

# SUSTAINABILITY REPORT



We recognise the importance of conducting business responsibly and delivering sustainable returns for Unitholders. Our sustainability framework ensures that sustainability is effectively integrated into our business.

## Sustainability Framework

### ENVIRONMENTAL STEWARDSHIP

Aligned with Keppel's Vision 2030, we will do our part to address climate change. We will enhance resource efficiency, improve our environmental performance, and contribute to addressing climate change.

» For more information, go to: pages 74 to 83

### RESPONSIBLE BUSINESS

Through good corporate governance and prudent risk management, we secure the long-term sustainability of our business.

» For more information, go to: pages 84 to 89

### PEOPLE AND COMMUNITY

We strive to foster a safe and healthy workplace, provide comprehensive training and development opportunities for our workforce, and contribute to community initiatives.

» For more information, go to: pages 90 to 96

## Sustainability Highlights for 2023

### ENVIRONMENTAL STEWARDSHIP

#### EMISSIONS

Halve by 2030

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

#### MSCI ESG

'AA' Rating

Maintained 'AA' rating in the MSCI ESG Ratings Assessment in December 2023.

#### RENEWABLE ENERGY

~17%

Renewable energy has been procured for approximately 17% of total electricity consumed at colocation assets as at end 2023, and procured by clients at all of the portfolio's master lease assets in Europe.

### RESPONSIBLE BUSINESS

#### GRESB

3 Star Rating

Achieved 3 Star rating and Green Star status for 2023 GRESB Real Estate Assessment submission and 'A' for Public Disclosure Assessment.

#### GREEN CERTIFICATION

LEED O+M Gold

Achieved LEED v4.1 Operations and Maintenance (O+M) Gold certification for Keppel DC Dublin 1 and 2.

#### GOVERNANCE

11th

In the Singapore Governance and Transparency Index under the REIT and Business Trust category.

### PEOPLE AND COMMUNITY

#### DIVERSITY AND INCLUSION

~30%

Female Board representation as at 31 December 2023.

#### TRAINING AND DEVELOPMENT

~32 hrs

Of training on average per employee, exceeding goal of at least an average of 20 hours per employee.

#### VOLUNTEERISM

>900 hrs

Dedicated to community outreach activities by the Manager, as part of Keppel's Fund Management & Investment platforms (Keppel FM&I).

# LETTER TO STAKEHOLDERS

**LOH HWEE LONG**  
Chief Executive Officer



As Keppel DC REIT marks its 10th anniversary this year, we remain focused on building a financially resilient and future-proof business, alongside the support of our stakeholders on this journey.

## DEAR STAKEHOLDERS,

Amidst macroeconomic challenges and geopolitical tensions, we remain committed to advancing our sustainability efforts to create long-term value for Keppel DC REIT's stakeholders. I'm happy to share the achievements in 2023 that underscore our dedication to the three strategic pillars of our sustainability framework – environmental stewardship, responsible business, and people and community.

### ENVIRONMENTAL STEWARDSHIP

In 2023, we enhanced our reporting in accordance with recommendations from the Task Force on Climate-related Financial Disclosures (TCFD), further refining our scenario analysis and quantifying the financial impact of associated risks.

Secondly, our Environmental, Social and Governance (ESG) efforts were recognised when we attained a 3 Star rating and a Green Star status in the 2023 GRESB Real Estate Assessment. This was an improvement from a 2 Star rating and a Green Star status for our inaugural submission in 2022. Notably, our score for the 2023 GRESB Real Estate Assessment was above the average GRESB score of 75 points, which is a testament to our continuous sustainability efforts. We also scored 'A' in our GRESB Public Disclosure in 2023. Keppel DC REIT achieved a 'B-' rating for our inaugural submission for the full CDP Climate Change Questionnaire 2023.

Beyond improving our disclosures and ratings, our assets continue to meet high sustainability standards. Keppel DC Dublin 1 and 2 achieved the LEED v4.1 Operations and

Maintenance Gold certification, showcasing our commitment to environmental responsibility and operational excellence.

### RESPONSIBLE BUSINESS

Our refreshed Board composition with the addition of two independent directors in September 2023 demonstrates our commitment to upholding corporate governance standards. The Board ESG Committee continues to guide our sustainability strategy and initiatives as we navigate the dynamic landscape of evolving regulations and stakeholder expectations.

Our commitment to strong corporate governance and ethical business conduct was reflected in our improved ranking in the Singapore Governance and Transparency Index. We moved up to 11th place in 2023 from 12th place in 2022 under the REITs and Business Trust category. We also maintained the 'AA' rating in the MSCI ESG Ratings Assessment in December 2023.

ESG criteria is considered in both our financing and investment decisions to evaluate long-term

viability and performance. In 2023, Keppel DC REIT secured two sustainability-linked loan facilities.

To ensure business resilience, we maintained rigorous cybersecurity standards and adopted best practices in data security, aligned with the Keppel Technology and Data Risk Management standards and framework.

Engagement with stakeholders remains a priority, and we had close to 750 engagements with analysts and institutional investors, as well as more than 1,200 engagements with retail investors in 2023. The feedback received will guide us in refining our business strategies and enhancing our ESG performance and disclosures.

### PEOPLE AND COMMUNITY

Recognising the value of a skilled and engaged workforce, we continued to invest in the development of our staff, achieving an average of 32 hours of training per employee in 2023. This not only ensures individual development, but fortifies the collective capabilities of Keppel DC REIT. We are also happy to share that we maintained a zero-fatality workplace in 2023,

in line with our emphasis on a safe and supportive workplace environment.

Aligned with our commitment to make a positive impact in the local communities, Keppel DC REIT Management Pte. Ltd. (the Manager) devoted over 900 hours to community outreach activities together with Keppel FM&I and donated \$30,500 in contributions to the Keppel Care Foundation in 2023<sup>1</sup>.

### LOOKING AHEAD

As Keppel DC REIT marks its 10th anniversary this year, we remain focused on building a financially resilient and future-proof business, alongside the support of our stakeholders on this journey.

Yours sincerely,

*Loh Hwee Long*

**LOH HWEE LONG**  
Chief Executive Officer  
29 February 2024

<sup>1</sup> Based on the tax-deductible receipt dated 2 August 2023.

## About This Report



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

### REPORTING PERIOD AND SCOPE

This is Keppel DC REIT's ninth sustainability report (the Report) and contains information pertaining to the financial year 1 January 2023 to 31 December 2023 (FY 2023). Keppel DC REIT was listed on the Singapore Exchange (SGX) as the first pure-play data centre REIT in Asia and headquartered in Singapore. The scope of the Report covers Keppel DC REIT's colocation data centre assets, which the Manager has operational oversight of.

The scope of financial reporting and sustainability reporting differs in that assets where the Manager does not have full operational control have been excluded from the scope of this Report. The master lease assets not included within this Report are DC1, Intellicentre Campus, Guangdong Data Centres 1, 2 and 3, Kelsterbach Data Centre, maincubes Data Centre, Milan Data Centre, Almere Data Centre, Eindhoven Campus, Cardiff Data Centre, GV7 Data Centre and London Data Centre.

Unless otherwise stated, data consolidation approach for this Report is consistent across its assets.

### GLOBAL REPORTING INITIATIVE (GRI) STANDARDS

The Report has been prepared in accordance with the GRI Standards and applies the reporting principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability, as required by the GRI Standards. For a full list of disclosures reported, please refer to the GRI Content Index on pages 97 to 99.

### INTERNAL REVIEW

While the Report has not been externally verified, the data in this Report has undergone rigorous review and the Manager will consider external assurance for future publications. In line with Singapore Exchange Listing Rules, the Manager had in 2022 initiated an internal review of the sustainability report process, procedures and controls, conducted by Keppel's internal audit team.

### ASSETS IN REPORTING SCOPE

#### Singapore

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

#### Australia

Gore Hill Data Centre (Gore Hill DC)

#### Malaysia

Basis Bay Data Centre (Basis Bay DC)

#### Ireland

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

### Contact

The Manager welcomes feedback as it continuously strives to refine its approach to sustainability.

Please contact the Manager at [investor.relations@keppeldcreit.com](mailto:investor.relations@keppeldcreit.com).

# Approach to Sustainability

## SUSTAINABILITY FRAMEWORK AND POLICIES

The Manager takes reference from Keppel’s policies to guide its management of ESG factors. The Keppel policies are reviewed and approved by Keppel’s Board, Board Committees, or senior management in charge of the relevant policies required. In addition, Keppel DC REIT’s Whistle-Blower Policy is reviewed and approved by the Manager’s Audit and Risk Committee (ARC). These policies are periodically reviewed to ensure they are up-to-date and relevant. For more information on Keppel DC REIT’s policies, please refer to the Responsible Business and People and Community sections in this Report.

Policy commitments are also embedded in Keppel’s Employee Code of Conduct, which the Manager adopts. These policies are consistently communicated and reinforced annually to all employees through activities such as online training

courses and declarations of adherence to the Keppel policies.

### Upholding Human Rights

The Manager takes human rights seriously and exercises a zero-tolerance approach toward unethical labour practices which include child labour, forced labour, slavery, human trafficking and more. The Manager adopts Keppel’s Corporate Statement on Human Rights which respects the fundamental principles set out in the United Nations (UN) Universal Declaration of Human Rights, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, and the United Nations Guiding Principles on Business and Human Rights.

Major suppliers are required to sign and abide by the Supplier Code of Conduct and are subject to audits when required.

The Manager also adopts Keppel’s Diversity, Equity and Inclusion Policy to promote an inclusive and harmonious workplace.



The Manager takes reference from Keppel’s policies to guide its management of ESG factors. These policies are periodically reviewed to ensure they are up-to-date and relevant.

# Approach to Sustainability

## SUSTAINABILITY GOVERNANCE

### Board of Directors

The Board oversees and steers Keppel DC REIT’s sustainability strategy and initiatives. ESG-related updates are provided regularly to the Board through quarterly Board meetings, emails and training, which aid the Board in reviewing and approving Keppel DC REIT’s material topics, impact, approach to sustainability-related issues, and reported information within this Report. Information in this Report has been reviewed by the Board with the sustainability highlights presented for approval at Board meetings. Where critical concerns arise, they are communicated to the Board through emails and meetings, if necessary. In 2023, there were no critical concerns, and consequently none was raised to the Board within this reporting period.

The Board has entrusted the direct management of ESG factors and their relevant impacts to the ESG Committee and the Sustainability

### BOARD STATEMENT

“As part of its strategic oversight, the Board has reviewed, considered and approved the material ESG factors in Keppel DC REIT’s strategy formulation and business. The Board will continue to review and monitor the management and performance of these ESG factors periodically, together with the management team and incorporate feedback from key stakeholders.”

Committee, which were established in 2022.

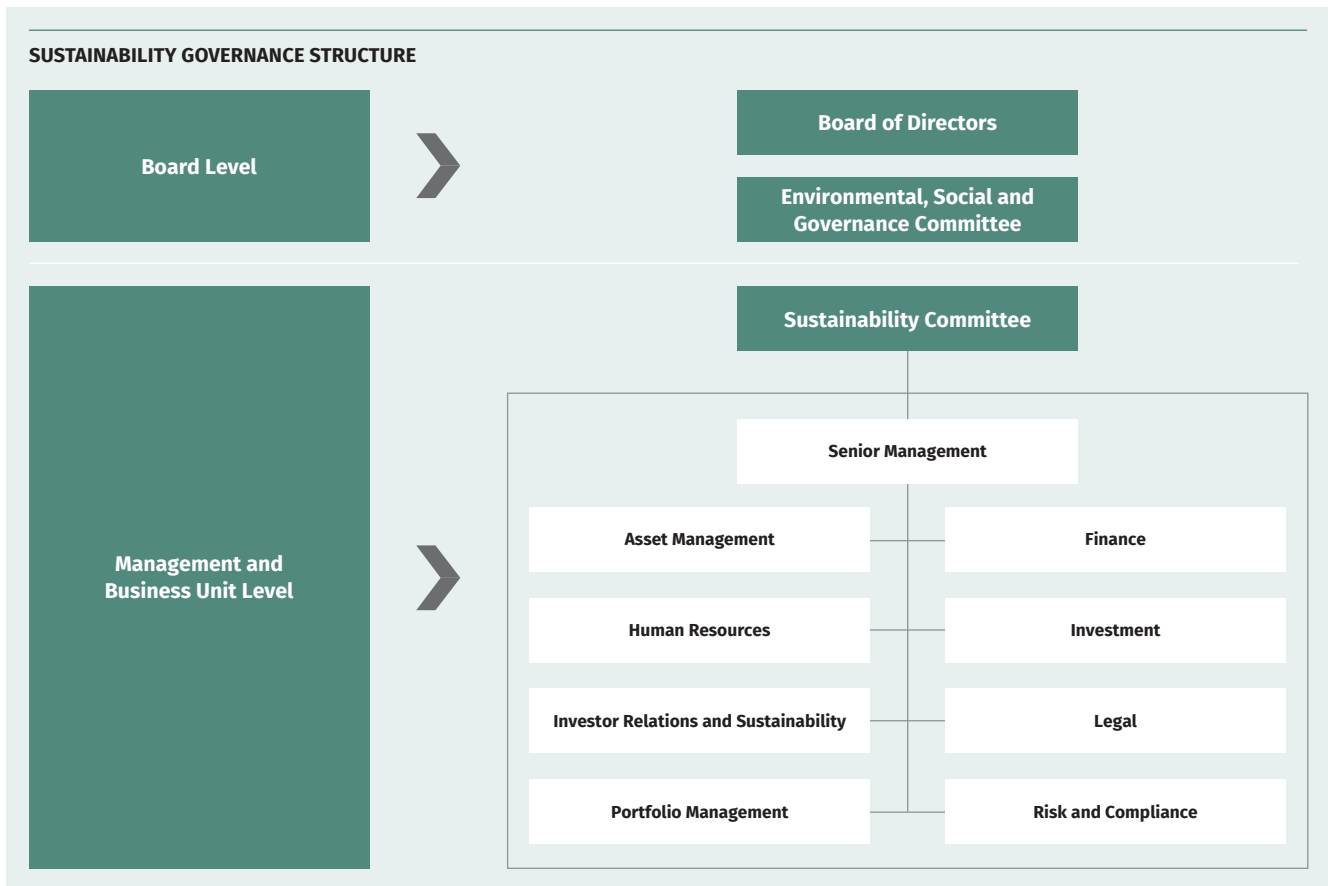
### ESG Committee

The ESG Committee, which meets at least twice a year, provides oversight of the ESG strategy, policies and initiatives, and monitors the Manager’s progress in driving

long-term climate risk management and decarbonisation initiatives.

### Sustainability Committee

The Sustainability Committee implements the Manager’s sustainability strategy and monitors performance against targets. It also apprises the ESG Committee and the Board on



updates on sustainability regulations, outcomes of sustainability risk assessments and recommendations for follow-up actions. ESG considerations are integrated into strategic decision-making processes including acquisitions and divestments, capital expenditures, financing and risk management.

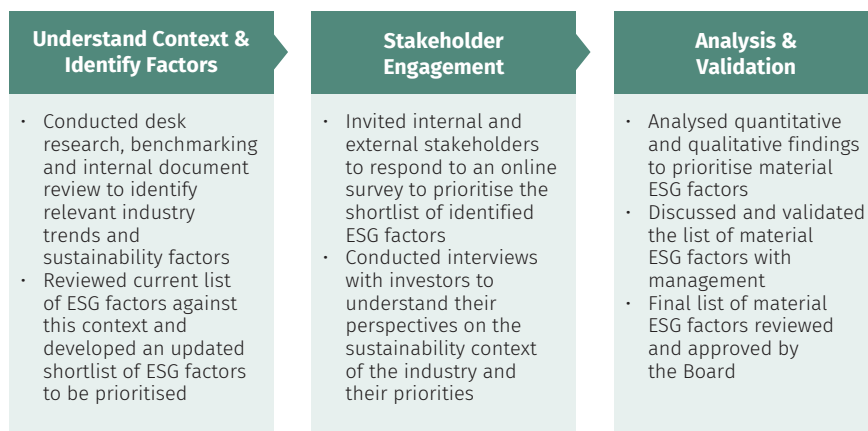
As part of the Manager’s commitment to sustainability, ESG factors are incorporated into senior management’s corporate scorecard and linked to remuneration.

### MATERIALITY ASSESSMENT

The Manager undertakes regular materiality assessments to identify and review the ESG factors most significant to Keppel DC REIT’s business, stakeholders, and external impacts on the economy, environment and people.

A comprehensive materiality assessment was last conducted in 2021 by an independent sustainability consultancy. The

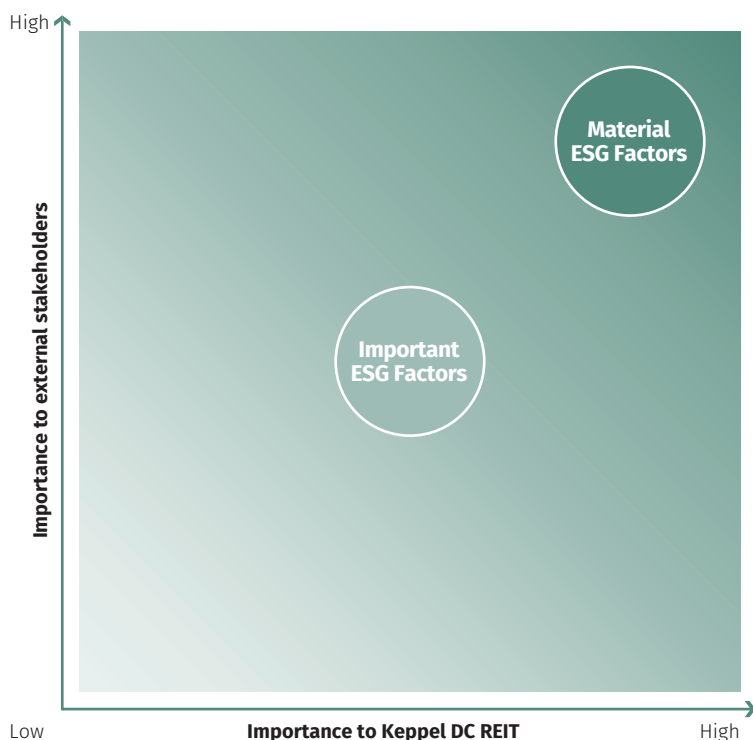
### Materiality Assessment Process



materiality assessment was conducted in three stages, with in-depth engagement with both internal and external stakeholders.

In 2023, management and the Board reviewed the material ESG factors and determined that all material factors identified previously remain relevant.

### PRIORITISATION OF ESG FACTORS



#### Material ESG Factors

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

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

#### Important ESG Factors

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







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

Note: The factors are arranged in alphabetical order.

# Approach to Sustainability

## ESG TARGETS AND COMMITMENTS

This section summarises Keppel DC REIT’s key targets and commitments, and its performance. In support of the UN Sustainable Development Goals (SDGs), and the 2030 Agenda for Sustainable Development, the Manager has incorporated eight SDGs as a supporting framework to supplement its sustainability strategy. To ensure progress and accountability, the Manager has set short-term (2025) and medium to long-term (beyond 2025) targets and commitments for Keppel DC REIT’s material ESG factors.

Environmental Stewardship				
ESG Factor	UN SDGs	Targets/Commitments	Performance and Progress in 2023	Page
Climate Change Adaptation		<ul style="list-style-type: none"> <li>Align reporting with the recommendations of the TCFD</li> </ul>	<ul style="list-style-type: none"> <li>Further progress was made in 2023 to adopt the recommendations of TCFD, with a focus on enhancing Keppel DC REIT’s climate scenario analysis through quantification of selected physical risks.</li> <li>Keppel DC REIT is also carrying out a quantitative assessment of key transition risks. This builds on previous qualitative assessments to identify potential material risks and opportunities for the portfolio.</li> </ul>	77 to 82
		<ul style="list-style-type: none"> <li>Progressively reduce combined Scope 1 and Scope 2 emissions with an aim to halve this by 2030 from a 2019 baseline</li> </ul>	<ul style="list-style-type: none"> <li>In 2023, Keppel DC REIT’s combined Scope 1 and Scope 2 emissions were 64,345 tCO<sub>2</sub>e, which is 7.1% lower than 2022 levels.</li> </ul>	74 to 77
Energy		<ul style="list-style-type: none"> <li>Introduce renewable energy<sup>1</sup> (RE) to at least 50% of the colocation assets by 2030, as well as encourage RE use at all other portfolio assets</li> </ul>	<ul style="list-style-type: none"> <li>RE has been procured for approximately 17% of total electricity consumed at colocation assets.</li> <li>RE is procured by clients at all of the portfolio’s master lease assets in Europe.</li> </ul>	76 to 77
		<ul style="list-style-type: none"> <li>Achieve at least a 10% reduction in effective power usage effectiveness (PUE<sup>2</sup>) for colocation assets that undergo major asset enhancement<sup>3</sup> works, by 2025 from a 2019 baseline</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>	76 to 77
Waste Management		<ul style="list-style-type: none"> <li>Responsible waste management and minimise waste generation</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>	82 to 83
Water Management		<ul style="list-style-type: none"> <li>Responsible water management and reduce water consumption</li> </ul>	<ul style="list-style-type: none"> <li>In 2023, total water consumption was 514.4 ML, a 14.0% decrease from 2022.</li> </ul>	83
Responsible Business				
Building and Service Quality	 	<ul style="list-style-type: none"> <li>Obtain and maintain green certification for all Singapore colocation assets by 2025 and obtain green certification for all colocation assets by 2030</li> </ul>	<ul style="list-style-type: none"> <li>Maintained green certifications for 80% (4 out of 5 buildings) of Singapore colocation assets.</li> <li>Attained LEED v4.1 Operations and Maintenance (Existing Buildings) Gold Award at KDC DUB 1 and 2.</li> <li>Achieved and/or maintained various sustainability and ISO certifications.</li> </ul>	86 to 88
		<ul style="list-style-type: none"> <li>Achieve an above satisfactory score for the Annual Customer Satisfaction Survey<sup>4</sup></li> </ul>	<ul style="list-style-type: none"> <li>Achieved</li> </ul>	86 to 88
		<ul style="list-style-type: none"> <li>Achieve zero client dissatisfaction over the physical security of all colocation properties in the Annual Customer Satisfaction Survey</li> </ul>	<ul style="list-style-type: none"> <li>Achieved</li> </ul>	86 to 88

<sup>1</sup> This includes exploring the use of solar powered ancillary equipment.

<sup>2</sup> Power usage effectiveness is a ratio that describes how efficiently a data centre uses energy. The lower the PUE, the better the energy efficiency of the data centre.

<sup>3</sup> Major asset enhancement – any capex above \$1 million targeted at enhancing asset value and/or revenue but excludes repairs, maintenance and replacement.

<sup>4</sup> Ratings based. A scale of 1 – 5 is used in the survey. The higher the score, the more satisfied the client is with Keppel DC REIT’s assets.

ESG Factor	UN SDGs	Targets/Commitments	Performance and Progress in 2023	Page
<b>Corporate Governance</b>		<ul style="list-style-type: none"> <li>Uphold strong corporate governance, robust risk management, as well as timely and transparent communications with stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>In compliance</li> </ul>	84 to 86
<b>Cybersecurity and Data Privacy</b>		<ul style="list-style-type: none"> <li>Uphold high standards of cybersecurity and data protection best practices through the Keppel Cybersecurity governance structure</li> <li>Zero incidents of data breaches and non-compliance with data privacy laws</li> </ul>	<ul style="list-style-type: none"> <li>In compliance</li> </ul>	88 to 89
<b>Economic Sustainability</b>		<ul style="list-style-type: none"> <li>Generate sustainable distributions and economic value</li> </ul>	<ul style="list-style-type: none"> <li>Delivered resilient financial performance for FY 2023, with DPU of 9.383 cents.</li> </ul>	84
<b>Ethics and Integrity</b>		<ul style="list-style-type: none"> <li>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</li> </ul>	<ul style="list-style-type: none"> <li>In compliance</li> </ul>	85 to 86
<b>Sustainable Supply Chain Management</b>		<ul style="list-style-type: none"> <li>Sustainable supply chain management</li> </ul>	<ul style="list-style-type: none"> <li>In compliance</li> </ul>	89
<b>People and Community</b>				
<b>Community Development and Engagement</b>		<ul style="list-style-type: none"> <li>Engage with local communities and contribute to Keppel FM&amp;I's target of &gt;500 hours of staff volunteerism in 2023</li> </ul>	<ul style="list-style-type: none"> <li>The Manager, as part of Keppel FM&amp;I, dedicated over 900 hours to community outreach activities and donated \$30,500 in contributions to the Keppel Care Foundation in 2023<sup>5</sup>.</li> <li>In 2024, the Manager strives to continue to contribute to Keppel FM&amp;I's target of over 500 hours of staff volunteerism to aid and engage the local communities.</li> </ul>	96
<b>Diversity and Inclusion</b>		<ul style="list-style-type: none"> <li>Have female directors represent at least 25% of the Board by 2025</li> </ul>	<ul style="list-style-type: none"> <li>Achieved</li> <li>The Manager targets to maintain gender diversity by ensuring that approximately 30% of the Board will comprise female directors.</li> </ul>	94
<b>Employee Health and Wellbeing</b>		<ul style="list-style-type: none"> <li>Provide a safe and healthy environment for all stakeholders, adopting the Keppel Zero Fatality Strategy to achieve a zero-fatality workplace</li> </ul>	<ul style="list-style-type: none"> <li>In compliance</li> </ul>	94 to 95
<b>Human Capital Management</b>		<ul style="list-style-type: none"> <li>Achieve at least an average of 20 training hours per employee in 2023</li> </ul>	<ul style="list-style-type: none"> <li>Achieved an average of 31.8 training hours per employee in 2023.</li> <li>In 2024, the Manager strives to achieve at least an average of 20 training hours per employee.</li> </ul>	90 to 94
		<ul style="list-style-type: none"> <li>Conduct employee engagement surveys to track and enhance employee engagement</li> </ul>	<ul style="list-style-type: none"> <li>The engagement score for 2023 remained strong at above 80%.</li> <li>In 2024, the Manager will continue conducting engagement surveys to track and enhance employee engagement.</li> </ul>	90 to 94

<sup>5</sup> Based on the tax-deductible receipt dated 2 August 2023.



# Approach to Sustainability

## INDUSTRY MEMBERSHIPS

### RATERS AND RANKERS



In 2023, Keppel DC REIT maintained its 'AA' rating in the MSCI ESG Ratings assessment<sup>1</sup>.



Achieved 3 Star rating and Green Star status for 2023 GRESB Real Estate Assessment submission and 'A' for Public Disclosure Assessment in 2023.



Achieved a 'B-' rating for inaugural submission for the full CDP Climate Change Questionnaire 2023.

### SIGNATORY



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



Keppel DC Ireland 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.



Keppel DC Ireland is a signatory of the European Code of Conduct for Data Centres, a voluntary standard that focuses on encouraging energy-efficient best practices.

### MEMBERSHIPS

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

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



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



Securities Investors Association (Singapore)

The Manager, through Keppel, works with the Securities Investors Association (Singapore) in its efforts to empower the investment community through continuous investor education and outreach.

**United Nations Global Compact**

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

<sup>1</sup> 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

The Manager engages with key stakeholders on an ongoing basis through various platforms to gain insights into their concerns and expectations. The identification of key stakeholder groups is determined by whether, and the level to which, they may be potentially impacted by Keppel DC REIT's operations and ESG performance.

The Manager communicates its ESG performance and incorporates stakeholder feedback into its sustainability strategy.

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

<p><b>Investors</b> </p> <p><b>Key Topics</b></p> <ul style="list-style-type: none"> <li>• Business strategy and corporate developments</li> <li>• Financial and portfolio performance</li> <li>• ESG strategy and performance</li> </ul> <p><b>Objectives of Engagement</b></p> <p>Ensure timely and accurate disclosure of information</p> <p><b>Engagement Platforms</b></p> <ul style="list-style-type: none"> <li>• Annual and sustainability reports</li> <li>• Corporate website</li> <li>• Email feedback</li> <li>• General meetings</li> <li>• Investor presentations</li> <li>• Media releases</li> <li>• Quarterly teleconferences or webcasts</li> <li>• Regular meetings and conference calls</li> <li>• SGX announcements</li> </ul>	<p><b>Clients</b> </p> <p><b>Key Topics</b></p> <ul style="list-style-type: none"> <li>• Building and service quality</li> <li>• Health, safety and environmental matters</li> </ul> <p><b>Objectives of Engagement</b></p> <p>Build deep relationships with existing and prospective clients</p> <p><b>Engagement Platforms</b></p> <ul style="list-style-type: none"> <li>• Annual survey</li> <li>• Onsite audits</li> <li>• In-person and virtual meetings</li> <li>• Industry conferences</li> </ul>	<p><b>Business Partners</b> </p> <p><b>Key Topics</b></p> <ul style="list-style-type: none"> <li>• Compliance</li> <li>• Collaboration</li> <li>• Health, safety and environmental matters</li> </ul> <p><b>Objectives of Engagement</b></p> <p>Align business partners to Keppel values to enhance operational resilience</p> <p><b>Engagement Platforms</b></p> <ul style="list-style-type: none"> <li>• Regular meetings</li> <li>• Safety and operations workshops</li> <li>• Annual reviews and feedback sessions</li> </ul>
<p><b>Governments and Regulatory Bodies</b> </p> <p><b>Key Topics</b></p> <ul style="list-style-type: none"> <li>• Adherence to rules and regulations</li> <li>• Consultation on policies regarding the REIT sector</li> <li>• Communication on industry/sector trends including sustainability</li> </ul> <p><b>Objectives of Engagement</b></p> <p>Collaborate on topics of mutual interest</p> <p><b>Engagement Platforms</b></p> <ul style="list-style-type: none"> <li>• Meetings</li> <li>• Consultation exercises and surveys</li> </ul>	<p><b>Local Communities</b> </p> <p><b>Key Topics</b></p> <ul style="list-style-type: none"> <li>• Community engagement</li> <li>• Sharing of industry insights and knowledge</li> </ul> <p><b>Objectives of Engagement</b></p> <ul style="list-style-type: none"> <li>• Understand and support community needs</li> <li>• Build lasting positive relationships</li> </ul> <p><b>Engagement Platforms</b></p> <ul style="list-style-type: none"> <li>• Community outreach activities</li> <li>• Promote and organise community-related activities</li> <li>• Participation in industry events and/or talks</li> </ul>	<p><b>Employees</b> </p> <p><b>Key Topics</b></p> <ul style="list-style-type: none"> <li>• Employees' personal and professional growth</li> <li>• Sharing of ideas</li> <li>• Build culture of recognition and appreciation</li> </ul> <p><b>Objectives of Engagement</b></p> <ul style="list-style-type: none"> <li>• Build talent pool through continuous investments in training and development, as well as employee wellbeing and welfare</li> <li>• Enhance careers through self-directed learning</li> <li>• Inspiring others through leading by example</li> </ul> <p><b>Engagement Platforms</b></p> <ul style="list-style-type: none"> <li>• Dialogue sessions with senior leaders</li> <li>• Annual employee engagement survey</li> <li>• Appreciation month</li> <li>• Physical, mental and financial wellbeing month</li> <li>• Staff communication sessions</li> <li>• Leadership programmes</li> <li>• Team building activities</li> <li>• Dinner and dance</li> <li>• Involvement in different employee interest groups</li> </ul>

# ENVIRONMENTAL STEWARDSHIP

To reduce emissions and other environmental impact, the Manager is committed to optimising operational efficiencies and tapping on renewable energy sources where possible.

The Manager adheres to the Monetary Authority of Singapore Guidelines on Environmental Risk Management and looks to continuously improve Keppel DC REIT's environmental footprint and impact wherever possible. Actions taken include integrating environmental sustainability considerations into business decisions, conducting due diligence on environmental risks relevant to each location such as flooding and contamination as well as evaluating opportunities to enhance energy efficiency and climate risk mitigation where possible. These assessments are incorporated as part of the investment considerations prior to any acquisition. Environmental and climate events impacting the portfolio are also monitored on a regular basis.

Refer to the Keppel Environmental Sustainability Policy for more information on policies and commitments.

## **EMISSIONS AND ENERGY Management Approach**

The Manager seeks to uphold its commitment as a responsible corporate citizen and support climate action and the transition to a low-carbon economy.

This involves an ongoing assessment of the feasibility of integrating energy-efficient equipment and technologies, studying the use of advanced energy management practices such as artificial intelligence for predictive machine learning, and deploying energy optimisation measures. All Singapore and Dublin colocation facilities maintained ISO 50001 certifications for energy management systems and ISO 14001 certifications for environmental management systems, ensuring sustainable environmental performance while upholding operational resilience and zero downtime, enabling the Manager to identify opportunities for further energy optimisation.

Keppel DC Ireland, a signatory of the Climate Neutral Data Centre Pact, collaborates with consultants and peers to minimise energy consumption and achieve climate neutrality by 2030.



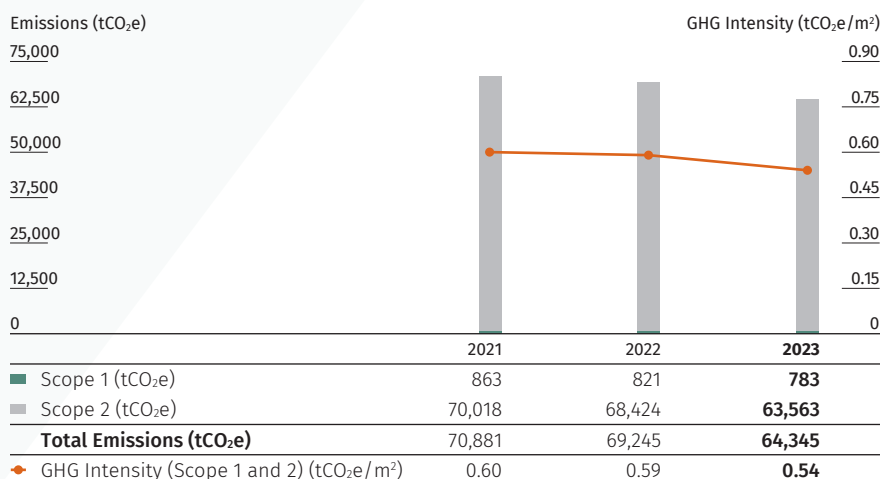
Renewable energy continues to be procured for the Dublin assets, with both facilities receiving the LEED v4.1 Operations and Maintenance (Existing Buildings) Gold Award, a standard for green building design, construction, operations and performance, in 2023.

### Performance and Progress Greenhouse Gases (GHG) Emissions

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

In 2023, total Scope 1 and 2 GHG emissions were 64,345 tCO<sub>2</sub>e, a 7.1% year-on-year decrease from 2022. This was largely due to an interim electricity usage reduction from the cooling equipment owned by the Manager as a result from a major client's ongoing upgrading works. Consequently, GHG emissions reduced by 13.6% compared to base year 2019 and GHG intensity declined to 0.54 tCO<sub>2</sub>e/m<sup>2</sup> in 2023. The procurement of renewable energy at KDC DUB 1 and KDC DUB 2 resulted in 26,190 tCO<sub>2</sub>e of avoided emissions in 2023.

#### TOTAL SCOPE 1 AND 2 GHG EMISSIONS (tCO<sub>2</sub>e)



#### 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<sub>2</sub>), methane (CH<sub>4</sub>), and nitrous oxide (N<sub>2</sub>O), with totals expressed in units of tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e).

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

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

Scope 2 GHG emissions exclude energy consumption at KDC DUB 1 and KDC DUB 2 as renewable energy is procured at these assets.

Keppel DC REIT uses 2019 as the base year for its emissions benchmarking.

# Environmental Stewardship

## TOTAL GHG EMISSIONS IN 2023 (tCO<sub>2</sub>e)

Scope 1 (Direct emissions) <sup>1</sup>	783
Scope 2 (Indirect emissions) <sup>2</sup>	63,563
Scope 3 (Indirect emissions) <sup>3</sup>	138,219
<b>Total</b>	<b>202,565</b>

Notes:

<sup>1</sup> Fuel (diesel) consumption.

<sup>2</sup> Use of electricity.

<sup>3</sup> Based on the nine relevant categories for Keppel DC REIT.

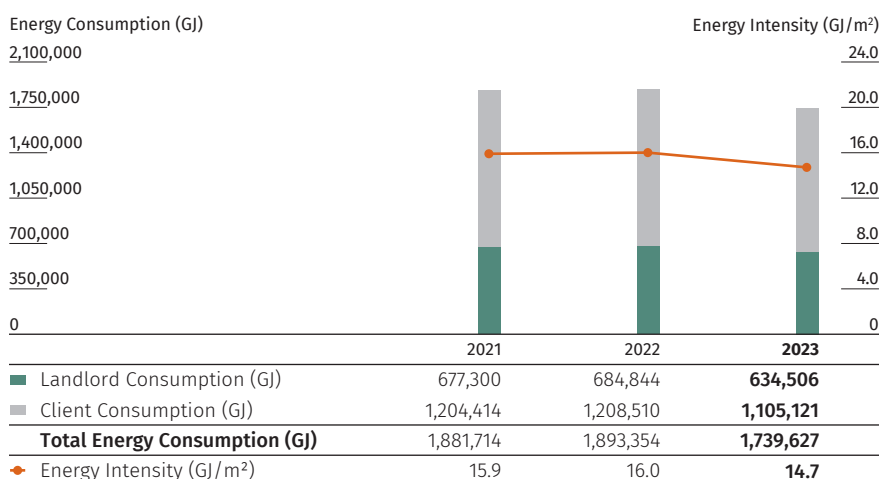
Scope 3 Category	Emissions in 2023 (tCO <sub>2</sub> e)
Purchased goods and services	2,409
Capital goods	3,504
Fuel and energy related activities	20,674
Upstream transportation and distribution	833
Waste generated in operations	33 <sup>1</sup>
Business travel	150 <sup>2</sup>
Employee commuting	8
Downstream leased assets	107,702
Investments	2,907

Notes:

<sup>1</sup> Total emissions for Scope 3 category 'Waste Generated in Operations' in 2022 and 2021 have been restated to 33 tCO<sub>2</sub>e and 33 tCO<sub>2</sub>e respectively to factor in replacement of previous estimates with actual data and improvement in data collection methodology.

<sup>2</sup> Total emissions for Scope 3 category 'Business Travel' in 2022 has been restated to 142 tCO<sub>2</sub>e due to a previously unaccounted portion now included in the final calculations.

## TOTAL ENERGY CONSUMPTION (Gj)



Notes:

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

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

The Scope 3 categories relevant to Keppel DC REIT's business are disclosed on the left.

## Energy

In 2023, total energy consumption amounted to 1,739,627 Gj, reflecting a decrease of 8.1% year-on-year. Correspondingly, energy usage intensity, measured by gross floor area, declined to 14.7 Gj/m<sup>2</sup> in 2023 from 16.0 Gj/m<sup>2</sup> a year ago.

99.4% of Keppel DC REIT's energy consumption in 2023 was attributable to the use of electricity, and 0.6% from diesel consumption from backup generators. All of the electricity consumed at KDC DUB 1 and KDC DUB 2 was procured from renewable sources.

The Manager is working towards progressively reducing its combined Scope 1 and 2 emissions in the medium to long term, with an aim to halve this by 2030 from a 2019 baseline. To address Scope 2 emissions, the Manager targets to introduce RE to at least 50% of its colocation assets by 2030. Enabling this target are initiatives exploring

## Energy Optimisation Measures



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

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

Manage factors affecting envelope thermal transfer value

Install LED lights and motion sensors to reduce electricity usage

Calibrate equipment test durations to optimise diesel consumption

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

the use of solar-powered ancillary equipment and the procurement of renewable energy. In instances where major asset enhancement works above \$1 million in capital expenditure are undertaken, the Manager has set an additional target of achieving at least a

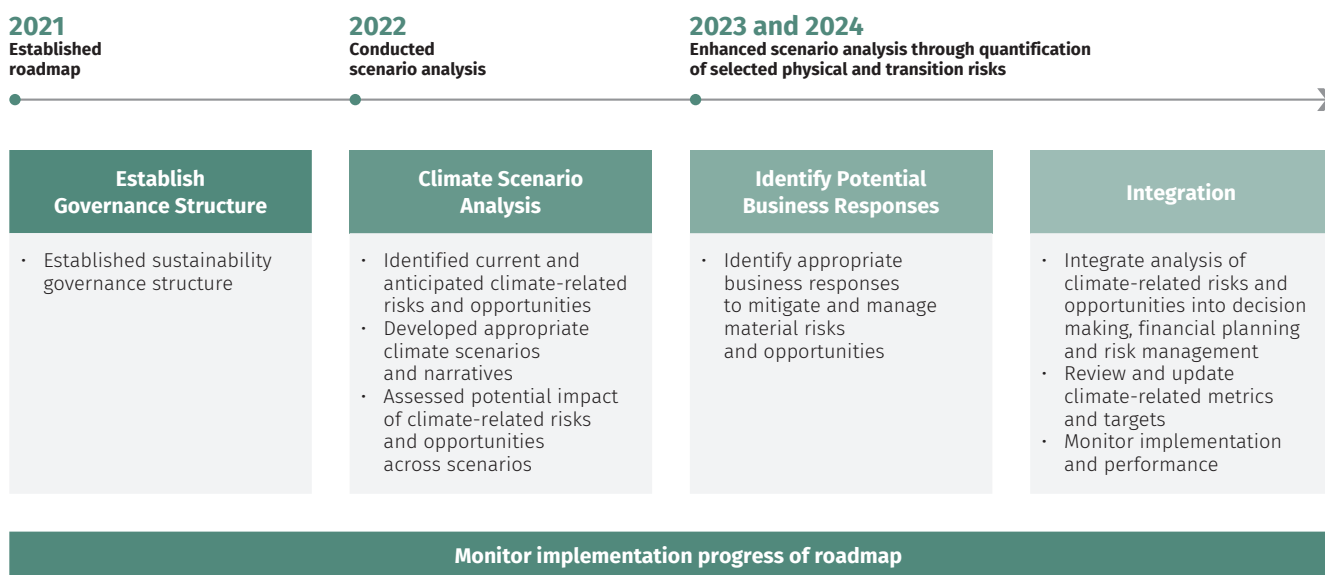
10% reduction in effective PUE by 2025 from a 2019 baseline.

Moving forward, the Manager will continue to leverage technology and innovation to optimise operational efficiencies, reduce environmental impacts and meet its emission targets.

### CLIMATE CHANGE ADAPTATION

The Manager made further progress in 2023 to adopt the TCFD recommendations, enhancing the scenario analysis with more quantitative outcomes of Keppel DC REIT's climate-related risks and opportunities.

## Keppel DC REIT's Approach to Climate Change Adaptation



### Governance

Please refer to page 68 for more information on Keppel DC REIT's sustainability governance structure.

Across Keppel DC REIT, senior management provides oversight and executive decision-making regarding all ESG topics. The table on the right outlines the specific responsibilities of each team in relation to the assessment and management of climate-related issues.

### SUSTAINABILITY COMMITTEE

Teams	Responsibilities
<b>Asset Management</b>	<ul style="list-style-type: none"> <li>Drive implementation of climate-related mitigation and adaptation initiatives across assets</li> <li>Engage with property managers and clients to identify potential ESG topics and implement mitigating measures</li> </ul>
<b>Finance</b>	<ul style="list-style-type: none"> <li>Assess financial implications of climate-related risks and opportunities, and integrate climate-related risks into financial reporting</li> </ul>
<b>Investment</b>	<ul style="list-style-type: none"> <li>Integrate ESG considerations into evaluation of opportunities to ensure long-term resilience and alignment with sustainability targets</li> </ul>
<b>Investor Relations and Sustainability</b>	<ul style="list-style-type: none"> <li>Articulate ESG strategy, achievements and progress</li> <li>Understand investors' ESG requirements and incorporate them into the portfolio, as relevant</li> <li>Benchmark against peers and industry leaders, to understand and implement best practices, as relevant</li> </ul>
<b>Human Resources</b>	<ul style="list-style-type: none"> <li>Develop strategies related to talent management, capacity building and engagement in relation to ESG</li> </ul>
<b>Legal</b>	<ul style="list-style-type: none"> <li>Ensure strategies and disclosures are in compliance with relevant laws and manage legal and regulatory risks</li> </ul>
<b>Portfolio Management</b>	<ul style="list-style-type: none"> <li>Set overall direction and targets related to sustainability and climate change including the identification and assessment of climate and sustainability-related risks</li> <li>Develop and update sustainability roadmap</li> <li>Assess portfolio performance to ensure alignment with sustainability targets across the portfolio</li> <li>Management of ESG data across assets</li> </ul>
<b>Risk and Compliance</b>	<ul style="list-style-type: none"> <li>Integrate climate and sustainability-related risks into overall enterprise risk management</li> <li>Develop risk mitigation strategies</li> </ul>

# Environmental Stewardship

## Strategy

Keppel DC REIT conducted a climate scenario analysis and qualitative assessment in 2021 and 2022 to identify potential material climate-related risks and opportunities. In 2023, the Manager progressed towards quantifying the potential financial impact from physical risks. Based on the quantitative physical risks assessment in a 2023 to 2030 time horizon, Keppel DC REIT’s current portfolio remains resilient, across all potential climate scenarios.

Moving forward, the Manager seeks to enhance the comprehensiveness of its assessment through the quantification of transition risks. The process of quantifying transition risks has commenced, beginning with the risks prioritised based on its potential financial impact and data availability.

The Manager regularly reviews measures to ensure the adequacy in addressing the potential impacts of both physical and transition risks. The details of the enhanced scenario analysis are presented below.

## SCENARIO ANALYSIS

Scenario analysis acts as an essential decision-making tool. It does not constitute a forecast or prediction but is utilised to stress-test the resilience of current strategies, assets and projected transition plans against plausible futures. Scenario analysis may also be used to identify the need to strengthen portfolio resilience and capacity to capitalise on potential opportunities.

## Physical Risk Assessment

### Methodology

In 2022, eight of Keppel DC REIT’s assets were assessed as part of its physical climate risk assessment<sup>1</sup>. 11 individual physical risks variables comprising a mix of chronic and acute risks were identified.

Aligned with best practices, Keppel DC REIT’s assessment was conducted using a combination of both publicly available data and internal asset-specific data. Pathways were selected in alignment with the TCFD

recommendations, requiring companies to consider a 2°C or lower scenario with higher transition risks and a scenario with increased physical climate-related risks.

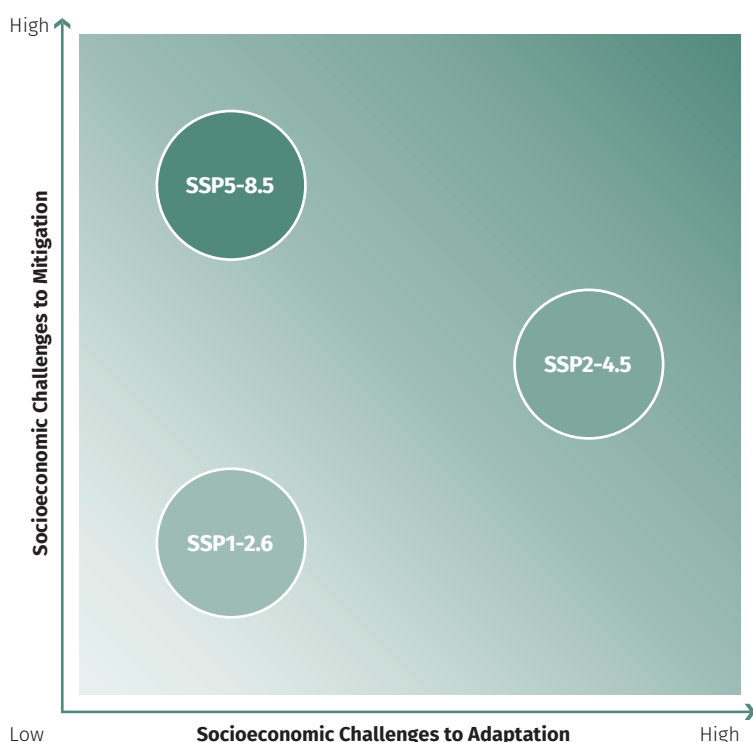
The three scenarios selected were analysed across three key geographies (Singapore, Australia and Ireland) for a period from 2023 to 2030. In view of the dynamic business landscape, the Manager also included longer term time frames in the analysis and continues to evaluate the potential impact beyond 2030.

External Data	Internal Data
<b>Data Sources</b>	
<ul style="list-style-type: none"> <li>Data from Climate Insights from CLIMsystems comprising Global Climate Models of the coupled model intercomparison project for periods from 2005 to 2030 for the selected Shared Socioeconomic Pathways (SSPs) scenarios SSP1-2.6, SSP2-4.5 and SSP5-8.5 from the latest Intergovernmental Panel on Climate Change Sixth Assessment Report</li> <li>Country/location-specific historical climate and weather data</li> </ul>	<ul style="list-style-type: none"> <li>Building characteristics (such as building types and materials)</li> <li>Building asset value<sup>2</sup></li> </ul>
<b>Key Assumptions</b>	
The model considers the following assumptions: <ul style="list-style-type: none"> <li>No changes in portfolio of assets</li> <li>No implementation of mitigations</li> </ul>	
<b>Limitations</b>	
The assessment includes current assets and does not contain: <ul style="list-style-type: none"> <li>Assets acquired after the point of assessment</li> </ul>	

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

<sup>2</sup> Asset value is inclusive of the land value.

## SELECTED SHARED SOCIOECONOMIC PATHWAYS



### SSP5-8.5

- Current CO<sub>2</sub> emissions projected to double by 2050
- Fossil-fueled development
- High temperature increase of 4.4°C by 2100







### SSP2-4.5

- Delayed emissions reduction
- Slow progress made by governments and businesses toward sustainability
- Moderate temperature increase of 2.7°C by 2100

### SSP1-2.6

- Severe emissions reduction
- Inclusive development that respects environmental boundaries
- Limited temperature increase, below 2°C by 2100

## QUALITATIVE PHYSICAL RISK ASSESSMENT

Risk Description	Description of Potential Business Impact	Business Response
 <b>Extreme precipitation</b> Exposure of assets to substantial exceedance in the amount of rainfall delivered.	<ul style="list-style-type: none"> <li>• Destruction of built and natural environment</li> <li>• Reduced accessibility or function of building for users, impacting productivity</li> </ul>	<ul style="list-style-type: none"> <li>• Flood risk evaluation is an integral part of data centre site selection to avoid flood-prone and coastal sites</li> <li>• Onsite facility managers actively monitor climate, and implement systems to prevent disruptions where possible</li> <li>• Regular assessment of options for retrofitting and improving existing assets, such as installation/enhancement of drainage systems, water leak sensors, and building elevation</li> </ul>
 <b>Extreme water level</b> Coastal extreme sea-level elevations occurring with a confluence of events such as storms, high tides, and sea level change.		
 <b>Mean sea level rise</b> Location-specific variations in sea-level changes influenced by factors such as vertical land movement and regional ocean currents.		
 <b>Extreme temperature</b> Unexpected severe temperature variations above or below normal conditions.	<ul style="list-style-type: none"> <li>• Increased energy and water consumption costs</li> <li>• Business disruptions resulting in penalties</li> <li>• Health and safety risks due to human discomfort</li> <li>• Reduced building material durability, thus affecting indoor climate</li> </ul>	<ul style="list-style-type: none"> <li>• Monitor indoor temperatures and adjust cooling systems as needed</li> <li>• Regular maintenance with planned technical refresh or end-of-life replacements of cooling systems to optimise efficiency replacements</li> <li>• Manage envelope thermal transfer to enhance overall efficiency, minimising building heat absorption</li> </ul>
 <b>Heat wave days</b> Persistent period of high temperatures.		
 <b>Fire risk</b> Increased potential and frequency of fire-related risks associated with warmer, and low moisture conditions due to climate change.	<ul style="list-style-type: none"> <li>• Destruction of built and natural environment</li> <li>• Economic losses for repairs or business interruption losses not covered by insurance</li> </ul>	<ul style="list-style-type: none"> <li>• Prioritise evaluation of fire risks in data centre site selection and design process. Minimise vegetation around data centres to reduce potential fire spread</li> <li>• Business continuity plans in place to address potentially affected operational conditions, with insurance coverage reviewed as necessary</li> </ul>



# Environmental Stewardship

## Quantitative Physical Risk Assessment Results

Based on the identified material physical risks, the estimated average annual incremental value at risk from damages (VaRD) from 2023 up to 2030 ranges from \$5 million to \$6 million across the three scenarios and are not financially material in the short term. The calculations were based on the whole asset valuation, including both the building and land values. Thus, if only the building values were considered, the VaRD values would be lower. In addition, these results do not account for mitigation measures (such as repairs,

maintenance, upgrading of assets to adapt to potential damages) which would lower the VaRD and assume a consistent portfolio.

VaRD represents the possible financial losses stemming from repairs needed as a result of physical climate damages. The VaRD calculation assumed a consistent portfolio, that revenue and site values remain unchanged, and does not account for mitigation measures.

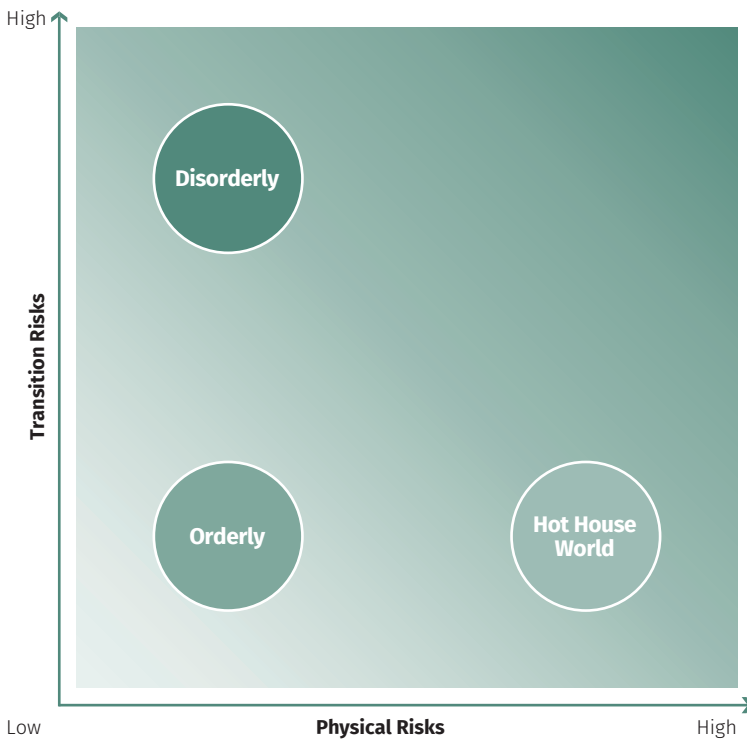
The results are not a financial forecast, but instead provide an understanding of the trajectory of potential financial exposure to

physical risks that can be referenced and factored into decision-making and financial planning.

## Transition Risks and Opportunities Assessment Methodology

In 2022, Keppel DC REIT conducted a qualitative transition risk assessment. The assessment considered selected scenarios from the Network for Greening the Financial System (NGFS) and incorporates information on other factors from established data sources<sup>1</sup>. This enables Keppel DC REIT to better assess the evolving implications on the REIT and its operations in various potential futures.

## SELECTED NGFS SCENARIOS



### Disorderly

#### Delayed transition

- Divergent introduction of climate policies across nations
- Annual emissions do not decrease until 2030
- Strong policies introduced after 2030 to limit warming to below 2°C

### Orderly

#### Net Zero 2050






- Immediate introduction of climate policies globally
- Limit global warming to 1.5°C from 2020 to 2030

### Hot House World

#### Current policies

- Limited climate policies introduced globally
- Significant global warming
- Increased exposure to physical risks leads to irreversible impact

<sup>1</sup> Keppel DC REIT referenced indicators and projections from the Intergovernmental Panel on Climate Change and NGFS databases.

QUALITATIVE TRANSITION RISK ASSESSMENT		
Risk Description	Description of Potential Business Impact	Business Response
<b>Regulatory</b>		
 <p><b>Increasing price of carbon</b> Direct/indirect exposure to carbon tax in Singapore, Australia and Ireland due to current and future potential legislation.</p>	<ul style="list-style-type: none"> <li>Increased operating costs due to both direct and indirect carbon taxes from electricity consumption</li> <li>Loss of clients seeking alternative low-carbon operators</li> </ul>	<ul style="list-style-type: none"> <li>Reduce reliance on carbon intensive fuels through the procurement of RE</li> <li>Commitment to emissions reduction and energy optimisation initiatives such as regular maintenance, overhauls and end-of-life replacements of equipment</li> <li>Active assessment of impact of carbon tax on both current portfolio and future potential investments</li> </ul>
 <p><b>Enhanced reporting obligations</b> SGX has mandated climate reporting. Other planned initiatives to strengthen climate reporting include International Sustainability Standards Board (ISSB)-aligned climate-related disclosures from financial year 2025.</p>	<ul style="list-style-type: none"> <li>Additional costs to hire and upskill employees to maintain continued compliance with regulations</li> <li>Potential financial penalties for non-compliance and associated reputational damage</li> </ul>	<ul style="list-style-type: none"> <li>Keppel DC REIT is compliant with current Singapore listing obligations and reports in accordance with GRI reporting standards</li> <li>Actively monitor the development of relevant regulations and reporting frameworks</li> <li>Continuously upskill and develop in-house reporting capabilities</li> </ul>
 <p><b>Stricter building/sector regulations</b> Building sector regulations and performance standards are likely to progressively increase, becoming more stringent over time globally.</p>	<ul style="list-style-type: none"> <li>Increased retrofitting costs to upgrade existing buildings to meet new standards</li> <li>Increased capital expenditures to invest in cleaner technologies</li> <li>Non-compliance may lead to financial penalties and associated reputational damage</li> </ul>	<ul style="list-style-type: none"> <li>Keppel DC REIT is compliant with current building sector regulations, possessing various green certifications</li> <li>Regular maintenance and portfolio optimisation efforts to maintain green certifications and look to future-proof assets</li> </ul>
<b>Market</b>		
 <p><b>Revenue loss due to increase in cost</b> Increase in electricity costs may lead to revenue loss.</p>	<ul style="list-style-type: none"> <li>Lower profits due to higher operating costs</li> <li>Revenue loss due to clients' preference for more energy efficient data centres</li> </ul>	<ul style="list-style-type: none"> <li>Commitment to emissions reduction and energy optimisation initiatives such as regular maintenance, overhauls and end-of-life replacements of equipment</li> <li>Reduce reliance on carbon intensive fuels through the procurement of RE</li> </ul>
<b>Reputation</b>		
 <p><b>Change in stakeholder (client and investor) expectations</b> Increased demand for low/net zero data centres to align investor climate ambitions with the Paris Agreement.</p>	<ul style="list-style-type: none"> <li>Reduced capital availability due to failure to meet stakeholder expectations</li> <li>Decreased revenue as more clients opt for low carbon buildings</li> </ul>	<ul style="list-style-type: none"> <li>Majority of Keppel DC REIT's colocation properties have obtained green certifications</li> <li>Commitment to energy optimisation initiatives</li> <li>Increase RE usage</li> <li>Actively engage with stakeholders to understand preferences and incorporate changes where relevant and feasible</li> </ul>

### Quantification of Transition Risks and Opportunities

Building upon the completion of the qualitative transition risk assessment, Keppel DC REIT is now in the phase of quantifying the potential financial impact of the identified transition risks, with reference to the UN Environment Programme Finance Initiative guidance<sup>2</sup>, including exposure to the increasing price of carbon and increasing energy costs, to enhance its understanding and improve the comprehensiveness of its assessment of the potential financial exposure related to climate-related risks and opportunities.

Aligned with the qualitative assessment, the quantification analysis and modelling will consider science-based projections and indicators of the selected scenarios from the NGFS and incorporates information on other factors from established data sources<sup>3</sup>. The model will take into account the evolving consumption patterns of Keppel DC REIT's assets and its 2030 energy and emission targets. This enables the Manager to better assess the evolving implications on the REIT and its operations, stress testing Keppel DC REIT's strategy and resilience with the most extreme potential futures including i) Net Zero 2050 and ii) Current Policies scenario.

Through its enhanced understanding of its potential financial exposure to climate-related risks and opportunities from the results of ongoing and completed climate scenario analyses, Keppel DC REIT has initiated the process to develop a transition plan outlining the measures to holistically address climate-related risks and opportunities, building on previous and ongoing mitigation and adaptation efforts.





### Risk Management

The Enterprise Risk Management (ERM) Framework governed by Keppel DC REIT's System of Management Controls (KSMC) is a holistic and systematic approach to risk management.

<sup>2</sup> UNEP Finance Initiative, "Beyond the Horizon: New Tools and Frameworks for Transition Risk Assessments from UNEP FI's TCFD Banking Programme".

<sup>3</sup> Keppel DC REIT referenced indicators and projections from the Intergovernmental Panel on Climate Change and NGFS databases.

## Environmental Stewardship

OPPORTUNITIES		
Opportunity Description	Description of Potential Business Impact	Business Response
 <p><b>Cost savings from tapping on energy-efficient technology and cooling infrastructure</b> Improving energy efficiency can help to reduce operating costs and attract clients in the medium to long-term. It is expected that new sustainable technologies will be introduced and become economically and operationally feasible to implement over time, to help data centres to become more efficient in a net zero world.</p>	<ul style="list-style-type: none"> <li>• Reduced exposure to changes in energy prices</li> <li>• Decreased operating costs due to energy savings</li> <li>• Increased revenue from clients looking for higher energy efficiency/ low-carbon data centres</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to explore and invest in potential energy efficient technologies and initiatives</li> </ul>
 <p><b>Increased access to green capital</b> Increase in demand and supply for green bonds and investments as the number of sustainability-oriented debt and equity investors increase.</p>	<ul style="list-style-type: none"> <li>• Greater access to additional financing sources which can be used to fund energy-efficient initiatives and associated reputational benefits</li> </ul>	<ul style="list-style-type: none"> <li>• Keppel DC REIT has entered into sustainability-linked loans leading to interest cost savings if it meets certain criteria</li> </ul>
 <p><b>Incentives provided by government entities</b> Public sector incentives may likely increase over time to encourage companies to pursue decarbonisation.</p>	<ul style="list-style-type: none"> <li>• Increased access to financing and support for energy efficiency incentives</li> <li>• Improved reputational benefits from government partnerships</li> <li>• Improved energy efficiency</li> </ul>	
 <p><b>Shift in stakeholder (client and investor) expectations</b> Preferences from clients to utilise data centres with green building certifications and sustainability initiatives may improve market competitiveness and lead to increased revenue. Increased investors' interest in companies with an ESG focus.</p>	<ul style="list-style-type: none"> <li>• Increased revenue arising from increased demand for green data centres</li> <li>• Increased access to potential investors that have an ESG focus</li> </ul>	<ul style="list-style-type: none"> <li>• Majority of Keppel DC REIT's colocation properties have obtained green certifications</li> <li>• Actively engage with stakeholders to understand preferences and incorporate changes where relevant and feasible</li> </ul>

KSMC outlines the reporting structure, monitoring mechanisms, specific risk management processes and tools, as well as policies and limits in addressing and managing the key risks that have been identified. These mechanisms guide the Manager in assessing the key risks and identifying mitigating actions. As part of the Manager's ERM process, both physical and transition climate risks are considered and all risks are prioritised. These analyses integrate climate change with other identified business risks, utilising common metrics and indicators to evaluate risks based on magnitude and likelihood, and prioritise the significance of climate change alongside all other risks. The Manager acknowledges the rapidly changing landscape of ESG risks and opportunities and consistently reviews its mitigating actions.

For more information on risk management, please refer to pages 190 to 191.

### Metrics and Targets

Keppel DC REIT continues to track its GHG emissions following the GHG Protocol Corporate Standard and

Corporate Value Chain (Scope 3) Standard using the operational control approach and reports all Scope 1, 2 and relevant Scope 3 emissions. Keppel DC REIT continues to make progress against its roadmap to meet its targets and is actively pursuing various initiatives such as achieving green certifications, purchasing renewable energy where possible, as well as carrying out energy optimisation initiatives.

Keppel DC REIT deploys funds for sustainability related initiatives annually. The progress of these initiatives are monitored as part of the overall strategy to minimise the environmental footprint.

The Manager also adopts Keppel's shadow carbon pricing policy, where applicable, to evaluate major new investment decisions to contribute to climate action, mitigate climate-related risks, prepare for tougher climate legislation, and higher carbon prices, and avoid assets being stranded.

For more information, please refer to pages 74 to 77.

### WASTE MANAGEMENT Management Approach

While operations at the data centres produce minimal waste in its day-to-day operations, the Manager remains steadfast in its commitment to address waste management.

Typically, any significant waste generated is a by-product of renovation works carried out by clients and handled by the clients' appointed contractors. As part of the Manager's commitment to responsible waste management, it engages with clients to reduce, reuse and recycle whenever possible. On-site disposal and recycling bins have been strategically placed at each data centre to encourage proper waste disposal. Waste collection is entrusted to a licensed third-party waste disposal company, who consolidates the waste and recycling data for sharing with the Manager. The Manager also prioritises client contract renewals to limit reinstatement debris.

### Performance and Progress<sup>1</sup>

In 2023, Keppel DC REIT's colocation assets generated a total of 166.2 tonnes of non-hazardous waste. Of this, 100.6 tonnes underwent incineration,

<sup>1</sup> Total non-hazardous waste generated in 2022 and 2021 have been restated to 197.9 tonnes and 187.9 tonnes respectively to factor in replacement of previous estimates with actual data and improvement in data collection methodology. In 2022, 107.9 tonnes underwent incineration, 63.6 tonnes were directed to landfills, and 26.4 tonnes were recycled. In 2021, 115.8 tonnes underwent incineration, 66.0 tonnes were directed to landfills, and 6.1 tonnes were recycled.

58.8 tonnes were directed to landfills, and 6.8 tonnes were successfully recycled. No hazardous waste was generated in 2023.

### WATER MANAGEMENT Management Approach

Data centres use water for chillers and cooling towers to maintain an optimal temperature for equipment to function. As part of responsible water management, the Manager actively monitors water consumption and undertakes measures to reduce water consumption through water conservation efforts and the water-efficient fittings. For example, low flow sanitary appliances and reclaimed stormwater are used at Gore Hill DC, contributing to water reduction and water recycling efforts.

All colocation facilities obtain water through municipal water suppliers, where water use is measured through direct metering. In Singapore, some colocation facilities also use reclaimed wastewater (NEWater) supplied by Singapore’s national water agency, PUB, to reduce its water footprint. All Singapore colocation facilities attained the ISO 46001:2009 Water Efficiency Management Systems certification.

### Performance and Progress

In 2023, total water withdrawal amounted to 514.4 ML, a 14.0% decrease

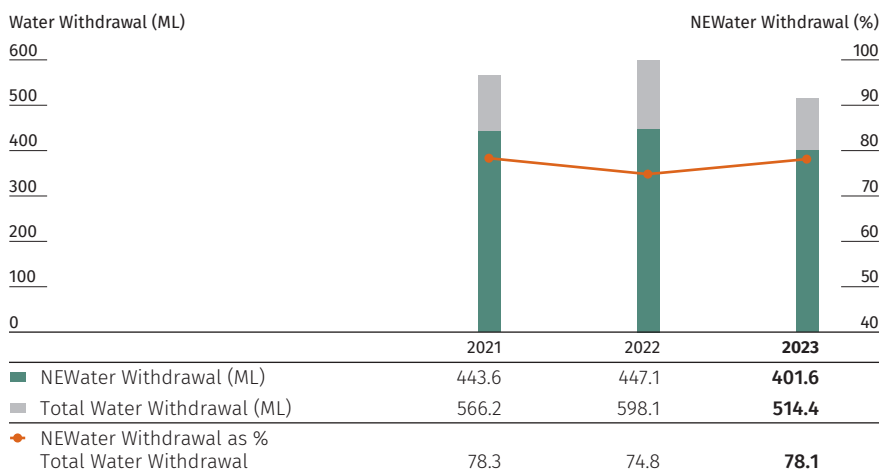
from 2022. The decrease in water consumption was mainly due to a decline in water usage from the cooling equipment owned by the Manager as a result of a major client’s ongoing upgrading works.

### ENVIRONMENTAL MANAGEMENT

Working together with its facility managers, the Manager looks to identify and implement initiatives that reduce Keppel DC REIT’s environmental impact.

A key focus area in the short term is to optimise energy efficiency of assets through planned capital expenditure works. This involves prioritising energy-efficient options and leveraging innovative technologies. To maintain high standards, all colocation facilities in Singapore and Dublin have achieved the ISO 14001:2015 certification in Environmental Management Systems. In time, the Manager will progressively expand on relevant certifications and initiatives to help manage its environmental impacts. The Manager also closely monitors ongoing initiatives within Keppel, maintaining communications with relevant personnel and exploring opportunities to further introduce renewable energy in Keppel DC REIT’s portfolio.

### TOTAL WATER WITHDRAWAL



# RESPONSIBLE BUSINESS

Strong corporate governance and robust risk management underpin Keppel DC REIT's ability to generate long-term value and ensure business continuity.

## ECONOMIC SUSTAINABILITY

### Management Approach

The Manager is committed to driving value creation via its focused investment strategy, proactive asset management and prudent capital management. Incorporating ESG considerations into the corporate strategy and business operations help to ensure sustainable business performance and stakeholder accountability.

Looking ahead, ESG considerations are expected to play a larger role alongside returns on investments. The Manager will continue to integrate ESG practices into operations for resilience and risk management, which includes assessing the potential financial impact of climate-related risks and opportunities on its portfolio and tapping on sustainability-linked loan facilities where possible.

### Performance and Progress

Keppel DC REIT reported FY 2023 DPU of 9.383 cents, supported by resilient portfolio performance. During the year, the Manager secured

two sustainability-linked credit facilities.

More information on financial performance can be found on pages 56 to 61.

## CORPORATE GOVERNANCE

### Management Approach

Robust corporate governance builds stakeholders' confidence in Keppel DC REIT's ability to create long-term value, enables the Manager to effectively identify and manage risks, and attracts talent that can drive Keppel DC REIT forward, amongst other benefits.

Setting the tone from the top, majority of the Board is comprised of independent directors. Aligned to the guidelines on diversity prescribed in the Code of Corporate Governance, the Board also reflects a diverse, knowledgeable and experienced group of leaders.

Sustainable development and ESG factors are part of senior management's corporate scorecard, with performance linked to remuneration. This reflects the Manager's commitment to high standards in encompassing accountability, transparency and sustainability in its business practices.

Separately, Keppel DC REIT's ERM framework provides a comprehensive and systematic approach to risk management. This framework



encompasses reporting structures, monitoring mechanisms, specific risk management processes, tools, and policies, offering guidance for assessing key risks and identifying mitigating actions. The ongoing evaluation of the effectiveness of these actions enables the Manager to respond promptly and effectively to an evolving business landscape, including emerging ESG risks and opportunities. Guided by the ERM framework, the Board and the ESG Committee collaboratively ensure the identification and mitigation of ESG-related risks that could impact long-term Unitholder value. This approach aligns responsible business practices and operational continuity.

In recognition of its strong corporate governance practices, Keppel DC REIT was ranked 11th in the 2023 Singapore Governance and Transparency Index (SGTI) under the REIT and Business Trust category, with an improved score over 2022. The SGTI assesses companies on their corporate governance disclosure and practices including the timeliness, accessibility and transparency of financial results announcements.

For further insights into Keppel DC REIT's corporate governance guidelines, practices, and risk management strategy and processes, refer to pages 162 to 189.

## ETHICS AND INTEGRITY

### Management Approach

At Keppel DC REIT, there is zero tolerance for corruption, bribery, fraud and unethical business practices. All employees are expected to uphold the utmost standards of personal and

corporate integrity in their engagements with customers, suppliers, fellow employees and key stakeholders.

Keppel DC REIT is guided by Keppel's policies on responsible business conduct.

#### Key Policies

##### Employee Code of Conduct

This sets out the principles of conduct to guide employees and directors in carrying out their duties and responsibilities to the highest standards of personal and corporate integrity when dealing with Keppel's competitors, customers, suppliers, other employees and the community.

##### Whistle-Blower Policy

- Individuals have a secure avenue to raise concerns in good faith about any perceived irregularity or misconduct without fear of reprisal.
- All concerns or issues raised go through a 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.
- For more information, see pages 184 to 185.

##### Global Anti-Bribery Policy

- The policy outlines framework, management systems and standards for employees to conduct business and operations ethically and in full alignment with Keppel's commitment to a zero-tolerance approach towards bribery.
- Compliance training for employees is periodically provided to enhance understanding. The policy is also reviewed annually by Keppel's Risk and Compliance to ensure its relevancy.

##### Competition Law Compliance Manual

The Competition Law Compliance Manual provides guidelines on avoiding anti-competitive behaviour in business activities.

##### Insider Trading Policy

The Manager has established an Insider Trading Policy concerning transactions involving Keppel DC REIT's securities. Applicable to all Directors and officers of Keppel DC REIT, the policy delineates the consequences of insider trading. For more information, see page 178.

##### Dealing in Securities Policy

This applies to all employees and the securities accounts that employees have a beneficial interest in. Pursuant to this Dealing in Securities Policy, the trading of rights and the subscription of excess rights of Keppel DC REIT Units are subject to trade clearance/restrictions. For more information, see pages 178 to 179.

## Responsible Business

For Keppel’s Corporate Statement of Human Rights, Diversity, Equity and Inclusion Policy and Supplier Code of Conduct, see Approach to Sustainability on pages 67 to 73.

The Employee Code of Conduct is introduced to new employees as part of the onboarding process, alongside the anti-bribery and whistle-blower policies. Additionally, 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 policies. The policies are accessible by employees via an online portal.

Beyond employees, third-party associates including joint venture partners, are also required to acknowledge the Employee Code of Conduct, which includes anti-bribery and anti-corruption sections.

### Performance and Progress

All personnel, including part-time and contracted staff, along with senior management and the Board, underwent compulsory training on key policies including those pertaining to anti-bribery and anti-corruption measures in 2023.

### BUILDING AND SERVICE QUALITY Management Approach

Stringent operational standards and building excellence are upheld at Keppel DC REIT’s data centres,

with a focus on providing optimal performance with minimal downtime and maximum physical security. Working with the facility managers, the Manager strives to uphold high standards that support clients’ needs, including providing a safe and healthy environment for building occupants and visitors.

Aligning practices with international standards to achieve high technical specifications and operational resilience, the Manager works with facility managers to implement robust health, safety and environment (HSE) practices across its colocation facilities. These include ensuring compliance with local regulatory requirements and adherence to regulatory changes. To exemplify and inculcate the importance of HSE into the operational culture, annual HSE site visits are also conducted by senior management. Periodically, external consultants conduct technical and facility manager audits across the assets to independently assess their condition and ensure compliance with regulatory requirements and service level agreements. These audits include detecting any Single Point of Failures and areas for enhancement within Keppel DC REIT’s assets.

Given the importance of physical security and confidentiality, strict security standard operating procedures are in place. These include the



HSE site visit to Dublin.

requirement for all visitors to undergo pre-approval, advance registration and privacy safeguards such as the non-display of client directories or logos.

To enhance the resilience of the data centre operations, routine Business Continuity Management exercises are conducted, to test and train employees' readiness in managing adverse business interruptions such as power outages, fires and influenza pandemics. The Manager also actively monitors the occurrence of incidents across its colocation assets to identify potential issues promptly.

As and when needed, preventive maintenance and replacements are also implemented with the intention to minimise potential incidents.

### Performance and Progress

Keppel DC REIT's commitment to sustainability is reflected in the attainment of diverse national and international sustainability and ISO certifications. The following

sustainability certifications and awards for Keppel DC REIT's colocation assets have been achieved and/or maintained this year. Notably, Dublin assets have attained two new green building certifications in 2023 – the LEED v4.1 Operations and Maintenance (Existing Buildings) Gold Award for KDC DUB 1 and 2. This is in addition to being certified with ISO 45001:2018 Occupational Health Management System and voluntary participation in the European Code of Conduct on Data Centres as Participant.

In Singapore, KDC SGP 1 to 5 have been certified with IMDA Data Protection Trustmark, demonstrating strong accountable data protection practices with relevant stakeholders. The Manager renewed its BCA Green Mark Award (Gold<sup>PLUS</sup>) for KDC SGP 2 and BCA Green Mark Award (Platinum) for KDC SGP 5.

For KDC DUB 1 and 2, ISO 50001:2018 Energy Management System, ISO 9001:2015 Quality Management System and Certificate of Compliance

Payment Card Industry Data Security Standard certifications were also renewed in 2023.

Progressing towards its goal to obtain and maintain green certifications for all Singapore colocation assets by 2025 and obtain green certifications for all colocation assets by 2030, the Manager will continue to drive sustainable practices and initiatives across its colocation assets.

Client satisfaction is also of paramount importance. The Manager thus maintains an active dialogue with its colocation clients, conducting an annual customer satisfaction survey to systematically gather feedback on infrastructure resiliency, service delivery and physical security of the facilities. The insights garnered serve as a foundation for identifying potential areas of improvement. In the 2023 survey, the Manager achieved an above satisfactory rating across all categories of Data Protection & Client Privacy,

## SUSTAINABILITY AWARDS, ACCREDITATIONS AND CERTIFICATIONS

	KDC SGP 1	KDC SGP 2	KDC SGP 3	KDC SGP 4	KDC SGP 5	Gore Hill DC	Basis Bay DC	KDC DUB 1	KDC DUB 2
BCA Green Mark Award (Gold <sup>PLUS</sup> )		✓							
BCA Green Mark Award (Platinum)			✓	✓	✓				
bizSAFE Level Star	✓	✓	✓	✓	✓				
Leadership in Energy & Environmental Design (LEED) Gold Award			✓	✓					
LEED v4.1 Operations and Maintenance (Existing Buildings) Gold Award								✓	✓
ISO 14001:2015 Environmental Management Systems	✓	✓	✓	✓	✓			✓	✓
ISO/IEC 27701:2019 Privacy Information Management System	✓	✓	✓	✓	✓				
IMDA Data Protection Trustmark	✓	✓	✓	✓	✓				
Certificate of Compliance Payment Card Industry Data Security Standard								✓	✓
ISO 37001:2016 Anti-Bribery Management System	✓	✓	✓	✓	✓			✓	✓
ISO 45001:2018 Occupational Health and Safety Management System	✓	✓	✓	✓	✓			✓	✓
ISO 46001:2019 – Water Efficiency Management System	✓	✓	✓	✓	✓				
ISO 50001:2018 Energy Management System	✓	✓	✓	✓	✓			✓	✓
ISO 9001:2015 Quality Management System	✓	✓	✓	✓	✓			✓	✓
ISO/IEC 27001:2013 Information Security Management System	✓	✓	✓	✓	✓	✓	✓		
ISO 27001:2013 Information Security Management System								✓	✓
ANSI/TIA-942-B:2017 – Rated 3	✓	✓	✓	✓	✓		✓		
SS 507:2015 Provision of Business Continuity and Disaster Recovery Facilities Services	✓	✓	✓	✓	✓				
SS 564 Part-1:2020 Energy and Environment Management System	✓	✓	✓	✓	✓				
Water Efficient Building by PUB	✓	✓	✓	✓	✓				
EU Code of Conduct Participation								✓	✓



## Responsible Business



To ensure safeguards remain adequate, policies and procedures governing the management and monitoring of cybersecurity incidents are reviewed on an annual basis.

Physical Security and Building & Service Quality. There were zero cases of client dissatisfaction over the physical security of all its colocation properties.

Aligned with the previous year’s methodology, the 2023 survey was conducted internally, utilising a rating scale of one to five. A higher score on this scale indicates a higher level of satisfaction with the building and service quality provided. Collaborating closely with facility managers, the Manager regularly reviews client feedback, addressing concerns where feasible.

### CYBERSECURITY AND DATA PRIVACY Management Approach

With the support of Keppel’s Cybersecurity and IT teams, the Manager is dedicated to implementing comprehensive cybersecurity measures to fortify against potential vulnerabilities. Cybersecurity incidents are closely monitored by Keppel Cyber Security Centre (KCSC). KCSC performs criticality assessment,

threat analysis, security monitoring, and proactive threat detection. Upon detection of a cybersecurity incident, the team will manage the incident in accordance with the Keppel Cybersecurity Incident Response Plan. The plan details steps to identify, contain, eradicate and recover from the detected cybersecurity incident. The plan is regularly reviewed to ensure that it is up to date with the relevant regulatory requirements, evolving technologies and industry best practices.

To further safeguard sensitive information, the Manager has adopted the Keppel IT Governance Framework as an overarching framework to strengthen business resilience through the enhancement of IT Security Operations Centre capabilities and IT infrastructure transformation. In addition, the Manager has incorporated Keppel’s Technology and Data Risk Management (TDRM) standards and framework which provides guidance on risk management practices and controls

to achieve data confidentiality and integrity, system security and reliability, and secures the stability and resilience of Keppel DC REIT’s IT operating environment. The TDRM framework helps identify and assess the risks of information technology and operational technology systems, including technology, data and cyber risks, and provides guidance to develop and implement risk mitigation and control measures that are commensurate with the criticality of the information assets.

The policies in place cover the following:

- a. Cybersecurity incidents must be assigned to the cybersecurity incident response team.
- b. All risks including technology, data and cyber risks must be considered in the annual assessment of risk.
- c. Compliance with cybersecurity is documented in agreements with vendors.

- d. For projects, system security requirements should be identified based on applicable compliance requirements and the cybersecurity risk profile of the systems.
- e. Policies and procedures governing the management of cyber incidents including preparation, identification, tracking and closure are established and reviewed on an annual basis for efficiency and effectiveness.

### Performance and Progress

To ensure safeguards remain adequate, policies and procedures governing the management and monitoring of cybersecurity incidents are reviewed on an annual basis. In addition, to reinforce good cyber hygiene across the organisation, regular advisories and trainings, including an annual mandatory training session on cybersecurity threats, policies and good practices are conducted. All employees attended the training in 2023.

There were zero incidents of data breaches and non-compliance with data privacy laws.

## SUSTAINABLE SUPPLY CHAIN MANAGEMENT

### Management Approach

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

The Manager assesses the track record, quality and reputation of potential suppliers and partners to ensure that best practices are upheld. As part of the initial screening process, suppliers undergo screening against a database and extensive online searches to identify any compliance issues or potential red flags. Sustainability policies, performance, procedures,

and accreditations, such as ISO 14001 and bizSAFE certifications, are also assessed. All new suppliers and vendors must complete a pre-qualifying questionnaire and submit necessary supporting documents for clearance. This thorough screening flags information related to litigations, politically exposed personnel<sup>1</sup>, and adverse news including instances of forced or compulsory labour practices. Suppliers exhibiting poor health and safety practices, or environmental performance are tracked on a blacklist and are not engaged.

As of April 2023, the Manager took a next step forward with a greater push towards ensuring a sustainable supply chain by making it a requirement for all suppliers to sign the Keppel's Supplier Code of conduct. Suppliers are required to certify that they have received, read and understood Keppel's Supplier Code of Conduct. They are also required to certify that their company has complied with and will continue to comply with Keppel's Supplier Code of Conduct. Within Keppel's Supplier Code of Conduct, there are specific sections on business conduct, human rights, safety and health, and environment management. In addition, key suppliers attended a Carbon Management Training in November 2023 which allowed them to understand the carbon management fundamentals and how they can manage carbon emissions in their businesses to support Keppel's sustainability goals.

### 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 during the reporting period. Additionally, there were also no known instances of operations or suppliers with significant risks of forced or compulsory labour practices.

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

# PEOPLE AND COMMUNITY

The Manager cultivates a supportive environment that encourages individuals to flourish, fostering a culture that values collaboration, innovation, recognition and appreciation.

## HUMAN CAPITAL MANAGEMENT

### Management Approach

A skilled and engaged workforce is essential for Keppel DC REIT's continued growth and success. The Manager is dedicated to attracting, developing and retaining top talent, through adherence to fair employment practices and provision of ample learning and development opportunities.

### Performance and Progress

#### Employee Profile

As at end 2023, the Manager's workforce totalled 14 full-time permanent employees, based in Singapore, comprising 10 females and 4 males. The Asset Management, Finance, Investment and Portfolio Management headcounts for the REIT from Keppel FM&I are dedicated to the Manager. Additionally, the Manager continues to be supported by Keppel FM&I for shared functions such as Human Resources,

### Five Key Areas for Building Human Capital



#### Making a Difference

Provide platforms for employees to contribute to communities

#### Having a Voice

Encourage employees to engage in company conversations and share ideas for improvement

#### Feeling Valued

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

#### Growing a Career

Enhance career development by providing pathways for skills acquisition and mentorship

#### Inspiring Growth

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

Information Technology, Investor Relations and Sustainability, Legal and Corporate Secretarial, as well as Risk and Compliance.

Employees are governed by Keppel Policies for terms of employment and none of the Manager's employees are currently covered under any collective bargaining agreements.



For more information on the Manager’s Board of Directors and management team, please refer to pages 14 to 16.

### Investing in Talent

At Keppel DC REIT, recruiting and developing talents remains at the forefront of the people agenda. The Manager has also implemented the ‘UP’ Framework, which seeks to foster a high-performance culture by facilitating employees in pursuing their career goals via Keppel’s structure which consists of a range of internal and external learning opportunities.

#### Upskill, Uplift and Upstream



##### Upskill

Development of employees’ organisational agility and growth mindset through skills upgrades and exposure to different roles in preparation for growth opportunities

##### Uplift

Encouraging career mobility across Keppel as part of the OneKeppel culture and aligning employees’ career ambitions with Keppel’s purpose

##### Upstream

Building employee resilience and engagement through inculcating the Keppel *Can Do* spirit

### NEW HIRES AND TURNOVER BY GENDER AND AGE GROUP<sup>1</sup>

	New Hire		Turnover	
	No. of Employees	Rate (%)	No. of Employees	Rate (%)
<b>By Gender</b>				
Female	2	14	4	29
Male	–	–	2	14
<b>By Age Group</b>				
Under 30 years old	1	7	2	14
30–50 years old	1	7	4	29
Over 50 years old	–	–	–	–

<sup>1</sup> Numbers are reported based on full-time equivalent.

In addition, career mobility supports employees’ ambition and professional development goals.

Adopting a performance-based framework, employee performance is assessed across four key areas: financial, process, customers and stakeholders, and people. In 2023, all eligible employees received annual performance and career development reviews.

The Manager provides competitive compensation and comprehensive benefits, and ensures that recognition and relevant rewards are provided based on a merit-based approach. Full-time employees are provided benefits that include life insurance, healthcare benefits, disability and

invalidity coverage, annual, medical and parental leave entitlements, as well as contributions to the local pension fund, i.e., the Central Provident Fund in Singapore.

### Developing People

Keppel’s tagline of “One Keppel, Many Careers” demonstrates the ethos of providing different opportunities and avenues for employees to advance in their career while creating value within the REIT. The Manager strives to provide employees with training and development opportunities that enable them to stay ahead of industry trends, acquire crucial knowledge, and cultivate the skills necessary to propel their careers forward, all while contributing to the REIT.

## People and Community

### AVERAGE TRAINING HOURS PER EMPLOYEE BY GENDER

Female	33.6
Male	27.8

### AVERAGE TRAINING HOURS PER EMPLOYEE BY EMPLOYEE CATEGORY

Managerial <sup>1</sup>	34.7
Executive	30.7

<sup>1</sup> Managerial includes senior management and heads of department.

To ensure that the right skills are being developed within the organisation, people leaders are tasked to identify skills development areas within their team and to make available learning and development opportunities. Separately, employees have access to an in-house skills navigation tool to identify their training needs and pinpoint existing skills gaps.

In 2023, the Manager’s employees received an average of 31.8 hours of training, compared to 38.3 hours in 2022, reflecting the shift towards more targeted training programmes and increased on-the-job learning. Beyond achieving its 2023 goal of clocking at least 20 training hours per employee, majority of employees surveyed felt that what they learn at work helps them achieve their career goals.

Keppel DC REIT has an employee development scheme that supports employees’ aspirations to pursue professional certifications, subject to the permanent employee having completed at least two years of service. Eligible employees are also entitled to up to seven working days of examination leave each calendar year that may be utilised for both company-sponsored and self-sponsored courses that are relevant to their roles.

Employees may also be reimbursed for expenses related to personal development or enrichment courses via the Flexible Benefits Programme. These courses include, but are not limited to, professional or academic programmes, as well as educational fees for pursuits such as Master of Business Administration programmes, degree programmes and financial planning.

Keppel’s annual Learning Festival in 2023 featured an array of topics such as ESG in Real Estate & Asset Management. Post-event, session recordings were also uploaded on the

Corporate HR platform for employees to access at their convenience. With investors and global stakeholders placing a premium on strong ESG performance, access to ESG courses on the UN Global Compact Academy was made available to employees.

Taking into account different learning styles and needs, bite sized on-demand learning is made available to employees through LinkedIn Learning. Employees have access to over 16,000 courses in a flexible and personalised learning environment.

### Talent Management and Succession Planning

The Manager adopts a holistic talent management approach from talent identification, talent development, talent retention to succession planning. A consistent Leadership Potential Assessment framework that is used across Keppel clearly defines the behavioural traits of high potential and high performing employees which facilitates the talent identification process.

The Career Review Committee comprising senior management from Keppel FM&I, conducts regular discussions on the career development plans of high potential employees. Identified talents are provided with job rotation opportunities to expose them laterally and prepare them to succeed leadership roles. This culture of internal mobility coupled with the ongoing coaching and support from their line managers aids in talent retention. In addition, they are invited for engagement sessions with senior leaders and Board members which allows them to gain additional perspectives from senior stakeholders.

To build an early career pipeline, the Keppel Associate Programme (KAP), a two-year management associate programme, offers high-potential fresh graduates with varied opportunities for leadership development through a series of job rotations and structured learning. High-performing management associates who exhibit the potential to take on leadership positions in the organisation will be invited to join the Keppel Young Leaders programme after graduating from the KAP.

**In recognition of its commitment and efforts, Keppel clinched the Silver Award for Excellence in Learning and Development at the 2023 HR Excellence Awards.**

Keppel's centralised talent management unit coordinates across all divisions to optimise human capital management as well as to offer executive development programmes such as Emerging Leaders Programme and Advanced Leaders Programme. Through these programmes, talents across different divisions learn and grow, and cross functional synergies are fostered. Where skill gaps exist, experienced hires are strategically integrated into the talent pool to provide the relevant skills. This strategy encourages the development of a diverse workforce and establishes a mentorship structure where experienced leaders provide guidance to emerging talent, fostering a robust pipeline for leadership roles.

This integrated talent management approach facilitates dynamic succession planning and ensures seamless leadership transitions and interactions with the Board and senior leaders.

### Grievance Handling

Keppel has a grievance handling process to enable employees to raise concerns without fear of reprisal. Should there be a grievance which is work-related, employee-related or problems between employee and persons having business dealings with the Company or any complaint or issues in relation to employee terms and conditions of employment, remuneration, working conditions, job responsibilities or health and safety, employees can submit their grievances through different channels. The grievance handling process is published in the company intranet for employees' reference.

The reporting of any discrimination and harassment incident goes through a defined escalation process. Keppel has an Investigation Procedure Manual which sets out the investigation protocols including the methodology for initiating and conducting investigations into suspected misconduct<sup>1</sup>. Keppel's Internal Audit investigation team

conducts independent investigations in consultation with the Investigation Advisory Committee, with oversight from Keppel's Audit Committee. Appropriate disciplinary action, including counselling, training, suspension or termination of employment, will be taken in the event that an employee is found to have violated the rules set out in the Code of Conduct.

### Engaging Employees

The Manager collects employees' feedback to fine tune programmes and its people strategy. The chief feedback avenue is the annual Employee Engagement Survey (EES) carried out by an external independent survey provider. The survey measures key employee engagement metrics and employee sentiments relating to leadership, execution, collaboration and agility, growth and development, psychological safety, engagement, and job satisfaction. Keppel DC REIT's engagement score for 2023 remained strong at above 80%.



**Mental Wellbeing Month – Matcha Appreciation Workshop**



**Tea Session with Senior Leaders for New Joiners**



**Annual Dinner and Dance**



**Global Inclusion Festival**

<sup>1</sup> Includes bribery, corruption, fraud and misconduct such as dishonest or criminal acts, breach of laws and regulations, unethical conduct including discrimination and harassment, reprisal against a whistle-blower, or any other conduct which may cause financial or non-financial loss to Keppel or damage to Keppel's reputation.

## People and Community

The survey results influenced the optimisation of strategies concerning innovation and agility, collaboration, sustainability, people development and employee engagement.

Subsequently, focus group discussions provided in-depth data on identified areas for action, informing the formulation of action plans and work plans for 2023. Progress on these plans was communicated to employees during townhall meetings, in line with management's commitment to address feedback received from the ground.

Besides the EES, employee engagement activities included team building events, the annual dinner and dance, an appreciation month where senior management served lunch to all employees, and through townhalls and tea sessions where employees can interact with senior leaders.

In 2023, Keppel organised its first Global Inclusion Festival spanning two days to mark World Inclusion Day and promote inclusivity within the organisation. The event drew over 980 individuals from more than eight countries and featured topics such as building inclusive teams, etiquette for

supporting individuals with disabilities, and how to demonstrate empathy and compassion in challenging conversations.

### DIVERSITY AND INCLUSION

#### Management Approach

Adopting a zero-tolerance approach for discrimination, the Manager strives to ensure equal opportunities in hiring, career development, promotion and compensation, irrespective of race, gender, religion, marital status or age. At Keppel DC REIT, an inclusive workplace is one that not only embraces diverse points of view and talents but also creates a sense of belonging in which employees feel valued, enabling a conducive environment for professional and personal growth, driving innovation and value creation.

The Manager adheres to the Tripartite Guidelines on Fair Employment Practices, which guides organisations in adopting fair and merit-based employment practice. The Employee Code of Conduct and Keppel's Corporate Statement on Human Rights also prohibits discrimination and reinforces principles of human rights.

As part of Keppel's commitment to building an inclusive workplace,

a Diversity, Equity and Inclusion Policy was introduced in November 2023 to supersede the previous Diversity and Inclusion Statement. The Policy provides a framework on expected workplace behaviours and human resources practices that foster a fair and harmonious environment.

#### Performance and Progress

The Manager remains steadfast in its commitment to fostering a culture of diversity and inclusion.

In 2023, approximately 30% of directors on the Board were female, which continues to be in line with targets to have female directors represent at least 25% of the Board. In 2024, the target was revised to have approximately 30% of the Board comprising female directors.

In 2023, there were no incidents of discrimination reported.

### EMPLOYEE HEALTH AND WELLBEING

#### Management Approach

The Manager prioritises employee health and wellbeing, and has implemented measures to identify and eliminate potential hazards, thereby reducing associated risks. A health and safety management

#### PERCENTAGE OF MALES AND FEMALES PER EMPLOYEE CATEGORY

	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
Board	71.4	28.6	75.0	25.0	85.7	14.3
Managerial <sup>1</sup>	66.7	33.3	40.0	60.0	60.0	40.0
Executive	18.2	81.8	27.3	72.7	30.0	70.0

#### PERCENTAGE BY AGE GROUP PER EMPLOYEE CATEGORY

	2023			2022			2021		
	<30 years old	30-50 years old	>50 years old	<30 years old	30-50 years old	>50 years old	<30 years old	30-50 years old	>50 years old
Board	-	-	100.0	-	-	100.0	-	-	100.0
Managerial <sup>1</sup>	-	100.0	-	-	100.0	-	-	100.0	-
Executive	18.2	81.8	-	18.2	81.8	-	30.0	70.0	-

<sup>1</sup> Managerial includes senior management and heads of department.

system is in place, with all Singapore colocation facilities maintaining their ISO 45001:2018 Occupational Health and Safety Management Systems certification. Building occupants, including employees and contractors appointed by the facility managers, are required to adhere to the implemented health and safety management framework and process in its data centres.

The Keppel Zero Fatality Strategy, is a central element of Keppel’s employee health and safety approach, outlining specific actionable measures aimed at averting workplace fatalities. Compliance with safety policies is expected from all employees. Employees are empowered to report any safety concerns and remove themselves from work situations that they believe could cause injury or ill health and can do so without fear of reprisal.

Various platforms, including the annual Keppel Safety Convention, Global Safety Timeout events and dissemination of HSE alerts, facilitate the learning and sharing of best practices in health and safety. Data centre employees receive regular training in first aid, emergency response, fire evacuation training and fire warden responsibilities.

The Manager collaborates with facility managers to implement industry best practices for its data centres. Specialists conduct regular inspections and maintenance of facilities and equipment to ensure adherence to relevant safety standards. Immediate corrective actions and procedure enhancements are implemented in response to identified health and safety concerns. To maintain oversight, the senior management team conducts site visits periodically.

All assets in Keppel DC REIT’s portfolio are equipped with fire protection systems and fire evacuation routes are displayed prominently. Data centre employees, clients and visitors receive thorough briefings on emergency evacuation routes and procedures in the event of a fire.

In the event of a safety incident, the Manager has established a structured process for investigation, identification of relevant risks and hazards, and to determine corrective actions.

### Performance and Progress

There were no fatalities, work-related injuries or safety injuries reported in 2023.

### Keppel Zero Fatality Strategy



- Build a high-performance safety culture
- Adopt a proactive approach to safety management
- Leverage technology to mitigate safety risks
- Harmonise global safety practices and competency
- Streamline learning from incidents

### SUPPORTING HEALTH AND WELLBEING

#### March

**Financial Wellbeing Month – Level Up, Money Smart** Focused on enhancing financial literacy of Keppelites through webinars and games covering retirement income, emergency fund, investments and estate planning.

#### June

**Physical Wellbeing Month – Level Up, Step up** In the K’Steps Challenge, Keppel employees surpassed the 180 million steps target by clocking 217,632,404 steps. This effort raised \$21,000 for Conservation International, which seeks to improve people’s lives by protecting oceans, forests and other living ecosystems. Additionally, Keppel Care Foundation donated \$1,000 to Conservation International Singapore, for every 10 million steps clocked.

#### October

**Mental Wellbeing Month – Level Up, Mind Fit** In conjunction with Global World Mental Health Day, Keppelites shared personal stories about managing priorities and caring for mental wellbeing in the K’ED Talks series. Other activities include webinars on stress management and burnout prevention, mindfulness workouts, tea appreciation workshop which helps to promote relaxation and improve mood.



## People and Community

“I have never had the opportunity to go to a cafe, much less a unique cafe with board games. I like the environment, and it was an enjoyable experience. We had fun spending the afternoon playing games as a team. Thank you Keppel for organising this activity.”

**JASMINE YAU**, MDAS Member

“The volunteering experience at Red Shield Industries reminded me to make time for meaningful activities. The beauty of giving back to the community is that giving back is its own gift. It can be small, but impactful.”

**ASHLEY MOK**, employee of the Manager

### COMMUNITY DEVELOPMENT AND ENGAGEMENT

#### Management Approach

The Manager strives to contribute meaningfully to and uplift the local communities wherever it operates through various Corporate Social Responsibility initiatives of Keppel. This involvement extends to charitable donations and engagement in community activities. To encourage employee participation, all staff are granted up to two days of paid volunteerism leave annually.

#### Performance and Progress

The Manager, together with Keppel FM&I, dedicated more than 900 hours to community outreach activities in 2023. The Manager also donated \$30,500 in contributions to the Keppel Care Foundation in 2023<sup>1</sup> to support Keppel’s multiple philanthropic initiatives.

Additionally, Keppel DC REIT’s Ireland team continues to be an integral member of ‘DCs for Bees’ Orchards in the Community programme, which looks to reverse the decline in Ireland’s bee population thereby enhancing biodiversity. In support of Host in Ireland, the key group behind the initiative, Keppel DC REIT donated an additional 125 trees in 2023. In total, close to 1,180 trees were planted across Ireland by the Ireland team between 2021 and 2023.

#### Community Engagement in 2023



##### Bento-Making Workshop

Volunteers and Muscular Dystrophy Association (Singapore) (MDAS) beneficiaries participated in a bento-making workshop to celebrate Mother’s Day.



##### Donation Packing Event

Volunteers assisted to pack, sort, label and organise donations at the Red Shield Industries’ Warehouse.



##### Beach Clean Up at Sembawang Park

Volunteers organised a Beach Clean Up Activity at Sembawang Park in partnership with Blossom World Society to promote climate change and plastic pollution awareness.



##### Van Gogh: The Immersive Experience

Volunteers and MDAS beneficiaries immersed themselves in two-storey projections of Van Gogh’s most compelling works with the help of exquisite storytelling and cutting-edge technology.

<sup>1</sup> Based on the tax-deductible receipt dated 2 August 2023.

## GRI Content Index

<b>Statement of Use</b>	Keppel DC REIT has reported in accordance with the GRI Standards for the period from 1 January to 31 December 2023
<b>GRI 1 Used</b>	GRI 1: Foundation 2021
<b>Applicable GRI Sector Standards</b>	Not applicable

GRI Standard	Disclosure Number	Disclosure Title	Page Reference and Remarks
<b>General Disclosure</b>			
GRI 2: General Disclosures 2021	2-1	Organisational details	3, 22–23, 38–55, 65–66
	2-2	Entities included in the organisation’s sustainability reporting	66
	2-3	Reporting period, frequency and contact point	65–66
	2-4	Restatements of information	76, 82 Total emissions for Scope 3 category ‘Business Travel’ in 2022 has been restated due to a previously unaccounted portion now included in the final calculations.  Waste figures in 2022 and 2021 have been restated due to replacement of previous estimates with actual data and improvements in data collection methodology.
	2-5	External assurance	66
	2-6	Activities, value chain and other business relationships	3, 38–40, 42–55, 66
	2-7	Employees	90–91
	2-8	Workers who are not employees	90–91
	2-9	Governance structure and composition	68–69, 77
	2-10	Nomination and selection of the highest governance body	12–16
	2-11	Chair of the highest governance body	14
	2-12	Role of the highest governance body in overseeing the management of impacts	68–69
	2-13	Delegation of responsibility for managing impacts	68–69
	2-14	Role of the highest governance body in sustainability reporting	68–69
	2-15	Conflicts of interest	85–86
	2-16	Communication of critical concerns	69, 73
	2-17	Collective knowledge of the highest governance body	165
	2-18	Evaluation of the performance of the highest governance body	169–170
	2-19	Remuneration policies	170–173
	2-20	Process to determine remuneration	170–173
	2-21	Annual total compensation ratio	Confidentiality Constraints. Due to the highly competitive conditions in the industry where poaching of senior management is commonplace, the Manager is not able to disclose this information. For more details on our remuneration policy and structure, please refer to page 172.
	2-22	Statement on sustainable development strategy	64–65
	2-23	Policy commitments	68, 85–86
	2-24	Embedding policy commitments	68–69, 84–89
	2-25	Processes to remediate negative impacts	66, 73, 85–86
	2-26	Mechanisms for seeking advice and raising concerns	85–86, 93, 184–185
	2-27	Compliance with laws and regulations	84–86, 88–89
	2-28	Membership associations	72
	2-29	Approach to stakeholder engagement	73
	2-30	Collective bargaining agreements	90
<b>Material Topics</b>			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	69
	3-2	List of material topics	69

## GRI Content Index

GRI Standard	Disclosure Number	Disclosure Title	Page Reference and Remarks
<b>Environmental Stewardship</b>			
<b>Energy</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	74–77
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	76
	302-2	Energy consumption outside of the organisation	76
	302-3	Energy intensity	76
<b>Emissions</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	74–77
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	75–76
	305-2	Energy indirect (Scope 2) GHG emissions	75–76
	305-3	Other indirect (Scope 3) GHG emissions	76
	305-4	GHG emissions intensity	75
<b>Climate Change Adaptation</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	77–82
<b>Waste Management</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	82–83
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	82–83
	306-2	Management of significant waste-related impacts	82–83
	306-3	Waste generated	82–83
	306-4	Waste diverted from disposal	82–83
	306-5	Waste directed to disposal	82–83
<b>Water Management</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	83
GRI 303: Water and Effluents	303-1	Interactions with water as a shared resource	83
	303-2	Management of water discharge-related impacts	83
	303-3	Water withdrawal	83
<b>Responsible Business</b>			
<b>Economic Sustainability</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	84
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	84
<b>Corporate Governance</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	84–85
<b>Ethics and Integrity</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	85–86
GRI 205: Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	85–86
	205-3	Confirmed incidents of corruption and actions taken	85–86

GRI Standard	Disclosure Number	Disclosure Title	Page Reference and Remarks
<b>Building and Service Quality</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	86–88
<b>Cybersecurity and Data Privacy</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	88–89
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	89
<b>Sustainable Supply Chain Management</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	89
<b>People and Community</b>			
<b>Human Capital Management</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	90–94
GRI 401: Employment	401-1	New employee hires and employee turnover	91
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	91
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	91–92
	404-2	Programmes for upgrading employee skills and transition assistance programmes	91–93
	404-3	Percentage of employees receiving regular performance and career development reviews	91
<b>Diversity and Inclusion</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	94
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	94, 167
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	94
<b>Employee Health and Wellbeing</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	94–95
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	94–95
	403-2	Hazard identification, risk assessment, and incident investigation	95
	403-5	Worker training on occupational health and safety	95
	403-6	Promotion of worker health	91, 94–95
	403-9	Work-related injuries	95
<b>Community Development and Engagement</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	96