

SUSTAINABILITY REPORT

SUSTAINABILITY REPORTING

We are pleased to present our inaugural Sustainability Report. Sustainability has always been part of FCOT's mission as a fair and responsible landlord. We understand that the environmental, social and governance (ESG) aspects of our business and operations are important to our stakeholders. We strive to incorporate ESG in our business and operations to create long-term value for our stakeholders and improve our business and operations. We trust that our sustainable practices would be of interest to our stakeholders. Reporting on our sustainability practices is part of our aim to increase transparency, engage our stakeholders and keep track on our sustainability performance.

SCOPE OF THIS REPORT

This report covers the performance of FCOT's properties in Singapore and Australia from 1 October 2014 to 30 September 2015, except for 357 Collins Street as the acquisition of the property was completed only on 18 August 2015 (Reporting Properties). [G4-17]

The Reporting Properties are externally managed by property managers which perform the day-to-day property management functions. The Manager has general powers of management over the assets of FCOT. As at the date of this report, the property manager for the properties in Singapore is Frasers Centrepoint Property Management (Commercial) Pte Ltd. The property manager and facilities manager for Central Park and Caroline Chisholm Centre are Jones Lang LaSalle (WA) Pty Ltd and Brookfield Global Integrated Solutions Australia Pty Ltd, respectively.

This report is prepared in accordance to the international standard for sustainability reporting, the Global Reporting Initiative (GRI). It meets GRI's G4 Core requirements and includes the Construction and Real Estate Sector Disclosures. This report will be prepared annually and form part of our disclosure as a responsible business. We intend to seek external assurance on our sustainability report in the future.

We would like to hear from you

We welcome your feedback as we seek to continuously improve our sustainability performance. Feedback on this report can be directed to fcot@fraserscentrepoint.com.

KEY HIGHLIGHTS FOR FY2015

Governance

Runner up, Singapore Corporate Governance Award under the REITs and Business Trusts category at the 16th SIAS Investors' Choice Award 2015

People

- Employees of the Manager received an average 33.5 hours of training per employee
- 68.8% of the employees are in the 30-49 years age group
- Growing workforce with 12.5% hiring rate exceeding the turnover rate of 6.3%

Community

- Majority of tenants were "Satisfied to Very Satisfied" in a tenant survey conducted at the Singapore properties

Environment

- 5.6% reduction in building energy consumption
- 1.3% reduction in building water consumption
- All Singapore properties have achieved BCA Green Mark Gold and are certified Water Efficient Building by PUB
- Central Park and Caroline Chisholm Centre have achieved NABERS Energy base building rating of at least 5 star and above

Health & Safety

- Zero lost time injuries and workplace fatality
- The management of all Singapore properties have been accredited with OHSAS 18001 and SS506 Part 1: 2009 certifications and awarded BizSafe Star
- No incidents of safety-related non-compliance



Central Park, Perth, Australia

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OUR APPROACH TO SUSTAINABILITY

As a REIT sponsored by FCL, our approach to sustainability is guided by the FCL Group's core values of responsiveness, reliability, ownership, commitment, innovativeness, integrity, teamwork and trust. We aim to contribute to an environment that uses resources efficiently, contribute to thriving local economies and provide workplaces that encourage staff to perform at their best.

Sustainability is managed across the business through relevant policies, programmes and standard operating procedures (SOPs). These are supported with training and specific roles and responsibilities to ensure that we deliver on our business principles across our operations.

We aim to reduce waste, energy and water use where possible. This is reflected in our mission to be a fair and responsible landlord adopting best practices in governance, social responsibility and sustainability. Our sustainability approach is also reflective of our vision to be a landlord-of-choice for businesses and a preferred investment choice among investors. Our approach is to build a sustainable business for tomorrow to deliver long-term value to our stakeholders.

Policies and procedures are kept up to date, compliance with policies, procedures and relevant rules and regulations are monitored on an on-going basis and we adapt accordingly to the changing operating and business environment.

The results of our approach to sustainability is evident: FCOT recorded the sixth consecutive year of growth in DPU and distributable income since the completion of the recapitalisation exercise in 2009; operationally the

Singapore properties are all certified Green Mark Gold by the Building and Construction Authority of Singapore (BCA) whereas Central Park and Caroline Chisholm Centre have National Australian Built Environment Rating System (NABERS) Energy base building rating of at least 5 star; we have been recognised for upholding good corporate governance practices; and we continue to focus on the people aspect of our business, including the employees, tenants and the community.

SENIOR MANAGEMENT ENGAGEMENT

FCOT's sustainability is guided by the FCL Group's Sustainability Steering Committee (SSC). Mr Low Chee Wah, CEO of the Manager is part of the SSC which is chaired by the FCL Group CEO. The SSC is made up of members from the senior management and CEOs of all the business units of FCL, including FCOT. The role of the SSC is to guide strategic matters and approve action plans to improve the group sustainability practices.

The SSC meets quarterly to review performance against each of the key material issues. The day-to-day tasks of sustainability governance are coordinated by a Sustainability Working Committee (SWC), which reports to the SSC. The SWC is made up of members of the middle management and focuses on sustainability implementation plan, data management and performance review.

Deciding on what matters most

We undertook a materiality assessment to identify issues which are key to FCOT and its stakeholders. This enables us to address these material issues and report them effectively. Led by the CEO of the Manager and guided by an external sustainability consultant, the materiality assessment was based on international standards for materiality, namely GRI and AA1000 Stakeholder Engagement Standard, and sector specific guidance from the Global Real Estate Sustainability Benchmark (GRESB) and the GRI G4 Construction and Real Estate Sector Disclosures. We identified the top ten material issues which are grouped under 4 key areas: [G4-18]

FCOT'S TOP TEN MATERIAL ISSUES [G4-19]

Economic Performance	Governance	Environment	People and Community
Economic and financial contribution to the business and its stakeholders (refer to Financial Highlights (pages 10 – 13) and Financial Statements (pages 118 – 166))	Anti-corruption Ethical marketing	Energy use/climate change Environmental compliance Water use/conservation	Health and Safety Labour/management relations Staff retention and development Local communities

Except for labour/management relations and staff retention and development which are internally focused, the other key material issues impact the organisation internally and externally. [G4-20, G4-21]

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Being accountable to our stakeholders

As a responsible REIT, we have active and regular dialogues with our stakeholders to understand the impact of the business and operations on these stakeholders. Stakeholders are those which have

a significant impact on or experience a significant impact from the business and operations of FCOT. The stakeholder engagement has provided valuable information on our approach to sustainability. We engage our stakeholders as follows: [G4-25]

Our key stakeholders	Issues/ interests (examples)	Forms of engagement (examples)	Frequency of engagement
Investment community (Investors, Unitholders, analysts, media)	<ul style="list-style-type: none"> Stable and sustainable distribution Operational and financial performance Business strategy and outlook Timely and transparent reporting Good corporate governance 	<ul style="list-style-type: none"> One-on-one meetings and site visits Local and overseas investor conferences and roadshows Post results briefings for analysts and investor luncheons Annual General Meetings Website, SGX announcements, presentations, press releases 	<ul style="list-style-type: none"> As and when requested Refer to Investor Relations on pages 57 to 59 At least twice a year Once a year Throughout the year
Tenants	<ul style="list-style-type: none"> Clean, safe and pleasant environment Reliable and efficient buildings Tenant engagement activities 	<ul style="list-style-type: none"> Tenant engagement programmes and festive gifts Joint community programmes with tenants Tenant surveys Tenant meetings 	<ul style="list-style-type: none"> Throughout the year Throughout the year Once a year in Singapore Throughout the year
Regulators and industry associations	<ul style="list-style-type: none"> Compliance with rules and regulations, regulatory and industry trends Government policies on SREITs or real estate sector 	<ul style="list-style-type: none"> Meetings, briefings and consultations Joining trade associations such as REITAS 	<ul style="list-style-type: none"> Throughout the year Throughout the year
Property Managers	<ul style="list-style-type: none"> Key performance indicators for the property managers Operational performance of the properties 	<ul style="list-style-type: none"> Regular meetings and discussions Emails and phone calls 	<ul style="list-style-type: none"> Throughout the year Throughout the year
Employees (See also People, pages 89 – 94)	<ul style="list-style-type: none"> Friendly and safe working environment Fair and competitive employment policies Staff development 	<ul style="list-style-type: none"> Performance appraisals Team bonding sessions Orientation program for new staff Communication via the FCL intranet Training Employee activities such as Annual Dinner & Dance, Family Day, sports events and fitness programmes 	<ul style="list-style-type: none"> Once a year Throughout the year Upon joining the Manager Throughout the year Throughout the year Throughout the year
Community (See also Community, pages 91 – 94)	Nurturing and building relationships with the community	<ul style="list-style-type: none"> Social and community events Sustainability report 	<ul style="list-style-type: none"> Throughout the year Once a year

[G4-24, G4-26, G4-27]

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The Manager is one of the pioneer members of the REIT Association of Singapore (REITAS). REITAS aims to promote and develop the Singapore REIT (SREIT) industry. Mr Low Chee Wah, the CEO of the Manager, is a member of the regulatory sub-committee which is responsible for engaging various authorities to improve the legal, commercial and regulatory environment for SREITs.

Sustainability across our supply chain

Our business is to manage the assets for the benefit of Unitholders with a focus to deliver stable and sustainable distributions to Unitholders. We recognise that as an asset manager, we have the ability to influence our supply chain on sustainability matters where feasible and practical. Where feasible, we identify any sustainability opportunities that may arise. For example, we implement performance based programmes with the air-conditioning vendor to optimise chiller efficiency at China Square Central.

Our aim is to own and manage a balanced portfolio of quality commercial properties, and taking into account the environmental, governance and social aspects of our business and operations. This includes contributing to the local economies where we have presence and creating a conducive workplace for our employees.

GOVERNANCE

The Manager believes that good corporate governance is important to the sustainability of the business of FCOT and the performance of the Manager. The Manager is committed to upholding high standards of corporate governance to protect the interests and enhance the value of Unitholders, adhering to the principles and guidelines of the Code of Corporate Governance 2012,

and other applicable laws and regulations, including those prescribed by SGX and the Monetary Authority of Singapore (MAS).

As a signatory to the 2015 Corporate Governance Statement of Support organised by SIAS, FCOT has pledged its commitment to uphold high standards in corporate governance. Further details on the corporate governance can be found on pages 101 to 111 of the Annual Report.

In recognition of the good corporate governance practices, FCOT was named the runner-up in the Singapore Corporate Governance Award under the REITs and Business Trusts category by SIAS at the 16th SIAS Investors' Choice Awards 2015. This is the third consecutive year that FCOT has won this award.



China Square Central, Singapore

Preventing Corruption and Fraud

The Manager takes a zero tolerance approach towards corruption and fraud.

POLICIES AND PROCEDURES

- Code of Business Conduct
- Personal Data Protection (PDP) Policy
- Competition Act Compliance Manual
- Legal and Regulatory Compliance Manual
- Policy on Dealings in Units of FCOT and Reporting Procedures
- Policy for Prevention of Money Laundering and Countering the Financing of Terrorism
- Policy on Outsourcing
- Whistle-Blowing Policy

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In addition to corporate policies and SOPs, as a REIT, FCOT also has various policies and procedures in place such as the Legal and Regulatory Compliance Manual, Policy on Dealings in Units of FCOT and Reporting Procedures, Policy for Prevention of Money Laundering and Countering the Financing of Terrorism and Policy on Outsourcing. Employees are kept informed of any

updates that are made and provided training on key new policies. During the orientation programme, new employees are briefed on key policies, which are also made available on the intranet. For example, in FY2015, the executive staff of the Manager received compliance training on Singapore's competition laws.

CODE OF BUSINESS CONDUCT

The Code of Business Conduct describes the company values and provides clear guidelines on ethics and conduct, and thereby safeguards the reputation and interests of the company and its stakeholders.

It covers a range of practices, from compliance monitoring, record keeping, confidentiality of information, conflicts of interest, insider trading, and relations with key stakeholders. The Code of Business Conduct governs the conduct of every employee. Where applicable and appropriate, the Code of Business Conduct is also made available to agents, suppliers, contractors, business affiliates/ associates/ alliances.

ANTI-BRIBERY AND ANTI-CORRUPTION

We have assessed the risk of corruption and bribery. The anti-bribery and anti-corruption statements in the Code of Business Conduct provide guidance to employees on how to recognise and deal with bribery and corruption, and guide them in the conduct of their dealings with third parties. It provides guidelines on the acceptance of permissible social amenities, entertainment or courtesies which are appropriate and reasonable under applicable laws and customs, and only for legitimate business purposes. It also provides guidelines on prohibited activities, such as lavish gifts and entertainment. There was no incident of corruption reported in FY2015.

WHISTLE-BLOWING POLICY

The Whistle-Blowing Policy encourages and provides a channel to employees and others to report in good faith and confidence on concerns in financial and other matters and for independent investigation of such matters and appropriate follow-up action. The Whistle-Blowing Policy is publicly available on the FCOT website and concerns, if any, could be raised via email or the whistle blowing hotline. All whistle-blower complaints will be reviewed by the Audit, Risk and Compliance Committee to ensure that investigations and follow up actions are carried out, if needed. In FY2015, there were no such reported concerns.

INTERNAL AUDIT

The Manager's internal audit function is supported by the Internal Audit Department of FCL (FCL IA). The FCL IA is independent of the activities that it audits. The Head of FCL IA reports directly to the Chairman of the Audit, Risk and Compliance Committee. The internal audit is aligned to key risks of FCOT and includes review of compliance with the policies, procedures and regulatory responsibilities of FCOT and the Manager. Audit findings and recommendations are provided to management for appropriate follow-up actions to be taken. For further details, please refer to page 109 of the Corporate Governance report.

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Managing Fair Competition and Data Confidentiality

PERSONAL DATA PROTECTION POLICY

To comply with the Personal Data Protection (PDP) Act 2012, the PDP Policy was established to guide employees on handling and processing personal data. It also sets out the complaint handling procedure and the channel for employees, customers, suppliers or others to report concerns or breach.

COMPETITION ACT COMPLIANCE MANUAL

The Competition Act Compliance Manual ensures that our employees comply with the Competition Act. We are supportive of initiatives to protect and promote healthy competitive markets in Singapore.

Ethical Marketing

We support ethical marketing in our business practice. We adhere to the relevant rules and regulations such as the Singapore Code of Advertising Practice. We ensure that we provide timely and accurate information in our communication. In FY2015, there were no incidents of non-compliance with regulations and voluntary codes concerning marketing communications.

Enterprise-Wide Risk Management (ERM)

As part of good corporate governance, the Manager has in place an ERM framework to ensure robust risk management and mitigating controls are in place. Key risks, control measures and management actions are continually identified, reviewed and monitored as part of the ERM process. Apart from the ERM process, key business risks are thoroughly assessed by Management and each significant transaction is comprehensively analysed so that Management understands the risks involved before it is embarked on. Further details on ERM can be found on pages 77 to 78 of the Annual Report.

ENVIRONMENT

We continuously seek to improve the sustainable performance of our properties. This is an on-going commitment as the Manager believes that environmental sustainability is integral towards a sustainable business. We aim to reduce energy and water use and wastage, where possible. For example, we replace older equipment with ones that have better energy efficient features.

All these will result in economic benefits and create long-term value for stakeholders. The property manager managing the Singapore properties is also guided by the Green Sustainable Business Guidance which provides guidance to drive continuous improvements in the sustainable performance of the assets. They are also trained and certified Green Mark Facilities Manager.

All our properties have various environmental accolades and accreditations. In Singapore, all properties are certified Green Mark Gold by the Building & Construction Authority of Singapore (BCA). In Australia, Central Park and Caroline Chisholm Centre have National Australian Built Environment Rating System (NABERS) Energy base building rating of at least 5 star out of a maximum 6 star.

Green Sustainable Business Guidance guides operational teams on eight sustainability goals:

- Improve resource efficiency (electricity and water)
- Improve environment quality (waste minimisation, recycling and waste management, use sustainable materials, clean public toilets, use of alternative water source)
- Maximise the useful service life cycle of building systems
- Encourage stakeholders on community ownership and participation in sustainability activities
- Build knowledge through education and training
- Improve indoor environmental quality
- Enhance exterior site management
- Explore various green measures

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Property	Environmental accolades and accreditations
China Square Central	<ul style="list-style-type: none"> Green Mark Gold Award, BCA Water Efficient Building, Public Utilities Board (PUB) Sustainable practices implemented by China Square Central's management office have been accredited by the Singapore Environment Council (SEC) under Project: Eco Office
55 Market Street	<ul style="list-style-type: none"> Green Mark Gold Award, BCA Water Efficient Building, PUB
Alexandra Technopark	<ul style="list-style-type: none"> Green Mark Gold Award, BCA Water Efficient Building, PUB Sustainable practices implemented by Alexandra Technopark's management office have been accredited by the SEC under Project: Eco Office
Central Park	<ul style="list-style-type: none"> First commercial building in Australia to achieve 4.5 star NABERS Energy rating First premium office building in Perth to attain a 5 star NABERS Energy base building rating 5.5 star NABERS Energy base building rating (with green power) 4.0 star NABERS Indoor Environment rating 3.5 star NABERS Water rating
Caroline Chisholm Centre	<ul style="list-style-type: none"> 5 star NABERS Energy base building rating

FCOT aims to incorporate green practices in its operations and cultivate good practices in its stakeholders. The sustainable green practices implemented by the management offices of China Square Central and Alexandra Technopark have been accredited by the Singapore Environment Council under Project: Eco-Office. To encourage recycling, recycling bins for can, plastic and paper have been placed at various locations across all the properties.

At Central Park, the state-of-the-art Ride & Park "end of trip" bicycle facility aims to minimise the tenants' environmental footprint, besides promoting a healthier lifestyle. Similarly, at China Square Central, shower facilities on each floor of the office tower and bicycle bays provide convenience and encourage green means of travelling. Posters on green practices are also placed in common areas to encourage and educate the community on green practices.



Central Park, Perth, Australia



Bicycle bays at Central Park, Perth, Australia

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Making a difference: Integrating sustainability practices in our properties



GREEN MARK GOLD PROPERTY: GREEN FEATURES AT ALEXANDRA TECHNOPARK

Alexandra Technopark is a high-tech business space comprising two blocks of high-specification buildings with 905 covered and surface car park lots. Alexandra Technopark is located within the prominent Alexandra business corridor, a dynamic business hub where office and industrial uses are integrated. The Green Mark

Gold property has adopted various green initiatives which contributed to the green accolades garnered, such as:

- Installed motion sensors at car parks and staircase
- Air-conditioning system has been retrofitted which resulted in savings in energy consumption
- NEWater (treated used water) used for non-potable purposes such as water for air-conditioning cooling towers, irrigation and fire-fighting facilities (hydrant and sprinkler system)
- Adopting water efficient flush/flow rates
- Waterless urinals for all toilets
- Use cleaning chemicals, hand towels and jumbo rolls that are green label compliant
- Use mechanical ventilation to improve thermal comfort

Energy use and greenhouse gas emissions¹

All the Reporting Properties have implemented various initiatives to monitor and reduce utilities consumption, and increase energy efficiency.

We have been a strong supporter of Earth Hour organised by the World Wide Fund for Nature (WWF). In FY2015, the Reporting Properties participated in Earth Hour 2015 where all non-essential lightings were turned off as part of our continuous initiative to promote awareness towards a sustainable environment and conserve energy. As mandated by BCA, the properties in Singapore go through energy audits every 3 years to ensure that the buildings continue to operate efficiently.

Some examples of our efforts to conserve energy and reduce carbon emissions at our properties are as follows:

- Installing motion sensors and energy saving lighting systems such as light-emitting diode (LED) lightings and T5 lights
- Vendors of the air conditioning and mechanical ventilation system (ACMV) are contractually obliged to achieve a good level of performance for the chillers and cooling tower for better management of energy consumption
- Escalators are operated at pre-determined hours to conserve energy
- Air-conditioning units are automatically programmed to be turned off during non-peak hours
- Retrofitting air-conditioning systems
- Lifts upgraded to incorporate destination control and state-of-the art permanent magnet motors
- Incorporating solar photovoltaics system to provide renewable energy
- Purchased carbon credits to offset emissions generated by base building operations

¹ For energy and greenhouse gas emission data:

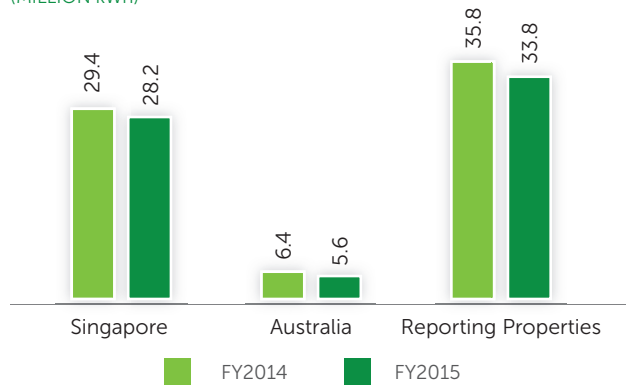
- Energy consumption excludes tenants' consumption. Building intensity figures are normalised by Gross Floor Area (GFA).
- Grid GHG emission factors are from the Singapore Energy Statistics 2015, Australia National Greenhouse Gas Accounts, and Food and Rural Affairs (DEFRA) for Singapore and Australia. Singapore grid emission factors are published annually; at time of publication, grid emission factors for 2015 were not available and 2014 figures were applied. GHG emissions are reported in CO₂e for Singapore and CO₂ in Australia.

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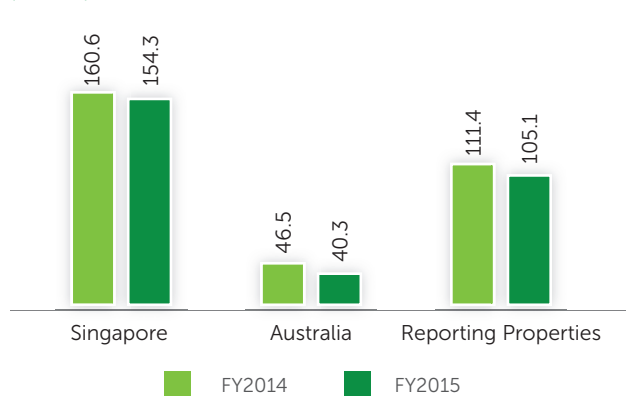
In FY2015, building energy consumption for the Reporting Properties was 33.8 million kWh, a 5.6% reduction compared to FY2014 due to increased energy efficiency. Accordingly, average building energy intensity decreased from 111.4 kWh/m² in FY2014 to 105.1 kWh/m² in FY2015.

With the lower energy consumption, building greenhouse gas (GHG) emission also decreased in tandem. In FY2015, the total GHG emissions and intensity were lower at 16.6 million tonnes of CO₂e and 51.5 tonnes of CO₂e/m², respectively.

BUILDING ENERGY CONSUMPTION¹ (MILLION kWh)



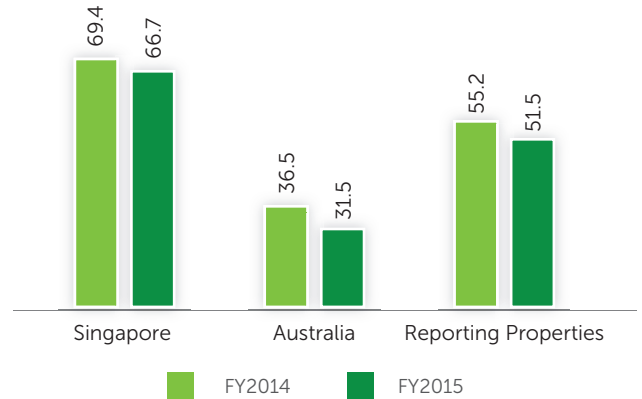
AVERAGE BUILDING ENERGY INTENSITY¹ (kWh/m²)



BUILDING GHG EMISSIONS¹ (MILLION TONNES OF CO₂e)



BUILDING GHG INTENSITY¹ (TONNES OF CO₂e/m²)



¹ Energy consumption and GHG emissions are based on landlord's area and exclude tenants' area.

Water savings

We encourage water conservation through various methods, such as:

- Installing water-efficient fittings and adopting water-efficient flow flush/rates
- Using PUB's Water Efficiency Labelling Scheme (WELS) approved fittings
- Using NEWater (treated used water) for non-potable purposes such as water for air-conditioning cooling towers, irrigation and firefighting (hydrants and sprinklers)
- Installing tap flow restrictors, low flow shower heads, low flush water closets and a park reticulation weather station
- Using water efficient tap-ware such as the 'Rada Sensor' shower controls, rain water recycling and Greywater

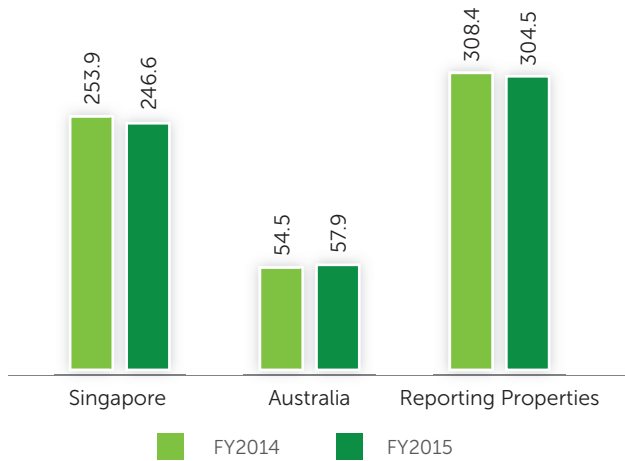
All our properties in Singapore have been certified Water Efficient Building by PUB. China Square Central also participates in the Friends of Water programme by PUB which aims to nurture a sense of ownership and guardianship of water. Most of our water comes from public utilities.

The building water consumption for the Reporting Properties in FY2015 was 304.5 thousand m³, a 1.3% reduction compared to FY2014, mainly due to the 2.9% lower building water consumption for the Singapore properties. This was slightly offset by the 6.3% increase in water consumption in Australia, mainly due to a warmer summer, increase in the number of occupants and building cleaning undertaken following the completion of painting works. Accordingly, average building water intensity was lower at 0.95 m³/m² in FY2015.

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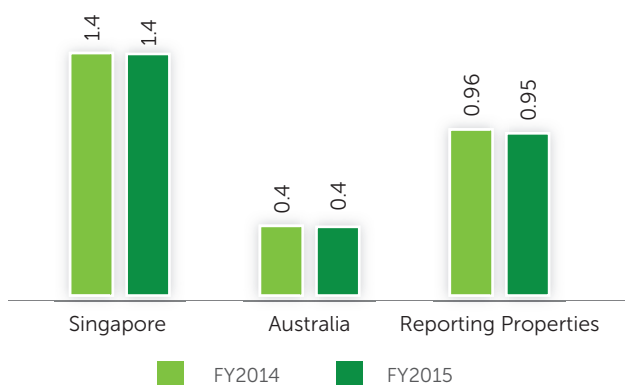
BUILDING WATER CONSUMPTION¹

('000 m³)



AVERAGE BUILDING WATER INTENSITY

(m³/m²)



¹ Water consumption is based on landlord's area only.

PEOPLE

Safety is a key priority

The Manager is committed to providing a safe environment for its stakeholders. For example, the Singapore properties have procedures in place for incident management. Standard operating procedures are in place to respond to emergencies. We instill best practices at workplace and practice a culture of safety awareness.

The management of all our properties in Singapore have been accredited with Occupational Health and Safety Management System (OHSAS) 18001 and SS506 Part 1: 2009 certifications which are audited annually. They have also been awarded BizSafe Star by the Workplace Safety & Health (WSH) Council and Ministry of Manpower in recognition of the commitment to BizSAFE programme and achievements in WSH performances.

Safety data is tracked on an on-going basis. There were no incidents of safety-related non-compliance for the Reporting Properties and there were no lost time injuries² and no fatalities reported in FY2015.

Our employees, our capital

Our employees are our important asset. As an externally managed REIT, FCOT does not have any employees and is managed by the Manager, a wholly-owned subsidiary of FCL. The data on employees is in relation to the employees of the Manager.

Attracting and retaining talents, nurturing future leaders and ensuring their well-being are fundamental to the sustainability of our business. This is why good labour/management relations are important to us. As set out in the stakeholder engagement, the management engages the employees throughout the year through various methods and events. For example, orientation programmes are conducted for new employees upon joining the Manager to familiarise the employees with the business and culture of the FCL group. Various activities, such as social events and sports events, are held to encourage team building and cohesiveness. Employees are also kept updated on news and developments of the FCL group via the intranet. We promote an open door policy which encourages open communication and employees are encouraged to provide suggestions, feedback or address concerns with the management.

The employment policies of the Manager are aligned with those of the FCL Group which adopts fair employment practices, and put significant efforts into the development and holistic wellness of its employees. FCL is a signatory to the Tripartite Alliance for Fair and Progressive Employment Practices (TAFEP) which promotes the adoption of fair, responsible and progressive employment practices.

Developing our staff, fostering their loyalty

Holders of the Capital Market Services (CMS) license are required to comply with the Manager's Policy for Continuing Education of Capital Markets Services Representatives to keep abreast of developments in the industry and update their skills and knowledge. Beyond legal compliance, the Manager is committed to grow the skills and knowledge of the employees through various training and learning and development programmes which are co-ordinated by the human resource (HR) department of FCL. As part of the annual staff performance appraisal and career development, supervisors identify learning requirements to address

² Health and safety data reported is in line with Singapore's Ministry of Manpower requirements, the definition of lost time injury being more than 3 consecutive days of medical leave due to injury.

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the employees' development requirements. The HR department provides a learning directory and monthly learning highlights are also sent to employees for training courses ranging from general skills (such as communication, computer skills, leadership, personal effectiveness) and stress management, to job specific skills (such as customer care, safety and security). Employees may also raise a request for training to the HR department or their supervisor.

2.0% of the Manager's annual payroll is allocated for training and learning and development. In FY2015, the employees of the Manager received an average 33.5 hours of training per employee. The male and female employees received an average training of 21.8 hours and 37.4 hours per employee, respectively. Executive and non-executive employees received an average training of 38.1 hours and 13.4 hours per employee, respectively. Moving forward, we target 40.0 hours of training per employee.

Developing a healthy workforce

The FCL Group has various wellness programme and activities throughout the year to promote employee wellness and health. The programmes are planned around team bonding, personal development and health themes according to the FCL Group's motto "Make Wellness Part of Your Life; Regular Exercise. Eating Right. Staying Positive". For example, as part of the Eat With Your Family Day initiative, employees of the Manager were released earlier from work to enable them to eat and spend quality time with their families. The employees also participated in other activities such as the FCL Family Day, where staff and their families had a day of good fun and bonding at the Singapore Zoo and River Safari, and the Annual Dinner & Dance.

Employee profile

As of 30 September 2015, the Manager³ has 16 employees, all located in Singapore. We have a growing workforce, with a hiring rate of 12.5% exceeding the turnover rate of 6.3%. Temporary or part-time employees are not a significant proportion of the Manager's workforce.

The majority of our employees are in the 30-49 years age group. More than 80.0% of the employees are executives and 75.0% of the employees are females.

EMPLOYEE MIX BY AGE

(AS AT 30 SEPTEMBER 2015)



■	<30 years old	18.8%
■	30-49 years old	68.8%
■	≥50 years old	12.4%

EMPLOYEE MIX BY GENDER

(AS AT 30 SEPTEMBER 2015)



■	Male	25.0%
■	Female	75.0%

EMPLOYEE MIX BY TYPE

(AS AT 30 SEPTEMBER 2015)



■	Executive	81.3%
■	Non-executive	18.7%

³ FCOT does not have any employee and is managed by the Manager, Frasers Centrepont Asset Management (Commercial) Ltd. The data reported here is in relation to the Manager.

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Providing a fair and equal workplace

The Manager adopts FCL's policies on fair and equal employment, which is incorporated in the Code of Business Conduct. It states FCL's commitment to equal employment opportunities based on meritocracy. FCL is also a member of the Singapore National Employer Federation (SNEF), which provides guidance on fair employment practices.

In addition to fair employment practices, basic salaries and CPF contributions, employees also enjoy benefits such as parental leave and medical insurance. To maintain competitiveness, the HR department of FCL also benchmarks the remuneration of the Manager's employees to the market by engaging an external consultant.

FCL also offers post retirement employment. For example, FCL supports older employees in Singapore in accordance with the Tripartite Guidelines on the re-employment of older employees.

Tenant centric approach

The Manager aims to provide a clean, safe and pleasant environment for its tenants and be a reliable and engaging landlord as the Manager believes these will contribute towards tenant satisfaction and retention. We undertake annual tenant surveys at our properties in Singapore to get a better understanding of their level of satisfaction in various aspects ranging from leasing management, operational/maintenance response to the building environment such as amenities, carpark facilities, security and safety and public transportation. Their valuable feedback helps us in understanding their needs, expectations and identify areas for improvements. In FY2015, the Reporting Properties have a healthy tenant retention rate of 86.4%.

We undertake asset enhancements to refresh our properties and seek improvements to better serve the needs of our tenants. For example, in FY2013, the office tower at China Square Central was refreshed from asset enhancement works and the area along Nankin Mall was revitalised following the completion of the Precinct Master Plan. In FY2015, lift upgrading works were completed at Central Park. Caroline Chisholm Centre was also given a fresh coat of paint in FY2015. The Manager will review opportunities for asset enhancement initiatives to improve the performance of the properties.

In the tenant survey that was conducted in FY2015 at our Singapore properties, the majority of the response was in the "Satisfied to Very Satisfied" range.



Caroline Chisholm Centre, Canberra, Australia

COMMUNITY

Adding Value to our Communities

"Engaging our communities through different programmes, be it arts, cultural, educational or environmental activities is an integral part of the Trust's social commitment to nurture good relationships"

We add value to the local communities through involvement and investment, either in terms of time or resources. We organise community engagement and events together with tenants and charities at most of the properties. These events capitalise on our community ties by involving local charities, communities or special target groups such as senior citizens.

SUSTAINABILITY REPORT



Charity events

Impact

Australia's Biggest Morning Tea

The Central Park management team were honoured to host and be part of Australia's Biggest Morning Tea, one of Cancer Council Western Australia's leading fundraising events in Australia. Both the tenants and the Central Park management team came in full support of this worthy cause, and cakes and coffee were donated and sales proceeds of A\$1,920 raised. This event also was a good opportunity to foster closer ties between the tenants and the Central Park management team.

Step Up for MS

For the ninth consecutive year, Step Up for MS, one of the iconic events for the Multiple Sclerosis Society (MS Society) of Western Australia, was held at Central Park. This unique vertical challenge to the top of Central Park raised funds and awareness of the MS Society, a non-profit organisation providing support and services to those affected with multiple sclerosis. This year, a total of A\$154,592 was raised from donors and participants, whilst the Central Park management team donated A\$10,000 in support of the MS Society.

Central Park Plunge

Central Park Plunge is one of Perth's newest event which provided an opportunity for 300 participants to abseil 220 metres from Central Park, denoted as Australia's tallest urban abseil event. Organised by Zenith Events and held over a three-day period, this event was held in support of the Ronald McDonald House, The Fiona Wood Foundation, Kids' Camp and Anglicare Western Australia. The event was a resounding success where A\$425,000 was raised, significantly higher than the initial A\$350,000 target set as a result of the tremendous support received.

Brand's Charity Sales

The annual Brand's Charity Sales by Cerebos Pacific Limited was held at China Square Central over the course of two days to raise funds for The Straits Times School Pocket Money Fund, established to help children from low-income families pay for their meals in school and their education needs. S\$22,000 was raised and these funds will go a long way to help ease the burden of needy families and ensure the smooth continuation of their children's education. China Square Central supported this event by providing assistance for on-site displays and point of distribution for flyers to create awareness among the shoppers, retail and office tenants.

SUSTAINABILITY REPORT



Colours Of Our Country, Central Park, Perth, Australia

Community events

Impact

Colours of Our Country

The annual Colours of Our Country art exhibition was held at the lobby of Central Park, showcasing more than 250 paintings and artefacts from 40 Western Australia's Pilbara-based Aboriginal artists. Presented by Rio Tinto, the art exhibition also featured independent artists from Karratha, Roebourne, Pannawonica and Tom Price from the Pilbara region. This exhibition provided the community with a better understanding of the rich history, culture and customs of the Pilbara region, whilst creating economic opportunities for these artists. More than 219 artworks were sold and A\$218,265 was raised, exceeding the A\$204,000 raised last year.

As We Are

For the third consecutive year, Central Park hosted the As We Are art exhibition featuring the works of disabled artists from Perth. This inspiring exhibition provided a good exposure to the artists and the sale of their artwork validated their talent and efforts. The event successfully raised A\$11,980 from artworks sold.

Seniors Week – Opera in the Park

Seniors Week is a national week sponsored by the Department of Health and Ageing celebrating and recognising the seniors for their contributions to the community, challenging negative stereotypes of seniors and presenting a positive image of ageing. It also encourages younger Western Australians to improve their health and wellbeing in later life and promotes inter-generational celebration of seniors. During the week, the Western Australia State Opera performed at the lawn of Central Park much to the delight of the tenants and public.

Brian McKay Exhibition

An art exhibition featuring the works of the late artist, Brian McKay, was held at the lobby of Central Park to pay tribute and to commemorate his works. Celebrated as one of Western Australia's leading modernists, Brian McKay designed the artwork in Central Park's lobby during its construction 20 years ago and most recently, designed the lift interiors for the upgrading of Central Park's lifts. The art exhibition showcased the photographs depicting the unique, individual artworks created for the 18 lifts in Central Park in 2015.

SUSTAINABILITY REPORT



Visit to Geylang East Home for the Aged, Singapore

Visit to Geylang East Home for the Aged

The China Square Central building management team organised a visit to the Geylang East Home for the Aged to bring some cheer to the senior citizens. 60 senior citizens, with ages ranging from 60 to 93 years, were treated to goodies such as snacks and beverages by the team. The team also joined the senior citizens in their daily activities such as karaoke and pictorial colouring, forging a great camaraderie with the elderly folks. As a parting gift, the elderly folks were presented with goodie bags comprising various products sponsored by Cerebos Pacific Limited.

Tenant Events

As part of the initiatives to engage and foster closer relationship with the tenants, various tenant events were held during the year. At Central Park, wine tasting events are held on the last Thursday of every month, where different wines and beers were made available for the enjoyment of the tenants. The team at Central Park also hosted a lunch for the tenants of Central Park for the Melbourne Cup event. In Singapore, tenants were given oranges and mooncakes as part of the Chinese New Year and the Mid-Autumn celebrations.



Wine Tasting, Central Park, Perth, Australia

SUSTAINABILITY REPORT

GRI CONTENT INDEX (G4 CORE)

GENERAL STANDARD DISCLOSURES

Standard disclosure title		Reference	<div> ● Fully met ● Partially met ● Not met </div>
Strategy and analysis			
G4-1	Statement from the most senior decision-maker of the organisation about the relevance of sustainability to the organisation and the organisation's strategy for addressing sustainability.	Letter to Unitholders, p. 19 – 20	●
Organisational profile			
G4-3	Name of the organisation.	About Frasers Commercial Trust, p. 2	●
G4-4	Primary brands, products, and services.	About Frasers Commercial Trust, p. 2	●
G4-5	Location of the organisation's headquarters.	Corporate information (inside back cover)	●
G4-6	Number of countries where the organisation operates, and names of countries where either the organisation has significant operations or that are specifically relevant to the sustainability topics covered in the report.	About Frasers Commercial Trust, p. 2	●
G4-7	Nature of ownership and legal form.	About Frasers Commercial Trust, p. 2, Corporate Structure, p. 21	●
G4-8	Markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).	About Frasers Commercial Trust, p. 2 Overview of Properties, p. 60 – 61 Asset Profiles, p. 64 – 75	●
G4-9	Scale of the organisation	About Frasers Commercial Trust, p. 2	●
G4-10	a. total number of employees by employment contract and gender. b. total number of permanent employees by employment type and gender. c. total workforce by employees and supervised workers and by gender. d. total workforce by region and gender. e. Report whether a substantial portion of the organisation's work is performed by workers who are legally recognised as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors. f. any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries).	Employee Profile, p. 90 No substantial work is performed by workers who are legally recognised as self-employed. There is no significant variation in employment numbers.	●

SUSTAINABILITY REPORT

G4-11	Employees covered by collective bargaining agreements.	There are no collective bargaining agreements in place.	●
G4-12	The organisation's supply chain.	Sustainability Across our Supply Chain, p. 83	●
G4-13	Significant changes during the reporting period regarding the organisation's size, structure, ownership, or its supply chain	Not applicable – first sustainability report	N.A.
G4-14	Whether and how the precautionary approach or principle is addressed by the organisation.	Our Approach to Sustainability, p. 81	●
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or which it endorses.	Our Approach to Sustainability, p. 81 Governance, p. 83 – 85 Environment, p. 85 – 89 People, p. 89 – 94	●
G4-16	Memberships of associations (such as industry associations) and national or international advocacy organisations	Being accountable to our stakeholders, p. 82 – 83	●
Identified material aspects and boundaries			
G4-17	All entities included or not included in organisation's financial statements	Overview of properties, p. 60 – 61 Scope of this Report, p. 79	●
G4-18	Process for defining Report Content	Deciding on what matters most, p. 81	●
G4-19	The material Aspects identified in the process for defining report content	Deciding on what matters most, p. 81	●
G4-20	For each material Aspect, Aspect Boundary within the organisation	All material issues are relevant internally.	●
G4-21	Aspect Boundary outside the organisation	All material issues are relevant externally except for Labour/Management Relations and Staff Retention and Development	●
G4-22	Effect of any restatements of information provided in previous reports, and the reasons for such restatements.	Not applicable – first sustainability report	N.A.
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries.	Not applicable – first sustainability report	N.A.
Stakeholder engagement			
G4-24	Stakeholder groups engaged by the organisation	Being accountable to our stakeholders, p. 82	●
G4-25	Basis for identification and selection of stakeholders with whom to engage	Being accountable to our stakeholders, p. 82	●
G4-26	Approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group	Being accountable to our stakeholders, p. 82	●

SUSTAINABILITY REPORT

G4-27	Key topics and concerns raised through stakeholder engagement, and how the organisation has responded	Being accountable to our stakeholders, p. 82	●
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Report profile

G4-28	Reporting period for information provided	Scope of this report, p. 79	●
G4-29	Date of most recent previous report	Not applicable – first sustainability report	N.A.
G4-30	Reporting cycle	Scope of this report, p. 79	●
G4-31	Contact point for questions regarding the report or its contents	Scope of this report, p. 79	●
G4-32	Report on 'In accordance' option, GRI Content Index, reference to External Assurance	Scope of this report, p. 79	●
G4-33	Policy and current practice with regard to seeking external assurance for the report	Scope of this report, p. 79	●

Governance

G4-34	Governance structure of the organisation	Corporate and Organisational Structure, p. 21 Board of Directors, p. 24 – 27 Management Team, p. 28 – 29 Governance, p. 83 – 85 Corporate Governance, p. 101 – 111	●
G4-58	Internal and external mechanisms for reporting concerns about ethical and lawful behavior, and matters related to organisational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines	Preventing Corruption and Fraud, p. 83 – 85	●

SPECIFIC STANDARD DISCLOSURES

CATEGORY: ECONOMIC

Aspect: Economic Performance

G4-DMA	Generic Disclosures on Management Approach	Financial Review, p. 37 – 41	●
G4-EC1	Direct economic value generated and distributed	Financial Highlights, p. 10 – 13 Financial Review, p. 37 – 41 Financial Statements, p. 118 – 166	●
G4-EC3	Coverage of the organisation's defined benefit plan obligations	Providing a fair and equal workplace, p. 91 Employees are covered by Singapore's mandatory social security savings plan, the Central Provident Fund (CPF).	●

SUSTAINABILITY REPORT

CATEGORY: ENVIRONMENTAL

Aspect: Energy

G4-DMA	Generic Disclosures on Management Approach	Environment, p. 85 – 89	●
G4-EN3	Energy consumption within the organisation	Energy use and greenhouse gas emissions, p. 87 – 88	●
G4-EN5	Energy intensity	Energy use and greenhouse gas emissions, p. 87 – 88	●
G4-EN6	Reduction of energy consumption	Energy use and greenhouse gas emissions, p. 87 – 88	●
G4-CRE1	Building energy intensity	Energy use and greenhouse gas emissions, p. 87 – 88	●

Aspect: Water

G4-DMA	Generic Disclosures on Management Approach	Environment, p. 85 – 89	●
G4-EN8	Total water withdrawal by source	Water savings, p. 88 – 89	●
G4-CRE2	Building water intensity	Water savings, p. 88 – 89	●

Aspect: Emissions

G4-DMA	Generic Disclosures on Management Approach	Environment, p. 85 – 89	●
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	Energy use and greenhouse gas emissions, p. 87 – 88	●
G4-EN18	Greenhouse gas (GHG) emissions intensity	Energy use and greenhouse gas emissions, p. 87 – 88	●
G4-EN19	Reduction of greenhouse gas (GHG) emissions	Energy use and greenhouse gas emissions, p. 87 – 88	●
G4-CRE3	Greenhouse gas (GHG) emissions intensity from buildings	Energy use and greenhouse gas emissions, p. 87 – 88	●

Aspect: Compliance

G4-DMA	Generic Disclosures on Management Approach	Enterprise-wide Risk Management (ERM), p. 85 Governance, p. 83 – 85 Environment, p. 85 – 89	●
G4-EN29	Non-monetary sanctions for non-compliance with environmental laws and regulations	There were no fines for non-compliance with environmental laws and regulations at our properties in FY2015.	●

SUSTAINABILITY REPORT

CATEGORY: SOCIAL

Sub-Category: Labour Practices And Decent Work

Aspect: Employment

G4-DMA	Generic Disclosures on Management Approach	People, p. 89 – 94	●
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	Employee Profile, p. 90 Given the small workforce size, no breakdown by age group and gender.	●
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	Not applicable. Temporary or part-time employees are not a significant part of FCOT's workforce.	N.A.

Aspect: Labour/Management Relations

G4-DMA	Generic Disclosures on Management Approach	People, p. 89 – 94	●
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	This is currently not covered in group-wide collective agreements. Staff are given sufficient notice to adjust to any operational changes. The notice period varies.	●

Aspect: Occupational Health And Safety

G4-DMA	Generic Disclosures on Management Approach	Safety is a key priority, p. 89	●
G4-LA5	Workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	There are no health-safety committees at group level.	●
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Safety is a key priority, p. 89	●
G4-CRE6	Percentage of the organisation operating in verified compliance with an internationally recognized health and safety management system.	Safety is a key priority, p. 89 There is no data tracking about the percentage of employees working in verified compliance with an Internationally Recognised Health & Safety Management System.	●

Aspect: Training And Education

G4-DMA	Generic Disclosures on Management Approach	Developing our staff, fostering their loyalty, p. 89 – 90	●
G4-LA9	Training per year per employee by gender, and by employee category	Developing our staff, fostering their loyalty, p. 89 – 90	●

SUSTAINABILITY REPORT

G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Developing our staff, fostering their loyalty, p. 89 – 90	●
G4-LA11	Employees receiving regular performance and career development reviews, by gender and by employee category	Developing our staff, fostering their loyalty, p. 89 – 90	●
Sub-Category: Society			
Aspect: Local Communities			
G4-DMA	Generic Disclosures on Management Approach	Community, p. 91 – 94	●
G4-SO1	Operations with implemented local community engagement, impact assessments, and development programs	Community, p. 91 – 94	●
G4-CRE7	Persons voluntarily and involuntarily displaced and/or resettled by development, broken down by project	FCOT has only invested in completed properties. It has not been involved in the development phase of these properties.	●
Aspect: Anti-Corruption			
G4-DMA	Generic Disclosures on Management Approach	Governance, p. 83 – 85	●
G4-SO3	Operations assessed for risks related to corruption and the significant risks identified	Enterprise-Wide Risk Management (ERM), p. 85 Preventing corruption and fraud, p. 83 – 85	●
G4-SO5	Confirmed incidents of corruption and actions taken	No confirmed incidents.	●
Sub-Category: Product Responsibility			
Aspect: Customer Health And Safety			
G4-DMA	Generic Disclosures on Management Approach	Safety is a key priority, p. 89	●
G4-PR2	Incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle	Safety is a key priority, p. 89	●
Aspect: Marketing Communication			
G4-DMA	Generic Disclosures on Management Approach	Ethical Marketing, p. 85	●
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship, by type of outcomes	Ethical Marketing, p. 85	●