



Community Chest and Frasers Centrepoint Malls launched *Play It Forward* with the Last Bucket of Balls

FRASERS CENTREPOINT LIMITED

SUSTAINABILITY REPORT 2016

First aid training at Fraser Place Manila



Vertical greenery at One Central Park, Sydney, Australia





“Sustainability is core to everything we do at FCL. From our mission to create value through space for today and tomorrow, to our commitment to maintain a high standard of corporate governance, environmental and social practices, to FCL’s strategic objective that is centred on delivering sustainable earnings. We are honoured that the Group has received numerous awards recognising our efforts and achievements on this front. We will constantly look at ways to do even better as we keep our sights firmly on our vision to be the real estate company of choice for our stakeholders.”

Panote Sirivadhanabhakdi
Group CEO & Chairman of FCL Sustainability
Steering Committee



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GROWING SUSTAINABILITY AT FCL



In this report, our second, we demonstrate how our sustainability drive continues to be embedded within our strategy, and how we support sustainability in our business activities, our sector, and the local and global communities.

At FCL, we are bound by a common objective across our diverse geographic footprint – to develop real places for real people. We aim to deliver value to our stakeholders and the communities we serve. This is a promise we take seriously.

FCL launched our first Green Mark residential project, a year after BCA launched the Green Mark Scheme

- The Azure – Gold

FCL became a Founding Member of the Singapore Green Building Council

Central Park in Perth achieved carbon neutrality

FCL received our first Green Mark award for retail mall and office building

- Causeway Point – Platinum
- Bedok Point – Gold
- Alexandra Point – Gold

2006

2009

2011



The Azure, Singapore



Causeway Point, Singapore

Our sustainability journey began long before the publication of our inaugural sustainability report last year. We have come a long way, from our first Building and Construction Authority (BCA) Green Mark building award in 2006, to publishing our first sustainability report last year and being recognised for transparency at the Securities Investors Association Singapore (SIAS) Investors' Choice Awards for the third year running, and we continue to grow in our sustainability practices. More recently, FCL has been ranked among the Top 10 Singapore Brands by Brand Finance with a brand value of \$1 billion.

OHSAS 18001:2007 certification attained for all Singapore office properties

Frasers Hospitality (FH) dedicated March as *Frasers Environment Month*

One Central Park in Sydney was awarded winner of the International Green Infrastructure Award by the World Green Infrastructure Congress, and Best Tall Building (Asia & Australia) by the Council of Tall Buildings and Urban Habitat

Published our first sustainability report in accordance with the Global Reporting Initiative (GRI) (G4 Core) guidelines

Alexandra Point, Capri by Fraser Changi City, Singapore and Causeway Point in Singapore were named among the Top 10 energy efficient buildings in their respective categories by BCA

The Ponds Shopping Centre in Sydney became the first retail project to achieve 6 Star Green Star rating by the Green Building Council of Australia

Frasers Property Australia (FPA) achieved the first Green Star Performance portfolio certification in Australia

FCL was ranked among the Top 10 brands in Singapore by Brand Finance

FCL became a signatory to the United Nation Global Compact

FCL piloted Building Information Modelling-Virtual Design and Construction (BIM-VDC) on a mixed-development in Singapore

FCL dedicated August as *Frasers Health & Safety Month*

FPA topped the Global Real Estate Sustainability Benchmark (GRESB) 2016 in the global diversified office/industrial/non-listed funds category

FH launched 'Just One' hotel programme with World Wide Fund for Nature (WWF) – Earth Hour to raise \$3 million by 2020

2014

2015

2016



Bedok Point, Singapore



One Central Park, Sydney, Australia

GROWING SUSTAINABILITY AT FCL

In February this year, we became a signatory to the United Nations Global Compact (UNGC). We joined more than 9,000 companies and 3,000 non-business organisations in an innovative and collaborative worldwide movement to shape a sustainable future for the global business community through promoting responsible business practices that will benefit both businesses and the society. In addition, we have joined Global Compact Network Singapore, the local chapter of the UNGC, as a Gold Member.

We support the Sustainable Development Goals (SDGs) adopted by countries of the United Nations, which came into effect on 1 January 2016. We are reviewing our commitments against the 17 SDGs and will focus on specific goals where, given our business, we feel we can maximise our impact on a global scale. We believe that there is strong interconnectedness between our business practices, the community and society. We are confident of delivering value to our stakeholders in the long term, with our success rests on the integration of business and societal needs.

Our commitment to global and national agendas is crystallised through our business processes and activities. During the year, we set up new sustainability sub-committees for Environment, Health & Safety and Innovation to enable a more structured driving force of sustainability initiatives. We have also implemented ISO 14001 across some of our business units to enhance our environmental performance through the systematic management of our environmental responsibilities. In addition, we expanded the coverage of OHSAS 18001 Health & Safety Management System to a wider scope of operations, and put in place policies, procedures and controls to achieve the best possible working conditions and to promote workplace health and safety.

Our performance indicators provide us with a focus for measuring and reporting sustainability and compliance. Unless otherwise stated, performance indicators are for FY2015/16. Our report is guided by the GRI (G4 Core) guidelines and indicators, in line with the material issues we need to address.

WE WELCOME YOUR FEEDBACK AND SUGGESTIONS [G4-31]

We seek to continuously improve our sustainability performance and your feedback is vital to us in achieving our aims. Please write to:

Dr Pang Chin Hong

Assistant General Manager, Corporate Planning & Chairman, Sustainability Working Committee
Fraser's Centrepoint Limited
Email: sustainability@fraserscentrepoint.com

KEY HIGHLIGHTS



Became a signatory to the **United Nations Global Compact (UNGC)**

GOVERNANCE



Most Transparent Company, Real Estate Category, Runner-Up at SIAS 17th Investors' Choice Awards 2016



Extended coverage of Environment, Health & Safety policy and management systems aligned with ISO 14001 and OHSAS 18001 to our key operations and corporate office



Established sustainability sub-committees for Environment, Health & Safety, and Innovation



FPA topped globally in
Global Real Estate Sustainability Benchmark (GRESB)
 assessment for diversified office/
 industrial/non-listed category



Ranked No.9

on Brand Finance's
 Singapore Top 100
 Brands 2016

ENVIRONMENT



Ranked among the Top 10
 Energy Efficient Buildings in
 Singapore 2016

- Alexandra Point (Private Office category)
- Causeway Point (Retail Mall category)
- Capri by Fraser, Changi City, Singapore (Hotel category)



The first Green Star
 Performance portfolio in
 Australia



Launched Brickworks Living
 Building Challenge design
 competition in Australia
 to create the world's most
 sustainable retail centre



Reduction of

- 5% year-on-year in building energy intensity
- 2% year-on-year in building water intensity

PEOPLE



Hospitality unit launched
 'Just One' hotels programme
 with WWF-Earth Hour



Organised inaugural Frasers
 Health & Safety Month in
 August 2016



Zero workplace fatalities



Achieved training target of
 40 hours per employee



400 days of community
 service volunteered by
 our staff

ABOUT THIS REPORT [G4-17]

This sustainability report shares detailed information about our material issues, and our societal and environmental impacts from 1 October 2015 to 30 September 2016 (FY2015/16). It follows on from our first sustainability report, which covered the period from 1 October 2014 to 30 September 2015 (FY2014/15). This sustainability report, together with the rest of the Annual Report, will play an integral role in promoting communication and transparent reporting to our stakeholders.

In arriving at this report, we have included our key business divisions¹ and our listed REITs, except Frasers Logistics & Industrial Trust (FLT), which was listed on the SGX-ST in June 2016. Our significant locations of operation, Singapore, Australia and China, are included in this report. For FY2016/17, in addition to the above, we shall expand the report scope to include FLT.

Data disclosed in this report relates to the above scope, unless otherwise stated, for assets that we own and/or manage, over which we have operational control. We have included health and safety data of our principal contractors' employees working at our Singapore development sites, as we see this as an area where we have significant influence. For data on our workforce, our report covers our global operations.

We continue to prepare this report with reference to the GRI (G4 Core) requirements and its Construction and Real Estate Sector supplements. We intend to seek external assurance on our sustainability report in the future.

GRI Principles	How FCL demonstrates this
Stakeholder inclusiveness	We engage and communicate with our stakeholders on an ongoing basis and use our interactions to share knowledge.
Sustainability context	We consider the various sustainability issues in a local context, whilst maintaining a global perspective. We regularly refer to national and global agendas, such as the Sustainable Singapore Blueprint and the SDGs, to keep our sustainability activities relevant.
Materiality	Please refer to our materiality process on page 79.
Completeness	In setting the boundaries of our report, we endeavour to include all relevant factors, locations and operations where we have control and influence over the 10 identified material issues.
Balance	We believe honesty and transparency generate trust and respect; we have reported on all relevant aspects of our performance and kept our report balanced.
Comparability	We benchmark ourselves against our peers' reports when considering what is material to us and when making our disclosures in order to stay in line with the rest of the industry.
Accuracy and reliability	To ensure accuracy of data, we have a number of checks and controls in place. We verify hard data with various sources and benchmark this data against peers and/or external data of similar nature to ensure comparability.
Timeliness	We report annually within four months of the end of our financial year and our data refers to the same time period as our Annual Report.
Clarity	We aim to disclose clearly and have added notes, explanations and descriptions to our data in order to assist our readers to quickly understand the information they are reading.

¹ Singapore, Frasers Hospitality, Frasers Property Australia, Frasers Property China, Frasers Centrepoint Asset Management Ltd, Frasers Centrepoint Asset Management (Commercial) Ltd, Frasers Hospitality Asset Management Pte. Ltd.

WHAT'S IMPORTANT TO US [G4-18, G4-19]

For purposes of reporting, we reviewed the materiality assessment to determine environmental, social and governance issues relevant to our business and our stakeholders. The assessment was based on the international standards for materiality, GRI and AA1000 principles, as well as the application of sector-specific guidance from the GRESB and the GRI G4 Construction & Real Estate Sector supplements. From the materiality assessment, we have identified our top 10 material issues in the following categories:

ECONOMIC PERFORMANCE



- 1 Economic and financial contribution to our business and our stakeholders (refer to Financial Highlights on page 11, Business Review on pages 30-67 and Financial Statements on pages 166-303)

GOVERNANCE



- 2 Anti-corruption
- 3 Ethical marketing

ENVIRONMENT



- 4 Energy use/climate change
- 5 Environmental compliance
- 6 Water use/ conservation

PEOPLE



- 7 Health and safety
- 8 Labour/management relations
- 9 Staff retention and development
- 10 Local communities



Workplace safety at construction site






Bags of donated groceries were distributed to those in need during YewTee Point's Care and Share Event

WHAT'S IMPORTANT TO US [G4-18, G4-19]

SUSTAINABLE DEVELOPMENT GOALS

WHAT THE SDGS MEAN TO US

As a signatory to the UNGC, we are supportive of the United Nations' adoption of the 2030 Agenda for Sustainable Development, along with the 17 SDGs. We have reviewed the SDGs against our material issues and business operations for relevance and alignment. Seven of these are goals we can contribute meaningfully to as an organisation.

SDGs	Material issue	How FCL addresses this goal
<p>Goal 3: Good health and wellbeing</p>  <p>Ensure healthy lives and promote well-being for all at all ages.</p>	Health & Safety	<p>We prioritise a healthy and safe work environment for staff across our value chain</p> <ul style="list-style-type: none"> • Consideration of safety in all phases of our business activities, from design to construction and operations • Implementation of sound workplace safety policy and management system standards throughout our key operations • Organisation of year-round wellness and health-related programmes for staff and provision of welfare schemes • Implementation of the Building Occupants Survey System Australia for FPA's corporate offices, undertaking Health & Wellbeing strategies in our communities and achieving National Australian Built Environment Rating System (NABERS) Indoor Environment ratings
<p>Goal 7: Affordable and clean energy</p>  <p>Ensure access to affordable, reliable, sustainable and modern energy for all.</p>	Energy use/ Climate change	<p>We target to reduce energy intensity by 15% by FY2024/25 from baseline of FY2014/15</p> <ul style="list-style-type: none"> • Monitoring of energy consumption (an indirect greenhouse gas emission) of our business activities and introduction of measures to reduce our carbon footprint • Constant upgrading of older equipment and carrying out asset enhancement initiatives (AEI) on our buildings to ensure that our facilities are energy efficient and sustainable • Working to achieve green building status such as the BCA Green Mark award and Australia's Green Star rating • Installation of 1.58 MWh of solar photovoltaic cells across seven buildings in Australia • Purchase of GreenPower, a scheme to displace electricity usage with certified renewable energy, for nine of our buildings in Australia
<p>Goal 8: Decent work and economic growth</p>  <p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.</p>	<ul style="list-style-type: none"> • Economic & Financial contribution • Labour/ Management relations 	<p>We are a signatory to the Tripartite Alliance for Fair and Progressive Employment Practices (TAFEP) in Singapore</p> <ul style="list-style-type: none"> • Recruitment and selection of employees on the basis of merit; rewards are given fairly based on their ability, performance, contribution and experience • Provision of equal training and development opportunity for staff based on strengths and need • Provision of student internships to nurture future talents for the industry

SDGs	Material issue	How FCL addresses this goal
<p>Goal 9: Industry, Innovation and Infrastructure</p>  <p>Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.</p>	<p>Economic & Financial contribution</p>	<p>We constantly strive to explore innovative ways to achieve greater efficiencies and enhance the experience of users</p> <ul style="list-style-type: none"> • Piloting of BIM-VDC in the development of Northpoint City, which is the first mixed-development in Singapore to use this method • Launching of the Brickworks Living Building Challenge in Australia, a future-focused design competition to conceptualise a retail centre with rigorous green building performance standards
<p>Goal 10: Reduced inequalities</p>  <p>Reduce inequality within and among countries.</p>	<p>Labour/ Management relations</p>	<p>We adhere to the TAFEP agreement in Singapore, which includes the pledge to reward employees fairly based on their ability, performance, contribution and experience</p> <ul style="list-style-type: none"> • No discrimination based on age, race, gender • Achievement of an almost gender-balanced workforce with a gender split of 53% male and 47% female this year
<p>Goal 11: Sustainable cities and communities</p>  <p>Make cities and human settlements inclusive, safe, resilient and sustainable.</p>	<ul style="list-style-type: none"> • Energy use/ Climate change • Water use/ conservation 	<p>We adhere strictly to development plans in our countries of operation and support building sustainability initiatives, such as energy and water efficiency and waste management</p> <ul style="list-style-type: none"> • Creation of liveable and vibrant spaces that are integrated with nature and socially inclusive through Universal Design practices
<p>Goal 17: Partnership for the goals</p>  <p>Strengthen the means of implementation and revitalise the global partnership for sustainable development.</p>	<ul style="list-style-type: none"> • Economic & Financial contribution • Local communities 	<p>We demonstrate our commitment to global environmental sustainability through partnerships and affiliations with international organisations and industry bodies</p> <ul style="list-style-type: none"> • Signing on to the UNGC in February 2016 • Launching of 'Just One' hotels programme with WWF-Earth Hour by the Hospitality unit • Participation as a founding member of Better Buildings Partnership in Australia, delivering a range of sustainability projects and demonstrating green leadership and sustainable innovation with leading commercial landlords in Sydney

WHAT'S IMPORTANT TO US [G4-18, G4-19]

SUSTAINABILITY ACROSS OUR REAL ESTATE VALUE CHAIN [G4-12]

As a full-fledged international real estate company, we recognise that we have a long value chain of real estate activities from development and investment, to operations and sales and transactions. We deal with suppliers, contractors, consultants, business partners and customers on a daily basis. We believe that we can influence our value chain on sustainability processes. We assess each step of the value chain and consider, where practical, any sustainability opportunities and risks that may arise.

OUR VALUE CHAIN	DEVELOPMENT	INVESTMENT	OPERATIONS	SALES & TRANSACTION
MAIN ACTIVITIES	<ul style="list-style-type: none"> Land acquisition Design & planning Construction Project management 	<ul style="list-style-type: none"> Property acquisition Asset management 	<ul style="list-style-type: none"> Leasing Property management Customer service 	<ul style="list-style-type: none"> Property sales (Residential) Divestment of non-core/mature assets Capital management
KEY STAKEHOLDERS				
KEY MATERIAL ISSUES				
Economic & financial contribution	✓	✓	✓	✓
Anti-corruption	✓	✓	✓	✓
Ethical marketing		✓	✓	✓
Energy use & climate change	✓	✓	✓	
Environmental compliance	✓		✓	
Water use & conservation	✓		✓	
Health & safety	✓		✓	
Labour/management relations	✓	✓	✓	✓
Staff retention & development	✓	✓	✓	✓
Local communities	✓		✓	

Legend





-  Contractors / Consultants / Suppliers
-  Local Community
-  Customers
-  Investment Community
-  Employees
-  Joint Venture & Business Partners
-  Regulators & Non-Governmental Organisations

At the early stage of designing a development, FCL as the owner and project manager, will work closely with the architect and engineers to consider environmental and safety features to be incorporated in the development. We adopt the Design for Safety procedure to address the issues at source, and decide on the green design and technology to be adopted. When it comes to selecting the main building contractor for the construction, we impose stringent criteria, appointing only those who are certified with quality, environment and safety management systems, such as ISO 9001, ISO 14001 and OHSAS 18001.




For residential developments, we always ensure that our sales and marketing communications with homebuyers are accurate and ethical. After the homes are delivered to the buyers, we engage them through surveys to gauge their level of satisfaction. For completed properties that we manage, whether they are commercial, hospitality or industrial, we involve our staff, suppliers, tenants, guests and the community in various aspects of sustainability.

STAKEHOLDER ENGAGEMENT

We hold regular dialogue with our various stakeholders on a number of fronts, including sustainability-related topics. We are mindful that stakeholder engagement is key to a successful sustainability journey, and will share with them our goals and vision to create a more sustainable community.

Key stakeholders	Form of engagement	Key topics
 <p>Contractors / Consultants / Suppliers</p>	<ul style="list-style-type: none"> • Bilateral communication with sales agents, landscaping contractors and cleaning contractors • Safety briefings, site visits, safety declarations (construction contractors) 	<ul style="list-style-type: none"> • Quality of services and products • Performance • Safety
 <p>Customers</p>	<ul style="list-style-type: none"> • Bilateral communication • Customer service counters and centre management offices • Events • Surveys and feedback forms 	<ul style="list-style-type: none"> • Quality of services and facilities • Customer satisfaction • Staff performance
 <p>Employees</p>	<ul style="list-style-type: none"> • Performance appraisals on annual basis • Training, including orientation programme for new staff • Team building activities • Intranet (in Australia and Singapore) • Annual Dinner & Dance • Family Day 	<ul style="list-style-type: none"> • Performance and skills • Corporate policies • Occupational health and safety • Staff bonding
 <p>Investment Community</p>	<ul style="list-style-type: none"> • Half-year and full-year results briefings and earnings calls on quarterly basis • Annual General Meeting, Extraordinary General Meeting • Local and overseas investor conferences and road shows • Bilateral communication, one-on-one meetings and site visits 	<ul style="list-style-type: none"> • Financial results • Business operations and performance • Business strategy and outlook

WHAT'S IMPORTANT TO US [G4-18, G4-19]

Key stakeholders	Form of engagement	Key topics
 <p>Local Community</p>	<ul style="list-style-type: none"> • Provide feedback channels for the community around our properties • Consultations (where necessary) • Provide cash and venue sponsorship at our properties • Staff involvement in the local community and organisations through volunteerism 	<ul style="list-style-type: none"> • Environmental sustainability awareness • Corporate social responsibility
 <p>Regulators / Non-Governmental Organisations</p>	<ul style="list-style-type: none"> • Briefings and consultations • Participation in non-governmental organisations (e.g. Real Estate Developers' Association of Singapore (REDAS), REIT Association of Singapore (REITAS)) • Participation in surveys and focus groups 	<ul style="list-style-type: none"> • Regulatory and industry trends
 <p>Joint Venture & Other Business Partners</p>	<ul style="list-style-type: none"> • Bilateral communication, regular project meetings and site visits 	<ul style="list-style-type: none"> • Project planning and progress update • Marketing and sales strategy



FCL's former Group Chief Executive Officer Mr Lim Ee Seng, presented donation cheques totalling \$60,000 to representatives from Punggol Group Representation Constituency

PARTNERSHIPS AND AFFILIATIONS

As a major stakeholder in the real estate market, FCL has been actively engaging with various industry bodies, such as the REDAS, REITAS, Workplace Safety and Health Council (WSHC), Singapore Green Building Council (SGBC) and the Green Building Council of Australia (GBCA). This year,

we became a signatory to UNGC and joined the Global Compact Network of Singapore as a Gold Member. In Australia, Mr Rod Fehring, the CEO of FPA was appointed to the board of the GBCA. With our representation in partnerships and affiliations with industry bodies, we believe we can continue to influence and play a role in encouraging the real estate sector's sustainability initiatives.

FCL is affiliated with the following industry bodies:

			 <p>Green Building Council of Australia</p>
			
			

WHAT'S IMPORTANT TO US [G4-18, G4-19]

CUSTOMERS SATISFACTION

We build a life-long relationship with our customers. We want each customer to enjoy their experience in the homes that we build. We take care and effort to ensure that we create homes of the future which are aesthetically pleasing, of superb quality and surpassing comfort.

In Singapore, to continually engage our customers and keep in touch with their needs and preferences, we conduct two surveys with our homeowners. The first survey – “How was your home collection experience?” – is conducted annually with the objective of measuring our customers’ overall first impression of Frasers Centrepoint’s homes, including aspects such as staff service levels, quality of homes and common facilities.

Overall satisfaction levels increased in FY2015/16, with homeowners indicating a higher satisfaction score both in their overall home collection experience and in each individual category. This was only made possible with our staff’s commitment to improvement and attention to detail.

The second survey – “How is everything?” – is conducted on a quarterly basis with homeowners to obtain homeowners’ overall impression of their home, both on a macro level, and through individual

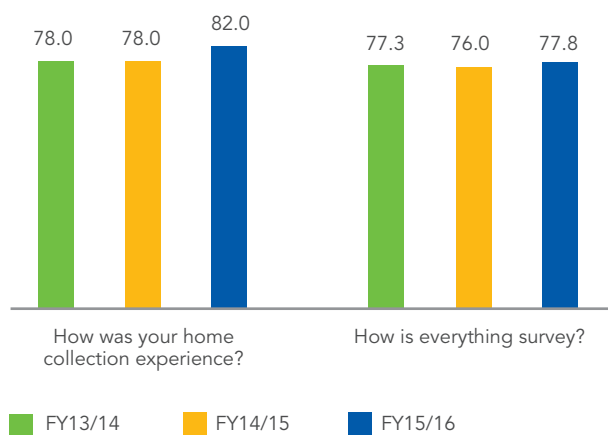
categories – quality of workmanship and customer service recovery services carried out by our contractor.

This year, we again received favourable ratings from our customers, with homeowners indicating a higher level of satisfaction in almost all categories compared to FY2014/15. More homeowners also said they would recommend Frasers Centrepoint's homes to their friends and relatives as indicated by an increase in ratings from 8.9 in FY2014/15 to 9.3 in FY2015/16. We are pleased that these ratings reinforce the strength of our brand and our commitment to excellence.

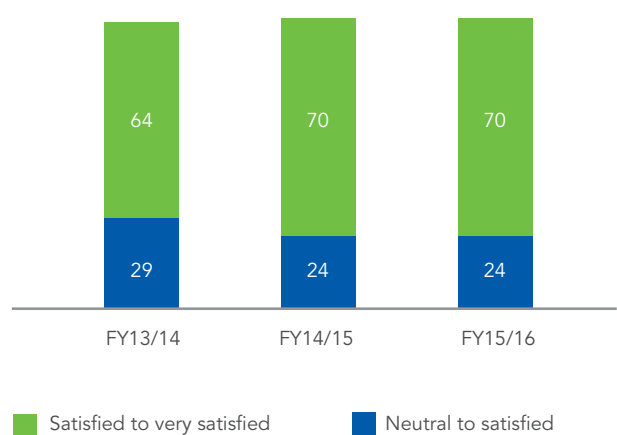
The Head of Development & Projects, Singapore conducts CARE service standards and service recovery training for the team including the main contractor, site supervisors, projects and managing agent. The objective is to emphasise the importance of delivering a consistently high standard of service to our homeowners. Staff training is also conducted regularly to share on the important lessons learnt for all projects.

All feedback received is discussed during weekly meetings with the Project Team, Main Contractors, Architect and the Managing Agent. The CARE team then follows up with the homeowners and ensures immediate service recovery.

HOME BUYERS' SATISFACTION LEVEL (%)



OFFICE BUILDING TENANTS' SATISFACTION LEVEL (%)



TENANTS SATISFACTION

In Singapore, satisfaction surveys are conducted annually with tenants of FCL's office and business space properties. The survey findings are important to us as we strive to continuously monitor and improve the customer experience for our tenants. For example, in response to tenants' requests for local, affordable cuisine in Valley Point Office Tower, we brought in a new retail tenant, 85 Redhill, a local 'multiple offerings under one roof' concept by Fei Siong, much to the delight of all in the vicinity.

Improvement works in the pipeline include China Square Central, 51 Cuppage Road and Robertson Walk. These works are geared towards bringing a

better customer experience for our tenants, their staff and our shoppers. Such upgrading initiatives also serve to enhance the value and appeal of our properties.

It is also heartening to note that the efforts and hard work of our security team and operations colleagues have been recognised by our tenants through compliments and commendations. The tenants' satisfaction level has remained a commendable 94% in FY2015/16, with 70% indicating satisfaction levels of "satisfied to very satisfied".



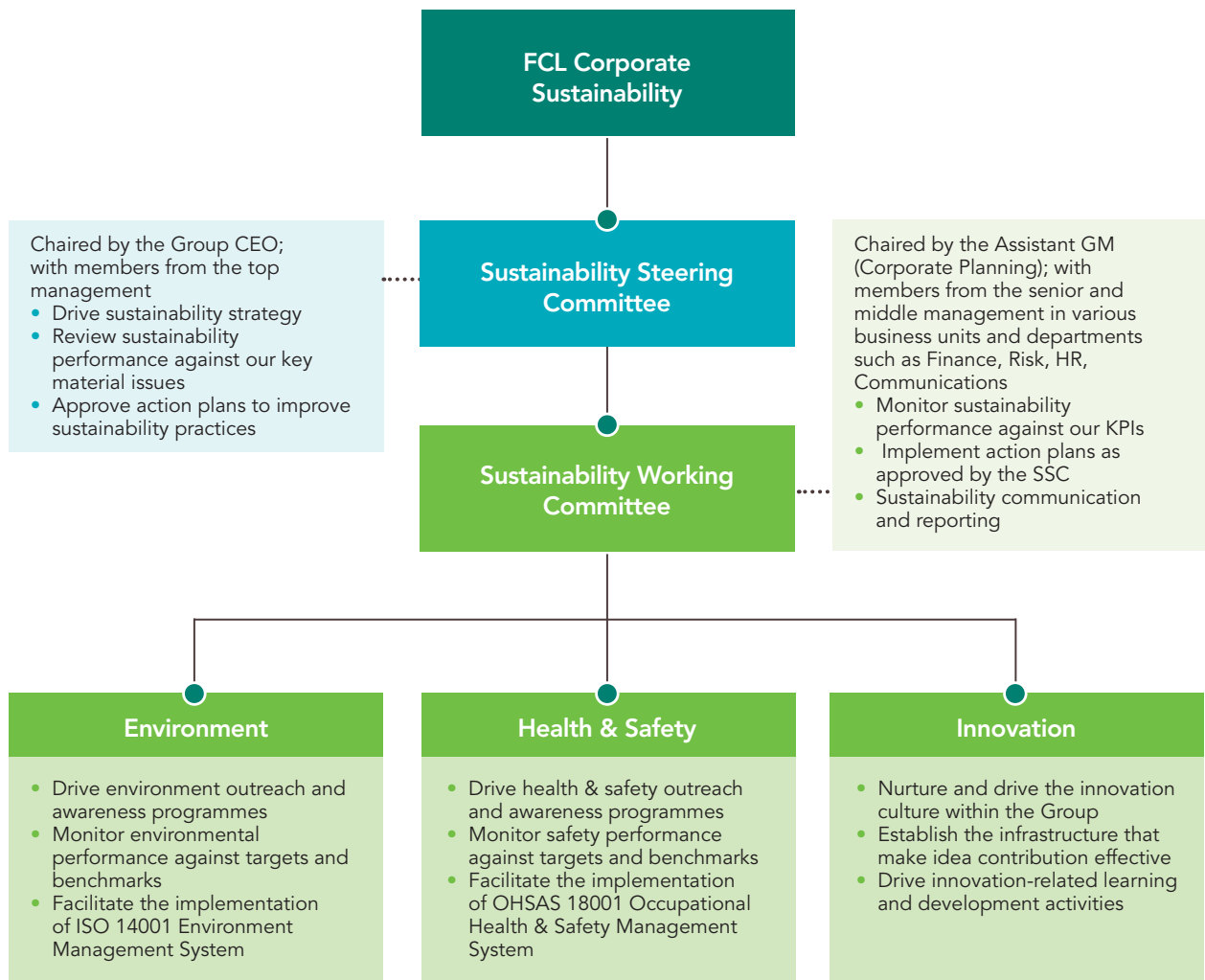
Improvement works in the pipeline include Robertson Walk (left) and China Square Central (right). Tenants, their staff and shoppers can look forward to a better customer experience when works are completed

MANAGING SUSTAINABILITY [G4-34]

At FCL, the corporate sustainability agenda is driven by our Sustainability Steering Committee (SSC), which is chaired by our Group CEO, Mr Panote Sirivadhanabhakdi. The committee comprises members from top management – the CEOs of all our business units, the Chief Corporate Officer and Chief Financial Officer, as well as the Chief Human Resources (HR) Officer. The SSC spearheads the strategy and initiatives to drive sustainability in the business operations. The SSC meets quarterly to review performance against each of our key material issues. The SSC is supported by a Sustainability Working Committee (SWC), which consists of members from the middle and senior management

of various business units and departments such as Finance, Risk, HR and Communications. The SWC's main task is to monitor our sustainability performance against our key performance indicators (KPIs), implement action plan, and communicate and report to our stakeholders.

During the year, we also set up new sustainability sub-committees for Environment, Health & Safety and Innovation to drive the respective aspects of sustainability agendas that are of significance to us. We believe this will enable more comprehensive and effective implementation of sustainability initiatives on a group-wide basis.



In addition, some of our SBUs have also established their own sustainability governance committees to drive sustainability aspects which are of more relevance to their operations. For example, our Hospitality SBU has an environment committee at every property, while FPA has just developed a comprehensive sustainability strategy, *A Different Way*. It represents our real commitment to creating places where resources are reused, recycled and restored, and new ideas are fostered for everyone's benefit to lead better and healthier lives.



FPA's office in Perth, Australia

“One key milestone for FCL over the last two years is the establishment of our Sustainability Committee at both steering and working levels. This has allowed a more coordinated approach to driving sustainable initiatives from the Group's perspective and facilitating effective communication to various stakeholders.”

Dr Pang Chin Hong

Assistant General Manager, Corporate Planning & Chairman of FCL Sustainability Working Committee



GOVERNANCE



Good corporate governance drives good business and sets the tone from the top for good sustainability practices throughout FCL. As a signatory to the 2015 Corporate Governance Statement of Support, FCL has pledged our commitment to uphold high standards in corporate governance. We believe strongly that sustainability responsibilities should be integrated into the corporate governance structure of our business and strive to maintain high standards of integrity, accountability and responsible governance. To this end, we have put in place various corporate policies, programmes and standard operating procedures to guide the management and employees in corporate governance. We have implemented ISO14001 (Environment) and OHSAS 18001 (Health & Safety) Management Systems in our various key business operations and are expanding the coverage of the management systems to a wider scope of operations.

In addition, we became a signatory to the UNGC, the world's largest corporate sustainability initiative, in early 2016. Together with more than 9,000 companies and 3,000 non-business organisations worldwide, FCL volunteered to pledge to adhere to the ten principles within four broad areas – Human Rights, Labour, Environment and Anti-corruption:



HUMAN RIGHTS

Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2

Make sure that they are not complicit in human rights abuses



LABOUR

Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right of collective bargaining;

Principle 4

The elimination of all forms of forced and compulsory labour;

Principle 5

The effective abolition of child labour; and

Principle 6

The elimination of discrimination in respect of employment and occupation



Our commitment towards the highest level of governance has been recognised by our receipt of the Most Transparent Company, Real Estate category, Runner-Up at the SIAS 17th Investors' Choice Awards 2016. This is the third year FCL has been recognised for corporate transparency at the SIAS Investors' Choice Awards.

ANTI-CORRUPTION, FRAUD PREVENTION AND ETHICAL MARKETING [SO3, SO5, PR7]

Good corporate practice dictates that anti-corruption, fraud prevention and ethical marketing be placed high on a company's agenda. These factors are relevant for the locations in which we operate, and we recognise the benefits that clear policies, good management and an untarnished reputation bring to our business.

FCL has a zero-tolerance approach towards corruption and fraud. In the marketing of our products and services, our residential projects and our commercial leasing or serviced apartment/ hotel room sales, we ensure that our communications and marketing are responsible, clear, timely and accurate. We adhere to the Code of Corporate Governance 2012, the Code of Advertising, Singapore's Urban Redevelopment Authority's developer rules, and all other applicable laws and regulations.



ENVIRONMENT

Principle 7

Businesses are asked to support a precautionary approach to environmental challenges;

Principle 8

Undertake initiatives to promote greater environmental responsibility; and

Principle 9

Encourage the development and diffusion of environmentally friendly technologies



ANTI-CORRUPTION

Principle 10

Businesses should work against corruption in all its forms, including extortion and bribery

GOVERNANCE

Corporate Policies	Guidance on:	External access
Code of Business Conduct	Company values, ethics and conduct in relation to: <ul style="list-style-type: none"> • Compliance monitoring • Record keeping • Information confidentiality • Conflicts of interest • Insider trading • Relations with key stakeholder 	NA
Whistle-Blowing Policy	Provision of a channel for stakeholders and other persons to report any concerns, including: <ul style="list-style-type: none"> • Improprieties in financial reporting • Professional misconduct • Irregularities or non-compliance with laws and regulations 	Available at: www.fraserscentrepnt.com/html/protection.php
Anti-Bribery Policy	Prevention and management of bribery and corruption	NA
Policy for Disclosure and Approval of Purchase of Property Projects	Declaration and approval requirements for any interested persons, directors and employees of FCL, when purchasing property developed by FCL	NA
Competition Act Compliance Manual	Compliance with the Competition Act to protect and promote healthy competitive markets in Singapore	NA
Personal Data Protection Act Policy	Compliance with the Personal Data Protection Act 2012 relating to the handling and processing personal data, complaint handling procedures, and avenues for employees, customers, suppliers or other contact persons of FCL to report any concern that the policy may have been breached	Available at: www.fraserscentrepnt.com/html/protection.php
Environment, Health & Safety Policy	Safeguarding the health and safety of all relevant stakeholders and interested parties within its premises and providing an environmental friendly and safe place for them to work in or to conduct their business	NA

In safeguarding the company's independence in audit results, our Internal Audit Department reports directly to the Chairman of the Audit Committee. These independent internal audits are designed to improve the effectiveness of risk management, control and governance processes. For further details on our internal audit approach, please refer to pages 137-165 on Corporate Governance.

In FY2015/16, no confirmed cases with regards to bribery and corruption were reported.

Based on investigations conducted in FY2015/16 with regards to complaints received through whistleblower channels, one case was substantiated and appropriate actions were taken.

There were no incidents of non-compliance with regulations and industry codes concerning marketing communications for which fines were issued to the Company.

ENVIRONMENT

At FCL, we are always conscious of the environmental impacts arising from our business activities. We firmly believe that the impact can be managed responsibly in a commercially viable manner, and have therefore been unreserved in our support of the Sustainable Singapore Blueprint 2015 and more recently, Singapore's Intended Nationally Determined Contributions submitted during the Conference of Parties 21 (COP 21).

COP 21 – SINGAPORE'S PLEDGE



Reduce its emission intensity by 36% from 2005 levels by 2030

Reduce its emissions by 16% below business-as-usual levels by 2020

Stabilise emissions with the aim of peaking around 2030



FCL's efforts to ensure our buildings' energy performance remains sustainable have been recognised on a national level by BCA. Alexandra Point, Causeway Point and Capri by Fraser, Changi City, Singapore were ranked in the top 10 in the BCA Building Energy Benchmarking Report in their respective Private Office Buildings, Retail Buildings and Hotels categories for the consecutive years. Alexandra Point and Causeway Point achieved Green Mark Platinum, while Capri by Fraser, Changi City, Singapore was awarded Green Mark Gold^{PLUS}. For more information, please refer to *BCA Building Energy Benchmarking Report 2016*.

We are also aligning our practices to support BCA's second Green Building Master Plan which aims for at least 80% of the buildings in Singapore to achieve the BCA Green Mark Certified rating by 2030.

We incorporate energy efficiency measures into the building design and carrying out energy audits every three years. Our efforts not only helped us to maintain our Green Mark awards, but also provided us with the opportunity to review and improve our energy efficiency practices throughout the life of our buildings.

GREENING OUR BUILDINGS

To date, FCL has received a total of 24 BCA Green Mark Awards in Singapore, out of which two were Platinum, 4 Gold^{PLUS}, 15 Gold, and 3 Certified. All of our Singapore office and business space properties have achieved BCA Green Mark Gold or higher, and about half of our Singapore retail properties are BCA Green Mark Gold or above. Furthermore, all our office and business space properties in Singapore have been certified with Eco-Office labels by the Singapore Environment Council.

Approximately 80% of our investment properties in Australia are Green Star Performance-certified and 20% are NABERS-certified. We have set the requirement for all of our new office, retail and industrial developments in Australia to achieve a minimum 5 Star Green Star Design & As Built rating, representing excellence in sustainable design. This is evident from the latest GRESB results, where our commercial and industrial properties in Australia were ranked first globally for diversified office/ industrial/non-listed funds, and second globally for all diversified office/industrial funds (listed and non-listed). Our exemplar performance is evident from the GRESB results with year-on-year improvement.

ENVIRONMENT

CREATING ENVIRONMENTAL AWARENESS

We continue our annual participation in *Earth Hour* organised by the WWF. On 19 March 2016, over a hundred of our global properties across all asset classes switched off non-essential lights in common areas for an hour. As a large commercial landlord and owner-operator of hospitality assets, we have taken the extra step to encourage our stakeholders, tenants, shoppers, guests and patrons of our properties to do their part. In conjunction with *Earth Hour*, FH has continued to designate March as *Frasers Environment Month* for the third year running, during which a series of initiatives and campaigns were organised to promote environmental responsibility.

Employees are also engaged through a variety of fun and exciting initiatives that promote sustainability awareness, such as the *Soap Box Derby Challenge* by the FH team in Singapore. The challenge required employees to form their own teams to build human-sized cars using recyclable materials to participate in a race. Other events were also organised including the *Beach Clean Up Challenge* at Changi Beach and a visit to Semakau Landfill.

In Australia, the team carries out two major environmental volunteering events every year – *Clean Up Australia Day* and *Schools Tree Day*. Some 90 staff volunteered in the former event nationally in March, collecting about 100 bags of rubbish. In conjunction

with city-specific competitions, our Brisbane team was runner-up for the *Cleaner Communities Brisbane* award for their efforts. Our Australian team participated for the eighth time in the *Schools Tree Day* this year. 106 staff, with another 53 volunteers planted some 1,505 trees and rejuvenated some outdoor facilities across four schools.

In addition, our Australian team hosted numerous staff engagement activities, including initiating *EnviroWeek*, during which lunchtime talks on sustainability topics were organised. In conjunction with the *World Green Building Week* in September, we ran a sustainable design competition for children.

In Singapore, we hosted our Australian sustainability team and Ms Romilly Madew, the CEO of Green Building Council Australia, and her team, during the *Singapore Green Building Week* in September. We shared our sustainability practices and hosted site visits to our two BCA Green Mark Platinum buildings – Alexandra Point and Causeway Point, which are ranked among the Top 10 Most Efficient Private Office and Retail Buildings in Singapore, respectively. We also extended the same hospitality to a group of Executive Master of Business Administration (EMBA) students and their professor from Boston University in March when they visited us as part of their EMBA field trip to understand the risks and opportunities within the environmental space in Asia.



FPA staff planted trees and rejuvenated outdoor facilities at four schools on *Schools Tree Day*

TOP 10 ENERGY EFFICIENT BUILDINGS IN SINGAPORE 2016

PRIVATE OFFICE BUILDING CATEGORY – ALEXANDRA POINT

Alexandra Point is one of the Top 10 performing private office buildings in Singapore's BCA Energy Benchmarking for two consecutive years. Although it is not a new building, it managed to clinch the BCA Green Mark Platinum award, with a 33% reduction in energy use (from 2013 to 2014) through the upgrading of the chilled water system (chillers, condenser pumps, chilled water pumps, cooling towers) and air handling units.



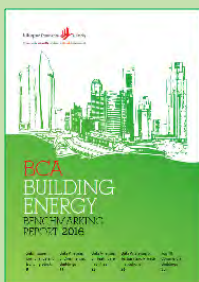
RETAIL BUILDING CATEGORY – CAUSEWAY POINT

The BCA awarded Causeway Point the highest Green Mark Platinum Award in 2011, after AEI works on the building significantly improved its environmental features. This is further affirmed by the BCA ranking Causeway Point as among the Top 10 most energy efficient retail malls in 2015 and 2016.



HOTEL CATEGORY – CAPRI BY FRASER, CHANGI CITY, SINGAPORE

Capri by Fraser, Changi City, Singapore is part of the mixed office-retail mall-hotel development located at Changi Business Park in Singapore. Awarded Green Mark Gold^{PLUS} since 2011, Capri by Fraser, Changi City, Singapore has also won the Singapore Green Hotel Award in 2013 and 2015. In both 2015 and 2016, BCA ranked Capri by Fraser, Changi City, Singapore as among the Top 10 energy efficient hotels, which further affirmed our environmental sustainability practice.



SINGAPORE'S BUILDING ENERGY BENCHMARKING 2016

This is an annual publication under the BCA Singapore's 3rd Green Building Masterplan. Energy consumption data and building-related information are submitted to the BCA on an annual basis for analysis and benchmarking. The report's objective is to inform owners and their operation teams on how well they have performed and to spur them to initiate and implement progress to improve energy efficiency and reduce energy consumption. The report ranks the Top 10 energy efficient buildings in five categories – government office buildings, private office buildings, hotels, retail buildings and mixed developments.

FRASERS PROPERTY AUSTRALIA: TOP IN GRESB'S GLOBAL ASSESSMENT FOR DIVERSIFIED OFFICE/INDUSTRIAL/ NON-LISTED FUNDS

Driving continual improvements in sustainable performance across all operations, the progress of FPA in sustainability is demonstrated by its exemplary performance in the 2016 GRESB rankings.

FPA's commercial and industrial portfolio is ranked first globally for diversified office/industrial non-listed funds, and second globally for all diversified office/industrial funds (listed and non-listed). This is a great milestone for us since we first participated in the GRESB assessment in 2012. In terms of scoring from seven different aspects, FPA scored 75 overall in the 2016 assessment, achieving a 4 Star score from GRESB.

GRESB Aspects	Score (out of 100)
Management	100
Policy & Disclosure	79
Risks & Opportunities	85
Monitoring & EMS	90
Performance Indicators	64
Building Certifications	77
Stakeholder Engagement	66

The results represent a fourth consecutive year of improvement in GRESB scores for FPA, and are also testament to the strong collaboration between FPA's sustainability and building operation teams.

FPA achieved the first Green Star Performance portfolio certification in Australia, with 69 Green Star-rated building projects. We have also launched several 6 Star Green Star industrial facilities this year. While FPA has been making substantial progress in generating sustainable outcomes for its commercial and industrial assets, we constantly strive to remain a market leader in sustainability in the real estate sector.



Asia-Pacific/
Diversified –
Office/Industrial



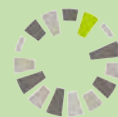
Global/Diversified –
Office/Industrial
GRESB Health &
Well-being



Diversified –
Office/Industrial/
Non-listed/Global



Diversified –
Office/Industrial



G R E S B

GRESB is an industry-driven organisation committed to assessing the environmental, social and corporate governance performance

of real estate portfolios. It is widely known as a global standard for assessing sustainability in real estate.

By participating in GRESB, a company's sustainability performance is assessed based on the following seven aspects:

1. Management
2. Policy & disclosure
3. Risks & opportunities
4. Monitoring & Environmental Management System (EMS)
5. Performance indicators
6. Building certifications
7. Stakeholder engagement

In 2016, a record 759 real estate companies and funds participated in GRESB.

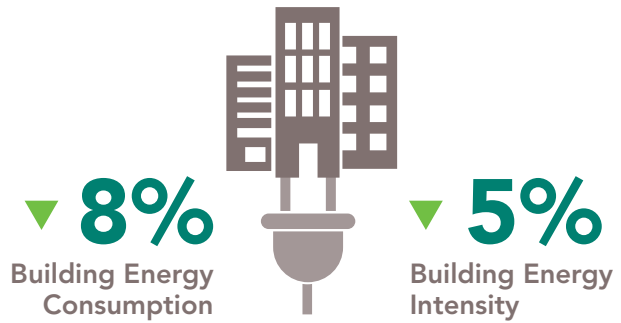
ENVIRONMENT

ENERGY USE AND GHG EMISSIONS

[EN3, EN5, EN6, CRE1, EN16, EN18, EN19, CRE3]

We continue to work towards achieving a property portfolio that is energy efficient. Overall, our building energy consumption and energy intensity have reduced by 8% year-on-year and 5% year-on-year respectively in FY2015/16. We saw a reduction in energy intensity from the Singapore retail and office portfolio to our Australian office assets and global hospitality assets under management. Our carbon footprint (greenhouse gas (GHG) emissions) decreased in tandem from 136,100 to 123,500 tonnes of CO₂ equivalent.

In driving improvement, we focused on effective communication with our facilities management team about the Group's sustainability goals. To demonstrate our commitment to reducing energy use, we have set a 10-year target with a 15% reduction from the baseline of FY2014/15.



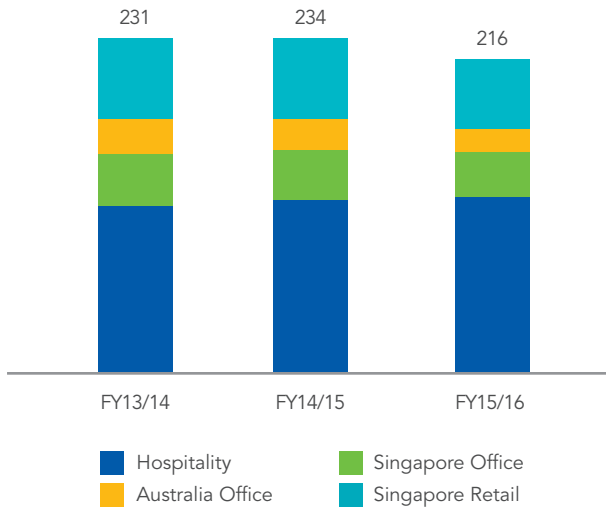
“FPA is driving continual improvements in environmental performance across all our operating sectors and this year’s GRESB result validates our efforts”

Paolo Bevilacqua
General Manager
Sustainability,
FPA

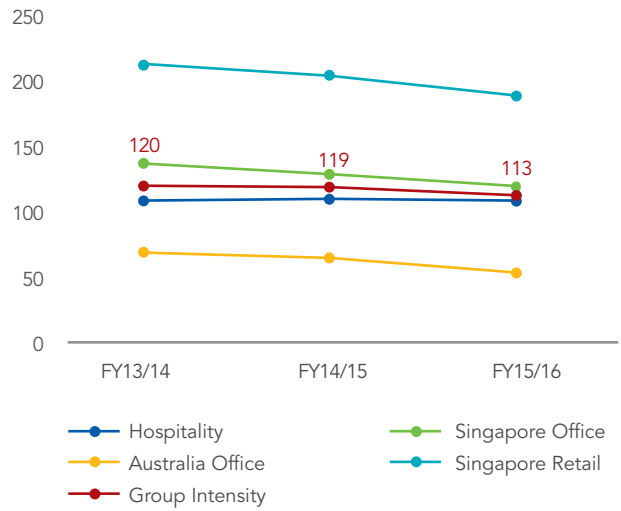


ENVIRONMENT

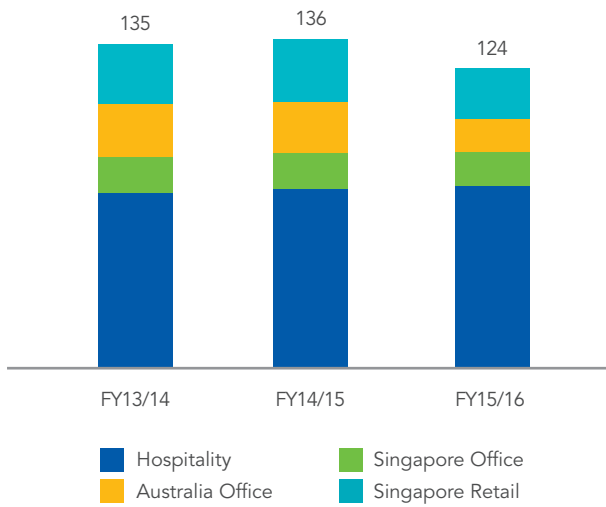
BUILDING ENERGY CONSUMPTION (GWh)



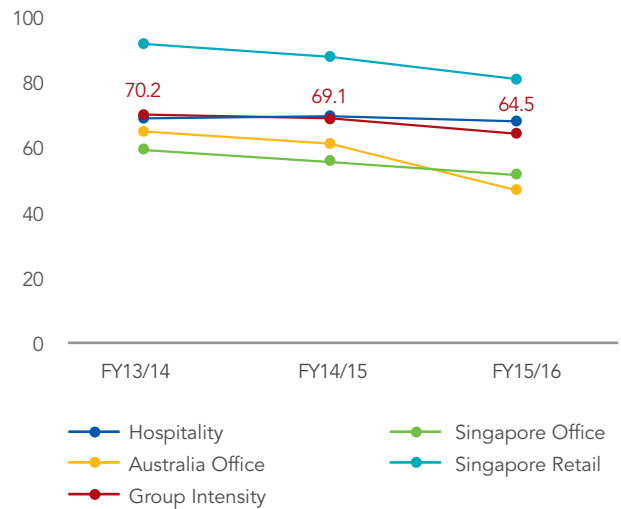
BUILDING ENERGY INTENSITY (kWh/m²)



BUILDING GHG EMISSIONS ('000 tonnes)



BUILDING GHG INTENSITY (kg/m²)



Notes:

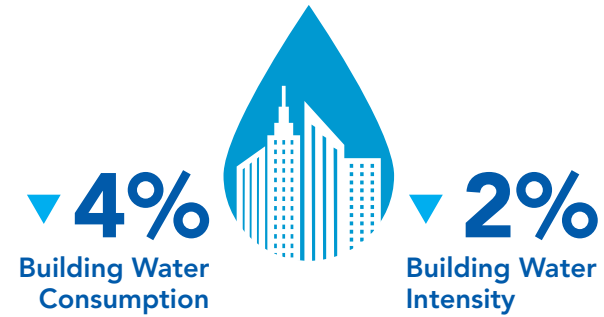
- Energy consumption is reported for landlord area for commercial properties and total area for serviced residences and hotels
- Energy and GHG data currently covers more than 70% of completed buildings that we own and/or manage with operational control, except MHDV portfolio and those that we acquired and/or managed less than one year ago
- Grid GHG emission factors are from Singapore Energy Statistics 2016, Australia National Greenhouse Gas accounts, China Climate Change Info-Net, Reliable Disclosure Systems for Europe, German Association of Energy and Water Industries, India's Central Electricity Authority, and the United Kingdom's Department for Environment, Food and Rural Affairs (DEFRA) for Singapore, Australia, China, France, Germany, India and the UK respectively. For all other countries, emission factors are determined from trend analysis based on DEFRA results for previous two years

WATER USE AND CONSERVATION [EN8, CRE2]

Our business operations provide us with many opportunities to play a part in conserving water use. Our buildings are fitted with water-saving technologies such as tap flow restrictors/regulators, dual-flush water systems, waterless urinal systems and the Public Utilities Board's (PUB) Water Efficiency Labelling Scheme approved fittings, and recycled water sources such as NEWater and air handling unit (AHU) condensate. In Singapore, we work extensively with the wider community, including public utility providers, to play our part in achieving greater water-efficiency. This year, Causeway Point, East Point Mall, Northpoint, and the Centrepoint attained PUB's Water Efficient Building (Basic) certification, joining Bedok Point, Anchorpoint and YewTee Point, which were previously certified.

In Australia, rainwater is collected at most development projects and connected to irrigation and toilet flushing systems for reuse.

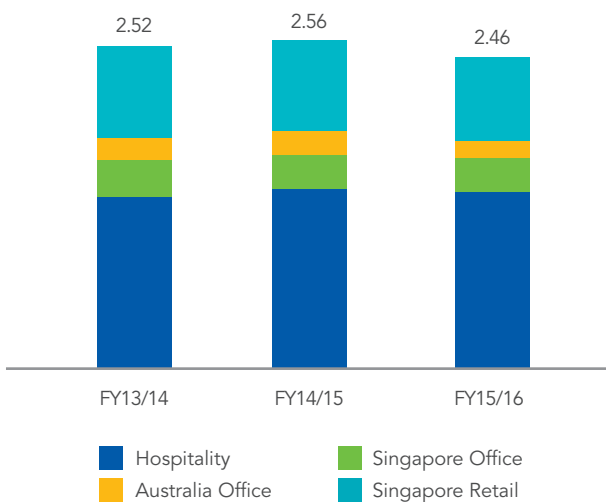
Nearly 100% of our water comes from public utilities. We have been increasing our use of recycled water for non-potable applications, such as irrigation, washing, water features and cooling towers. We collect condensate from our AHU for reuse and also



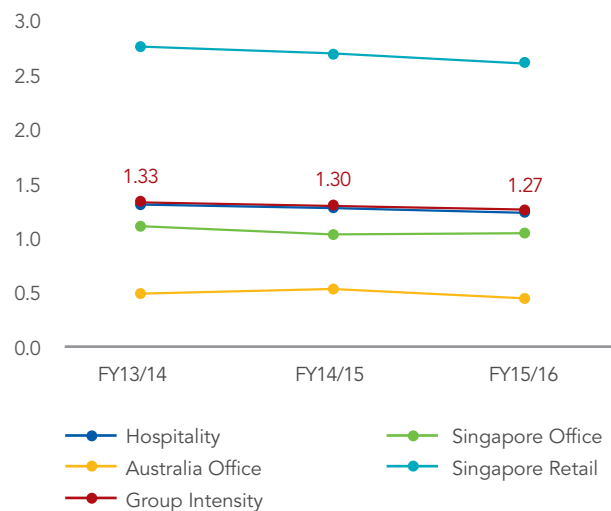
use the PUB's NEWater, which is recycled water. In our cooling towers, we use water treatment systems that can achieve at least seven cycles of concentration.

Overall, we have achieved a reduction in both water consumption and intensity across our asset portfolio under management. Our total water consumption and water intensity have reduced by 4% year-on-year and 2% year-on-year respectively in FY2015/16. The reduction was mainly attributed to the Singapore retail and Australia office portfolios. To demonstrate our commitment to reducing water use, we have set a 10-year target to reduce our water intensity by 15% on the FY2014/15 baseline by FY2024/25.

BUILDING WATER CONSUMPTION (mil m³)



BUILDING WATER INTENSITY (m³/m²)



Notes:

- Water consumption is reported for landlord area for commercial properties and total area for serviced residences and hotels
- The water data covers more than 70% of completed buildings that we own and/or manage with operational control, except MHDV portfolio and those that we acquired and/or managed less than one year ago

ENVIRONMENT

WASTE MANAGEMENT [EN23]

Waste minimisation and recycling at commercial buildings

In land-scarce Singapore, waste generation and disposal remain one of the top environmental issues in the country. As a major property owner and manager, FCL recognises that our commercial buildings produce a significant amount of waste and we are committed to doing our part in waste management.

FCL tracks waste disposal and recycling at our commercial buildings, and implements initiatives to reduce waste generation. We constantly look for ways to spread the awareness of the 3Rs – Reduce, Reuse and Recycle – in our operations.



REDUCE



REUSE



RECYCLE

In FY2015/16, 13,000 tonnes of waste were generated from 14 commercial properties¹ in Singapore. The waste intensity has decreased to 25.5 kg/m² in FY2015/16 from 28.7 kg/m² a year ago. We will seek to improve the waste intensity in the coming years.

Recycling bins have been made available at our commercial properties to make it convenient for shoppers and tenants to recycle waste. Retail tenants have also been encouraged to segregate their waste before disposal, to improve their recycling efforts. In FY2015/16, 508 tonnes of waste from 14 commercial properties were sent for recycling, with the bulk of it being paper. This is an encouraging increase from the 467 tonnes reported in the previous year.

We have also invited National Environment Agency (NEA) to deliver lunchtime talks to staff and tenants on waste minimisation to further encourage 3R practices in our operations. We constantly monitor our recycling rates and are working on improving recycling efforts at our commercial properties, which include ramping up recycling of other materials such as plastics and metals.

Food waste management

F&B outlets in our shopping malls generate a significant amount of food waste. Consequently, FCL has been looking at adopting initiatives to promote the reduction and recycling in this area. At Valley Point, we are piloting the use of a food waste digester with the possibility of adopting on-site food waste recycling at our other malls. We are also partnering with NEA in its Food Waste Reduction Outreach to reduce food waste at our malls.

Paper recycling and conservation at corporate office

Paper comprises the bulk of waste at FCL's corporate office. We emphasise the management of paper use in printing and photocopying, and have been educating staff on the need to move towards going paperless. We use paper which has the Forest Stewardship Council (FSC) or the Programme for the Endorsement of Forest Certification (PEFC) labels, or products under the Singapore Green Label Scheme (SGLS). These products are produced based on sustainably managed forests and controlled sources.

To help monitoring, we track paper usage by employees at our corporate offices. In FY2015/16, 4,591 reams of A4 paper and equivalent were used and we have put in place measures to reduce paper usage. Through setting default double-sided printing, discouraging the printing of materials, and shifting information online, we are progressing towards a paperless environment.

COMPLIANCE WITH REGULATIONS [EN29]

Environmental and safety compliance is a key priority in our business processes, and we make every effort to ensure that we comply with all rules and regulations. Despite these efforts, five of our development projects in Singapore have been fined a total of approximately \$70,000 with a total of 15 days of stop-work orders in FY2015/16, while in Australia, the fines amounted to A\$8,000. In Singapore, the fines were imposed on our main contractors due to incidents such as excessive noise levels, mosquito breeding and safety breaches. Together with our contractors, we have since taken extra measures to minimise further incidents. We will strive to improve our compliance and aim for zero incidents of non-compliance with environmental laws and regulations in the future.

¹ The 14 commercial buildings comprise five office buildings (Valley Point, Alexandra Point, 51 Cuppage Road, China Square Central and Alexandra Technopark) and nine retail malls (East Point Mall, The Centrepont, Anchorpoint, Bedok Point, Changi City Point, Causeway Point, Northpoint, YewTee Point and Robertson Walk)

PEOPLE



Our people are critical for the sustainability of the Group. With the rapidly changing landscape and stakeholder expectations, FCL can only remain relevant and sustainable through the concerted efforts and talents of a skilled and adaptable workforce. Staff training and development remain key priorities, as we ready ourselves to navigate






an increasingly challenging environment. Strong labour and management relations help us remain nimble, and place us in a good position to tap into a wealth of experience brought about by diversity and retained talent. Our fundamental focus is to ensure that each employee remains healthy and has a safe work environment.

SAFETY FIRST [LA5, LA6]

At FCL, safety is a key priority. It is the foundation upon which our project development and building management processes are built.

We are mindful of the vulnerability of our business operations to safety incidents right from the onset of the development cycle. This is due to the nature of the work which involves heavy manpower, the handling of dangerous equipment, and commitments to meeting deadlines.

Our safety criteria apply at various stages of the life-cycle of our buildings.

Stage	Safety criteria applied
 Design	Carry out risk assessment using a Design for Safety procedure. The risk assessment covers design, structure, mechanical and electrical (M&E) function and landscape.
 Tender	Require building contractors tendering for jobs to have safety standards certification (i.e. OHSAS 18001 standard or its equivalent) in order to qualify for consideration.
 Construction	Conduct a joint monthly safety committee meeting with our main building contractors, where health and safety issues are discussed. On a quarterly basis, our management carries out safety inspection tours at all our development sites.
 Pre-operation (For properties under management)	Carry out risk assessment for daily facilities management activities. Prior to attaining the Temporary Occupation Permit, the main contractor and specialised contractors (e.g. M&E) jointly inspect and train the Facilities Manager (FM) in operations and maintenance procedure.
 Operation (For properties under management)	Conduct risk assessment and review risk areas annually. Appointed term contractors are required to submit risk assessment prior to commencing work. Main building contractors who are responsible during the defect liability period have to submit a revised risk assessment for facilities management. As part of day-to-day operations, the FM will carry out checks on lighting, toilets, M&E services and water/electrical meter reading for anomalies. On a monthly basis, our service providers will carry out inspections and maintenance works on air-conditioning and mechanical ventilation system, electrical system/switch board, lift, escalator, fire protection system, sanitary and plumbing system, and landscaping.

PEOPLE

Over the years, FCL has established a healthy workplace safety culture that has garnered strong support from the senior management.

In strengthening our practices, FCL has implemented workplace safety management systems standards across various key business operations to identify and control hazards, and constantly monitor the performance and areas for improvement. For example, occupational health and safety management systems aligned to OHSAS 18001 and its equivalent have been implemented in our Singapore office and retail malls operation, construction and project development in Australia and corporate offices. Some of our facilities management have also been awarded BizSafe certification by the WSHC and the Ministry of Manpower. In the near future, we have plans to expand our management systems to cover a wider scope of our operations.

Our senior management has been a leading advocate in the real estate industry when it comes to safety. Our Head of Development & Projects, Singapore, Mr Cheang Kok Kheong, is currently the Deputy Chairman of the Industry Committee (Construction & Landscape) in the WSHC. In addition, Mr Cheang frequently shares his experience with industry stakeholders on Design for Safety (DFS) at workshops organised by REDAS, Institute of Engineers Singapore and BCA.

We endeavour to ensure compliance with the latest workplace safety regulations and have in place workplace safety policies and procedures that are communicated to our staff. We regularly send our key technical staff for training on workplace safety practices. Recognising that safety is a joint responsibility, we work closely with our main contractors to ensure that construction sites are conducive not only for our staff, but also the staff of main contractors, sub-contractors and suppliers, and the public where applicable.



Safety talk for cleaners at China Square Central



First aid training at Fraser Place Manila



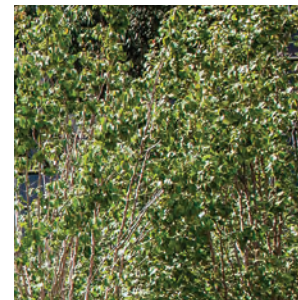
Lifting training at Hotel du Vin Cambridge



Wellness training at Fraser Property China's Shanghai office



Smoothie Day at Fraser Suites Sydney



Live Life Get Active at One Central Park, Sydney



Healthy Walk by staff at Fraser Place Shekou Shenzhen

WHAT IS DESIGN FOR SAFETY?

Safety in design and construction has to be addressed at three levels: Planning, Programme and People.

Design for safety (DFS) is the focus at all three levels, where the party creating the risk must address the issue at source. DFS therefore goes beyond the architects and engineers to include the contractors, sub-contractors and workers implementing sequence of works, formworks, tip-enhanced Raman spectroscopy and gondolas.

However, the focus and effectiveness of DFS is at the planning stage, particularly at concept design and design development. Planners, architects, engineers and contractors are most effective when design risk assessment is front loaded.

The guideline in DFS helps reduce accidents and fatalities by addressing risks from design development through construction, to usage and maintenance.

FCL, in partnership with its building consultants and contractors, seeks improvements in productivity through the processes, which mitigates design risk, improves labour efficiency, reduces construction risk and cost with an efficient sequence of work, and improves quality and workmanship.

We pay specific safety attention to a few areas:



- Safety in design to reduce dangerous practices
- High risk activities such as working at height
- Materials handling and traffic management
- Personal protective equipment

We are proud that in FY2015/16, our construction sites in Singapore recorded zero fatalities. During the financial year, we had seven projects under construction. The total lost-time injury rate was 1.2 incidents per million man-hours worked and the severity rate was 23.2 lost-days per million man-hours worked.

Our Australian in-house construction operations experienced 12 lost-time injuries during the year, which translates to a lost-time injury rate of 2.2 per million man-hours. The number of lost-days totalled to 201 days, which resulted in a severity rate of 36.2 per million man-hours. This was due to two incidents involving a worker falling from a three-metre height and another worker injuring his finger. Our staff on the ground regularly communicate with and report to both FPA's Board and Management, and continue to address safety issues and mitigation areas.

PEOPLE

Completed Buildings FY2015/16	Corporate Office	Singapore	China	Australia	Hospitality
Number of fatalities	0	0	0	0	0
Number of lost-time injuries	0	3	1	1	32
Number of lost-days	0	98	4	6	970
Lost-time injury rate (per million man hours)	0	1.4	1.3	78.7	5.5
Severity rate (per million man hours)	0	44.1	5.0	472.1	165.6

Note:

Our health and safety data has been aligned to the Singapore's Ministry of Manpower requirements with the definition of lost-time injury being more than three days' medical leave due to injury

For the completed properties that FCL manages, there was some variances in the safety performance. For our Singapore commercial buildings, there was an increase in the lost-time injury rate to 1.4, from 0.4 a year ago, while the severity rate jumped to 44.1 from 3.0 a year ago. The increase in severity was due to three injury cases. There were also several injuries reported at our Hospitality SBU. Although the number of lost-time injuries is lower at 32, compared to last year, the lost-time injury rate (5.5 per million man-hours) and severity rate (165.6 per million man-hours) are higher than a year ago. We note that the majority of incidents reported by our Hospitality SBU involved staff who were injured when they tried to lift certain items or they slipped and fell. It is imperative that we put in place processes and provide safety training to keep such incidents to a minimum and we have since embarked on several initiatives to drive home our commitment to workplace safety.

We will continue to improve our safety processes across our various business units and departments. Led by senior management, we have begun refining the Group's safety policies by first understanding and assessing how each business unit currently practices health and safety management, both on site and at each property. Our aim is to implement a comprehensive set of policies across all our business units and training to share workplace safety best practices across the Group. To further emphasise the importance of health and safety, we organised our inaugural *Frasers Health & Safety Month* in August 2016, and will make this an annual event.



FRASERS HEALTH & SAFETY MONTH 2016



Our inaugural *Frasers Health & Safety Month* was organised in August 2016 with the aim of reinforcing the importance of health & safety (H&S) in the corporate culture, as well as raising awareness of H&S issues among staff. The inaugural theme was “See Something, Do Something”, which revolves around the broad messages of raising awareness among staff, for everyone to take ownership of safety around them while taking steps to stay healthy.

A H&S programme was rolled out during the month, which included activities for the staff across the globe such as the *Frasers Global Running Challenge*. Property-level events like safety inspections and talks, fire drills, first aid demonstrations and fitness sessions were also organised.

CORPORATE OFFICE OUTREACH PROGRAMME

Frasers H&S Carnival was held at FCL's corporate office, where it featured H&S awareness activities and a bazaar with vendors selling health- and wellness-related merchandise. A free health screening was also offered to all staff where blood tests and body assessments (e.g. blood pressure, body mass index) were carried out. Staff were then given individual consultations on steps to take to improve their health.

PROPERTY-LEVEL PROGRAMME

To ensure that all staff were engaged in the H&S month, all SBUs carried out H&S activities relevant to their operations at each property/project under management. Activities included:

- Workplace safety workshops
- First aid, cardiopulmonary resuscitation, fire extinguisher training
- Emergency and fire drills
- Health screening and wellness talks
- Fitness and sports events
- Workplace H&S quiz and discussion
- Massage sessions for staff
- Non-routine safety checks

FRASERS GLOBAL RUNNING CHALLENGE

The *Frasers Global Running Challenge* was organised as a group-wide activity. The Challenge required staff to accumulate their running mileage for the month of August for submission. The inaugural competition was well received with 114 staff from the Group's properties worldwide participating in the event. Together, they logged a total distance of 4,139 km.

Through the inaugural H&S outreach programme, we successfully engaged approximately 5,200 staff (including contractors' staff). To further enhance the H&S culture, we have designated every August to be *Frasers Health & Safety Month*.

TOUR DE FRASER – A VIRTUAL TOUR

One of the more interesting activities organised by our staff this year would be *Tour de Fraser* by Fraser Suites Glasgow. The team used a stationary bike and cycled 825 km, the distance between all Fraser properties in the UK. This was aimed at promoting both teamwork and exercise. The team achieved the distance in 30 hours, burning an impressive 15,500 calories (the equivalent of 60 Big Macs).



PEOPLE



Fire evacuation drill at Fraser Place Tianjin



Planting Day at Capri by Fraser, Ho Chi Minh City



Safety talk at FPA



Fraser's Health & Safety Carnival at FCL's corporate office in Singapore

PEOPLE

ENHANCING STAFF WELL-BEING

We believe in the importance of taking care of our staff's well-being. Our Corporate Wellness Committee planned a year-round programme around the themes of team building, personal development and health. This programme was founded on our motto "Make Wellness Part of Your Life: Regular Exercise. Eating Right. Staying Positive". During our inaugural *Fraser's Health & Safety Month* in August 2016, staff were engaged through a series of events and activities to improve their understanding and awareness of health and safety at FCL. The Fraser's Centrepoint Bursary Award is part of our holistic approach towards promoting staff well-being. For the last three years, we have been providing financial assistance to children of our staff to help with their education expenses.

Staff activities and programmes in FY2015/16 included:



SOCIAL & FAMILY EVENTS

- Annual Staff Dinner & Dance
- Family Day at Gardens By The Bay
- Eat with Your Family Day
- Health Screening
- Mental Health and Wellness Talks
- Healthy Cooking Class
- Counselling Hotline and E-Articles
- Health Advisory EDMs
- Fraser's Centrepoint Bursary Awards
- Back to School with Dad

FITNESS PROGRAMME

- Kpop X Fitness
- Zumba
- Marathon subsidies

SPORTS EVENTS

- SGX Bull Charge Charity Run (Official T-shirt Sponsor)
- Bowling Tournament
- REDAS Bowling Friendly
- Walk/Jog sessions
- Fraser's Global Running Challenge



Five-year long-service award recipients at the Staff D&D 2016

In Singapore, a joint Staff Dinner & Dance (D&D) was held with our sister companies, Fraser & Neave Limited, Times Publishing, F&N Foods and InterBev, at Marina Bay Sands this year. The event saw a total of 840 attendees from FCL. The theme for the night was "Back to the Future" and staff came dressed as various retro and futuristic movie characters. During the D&D event, long-service awards were presented to a total of 141 FCL staff who have served from five years to 40 years. In China, FCL staff from offices across Shanghai, Chengdu and Suzhou gather every year for a company trip to various parts of China. In 2016, our colleagues chose Jilin, Xuexiang and Harbin for a five-day trip, which also involved a day of team-building activities.



FCL staff orientation held in Singapore

In Australia, the focus remained on employee well-being. Staff activities including health checks, Family Day activities, Employee Assistance Programme/ Counselling, Mindful Employer Training, flexible work practices, matching of fundraising for events involving staff participation, SBU team building and planning activities were organised over the course of the year. We also expanded our partnership with Medibank Private for discounts in private health insurance and the establishment of an online health portal for FPA staff.



Frasers Suites Sydney staff at the Colour Run 2016



PEOPLE

SUPPORTING STRONG FAMILY BONDING

We believe that nurturing strong family bonds is the key to greater work-life harmony for our staff. We organise various activities each year that involve our staff and their families. In May this year, we brought more than 1,600 staff and their family members to Gardens By The Bay for the *FCL Family Day*. We also supported *Eat With Your Family Day* by granting our staff early release to spend time with their families. During Chinese New Year, Group HR brought cheer and well-wishes by delivering goodie bags to each staff located at various premises in Singapore.

STAFF MANAGEMENT [LA4]

Staff management is an important aspect of business management. When handled well, it can have a positive impact on the company's sustainability. With human capital being a critical element of FCL's business model, it is important for us to pay close attention to this area. FCL is a signatory to the TAFEP in Singapore and is committed to adopting fair employment practices and principles as guided by

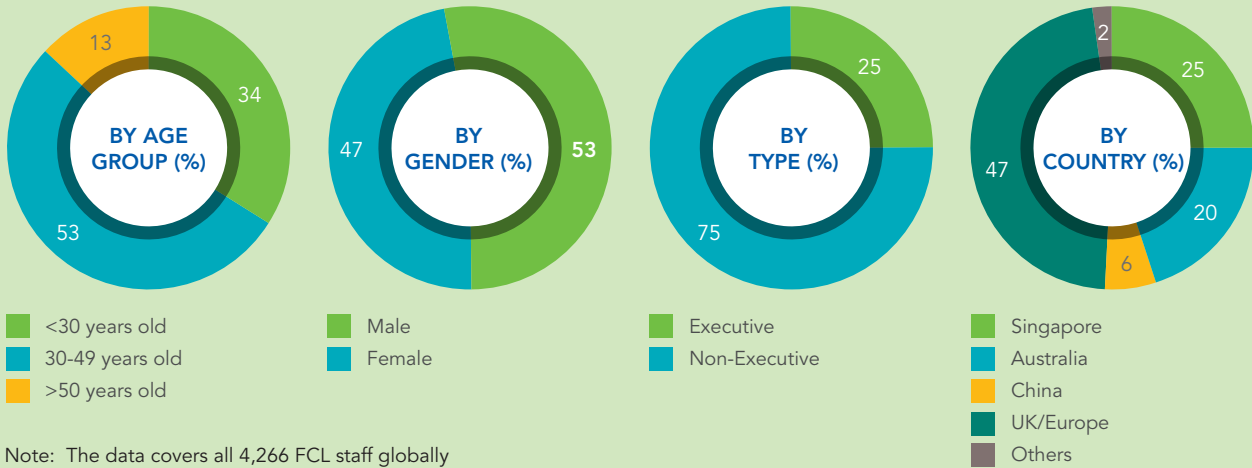
TAFEP. We also draw guidance on good practices from the Singapore National Employer Federation, of which FCL is a member.

We are proud that we have maintained a healthy workforce that is diverse in terms of age, gender and skill sets. With operations in more than 80 cities across 26 countries, FCL's workforce is made up of people of different nationalities. Following the acquisition of the Malmaison Hotel du Vin group, which comprises 29 boutique hotels, in 2015, the UK is currently home to our largest workforce. Our statistics show an almost equal gender balance with a male to female ratio of 53:47. We also have a relatively young workforce, with 53% in the core age group of 30-49 years old. Non-executive staff make up 75% of our workforce, due to the labour-intensive nature of our property management services at retail malls, office buildings and serviced apartments/hotels operations.

Having a diverse talent pool encourages growth, innovation and inclusivity, all of which contribute positively to business performance and the community. As laid down in our Code of Business Conduct, FCL is committed to providing equal employment opportunity based on meritocracy and the elimination of discrimination in support of diversity.



FCL Family Day at Gardens By The Bay



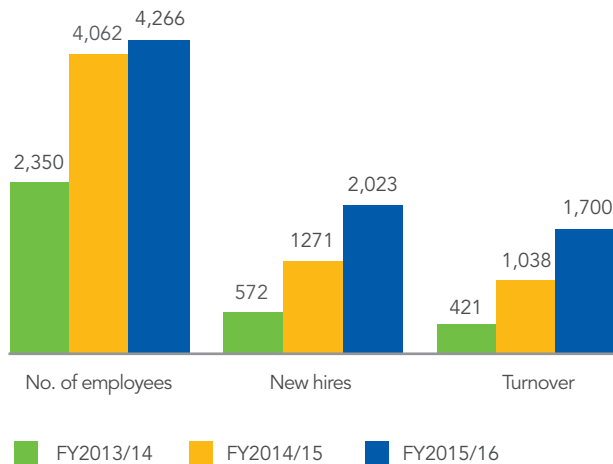
STAFF RETENTION AND DEVELOPMENT [LA1, LA9, LA11, S04]

Employee retention continues to be an important area of focus for us, as our people drive our success. We seek to retain our knowledge pool, while introducing a managed stream of new talent and skills.

As of 30 September 2016, we have a total of 4,266 employees globally, which is an increase from 4,062 employees a year ago. Our headcount grew, largely due to expansion of our operations in Australia and acquisitions by our Hospitality SBU. Our hiring rate of 47% was higher than our turnover rate of 40%. The hiring rate and turnover rate for Singapore were much lower at 20.7% and 17.2% respectively, well below the national average turnover rate of 22.8%.

We treasure and appreciate our employees by providing a range of benefits and welfare that are aligned with the industry. These include retirement plans (where applicable), parental leave and medical insurance, bonuses and share plans (for relevant staff) in addition to basic salaries. We constantly benchmark our remuneration packages with the market to stay competitive. We also support employees who wish to stay in their jobs post retirement, in accordance with the Retirement and Re-employment Act in Singapore.

NUMBER OF EMPLOYEES, NEW HIRES AND TURNOVER

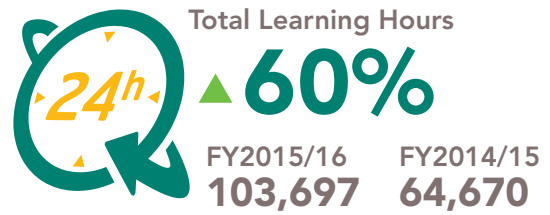


PEOPLE

We are committed to continually investing in and developing our people. We believe that having strong innovative leadership and a dedicated workforce are key in driving and sustaining our growth and success. Our in-house training team creates and provides training for all staff, offering a wide range of courses through our learning directory. Employees may also initiate requests for specific training needs. Through our onboarding programme and regular email updates, employees are kept cognisant of updated policies and procedures. For example, we conducted a training course on “Changes to Companies Act” and “Prevention of Money Laundering & Financing of Terrorism” for all executive staff from our Singapore business units in FY2015/16.

BUILDING CAPABILITIES AND DEVELOPING OUR PEOPLE

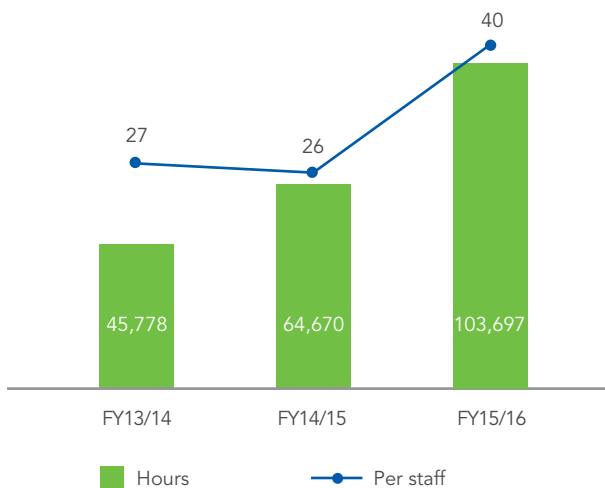
We have continued to demonstrate our commitment to building capabilities and enhancing competencies for our employees. In FY2015/16, the total learning hours invested in employees across our global operations increased to 103,697 hours. This is a remarkable 60% jump from 64,670 hours clocked in FY2014/15 due to concerted efforts to enhance our



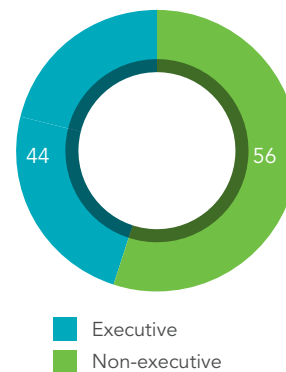
staff training activities. On average, we achieved the target of 40 training hours per employee, which we had set a year ago. Approximately 56% of total training hours were clocked by non-executive employees, while executives accounted for 44%. We are committed to raising the quality of training and performance next year. We continue to allocate 2% of our payroll costs for training and development purposes.

We have also introduced a new SkillsFuture Learning leave policy for all Singaporean employees in FCL. All Singaporean employees are given two days of learning leave which they may apply for to attend a SkillsFuture course. This is in support of the Singapore government’s SkillsFuture Credit initiative to encourage Singaporeans to develop themselves.

TRAINING HOURS¹



TRAINING HOURS BY EMPLOYEE TYPE (%)



¹ The training data do not capture those from MHDV staff

In FY2015/16, a series of leadership talks was introduced for all our senior leaders to learn from external business leaders and subject matter experts. At this learning platform, the latest in business practices, trends and thought leadership are shared. Our speakers were given opportunities to interact with these leaders who have significant corporate/commercial experiences. Topics shared included mega trends and leadership responses, technology trends and how they are shaping businesses, corporate governance trends and challenges and cultural diversity. A total of four talks were organised, which were attended by 127 leaders and managers.

We also continue to nurture our middle management through our annual Leadership Excellence and Development Programme (L.E.A.D). Over a course of six months, some 20 middle managers went through a series of customised leadership modules which helped sharpen their mindset and strengthened their commitment to the Group. Besides enhancing the

management skills of participants, it also provided participants with a platform to interact with fellow managers, exchange ideas, and learn from each other.

In Australia, FPA has committed to training all relevant staff in sustainability or innovation by 2017.

STRIVE FOR SERVICE EXCELLENCE

Every year, we send our frontline staff for training to improve the service quality. Our efforts have shown good results as seen in the number of our employees who received the Excellent Service Award (EXSA) by SPRING Singapore. The award is given in recognition of individuals who have delivered quality service nationally. In total, there were 118 award recipients from FCL in 2016, comparable to 119 recipients in 2015 and 108 in 2014.



L.E.A.D. Programme participants

PEOPLE

LOCAL COMMUNITIES

As landlords and developers, we regularly interact with our local communities which include tenants, shoppers, homebuyers as well as members of the public. We are aware that our day-to-day operations may affect them, directly or indirectly. FCL, therefore, strives to make those impacts and interactions as positive as possible.

We endeavour to give back to our communities through our Corporate Social Responsibility (CSR) efforts and to play a part in the development of our communities. Our CSR initiatives include fundraising, contributing space for events and outreach activities, engaging with our neighbours, supporting the arts and actively participating in community projects. Through

this wide range of activities, we hope to address the varied needs of different sectors of the local communities and make a real difference to those who have been key to our business success.

Globally, the Group has adopted Wellness as our focus for community initiatives. In Australia, through three categories – Restoring Resources, Progressive Thinking and Community Focus – we articulate our commitment to environmental and social sustainability, and document our intentions for the future. Increasing the social value of our communities is one of these goals, and we are now developing a shared value measurement tool. In Singapore, the Group launched the Frasers Centrepoint Wellness Grant for tertiary institutions.



Site visit by our Australian sustainability colleagues and the GBCA team at Alexandra Point



FPA staff volunteering for A ReaL Meal in Melbourne



FCL staff volunteered at and participated in RUN@SUTD, funded by the Frasers Centrepoint Wellness Grant

Starting with the Singapore University of Technology and Design (SUTD), FCL provided seed funding for student-driven community projects. We plan to extend the grant to more tertiary institutions over time.

Involving our people

We strive to engage communities through employee interaction and volunteerism. Our staff are therefore encouraged to volunteer their time in support of events and activities that would positively impact their local community. Our staff contributed a total of 400 volunteer days in FY2015/16. Volunteerism activities included FH staff helping to clean beaches, celebrating Ramadhan with children from the Rumah Amal Limpahan Kasih Welfare and Education Centre in Kuala Lumpur, and participating in the *Run for*

Fun Suzhou whereby registration fees were donated to charitable causes. Staff from the FCL corporate office participated in *RUN@SUTD* as runners and volunteers. Registration fees for the run were donated to the Singapore Disabled Sports Council.

Raising global environmental awareness

In support of global environmental sustainability awareness, FH, together with WWF-Earth Hour, launched the 'Just One' hotels programme this year. Under this programme, guests are invited to support WWF's critical climate projects by contributing an additional \$1 for every night spent at participating FH properties. Through 'Just One', FH aims to raise at least \$3 million by 2020 for WWF as a commitment towards environmental conservation.



FCL's team at the SGX Bull Charge Charity Run 2016



FPA staff participated in *Clean Up Australia Day* in Queensland



Earth Hour celebration at Fraser Residence Kuala Lumpur

‘JUST ONE’ HOTELS PROGRAMME – PIONEERING A CLIMATE ACTION PROGRAMME WITH WWF-EARTH HOUR

Demonstrating its continued support for global environmental sustainability awareness, FH, together with WWF Earth Hour, launched the ‘Just One’ hotels programme.

Under this pioneer programme, guests are invited to support WWF's critical climate projects. By adding an additional \$1 for every night spent at participating FH properties, guests will be donating towards protecting the habitats of millions of wildlife around the world. The funds raised will contribute to WWF climate projects such as WWF's Education programme, which seeks to make environmental education an integral part of the school's curriculum.



Having piloted the programme in July 2016 at all Singapore properties, ‘Just One’ will be rolled out progressively in 2017 in Australia and the UK. The restaurants in the hotel will be the key venue of collecting donations. Adding to the list will be properties from the Middle East, China and the rest of Southeast Asia.

Through ‘Just One’, FH aims to raise at least \$3 million by 2020 for WWF as a commitment towards environmental conservation. As a pioneer of the programme, FH also hopes to be an advocate for similar environmental commitments within the sector.



World Wide Fund for Nature (WWF) is an international non-governmental organisation working towards the protection of nature and the planet.

The organisation partners foundations, governments, businesses and communities in conserving the world's most ecologically important regions and reducing Man's ecological footprint. As an associate of WWF, Earth Hour Global

is a registered charity delivering an annual worldwide movement in March under the *Earth Hour* brand to turn off non-essential lights for one hour.

Having started in Sydney in 2006, the brand has grown exponentially over the past decade and has now achieved participation from over 170 countries.

“We are grateful to Frasers Hospitality for their support and commitment towards our vision of collectively creating a better future for our shared home – planet Earth, for ourselves and generations to come.”

Siddarth Das

Executive Director, Earth Hour Global, WWF

PEOPLE

Providing financial assistance

This year, we sponsored \$130,000 towards various charitable activities and causes. They included the *SGX Bull Charge Charity Run* in support of the Asian Women's Welfare Association, Autism Association of Singapore, Fei Yue Community Services and Shared Services for Charities. We also raised a total of \$1 million for various causes and activities.

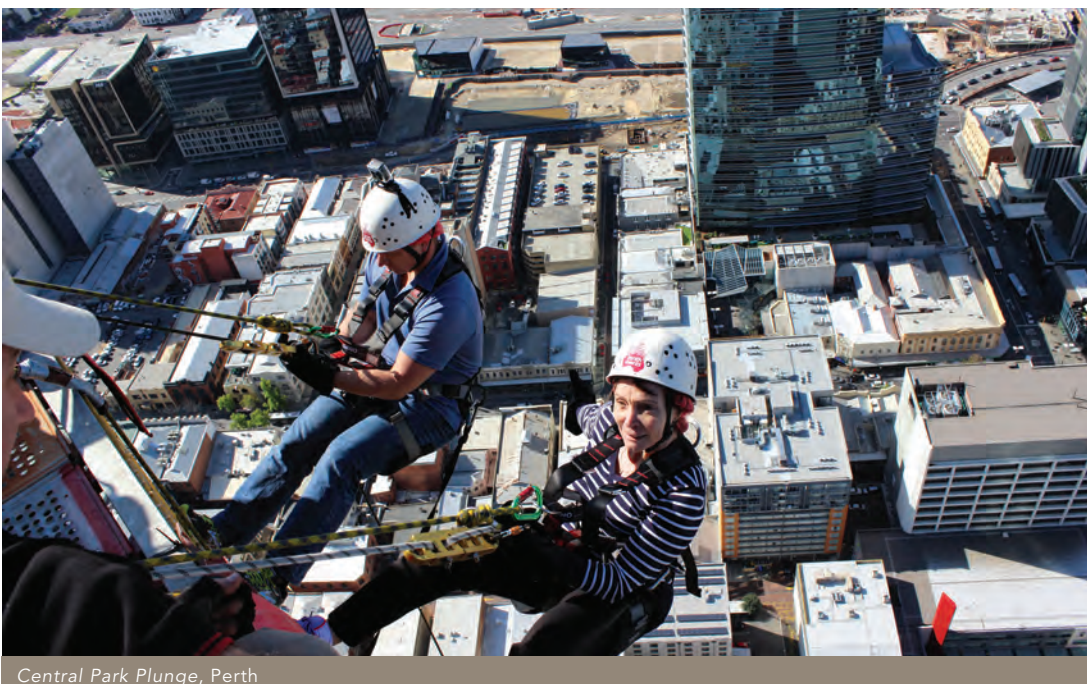
The launch of '*Play It Forward*', a joint initiative of Frasers Centrepoint Malls and the Community Chest, saw \$145,000 raised for Family Service Centres. These community-based focal points of family resources provide social support for families facing difficulties. This year-long initiative involves inviting shoppers to give back to families in need by donating a minimum sum of \$5 to experience 15 minutes of play time in a charity ball pool. Frasers Centrepoint Malls matches shoppers' donations dollar-for-dollar up to \$30,000 to spread cheer to families and individuals in need.

Through the Frasers Property Foundation, FPA donated \$85,000 to 24 charities this year, in a combination of corporate donations and matching funds raised by staff members. Many of FPA's initiatives launched in previous years are still going strong. The *Central Park Plunge* now in its second year, held in support of the Ronald McDonald House,



Staff of Frasers Centrepoint Malls and Community Chest at the Launch of '*Play It Forward*'

The Fiona Wood Foundation, *Kids' Camp* and Anglicare Western Australia, raised funds in excess of A\$460,000. *Step Up for MS*, one of the iconic events for the Multiple Sclerosis Society of Western Australia, raised funds totalling A\$92,879, with the Central Park management team making a donation of A\$10,000 towards the cause.



Central Park Plunge, Perth

PEOPLE

Sharing our space

We continue to support the community by contributing our spaces for various charitable and outreach events. We believe that our commercial spaces are where people gather and present opportunities for social engagement.

Several outreach events were held at our malls this year, including awareness sessions conducted by non-profit organisations. Valley Point extended complimentary usage of atrium space to Privilege Enterprise Group, a social enterprise which creates

employment opportunities for people from all walks of life. Funds are earned through the sales of food items at the atrium to support the beneficiaries' education as well as their families. Anchorpoint also shared its atrium space in support of the awareness campaign for the Special Olympics, a grassroots community movement dedicated to empowering and transforming the lives of people with intellectual disabilities. *Hair for Hope 2016*, Children's Cancer Foundation's signature fundraising event was also held at Waterway Point.



A magic show at Northpoint's Children's Day party



Performances at the Singapore Youth Festival held at Causeway Point



Republic Polytechnic's National Pushcart Challenge at Causeway Point

Connecting with our neighbours

FCL believes that social inclusivity is valued in FCL as we believe that it is a fundamental block of social cohesion. As part of the Yellow Ribbon Project, Changi City Point arranged for a travelling exhibition to educate the public about the rehabilitation and re-integration of ex-offenders into mainstream society. The campaign seeks to inspire potential volunteers and to reach out to the public.

Encouraging social interaction during festive seasons creates positive memories and helps foster a greater sense of community. We organised neighbourhood celebrations during various festivals and invited members of the community to join

in the fun. Key events included the *Mid-Autumn Walk* at Bedok Point organised with the People's Association and Kampong Chai Chee Community Centre in Singapore, as well as the *Cockburn Billy Cart Festival* and Chinese New Year celebrations at Queens Riverside in Australia. In China, our Baitang Neighbourhood Committee in Suzhou held the annual Mid-Autumn Festival celebration on 9 September for Baitang One residents. Our Suzhou office provided space at Baitang One Retail Street Mall (Parkville Point) for the event. Besides being a venue sponsor, we also sponsored prizes worth approximately RMB10,000 for the event's lucky draw.



Mid-Autumn Festival celebrations at Bedok Point



Chinese New Year celebrations at Queens Riverside, Perth



Performances by musicians with special needs at VSA Annual Art Exhibition at Changi City Point



Donated groceries to those in need within the community at YewTee Point's Care and Share Event

PEOPLE

Supporting the Arts and Heritage

We continue to take a keen interest in promoting local arts and heritage. This year, we supported the *PAssion Arts Festival* where some 50,000 residents created artworks which were attached to the sides of public housing blocks and condominiums across Singapore. We also hosted *An Ecstatic Vision* at Changi City Point, an art exhibition organised by Very Special Arts (VSA) Singapore to showcase more than 100 pieces of artwork by artists with special needs. FH provided close to \$300,000 worth of accommodation for performing arts groups for a number of productions in Singapore, including *KidsFest 2016* and *Seussical the Musical* – ABA Productions Limited; *Shakespeare in the Park*, *Romeo*

and *Juliet* – Singapore Repertory Theatre; *Hotel* – Wild Rice Limited; and *Rent* – Pangdemonium Theatre Company Limited.

We are also active in the arts scene in Australia, with FPA jointly sponsoring and hosting the *VIVID Arts Festival* and *Sydney Architecture Festival* as well as *BEAMS Arts Festival* with Sekisui House. For the fourth consecutive year, Central Park Perth held the *As We Are* art exhibition, featuring the works of disabled artists from Perth. The inspiring exhibition this year provided good exposure for the artists, with the biggest turnout to date and the largest number of attendees on its opening night. The event successfully raised A\$9,000 from the artworks sold.



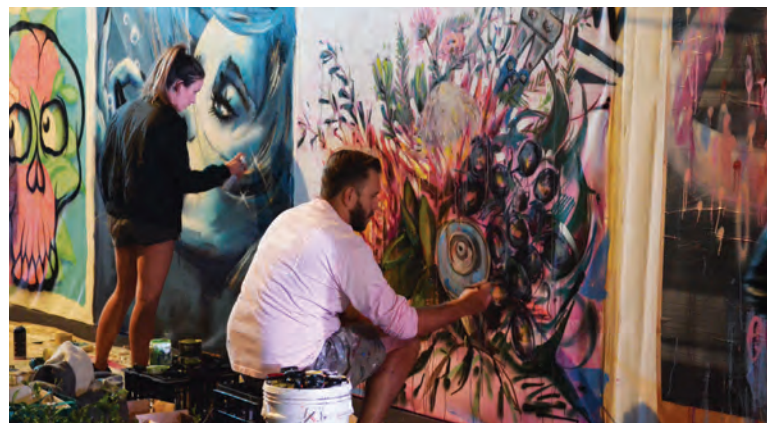
Shoppers appreciating artwork at VSA Annual Art Exhibition at Changi City Point



VIVID Arts Festival 2016, Central Park, Sydney



Sydney Architecture Festival, Central Park, Sydney



BEAMS Arts Festival 2016, Central Park, Sydney

INNOVATION



What we do today determines our success in the future. Our strategic investment in our people through staff development programmes and managing a talent pool with the right skill sets helps to future-proof our business.

SETTING STANDARDS IN DESIGN AND FEATURES

We have reaped tangible results from the non-financial investments we made. In 2008, FCL was the first developer in Singapore to introduce dual-key apartment units when we launched the Caspian Condominium project, which was since replicated in our other projects including 8@Woodleigh and Esparina Residences Executive Condominium.

This year, we piloted Building Information Modelling – Virtual Design and Construction (BIM-VDC) modelling in the project management of one of our developments, Northpoint City. VDC allows us to virtually explore innovative ways to enhance efficiencies in the built environment, while improving construction quality – a win-win solution with positive impacts to the bottom line, the environment and the retail experience.

In the development of new properties, we look to create vibrant and liveable spaces to live, work, and play in. These spaces are not only socially inclusive, but also integrated with nature and heritage. We therefore strive to achieve the following in the design of new projects to ensure that our developments cater to the varying needs and users' diverse needs:

- Seamless connectivity to transport infrastructure and neighbouring developments (e.g. streets, walkways, buildings, parks)
- Intuitive way-finding and enhanced accessibility of amenities and features for users with diverse abilities and mobility
- Creation of communal spaces that are conducive for all age groups and persons of diverse physical abilities
- Incorporation of natural and/or cultural heritage into communal areas of the development



Esparina Residences Executive Condominium, Singapore

INNOVATION

Watertown was designed as the Coastal Town of the 21st Century in Singapore, harnessing the historical and natural beauty of Punggol Waterway while providing seamless 24/7 connectivity to the Waterway and Promenade. The mixed-use development integrates transport infrastructure, family-oriented amenities and the greenery of the Punggol Waterway into its design, ensuring accessibility to people of varying mobility and age groups while creating community spaces for public interactions. In recognition of its user-centric and socially inclusive design, Watertown has been awarded the Universal Design Mark Gold^{PLUS} (Design) Award by BCA.

We continue to embrace Universal Design practices in the development of Northpoint City, which has taken a similar approach. When completed in 2018, Northpoint City will provide barrier-free access and seamless transport connectivity with transportation networks, while integrating public and private spaces for the convenience of users. The development will also weave nature into its design, infusing vibrancy into the Yishun suburb.

CREATING THE WORLD'S MOST SUSTAINABLE RETAIL CENTRE

In Australia, we are proud to have partnered the Living Future Institute of Australia and launched the Brickworks Living Building Challenge. It is a future-focused design competition that calls on design teams, professionals, students and anyone interested

in a regenerative future to re-imagine the possibilities for the sustainable shopping centres of tomorrow. The Living Building Challenge is the world's most aspirational and rigorous green building performance standard and its certification acts to rapidly diminish the gap between current limits and the end-game positive solutions. With this design competition, we hope to create an opportunity for the world's most passionate people in sustainability to conceptualise a retail centre design that shifts all our thinking forward.

We believe we have made the right decision in choosing to ride on the spirit of innovation to create a distinct brand differentiation and are excited to see what else the future brings for us as we continue on our journey to build a sustainable company.

LITTLE THINGS THAT MAKE THE DIFFERENCE IN HOSPITALITY

As part of our commitment toward "Living The Vision", FH created a system which encourages staff from all our properties to submit innovative ideas to improve guest experience, staff experience and profitability. The result of this initiative was the implementation of ideas such as the creation of a "culture wall" to motivate and provide a warmer ambience for the back-of-house at various properties. Another staff-initiated activity is the free Mandarin lessons they offer to guests to not only teach the language but also impart knowledge about Chinese culture.



Watertown, Singapore

VIRTUAL DESIGN AND CONSTRUCTION MODELLING FOR GREATER BUILDING EFFICIENCIES

In developing new properties, FCL is constantly seeking new technology and innovative ways to enhance efficiencies in the built environment, while improving construction quality. FCL takes pride in being one of the first two private developers in Singapore to adopt the Building Information Modelling-Virtual Design and Construction (BIM-VDC) modelling in the project management of one of our developments, Northpoint City. It is also the first mixed development in Singapore to adopt VDC, which is the advanced module of the BIM.

While it has become common for developers in Singapore using the BIM to integrate construction information across various disciplines, FCL took a step further with BIM by utilising VDC to create a virtual prototype of the building design and construction. The prototype provides designers and engineers with

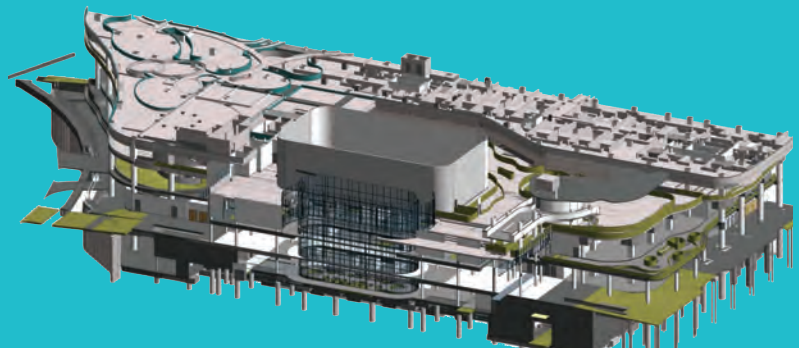
an on-ground experience of the actual construction process, improving predictability before project execution and enhancing project efficiency.

Improved risk awareness: Through visualisation of the construction process, possible clashes on site were detected early and prevented. Actual work was better planned resulting in smoother and safer execution.

Time efficiencies: With need for re-work minimised and coordination among the team improved, FCL achieved three days of lead-time reduction that was useful in supporting other activities.

Resource efficiencies: Reduction in energy use and material wastage during construction and building management was achieved, consequently reducing the impact on the environment.

To share our learnings with the industry, we shared our experience in the use of VDC with the industry, by presenting the case study at the REDAS BIM Symposium in September 2016.



Northpoint City is an exciting integrated development located in the heart of Yishun. Featuring the largest mall in the North of Singapore, Northpoint City will also contain Singapore's first Community Club within a shopping mall.

A town plaza the size of 10 basketball courts, an air-conditioned bus interchange, and North Park Residences, a 12-block residential development comprising 920 residences, completes the iconic development.

The development will also offer seamless connectivity to public transport and a cycling network to support the government's plan to go car-lite.

CREATING THE WORLD'S MOST SUSTAINABLE RETAIL CENTRE

In an effort to redevelop and regenerate the former Burwood Brickworks site in Melbourne, FPA has dedicated a new retail project at the site targeting the Living Building Challenge (LBC) standard, one of the most stringent green building certifications in the world. Together with Living Future Institute Australia, the Brickworks LBC design competition was launched, with the aim of unlocking new possibilities in sustainable design in retail. The project prides itself in being the world's most sustainable retail centre in the making.



Winning design by dwp|suters for the Brickworks Living Building Challenge

To achieve the “Living Building” title, strategies for Brickworks were laid down by FPA in relation to LBC’s performance areas.

Performance Area	Strategies
Place	<ul style="list-style-type: none"> • Increase the ecological value of site • Dedicate 20% of site for food-growing • Set aside land away from project in perpetuity • Be car-lite
Water	<ul style="list-style-type: none"> • Achieve a 100% closed loop water system
Energy	<ul style="list-style-type: none"> • Achieve net positive energy (105%) without combustion
Health + Happiness	<ul style="list-style-type: none"> • Have operable windows in regularly-occupied spaces • Implement volatile organic compounds limits on interior building product, cleaning protocol using environmental products and indoor air quality testing • Include elements that nurture the human-nature connection
Materials	<ul style="list-style-type: none"> • Specify, select & install non-red list products • Calculate and offset embodied carbon • Use 30+ ‘Declared’ products and the Forest Stewardship Council timber throughout • Use ‘Local’ materials, products, consultants • Ensure infrastructure is provided for recycling
Equity	<ul style="list-style-type: none"> • Limited exposed car parking • Minimise impact to local fresh air, natural waterways • Donate a portion from every dollar invested to a charity of choice • Engage/encourage consultants and sub-contractors to undertake JUST certification
Beauty	<ul style="list-style-type: none"> • Introduce public art • Have public education about the operation and performance of the project



LIVING
BUILDING
CHALLENGE

The LBC is a sustainable building certification programme created by the International Living Future Institute in 2006. It is a performance-based standard where each development has to comply with 20 general imperatives arranged under seven performance categories before achieving the LBC certification. Known as one of the world's most exacting green building standards, only 11 “Living Buildings” have been successfully certified.

GRI CONTENT INDEX (G4 CORE)

The report is prepared in accordance to the guidelines laid out by the Global Reporting Initiative (GRI) G4 Core. The table below summarises our disclosure level with reference to GRI indicators.

● Fully met ● Partially met ○ Not covered

GENERAL STANDARD DISCLOSURES			
	Standard Disclosure Title	Page Reference	Disclosure Level
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	Chairman's Statement p. 24-26 Group CEO's Statement, p. 27-29 Sustainability Report, p. 73	●
ORGANISATIONAL PROFILE			
G4-3	Name of the organisation	FCL Group At A Glance, p. 3	●
G4-4	Primary brands, products, and services	FCL Group At A Glance, p. 3-5	●
G4-5	Location of the organisation's headquarters	About This Report, p. 78	●
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 This Report, p. 78	●
G4-7	Nature of ownership and legal form	Notes To The Financial Statements, p. 190-303	●
G4-8	Markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries)	Our Global Presence, p. 6-7	●
G4-9	Scale of the organisation	FCL Group At A Glance, p. 3-5 Staff Retention And Development, p. 111	●
G4-10	<ul style="list-style-type: none"> 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) 	Staff Retention And Development, p. 111 No substantial work is performed by workers who are legally recognised as self-employed. there is no significant variation in employment numbers.	●
G4-11	Employees covered by collective bargaining agreements	There are no collective bargaining agreements in place.	●
G4-12	The organisation's supply chain	Our Value Chain, p. 82	●
G4-13	Significant changes during the reporting period regarding the organisation's size, structure, ownership, or its supply chain	Added Thai operations with the purchase of a stake in Thailand's Golden Land and etc. Please refer to our announcement in SGX.	●

GRI CONTENT INDEX (G4 CORE)

G4-14	Whether and how the precautionary approach or principle is addressed by the organisation	Governance, p. 90-92 FCL 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.	●
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or which it endorses	Governance, p. 90-92 Environment, p. 73-100 People, p. 101-120	●
G4-16	Memberships of associations (such as industry associations) and national or international advocacy organisations	Stakeholder Engagement, p. 83-84 Partnerships And Affiliations, p. 85	●
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES			
G4-17	All entities included or not included in organisation's financial statements	About This Report, p. 78	●
G4-18	Process for defining report Content	What's Important To Us, p. 79-82 Please refer to our previous report for details of our process for defining report content.	●
G4-19	The material aspects identified in the process for defining report content	What's Important To Us, p. 79-82	●
G4-20	For each material aspect, aspect Boundary within the organisation	All the 10 identified material issues have impact both inside and outside the organisation, with the exception of Labour/management relations and Staff retention and development, which are internally focused. Health and safety are of particular importance to construction activities, and as such, we focus on influencing safer operations related to FCL developments, through our construction contractors.	●
G4-21	Aspect Boundary outside the organisation	All the 10 identified material issues have impact both inside and outside the organisation, with the exception of Labour/management relations and Staff retention and development, which are internally focused. Health and safety are of particular importance to construction activities, and as such, we focus on influencing safer operations related to FCL developments, through our construction contractors.	●
G4-22	Effect of any restatements of information provided in previous reports, and the reasons for such restatements	No restatements	●
G4-23	Significant changes from previous reporting periods in the scope and aspect Boundaries	No significant changes	●

STAKEHOLDER ENGAGEMENT			
G4-24	Stakeholder groups engaged by the organisation	Stakeholder Engagement, p. 83-84	●
G4-25	Basis for identification and selection of stakeholders with whom to engage	Our Value Chain, p. 82 Stakeholder Engagement, p. 83-84	●
		We have selected Stakeholders based on their interest in our business.	
G4-26	Approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group	Stakeholder Engagement, p. 83-84	●
G4-27	Key topics and concerns raised through stakeholder engagement, and how the organisation has responded	Stakeholder Engagement, p. 83-84	●
REPORT PROFILE			
G4-28	Reporting period for information provided	About This Report, p. 78	●
G4-29	Date of most recent previous report	Our previous sustainability report was published for our last financial year - 2014/15.	●
G4-30	Reporting cycle	About This Report, p. 78	●
G4-31	Contact point for questions regarding the report or its contents	We Welcome Your Feedback And Suggestions, p.78	●
G4-32	Report on 'In accordance' option, Gri Content Index, reference to external assurance	About This Report, p. 78	●
G4-33	Policy and current practice with regard to seeking external assurance for the report	About This Report, p. 78	●
GOVERNANCE			
G4-34	Governance structure of the organisation	Managing Sustainability, p. 88 Governance, p. 90-92	●
G4-58	Internal and external mechanisms for reporting concerns about ethical and lawful behaviour, and matters related to organisational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines	Governance, p. 90-92 Anti-corruption, Fraud Prevention And Ethical Marketing, p. 91-92	●

GRI CONTENT INDEX (G4 CORE)

SPECIFIC STANDARD DISCLOSURES			
CATEGORY: ECONOMIC			
ASPECT: ECONOMIC PERFORMANCE			
G4-DMA	Generic Disclosures on Management approach	Group CEO's Statement, p 27-29	●
G4-EC1	Direct economic value generated and distributed	Financial Highlights, p. 11 Financial Statements, p. 167-303	●
G4-EC3	Coverage of the organisation's defined benefit plan obligations	Staff Management, p.110 Employees are covered by Singapore's mandatory social security savings plan, the Central Provident Fund (CPF). Across all of our significant locations of operation, we provide our employees with retirement plans (where applicable).	●
CATEGORY: ENVIRONMENTAL			
ASPECT: ENERGY			
G4-DMA	Generic Disclosures on Management approach	Environment, p. 93-100 Energy Use And GHG Emissions, p. 97-98	●
G4-EN3	Energy consumption within the organisation	Energy Use And GHG Emissions, p. 97-98	●
G4-EN5	Energy intensity	Energy Use And GHG Emissions, p. 97-98	●
G4-EN6	Reduction of energy consumption	Energy Use And GHG Emissions, p. 97-98 Baseline of 2015 selected as this was the first year that we formally began to monitor energy (or something similar).	●
G4-CRE1	Building energy intensity	Energy Use And GHG Emissions, p. 97-98	●
ASPECT: WATER			
G4-DMA	Generic Disclosures on Management approach	Environment, p. 93-100 Water Use/Conservation, p. 99	●
G4-EN8	Total water withdrawal by source	Water Use/Conservation, p. 99	●
G4-CRE2	Building water intensity	Water Use/Conservation, p. 99	●
ASPECT: EMISSIONS			
G4-DMA	Generic Disclosures on Management approach	Environment, p. 93-100 Energy Use And GHG Emissions, p.97-98	●
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (scope 2)	Energy Use And GHG Emissions, p.97-98 Main emissions source monitored is electricity, therefore, CO ₂ is the only gas included.	●
G4-EN18	Greenhouse gas (GHG) emissions intensity	Energy Use And GHG Emissions, p. 97-98	●

G4-EN19	Reduction of greenhouse gas (GHG) emissions	Energy Use And GHG Emissions, p. 97-98	●
G4-CRE3	Greenhouse gas (GHG) emissions intensity from buildings	Energy Use And GHG Emissions, p. 97-98	●
ASPECT: EFFLUENTS AND WASTE			
G4-DMA	Generic Disclosures on Management approach	Environment, p. 93-100	●
G4-EN23	Total weight of waste by type and disposal method	Waste Management, p.100	●
ASPECT: COMPLIANCE			
G4-DMA	Generic Disclosures on Management approach	Environment, p. 93-100	●
G4-EN29	Non-monetary sanctions for non-compliance with environmental laws and regulations	Compliance With Regulation, p. 100	●

CATEGORY: SOCIAL

SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK

ASPECT: EMPLOYMENT

G4-DMA	Generic Disclosures on Management approach	People, p. 100-120	●
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	People, p 111 Breakdown by age group and gender are not available. We aim to report this next year.	●
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	Labour/Management Relations, p. 110 Temporary or part time employees are not a significant part of FCL's workforce.	●

ASPECT: LABOR/MANAGEMENT RELATIONS

G4-DMA	Generic Disclosures on Management approach	People, p. 100-120	●
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 Management, p. 110 This is currently not covered in group-wide collective agreements. The notice period varies.	●

ASPECT: OCCUPATIONAL HEALTH AND SAFETY

G4-DMA	Generic Disclosures on Management approach	People, p. 100-120	●
G4-LA5	Workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	Managing Sustainability, p. 88-89	●
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 First, p.101-105 There were no incidences of occupational diseases. We do not measure absenteeism.	●
restateG4-CRE6	Percentage of the organisation operating in verified compliance with an internationally recognised health and safety management system	Safety First, p.101-105 We are implementing ISO 14001 and OHSAS 18001 systems across our organisation.	●

GRI CONTENT INDEX (G4 CORE)

ASPECT: TRAINING AND EDUCATION			
G4-DMA	Generic Disclosures on Management approach	People, p. 100-120	●
G4-LA9	Training per year per employee by gender, and by employee category	Building Capabilities And Developing Our People, p. 112	●
		Breakdown by gender not available. We aim to report this next year.	
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Staff Retention And Development, p 111-113	●
G4-LA11	Employees receiving regular performance and career development reviews, by gender and by employee category	Staff Retention And Development, p. 111-113	●
		100% of staff receive annual performance appraisals.	
SUB-CATEGORY: SOCIETY			
ASPECT: LOCAL COMMUNITIES			
G4-DMA	Generic Disclosures on Management approach	Local Communities, p. 114-120	🕒
G4-SO1	Operations with implemented local community engagement, impact assessments, and development programs	Local Communities, p. 114-120	🕒
G4-CRE7	Persons voluntarily and involuntarily displaced and/or resettled by development, broken down by project	FCL only builds on land tendered or selected by the respective governments for this purpose. We rely on the relevant authorities to solve any potential issues of resettlement or displacement before we start our construction projects.	●
ASPECT: ANTI-CORRUPTION			
G4-DMA	Generic Disclosures on Management approach	Governance, p. 90-92	●
G4-SO3	Operations assessed for risks related to corruption and the significant risks identified	Anti-corruption, Fraud Prevention And Ethical Marketing, p. 91-92	●
G4-SO5	Confirmed incidents of corruption and actions taken	Anti-corruption, Fraud Prevention And Ethical Marketing, p. 91-92	●
SUB-CATEGORY: PRODUCT RESPONSIBILITY			
ASPECT: MARKETING COMMUNICATIONS			
G4-DMA	Generic Disclosures on Management approach	Anti-corruption, Fraud Prevention And Ethical Marketing, p. 91-92	●
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	Anti-corruption, Fraud Prevention And Ethical Marketing, p. 91-92	●