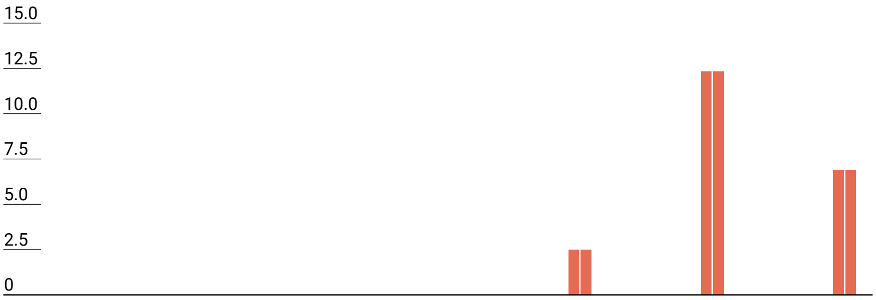
[3] Clients refer to those contracted under service level agreements with Keppel DC REIT and/or its subsidiaries with the exceptions of KDC SGP 1, KDC SGP 2, KDC SGP 3, KDC SGP 4 and KDC SGP 5 where clients refer to those who contracted with Keppel DC Singapore 1 Ltd., Keppel DC Singapore 2 Pte. Ltd.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

RENTAL INCOME BREAKDOWN BY CLIENTS' TRADE SECTOR (%)
for December 2021



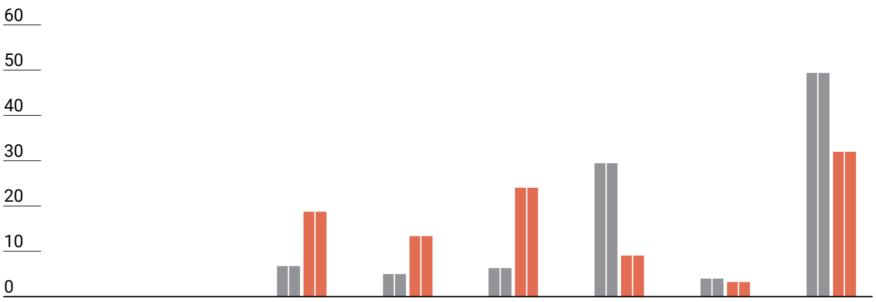
Internet Enterprise	45.7
Telecommunications	24.7
IT Services	22.5
Financial Services	5.3
Corporate	1.8
Total	**100.0**

WEIGHTED AVERAGE LEASE EXPIRY (WALE) BY LEASE TYPE (years)
as at 31 December 2021



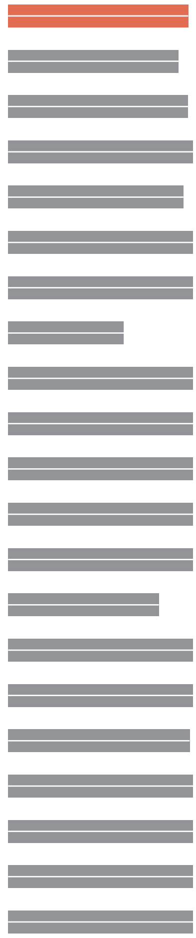
	Colocation	Fully-fitted	Shell and core
WALE	2.5	12.4	6.9

PORTFOLIO LEASE EXPIRY PROFILE (%)
as at 31 December 2021



	2022	2023	2024	2025	2026	≥2027
Portfolio Lease Expiry by Leased Lettable Area	6.7	4.6	6.2	29.4	3.8	49.3
Portfolio Lease Expiry by Rental Income	18.7	13.3	24.0	9.0	3.1	31.9

OCCUPANCY RATES (%)
as at 31 December 2021



Portfolio	**98.3**
KDC SGP 1	93.1
KDC SGP 2	98.2
KDC SGP 3	100.0
KDC SGP 4	95.7
KDC SGP 5	100.0
DC1	100.0
Basis Bay DC	63.1
Gore Hill DC	100.0
IC DC	100.0
Guangdong DC	100.0
Cardiff DC	100.0
GV7 DC	100.0
KDC DUB 1	82.3
KDC DUB 2	100.0
Almere DC	100.0
Amsterdam DC	99.1
Eindhoven DC	100.0
Milan DC	100.0
Kelsterbach DC	100.0
maincubes DC	100.0

As an essential service provider, the Manager has in place COVID-19 management plans (including split team arrangements, pre-visitation declarations and tests, and work from home arrangements) for each data centre to ensure business continuity and to protect the wellbeing of clients, vendors and employees. The Manager will continue to monitor the situation to ensure that precautionary measures remain responsive and are stepped-up when necessary, to maintain 100% operational readiness.

BALANCED AND DIVERSIFIED PORTFOLIO

As at 31 December 2021, Keppel DC REIT's portfolio comprised 20 data centres with a total attributable lettable area of 2,470,814 sq ft spanning 13 cities in nine countries across Asia Pacific and Europe. In January 2022, the acquisition of London DC was completed and with this addition, Keppel DC REIT's portfolio comprises 21 data centres with a total attributable lettable area of 2,565,681 sq ft.

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

In December 2021, colocation assets contributed approximately 70.0% of Keppel DC REIT's rental income, while its fully-fitted and shell and core assets accounted for the remaining 30.0%.

As at 31 December 2021, 70.8% of Keppel DC REIT's AUM was located in Asia Pacific while 29.2% was located in Europe.

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

HEALTHY PORTFOLIO OCCUPANCY

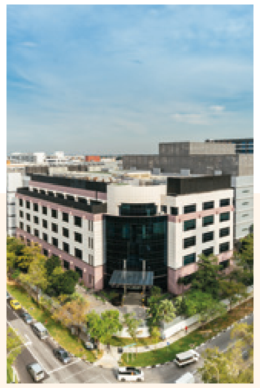
As at 31 December 2021, Keppel DC REIT's portfolio occupancy remained healthy at 98.3%, the highest level since IPO. Out of the 20 assets in the portfolio, 14 assets were fully leased, while the occupancy of the remaining assets were above 90%, with the exception of KDC DUB 1 which the Manager has secured leasing pre-commitment for an existing client with the lease commencing in January 2022, and Basis Bay DC which is Keppel DC REIT's smallest asset by valuation.

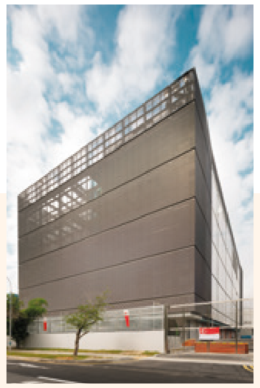
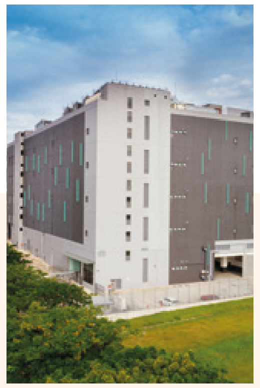
Portfolio WALE remained long at 7.5 years by leased area (up from 6.8 years in 2020), providing strong income stability for Unitholders. In 2021, the WALE by leased area of new leases including those from Eindhoven DC and Guangdong DC which were acquired in September and December 2021 respectively, was 12.4 years. These leases contributed 28.8% of Keppel DC REIT's rental income as at end-December 2021.

Keppel DC REIT's lease expiry profile is also well staggered for stability. As at 31 December 2021, approximately 49.3% of occupied lettable area had more than five years to expiry.

PORTFOLIO REVIEW
AT A GLANCE

ASIA PACIFIC

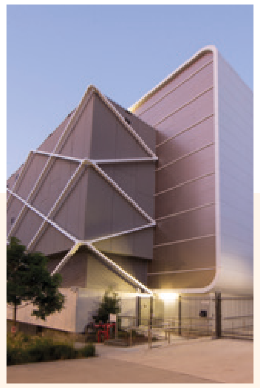


	Keppel DC Singapore 1	Keppel DC Singapore 2	Keppel DC Singapore 3	Keppel DC Singapore 4	Keppel DC Singapore 5
Location	25 Serangoon North Avenue 5, Singapore 554914	25 Tampines Street 92, Singapore 528877	27 Tampines Street 92, Singapore 528878	20 Tampines Street 92, Singapore 528875	13 Sunview Way, Singapore 627541
Title	Leasehold (Expiring 30 September 2025, with option to extend by 30 years)	Leasehold (Expiring 31 July 2051)	Leasehold (Expiring 31 January 2052[8])	Leasehold (Expiring 30 June 2050)	Leasehold (Expiring 31 August 2041)
Ownership Interest	100%	100%	90%	99%	99%
Land Area (sq ft)	78,928	53,821	53,815	73,248	83,331
Gross Floor Area (sq ft)	225,945	106,726	133,878	181,734	208,096
Attributable Lettable Area (sq ft)	109,721	38,480	49,433[5]	83,698[5]	92,889[5]
Number of Clients[1]	25	5	2	6	3
Lease Type	Keppel lease/Colocation	Keppel lease/Colocation	Keppel lease/Colocation	Keppel lease/Colocation	Keppel lease/Colocation
Facility Manager	Keppel DC Singapore 1 Ltd.[2]	Keppel DC Singapore 2 Pte. Ltd.[4]	Keppel DCS3 Services Pte. Ltd.[6]	Keppel DC Singapore 2 Pte. Ltd.[4]	Keppel DCS3 Services Pte. Ltd.[6]
Occupancy Rate	93.1%	98.2%	100%	95.7%	100%
Purchase Price (million)	S$262.8	S$162.0	S$202.5	S$384.9	S$295.1
Valuation[3] ($ million)	336.0	183.0	280.8	421.7	356.4

[1] Certain clients have signed more than one colocation arrangement using multiple entities. Clients refer to those contracted under service level agreements with Keppel DC REIT and/or its subsidiaries with the exceptions of KDC SGP 1, KDC SGP 2, KDC SGP 3, KDC SGP 4 and KDC SGP 5 where clients refer to those who contracted with Keppel DC Singapore 1 Ltd., Keppel DC Singapore 2 Pte. Ltd. and Keppel DCS3 Services Pte. Ltd. respectively.
[2] Keppel DC REIT outsources facilities management of KDC SGP 1 to Keppel DC Singapore 1 Ltd. Keppel DC Singapore 1 Ltd. is a wholly-owned subsidiary of Keppel Data Centres Holding Pte. Ltd. (Keppel Data Centres), a joint venture company held indirectly by Keppel Telecommunications and Transportation Ltd (Keppel T&T) and Keppel Land Limited in the proportion of 70% and 30% respectively.
[3] Based on respective ownership interest and independent valuations as at 31 December 2021, unless otherwise stated. Based on exchange rates of $1.00 = A$1.026, $1.00 = £0.548, $1.00 = RM3.076, $1.00 = €0.644, $1.00 = RMB4.662 as at 31 December 2021.
[4] Keppel DC REIT outsources facilities management of KDC SGP 2 and KDC SGP 4 to Keppel DC Singapore 2 Pte. Ltd.. Keppel DC Singapore 2 Pte. Ltd. is a wholly-owned subsidiary of Keppel Data Centres.
[5] Attributable lettable area of KDC SGP 3 is 90% while KDC SGP 4, KDC SGP 5 and Basis Bay DC are 99% of total building net lettable area respectively.
[6] Keppel DC REIT outsources facilities management of KDC SGP 3 and KDC SGP 5 to Keppel DCS3 Services Pte. Ltd.. Keppel DCS3 Services Pte. Ltd. is a wholly-owned subsidiary of Keppel Data Centres.
[7] Keppel DC REIT outsources facilities management to iseek-KDC Services Pty Ltd in respect of the colocation space at Gore Hill DC which is used by two end-clients. iseek-KDC Services Pty Ltd is 60% owned by Keppel T&T and 40% owned by iseek Pty Ltd.
[8] In January 2022, the land lease for KDC SGP 3 was renewed for a further 30 years term till 31 January 2052.



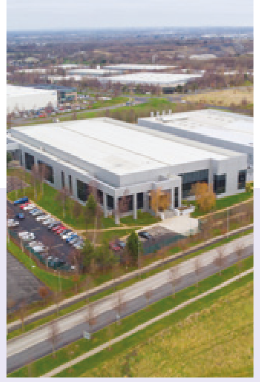


	DC1	Basis Bay Data Centre	Gore Hill Data Centre	Intellicentre Campus	Guangdong Data Centre
Location	18 Riverside Road, Singapore 739088	No. 4710, Jalan Cyber Point 5, Zone Flagship Cyberjaya 63000 Cyberjaya, Selangor Darul Ehsan, Malaysia	5 Broadcast Way (South Gate) Artarmon, New South Wales 2064, Australia	17-23 Talavera Road, Macquarie Park, New South Wales 2113, Australia	No.5 Data Centre, Bluesea Intelligence Valley, Shaping Sub-district, Heshan, Jiangmen, Guangdong Province, China
Title	Leasehold (Expiring 31 July 2044)	Freehold	Freehold	Freehold	Leasehold (Expiring 17 January 2067)
Ownership Interest	100%	99%	100%	100%	100%
Land Area (sq ft)	91,902	64,809	72,032	215,612	839,811 (shared land area of whole campus)
Gross Floor Area (sq ft)	–	88,600	127,283	–	–
Attributable Lettable Area (sq ft)	213,815	48,193[5]	90,955	174,042	221,689
Number of Clients[1]	1	1	3	1	1
Lease Type	Triple-net lease (Fully-fitted)	Colocation	Triple-net lease (Shell and core) and Colocation	Triple-net lease (Shell and core)	Triple-net lease (Fully-fitted)
Facility Manager	–	Basis Bay Services MSC Sdn Bhd	iseek-KDC Services Pty Ltd[7]	–	–
Occupancy Rate	100%	63.1%	100%	100%	100%
Purchase Price (million)	S$200.2	S$42.9 RM112.3	S$210.9 A$190.0	S$45.9 A$43.0	S$136.4 RMB635.9
Valuation[3] ($ million)	273.0	21.9	224.1	102.3	148.0

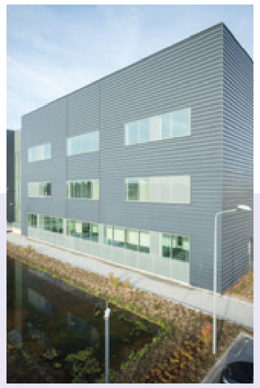
PORTFOLIO REVIEW
AT A GLANCE

EUROPE



	Cardiff Data Centre	GV7 Data Centre	London Data Centre	Keppel DC Dublin 1
Location	Ty Cynnal, Dunleavy Drive, Celtic Gateway, Cardiff CF110SW, United Kingdom	7 Greenwich View Place, Millharbour Road, London, E14 9NN, United Kingdom	Waterside House, Longshot Lane, Bracknell RG12 1WB, United Kingdom	Unit 4033-4035 Citywest Business Campus, Naas Road, Dublin 24, Ireland
Title	Freehold	Leasehold (Expiring 28 September 2183)	Freehold	Leasehold (Expiring 31 December 2998)
Ownership Interest	100%	100%	100%	100%
Land Area (sq ft)	279,864	N.A.[2]	204,732	218,236
Gross Floor Area (sq ft)	–	34,850	–	125,044
Attributable Lettable Area (sq ft)	79,439	24,972	94,867	68,118
Number of Clients	1	1	1	25
Lease Type	Triple-net lease (Shell and core)	Triple-net lease (Fully-fitted)	Triple-net lease (Shell and core)	Colocation
Facility Manager	–	–	–	–
Occupancy Rate	100%	100%	100%	82.3%
Purchase Price (million)	S$58.1 £34.0	S$77.0 £37.7	S$105.5 £57.0	S$102.8 €62.7
Valuation[1] ($ million)	47.4	65.7	105.5[3]	150.6

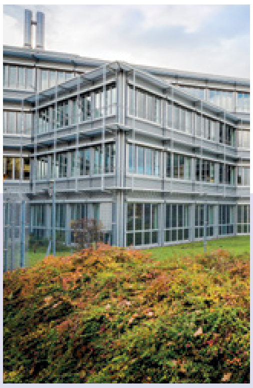



	Keppel DC Dublin 2	Almere Data Centre	Amsterdam Data Centre	Eindhoven Campus
Location	Unit B10, Ballycoolin Business and Technology Park, Blanchardstown, Dublin 15, Ireland	Rondebeltweg 62 'Sallandsekant' Business Park, Almere, the Netherlands	Tupolevlaan 101-109, Schiphol-Rijk (1119 PA), the Netherlands	Dillenburgstraat 25A-25E, 25E1, 25F, 25G and 25J-25M, 5652 AM, Eindhoven, the Netherlands
Title	Leasehold (Expiring 31 December 2997)	Freehold	Freehold	Freehold
Ownership Interest	100%	100%	100%	100%
Land Area (sq ft)	149,620	85,358	167,725	201,222
Gross Floor Area (sq ft)	76,747	–	–	–
Attributable Lettable Area (sq ft)	28,128[4]	118,403	141,698	83,841
Number of Clients	4	1	10	3
Lease Type	Colocation	Double-net lease (Fully-fitted)	Double-net Lease (Shell and core)	Double-net Lease (Shell and core)
Facility Manager	–	–	FRIS Investment Care B.V.	NL Asset Management B.V.
Occupancy Rate	100%	100%	99.1%	100%
Purchase Price (million)	S$111.1 €70.7	S$131.6 €80.3	S$48.1 €30.0	S$59.1 €37.2
Valuation[1] ($ million)	141.3	155.3	45.0	57.4

1 Based on respective ownership interest and independent valuations as at 31 December 2021, unless otherwise stated. Based on exchange rates of $1.00 = A$1.026, $1.00 = £0.548, $1.00 = RM3.076, $1.00 = €0.644, $1.00 = RMB4.662 as at 31 December 2021.
2 For GV7 DC, neither the lease nor the registered title of the Property refers, nor are they required to refer to the land area of the Property.
3 Based on an independent valuation by Newmark Valuation & Advisory, LLC as at 23 December 2021 & exchange rate of $1.00 = £0.541.
4 An increase of 9.7% in attributable lettable area due to the asset enhancement work which was completed in 2021.

PORTFOLIO REVIEW
AT A GLANCE

EUROPE


	Milan Data Centre	Kelsterbach Data Centre	maincubes Data Centre
Location	Via Bisceglie 71, 73 and 75, Milan, Italy	Am Weiher 24, 65451 Kelsterbach, Germany	Goethering 29, Offenbach am Main, Germany
Title	Freehold	Freehold	Freehold
Ownership Interest	100%	100%	100%
Land Area (sq ft)	128,791	499,116	60,235
Gross Floor Area (sq ft)	–	–	–
Attributable Lettable Area (sq ft)	165,389	540,869	97,043
Number of Clients	1	1	1
Lease Type	Double-net lease (Shell and core)	Triple-net lease (Shell and core)	Triple-net lease (Fully-fitted)
Facility Manager	–	–	–
Occupancy Rate	100%	100%	100%
Purchase Price (million)	S$61.9 €40.2	S$125.4 €81.8	S$130.0 €84.0
Valuation[1] ($ million)	60.5	124.2	155.3

[1] Based on respective ownership interest and independent valuations as at 31 December 2021, unless otherwise stated. Based on exchange rates of $1.00 = A$1.026, $1.00 = £0.548, $1.00 = RM3.076, $1.00 = €0.644, $1.00 = RMB4.662 as at 31 December 2021.

KEPPEL DC SINGAPORE 1

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

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

KEY STATISTICS
as at 31 December 2021

Location 25 Serangoon North Avenue 5, Singapore 554914	**Number of Clients** 25[1]
Land Title Leasehold (Expiring 30 September 2025, with option to extend by 30 years)	**Lease Type** Keppel lease[2]/Colocation
Ownership Interest 100%	**Occupancy Rate** 93.1%
Attributable Lettable Area (sq ft) 109,721	**Valuation ($ million)** 336.0

1 Based on the number of underlying clients which have entered into colocation arrangements with Keppel DC Singapore 1 Ltd.. Keppel DC REIT has in place the Keppel lease with Keppel DC Singapore 1 Ltd. pursuant to which the REIT grants a lease for a term of 10 years to Keppel DC Singapore 1 Ltd, with an option to renew for a further term of five years subject to JTC Corporation's consent, and on terms agreed between the REIT and Keppel DC Singapore 1 Ltd..

2 Due to the pass-through nature of the Keppel lease, Keppel DC REIT will substantially enjoy the benefits and assume the liabilities of the underlying colocation arrangements between Keppel DC Singapore 1 Ltd. and the underlying clients.

KEPPEL DC SINGAPORE 2

Keppel DC Singapore 2 (KDC SGP 2) is situated within the Tampines Industrial Park A, 12km from the city centre.

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

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

KEY STATISTICS
as at 31 December 2021

Location 25 Tampines Street 92, Singapore 528877	**Number of Clients** 5[1]
Land Title Leasehold (Expiring 31 July 2051)	**Lease Type** Keppel lease[2]/Colocation
Ownership Interest 100%	**Occupancy Rate** 98.2%
Attributable Lettable Area (sq ft) 38,480	**Valuation ($ million)** 183.0

1 Based on the number of underlying clients which have entered into colocation arrangements with Keppel DC Singapore 2 Pte. Ltd.. Keppel DC REIT has in place the Keppel lease with Keppel DC Singapore 2 Pte. Ltd. pursuant to which the REIT grants a lease for a term of 10 years to Keppel DC Singapore 2 Pte. Ltd., with an option to renew for a further term of five years subject to HDB's consent, and on terms agreed between the REIT and Keppel DC Singapore 2 Pte. Ltd..

2 Due to the pass-through nature of the Keppel lease, Keppel DC REIT will substantially enjoy the benefit and assume the liabilities of the colocation arrangements entered into by Keppel DC Singapore 2 Pte. Ltd. and the underlying clients.

KEPPEL DC SINGAPORE 3

Keppel DC Singapore 3 (KDC SGP 3) is adjacent to KDC SGP 2 in Tampines.

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

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

KEY STATISTICS
as at 31 December 2021

Location 27 Tampines Street 92, Singapore 528878	**Number of Clients** 2[3]
Land Title Leasehold (Expiring 31 January 2052)[1]	**Lease Type** Keppel lease[4]/Colocation
Ownership Interest 90%	**Occupancy Rate** 100%
Attributable Lettable Area (sq ft) 49,433[2]	**Valuation ($ million)** 280.8

1 The land lease was extended by 30 years in January 2022.
2 Attributable lettable area of KDC SGP 3 is 90% of total building net lettable area.
3 Based on the number of underlying clients which have entered into colocation arrangements with Keppel DCS3 Services Pte. Ltd. Keppel DC Singapore 3 LLP has in place the Keppel lease with Keppel DCS3 Services Pte. Ltd. pursuant to which Keppel DC Singapore 3 LLP grants a lease for a term of 10 years to Keppel DCS3 Services Pte. Ltd., with an option to renew for a further term of five years subject to HDB's consent, and on terms agreed between Keppel DC Singapore 3 LLP and Keppel DCS3 Services Pte. Ltd..
4 Due to the pass-through nature of the Keppel lease, Keppel DC Singapore 3 LLP will substantially enjoy the benefit and assume the liabilities of the colocation arrangements entered into by Keppel DCS3 Services Pte. Ltd. and the underlying clients.

KEPPEL DC SINGAPORE 4

Keppel DC Singapore 4 (KDC SGP 4) is also located in the Tampines Industrial Park A, within walking distance from KDC SGP 2 and KDC SGP 3.

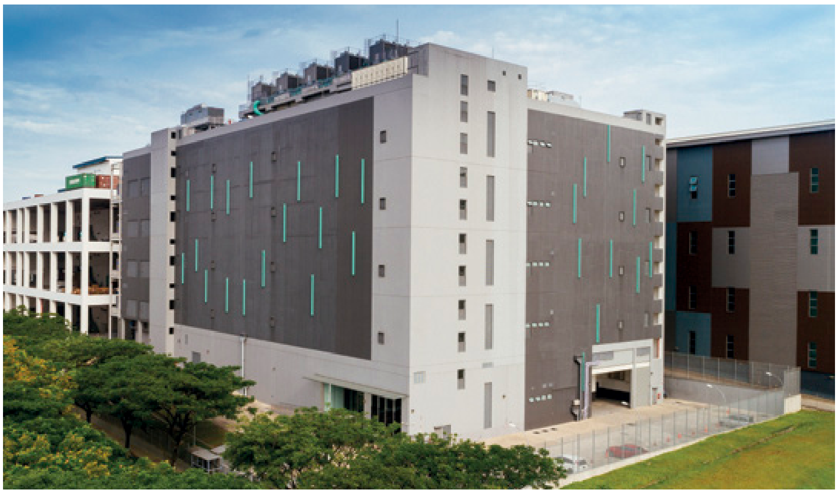
Completed in 2017, KDC SGP 4 is a modern five-storey carrier-neutral and purpose-built facility providing data centre solutions, dedicated colocation suites, as well as 24/7 technical support.

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

KEY STATISTICS
as at 31 December 2021

Location 20 Tampines Street 92, Singapore 528875	**Number of Clients** 6[2]
Land Title Leasehold (Expiring 30 June 2050)	**Lease Type** Keppel lease[3]/Colocation
Ownership Interest 99%	**Occupancy Rate** 95.7%
Attributable Lettable Area (sq ft) 83,698[1]	**Valuation ($ million)** 421.7

1 Attributable lettable area of KDC SGP 4 is 99% of total building net lettable area.
2 Based on the number of underlying clients which have entered into colocation arrangements with Keppel DC Singapore 2 Pte. Ltd. Keppel DC Singapore 4 LLP has in place the Keppel lease with Keppel DC Singapore 2 Pte. Ltd. pursuant to which Keppel DC Singapore 4 Pte. Ltd. grants a lease for a term of 10 years to Keppel DC Singapore 2 Pte. Ltd., with an option to renew for a further term of five years subject to HDB's consent, and on terms agreed between Keppel DC Singapore 4 LLP and Keppel DC Singapore 2 Pte. Ltd..
3 Due to the pass-through nature of the Keppel lease, Keppel DC Singapore 4 LLP will substantially enjoy the benefit and assume the liabilities of the colocation arrangements entered into by Keppel DC Singapore 2 Pte. Ltd. and the underlying clients.



KEPPEL DC SINGAPORE 5

Keppel DC Singapore 5 (KDC SGP 5) is located in western Singapore.

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

Built in 2015, KDC SGP 5 is a five-storey purpose-built data centre with ancillary offices and critical mechanical and electrical (M&E) infrastructure. In 2020, KDC SGP 5 was conferred the BCA Green Mark Award (Platinum).

KEY STATISTICS
as at 31 December 2021

Location 13 Sunview Way, Singapore 627541	**Number of Clients** 3[2]
Land Title Leasehold (Expiring 31 August 2041)	**Lease Type** Keppel lease[3]/Colocation
Ownership Interest 99%	**Occupancy Rate** 100%
Attributable Lettable Area (sq ft) 92,889[1]	**Valuation ($ million)** 356.4

1 Attributable lettable area of KDC SGP 5 is 99% of total building net lettable area.
2 Based on the number of underlying clients which have entered into colocation arrangements with Keppel DCS3 Services Pte. Ltd.. Keppel DC Singapore 5 LLP has in place the Keppel lease with Keppel DCS3 Services Pte. Ltd. pursuant to which Keppel DC Singapore 5 LLP grants a lease for a term of nine years to Keppel DCS3 Services Pte. Ltd..
3 Due to the pass-through nature of the Keppel lease, Keppel DC Singapore 5 LLP will substantially enjoy the benefit and assume the liabilities of the colocation arrangements entered into by Keppel DCS3 Services Pte. Ltd. and the underlying clients.

DC1

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

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

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

KEY STATISTICS
as at 31 December 2021

Location 18 Riverside Road, Singapore 739088	**Number of Clients** 1
Land Title Leasehold (Expiring 31 July 2044)	**Lease Type** Triple-net lease (Fully-fitted)
Ownership Interest 100%	**Occupancy Rate** 100.0%
Attributable Lettable Area (sq ft) 213,815	**Valuation ($ million)** 273.0

BASIS BAY DATA CENTRE

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

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

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

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

KEY STATISTICS
as at 31 December 2021

Location No. 4710, Jalan Cyber Point 5, Zone Flagship Cyberjaya 63000 Cyberjaya, Selangor Darul Ehsan, Malaysia	**Number of Clients** 1
Land Title Freehold	**Lease Type** Colocation
Ownership Interest 99%	**Occupancy Rate** 63.1%
Attributable Lettable Area (sq ft) 48,193[1]	**Valuation ($ million)** 21.9[2,3]

1 Attributable lettable area of Basis Bay DC is 99% of total building net lettable area.
2 Excludes the 1.0% interest in Basis Bay DC which is held by E-Basis Bay Sdn Bhd.
3 Based on an exchange rate of $1.00 = RM3.076 as at 31 December 2021.

GORE HILL DATA CENTRE

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

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

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

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

KEY STATISTICS
as at 31 December 2021

Location 5 Broadcast Way (South Gate) Artarmon, New South Wales 2064, Australia	**Number of Clients** 3
Land Title Freehold	**Lease Type** Triple-net lease (Shell and core) and Colocation
Ownership Interest 100%	**Occupancy Rate** 100%
Attributable Lettable Area (sq ft) 90,955	**Valuation ($ million)** 224.1[1]

1 Based on an exchange rate of $1.00 = A$1.026 as at 31 December 2021.

INTELLICENTRE CAMPUS

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

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

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

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

KEY STATISTICS
as at 31 December 2021

Location 17-23 Talavera Road, Macquarie Park, New South Wales 2113, Australia	**Number of Clients** 1
Land Title Freehold	**Lease Type** Triple-net lease (Shell and core)
Ownership Interest 100%	**Occupancy Rate** 100%
Attributable Lettable Area (sq ft) 174,042	**Valuation ($ million)** 102.3[1]

1 Based on an exchange rate of $1.00 = A$1.026 as at 31 December 2021.

GUANGDONG DATA CENTRE

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

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

This facility is the first of six data centre buildings to be operational. The property was acquired from and will be fully leased back to Bluesea on a triple net basis for 15 years. As part of agreements with Bluesea, Keppel DC REIT will have the right of refusal to acquire the remaining five data centres within the campus.

KEY STATISTICS
as at 31 December 2021

Location No.5 Data Centre, Bluesea Intelligence Valley, Shaping Sub-district, Heshan, Jiangmen, Guangdong Province, China	**Number of Clients** 1
Land Title Leasehold (Expiring 17 January 2067)	**Lease Type** Triple-net lease (Fully fitted)
Ownership Interest 100%	**Occupancy Rate** 100%
Attributable Lettable Area (sq ft) 221,689	**Valuation ($ million)** 148.0[1]

1 Based on an exchange rate of $1.00 = RMB4.662 as at 31 December 2021.

PORTFOLIO REVIEW
EUROPE

CARDIFF DATA CENTRE

Cardiff Data Centre (Cardiff DC) is located in the capital city of Wales in the United Kingdom (UK).

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

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

KEY STATISTICS
as at 31 December 2021

Location Ty Cynnal, Dunleavy Drive, Celtic Gateway, Cardiff CF110SW, United Kingdom	**Number of Clients** 1
Land Title Freehold	**Lease Type** Triple-net lease (Shell and core)
Ownership Interest 100%	**Occupancy Rate** 100%
Attributable Lettable Area (sq ft) 79,439	**Valuation ($ million)** 47.4[1]

[1] Based on an exchange rate of $1.00 = £0.548 as at 31 December 2021.

GV7 DATA CENTRE

GV7 Data Centre (GV7 DC) is located in Greenwich View Place in London, UK.

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

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

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

KEY STATISTICS
as at 31 December 2021

Location 7 Greenwich View Place, Millharbour Road, London E14 9NN, United Kingdom	**Number of Clients** 1
Land Title Leasehold (Expiring 28 September 2183)	**Lease Type** Triple-net lease (Fully-fitted)
Ownership Interest 100%	**Occupancy Rate** 100%
Attributable Lettable Area (sq ft) 24,972	**Valuation ($ million)** 65.7[1]

[1] Based on an exchange rate of $1.00 = £0.548 as at 31 December 2021.

LONDON DATA CENTRE

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

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

KEY STATISTICS
as at 31 December 2021

Location Waterside House, Longshot Lane, Bracknell RG12 1WB, United Kingdom	**Number of Clients** 1
Land Title Freehold	**Lease Type** Triple-net lease (Shell and core)
Ownership Interest 100%	**Occupancy Rate** 100%
Attributable Lettable Area (sq ft) 94,867	**Valuation ($ million)** 105.5[1]

[1] Based on an independent valuation by Newmark Valuation & Advisory, LLC as at 23 December 2021 & exchange rate of $1.00 = £0.541. The acquisition was completed in January 2022.

KEPPEL DC DUBLIN 1

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

It is approximately 14km southwest of Dublin City Centre and is situated just south of Junction Three of the N7 National Road.

The Citywest Business Campus is located south of the N7 Dublin-Limerick Road via its dedicated interchange and is home to over 130 companies, many of which have a technology focus.

In recent years, the area has secured multiple new occupiers. The Citywest Business Campus comprises high-specification industrial properties in a low density park environment.

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

KEY STATISTICS
as at 31 December 2021

Location Unit 4033-4035 Citywest Business Campus, Naas Road, Dublin 24, Ireland	**Number of Clients** 25
Land Title Leasehold (Expiring 31 December 2998)	**Lease Type** Colocation
Ownership Interest 100%	**Occupancy Rate** 82.3%
Attributable Lettable Area (sq ft) 68,118	**Valuation ($ million)** 150.6[1]

[1] Based on an exchange rate of $1.00 = €0.644 as at 31 December 2021.

KEPPEL DC DUBLIN 2

Keppel DC Dublin 2 (KDC DUB 2) is an energy-efficient carrier-neutral colocation data centre within the Ballycoolin Business and Technology Park in Dublin, Ireland, approximately 12km from Dublin's city centre and 13km from Dublin Airport. KDC DUB 2 is well served by major transportation modes.

In February 2021, the Manager completed the asset enhancement works at KDC DUB 2 to increase power capacity at the facility, in order to facilitate the expansion requirements of an existing client.

KDC DUB 2 is a single-storey detached facility with a two-storey office block.

KEY STATISTICS
as at 31 December 2021

Location Unit B10, Ballycoolin Business and Technology Park, Blanchardstown, Dublin 15, Ireland	**Number of Clients** 4
Land Title Leasehold (Expiring 31 December 2997)	**Lease Type** Colocation
Ownership Interest 100%	**Occupancy Rate** 100%
Attributable Lettable Area (sq ft) 28,128[1]	**Valuation ($ million)** 141.3[2]

1 An increase of 9.7% in attributable lettable area due to the asset enhancement work which was completed in 2021.
2 Based on an exchange rate of $1.00 = €0.644 as at 31 December 2021.

ALMERE DATA CENTRE

Almere Data Centre (Almere DC) is located in the Sallandsekant Business Park, in the city of Almere, the Netherlands. The property is located approximately 50km from Schiphol Airport and 135km from Rotterdam Harbour.

The Sallandsekant Business Park is targeted at users of logistics properties. Several distribution centres of well-known brands are located there.

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

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

KEY STATISTICS
as at 31 December 2021

Location Rondebeltweg 62 'Sallandsekant' Business Park, Almere, the Netherlands	**Number of Clients** 1
Land Title Freehold	**Lease Type** Double-net lease (Fully-fitted)
Ownership Interest 100%	**Occupancy Rate** 100%
Attributable Lettable Area (sq ft) 118,403	**Valuation ($ million)** 155.3[1]

1 Based on an exchange rate of $1.00 = €0.644 as at 31 December 2021.

AMSTERDAM DATA CENTRE

Amsterdam Data Centre (Amsterdam DC) is located in the Amsterdam Metropolitan Area, which is approximately 27km from the city of Amsterdam, the Netherlands.

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

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

The data centre is on a double-net lease while the majority of the office space is leased to data centre and IT services firms.

KEY STATISTICS
as at 31 December 2021

Location Tupolevlaan 101-109, Schiphol-Rijk (1119 PA), the Netherlands	**Number of Clients** 10
Land Title Freehold	**Lease Type** Double-net Lease (Shell and core)
Ownership Interest 100%	**Occupancy Rate** 99.1%
Attributable Lettable Area (sq ft) 141,698	**Valuation ($ million)** 45.0[1]

[1] Based on an exchange rate of $1.00 = €0.644 as at 31 December 2021.

EINDHOVEN CAMPUS

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

Strategically located close to Eindhoven's city centre and the international airport, Eindhoven DC is well connected to the Netherlands' motorway network. This location benefits from good access to the national road network.

As one of the major cities in the Netherlands, Eindhoven hosts the Neutral Internet Exchange (NL-IX), one of the top 10 largest internet exchanges in the world, and houses the High Technology Park, an ecosystem of more than 235 high-technology companies[2]. The region continues to gain momentum as a key location for companies developing solutions for the digital economy.

KEY STATISTICS
as at 31 December 2021

Location Dillenburgstraat 25A-25E, 25E1, 25F, 25G and 25J-25M, 5652 AM, Eindhoven, the Netherlands	**Number of Clients** 3
Land Title Freehold	**Lease Type** Double-net lease (Shell and core)
Ownership Interest 100%	**Occupancy Rate** 100%
Attributable Lettable Area (sq ft) 83,841	**Valuation ($ million)** 57.4[1]

[1] Based on an exchange rate of $1.00 = €0.644 as at 31 December 2021.
[2] High-tech campus – www.hightechcampus.com

PORTFOLIO REVIEW
EUROPE

MILAN DATA CENTRE

Milan Data Centre (Milan DC) comprises three interconnected four-storey buildings located approximately 8km away from Milan's city centre, in Italy.

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

Milan DC was completed in 1998 with an additional ancillary building constructed in 2004.

KEY STATISTICS
as at 31 December 2021

Location Via Bisceglie 71, 73 and 75, Milan, Italy	**Number of Clients** 1
Land Title Freehold	**Lease Type** Double-net lease (Shell and core)
Ownership Interest 100%	**Occupancy Rate** 100%
Attributable Lettable Area (sq ft) 165,389	**Valuation ($ million)** 60.5[1]

[1] Based on an exchange rate of $1.00 = €0.644 as at 31 December 2021

KELSTERBACH DATA CENTRE

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

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

KEY STATISTICS
as at 31 December 2021

Location Am Weiher 24, 65451 Kelsterbach, Germany	**Number of Clients** 1
Land Title Freehold	**Lease Type** Triple-net lease (Shell and core)
Ownership Interest 100%	**Occupancy Rate** 100%
Attributable Lettable Area (sq ft) 540,869	**Valuation ($ million)** 124.2[1]

[1] Based on an exchange rate of $1.00 = €0.644 as at 31 December 2021

MAINCUBES DATA CENTRE

maincubes Data Centre (maincubes DC) is located in Offenbach am Main, Germany. It is approximately 10km from Frankfurt and is strategically located within the data centre hub across Frankfurt and Offenbach.

The data centre hub where maincubes DC is located comprises stand-alone data centres as well as data centre campuses owned by international and domestic colocation operators.

maincubes DC is approximately 800m away from the world's leading internet exchange point, DE-CIX. The proximity of maincubes DC to the internet exchange point minimises latency issues, a key consideration for end-users such as financial institutions and e-commerce firms.

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

KEY STATISTICS
as at 31 December 2021

Location Goethering 29, Offenbach am Main, Germany	**Number of Clients** 1
Land Title Freehold	**Lease Type** Triple-net lease (Fully-fitted)
Ownership Interest 100%	**Occupancy Rate** 100%
Attributable Lettable Area (sq ft) 97,043	**Valuation ($ million)** 155.3[1]

[1] Based on an exchange rate of $1.00 = €0.644 as at 31 December 2021.

FINANCIAL REVIEW

THE MANAGER SEEKS TO MAINTAIN AN OPTIMAL MIX OF DEBT AND EQUITY TO BALANCE THE COST OF CAPITAL AND THE RETURNS TO UNITHOLDERS.

DISTRIBUTABLE INCOME

$171.6m

9.4% higher than $156.9 million in FY 2020

DISTRIBUTION PER UNIT

9.851cts

7.4% higher than 9.170 cents in FY 2020

GROUP OVERVIEW

Keppel DC REIT is a Singapore-domiciled real estate investment trust (REIT) listed on the Singapore Exchange Securities Trading Limited (SGX-ST) on 12 December 2014. This review is for the financial year ended 31 December 2021 (FY 2021).

Keppel DC REIT completed the acquisitions of Eindhoven Campus (Eindhoven DC) on 2 September 2021, Guangdong Data Centre (Guangdong DC) on 16 December 2021, and the investment in debt securities and preference shares issued by M1 Network Private Limited (NetCo) on 22 December 2021, following the divestment of iseek Data Centre (iseek DC) on 1 September 2021.

Distributable income for FY 2021 was $171.6 million, 9.4% higher than the distributable income of $156.9 million for FY 2020. This was mainly attributable to the full year contributions from Kelsterbach Data Centre (Kelsterbach DC) and Amsterdam Data Centre (Amsterdam DC), the acquisitions of Eindhoven DC and Guangdong DC, as well as contributions from the asset enhancement initiatives (AEI) at the Dublin and Singapore assets.

Distribution per Unit (DPU) for FY 2021 was 9.851 cents, 7.4% higher than FY 2020's 9.170 cents.

Based on the market closing price of $2.470 per Unit as at 31 December 2021, Keppel DC REIT's distribution yield was 3.99% for FY 2021.

REVENUE AND EXPENSES

Keppel DC REIT recorded gross revenue of $271.1 million in FY 2021, which was $5.5 million or 2.1% higher than that of FY 2020.

Gross rental income for FY 2021 was $265.8 million, an increase of $8.2 million or 3.2% from FY 2020 of $257.6 million. This was mainly due to the full year contributions from Kelsterbach DC and Amsterdam DC, the acquisitions of Eindhoven DC and Guangdong DC, as well as the AEI contributions from the Dublin and Singapore assets. This was partially offset by the cessation of excess rent paid to the vendor at Kelsterbach DC, the divestment of iseek DC and the absence of one-off revenue and expenses reduction from the Singapore colocation assets.

GROUP FINANCIAL OVERVIEW

	2021 $'000	2020 $'000	Change %
Gross rental income	265,797	257,642	3.2
Other income[1]	5,268	7,929	(33.6)
Gross revenue	271,065	265,571	2.1
Property operating expenses	(22,911)	(21,405)	7.0
Net property income	248,154	244,166	1.6
Finance income	558	445	25.4
Finance costs	(21,215)	(18,730)	13.3
Trustees' fees	(470)	(416)	13.0
Manager's base fee	(15,375)	(13,741)	11.9
Manager's performance fee	(8,411)	(7,936)	6.0
Audit fees	(382)	(383)	(0.3)
Valuation fees	(271)	(408)	(33.6)
Net gains/(losses) on derivatives	4,400	(1,092)	Nm
Other trust expenses	(6,412)	(9,800)	(34.6)
Profit before joint venture	200,576	192,105	4.4
Share of results of a joint venture	(1,000)	–	Nm
Profit before divestment of a subsidiary and net change in fair value of investment properties	199,576	192,105	3.9
Loss on divestment of a subsidiary	(200)	–	Nm
Net change in fair value of investment properties	151,373	645	>100.0
Profit for the year before tax	350,749	192,750	82.0
Tax expenses	(29,176)	(21,022)	38.8
Profit for the year after tax	321,573	171,728	87.3
Profit after tax attributable to:			
Unitholders	313,656	168,152	86.5
Non-controlling interests	7,917	3,576	>100.0
Profit after tax for the year	321,573	171,728	87.3
Profit attributable to Unitholders	313,656	168,152	86.5
Net tax and other adjustments to profit after tax attributable to Unitholders	(142,050)	(11,237)	>100.0
Distributable income[2]	171,606	156,915	9.4

1 Other income includes rental top up income provided by the relevant vendor of an asset acquired.
2 Distributable income includes capital expenditure set aside for certain properties (Capex Reserves).

Other income of $5.3 million for FY 2021 was $2.6 million lower than FY 2020 mainly due to lower rental top up income recognised.

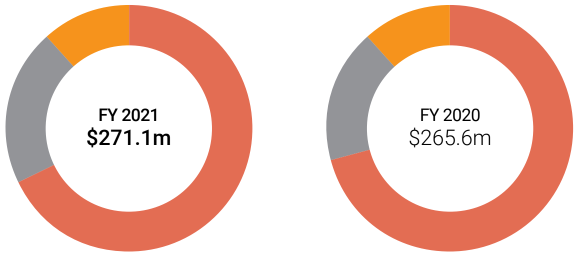
Property operating expenses, which included facility management fees of $11.1 million, for FY 2021 was $22.9 million, an increase of $1.5 million or 7.0% from FY 2020 of $21.4 million. This was mainly due to the acquisition of Amsterdam DC as well as higher property-related expenses recorded at the assets in Dublin.

As a result, net property income of $248.2 million for FY 2021 was $4.0 million or 1.6% higher than FY 2020.

Keppel DC REIT completed the investment in debt securities and preference shares issued by NetCo in December 2021.

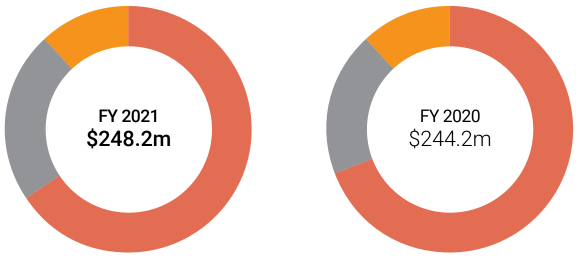
FINANCIAL REVIEW

GROSS REVENUE ($m)



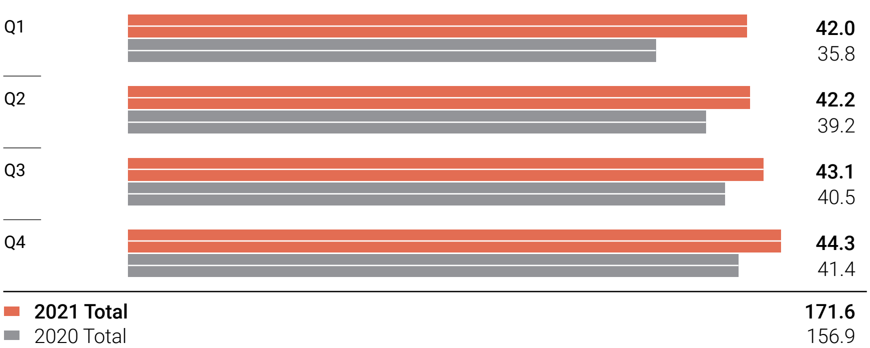
	2021	2020
Colocation	**184.3**	188.5
Fully-fitted	**55.8**	46.8
Shell and core	**31.0**	30.3
Total	**271.1**	265.6

NET PROPERTY INCOME ($m)



	2021	2020
Colocation	**163.1**	169.0
Fully-fitted	**56.1**	46.1
Shell and core	**29.0**	29.1
Total	**248.2**	244.2

DISTRIBUTABLE INCOME[1] ($m)



[1] Distributable income includes Capex Reserves.

PROFIT ATTRIBUTABLE TO UNITHOLDERS

Profit after tax for FY 2021 was $321.6 million, after taking into account the net fair value gain in investment properties of $151.4 million (2020: net fair value gain of $0.6 million) and deferred tax expense of $10.1 million (2020: deferred tax expense of $6.2 million) provided on the fair value movement of the portfolio.

Excluding the fair value changes and related deferred tax impact, profit after tax for FY 2021 was $180.3 million, an increase of $3.0 million or 1.7% as compared to FY 2020 of $177.3 million. This was mainly due to higher net property income, net gains on derivatives, lower amortisation of rental top up, partially offset by higher Manager's fees, higher finance costs and higher tax expenses as compared to FY 2020.

Profit attributable to Unitholders was $313.7 million for FY 2021, $145.5 million or 86.5% higher than the $168.2 million recorded in FY 2020.

DISTRIBUTION POLICY

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

INVESTMENT PROPERTIES

The carrying value of investment properties was $3,401.4 million as at 31 December 2021 as compared to $3,005.0 million as at 31 December 2020. This included lease liabilities capitalised pertaining to land rent commitment and options of $12.1 million (31 December 2020: $24.2 million). The increase of $396.4 million or 13.2% in carrying value was mainly due to the additions of Eindhoven DC and Guangdong DC to the portfolio, capital expenditures and net fair value gains from the revaluation of the Group's investment properties. This was partially offset by the disposal of iseek DC as well as foreign exchange translation losses.

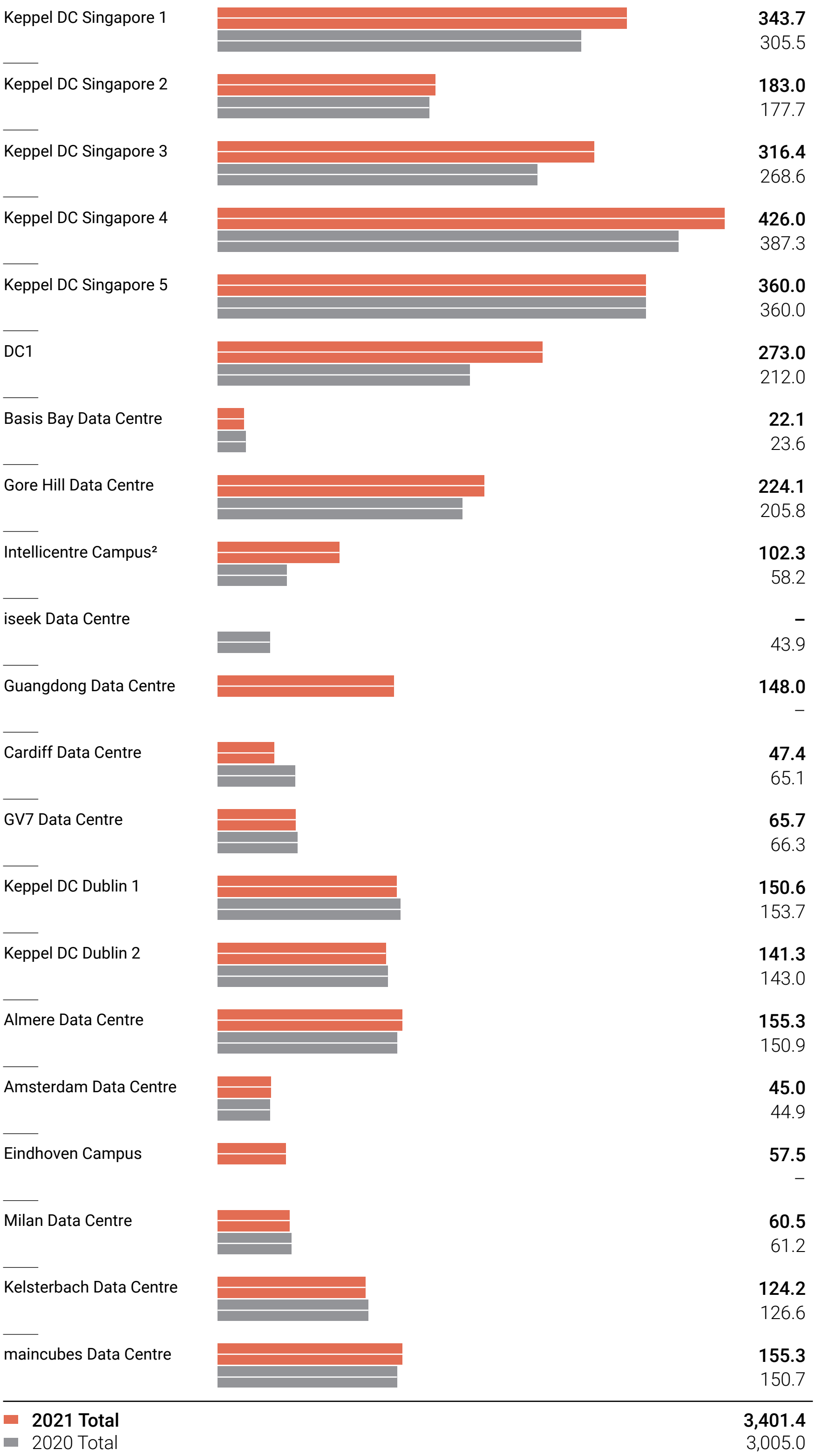
NET ASSET VALUE (NAV) PER UNIT

NAV per Unit as at 31 December 2021 was $1.34 (31 December 2020: $1.19). Excluding the distributable income for the financial period from 23 August to 31 December 2021 (2020: financial period from 1 July 2020 to 31 December 2020), the adjusted NAV per Unit was $1.30 (31 December 2020: $1.14).

CASH FLOWS AND LIQUIDITY

As at 31 December 2021, Keppel DC REIT's cash and cash equivalents were $195.9 million (31 December 2020: $244.4 million).

INVESTMENT PROPERTIES[1] ($m)
as at 31 December



1 Investment properties include the carrying value of the lease liabilities pertaining to the land rent commitment and options.
2 Comprises Intellicentre 2 Data Centre and Intellicentre 3 East Data Centre (IC3 East DC) which are located on the same site in Macquarie Park (2020: comprises Intellicentre 2 Data Centre).

Cash generated from operating activities for FY 2021 was $191.5 million, $43.5 million lower than the $235.0 million for the corresponding period last year. This was mainly due to higher working capital requirements.

Net cash used in investing activities for FY 2021 was $374.4 million, comprising mainly the acquisitions of Eindhoven DC and Guangdong DC, the investment in NetCo's debt securities as well as capital expenditures which include the completion of fit-out works for DC1 and a deposit paid for the acquisition of London DC, which was partially offset by the divestment of iseek DC. Net cash used in investing activities for the corresponding period last year was $208.8 million, comprising the acquisitions of Kelsterbach DC, the remaining leasehold land interest of Keppel DC Dublin 1 and Amsterdam DC as well as capital expenditures.

The Group recorded net cash generated from financing activities of $135.0 million in FY 2021 as compared to net cash generated from financing activities of $66.9 million for the corresponding period last year. Net cash generated in FY 2021 was mainly from the issuance of equity and proceeds from bank borrowings. These were partially offset by distributions paid to Unitholders, payment of lease liabilities and repayment of borrowings and finance costs. Net cash generated from financing activities for FY 2020 comprised mainly bank borrowings, partially offset by distributions paid to Unitholders, repayment of borrowings and finance costs.

FUNDING AND BORROWINGS

The Group's total borrowings as at 31 December 2021 was $1,289.6 million (31 December 2020: $1,165.8 million). The increase was mainly due to borrowings drawn to fund the acquisitions of Eindhoven DC and Guangdong DC, the development costs for IC3 East DC, the AEI works for DC1 and the investment in debt securities, offset by repayments of borrowings from the issuance of equity.

As at 31 December 2021, there were $481.5 million of unutilised facilities (31 December 2020: $402.3 million) for the Group to meet its future obligations. The Group had a weighted average debt tenor of 3.9 years as at 31 December 2021 and the all-in weighted average cost of debt was 1.6%, with an interest coverage ratio of 10.8 times.

In arriving at the aggregate leverage of 34.6% as at 31 December 2021 under the Property Funds Appendix in the Code on Collective Investment Schemes (CIS Code) issued by the Monetary Authority of Singapore (MAS), $12.1 million of lease liabilities pertaining to land rent options were excluded.

USE OF PROCEEDS OF THE EQUITY FUND RAISING EXERCISES

In 2021, Keppel DC REIT raised approximately $202.0 million of proceeds net of transaction costs from the private placement of 81,000,000 new Units at an issue price of $2.522 per Unit in August 2021. This included a reallocation of intended transaction costs of approximately $1.4 million to fund other uses, which included further acquisitions. As at 31 December 2021, the net proceeds have been fully utilised as follows:

1. $64.6 million for the acquisition of Guangdong DC; and
2. $137.4 million for the acquisitions of London DC and Eindhoven DC, as well as to repay debt (including debt previously drawn down for investments) to create debt headroom for future acquisitions.

In 2019, Keppel DC REIT raised approximately $472.3 million of proceeds net of transaction costs from a private placement of 135,000,000 new Units and a pro-rata preferential offering of 141,989,617 new Units. As at 31 December 2021, the remaining unutilised proceeds of $14.3 million as at the beginning of 2021 have been fully utilised for its intended use of capital expenditures which included AEIs.

CAPITAL MANAGEMENT

The Manager regularly reviews the Group's financial policy as well as its debt and capital management structures to optimise the Group's funding sources. The Group's exposure to various risk elements is also monitored closely through clearly established management policies and procedures.

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

Under the Property Funds Appendix of the CIS Code, the aggregate leverage should not exceed 50.0% of the Group's deposited properties. The Group has complied with this requirement for the financial year ended 31 December 2021.

KEY STATISTICS
as at 31 December

	2021	2020
Aggregate leverage[1] (%)	**34.6**	36.2
Interest coverage ratio	**10.8 times**	13.3 times
Weighted average debt tenor (years)	**3.9**	3.2
Percentage of assets unencumbered[2] (%)	**100.0**	98.7

1 Aggregate leverage is computed based on gross borrowings and deferred payments as a percentage of total deposited properties as stipulated in the Property Funds Appendix in the Code on Collective Investment Schemes issued by MAS, without considering lease liabilities pertaining to land rent commitment and options.

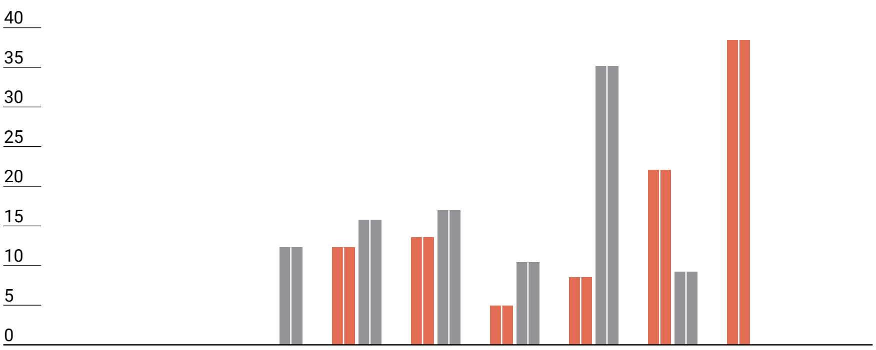
2 As at 31 December 2020, investment property amounting to 1.3% of the assets were pledged as security for bank borrowings taken over as part of an acquisition. In early January 2021, these secured bank borrowings have been fully repaid and accordingly, 100% of the assets were unencumbered.

FINANCIAL RISK MANAGEMENT

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

The Manager has been adopting appropriate hedging strategies to manage interest rate and foreign currency exposure for the Group. Interest rate swaps have been entered into to hedge interest rate exposure of long-term loans. The Manager manages its foreign currency exposure through foreign currency forward contracts. Natural hedging is in place with borrowings in currencies that match the corresponding investments. As at 31 December 2021, the Manager has hedged the REIT's forecasted foreign-sourced distributions till 1H 2023.

DEBT MATURITY PROFILE (%)
as at 31 December



	2021	2022	2023	2024	2025	2026	2027	Total
2021	**–**	**12.3**	**13.6**	**4.9**	**8.5**	**22.1**	**38.6**	**100.0**
2020	12.3	15.8	17.0	10.4	35.3	9.2	–	100.0

ACCOUNTING POLICIES

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

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

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

SUSTAINABILITY REPORT

SUSTAINABILITY FRAMEWORK

We place sustainability at the heart of our strategy, and are committed to generating stable and sustainable returns for Unitholders – through environmental stewardship, responsible business practices, and nurturing our people and the communities wherever we operate.

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 69 to 73

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 74 to 77

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 78 to 83

LETTER TO STAKEHOLDERS

GRI 102-14

FOCUSING ON ACHIEVING OUR ESG TARGETS, WE WILL CONTINUE TO WORK WITH ALL STAKEHOLDERS TO BUILD A SUSTAINABLE BUSINESS.

DEAR STAKEHOLDERS,

I am pleased to present Keppel DC REIT's sustainability report, which provides an update of Keppel DC REIT's sustainability performance and communicates our commitment to drive long-term value for our stakeholders.

2021 was yet another challenging year for businesses and individuals around the world. Yet amidst the challenges, we sought innovative ways to grow Keppel DC REIT in a manner that would yield sustainable returns for our Unitholders.

The COVID-19 pandemic has contributed to a rapid acceleration of digitalisation in the ways we live, work and play. In tandem with the increase in data needs and consumption, there is also an ever-growing demand for data centres to store, process and analyse data in a sustainable manner. With this trend looking to stay for the foreseeable future, we are focused on ensuring that we grow in a responsible manner, guided by the key pillars of our sustainability framework: Environmental Stewardship, Responsible Business, People and Community.

In 2021, we undertook an assessment of Keppel DC REIT's material environmental, social and governance (ESG) issues, through in-depth engagement with both internal and external stakeholders. This is to ensure that we continue to actively monitor and manage the material ESG issues that have the most significant impact on Keppel DC REIT and our key stakeholders. We have enhanced our key targets and commitments to manage these issues which are outlined in this Report.

REDUCING OUR ENVIRONMENTAL IMPACT

Large amounts of energy are needed to support data centres, the IT equipment that they house and the cooling that they require. Nonetheless, we continued to enhance our efforts to improve the energy efficiency of Keppel DC REIT's colocation facilities where we have management control over. These efforts include investing in energy efficient cooling infrastructure, such as cooling towers, chillers and computer room air-conditioning units, which account for the bulk of energy consumption.

All our colocation facilities in Singapore have certifications in energy and water management systems, to ensure high levels of environmental performance, while meeting clients' needs with zero downtime. Testament to our efforts, we re-certified Keppel DC Singapore 3 and Keppel DC Singapore 4 with the Building and Construction Authority (BCA) Green Mark Platinum Award in 2021.

In Ireland, Keppel DC Dublin 1 and Keppel DC Dublin 2 continue to be fully powered by wind energy, averting about 20,542 tonnes of carbon dioxide equivalent (tCO_2e) of Greenhouse Gas (GHG) emissions, that would have resulted if non-renewable energy was used. Emissions generated by pre-existing diesel generators were compensated for through carbon credits. Keppel DC REIT also became a signatory of the EU Climate Neutral Data Centre Pact in 2021, which is a voluntary commitment to take action to make data centres climate neutral by 2030.

In 2021, we embarked on an exercise to better understand Keppel DC REIT's emissions across the value chain and are working to establish a Scope 3 inventory by end-2022. In this Report, we have disclosed the initial findings of our Scope 3 screening. This will help us to review how we can work towards reducing indirect upstream and downstream emissions in our value chain.

To strengthen our climate-related disclosures, we also started incorporating the recommendations of the Taskforce for Climate-related Financial Disclosures (TCFD) in our reporting framework in 2021. This will put us in a good position to meet rising expectations for climate-related disclosures from key stakeholders, including the latest directive from the Singapore Exchange.

OPERATING AS A RESPONSIBLE BUSINESS

We continue to uphold high standards of corporate governance, ethics and integrity as core fundamentals, as well as embrace strong risk management practices in our day-to-day business operations.

We have a dedicated Board, which is collectively responsible for and works with the management team for the long-term success of Keppel DC REIT. The Board will continue to review and monitor material ESG issues periodically, with support from a dedicated Board ESG Committee that was established in February 2022. Keppel DC REIT has been focused on the sustainability of its operations and remains fully committed to good corporate governance practices, which we believe are critical to the performance and success of Keppel DC REIT.

To fulfil the fiduciary duties entrusted to us, we seek to continue delivering strong financial performance and operational excellence with an ongoing commitment to sustainability. At the same time, recognising the merits of a gender-diverse Board, we are committed to have female directors represent at least 25% of the Board by 2025.

SUPPORTING OUR PEOPLE AND COMMUNITIES

The health and safety of our people remains a top priority, even more so during the pandemic. We have adopted flexible, hybrid work arrangements. Safe management measures are enforced at the office to give employees the confidence to return to the workplace safely.

Beyond physical safety, we also focused on mental wellbeing to help employees manage anxieties and strain caused by the protracted pandemic. This included virtual activities during the October Mental Wellbeing month, such as talks on mental resilience and managing stress. Employees also had access to the Employee Assistance Programme for counselling support, for those who need such services.

With telecommuting being the norm in 2021, we held a week-long virtual learning festival that provided opportunities for employees to attend talks related to digitalisation and sustainability. Employees were also introduced to the LinkedIn Learning platform, where they can access a digital library of over 16,000 courses anytime from anywhere. There were also activities to help employees to stay resilient and engaged. For example, during the Appreciation Month in August, Keppel Capital organised a virtual Amazing Race for staff to bond and unwind. Other team bonding activities were also conducted throughout the year.

The pandemic highlighted the importance of corporate citizenship and the responsibility to step up in times of need. Together with volunteers from Keppel Capital, we continued to support our adopted charity, the Muscular Dystrophy Association (Singapore) (MDAS), in 2021. We participated in various engagement activities, dedicated more than 630 volunteer hours, as well as contributed $55,500 to the Keppel Care Foundation to support community needs. Keppel DC REIT (Ireland) also donated to UNICEF's "Get a Vaccine Give a Vaccine" campaign to help provide vaccines to the most vulnerable and high-risk people around the world.

LOOKING AHEAD

These are promising times for Keppel DC REIT. We are seeing record levels of demand for data centres, which is expected to continue growing with increasing digitalisation. On the other hand, with growing international concerns about climate change, data centres would also be expected to further improve their energy efficiency and lower their carbon footprint. Focusing on achieving our ESG targets, we will continue to work with all stakeholders to build a sustainable business. I thank all stakeholders for your support.

Yours sincerely,

ANTHEA LEE
Chief Executive Officer
2 March 2022

ABOUT THIS REPORT

GRI 102-46 | 102-50 | 102-52 | 102-53 | 102-54

Keppel DC Dublin 1 (pictured) and Keppel DC Dublin 2 are fully powered by wind energy.

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

REPORTING PERIOD AND SCOPE

This is Keppel DC REIT's sixth annual sustainability report and contains information pertaining to the financial year ended December 2021 (FY 2021). This Report covers the ESG issues most relevant to Keppel DC REIT's business, operations and key stakeholders, which were identified through a comprehensive materiality assessment, as well as the Manager's approach to managing these ESG issues, including targets and metrics used to measure and track performance.

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

SINGAPORE

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

MALAYSIA

- Basis Bay Data Centre (Basis Bay DC)

AUSTRALIA

- Gore Hill Data Centre (Gore Hill DC)

IRELAND

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

Master leased facilities are not included in the reporting scope as the Manager does not have full operational control over these assets. The following master leased assets are excluded from this report: DC1 in Singapore, Intellicentre Campus in Australia, Guangdong Data Centre in China, Cardiff Data Centre, GV7 Data Centre and London Data Centre in the United Kingdom, Almere Data Centre, Amsterdam Data Centre and Eindhoven Campus in the Netherlands, Milan Data Centre in Italy, as well as Kelsterbach Data Centre and maincubes Data Centre in Germany. Social and governance performance data in this Report primarily covers employees of the Manager.

While this Report has not been externally verified, the Manager will review the need for external assurance in the future.

GLOBAL REPORTING INITIATIVE STANDARDS

This Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option, and has applied Reporting Principles from the GRI Standards on Defining Report Content: Materiality, Stakeholder Inclusiveness, Sustainability Context and Completeness. The scope and content of this Report reflect the Manager's strategy in managing ESG issues and driving sustainable growth. For a full list of disclosures reported, please refer to the GRI Content Index on pages 84 to 86.

Contact

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

Please contact us at investor.relations@keppeldcreit.com

APPROACH TO SUSTAINABILITY

KEPPEL DC REIT IS COMMITTED TO MINIMISING ITS ENVIRONMENTAL IMPACT, UPHOLDING STRONG CORPORATE GOVERNANCE, AS WELL AS CREATING VALUE FOR ALL STAKEHOLDERS.

With an increasingly digitalised and data-hungry world, the data centre industry continues to experience strong growth. With the expected increase in data centre load comes a corresponding rise in energy demand. The Manager recognises the importance of ensuring sustainable growth of Keppel DC REIT's data centre portfolio. It is committed to integrating ESG considerations within its business strategy and day-to-day operations to create long-term value for stakeholders and position Keppel DC REIT as the preferred data centre REIT globally.

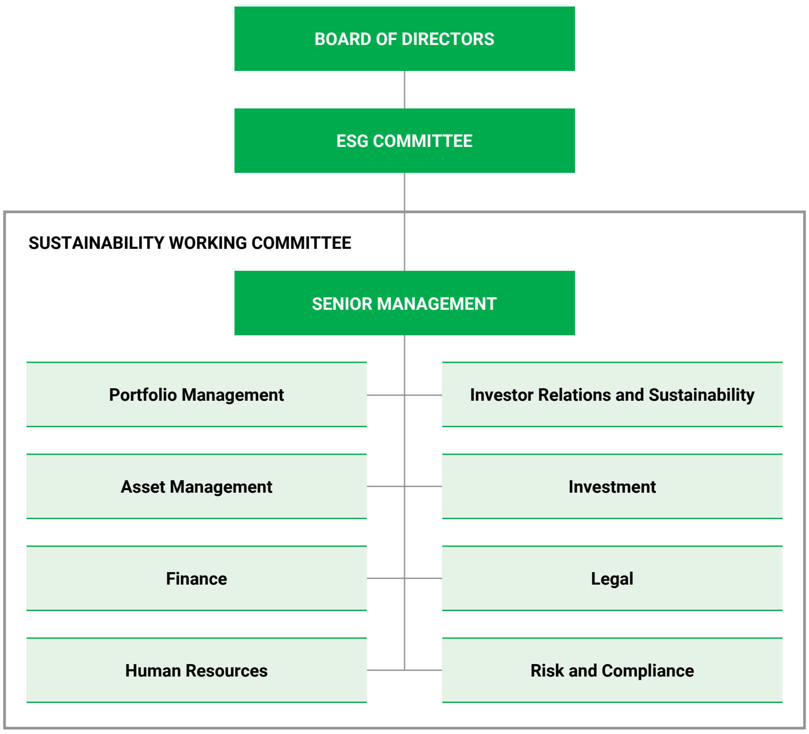
SUSTAINABILITY FRAMEWORK

Keppel DC REIT's sustainability strategy focuses on key material ESG issues which have been identified through continual stakeholder engagement and a materiality assessment. ESG issues have been and remain key considerations in the Board's strategy formulation and in Keppel DC REIT's business operations.

The Manager's approach to sustainability is guided by the three thrusts of Environmental Stewardship, Responsible Business, and People and Community. Keppel DC REIT is committed to minimising its environmental impact, upholding strong corporate governance, as well as creating value for all stakeholders. This is aligned with the sustainability management framework of the Keppel Group and the Manager takes reference from the Group's policies, where relevant, to guide the management on ESG issues.

Such policies include the Employee Code of Conduct, Supplier Code of Conduct, Global Anti-Bribery Policy, Corporate Statement on Human Rights, Whistle-Blower Policy, Insider Trading Policy and Competition Law Compliance Manual, as well as policies on environmental, health and safety matters.

SUSTAINABILITY MANAGEMENT STRUCTURE



SUSTAINABILITY GOVERNANCE

GRI 102-18 | 102-20

The Manager's Sustainability Committee which involves all relevant functions, including Portfolio Management, Asset Management, Finance, Human Resources, Investor Relations and Sustainability, Investment, Legal, as well as Risk and Compliance, supports and implements the Manager's sustainability strategy and goals. The committee is also responsible for monitoring Keppel DC REIT's performance against the identified material ESG issues and providing regular updates to the Board and management team for review.

As part of its strategic oversight, the Board has considered the material ESG issues in Keppel DC REIT's business and strategy formulation, taking into account inputs from senior management and the Sustainability Committee. The Board will continue to review and monitor these ESG issues periodically.

APPROACH TO SUSTAINABILITY

MATERIALITY ASSESSMENT

GRI 102-46 | 102-47 | 102-49

Undertaking regular materiality assessments is key to understanding the environmental, social, economic and governance issues that are of greatest significance to Keppel DC REIT's business and its stakeholders. In 2021, the Manager worked with a sustainability consultant to review Keppel DC REIT's material ESG issues, building on its previous assessment. The review seeks to ensure that the Manager takes into account any changes in the issues and their impacts, and that the Manager actively assesses and manages them.

The materiality assessment was conducted based on a systematic process as shown in the diagram on the right, with in-depth engagement with both internal and external stakeholders including Board members, employees of the Manager, investors, tenants/customers, suppliers and service providers.

The prioritised list of ESG issues is presented below, categorised by material and important ESG issues (in alphabetical order), representing their level of materiality as determined through the assessment process. In line with the GRI's Reporting Principle of materiality for defining report content, the material issues are covered within this report to the extent that it reflects their relative priority.

The Manager will continue to review these issues regularly and to conduct a formal assessment of its material ESG issues regularly. This will allow Keppel DC REIT to keep abreast of emerging trends and issues and adjust its strategies where appropriate to ensure business sustainability.

MATERIALITY ASSESSMENT PROCESS

UNDERSTAND CONTEXT & IDENTIFY ISSUES

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

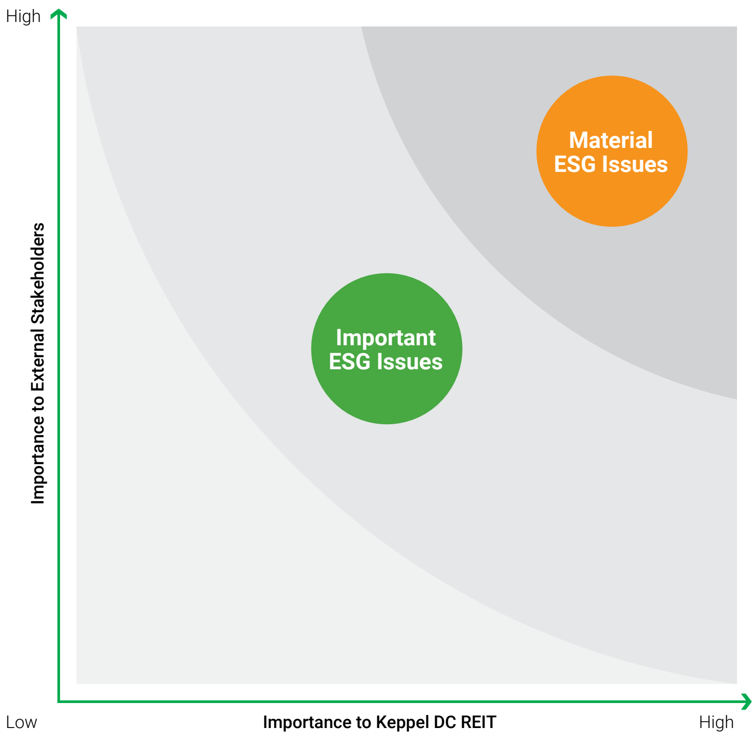
STAKEHOLDER ENGAGEMENT

- Launched an online survey to prioritise the shortlist of ESG issues 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 issues.
- List of material ESG issues reviewed and validated by management team.
- Final list of material ESG issues reviewed and approved by the Board.

PRIORITISATION OF ESG ISSUES



Material ESG Issues

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

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

Important ESG Issues

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

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

Note: The issues are arranged in alphabetical order.

ESG TARGETS AND COMMITMENTS

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

ENVIRONMENTAL STEWARDSHIP

Climate Change Adaptation
- To align reporting with the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD).

Emissions
- To progressively reduce its combined Scope 1 and Scope 2 emissions with an aim to halve this by 2030 from a 2019 baseline.

Energy
- To introduce renewable energy (RE) to at least 50% of the colocation assets by 2030, as well as encourage RE use at all other portfolio assets.
- To achieve at least a 10% reduction in effective power usage effectiveness (PUE)[1] for colocation assets that undergo major asset enhancement[2] works, by 2025 from a 2019 baseline.

RESPONSIBLE BUSINESS

Building and Service Quality
- To obtain and maintain green certification for all Singapore colocation assets by 2025 and obtain green certification for all colocation assets by 2030.
- To achieve an above satisfactory score for the Annual Customer Satisfaction Survey[3].
- To aim for zero client dissatisfaction over the physical security of all colocation properties in the Annual Customer Satisfaction Survey.

Corporate Governance
- To uphold strong corporate governance, robust risk management, as well as timely and transparent communications with stakeholders.

Cybersecurity and Data Privacy
- To uphold high standards and best practices in cybersecurity and data protection through the Keppel Cybersecurity governance structure, with zero incidents of data breaches and non-compliance with data privacy laws.

Ethics and Integrity
- To maintain high standards and best practices in ethical business conduct and compliance, with zero incidents of fraud, corruption, bribery and non-compliance with laws and regulations.

PEOPLE AND COMMUNITY

Community Development and Engagement
- To engage with local communities and contribute to Keppel Capital's target of >500 hours of staff volunteerism in 2022.

Diversity and Inclusion
- To have female directors represent at least 25% of the Board by 2025.

Employee Health and Wellbeing
- To provide a safe and healthy environment for all stakeholders, adopting the Keppel Zero Fatality Strategy to achieve a zero-fatality workplace.

Human Capital Management
- To achieve at least 20 training hours per employee on average in 2022.
- To achieve at least 75% in employee engagement score in 2022.

1 PUE is a ratio that describes how efficiently a computer data centre uses energy. The lower the PUE, the better the energy efficiency of the data centre.
2 Major asset enhancement – Any capital expenditure above $1 million targeted at enhancing asset value and/or revenue but excludes repairs, maintenance and replacement.
3 Ratings based. A scale of 1-5 is used in the survey. The higher the score, the more satisfied/confident the client is with Keppel DC REIT's assets.

APPROACH TO SUSTAINABILITY

SUPPORTING THE SUSTAINABLE DEVELOPMENT GOALS

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

The Manager is committed to advancing sustainability by focusing on the SDGs that it can contribute most meaningfully to and where it has the greatest opportunities to partner other stakeholders to build a more sustainable future. In support of the United Nations' 2030 Agenda for Sustainable Development, the Manager has incorporated eight SDGs as a supporting framework to guide its sustainability strategy, including SDG 17 which it supports through its ongoing commitment as signatory to the Global Compact Network Singapore and the EU Climate Neutral Data Pact.

SDG	MATERIAL AND IMPORTANT ESG ISSUES	CONTRIBUTION TO SDG
3 GOOD HEALTH AND WELL-BEING	**Employee Health and Wellbeing**	• The Manager works closely with the facility managers to implement industry best practices and safety standards to ensure the health, safety and wellbeing of all stakeholders. • The Manager adopts the Keppel Zero Fatality Strategy, which outlines actionable measures to prevent workplace fatalities. • The Manager implemented safety management measures during the pandemic and provided support to ensure physical and mental wellbeing of employees. Read more on pages 81 to 82.
6 CLEAN WATER AND SANITATION	**Water**	• The Manager has undertaken measures to reduce water consumption through water conservation efforts and the efficient use of water. • All colocation facilities in Singapore have attained the ISO 46001:2019 Water Efficiency Management Systems certification. Read more on pages 72 to 73.
8 DECENT WORK AND ECONOMIC GROWTH	**Economic Sustainability**	• Keppel DC REIT's business operations generate employment, opportunities for suppliers and tax revenues for governments. Read more on page 74.
	Human Capital Management **Diversity and Inclusion**	• The Manager adheres to Singapore's Tripartite Guidelines on Fair Employment Practices and strives to uphold the Employers' Pledge of Fair Employment Practices. • The Manager seeks to provide training and development opportunities to employees, even throughout the pandemic, with digital learning platforms. • The Manager provides an employee development scheme that supports employees who aspire to upgrade themselves with a higher professional certification. • The Manager has zero tolerance for discrimination of any kind, which is reinforced by the Keppel Group Corporate Statement on Human Rights and Corporate Statement on Diversity and Inclusion. These policies articulate the Keppel Group and the Manager's stance on human rights, diversity and inclusion. Read more on pages 78 to 81.
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	**Building and Service Quality**	• The Manager invests in maintaining high standards of building and service quality at its assets to ensure resiliency and sustainability. Read more on page 76.
11 SUSTAINABLE CITIES AND COMMUNITIES	**Building and Service Quality** **Climate Change Adaptation** **Emissions** **Energy**	• Keppel DC REIT's colocation assets achieved various sustainability and ISO certifications indicating the attainment of nationally and internationally recognised standards of environmental, safety and quality management. • The Manager adopts energy-efficient equipment and technologies, implements advanced energy management practices and supports the use of clean energy sources where feasible. Keppel DC REIT's data centres in Dublin are fully powered by wind energy. • The Manager is a signatory of the Climate Neutral Data Centre Pact in Europe. Read more on pages 69 to 71 and 76.
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	**Sustainable Supply Chain Management** **Waste Management**	• The Manager encourages the adoption of Keppel's sustainability principles throughout the supply chain. It also adheres to the Keppel Supplier Code of Conduct, which reinforces the principles of responsible business practices between employees and suppliers. • The Manager seeks to minimise waste generation by increasing recycling efforts. Read more on pages 72 and 77.

SDG	MATERIAL AND IMPORTANT ESG ISSUES	CONTRIBUTION TO SDG
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	**Corporate Governance** **Ethics and Integrity**	• The Manager adopts 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. • The Manager maintains a sound and effective system of risk management and internal controls through the Enterprise Risk Management Framework. • All employees are required to adhere to the Employee Code of Conduct, which aims to establish and reinforce the highest standards of integrity and ethical business practices. • In 2021, there was no confirmed incident of corruption, bribery or fraud, nor any non-compliance with laws or regulations. Read more on pages 74 to 76.
17 PARTNERSHIPS FOR THE GOALS	**Community Development and Engagement**	• The Manager, together with Keppel Capital, is committed to uplifting communities wherever it operates and making a difference to the lives of the less privileged. • Beyond monetary contributions, employees are encouraged to participate in community outreach efforts. All employees are provided two days of paid volunteerism leave each year to participate in community initiatives within the Keppel Group. • In 2021, together with Keppel Capital, the Manager committed more than 630 volunteer hours and contributed $55,000 to the Keppel Care Foundation to support community needs. Read more on pages 82 to 83.

EXTERNAL MEMBERSHIPS, INITIATIVES AND CERTIFICATIONS

GRI 102-12 | 102-13

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

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

Keppel DC REIT's properties have received environmental certifications such as the Leadership in Energy and Environmental Design (LEED) by the US Green Building Council, awards under BCA's Green Mark scheme as well as ISO certifications. Please see page 77 for the full list of sustainability certifications and awards received.

EXTERNAL MEMBERSHIPS AND CERTIFICATIONS	
REITAS	Keppel DC REIT is a member of the REIT Association of Singapore (REITAS), an organisation that aims to collaboratively strengthen and promote the Singapore REIT industry through education, research, and professional development.
SIAS	The Manager, through Keppel Group, supports the Securities Investors Association (Singapore) (SIAS) in its efforts to empower the investment community through continuous investor education.
MSCI ESG RATINGS (A)	Keppel DC REIT maintained its rating of 'A' in the MSCI ESG Ratings assessment 2021 which measures a company's resilience to long term, financially relevant material ESG risks[1].
CLIMATE NEUTRAL DATA CENTER	Keppel DC REIT is a signatory of the Climate Neutral Data Centre Pact in Europe, which is a voluntary commitment to take actions to make data centres climate neutral by 2030.
Large Industry Energy Network (supported by Sustainable Energy Authority of Ireland)	Keppel DC Ireland is a member of the Large Industry Energy Network (LIEN), supported by the Sustainable Energy Authority of Ireland. LIEN member companies collaborate to improve energy management and implement sustainable energy solutions.

[1] The use by Keppel DC REIT of any MSCI ESG Research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Keppel DC REIT by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

STAKEHOLDER ENGAGEMENT

GRI 102-40 | 102-42 | 102-43 | 102-44

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

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

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

Engagement Platforms
Involvement in different employee interest groups; dialogue sessions with senior leaders; employee engagement surveys; appreciation month; physical wellbeing month; staff communication sessions; leadership programmes; team building activities

Key Topics
Employees' personal and professional growth; sharing of ideas; culture of recognition and appreciation; self-directed learning

Frequency of Engagement
Ongoing regular engagement

CLIENTS

Objectives of Engagement
Build deeper relationships with existing and prospective clients

Engagement Platforms
Annual survey; onsite audits and meetings

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

Frequency of Engagement
Ongoing regular engagement

INVESTORS

Objectives of Engagement
Ensure timely and accurate disclosure of information

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

Key Topics
Business strategy and corporate developments; financial performance; sustainability issues

Frequency of Engagement
Ongoing regular engagement

BUSINESS PARTNERS

Objectives of Engagement
Align suppliers to Keppel values to enhance operational resilience

Engagement Platforms
Safety and operations workshops; annual reviews and feedback sessions

Key Topics
Compliance; collaboration; health, safety, and environmental matters

Frequency of Engagement
Ongoing regular engagement

GOVERNMENTS AND REGULATORY BODIES

Objectives of Engagement
Collaborate and work alongside on issues of mutual interest

Engagement Platforms
Regular meetings

Key Topics
Feedback on new guidelines, including sustainability; opportunities for business collaborations

Frequency of Engagement
Ongoing regular engagement

LOCAL COMMUNITIES

Objectives of Engagement
Understand and support community needs, and build lasting positive relationships

Engagement Platforms
Community outreach activities; promoting and organising community-related activities; participation in industry events and/or talks

Key Topics
Community engagement; sharing of industry insights and knowledge

Frequency of Engagement
Ongoing regular engagement

THE MANAGER STRIVES TO MINIMISE ENERGY CONSUMPTION THROUGH THE ADOPTION OF ENERGY-EFFICIENT EQUIPMENT AND TECHNOLOGIES, ADVANCED ENERGY MANAGEMENT PRACTICES AND INCREASING THE USE OF CLEAN ENERGY SOURCES.

The Manager recognises that its business and operations have a significant environmental impact and managing an ever-increasing data load in a sustainable way is a top priority to address climate change. Keppel DC REIT is committed to supporting climate action and the transition to a low-carbon economy by adopting technologies and approaches to reduce emissions and energy consumption.

EMISSIONS & ENERGY

GRI 103-1 | 103-2 | 103-3 | 302-1 | 302-2 | 302-3 | 305-1 | 305-2 | 305-3 | 305-4

MANAGEMENT APPROACH

The Manager's GHG emissions management strategy focuses on optimising energy consumption across the portfolio by adopting energy-efficient equipment and technologies, implementing advanced energy management practices and increasing the use of clean energy sources.

As a signatory of the Climate Neutral Data Centre Pact (CNDCP) in Europe, Keppel DC REIT's Dublin team works closely with consultants on energy management, as well as collaborates with peers in the CNDCP to work towards climate neutrality. All electricity purchased to operate KDC DUB 1 and KDC DUB 2 is generated by wind, a renewable energy source. The Dublin team is currently working on reducing emissions across the supply chain by engaging clients on the management and measurement of energy performance of their respective spaces.

Energy management systems are implemented at colocation facilities to ensure power consumption is monitored and measured accurately, in order to identify energy reduction opportunities.

All colocation facilities in Singapore have maintained the ISO 50001 certifications in energy management system to ensure high levels of sustainable environmental performance, while continuing to build operational resiliency and meet client needs with zero downtime. In 2021, Keppel DC REIT's Dublin facilities also achieved the ISO 14001 and ISO 50001 certifications. Maintaining the certifications requires constant management and monitoring of all energy requirements, resulting in greater awareness and behavioural change throughout the operational teams and practices in energy management.

TOTAL GHG EMISSIONS IN 2021 (tCO_2e)

Scope 1 (direct emissions)[1]	863
Scope 2 (indirect emissions)[2]	70,018
Scope 3 (indirect emissions)[3]	147,274
Total	**218,155**

1 Fuel (diesel) consumption
2 Use of electricity
3 Based on the five categories of business travel, employee commuting, waste generated in operations, fuel and energy related activities, downstream leased assets

Scope 3 Categories	Emissions in 2021 (tCO_2e)
Business travel	0.2
Employee commuting	16.4
Waste generated in operations	22.8
Fuel and energy related activities	22,443.3
Downstream leased assets	124,791.7

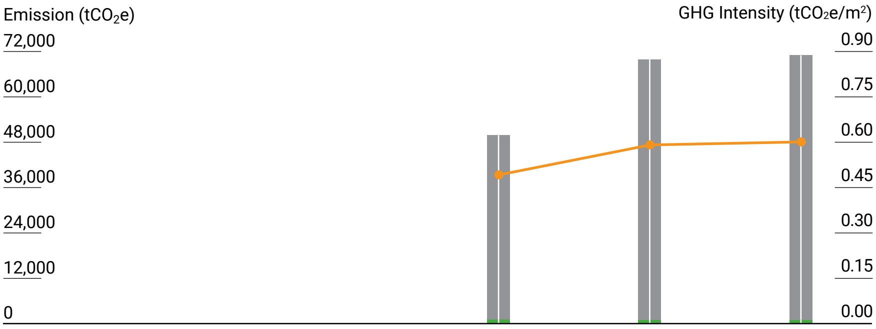
PERFORMANCE AND PROGRESS

GHG Emissions

Keppel DC REIT's GHG emissions comprise Scope 1 emissions from diesel consumption for backup generators, Scope 2 emissions from electricity use and Scope 3 value chain emissions. In 2021, the Manager commenced a Scope 3 emissions screening exercise to better understand its GHG footprint, identify opportunities for emissions reduction and aid in target-setting. Keppel DC REIT also expanded Scope 3 reporting in 2021, with the aim of covering more categories progressively by 2023.

Keppel DC REIT's total GHG emissions for 2021 was 218,155 tCO_2e. The inclusion of additional Scope 3 categories in the 2021 performance data accounted for most of the increase in total GHG emissions in 2021, as compared to 2020 which only included business air travel. The category of downstream leased assets comprising energy use by the clients of data centre facilities was the main contributor to Scope 3 emissions in 2021.

TOTAL SCOPES 1 AND 2 GHG EMISSIONS (tCO_2e)



	2019	2020	2021
Scope 1 (tCO_2e)	944	818	**863**
Scope 2 market-based (tCO_2e)	48,799	68,917	**70,018**
Total Emissions (tCO_2e)	49,743	69,735	**70,881**
GHG Intensity (tCO_2e/m^2)	0.49	0.59	**0.60**

Notes:

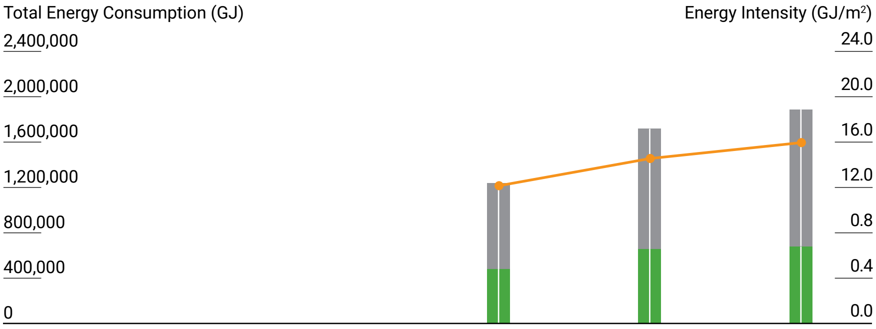
GHG emissions are calculated in accordance with the operational control approach of the GHG Protocol standard – the most widely accepted international standard for GHG accounting. Gases included in the calculation are carbon dioxide (CO_2), methane (CH_4), and nitrous oxide (N_2O), with totals expressed in units of tonnes of carbon dioxide equivalent (tCO_2e).

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

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

Scopes 1 and 2 emissions have been restated for 2019 and 2020 due to reclassification of clients' emissions under the Scope 3 category of downstream leased assets. Scope 2 location-based emissions for 2021 was 76,575 tCO_2e.

TOTAL ENERGY CONSUMPTION (GJ)



	2019	2020	2021
Landlord Consumption (GJ)	474,533	650,902	**677,300**
Client Consumption (GJ)	757,862	1,061,204	**1,204,414**
Total Energy Consumption (GJ)	**1,232,395**	**1,712,106**	**1,881,714**
Energy Intensity (GJ/m^2)	12.1	14.5	**15.9**

Notes:

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

Energy consumption within the organisation (now indicated as landlord consumption) has been restated for 2019 and 2020 due to reclassification of clients' consumption as energy consumption outside of the organisation in 2021.

Total Scopes 1 and 2 emissions rose slightly by 1.6% year-on-year to 70,881 tCO_2e in 2021. GHG emissions intensity stayed relatively flat at 0.60 tCO_2e/m^2. The overall increase from 2019 levels can be attributed to the addition of KDC SGP 4 to the portfolio in late 2019. Powering KDC DUB 1 and KDC DUB 2 fully with wind energy averted about 20,542 tCO_2e of emissions.

Energy

In 2021, Keppel DC REIT's colocation facilities consumed a total of 1,881,714 GJ of energy, a 10% increase over 2020. Correspondingly, the energy intensity (by gross floor area) rose to 15.9 GJ/m^2. This was mainly due to increased IT load at some of the colocation facilities as clients ramped up their load utilisation.

Total energy consumption primarily comprised electricity consumption, making up almost 99% of the total consumption, and the remaining 1% from diesel consumption for backup generators. Out of the total electricity consumed, about 13% was sourced from renewable sources at KDC DUB 1 and KDC DUB 2 which are fully powered by wind energy.

While the total energy consumption is expected to increase as Keppel DC REIT's portfolio grows, the Manager is committed to the improvement of energy efficiency over time, by continuing to identify and implement energy efficiency and optimisation measures.

Some of the energy optimisation measures include:

- Energy-efficient LED lighting upgrades and installation of motion sensors to reduce electricity usage
- Overhaul and replacement of cooling infrastructure, such as the cooling towers, chillers and computer room air-conditioning units, to improve energy efficiency
- Implementation of a new cold aisle containment in KDC DUB 1 along with new power and temperature sensors to reduce energy usage

The Manager has committed to progressively reduce its combined Scopes 1 and 2 emissions with an aim to halve this by 2030 from a 2019 baseline. To reduce Scope 2 emissions from electricity usage which contributes to the bulk of Scopes 1 and 2 emissions, the Manager targets to introduce renewable energy to at least 50% of its colocation assets by 2030, including exploring the use of solar-powered ancillary equipment.

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

CLIMATE CHANGE ADAPTATION

GRI 102-11 | 102-12 | 103-1 | 103-2 | 103-3

MANAGEMENT APPROACH

The Manager recognises the need to strengthen the resilience of Keppel DC REIT's portfolio and its operations against climate change risks, as well as to assess the opportunities that a low-carbon transition might bring.

The Manager supports the TCFD and seeks to align its approach with the TCFD recommendations and best practices. It recognises that aligning with this framework and strengthening the management of climate-related risks and opportunities is a journey that takes committed effort over time.

In 2021, the Manager took the first step of assessing its current state of reporting against the TCFD recommendations. Through the assessment, it developed a roadmap which builds on current efforts to implement the recommendations provided by the TCFD framework. In addition, a preliminary exercise was also conducted to identify the risks and opportunities faced by Keppel DC REIT. In 2022, it will be looking to conduct a more detailed scenario analysis, including understanding the financial impacts of climate-related risks and opportunities on its business and assets.

Case Study

Greening Data Centres

Asset enhancement works at KDC DUB 1 were completed in October 2020. Over €20 million was invested to upgrade and replace older infrastructure and ageing/ inefficient mechanical and electrical systems with more energy efficient equipment. This has led to a lower carbon footprint and the asset's PUE has since reduced by approximately 29% from pre-asset enhancement levels.

ENVIRONMENTAL STEWARDSHIP

PERFORMANCE AND PROGRESS

The Manager discloses its approach in four key pillars as recommended by the TCFD:

TCFD Recommended Disclosure	Our Approach
GOVERNANCE Governance around climate-related risks and opportunities.	• The Board considers climate-related issues as part of Keppel DC REIT's strategy and operations. With support from a dedicated ESG Committee established in February 2022, the Board also reviews and approves the ESG strategy, roadmaps and targets, which includes climate-related targets on emissions and energy, as well as climate change adaptation as a material issue. Progress against these targets will be reviewed by the Board at least annually. The Sustainability Committee will monitor, assess and manage ESG matters, and provide updates and recommendations to the ESG Committee and Board regularly, including topics such as emissions performance, climate-related risks assessments, actions to mitigate risks, etc. • The Portfolio Management team, in collaboration with the Asset Management team, works closely with the property managers and relevant stakeholders, to obtain the required data for the monitoring of climate-related issues.
STRATEGY Actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	• Climate-related issues facing Keppel DC REIT may include physical risks from extreme weather events or long-term changes in climate, as well as transition risks and opportunities from global decarbonisation efforts. • In 2022, Keppel DC REIT will be conducting a more detailed scenario analysis to better understand the impacts of the identified climate-related risks and opportunities, including financial impacts. • Sustainability issues including climate change are considered in the evaluation of all investment opportunities. The Manager constantly explores the potential use of renewable energy.
RISK MANAGEMENT Processes used to identify, assess, and manage climate-related risks.	• In 2020, Keppel Corporation initiated a high-level risk assessment to understand the exposure of selected assets to seven climate-related hazards. These hazards include sea level rise, heatwave, water stress, flood, wildfire, cold wave and hurricane. A selection of assets under Keppel DC REIT were included in this study. Based on the findings of the assessment, the respective assets will be assessed on the resilience of existing measures and further mitigation/adaptation actions to be taken, where necessary, will be considered. • In 2021, Keppel DC REIT conducted a high-level exercise to identify the climate-related risks and opportunities facing the business. The Manager also conducted a materiality assessment where both climate change adaptation and emissions were identified as material topics. • As part of Enterprise Risk Management, climate change and sustainability-related matters are areas of risks noted. • There are plans for a separate sustainability risk register to be implemented, to enable the Board to better monitor and manage climate-related or sustainability issues.
METRICS AND TARGETS Metrics and targets used to assess and manage climate-related risks and opportunities which are material to the business.	• The Manager has committed to progressively reduce its combined Scope 1 and Scope 2 emissions with an aim to halve this by 2030 from a 2019 baseline. • The Manager has been tracking its Scopes 1 and 2 emissions since 2016 and have started tracking Scope 3 emissions since 2020. Keppel DC REIT will progressively expand the monitoring and reporting of its Scope 3 emissions. • Keppel DC REIT's GHG emissions are tracked and calculated following the GHG Protocol Corporate Standard and Corporate Value Chain (Scope 3) Standard, using the operational control approach in accounting for its emissions.

WASTE MANAGEMENT

GRI 103-1 \| 103-2 \| 103-3 \| 306-1 \| 306-2 \| 306-3 \| 306-4 \| 306-5

MANAGEMENT APPROACH

Minimal waste is generated at the data centres in its day-to-day operations. Any significant waste generated is usually due to renovation works by clients which will be handled by their appointed contractor. The Manager nonetheless encourages responsible waste management and recycling onsite when facilitating client renovations through guidelines which stipulate this, to minimise waste generation.

Disposal and recycling bins are provided on site for general waste at each property which is collected by a licensed third-party waste disposal company. Waste and recycling data is consolidated by the vendor and shared with the Manager. 2021 was the first year that the Manager started tracking and reporting this information.

PERFORMANCE AND PROGRESS

Keppel DC REIT's colocation assets generated a total of 201.1 tonnes of non-hazardous waste, of which 115.8 tonnes were sent for incineration and 41.6 tonnes were sent to landfills. 43.7 tonnes of waste were recycled. No hazardous waste was generated.

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

WATER MANAGEMENT

GRI 103-1 \| 103-2 \| 103-3 \| 303-1 \| 303-2 \| 303-5

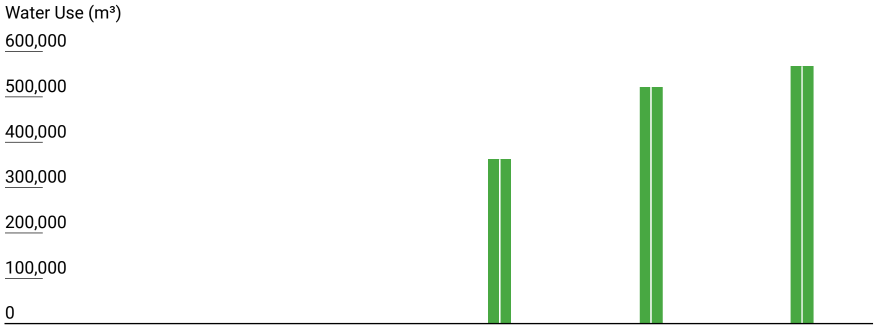
MANAGEMENT APPROACH

Data centres use water for chillers and cooling towers to maintain the ideal cool environment for the equipment to function properly. The Manager is committed to reducing water consumption through water conservation efforts.

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

All of the colocation facilities in Singapore have attained the ISO 46001:2019 Water Efficiency Management System certification.

TOTAL WATER CONSUMPTION



	2019	2020	**2021**
Water Consumption (m³)	361,256	520,396	**566,227**

PERFORMANCE AND PROGRESS

Total water consumption in 2021 was 566,227 m³, an increase of 9% from 2020, due to an addition of a new data hall at KDC DUB 2 and increased IT load at some of the colocation facilities as clients ramped up their load utilisation.

The Manager will continue to implement water efficiency measures, track water consumption, increase water recycling and reuse and explore alternative cooling solutions for greater efficiencies.

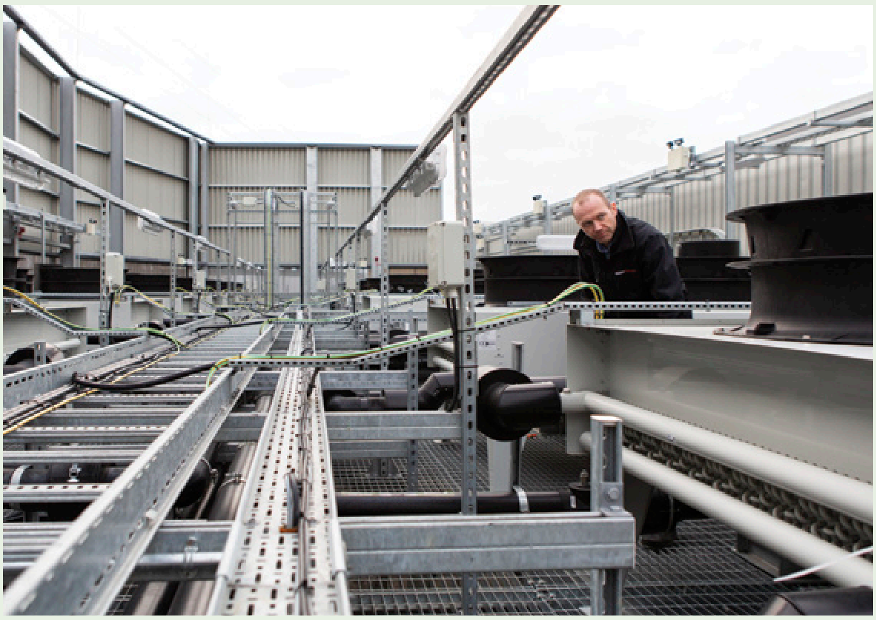
ENVIRONMENTAL MANAGEMENT

The Manager and its facility managers, including Keppel Data Centres Holding, the data centre division of its sponsor Keppel Telecommunications & Transportation (Keppel T&T), collaborate to identify and implement initiatives that reduce environmental impact. The Manager continuously explores initiatives with the Keppel Group to enhance its environmental management.

All of Keppel DC REIT's colocation facilities in Singapore and Dublin attained the ISO 14001:2015 certification in Environmental Management System to drive their environmental performance.

Case Study

Enhancing Efficiencies at the Dublin Data Centres



At KDC DUB 1 and KDC DUB 2, closed-circuit cooling systems were implemented which offer peak-efficiency long-term operation. Through this system, there is reduced water loss through evaporation, therefore lowering water consumption and improving energy efficiency.

The cooling technologies have also been upgraded, to ensure that the facilities operate on free cooling more frequently throughout the year to take advantage of the cooler climate. This reduced the use of the refrigerant cooling system and hence energy usage, consequently reducing their PUE.

Together with other water conservation efforts such as the installation of sensor taps in both assets, there was an improvement in site water usage effectiveness, a metric used to evaluate water efficiency performance, computed using the data centre's annual water consumption divided by the annual operating IT equipment load.

RESPONSIBLE BUSINESS

THE MANAGER IS COMMITTED TO UPHOLDING STRONG CORPORATE GOVERNANCE AND ROBUST RISK MANAGEMENT, WHICH IS KEY TO SAFEGUARD THE INTERESTS OF STAKEHOLDERS AND ACHIEVE LONG-TERM VALUE CREATION.

The Manager maintains a sound and effective system of risk management and internal controls.

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

ECONOMIC SUSTAINABILITY

GRI 103-1 | 103-2 | 103-3 | 201-1

MANAGEMENT APPROACH

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

Incorporating ESG considerations into the corporate strategy and business operations help to ensure sustainable business performance and accountability to Keppel DC REIT's investors, clients, workforce, and communities. As the industry continues to evolve, the Manager foresees ESG performance playing a bigger role in driving returns on investment and will increasingly and proactively integrate ESG practices to build resilience, manage risks and strengthen financial performance. This includes understanding the financial impacts of climate-related risks and opportunities on its assets and business.

PERFORMANCE AND PROGRESS

Keppel DC REIT continued to deliver distribution per Unit growth to Unitholders in 2021. The financial performance highlights may be found on pages 8 and 9 of this Annual Report.

For more information on Keppel DC REIT's portfolio and asset enhancement initiatives, please refer to page 3, as well as pages 34 to 37.

CORPORATE GOVERNANCE

GRI 103-1 | 103-2 | 103-3 | 102-16

MANAGEMENT APPROACH

Strong corporate governance and robust risk management are key to safeguard the interests of Keppel DC REIT's stakeholders and achieve long-term value creation.

To ensure strong corporate governance, the Manager adopts the Code issued by the 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 is the centrality of the Board to good corporate governance. It sets out how the Board should conduct its affairs and the appropriate level of independence and diversity in its composition. The majority of Keppel DC REIT's Board consists of independent directors.

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

The Manager also maintains a sound and effective system of risk management and internal controls. Keppel DC REIT's Enterprise Risk Management Framework 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 DC REIT's policies and limits in addressing and managing key risks identified. It guides Keppel DC 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 in the constantly evolving business landscape to emerging ESG risks and opportunities.

The Manager is committed to the timely and accurate disclosure of material information and employs various platforms of engagement with the investment community.

More information may be found on pages 158 to 183 regarding Keppel DC REIT's corporate governance guidelines and practices, and on pages 184 to 185 regarding its risk management strategy and processes.

ETHICS AND INTEGRITY

GRI 103-1 |103-2 | 103-3 | 102-16 | 102-17 | 205-2 | 205-3 | 419-1

MANAGEMENT APPROACH

The Manager has zero tolerance for corruption, bribery, fraud and unethical business practices. The Manager adopts the Employee Code of Conduct and Keppel Group Global Anti-Bribery Policy which set out the principles of conduct that guides 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.

All employees of the Manager 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. As part of the onboarding process, new employees are required to declare conflicts of interest and are informed of the Employee Code of Conduct, anti-bribery and whistle-blower policies. These policies are communicated and reinforced to all employees on an annual basis through exercises such as online training courses and declarations of adherence to the Keppel Group policies. These policies are readily available to employees through an online portal.

Third-party associates of Keppel DC REIT are required to acknowledge the Employee Code of Conduct, which includes anti-bribery and anti-corruption sections.

The Regulatory Compliance Governance Structure is in place to enhance overall corporate governance and manage anti-corruption efforts. The Board regularly reviews anti-corruption policies, 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.

Keppel DC REIT has a Whistle-Blower Policy which provides the mechanisms by which employees, customers, suppliers, and other stakeholders may raise concerns or report, in good faith, incidents of actual or suspected illegal and/or unethical conduct and violation of laws & regulations, without fear of reprisal. Any concerns or issues can be reported through the whistle-blower reporting channel operated by an independent third party. Matters under the Whistle-Blower Policy are reported to the Head of Internal Audit who reports directly to the ARC Chairman (an independent director) on all matters arising under the Whistle-Blower Policy. The ARC reviews the Whistle-Blower Policy annually to ensure a proper process for investigation and follow-up of any incident. See pages 176 to 177 for more details on the Whistle-Blower Policy.

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

The Manager has a formal Insider Trading Policy on dealings in the securities of Keppel DC REIT, which sets out the implications of insider trading and guidance on such dealings. This policy is applicable to all the directors and officers of Keppel DC REIT. See pages 171 to 172 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. Pursuant to this Dealing in Securities Policy, the trading of rights and the subscription of excess rights of Keppel DC REIT Units are subject to trade clearance/restrictions. See page 171 for more details on the Dealing in Securities Policy.

PERFORMANCE AND PROGRESS

All employees, including part-timers and contract staff, as well as senior management and Board of Directors of the Manager received mandatory training on anti-corruption policies and procedures in 2021, as part of annual training on key policies and procedures and regular compliance trainings.

In 2021, there was no confirmed incident of corruption, bribery or fraud, nor any non-compliance with laws or regulations.

BUILDING AND SERVICE QUALITY

GRI 103-1 |103-2 | 103-3

MANAGEMENT APPROACH

Keppel DC REIT's building and service quality directly affects the quality of its portfolio and hence its clientele base. The Manager is committed to ensuring high standards of building quality and service levels to support clients' needs, including the physical security of the assets, as well as providing a safe and healthy environment for building occupants and visitors.

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

The Manager aligns its practices with international standards to achieve high technical specifications and operational resilience for its data centres. Keppel DC REIT's global clientele includes internet enterprises, telecommunications, information technology and financial services firms, as well as corporations with strict service level requirements for high operational resilience. A breakdown of Keppel DC REIT's client profile by trade sector is available on page 36.

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

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

To ensure the resiliency of the data centres, Business Continuity Management exercises are carried out regularly to prepare for, prevent and mitigate potential risks through robust power outage scenario planning, as well as fire and influenza pandemic drills. The Manager also monitors the occurrence of incidents across its colocation assets, to identify potential issues which can be mitigated by proactive measures.

A key aspect of service quality is providing building occupants with a clean, safe and secure working environment. Read more about how Health and Safety is managed on pages 81 to 82.

PERFORMANCE AND PROGRESS

Keppel DC REIT's colocation assets achieved various sustainability and ISO certifications indicating the attainment of nationally and internationally recognised standards of management. The list of sustainability certifications and awards of the assets is on page 77.

The Manager engages with its colocation clients and conducts a customer satisfaction survey annually to seek valuable feedback relating to infrastructure resiliency, service delivery and physical security of the facilities. In the 2021 customer satisfaction survey, there was an overall improvement in the "Data Protection & Client Privacy" category. "Physical Security" and "Building & Service Quality" satisfaction also maintained good ratings. Together with the facility managers, the Manager consistently reviews feedback from clients to address their concerns where possible.

There were zero recorded cases of contractual breaches of customer privacy and zero non-compliance with applicable regulations and standards across the portfolio.

CYBERSECURITY AND DATA PRIVACY

GRI 103-1 | 103-2 | 103-3 | 418-1

MANAGEMENT APPROACH

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

Cybersecurity and data privacy is managed at the Keppel Group level by the Keppel Group Cybersecurity team and Keppel Capital's Information Technology (IT) team.

Keppel DC REIT adopts the Keppel Group Technology and Data Risk Management (TDRM) standards and framework. The TDRM framework assesses the risks of IT and operational technology systems, including technology, data and cyber risks,

SUSTAINABILITY AWARDS, ACCREDITATIONS AND CERTIFICATIONS

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

and provides guidance to develop and implement risk mitigation and control measures that commensurate with the criticality of the information assets. Policies and procedures governing the monitoring and management of cybersecurity incidents from preparation, identification, tracking and closure are established and reviewed on an annual basis for effectiveness.

The policies cover the following:

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

Cybersecurity trainings are conducted annually and are mandatory for all staff.

PERFORMANCE AND PROGRESS

In 2021, Keppel Group conducted a series of cybersecurity training and awareness sessions for all employees, including employees of the Manager. The training covered awareness of cybersecurity threats and timely reporting and resolution of potential security incidents.

The colocation assets in Dublin also achieved the SOC 2 compliance certification, a voluntary compliance standard for service organisations, developed by the American Institute of CPAs (AICPA), which specifies how organisations should manage customer data, as well as the Payment Card Industry Data Security Standard (PCIDSS) attestation, which is a set of security protocol mandated by credit card companies.

There were no substantiated complaints received concerning breaches of customer privacy, nor any leaks, thefts, or losses of customer data identified in 2021.

SUSTAINABLE SUPPLY CHAIN MANAGEMENT

GRI 103-1 | 103-2 | 103-3 | 102-9

MANAGEMENT APPROACH

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

The Manager assesses the track record, quality and reputation of potential suppliers and partners to ensure that best practices are upheld. In addition, sustainability policies, performance, procedures, accreditations and certifications are considered in the assessment, such as ISO 14001- and bizSAFE-certified service providers and suppliers.

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

All suppliers that provide Keppel DC REIT with products and services valued at $200,000 or more per contract or over cumulative purchase orders in the calendar year are expected to sign and abide by the Keppel Supplier Code of Conduct.

PERFORMANCE AND PROGRESS

There were no known instances of non-compliance with any applicable regulations regarding human rights and labour practices throughout Keppel DC REIT's supply chain. There were also no operations or suppliers with significant risks of forced or compulsory labour practices.

The Manager will continue to review and assess its suppliers and partners to encourage adoption of the Keppel Supplier Code of Conduct in their business conduct, labour practices, safety and health, as well as local environmental regulations.

PEOPLE AND COMMUNITY

THE MANAGER PROVIDES A CONDUCIVE ENVIRONMENT FOR ITS PEOPLE TO COLLABORATE, INNOVATE AND SHARE IDEAS AMIDST A CULTURE OF RECOGNITION AND APPRECIATION.

Keppel DC REIT invests in the development and wellbeing of its people and communities, wherever it operates. The Manager believes that it has the responsibility to support and enhance their lives and livelihoods, to bring about positive impacts to the society.

HUMAN CAPITAL MANAGEMENT

GRI 103-1 | 103-2 | 103-3 | 102-8 | 401-1 | 401-2 | 403-6 | 404-1 | 404-2 | 404-3

MANAGEMENT APPROACH

A talented and engaged workforce is key to Keppel DC REIT's continued growth and success. The Manager is committed to build 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 amidst a culture of recognition and appreciation, by focusing on five key areas:

Activities like meal gatherings were organised to encourage employees to stay resilient and keep morale high.

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 acquisitions and mentorship

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

NEW HIRES AND TURNOVER BY GENDER AND AGE GROUP

	New Hire		Turnover	
	No. of Employees	Rate (%)	No. of Employees	Rate (%)
By Gender				
Male	3	20	2*	13
Female	6	40	2	13
By Age Group				
Under 30 years old	3	20	2	13
30–50 years old	6	40	2*	13
Over 50 years old	–	–	–	–

* Excludes the transfer of nine employees within Keppel Capital or to the Keppel Group, mainly as part of a reorganisation exercise.

PERFORMANCE AND PROGRESS

Employee Profile

As at end-2021, the Manager's workforce consisted of 15 full-time permanent employees, comprising nine females and six males. The dedicated Investment, Asset Management, Finance and Portfolio Management headcounts are seconded from Keppel Capital to the Manager. All of the Manager's employees were hired from and based in Singapore. There were nine employees who were transferred within Keppel Capital or to the Keppel Group, mainly as part of a reorganisation exercise to leverage the strengths of an expanded investment and asset management team. The Manager will continue to be fully supported by the expanded team to drive continuous growth. More information on the Manager's Board of Directors and management team is available from pages 12 to 16.

The Manager continues to be supported by Keppel Capital for centralised functions such as Investor Relations, Risk and Compliance, Human Resources, IT, as well as Legal and Corporate Secretarial. None of the Manager's employees are currently covered under any collective bargaining agreements.

Investing in Talent

To attract and retain talent, the Manager offers competitive compensation and comprehensive benefits to all full-time employees. These benefits include life insurance, healthcare benefits, annual, medical and parental leave entitlements, as well as contributions to the local pension fund i.e., the Central Provident Fund in Singapore.

Employees are motivated and rewarded through a merit-based approach. The Manager's robust performance management framework supports career planning and development through regular performance reviews that serve as a platform for employees to have a dialogue about their career goals, work satisfaction and developmental needs with their supervisors. Goals and targets are set around four key areas of financial, process, customers and stakeholders, and people. These reviews help determine development opportunities, training, promotion, and compensation for employees. 100% of eligible employees of the Manager received annual performance and career development reviews in 2021.

To build a talent pool early on, Keppel Capital participated in Keppel Group's internship programme and the SGUnited Traineeship programme to help Singaporean fresh graduates gain valuable industry experience, amidst a weaker hiring market during the COVID-19 outbreak.

Keppel DC REIT also seeks to develop talent from within by identifying talented and high-potential employees for internal opportunities. Its talent management framework puts in place a process for developing and preparing potential successors for leadership responsibilities.

Developing People

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 and meet future needs of Keppel DC REIT. They are able to discuss their training needs with their supervisors and identify skills gaps with a skills navigation tool implemented by the human resources department.

In 2021, with telecommuting remaining the norm due to the COVID-19 pandemic, employees continued to engage in digital learning. A week-long virtual learning festival was held to provide opportunities for employees to attend talks related to digitalisation and sustainability, in order to ensure they keep up to date on key industry trends. There were also hands-on programmes to equip them with skills for the digital economy, such as Visual Basic for Application and Introduction to Python Programming.

Employees were also introduced to the LinkedIn Learning platform, which comprises a digital library of over 16,000 courses covering a wide range of topics that they can access anytime from anywhere.

There is also an employee development scheme that supports employees who aspire to upgrade themselves with a higher professional certification that will aid in their career progression. Employees are eligible for up to seven working days of examination leave in any calendar year for both company-sponsored and work related self-sponsored courses.

Many training programmes that were held before the COVID-19 pandemic continued to be put on hold, due to restrictions on physical meetings. As such, training hours in 2021 were lower as compared to pre-pandemic times. As more digital learning opportunities are made available and the pandemic situation improves, the Manager will work towards reactivating more training programmes to continue meeting its target of at least 20 hours of training per employee on average in 2022.

Talent Management and Succession Planning

Continuous development of existing and new leaders is also critical. This ensures a pipeline of talent for succession planning and business continuity. The Manager has a succession planning and talent management framework to identify and develop its future leaders. The succession plans for the CEO are discussed and reviewed with the Manager's Nominating and Remuneration Committee and the Keppel Group on an annual basis. Succession planning is also part of senior management's yearly targets.

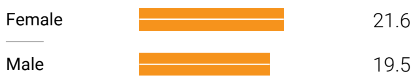
The Manager benefits from being part of a larger Group and its ability to draw talent from the Group, leveraging the Keppel Group's centralised talent management platform, programmes and resources to further support its efforts to drive leadership and executive development. The Keppel Young Leaders Programme is one example where high-potential employees across all business units in Keppel Group can learn through projects and knowledge sharing sessions to prepare them for elevated responsibilities, as well as gain access to senior management across the Group for mentoring and guidance. The Keppel Leadership Institute also helps identify and develop future leaders from within by preparing them for leadership responsibilities and the business challenges of the future.

TRAINING HOURS

20.3hrs

of training on average per employee in 2021

TRAINING HOURS PER EMPLOYEE BY GENDER



TRAINING HOURS PER EMPLOYEE BY EMPLOYEE CATEGORY

[1] Includes senior management and heads of department.

PERCENTAGE OF MALES AND FEMALES PER EMPLOYEE CATEGORY

	2021		2020		2019	
	Male	Female	Male	Female	Male	Female
Board	85.7	14.3	85.7	14.3	85.7	14.3
Managerial[1]	60.0	40.0	66.7	33.3	50.0	50.0
Executive	30.0[2]	70.0[2]	75.0	25.0	75.0	25.0

PERCENTAGE BY AGE GROUP PER EMPLOYEE CATEGORY

	2021			2020			2019		
	<30 years old	30–50 years old	>50 years old	<30 years old	30–50 years old	>50 years old	<30 years old	30–50 years old	>50 years old
Board	–	–	100.0	–	14.3	85.7	–	14.3	85.7
Managerial[1]	–	100.0	–	–	100.0	–	–	100.0	–
Executive	30.0	70.0	–	12.5	87.5	–	25.0	75.0	–

1 Includes senior management or heads of department.
2 Changes in percentage by gender in 2021 employee group was mainly due to the transfer of nine employees (see more information on New Hires and Turnover).

Engaging Employees
2021 continued to be a challenging period amidst intermittent lockdowns and evolving safety advisories from authorities. It was more important than ever to engage employees on their views and needs.

Activities were organised to encourage employees to stay resilient and keep morale high. During the Appreciation Month in August, Keppel Capital organised a virtual Amazing Race for staff to bond and unwind. Fruit baskets were also delivered to staff to show appreciation for their grit and resilience in adjusting to the challenges caused by COVID-19. The Group organised a global event where a musical duo performed song dedications for all employees. The Manager also organised team activities where employees bonded over games, cooking classes and meals.


Employees engaged in team bonding activities.

The Keppel Group 2021 Employee Engagement Survey was conducted by an independent third party and helped to gauge engagement levels as well as the efficacy of the Manager's employee engagement initiatives. The employee engagement score was above 75%. The results of the survey provided insights for the Manager to refine its strategies on innovation and growth, people development, collaboration, agility, sustainability, employee engagement and execution.

As a follow up to the 2021 Employee Engagement Survey, focus groups were organised with employees to better understand the data and to gather their feedback on areas of focus to further improve engagement. The collated feedback was presented to senior management and new engagement initiatives will be rolled out in 2022. Virtual townhalls were held to ensure that company direction and plans were communicated to the staff to enable them to play an active role towards achieving Keppel's Vision 2030.

DIVERSITY AND INCLUSION
GRI 103-1 | 103-2 | 103-3 | 405-1 | 406-1

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

The Manager ensures equal opportunities in hiring, career development opportunities, 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.

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 Corporate Statement on Human Rights 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 DC REIT's corporate website.

The Manager has effective procedures and processes in place for the reporting of incidents of discrimination and responds to all reports in a timely manner.

PERFORMANCE AND PROGRESS

The Manager continues to promote diversity and inclusion in the workplace, including the provision of parental leave to encourage gender equality in parental responsibilities, as well as continuing to support diversity on the Board and senior management, with a target to achieve at least 25% female Board representation by 2025.

The learning festival held in 2021 also featured a talk on how employees can contribute to a culture of inclusion in the workplace and thrive through diversity.

In 2021, there were no incidents of discrimination reported.

EMPLOYEE HEALTH AND WELLBEING

GRI 103-1 | 103-2 | 103-3 | 403-1 | 403-2 | 403-5 | 403-6 | 403-9

MANAGEMENT APPROACH

The Manager is committed to ensuring the health, safety and wellbeing of its employees as a top priority as well as providing a safe work environment for all its stakeholders. Keppel DC REIT's health and safety management practice focuses on the identification and elimination of hazards and minimisation of risks. Its colocation facilities in Singapore have attained the ISO 45001:2018 Occupational Health and Safety Management Systems certification.

The Manager works closely with the facility managers to implement industry best practices. Periodic inspections and maintenance of facilities and equipment are conducted by qualified specialists who help to ensure the proper implementation of all relevant safety standards. If any health and safety issues are identified, corrective action is taken, and procedures are improved if necessary. Virtual safety visits also continued to be conducted by senior management, notwithstanding travel or safe distancing restrictions in 2021.

All of Keppel DC REIT assets are equipped with state-of-the-art fire protection systems. All visitors, employees and clients are briefed on emergency evacuation routes and procedures in the event of a fire. Evacuation routes are also displayed prominently throughout the facility.

If a safety incident occurs, all details are documented in an incident reporting system. Senior management and the relevant safety personnel review this information to identify root causes and implement corrective and preventive measures to minimise the risk of similar incidents recurring. This information is also used to evaluate the effectiveness of the Manager's health and safety management.

Keppel DC REIT adopts the Keppel Zero Fatality Strategy, which outlines actionable measures to prevent workplace fatalities through five strategic thrusts, namely, building a high-performance safety culture, adopting a proactive approach to safety management, leveraging technology to mitigate safety risks, harmonising global safety practices and competency, as well as streamlining learning from incidents.

Every Keppel employee is expected to comply with all safety policies and procedures. To prevent or mitigate safety incidents, employees are encouraged to be proactive and report any safety issues they encounter. Various platforms are available to employees to facilitate learning about best practices in health and safety, as well as for employees, contractors and partners to share knowledge and experiences regarding health and safety.

These include the annual Keppel Group Safety Convention and Global Safety Timeout, which reiterates and reinforces a strong culture of safety. Personnel at Gore Hill DC, KDC DUB 1 and KDC DUB 2 undergo training in first aid, low voltage rescue and responsibilities of a fire warden.

PERFORMANCE AND PROGRESS

In 2021, there were no fatalities, work-related injuries or safety incidents reported. The Manager remains committed to foster a culture of safety and uphold high standards and industry best practices.

Supporting Health and Wellbeing during the Pandemic

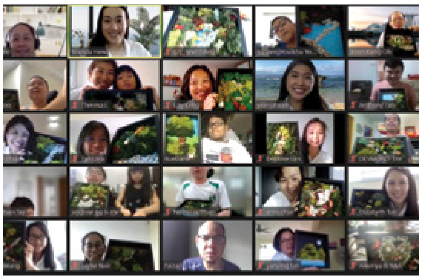
The Manager adopted flexible and hybrid work arrangements during the pandemic. Safe management measures are enforced at the office to give employees the confidence to return to the workplace safely. These include mandatory mask wearing in the office, safe distancing between persons at workstations, and regular cleaning and sanitising of common, high-touch areas.

With the continuation of remote work arrangements that may blur the lines of work and personal life, employees' physical and mental wellbeing were of concern. The Employee Assistance Programme (EAP) has been rolled out since 2020 to provide employees and their families support as they cope with the challenges of working from home and juggling family responsibilities. Employees and their dependents can access licensed counsellors on a confidential basis from the Singapore Counselling Centre for face-to-face or video counselling sessions. The Manager respects the confidentiality of personal health-related information and workers' right to privacy. Data about employees' participation in such programmes or services are not used for any favourable or unfavourable treatment.

In addition, other virtual activities were organised to support the mental wellbeing of employees, with October dedicated as the Mental Wellbeing month to spotlight the importance of mental health. This included talks that aim to create a more resilient and productive workforce by learning to handle stress at the workplace, and also the ability to provide peer psychological support. During the designated Physical Wellbeing Month in June, employees participated in a global steps challenge organised by Keppel Group to help them stay fit and healthy.

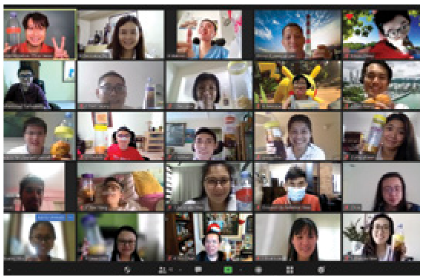
> It was a fun and rewarding experience. It gave me the opportunity to use my skills in design for a good cause and at the same time I had an enjoyable time interacting and brainstorming with Keppel Capital volunteers.
>
> **TIMOTHY CHAN YI JUN, MDAS Member**

Some of the community engagement activities during the year include:



VIRTUAL MOSS ART ACTIVITY

Virtual get-together where volunteers and MDAS beneficiaries created art pieces from mosses that have been carefully preserved for decorative purposes through an eco-friendly process, to bring fun and education.



EDUCATIONAL SESSION ON ECO-ENZYMES

Volunteers, together with MDAS beneficiaries attended a virtual workshop on eco-enzymes to learn about the benefits of enzymes and how everyday food waste such as orange peels can be repurposed into useful products, such as washing detergents.

HUMAN LIBRARY SESSION ON MUSCULAR DYSTROPHY

Intimate sharing session on muscular dystrophy as MDAS beneficiaries shared with employees about their life stories and the challenges they face in their day-to-day lives.

FESTIVE CARE PACKAGE DISTRIBUTION

Volunteers distributed care packages to MDAS beneficiaries, to equip them with essentials during the pandemic.

COMMUNITY DEVELOPMENT AND ENGAGEMENT

GRI 103-1 | 103-2 | 103-3

MANAGEMENT APPROACH

The Manager believes in uplifting communities where it operates through supporting initiatives that build lasting positive relationships and conducting business responsibly.

> Thanks so much Keppel and team. It warms our hearts that you have always thought about us, be it organising online games or sending us a care pack during this endemic. It was such a joy receiving it, knowing much thought was put into the care pack. Thank you!
>
> **MELDIP KAUR D/O PARAMJIT SINGH, MDAS Member**

Through Keppel Capital's Corporate Social Responsibility (CSR) initiatives, the Manager seeks to make a difference to the local communities. These include charitable donations and community engagement activities. Beyond monetary contributions, employees are encouraged to give back to society by participating in community outreach efforts. All employees are provided with two days of paid volunteerism leave each year to participate in community initiatives within the Keppel Group.

Keppel Capital takes guidance from the Business for Societal Impact (B4SI) (formerly known as LBG) community investment framework, which is the global standard for measuring and reporting on corporate community investment. It has also obtained verification for the reporting of its community outreach efforts in 2021. The verification statement for 2021 can be found on page 87.

PERFORMANCE AND PROGRESS

In 2021, Keppel DC REIT donated $55,500 to Keppel Care Foundation, to support various philanthropic initiatives and community needs.

The Manager, together with Keppel Capital, continued to partner and support its adopted charity, the Muscular Dystrophy Association (Singapore) (MDAS) in 2021. Throughout the year, volunteers leveraged technology to organise a series of interactive games and craft sessions that brought cheer to the beneficiaries, many of whom were isolated due to the COVID-19 pandemic. In 2021, the Manager, together with Keppel Capital dedicated more than 630 community hours.

To mark Keppel Community Month in August 2021, employee volunteers across Keppel Capital partnered with beneficiaries from MDAS to design birthday cards for patients of The National Kidney Foundation (NKF). A total of 250 birthday cards in five different designs, each bearing the name of the MDAS beneficiary who had designed the cards were printed and delivered to NKF. Keppel Capital also prepared 100 cookie bags for frontliners at NKF as a token of appreciation for their efforts.

The Keppel DC REIT team in Ireland supported various programmes, as described below, to positively impact their local communities.

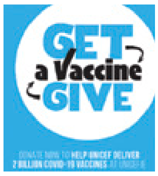
DCS FOR BEES

With one-third of the bee species in Ireland threatened by extinction, it is crucial to reverse their decline to protect biodiversity. The Manager supported the "DCs for Bees" programme organised by Host in Ireland in conjunction with the National Biodiversity Data Centres, which aims to bring the data centre industry together to save Ireland's declining bee population and other indigenous pollinators.

At KDC DUB 1, hawthorn shrubs were planted and more than 800 bluebell bulbs sowed as these plants are good pollen sources for the bees. At KDC DUB 2, a wildflower meadow was planted to nurture bees and other insects.

The Manager also committed to plant 125 fruit trees at its data centres in Dublin as well as within schools and the local community to help provide shelter and food for the bees.

GET A VACCINE GIVE A VACCINE



Donation to UNICEF's "Get a Vaccine Give a Vaccine" campaign to address vaccine inequality around the world. Employees in Ireland were also encouraged to donate. For every €75 donated, 15 people in underprivileged countries will receive a COVID-19 vaccination.

GRI CONTENT INDEX

GRI 102-55

GRI Standard	Disclosure Number	Disclosure Title	Page Reference and Remarks	Connections to UN Initiatives
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	102-3	Location of headquarters	3	
	102-4	Location of operations	22-23	
	102-5	Ownership and legal form	3, 10–11	
	102-6	Markets served	22–33	
	102-7	Scale of the organisation	3, 8–9, 22–23, 78	
	102-8	Information on employees and other workers	78	
	102-9	Supply chain	77	
	102-10	Significant changes to the organisation and its supply chain	There are no significant changes to the organisation and its supply chain.	
	102-11	Precautionary Principle or approach	71	
	102-12	External initiatives	67, 72	
	102-13	Membership of associations	67	
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	102-47	List of material topics	64	
	102-48	Restatements of information	70	
	102-49	Changes in reporting	64–65	
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	102-51	Date of most recent report	The 2020 sustainability report was published in March 2021.	
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	103-3	Evaluation of the management approach	69–71	
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	70	
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	302-3	Energy intensity	70	
		Emissions		
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	69	SDG 11 UNGC Principles 7, 8, 9
	103-2	The management approach and its components	69	
	103-3	Evaluation of the management approach	69–71	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	69–70	
	305-2	Energy indirect (Scope 2) GHG emissions	69–70	
	305-3	Other indirect (Scope 3) GHG emissions	69	
	305-4	GHG emissions intensity	70	

GRI Standard	Disclosure Number	Disclosure Title	Page Reference and Remarks	Connections to UN Initiatives
		Climate Change Adaptation		
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		Waste Management		
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GRI 303: Water and Effluents	303-1	Interactions with water as a shared resource	73	
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	103-2	The management approach and its components	74–75	
	103-3	Evaluation of the management approach	74–75	
		Ethics and Integrity		
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	75	SDG 16 UNGC Principle 10
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	103-3	Evaluation of the management approach	75–76	
GRI 205 Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	75	
	205-3	Confirmed incidents of corruption and actions taken	76	
GRI 419: Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	76	
		Building and Service Quality		
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	76	SDG 9, 11
	103-2	The management approach and its components	76	
	103-3	Evaluation of the management approach	76	
		Cybersecurity and Data Privacy		
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	76–77	
	103-2	The management approach and its components	76–77	
	103-3	Evaluation of the management approach	77	
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	77	
		Sustainable Supply Chain Management		
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	77	SDG 12 UNGC Principles 1, 2, 4, 5
	103-2	The management approach and its components	77	
	103-3	Evaluation of the management approach	77	

GRI CONTENT INDEX

GRI 102-55

GRI Standard	Disclosure Number	Disclosure Title	Page Reference and Remarks	Connections to UN Initiatives
		PEOPLE AND COMMUNITY		
		Human Capital Management		
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	78	SDG 8 UNGC Principles 3, 4, 5, 6
	103-2	The management approach and its components	78	
	103-3	Evaluation of the management approach	78–80	
GRI 401: Employment	401-1	New employee hires and employee turnover	78	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	78–79	
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	79	
	404-2	Programs for upgrading employee skills and transition assistance programs	79	
	404-3	Percentage of employees receiving regular performance and career development reviews	79	
		Diversity and Inclusion		
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	80–81	SDG 8 UNGC Principles 1, 2
	103-2	The management approach and its components	80–81	
	103-3	Evaluation of the management approach	81	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	80	
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	81	
		Employee Health and Wellbeing		
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	81–82	SDG 3
	103-2	The management approach and its components	81–82	
	103-3	Evaluation of the management approach	82	
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	81	
	403-2	Hazard identification, risk assessment, and incident investigation	81	
	403-5	Worker training on occupational health and safety	82	
	403-6	Promotion of worker health	82	
	403-9	Work-related injuries	82	
		Community Development and Engagement		
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	83	SDG 17
	103-2	The management approach and its components	83	
	103-3	Evaluation of the management approach	83	

BUSINESS FOR SOCIETAL IMPACT (B4SI) VERIFICATION 2021

BUSINESS FOR SOCIETAL IMPACT
CORPORATE CITIZENSHIP
VERIFIED
2021

Corporate Citizenship is a global consulting firm which specialises in responsible and sustainable business, as well as manages the Business for Societal Impact (B4SI) Framework (formerly known as LBG).

Corporate Citizenship conducted a verification of the use of the B4SI framework by Keppel Capital – a member of the B4SI network – to measure and report on its corporate community investment (CCI) activities across its entities including Keppel DC REIT, occurring between 1 January to 31 December 2021.

The B4SI Framework helps businesses to measure, manage and report on their CCI activities. It moves beyond charitable donations to include the full range of contributions, or inputs, made to community causes. It also assesses the actual results for the community and for the business, which are known as outputs and impacts.

The purpose of the verification has been to assess whether the B4SI Framework, and its guidance, are correctly and consistently applied by Keppel DC REIT in its reporting.

The scope of the B4SI verification covers the information presented in the Community Development section of Keppel DC REIT's Sustainability Report for 2021, on pages 82 to 83.

This includes the following data:

- Cash
- Time
- In-kind donations

Corporate Citizenship is satisfied, based on the limited scope described above, that Keppel DC REIT has sufficiently applied the guidance set out in the B4SI Manual for Corporate Community Investment. Verification has not extended to an independent audit of the data presented in this report.

For more information on B4SI, please visit: https://b4si.net/

CORPORATE INFORMATION

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Marina Bay Financial Centre
Singapore 018981
Phone: +65 6908 8203
Fax: +65 6438 0255

Principal Business Address
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Singapore 049318

AUDITOR

PricewaterhouseCoopers LLP
7 Straits View
Marina One, East Tower
Level 12, Singapore 018936
Phone: +65 6236 3388

Partner-in-charge: Yeow Chee Keong
(With effect from financial year ended 31 December 2017)

THE MANAGER

Keppel DC REIT Management Pte. Ltd.
(a member of Keppel Capital Holdings Pte. Ltd.)
Registered Address
1 HarbourFront Avenue
#18-01 Keppel Bay Tower
Singapore 098632
Phone: +65 6803 1818
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Principal Business Address
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Singapore 098632

Investor Relations Contact
Phone: +65 6803 1679
Email: investor.relations@keppeldcreit.com

UNIT REGISTRAR AND UNIT TRANSFER OFFICE

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(a member of Boardroom Limited)
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COMPANY SECRETARY

Chiam Yee Sheng

DIRECTORS OF THE MANAGER

Christina Tan
Chairman and Non-Executive Director

Kenny Kwan
Lead Independent Director

Lee Chiang Huat
Independent Director

Dr Tan Tin Wee
Independent Director

Dileep Nair
Independent Director

Low Huan Ping
Independent Director

Thomas Pang
Non-Executive Director

AUDIT AND RISK COMMITTEE

Lee Chiang Huat
Chairman

Dileep Nair

Low Huan Ping

NOMINATING AND REMUNERATION COMMITTEE

Dr Tan Tin Wee
Chairman

Christina Tan

Dileep Nair

Kenny Kwan

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

Thomas Pang
Chairman

Low Huan Ping

Dr Tan Tin Wee

FINANCIAL STATEMENTS

GOVERNANCE

OTHER INFORMATION

REPORT OF THE TRUSTEE

For the year ended 31 December 2021

Perpetual (Asia) Limited (the "Trustee") is under a duty to take into custody and hold the assets of Keppel DC REIT (the "Trust") and its subsidiaries (collectively, the "Group") in trust for the holders of units ("Unitholders") in the Trust. In accordance with, inter alia, the Securities and Futures Act, Chapter 289 of Singapore, its subsidiary legislation and the Code on Collective Investment Schemes and the Listing Manual (collectively referred to as the "laws and regulations"), the Trustee shall monitor the activities of Keppel DC REIT Management Pte. Ltd. (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 17 March 2011 (as amended) (the "Trust Deed") between the Manager and the Trustee in each annual accounting period and report thereon to Unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed Keppel DC REIT and its subsidiaries during the period covered by these financial statements, set out on pages 90 to 157 in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee,
Perpetual (Asia) Limited

Sin Li Choo
Director

Singapore, 18 February 2022

STATEMENT BY THE MANAGER

For the year ended 31 December 2021

In the opinion of the directors of Keppel DC REIT Management Pte. Ltd., the accompanying financial statements of Keppel DC REIT (the "Trust") and its subsidiaries (collectively, the "Group") set out on pages 90 to 157, comprising the Statements of Financial Position for the Group and the Trust, the Portfolio Statement of the Group as at 31 December 2021, the Consolidated Statement of Profit and Loss of the Group, the Consolidated Statement of Comprehensive Income of the Group, the Statements of Movements in Unitholders' Funds of the Group and the Trust, and the Consolidated Statement of Cash Flows and the Distribution Statement of the Group, and the Notes to the Financial Statements for the year have been drawn up so as to present fairly, in all material respects, the financial positions of the Group and the Trust and the portfolio statement of the Group, as at 31 December 2021, the consolidated profit and loss of the Group, the consolidated comprehensive income of the Group, the movements in Unitholders' funds of the Group and the Trust, and the distribution statement and the consolidated cash flows of the Group for the year ended in accordance with the Singapore Financial Reporting Standards (International) and the provisions of the Trust Deed dated 17 March 2011 (as amended) and the relevant requirements of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore. At the date of this statement, there are reasonable grounds to believe that the Trust will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager,
Keppel DC REIT Management Pte. Ltd.

Christina Tan

Christina Tan
Director

Singapore, 18 February 2022

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF KEPPEL DC REIT

(Constituted under a Trust Deed in the Republic of Singapore)

Our opinion

In our opinion, the accompanying consolidated financial statements of Keppel DC REIT (the "Trust") and its subsidiaries (the "Group") and the statement of financial position and statement of movements of unitholders' funds of the Trust are properly drawn up in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") and applicable requirements of the Code on Collective Investment Schemes relating to financial reporting (the "CIS Code") so as to present fairly, in all material respects, the consolidated financial position of the Group and the financial position of the Trust and the portfolio statement of the Group as at 31 December 2021 and the consolidated financial performance of the Group, the consolidated distribution statement of the Group, the consolidated movements of unitholders' funds of the Group and movements in unitholders' funds of the Trust, and the consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of the Group and the Trust comprise:

- the statements of financial position of the Group and the Trust as at 31 December 2021;
- the consolidated statement of profit and loss of the Group for the year ended 31 December 2021;
- the consolidated statement of comprehensive income of the Group for the year ended 31 December 2021;
- the statements of movements in unitholders' funds of the Group and the Trust for the year ended 31 December 2021;
- the consolidated statement of cash flows of the Group for the year then ended;
- the distribution statement of the Group for the year then ended;
- the portfolio statement of the Group as at 31 December 2021; 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 2021. 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 4 – Investment Properties The Group owns a portfolio of investment properties stated at their fair value based on independent external valuations. Information relating to these investment properties are disclosed in Note 4 to the financial statements. As at 31 December 2021, the carrying value of the Group's investment properties of $3.4 billion accounted for about 90.0% of the Group's total assets.	Our audit procedures included the following: • assessed the competence, capabilities and objectivity of the external valuers engaged by the Group; • obtained an understanding of the techniques used by the external valuers in determining the valuation of individual investment properties; • discussed the significant judgements made by the external valuers for the key inputs used in the valuation techniques; • tested the integrity of information, including underlying lease and financial information provided to the external valuers;

Key Audit Matter	How our audit addressed the key audit matter
The valuation of investment properties was a key audit matter due to the significant judgement in the key inputs used in valuation techniques. These key inputs include capitalisation rates and discount rates and are dependent on the nature of each investment property and the prevailing market conditions. The key inputs are disclosed in Note 31 to the accompanying financial statements.	• assessed the reasonableness of the capitalisation rates and discount rates by benchmarking these against those of comparable properties and prior year inputs; and • discussed the COVID-19 implications on the critical assumptions used by the external valuers. We have also assessed the adequacy of the disclosures relating to the assumptions, as we consider them as likely to be significant to users of the financial statements given the estimation uncertainty and sensitivity of the valuations. We found the external valuers to be members of recognised bodies for professional valuers. We also found that the valuation techniques used were appropriate in the context of the Group's investment properties and the critical assumptions used for the key inputs were within the range of market data.

Other information
The Manager is responsible for the other information. The other information comprises the information included in Report of the Trustee, and Statement by the Manager, (but does not include the financial statements and our auditor's report thereon) which we obtained prior to the date of this auditor's report, and other sections of the Trust's annual report ("Other Sections"), which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of the Manager for the financial statements
The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with Singapore Financial Reporting Standards International ("SFRS(I)"), applicable requirements of the Code on Collective Investment Schemes relating to financial reporting (the "CIS Code") and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to terminate the Group or to cease the Group's operations, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF KEPPEL DC REIT

(Constituted under a Trust Deed in the Republic of Singapore)

Auditor's responsibilities for the audit of the financial statements (continued)
As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Yeow Chee Keong.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore, 18 February 2022

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2021

		Group		Trust	
	Note	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Non-current assets					
Investment properties	4	**3,401,436**	3,005,038	**526,726**	483,182
Property under development	5	**–**	24,676	**–**	–
Investment in subsidiaries	6	**–**	–	**2,128,751**	1,946,969
Loans to subsidiaries	7	**–**	–	**335,854**	332,493
Investment in a joint venture	8	**–**	–	**–**	–
Notes receivables	9	**85,768**	–	**85,768**	–
Trade and other receivables	10	**24,798**	13,161	**–**	–
Derivative financial assets	11	**3,954**	39	**1,747**	39
Deferred tax assets	12	**2,006**	2,353	**–**	–
		3,517,962	3,045,267	**3,078,846**	2,762,683
Current assets					
Notes receivables	9	**2,932**	–	**2,932**	–
Trade and other receivables	10	**50,373**	54,381	**31,079**	45,238
Derivative financial assets	11	**2,540**	34	**2,540**	34
Deposits	13	**10,402**	–	**–**	–
Intangible assets	14	**–**	2,723	**–**	2,723
Tax recoverable	15	**–**	3,036	**–**	–
Cash and cash equivalents	16	**195,941**	244,387	**90,590**	116,711
		262,188	304,561	**127,141**	164,706
Total assets		**3,780,150**	3,349,828	**3,205,987**	2,927,389
Current liabilities					
Loans from subsidiaries	17	**–**	–	**158,659**	127,914
Loans and borrowings	18	**163,037**	144,316	**–**	–
Trade and other payables	19	**50,143**	79,951	**21,429**	19,622
Derivative financial liabilities	11	**892**	2,362	**317**	1,986
Provision for taxation	15	**6,537**	6,989	**2,239**	2,913
		220,609	233,618	**182,644**	152,435
Non-current liabilities					
Loans from subsidiaries	17	**–**	–	**1,045,121**	1,022,486
Loans and borrowings	18	**1,136,233**	1,043,604	**7,726**	11,182
Derivative financial liabilities	11	**5,290**	24,447	**–**	1,227
Provision	20	**20,025**	21,100	**–**	–
Deferred tax liabilities	12	**62,317**	44,817	**13,191**	8,136
		1,223,865	1,133,968	**1,066,038**	1,043,031
Total liabilities		**1,444,474**	1,367,586	**1,248,682**	1,195,466
Net assets		**2,335,676**	1,982,242	**1,957,305**	1,731,923
Represented by:					
Unitholders' funds		**2,293,247**	1,944,652	**1,957,305**	1,731,923
Non-controlling interests	28	**42,429**	37,590	**–**	–
		2,335,676	1,982,242	**1,957,305**	1,731,923
Units in issue ('000)	22	**1,715,512**	1,633,121	**1,715,512**	1,633,121
Net asset value per Unit ($)		**1.34**	1.19	**1.14**	1.06

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

Year ended 31 December 2021

	Note	Group 2021 $'000	Group 2020 $'000
Gross revenue	23	271,065	265,571
Property operating expenses	24	(22,911)	(21,405)
Net property income		248,154	244,166
Finance income		558	445
Finance costs	25	(21,215)	(18,730)
Trustees' fees		(470)	(416)
Manager's base fee		(15,375)	(13,741)
Manager's performance fee		(8,411)	(7,936)
Audit fees		(382)	(383)
Valuation fees		(271)	(408)
Net gains/(losses) on derivatives		4,400	(1,092)
Other trust expenses		(6,412)	(9,800)
Profit before joint venture		200,576	192,105
Share of results of a joint venture	8	(1,000)	–
Profit before divestment of a subsidiary and net change in fair value of investment properties		199,576	192,105
Loss on divestment of a subsidiary	6	(200)	–
Net change in fair value of investment properties	26	151,373	645
Profit before tax		350,749	192,750
Tax expenses	27	(29,176)	(21,022)
Profit after tax		321,573	171,728
Profit attributable to:			
Unitholders		313,656	168,152
Non-controlling interests	28	7,917	3,576
		321,573	171,728
Earnings per Unit (cents)			
- Basic and diluted	29	18.87	10.30
- Basic and diluted (excluding net change in fair value of investment properties and their related deferred tax impact)	29	10.37	10.64

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2021

	Note	Group 2021 $'000	Group 2020 $'000
Profit after tax		321,573	171,728
Other comprehensive income/(loss):			
Movement in fair value of cash flow hedges		19,979	(19,105)
Realisation of net current translation differences upon divestment of a subsidiary		110	–
Foreign currency translation movement		(8,838)	26,596
Total other comprehensive income		11,251	7,491
Total comprehensive income		332,824	179,219
Attributable to:			
Unitholders		324,910	175,626
Non-controlling interests		7,914	3,593
		332,824	179,219

The accompanying notes form an integral part of these financial statements.

STATEMENT OF MOVEMENTS IN UNITHOLDERS' FUNDS

Year ended 31 December 2021

Group (2021)	Note	Units in Issue $'000	Foreign Currency Translation Reserve $'000	Hedging Reserve $'000	Other Reserve $'000	Accumulated Profits $'000	Unitholders' Funds $'000	Non-Controlling Interests $'000	Total $'000
At 1 January 2021		1,859,299	14,594	(23,595)	(95,751)	190,105	1,944,652	37,590	1,982,242
Operations									
Profit after tax for the year		-	-	-	-	313,656	313,656	7,917	321,573
Net increase in net assets resulting from operations		-	-	-	-	313,656	313,656	7,917	321,573
Other comprehensive income/(loss)									
Movement in hedging reserve	21(b)	-	-	19,979	-	-	19,979	-	19,979
Realisation of net currency translation differences upon divestment of subsidiary	6	-	110	-	-	-	110	-	110
Foreign currency translation movement		-	(8,835)	-	-	-	(8,835)	(3)	(8,838)
Net increase in other comprehensive income		-	(8,725)	19,979	-	-	11,254	(3)	11,251
Unitholders' transactions									
Net increase in net assets resulting from Unitholders' contribution	22	202,024	-	-	-	-	202,024	-	202,024
Distributions to Unitholders	22	(10,652)	-	-	-	(171,310)	(181,962)	-	(181,962)
Payment of management fees in Units	22	3,623	-	-	-	-	3,623	-	3,623
Net increase in net assets resulting from Unitholders' transactions		194,995	-	-	-	(171,310)	23,685	-	23,685
Dividends paid to non-controlling interests		-	-	-	-	-	-	(3,075)	(3,075)
At 31 December 2021		2,054,294	5,869	(3,616)	(95,751)	332,451	2,293,247	42,429	2,335,676

The accompanying notes form an integral part of these financial statements.

Group (2020)	Note	Units in Issue $'000	Foreign Currency Translation Reserve $'000	Hedging Reserve $'000	Other Reserve $'000	Accumulated Profits $'000	Unitholders' Funds $'000	Non-Controlling Interests $'000	Total $'000
At 1 January 2020		1,855,019	(11,985)	(4,490)	(95,751)	125,225	1,868,018	34,530	1,902,548
Operations									
Profit after tax for the year		-	-	-	-	168,152	168,152	3,576	171,728
Net increase in net assets resulting from operations		-	-	-	-	168,152	168,152	3,576	171,728
Other comprehensive income/(loss)									
Movement in hedging reserve	21(b)	-	-	(19,105)	-	-	(19,105)	-	(19,105)
Foreign currency translation movement		-	26,579	-	-	-	26,579	17	26,596
Net increase in other comprehensive income		-	26,579	(19,105)	-	-	7,474	17	7,491
Unitholders' transactions									
Net increase in net assets resulting from Unitholders' contribution	22	2,672	-	-	-	-	2,672	-	2,672
Distributions to Unitholders		-	-	-	-	(103,272)	(103,272)	-	(103,272)
Payment of management fees in Units	22	1,608	-	-	-	-	1,608	-	1,608
Net decrease in net assets resulting from Unitholders' transactions		4,280	-	-	-	(103,272)	(98,992)	-	(98,992)
Capital contributions of non-controlling interests into subsidiaries		-	-	-	-	-	-	2,900	2,900
Dividends paid to non-controlling interests		-	-	-	-	-	-	(3,433)	(3,433)
At 31 December 2020		1,859,299	14,594	(23,595)	(95,751)	190,105	1,944,652	37,590	1,982,242

The accompanying notes form an integral part of these financial statements.

STATEMENT OF MOVEMENTS IN UNITHOLDERS' FUNDS

Year ended 31 December 2021

Trust (2021)	Note	Units in Issue $'000	Hedging Reserve $'000	Other Reserve $'000	Accumulated Profits $'000	Unitholders' Funds $'000
At 1 January 2021		1,859,299	-	(95,751)	(31,625)	1,731,923
Operations						
Profit after tax for the year		-	-	-	201,697	201,697
Net increase in net assets resulting from operations		-	-	-	201,697	201,697
Unitholders' transactions						
Net increase in net assets resulting from Unitholders' contribution	22	202,024	-	-	-	202,024
Distribution to Unitholders	22	(10,652)	-	-	(171,310)	(181,962)
Payment of management fees in Units	22	3,623	-	-	-	3,623
Net increase in net assets resulting from Unitholders' transactions		194,995	-	-	(171,310)	23,685
At 31 December 2021		2,054,294	-	(95,751)	(1,238)	1,957,305

Trust (2020)	Note	Units in Issue $'000	Hedging Reserve $'000	Other Reserve $'000	Accumulated Profits $'000	Unitholders' Funds $'000
At 1 January 2020		1,855,019	3,222	(95,751)	(43,595)	1,718,895
Operations						
Profit after tax for the year		-	-	-	115,242	115,242
Net increase in net assets resulting from operations		-	-	-	115,242	115,242
Other comprehensive loss						
Movement in hedging reserve	21(b)	-	(3,222)	-	-	(3,222)
Net decrease in other comprehensive loss		-	(3,222)	-	-	(3,222)
Unitholders' transactions						
Net increase in net assets resulting from Unitholders' contribution	22	2,672	-	-	-	2,672
Distribution to Unitholders		-	-	-	(103,272)	(103,272)
Payment of management fees in Units	22	1,608	-	-	-	1,608
Net decrease in net assets resulting from Unitholders' transactions		4,280	-	-	(103,272)	(98,992)
At 31 December 2020		1,859,299	-	(95,751)	(31,625)	1,731,923

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2021

	Note	2021 $'000	2020 $'000
Cash flows from operating activities			
Profit after tax		321,573	171,728
Adjustments for:			
Tax expenses		29,176	21,022
Finance income		(558)	(445)
Finance costs	25	21,215	18,730
Amortisation of intangible assets	14	2,723	5,626
Loss on divestment of a subsidiary	6	200	–
Share of results of a joint venture		1,000	–
Net change in fair value of derivatives		(7,068)	3,141
Net change in fair value of investment properties	26	(151,373)	(645)
Management fees paid in Units		2,433	1,765
Unrealised currency translation differences		1,789	7,297
		221,110	228,219
Changes in working capital:			
Trade and other receivables		(14,091)	17,804
Trade and other payables		(7,790)	(1,969)
Cash generated from operations		199,229	244,054
Net income tax paid	15	(7,728)	(9,070)
Net cash from operating activities		191,501	234,984
Cash flows from investing activities			
Acquisitions of interests in investment properties (Note A)	4	(195,523)	(133,709)
Acquisition of a subsidiary, net of cash acquired (Note B)	6	–	7,920
Additions to investment properties		(8,764)	(23,464)
Capital expenditures on investment properties	4	(77,571)	(59,557)
Payment on property under development		(26,406)	–
Divestment of a subsidiary, net of cash received	6	33,982	–
Investment in notes and preference shares in a joint venture		(89,700)	–
Deposit paid to a vendor		(10,402)	–
Net cash used in investing activities		(374,384)	(208,810)
Cash flows from financing activities			
Gross proceeds from equity fund raising	22	204,282	–
Proceeds from borrowings		551,183	371,359
Capital contribution from non-controlling interests		–	2,900
Payment of financing transaction costs		(1,060)	(924)
Repayment of borrowings		(408,401)	(131,052)
Payment of lease liabilities		(3,950)	(51,050)
Finance costs paid		(19,789)	(17,674)
Distributions paid to Unitholders		(181,962)	(103,272)
Dividends paid to non-controlling interests		(3,075)	(3,433)
Payment of transaction costs relating to fund-raising	22	(2,258)	–
Net cash generated from financing activities		134,970	66,854
Net (decrease)/increase in cash and cash equivalents		(47,913)	93,028
Cash and cash equivalents at beginning of the year		244,387	155,876
Effects of exchange rate fluctuations on cash held		(533)	(4,517)
Cash and cash equivalents at end of the year	16	195,941	244,387

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2021

Note A – Acquisitions of interests in investment properties

In May 2020, Keppel DC REIT completed the acquisition of Kelsterbach DC. The remaining balance of the purchase consideration was paid, along with the release of the deposit, to the vendor as settlement of the purchase consideration.

In December 2020, Keppel DC REIT completed the acquisition of a 100% interest in Penta Schipol-Rijk B.V., a company incorporated in the Netherlands, which in turns hold Amsterdam DC.

In September 2021 and December 2021, Keppel DC REIT completed the acquisition of Eindhoven DC located at Dillenburgstraat 25A-25E, 25E1, 25F, 25G and 25J-25M, 5652 AM and Guangdong Data Centre located at No. 5 Bluesea Intelligence Valley, Shaping Street, Heshan, Jiangmen, Guangdong Province, People's Republic of China, respectively.

Note B – Acquisition of a subsidiary

Keppel DC REIT completed the acquisition of Borchveste Almere B.V. in May 2020. This represented the effect on the cash flows of the Group after assets acquired, liabilities assumed and net of consideration paid.

Reconciliation of liabilities arising from financing activities

			Non-cash changes			
	As at 1 January $'000	Cash flows $'000	(Disposal)/ Acquisition $'000	Interest expense $'000	Foreign exchange movement $'000	As at 31 December $'000
2021						
Bank borrowings	1,163,765	141,722	–	638	(18,959)	1,287,166
Lease liabilities	24,155	(4,772)	(8,555)	1,305	(29)	12,104
Interest payable	1,507	(18,967)	–	19,272	124	1,936
	1,189,427	117,983	(8,555)	21,215	(18,864)	1,301,206
2020						
Bank borrowings	868,871	239,383	15,356	451	39,704	1,163,765
Lease liabilities	51,848	(52,857)	21,982	2,412	770	24,155
Interest payable	1,345	(15,867)	–	15,867	162	1,507
	922,064	170,659	37,338	18,730	40,636	1,189,427

The accompanying notes form an integral part of these financial statements.

DISTRIBUTION STATEMENT

Year ended 31 December 2021

	Group	
	2021 $'000	2020 $'000
Amount available for distribution to Unitholders at beginning of the year	**95,845**	42,202
Profit after tax attributable to Unitholders after tax	**313,656**	168,152
Net tax and other adjustments (Note A)	**(142,050)**	(11,237)
Amount available for distribution to Unitholders	**267,451**	199,117
Distributions to Unitholders:		
Distribution of 1.950 cents per Unit for the period from 25/9/2019 to 31/12/2019	**–**	(31,832)
Distribution of 4.375 cents per Unit for the period from 1/1/2020 to 30/6/2020	**–**	(71,440)
Distribution of 4.795 cents per Unit for the period from 1/7/2020 to 30/12/2020	**(78,308)**	–
Distribution of 4.924 cents per Unit for the period from 1/1/2021 to 30/6/2021	**(80,438)**	–
Distribution of 1.421 cents per Unit for the period from 1/7/2021 to 22/8/2021	**(23,216)**	–
	(181,962)	(103,272)
Amount available for distribution to Unitholders at end of the year	**85,489**	95,845

Note A:

Net tax and other adjustments comprise:

	Group	
	2021 $'000	2020 $'000
Trustee's fees	**389**	341
Rental income adjustment on a straight-line basis[1]	**(2,805)**	(5,910)
Amortisation of capitalised transaction costs	**943**	451
Net change in fair value of investment properties[1]	**(146,775)**	(728)
Foreign exchange losses	**296**	1,077
Deferred tax[1]	**18,658**	14,763
Amortisation of intangible assets	**2,723**	5,626
Loss on divestment of a subsidiary	**200**	–
Share of results of a joint venture	**1,000**	–
Other net adjustments[1,2]	**(16,679)**	(26,857)
	(142,050)	(11,237)

[1] Net of non-controlling interests.
[2] Included in other net adjustments were dividends and distribution income, lease charges, other non-taxable income and non-deductible expenses.

The accompanying notes form an integral part of these financial statements.

PORTFOLIO STATEMENT

As at 31 December 2021

Description of investment properties	Location	Land tenure	Term of lease[1] (Years)	Remaining term of lease[1] (Years)	Carrying amount at fair value 2021 $'000	Carrying amount at fair value 2020 $'000	Percentage of total net assets 2021 %	Percentage of total net assets 2020 %
Fully-fitted								
DC1 [2]	Woodlands, Singapore	Leasehold	70	22	**273,000**	212,000	**11.7**	10.7
Guangdong Data Centre ("Guangdong DC")	Jiangmen Guangdong Province, People's Republic of China	Leasehold	50	45	**148,005**	-	**6.3**	-
iseek Data Centre ("iseek DC") [3]	Brisbane, Queensland, Australia	Leasehold	37	25	**-**	43,896	**-**	2.2
GV7 Data Centre ("GV7 DC")	Greenwich, London, England	Leasehold	199	161	**65,696**	66,346	**2.8**	3.3
Almere Data Centre ("Almere DC")	Almere, The Netherlands	Freehold	Not applicable	Not applicable	**155,270**	150,946	**6.6**	7.6
maincubes Data Centre ("maincubes DC")	Offenbach am Main, Germany	Freehold	Not applicable	Not applicable	**155,270**	150,706	**6.6**	7.6
Shell and core								
Intellicentre Campus ("IC DC") [4]	Macquarie Park, New South Wales, Australia	Freehold	Not applicable	Not applicable	**102,323**	58,239	**4.4**	2.9
Cardiff Data Centre ("Cardiff DC")	Cardiff, United Kingdom	Freehold	Not applicable	Not applicable	**47,447**	65,054	**2.0**	3.3
Milan Data Centre ("Milan DC")	Milan, Italy	Freehold	Not applicable	Not applicable	**60,478**	61,212	**2.6**	3.1
Kelsterbach Data Centre ("Kelsterbach DC")	Kelsterbach, Germany	Freehold	Not applicable	Not applicable	**124,216**	126,590	**5.3**	6.4
Amsterdam Data Centre ("Amsterdam DC")	Schiphol-Rijk, The Netherlands	Freehold	Not applicable	Not applicable	**45,028**	44,867	**1.9**	2.3
Eindhoven Campus ("Eindhoven DC")	Eindhoven, The Netherlands	Freehold	Not applicable	Not applicable	**57,450**	-	**2.5**	-

The accompanying notes form an integral part of these financial statements.

Description of investment properties	Location	Land tenure	Term of lease[1]	Remaining term of lease[1]	Carrying amount at fair value		Percentage of total net assets	
			(Years)	(Years)	2021 $'000	2020 $'000	2021 %	2020 %
Colocation								
Keppel DC Singapore 1 ("KDC SGP 1") [3]	Serangoon, Singapore	Leasehold	60	33	**343,725**	305,528	**14.7**	15.4
Keppel DC Singapore 2 ("KDC SGP 2")	Tampines, Singapore	Leasehold	60	29	**183,000**	177,654	**7.8**	9.0
Keppel DC Singapore 3 ("KDC SGP 3") [3]	Tampines, Singapore	Leasehold	60	30	**316,378**	268,626	**13.5**	13.5
Keppel DC Singapore 4 ("KDC SGP 4")	Tampines, Singapore	Leasehold	60	28	**426,000**	387,250	**18.2**	19.5
Keppel DC Singapore 5 ("KDC SGP 5")	Jurong, Singapore	Leasehold	30	19	**360,000**	360,000	**15.4**	18.2
Basis Bay Data Centre ("Basis Bay DC")	Cyberjaya, Malaysia	Freehold	Not applicable	Not applicable	**22,107**	23,630	**0.9**	1.2
Gore Hill Data Centre ("Gore Hill DC") [5]	Artarmon, New South Wales, Australia	Freehold	Not applicable	Not applicable	**224,135**	205,810	**9.6**	10.4
Keppel DC Dublin 1 ("KDC DUB 1")	Dublin, Republic of Ireland	Leasehold	999	977	**150,612**	153,670	**6.4**	7.8
Keppel DC Dublin 2 ("KDC DUB 2")	Dublin, Republic of Ireland	Leasehold	999	976	**141,296**	143,014	**6.0**	7.2
Total investment properties at fair value					**3,401,436**	3,005,038	**145.2**	151.6
Notes receivables (Note 9)					**88,700**	-	**3.8**	-
Other assets and liabilities (net)					**(1,154,460)**	(1,022,796)	**(49.0)**	(51.6)
Total net assets of the Group					**2,335,676**	1,982,242	**100.0**	100.0

[1] Term of lease includes option to renew the land leases.
[2] In 2021, the fit-out works for DC1 were completed and the asset was leased on a fully-fitted basis.
[3] Included in the investment properties were lease liabilities pertaining to land rent commitments and options.
[4] Intellicentre Campus comprises Intellicentre 3 East Data Centre (IC3 East DC), which was completed in 2021, and Intellicentre 2 Data Centre (IC2 DC).
[5] A portion of the premises at Gore Hill DC relates to colocation lease arrangements and the remaining portion of the premises relates to shell and core lease arrangements.

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2021

These notes form an integral part of the financial statements.

The financial statements of Keppel DC REIT (the "Trust") and its subsidiaries (collectively, the "Group") for the financial year ended 31 December 2021 were authorised for issue by the Manager on 18 February 2022.

1 General Information

Keppel DC REIT is a Singapore-domiciled real estate investment trust constituted by the trust deed dated 17 March 2011 (as amended) (the "Trust Deed") between Keppel DC REIT Management Pte. Ltd. and AEP Investment Management Pte. Ltd., together as Trustee-Managers.

Pursuant to the Deed of Appointment and Retirement dated 24 October 2014, the Trustee-Managers were replaced by Keppel DC REIT Management Pte. Ltd. (the "Manager"). Meanwhile, Perpetual (Asia) Limited (the "Trustee") was appointed as the trustee of the Trust on 24 October 2014.

The Trust Deed is governed by the laws of The Republic of Singapore. The Trustee is under a duty to take into custody and hold the assets of the Group in trust for the holders ("Unitholders") of units in the Trust (the "Units"). The address of the Trustee's registered office and principal place of business is 8 Marina Boulevard #05-02, Marina Bay Financial Centre, Singapore 018981 and 16 Collyer Quay #07-01, Singapore 049318 respectively.

The Trust was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 12 December 2014 and was included under the Central Provident Fund ("CPF") Investment Scheme on 12 December 2014.

The principal activity of the Trust is to invest, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are used primarily for data centre purposes, as well as real estate and assets necessary to support the digital economy. The principal activities of the subsidiaries are disclosed in Note 6.

The Trust has entered into several service agreements in relation to management of the Trust and its property operations. The fee structures for these services are as follows:

(a) Trustee's fees

The Trustee's fees are charged on a scaled basis of up to 0.015% per annum of the value of Deposited Property (as defined in the Trust Deed) subject to a minimum amount of $15,000 per month.

(b) Manager's fees

The Manager is entitled under the Trust Deed to the following management fees:

(i) a Base Fee of 0.5% per annum of the value of Deposited Property; and

(ii) a Performance Fee of 3.5% per annum of the Group's Net Property Income (as defined in the Trust Deed) in the relevant financial year.

The Manager is also entitled to receive an acquisition fee at the rate of 1.0% of the acquisition price and a divestment fee of 0.5% of the sale price on all acquisitions or disposals of properties respectively.

The Manager is also entitled to receive a development management fee equivalent to 3.0% of the total project costs incurred in a development project undertaken by the Manager on behalf of the Group.

Any increase in the rate or any change in the structure of the Manager's fees must be approved by an Extraordinary Resolution of Unitholders passed at a Unitholders meeting duly convened and held in accordance with the provisions of the Trust Deed.

The management fees are paid in the form of cash and/or Units (as the Manager may elect). The management fees payable in Units are issued at the volume weighted average price for a Unit for all trades on the SGX-ST in the ordinary course of trading on the SGX-ST for the period of last 10 Business Days (as defined in the Trust Deed) of the relevant period in which the relevant component of the management fees accrues. The Manager's management fees are payable in arrears.

(c) Facility management fees

Under the facility management agreement in respect of certain properties, the facility manager provides facility management services, lease management services and project management services. The facility manager is entitled to receive the following fees:

(i) KDC SGP 1, KDC SGP 2, KDC SGP 3, KDC SGP 4 and KDC SGP 5: facility management fee of 4.0% of EBITDA derived from the underlying end-users (after deducting the fixed rent payable to the Group and operating expenses incurred for each property); and

(ii) Gore Hill DC: facility management fee of AUD 2.6 million subject to an increase of 4.0% per annum on each anniversary of 10 March 2017, being the commencement date.

2 Basis of Preparation

2.1 Statement of Compliance

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)"), the provisions of the Trust Deed and the relevant requirements of the Code on Collective Investment Schemes ("CIS Code") issued by the Monetary Authority of Singapore ("MAS").

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

On 1 January 2021, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The related changes to significant accounting policies are described in Note 2.5.

2.2 Basis of Measurement

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies set out in Note 3.

2.3 Functional and Presentation Currency

The Manager has determined the functional currency of the primary economic environment in which the Trust operates, i.e. functional currency, to be Singapore dollars ($). The financial statements are expressed in Singapore dollars and rounded to the nearest thousand ($'000) unless otherwise stated.

2.4 Use of Estimates and Judgements

The preparation of financial statements requires the Manager to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, incomes and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in Note 4 – Investment Properties and Note 31 – Fair Value of Assets and Liabilities.

2.5 Changes in accounting policies

New standards and amendments

The following are the new or amended SFRS(I)s, SFRS (I) Interpretations and amendments to SFRS(I)s, that are relevant to the Group:

- Amendments to SFRS(I) 9 Financial Instruments, SFRS(I) 1-39 Financial Instruments: Recognition and Measurement, SFRS(I) 7 Financial Instruments: Disclosures and SFRS(I) 16 Leases (Interest Rate Benchmark Reform – Phase 2).

The adoption of the above new or amended SFRS(I)s, SFRS (I) Interpretations and amendments to SFRS(I)s did not have any significant impact on the financial statements of the Group in the current or future periods, except as follows:

<u>Interest Rate Benchmark Reform – Phase 2</u>

The Group has adopted the amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7 and SFRS(I) 16 ***Interest Rate Benchmark Reform – Phase 2*** effective 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 current period opening reserves amounts on adoption.

<u>Hedge relationships</u>

The Phase 2 amendments address issues arising during 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.

In the current year, the Group has adopted the following hedge accounting reliefs provided by the 'Phase 2' amendments to existing cash flow hedges (notional amount of $335,400,000) that have transit to alternative benchmark rates required by IBOR reform:

2 Basis of Preparation (continued)

2.5 Changes in accounting policies (continued)

New standards and amendments (continued)

- Hedge designation: When the 'Phase 1' amendments cease to apply, the Group will amend its hedge designation to reflect changes which are required by IBOR reform. These amendments to the hedge documentation do not require the Group to discontinue its hedge relationships.
- Amounts accumulated in the cash flow hedge reserve: When the interest rate benchmark on which the hedged future cash flows were based is changed as required by IBOR reform, the accumulated amount outstanding in the cash flow hedge reserve is deemed to be based on the alternative benchmark rate.

Financial instruments measured at amortised cost and lease liabilities

Phase 2 of the amendments requires that, for financial instruments measured using amortised cost measurement, changes to the basis for determining the contractual cash flows required by IBOR reform are reflected by adjusting their effective interest rate. No immediate gain or loss is recognised. A similar practical expedient exists for lease liabilities (see below).

These expedients are only applicable to changes that are required by IBOR reform, which is the case if, and only if, the change is necessary as a direct consequence of IBOR reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the change.

For lease liabilities where there is a change to the basis for determining the contractual cash flows, as a practical expedient the lease liability is remeasured by discounting the revised lease payments using a discount rate that reflects the change in the interest rate where the change is required by IBOR reform. If lease modifications are made in addition to those required by IBOR reform, the Group applies the relevant SFRS(I) 16 requirements to account for the entire lease modification, including those changes required by IBOR reform.

For the year ended 31 December 2021, the Group has applied the practical expedients provided under Phase 2 to amendments to $335,400,000 of its long-term debt.

Effect of IBOR reform
Following the global financial crisis, the reform and replacement inter-bank offered rates ("IBOR") has become a priority for global regulators. The Group's risk exposure that is directly affected by the IBOR reform predominantly comprises its variable rate borrowings that are linked to the Singapore Swap Offer Rate ("SOR") and USD London Interbank Offered Rate ("LIBOR"). These floating rate borrowings are hedged using interest rate swaps, which have been designated as cash flow hedges.

SOR and LIBOR will cease publication after 30 June 2023 and 31 December 2021 respectively, and it is expected to be replaced by the Singapore Overnight Rate Average ("SORA") and Sterling overnight index average ("SONIA"). The Group has a variable rate SGD and GBP borrowing which references to SOR and LIBOR which matures after 30 June 2023 and 31 December 2021 respectively.

The Group has amended all its SOR and LIBOR linked borrowing and interest rate swaps to SORA and SONIA respectively, and the Group has applied the Phase 2 amendments for amortised cost measurement and hedge accounting. The transition from SOR and LIBOR to SORA and SONIA had no material effect on the amounts reported for the current and prior financial year.

3 Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the entities in the Group.

3.1 Basis of Consolidation

Business combination
The Group accounts for business combination using the acquisition method when the acquired set of activities and assets meet the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests ("NCI") in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree, over the fair value of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment and whenever there is indication that the goodwill may be impaired.

When the excess is negative, a bargain purchase gain is recognised immediately in the profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the profit or loss.

Any contingent consideration payable is recognised at fair value at the acquisition date and included in the consideration transferred. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in the profit or loss.

NCI that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the date of acquisition. The measurement basis taken is elected on a transaction-by-transaction basis. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by SFRS(I)s.

Costs related to the acquisition, other than those associated with the issue of debt or equity investments, that the Group incurs in connection with a business combination are expensed as incurred.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Subsidiaries
Subsidiaries are all entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

Loss of control
When the Group losses control over a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any NCI and other components of equity. Any related resulting gain or loss is recognised in profit or loss.

Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation
Intra-group balances and transactions, and any unrealised income or expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Accounting for subsidiaries by the Trust
Investment in subsidiaries are stated in the Trust's statement of financial position at cost less accumulated impairment losses.

Joint ventures
Joint ventures are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investments in joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

Acquisition
Investments in joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on joint ventures represents the excess of the cost of acquisition of the joint ventures over the Group's share of the fair value of the identifiable net assets of the joint ventures and is included in the carrying amount of the investments.

3 Significant Accounting Policies (continued)

3.1 Basis of Consolidation (continued)

Equity method of accounting
Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise Group's share of its joint ventures' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the joint ventures are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in a joint venture equals to or exceeds its interest in the joint venture, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the joint venture. If the joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. Interest in a joint venture includes any long-term loans for which settlement is never planned nor likely to occur in the foreseeable future.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of joint ventures are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

Disposals
Investments in associates or joint ventures are derecognised when the Group loses significant influence or joint control. If the retained equity interest in the former associates or joint venture is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

3.2 Foreign Currency

Foreign currency transactions
Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the entity.

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency of the Group at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognised in the profit and loss. However, foreign currency differences arising from the of the following items are recognised in OCI:

- an equity investment designated as at FVOCI;
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or
- qualifying cash flow hedges to the extent the hedges are effective.

Foreign operations
The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at the average exchange rates unless the average is not a reasonable approximation of the cumulating effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rate at the date of the transaction for the reporting period.

Foreign currency differences are recognised in OCI. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to the profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of a net investment in a foreign operation are recognised in OCI and are presented in the translation reserve in Unitholders' funds.

3.3 Financial Instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables and debt investments issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held-for-trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

3 Significant Accounting Policies (continued)

3.3 Financial Instruments (continued)

(ii) Classification and subsequent measurement (continued)

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Non-derivative financial assets: Subsequent measurement and gains and losses

<u>Financial assets at amortised cost</u>
These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Direct attributable transaction costs are recognised in profit or loss as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the profit or loss.

Other financial liabilities comprise loans and bank borrowings and trade and other payables.

(iii) Derecognition

Financial assets
The Group derecognises a financial asset when:
- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities
The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modifies liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.4 Hedge Accounting

Derivative financial instruments and hedge accounting
The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value and any directly attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

The Group designates certain derivatives and non-derivative financial instruments as hedging instruments in qualifying hedging relationships. At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Hedging relationships for which 'Phase 2' amendments apply
The Group has judged that IBOR uncertainty is no longer present with respect to its cash flow hedge of SGD SOR and GBP LIBOR-linked borrowing, once both the hedging instrument and the hedged item have been amended to the alternative benchmark rate with fixed adjustment spreads.

In the current year, the Group has applied the following hedge accounting reliefs provided by the Phase 2 amendments for its hedging relationships that have already transited to from SOR and LIBOR to SORA and SONIA respectively:

Hedge designation: When the Phase 1 amendments cease to apply, the Group has amended its hedge designation to reflect the following changes which are required by IBOR reform:

- designating SORA and SONIA as a hedged risk;
- the contractual benchmark rate of the hedged SGD and GBP borrowing has been amended from SOR and LIBOR to SORA and SONIA respectively plus an adjustment spread; and/or
- the variable rate of the hedging interest rate swap has been amended from SOR and LIBOR to SORA and SONIA respectively, with an adjustment spread added to the fixed rate.

These amendments to the hedge documentation do not require the Group to discontinue its hedge relationships.

Amounts accumulated in the cash flow hedge reserve: When the Group amended its hedge designation for changes to its SGD SOR and GBP LIBOR borrowing that is required by IBOR reform, the accumulated amount outstanding in the cash flow hedge reserve was deemed to be based on SORA and SONIA. The amount is reclassified to profit or loss in the same periods during which the hedged SORA and SONIA cash flows affect profit or loss.

Cash flow hedges
The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in interest rates.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts ('forward points') is separately accounted for as a cost of hedging and recognised in a cost of hedging reserve within equity.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item, the amount accumulated in the hedging reserve and the cost of hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

3 Significant Accounting Policies (continued)

3.4 Hedge Accounting (continued)

Cash flow hedges (continued)

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve and the cost of hedging reserve remains in equity until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

Net investment hedges
The Group designates certain non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of changes in the fair value of a derivative or, foreign exchange gains and losses for a non-derivative is recognised in OCI and presented in the translation reserve within equity. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains and losses on the non-derivative is recognised immediately in profit or loss. The amount recognised in OCI is fully or partially reclassified to profit or loss as a reclassification adjustment on disposal of the foreign operation, respectively.

3.5 Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the date of acquisition that are subject to insignificant risk of changes in their fair value.

3.6 Unitholders' Funds

Unitholders' funds represent the Unitholders' residual interest in the Group's net assets upon termination. Proceeds from issuance of Units are recognised as Units in issue in Unitholders' funds. Incremental costs directly attributable to the issue of Units are recognised as deduction from Unitholders' funds.

3.7 Investment Properties

Investment property is property held either to earn rental income or capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss. Rental income from investment properties is accounted for in a manner described in Note 3.13.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

On disposal of an investment property, the differences between the disposal proceeds and the carrying amount is recognised in profit or loss.

3.8 Intangible Assets

Intangible assets
Intangible assets, which relate to rental top up payments, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation
Amortisation expense is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

The intangible assets in relation to the rental top up payments (Note 14) will be amortised over the relevant top up periods.

Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.9 Intra-group financial guarantees

Financial guarantees are financial instruments issued by the Trust that require the issuer to make specified payments to reimburse the holder for the loss it incurs because a specified debtor fails to meet payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at the higher of the loss allowance determined in accordance with SFRS(I) 9 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15.

Expected credit losses ("ECL") are a probability-weighted estimate of credit losses. ECLs are measured for financial guarantees issued as the expected payments to reimburse the holder less any amounts that the Trust expects to recover.

Liabilities arising from financial guarantees are included within loans and borrowings.

3.10 Impairment

(i) Non-derivative financial assets

The Group recognises loss allowances for ECL on financial assets measured at amortised costs, trade receivables and intra-group financial guarantee contracts ("FGC").

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset.

Simplified approach
The Group applies the simplified approach to provide for ECLs for all trade receivables and accrued income. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach
The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group assesses that the credit risk on a financial asset has increase significantly if it is more than 90 days past due.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); and
- the financial asset is more than 90 days past due.

The Trust considers a FGC to be in default when the debtor of the loan is unlikely to pay its credit obligations to the creditors and the Trust in full, without recourse by the Trust to actions such as realising security (if any is held).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

3 Significant Accounting Policies (continued)

3.10 Impairment (continued)

(i) Non-derivative financial assets (continued)

Measurement of ECLs
ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets
At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position
Loss allowances for financial assets measured at amortised cost and accrued income are deducted from the gross carrying amount of these assets. Loss allowances for FGC are recognised as a financial liability to the extent that they exceed the initial carrying amount of the FGC less the cumulated income recognised.

Write-off
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Non-financial assets
The carrying amounts of the Group's non-financial assets, other than investment property, property under development and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses are recognised in profit or loss. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if and only if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.11 Employee Benefits

Defined contribution plans
A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligations to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an expense in the profit or loss in the periods during which services are rendered by employees.

Short-term employee benefits
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

3.12 Leases

(i) When the Group is the lessee:
At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

- *Right-of-use assets*
  The Group recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

  Right-of-use asset which meets the definition of an investment property is presented within "Investment Properties" and accounted for in accordance with Note 3.7.

- *Lease liabilities*
  The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

  Lease payments include the following:

  - Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
  - Amount expected to be payable under residual value guarantees; and
  - Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

  Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

  - There is a change in future lease payments arising from changes in rate;
  - There is a change in the Group's assessment of whether it will exercise an extension option; or
  - There are modification in the scope or the consideration of the lease that was not part of the original term.

  Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

  - *Short term and low value leases*
    The Group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

(ii) When the Group is the lessor:

The Group leases investment properties under operating leases to non-related parties.

- *Lessor – Operating leases*
  Leases where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is accounted for in a manner described in Note 3.13.

  Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Contingent rents are recognised as income in profit or loss when earned.

3 Significant Accounting Policies (continued)

3.13 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 define terms of payment.

Rental income
Rental income from investment property is recognised over time in the profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income over the term of the lease.

Contingent rent is recognised over time in the profit or loss and is derived from the underlying end-users for certain investment properties.

Power revenue
Power revenue derived from clients is recognised over time in the profit or loss when there is provision of power to the clients. Power revenue is included in other income.

Service revenue
Service revenue derived from clients is recognised at point in time in the profit or loss as and when the services are rendered. Service revenue is included in other income.

Rental top up income
Rental top up income provided from the vendors is recognised over time in the profit or loss as and when there is an economic inflow of benefits. Rental top up income is included in other income.

3.14 Finance Costs

Borrowing costs are recognised using the effective interest method, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

3.15 Finance Income

Interest income is recognised using the effective interest method.

3.16 Income Tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the profit or loss except to the extent that it relates to items recognised directly in Unitholders' funds.

Current income tax
Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax
Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects at the end of the reporting period to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the presumption that the carrying amount of the investment property will be recovered through sale has not been rebutted. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events.

New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Tax transparency

Pursuant to the Tax Transparency Ruling issued by the Inland Revenue Authority of Singapore ("IRAS"), tax transparency treatment has been granted to the Trust in respect of certain taxable income ("Specified Taxable Income"). Subject to meeting the terms and conditions of the tax ruling which includes a distribution of at least 90% of the taxable income of the Trust, the Trust will not be assessed for tax on the portion of its taxable income that is distributed to Unitholders. Any portion of the Trust's taxable income that is not distributed to Unitholders will be taxed at the prevailing corporate tax rate at the Trust's level.

In the event that there are subsequent adjustments to the Specified Taxable Income when the actual taxable income of the Trust is finally agreed with the IRAS, such adjustments are taken up as an adjustment to the amount distributed for the next distribution following the agreement with the IRAS.

Subject to the terms and conditions of the Tax Transparency Ruling, the Trustee will not be taxed on Specified Taxable Income distributed to the Unitholders in the year in which the income was derived. Instead, the Trustee and the Manager will undertake to deduct income tax at the prevailing corporate tax rate on the distributions made to the Unitholders out of such Specified Taxable Income except:

a) where the beneficial owner is a Qualifying Unitholder, the Trustee and the Manager will make the distributions to such Unitholder without deducting any income tax; and

b) where the beneficial owner is Qualifying Foreign Non-Individual Unitholder (as defined below), the Trustee and the Manager will undertake to deduct income tax at a reduced rate of 10% from the distributions made up to 31 March 2021, unless otherwise extended.

A Qualifying Unitholder is a Unitholder who is:

a) an individual;

b) a company incorporated and tax resident in Singapore;

c) a Singapore branch of a company incorporated outside Singapore;

d) a body of persons (excluding company or partnership) incorporated or registered in Singapore, including a charity registered under the Charities Act (Cap. 37) or established by any written law, a town council, a statutory board, a co-operative society registered under the Co-operative Societies Act (Cap. 62) or a trade union registered under the Trade Unions Act (Cap. 333); or

(e) international organisations that are exempt from tax on such distributions by reason of an order made under the International Organisations (Immunities and privileges) Act, (Cap. 145).

A Qualifying Foreign Non-Individual Unitholder is a person other than an individual not resident in Singapore for Singapore income tax purposes and:

a) who does not have a permanent establishment in Singapore; or

b) who carries on an operation in Singapore through a permanent establishment in Singapore, where the funds used by that person to acquire the Units are not obtained from that operation in Singapore.

The above tax transparency ruling does not apply to gains from sale of real properties. Such gains, if they are considered as trading gains, are assessable to tax in accordance with Section 10(1)(a) of the Income Tax Act (Cap. 134) and be collected from the Trustee. Where the gains are capital gains, they will not be assessed to tax and the Trustee and Manager may distribute the capital gains to Unitholders without having to deduct tax at source.

3 Significant Accounting Policies (continued)

3.16 Income Tax (continued)

Tax exemption
Pursuant to the Foreign-Source Income Tax Exemption Ruling issued by the Ministry of Finance and subject to meeting the terms and conditions of the tax ruling, the Trust and/or its Singapore subsidiaries (i.e. KDCR GVP Pte. Ltd., KDCR Netherlands 1 Pte. Ltd., KDCR Netherlands 2 Pte. Ltd., KDCR Netherlands 3 Pte. Ltd., KDCR Netherlands 4 Pte. Ltd., KDCR UK Pte. Ltd., and KDCR Australia Pte. Ltd. (collectively, the "Singapore Subsidiaries")) will be exempted from Singapore tax on foreign-sourced dividends and interest income received from overseas entities in Australia, Malaysia, England, The Netherlands, Germany, the British Virgin Islands and the Bailiwick of Guernsey ("Guernsey").

Any distributions made by the Trust to the Unitholders out of tax-exempt income and income taxed at Trust's level would be exempted from Singapore income tax in the hands of all Unitholders.

3.17 Operating Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Manager to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to the senior management of the Manager include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Trust's head office), head office expenses, and tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire and fit-out investment properties.

3.18 Provisions

A provision is recognised if, as a result of a past event, the Group has a present obligation (legal or constructive) that can be estimated reliably, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

3.19 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 within gross revenue.

3.20 Significant Accounting Estimates and Judgements

The preparation of the financial statements requires the Manager to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income, expenses and disclosures made. The estimates and associated assumptions are based on historical experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Estimates and underlying assumptions are reviewed on an ongoing basis. Financial impact arising from revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is the valuation of investment properties included in Note 4 – Investment Properties and Note 31 – Fair Value of Assets and Liabilities.

3.21 New Standards and Interpretations not adopted

Below are the new or amended standards and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2022 and which the Group has not early adopted:

- Amendments to SFRS(I) 1-1 Presentation of Financial Statements (Classification of Liabilities as Current or Non-current)
- Amendments to SFRS(I) 1-1 Presentation of Financial Statements and SFRS(I) Practice Statement 2 (Disclosure of Accounting Policies)
- Amendments to SFRS(I) 3 Business Combinations (Reference to the Conceptual Framework)
- Amendments to SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets (Onerous Contracts – Cost of Fulfilling a Contract)

The new or amended accounting Standards and Interpretations listed above are not mandatory for 31 December 2021 reporting periods and have not been early adopted by the Group. These are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

4 Investment Properties

	Group		Trust	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
At 1 January	**3,005,038**	2,637,026	**483,182**	480,898
Acquisitions[(b)]	**195,523**	173,455	**–**	–
Additions[(c)]	**10,263**	45,301	**288**	–
Divestment of a subsidiary[(d)]	**(43,269)**	–	**–**	–
Capital expenditure	**77,571**	59,557	**13,687**	6,047
Transfer from property under development	**27,169**	–	**–**	–
Net change in fair value	**159,475**	25,612	**29,569**	(3,763)
Currency translation differences	**(30,334)**	64,087	**–**	–
At 31 December	**3,401,436**	3,005,038	**526,726**	483,182

Reconciliation of fair value measurement to valuation reports

	Group		Trust	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
Fair value on investment properties based on valuation reports	**3,389,332**	2,980,883	**519,000**	472,000
Add: Carrying amount of lease liabilities (Note 18) [(e)]	**12,104**	24,155	**7,726**	11,182
Carrying amount of investment properties	**3,401,436**	3,005,038	**526,726**	483,182

(a) Investment properties are stated at fair value based on valuations performed by independent valuers, CBRE Pte. Ltd., CBRE Limited, Cushman & Wakefield (Valuations) Pty Ltd, Cushman & Wakefield Netherlands B.V., Jones Lang LaSalle Limited and Savills Valuation and Professional Services (S) Pte Ltd (2020: CBRE Pte. Ltd., CBRE Limited, Cushman & Wakefield (Valuations) Pty Ltd and Jones Lang LaSalle Limited). The external independent valuers have the appropriate recognised professional qualifications and recent experience in the locations and categories of properties being valued. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably.

In determining the fair value, the valuers have used capitalisation approach and discounted cash flows approach which make reference to certain estimates. The key assumptions used to determine the fair value of investment properties include, amongst others, market-corroborated capitalisation yields, terminal yields and discount rates. In relying on the valuation reports, the Manager has exercised its judgement and is satisfied that the valuation approaches and estimates are reflective of current market conditions and that the valuation reports are prepared in accordance with recognised appraisal and valuation standards.

The capitalisation approach capitalises in perpetuity an income stream with appropriate adjustments for rental shortfalls and overages and discounts the stream using an appropriate capitalisation rate to arrive at the market value. The discounted cash flow approach involves estimation and projection of an income stream over a period and discounting the income stream with an internal rate of return to arrive at the market value. The discounted cash flow approach requires the valuer to assume a rental growth rate indicative of the market and the selection of a target internal rate of return consistent with current market requirements.

4 Investment Properties (continued)

(b) Keppel DC REIT completed the acquisitions of Eindhoven DC and Guangdong DC on 2 September 2021 and 16 December 2021 respectively. These acquisitions have been accounted for as asset acquisitions.

In 2020, Keppel DC REIT completed the acquisitions of Kelsterbach DC and Amsterdam DC respectively.

(c) The additions include transaction-related costs and any costs other than capital expenditures capitalised as part of the investment properties.

(d) On 17 May 2021, Keppel DC REIT has granted an option to iseek Pty Ltd to purchase iseek DC and management has obtained a separate independent valuation for iseek DC as at 30 June 2021. The divestment was completed on 1 September 2021.

(e) The lease liabilities of the Group relate to lease commitments of iseek DC and estimated payments for extension options of certain leasehold lands in Singapore which the Group is reasonably certain to exercise. In 2021, the Group has divested iseek DC and has extended the leasehold land interest in KDC SGP 2 by 30 years.

In 2020, the Group has completed the acquisition of the remaining 999-year leasehold land interest in KDC DUB 1 and has extended the leasehold land interest in KDC SGP 4 by 30 years.

The lease liabilities of the Trust relate to estimated payments for extension options of certain leasehold lands in Singapore which the Group is reasonably certain to exercise.

(f) At 31 December 2021, the Group's investment properties amounting to $3,401.4 million (2020: $2,960.1 million) were free from encumbrances for debt facilities.

5 Property Under Development

	Group	
	2021 $'000	2020 $'000
At 1 January	**24,676**	–
Additions	**1,951**	24,364
Currency translation differences	**542**	312
Transfer to investment properties	**(27,169)**	–
At 31 December	**–**	24,676

In August 2018, the Group entered into an agreement to construct IC3 East DC on the vacant land within the IC DC site, which IC2 DC was located at. The development has been completed on 13 July 2021 and $27,169,000 recognised as property under development has been transferred to investment properties as disclosed in Note 4.

6 Investment in Subsidiaries

	Trust	
	2021 $'000	2020 $'000
Investment in subsidiaries, at cost		
At 1 January	**1,946,969**	1,421,796
Incorporation of subsidiaries	**–** [(a)]	20
Capital injection, net of capital reductions	**201,021**	532,374
Impairment loss	**(19,239)**	(7,221)
At 31 December	**2,128,751**	1,946,969

(a) Less than $1,000

The Manager assesses at the end of each financial year whether there is any indication of impairment for Keppel DC REIT's subsidiaries. The assessment takes into account the recoverable amount based on the cash flow estimates of the underlying assets, which comprise mainly investment properties which are stated at fair value based on revaluation performed by independent valuers. The Manager assessed the recoverable amount of the investments and recognised impairment loss of $19,239,000 (2020: $7,221,000) during the year.

Listing of significant subsidiaries in the Group

Name of entities	Principal activities	Place of incorporation/ business	Effective equity held by the Trust 2021 %	Effective equity held by the Trust 2020 %
Subsidiaries				
Basis Bay Capital Management Sdn. Bhd. [(a)]	Investment in real estate properties	Malaysia	99	99
Keppel DC REIT Fin. Company Pte. Ltd.	Provision of treasury services	Singapore	100	100
Keppel DC REIT MTN Pte. Ltd.	Provision of treasury services	Singapore	100	100
Keppel DC Singapore 3 LLP ("KDCS3 LLP")	Letting of self-owned or leased real estate property	Singapore	90	90
Keppel DC Singapore 4 LLP ("KDCS4 LLP")	Letting of self-owned or leased real estate property	Singapore	99	99
Keppel DC Singapore 5 LLP ("KDCS5 LLP")	Letting of self-owned or leased real estate property	Singapore	99	99
Datacentre One Pte. Ltd.	Letting of self-owned or leased real estate property	Singapore	100	100
KDCR Singapore 2 Pte. Ltd.	Investment Holding	Singapore	100	–
KDCR Australia Trust No.1 [(b), (c)]	Investment in real estate properties	Australia	–	100
KDCR Australia 1 Pty Limited [(b), (c)]	Trustee	Australia	–	100
iseek Facilities Pty Ltd [(b), (c)]	Data centre services	Australia	–	100
KDCR Australia Trust No.2 [(b)]	Investment in real estate properties	Australia	100	100
KDCR Australia 2 Pty Limited [(b)]	Trustee	Australia	100	100
KDCR Australia Sub-Trust 1 [(b)]	Investment in real estate properties	Australia	100	100
Greenwich View Place Limited [(b)]	Investment in real estate properties	Guernsey	100	100
KDCR Almere B.V. [(b)]	Investment in real estate properties	The Netherlands	100	100
Borchveste Almere B.V. [(b)]	Letting of leased real estate property	The Netherlands	100	100
Penta Schipol-Rijk B.V. [(b)]	Investment in real estate properties	The Netherlands	100	100
KDCR Netherlands 3 B.V. [(b)]	Investment in real estate properties	The Netherlands	100	100

6 Investment in Subsidiaries (continued)

Listing of significant subsidiaries in the Group

Name of entities	Principal activities	Place of incorporation/ business	Effective equity held by the Trust	
			2021 **%**	2020 %
Subsidiaries				
KDCR Netherlands 6 B.V. [(b)]	Investment in real estate properties	The Netherlands	100	–
KDCR (Ireland) Limited [(a)]	Investment in real estate properties and provision of data services and colocation services	Republic of Ireland	100	100
KDCR Ireland Fin. Company Limited [(a)]	Provision of financial and treasury services	Republic of Ireland	100	100
KDCR (Ireland) 2 Limited [(a)]	Investment in real estate properties	Republic of Ireland	100	100
KDCR Cardiff Limited [(b)]	Investment in real estate properties	Guernsey	100	100
BI71 SRL [(b)]	Investment in real estate properties	Italy	100	100
KDCR Guangdong Co., Ltd [(a)]	Letting of self-owned or leased real estate property	China	100	–

(a) PwC LLP, Singapore is the auditor of the Singapore-incorporated subsidiaries, the Australia-constituted trusts and significant foreign-incorporated subsidiaries except for KDCR (Ireland) Limited, KDCR (Ireland) 2 Limited, KDCR Ireland Fin. Company Limited, KDCR Ireland Holdings Limited, Basis Bay Capital Management Sdn Bhd and KDCR Guangdong Co., Ltd, which are audited by PricewaterhouseCoopers Ireland, Ireland, PricewaterhouseCoopers PLT, Malaysia and PricewaterhouseCoopers Zhong Tian LLP, China respectively (2020: PricewaterhouseCoopers Ireland, Ireland and PricewaterhouseCoopers PLT, Malaysia).

In accordance to Rule 716 of The Singapore Exchange Securities Trading Limited – Listing Rules, the Audit and Risk Committee and the Board of Directors of the Manager confirmed that they are satisfied that the appointment of different auditors for its subsidiaries would not compromise the standard and effectiveness of the audit of the Trust.

(b) Not required to be audited by law in the country of incorporation.

(c) In September 2021, Keppel DC REIT divested 100% interest in KDCR Australia Trust No.1, KDCR Australia No. 1 Pty Limited and iseek Facilities Pty Ltd which in turn holds iseek DC.

Divestment of a subsidiary

In September 2021, Keppel DC REIT divested 100% interest in iseek Facilities Pty Ltd, a wholly-owned subsidiary of KDCR Australia Trust No.1 which is managed by KDCR Australia No. 1 Pty Limited which in turn holds iseek DC. The effect of the disposal on the cash flows of the Group were:

	$'000
Carrying amounts of assets and liabilities as at the date of disposal:	
Cash and cash equivalents	–
Investment property	43,269
Trade and other receivables	186
Trade and other payables	(92)
Lease liability	(9,463)
Net assets disposed	33,900
Release of currency translation reserve	110
	34,010
Loss on divestment of subsidiary, net of divestment costs	(200)
Consideration received, satisfied in cash	33,810
Add back: Divestment fees paid in units	172
Less: Cash and cash equivalents in subsidiary disposed of	–
Net cash inflow on disposal, net of divestment costs	33,982

Business combination

In May 2020, Keppel DC REIT acquired 100% interest in Borchveste Almere B.V., which had previously entered into a lease with Almere DC for KDCR Almere B.V.. Details of the consideration paid, the assets acquired and liabilities assumed recognised and the effects on the cash flows of the Group, at the acquisition date, are as follows:

	$'000
Purchase consideration paid	– [(a)]
Less: Cash and cash equivalents in subsidiary acquired	7,920
Cash inflow on acquisition	7,920

	At fair value $'000
Cash and cash equivalents	7,920
Trade and other receivables	13,578
Trade and other payables	(70)
Provision	(21,100)
Provision for taxation	(328)
Total identifiable net assets	– [(a)]

[(a)] Less than $1,000

7 Loans to Subsidiaries

	Trust	
	2021 $'000	2020 $'000
Loans to subsidiaries	**120,264**	89,848
Quasi-equity loans to subsidiaries	**215,590**	242,645
	335,854	332,493

Loans to subsidiaries are unsecured, interest-bearing and not expected to be repaid within the next 12 months. The interest rates range from 0.4% to 7.1% (2020: 5.5% to 7.1%).

Quasi-equity loans to subsidiaries are non-trade in nature. These loans are unsecured, interest free and settlement is neither planned nor likely to occur in the foreseeable future.

8 Investment in a Joint Venture

	Group	
	2021 $'000	2020 $'000
Equity investments at cost	**1,000**	–
Share of loss	**(1,000)**	–
	–	–

Set out below is the joint venture of the Group as at 31 December 2021.

Name of entity	Place of incorporation/ business	Effective equity held by the Trust	
		2021 %	2020 %
M1 Network Private Limited	Singapore	**50**	–

Set out below is the summarised financial information for M1 Network Private Limited.

Summarised balance sheet

	For the period ended 31 December 2021 $'000
Current assets	**49,260**
Includes:	
- Cash and cash equivalents	**3,558**
Current liabilities	**(79,656)**
Includes:	
- Financial liabilities (excluding trade payables)	**(39,055)**
Non-current assets	**578,941**
Non-current liabilities	**(551,061)**
Includes:	
- Financial liabilities (excluding trade payables)	**(551,061)**
Net liabilities	**(2,516)**

Summarised statement of comprehensive income

	For the period ended 31 December 2021 $'000
Revenue	1,368
Expenses	
Includes:	
- Depreciation and amortisation	(1,059)
- Finance costs	(555)
- Other costs	(5,195)
Loss before taxation	(5,441)
Taxation	925
Loss after taxation	(4,516)
Other comprehensive income	–
Total comprehensive loss	(4,516)

The information above reflects the amounts presented in the financial statements of the joint venture (and not the Group's share of net of those amounts), adjusted for difference in accounting policies between the Group and the joint venture.

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interest in the joint venture, is as follows:

	2021 $'000
Net liabilities	(2,516)
Group's share of net liabilities	(1,258)
Share of loss for the period	1,000
Share of net liabilities in excess of investment in the joint venture	258
	–

9 Notes Receivables

	Group and Trust	
	2021 $'000	2020 $'000
Notes issued by a joint venture	**88,700**	–
Non-current	**85,768**	–
Current	**2,932**	–
Total notes receivables	**88,700**	–

The notes receivables of $88,700,000 (2020: Nil) from a joint venture matures in 2036, with fixed interest rate of 9.17% per annum, the payment of principal and interest would amount to $11.0 million per annum, payable semi-annually.

The above notes are unsecured and obligations of the joint venture, and may be redeemed at par by the joint venture prior to their maturity, subject to certain conditions.

10 Trade and Other Receivables

	Group		Trust	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
Trade receivables	**32,491**	27,801	**5,874**	3,237
Accrued income	**3,662**	8,396	**1,176**	2,189
Other receivables	**22,419**	15,479	**230**	3,459
Amount due from a related company	**12,753**	13,161	**–**	–
Amount due from subsidiaries	**–**	–	**23,799**	36,353
Prepayments	**3,846**	2,705	**–**	–
	75,171	67,542	**31,079**	45,238
Non-current	**24,798**	13,161	**–**	–
Current	**50,373**	54,381	**31,079**	45,238
Total trade and other receivables	**75,171**	67,542	**31,079**	45,238

Accrued income relates to lease income which has been recognised but not yet billed to the clients.

Amount due from a related company is non-trade in nature, unsecured, interest-free and recoverable in relation to a contractual obligation assumed as disclosed in Note 20.

Amount due from subsidiaries are non-trade in nature, unsecured, interest-free and repayable on demand.

11 Derivative Financial Instruments

	Maturity	Contract/ Notional amount $'000	Assets $'000	Liabilities $'000	Notional amount directly impacted by IBOR reform $'000
Group					
2021					
Current					
Derivatives not designated as hedging instruments:					
- Forward exchange contracts	2022	**164,126**	**2,540**	**(317)**	
Derivatives designated as hedging instruments:					
Cash-flow hedge					
- Interest rate swaps	2022	**158,659**	**–**	**(575)**	**–**
			2,540	**(892)**	
Non-current					
Derivatives not designated as hedging instruments:					
- Forward exchange contracts	2023	**48,795**	**1,747**	**–**	
Derivatives designated as hedging instruments:					
Cash-flow hedge					
- Interest rate swaps	2023 – 2027	**801,098**	**2,207**	**(5,290)**	**335,400**
			3,954	**(5,290)**	
2020					
Current					
Derivatives not designated as hedging instruments:					
- Forward exchange contracts	2021	50,328	34	(1,986)	
Derivatives designated as hedging instruments:					
Cash-flow hedge					
- Interest rate swaps	2021	64,876	–	(376)	–
			34	(2,362)	
Non-current					
Derivatives not designated as hedging instruments:					
- Forward exchange contracts	2022	39,781	39	(1,227)	
Derivatives designated as hedging instruments:					
Cash-flow hedge					
- Interest rate swaps	2022 – 2025	657,776	–	(23,220)	–
			39	(24,447)	

11 Derivative Financial Instruments (continued)

	Maturity	Contract/ Notional amount $'000	Assets $'000	Liabilities $'000
Trust				
2021				
Current				
Derivatives not designated as hedging instruments:				
- Forward exchange contracts	2022	164,126	2,540	(317)
Non-current				
Derivatives not designated as hedging instruments:				
- Forward exchange contracts	2023	48,795	1,747	–
2020				
Current				
Derivatives not designated as hedging instruments:				
- Forward exchange contracts	2021	50,328	34	(1,986)
Non-current				
Derivatives not designated as hedging instruments:				
- Forward exchange contracts	2022	39,781	39	(1,227)

Derivatives not designated as hedging instruments reflect the change in fair value of foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for highly probable transactions. Derivatives designated as hedging instruments reflect the change in fair value of foreign exchange forward contracts, designated as cash flow hedges to hedge highly probably transactions.

Interest rate swaps are used to hedge interest rate risk arising from the underlying floating interest rates of respective bank borrowings (Note 18). Under these interest rate swaps, the Group receives the following floating interest equal to SORA, A$ bank bill swap bid rate ("BBSW"), Euro interbank offer rate ("EURIBOR"), SONIA and 1-year loan prime year ("1Y LPR") (2020: SOR, BBSW, EURIBOR and LIBOR) at specific contracted intervals.

The Group designates the interest rate swaps as cash flow hedges. In respective of these contracts, a fair value loss of $3,616,000 (2020: fair value loss of $23,596,000) were included in hedging reserves for the Group and Trust respectively as at the financial year.

Hedging instruments used in Group's hedging strategy in 2021

		Carrying Amount		Changes in fair value used for calculating hedge ineffectiveness			
	Contractual notional $'000	**Assets/ (Liabilities) $'000**	**Category**	**Hedging instrument $'000**	**Hedged Item $'000**	**Weighted average hedged rate**	**Maturity date**
Group							
Cash flow hedge							
Interest rate risk							
- Interest rate swaps to hedge floating rate borrowings	**959,757**	**(3,616)**	Derivative financial instruments	**19,980**	**(19,980)**	1.77%	2022 – 2027
Net investment hedge							
Foreign exchange risk							
- Borrowings to hedge net investments in foreign operations	**–**	**(879,830)**	Borrowings	**16,880**	**(16,880)**	AUD 1 : $0.97 EUR 1 : $1.55 GBP 1 : $1.82	2022 – 2027

Hedging instruments used in Group's hedging strategy in 2020

		Carrying Amount		Changes in fair value used for calculating hedge ineffectiveness			
	Contractual notional $'000	Assets/ (Liabilities) $'000	Category	Hedging instrument $'000	Hedged Item $'000	Weighted average hedged rate	Maturity date
Group							
Cash flow hedge							
Interest rate risk							
	722,652	(23,596)	Derivative financial instruments	(15,884)	15,884	1.50%	2021 – 2025
- Interest rate swaps to hedge floating rate borrowings							
Net investment hedge							
Foreign exchange risk							
- Borrowings to hedge net investments in foreign operations	–	(847,999)	Borrowings	30,118	(30,118)	AUD 1 : $0.99 GBP 1 : $1.78 EUR 1 : $1.60	2021 – 2026

12 Deferred Taxation

Deferred tax assets and liabilities are attributable to the following:

	Group		Group	
	Assets 2021 $'000	Liabilities 2021 $'000	Assets 2020 $'000	Liabilities 2020 $'000
Investment properties	–	(66,989)	–	(49,901)
Tax losses carried forward	6,678	–	7,437	–
	6,678	(66,989)	7,437	(49,901)
Offset	(4,672)	4,672	(5,084)	5,084
Deferred tax assets/(liabilities)	2,006	(62,317)	2,353	(44,817)

	Trust	
	Liabilities 2021 $'000	Liabilities 2020 $'000
		$'000
Investment properties	(13,191)	(8,136)
Deferred tax liabilities	(13,191)	(8,136)

Movement in temporary differences during the year:

	At 1 January $'000	Acquisition $'000	Recognised in profit or loss $'000	Exchange difference $'000	At 31 December $'000
Group					
2021					
Investment properties	(49,901)	–	(18,149)	1,061	(66,989)
Tax losses carried forward	7,437	–	(458)	(301)	6,678
Net deferred tax liabilities	(42,464)	–	(18,607)	760	(60,311)

	At 1 January $'000	Recognised in profit or loss $'000	At 31 December $'000
Trust			
2021			
Investment properties	(8,136)	(5,055)	(13,191)
Net deferred tax liabilities	(8,136)	(5,055)	(13,191)

	At 1 January $'000	Acquisition $'000	Recognised in profit or loss $'000	Exchange difference $'000	At 31 December $'000
Group					
2020					
Investment properties	(34,876)	(15)	(13,709)	(1,301)	(49,901)
Tax losses carried forward	7,941	33	(1,048)	511	7,437
Net deferred tax liabilities	(26,935)	18	(14,757)	(790)	(42,464)

	At 1 January $'000	Recognised in profit or loss $'000	At 31 December $'000
Trust			
2020			
Investment properties	(6,056)	(2,080)	(8,136)
Net deferred tax liabilities	(6,056)	(2,080)	(8,136)

Net deferred tax assets and liabilities are determined by offsetting deferred tax assets against deferred tax liabilities of the same entities. Deferred tax assets are recognised for unutilised tax benefits carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable.

As at 31 December 2021 and 31 December 2020, the Group and Trust does not have unrecognised deductible temporary differences in respect of tax losses which can be carried forward and used to offset against future taxable income.

13 Deposits

In December 2021, the Group paid a deposit to the vendor to acquire London Data Centre ("London DC") in Bracknell, United Kingdom. The deposit was released to the vendor and the remaining balance of the purchase consideration was paid as settlement of the purchase consideration which was completed in January 2022 (Note 37).

14 Intangible Assets

	Group		Trust	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
At 1 January	**2,723**	8,349	**2,723**	8,349
Amortisation	**(2,723)**	(5,626)	**(2,723)**	(5,626)
At 31 December	**–**	2,723	**–**	2,723

In prior year, the intangible assets relate to rental top up provided by the vendor of KDC SGP 4 and was fully amortised during the financial year ended 31 December 2021.

15 Provision for Taxation and Tax Recoverable

Movement in current tax liabilities/(recoverable):-

	Group		Trust	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
At 1 January	**3,953**	7,058	**2,913**	3,774
Acquisition of subsidiaries	**–**	372	**–**	–
Income tax paid	**(7,728)**	(9,070)	**(2,239)**	(2,906)
Tax expense	**10,569**	6,265	**1,565**	2,045
Currency translation differences	**(257)**	(672)	**–**	–
At 31 December	**6,537**	3,953	**2,239**	2,913
Comprise of:				
Tax recoverable	**–**	(3,036)	**–**	–
Provision for taxation	**6,537**	6,989	**2,239**	2,913
	6,537	3,953	**2,239**	2,913

16 Cash and Cash Equivalents

	Group		Trust	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
Bank balances	**171,934**	178,425	**71,583**	50,749
Short-term deposits	**24,007**	65,962	**19,007**	65,962
Cash and cash equivalents in the Consolidated Statement of Cash Flows	**195,941**	244,387	**90,590**	116,711

17 Loans from Subsidiaries

Trust

The loans from subsidiaries are unsecured, interest-bearing, and have loan maturities of one to five years (2020: one to five years) with interest ranging from 0.25% to 3.33% (2020: 0.26% to 3.33%) per annum.

Terms and debt repayment schedule

Terms and conditions of loans from subsidiaries are as follows:

			2021		2020	
	Interest rate % per annum	**Year of maturity**	**Face value $'000**	**Carrying amount $'000**	Face value $'000	Carrying amount $'000
Trust						
Non-current liabilities						
Loans from subsidiaries	0.25 – 3.33 (2020: 0.26 – 3.33)	2023 - 2027 (2020: 2022 – 2026)	**1,045,121**	**1,045,121**	1,022,486	1,022,486
Current liabilities						
Loans from subsidiaries	1.37 – 1.55 (2020: 1.00 – 1.92)	2022 (2020: 2021)	**158,659**	**158,659**	127,914	127,914

18 Loans and Borrowings

	Group 2021 $'000	Group 2020 $'000	Trust 2021 $'000	Trust 2020 $'000
Non-current liabilities				
Bank borrowings	**1,130,921**	1,022,486	**–**	–
Capitalised transaction costs of debt financing	**(2,414)**	(1,991)	**–**	–
	1,128,507	1,020,495	**–**	–
Lease liabilities	**7,726**	23,109	**7,726**	11,182
	1,136,233	1,043,604	**7,726**	11,182
Current liabilities				
Bank borrowings	**158,659**	143,270	**–**	–
Lease liabilities	**4,378**	1,046	**–**	–
	163,037	144,316	**–**	–
Total loans and borrowings	**1,299,270**	1,187,920	**7,726**	11,182

The loans and borrowings are carried at amortised cost.

All bank borrowings will be unconditionally and irrevocably guaranteed by Perpetual (Asia) Limited, in its capacity as Trustee of Keppel DC REIT.

Terms and debt repayment schedule

Terms and conditions of outstanding financial liabilities are as follows:

	Interest rate % per annum	Year of maturity	2021 Face value $'000	2021 Carrying amount $'000	2020 Face value $'000	2020 Carrying amount $'000
Group						
Bank borrowings	0.25 – 4.68 (2020: 0.26 – 3.33)	2022 – 2027 (2020: 2021 – 2026)	**1,289,580**	**1,289,580**	1,165,756	1,165,756

19 Trade and Other Payables

	Group 2021 $'000	Group 2020 $'000	Trust 2021 $'000	Trust 2020 $'000
Trade payables	**8,466**	4,606	**4,394**	998
Amount due to subsidiaries	**–**	–	**3,724**	3,102
Interest payables	**1,936**	1,507	**–**	–
Other payables and accruals	**39,741**	73,838	**13,311**	15,522
	50,143	79,951	**21,429**	19,622

Amount due to subsidiaries are non-trade, unsecured, interest-free and repayable on demand.

As at 31 December 2021 and 31 December 2020, other payables and accruals mainly relate to accrued development costs (Note 5), accruals for management fees, unearned revenue, amount payable to external parties, audit fees, valuation fees and other expenses.

20 Provision

The provision for the Group relates to a contractual obligation, relating to replacement costs for existing machinery and equipment in the data centre, assumed on the acquisition of a subsidiary.

21 Unitholders' Funds

(a) Foreign currency translation reserve

The foreign currency translation reserve attributable to Unitholders comprises:

- foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the presentation currency of the Group; and
- foreign exchange differences on monetary items which form part of the Group's net investment in foreign operations, provided certain conditions are met.

	Group	
	2021 $'000	2020 $'000
At 1 January	**14,594**	(11,985)
Currency translation differences of financial statements of foreign subsidiaries	**8,042**	(3,522)
Realisation of net currency translation differences upon divestment of a subisidiary	**110**	–
Less: Non-controlling interests	**3**	(17)
Net currency translation difference on borrowings designated as net investment hedge of foreign operations	**(16,880)**	30,118
At 31 December	**5,869**	14,594

(b) Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss as the hedged cash flows affect profit or loss.

	2021			2020		
	Interest rate risk $'000	**Foreign exchange risk $'000**	**Total $'000**	Interest rate risk $'000	Foreign exchange risk $'000	Total $'000
Group						
At 1 January	**(23,595)**	**–**	**(23,595)**	(7,712)	3,222	(4,490)
Fair value losses	**12,030**	**–**	**12,030**	(21,515)	–	(21,515)
	(11,565)	**–**	**(11,565)**	(29,227)	3,222	(26,005)
Reclassified to profit or loss, as hedged item has affected profit or loss (Note 25)	**7,949**	**–**	**7,949**	5,632	(3,222)	2,410
At 31 December	**(3,616)**	**–**	**(3,616)**	(23,595)	–	(23,595)
Trust						
At 1 January	**–**	**–**	**–**	–	3,222	3,222
Fair value losses	**–**	**–**	**–**	–	–	–
Reclassified to profit or loss, as hedged item has affected profit or loss	**–**	**–**	**–**	–	(3,222)	(3,222)
At 31 December	**–**	**–**	**–**	–	–	–

(c) **Other reserve**

Other reserve comprises an excess amounting to $95,751,000 of the consideration paid by Trust over the nominal value of the Unitholders' funds for the redemption of the existing units from unitholders on the listing date.

Capital management

The Manager reviews the Group's debt and capital management cum financial policy regularly so as to optimise the Group's funding structure. The Group's exposures to various risk elements are also monitored closely through clearly established management policies and procedures.

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

Under the Property Funds Appendix of the CIS Code, the aggregate leverage should not exceed 50.0% of the Group's deposited properties. The Group has complied with this requirement and all externally imposed capital requirements for the financial years ended 31 December 2021 and 31 December 2020.

The Manager also monitors the Group's capital using a net debt to total funding ratio, which is defined as the (1) net borrowings divided by (2) total Unitholders' funds and liabilities:

	Group	
	2021 $'000	2020 $'000
Gross bank borrowings (Note 18)	**1,289,580**	1,165,756
Less: cash and cash equivalents (Note 16)	**(195,941)**	(244,387)
(1) Net borrowings	**1,093,639**	921,369
(2) Total Unitholders' funds and liabilities	**3,737,721**	3,312,238
Net debt to total funding ratio at end of the year	**0.29**	0.28

There were no significant changes in the Manager's approach to capital management for the Group during the year.

22 Units in Issue

	Group and Trust			
	2021		2020	
	No. of Units	$'000	No. of Units	$'000
Units in issue:				
At 1 January	**1,633,120,606**	**1,859,299**	1,632,395,361	1,855,019
Issue of Units:				
Management fees [(a)]	**778,094**	**2,072**	725,245	1,608
Acquisition, Divestment and Development Management fees [(a)]	**613,155**	**1,551**	–	–
Issuance of Units [(b)]	**81,000,000**	**204,282**	–	–
Issue expenses (net)	**–**	**(2,258)**	–	2,672
Capital distribution [(d)]	**–**	**(10,652)**	–	–
At 31 December	**1,715,511,855**	**2,054,294**	1,633,120,606	1,859,299

(a) During the financial year, the Trust issued 778,094 new Units (2020: 725,245) to the Manager as payment of 100% of the base fees and performance fees in respect of IC DC, Amsterdam DC, Eindhoven DC and 50% of the base fees and performance fees in respect of 99% interest in KDC SGP 5 for the period from 1 October 2020 to 30 September 2021 (2020: 1 October 2019 to 30 September 2020).

The Trust also issued 613,155 new units to the Manager as payment of acquisition fees for the acquisition of Eindhoven DC Campus, divestment fees in relation to iseek DC and development management fees in relation to the completion of IC3 East DC.

(b) Pursuant to the private placement announced on 12 August 2021, the Trust issued 81,000,000 new Units at an issue price of $2.522. The new Units were listed on 23 August 2021.

(c) Each Unit in the Trust represents an undivided interest in the Trust. The rights and interests of Unitholders are contained in the Trust Deed which includes the rights to:

- receive income and other distributions attributable to the Units;
- participate in the termination of the Trust by receiving a share of all net cash proceeds derived from the realisation of the assets of the Trust less any liabilities, in accordance with their proportionate interests in the Trust. However, a Unitholder has no equitable or proprietary interest in the underlying assets of the Trust and is not entitled to the transfer to it of any assets (or part thereof) or of any estate or interest in any asset (or part thereof) of the Trust; and
- have the right to receive notice of, attend and one vote per Unit at any meeting of the Unitholders.

The holders of Units are entitled to receive all distributions declared and paid by the Trust. Upon winding up, the holders of Units are entitled to a return of capital based on the net asset value per Unit of the Trust.

The restrictions on Unitholders include the following:

- A Unitholder's right is limited to the right to require due administration of the Trust in accordance with the provisions of the Trust Deed; and
- A Unitholder has no right to request the Manager to redeem his Units while the Units are listed on SGX-ST.

A Unitholder's liability is limited to the amount paid or payable for any Units in the Trust. The provisions of the Trust Deed provide that no Unitholders will be personally liable for indemnifying the Trustee or any creditor of the Trustee in the event that the liabilities of the Trust exceed its assets.

(d) Capital distribution represents a return of capital to Unitholders during the year.

23 Gross Revenue

	Group	
	2021 $'000	2020 $'000
Rental income	**265,797**	257,642
Other income	**5,268**	7,929
	271,065	265,571
Government grant income	**–**	1,250
Less : Government grant expense	**–**	(1,250)
	–	–
	271,065	265,571

Other income mainly refers to rental top up income of $2,723,000 (2020: $5,626,000) provided by a related corporation as the vendor of an asset acquired, government grant income and non-recurring service fee charged to clients as stipulated in the lease agreements.

Contingent rent recognised as rental income amounted to $99.7 million (2020: $107.1 million).

In prior year, grant income relates to property tax rebates and cash grants received from Singapore Government as part of the COVID-19 relief measures. The Group is obliged to pass on the benefits to certain eligible clients and has transferred these to the clients in the form of rent rebates during the current financial year. For the cash grant, the Group is obliged to waive up to two months of rental to eligible clients. Included in rental income was $Nil (2020: $563,000) of such rent rebates provided to eligible clients.

24 Property Operating Expenses

	Group	
	2021 $'000	2020 $'000
Property-related taxes	**3,449**	3,405
Facility management and related costs	**13,300**	12,555
Repairs and maintenance	**1,140**	1,589
Other property-related costs	**5,022**	3,856
	22,911	21,405

Other property-related costs mainly relate to insurance, security costs and other relevant costs at the property.

25 Finance Costs

	Group	
	2021 $'000	2020 $'000
Interest expense for bank borrowings	**11,323**	10,235
Amortisation of:		
- lease charges	**1,305**	2,412
- capitalised transaction costs of debt financing	**638**	451
	13,266	13,098
Cash flow hedges, reclassified from hedging reserve (Note 21(b))	**7,949**	5,632
	21,215	18,730

26 Net Change in Fair Value of Investment Properties

	Group	
	2021 $'000	2020 $'000
Investment properties held directly by the Group (Note 4)	**159,475**	25,612
Effects of recognising rental income on a straight-line basis over the lease terms	**(8,102)**	(24,967)
	151,373	645

27 Tax Expenses

	Group	
	2021 $'000	2020 $'000
Current tax expense	**10,569**	6,265
Deferred tax – origination and reversal of temporary differences	**18,607**	14,757
	29,176	21,022
Reconciliation of effective tax rate		
Profit before tax	**350,749**	192,750
Tax calculated using Singapore tax rate of 17% (2020: 17%)	**59,627**	32,768
Effects of tax rates in foreign jurisdictions	**2,842**	(669)
Income not subject to tax	**(33,508)**	(13,307)
Non-deductible expenses	**6,102**	9,117
Utilisation of previously unrecognised tax benefits	**(5,234)**	(2,152)
Effect of unrecognised temporary differences	**12,215**	10,815
Tax transparency	**(12,868)**	(15,550)
	29,176	21,022

The Trust has been awarded the Enhanced-Tier Fund Tax Incentive Scheme under Section 13X of the Income Tax Act (SITA) with effect 13 April 2011 pursuant to the letter of award issued by the Monetary Authority of Singapore (MAS) dated 3 May 2011. The tax exemption will be for the life of the Trust, provided that all the conditions and terms as set out in the MAS Circulars – FDD Circular 03/2009 and FDD Circular 05/2010 and the relevant income tax legislations are met.

Under the terms of the tax incentives granted, qualifying income derived from approved investment is exempted from income tax in the Republic of Singapore.

28 Non-Controlling Interests

As at 31 December 2021, non-controlling interests in relation to KDCS3 LLP, KDCS4 LLP and KDCS5 LLP are significant to the Group. Set out below are the summarised financial information for KDCS3 LLP, KDCS4 LLP and KDCS5 LLP. These are presented before inter-company eliminations.

	KDCS3 LLP		KDCS4 LLP		KDCS5 LLP	
Summarised balance sheet	**2021 $'000**	2020 $'000	**2021 $'000**	2020 $'000	**2021 $'000**	2020 $'000
Current						
Assets	**27,243**	29,990	**28,034**	29,328	**30,091**	36,325
Liabilities	**(858)**	(1,034)	**(1,782)**	(3,483)	**(4,266)**	(7,823)
Total current net assets	**26,385**	28,956	**26,252**	25,845	**25,825**	28,502
Non-current						
Assets	**316,378**	268,626	**426,000**	387,250	**360,000**	360,000
Liabilities	**(4,378)**	(3,626)	**–**	(5,106)	**–**	–
Total non-current net assets	**312,000**	265,000	**426,000**	382,144	**360,000**	360,000
Net assets	**338,385**	293,956	**452,252**	407,989	**385,825**	388,502
Summarised income statement						
Revenue	**27,818**	31,143	**30,287**	33,319	**33,014**	35,450
Profit before tax	**69,361**	28,878	**66,175**	32,007	**26,880**	36,920
Income tax	**–**	–	**5,106**	(1,952)	**–**	2,712
Profit after tax	**69,361**	28,878	**71,281**	30,055	**26,880**	39,632
Other comprehensive income	**–**	–	**–**	–	**–**	–
Total comprehensive income	**69,361**	28,878	**71,281**	30,055	**26,880**	39,632
Total comprehensive income allocated to non-controlling interests	**6,936**	2,888	**713**	301	**269**	396
Dividends paid to non-controlling interests	**(2,493)**	(2,943)	**(270)**	(175)	**(296)**	(305)
Summarised cash flows						
Cash flows from operating activities						
Cash generated from operations	**21,762**	30,241	**27,525**	38,450	**29,202**	40,243
Income tax paid	**–**	–	**–**	–	**–**	–
Net cash generated from operating activities	**21,762**	30,241	**27,525**	38,450	**29,202**	40,243
Net cash used in investing activities	**(2,116)**	(999)	**(374)**	(1,291)	**(4,200)**	(23,990)
Net cash used in financing activities	**(24,932)**	(29,432)	**(27,018)**	(17,539)	**(29,556)**	(1,252)
Net (decrease)/increase in cash and cash equivalents	**(5,286)**	(190)	**133**	19,620	**(4,554)**	15,001
Cash and cash equivalent at the beginning of financial year	**16,852**	17,042	**20,931**	1,311	**26,881**	11,880
Cash and cash equivalent at the end of financial year	**11,566**	16,852	**21,064**	20,931	**22,327**	26,881

29 Earnings per Unit and Distribution per Unit

(a) Basic and diluted earnings per Unit

The calculation of basic and diluted earnings per Unit is based on the profit or loss for the year and weighted average number of Units during the year:

	Group	
	2021 $'000	2020 $'000
Profit attributable to Unitholders	**313,656**	168,152
Profit attributable to Unitholders (excluding net change in fair value of investment properties and their related deferred tax impact)	**172,342**	173,715

	Number of Units	
	2021 $'000	2020 $'000
Weighted average number of Units:		
- outstanding during the year	**1,632,901**	1,418,114
- effects of Units issued	**29,572**	214,787
Weighted average number of Units during the year	**1,662,473**	1,632,901

	Group	
	2021 $'000	2020 $'000
Basic and diluted earnings per Unit (cents)	**18.87**	10.30
Basic and diluted earnings per Unit (cents) (excluding net change in fair value of investment properties and their related deferred tax impact)	**10.37**	10.64

(b) Distribution per Unit

The calculation of distribution per Unit for the financial year is based on:

	Group	
	2021 $'000	2020 $'000
Total amount available for distribution for the year	**171,606**	156,915
Distribution per Unit (cents)	**9.851**	9.170

The amount available for distribution for the financial year included an amount of capital expenditure set aside for certain assets of $7.8 million (2020: $7.2 million).

30 Financial Risk Management

Overview
The Manager has a system of controls for the Group in place to determine an acceptable balance between the cost of risks occurring and the cost of managing risks. The Manager continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Credit risk
Credit risk is the risk of financial loss to the Group if a counterparty fails to meet its contractual obligations.

Prior to signing any major contracts, credit assessments on prospective clients are carried out. This is usually done by way of evaluating information from corporate searches. The Group's client trade sector mix in its property portfolio is actively managed to avoid excessive exposure to any one potentially volatile trade sector.

Cash and cash equivalents are placed and derivative financial instruments are entered into with banks and financial institution counterparties which are of good credit ratings. Notes receivables are issued by a joint venture in Singapore and is unrated. The Manager assesses all counterparties for credit risk for the Group before contracting with them.

At the reporting date, the carrying amount of each class of financial assets recognised in the statement of financial position represents the Group's maximum credit exposure.

Trade and other receivables that are neither past due nor impaired are substantially with companies with good collection track record with the Group.

There were no significant trade and other receivables that are past 90 days due but not impaired.

Credit risk concentration profile
At the reporting date, approximately $31.3 million representing 43.9% (2020: $32.1 million representing 49.6%) and $5.9 million representing 18.9% (2020: $3.2 million representing 7.2%) of trade and other receivables of the Group and the Trust were due from a related corporation. The Group has assessed that the related corporation has strong financial capacity to meet the contractual obligation and hence does not expect signficant credit losses.

The Group uses a provision matrix to measure the lifetime expected credit loss (ECL) allowance for trade receivables.

In measuring the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and days past due.

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables. The Group assessed the expected credit risk on these financial assets as low and subject to immaterial credit loss.

Trade receivables
Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group may consider a financial asset as in default if the counterparty fails to make contractual payments within 90 days when they fall due, and writes off the financial asset when a debtor fails to make contractual payments on a case by case basis. Where receivables are written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

Notes receivables
For the purpose of impairment assessment, the notes receivables are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowances is measured at an amount equal to 12-month ECL.

In determining the ECL, the Manager has taken into account the historical default experience and the financial position of the joint venture, adjusted for the factors that are specific to the joint venture and general economic conditions of the industry in which the joint venture operate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default of each case.

Accordingly, the Manager believes that there is no loss allowance required.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for these financial assets.

Other receivables, amount due from a related company and subsidiaries
The Group monitors the credit risk based on the past due information to assess if there is any significant increase in credit risk. The other receivables, amount due from a related company and subsidiaries are measured on 12-month ECL. The credit loss is immaterial.

30 Financial Risk Management (continued)

Credit risk (continued)

Cash and cash equivalents
Bank balances and short-term deposits are mainly transacted with banks of high credit ratings assigned by international credit-rating agencies and are considered to have low credit risk. The cash balances are measured on 12-month expected credit losses and subject to immaterial credit loss

Loan to subsidiaries
The Trust has assessed that its subsidiaries will be able to meet the contractual obligation and considered to have low credit risk. The loans are measured on 12-month expected credit losses and subject to immaterial credit loss.

Financial guarantee contracts
The Trust has issued financial guarantees to banks for borrowings of its subsidiaries. These guarantees are subject to the impairment requirement of SFRS(I) 9. The Trust has assessed that its subsidiaries will be able to meet the contractual cash flow obligations in the near future and hence, does not expect significant credit losses arising from these guarantees.

Liquidity risk
Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Manager manages the liquidity structure of the Group's assets, liabilities and commitments so that cash flows are appropriately balanced and all funding obligations are met when due.

The Manager monitors and maintains a level of cash and cash equivalents of the Group deems adequate to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Steps will be taken to plan early for funding and expense requirements so as to manage the cash position at any point in time.

The following are the contractual undiscounted cash flows of financial liabilities, including estimated finance costs and excluding the impact of netting agreements:

	Contractual cash flows (including finance costs)			
	Total $'000	Within 1 year $'000	Within 1 to 5 years $'000	More than 5 years $'000
Group				
2021				
Non-derivative financial liabilities				
Bank borrowings	(1,358,967)	(173,488)	(682,116)	(503,363)
Lease liabilities	(12,903)	(4,581)	(8,322)	–
Trade and other payables	(50,143)	(50,143)	–	–
Provision	(20,025)	–	–	(20,025)
	(1,442,038)	(228,212)	(690,438)	(523,388)
Derivative financial instruments				
Forward foreign exchange contracts				
- Outflow	(212,921)	(164,126)	(48,795)	–
- Inflow	216,891	166,349	50,542	–
Interest rate swaps	(31,280)	(7,495)	(19,774)	(4,011)
	(27,310)	(5,272)	(18,027)	(4,011)

	Contractual cash flows (including finance costs)			
	Total $'000	Within 1 year $'000	Within 1 to 5 years $'000	More than 5 years $'000
Group				
2020				
Non-derivative financial liabilities				
Bank borrowings	(1,199,195)	(152,088)	(939,248)	(107,859)
Lease liabilities	(50,523)	(5,204)	(17,280)	(28,039)
Trade and other payables	(79,951)	(79,951)	–	–
Provision	(21,100)	–	–	(21,100)
	(1,350,769)	(237,243)	(956,528)	(156,998)
Derivative financial instruments				
Forward foreign exchange contracts				
- Outflow	(90,109)	(50,328)	(39,781)	–
- Inflow	86,969	48,376	38,593	–
Interest rate swaps	(22,179)	(7,278)	(14,901)	–
	(25,319)	(9,230)	(16,089)	–

	Contractual cash flows (including finance costs)			
	Total $'000	**Within 1 year $'000**	**Within 1 to 5 years $'000**	**More than 5 years $'000**
Trust				
2021				
Non-derivative financial liabilities				
Loans from subsidiaries	**(1,284,080)**	**(176,912)**	**(599,794)**	**(507,374)**
Lease liabilities	**(8,525)**	**(203)**	**(8,322)**	**–**
Trade and other payables	**(21,429)**	**(21,429)**	**–**	**–**
	(1,314,034)	**(198,544)**	**(608,116)**	**(507,374)**
Derivative financial instruments				
Forward foreign exchange contracts				
- Outflow	**(212,921)**	**(164,126)**	**(48,795)**	**–**
- Inflow	**216,891**	**166,349**	**50,542**	**–**
	3,970	**2,223**	**1,747**	**–**
2020				
Non-derivative financial liabilities				
Loans from subsidiaries	(1,206,018)	(144,010)	(954,149)	(107,859)
Lease liabilities	(12,234)	(3,907)	(8,327)	–
Trade and other payables	(19,622)	(19,622)	–	–
	(1,237,874)	(167,539)	(962,476)	(107,859)
Derivative financial instruments				
Forward foreign exchange contracts				
- Outflow	(90,109)	(50,328)	(39,781)	–
- Inflow	86,969	48,376	38,593	–
	(3,140)	(1,952)	(1,188)	–

30 Financial Risk Management (continued)

Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Group's profit or loss. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

The Group's exposure to market risk for changes in interest rate environment relates mainly to its credit facilities.

	Group	
	Notional amount	
	2021 $'000	2020 $'000
Fixed rate instruments		
Interest rate swaps	(959,757)	(722,652)
Lease liabilities	(12,104)	(24,155)
Variable rate instruments		
Bank borrowings	(1,289,580)	(1,165,756)
Interest rate swaps	959,757	722,652

The Group enters into interest rate swap agreements to hedge the interest rate risk exposure arising from its SGD, EUR, GBP, AUD and RMB variable rate term loans (Note 18).

As at the end of the financial year, the Group has interest rate swap agreements with notional amount totalling $959,757,000 (2020: $722,652,000) whereby it receives variable rates equal to SORA, EURIBOR, SONIA, BBSW and 1Y LPR (2020: SOR, EURIBOR, LIBOR and BBSW) and pays fixed rates of interest. The all-in fixed interest rates ranges between 1.01% and 4.68% (2020: 1.01% and 3.33%) on the notional amount. These interest rate swap agreements are held for hedging interest rate risk arising from variable rate borrowings, with interest rates based on SORA, EURIBOR, SONIA, BBSW and 1Y LPR (2020: SOR, EURIBOR, LIBOR and BBSW). This amounts to 74% (2020: 63%) of the Group's total amount of borrowings.

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial asset and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore a change in interest rates at the reporting date would not affect the statement of profit and loss.

Cash flow sensitivity analysis for variable rate instruments

The Group manages interest risks by using interest rate swaps (Note 11). The details of the interest rates relating to interest-bearing financial liabilities are disclosed in Note 18.

As at 31 December 2021 and 31 December 2020, the Group is not exposed to significant floating interest rate risk since its floating rate bank borrowings are substantially hedged with interest rate swaps. The Group has applied hedge accounting in order to manage volatility in profit or loss.

As at 31 December 2021 and 31 December 2020, the Trust is not exposed to significant floating interest rate risk.

Derivatives assets and liabilities designated as cash flow hedges

The following table indicates the periods in which the cash flows associated with cash flow hedges are expected to occur and the fair value of the related hedging instruments.

	Carrying amount $'000	Expected cash flows $'000	Within 1 year $'000	Within 1 to 5 years $'000	More than 5 years $'000
Group					
2021					
Interest rate swaps					
Assets	2,207	(8,102)	(1,791)	(5,228)	(1,083)
Liabilities	(5,865)	(23,178)	(5,704)	(14,546)	(2,928)
	(3,658)	(31,280)	(7,495)	(19,774)	(4,011)
2020					
Interest rate swaps					
Assets	–	–	–	–	–
Liabilities	(23,596)	(22,179)	(7,278)	(14,901)	–
	(23,596)	(22,179)	(7,278)	(14,901)	–

Foreign currency risk

The Group operates across multiple jurisdictions and is exposed to various currencies, particularly AUD, EUR, GBP and RMB.

The Group manages its foreign currency risk, whenever possible, by borrowing in the currency of the country in which the property or investment is located or by borrowing in currencies that match the future revenue stream to be generated from its investments.

Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

In relation to its overseas investments in its foreign subsidiaries whose net assets are exposed to currency translation risk and which are held for long term investment purposes, the differences arising from such translation are captured under the foreign currency translation reserve. These translation differences are reviewed and monitored on a regular basis.

The Group's exposure to fluctuations in foreign currency rates relates primarily to its receivables, borrowings and payables that are denominated in a currency other than the presentation currency of the Group. The Group has material receivables, borrowings and payables denominated in foreign currencies in AUD, EUR, GBP and RMB. To hedge against the volatility of future cash flows caused by changes in foreign currency rates, the Group utilises forward foreign currency contracts to hedge the Group's exposure to specific currency risks relating to receivables and payables.

As at the end of the financial year, the Group and Trust has outstanding forward foreign exchange contracts with notional amounts totalling $212.9 million (2020: $90.1 million). The net positive fair value of forward foreign exchange contracts is $4.0 million (2020: net negative fair value $3.1 million) comprising assets of $4.3 million (2020: $ 0.1 million) and liabilities of $0.3 million (2020: $3.2 million). These amounts are recognised as derivative financial instruments in Note 11.

30 Financial Risk Management (continued)

Foreign currency risk (continued)

Exposure to currency risk:
The summary of quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

	2021				2020		
	AUD $'000	**EUR $'000**	**GBP $'000**	**RMB $'000**	AUD $'000	EUR $'000	GBP $'000
Group							
Cash and cash equivalents	**30,376**	**54,472**	**15,179**	**7,454**	21,360	61,955	10,742
Trade receivables and other receivables	**5,029**	**21,939**	**345**	**14,360**	3,909	19,568	377
Deposits	**–**	**–**	**10,402**	**–**	–	–	–
Bank borrowings	**(94,768)**	**(611,456)**	**(87,806)**	**(85,800)**	(84,247)	(693,351)	(85,757)
Trade payables and other payables	**(2,254)**	**(35,625)**	**(2,269)**	**(4,035)**	(26,320)	(41,223)	(2,407)
Add: Firm commitments and highly probable forecast transactions in foreign currencies	**21,664**	**80,447**	**110,810**	**–**	23,094	50,580	16,434
Less: Forward exchange contracts	**(21,664)**	**(80,447)**	**(110,810)**	**–**	(23,094)	(50,580)	(16,434)
Add: Borrowings designated as net investment hedge of foreign operations	**94,768**	**611,456**	**87,806**	**85,800**	84,247	677,995	85,757
Net exposure	**33,151**	**40,786**	**23,657**	**17,779**	(1,051)	24,944	8,712

The summary of quantitative data about the Trust's exposure to currency risk as reported to the management of the Trust is as follows:

	2021			2020		
	AUD $'000	**EUR $'000**	**GBP $'000**	AUD $'000	EUR $'000	GBP $'000
Trust						
Cash and cash equivalents	**22,246**	**27,935**	**13,042**	12,519	19,288	8,610
Trade receivables and other receivables	**4,927**	**1,093**	**10,575**	4,436	29,886	21
Trade payables and other payables	**(628)**	**(1,032)**	**(1,100)**	(128)	(711)	(1,743)
Loans from subsidiaries	**(94,768)**	**(611,456)**	**(87,806)**	(84,247)	(677,995)	(85,757)
Loans to subsidiaries	**122,552**	**213,302**	**–**	124,217	208,276	–
Add: Firm commitments and highly probable forecast transactions in foreign currencies	**21,664**	**80,447**	**110,810**	23,094	50,580	16,434
Less: Forward exchange contracts	**(21,664)**	**(80,447)**	**(110,810)**	(23,094)	(50,580)	(16,434)
Net exposure	**54,329**	**(370,158)**	**(65,289)**	56,797	(421,256)	(78,869)

Sensitivity analysis:
A 10% (2020: 10%) strengthening of the Group's presentation currency against the following foreign currencies at the reporting date would increase/(decrease) the Group and Trust's profit or loss as at the reporting date by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Group		Trust	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
AUD	**(3,315)**	105	**(5,433)**	(5,680)
EUR	**(4,079)**	(2,494)	**37,016**	42,126
GBP	**(2,366)**	(871)	**6,529**	7,887
RMB	**(1,778)**	–	**–**	–
	(11,538)	(3,260)	**38,112**	44,333

A 10% (2020: 10%) weakening of the Group's presentation currency against the above currencies would have an equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Financial instruments by category
The carrying amount of the different categories of financial instruments are as follows:-

	Group		Trust	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
Financial assets at amortised cost	**366,638**	303,955	**210,369**	158,676
Financial liabilities at amortised cost	**1,359,748**	1,266,807	**1,225,209**	1,042,108

31 Fair Value of Assets and Liabilities

Determination of fair values

The following valuation methods and assumptions are used to estimate the fair values of the following significant classes of assets and liabilities:

Investment properties

External, independent valuation companies, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued, value the Group's investment properties portfolio annually. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably.

In the absence of current prices in an active market, the valuations are prepared by considering the estimated rental revenue of the property. A market yield is applied to the estimated rental value to arrive at the gross property valuation. When actual rents differ materially from the estimated rental value, adjustments are made to reflect actual rents.

Valuations reflect, when appropriate, the type of clients actually in occupation or responsible for meeting lease commitments or likely to be in occupation after letting vacant accommodation, the allocation of maintenance and insurance responsibilities between the Group and the lessee, and the remaining economic life of the property. When rent reviews or lease renewals are pending with anticipated reversionary increases, it is assumed that all notices, and when appropriate counter-notices, have been served validly and within the appropriate time.

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of expected future principal and interest cash flows, where the discount rate is computed from the market rate of interest at the reporting date.

Notes receivables

The Manager estimates that the carrying value of the notes receivable approximate their fair value as these notes may be redeemed at par prior to their maturity dates on any interest payment date.

Other financial assets and liabilities

The carrying amounts of financial assets and financial liabilities with a maturity of less than one period (including trade and other receivables, cash and cash equivalents and trade and other payables) are assumed to approximate their fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine their fair values.

The carrying amounts of the Trust's interest-bearing amounts owing by subsidiaries are assumed to approximate their fair values because of the short period to maturity.

Fair value hierarchy

The table below analyses fair value measurements for financial assets, financial liabilities and non-financial assets carried at fair value. The different levels are defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3: unobservable inputs for the asset or liability.

Assets and liabilities carried at fair value

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Group				
2021				
Derivative financial assets	–	6,494	–	6,494
Investment properties	–	–	3,401,436	3,401,436
	–	6,494	3,401,436	3,407,930
Derivative financial liabilities	–	(6,182)	–	(6,182)
2020				
Derivative financial assets	–	73	–	73
Investment properties	–	–	3,005,038	3,005,038
	–	73	3,005,038	3,005,111
Derivative financial liabilities	–	(26,809)	–	(26,809)
Trust				
2021				
Derivative financial assets	–	4,287	–	4,287
Investment properties	–	–	526,726	526,726
	–	4,287	526,726	531,013
Derivative financial liabilities	–	(317)	–	(317)
2020				
Derivative financial assets	–	73	–	73
Investment properties	–	–	483,182	483,182
	–	73	483,182	483,255
Derivative financial liabilities	–	(3,213)	–	(3,213)

There were no transfers between levels of the fair value hierarchy during the years ended 31 December 2021 and 31 December 2020.

Movement in Level 3 fair values of investment properties for the financial year is as shown in Note 4.

31 Fair Value of Assets and Liabilities (continued)

Assets and liabilities carried at fair value (continued)

Level 3 fair values

The following table shows the valuation techniques and the significant unobservable inputs used in the determination of fair value.

Valuation method	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investment properties – data centres		
Capitalisation approach	Capitalisation rate: 4.40% to 9.31% (2020: 4.95% to 10.12%)	The estimated fair value varies inversely against the capitalisation rate.
Discounted cash flow approach	Discount rate: 5.50% to 11.25% (2020: 5.04% to 11.5%) Terminal yield rate: 5.49% to 10.50% (2020: 5.25% to 14.35%)	The estimated fair value varies inversely against the discount rate and terminal yield rate.

Fair value

The basis for fair value measurement of financial assets and liabilities is set out above. The carrying amounts of other financial assets and liabilities approximate their fair values.

32 Leases

Nature of the leasing activities

The Group as a lessee

The Group makes annual lease payments for the leasehold land of iseek DC (2020: iseek DC). For the remaining investment properties that are on leasehold land, the Group has secured the right-of-use at the point of acquisition of investment properties.

The right-of-use assets relating to the leasehold lands presented under Investment Properties (Note 4) are stated at fair value and have carrying amounts at balance sheet date of $12,104,000 (2020: $24,155,000).

There is no externally imposed covenant on these lease arrangements.

Future cash outflow which are not capitalised in lease liabilities

The leases for certain leasehold lands contain extension periods, for which the related lease payments had not been included in lease liabilities as the Group is not reasonably certain to exercise these extension option. The Group negotiates extension options to optimise operational flexibility in terms of managing the assets used in the Group's operations. The majority of the extension options are exercisable by the Group and not by the lessor.

The Group as a lessor

Leasehold property

The Group have leased out their owned investment properties to a third party for monthly lease payments. Where considered necessary to reduce credit risk, the Group may obtain bank guarantees for the term of the lease. This lease is classified as an operating lease because the risk and rewards incidental to ownership of the assets are not substantially transferred.

Rental income from investment properties are disclosed in Note 23.

Undiscounted lease payments from the operating leases to be received after the reporting date are as follows:

Operating leases under SFRS (I) 16	Group		Trust	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
Less than one year	**163,744**	129,761	**9,854**	9,568
One to two years	**156,326**	129,935	**10,150**	9,854
Two to three years	**143,455**	124,930	**9,895**	10,150
Three to four years	**131,725**	125,270	**–**	9,895
Four to five years	**114,915**	114,189	**–**	–
More than five years	**610,317**	507,467	**–**	–
Total undiscounted lease payment	**1,320,482**	1,131,552	**29,899**	39,467

33 Related Party Transactions

For the purpose of these financial statements, parties are considered to be related to the Group when the Group has the ability, whether directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions or vice-versa, or where the Group and the party are subject to common control or with a Unitholder that has significant influence. Other than disclosed elsewhere in the financial statements, the following are significant transactions with related parties on terms agreed between the parties.

	Group	
	2021 $'000	2020 $'000
Fixed rental income from related corporations	**28,902**	25,282
Variable rental income from related corporations	**99,678**	107,096
Management base fees to the Manager	**(15,375)**	(13,741)
Management performance fees to the Manager	**(8,411)**	(7,936)
Acquisition and development management fees to the Manager	**(4,563)**	(4,853)
Divestment fees to the Manager	**(172)**	–
Facility management fees to related corporations	**(4,027)**	(4,327)
Project management fees to a related corporation	**(475)**	–
Support services fee to a related corporation	**(468)**	(272)
Interest expense to a related corporation	**(988)**	–
Interest income from a joint venture	**223**	–
Investment in notes and preference shares in a joint venture	**89,700**	–
Recoverables in relation to an obligation assumed from a related corporation	**–**	13,161
Purchase consideration paid to a related corporation in relation to an interest in KDC SGP 4	**–**	(503)

34 Commitments and Contingencies

Capital commitments

In December 2021, Keppel DC REIT entered into an agreement to acquire a shell and core data centre facility in Bracknell, United Kingdom, for $104.0 million (GBP 57.0 million). The REIT paid a deposit of $10.4 million (GBP 5.7 million), with the remaining $93.6 million (GBP 51.3 million to be paid upon legal completion.

Guarantees

Group
The Group provided bank guarantee of approximately $Nil (2020: $0.5 million) to a lessor of a leasehold land under a lease agreement.

Trust
The Trust has provided bank guarantee amounting to approximately $Nil (2020: $0.5 million) to the bank for a lease agreement entered by a subsidiary.

35 Financial Ratios

	Group	
	2021 **%**	2020 %
Expenses to average net assets[1]		
- including asset management fees	**1.50**	1.64
- excluding asset management fees	**0.35**	0.51

	Group	
	2021 **%**	2020 %
Operating expenses[2] ($'000)	**80,235**	68,163
Operating expenses[2] to net asset value as at 31 December (%)	**3.87**	3.54

[1] The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). The calculation of the expense ratio was based on total expenses of the Group divided by the average net asset value for the year. The expenses used in the computation exclude property expenses, finance costs, foreign exchange gains/losses, gains/losses from derivatives and tax expenses. The average net asset value is based on the month-end balances.

[2] The operating expenses include property expenses, the Manager's management fees, trustee's fees and all other fees and charges paid to interested persons as well as taxation incurred.

36 Operating Segments

The Group has 20 (2020: 19) investment properties, as described in the portfolio statement in three reportable segments. The various investment properties are managed separately given the different geographic locations. For each of the investment properties, the Manager reviews internal management reports at least on a quarterly basis.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit or loss before tax, as included in the internal management reports that are reviewed by the Manager. Segment return is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Information about reportable segments

By type of asset

	2021			
	Colocation $'000	Fully-fitted $'000	Shell and core $'000	Total $'000
Gross revenue	184,287	55,819	30,959	271,065
Net property income	163,088	56,070	28,996	248,154
Finance income	208	125	–	333
Finance costs	(11,077)	(5,935)	(3,564)	(20,576)
Amortisation of intangible assets	(2,723)	–	–	(2,723)
Net change in fair value of investment properties	122,727	29,727	(1,081)	151,373
Reportable segment profit before tax	283,770	81,035	7,613	372,418
Unallocated amounts:				
- Finance income				225
- Finance costs				(639)
- Other corporate expenses				(21,255)
Profit before tax				350,749
Segment assets	2,124,693	841,964	627,735	3,594,392
Other unallocated amounts				185,758
Consolidated assets				3,780,150
Segment liabilities	592,474	407,772	366,065	1,366,311
Other unallocated amounts				78,163
Consolidated liabilities				1,444,474
Other segment items:				
Capital expenditure/net additions	22,959	58,590	8,260	89,809

36 Operating Segments (continued)

Information about reportable segments (continued)

By type of asset

	2020			
	Colocation $'000	Fully-fitted $'000	Shell and core $'000	Total $'000
Gross revenue	188,523	46,821	30,227	265,571
Net property income	168,973	46,075	29,118	244,166
Finance income	436	–	9	445
Finance costs	(11,338)	(4,419)	(2,890)	(18,647)
Amortisation of intangible assets	(5,626)	–	–	(5,626)
Net change in fair value of investment properties	20,918	7,686	(27,959)	645
Reportable segment profit before tax	173,572	48,251	(4,413)	217,410
Unallocated amounts:				
- Finance costs				(83)
- Other corporate expenses				(24,577)
Profit before tax				192,750
Segment assets	1,991,874	561,016	680,192	3,233,082
Other unallocated amounts				116,746
Consolidated assets				3,349,828
Segment liabilities	605,900	303,061	431,834	1,340,795
Other unallocated amounts				26,791
Consolidated liabilities				1,367,586
Other segment items:				
Capital expenditure/net additions	85,584	71	43,879	129,534

By geographical area

	Group	
	2021 $'000	2020 $'000
Gross revenue		
- Singapore	**157,414**	161,711
- Australia	**28,607**	29,101
- Ireland	**32,449**	26,129
- Germany	**19,184**	21,805
- The Netherlands	**15,762**	10,492
- Other countries	**17,649**	16,333
Total gross revenue	**271,065**	265,571
Investment properties		
- Singapore	**1,902,103**	1,711,057
- Australia	**326,458**	307,946
- Ireland	**291,908**	296,684
- Germany	**279,486**	277,296
- The Netherlands	**257,748**	195,813
- Other countries	**343,733**	216,242
Total carrying value of investment properties	**3,401,436**	3,005,038

Major customers

Gross revenue of approximately $146.8 million (2020: $154.9 million) is derived from 2 external clients from Singapore and Australia. (2020: Singapore and Australia).

37 Subsequent Events

On 11 January 2022, the Group completed the acquisition of London DC, a shell and core data centre facility in Bracknell, United Kingdom, for $104.0 million.

On 24 January 2022, the Manager declared a distribution of 3.506 cents per Unit for the period from 23 August 2021 to 31 December 2021.

CORPORATE GOVERNANCE

The board of directors (the "Board") and management of Keppel DC REIT Management Pte. Ltd., the manager of Keppel DC REIT (the "Manager"), are fully committed to good corporate governance as they firmly believe that it is essential in protecting the interests of the unitholders of Keppel DC REIT (the "Unitholders"). Good corporate governance is also critical to the performance and success of the Manager.

The Manager adopts the Code of Corporate Governance 2018 (the "2018 Code") as its benchmark for corporate governance policies and practices. The following sections describe the Manager's main corporate governance policies and practices, with specific reference to the 2018 Code and its accompanying Practice Guidance. The Manager is pleased to share that Keppel DC REIT has complied with the principles of the 2018 Code as well as all material aspects with the provisions and practices of the 2018 Code. Where there are deviations from the provisions of the 2018 Code, appropriate explanations have been provided in this Annual Report.

THE MANAGER OF KEPPEL DC REIT

The Manager has general powers of management over the assets of Keppel DC REIT. The Manager's main responsibility is to manage the assets and liabilities of Keppel DC REIT for the benefit of Unitholders. The Manager manages the assets of Keppel DC REIT with a focus on generating rental income and enhancing asset value over time so as to maximise the returns from investments, and ultimately the distributions and total returns to Unitholders.

The primary role of the Manager is to set the strategic direction of Keppel DC REIT and make recommendations to Perpetual (Asia) Limited as trustee of Keppel DC REIT (the "Trustee") on the acquisitions to, and divestments from, Keppel DC REIT's portfolio of assets, as well as enhancement of the assets of Keppel DC REIT, in accordance with its investment strategy. The research, analysis and evaluation required to achieve this is carried out by the Manager. The Manager is also responsible for the risk management of Keppel DC REIT.

The Manager uses its best endeavours to carry on and conduct its business in a proper and efficient manner and to conduct all transactions with, or for Keppel DC REIT, at arm's length.

Other functions and responsibilities of the Manager include:

(a) developing a business plan for Keppel DC REIT with a view to maximise the distributable income of Keppel DC REIT;

(b) acquiring, selling, leasing, contracting, licensing, entering into colocation arrangements for the use of colocation space or otherwise dealing with any real estate in furtherance of the investment policy and prevailing investment strategy that the Manager has for Keppel DC REIT;

(c) supervising and overseeing the management of Keppel DC REIT's properties (including lease and facility management, systems control, data management and business plan implementation);

(d) undertaking regular individual asset performance analysis and market research analysis;

(e) managing the finances of Keppel DC REIT, including accounts preparation, capital management, co-ordination of the budget process, forecast modeling, performance analysis and reporting, corporate treasury functions and ongoing financial market analysis;

(f) ensuring compliance with the applicable provisions of the Companies Act, the Securities and Futures Act and all other relevant legislation of Singapore, the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX"), the Code on Collective Investment Schemes (including the Property Funds Appendix) issued by the Monetary Authority of Singapore ("MAS"), the tax rulings issued by the Inland Revenue Authority of Singapore on taxation of Keppel DC REIT and its Unitholders;

(g) managing regular communications with Unitholders; and

(h) supervising the facility managers who perform day-to-day facility management functions (including contracting, accounting, budgeting, marketing, promotion, facility management, maintenance and administration) for Keppel DC REIT's properties, pursuant to the facility management agreements signed for the respective properties.

Keppel DC REIT, constituted as a trust, is externally managed by the Manager. The Manager appoints an experienced and well-qualified management team to run the day-to-day operations of Keppel DC REIT. All directors of the Manager (the "Directors") and employees of the Manager are remunerated by the Manager, and not by Keppel DC REIT.

The Manager is appointed in accordance with the terms of the Deed of Trust dated 17 March 2011 as amended and supplemented by a First Supplemental Deed dated 24 October 2014, a Supplemental Deed of Appointment and Retirement dated 24 October 2014, the First Amending and Restating Deed dated 24 October 2014, the Second Supplemental Deed dated 18 November 2014, the Third Supplemental Deed dated 21 January 2015, the Fourth Supplemental Deed dated 11 March 2016, the Fifth Supplemental Deed dated 17 April 2018, the Sixth Supplemental Deed dated 9 April 2020 and the Seventh Supplemental Deed dated 10 December 2021 (collectively, the "Trust Deed"). The Trust Deed outlines certain circumstances under which the Manager can be removed by notice in writing given by the Trustee in favour of a corporation appointed by the Trustee, upon the occurrence of certain events, including if the Unitholders by a resolution duly proposed and passed by a simple majority of Unitholders present and voting at a meeting of Unitholders, with no Unitholder (including the Manager and its related parties) being disenfranchised, vote to remove the Manager.

BOARD MATTERS: THE BOARD'S CONDUCT OF AFFAIRS

PRINCIPLE 1:

The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

PRINCIPLE 3:

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The Board is responsible for the overall management and the corporate governance of Keppel DC REIT and the Manager, including establishing goals for management and monitoring the achievement of these goals.

Role: The principal functions of the Board are to:

- provide entrepreneurial leadership and decide on matters in relation to Keppel DC REIT's and the Manager's activities of a significant nature, including decisions on strategic direction, guidelines and the approval of periodic plans and major investments and divestments;
- oversee the business and affairs of Keppel DC REIT and the Manager, establish, with management, the strategies and financial objectives (including appropriate focus on value

creation, innovation and sustainability) to be implemented by management, and monitor the performance of management and ensure that the Manager has necessary resources to meet its strategic objectives;

- hold management accountable for performance and ensure proper accountability within Keppel DC REIT and the Manager;
- oversee processes for evaluating the adequacy and effectiveness of internal controls, risk management, financial reporting and compliance, and satisfy itself as to the adequacy of such processes;
- be responsible for the governance of risk and ensure that management maintains a sound system of risk management and internal controls, to safeguard the interests of Keppel DC REIT and its stakeholders; and
- assume responsibility for corporate governance and ensure transparency and accountability to key stakeholder groups.

Internal Limits of Authority: The Manager has adopted a set of internal guidelines which sets out the level of authorisation and financial authority limits for investment/ business acquisition and divestment, operating/capital expenditure, capital management, leasing, contracting and write-off of assets and corporate matters. Transactions and matters which require the approval of the Board are clearly set out in the internal guidelines. Appropriate delegations of authority and approval sub-limits are also provided at management level to facilitate operational efficiency.

Independent Judgment: All Directors are expected to exercise independent judgment in the best interests of Keppel DC REIT, and all Directors have discharged this duty consistently well.

Conflicts of Interest: All Directors are required to promptly disclose any conflict of interest, whether direct or indirect, in relation to a transaction or proposed transaction with Keppel DC REIT or the Manager as soon as is practicable after the relevant facts have come to his or her knowledge, and recuse themselves when the conflict-related matter is discussed unless the Board is of the opinion that his or her presence and participation is necessary to enhance the efficacy of such discussion, and abstain from voting in relation to conflict-related matters. On an annual basis, each Director is also required to submit details of his or her associates for the purpose of monitoring interested persons transactions.

Board Committees: To assist the Board in the discharge of its oversight function, the Audit and Risk Committee (the "ARC") and the Nominating and Remuneration Committee (the "NRC") have been constituted with clear written terms of reference, and play important roles in ensuring good corporate governance. On 21 February 2022, the Board constituted the Board Environmental, Social and Governance (“ESG”) Committee for the primary purpose of, among others, developing and articulating Keppel DC REIT's ESG strategy. The responsibilities of the Board committees are disclosed in the Appendix hereto.

Meetings: The Board meets at least four times a year and as warranted by particular circumstances to discuss and review the Manager’s key activities, including its business strategies and policies for Keppel DC REIT, proposed acquisitions and divestments, the annual budget, the performance of the business and the financial performance of Keppel DC REIT and the Manager. The Board also reviews and approves the release of the financial results. In addition, the Board reviews the risks to the assets of Keppel DC REIT, and acts upon any comments from the auditor of Keppel DC REIT. Board meetings are scheduled and 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.

The number of Board and Board committee meetings held in FY2021, as well as the attendance of each Board member at these meetings, are disclosed in the table below.

If a Director is unable to attend a Board or Board committee meeting, he or she still receives all the papers and materials for discussion at that meeting. He or she will review them and will advise the Chairman or Board committee Chairman of his or her views and comments on the matters to be discussed so that they can be conveyed to other members at the meeting.

Closed Door Directors’ Meetings: Time is also set aside at the end of each scheduled quarterly Board meeting for closed door discussions without the presence of management to discuss matters such as board processes, corporate governance initiatives, succession planning, and performance management and remuneration matters.

Company Secretary: The Company Secretary administers, attends and prepares minutes of Board proceedings. He assists 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. He also assists the Chairman and the Board to implement corporate governance practices and processes with a view to enhancing long-term Unitholder value. He is also the primary channel of communication between Keppel DC REIT and the SGX. The appointment and removal of the Company Secretary is subject to the approval of the Board as a whole.

Director	Board Meetings Attended	Audit and Risk Committee Meetings Attended	Nominating and Remuneration Committee Meetings Attended
Ms Christina Tan	6	-	1
Mr Kenny Kwan	6	-	2
Mr Lee Chiang Huat	6	5	-
Dr Tan Tin Wee	6	-	2
Mr Dileep Nair	6	5	2
Mr Low Huan Ping	6	5	-
Mr Thomas Pang Thieng Hwi	6	-	-
No. of Meetings held in FY2021	**6**	**5**	**2**

Access to Information: The Board and management fully appreciate that fundamental to good corporate governance is an effective and robust Board whose members engage in open and constructive debate and challenge management on its assumptions and proposals and that for this to happen, the Board must be kept well informed of Keppel DC REIT's businesses and affairs and be knowledgeable about the industry in which the businesses operate.

Management provides the Board with 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. The information provided to the Board includes financial results, market and business developments, and business and operational information. Such reports keep the Board informed, on a balanced and understandable basis, of Keppel DC REIT's business, performance, business and financial environment, risk and prospects. The financial results are also compared against the budgets, together with explanations given for significant variances for the reporting period. Management also surfaces key risk issues for discussion and confers with the ARC and the Board regularly.

As a general rule, Board papers are required to be distributed to Directors at least seven days before the Board meeting so that the Directors may better understand the matters prior to the Board meeting and discussions may be focused on questions that the Directors may have. Directors are provided with tablet devices to facilitate their access to and review of board materials. However, sensitive matters may be tabled at the meeting itself or discussed without any papers being distributed. Managers who can provide additional insight into the matters at hand would be present at the relevant time during the Board meeting. The Directors are also provided with the names and contact details of senior management and the Company Secretary to facilitate direct access to senior management and the Company Secretary. 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.

Subject to the approval of the Chairman, the Directors, whether as a group or individually, may seek and obtain independent professional advice to assist them in their duties, at the expense of Keppel DC REIT.

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 DC REIT, to give the Directors a better understanding of Keppel DC REIT and its businesses, and to provide an opportunity for the Directors to familiarise themselves with the management team so as to facilitate the Board's review of Keppel DC REIT's succession planning.

Director Orientation: A formal letter is sent to newly-appointed Directors upon their appointment explaining their roles, duties, obligations and responsibilities as a Director. All newly-appointed Directors undergo a comprehensive orientation programme which includes management presentations on the businesses and strategic plans and objectives of Keppel DC REIT, and site visits.

Training: Changes to laws, regulations, policies, accounting standards and industry-related matters are monitored closely. Where the changes have an important and significant bearing on Keppel DC REIT and its disclosure obligations, the Directors are briefed either during Board meetings, at specially convened sessions or via circulation of Board papers. The Directors are also provided with continuing education in areas such as directors' duties and responsibilities, corporate governance, changes in financial reporting standards, insider trading, changes in the Companies Act or other applicable legislation and industry-related matters, so as to update and refresh them on matters that affect or may enhance their performance as Board or Board committee members. All induction, training and development costs are at the Manager's expense.

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 Secretary, schedules meetings and prepares meeting agenda to enable the Board to perform its duties responsibly having regard to the flow of Keppel DC REIT's operations.

She 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. She also encourages constructive relations between the Board and management. At Board meetings, the Chairman encourages a full and frank exchange of views, drawing out contributions from all Directors so that the debate benefits from the full diversity of views, in a robust yet collegiate setting.

At annual general meetings ("AGM") and other Unitholders' meetings, the Chairman ensures constructive dialogue between Unitholders, the Board and management. The Chairman sets the right ethical and behavioural tone and takes a leading role in Keppel DC REIT's drive to achieve and maintain a high standard of corporate governance with the full support of the Directors, Company Secretary and management.

The CEO, assisted by management, makes strategic proposals to the Board and after robust and constructive Board discussion, executes the agreed strategy, manages and develops Keppel DC REIT's businesses and implements the Board's decisions.

The clear separation of roles of the Chairman and CEO provides a healthy professional relationship between the Board and management with clarity of roles and robust deliberations on the business activities of Keppel DC REIT.

BOARD MATTERS: BOARD COMPOSITION AND GUIDANCE

PRINCIPLE 2:

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

PRINCIPLE 4:

The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

NOMINATING AND REMUNERATION COMMITTEE

The Manager has established the NRC to, among other things, make recommendations to the Board on all Board appointments and oversee the Board and senior management's succession plans and conducting annual review of board diversity, board size, board independence and directors' commitment. The NRC comprises four Directors (including the lead independent director "Lead Independent Director", Mr Kenny Kwan), the majority of whom, including the Chairman of the NRC, are independent; namely:

Dr Tan Tin Wee	Chairman
Mr Kenny Kwan	Member
Ms Christina Tan	Member
Mr Dileep Nair	Member

The responsibilities of the NRC are disclosed in the Appendix hereto. In addition, Provision 3.3 of the 2018 Code recommends appointing an independent director to be the lead independent director in certain circumstances, including where the Chairman is not independent. As such, Mr Kenny Kwan was appointed as Lead Independent Director of the Board in November 2020.

Mr Kenny Kwan as the Lead Independent Director provides leadership among the Directors in a way that enhances the objectivity and independence of the Board and he will act as an additional conduit to the Board for communicating Unitholder concerns when the normal channels are not able to resolve the matter or the result is not appropriate or adequate. Questions or feedback may be submitted via email to the Lead Independent Director at investor.relations@keppeldcreit.com. The Lead Independent Director may also arrange and chair periodic meetings with other independent Directors as and when required, without the presence of management and provides feedback to the Chairman.

Process for Appointment of New Directors and Succession Planning for the Board
The NRC is responsible for reviewing the succession plans for the Board (in particular, the Chairman). In this regard, it has put in place a formal process for the renewal of the Board and the selection of new Directors. The NRC leads the process and makes recommendations to the Board as follows:

(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 is any inadequate representation in respect of those attributes and if so, prepares a description of the role and the essential and desirable competencies for a particular appointment;

(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 DC 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") and Keppel Telecommunications & Transportation Ltd ("Keppel T&T") have on 1 July 2016 provided an undertaking to the Trustee (the "Undertaking") to provide Unitholders with the right to endorse the appointment of each of the Directors by way of an ordinary resolution at the AGM. Pursuant to the Undertaking, each of Keppel Capital and Keppel T&T 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, Keppel Capital or Keppel T&T 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 and Keppel T&T continue to hold shares in the Manager; and

(b) Keppel DC REIT Management Pte. Ltd. remains as the manager of Keppel DC REIT.

As the appointments of Mr Kenny Kwan, Mr Low Huan Ping and Mr Dileep Nair as Directors were last endorsed by Unitholders on 16 April 2019, the Manager is seeking the re-endorsement of the appointments of Mr Kenny Kwan, Mr Low Huan Ping and Mr Dileep Nair at the AGM to be held in 2022.

The NRC recommends the seeking of endorsement and re-endorsement of Directors to the Board for approval, having regard to the Director's contribution and performance (such as attendance, preparedness, participation and candour), with reference to the results of the assessment of the performance of the individual Director.

Alternate Director
The Manager has no alternate directors on the Board.

Board Diversity
The Manager recognises that diversity in relation to composition of the Board provides a range of perspectives, insights and challenge needed to support good decision-making for the benefit of Keppel DC REIT, and is committed to ensuring that the

Board comprises Directors who, as a group, provide an appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity (such as gender and age) so as to promote the inclusion of different perspectives and ideas, mitigate against groupthink and ensure that Keppel DC REIT has the opportunity to benefit from all available talent.

It is paramount that the Manager continues to maintain the appropriate balance and mix of skills, knowledge and experience on the Board to support the needs and long-term sustainability of Keppel DC REIT's and the Manager's businesses. When assessing Board composition or identifying suitable candidates for appointment or re-endorsement to the Board, the Manager will consider candidates on merit against objective criteria set by the Board after having given due regard to the benefits of diversity and the needs of the Board.

The Manager has in place a Board Diversity Policy that sets out the framework and approach for the Board to set its qualitative and measurable quantitative objectives for achieving diversity, and to annually assess the progress in achieving these objectives.

The Board will, taking into consideration the recommendations of the NRC, review and agree annually the qualitative and measurable quantitative objectives for achieving diversity on the Board. At the recommendation of the NRC and in recognition of the merits of gender diversity, the Board has committed to (i) a target where at least 25% of the Board will comprise female Directors by 2025; and (ii) the NRC will endeavour to include female candidates for consideration when identifying suitable candidates for new appointments to the Board. As of 31 December 2021, there was one female Director out of a total of seven Directors on the Board.

Annual Review of Board Size and Composition

The Board consists of seven members, five of whom are independent non-executive Directors.

The NRC is of the view that, taking into account the nature and scope of Keppel DC REIT's operations, the present Board size is appropriate and facilitates effective decision making.

The nature of the Directors' appointments on the Board and details of their Board committee membership are set out in the Appendix hereto.

The NRC has recently conducted its assessment in January 2022 and is satisfied that the Board and the Board committees comprise Directors who as a group provide an appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate. The NRC is also satisfied that the Directors, as a group, possess core competencies such as accounting or finance, legal and regulatory, business or management experience, industry knowledge, strategic planning experience and customer-based experience or knowledge, required for the Board and the Board committees to be effective.

The composition of the Board is also determined using the following principles:

(a) the Chairman of the Board should be a non-executive Director of the Manager;

(b) the Board comprises Directors with a broad range of commercial experience including expertise in funds management, audit and accounting and the property industry; and

(c) at least one-third of the Board comprises independent Directors.

Further, in accordance with Provision 2.2 of the 2018 Code, at least a majority of the Board should comprise independent Directors where the Chairman is not an independent director.

The composition is reviewed regularly to ensure that the Board has the appropriate mix of expertise and experience.

Board Independence

The Board determines on an annual basis, taking into account the views of the NRC, whether or not a Director is independent, bearing in mind the 2018 Code's definition of an "independent director" and guidance as to relationships the existence of which would deem a Director not to be independent, as well as the independence criteria under the Securities and Futures (Licensing and Conduct of Business) Regulations ("SF(LCB) Regulations").

Under the 2018 Code, a Director who has no relationship with the Manager, its related companies, its 5% shareholders/unitholders 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 DC REIT, is considered to be independent. In addition, under the SF(LCB) Regulations, an independent Director is one who:

(a) is independent from the management of the Manager and Keppel DC REIT;

(b) is independent from any business relationship with the Manager and Keppel DC REIT;

(c) is independent from every substantial shareholder of the Manager, and every substantial unitholder of Keppel DC REIT;

(d) is not a substantial shareholder of the Manager, or a substantial unitholder of Keppel DC REIT; and

(e) has not served as a director of the Manager for a continuous period of nine years or longer.

Taking into account the views of the NRC, the Board has determined that:

(a) Mr Kenny Kwan (i) has been independent from the management of the Manager and Keppel DC REIT; and (ii) has not been a substantial shareholder of the Manager or a substantial unitholder of Keppel DC REIT. The Board has also determined that Mr Kenny Kwan shall nevertheless be considered independent notwithstanding that (1) he is a partner of Baker & McKenzie.Wong & Leow which is one of the Singapore law firms providing legal services to the Keppel Group; and (2) he is a director of M1 Network Private Limited ("NetCo", which is a joint venture of Keppel DC REIT) and will be receiving director's fees from NetCo. Taking into consideration (A) Mr Kenny Kwan having declared that (I) he does not hold a substantial partnership interest (less than 5%) in Baker & McKenzie.Wong & Leow; and (II) he has not provided any legal services to Keppel DC REIT; (B) he serves as a Keppel DC REIT nominated director on the board of NetCo, and in that capacity he acts in the interests of the Unitholders; (C) he is not in any employment relationship with the Keppel Group and is not under any obligation to act in accordance with the directions, instructions or wishes of the Keppel Group; and (D) the instances of constructive challenge and probing of management by Mr Kenny Kwan at the Board and the Board committee meetings of the Manager, the Board is satisfied that Mr Kenny Kwan is able to act in the best interests of all the Unitholders as a whole. It should also be noted that the appointment of Mr Kenny Kwan to the board of NetCo is in accordance with the circular dated 10 November 2021 which discloses that Keppel DC REIT is entitled to have 50% board representation on the board of NetCo and this is meant to provide Keppel DC REIT with oversight on the performance of NetCo and early line of sight of any issues that may pose any credit risks;

(b) Mr Low Huan Ping (i) has been independent from the management of the Manager and Keppel DC REIT; and (ii) has not been a substantial shareholder of the Manager or a substantial unitholder of Keppel DC REIT. The Board has also determined that Mr Low shall nevertheless be considered independent notwithstanding that he is a director of NetCo and will be receiving director's fees from NetCo. Taking into consideration (1) that Mr Low serves as a Keppel DC REIT nominated director on the board of NetCo, and in that capacity he acts in the interests of the Unitholders; (2) he is not in any employment relationship with the Keppel Group and is not under any obligation to act in accordance with the directions, instructions or wishes of the Keppel Group; and (3) the instances of constructive challenge and probing of management by Mr Low at the Board and the Board committee meetings of the Manager, the Board is satisfied that Mr Low is able to act in the best interests of all the Unitholders as a whole. It should also be noted that the appointment of Mr Low to the board of NetCo is in accordance with the circular dated 10 November 2021 which discloses that Keppel DC REIT is entitled to have 50% board representation on the board of NetCo and this is meant to provide Keppel DC REIT with oversight on the performance of NetCo and early line of sight of any issues that may pose any credit risks;

(c) Mr Lee Chiang Huat (i) has been independent from management and business relationships with the Manager and Keppel DC REIT, and (ii) has not been a substantial shareholder of the Manager or a substantial unitholder of Keppel DC REIT. The Board has also determined that Mr Lee shall nevertheless be considered independent notwithstanding that he was previously a director of Keppel REIT Management Limited (the manager of Keppel REIT) which 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 (1) Mr Lee having declared that (A) he was serving in his personal capacity as an independent non-executive director of Keppel REIT Management Limited (the manager of Keppel REIT); and (B) he has stepped down from the board of Keppel REIT Management Limited on 30 April 2021; (2) he is not in any employment relationship with the Keppel Group and is not under any obligation to act in accordance with the directions, instructions or wishes of the Keppel Group; and (3) the instances of constructive challenge and probing of management by Mr Lee at the Board and the Board committee meetings of the Manager, the Board is satisfied that Mr Lee is able to act in the best interests of all the Unitholders as a whole;

(d) each of Dr Tan Tin Wee and Mr Dileep Nair (i) has been independent from management and business relationships with the Manager and Keppel DC REIT; (ii) has not been a substantial shareholder of the Manager or a substantial unitholder of Keppel DC REIT; and (iii) has been independent from every substantial shareholder of the Manager and substantial unitholder of Keppel DC REIT; and

(e) Ms Christina Tan and Mr Thomas Pang are not considered independent from Keppel Corporation. Ms Christina Tan is the Chief Executive Officer of Keppel Capital and Mr Thomas Pang is the Chief Executive Officer of Keppel T&T, both being related corporations of Keppel Corporation.

None of the Directors have served on the Board for 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 Board committees are chaired by and comprise at least a majority of independent Directors. In addition to the foregoing, the Board appointed Mr Kenny Kwan as Lead Independent Director to diligently maintain the high standards of corporate governance. If the Chairman is conflicted, the Lead Independent Director will lead the Board. In addition, the Keppel 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").

Taking into account the independence and diversity of the Board, the NRC is of the view that the Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of Keppel DC REIT.

Annual Review of Directors' Time Commitments

The NRC assesses annually whether a Director is able to and has been adequately carrying out his 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 was of the view that each Director has given sufficient time and attention to the affairs of Keppel DC REIT and the Manager and has been able to discharge his/her duties as Director effectively.

Key Information Regarding Directors

The following key information regarding Directors are set out in the following pages of this Annual Report:

Pages 12 to 14: Academic and professional qualifications, Board committee served on (as a member or Chairman), date of first appointment as a Director, listed company and other principal directorships 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 178 to 181: The information required under Rule 720(6) read with Appendix 7.4.1 of the Listing Manual in respect of Directors whom the Manager is seeking endorsement by Unitholders at the annual general meeting; and

Pages 188 to 189: Unitholdings in Keppel DC REIT as at 2 March 2022.

Environmental, Social and Governance Committee

On 21 February 2022, the Board constituted the ESG Committee for the primary purpose of, among others, developing and articulating Keppel DC REIT's ESG strategy. As such, following the constitution of the ESG Committee, the ESG Committee comprises of the following Directors:

Mr Thomas Pang	Chairman
Mr Low Huan Ping	Member
Dr Tan Tin Wee	Member

The detailed responsibilities of the ESG Committee are disclosed on page 175.

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 its Board committees, the contribution by 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 Co-ordinator") to assist in collating and analysing the returns of the Board members. Mr Terry Wee, partner at Ernst & Young LLP, was appointed for this role. Mr Terry Wee does not have any other connection with Keppel DC REIT, the Manager or any of its Directors.

Formal Process and Performance Criteria: The evaluation processes and performance criteria are set out in the Appendix hereto.

Objectives and Benefits: The Board assessment exercise provided an opportunity to obtain constructive feedback from each Director on whether the Board's procedures and processes allow him or her to discharge his or her duties effectively and the changes which should be made to enhance the effectiveness of the Board and/ or Board committees. The assessment exercise also helped the Directors to focus on their key responsibilities. The individual director assessment exercise allowed for peer review with a view of raising the quality of Board members. It also assisted the Board in evaluating the skills required by the Board, the size and the effectiveness of the Board as a whole.

REMUNERATION REPORT

PRINCIPLE 6:

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

PRINCIPLE 7:

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

PRINCIPLE 8:

The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

The composition of the NRC has been set out under Principle 4 on page 160. The NRC comprises entirely non-executive Directors, a majority of whom are independent Directors and includes the Lead Independent Director.

The NRC is responsible for ensuring a formal and transparent procedure for developing policy on executive remuneration and for determining the remuneration packages of individual Directors and key management personnel. The NRC assists the Board to ensure that remuneration policies and practices are sound in that they are able to attract, retain and motivate without being excessive, and thereby maximise Unitholder value. The NRC recommends to the Board for endorsement a framework of remuneration (which covers all aspects of remuneration including Directors' fees, salaries, allowances, bonuses, and Unit grants) and the specific remuneration packages for each Director and the key management personnel. The NRC also reviews the remuneration of the key management personnel of the Manager and administers the Manager's Unit-based incentive plans. In addition, the NRC reviews the Manager's obligations arising in the event of termination of key management personnel's contract of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

The NRC has access to expert advice from external remuneration consultants where required. In FY2021, the NRC sought views from external remuneration consultants, Aon Hewitt and Willis Towers Watson, on market practice and trends, and benchmarks against comparable organisations. The NRC undertook a review of the independence and objectivity of the external remuneration consultants through discussions with the external remuneration consultants and has confirmed that the external remuneration consultants had no relationships with the Manager which would affect their independence and objectivity.

ANNUAL REMUNERATION REPORT

Although the remuneration of the Directors and employees of the Manager is paid by the Manager, and not by Keppel DC REIT, the Manager is disclosing the following information on the remuneration of its Directors, CEO and key management personnel.

Policy in respect of Directors' Remuneration

Each Director is paid a basic fee and an additional fee for services performed on Board committees. The Chairman of the Board and the chairman of each Board committee are paid a higher fee compared with members of the Board and of such Board committee in view of the greater responsibility carried by that office. The Directors' fee structure is regularly benchmarked with comparable listed companies to ensure that their remuneration is fair and appropriate. The non-executive Directors participated in additional ad-hoc meetings with management during the year and are not paid for attending such meetings.

In FY2021, the NRC, in consultation with Willis Towers Watson, conducted a review of the non-executive Directors' fee structure. The review took into account a variety of factors, including prevailing market practices and referencing Directors' fees against comparable benchmark, as well as the roles and responsibilities of the Board and Board committees. Recognising that Directors have ongoing oversight responsibilities towards the Manager, the Directors' fee structure includes payment of Units in Keppel DC REIT to Directors. The incorporation of an equity component in the total remuneration of the Directors is intended to achieve the objective of aligning the interests of the Directors with those of Unitholders and the long-term interests of Keppel DC REIT. The Lead Independent Director fee will also be applied to the FY2021 non-executive Directors' fee structure given the appointment of the Lead Independent Director.

Each of the Directors will receive 80% of his or her total Director's fees in cash and the balance 20% in the form of Keppel DC REIT Units. The Director's fees for Ms Christina Tan and Mr Thomas Pang will be paid in cash to Keppel Capital and Keppel T&T respectively.

Remuneration Policy in respect of Key Management Personnel

The Manager advocates a performance-based remuneration system that is highly flexible and responsive to the market corporate and individual performance.

In designing the remuneration structure, the NRC seeks to ensure that the level and mix of remuneration is competitive, relevant and appropriate in finding a balance between current versus long-term remuneration and between cash versus equity incentive remuneration, to attract, retain and motivate key management personnel to successfully manage Keppel DC REIT for the longer term.

The current total remuneration structure reflects four key objectives:

(a) Unitholder alignment: To incorporate performance measures that are aligned to Unitholder's interests

(b) Long-term orientation: To motivate employees to drive sustainable long-term growth

(c) Simplicity: To ensure that the remuneration structure is easy to understand and communicate to stakeholders

(d) Synergy: To facilitate talent mobility and enhance collaboration across businesses

The total remuneration structure comprises three components - annual fixed pay, annual performance bonus and long-term incentive. The annual fixed pay component comprises the annual basic salary plus any other fixed allowances which the Manager benchmarks against the relevant industry market data. The size of the Manager's annual performance bonus pot is determined by Keppel DC REIT's financial and non-financial performance, and is distributed to employees based on their individual performance. The long-term incentive is in the form of two Unit plans, being the Restricted Unit Plan ("RUP") and the Performance Unit Plan ("PUP"). A portion of the annual performance bonus is granted in the form of deferred Units that are awarded under the RUP. The PUP comprises performance targets determined on an annual basis and which vest over a longer term horizon. Executives who have greater ability to influence strategic outcomes have a greater proportion of their overall reward at risk. The Manager performs regular benchmarking reviews on employees' total remuneration to ensure market competitiveness. Eligible employees of the Manager are granted existing Units in Keppel DC REIT that are already owned by the Manager. Therefore, no new Units are or will be issued by Keppel DC REIT to satisfy the grant of the Units under the RUP and/or the PUP as the Units that are granted under these plans will be taken from the Units which are already owned by the Manager.

The NRC exercises broad discretion and independent 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 DC REIT. The mix of fixed and variable reward is considered appropriate for the Manager and for each individual role.

The remuneration structure is directly linked to corporate and individual performance, both in terms of financial and non-financial performances. This link is achieved in the following ways:

(a) By placing a significant portion of executive's remuneration at risk ("at-risk component") and in some cases, subject to a vesting schedule;

(b) By incorporating appropriate key performance indicators ("KPIs") for awarding of annual cash incentives:

  (i) There are four scorecard areas that the Manager has identified as key to measuring its performance –
  (1) Financial;
  (2) Process;
  (3) Customer and stakeholders; and
  (4) People.

  Some of the key sub-targets within each of the scorecard areas include key financial indicators, safety goals, risk management, compliance and controls measures, corporate social responsibility activities, sustainability efforts, employee engagement, talent development and succession planning;

  (ii) The four scorecard areas have been chosen because they support how the Manager achieves its strategic objectives. The framework provides a link for staff in understanding how they contribute to each area of the scorecard, and therefore to the Manager's overall strategic goals. The NRC reviews and approves the scorecard annually;

(c) By selecting performance conditions for the KDCRM PUP such as Assets Under Management, Distribution Per Unit and Total Unitholder Returns for equity awards that are aligned with Unitholders' interests;

(d) By requiring those KPIs or conditions to be met in order for the at-risk components of remuneration to be awarded or to vest; and

(e) Forfeiture of the at-risk components of remuneration when those KPIs or conditions are not met at a satisfactory level.

The NRC also recognises the need for a reasonable alignment between risk and remuneration to discourage excessive risk taking. Therefore, in reviewing the remuneration structure, the NRC had taken into account the risk policies and risk tolerance of Keppel DC REIT and the Manager as well as the time horizon of risks, and incorporated risks-adjustments into the remuneration structure through several initiatives, including but not limited to:

(a) Prudent funding of annual performance bonus;

(b) Granting a portion of the annual performance bonus in the form of deferred Units, to be awarded under the RUP;

(c) Vesting of contingent Unit awards under the PUP being subjected to KPIs and/or performance conditions being met;

(d) Potential forfeiture of variable incentives in any year due to misconduct;

(e) Requiring the CEO and eligible key management personnel to hold a minimum number of units under the unit ownership guideline; and

THE FRAMEWORK FOR DETERMINING THE DIRECTORS' FEES IS SHOWN IN THE TABLE BELOW:

	Chairman	Lead Independent Director	Director	Member
Main Board	S$90,000 per annum	S$66,000 per annum	S$55,000 per annum	
Audit and Risk Committee	S$30,000 per annum			S$20,000 per annum
Nominating and Remuneration Committee	S$20,000 per annum			S$12,000 per annum

(f) Exercising discretion to ensure that remuneration decisions are aligned to the Manager's long-term strategy and performance and discourage excessive risk taking.

The NRC is of the view that the overall level of remuneration is not considered to be at a level which is likely to promote behaviours contrary to the Manager's risk profile.

In determining the actual quantum of the variable component of remuneration, the NRC had taken into account the extent to which the performance conditions, as set out above, have been met. The NRC is of the view that remuneration is aligned to performance during FY2021.

In order to align the interests of the CEO and key management personnel with that of the Unitholders, the CEO and key management personnel are remunerated partially in the form of Units owned by the Manager and are encouraged to hold such Units while they remain in the employment of the Manager. Under the unit ownership guideline, the CEO is required to hold at least two times of her annual fixed pay in the form of Units, while other key senior management who are eligible for PUP are required to hold at least 1.5 times of their annual fixed pay in the form of Units delivered to them under PUP and RUP, so as to maintain a beneficial ownership stake in the Manager, thus further aligning their interests with Unitholders.

The Directors, the CEO and the key management personnel (who are not Directors or the CEO) are remunerated on an earned basis and there are no termination, retirement and post-employment benefits that are granted over and above what have been disclosed.

In order not to hamper the Manager's efforts to retain and nurture its talent pool and given the highly competitive conditions in the industry where poaching of senior management is commonplace, the Manager is disclosing the remuneration of the CEO and key management personnel (who are not Directors or the CEO) in bands of S$250,000, and is not disclosing the aggregate total remuneration paid to the top five key management personnel. The Manager is of the view that such disclosure or non-disclosure (as the case may be) will not be prejudicial to the interests of the Unitholders as: (i) the NRC, which comprises a majority of independent Directors, conducted reviews of the Manager's remuneration policies and packages; and (ii) sufficient information is provided on the Manager's remuneration framework to enable Unitholders to understand the link between the remuneration paid to the CEO and its key management personnel, and performance as set out on pages 164 to 166.

Long Term Incentive Plans - KDCRM Unit Plans

The RUP and the PUP (the "KDCRM Unit Plans") are long-term incentive schemes implemented by the Manager since 2015. No employee share option schemes or share schemes have been implemented by Keppel DC REIT.

The KDCRM Unit Plans are put in place to increase the Manager's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to achieve superior performance and to motivate them to continue to strive for long-term Unitholders' value. The KDCRM Unit Plans also aim to strengthen the Manager's competitiveness in attracting and retaining talented key management personnel and employees. The RUP applies to a broader base of employees while the PUP applies to a selected group of key management personnel. The range of performance targets to be set under the PUP emphasises stretched or strategic targets aimed at sustaining longer-term growth.

The NRC has the discretion to not award variable incentives in any year if an executive is directly involved in a material restatement of financial statements or in misconduct resulting in restatement of financial statements or financial losses to Keppel DC REIT or the Manager. Outstanding performance bonuses under the RUP and the PUP are also subject to the NRC's discretion before further payment or vesting can occur.

Remuneration of Employees who are Substantial Shareholders/Unitholders or Immediate Family Members of a Director, Chief Executive Officer or a Substantial Shareholder/Unitholder

No employee of the Manager was a substantial shareholder of the Manager or a substantial unitholder of Keppel DC REIT or an immediate family member of a Director, the CEO, a substantial shareholder of the Manager or a substantial unitholder of Keppel DC REIT and whose remuneration exceeded S$100,000 during the financial year ended 31 December 2021. "Immediate family member" refers to the spouse, child, adopted child, step-child, brother, sister and parent.

AUDIT COMMITTEE

PRINCIPLE 10:

The Board has an Audit Committee which discharges its duties objectively.

The Board is responsible for providing a balanced and understandable assessment of Keppel DC REIT's performance, position and prospects, including interim and other price-sensitive public reports, and reports to regulators, if required.

The Board has embraced openness and transparency in the conduct of the Manager's affairs, whilst preserving the commercial interests of Keppel DC REIT. Financial reports and other price sensitive information are disseminated to Unitholders through announcements via SGXNet, media releases, as well as Keppel DC REIT's corporate website.

Management provides all members of the Board with management accounts which present a balanced and understandable assessment of Keppel DC REIT's performance, position and prospects on a periodic basis. Such reports include financial results, market and business developments, and business and operational information. The financial results are compared against the respective budgets, together with explanations for significant variances for the reporting period.

Management provides all members of the Board with management accounts which present a balanced and understandable assessment of Keppel DC REIT's performance, position and prospects on a periodic basis. Such reports include financial results, market and business developments, and business and operational information. The financial results are compared against the respective budgets, together with explanations for significant variances for the reporting period.

AUDIT AND RISK COMMITTEE

The ARC has been appointed by the Board from among the Directors of the Manager and comprises three non-executive Directors, all of whom (including the ARC Chairman) are independent Directors. The ARC Chairman is Mr Lee Chiang Huat and the members are Mr Dileep Nair and Mr Low Huan Ping.

At least two of the members of the ARC have accounting or related financial management expertise or experience.

None of the ARC members were former partners or directors of Keppel DC REIT's external auditor, PricewaterhouseCoopers LLP ("PwC"), within the last two years or hold any financial interest in PwC.

The ARC's role includes assisting the Board to ensure the integrity of financial reporting and that sound internal control systems are in place. The responsibilities of the ARC are disclosed in the Appendix hereto.

LEVEL AND MIX OF REMUNERATION OF DIRECTORS AND KEY MANAGEMENT PERSONNEL FOR THE YEAR ENDED 31 DECEMBER 2021

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$)	Benefits-in-Kind (S$)
Ms Christina Tan [2]	-	-	102,000	-
Mr Kenny Kwan [3]	-	-	78,000	-
Mr Lee Chiang Huat	-	-	85,000	-
Dr Tan Tin Wee	-	-	75,000	-
Mr Dileep Nair	-	-	87,000	-
Mr Low Huan Ping	-	-	75,000	-
Mr Thomas Pang Thieng Hwi [4]	-	-	55,000	-

1. Unless otherwise stated, each of the Directors will receive 80% of his/her total Director's fee in cash and the balance 20% in the form of Keppel DC REIT Units.
2. Ms Christina Tan's fees will be paid 100% to Keppel Capital.
3. Mr Kenny Kwan's fees includes a lead independence fee for his appointment as Lead Independent Director.
4. Mr Thomas Pang's fees will be paid 100% to Keppel T&T.

The level and mix of the remuneration of the CEO and each of the other key management personnel, in bands of S$250,000, are set out below:

Remuneration Band and Names of CEO and Key Management Personnel [1]	Base/ Fixed Salary	Variable or Performance-related income/ bonuses [2]	Benefits-in-kind	Contingent award of units/ shares	
				PUP [3]	RUP [3]
Above S$750,000 to S$1,000,000					
Ms Anthea Lee [4, 5]	38%	19%	2%	23%	18%
Above S$250,000 to S$500,000					
Mr Adam Lee	48%	34%	4%	3%	11%
Ms Charmaine Cai [6]	78%	14%	4%	-	4%
Mr Justin Cham [7]	52%	33%	5%	-	10%
Less than S$250,000					
Mr Edwin Cheng [8]	83%	12%	5%	-	-

1. The Manager has less than five key management personnel other than the CEO as at 31 December 2021.
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 FY2021 were met.
3. Units awarded under the KDCRM PUP are subject to pre-determined performance targets set over a three-year performance period. As at 30 April 2021 (being the grant date), the estimated value of each unit granted in respect of the contingent awards under the KDCRM PUP was S$2.02. As at 15 February 2022 (being the grant date for the contingent deferred units under the KDCRM RUP), the volume-weighted average unit price granted in respect of the contingent awards under the KDCRM RUP was S$2.59. For the KDCRM PUP, the figures were based on the value of the PUP units at 100% of the award and the figures may not be indicative of the actual value at vesting which can range from 0% to 150% of the award.
4. Ms Anthea Lee was appointed Chief Executive Officer with effect from 15 February 2021. Ms Anthea Lee succeeded Mr Chua Hsien Yang who stepped down as the Chief Executive Officer with effect from 15 February 2021. For the period from 1 January 2021 to 14 February 2021, Mr Chua earned total remuneration in the band of less than S$250,000.
5. In addition to the remuneration disclosed above, Ms Anthea Lee 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 30 July 2021. Shares awarded under the KCL PSP 2020–TIP are subject to pre-determined performance targets over a five-year performance period. As at 30 July 2021, being the grant date for the contingent awards under the KCL PSP 2020-TIP, the estimated value of each share was S$0.98. The total allocation value of the awards is estimated at S$88,200. 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.
6. Ms Charmaine Cai was appointed Head, Investment with effect from 16 February 2021 and subsequently, was appointed Head, Portfolio Management with effect from 1 September 2021. The remuneration disclosed is on an annualised basis.
7. Mr Justin Cham was appointed Head, Investment with effect 1 September 2021. The remuneration disclosed is on an annualised basis.
8. Mr Edwin Cheng was appointed Head, Asset Management with effect 22 February 2021. The remuneration disclosed is on an annualised basis.

The ARC has authority to investigate any matter within its terms of reference, full access to and co-operation by management and full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly. The Manager's internal audit functions are performed by Keppel Corporation Limited's Group Internal Audit ("Internal Audit"). Internal Audit, together with the external auditor, report their findings and recommendations independently to the ARC.

A total of five ARC meetings were held in 2021. In addition, the ARC met with the external auditor and the internal auditor at least once during the year, without the presence of the management.

During the year, the ARC performed independent reviews for Keppel DC REIT before the announcement of Keppel DC REIT's key business and operational updates in the first and third quarter, and financial statements in the half- and full-year results. In the process, the ARC reviewed the key areas of management judgment applied for adequate provisioning and disclosure, critical accounting policies and any significant changes made that would have a significant impact on the financials.

The ARC also reviewed and approved both the internal auditor's and external auditor's plans to ensure that the plans covered sufficiently in terms of audit scope in reviewing the significant internal controls of Keppel DC REIT and the Manager. Such significant controls comprise financial, operational, compliance and information technology controls. All audit findings and recommendations reported by the internal and external auditors were forwarded to the ARC. Significant issues were discussed at these meetings.

In addition, the ARC undertook a review of the independence and objectivity of the external auditor through discussions with the external auditor as well as reviewing the non-audit fees awarded to them, and has confirmed that the non-audit services performed by the external auditor would not affect their independence.

For FY2021, an aggregate amount of S$384,000, comprising audit service fees of S$370,000 and non-audit service fees of S$14,000, was paid/payable to Keppel DC REIT's external auditor.

Keppel DC 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.

The ARC also reviewed the independence and performance of the internal audit function and was satisfied that the internal audit team was independent, adequately resourced and effective in performing its functions, and had appropriate standing within Keppel DC REIT and the Manager.

The ARC reviewed the Whistle-Blower Policy (the "Policy") which provides for the mechanisms by which employees and other persons may, in confidence, raise concerns about possible improprieties in financial reporting or other matters, and was satisfied that arrangements are in place for the independent investigation of such matters and for appropriate follow-up action. To facilitate the management of incidences of alleged fraud or other misconduct, the ARC is guided by a set of guidelines to ensure proper conduct of investigations and appropriate closure actions following completion of the investigations, including administrative, disciplinary, civil and/or criminal actions, and remediation of any control weaknesses that perpetrated the fraud or misconduct so as to prevent a recurrence. In addition, the ARC reviews the Policy annually to ensure that it remains current. The details of the Policy are set out on pages 176 to 177 herein.

The ARC members are kept updated whenever there are changes to the accounting standards or issues that may have an impact on the financial statements of Keppel DC REIT.

RISK MANAGEMENT AND INTERNAL CONTROLS

PRINCIPLE 9:

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

The ARC also assists the Board in examining the adequacy and effectiveness of Keppel DC REIT's and the Manager's risk management system to ensure that a robust risk management system is maintained. The ARC reviews and guides management in the formulation of risk policies and processes to effectively identify, evaluate and manage significant risks, to safeguard Unitholders' interests and Keppel DC REIT's assets. The ARC reports to the Board on critical risk issues, material matters, findings and recommendations. The responsibilities of the ARC are disclosed in the Appendix hereto.

Risk Assessment and Management of Business Risk

Identifying and managing risks is central to the business of Keppel DC REIT and to protecting Unitholders' interests and value. Keppel DC REIT operates within overall guidelines and specific parameters set by the Board. Responsibility for managing risks lies with the Manager, working within the overall strategy outlined by the Board. The Manager has appointed experienced and well-qualified management to handle its day-to-day operations.

The Board met six times in 2021. Management surfaces key risk issues for discussion and confers with the ARC and the Board regularly.

Keppel DC REIT's Enterprise Risk Management framework ("ERM Framework") provides Keppel DC REIT and the Manager with a systematic approach to risk management. In assessing business risk, the Board takes into consideration the economic environment and the risks relevant to the data centre industry. The Manager has implemented a systematic risk assessment process to identify business risks and mitigating actions. Details of the Manager's approach to risk management and internal controls and the management of key business risks are set out in the "Risk Management" section on pages 184 to 185 of this Annual Report. The Manager is guided by a set of Risk Tolerance Guiding Principles, as disclosed on page 184.

The Manager has in place a risk management assessment framework which was established to facilitate the Board's assessment on the adequacy and effectiveness of Keppel DC REIT's and the Manager's risk management system. The framework lays out the governing policies, processes and systems pertaining to each of the key risk areas of Keppel DC REIT and the Manager and assessments are made on the adequacy and effectiveness of such policies, process and systems. The risk tolerance guiding principles and risk management assessment framework are reviewed and updated annually.

In addition, the Manager has adopted, among others, the Whistle-Blower Policy, Insider Trading Policy, Dealing in Securities Policy and Code of Practice for Safeguarding Information which reflect 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 DC REIT's and the Manager's internal auditor conduct an annual risk-based review of the adequacy and effectiveness of Keppel DC REIT's and the Manager's material internal controls, including financial, operational, compliance and information technology controls, and risk management systems. Any material non-compliance or failures in internal controls and recommendations for improvements are reported to the ARC. The ARC also reviews the effectiveness of the actions taken by the management on the recommendations made by the internal auditor in this respect.

Keppel DC REIT and the Manager also have in place the Keppel DC REIT's System of Management Controls Framework (the "Framework") outlining Keppel DC REIT's and the Manager's internal control and risk management processes and procedures. The Framework comprises the Three Lines Model to ensure the adequacy and effectiveness of Keppel DC REIT's and the Manager's system of internal controls and risk management.

Under the First Line of Business Governance, the management, supported by their respective line functions and committees, is responsible for the identification and mitigation of risks (including financial, operational, compliance and technology risks) facing Keppel DC REIT and the Manager in the course of running their business. Appropriate policies, procedures, and controls are implemented and operationalised in line with Keppel DC REIT's and the Manager's risk appetite to address such risks. Employees are guided by the Manager's core values and expected to comply strictly with the Employee Code of Conduct.

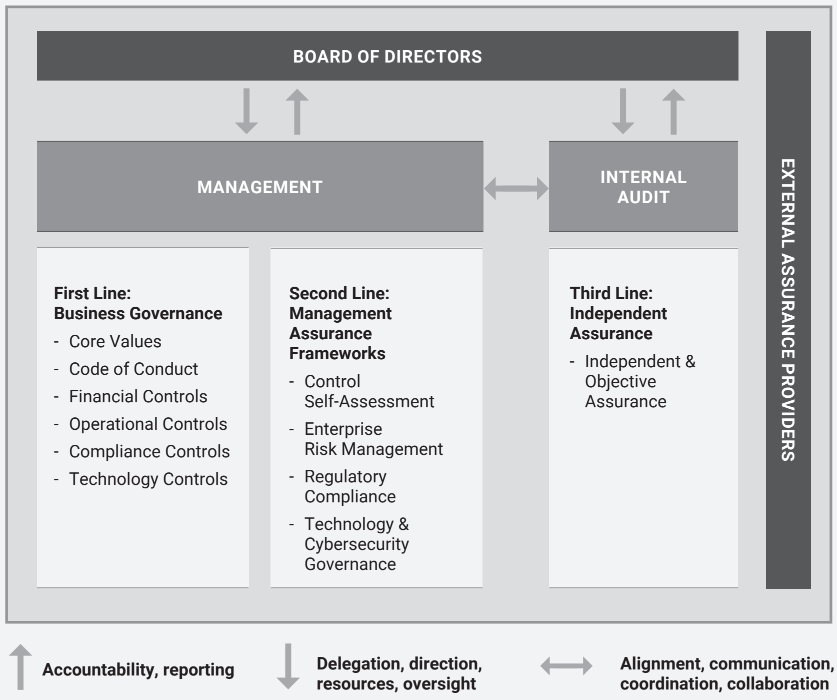
Under the Second Line, Management Assurance Frameworks are established to enable oversight and governance over operations and activities undertaken by management under the First Line.

- Business units and entities scoped in for control self-assessment ("CSA") are required to conduct a self-assessment exercise to assess the status of their respective internal controls on an annual basis. The annual CSA exercise is overseen by Control Assurance. Remedial actions are implemented to address all control gaps identified during the CSA exercise.

- Under Keppel DC REIT's ERM Framework, significant risk areas are also identified and assessed, with systems, policies and processes put in place to manage and mitigate the identified risks.

- Regulatory Compliance works alongside business management to ensure relevant policies, processes, and controls are effectively designed, implemented, and managed to mitigate compliance risks that the Keppel DC REIT's and the Manager's face in the course of their business.

KEPPEL DC REIT'S SYSTEM OF MANAGEMENT CONTROLS (KSMC)



The Technology Governance Framework overseen by Group Information Technology aims to align technology strategy to enterprise vision, whilst strengthening technology controls and security and manage technology risks for the Group. This framework was further strengthened in January 2021 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 the Group is maintained, and is overseen by a dedicated Group Cybersecurity function which drives the enterprise vision, strategy and programme to ensure that Keppel's technology assets are adequately protected. The Technology and Cybersecurity Governance Frameworks balance strategic technology adoption, business resiliency and security outcomes towards effective business continuity and technology risk mitigations.

The Third Line comprises independent assurance, including internal and external audit. Internal audit provides the Board and Keppel DC REIT's and the Manager's senior management with independent assurance over the adequacy and effectiveness of the system of internal controls, risk management and governance, while external audit considers the internal controls relevant to Keppel DC REIT's and the Manager's preparation of financial statements and performs tests on such internal controls where they are assessed to be necessary in support of the audit opinion issued on the financial statements of Keppel DC REIT and the Manager.

The Board, supported by the ARC, oversees Keppel DC REIT's and the Manager's system of internal controls and risk management. The Board has received assurance from the CEO, Ms Anthea Lee and the CFO, Mr Adam Lee, that, among others, as at 31 December 2021:

(a) the financial records of Keppel DC REIT and the Manager have been properly maintained and the financial statements give a true and fair view of the operations and finances of Keppel DC REIT and the Manager;

(b) the internal controls of Keppel DC REIT and the Manager are adequate and effective to address the financial, operational, compliance and information technology risks which Keppel DC REIT and the Manager consider relevant and material to its current business scope and environment and that they are not aware of any material weaknesses in the system of internal controls; and

(c) they are satisfied with the adequacy and effectiveness of Keppel DC REIT's and the Manager's risk management system.

Based on the Framework, the internal controls and risk management policies and procedures established and maintained by Keppel DC REIT and the Manager, work performed by the internal and external auditors, and reviews performed by the management, the ARC, as well as the assurances set out above, the Board is of the view that, as at 31 December 2021, Keppel DC REIT's and the Manager's internal controls (including financial, operational, compliance and information technology controls) and risk management systems, were adequate and effective to address the risks which Keppel DC REIT and the Manager consider relevant and material to its operations.

The Board notes that the system of internal controls and risk management established by Keppel DC REIT and the Manager provides reasonable, but not absolute, assurance that Keppel DC REIT and the Manager will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. In this regard, the Board also notes that no system of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human errors, losses, fraud or other irregularities.

The ARC concurs with the Board's view that, as at 31 December 2021, Keppel DC REIT's and the Manager's internal controls (including financial, operational, compliance and information technology controls) and risk management systems, were adequate and effective to address the risks which Keppel DC REIT and the Manager consider relevant and material to its operations.

INTERNAL AUDIT

The internal audit function of the Manager is performed by Keppel Corporation Limited's Group Internal Audit. The role of the internal auditor is to provide independent assurance to the ARC that Keppel DC REIT and the Manager maintain a sound system of internal controls by 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. Internal Audit conducts regular reviews of the adequacy and effectiveness of key internal controls and undertakes investigations as directed by the ARC.

Staffed by suitably qualified executives, Internal Audit has unrestricted access to the ARC and to all of Keppel DC 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 Practices 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 reaffirmed 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 enhance their knowledge on auditing techniques as well as relevant subject matter.

During the year, 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 based on a 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. In addition, significant audit findings and recommendations are discussed at the ARC meetings. To ensure timely and proper closure of audit findings, the status of the implementation of the actions agreed by management is tracked and discussed with the ARC.

UNITHOLDER RIGHTS, CONDUCT OF UNITHOLDER MEETINGS AND ENGAGEMENT WITH UNITHOLDERS AND STAKEHOLDERS

PRINCIPLE 11:

The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

PRINCIPLE 12:

The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

PRINCIPLE 13:

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

In addition to the matters mentioned above in relation to "Access to Information/ Accountability", the Manager regularly communicates with Unitholders and responds promptly to their queries and concerns.

The Manager employs various platforms to enhance its outreach to Unitholders, with an emphasis on timely, accurate, fair and transparent disclosure of information.

In FY2021, the Manager engaged more than 800 investors and analysts in Singapore, Australia, Hong Kong, Japan, Korea, Taiwan, Thailand, Europe, and North America. The engagements were a mix of in-person meetings conducted in line with safe management measures, as well as virtual investor conferences and meetings, roadshows and teleconferences conducted throughout the year.

More details on the Manager's investor relations activities are found on pages 18 to 20 of this Annual Report.

The Manager has in place an Investor Relations Policy which sets out the principles and practices that the Manager applies in order to provide Unitholders and prospective investors with information necessary to make well-informed investment decisions and to ensure a level playing field. The Investor Relations Policy is published on Keppel DC REIT's website at www.keppeldcreit.com.

Material information is disclosed in a comprehensive, accurate and timely manner via SGXNet and/or media releases. The Manager ensures that unpublished price-sensitive and trade-sensitive information are not selectively disclosed and if on the rare occasion when such information is inadvertently disclosed, this would be immediately released to the public via SGXNet and/or media releases.

Unitholders are also kept abreast of latest announcements and updates on Keppel DC REIT via the corporate website and email alert system. Unitholders and members of the public can post their queries and feedback to a dedicated investor relations contact via email or the phone.

The Manager ensures that Unitholders have the opportunity to participate effectively and vote at Unitholders' meetings. Unitholders are informed of Unitholders' meetings through notices published via SGXNet and Keppel DC REIT's website, and reports or circulars sent to all Unitholders. Unitholders are invited to such meetings to put forth any questions they may have on the motions to be debated and decided upon. If any Unitholder is unable to attend, he or she is allowed to appoint up to two proxies to vote on his or her behalf at the meeting through proxy forms sent in advance.

In compliance with the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 and the Joint Statement by Accounting and Corporate Regulatory Authority, Monetary Authority of Singapore and Singapore Exchange Regulation issued on the conduct of general meetings, Keppel DC REIT's AGM was convened in a virtual format on 21 April 2021, ensuring that Unitholders continued to have the ability to participate, vote and pose questions to senior management. At the virtual meeting, the Board and senior management reported on Keppel DC REIT's performance for FY2020, and addressed questions and comments that Unitholders submitted in advance.

All AGM resolutions were polled ahead of the event, and an independent scrutineer was appointed to count and validate the AGM's votes. Results of the AGM were announced during the meeting. Minutes of the meeting as well as responses to relevant and substantial questions from Unitholders were subsequently published on SGXNet and Keppel DC REIT's website.

In addition to the AGM, Keppel DC REIT held an extraordinary general meeting on 2 December 2021 (the "EGM") for the proposed investment in the bonds and preference shares to be issued by M1 Network Private Limited. To provide Unitholders with a better understanding of the proposed investment, the Manager proactively reached out to global institutional investors and engaged with approximately 70 retail Unitholders at a virtual dialogue session with the Securities Investors Association (Singapore) ("SIAS") in November 2021, ahead of the EGM. The dialogue session with SIAS provided Unitholders the opportunity to hear from management on the proposed investment and its merits and allowed Unitholders to make an informed decision when casting their votes ahead of the meeting. A transcript of the dialogue session was uploaded on SGXNet and the corporate website. At the EGM, the Manager introduced a "live" textbox function pursuant to which Unitholders could submit questions at the EGM for Directors and management to respond to. Similar to the AGM, all EGM resolutions were polled ahead of the event, and an independent scrutineer was appointed to count and validate the EGM's votes. Results of the EGM were also announced during the meeting and minutes of the meeting as well as responses to relevant and substantial questions from Unitholders were also published on SGXNet and Keppel DC REIT's website.

Where possible, all Directors will attend Unitholders' meetings. In particular, the Chairmen of the Board and the Board committees, as well as the Lead Independent Director, are required to be present to address questions at Unitholders' meetings. The external auditor is also present at such meetings to assist the Directors to address Unitholders' queries, if necessary. The number of Unitholders' meetings held in FY2021, as well as the attendance of each Board member, are disclosed in the table below.

The Manager is not implementing absentia voting methods such as voting via mail, e-mail or fax until security, integrity and other pertinent issues are satisfactorily resolved.

The Company Secretary of the Manager prepares minutes of Unitholders' meetings, which incorporates comments or queries from Unitholders and responses from the Board and management. These minutes are published on SGXNet as well as Keppel DC REIT's website.

Keppel DC REIT's policy is to distribute, on a half-yearly basis, at least 90% of its distributable income for each financial year. The Manager endeavours to pay distributions no later than 90 days after the end of each distribution period.

SECURITIES TRANSACTIONS

Insider Trading Policy

The Manager has a formal Insider Trading Policy on dealings in the securities of Keppel DC REIT, which sets out the implications of insider trading and guidance on such dealings. The policy has been distributed to the Manager's Directors and officers. In FY2021, the Manager issued notices to its Directors and officers informing that the Manager and its officers must not deal in listed securities of Keppel DC REIT if they are in possession of unpublished price-sensitive information, and during the period commencing one month before the release of the half year and full year results and ending on the date of the announcement of the relevant results, this being consistent with Rule 1207(19) of the Listing Manual. The Manager's Directors and officers are also informed that they should not deal in Keppel DC REIT's securities on short-term considerations.

Dealing in Securities Policy

In addition to the Insider Trading Policy, the Manager has a formal Dealing in Securities Policy, which applies to all employees and the securities accounts that employees have a beneficial interest. Pursuant to this policy, the trading of rights and the subscription of excess rights of Keppel DC REIT 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 broadcast 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

Director	Unitholders' Meetings Attended
Ms Christina Tan	2
Mr Kenny Kwan	2
Mr Lee Chiang Huat	2
Dr Tan Tin Wee	2
Mr Dileep Nair	2
Mr Low Huan Ping	2
Mr Thomas Pang Thieng Hwi	2

the Keppel Capital compliance team of any changes no later than seven days after the relevant change. Upon request, licensed representatives are required to submit position statements, including the accounts which they have a beneficial interest, to facilitate reconciliation of trades executed during each period. In addition, the policy also states that all employees should not trade on short-term considerations or be engaged in same day turnaround trades or swing trading.

CONFLICTS OF INTERESTS

The Manager has instituted the following procedures to deal with potential conflicts of interests issues:

(a) The Manager will not manage any other real estate investment trust which invests in the same type of properties as Keppel DC REIT.

(b) All resolutions in writing of the Directors of the Manager in relation to matters concerning Keppel DC REIT must be approved by at least a majority of the Directors of the Manager, including at least one independent Director.

(c) At least one-third of the Board shall comprise independent Directors.

(d) In respect of matters in which Keppel Corporation Limited and/or its subsidiaries have an interest, direct or indirect, any nominees appointed by Keppel Corporation Limited 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 Limited and/or its subsidiaries.

It is also provided in the Trust Deed that if the Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of Keppel DC REIT with a Related Party (meaning any "interested person" as defined in the Listing Manual and/or, as the case may be, an "interested party" as defined in the Property Funds Appendix) of the Manager, the Manager shall be obliged to consult with a reputable law firm (acceptable to the Trustee) which shall provide legal advice on the matter. If the said law firm is of the opinion that the Trustee, on behalf of Keppel DC REIT, has a prima facie case against the party allegedly in breach under such agreement, the Manager shall be obliged to take appropriate action in relation to such agreement. The Directors of the Manager (including its independent Directors) will have a duty to ensure that the Manager so complies. Notwithstanding the foregoing, the Manager shall inform the Trustee as soon as it becomes aware of any breach of any agreement entered into by the Trustee for and on behalf of Keppel DC REIT with a Related Party of the Manager and the Trustee may take such action as it deems necessary to protect the rights of Unitholders and/or which is in the interests of Unitholders. Any decision by the Manager not to take action against a Related Party of the Manager shall not constitute a waiver of the Trustee's right to take such action as it deems fit against such Related Party.

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 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 DC REIT and the Manager. Employees must not offer or authorise the giving, directly or through third parties, of any bribe, kickback, illicit payment, or any benefit-in-kind or any other advantage to any person or entity, as an inducement or reward for an improper performance or non-performance of a function or activity. Similarly, employees must not solicit or accept illicit payment, directly or indirectly, from any person or entity that is intended to induce or reward an improper performance or non-performance of a function or activity.

New employees are briefed on the policy when they join the Manager. Subsequently, all employees are required to acknowledge the policy annually to ensure awareness.

RELATED PARTY TRANSACTIONS

The Manager's Internal Control System

The Manager has established an internal control system to ensure that all Related Party transactions:

- will be undertaken on normal commercial terms; and
- will not be prejudicial to the interests of Keppel DC REIT and the Unitholders.

As a general rule, the Manager must demonstrate to the ARC that such transactions satisfy the foregoing criteria. This may entail:

- obtaining (where practicable) quotations from parties unrelated to the Manager; or
- obtaining two or more valuations from independent professional valuers (in compliance with the Property Funds Appendix).

The Manager maintains a register to record all Related Party transactions which are entered into by Keppel DC REIT and the bases, including any quotations from unrelated parties and independent valuations, on which they are entered into. The Manager also incorporates into its internal audit plan a review of all Related Party transactions entered into by Keppel DC REIT. The ARC reviews the internal audit reports at least twice a year to ascertain that the guidelines and procedures established to monitor Related Party transactions have been complied with. The Trustee also has the right to review such audit reports to ascertain that the Property Funds Appendix has been complied with.

The following procedures are undertaken:

- transactions (either individually or as part of a series or if aggregated with other transactions involving the same Related Party during the same financial year) equal to or exceeding S$100,000 in value but below 3.0% of the value of Keppel DC REIT's latest audited net tangible assets will be subject to review by the ARC at regular intervals;
- transactions (either individually or as part of a series or if aggregated with other transactions involving the same Related Party during the same financial year) equal to or exceeding 3.0% but below 5.0% of the value of Keppel DC REIT's latest audited net tangible assets will be subject to the review and prior approval of the ARC. Such approval shall only be given if the transactions are on normal commercial terms and not prejudicial to the interests of Keppel DC REIT and its Unitholders and are consistent with similar types of transactions made by the Trustee with third parties which are unrelated to the Manager; and

- transactions (either individually or as part of a series or if aggregated with other transactions involving the same Related Party during the same financial year) equal to or exceeding 5.0% of the value of Keppel DC REIT's latest audited net tangible assets will be reviewed and approved prior to such transactions being entered into, on the basis described in the preceding paragraph, by the ARC which may, as it deems fit, request advice on the transaction from independent sources or advisers, including the obtaining of valuations from independent professional valuers. Furthermore, under the Listing Manual and the Property Funds Appendix, such transactions would have to be approved by the Unitholders at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed.

Where matters concerning Keppel DC REIT relate to transactions entered into or to be entered into by the Trustee for and on behalf of Keppel DC REIT with a Related Party of Keppel DC REIT or the Manager, the Trustee is required to consider the terms of such transactions to satisfy itself that such transactions are conducted:

- on normal commercial terms;
- are not prejudicial to the interests of Keppel DC REIT and the Unitholders; and
- are in accordance with all applicable requirements of the Property Funds Appendix and/or the Listing Manual relating to the transaction in question.

The Trustee has the discretion under the Trust Deed to decide whether or not to enter into a transaction involving a Related Party of Keppel DC REIT or the Manager. If the Trustee is to sign any contract with a Related Party of Keppel DC REIT or the Manager, the Trustee will review the contract to ensure that it complies with the requirements relating to interested party transactions in the Property Funds Appendix (as may be amended from time to time) and the provisions of the Listing Manual relating to interested person transactions (as may be amended from time to time) as well as such other guidelines as may from time to time be prescribed by the MAS and the SGX to apply to REITs.

Keppel DC REIT will, in compliance with Rule 905 of the Listing Manual, announce any interested person transaction in accordance with the Listing Manual if such transaction, by itself or when aggregated with other interested person transactions entered into with the same interested person during the same financial year, is 3.0% or more of Keppel DC REIT's latest audited net tangible assets.

The aggregate value of all Related Party transactions which are subject to Rules 905 and 906 of the Listing Manual in a particular financial year will be disclosed in Keppel DC REIT's annual report for that financial year. The disclosure will include the fees paid to the Manager by Keppel DC REIT in accordance with the Trust Deed and the details are set out on pages 186 to 187.

Role of the Audit and Risk Committee for Related Party Transactions
The Manager's internal control procedures are intended to ensure that Related Party transactions are conducted at arm's length and on normal commercial terms and are not prejudicial to Unitholders.

On a half-yearly basis, the management reports to the ARC the Related Party transactions entered into by Keppel DC REIT. The Related Party transactions were also reviewed by the internal auditor and all findings were reported during the ARC meetings.

The ARC reviews Related Party transactions to ensure compliance with the internal control procedures and with the relevant provisions of the Listing Manual and the Property Funds Appendix. The review includes the examination of the nature of the transaction and if necessary, its supporting documents or such other data deemed necessary by the ARC. In addition, the Trustee will review such internal audit reports to ascertain that the requirements of the Property Funds Appendix have been complied with.

If a member of the ARC has an interest in a transaction, he or she is to abstain from participating in the review and approval process in relation to that transaction.

APPENDIX

BOARD COMMITTEES – RESPONSIBILITIES

1. Audit and Risk Committee

(a) Review financial statements and formal announcements relating to financial performance, and review significant financial reporting issues and judgments contained in them, for better assurance of the integrity of such statements and announcements.

(b) Review and report to the Board at least annually the adequacy and effectiveness of the Manager's and Keppel DC REIT's risk management and internal controls, including financial, operational, compliance and information technology controls in relation to financial reporting and other financial-related risks (such review can be carried out internally or with the assistance of any competent third parties).

(c) Review the audit plans and reports of the external auditor and internal auditor, and consider the effectiveness of actions or policies taken by management on the recommendations and observations.

(d) Review the nature and extent of non-audit services performed by external auditor, to ensure their independence and objectivity and to approve their appointments.

(e) Meet with external auditor (without the presence of management and internal auditor) and internal auditor (without the presence of management and external auditor), at least annually.

(f) Make recommendations to the Board on the proposals to Unitholders on the appointment, re-appointment and removal of the external auditor, and approve the remuneration and terms of engagement of the external auditor.

(g) Review the adequacy, effectiveness and independence of the Manager's and Keppel DC REIT's external audit function and internal audit function, at least annually and report the ARC's assessment to the Board.

(h) Ensure at least annually that the internal audit function is adequately resourced and has appropriate standing with the Manager and Keppel DC REIT.

(i) Approve the accounting/auditing firm or corporation to which the internal audit function is outsourced.

(j) Review the Whistle-Blower Policy and the Manager'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.

(k) Report significant matters raised through the whistle-blowing channel to the Board.

(l) Monitor the procedures in place to ensure compliance with applicable legislation, the Listing Manual and the

Code on Collective Investment Schemes (including the Property Funds Appendix).

(m) Review Related Party transactions, including ensuring compliance with the provisions of the Listing Manual relating to "interested person transaction" (as defined therein) and the provisions of the Property Funds Appendix relating to "interested party transactions" (as defined therein).

(n) Investigate any matters within the ARC's purview, whenever it deems necessary.

(o) Obtain recommendations on risk tolerance and strategy from management, and where appropriate, report and recommend to the Board for its determination:

(i) The nature and extent of significant risks which the Manager and Keppel DC REIT may take in achieving its strategic objectives; and
(ii) Overall levels of risk tolerance, risk parameters and risk policies.

(p) Review and discuss, as and when appropriate, with management the Manager's and Keppel DC REIT's risk governance structure and framework, including risk policies, risk strategy, risk culture, risk assessment, risk mitigation and monitoring processes and procedures.

(q) Review the Information Technology (IT) governance and cybersecurity framework to ascertain alignment with business strategy and the Manager's and Keppel DC REIT's risk tolerance including monitoring the adequacy of IT capability and capacity to ensure business objectives are well-supported with adequate measures to safeguard corporate information, operating assets, and effectively monitor the performance, quality and integrity of IT service delivery.

(r) Review at least quarterly reports from management on the Manager's and Keppel DC REIT's risk profile and major risk exposures and the steps taken to monitor, control and mitigate such risks to ensure that such risks are managed within acceptable levels.

(s) Review the Manager's risk management capabilities including capacity, resourcing, systems, training, communication channels as well as competencies in identifying and managing new risk types.

(t) Receive and review updates from management to assess the adequacy and effectiveness of the Manager's and Keppel DC REIT's compliance framework in line with relevant laws, regulations and best practices.

(u) Through interactions with the Head of Keppel Capital Risk and Compliance, review and oversee performance of the Manager's implementation of compliance programmes.

(v) Review and monitor the Manager's approach to ensuring compliance with regulatory commitments, including progress of remedial actions where applicable.

(w) Review the adequacy, effectiveness and independence of the Risk and Compliance function, at least annually, and report the ARC's assessment to the Board.

(x) Review and monitor management's responsiveness to the risks, matters, and identified recommendations of the Risk and Compliance function.

(y) Providing timely input to the Board on critical risk and compliance issues, material matters and recommendations.

(z) Review management's proposals in respect of new risk focused products, focusing, in particular, on the risk and compliance aspects and implications of the proposed action for the risk tolerance of the Manager and Keppel DC REIT, and make recommendations to the Board.

(aa) Review the assurance from the CEO and CFO on the financial records and financial statements and the steps taken by the CEO and other key management personnel for their relevant areas of responsibilities, regarding the adequacy and effectiveness of the Manager's and Keppel DC REIT's risk management and internal controls systems.

(bb) (i) Review the Board's comment on the adequacy and effectiveness of the Manager's and Keppel DC REIT's risk management and internal control systems and state whether it concurs with the Board's comments.

(ii) Where there are material weaknesses identified in the Manager's and Keppel DC REIT's risk management and internal control systems, to consider and recommend the necessary steps to be taken to address them.

(cc) Ensure that the Head of Keppel Capital Risk and Compliance has direct and unrestricted access to the ARC Chairman.

(dd) Review the ARC's terms of reference annually and recommend any proposed changes to the Board.

(ee) Perform such other functions (including Sustainability Reporting) as the Board may determine.

(ff) Sub-delegate any of its powers within its terms of reference as listed above from time to time as this ARC may deem fit.

2. Nominating and Remuneration Committee

(a) Recommend to the Board the appointment and re-appointment of Directors (including alternate Directors, if any).

(b) Annual review of the structure and size of the Board and Board Committees, and the balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age.

(c) Recommend to the Board a Board Diversity Policy (including the qualitative, and measurable quantitative, objectives (as appropriate) for achieving board diversity), and conduct an annual review of the progress towards achieving these objectives.

(d) Annual review of the independence of each Director, and to ensure that the Board comprises (i) majority non-executive Directors and (ii) at least one-third, or (if Chairman is not independent) a majority of, independent Directors.

(e) Assess, where a Director has other listed company board representation and/or other principal commitments, whether the Director is able to and has been adequately carrying out his or her duties as Director of the Manager.

(f) Recommend to the Board the process for the evaluation of the performance of the Board, the Board committees and individual Directors, and propose objective performance criteria to assess the effectiveness of the Board as a whole, the Board Committees and the contribution of the Chairman and each Director.

(g) Annual assessment of the effectiveness of the Board as a whole, the Board

Committees and the contribution of the Chairman and individual Directors.

(h) Review the succession plans for the Board (in particular, the Chairman) and key management personnel.

(i) Review talent development plans.

(j) Review the training and professional development programs for Board members.

(k) 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.

(l) 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.

(m) Consider whether Directors should be eligible for benefits under long-term incentive schemes (including weighing the use of share schemes against the other types of long-term incentive scheme).

(n) Review the ongoing appropriateness and relevance of the remuneration policy to ensure that the level and structure of the remuneration are appropriate and proportionate to the sustained performance and value creation of the Manager, taking into account the strategic objectives of the Manager.

(o) Review the level and structure of remuneration for Directors and key management personnel relative to the internal and external peers and competitors to ensure that the remuneration is appropriate to attract, retain and motivate the Directors to provide good stewardship of the company and key management personnel to successfully manage Keppel DC REIT for the long term.

(p) Set performance measures and determine targets for any performance-related pay schemes.

(q) Administer the Manager's long-term incentive schemes in accordance with the rules of such schemes.

(r) Report to the Board on material matters and recommendations.

(s) Review the NRC's terms of reference annually and recommend any proposed changes to the Board for approval.

(t) Perform such other functions as the Board may determine.

(u) Sub-delegate any of its powers within its terms of reference as listed above, from time to time, as this Committee may deem fit.

3. Environmental, Social and Governance Committee

(a) Developing and articulating Keppel DC REIT's Environmental, Social and Governance strategy.

(b) Providing an oversight of sustainability initiatives across Keppel DC REIT's business operations. This includes, but is not limited to, the setting, disclosure and achievement of ESG targets, reviewing the effectiveness of the sustainability risk management framework, people development and community involvement, as well as where needed, provide oversight of and advice to the Manager's sustainability committee (which for the avoidance of doubt is a working level committee involving all relevant functions including asset management, finance, investment, investor relations, legal, portfolio management and risk and compliance).

(c) Recommending 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. Keppel DC REIT's sustainability and ESG standards, which would form an integral part of Keppel DC REIT's strategies and core competencies, will drive long-term value creation.

(d) Reviewing the implementation and integration of the ESG Framework.

(e) Reviewing the adequacy of resources allocated to achieving compliance as well as strategies, workplans and targets pertaining to the ESG Framework.

(f) Reporting to the Board on sustainability and ESG performance, incidents, rectifications, risk management and other material matters.

(g) Performing such other functions as the ESG Committee may determine.

BOARD ASSESSMENT

Evaluation processes

Board

Each Board member is required to complete a Board Evaluation Questionnaire and send the completed Questionnaire directly to the Independent Co-ordinator within five working days. An "Explanatory Note" is attached to the Questionnaire to clarify the background, rationale and objectives of the various performance criteria used in the Board Evaluation Questionnaire with the aim of achieving consistency in the understanding and interpretation of the questions. Based on the returns from each of the Directors, the Independent Co-ordinator prepares a consolidated report and briefs the NRC Chairman and Chairman on the report. Thereafter, the Independent Co-ordinator will present the report to the Board for discussion on the changes which should be made to help the Board discharge its duties more effectively.

Individual Directors

In the assessment of the performance of the non-executive Directors, each Director is required to complete the non-executive Directors' assessment form and send the completed form directly to the Independent Co-ordinator within five working days. Each non-executive Director is also required to perform a self-assessment in addition to a peer assessment. Based on the returns, the Independent Co-ordinator prepares a consolidated report and briefs the NRC Chairman and the Chairman. Thereafter, the report is presented to the NRC. Following the meeting and if necessary, the NRC Chairman will meet with non-executive Directors individually to provide feedback on their respective performance with a view to improving their board performance.

Chairman

The Chairman Evaluation Form is completed by each non-executive Director (other than the Chairman) and sent directly to the Independent Co-ordinator within five working days. Based on the returns from each of the non-executive Directors, the Independent Co-ordinator prepares a consolidated report and briefs the Chairman on the report. Thereafter, the Independent Co-ordinator will present the report to the NRC.

Performance Criteria

The performance criteria for the board evaluation are in respect of board size and composition, board independence, board processes, board information and accountability, management in diversity, board performance in relation to discharging its principal functions and board committee performance in relation to discharging its responsibilities set out in its terms of reference. Based on the responses received, the Board continues to perform and fulfill its duties, responsibilities and performance objectives in accordance with the established Board processes of the Manager.

The individual Director's performance criteria are categorised into five segments; namely, (i) interactive skills (under which factors as to whether the Director works well with other Directors, and participates actively are taken into account); (ii) knowledge (under which factors as to the Director's industry and business knowledge, functional expertise, whether he or she provides valuable inputs, his or her ability to analyse, communicate and contribute to the productivity of meetings, and his or her understanding of finance and accounts are taken into consideration); (iii) Director's duties (under which factors as to the Director's board committee work contribution, whether the Director takes his or her role of Director seriously and works to further improve his or her own performance, whether he or she listens and discusses objectively and exercises independent judgment, and meeting preparation are taken into consideration); (iv) availability (under which the Director's attendance at board and board committee meetings, whether he or she is available when needed, and his or her informal contribution via e-mail, telephone, written notes etc are considered); and (v) overall contribution, bearing in mind that each Director was appointed for his or her strength in certain areas which, taken together with the skill sets of the other Directors, provides the Board with the required mix of skills and competencies.

The assessment of the Chairman of the Board is based on her ability to lead, whether she established proper procedures to ensure the effective functioning of the Board, whether she ensured that the time devoted to Board meetings was appropriate (in terms of number of meetings held a year and duration of each Board meeting) for effective discussion and decision making by the Board, whether she ensured that information provided to the Board was adequate (in terms of adequacy and timeliness) for the Board to make informed and considered decisions, whether she guided discussions effectively so that there is timely resolution of issues, whether she ensured that meetings are conducted in a manner that facilitates open communication and meaningful participation, and whether she ensured that Board committees are formed where appropriate, with clear terms of reference, to assist the Board in the discharge of its duties and responsibilities.

KEPPEL DC REIT MANAGEMENT WHISTLE-BLOWER POLICY

The Whistle-Blower Policy (the "Policy") was established and has been put in place to encourage reporting in good faith of suspected Reportable Conduct (as defined below) by establishing clearly defined processes and reporting channels through which such reports may be made with confidence that employees and other persons making such reports will be treated fairly and, to the extent possible, their identities and participation in the investigations will be protected from reprisal.

Reportable Conduct refers to any act or omission by an employee of the Manager or contract worker appointed by the Manager, which occurred in the course of his or her work (whether or not the act is within the scope of his or her employment) which in the view of a Whistle-Blower acting in good faith, is:

(a) Dishonest, including but not limited to theft or misuse of the resources owned by or under the management of the Manager;

(b) Fraudulent;

(c) Corrupt;

(d) Illegal;

(e) Other serious improper conduct;

(f) An unsafe work practice; or

(g) Any other conduct which may cause financial or non-financial loss to the Manager or damage to the Manager's reputation.

A person who files a report or provides evidence which he or she knows to be false, or without a reasonable belief in the truth and accuracy of such information, will not be protected by the Policy and may be subject to administrative and/or disciplinary action, including termination of employment or other contract, as the case may be.

Similarly, a person may be subject to administrative and/or disciplinary measures, including but not limited to termination of employment or contract if he or she subjects (i) a person who has made or intends to make a good faith communication that discloses, or demonstrates an intention to disclose, information that may evidence a Reportable Conduct, in accordance with the Policy (such communication, "Protected Report"), 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

NATURE OF CURRENT DIRECTORS' APPOINTMENTS AND MEMBERSHIP ON BOARD COMMITTEE

Director	Board Membership	Audit and Risk Committee Membership	Nominating and Remuneration Committee Membership	ESG Committee Membership[1]
Ms Christina Tan	Chairman and Non-Executive Director	-	Member	-
Mr Kenny Kwan	Lead Independent Director	-	Member	-
Mr Lee Chiang Huat	Independent Director	Chairman	-	-
Dr Tan Tin Wee	Independent Director	-	Chairman	Member
Mr Dileep Nair	Independent Director	Member	Member	-
Mr Low Huan Ping	Independent Director	Member	-	Member
Mr Thomas Pang Thieng Hwi	Non-Executive Director	-	-	Chairman

1. On 21 February 2022, the Board constituted the ESG Committee for the primary purpose of, among others, developing and articulating Keppel DC REIT's ESG strategy. Mr Thomas Pang was appointed as Chairman of the ESG Committee on 21 February 2022, and Mr Low Huan Ping and Dr Tan Tin Wee were appointed as members of the ESG Committee on 21 February 2022.

or she did not intend to, or had not made the Protected 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. She 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 Protected 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 Protected Report, take any independent action or start any investigation in connection with such Protected Report unless otherwise directed by the ARC Chairman or the Receiving Officer. If any of the persons in the reporting line prefers not to disclose the matter to the supervisor and/or Receiving Officer (as the case may be), he or she may make the report directly to the ARC Chairman.

Other Whistle-Blowers (other than employees) may make a Protected Report in relation to 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 so as to allow for proper assessment of the nature, extent and urgency of preliminary investigative procedures to be undertaken.

Investigation
Every Protected Report received (whether oral or written, and anonymous or otherwise) will be assessed by the Receiving Officer, who will review the information disclosed, interview the Whistle-Blower(s) when required and if contactable and, either exercising his or her own discretion or in consultation with the Whistle-Blower Investigation Advisory Committee, make recommendations to the ARC Chairman as to whether the circumstances warrant an investigation. If the ARC Chairman or, if the ARC Chairman consults the ARC, the ARC, determines that an investigation should be carried out, the ARC Chairman or, as the case may be, the ARC, shall determine the appropriate investigative process to be employed. The ARC Chairman and the Investigation Advisory Committee will use their respective best endeavours to ensure that there is no conflict of interests on the part of any party involved in any way in the investigations. The Investigation Advisory Committee assists the ARC Chairman with overseeing the investigation in relation to the Protected Report 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.

All employees have a duty to cooperate with investigations initiated under the Policy. An employee may be placed on administrative leave or investigatory leave when it is determined by the ARC Chairman (whether in the exercise of his or her own discretion or in consultation with the ARC), that such a leave would be in the best interests of the employee, the Manager or both. Such leave is not to be interpreted as an accusation or a conclusion of guilt or innocence of any employee, including the employee on leave. All persons who are interviewed, asked to provide information or otherwise participate in an investigation must refrain from discussing or disclosing the investigation or their testimony with anyone, other than such persons from Group Internal Audit or third parties conducting the investigation. In no circumstance should such persons discuss with the Investigation Subject(s) the nature of the evidence requested or provided or testimony given to the investigators unless agreed by the investigators.

Confidentiality of the identity of Whistle-Blowers, Investigation Subject(s) and persons who participate (or who intend to participate) in investigations initiated under this policy will, to the extent possible, be maintained.

Protection From Reprisal
No person shall be subject to any reprisal for having made a Protected Report in accordance with the Policy. The protection from Reprisal also extends to persons who may have been called as witnesses or otherwise participated in the investigation arising from a Protected Report. 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.

A Whistle-Blower or any person who participated or intends to participate in an investigation arising from a Protected Report, who believes that he or she is subject to Reprisal and that the Protected Report is a contributing factor to the Reprisal may complain to the Receiving Officer (who shall refer the matter to the ARC Chairman) or the ARC Chairman. The ARC Chairman shall review the matter and determine the appropriate actions to be taken. Any protection does not extend to situations where the Whistle-Blower or witness has committed or abetted the Reportable Conduct that is the subject of allegation contained in the Protected Report. However, the ARC Chairman will take into account the fact that he or she has cooperated as a Whistle-Blower or a witness in determining whether, and to what extent, the disciplinary measure to be taken against him or her.

Rule 720(6) of the Listing Manual of the SGX-ST

The information required under Rule 720(6) read with Appendix 7.4.1 of the Listing Manual in respect of Directors whom the Manager is seeking endorsement by Unitholders at the annual general meeting to be held in 2022 is set out below.

Name of Director	Mr Kenny Kwan	Mr Low Huan Ping	Mr Dileep Nair
Date of Appointment	28 February 2019	28 February 2019	18 November 2014
Date of last re-appointment (if applicable)	16 April 2019	16 April 2019	16 April 2019
Age	52	65	71
Country of principal residence	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The process for succession planning for the Board, appointment of Directors, and the seeking of endorsement or re-endorsement of Directors to the Board, is set out in pages 161 to 163 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.)	Lead Independent Director and Member of the Nominating and Remuneration Committee	Independent Director and Member of the Audit and Risk Committee and Member of the ESG Committee	Independent Director, Member of the Audit and Risk Committee and Member of the Nominating and Remuneration Committee
Professional qualifications	Bachelor of Law (Honours), National University of Singapore	Bachelor of Art (Honours) and Master of Arts in Engineering, Cambridge University; Master of Science (Industrial Engineering) National University of Singapore; Advance Management Program, Harvard Business School	Bachelor of Engineering, McGill University; Master in Public Administration, Harvard University
Working experience and occupation(s) during the past 10 years	Micro-Mechanics (Holdings) Ltd.; Principal, Baker & McKenzie	Executive Vice President - Technology, Singapore Press Holdings Ltd.	Thakral Corporation Ltd; Singapore Reinsurance Corporation Limited
Shareholding interest in the listed issuer and its subsidiaries	9,400 units in Keppel DC REIT	10,600 units in Keppel DC REIT	41,577 units in Keppel DC REIT
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	No	No	No
Conflict of interest (including any competing business)	No	No	No
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)	Nil	iFast Corporation Ltd.; Magzter Inc; Shareinvestor.com Holdings Pte Ltd; MediaCorp Press Pte. Ltd.; M1 Limited	Agri-Food Veterinary Authority of Singapore
Other Principal Commitments including Directorships - Present	M1 Network Private Limited	M1 Network Private Limited	Health Sciences Authority of Singapore; MS First Capital Insurance Limited; Singapore Reinsurance Corporation Limited
Any prior experience as a director of an issuer listed on the Exchange?	Yes	Yes	Yes

Name of Director	Mr Kenny Kwan	Mr Low Huan Ping	Mr Dileep Nair
If yes, please provide details of prior experience	Keppel DC REIT Management Pte. Ltd. (the manager of Keppel DC REIT)	M1 Limited, iFast Corporation Ltd., Keppel DC REIT Management Pte. Ltd. (the manager of Keppel DC REIT)	Thakral Corporation Ltd, Singapore Reinsurance Corporation Limited, Keppel DC REIT Management Pte. Ltd. (the manager of Keppel DC REIT)
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
(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

CORPORATE GOVERNANCE

Name of Director	Mr Kenny Kwan	Mr Low Huan Ping	Mr Dileep Nair
(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

Name of Director	Mr Kenny Kwan	Mr Low Huan Ping	Mr Dileep Nair
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No

Summary of Disclosures of 2018 Code

Rule 710 of the Listing Manual requires Singapore listed companies to describe their corporate governance practices with specific reference to the 2018 Code in their annual reports for financial years commencing on or after 1 January 2019. This summary of disclosures describes our corporate governance practices with specific reference to the disclosure requirement under the 2018 Code.

PRINCIPLES

Board Matters

The Board's Conduct of Affairs

Provision 1.1	Pages 159, 172 to 173
Provision 1.2	Page 160
Provision 1.3	Pages 158 to 159
Provision 1.4	Pages 158 to 170, 173 to 175
Provision 1.5	Pages 159 to 163
Provision 1.6	Pages 159 to 160
Provision 1.7	Pages 159 to 160

Board Composition and Guidance

Provision 2.1	Pages 162 to 163
Provision 2.2	Pages 162 to 163
Provision 2.3	Page 162
Provision 2.4	Pages 161 to 162
Provision 2.5	Pages 159 and 161

Chairman and Chief Executive Officer

Provision 3.1	Page 160
Provision 3.2	Page 160
Provision 3.3	Pages 161 and 163

Board Membership

Provision 4.1	Pages 160 to 163, 174 to 175
Provision 4.2	Pages 160 to 161
Provision 4.3	Page 161
Provision 4.4	Pages 162 to 163
Provision 4.5	Pages 12 to 14 and 163

PRINCIPLES

Board Performance

Provision 5.1	Pages 163 to 164 and 175 to 176
Provision 5.2	Pages 163 to 164 and 175 to 176

Remuneration Matters

Procedures for Developing Remuneration Policies

Provision 6.1	Pages 164 to 167
Provision 6.2	Page 166
Provision 6.3	Pages 164 to 166
Provision 6.4	Page 164

Level and Mix of Remuneration

Provision 7.1	Pages 164 to 167
Provision 7.2	Pages 164 and 165
Provision 7.3	Pages 164 to 167

Disclosure on Remuneration

Provision 8.1	Pages 164 to 167
Provision 8.2	Page 166
Provision 8.3	Pages 165 to 167

Accountability and Audit

Risk Management and Internal Controls

Provision 9.1	Pages 166 and 168
Provision 9.2	Pages 169 to 170

Audit Committee

Provision 10.1	Pages 166, 168, 173 to 174
Provision 10.2	Page 166
Provision 10.3	Page 166
Provision 10.4	Page 170
Provision 10.5	Page 168

Shareholder Rights and Responsibilities

Shareholder Rights and Conduct of General Meetings

Provision 11.1	Pages 170 to 171
Provision 11.2	Pages 170 to 171
Provision 11.3	Pages 170 to 171
Provision 11.4	Pages 170 to 171
Provision 11.5	Pages 170 to 171
Provision 11.6	Pages 170 to 171

PRINCIPLES

Engagement with Shareholders

Provision 12.1	Pages 170 to 171
Provision 12.2	Pages 170 to 171
Provision 12.3	Pages 170 to 171

Managing Stakeholders Relationship

Engagement with Stakeholders

Provision 13.1	Pages 170 to 171
Provision 13.2	Pages 170 to 171
Provision 13.3	Pages 170 to 171

RISK MANAGEMENT

THE MANAGER ADOPTS A ROBUST APPROACH IN THE IDENTIFICATION AND MANAGEMENT OF RISKS ASSOCIATED WITH THE EXECUTION OF BUSINESS STRATEGIES

Risk management is a key element of the Manager's business strategy. The Manager adopts a robust approach in the identification and management of risks associated with the execution of business strategies. This enables the Manager to respond promptly and effectively to a constantly evolving business landscape.

Keppel DC REIT has an Enterprise Risk Management (ERM) framework, a component of its System of Management Controls, which provides the Manager with a holistic and systematic approach to risk management. It outlines the reporting structure, monitoring mechanisms, specific risk management processes and tools. This framework includes Keppel DC REIT's policies and limits in addressing and managing the identified key risks. The ERM framework is dynamic and evolves with the business.

5-STEP RISK MANAGEMENT PROCESS

STEP 1 IDENTIFY	**Understand business strategy and identify risk**
STEP 2 ASSESS	**Assess risk based on impact and likelihood of occurrence**
STEP 3 MITIGATE	**Develop action plans to mitigate risks**
STEP 4 IMPLEMENT	**Communicate and implement action plans**
STEP 5 MONITOR	**Monitor and review**

ROBUST ERM FRAMEWORK

The Manager adopts a five-step risk management process comprising risk identification, risk assessment, formulation of risk mitigation measures, communication and implementation, as well as monitoring and review.

The impact and likelihood of risk events are taken into consideration during the risk assessment process.

This framework encompasses strategic, investment, financial, operational, reputational and other major aspects of Keppel DC REIT's business. Tools deployed include risk rating matrices and risk registers to assist the Manager in its performance of risk management.

The Board is responsible for governing risks and ensuring that the Manager maintains a sound risk management system and internal controls to safeguard Unitholders' interests and Keppel DC REIT's assets. With the support of the ARC, the Board advises management in formulating various risk policies and guidelines. Terms of reference of the ARC are disclosed on pages 173 to 174 of this Annual Report.

On a quarterly basis, or more frequently if necessary, the Board and management review Keppel DC REIT's financial performance, assess its current and future operational, financial and investment risks, as well as address feedback from the auditors on compliance matters.

The Board, aided by the ARC, has implemented three Risk Tolerance Guiding Principles for Keppel DC REIT and the Manager. These principles serve to determine the nature and extent of the significant risks that the Board is willing to take in achieving its strategic objectives.

1. Risk taken should be carefully evaluated, commensurate with rewards and in line with Keppel DC REIT's core strengths and strategic objectives.

2. No risk arising from a single area of operation, investment or undertaking should be so huge as to endanger Keppel DC REIT.

3. Keppel DC REIT does not condone safety breaches or lapses, non-compliance with laws and regulations, as well as acts such as fraud, bribery and corruption.

The risk management assessment framework also determines the adequacy and effectiveness of the risk management system within Keppel DC REIT. In 2021, the Board has assessed and deemed Keppel DC REIT's risk management system to be adequate and effective in addressing the key risks identified below:

1. OPERATIONAL RISK

- All operations are aligned with Keppel DC REIT's strategies to ensure income sustainability and growth. Measures include proactive lease management and marketing to reduce rental voids, monitoring of rental arrears to minimise bad debts, and managing property expenses to raise operational efficiency.

- Formalised guidelines, procedures, internal training and tools are used to provide guidance in assessing, mitigating and monitoring risks.

- The Manager fosters close relationships with clients and manages lease expiries to avoid a disproportionate amount of space expiring in any one year.

- The Manager and the facility managers ensure that asset performance is well managed and adheres to the respective service level agreements.

  The Manager also assesses and approves all renewals, new leases as well as capital expenditures.The Manager actively engages the facility managers in regular operational meetings to ensure that the assets are managed in accordance with Keppel DC REIT's operating plans and standards.

- Business continuity plans (BCP) enable Keppel DC REIT to respond effectively to potential disruptions resulting from internal and external events, while continuing critical business functions. Regular BCP drills are conducted to ensure operational resilience.

2. FINANCING RISK

- Liquidity and financing risks are managed in accordance with established guidelines and policies. The Manager also monitors its cash flows, debt maturity profile, aggregate leverage and liquidity positions on a regular basis.
- The Manager seeks to diversify its funding sources and achieve a well-spread debt maturity profile.

3. FINANCIAL RISK

- The Manager constantly monitors the exposure of Keppel DC REIT to changes in interest and foreign exchange rates. It utilises various financial instruments, where appropriate, to hedge against exposure.
- The Manager enters into floating to fixed interest rate swaps to manage its interest rate exposure, with the primary objective of limiting the extent to which net interest expense can be affected by adverse movements in interest rates.
- The Manager mitigates the impact of currency fluctuations through the use of foreign currency forward contracts to hedge the REIT's forecasted foreign-sourced distributions.

4. CREDIT RISK

- This is an area of review given the widespread economic slowdown in 2021 due to the COVID-19 pandemic. The Manager will actively monitor this to ensure mitigation measures are in place should the risk impact become material.
- Procedures are implemented to ensure regular collection of rents and minimise potential rental arrears.
- The Manager maintains a well-diversified client base across high value-added trade sectors to minimise concentration risk.

5. INVESTMENT RISK

- Comprehensive due diligence to assess and evaluate potential investment risks are conducted prior to any transaction.

  All investment proposals are objectively evaluated based on the Manager's stringent investment criteria as well as the target asset's specifications, expected returns, growth potential and overall value-add to Keppel DC REIT, taking into consideration the current economic climate and market conditions.
- The Board reviews and approves transactions after evaluating all aspects of the investment proposal and risks involved.
- The effect of each proposed transaction on the Singapore-overseas ratio is evaluated prior to any transaction to manage concentration risk.

6. COMPLIANCE RISK

- As a Capital Markets Services Licence holder, the Manager complies with applicable laws and regulations including the SGX-ST Listing Rules, the Code on Collective Investment Schemes, Property Fund Appendix and conditions of the Capital Markets Services Licence for REIT Management issued by the Monetary Authority of Singapore under the Securities and Futures Act, as well as the tax rulings issued by the Inland Revenue Authority of Singapore.
- The Manager closely monitors changes to legislations and regulations as well as new developments in its operating environment to uphold regulatory compliance in all operations.
- Keppel DC REIT and the Manager undergo periodic internal and external audits to ensure that they adhere to relevant policies and processes.
- The Manager adopts a strong anti-corruption and anti-bribery stance and regularly communicates key policy requirements to all employees.

7. EMERGING RISKS

- The Manager performs monitoring of evolving or emerging risks – tangential or ancillary type threats which may otherwise have been non-major concerns.

  Cybersecurity, climate change and sustainability related matters are areas of risks noted. They are monitored closely and actions are taken, when necessary, to prevent and mitigate them.

ADDITIONAL INFORMATION

Interested Person Transactions

The transactions entered into with interested persons during the financial year which falls under the Listing Manual of the SGX-ST and the CIS Code are as follows:

Name of Interested Persons	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under Unitholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under Unitholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
		FY 2021 S$'000	FY 2021 S$'000
Temasek Holdings Group	"Controlling Unitholder" of the REIT and "Controlling Shareholder" of the REIT Manager		
- Rental income[1]		18,166	NIL
Keppel Corporation Limited and its subsidiaries	"Controlling Unitholder" of the REIT and "Controlling Shareholder" of the REIT Manager		
- Variable rental income		96,989	NIL
- Facility management fees and property management fees		3,919	NIL
- Manager's management fees		23,787	
- Manager's acquisition and development management fees		4,563	NIL
- Manager's divestment fees		172	NIL
- Project management fees		475	NIL
- Rental top up income		2,723	NIL
- Support services fees		860	NIL
- Interest expense		988	NIL
- Investment in notes and preference shares in a joint venture		89,700	NIL
- Interest income from a joint venture		76,300	NIL
- Reimbursement of expenses from a joint venture		2,700	NIL
Perpetual (Asia) Limited	"Trustee" of the REIT		
-Trustee fees		389	NIL

1 As disclosed in the circular to the Unitholders dated 8 October 2019 on the acquisition of 100% interest in the company which holds DC1 ("DC1PL"), Keppel DC REIT took over the existing master lease as purchaser of DC1PL. The existing master lease was entered into by DC1PL. In accordance with the Listing Manual and the aforementioned circular, the existing master lease is deemed to be approved by Unitholders and need not be included in any subsequent aggregation for purposes of Rule 906(1) of the Listing Manual.

Certain other interested person transactions outlined in the Prospectus dated 5 December 2014 are deemed to have been approved by the Unitholders and are therefore not subject to Rules 905 and 906 of the Listing Manual to the extent that specific information on these agreements have been disclosed in the Prospectus and there is no subsequent change to the rates and/or bases of the fees charged thereunder which will adversely affect Keppel DC REIT.

Keppel DC REIT has not obtained a general mandate from Unitholders for Interested Person Transactions for the financial period under review. Please also see significant related party transactions in Note 33 to the financial statements.

In accordance with Rule 906(1) of the Listing Manual, the below interested person transactions have not been computed as a percentage of the net assets of Keppel DC REIT for purposes of Rule 906(1) because the following transactions have been approved by Unitholders:

(a) Aggregate variable rental income amount of S$96,989,000, comprising:

(i) the lease agreements (each for a period of 10 years) for Keppel DC Singapore 1 and Keppel DC Singapore 2 deemed approved by the Unitholders upon subscription of Units and are therefore not subject to Rule 906 by way of disclosure in the prospectus of Keppel DC REIT dated 5 December 2014;

(ii) 90% (representing Keppel DC REIT's ownership interest in the property) of the lease agreement for Keppel DC Singapore 3 (for a period of 10 years) approved by Unitholders by way of an extraordinary general meeting held on 7 November 2016 pursuant to the circular dated 18 October 2016 in connection with the acquisition of an interest in Keppel DC Singapore 3;

(iii) 99% (representing Keppel DC REIT's ownership interest in the property) of the lease agreement for Keppel DC Singapore 4 (for a period of 10 years) approved by Unitholders by way of an extraordinary general meeting held on 23 October 2019 pursuant to the circular dated 8 October 2019 in connection with, among others, the acquisition of an interest in Keppel DC Singapore 4; and

(iv) 99% (representing Keppel DC REIT's ownership interest in the property) of the lease agreement for Keppel DC Singapore 5 (this concerns a 9-year renewal of the lease) approved by Unitholders by way of an extraordinary general meeting held on 16 April 2019 pursuant to the circular dated 25 March 2019 in connection with, among others, the renewal of the Keppel DC Singapore 5 lease.

(b) Investment in notes and preference shares in a joint venture, total interest income receivable and reimbursement of expenses from a joint venture amounting to an aggregate of S$168,700,000, approved by Unitholders by way of an extraordinary general meeting held on 2 December 2021 pursuant to the circular dated 10 November 2021.

As Unitholders' approval has been obtained or have been duly deemed obtained in connection with the foregoing transactions, these are excluded for the purposes of Listing Rule 906(1)(b) and it is therefore noted that Keppel DC REIT has not exceeded the threshold stipulated in Listing Rule 906(1).

Subscription of Keppel DC REIT Units
During the financial year ended 31 December 2021, Keppel DC REIT issued:

1. 81,000,000 new Units pursuant to the private placement at an issue price of S$2.522 per Unit;

2. 778,094 new Units to the Manager as payment of 100% of the base and performance fees in respect of Intellicentre Campus in Australia, Amsterdam Data Centre and Eindhoven Campus in the Netherlands, 50% of the base and performance fees in respect of 99% interest in Keppel DC Singapore 5 for the period from 1 October 2020 to 30 September 2021 at issue prices ranging from S$2.5087 - S$2.7712 per Unit; and

3. 613,155 new Units to the Manager as payment of 100% of the development management fees, divestment fee and acquisition fees in respect of the development completion of Intellicentre 3 East Data Centre in Australia, the divestment of iSeek Data Centre in Australia and the acquisition of Eindhoven Campus in the Netherlands at issue prices ranging from S$2.5267 - S$2.5332 per Unit.

STATISTICS OF UNITHOLDINGS

As at 2 March 2022

Issued and Fully Paid Units

1,717,409,627 Units (Voting rights: 1 vote per Unit)

There is only one class of Units in Keppel DC REIT.

Market capitalisation of S$3,812,649,372 based on market closing price of S$2.22 per Unit on 2 March 2022.

DISTRIBUTION OF UNITHOLDINGS

SIZE OF UNITHOLDINGS	NO. OF UNITHOLDERS	%	NO. OF UNITS	%
1 - 99	152	0.65	5,922	0.00
100 - 1,000	4,057	17.43	2,989,110	0.17
1,001 - 10,000	14,379	61.80	65,733,804	3.83
10,001 - 1,000,000	4,657	20.01	159,819,135	9.31
1,000,001 AND ABOVE	26	0.11	1,488,861,656	86.69
TOTAL	**23,271**	**100.00**	**1,717,409,627**	**100.00**

TWENTY LARGEST UNITHOLDERS

NO.	NAME	NO. OF UNITS	%
1	Keppel DC Investment Holdings Pte. Ltd.	336,131,978	19.57
2	Citibank Nominees Singapore Pte Ltd	330,148,160	19.22
3	HSBC (Singapore) Nominees Pte Ltd	216,326,736	12.60
4	DBS Nominees (Private) Limited	215,388,222	12.54
5	Raffles Nominees (Pte.) Limited	151,138,532	8.80
6	DBSN Services Pte. Ltd.	98,275,450	5.72
7	BPSS Nominees Singapore (Pte.) Ltd.	22,881,523	1.33
8	Phillip Securities Pte Ltd	14,766,828	0.86
9	United Overseas Bank Nominees (Private) Limited	13,618,888	0.79
10	ABN AMRO Clearing Bank N.V.	10,435,336	0.61
11	iFAST Financial Pte. Ltd.	10,129,618	0.59
12	OCBC Securities Private Limited	9,790,223	0.57
13	OCBC Nominees Singapore Private Limited	8,544,918	0.50
14	Keppel DC REIT Management Pte. Ltd.	8,526,734	0.50
15	DB Nominees (Singapore) Pte Ltd	8,434,493	0.49
16	UOB Kay Hian Private Limited	8,123,566	0.47
17	BNP Paribas Nominees Singapore Pte. Ltd.	6,631,436	0.39
18	Societe Generale Singapore Branch	6,289,870	0.37
19	Maybank Securities Pte. Ltd.	4,071,148	0.24
20	CGS-CIMB Securities (Singapore) Pte. Ltd.	2,281,712	0.13
	Total	**1,481,935,371**	**86.29**

The Manager's Directors' Unitholdings

Based on the Register of Directors' Unitholdings maintained by the Manager, as at 21 January 2022, the direct and deemed interests of each Director of Keppel DC REIT Management Pte. Ltd. in the Units in Keppel DC REIT are set out below. As at 21 January 2022, there are no convertible securities in Keppel DC REIT.

Name of Director	No. of Units
Ms Christina Tan	55,250 (Direct)
Mr Kenny Kwan	9,400 (Direct)
Mr Lee Chiang Huat	119,282 (Direct)
Dr Tan Tin Wee	117,238 (Direct)
Mr Dileep Nair	41,577 (Direct)
Mr Low Huan Ping	10,600 (Direct)
Mr Thomas Pang	70,388 (Direct)

Substantial Unitholders

Based on the Register of Substantial Unitholders' Unitholdings maintained by the Manager, as at 2 March 2022, the Substantial Unitholders of Keppel DC REIT and their interests in the Units in Keppel DC REIT are as follows:

Name	No. of Units	%
Temasek Holdings (Private) Limited	383,507,935 (Deemed)[1]	22.33
Keppel Corporation Limited	344,658,712 (Deemed)[2]	20.07
Keppel Telecommunications & Transportation Ltd	344,658,712 (Deemed)[3]	20.07
Keppel DC Investment Holdings Pte. Ltd.	336,131,978 (Direct)	19.57

Notes:

(1) Temasek Holdings (Private) Limited's deemed interest arises from the deemed interest held by Keppel Corporation Limited and other subsidiaries and associated companies of Temasek Holdings (Private) Limited.

(2) Keppel Corporation Limited's deemed interest arises from its shareholdings in (i) Keppel DC Investment Holdings Pte. Ltd., a wholly-owned subsidiary of Keppel Telecommunications & Transportation Ltd, which is in turn a subsidiary of Keppel Corporation Limited and (ii) Keppel DC REIT Management Pte. Ltd., a joint-venture of Keppel Telecommunications & Transportation Ltd and Keppel Capital Holdings Pte. Ltd., both of which are subsidiaries of Keppel Corporation Limited.

(3) Keppel Telecommunications & Transportation Ltd's deemed interest arises from its shareholdings in (i) Keppel DC Investment Holdings Pte. Ltd., a wholly-owned subsidiary of Keppel Telecommunications & Transportation Ltd and (ii) Keppel DC REIT Management Pte. Ltd., a joint-venture of Keppel Telecommunications & Transportation Ltd and Keppel Capital Holdings Pte. Ltd.

Public Unitholders

Based on the information available to the Manager as at 2 March 2022, approximately 77.62% of the issued Units in Keppel DC REIT is held by the public and therefore, pursuant to Rules 1207 and 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited, it is confirmed that at least 10% of the issued Units in Keppel DC REIT are at all times held by the public.

Treasury Units

As at 2 March 2022, there are no treasury units held by Keppel DC REIT or the Manager.

FINANCIAL CALENDAR

Financial Year Ended 31 December 2021	
First Quarter 2021 Key Business and Operational Updates	20 April 2021
Annual General Meeting	21 April 2021
First Half 2021 Results Announcement	26 July 2021
Distribution for 1 January 2021 to 30 June 2021	6 September 2021
Distribution for 1 July 2021 to 22 August 2021	20 October 2021
Third Quarter 2021 Key Business and Operational Updates	25 October 2021
Extraordinary General Meeting for the Investment in NetCo Bonds and Preference Shares	2 December 2021
Full Year 2021 Results Announcement	24 January 2022
Distribution for 23 August 2021 to 31 December 2021	10 March 2022

NOTICE OF ANNUAL GENERAL MEETING

Keppel DC REIT

(Constituted in the Republic of Singapore pursuant
to a trust deed dated 17 March 2011 (as amended))

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the "**AGM**") of the holders of units of Keppel DC REIT (the "**Unitholders**") will be convened and held by electronic means (see Explanatory Notes 1 to 11) on **Wednesday, 20 April 2022 at 3.00 p.m.** (Singapore time) to transact the following business:

(A) As Ordinary Business

1. To receive and adopt the Report of Perpetual (Asia) Limited, as trustee of Keppel DC REIT (the "**Trustee**"), the Statement by Keppel DC REIT Management Pte. Ltd., as manager of Keppel DC REIT (the "**Manager**"), and the Audited Financial Statements of Keppel DC REIT for the financial year ended 31 December 2021 and the Auditor's Report thereon. (**Ordinary Resolution 1**)

2. To re-appoint Messrs PricewaterhouseCoopers LLP as the Auditor of Keppel DC REIT to hold office until the conclusion of the next AGM of Keppel DC REIT, and to authorise the Manager to fix their remuneration. (**Ordinary Resolution 2**)

3. To re-endorse the appointments of the following directors of the Manager ("**Directors**"), pursuant to the undertaking dated 1 July 2016 provided by Keppel Capital Holdings Pte. Ltd. ("**Keppel Capital**") and Keppel Telecommunications & Transportation Ltd ("**Keppel T&T**") to the Trustee:

   (a) Mr Kenny Kwan; (**Ordinary Resolution 3**)

   (b) Mr Low Huan Ping; and (**Ordinary Resolution 4**)

   (c) Mr Dileep Nair. (**Ordinary Resolution 5**)

   (Please see Explanatory Note 10)

(B) As Special Business

To consider, and, if thought fit, to pass with or without any modifications, the following resolutions:

4. That authority be and is hereby given to the Manager to:

   (a) (i) issue units in Keppel DC REIT ("**Units**") whether by way of rights, bonus or otherwise, and including any capitalisation of any sum for the time being standing to the credit of any of Keppel DC REIT's reserve accounts or any sum standing to the credit of the profit and loss account or otherwise available for distribution; and/or

   (ii) make or grant offers, agreements or options that might or would require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) securities, warrants, debentures or other instruments convertible into Units (collectively, "**Instruments**"),

   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) issue Units in pursuance of any Instrument made or granted by the Manager while this Resolution was in force (notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time such Units are issued),

   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);

NOTICE OF ANNUAL GENERAL MEETING

(2) subject to such manner of calculation as may be prescribed by Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the purpose of determining the aggregate number of Units that may be issued under sub-paragraph (1) above, the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) shall be calculated based on the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) at the time this Resolution is passed, after adjusting for:

(a) any new Units arising from the conversion or exercise of any convertible securities or options 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 (the "**Listing Manual**") for the time being in force (unless such compliance has been waived by the SGX-ST) and the trust deed dated 17 March 2011 constituting Keppel DC REIT (as amended) (the "**Trust Deed**") for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore);

(4) (unless revoked or varied by the Unitholders in a general meeting) the authority conferred by this Resolution shall continue in force until (i) the conclusion of the next AGM of Keppel DC REIT or (ii) the date by which the next AGM of Keppel DC REIT is required by applicable regulations to be held, whichever is earlier;

(5) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Units into which the Instruments may be converted in the event of rights, bonus or other capitalisation issues or any other events, the Manager is authorised to issue additional Instruments or Units pursuant to such adjustment notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments or Units are issued; and

(6) the Manager and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager or, as the case may be, the Trustee may consider necessary, expedient, incidental or in the interest of Keppel DC REIT to give effect to the authority conferred by this Resolution. (**Ordinary Resolution 6**)

(Please see Explanatory Notes)

(C) As Other Business

5. To transact such other business as may be transacted at an AGM.

Unitholders are invited to send in their questions relating to the resolutions above to the Manager by 3.00 p.m. on 12 April 2022. Please see Explanatory Note 7 of this Notice of AGM on how Unitholders may submit their questions.

BY ORDER OF THE BOARD
Keppel DC REIT Management Pte. Ltd.
(Company Registration Number: 199508930C)
As Manager of Keppel DC REIT

Chiam Yee Sheng
Company Secretary
Singapore
29 March 2022

Explanatory Notes:

1. This AGM is being convened and will be held by electronic means 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 and the Joint Statement by the Accounting and Corporate Regulatory Authority, Monetary Authority of Singapore and Singapore Exchange Regulation issued on 4 February 2022 titled "Guidance on the Conduct of General Meetings Amid Evolving COVID-19 Situation". In addition to printed copies of the Notice of AGM that will be sent to Unitholders, this Notice of AGM will also be sent to Unitholders by electronic means via publication on Keppel DC REIT's website at https://www.keppeldcreit.com and SGXNet.

2. The proceedings of this AGM will be broadcasted "live" through an audio-and-video webcast and an audio-only stream. Unitholders who wish to attend the AGM or appoint a proxy (other than the Chairman of the AGM ("**Chairman**")) to attend the AGM, and investors holding Units through the Central Provident Fund ("**CPF**") or Supplementary Retirement Scheme ("**SRS**") ("**CPF/SRS investors**") who wish to attend the AGM must **pre-register at https://www.keppeldcreit.com/en/agm2022** no later than **3.00 p.m.** on **18 April 2022**. Following verification, an email containing instructions on how to join the "live" broadcast will be sent to authenticated persons by 5.00 p.m. on 19 April 2022.

3. Investors holding Units through relevant intermediaries ("**Investors**") (other than CPF/SRS investors) will not be able to pre-register at **https://www.keppeldcreit.com/en/agm2022** for the "live" broadcast of the AGM. An Investor (other than CPF/SRS investors) who wishes to participate in the "live" broadcast of the AGM should instead approach his/her relevant intermediary as soon as possible in order to make the necessary arrangements. The relevant intermediary is required to submit a consolidated list of participants (setting out in respect of each participant, his/her name, email address and NRIC/Passport number) to the Unit Registrar, Boardroom Corporate & Advisory Services Pte Ltd, via email to keppel@boardroomlimited.com no later than 3.00 p.m. on 18 April 2022.

   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. In view of the current COVID-19 situation and the related safe distancing measures in Singapore, the AGM will be held by way of electronic means and as such a Unitholder will not be able to attend the AGM in person. A Unitholder (whether individual or corporate) who wishes to exercise his/her/its voting rights at the AGM may:

   (a) (i) vote "live" via electronic means at the AGM by pre-registering at https://www.keppeldcreit.com/en/agm2022 by no later than 3.00 p.m. on 18 April 2022, or (ii) appoint a proxy (other than the Chairman) to vote "live" via electronic means at the AGM on his/her/its behalf by submitting the proxy form in accordance with Explanatory Note 6 below and pre-registering such proxy at https://www.keppeldcreit.com/en/agm2022 by no later than 3.00 p.m. on 18 April 2022. Following verification, an email containing instructions on how to join the "live" broadcast will be sent to the Unitholder or such proxy (as the case may be) by 5.00 p.m. on 19 April 2022; or

   (b) appoint the Chairman as his/her/its proxy to vote on his/her/its behalf at the AGM. A proxy need not be a Unitholder.

   The instrument for the appointment of proxy ("**proxy form**") will be sent to Unitholders and may be accessed at Keppel DC REIT's website at https://www.keppeldcreit.com or 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.

   Where a Unitholder (whether individual or corporate) appoints a proxy (other than the Chairman) to be his/her/its proxy through the proxy form to vote "live" via electronic means at the AGM but does not pre-register such proxy at https://www.keppeldcreit.com/en/agm2022 by 3.00 p.m. on 18 April 2022, (a) if specific instructions as to voting, or abstentions from voting, in respect of a resolution in such proxy form is given, the Chairman will be appointed as the proxy to vote in accordance with such instructions, or (b) if specific instructions are not given as to voting, or abstentions from voting, in respect of a resolution in such proxy form, the appointment of such proxy (other than the Chairman) as proxy for that resolution will be treated as invalid.

5. 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.

   A CPF/SRS investor who wishes to exercise his/her vote at the AGM:

   (a) may vote "live" via electronic means at the AGM by pre-registering at https://www.keppeldcreit.com/en/agm2022 by no later than 3.00 p.m. on 18 April 2022. Following verification, an email containing instructions on how to join the "live" broadcast will be sent to such CPF/SRS Investor by 5.00 p.m. on 19 April 2022; or

   (b) may appoint the Chairman as proxy to vote on his/her behalf at the AGM, in which case he/she should approach his/her respective CPF agent bank or SRS operator to submit his/her votes by 5.00 p.m. on 8 April 2022, 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 8 April 2022 to specify his/her/its voting instructions, including but not limited to, whether he/she wishes to vote "live" via electronic means at the AGM.

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 **3:00 p.m.** on **18 April 2022**, **being 48 hours before the time appointed for holding this AGM.**

   A Unitholder who wishes to submit the proxy form must complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

   In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for Unitholders to submit completed proxy forms by post, Unitholders are strongly encouraged to submit completed proxy forms electronically via email.

7. **Unitholders and Investors will be able to ask questions during this AGM via the "live" textbox function. All Unitholders and Investors may also submit questions relating to the business of this AGM by no later than 3.00 p.m. on 12 April 2022:**

   (a) via the pre-registration website at https://www.keppeldcreit.com/en/agm2022;

   (b) by email to investor.relations@keppeldcreit.com; or

   (c) by post to the Unit Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632.

NOTICE OF ANNUAL GENERAL MEETING

The Manager will answer all substantial and relevant questions received prior to 3.00 p.m. on 12 April 2022 through the publication of its responses on Keppel DC REIT's website and on SGXNet prior to the AGM.

8. All documents (including Keppel DC REIT's Report to Unitholders 2021, the updated unitholding statistics as at 2 March 2022, the proxy form and this Notice of AGM) and information relating to the business of this AGM have been, or will be, published on SGXNet and/or Keppel DC REIT's website at https://www.keppeldcreit.com. **Printed copies of Keppel DC REIT's Report to Unitholders 2021 will not be despatched to Unitholders.** Unitholders and Investors are advised to check SGXNet and/or Keppel DC REIT's website regularly for updates.

9. Any reference to a time of day is made by reference to Singapore time.

10. **Ordinary Resolutions 3, 4 and 5**

Keppel Capital and Keppel T&T had on 1 July 2016 provided an undertaking (the "**Undertaking**") to the Trustee:

- to procure the Manager to seek Unitholders' re-endorsement for the appointment of each Director no later than every third AGM of Keppel DC REIT after the relevant general meeting at which such Director's appointment was last endorsed or re-endorsed, as the case may be;
- (where a person is appointed as Director, either to fill a vacancy or as an addition to the existing Directors, at any time) to procure the Manager to seek Unitholders' endorsement for his appointment as a Director at the next AGM of Keppel DC REIT immediately following his appointment; and
- to procure any person whose appointment as a Director has not been endorsed or re-endorsed (as the case may be) by the Unitholders at the relevant general meeting of Keppel DC REIT where the endorsement or re-endorsement (as the case may be) for his/her appointment was sought, to resign or otherwise be removed from the Board of Directors of the Manager either (i) within 21 days from the date of the relevant general meeting or (ii) in the event that the Board of Directors of the Manager determines that a replacement Director has to be appointed, no later than the date when such replacement Director is appointed, and the regulatory approval for such appointment (if any) has been obtained.

The endorsement or re-endorsement from Unitholders of any appointment of any person as a Director shall be by way of an ordinary resolution passed at the relevant general meeting. The Undertaking shall not restrict the Manager, Keppel Capital or Keppel T&T 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:

- Keppel Capital and Keppel T&T continue to hold shares in the Manager; and
- Keppel DC REIT Management Pte. Ltd. remains as the manager of Keppel DC REIT.

As the appointments of Mr Kenny Kwan, Mr Low Huan Ping and Mr Dileep Nair were last endorsed by Unitholders on 25 March 2019, the Manager is seeking the re-endorsement of the appointments of Mr Kenny Kwan, Mr Low Huan Ping and Mr Dileep Nair at the AGM to be held in 2022.

Detailed information on Mr Kenny Kwan, Mr Low Huan Ping and Mr Dileep Nair can be found in the "Board of Directors" section in Keppel DC REIT's Report to Unitholders 2021.

Mr Kenny Kwan will, upon re-endorsement, continue to serve as the Lead Independent Director and member of the Nominating and Remuneration Committee. Mr Low Huan Ping will, upon re-endorsement, continue to serve as an Independent Director, member of the Audit and Risk Committee and member of the Environmental, Social and Governance Committee. Mr Dileep Nair will, upon re-endorsement, continue to serve as an Independent Director, member of the Audit and Risk Committee and member of the Nominating and Remuneration Committee.

11. **Ordinary Resolution 6**

Ordinary Resolution 6 above, if passed, will empower the Manager from the date of this AGM until (i) the conclusion of the next AGM of Keppel DC REIT; (ii) the date on which the next AGM of Keppel DC REIT is required by applicable regulations to be held, or (iii) the date on which such authority is revoked or varied by the Unitholders in a general meeting, whichever is the earliest (the "**Mandated Period**"), to issue Units, to make or grant Instruments and to issue Units pursuant to such Instruments, up to a number not exceeding 50% of the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) in each class, of which up to 20% may be issued other than on a pro rata basis to Unitholders.

Ordinary Resolution 6 above, if passed, will empower the Manager to issue Units, during the Mandated Period, as either full or partial payment of fees which the Manager is entitled to receive for its own account pursuant to the Trust Deed.

To determine 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 convertible securities or options 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 in such instances, the Manager will then obtain the approval of Unitholders accordingly.

Personal Data Privacy:

By (a) submitting the pre-registration form; (b) submitting any question prior to or at the AGM; and/or (c) voting "live" or voting via the submission of a proxy form appointing proxy(ies) to vote at the AGM and/or any adjournment thereof, a Unitholder consents to the collection, use and disclosure of the Unitholder's personal data by the Manager and the Trustee (or their agents or service providers) for the purpose of the processing, administration and analysis by the Manager and the Trustee (or their agents or service providers) of the appointment of proxy(ies) for the AGM (including any adjournment thereof), the processing of electronic voting by the Unitholders and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Manager and the Trustee (or their agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines.

In the case of a Unitholder who is a relevant intermediary, by submitting a consolidated list of participants for the "live" broadcast of the AGM, the Unitholder warrants that the Unitholder has obtained the prior consent of such participant(s) for the collection, use and disclosure by the Manager and the Trustee (or their agents or service providers) of the personal data of such participant(s) for the purpose of the processing and administration by the Manager and the Trustee (or their agents or service providers) of the "live" broadcast of the AGM (including any adjournment thereof), the processing of electronic voting, the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Manager and the Trustee (or their agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines.

PROXY FORM

Keppel DC REIT

(Constituted in the Republic of Singapore pursuant to
a trust deed dated 17 March 2011 (as amended))

IMPORTANT:

1. This AGM (as defined below) will be held by electronic means 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 and the Joint Statement by the Accounting and Corporate Regulatory Authority, Monetary Authority of Singapore and Singapore Exchange Regulation issued on 4 February 2022 titled "Guidance on the Conduct of General Meetings Amid Evolving COVID-19 Situation". In addition to printed copies of the Notice of AGM and this Proxy Form that will be sent to unitholders of Keppel DC REIT ("**Unitholders**"), the Notice of AGM and this Proxy Form will also be sent to Unitholders by electronic means via publication on Keppel DC REIT's website at https://www.keppeldcreit.com and SGXNet.
2. Alternative arrangements relating to attendance at the AGM via electronic means (including arrangements by which the meeting can be electronically accessed via "live" audio-and-video webcast or "live" audio-only stream), submission of questions to the Chairman (as defined below) prior to the AGM and/or via the "live" textbox function at the AGM, addressing of substantial and relevant questions prior to the AGM and voting "live" or by appointing a proxy at the AGM, are set out in the Notice of AGM and the accompanying announcement dated 29 March 2022. This announcement may be accessed at Keppel DC REIT's website at https://www.keppeldcreit.com and SGXNet.
3. **In view of the current COVID-19 situation and the related safe distancing measures in Singapore, the AGM will be held by way of electronic means and as such a Unitholder will not be able to attend the AGM in person. A Unitholder (whether an individual or corporate) who wishes to exercise his/her/its voting rights at the AGM may (a) vote "live" via electronic means at the AGM or appoint a proxy (other than the Chairman) to vote "live" via electronic means at the AGM on his/her/its behalf; or (b) appoint the Chairman as his/her/its proxy to vote on his/her/its behalf at the AGM. A proxy need not be a Unitholder.**
4. This Proxy Form is not valid for use by investors holding units in Keppel DC REIT ("**Units**") through relevant intermediaries ("**Investors**") (including investors holding through Central Provident Fund ("**CPF**") or Supplementary Retirement Scheme ("**SRS**") ("**CPF/SRS investors**")) and shall be ineffective for all intents and purposes if used or purported to be used by them. An Investor (other than a CPF/SRS investor) who wishes to vote should instead approach his/her relevant intermediary as soon as possible, and no later than 5.00 p.m. on 8 April 2022 to specify voting instructions, including but not limited to, whether they wish to vote "live" via electronic means. A CPF/SRS investor who wishes to vote may (a) vote "live" via electronic means at the AGM by pre-registering at https://www.keppeldcreit.com/en/agm2022 by no later than 3.00 p.m. on 18 April 2022; or (b) appoint the Chairman as proxy to vote on his/her behalf at the AGM, in which case he/she should approach his/her respective CPF agent bank or SRS operator to submit his/her vote by 5.00 p.m. on 8 April 2022, being 7 working days before the date of the AGM.
5. **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 29 March 2022.
6. **Please read the notes overleaf which contain instructions on, inter alia, the appointment of a proxy(ies) to attend, speak and vote on his/her/its behalf at the AGM.**

ANNUAL GENERAL MEETING

I/We ____ (Name(s))

____ (NRIC/Passport/Co Reg Number(s)) of

____ (Address)

being a Unitholder/Unitholders of Keppel DC REIT, hereby appoint:

Name	Address	NRIC/Passport number	Proportion of unitholdings	
			No. of Units	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport number	Proportion of unitholdings	
			No. of Units	%

or failing him/her, or if no persons are named above, the Chairman of the Annual General Meeting ("**Chairman**") as my/our proxy to attend, speak and vote on my/our behalf at the Annual General Meeting of Keppel DC REIT ("**AGM**") to be convened and held by way of electronic means on Wednesday, 20 April 2022 at 3.00 p.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote or abstain from voting on the resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies (other than the Chairman) will vote or abstain from voting at his/her/their discretion, as he/she/they may determine on any other matter arising at the AGM. In the absence of specific directions in respect of a resolution, any appointment of the Chairman as proxy for that resolution will be treated as invalid.

No.	Resolution	For*	Against*	Abstain*
Ordinary Business				
1.	To receive and adopt the Trustee's Report, the Manager's Statement, the Audited Financial Statements of Keppel DC REIT for the financial year ended 31 December 2021 and the Auditor's Report thereon.			
2.	To re-appoint Messrs PricewaterhouseCoopers LLP as the Auditor of Keppel DC REIT and authorise the Manager to fix the Auditor's remuneration.			
3.	To re-endorse the appointment of Mr Kenny Kwan as Director.			
4.	To re-endorse the appointment of Mr Low Huan Ping as Director.			
5.	To re-endorse the appointment of Mr Dileep Nair as Director.			
Special Business				
6.	To authorise the Manager to issue Units and to make or grant convertible instruments.			

* If you wish to exercise all your votes "For" or "Against" the relevant Resolution, please mark with an "X" within the relevant box provided. Alternatively, if you wish to exercise your votes for both "For" and "Against" the relevant Resolution, please indicate the number of Units in the boxes provided. If you wish to abstain from voting on a resolution, please mark with an "X" within the relevant box provided. Alternatively, please indicate the number of Units which you wish to abstain from voting in the box provided.

Dated this __________ day of ____________________ 2022

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 or her 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 or she should insert that number of Units. If the Unitholder has Units registered in his or her name in the Register of Unitholders of Keppel DC REIT, he or she should insert that number of Units. If the Unitholder has Units entered against his or her name in the said Depository Register and registered in his or her name in the Register of Unitholders, he or she should insert the aggregate number of Units. If no number is inserted, the Proxy Form will be deemed to relate to all the Units held by the Unitholder.

2. **In view of the current COVID-19 situation and the related safe distancing measures in Singapore, the AGM will be held by way of electronic means and as such a Unitholder will not be able to attend the AGM in person.** A Unitholder (whether an individual or a corporate) who wishes to exercise his/her/its voting rights at the AGM may (a) vote "live" via electronic means at the AGM or appoint a proxy (other than the Chairman) to vote "live" via electronic means at the AGM on his/her/its behalf; or (b) appoint the Chairman as his/her/its proxy to vote on his/her/its behalf at the AGM. A proxy need not be a Unitholder. 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. An Investor (other than a CPF/SRS investor) who wishes to vote should instead approach his/her relevant intermediary as soon as possible, and no later than **5.00 p.m. on 8 April 2022** to specify voting instructions, including but not limited to, whether they wish to vote "live" via electronic means. A CPF/SRS investor who wishes to vote may (a) vote "live" via electronic means at the AGM by pre-registering at https://www.keppeldcreit.com/en/agm2022 by no later than 3.00 p.m. on 18 April 2022; or (b) appoint the Chairman as proxy to vote on his/her behalf at the AGM, in which case he/she should approach his/her respective CPF agent bank or SRS operator by **5.00 p.m. on 8 April 2022**, being 7 working days before the date of the AGM to submit his/her vote.

Fold along this line (1)

Keppel DC REIT

Postage will be paid by addressee. For posting in Singapore only.

BUSINESS REPLY SERVICE
PERMIT NO. 09289

Keppel DC REIT Management Pte. Ltd.
(as manager of Keppel DC REIT)
c/o Boardroom Corporate & Advisory Services Pte Ltd
1 HarbourFront Avenue
#14-07 Keppel Bay Tower
Singapore 098632

Fold along this line (2)

4. The Proxy Form must be submitted in the following manner:

   (a) if submitted by post, be lodged with the Unit Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 1 HarbourFront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or

   (b) if submitted electronically, be submitted via email to keppel@boardroomlimited.com,

   in either case, by **3.00 p.m.** on **18 April 2022**, being **48 hours before the time appointed for holding this AGM.**

5. A Unitholder who wishes to submit the Proxy Form must complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

6. Unitholders are strongly encouraged to submit completed Proxy Forms electronically via email. 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 "live" broadcast of the AGM.

7. The Proxy Form must be executed under the hand of the appointor or of his or her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

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 duly certified copy of such power of attorney, must (failing previous registration with the Manager) be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.

9. The Manager and the Trustee shall have the right to reject any Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on 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 or her name in the Depository Register as at 48 hours before the time appointed for holding the AGM, as certified by CDP to the Manager.

10. Any reference to a time of day is made by reference to Singapore time.

Keppel DC REIT Management Pte. Ltd.
1 HarbourFront Avenue
Level 2 Keppel Bay Tower
Singapore 098632

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