

# Sustainability Framework

Keppel DC REIT is committed to delivering value through sustaining growth in our business, empowering the lives of our people and nurturing communities wherever we operate.



## Sustaining Growth

We integrate sustainability principles in our business strategies and operations, and regard sustainable development both as a corporate responsibility and a source of business opportunities.

We are focused on strong corporate governance, prudent risk management and resource efficiency.



For more information, go to: [pages 65 to 68](#)



## Empowering Lives

People are the cornerstone of our business.

We are committed to grow and nurture our talent pool through training and development to help our people reach their full potential.

With safety as one of our core values, we are committed to providing a safe and healthy workplace for all our stakeholders.



For more information, go to: [pages 69 to 71](#)



## Nurturing Communities

As a global citizen, Keppel believes that as communities thrive, we thrive.

We engage and nurture communities wherever we operate, with the goal of shaping a sustainable future together.



For more information, go to: [page 72](#)

## Letter to Stakeholders

GRI 102-14

ESG efforts are measured continuously and monitored quarterly to evaluate the effectiveness of the Manager's sustainability management approach.



### Dear Stakeholders,

Keppel DC REIT continued to grow its asset base and delivered strong operating performance in 2018. The new acquisitions added new income streams to the REIT's portfolio, and together with its healthy portfolio statistics, will provide good income visibility and sustainable returns to Unitholders.

As the REIT continues to grow, the Manager is mindful that this growth has to be sustainable. Accordingly, the Manager strives to uphold sustainable business practices by maintaining strong corporate governance and prudent risk management standards. It continues to invest in the well-being of employees and nurtures local communities where it operates. Together, these efforts ensure business continuity and allow the REIT to create long-term value for all stakeholders.

I am pleased to share that Keppel DC REIT has once again topped the Governance Index for Trusts in 2018. The index measures corporate governance practices and considers business models and various regulations governing REITs and their managers.

In 2018, Keppel DC REIT continued to improve on its implementation of Environmental, Social and Governance practices at the operational level.

Data centres are mission-critical facilities that operate continuously to support

business needs. The need for resiliency and high performance typically sees data centres being energy-intensive. High power is required to sustain IT equipment along with reliable supporting cooling infrastructure that maintain optimal environmental conditions for the IT equipment. Therefore, it is unavoidable that energy and water consumption levels increase in absolute terms as the REIT expands. Nevertheless, the Manager strives to adopt green initiatives to minimise its carbon footprint.

During the year, the Manager continued to push conservation efforts such as a tech-refresh of key assets to improve their energy performance and prolong equipment life span. At the same time, water conservation initiatives to improve the water recycling rates of data centre cooling towers have also yielded results. Excluding assets added to the REIT's reporting scope in 2018, energy and water saw some reduction in consumption levels.

These achievements would not have been possible without a dedicated team of employees. That is why the Manager believes in investing in professional development, and in providing a safe environment where employees can innovate, collaborate and thrive. The average training hours per full-time employee increased in 2018, with each employee receiving an average of 42.2 hours of training.

Safety is one of Keppel's core values, and the Manager is committed to instill a safety culture to ensure that everyone who comes to work goes home safe. In 2018, there were no fatalities and reportable incidents in Keppel DC REIT's facilities.

As a responsible corporate citizen, the Manager strives to contribute to the communities where it operates. In 2018, the Manager continued to support the activities organised for the Muscular Dystrophy Association (Singapore) (MDAS), the adopted charity of Keppel Capital. Keppel Capital collectively devoted more than 1,200 volunteering hours during the year, which far exceeded 2017's achievement of more than 700 hours.

Sustainability is an ongoing journey and we continue to pursue growth and navigate challenges in the business landscape. We appreciate any constructive feedback that will help us improve our sustainability efforts.

Yours sincerely,

*Chua Hsien Yang*

**Chua Hsien Yang**  
Chief Executive Officer  
18 February 2019

# About this Report

## Reporting Period and Scope

GRI 102-4 | 102-46 | 102-49 | 102-50 | 102-52 | 102-53 | 102-54 | 102-56

This is Keppel DC REIT's third sustainability report and is prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. The report outlines the REIT's Environmental, Social and Governance (ESG) strategy, initiatives and practices for the period from 1 January 2018 to 31 December 2018.

The Board of Directors has reviewed and approved the material ESG issues for Keppel DC REIT and considers these as part of the REIT's strategy formulation.

The Board oversees, monitors and evaluates these issues periodically.

The content and topic boundaries in this report reflect the Manager's overall sustainability strategy, and is aligned with the GRI's Reporting Principles: Materiality, Stakeholder Inclusiveness, Sustainability Context and Completeness.

For succinct and relevant reporting, this report focuses on the key material areas for Keppel DC REIT's business, and covers the ESG aspects of the business.

The GRI Content Index on pages 73-75 indicates the full list of GRI references and disclosures used in this Report.

This report covers the REIT and its colocation data centre assets which the Manager has operational oversight of. Assets covered include:

### 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 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)

KDC DUB 2, KDC SGP 5 and Basis Bay DC are facilities that are new to 2018's report. They were not included in the preceding year's reporting scope as KDC DUB 2 and KDC SGP 5 were acquired in September 2017 and June 2018 respectively, while Basis Bay DC was converted from a master-leased facility to a colocation asset in June 2017 due to a change in the lease arrangement.

Master-leased facilities are not included in the reporting scope as the Manager does not have operational control over these assets. The REIT's master-leased assets that are excluded in this report are: Intellicentre 2 Data Centre and iseek Data Centre in Australia, Cardiff Data Centre and GV7 Data Centre in the United Kingdom, maincubes Data Centre in Germany, Milan Data Centre in Italy and Almere Data Centre in the Netherlands.

Standard units of measurements are used in this report and conversion factors, where applicable, are explained in the respective sections. All dollar values expressed herein are in Singapore Dollar.

Although this report has not been externally verified, it has been reviewed by an external reporting consultancy and has gone through a detailed internal review process. The Manager will review the need for external assurance as the sustainability reporting framework develops.

Keppel DC REIT values feedback that will enhance its sustainability efforts. Please share your recommendations with us at [investor.relations@keppeldcreit.com](mailto:investor.relations@keppeldcreit.com).

The reporting scope covers the REIT and its colocation data centre assets which the Manager has operational oversight of.

## Performance Data

	2018	2017	Page
Total Energy Consumption (GJ)	1,176,143	781,299	67
Total Water Consumption (m <sup>3</sup> )	341,126	214,367	68
Training Hours per Employee	32.4	22	71
Accident Frequency Rate (reportable accidents per million man-hours)	0	1.7	71
Accident Severity Rate (man-days lost per million man-hours)	0	36.3	71



# Managing Sustainability

The responsible management of sustainability issues is central to the Manager’s strategy to position Keppel DC REIT as the preferred data centre REIT. The Manager is committed to uphold strong corporate governance, practice environmental stewardship, develop human capital, minimise risks and engage local communities to create long-term value for all stakeholders.

### Governance Structure

GRI 102-18

The Manager adheres to Singapore’s Code of Corporate Governance 2012 (Code), issued by the Monetary Authority of Singapore. The Code provides the framework for controls, checks, and accountability and requires the Board of Directors (Board) to consider sustainability issues in its business decisions. Sustainability and risk management are considered in the evaluation of any investment opportunity.

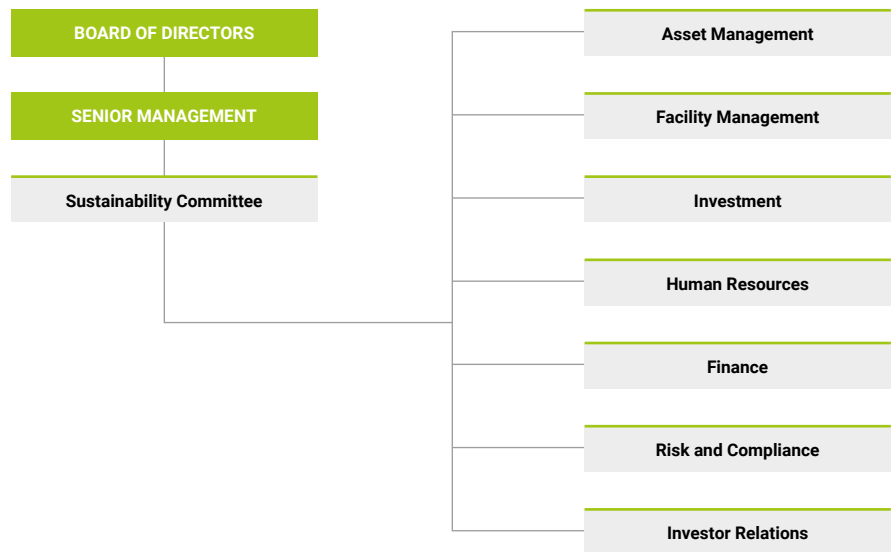
Keppel DC REIT’s Sustainability Committee spans all relevant functions, including asset management, facility management, investment, human resources, finance, compliance and investor relations. The Committee monitors the REIT’s sustainability performance in relation to the material issues identified by the Manager, and reviews these topics on a quarterly basis. The feedback from the Committee guides senior management in their implementation of the REIT’s sustainability strategy.

The Manager’s scorecard also considers sustainability aspects in support of the Keppel Group’s commitment to sustainability. In doing so, the Manager and the Board are committed to upholding sound corporate governance and sustainability as key components of the REIT’s long-term success and excellence.

The Manager engages directly with the investment community through various platforms to communicate material information and gain valuable feedback. This guides its strategy in achieving sustainable value creation.

More details on Keppel DC REIT’s corporate governance guidelines and practices are available on pages 137-164.

### Sustainability Management Structure



### Memberships and External Charters

GRI 102-12 | 102-13

Together with the Keppel Group, the Manager supports various initiatives that facilitate good corporate governance throughout the industry.

Keppel DC REIT is a member of the REIT Association of Singapore (REITAS), which strives to enhance the operating and regulatory environment for the Singapore REIT (S-REIT) industry. Mr Chua Hsien Yang, the Chief Executive Officer of the Manager, is Vice President of REITAS, and is also the Chairman of its Regulatory sub-committee.

The Manager also supports the Investor Relations Professionals Association of Singapore (IRPAS), which advances the overall investor relations standards in Singapore.

The Keppel Group supports the Securities Investors Association (Singapore) (SIAS) in its initiatives to promote good corporate governance and empower the investment community through investor education.

In Dublin, we are a member of the Large Industry Energy Network (LIEN),

facilitated by the Sustainable Energy Authority of Ireland. LIEN is a collaborative group of companies that voluntarily work together to develop robust energy management and exchange knowledge on energy efficiency enhancements.

### Stakeholder Engagement

GRI 102-42 | 102-43

Prior to implementing Keppel DC REIT’s sustainability reporting framework, key stakeholders were identified as part of its materiality assessment. The inclusion of key stakeholders was determined by their ability to affect or be affected by Keppel DC REIT’s business practices and sustainability performance.

Beyond regulatory responsibilities, the Manager believes in upholding timely, accurate and transparent proactive communication with the REIT’s stakeholders, to gather valuable feedback and address any queries and concerns.

Through these engagements, the Manager will be able to adapt Keppel DC REIT’s strategies to the prevailing business environment and consider refining its focus to address key material issues, which may be most impacted.

Below is a summary of the Manager's stakeholder engagement approach:

## Engagement with Key Stakeholder Groups

GRI 102-40 | 102-44



### Employees

#### Objectives

Foster a cohesive identity and provide open feedback channels

#### Key Topics

Vision and strategy; productivity and innovation; teamwork and collaboration; people development

#### Mode of Engagement

Employee engagement surveys, orientation programme, training, performance feedback

More details on pages 69-71



### Investors

#### Objectives

Ensure timely and accurate disclosure of information

#### Key Topics

Business strategy and corporate developments; financial performance

#### Mode of Engagement

Annual General Meetings; local and overseas investor roadshows; quarterly analyst teleconferences; corporate website; email feedback; meetings and conference calls

More details on pages 19-20



### Clients

#### Objectives

Build deeper relationships with existing and prospective clients

#### Key Topics

Building and service quality; health, safety and environment matters

#### Mode of Engagement

Annual survey; onsite audit; meetings and functions with clients

More details on pages 65-67



### Business Partners

#### Objectives

Align suppliers to our values to enhance operational resilience

#### Key Topics

Compliance; collaboration; health, safety and environment matters

#### Mode of Engagement

Safety and operations workshops; annual reviews and feedback sessions

More details on pages 65-68, 71



### Governments

#### Objectives

Collaboration and work alongside on issues of mutual interest

#### Key Topics

Feedback on new guidelines; opportunities for business collaboration

#### Mode of Engagement

Meetings; site visits and functions

More details on pages 62 and 65

## Materiality Assessment

GRI 102-46 | 102-47 | 103-1 | 103-2

Materiality is fundamental to sustainability reporting. The Manager's approach to selecting material issues is aligned with the principles of the SGX Sustainability Reporting Guide and the GRI Reporting Principles for defining report content (Stakeholder Inclusiveness, Sustainability Context, Materiality, and Completeness). This report addresses the economic, environmental, social, and governance issues that are relevant and significant to Keppel DC REIT and its key stakeholders.

The materiality assessment identified and prioritised key sustainability issues from the perspectives of internal and external stakeholders. The results are shown in the Materiality Matrix on the following page. External stakeholders' perspectives were based on feedback and responses to information requests received from external stakeholders such as investors, clients and business partners.

All of the material issues identified were deemed equally relevant, both internally and externally, except for issues in relation to labour practices, safety and health, which were considered more significant to internal stakeholders.

This report focuses on the Highly Critical and Critical issues which are reported in greater detail and given specific targets to guide the Manager in its sustainability efforts while navigating through these issues. Important issues are monitored internally and assessed for significance to be considered for reporting.

Among the Highly Critical and Critical issues, the Manager believes that economic performance, compliance, labour practices, employment, business ethics and transparency are significant throughout the business, while aspects such as building and service quality, energy efficiency, safety and health, water management and sustainable procurement are more relevant to the investment and asset management part of the business.

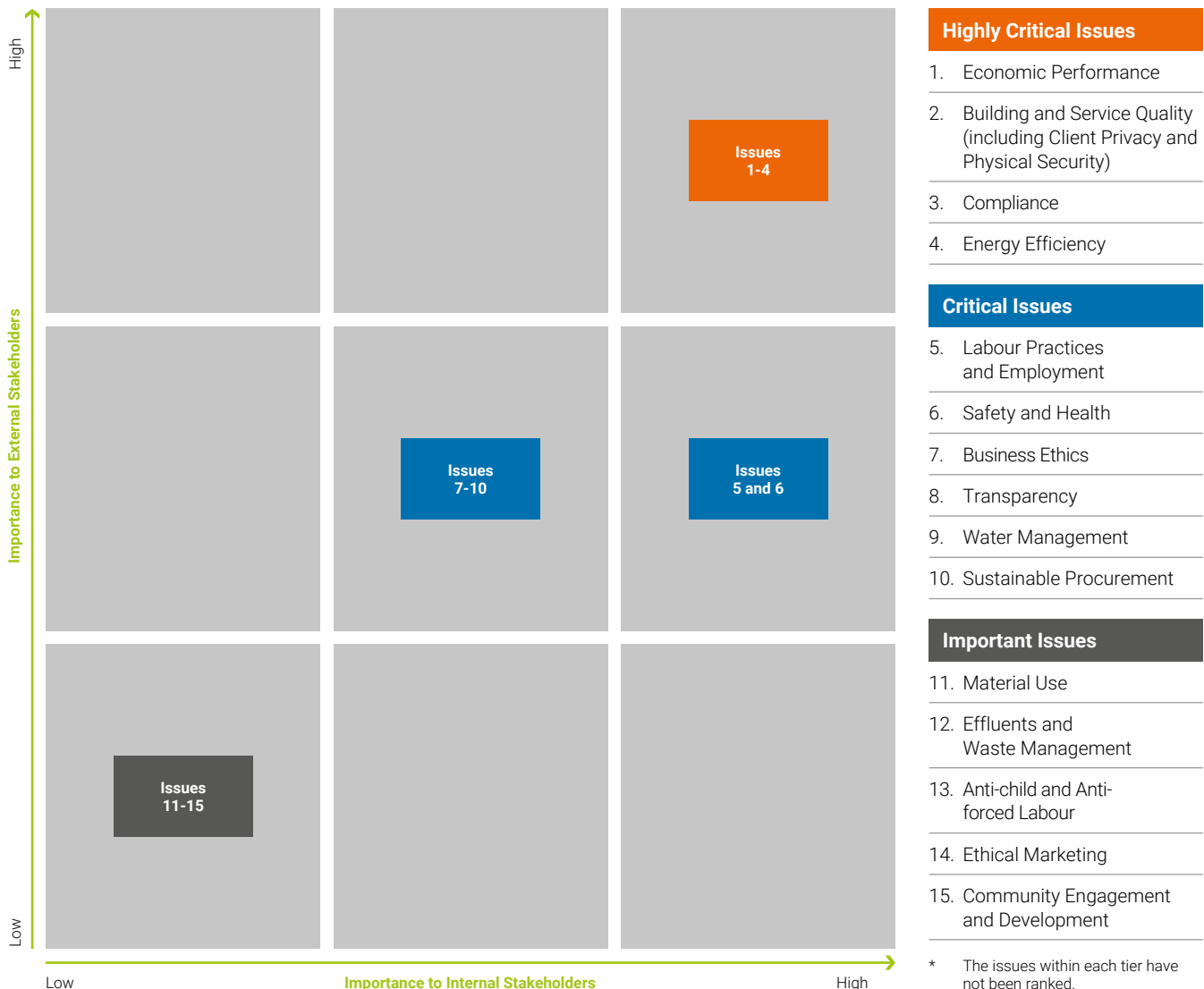
The Manager periodically monitors and reviews its material issues based on feedback, stakeholder engagements, and industry developments.

## Managing Sustainability

### Key Material Issues

Key Material Issues	Page Reference	Targets
Economic Performance	51-56	Maximise returns while maintaining financial flexibility and long-term sustainability
Building and Service Quality (including Client Privacy and Physical Security)	67	Obtain satisfactory score and above from key accounts during annual feedback
Compliance	65-66	Zero violation of laws and regulations of the countries where we operate
Energy Efficiency	67-68	Enhance operational efficiency to optimise water and energy consumption; as well as embed green initiatives to enhance energy and water efficiency
Water Management	68	
Labour Practices and Employment	69-71	Raise level of employee engagement and increase average training hours
Safety and Health	71	Zero-incident workplace
Business Ethics	65	Zero corruption
Transparency	62-63	Utilise multiple platforms to enhance stakeholder outreach and communication
Sustainable Procurement	66	Full compliance with local laws among our suppliers

### Materiality Matrix\*



## Sustaining Growth



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

The Manager is committed to uphold strong corporate governance, practice environmental stewardship, develop human capital, minimise risks and engage local communities to create long-term value for all stakeholders.

### Corporate Governance

GRI 102-16

The Manager is committed to upholding sound corporate governance as it is key to Keppel DC REIT's ongoing journey towards achieving business excellence.

The majority of the REIT's Board consists of independent directors. This ensures fair treatment of Unitholders and safeguards their interests. The Manager commits to the timely and accurate disclosure of material information, and employs various platforms of engagement with the investment community.

More information on Keppel DC REIT's corporate governance guidelines and practices are available on pages 137-164.

### Risk Management and Business Continuity

GRI 102-11

The Manager adopts a holistic and systematic risk management framework that identifies, evaluates and manages risks throughout its decision-making processes. Sustainability factors are among the key risks considered when evaluating investment opportunities and business operations.

Potential risks that may influence asset operations are regularly assessed by the Manager as well as by the respective facility managers to ensure optimal asset performance. External risks such as interest rate fluctuation and foreign currency exposure are also closely monitored and mitigated where appropriate.

Sustainability and business continuity are integral to the Keppel Group's Enterprise

Risk Management Framework to ensure protection of long-term value. The framework ensures that the Manager and the facility managers address and manage potential threats and disruptions to business.

For more details on Keppel DC REIT's risk management strategy, please refer to pages 57-58.

### Compliance, Anti-Bribery and Anti-Corruption Measures

GRI 103-1 | 103-2 | 103-3 | 205-2 | 205-3 | 206-1 | 307-1 | 419-1

Upholding a strong track record in ethical business practices is essential to Keppel DC REIT's business. The Manager believes that anti-bribery and anti-corruption measures are important in protecting the REIT's brand equity and ensuring business continuity.

The Manager adopts a strong anti-corruption and anti-bribery stance and regularly communicates key policy requirements to all employees including senior management and directors.

All new employees are required to declare conflicts of interest and are briefed on the Keppel Group's Employee Code of Conduct, anti-corruption policy and whistle-blowing procedures, as part of the onboarding process.

On top of compliance-related training conducted by the Manager, there are also annual exercises such as online training courses and declarations of adherence to Keppel Group policies. Employees must declare conflicts of interests at least annually and as necessary throughout the year.

## Sustaining Growth

These policies are readily available to employees through a shared online portal. The Manager is periodically subjected to internal and external audits to ensure adherence to relevant regulations and internal policies. Controls are also in place to ensure that financial, operational, compliance and information technology processes are conducted ethically. Additional details of such policies are available on pages 146-152.

In 2018, all employees, management and Board members received communication and training on anti-corruption policies and procedures, a requirement for all employees in the Keppel Group. Employees are also trained to avoid business dealings with partners who may be considered unethical, illegal or otherwise non-compliant with relevant policies.

The Manager complies with all relevant laws and regulations where it operates. Its zero-tolerance policy on bribery translates to a target of zero incidents of corruption as well as zero violations of laws, regulations and voluntary standards related to ESG issues. The Manager's stance includes policies and regulations related to anti-competitive

behaviour, anti-corruption, as well as socioeconomic and environmental compliance.

The Manager is not aware of any reportable instances of non-compliance, corruption or violations of laws, regulations and voluntary standards pertaining to the environment and the provision, use, health and safety of products and services of the Manager.

### Supply Chain Management

GRI 102-9 | 103-1 | 103-2 | 103-3 | 204-1

Keppel DC REIT's supply chain consists primarily of mechanical and electrical equipment suppliers and facility management service providers such as physical security, technical maintenance, and cleaning services. These products and services are sourced and procured locally, contributing to the economies of the cities where the data centres are situated and facilitating logistical efficiency.

A reliable and responsible supply chain helps optimise the operations and business performance of Keppel DC REIT. To ensure quality services and uphold the highest industry standards, the Manager assesses the track record, quality and reputation of potential suppliers. Sustainability policies,

procedures, accreditations and certifications are also considered in the assessment of suppliers.

In 2018, two new local suppliers were added and underwent screening in accordance with the REIT's environmental criteria prior to being included on its list of suppliers.

The Keppel Group Supplier Code of Conduct was introduced and implemented at end-2016 and integrated Keppel's sustainability principles across the REIT's supply chain. Key suppliers are expected to abide by the Code of Conduct, which covers areas pertaining to business conduct, anti-corruption, labour practices, safety and health, as well as environmental management.

Safe work method statements that outline the agreed practices with suppliers are continually reviewed, updated and aligned.

There have been no known instances of supplier non-compliance with any applicable regulations regarding human rights and labour practices. There were no operations or suppliers with significant risks of forced or compulsory labour practices.

A list of accreditations and certifications attained by Keppel DC REIT's assets is shown below.  
GRI 102-12

### Sustainability Awards, Accreditations and Certifications

Asset	Award/Accreditation/Certification
KDC SGP 2	ANSI/TIA 942:2014 – Rated 3
KDC SGP 1, KDC SGP 2 and KDC SGP 3	ANSI/TIA 942-B:2017 – Rated 3
KDC SGP 2	BCA-IMDA Green Mark for Data Centres (2015) Gold <sup>PLUS</sup> Award
KDC SGP 3	BCA-IMDA Green Mark for Data Centres (2014) Platinum Award
KDC SGP 1, KDC SGP 2, KDC SGP 3 and KDC SGP 5	ISO 14001:2015 – Environmental Management System
KDC SGP 1, KDC SGP 2 and KDC SGP 3, KDC SGP 5 and KDC DUB 1	ISO 9001:2015 – Quality Management System
KDC DUB 1 and KDC DUB 2	ISO 27001:2013 – Information Security Management System
KDC SGP 1, KDC SGP 2 and KDC SGP 3, KDC SGP 5, Gore Hill DC and Basis Bay DC	ISO/IEC 27001:2013 – Information Security Management System
KDC SGP 1, KDC SGP 2 and KDC SGP 3	ISO 50001:2011 – Energy Management System
KDC SGP 1, KDC SGP 2 and KDC SGP 3	PUB – Water Efficient Building
KDC SGP 1 and KDC SGP 2	SS 507:2008 – Business Continuity/Disaster Recovery Services Provider
KDC SGP 1, KDC SGP 2 and KDC SGP 3	SS 507:2015 – Business Continuity/Disaster Recovery Services Provider
KDC SGP 1, KDC SGP 2 and KDC SGP 3	SS 564 Part-1:2013 – Energy and Environment Management System
KDC SGP 1, KDC SGP 2 and KDC SGP 3	SS 577:2012 – Water Efficiency Management System
KDC SGP 1, KDC SGP 2 and KDC SGP 3	Workplace Safety and Health (WSH) Council – bizSAFE Level 3
KDC SGP 5	BS OHSAS 18001:2007 Occupational Safety and Health Management System



## Building and Service Excellence

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

Keppel DC REIT's portfolio comprises data centres with high technical specifications and operational resilience that meet international standards. The REIT's global clientele spans across industries such as internet enterprises, financial institutions and information technology services with stringent service-level requirements for operational resilience. A breakdown of the REIT's client profile by trade sector is available on page 34.

Due to the mission-critical nature of the data centre business, clients' privacy, physical security and minimal downtime of the facilities are of utmost importance.

The premises and clients' IT systems are well protected with robust round-the-clock physical security systems to minimise the risk of unauthorised entry. Standard operating procedures within the facilities mandate that all visitors must 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.

The Manager places strong emphasis on the Business Continuity Management (BCM) aspect of the REIT's data centres. Various BCM exercises were conducted throughout the year to ensure preparedness in mitigating impact from potential scenarios such as power outages, fire drills, and influenza pandemics.

To ensure disruption-free operations, the Manager maintains strict operating processes and standards for high infrastructure availability in supporting clients' needs. Equipment is periodically maintained and tested to ensure operational excellence.

The Manager collects annual feedback<sup>1</sup> from its colocation clients regarding physical security, building and service standards of the facilities. In 2018, all ratings were above average. There were no reported cases of contractual breaches of client privacy in 2018 and operations across all facilities complied with local regulations and standards.

## Environmental Management

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

The sustainable management of data centre operations is aligned with the Manager's pursuit of long-term growth for Keppel DC REIT. Electricity and water data is compiled from utility bills while fuel data is compiled from onsite meter readings. These are regularly analysed by the Manager to make informed maintenance and investment decisions.

Keppel DC REIT's portfolio comprises master-leased and colocation facilities. Only environmental data from the REIT's eight colocation assets is reported as the REIT is responsible for the facility management and has operational control over these assets.

## Energy Consumption

GRI 302-1 | 305-1

Data centres involve mission-critical operations that require high power for accommodating IT equipment, as well as reliable supporting cooling infrastructure to maintain optimal environmental conditions for the equipment.

In the REIT's data centres, an environment suitable for hosting servers has to be maintained in accordance with respective clients' service level requirements.

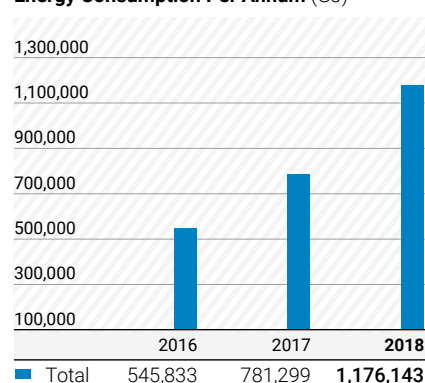
In 2018, the facilities consumed a total of 1,176,143 GJ of energy, comprising electricity (1,168,706 GJ) and diesel fuel (7,437 GJ). The year-on-year increase in total energy consumption is attributable to the addition of KDC DUB 2, KDC SGP 5 and Basis Bay DC to the portfolio and reporting scope. Excluding the newly added assets, consumption levels would have decreased by 0.3%.

Greenhouse Gas (GHG) emissions from data centre operations comprise mainly Scope 1 direct emissions from fuel consumption and Scope 2 indirect emissions from grid electricity consumption. Grid-supplied electricity forms the majority of the total electricity consumption while diesel fuel is used in data centre operations to power back-up generators in the respective facilities.

Emissions are calculated based on methodologies from the internationally accepted GHG Protocol<sup>2</sup> standards and are measured in tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e). Gases included in the calculation are carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O). In 2018, Scope 1 GHG carbon emissions from the use of diesel fuel totalled 533 tCO<sub>2</sub>e, while Scope 2 GHG emissions from electricity consumption was 139,888 tCO<sub>2</sub>e. Together, 2018 GHG emissions totalled 140,421 tCO<sub>2</sub>e.

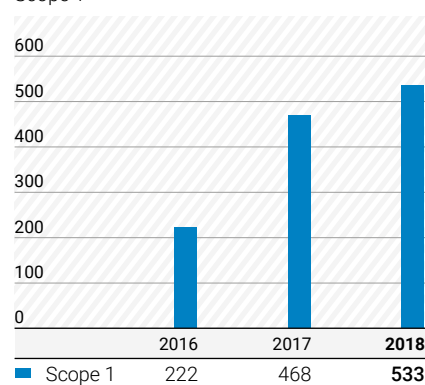
While overall electricity usage is expected to increase as the REIT's asset base grows, the Manager will continue to implement initiatives to optimise energy efficiency and usage intensity, which is measured by the Power Usage Effectiveness (PUE) levels of the data centres. In addition, the Manager seeks to reduce GHG emissions through the use of electricity generated from renewable resources. This measure has already been implemented at several of the REIT's data centres, such as Gore Hill DC, KDC DUB 1 and KDC DUB 2.

## Energy Consumption Per Annum (GJ)



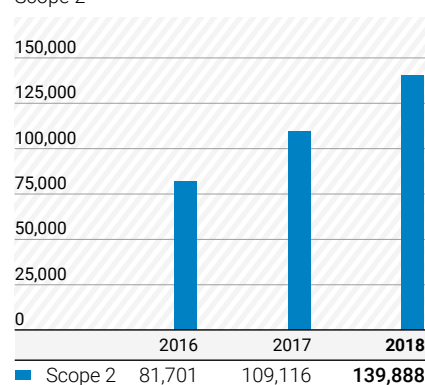
## Carbon Emissions Per Annum (tCO<sub>2</sub>e)

Scope 1



## Carbon Emissions Per Annum (tCO<sub>2</sub>e)

Scope 2



<sup>1</sup> It is not meaningful to include Basis Bay Services MSC Sdn Bhd in the annual feedback exercise as they are both the facility manager and the only client at the asset.

<sup>2</sup> The GHG emission scopes 1 and 2 are defined by the GHG Protocol. Scope 1 refers to emission from company owned and operated facilities, machines, vehicles, etc. Scope 2 refers to emission from sources external to the company, but which provide the company with a service such as power plants and other utilities.



Increasing the cooling tower water recycling capabilities at KDC SGP 1 and KDC SGP 2 reaped water usage intensity improvements.

**Water Consumption**

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

Data centres require large volumes of water to support chilled water-cooling systems, which are necessary to maintain ideal environmental conditions for mission-critical IT equipment. Water is recirculated within the systems to minimise consumption.

In 2018, the REIT’s total water consumption was 341,126 m<sup>3</sup> of water, of which more than 99% came from municipal sources. Municipal water consumption rates were quantified through direct metering.

Total water consumption was higher than 2017 due to the addition of KDC DUB 2, KDC SGP 5 and Basis Bay DC to the portfolio and reporting scope. Excluding the new assets, total water consumption would have decreased by nearly 2.3% compared to 2017.

Water resources are carefully managed through constant monitoring of consumption rates, implementing strategies to improve water usage intensity and evaluating

subsequent performance. By increasing the use of recycled water from cooling towers, KDC SGP 1 and KDC SGP 2 achieved improvements in water usage intensity.

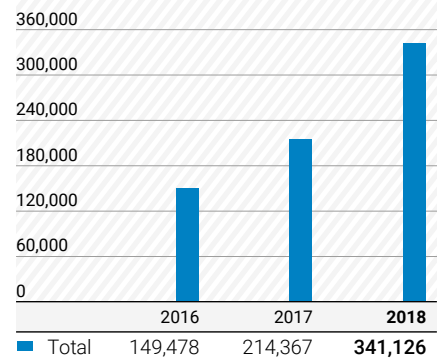
**Conservation Efforts**

The Manager works in collaboration with its facility managers, including Keppel Data Centres – the data centre division of its sponsor Keppel Telecommunications & Transportation, to implement initiatives aimed at reducing environmental impact while complying with all local environmental regulations.

Some of these energy and water conservation measures include:

- Tech-refresh on key equipment including chillers, cooling towers and Diesel Rotary Uninterruptible Power Supply devices, to improve energy performance and lengthen life span of equipment.
- Capex upgrading works at KDC DUB 1 with targeted completion in 2020, will help to enhance energy efficiency.

**Water Consumption Per Annum (m<sup>3</sup>)**



## Empowering Lives

In 2018, the average number of training hours per full-time employee was 42.2 hours, compared to 22 hours in 2017.

The Manager recognises that people are at the core of its business. Investing in a motivated and competent workforce delivers attractive returns in terms of sustainable business value.

The Manager adopts a three-pronged human resource strategy, focusing on career development, employee well-being and employee engagement.

### Profile of Employees

GRI 102-7 | 102-8 | 102-41 | 103-1 | 103-2 | 103-3 | 401-1

As at 31 December 2018, the Manager has a direct head count of five full-time employees. In 2018, the Manager hired one new employee through internal transfer and had one voluntary resignation. The new hire was a male between 30-50 years old and the resigned employee was a female between 30-50 years old. All employees were hired locally and operate at the Singapore headquarters<sup>1</sup>. 40% of the workforce is female and the other 60% are male.

In addition to direct employees, the Manager is supported by the centralised functions of Keppel Capital, which consists of almost 200 employees across six countries. These functions include Asset Management, Finance, Investments, Investor Relations, Risk and Compliance, Research and Human Resources.

Of the six directors who sit on the Board of the Manager of Keppel DC REIT as at 31 December 2018, one is female.

In 2018, there were no reported incidences of discrimination raised by the Manager's employees. None of the Manager's

employees are under any collective bargaining agreements.

### Policy of Non-discrimination

GRI 103-1 | 103-2 | 103-3 | 405-1

As a member of the Keppel Group, the Manager adopts the Keppel Group Statement on Diversity and Inclusion. This statement outlines diversity considerations that are incorporated into the employee code of conduct as well as put into practice in staff recruitment, retention and development, thereby fostering an inclusive and harmonious workplace. It also articulates and reinforces the Group's policy on non-discrimination, reinforcing core values of people-centredness and collective strength.

The Manager's policy of non-discrimination is based on the understanding that diversity can generate business value by leveraging a multitude of values and cultures of the communities in which it operates.

Recruitment practices are centred on merit-based competencies of candidates to ensure equal employment opportunities for all, regardless of race, religion, gender, marital status or age. This ensures fair treatment of employees and potential candidates. It also ensures that the most suitable people are selected for advancement within the company.

<sup>1</sup> The Singapore headquarters is the only significant location.



The Manager is committed to invest in a motivated and competent workforce.

Photo credit: ST Press

## Empowering Lives



### Employee Development

**Objectives**

To nurture, develop and empower staff to realise their best potential

**Approach**

Performance management, talent management, learning and development



### Employee Well-being

**Objectives**

To enhance overall staff wellness

**Approach**

Promote wellness to foster a healthy workforce



### Employee Engagement

**Objectives**

To foster a cohesive identity within the company and provide open feedback channels

**Approach**

Encourage open two-way communication, rewards and recognition system, team-building

The Manager strives to uphold the Employer’s Pledge of Fair Employment Practices which is guided by the five principles below:

1. Recruit and select employees on the basis of merit (such as skills, experience of 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, and implement progressive human resource management systems;
3. Provide employees with equal opportunity to be considered for training and development based on their strengths and needs to help them achieve their full potential;
4. Reward employees based on their ability, performance, contribution and experience; and
5. Comply with labour laws and abide by the Tripartite Guidelines on Fair Employment Practices.

The Employee Code of Conduct details the Manager’s commitment against discrimination. The rules therein apply to all employees and are aligned with the Keppel Group’s Corporate Statement on Human Rights which is available online on Keppel Corporation’s website.

**Provision of Benefits**

In compliance with all relevant regulations relating to employment terms and benefits, all permanent employees are provided with group insurance plans, medical coverage, leave entitlements and contributions to the local pension fund i.e. the Central Provident Fund in Singapore.

In order to further promote employee well-being and attract and retain talent, the Manager also provides benefits such as competitive and sustainable compensation, paternity and maternity leave, leave for childcare, marriage, compassionate grounds and examination, as well as flexible credit

points that are awarded to employees for redemption on a host of benefits such as wellness classes or healthcare subsidies.

**Performance Management**

GRI 103-1 | 103-2 | 103-3 | 404-3

The Manager believes that a performance-based culture aligns individuals to collective goals and creates a high-performing environment, in turn optimising long-term value for all stakeholders. The Manager implements a robust performance management system based on regular performance and career development reviews that rewards merit with opportunities for advancement, promotion, recognition of achievements, compensation, training and other conditions of employment.

Supervisors and employees discuss performance goals based on targets that are aligned with the four key areas of the Manager’s scorecard, which are Financial, Process, Customers/Stakeholders and People.

In 2018, 100% of employees received performance and career development reviews. In order to further support the optimisation of performance, employees are typically given four weeks’ notice prior to the implementation of significant operational changes to facilitate any necessary adjustments.

**Succession Planning and Talent Management**

The Manager believes that succession planning and talent management is essential in building its bench strength and ensuring business continuity. The succession framework is reviewed at least twice a year by the Board and senior management to ensure that high-potential employees are identified and groomed for leadership succession.

As a member of the Keppel Group, the Manager is able to leverage the talent management process that is centralised at the corporate level. Keppel Corporation’s

The Keppel Games promotes an active lifestyle, teamwork and healthy competition among employees in the Keppel Group.



Group Human Resources coordinates information across business units to ensure that a comprehensive and fair review of talent is undertaken. It also drives leadership and executive development programmes to develop talent.

Employees of the Manager also have the opportunity to hone their leadership skills through Group-level talent development programmes such as the Keppel Young Leaders. These platforms are designed to groom high-potential employees, cultivate a global mindset, and spur innovative thinking by harnessing the collective strengths of business units across the Keppel Group.

**Training and Education**

GRI 103-1 | 103-2 | 103-3 | 404-1

The Manager believes that investing in employees' professional development directly contributes to overall business value. Training and education programmes are designed to develop valuable skill sets and allow employees to adapt to industry trends. To maximise the effectiveness of training, opportunities are customised based on employees' respective disciplines, career stages, ambitions, and trajectories.

Training and education management is evaluated based on average hours per employee. In 2018, the average number of training hours per full-time employee was 42.2 hours, compared to 22 hours in 2017. It is not meaningful to provide a further breakdown of training hours due to the centralised functions of Keppel Capital.

**Employee Engagement and Wellness**

Employee engagement is essential to building motivation and cohesiveness in the workplace. It creates a platform for interaction, allowing an exchange of perspectives and value transfer. As with previous years, the Manager participated in the Keppel Group's 2018 Employee Engagement Survey. The survey is designed to measure employee engagement and gather feedback in order to review policies and better meet employees' needs. The survey was administered by an external consultant and achieved a 100% participation rate.

The Manager believes that a conducive environment promotes general well-being and increases employee productivity. Its Singapore headquarters features an Indoor Air Quality management system to monitor air quality and ventilation. Ergonomic furniture is incorporated in the office to create a comfortable and productive work environment while the bistro-style pantry/discussion corners and



relaxation zones throughout the office foster interaction and collaboration.

To promote the health and well-being of employees, the Manager provides employees with healthy fruits and regular health screening programmes. In addition, the Keppel Games, an annual sporting competition organised across the Keppel Group, promotes an active lifestyle, teamwork and healthy competition. Various corporate activities are designed and conducted through the year to build bonds and relationships between team members, such as Keppel Capital's staff retreat, which brought together nearly 200 employees across different business units in Batam, Indonesia.

The Manager is a strong believer in cultivating strong family ties. Employees are encouraged to spend quality time with their families. Corporate passes to popular family destinations such as the Singapore Zoo and River Safari are available to employees. The Manager also supports the 'Eat with Your Family Day' initiative in Singapore, organised by the Centre for Fathering, a non-profit organisation that promotes the importance of family ties and recognises families as the basic unit of society.

**Health and Safety**

GRI 103-1 | 103-2 | 103-3 | 403-2

Safety is ingrained into the workplace culture. The Manager is committed to providing a safe work environment for all its employees and other stakeholders. By working closely with the facility managers of its data centres

and implementing industry best practices, the Manager targets zero workplace-related health and safety incidents.

To achieve this goal, qualified specialists conduct periodic inspections and maintenance of facilities and equipment to ensure the implementation and effectiveness of all relevant safety standards. High voltage equipment is protected by state-of-the-art fire protection systems to ensure the safety of employees, vendors and clients as well as to safeguard business continuity. Visitors, employees and clients, alike are all briefed on emergency evacuation routes and procedures in the event of a fire. In addition, evacuation routes are displayed at various locations throughout the facilities.

To evaluate the effectiveness of the Manager's health and safety management response, all incidents are documented through a systematic incident reporting structure and reviewed by senior management and relevant safety personnel. In the event of an incident, the liable issues are immediately identified and addressed through corrective measures, and when necessary, additional preventive measures are implemented.

In 2018, there were no fatalities and reportable incidents in Keppel DC REIT's facilities. The Accident Frequency and Accident Severity Rates were accordingly zero.

The Manager will continue to uphold stringent safety standards and foster a strong culture of health and safety throughout the REIT's assets.

## Nurturing Communities

More than 1,200 hours of community service hours were dedicated to improving the lives of the underprivileged.

As a responsible corporate citizen, the Manager supports initiatives that uplift the community.

As an active member of the REIT Association of Singapore (REITAS), the Manager supports investor outreach activities that enhance the investment community's understanding of the data centre industry. The Manager also supports initiatives that promote the overall growth and sustainability of the REIT sector in Singapore.

The Manager works together with other Keppel Capital business units in a collective effort to give back to the community. In 2018, Keppel Capital renewed its collaboration with its adopted charity – Muscular Dystrophy Association (Singapore) (MDAS), a self-help organisation committed to uplift the lives of people with muscular dystrophy.

Together with Keppel Capital, the Manager participated in activities with MDAS beneficiaries during the year, including prawn catching, art jamming, as well as a visit to The Maritime Experiential Museum.

In addition, employees also lent a helping hand at Fei Yue Family Service Centre, packing and distributing household cleaning kits to families in need. Established in 1991, Fei Yue provides assistance to the vulnerable and disadvantaged communities.

In 2018, the Manager, together with Keppel Capital volunteers, dedicated more than 1,200 hours of community service to improve the lives of the underprivileged. In addition, the Manager contributed \$30,000 to the Keppel Care Foundation to support Keppel Group's various philanthropic initiatives.

The Manager participated in various volunteer activities during the year together with Keppel Capital, including a visit to The Maritime Experiential Museum with MDAS beneficiaries.



# GRI Content Index

GRI Standard	Disclosure Number	General Standard Disclosures	Disclosure	Page Reference
<b>Organizational Profile</b>				
GRI 102: General Disclosures 2016	102-1	Name of the organization	●	Backcover
	102-2	Activities, brands, products and services	●	3, 32-50
	102-3	Location of headquarters	●	Backcover
	102-4	Location of operations	●	22-23, 36-39, 61
	102-5	Ownership and legal form	●	3, 10-11
	102-6	Markets served	●	22-23
	102-7	Scale of the organization	●	2, 8, 22-23, 69, 84-85
	102-8	Information on employees and other workers	●	69-70
	102-9	Supply chain	●	66
	102-10	Significant changes to organization and its supply chain	●	4, 18, 32
	102-11	Precautionary Principle or approach	◐	57-58, 65
	102-12	External initiatives	●	62, 66
	102-13	Membership of associations	●	62
<b>Strategy</b>				
	102-14	Statement from senior decision-maker	●	60
<b>Ethics and Integrity</b>				
	102-16	Values, principles, standards, and norms of behavior	●	Inner front cover, 3, 59, 60, 62, 65, 148
<b>Governance</b>				
	102-18	Governance structure	●	62
<b>Stakeholder Engagement</b>				
	102-40	List of stakeholder groups	●	63
	102-41	Collective bargaining agreements	●	69
	102-42	Identifying and selecting stakeholders	●	62-63
	102-43	Approach to stakeholder engagement	●	62-63
	102-44	Key topics and concerns raised	●	63-64
<b>Reporting Practice</b>				
	102-45	Entities included in the consolidated financial statements	●	22-23, 54
	102-46	Defining report content and topic Boundaries	●	61, 63
	102-47	List all material topics	●	63-64
	102-48	Restatements of information	●	The 2017 Sustainability Report data was the actual full-year data.
	102-49	Changes in reporting	●	61 Indicators added: 305-1 and 404-3.
	102-50	Reporting period	●	61
	102-51	Date of the most recent report	●	20 February 2018
	102-52	Reporting cycle	●	61
	102-53	Contact point for questions regarding this report	●	61
	102-54	Claims of reporting in accordance with GRI Standards	●	61
	102-55	GRI content index	●	73-75
	102-56	External assurance	●	61

Legend ● Fully reported ◐ Partially reported

# GRI Content Index

GRI Standard	Disclosure Number	General Standard Disclosures	Disclosure	Page Reference
<b>Category: Economic</b>				
<b>Economic Performance</b>				
GRI 201: Economic Performance 2016	103-1	Explanation of the material topic and its Boundary	●	3, 51, 63-64
	103-2	The management approach and its components	●	3-6, 51-56, 64
	103-3	Evaluation of the management approach	●	3-6, 8-9, 62
	201-1	Direct economic value generated and distributed	●	8-9, 51-56, 72, 84
<b>Procurement Practices</b>				
GRI 204: Procurement Practices 2016	103-1	Explanation of the material topic and its Boundary	●	63, 66
	103-2	The management approach and its components	●	64, 66
	103-3	Evaluation of the management approach	⦿	66
	204-1	Proportion of spending on local suppliers	●	65-66
<b>Anti-Corruption</b>				
GRI 205: Anti-Corruption 2016	103-1	Explanation of the material topic and its Boundary	●	63, 65-66
	103-2	The management approach and its components	●	64, 65-66, 148
	103-3	Evaluation of the management approach	●	66
	205-2	Communication and training about anti-corruption policies and procedures	●	63, 65-66
	205-3	Confirmed incidents of corruption and actions taken	●	65-66
<b>Anti-Competitive Behavior</b>				
GRI 206: Anti-Competitive Behavior 2016	103-1	Explanation of the material topic and its Boundary	⦿	63, 65
	103-2	The management approach and its components	⦿	62, 65-66
	103-3	Evaluation of the management approach	⦿	65
	206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	●	66
<b>Category: Environmental</b>				
<b>Energy</b>				
GRI 302: Energy 2016	103-1	Explanation of the material topic and its Boundary	●	63, 67
	103-2	The management approach and its components	●	64, 67
	103-3	Evaluation of the management approach	⦿	67
	302-1	Energy consumption within the organization	●	67
<b>Water</b>				
GRI 303: Water 2016	103-1	Explanation of the material topic and its Boundary	●	63, 68
	103-2	The management approach and its components	●	64, 68
	103-3	Evaluation of the management approach	●	68
	303-1	Water withdrawal by source	●	68
<b>Emissions</b>				
GRI 305: Emissions 2016	103-1	Explanation of the material topic and its Boundary	●	63, 67
	103-2	The management approach and its components	⦿	64, 67
	103-3	Evaluation of the management approach	⦿	67
	305-1	Energy indirect (Scope 2) GHG emissions	●	63, 67
<b>Environmental Compliance</b>				
GRI 307: Environmental Compliance 2016	103-1	Explanation of the material topic and its Boundary	⦿	63, 65-66
	103-2	The management approach and its components	⦿	64, 65-66
	103-3	Evaluation of the management approach	⦿	65-66
	307-1	Non-compliance with environmental laws and regulations	●	65-66

Legend ● Fully reported ⦿ Partially reported



GRI Standard	Disclosure Number	General Standard Disclosures	Disclosure	Page Reference
<b>Category: Social</b>				
<b>Employment</b>				
GRI 401: Employment 2016	103-1	Explanation of the material topic and its Boundary	●	63, 69-70
	103-2	The management approach and its components	●	64, 69-70
	103-3	Evaluation of the management approach	●	69-70
	401-1	New employee hires and employee turnover	●	69
<b>Occupational Health and Safety</b>				
GRI 403: Occupational Health and Safety 2016	103-1	Explanation of the material topic and its Boundary	●	63, 71
	103-2	The management approach and its components	●	64, 71
	103-3	Evaluation of the management approach	●	71
	403-2	Types of injury and rates of injury, occupational diseases, lost days and absenteeism and number of work related fatalities	●	71
<b>Training and Education</b>				
GRI 404: Training and Education 2016	103-1	Explanation of the material topic and its Boundary	●	70-71
	103-2	The management approach and its components	●	64, 70-71
	103-3	Evaluation of the management approach	●	70-71
	404-1	Average hours of training per year per employee	●	70-71
	404-3	Percentage of employees receiving regular performance and career development reviews	●	70
<b>Diversity and Equal Opportunity</b>				
GRI 405: Diversity and Equal Opportunity 2016	103-1	Explanation of the material topic and its Boundary	●	69
	103-2	The management approach and its components	●	69
	103-3	Evaluation of the management approach	●	69
	405-1	Diversity of governance bodies and employees	●	12-17, 69
<b>Customer Privacy</b>				
GRI 418: Customer Privacy 2016	103-1	Explanation of the material topic and its Boundary	●	63, 67
	103-2	The management approach and its components	●	67
	103-3	Evaluation of the management approach	●	67
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	●	67
<b>Socioeconomic Compliance</b>				
GRI 419: Socioeconomic Compliance 2016	103-1	Explanation of the material topic and its Boundary	●	63, 65-66
	103-2	The management approach and its components	●	65-66
	103-3	Evaluation of the management approach	●	65-66
	419-1	Non-compliance with laws and regulations in the social and economic area	●	65-66

Legend ● Fully reported ● Partially reported

## Corporate Information

---

### Trustee

---

**Perpetual (Asia) Limited**

*Registered Address*

8 Marina Boulevard #05-02  
Marina Bay Financial Centre Tower 1  
Singapore 018981  
Phone: +65 6908 8203  
Fax: +65 6438 0255

*Principal Business Address*

16 Collyer Quay  
#07-01  
Singapore 049318

---

### Auditor

---

**PricewaterhouseCoopers LLP**

7 Straits View  
Marina One, East Tower  
Level 12, Singapore 018936  
Phone: +65 6236 3388  
Fax: +65 6236 3300  
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  
Fax: +65 6803 1717  
Website: www.keppeldcreit.com

*Principal Business Address*

1 HarbourFront Avenue  
Level 2 Keppel Bay Tower  
Singapore 098632

*Investor Relations Contact*

Phone: +65 6803 1857  
Email: investor.relations@keppeldcreit.com

---

### Unit Registrar and Unit Transfer Office

---

**Boardroom Corporate &  
Advisory Services Pte. Ltd.  
(A member of Boardroom Limited)**

50 Raffles Place  
#32-01 Singapore Land Tower  
Singapore 048623  
Phone: +65 6536 5355  
Fax: +65 6536 1360

*For updates or change of mailing address,  
please contact:*

**The Central Depository (Pte) Limited**

9 North Buona Vista Drive  
#01-19/20 The Metropolis  
Singapore 138588  
Phone: +65 6535 7511  
Fax: +65 6535 0775  
Email: asksgx@sgx.com  
Website: www2.sgx.com/securities/  
retail-investor

---

### Joint Company Secretaries

---

**Kelvin Chua**

**Winnie Mak**

---

### Directors of the Manager

---

**Christina Tan**

Chairman and Non-Executive Director

**Lee Chiang Huat**

Independent Director

**Dr Tan Tin Wee**

Independent Director

**Leong Weng Chee**

Independent Director

**Dileep Nair**

Independent Director

**Thomas Pang**

Non-Executive Director

**Low Huan Ping**

Independent Director

**Kenny Kwan**

Independent Director

---

### Audit and Risk Committee

---

**Lee Chiang Huat**

Chairman

**Dileep Nair**

**Leong Weng Chee**

**Low Huan Ping**

---

### Nominating and Remuneration Committee

---

**Dr Tan Tin Wee**

Chairman

**Christina Tan**

**Dileep Nair**

**Kenny Kwan**

# Financial Statements

---

## Contents

Report of the Trustee	78
Statement by the Manager	79
Independent Auditors' Report	80
Statements of Financial Position	83
Consolidated Statement of Profit and Loss	84
Consolidated Statement of Comprehensive Income	85
Statements of Movements in Unitholders' Funds	86
Consolidated Statement of Cash Flows	89
Distribution Statement	91
Consolidated Portfolio Statement	92
Notes to the Financial Statements	93
Additional Information	136
Corporate Governance	137
Statistics of Unitholdings	165
Financial Calendar	167
Notice of Annual General Meeting	168
Proxy Form	

## Report of the Trustee

For the year ended 31 December 2018

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 83 to 135 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 2019

## Statement by the Manager

For the year ended 31 December 2018

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 83 to 135, comprising the Statements of Financial Position for the Group and the Trust, the Consolidated Portfolio Statement of the Group as at 31 December 2018, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Comprehensive Income of the Group, the Statements of Movements in Unitholders' Funds of the Group and the Trust and the Distribution Statement and the Consolidated Statement of Cash Flows 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 as at 31 December 2018, 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**  
Director

Singapore  
18 February 2019