

# OUR REPORT

## ABOUT THIS REPORT

Our third Sustainability Report covers the Economic, Social and Governance (ESG) aspects for all FCT's properties from 1 October 2016 to 30 September 2017.

At FCT, we continue to adopt the standards issued by the Global Reporting Initiative's (GRI's) Global Sustainability Standards Board. We have prepared this report with reference to GRI Standards (2016), which supersedes GRI G4 Guidelines, and includes GRI's Construction and Real Estate Sector supplements. We intend to seek external assurance on our sustainability report in the future.

## REPORT SCOPE

Operating as a REIT, we refer to the activities and performance of Frasers Centrepoint Asset Management ("the Manager" or "FCAM") when discussing our employee-related performance for FCT. Although the day-to-day operation of our assets are outsourced to Frasers Centrepoint Property Management Services Pte Ltd ("Property Manager"), we recognise that we still have a responsibility to work closely with them to encourage and monitor good sustainability performance at our properties. Therefore, environmental performance data disclosed in this sustainability report covers all properties owned by Frasers Centrepoint Trust ("FCT") for the financial year ended 30 September 2017. Our data is reported in good faith and to the best of our knowledge. Together with the other information set out in our Annual Report, this Sustainability Report plays a significant role in promoting communication and transparent reporting to our stakeholders.

We continuously seek to improve our sustainability efforts and your feedback is vital in helping us achieve our objectives. Please contact Mr Chen Fung Leng, Head of Investor Relations & Research, at [fungleng.chen@fraserscentrepoint.com](mailto:fungleng.chen@fraserscentrepoint.com).

# OUR SUSTAINABILITY COMMITMENT



At FCT, we believe that sustainability contributes to a great customer experience. Our malls are patronized by shoppers for their shopping and dining needs, as well as serving as a destination for socializing with friends and families. When assessing our assets, we consider both the physical needs, such as eco-efficiency and safety, as well as the social needs such as convenience and comfort. Shopping experience can be enhanced by incorporating environmental sustainability and social responsibility into our business operations.

We need to work together with our stakeholders to achieve our vision and collaboration is key. We work closely with our Sponsor to support their sustainability efforts through participation in working committees, such as the Sustainability Steering

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"Experience Matters" is the unifying idea for Frasers Centrepont Limited ("the Sponsor"), and as part of the Group, we use this as our new guiding vision. This vision centres on "Experience", that is, the experience that our customers receive as well as the experience that the Group has developed over decades of operations.

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Committee, and events, such as Frasers Environment Month. We also work together to develop policies, action plans and targets to progressively achieve good sustainability practices and adoption of international environmental standards. Finally, we empower our employees to actively participate and drive our various sustainability activities and initiatives. We engage our stakeholders in a variety of ways and we continuously seek to collaborate in more ways with them.

Our FY2017 Sustainability Report demonstrates how we are working with our various stakeholders and partners as well as the disclosure of our Environmental, Social and Governance (ESG) performance in FY2017. We are developing various targets and initiatives to be implemented in the future.

We are pleased that we have improved our energy and water intensities in FY2017 and achieved Green Mark certification at YewTee Point. We also took part in our Sponsor's inaugural Environment Month. We continue to implement OHSAS 18001 and SS506 Part 1:2009 occupational health and safety management systems and obtained the Biz-Safe Enterprise Level Star Award at all our properties. We also maintained good governance performance with no known incidents of non-compliance with relevant codes, laws and regulations. We continue to explore opportunities to improve our sustainability efforts through benchmarking with our peers in the REIT and real estate industry.

# THE YEAR AT A GLANCE



## GOVERNANCE

- Zero known incidents of non-compliance with relevant codes, laws and regulations



## HEALTH AND SAFETY

- Zero incidents of safety-related non-compliance and zero loss time injuries for FCAM employees
- Implemented the OHSAS 18001 and SS506 Part 1:2009 occupational health and safety management systems at all our properties
- Achieved Biz-Safe Enterprise Level Star Award, awarded by the Workplace Safety and Health Council at all our properties
- Causeway Point achieved SCDF Outstanding Company Emergency Response Team (CERT) Award 2016



## ENVIRONMENT

- 7.2% decrease year-on-year in average building energy intensity
- 2.0% decrease year-on-year in average building water intensity
- 8.6% decrease year-on-year in GHG emission intensity
- All FCT properties achieved Water Efficient Building Certification awarded by PUB
- YewTee Point achieved Green Mark Certification awarded by the Building and Construction Authority of Singapore (BCA)



## EMPLOYEES

- Employees of the Manager achieved an average 66.6 training hours per employee, exceeding of the target of 40 hours

**7.2%**

decrease year-on-year  
in average building  
energy intensity

**2.0%**

decrease year-on-year  
in average building  
water intensity

**8.6%**

decrease year-on-year  
in GHG emission  
intensity

**66.6hr**

average  
training hours per  
employee



# MANAGING SUSTAINABILITY

## MANAGEMENT STRUCTURE

The tone from the top is critical for driving good sustainability practices throughout FCT and the Manager. As a sponsored REIT, our sustainability programme is closely aligned with the business strategy and commercial direction of our Sponsor.

The Sustainability Steering Committee (SSC) provides guidance and drives Frasers Centrepoint Group's corporate sustainability agenda in its business operations. The committee is chaired by the Group CEO, Mr. Panote Sirivadhanabhakdi, and comprises the top management – the CEOs of all our business units, the Chief Corporate Officer and Chief Financial Officer, as well as the Chief Human Resources Officer. FCAM's

CEO, Dr. Chew Tuan Chiong, represents FCT in the SSC. To ensure that our sustainability efforts are on the right track, the SSC meets quarterly to review and assess the performance of our sustainability initiatives.

FCT is also represented in the Sustainability Working Committee (SWC), which supports the SSC. The SWC consists of members from the senior and middle management of various business units and departments such as Finance, Risk Management, Human Resource and Communications. The SWC's main task is to monitor our sustainability performance against our key performance indicators (KPIs), implement action plans, and report findings to the SSC.

## STAKEHOLDER ENGAGEMENT

Our stakeholders are important to FCT's long-term success. We interact with many key stakeholders on a regular basis and these interactions facilitate continuous improvements in all areas of our operations. We seek to engage stakeholders' concerns through multiple forms of engagement, as outlined in the table below:

Key Stakeholders	Engagement Methods	Key Topics
<b>Shoppers</b>	<ul style="list-style-type: none"> <li>Shopper surveys</li> <li>Focus group study (every 2 years)</li> <li>Feedback via online and mobile platforms such as social media and FCT/FCL websites</li> <li>Regular shopper events to engage shoppers and their families</li> <li>Frasers Rewards (loyalty program for shoppers at Frasers malls)</li> <li>Feedback forms</li> </ul>	<ul style="list-style-type: none"> <li>Meeting the shopping needs of our shoppers</li> <li>Quality of services and facilities</li> <li>Providing comfortable shopping environment and family-friendly amenities</li> <li>Considerations for safety and easy accessibility</li> <li>Good connectivity to public transport</li> </ul>
<b>Tenants</b>	<ul style="list-style-type: none"> <li>Partnership in promotional events</li> <li>Regular tenant feedback meetings</li> </ul>	<ul style="list-style-type: none"> <li>Maintaining high shopper traffic</li> <li>Competitive rental rates</li> <li>Collaboration in marketing and promotional events</li> </ul>
<b>Regulators Industry associations</b>	<ul style="list-style-type: none"> <li>Participation in industry associations including REIT Association of Singapore (REITAS), Investor Relations Professionals Association (IRPAS), Orchard Road Business Association (ORBA), Securities Investors Association (Singapore) (SIAS) and Singapore Retailers Association (SRA)</li> <li>Participation in briefings and consultation with regulators such as the Singapore Exchange (SGX) and Monetary Authority of Singapore (MAS)</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with relevant rules and regulations</li> <li>Engagement with investors and unitholders</li> <li>Government policies on REITs and/or Real Estate sector</li> <li>Issues concerning both short and long-term interests of the retail industry in Singapore</li> </ul>

# MANAGING SUSTAINABILITY

Key Stakeholders	Engagement Methods	Key Topics
<b>Property Manager</b>	<ul style="list-style-type: none"> <li>Monthly meetings</li> <li>Email exchanges</li> </ul>	<ul style="list-style-type: none"> <li>Key Performance indicators for the Property Manager</li> </ul>
<b>Investors and FCT Unitholders</b>	<ul style="list-style-type: none"> <li>Investor meetings, quarterly post-results luncheons and non-deal roadshows</li> <li>Mall tours upon requests</li> <li>Annual General Meetings</li> <li>Website, annual reports, SGXNET announcements, presentations slides, quarterly financial results briefings and conference calls</li> </ul>	<ul style="list-style-type: none"> <li>Business and operations performance</li> <li>Business strategy and outlook</li> <li>Sustainability concerns</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Annual Performance appraisals</li> <li>Communal sports and activities</li> <li>Orientation and training programmes organised by FCL Group Human Resource</li> <li>Regular department meetings</li> <li>Family Day</li> <li>Annual Dinner and Dance event</li> </ul>	<ul style="list-style-type: none"> <li>Compensation and Benefits</li> <li>Career progression</li> <li>Continuous education and skills upgrading</li> <li>Employee well-being</li> </ul>
<b>Community</b>	<ul style="list-style-type: none"> <li>Annual Charity Drives and Events</li> <li>Donations and sponsorships to charitable organisations</li> </ul>	<ul style="list-style-type: none"> <li>Helping the needy group in the community</li> <li>Foster strong community ties and promote family-values</li> </ul>

## MATERIALITY

In FY2015, we conducted a materiality assessment in collaboration with our Sponsor to determine the ESG factors material to our operations, as well as those that influence decisions of our stakeholders. This assessment was based on the international standards for materiality, the GRI and AA1000 principles, as well as the application of sector-specific guidance from the Global Real Estate Sustainability Benchmark (GRESB) and the GRI Construction & Real Estate Sector supplements.

Based on the materiality review process conducted by FCT's key management, we concluded that the material factors are still reflective of our current business condition; thus, our material factors are unchanged. We will continue to assess these material factors on a regular basis to ensure that they are relevant and reflective of our business impacts and stakeholders needs.

After discussing how we address some of the United Nations' Sustainable Development Goals (SDGs) in last year's report, we have linked these SDGs to our material factors in order to demonstrate our ongoing commitment. Adopted by the United Nations and its member states, the 17 SDGs focus on the economic, environmental and social dimensions of sustainable development. The SDGs call for global action among governments, civil society and the private sector to end poverty, protect the planet and ensure prosperity for all<sup>1</sup>. At FCT, we aim to contribute to the achievement of the SDGs by minimising the environmental footprint of our business operations and incorporating sustainability principles into our corporate policies and procedures.

<sup>1</sup> According to United Nations Development Programme.

Theme	Material factors	Relevant Sustainable Development Goals (SDGs)
<b>Economic</b>	1. Economic performance <sup>1</sup>	Goal 8: Decent work and economic growth Goal 9: Industry, Innovation and Infrastructure
<b>Upholding Good Corporate Citizenship</b>	2. Environmental compliance 3. Anti-corruption 4. Ethical marketing	Goal 17: Partnership for the goals
<b>Changing The Way We Look at Natural Resources</b>	5. Energy management 6. Water management	Goal 7: Affordable and clean energy Goal 9: Industry, Innovation and Infrastructure Goal 11: Sustainable cities and communities
<b>Investing in a Workforce of the Future</b>	7. Staff retention and development 8. Labour/management relations 9a. Health and safety	Goal 3: Good health and wellbeing Goal 8: Decent work and economic growth Goal 10: Reduced inequalities
<b>Creating Strong and Integrated Communities</b>	9b. Health and safety 10a. Local communities	Goal 3: Good health and wellbeing Goal 11: Sustainable cities and communities
<b>Giving Back to Society</b>	10b. Local communities	Goal 17: Partnership for the goals

1 Not covered in this section. Please refer to pages 118-176 for our financial statements.

## INFLUENCING OUR SUPPLY CHAIN

FCT and the Manager are committed to influencing our value chain in sustainability matters.

Where relevant and practicable, we engage our Property Manager and service providers, and collaborate with them to take actions with positive sustainability impact. Examples of such actions include the switch or upgrade to environmentally friendly equipment during AEI and facilities maintenance.

We also require our Property Manager to ensure that the service providers who carry out maintenance and fitting-out works in our properties are compliant with the relevant statutory requirements and the Workplace Safety and Health Approved Codes of Practice issued by the Singaporean WSH Council.

## PARTNERSHIPS AND AFFILIATIONS

The Manager has memberships in several industry organisations including the Securities Investors Association (Singapore) (SIAS), REIT Association of Singapore (REITAS) and Investor Relations Professionals Association (IRPAS). We work with these organisations in various aspects to contribute to the real estate and REIT industry, as well as to the general investor community and to the public. The objective of the subscription to these organisations are aligned to our desire to grow and promote the S-REIT industry; to promote good corporate governance; and to engage regulators during the formulation of policies relevant to the industry, among other objectives. The Manager, as part of Fraser Centrepoint Group, also participates in activities organised by Orchard Road Business Association (ORBA) and Singapore Retailers Association (SRA). The Manager supports FCL, in its commitment to enhance corporate social responsibility initiatives.



# UPHOLDING GOOD CORPORATE CITIZENSHIP

## Relevant SDGs



## BEYOND COMPLIANCE

Being respectful of laws, regulations and the needs of society are essential to be a good corporate citizen. Good corporate governance drives good business practices. We recognise the benefits that clear policies and good management bring to our business, and we strive to maintain high standards of integrity, accountability and corporate governance.

### NO BREACH OF ENVIRONMENTAL LAWS AND REGULATIONS.

We aim for zero incidents of non-compliance with environmental laws and regulations in upcoming year.

### NO CONFIRMED CASES WITH REGARDS TO BRIBERY AND CORRUPTION REPORTED.

We have a zero tolerance approach towards bribery, corruption and fraud.

### NO INCIDENTS OF NON-COMPLIANCE WITH REGULATIONS AND INDUSTRY CODES

concerning marketing communications for which fines were issued to the Company this year.

## ENVIRONMENTAL COMPLIANCE

FCT supports Building and Construction Authority's (BCA's) second Green Building Master Plan that at least 80% of the buildings in Singapore achieve the BCA Green Mark Certified rating by 2030, and mandates that all new developments and retrofits achieve the basic Green Mark Certification level.

## ETHICAL MARKETING

In all our engagements with our tenants, suppliers and customers, we ensure that our communications and marketing are responsible, clear, timely and accurate. Information for investors is disclosed in our Annual Report, our quarterly financial statements and our investor presentations. All these documents are publicly available on our website and on the SGX-ST website. In addition, we hold post-results briefings or conference calls meetings every quarter and participate in regular non-deal roadshows and investors meetings.

## ANTI-CORRUPTION AND FRAUD PREVENTION

We believe that sustainability should be integral to the corporate governance structure of our business. As such, we strive to maintain high standards of integrity, accountability and corporate governance.

We adhere to the Code of Corporate Governance 2012, Code of Advertising Practice, listing rules and regulations set out by SGX and the MAS Securities and Futures Act, as well as all other applicable laws and regulations. This year, we have also engaged Ernst & Young Advisory Pte. Ltd. to create a framework for the prevention of money laundering and countering the financing of terrorism when we deal with our counterparties and tenants.

FCAM has a zero-tolerance approach towards corruption and fraud. We adhere to the following corporate policies and SOPs established by FCL to guide conduct of our employees:

Corporate Policies	Guidance on:
<b>Code of Business Conduct</b>	Internal policies that cover ethics and conduct in relation to topics such as compliance monitoring, record keeping, information confidentiality, conflicts of interest, insider trading and equal employment opportunities
<b>Whistle-Blowing Policy</b>	Provide a channel for stakeholders to report concerns on improprieties in financial reporting, professional misconduct, irregularities or non-compliance with laws and regulations
<b>Anti-Bribery Policy</b>	Prevention and management of bribery and corruption
<b>Competition Act Compliance Manual</b>	Compliance with the Competition Act to protect and promote healthy competitive markets in Singapore
<b>Personal Data Protection Act Policy</b>	Compliance with the Personal Data Protection Act (PDPA) 2012
<b>Environment, Health and Safety Policy</b>	Safeguarding the health and safety of all relevant stakeholders and interested parties within its premises and providing an environmentally friendly and safe place for them to work in or to conduct their business
<b>Legal and Regulatory Compliance Manual</b>	Provides guidance on compliance with relevant rules and regulations
<b>Policy on Dealing in Units of FCT and Reporting Procedures</b>	Provides guidance regarding dealings in FCT units by directors, officers and employees
<b>Policy for Prevention of Money Laundering and Countering the Financing of Terrorism</b>	Provides guidance so that employees of the Manager are aware of their obligations and responsibilities and meet the obligations under the relevant Prevention of Money Laundering and Countering the Financing of Terrorism regulations
<b>Policy on Outsourcing</b>	Provides guidance regarding the adoption of sound risk management practices on outsourcing of services
<b>Treasury Policy</b>	Provide guidance on the management of treasury activities

Our management's approach is risk-based, and supported by our internal audit framework. We have in place an internal audit function established within the FCL Group to independently examine and evaluate the activities of FCAM, focusing on the adequacy and effectiveness of internal controls, risk management and corporate governance processes. For further details on our internal audit, please refer to pages 106 to 107 of this Annual Report.



# CHANGING THE WAY WE LOOK AT NATURAL RESOURCES

FCT aligns its goals in environmental sustainability with that of the Sponsor. Recognising the importance of being environmentally conscious, we will work towards cultivating a culture that encourages thoughtful and ethical behaviour that promotes care and awareness of our environment footprint to our employees and stakeholders.

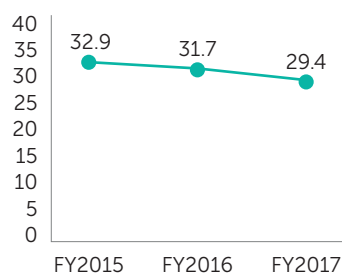
## ENERGY MANAGEMENT

Our overall building energy consumption and intensity decreased by 7.2% year-on-year for FY2017. While the asset enhancement initiative (AEI) at Northpoint City North Wing contributed to the decrease, we generally saw a fall in energy consumption in our malls. We have increased our efforts to achieve higher energy efficiency at our malls, by implementing changes such as installing energy-efficient LED lighting in common areas, upgrading to more energy-efficient chillers and air-conditioning units. YewTee Point's building management system was also optimized and that helped the mall to achieve the BCA Green Mark Certification this year.

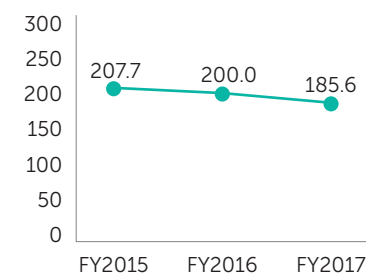
In line with the drop in energy intensity, we are also pleased to see a 8.6% decrease in our GHG emissions and intensity.

We have set a 10-year target for a 15% reduction in energy intensity by FY2025, from the baseline of FY2015. This is in line with FCL's target.

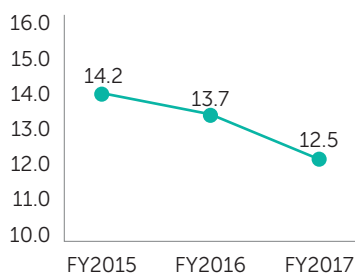
**Building energy consumption**  
(million kWh)



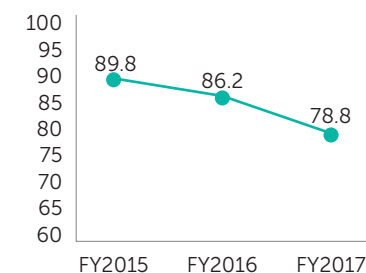
**Building energy intensity**  
(kWh/m<sup>2</sup>)



**Building GHG emissions**  
(thousand tonnes of CO<sub>2</sub>e)



**GHG emission intensity**  
(kilograms of CO<sub>2</sub>e/m<sup>2</sup>)



1 The building GHG emissions (in thousand of CO<sub>2</sub>e) for FY2016 has been restated to 13.7 from 13.6 due to rounding in calculations.

### Relevant SDGs



WE HAVE SET A 10-YEAR  
TARGET FOR A

**15%**  
REDUCTION OF OUR  
ENERGY INTENSITY  
BY FY2025, FROM THE  
BASELINE OF FY2015



## CERTIFICATES AND AWARDS

FCT's BCA Green Mark certified properties have energy efficiency measures built into their designs and are subject to energy audits every three years. The properties in FCT's portfolio which are BCA Green Mark certified as at 30 September 2017 are:

- Causeway Point: BCA Green Mark (Platinum)
- Changi City Point: BCA Green Mark (Gold<sup>PLUS</sup>)
- Bedok Point: BCA Green Mark (Gold)
- Northpoint City North Wing: BCA Green Mark (Gold)
- YewTee Point: BCA Green Mark (Certified)



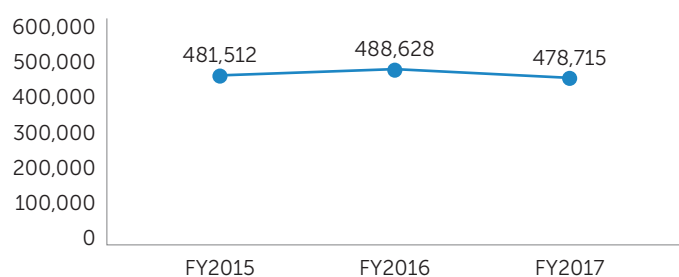
## WATER MANAGEMENT

Water is a scarce resource in Singapore and we are a net importer of it. It is important that we continue to improve our efforts to better manage our water consumption within our malls. FCT encourages our Property Manager to take ownership of water management in our properties.

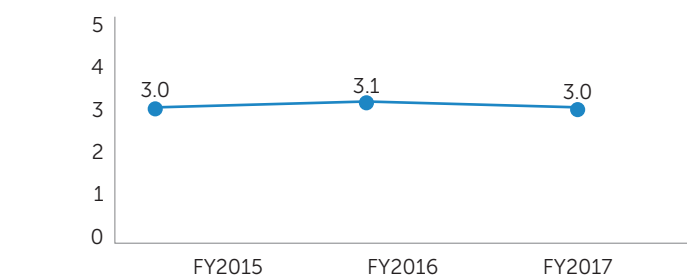
For FY2017, our building water consumption and intensity decreased by 2%. While the asset enhancement initiative (AEI) at Northpoint City North Wing was a factor to the decrease, we have seen some results from more conscious use of water from the continued efforts to raise awareness in water conservation.

We have set a 10-year target for a 15% reduction in water intensity by FY2025, from the baseline of FY2015. This is in line with FCL's target.

**Building water volume**  
(m<sup>3</sup>)



**Building water intensity**  
(m<sup>3</sup>/m<sup>2</sup>)



WE HAVE SET A 10-YEAR  
TARGET FOR A

**15%**  
REDUCTION OF OUR  
WATER INTENSITY BY  
FY2025, FROM THE  
BASELINE OF FY2015



## WATER EFFICIENT BUILDINGS

All our malls have achieved the Public Utilities Board's (PUB) Water Efficient Building (WEB) Certification. By adhering to the WEB Certification, these malls are fitted with many water saving features such as:

- tap flow restrictors/regulators
- low-flush water system
- waterless urinal system
- PUB's Water Efficiency Labelling Scheme (WELS) approved fittings
- use of NEWater and Air Handling Unit (AHU) condensate for non-portable purposes



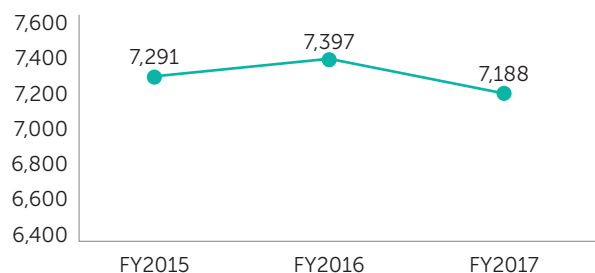


# CHANGING THE WAY WE LOOK AT NATURAL RESOURCES

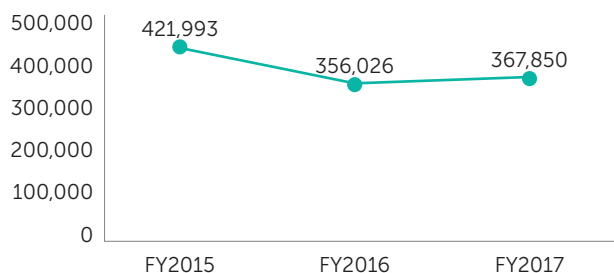
## WASTE MANAGEMENT

Waste generation and disposal remain as some of the top environmental issues in Singapore. We continue to implement various waste management initiatives.

**Total weight of non-hazardous waste collected**  
(tonnes)



**Total weight of waste sent for recycling**  
(kilograms)



## REDUCE, REUSE, RECYCLE

We track the waste disposal and recycling activities at our malls and implement initiatives to reduce our ecological footprint brought about by waste generation. We constantly look for ways to encourage Reduce, Reuse and Recycle (3Rs) in our operations, where a large part of the waste is generated by shoppers and tenants.

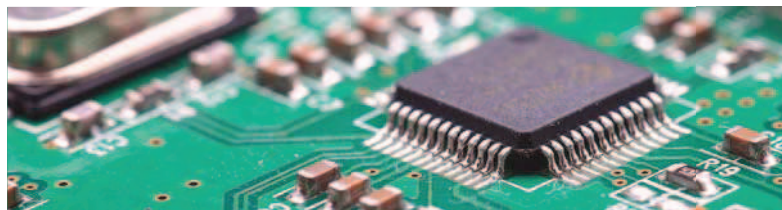
Recycling bins are installed at our malls to make it convenient to shoppers and tenants to recycle. Retail tenants are also encouraged to segregate their waste (paper, plastic and general waste) before disposal to improve their recycling efforts. We are ramping up recycling efforts to include other materials such as plastics and metals.

The F&B businesses in our shopping malls generate considerable amount of food waste. Hence, we are evaluating initiatives to promote the reduction and recycling in this area.

We source paper which has Forest Stewardship Council (FSC) or the Programme for the Endorsement of Forest Certification (PEFC) labels, or products under the Singapore Green Label Scheme (SGLS). We encourage our employees to reduce the amount of paper use by setting default setting of printing to double-sided and discouraging printing where materials are available online.

## PARTNERING WITH NATIONAL ENVIRONMENTAL AGENCY (NEA)

We have partnered with National Environment Agency (NEA) to deliver lunchtime talks to staff and tenants on waste minimization to drive the message on the 3Rs practices.



## RECYCLING E-WASTE

To encourage our tenants to recycle e-waste, we partnered with StarHub to provide e-waste bins at our malls. This is a part of the REcycling Nation's Electronic Waste (RENEW) project that Starhub, DHL and TES-AMM pioneered to provide consumers with avenues to responsibly dispose of their e-waste. The e-waste from the bins will be collected by DHL and TES-AMM will extract re-usable materials and dispose the remains using environmentally safe means.

The total amount of e-waste collected from our malls was 689kg for FY2017. We are looking forward to continue to raise awareness for the recycling of e-waste and making contributions to such recycling efforts.





(Right) Elsie Goh, Senior Centre Manager, Causeway Point, receiving the certificate from (left) Dr Amy Khor, Senior Minister of State, Ministry of the Environment and Water Resources & Ministry of Health.

Causeway Point commended with the Good Effort Certificate at the 3R Awards for Shopping Malls, the first waste reduction and recycling award for mall operators in Singapore.

## CREATING AWARENESS

At FCT, we hold ourselves to a high standard by continuously looking for opportunities to reduce our reliance on the natural resources to promote good sustainability practices.

We recognise that our investors and stakeholders are increasingly emphasising responsible ESG practices. In order to ensure firm-wide support towards environmental sustainability, senior management sets the appropriate tone-at-the-top to drive and garner active involvement from our employees. Raising awareness on the importance of environmental sustainability continues to be a group-wide effort. In the future, we plan to extend our reach to our supply chain.

## FRASERS ENVIRONMENT MONTH

During the inaugural Environment Month in March 2017, employees participated in a series of workshops, engagement sessions, educational tours, and even a coastal clean-up. These programmes hope to increase the awareness about upcycling and recycling, water sustainability as well as the conservation of resources.

As per previous years, we continue to support the global climate change movement, Earth Hour by collaborating with our tenants to switch off from 8.30pm on 25 March. The event aimed to raise awareness that the way to create a greener building is through collaboration with our partners.



# INVESTING IN A WORKFORCE OF THE FUTURE

## Relevant SDGs



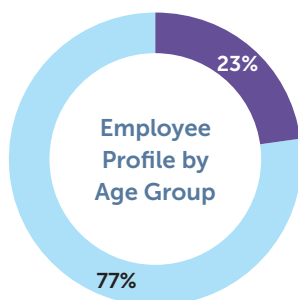
At FCT, we believe in investing in the career development and well-being of our staff, to provide safe and healthy work environment, and to maintain transparent communication channels with our staff.

## KNOWING OUR PEOPLE

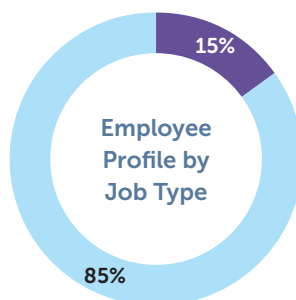
Our employees play a critical role in ensuring that our business continues to grow and thrive.

Our employees play a critical role in ensuring that our business continues to grow and thrive. Retaining and investing in the development of our human capital is key and it ensures that we stay relevant. We believe that having a dedicated workforce is key in driving and sustaining our growth and success.

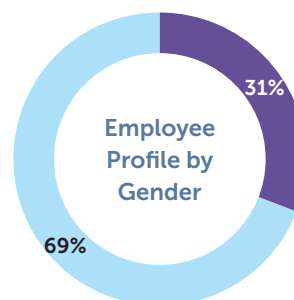
Having a diverse talent pool encourages growth, innovation and inclusivity, all of which contribute positively to FCT's business performance. As a part of our commitment to adopt fair employment practices, FCT is guided by Frasers Centrepoint Group's commitment to the Tripartite Alliance for Fair & Progressive Employment Practices (TAFEP) in Singapore and the Singapore National Employer Federation. FCT is also guided by Frasers Centrepoint Group's Code of Business Conduct to reiterate our commitment to equal and fair employment opportunities.



- 3 employees aged 50 and above
- 10 employees aged 30-49 years old



- 2 Non-executives
- 11 Executives



- 4 Male Employees
- 9 Female Employees



- 13 Employees who are Singaporean

## NURTURING TALENT

As of 30 September 2017, FCAM has a total of 13 employees, not including contract staff. There were 1 new hire and 2 resignations during the year. We believe strongly in investing in the career development of all our employees and review their performance with them on an annual basis.

Training and development initiatives for FCAM employees are supported by FCL's HR department. Supervisors are responsible for ensuring that the training and development of their subordinates comply with the requirements of the Continuing Education of Capital Markets Services Representatives. FCL's HR department publishes periodic comprehensive learning directory for all FCL staff and they may also request to attend training courses not covered by this learning directory.

The average training hours achieved per FCAM employee is 66.6 hours, which exceeds the target of 40 hours set for FY2017.

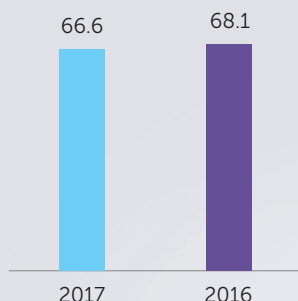
THE AVERAGE TRAINING  
HOURS ACHIEVED PER  
FCAM EMPLOYEE IS

**66.6hrs**

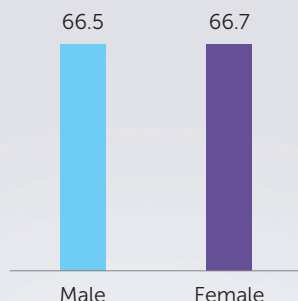
THIS EXCEEDS THE  
TARGET OF 40 HOURS  
SET FOR FY2017.



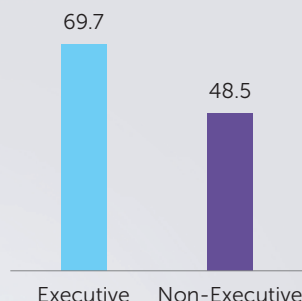
**Average Training Hours  
per Employee**  
(hours)



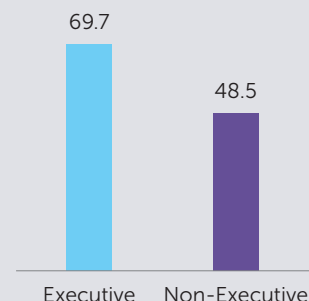
**Average Training Hours  
per Employee by Gender**  
(hours)



**Average Training Hours  
per Employee by  
Job Type**  
(hours)



**Average Training Hours  
per Employee by  
Job Type**  
(hours)





# INVESTING IN A WORKFORCE OF THE FUTURE

## HEALTH AND WELL-BEING

At FCT, we strive towards achieving work-life balance for our employees. The Corporate Wellness Committee plans several team building, personal development and health-related activities.

Our employees participate in the year-round staff wellness programme organised by FCL's Corporate Wellness Committee. The programme is planned around team building, personal development and health according to the motto "Make Wellness Part of Your Life: Regular Exercise. Eating Right. Staying Positive".

Our employees also participate in social events such as the Annual Dinner and Dance, Family Day, health screenings, fitness activities such as walks, jogs and yoga.

Spending time with our loved ones is an important part of maintaining our well-being. Our Sponsor organized a family day outing to Universal Studios Singapore to promote greater family bonds. The employees and their families were treated to a day of thrills and delights at the park. Besides spending time with their families, employees were able to connect with their colleagues away from the office.



## SAFETY FIRST

Our fundamental focus is to ensure that our employees work in a safe work environment. We have implemented workplace safety management systems across key business operations to identify and control hazards, monitor performance and identify areas for improvement. For FY2017, there were zero incidents of safety-related non-compliance and zero loss time injuries from FCAM employees.

FCAM adheres to the Workplace Health and Safety Policy of the Frasers Centrepoint Group, the relevant safety rules and regulations to provide a safe environment at our properties for our employees, tenants, shoppers and stakeholders. We implemented the OHS18001 and SS506 Part1:2009 occupational health and safety management systems at all our properties.

## STAFF TRAINING

Our Group provides an extensive list of courses, catering health and safety training to our staff and our Property Managers. These includes courses such as "Moving EHS from Awareness to Action: Sending the EHS Message Right" and the "Terrorism 101 Workshop".



## HEALTH AND SAFETY MONTH (WELL-BEING INITIATIVES)

As part of our Health & Safety Month, our employees took part in various wellness activities. During the Frasers Global Running Challenge, our employees from different countries pit their running mileage against each other and top runners win attractive prizes. We also took part in the National Steps Challenge where employees are encouraged to clock 10,000 steps a day as part of the challenge. With all these activities, we hope to nurture active lifestyles among our employees.



## HEALTH AND SAFETY MONTH (SAFETY INITIATIVES)

We also participated in Frasers Centrepoint Group's Health & Safety Month. The theme this year was "Health & safety: it's core to our culture". Various health and safety talks as well as workshops were conducted for the employees. Safety audits were also scheduled at all our properties.



A Frasers Health & Safety Workshop was conducted during this month where employees from Frasers Centrepoint participated in and conducted several programmes on common hazards at the workplace, risk management and safety consciousness in achieving OSH objectives.



# CREATING STRONG AND INTEGRATED COMMUNITIES

## FOSTERING A SENSE OF BELONGING

Our malls provide shoppers with not only shopping convenience, but also destination spaces to gather with family and friends, practise hobbies and take part in new experiences. We encourage our Property Managers to focus on the experiences that mall visitors receive and not just their basic needs to contribute to thriving, happy communities.

### Relevant SDGs



### UNIVERSAL DESIGN

We believe that everyone should be able to enjoy the shopping and dining experience our malls provide. Therefore, we work to increase accessibility of our properties so that they can be used by all people regardless of their age, size, ability or disability. Through Universal Design we ensure that our developments cater to the varying needs of the community that we serve. The concepts that we focus on would be user friendliness, connectivity and accessibility, operations and maintenance, safety and design integration of our properties.

### CAUSEWAY POINT

#### User friendliness

Causeway Point is easily accessible by the public and wayfinding within the mall is facilitated by visual reference points (e.g. atria, external views, focal nodes) to aid users in orientation. Signage with braille is also provided at the beginning of corridors leading to the toilets. Causeway Point also have dedicated children play area with padded floor surface, nursing rooms and child-friendly sanitary facilities. These make it a family friendly destination mall.

#### Connectivity and accessibility

Commuters can access Causeway Point from Woodlands Civic Centre, Woodlands MRT station, the bus interchange, taxi stand, traffic junction, sidewalk and future

underpasses. Designated accessible alighting and boarding bays also help to serve the needs of our shoppers.

#### Operations and maintenance

Causeway Point is clad with durable aluminium composite panels on 80% of its façade which can be easily cleaned and maintained without the need for repainting. Painted walls are kept to a minimum and they are painted in dark colours to minimise staining.

#### Safety

Causeway Point has installed anti-slip walking surfaces to minimize slippage. Proper colour contrast and appropriate illumination levels are also used.

#### Design integration

Our through-block link is accessible 24 hours to allow residents to commute between the residential estate and the MRT station and bus interchange, along with the other parts of the mall such as the taxi stand and carpark.



CAUSEWAY POINT  
WAS AWARDED THE  
**BCA UNIVERSAL  
DESIGN MARK  
GOLD<sup>PLUS</sup> AWARD**  
IN 2015.



## NORTHPOINT CITY, SINGAPORE

Our mall, Northpoint City North Wing is part of the Northpoint City project that aims to revitalise and rejuvenate the Yishun Centre precinct. Centre to Yishun's Remaking our Heartland Programme, Northpoint City is expected to serve as a shopping, dining, lifestyle, recreation and integrated transport hub for its shoppers and visitors.

We have taken the opportunity in this revitalisation project to create open spaces for community activities and interaction. These also allow for community-centric tenants to use the additional space to provide community services. Northpoint City will have seamless connectivity to Yishun MRT and the bus interchange as well as dedicated sheltered walkway to nearby bus stops. There will also be bicycle parking lots to help Northpoint City better serve the community.

## THE PAINT PARTY AT NORTHPOINT CITY NORTH WING

Northpoint City North Wing organized The Paint Party, a community engagement project where residents were invited to grab a brush and contribute to an art work that will form The Community Wall – a collaboration between local artist and urban sketcher, Francis Theo, and Northpoint City. It will be unveiled to the public during the soft opening of Northpoint City at the end of the year.



## BUILDING STAKEHOLDER CONFIDENCE

**No breaches of health and safety regulations in regards to our building users**

**No major safety incidents across our portfolio**

**Plan to focus on increasing our terrorism incident planning for FY2018**

FCT wants its mall to be a place where its shoppers and its tenants feel comfortable and safe. Our properties are well-maintained with equipment and established practices, such as essential locking mechanisms, safety lighting and fire and emergency procedures to protect our shoppers and tenants. We also conduct regular risk assessments and walk-throughs of our buildings to uphold a high quality of health & safety at all times.

## STAYING VIGILANT

One of our initiatives this year has been vigilance around the potential threat of terrorism. We take the safety of our shoppers and tenants seriously and are aware of the potential threat of terrorism in large community spaces such as our shopping malls. We have worked with various government agencies to ensure that our employees are well prepared. Going forward, we will continue to address these threats through risk assessment, risk audit, review of safety enhancement methods and security trainings and workshops.



## GIVING BACK TO SOCIETY

At FCT, we align our principles with Frasers Centrepont Group and shape our community investments around the theme of 'Wellness'. We aim to enhance the wellness of the minds, hearts, spirits and bodies of our communities as well as contribute to the wellness of our chosen charitable causes. At FCT, we give back to the local communities who have supported our growth through initiatives and investments by involving our people to provide financial assistance, share our spaces and support the arts and heritage.

### Relevant SDGs



Demonstration of Snakes and Ladders to our shoppers during the National Day Fiesta

## CELEBRATING WITH OUR NATION

In conjunction with the National Day, YewTee Point held the National Day Fiesta where the community were invited to take part in fun-filled family activities, have nostalgic local snacks and play old-school games.





Stephanie Ho, General Manager, Retail Properties, presenting a symbolic rice bucket to Shan You Wellness Centre

## FOOD DONATIONS TO UNDERPRIVILEGED RESIDENTS AMONGST US

YewTee Festive Care & Share is a food donation drive was organised at YewTee Point earlier this year to assist low-income individuals and families residing in the Yew Tee and Choa Chu Kang neighbourhood. This initiative was held in conjunction with Yew Tee Community Club Women's Executive Committee.

YewTee Point also kicked off the Lunar New Year this year with the "Prosperity Charity Rice Bucket Challenge". For every rice bucket redeemed, YewTee Point donated 2 kg of rice to Shan You Counselling Centre, a non-profit Voluntary Welfare Organisation that serves daily meals to elderlies who are vulnerable and at risk of not having daily meals in Singapore. This initiative saw about 800 kg of rice donated to the Centre.



Care & Share event at YewTee Point in January 2017



YewTee Point



# GIVING BACK TO SOCIETY

## PLAY IT FORWARD - AN INITIATIVE

Involving over 10,000 participants in our "Play It Forward" initiative, Frasers Centrepoint Singapore organised a roving giant ball pool charity initiative that also came to Northpoint City North Wing, YewTee Point and Causeway Point to raise funds for Family Services Centres (FSCs). FSCs provide social support for families in Singapore facing difficulties.

For a minimum donation of \$5, shoppers of our malls were offered a chance to dive-in, unwind and play in a colourful sea of 100,000 balls while Frasers Centrepoint Malls matched the donations dollar-for-dollar, achieving a total of over S\$100,000 of funds raised as at 18 February 2017.

We are also proud that this one year-long charity drive that started in FY2016 and concluded at Causeway Point this financial year, won the "Special Events Silver Award" at the annual Community Chest Awards.



Children having fun in the charity ball pool at Northpoint City North Wing



Northpoint City North Wing



Play It Forward at Causeway Point



## SUPPORTING OUR COMMUNITY THROUGH ART

Changi City Point hosted the Very Special Arts Singapore Ltd (VSA Singapore) for its sixth annual fund raising event to showcase artworks by artists with disabilities. The exhibition, "Welcome to Paradise", featured about 100 artworks by more than 35 artists over 7 days, the event is known as the largest platform for people with disabilities to achieve financial independence through art-making. The public showed support by purchasing artworks.



Changi City Point



Artworks on display at the "Welcome to Paradise" exhibition in Changi City Point



Causeway Point

## ENGAGING PARTNERS FOR A MORE UNDERSTANDING SOCIETY

Giving back to the local community that we serve has always been how we operate. Partnering the Mobility Aids Training & Services (MASTC) under Kampung Senang Charity, Frasers Centrepoint Malls launched the Spin It To Win It campaign with the objective of raising awareness of the needs of the physically disabled as well as supporting both MASTC and the Society for the Physically Disabled (SPD) as beneficiaries. Our malls were partners in this event.

At the same time, Causeway Point and YewTee Point also held the "Wheels of Hope Roadshow" on 11 June and 18 June respectively where trainers shared with shoppers how they can volunteer with MASTC, recycle used or unwanted mobility aids and pick up professional training on how to fix faulty wheelchairs. Shoppers were also allowed to bring home toolkits worth \$50 each.



# GRI INDEX

GRI STANDARDS 2016		NOTES/PAGE NUMBER(S)
GENERAL DISCLOSURES		
ORGANISATIONAL PROFILE		
102-1	Name of the organisation	Frasers Centrepoint Trust
102-2	Activities, brands, products, and services	About Frasers Centrepoint Trust (Page 3)
102-3	Location of headquarters	Singapore
102-4	Location of operations	Singapore, associate's operations are in Malaysia
102-5	Ownership and legal form	About Frasers Centrepoint Trust (Page 3) Structure of Frasers Centrepoint Trust (Page 4)
102-6	Markets served	About Frasers Centrepoint Trust (Page 3)
102-7	Scale of the organisation	About Frasers Centrepoint Trust (Page 3) 5-Year Financial Highlights (Page 11) Knowing Our People (Page 80)
102-8	Information on employees and other workers	Knowing Our People (Page 80) Nurturing Talent (Page 81) All activities are carried out by employees of the Manager of FCT
102-9	Supply chain	Influencing Our Supply Chain (Page 73)
102-10	Significant changes to organisation and its supply chain	No significant changes
102-11	Precautionary principle or approach	FCT does not specifically refer to the precautionary approach when managing risk; however, our management approach is risk-based, and underpinned by our internal audit framework
102-12	External initiatives	Materiality (Pages 72-73)
102-13	Membership of associations	Partnerships and Affiliations (Page 73)
STRATEGY		
102-14	Statement from senior decision-maker	Letter to Unitholders (Pages 14-17)
ETHICS AND INTEGRITY		
102-16	Values, principles, standards, and norms of behaviour	Upholding Good Corporate Citizenship (Pages 74-75), Corporate Governance Report (Pages 94-116)
GOVERNANCE		
102-18	Governance structure	Management Structure (Page 71) Corporate Governance Report (Pages 94-116)
STAKEHOLDER ENGAGEMENT		
102-40	List of stakeholder groups	Stakeholder Engagement (Pages 71-72)
102-41	Collective bargaining agreements	There are no collective bargaining agreements in place.
102-42	Identifying and selecting stakeholders	Stakeholder Engagement (Pages 71-72) (We have selected these Stakeholders based on their interests in our business.)
102-43	Approach to stakeholder engagement	Stakeholder Engagement (Pages 71-72)
102-44	Key topics and concerns raised	Stakeholder Engagement (Pages 71-72)

GRI STANDARDS 2016		NOTES/PAGE NUMBER(S)
<b>REPORTING PRACTICE</b>		
102-45	Entities included in the consolidated financial statements	Notes to Financial Statements -Note 1 (Page 132), Note 6-8 (Pages 152-154)
102-46	Defining report content and topic Boundaries	About This Report (Page 68) Report Scope (Page 68)
102-47	List of material topics	Materiality (Pages 72-73)
102-48	Restatements of information	Energy Management (Page 76)
102-49	Changes in reporting	No changes in report scope from last year
102-50	Reporting period	1 October 2016 to 30 September 2017
102-51	Date of most recent report	30 September 2016
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	Fungleng.chen@fraserscentrepoint.com
102-54	Claims of reporting in accordance with GRI Standards	About This Report (Page 68)
102-55	GRI content index	GRI Index (Pages 90-92)
102-56	External assurance	We have not sought external assurance on this data, however we intend to review this stance in the future.
<b>MANAGEMENT APPROACH</b>		
103-1	Explanation of the material topic and its boundary	Managing Sustainability (Pages 71-73)
103-2	The management approach and its components	Upholding Good Corporate Citizenship (Pages 74-75), Changing the Way We Look at Natural Resources (Pages 76-79), Investing in a Workforce of the Future (Pages 80-83)
103-3	Evaluation of the management approach	The boundaries of all our material topics are internal, except for customer health & safety and local communities that are both external and internal
<b>MATERIAL TOPICS</b>		
<b>ECONOMIC PERFORMANCE</b>		
201-1	Direct economic value generated and distributed	Financial Statements (Pages 118-176)
<b>ANTI-CORRUPTION</b>		
205-3	Confirmed incidents of corruption and actions taken	Beyond Compliance (Page 74) Anti-Corruption and Fraud Prevention (Page 75)
<b>ENERGY</b>		
302-1	Energy consumption within the organization	Energy Management (Page 76)
302-4	Reduction of energy consumption	Energy Management (Page 76)
G4-CRE1	Building energy intensity	Energy Management (Page 76) All energy is from purchased electricity
<b>WATER</b>		
303-1	Water withdrawal by source	Water Management (Page 77) All water consumed is from purchased utilities
G4-CRE2	Building water intensity	Water Management (Page 77)



# GRI INDEX

GRI STANDARDS 2016		NOTES/PAGE NUMBER(S)
<b>EMISSIONS</b>		
305-2	Energy indirect (Scope 2) GHG emissions	Energy Management (Page 76)
305-4	GHG emissions intensity	Energy Management (Page 76)
305-5	Reduction of GHG emissions	Energy Management (Page 76)
G4-CRE3	Greenhouse gas (GHG) emissions intensity from buildings	Energy Management (Page 76)
<b>ENVIRONMENTAL COMPLIANCE</b>		
307-1	Non-compliance with environmental laws and regulations	Beyond Compliance (Page 74)
<b>EMPLOYMENT</b>		
401-1	New employee hires and employee turnover	Knowing Our People (Page 80) Nurturing Talent (Page 81)
<b>LABOR/MANAGEMENT RELATIONS</b>		
402-1	Minimum notice periods regarding operational changes	This is currently not covered in groupwide collective agreements. The notice period varies.
<b>OCCUPATIONAL HEALTH AND SAFETY</b>		
403-1	Workers representation in formal joint management– worker health and safety committees	Management Structure (Page 71)
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Safety First (Page 82)
G4-CRE6	Percentage of the organisation operating in verified compliance with an internationally recognised health and safety management system	Safety First (Page 82)
<b>TRAINING AND EDUCATION</b>		
404-1	Average hours of training per year per employee	Nurturing Talent (Page 81)
404-2	Programs for upgrading employee skills and transition assistance programs	Nurturing Talent (Page 81) Staff Training (Page 82)
404-3	Percentage of employees receiving regular performance and career development reviews	All employees
<b>LOCAL COMMUNITIES</b>		
413-1	Operations with local community engagement, impact assessments, and development programs	Stakeholder Engagement (Pages 71-72) Giving Back To Society (Pages 86-89)
<b>MARKETING AND LABELLING</b>		
417-3	Incidents of non-compliance concerning marketing communications	Beyond Compliance (Page 74)

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## CORPORATE GOVERNANCE

**94**      Corporate Governance Report

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# CORPORATE GOVERNANCE REPORT

## INTRODUCTION

Frasers Centrepoint Trust ("**FCT**") is a real estate investment trust ("**REIT**") listed on the Main Board of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). FCT is managed by Frasers Centrepoint Asset Management Ltd. ("**Manager**"), which is a wholly-owned subsidiary of Frasers Centrepoint Limited ("**FCL**").

The Manager is committed to upholding high standards of corporate governance to preserve and enhance FCT's asset value so as to maximise the returns from investments, and ultimately the distributions and total return to unitholders of FCT ("**Unitholders**").

The Manager has general powers of management over the assets of FCT. The Manager's main responsibility is to manage FCT's assets and liabilities for the benefit of Unitholders. It ensures that the business of FCT is carried on and conducted in a proper and efficient manner. It also supervises the property manager in its day-to-day management of the malls of FCT, namely, Anchorpoint, Causeway Point, Northpoint City North Wing and Yishun 10 retail podium, YewTee Point, Bedok Point and Changi City Point, pursuant to property management agreements entered into for each mall.

The primary role of the Manager is to set the strategic direction for FCT. This includes making recommendations to the Trustee on acquisitions, divestments and enhancement of assets.

As required under the licensing regime for REIT managers, the Manager holds a Capital Markets Services Licence ("**CMS Licence**") issued by the Monetary Authority of Singapore ("**MAS**") to carry out REIT management activities.

Listed on the Mainboard of the SGX-ST, FCT adheres closely to the principles and guidelines of the Code of Corporate Governance 2012 (the "**CG Code**") and other applicable laws, rules and regulations, including the SGX-ST Listing Manual, the Code on Collective Investment Schemes (the "**Code on CIS**") and the Securities and Futures Act (the "**SFA**").

This corporate governance report ("**CG Report**") provides an insight on the Manager's corporate governance framework and practices in compliance with the principles and guidelines of the CG Code. As FCT is a listed REIT, not all principles of the CG Code may be applicable to FCT and the Manager. Any deviations from the CG Code are explained.

## BOARD MATTERS

### Principle 1: The Board's Conduct of Affairs

The composition of the board of directors of the Manager ("**Directors**", and the board of Directors, the "**Board**") as at 30 September 2017 is as follows:

Mr Philip Eng Heng Nee	Chairman, Non-Executive (Non-Independent)
Dr Chew Tuan Chiong	Chief Executive Officer (Non-Independent)
Dr Cheong Choong Kong	Non-Executive (Lead Independent Director)
Mr Ho Chee Hwee Simon <sup>1</sup>	Non-Executive (Independent)
Mr Ho Chai Seng <sup>2</sup>	Non-Executive (Independent)
Mr Soh Kim Soon	Non-Executive (Independent)
Mr Christopher Tang Kok Kai	Non-Executive (Non-Independent)

<sup>1</sup> Mr Ho Chee Hwee Simon was appointed as a Director of the Manager on 9 February 2017.

<sup>2</sup> Mr Ho Chai Seng was appointed as a Director of the Manager on 30 June 2017.