

CONFIGURED FOR GROWTH

Report to Unitholders 2013



Vision

To be a premier partner that invests in environmental solutions today for a sustainable tomorrow.

Mission

K-Green Trust aims to create enduring partnerships to invest in "green" infrastructure assets globally to generate long-term, predictable and regular distributions for our Unitholders.

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CONFIGURED FOR GROWTH

Constantly shaping itself for the future, Keppel's drive for sustainable growth finds expression in the tangram, a symbol of flexibility and potential.

Financial Highlights

Financial Summary

for the financial year from 1 January 2013 to 31 December 2013

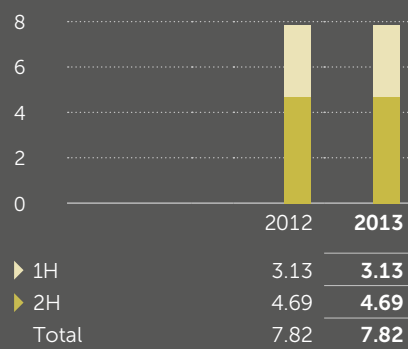
	2013 \$'000	2012 \$'000	% Change
Cash generated from operations	52,324	53,322	-1.9
Total distribution	49,249	49,249	–
Distribution per unit (cents) ¹	7.82	7.82	–
Distribution yield ²	7.5%	7.6%	-1.3

Balance Sheet

as at 31 December

	2013 \$'000	2012 \$'000	% Change
Total assets	642,529	681,432	-5.7
Total liabilities	14,893	18,730	-20.5
Unitholders' funds	627,636	662,702	-5.3
Market capitalisation ²	658,121	648,675	1.5
Number of units in issue ('000)	629,781	629,781	–
Net asset value per unit (\$)	1.00	1.05	-4.8
Adjusted net asset value per unit (\$) ³	0.95	1.01	-5.9

Distribution Per Unit (cents)



Distribution Per Unit

	2013 cents	2012 cents	% Change
1 st half	3.13	3.13	–
2 nd half	4.69	4.69	–
Total distribution	7.82	7.82	–

¹ Distribution is derived from K-Green Trust's residual cash flows in accordance with its distribution policy

² Based on closing unit price as at the last trading day for the financial year

³ Based on total issued units, after distribution payable to Unitholders

Chairman's Statement



In 2013, all our plants met the required performance and customer service standards under their respective concession agreements. This is credit to the close partnership between our asset management team and our Operations and Maintenance contractor, Keppel Seghers Engineering Singapore.

DEAR UNITHOLDERS,

CONSISTENT DISTRIBUTIONS

I am pleased to report that K-Green Trust (KGT) has again demonstrated its reliability in paying out consistent and stable distributions to Unitholders. KGT has upheld similar levels of distributions since its listing in June 2010.

Its steadfast performance is characteristic of the three assets in its current portfolio. The assets, which have long-term concession agreements with Singaporean statutory bodies – namely the National Environment Agency and PUB, Singapore's national water agency – generate cash flows mainly from capacity or availability-based payments.

In 2013, all our plants met the required performance and customer service standards under their respective concession agreements. This is credit to the close partnership between our asset management team and our Operations and Maintenance (O&M) contractor, Keppel Seghers Engineering Singapore. Keppel Seghers Ulu Pandan NEWater Plant continues to experience high levels of NEWater demand from its customer, PUB. Keppel Seghers Tuas Waste-to-Energy (WTE) plant, now in its fifth year of operation, is performing at high levels of availability. Senoko WTE plant continues to perform creditably for a plant that has been in operation since 1992.

For 2013, the total distribution to KGT's Unitholders will amount to \$49.2 million. KGT's distribution per unit for 2013 will be 7.82 cents, unchanged from 2012. The distribution yield will be 7.5% based on the unit closing price of \$1.045 on 31 December 2013.

Net Asset Value (NAV) of the Group was \$1.00 per unit as at end December 2013, compared to \$1.05 as at end December 2012. In line with its distribution policy, KGT makes distributions from its residual cash flows, which are in excess of net profit generated in the year. There was thus a corresponding reduction in NAV.

A milestone for KGT was the completion of the 1MWp (megawatt peak) solar photovoltaic (PV) power plant at Keppel Seghers Ulu Pandan NEWater Plant, making it the largest rooftop solar PV plant in operation in Singapore in 2013. The installation has helped to reduce electricity intake from the grid and lower the operating cost of the plant. More importantly, the experience and knowledge gained from developing, constructing and operating the solar power plant stands KGT in good stead to undertake more of such investments when opportunities arise.

INTENSIFYING COMPETITION

Last year, we observed the continued appetite and increased competition for good quality brownfield assets and we do not expect this situation to moderate in the near term. This stemmed from a growing demand for asset¹ classes such as infrastructure assets as investors sought higher yielding income and moved away from the persistent low yields on government securities. The appeal of infrastructure assets was evident in the successful listing of various infrastructure funds such as Greencoat UK Wind, which saw oversubscription for their initial public offering.

¹ <http://www.smh.com.au/business/carbon-economy/surge-in-renewable-energy-ipos-as-investors-hunt-yields-20130803-2r5t3.html>

\$49.2m

For the period from 1 January 2013 to 31 December 2013, total distribution to KGT's Unitholders will amount to \$49.2 million.



Senoko Waste-to-Energy continues to perform creditably.

In addition, pension funds have increased their overall allocation² to infrastructure assets, drawn by their ability to provide index-linked yields and revenues that are government-backed. In 2013 over US\$38 billion was raised globally for unlisted infrastructure, a 31%³ increase from 2012.

Continued supportive government schemes for renewable energy are apparent in our target countries. Nonetheless, upcoming reductions in tariffs are expected, to reflect the efficiencies gained. Japan has implemented an attractive renewable scheme and this is expected to provide investment opportunities before incentives are reduced. KGT will continue evaluating manageable construction risks to secure better returns for our investors.

Asset developers, particularly in Europe, are still under pressure to strengthen their balance sheets due to the slow economic recovery⁴. We have seen more partnerships forged between developers and investors in 2013 and we anticipate this model, which reduces risk for both developer and investor, to remain popular. KGT will continue to seek credible developers and investors to form meaningful and sustainable long term relationships.

The United States began tapering its bond buying program in December 2013. This is likely to result in upward pressure on long term interest rates even as short term interest rates are expected to remain low. This translates to rising financing costs for infrastructure investors who typically use long term bank debt. KGT is well-placed to use its ungeared balance sheet to seize opportunities as asset owners look to deleverage balance sheets through asset sales.

REPOSITIONING FOR GROWTH

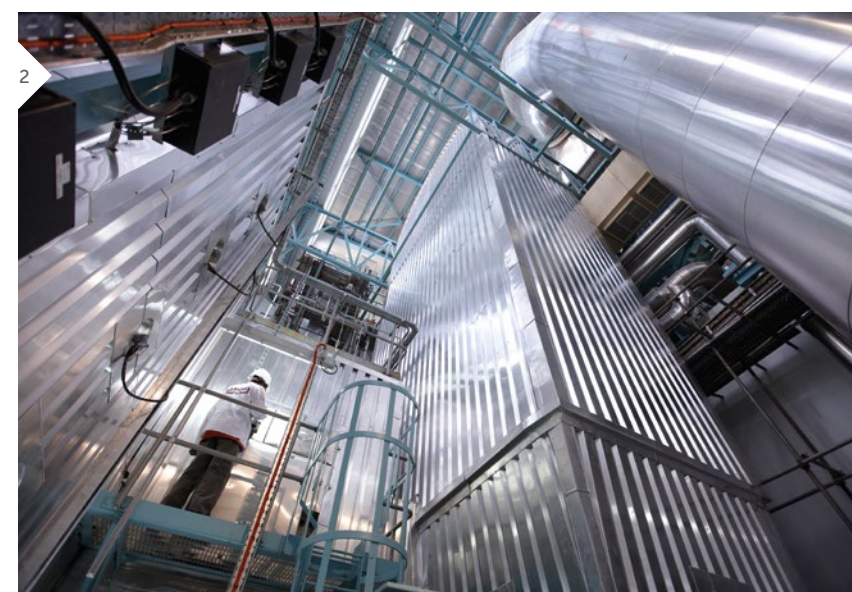
In May 2013, Keppel Corporation reorganised Keppel Energy and KGT's Sponsor, Keppel Integrated Engineering, under a newly incorporated entity, Keppel Infrastructure. As part of the reorganisation, the Trustee-Manager became a wholly-owned subsidiary of Keppel Infrastructure.

Keppel Infrastructure drives the Keppel Group's strategy to invest in, own and operate competitive energy and environmental infrastructure solutions and services. The reorganisation consolidated Keppel Group's infrastructure businesses into an integrated division to harmonise operations, spur efficiencies, and enhance efforts to build sustainable and scalable infrastructure platforms.

The formation of Keppel Infrastructure will provide KGT with more investment opportunities in energy infrastructure, as well as the industry expertise to evaluate such opportunities. Arising from this, we also welcomed a new non-independent non-executive director, Mr Tan Boon Leng, to the Board, replacing Mr Tay Lim Heng. We thank Mr Tay for his contributions to KGT during his two-year tenure on the Board.

We will be seeking Unitholders' approval at an extraordinary general meeting (to be held immediately after the conclusion of the upcoming annual general meeting) to expand our current investment mandate and replace Keppel Integrated Engineering as the Sponsor with Keppel Infrastructure, to reflect our enlarged Sponsor group's capabilities

² <http://www.ft.com/intl/cms/s/0/b5716410-e3c9-11e2-b35b-00144feabdc0.html?siteedition=intl#axzz2ovQZpOle>
³ https://www.preqin.com/docs/press/Infrastructure_Q4_13.pdf
⁴ <http://www.theatlantic.com/international/archive/2013/12/5-expert-predictions-for-the-global-economy-in-2014/282393/>



throughout the energy infrastructure value chain. If the mandate change is approved by Unitholders, the Trustee-Manager believes that it would be appropriate to change the name of KGT to Keppel Infrastructure Trust to better represent the expanded mandate.

The Rights of First Refusal Assets in the pipeline are progressing with their expansions. KGT will consider acquiring these assets when the Sponsor is ready to sell. Despite the near term headwinds, KGT remains cautiously optimistic that opportunities for growth together with our Sponsor, including that in the area of energy infrastructure, will provide enhancements to our investment portfolio.

ACKNOWLEDGEMENTS

In November 2013, KGT won the "Merit" award in the Singapore Corporate Governance Awards "REITS and Business Trust Category" at the 14th Securities Investors Association (Singapore) Investors' Choice Award, a recognition for the strong corporate governance by the Board and management.

I would like to thank my fellow Board members for the guidance that they have provided to the Trustee-Manager. I also wish to express our sincere appreciation to Unitholders for their continued support.

KHOR POH HWA
CHAIRMAN
Keppel Infrastructure Fund Management
(as Trustee-Manager of K-Green Trust)
21 January 2014

► The formation of Keppel Infrastructure will provide K-Green Trust with more investment opportunities in energy infrastructure, as well as the industry expertise to evaluate such opportunities.

1. The solar PV power plant at Keppel Seghers Ulu Pandan NEWater Plant was completed successfully in 2013.

2. The stable performance of K-Green Trust reflects the sterling quality of its underlying assets.



K-Green Trust at a Glance

Net Profit

\$14.2m

Profit after tax for FY 2013 was \$14.2 million.

Earnings Per Unit

2.25¢

Earnings per unit for FY 2013 were 2.25 cents.

NAV Per Unit

\$1.00

Net asset value (NAV) per unit was \$1.00 as at 31 December 2013. Adjusted NAV based on total issued units (after 2H 2013 distribution payable to Unitholders) was \$0.95.

Distribution Per Unit

7.82¢

Total distribution per unit for FY 2013 will be 7.82 cents.

Distribution Yield

7.5%

Distribution yield will be 7.5% based on unit closing price of \$1.045 on 31 December 2013.

Net Assets

\$627.6m

Net assets of \$627.6 million as at 31 December 2013.

Strategic Directions

K-Green Trust aims to deliver sustainable returns to its Unitholders through executing the following strategies:

► Sustain Asset Performance

- Building sustainable earnings through proactive asset management.
- Improving operational performance and efficiencies through active engagement with Operations and Maintenance (O&M) contractors.
- Leveraging technology to improve operational performance.
- Upholding safety and environmental standards.



► Synergise with Sponsor¹

- Leveraging the Sponsor's extensive energy-related infrastructure expertise, international reach and business network to identify and assess potential acquisition opportunities.
- Acquiring assets from the Sponsor through the rights of first refusal granted.
- Exploring opportunities for co-investing in assets with the Sponsor.
- Ensuring smooth asset operations by tapping on the Sponsor and its subsidiaries' strong technical, O&M and Engineering, Procurement and Construction expertise.



► Acquire Quality Assets

- Building business networks for acquisition deal flow.
 - Seeking like-minded partners with strong development capabilities to build up acquisition pipeline.
 - Focusing on projects that provide regular and/or predictable cash flows, backed by long-term contracts with creditworthy and reputable off-takers.
- The Trustee-Manager may recommend investment in projects that are still under construction in addition to operational projects.



► Improve Capital Efficiency

- Optimising capital structure.
- Maintaining prudent financial leverage.
- Maintaining sufficient financial flexibility for all assets and businesses.



¹ The investment mandate of K-Green Trust (KGT) is to invest in "green" infrastructure assets. This investment focus reflected the business focus of Keppel Integrated Engineering Limited (KIE), being the sponsor of KGT at the time of its listing. On 1 May 2013, Keppel Corporation Limited announced a strategic exercise pursuant to which Keppel Energy Pte. Ltd. and KIE were reorganised under Keppel Infrastructure Holdings Pte. Ltd. (KI) with effect from 2 May 2013. As part of the reorganisation, the Trustee-Manager became a wholly-owned subsidiary of KI.

In connection with the reorganisation, the Trustee-Manager proposes to modify KGT's Trust Deed so as to (i) expand the investment scope of KGT to align the focus of the Trustee-Manager with that of KI and (ii) to update the current definition of "Sponsor Group Entity" in the Trust Deed to refer to the wider KI group, rather than to the KIE group, thus providing KGT the flexibility to harness the full capability of the KI group. Accordingly, if the modifications to KGT's Trust Deed are approved by Unitholders at KGT's Extraordinary General Meeting, KGT would be renamed as Keppel Infrastructure Trust to better represent the nature and scope of the infrastructure assets and businesses that the trust may acquire moving forward. Please refer to KGT's Notice of Extraordinary General Meeting and Circular to Unitholders in relation to the proposed Trust Deed Supplement, both dated 24 March 2014, for further details.

Board of Directors



MR KHOR POH HWA



MR ALAN OW SOON SIAN

MR KHOR POH HWA, 63
CHAIRMAN
NON-EXECUTIVE DIRECTOR
NON-INDEPENDENT DIRECTOR

Bachelor of Engineering (Civil),
University of Singapore
Master of Science (Civil Engineering),
National University of Singapore

Date of first appointment as a director:
11 February 2010
Length of service as a director
(as at 31 December 2013):
3 years 10 months

Board Committee(s) served on:
Nominating Committee (Member)

**Present Directorships
(as at 1 January 2014):**
Listed companies
Hock Lian Seng Holdings Limited;
Keppel Infrastructure Fund
Management Pte. Ltd.
(the Trustee-Manager of
K-Green Trust)

Other principal directorships
Sino-Singapore Tianjin Eco-City
Investment and Development Co., Ltd.;
Singapore-Tianjin Eco-City Investments
Holdings Pte. Ltd.; Keppel Group
Eco-City Investments Pte. Ltd.;
Substantial Enterprises Limited

**Major Appointments
(other than directorships):**
Nil

**Past Directorships held over the
preceding 5 years (from 1 January
2009 to 31 December 2013):**
Keppel Land Limited
Keppel Land China Limited

Others:
Nil

MR ALAN OW SOON SIAN, 66
INDEPENDENT DIRECTOR

Bachelor of Social Sciences
(Second Class Honours, Lower Division),
University of Singapore
International Tax Program,
Harvard Law School
Advance Management Program,
Harvard Business School

Date of first appointment as a director:
11 February 2010
Length of service as a director
(as at 31 December 2013):
3 years 10 months

Board Committee(s) served on:
Nominating Committee (Chairman)
Audit Committee (Member)

**Present Directorships
(as at 1 January 2014):**
Listed companies
M1 Limited;
Keppel Infrastructure Fund
Management Pte. Ltd.
(the Trustee-Manager of K-Green Trust)

Other principal directorships
Nil

**Major Appointments
(other than directorships):**
Vice President of Morning Star
Community Services

**Past Directorships held over the
preceding 5 years (from 1 January
2009 to 31 December 2013):**
Nil

Others:
Former senior deputy commissioner
of Inland Revenue Authority of
Singapore; Former Chief Executive
Officer of Tax Academy of Singapore
(TAS) (2006-2007); Awarded the
Public Administration Bronze Medal;
Awarded the Public Administration
Silver Medal; Awarded the Public
Administration Gold Medal;
Former tax consultant (Non-legal
practitioner) with KhattarWong;
Former director of TAS



MR PAUL MA KAH WOH



MS QUEK SOO HOON

MR PAUL MA KAH WOH, 66
INDEPENDENT DIRECTOR

Fellow of the Institute of Chartered Accountants in England and Wales
Member of the Institute of Chartered Accountants

Date of first appointment as a director:
11 February 2010
Length of service as a director
(as at 31 December 2013):
3 years 10 months

Board Committee(s) served on:

Audit Committee (Chairman)
Nominating Committee (Member)
Conflicts Resolution Committee (Member)

**Present Directorships
(as at 1 January 2014):**

Listed companies
Mapletree Logistics Trust Management Limited (manager of the Mapletree Logistics Trust); Keppel Infrastructure Fund Management Pte. Ltd. (the Trustee-Manager of K-Green Trust)

Other principal directorships
Mapletree Investments Pte Ltd;
CapitaLand China Development Fund Pte Ltd; CapitaLand China Development Fund II Ltd; Nucleus Connect Pte Ltd; National Heritage Board; NRF Holdings Pte Ltd; PACC Offshore Services Holdings Pte Ltd

**Major Appointments
(other than directorships):**

Trustee on the board of trustees of the National University of Singapore (Chairman of Audit Committee)

Past Directorships held over the preceding 5 years (from 1 January 2009 to 31 December 2013):

Ascott Residence Trust Management Ltd; Bata Emerging Markets Limited; Golden Harvest Entertainment (Holdings) Limited; SMRT Corporation Ltd; SMRT Buses Ltd; SMRT Road Holdings Ltd; SMRT Trains Ltd; Hwa Hong Corporation Ltd; Tenet Insurance Company Ltd

Others:
Nil

MS QUEK SOO HOON, 60
INDEPENDENT DIRECTOR

Bachelor of Science (Economics) (First Class Honours)
Fellowship of the Institute of Actuaries (FIA)

Date of first appointment as a director:
11 February 2010
Length of service as a director
(as at 31 December 2013):
3 years 10 months

Board Committee(s) served on:

Conflicts Resolution Committee (Chairman)
Audit Committee (Member)
Remuneration Committee (Member)

**Present Directorships
(as at 1 January 2014):**

Listed companies
Keppel Infrastructure Fund Management Pte. Ltd. (the Trustee-Manager of K-Green Trust)

Other principal directorships
School of the Arts, Singapore;
Life Planning Associates Pte Ltd;
Singapore Deposit Insurance Corporation Ltd; Special Needs Trust Company Ltd; Enactus Singapore

**Major Appointments
(other than directorships):**

Operating Partner,
iGlobe Partners (II) Pte Ltd

Past Directorships held over the preceding 5 years (from 1 January 2009 to 31 December 2013):

Nil

Others:

Distinguished Fellow of the International Association of Insurance Supervisors

Board of Directors



MR THIO SHEN YI



MR TEO SOON HOE

MR THIO SHEN YI, 47 INDEPENDENT DIRECTOR

Bachelor of Arts, Master of Arts,
University of Cambridge
Senior Counsel
Fellow of the Singapore Institute
of Arbitrators

Date of first appointment as a director:
11 February 2010

Length of service as a director
(as at 31 December 2013):
3 years 10 months

Board Committee(s) served on:
Remuneration Committee (Chairman)
Conflicts Resolution Committee
(Member)

Present Directorships (as at 1 January 2014):

Listed companies
Keppel Infrastructure Fund
Management Pte. Ltd. (the
Trustee-Manager of K-Green Trust)

Other principal directorships
TSMP Law Corporation
(Joint Managing Director);
OUE Realty Pte. Ltd; Obiter Dicta
Pte Ltd; Camembert Holdings
Pte Ltd; The Community Justice
Centre Limited

Major Appointments (other than directorships):

Vice President, Law Society of
Singapore; Senate Member, Singapore
Academy of Law; Panel arbitrator of
the Singapore International Arbitration
Centre and the Kuala Lumpur Regional
Centre for Arbitration; Chairman,
Membership & Social Committee,
Singapore Academy of Law; Member,
Legal Education and Studies
Committee, Singapore Academy of
Law; Member of the Management
Committee of the Law Society's Pro
Bono, Learning and Support Services;
Vice Chairperson, International
Relations Committee, Law Society
of Singapore; Member, Ethics
Committee, Law Society of Singapore;
Co-Chair, Rules Committee, Singapore
International Commercial Court

**Past Directorships held over the
preceding 5 years (from 1 January
2009 to 31 December 2013):**
Allens Arthur Robinson TSMP

Others:
Nil

MR TEO SOON HOE, 64 NON-EXECUTIVE AND NON-INDEPENDENT DIRECTOR

Bachelor of Business Administration,
University of Singapore
Member of the Wharton Society of Fellows,
University of Pennsylvania

Date of first appointment as a director:
11 February 2010

Length of service as a director
(as at 31 December 2013):
3 years 10 months

Board Committee(s) served on:
Remuneration Committee (Member)

Present Directorships (as at 1 January 2014):

Listed companies
Keppel Corporation Limited
(Senior Executive Director);
Keppel Telecommunications &
Transportation Ltd (Chairman);
M1 Limited (Chairman);
Keppel Philippines Holding Inc
(Chairman); Keppel Infrastructure
Fund Management Pte. Ltd. (the
Trustee-Manager of K-Green Trust);
k1 Ventures Limited

Other principal directorships
Keppel Offshore & Marine Ltd;
Singapore Tianjin Eco-City Investment
Holdings Pte Ltd; Keppel Infrastructure
Holdings Pte. Ltd.

**Major Appointments
(other than directorships):**
Nil

**Past Directorships held over the
preceding 5 years (from 1 January
2009 to 31 December 2013):**
Singapore Petroleum Company
Limited; Travelmore Pte Ltd
Keppel Land Limited; Keppel Energy
Pte. Ltd.; Keppel Land China Limited

Others:
Former Group Finance Director of
Keppel Corporation Limited



MR TAN BOON LENG

MR TAN BOON LENG, 50

NON-EXECUTIVE AND
NON-INDEPENDENT DIRECTOR

Master of Science in Management
(Distinction) from Imperial College, London
Bachelor of Science in Computer Science
from University College London

Date of first appointment as a director:
15 July 2013

Length of service as a director
(as at 31 December 2013):
5 months

Board Committee(s) served on:
Nil

**Present Directorships
(as at 1 January 2014):**

Listed companies
Keppel Infrastructure Fund
Management Pte. Ltd. (the
Trustee-Manager of K-Green Trust)

Other principal directorships
Keppel Energy Ventures Pte. Ltd.;
Keppel DHCS Pte Ltd;
Keppel Seghers UK Ltd

**Major Appointments
(other than directorships):**
Nil

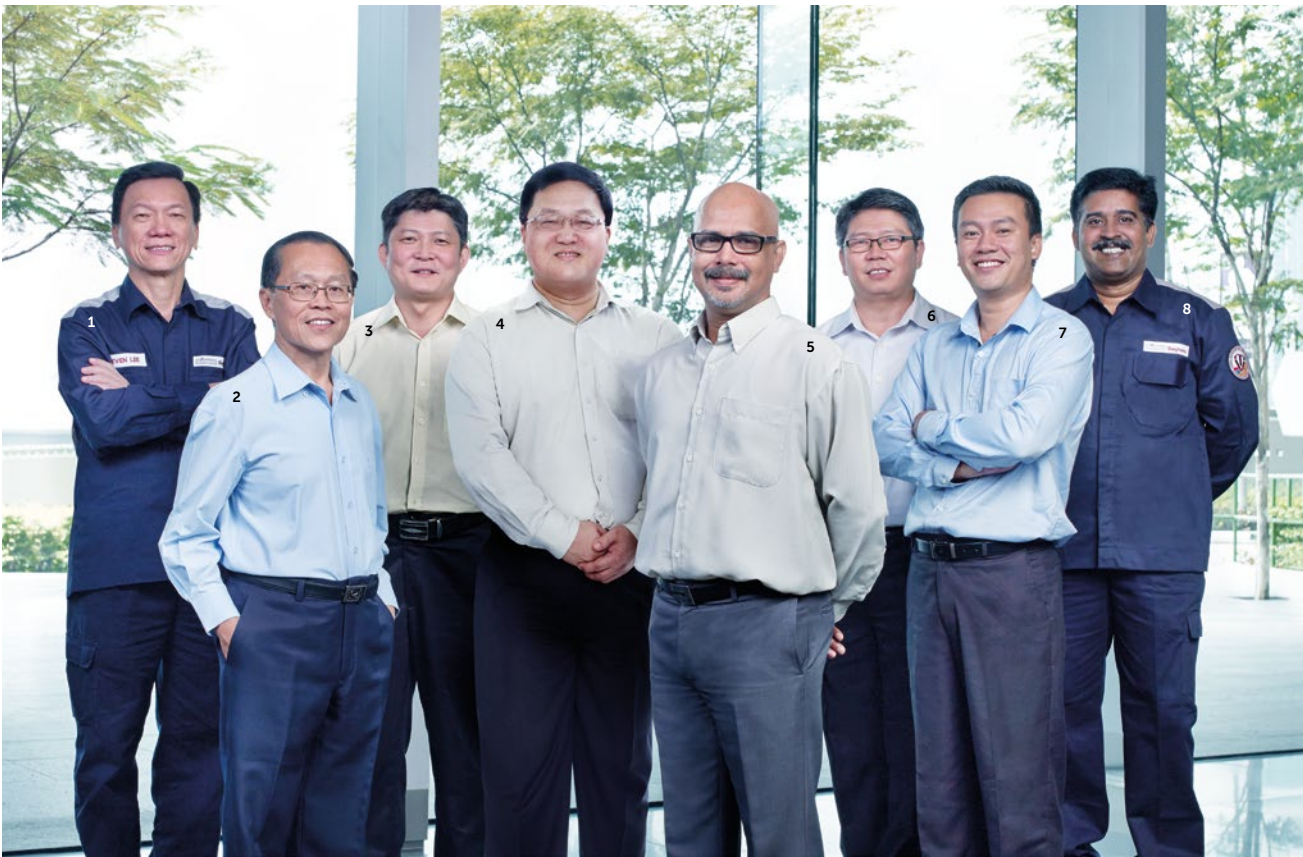
**Past Directorships held over the
preceding 5 years (from 1 January
2009 to 31 December 2013):**
Hume Bright Pte. Ltd.; Rodeo Power
Pte. Ltd.; Keppel Gas Pte. Ltd.; Pipenet
Pte. Ltd.; GE Keppel Energy Services
Pte Ltd

Others:
Nil

Key Executives of the Trustee-Manager



Operations and Maintenance Managers



1. **MR LIEW YUEN CHENG**
SENIOR ASSET MANAGER

2. **MS FOO CHIH CHI**
SENIOR INVESTMENT MANAGER

3. **MR KOH HEE SONG**
SENIOR ADVISER
4. **MR THOMAS PANG THIENG HWI**
CHIEF EXECUTIVE OFFICER

5. **MR LIONEL CHUA**
CHIEF FINANCIAL OFFICER

6. **MR LU YEOW CHOR**
SENIOR INVESTMENT MANAGER

1. **MR STEVEN LEE FOOK SENG**
MAINTENANCE MANAGER,
SENOKO WASTE-TO-ENERGY PLANT

2. **MR CHEANG WHYE THENG**
SENIOR PLANT MANAGER,
KEPPEL SEGHERS ULU PANDAN NEWATER PLANT

3. **MR LEE SONG KOI**
DEPUTY PLANT MANAGER,
SENOKO WASTE-TO-ENERGY PLANT

4. **MR GOH CHIN AIK**
GENERAL MANAGER (OPERATIONS AND MAINTENANCE)
KEPPEL INFRASTRUCTURE

5. **MR VENKAT PATNAIK**
GENERAL MANAGER (PLANT OPERATIONS),
SENOKO WASTE-TO-ENERGY PLANT AND
KEPPEL SEGHERS TUAS WASTE-TO-ENERGY PLANT
6. **MR TOR PEE SIONG**
ACTING DEPUTY PLANT MANAGER,
KEPPEL SEGHERS ULU PANDAN NEWATER PLANT

7. **MR FRANCIS NG TONG WAH**
DEPUTY PLANT MANAGER,
KEPPEL SEGHERS TUAS WASTE-TO-ENERGY PLANT

8. **MR VARADARAJAN RAMESH**
MAINTENANCE MANAGER,
KEPPEL SEGHERS TUAS WASTE-TO-ENERGY PLANT

MS CINDY LIM *(not in photo)*
GENERAL MANAGER (INFRASTRUCTURE SERVICES) AND
GENERAL MANAGER (BUSINESS PROCESS MANAGEMENT)
KEPPEL INFRASTRUCTURE

Key Executives of the Trustee-Manager

MR THOMAS PANG THIENG HWI CHIEF EXECUTIVE OFFICER

Mr Thomas Pang Thieng Hwi has been the Chief Executive Officer (CEO) of the Trustee-Manager since June 2010.

As the CEO of the Trustee-Manager, he is responsible for working with the Board to determine the strategy for K-Green Trust (KGT). He works with other members of the Trustee-Manager's management team to execute the stated strategy of the Trustee-Manager.

Mr Pang joined Keppel Offshore & Marine Ltd in 2002 as a Senior Manager (Merger Integration Office) to assist in the merger integration of Keppel FELS Limited and Keppel Shipyard Limited. He was promoted to General Manager (Corporate Development) in 2007 and oversaw the investment, mergers and acquisitions and strategic planning of Keppel Offshore & Marine Ltd.

Prior to that, he was an Investment Manager with Vertex Management (United Kingdom) from 1998 to 2001. Mr Pang was also the Vice President (Central USA) of the Singapore Tourism Board from 1995 to 1998, as well as Assistant Head (Services Group, Enterprise Development Division) at the Economic Development Board of Singapore from 1988 to 1995.

Mr Pang obtained a Bachelor of Arts degree and a Master of Arts degree from the University of Cambridge in 1988 and 1993 respectively.

MR KOH HEE SONG SENIOR ADVISER

Mr Koh Hee Song has been a Senior Adviser to the Trustee-Manager since June 2010.

As a Senior Adviser, he works with the other members of the Trustee-Manager's management team to evaluate potential acquisitions and/or divestments and recommend and analyse potential asset enhancement initiatives from a technical perspective. He also advises the management team on technical matters relating to the business of KGT as and when the circumstances require. Prior to June 2010, Mr Koh was a Senior Adviser to Keppel Seghers Engineering Singapore Pte Ltd in matters pertaining to solid waste management projects.

Mr Koh started his career as a mechanical engineer with the Sewerage Department of the Public Works Department in 1969. In 1990, Mr Koh was appointed as the Head of the Engineering Services Department in the Ministry of the Environment and the National Environment Agency (NEA) upon its formation in 2002, until his retirement in 2003.

Mr Koh was awarded the Colombo Plan Scholarship for Mechanical Engineering, Australia in 1965 and he obtained a Bachelor of Engineering (Mechanical) (Second Class Honours, Division One) in 1968 from the University of Sydney. Mr Koh was also awarded the Public Administration Bronze Medal in 1981, the Public Administration Silver Medal in 2002 and the Long Service Medal in 2003 by the Government of Singapore in recognition of his contribution to public administration in Singapore. Mr Koh is also a member of the Professional Engineers Board, Singapore.

MR LIONEL CHUA CHIEF FINANCIAL OFFICER

Mr Lionel Chua joined the Trustee-Manager as Chief Financial Officer in May 2013.

He is responsible for the Trustee-Manager's and KGT's financial and reporting functions, including accounting, taxation, treasury and compliance.

Mr Chua has more than 17 years of experience in financial and management accounting where he has held senior positions, including Vice President (Finance) of The Ascott Group Limited and CFO of Mary Chia Holdings Limited. He has also worked at CapitaLand Group and Singapore Airlines Limited. Prior to joining the Trustee-Manager, Mr Chua was the Financial Controller at Keppel REIT Management Limited, where he was responsible for the financial and reporting functions and also participated in various acquisition exercises.

Mr Chua holds a Bachelor of Accountancy (Merit) degree from Nanyang Technological University of Singapore. He is a Chartered Accountant of Singapore, CA (Singapore), with the Institute of Singapore Chartered Accountants.

MS FOO CHIH CHI

SENIOR INVESTMENT MANAGER

Ms Foo Chih Chi has been the Senior Investment Manager of the Trustee-Manager since June 2010.

As Senior Investment Manager, she is responsible for identifying and evaluating potential acquisitions with a view to enhance KGT's portfolio.

Ms Foo has over 10 years of experience in investment evaluation, corporate strategy and new business development. She joined Keppel Corporation in 2000, where as a part of Keppel Corporation's strategic development and planning division, she was responsible for corporate strategy and new business development.

Ms Foo obtained a Bachelor of Business Administration from the University of Michigan, School of Business Administration in 1999.

MR LU YEOW CHOR

SENIOR INVESTMENT MANAGER

Mr Lu Yeow Chor joined the Trustee-Manager as a Senior Investment Manager in September 2012.

His main responsibility includes identifying and assessing potential assets and projects for acquisition to enhance KGT's portfolio.

He started as a civil / geotechnical engineer with Halliburton (KBR), UK, in 1996 for seven years prior to joining Halifax Bank of Scotland Infrastructure Finance UK as an Associate Director working on Private Finance Initiative (PFI), Public Private Partnership (PPP) and project finance transactions.

In 2008 he joined Biwater International Ltd. (UK) as a Project Finance Manager working on Middle East and North Africa (MENA) water projects. Mr Lu returned to Singapore in 2010, joining Keppel Integrated Engineering as a Deputy General Manager for Investments.

Mr Lu obtained a Bachelor of Engineering (Civil) (Honours) from Leeds University, a Doctor of Philosophy in Geotechnical Engineering from the University of Cambridge, and a Masters in Business Administration from Cass Business School (City University). He is a chartered civil engineer, UK.

MR LIEW YUEN CHENG

SENIOR ASSET MANAGER

Mr Liew Yuen Cheng is the Senior Asset Manager of the Trustee-Manager. He joined the Trustee-Manager in June 2010.

As the Senior Asset Manager, Mr Liew implements asset management plans for KGT's asset portfolio by engaging the Operations and Maintenance contractor to ensure that the required levels of service standards are met and also to enhance operational performance. He works with the Operations and Maintenance contractor in asset enhancement and upgrading projects as well.

Mr Liew joined Keppel FELS Limited in 1998, where he held various positions in the production, engineering and marketing departments. From 2004 to 2008, he was seconded to Caspian Shipyard Company Ltd (an overseas subsidiary of Keppel Offshore & Marine Ltd) in Azerbaijan, where he headed the marketing, procurement and subcontracting functions as Commercial Manager. Prior to joining the Trustee-Manager, he was a Project Manager for EPC rig construction projects in Keppel FELS Limited in Singapore.

Mr Liew obtained a Bachelor of Engineering (First Class Honours) degree in Marine Technology (Offshore Engineering) from the University of Newcastle upon Tyne (United Kingdom) in 2001 and a Diploma (with Merit) in Shipbuilding & Offshore Engineering from the Ngee Ann Polytechnic (Singapore) in 1998. Mr Liew is a member of the Society of Naval Architects and Marine Engineers Singapore (SNAMES) and was a Council Member of SNAMES from 2002 to 2004.

Operations and Maintenance Managers

MS CINDY LIM

GENERAL MANAGER
(INFRASTRUCTURE SERVICES)
AND GENERAL MANAGER
(BUSINESS PROCESS MANAGEMENT),
KEPPEL INFRASTRUCTURE

Ms Cindy Lim started her career as a management system auditor and consultant before she joined Keppel FELS Limited (Keppel FELS) in 2001 as a Quality System Engineer. She had since held several leadership positions at Keppel FELS and Keppel Offshore & Marine Ltd in quality system, process excellence, talent management, and eventually at Keppel Corporation Limited as the General Manager (Group Human Resources).

Ms Lim graduated with a Bachelor of Engineering (Mechanical & Production) with Second Upper Honours from the Nanyang Technological University and an Executive MBA from the Singapore Management University. She also attended the General Management Programme at Harvard Business School. Ms Lim has been a IRCA-certified Management System Auditor (in the areas of Quality, Environment and OH&S) and National Organisation Excellence Assessor for SPRING.

MR GOH CHIN AIK

GENERAL MANAGER
(OPERATIONS AND MAINTENANCE),
KEPPEL INFRASTRUCTURE

Mr Goh Chin Aik is the General Manager (Operations and Maintenance) of Keppel Infrastructure. He is responsible for Keppel Seghers' global process plants business and also the setting up of global plant operations.

Mr Goh is a Professional Engineer and Certified System Engineering Professional with more than 28 years of experience in the planning, design, operations, maintenance, construction, commissioning, acquisition, development and management of large incineration plants, water and wastewater plants, as well as environmental and utilities projects in Singapore and overseas.

He holds a Bachelor of Mechanical Engineering degree and a Master of Science degree from the National University of Singapore. He is a Member of the Institution of Engineers and a First Grade Steam Engineer.

MR VENKAT PATNAIK

GENERAL MANAGER (PLANT
OPERATIONS), SENOKO
WASTE-TO-ENERGY PLANT
AND KEPPEL SEGHERS TUAS
WASTE-TO-ENERGY PLANT

Mr Venkat Patnaik oversees the operations and maintenance of both Senoko Waste-to-Energy Plant and Keppel Seghers Tuas Waste-to-Energy Plant.

Mr Patnaik has more than 27 years of combined experience in the industry. He has experience in managing nuclear, combined cycle, cogen & Waste-to-Energy Plants.

He holds a Bachelor of Electrical Engineering (First Class Honours) from the Regional Engineering College of the University of Kashmir and completed Advance Management in 2007. He is a member of the Institution of Engineers (India).

MR CHEANG WHYE THENG

SENIOR PLANT MANAGER,
KEPPEL SEGHERS ULU PANDAN
NEWATER PLANT

Mr Cheang Whye Theng oversees the operations and maintenance of Keppel Seghers Ulu Pandan NEWater Plant.

Mr Cheang has over 32 years of experience in the operations and maintenance of water and wastewater treatment plants and chemical plants in various industries, including the petrochemical and chemical industries.

Mr Cheang holds a Bachelor of Science (Chemical Engineering) from the University of Singapore.

MR FRANCIS NG TONG WAH

DEPUTY PLANT MANAGER,
KEPPEL SEGHERS TUAS
WASTE-TO-ENERGY PLANT

Mr Francis Ng Tong Wah is responsible for the overall operations and maintenance of Keppel Seghers Tuas Waste-to-Energy Plant.

He has more than 14 years of experience in the waste-to-energy industry. He was the Operations Manager of Senoko Waste-to-Energy Plant from December 2009 to January 2012.

Prior to joining Keppel Seghers, he was an Operations Engineer with the National Environment Agency (NEA), where he was involved in the smooth and safe operations of Senoko Waste-to-Energy Plant.

Mr Ng holds a Bachelor of Engineering (Electrical and Electronics Engineering) from Nanyang Technological University.

MR LEE SONG KOI

DEPUTY PLANT MANAGER,
SENOKO WASTE-TO-ENERGY PLANT

Mr Lee Song Koi is responsible for the overall operations and maintenance of Senoko Waste-to-Energy Plant.

He has more than 27 years of experience in the waste-to-energy industry. He was the Operations Manager of Keppel Seghers Tuas Waste-to-Energy Plant from June 2011 to January 2012. Prior to joining Keppel Seghers, he was a Senior Technical Officer with the NEA, where he was involved in the testing, commissioning as well as smooth and safe operations of various waste-to-energy plants in Singapore.

He holds a Technical Diploma in Manufacturing Engineering (with Certificate of Merit) from Singapore Polytechnic.

MR TOR PEE SIONG

ACTING DEPUTY PLANT MANAGER,
KEPPEL SEGHERS ULU PANDAN
NEWATER PLANT

Mr Tor Pee Siong is responsible for the operations and maintenance of Keppel Seghers Ulu Pandan NEWater Plant.

He has more than 26 years of experience in the operations and maintenance of diesel power plants. He was the Assistant Operations Manager of Keppel Seghers Ulu Pandan NEWater Plant from January 2013 to July 2013. Prior to joining Keppel Seghers, he was an Assets Manager with Keppel Energy, where he was involved in the testing, commissioning, maintenance as well as the smooth and safe operations of a power barge in the Philippines, Brazil and Ecuador.

He holds a Diploma in Marine Engineering from Singapore Polytechnic.

MR STEVEN LEE FOOK SENG

MAINTENANCE MANAGER,
SENOKO WASTE-TO-ENERGY PLANT

Mr Steven Lee Fook Seng is responsible for preventive, routine and non-routine maintenance and repairs of Senoko Waste-to-Energy Plant.

Mr Lee has over 40 years of working experience with the Keppel Group, including over 10 years of experience in the environmental engineering arm, where he held various positions in project management, testing and commissioning as well as operations and maintenance.

MR VARADARAJAN RAMESH

MAINTENANCE MANAGER,
KEPPEL SEGHERS TUAS WASTE-
TO-ENERGY PLANT

Mr Varadarajan Ramesh is responsible for preventive, routine and non-routine maintenance and repairs of Keppel Seghers Tuas Waste-to-Energy Plant.

Mr Ramesh has over 23 years of experience in the field of plant automation, involving process, steel, rubber, power, cement and machine tool industries.

He holds a Bachelor of Engineering degree in Electrical and Electronics.

CONFIGURED FOR GROWTH

In the 2013 Annual Reports of the Keppel Group of Companies, the distinctive Keppel spur is reflected in the tangram, a symbol of flexibility and creativity in shaping endless possibilities. Likewise, in a world of volatility, K-Green Trust continually strives to configure all its components and competencies into a cohesive and optimal whole to capture value and enjoy sustainable growth.



Strong Foundation

The Trust is built on a strong base of quality assets that has been supporting the consistent distributions paid out over the past few years. We will configure ourselves and grow our assets so as to continue generating long-term value and deliver the dependable performance that our Unitholders have come to expect from us.

Operations Review

K-Green Trust's current portfolio comprises Senoko Waste-to-Energy Plant, Keppel Seghers Tuas Waste-to-Energy Plant and Keppel Seghers Ulu Pandan NEWater Plant.



OVERVIEW

K-Green Trust (KGT) actively engages its Sponsor, Keppel Integrated Engineering ¹ (KIE), and its subsidiaries to ensure technical, Operations and Maintenance (O&M), as well as Engineering, Procurement and Construction (EPC) support for smooth operations of its assets. KGT works closely with KIE to:

- build sustainable earnings through proactive asset management;
- improve operational performance and efficiencies;
- uphold safety and environmental standards; and
- strengthen risk management practices through robust business continuity plans.

Senoko Waste-to-Energy (WTE) Plant and Keppel Seghers Tuas WTE Plant have the capacity to treat close to half of Singapore's incinerable waste. In diverting waste away from landfill,

incineration plants help mitigate greenhouse gas emissions as landfills release methane gas when the organic waste decompose. Modern incineration plants can also reduce the volume of waste by as much as 90%, thus significantly increasing the lifespan of landfills. By using waste as fuel, incineration plants produce green energy, thereby reducing dependency on fossil fuels.

Senoko WTE Plant is the only incineration plant located outside the Tuas area to serve the eastern, northern and central parts of Singapore. It was acquired by Senoko Trust on 31 August 2009.

Keppel Seghers Tuas WTE Plant is the fifth incineration plant built in Singapore and the first built under the Public-Private-Partnership initiative. It incorporates Keppel Seghers' in-house technologies such as

1. Both WTE plants in KGT's portfolio exceeded the required time availability threshold in 2013 and received full fixed capacity payments from NEA.

2. KGT actively engages the O&M contractor to continuously improve the operational performance and efficiency of its assets.

¹ In May 2013, Keppel Corporation reorganised Keppel Energy and KGT's Sponsor, Keppel Integrated Engineering, under a newly incorporated entity, Keppel Infrastructure.

the air-cooled grate and flue gas treatment (FGT) system and is the first incineration plant in Singapore to showcase WTE technology from a Singaporean company.

Senoko WTE Plant and Keppel Seghers Tuas WTE Plant have entered into Incineration Service Agreements (ISA) with the National Environment Agency (NEA) for 15 years commenced in September 2009, and 25 years commenced in October 2009 respectively. Majority of their income is from capacity payments, which offer a stable source of income with little correlation to economic or population fluctuations.

Keppel Seghers Ulu Pandan NEWater Plant is one of Singapore's largest NEWater plants. Operational since 2007, it serves the demands of the industrial and commercial sectors in Singapore. The plant entered into a 20-year NEWater Agreement (NWA) with PUB, Singapore's water agency since March 2007.

SENOKO WTE PLANT AND KEPPEL SEGHERS TUAS WTE PLANT

During the review period, Senoko WTE Plant and Keppel Seghers Tuas WTE Plant have met all the required Performance and Customer Service Standards under the respective ISAs.

Senoko WTE Plant achieved Time Availability Factor exceeding the 72.9% (for the fourth contract year ended 31 August 2013) and 71.7% (for the fifth contract year) thresholds required to receive full Fixed Capacity Payments.

Keppel Seghers Tuas WTE Plant achieved Time Availability Factor above the 76.2% (fourth contract year ended 29 October 2013) and 76.0% (for the fifth contract year) thresholds required to receive full Fixed Capacity Payments.

Senoko WTE Plant and Keppel Seghers Tuas WTE Plant also met their other obligations under the ISA, namely Average Total Organic Content of bottom ash, Turnaround Time of refuse trucks and electricity generation.

Both plants achieved Tested Incineration Capacities (TICs) above their Contracted Incineration Capacities (CICs). Senoko WTE Plant completed its fourth contract year on 31 August 2013. The new TIC was 2,930 tonnes per day. Keppel Seghers Tuas WTE Plant completed its fourth contract year on 29 October 2013. The new TIC was 1,052 tonnes per day.

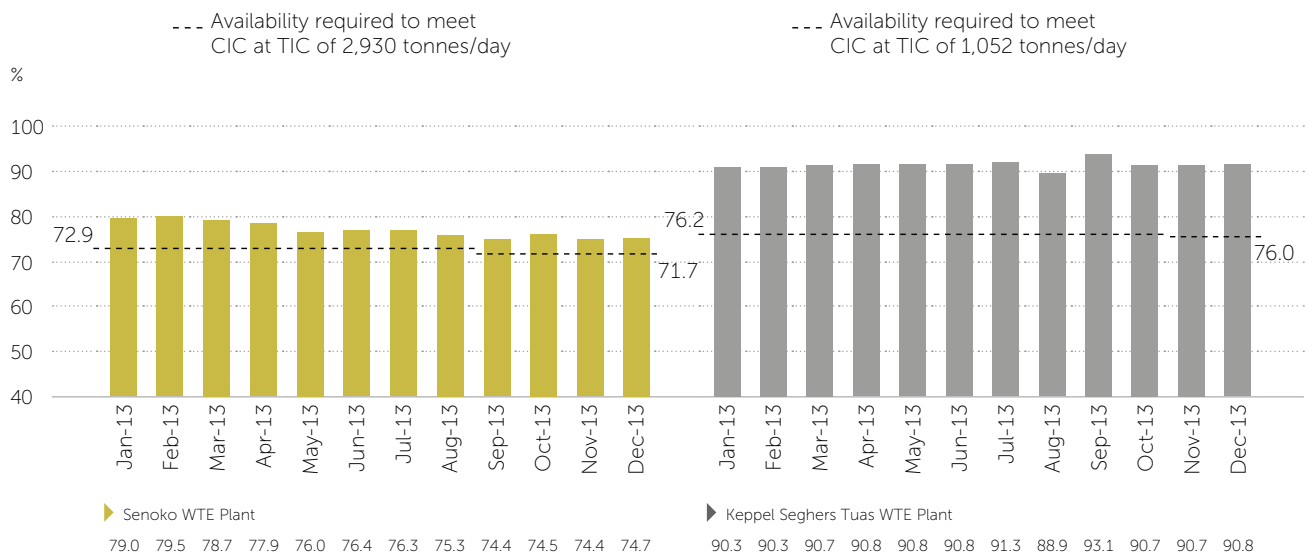
There was only one instance where flue gas emissions did not meet required emission standards. That was promptly addressed by the O&M contractor.

There were two Lost Time Incidents (LTIs) at Senoko WTE Plant while Keppel Seghers Tuas WTE had no LTI during the reporting period. While the Accident Frequency Rate for Senoko WTE Plant was slightly above industry average, the Accident Severity Rate was far below the industry average.

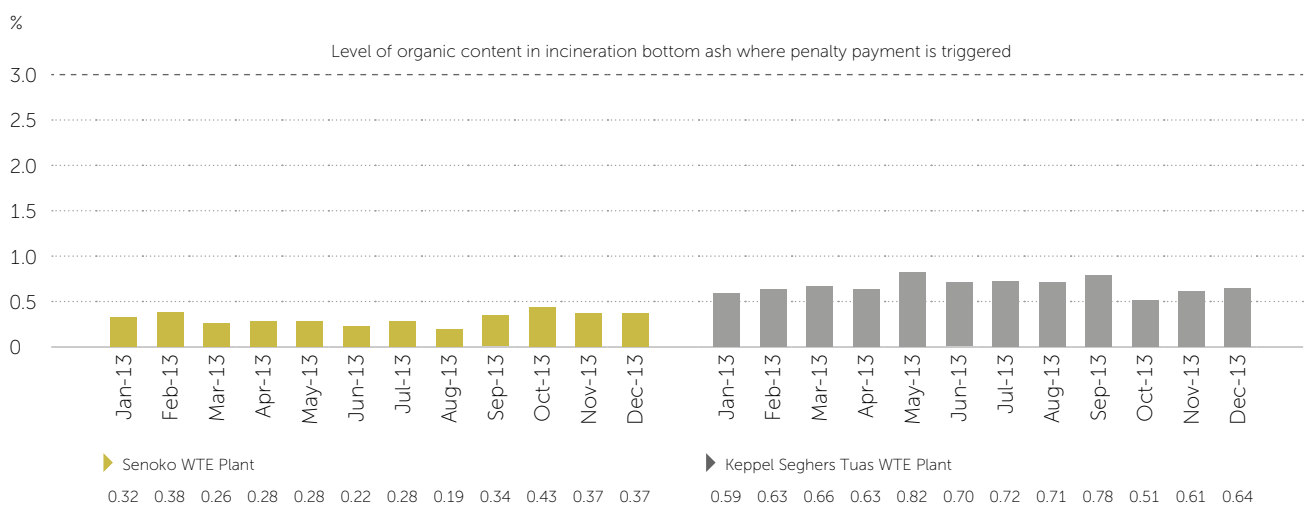


Operations Review

Time Availability Factor (12-Month Moving Average)



Average Total Organic Content of Bottom Ash





The solar photovoltaic installation at Keppel Seghers Ulu Pandan NEWater Plant produced approximately 1,100 MWh of energy in 2013.

KEPPEL SEGHERS ULU PANDAN NEWATER PLANT

Keppel Seghers Ulu Pandan NEWater Plant had received full Availability Payment in 2013 as the warranted capacity was kept greater than or equal to 148,000 m³ per day. The plant had also consistently achieved more than 98% plant availability in 2013 while fulfilling other requirements under the NWA, namely the Required Storage Level, quality specifications of NEWater and the residual waste produced.

NEWater demand in 2013 remained comparable to the demand seen in 2012. Ulu Pandan Trust's cash earnings fluctuate with changes in power revenue received from PUB, which in turn responds to changes in electricity price. To mitigate the fluctuations in electricity price, the Trustee-Manager had taken measures to fix the price of electricity in 2013.

Keppel Seghers Ulu Pandan NEWater Plant continued to maintain its excellent safety record and had no LTI in 2013.

SOLAR PHOTOVOLTAIC SYSTEM AT KEPPEL SEGHERS ULU PANDAN NEWATER PLANT

The installation of the 1 MWp (megawatt peak) solar photovoltaic (PV) power plant on the rooftops of Keppel Seghers Ulu Pandan NEWater Plant was completed in February 2013. Covering about 10,000 square metres of roof space, the PV installation is expected to generate approximately 1,000 MWh (megawatt hours) to 1,200 MWh each year.

The completion of the solar PV power plant will help to mitigate the impact of electricity costs for the NEWater Plant's operations. It also lowers the carbon footprint of the plant and contributes to the national effort to reduce dependency on traditional sources of energy.

The PV installation produced approximately 1,100 MWh in 2013. The energy generated is equivalent to the annual needs of approximately 240 four-room HDB flats.

The project was completed without any LTI, on time and within budget.

FINANCIAL REVIEW

O&M income remained relatively stable at \$50.0 million for 2013. Group revenue for the financial year ended 31 December 2013 was \$67.1 million. Excluding construction revenue arising from the FGT upgrade at Senoko WTE Plant last year, revenue was lower by 1.5%, mainly due to lower finance income recognised during the year. The O&M costs of \$35.7 million for 2013 was 1.5% higher than last year due to annual adjustment of O&M tariffs to account for changes in consumer price index (CPI), partly offset by lower output from the WTE plants and NEWater plant.

Electricity costs was \$6.8 million which was 17.9% lower compared to 2012 due to lower output of NEWater, lower electricity price from measures taken to mitigate the volatility of electricity cost by fixing the price, and savings from the solar PV system which generates electricity for plant consumption. Trust expenses were higher by about \$0.1 million, mainly for commitment fees incurred by the Trust for a new bank facility, partly offset by lower statutory expenses and professional fees.

Profit before tax was \$14.8 million for 2013. Excluding the contribution from the construction of the FGT upgrade last year, net profit of \$14.2 million for 2013 was \$0.3 million lower compared to last year.

Cash generated from operations for 2013 remained healthy at \$52.3 million. After taking into account income taxes paid, cash flow from operating activities was \$51.5 million for 2013 as compared to \$52.3 million in 2012. Net cash used in investing activity of \$1.9 million was for the payment of the FGT upgrading contract in Senoko WTE Plant and installation of solar PV system in Ulu Pandan NEWater plant respectively.

For the second half of 2013, KGT declared a distribution per unit of 4.69 cents to its Unitholders. Together with the 3.13 cents paid earlier in 2013, the full year distribution will be maintained at 7.82 cents, the same as in 2012.

Sustainability Report

K-Green Trust is committed to create positive social impact by investing in projects that contribute to sustainable urban development and mitigate the environmental effects of urbanisation.

► SUSTAINING GROWTH

Our commitment to business excellence is driven by our unwavering focus on strong corporate governance and prudent risk management.

Resource efficiency is not only our responsibility, it also makes good business sense.

Delivering quality products and services are key in sharpening our competitive edge.

Page 25

► EMPOWERING LIVES

People are the cornerstone of our businesses.

As an employer of choice, we are committed to grow and nurture our talent pool through continuous training and development to help our people reach their full potential.

We want to instil a culture of safety so that everyone who comes to work goes home safe.

Page 26

► NURTURING COMMUNITIES

As a global corporate citizen, we believe that as communities thrive, we thrive. We give back to communities wherever we operate through our multi-faceted approach towards Corporate Social Responsibility.

We also believe that cultivating a green mindset among our employees will spur them to adopt a sustainable lifestyle.

As leaders in our businesses, we support industry programmes and initiatives, and encourage open dialogue for further growth.

Page 27

► SUSTAINABILITY REPORT

Sustaining Growth

The Trustee-Manager is committed to strong corporate governance, prudent risk management as well as operational efficiency and excellence.



KGT works hand-in-hand with its O&M contractor, Keppel Seghers, to achieve high availability of plants and meet the required service standards.

CORPORATE GOVERNANCE

The Trustee-Manager of K-Green Trust (KGT) believes that commitment to good corporate governance is vital to the sustainability of the Trust's business and performance.

KGT will continue to ensure the timely disclosure of material information to its Unitholders and the investing public, as the confidence of its Unitholders in the Trustee-Manager is crucial to the success of KGT.

By having a majority of independent directors on the Board of the Trustee-Manager, KGT ensures the fair treatment of all Unitholders.

An Employee Code of Conduct is in place to set out the principles of business conduct expected of all employees, as well as Keppel Group's anti-bribery stance and position with regard to gifts, hospitality, facilitation payments and dealings with associates.

In recognition of its high standard of corporate governance, KGT was awarded the Singapore Corporate Governance Merit Award (REITs & Business Trusts) at the Securities Investors Association (Singapore) Investors' Choice Awards 2013.

For more details on KGT's corporate governance guidelines, please refer to pages 31 to 51.

RISK MANAGEMENT

KGT adopts a holistic and comprehensive risk management framework that identifies, evaluates and manages risks in its decision-making process.

KGT, together with its Operations and Maintenance (O&M) contractor, Keppel Seghers Engineering Singapore (Keppel Seghers), identifies, reviews and assesses regularly the potential risks that may affect its operations.

One of the focal points is building the plants' operational resilience to mitigate potential business disruptions. All plants have established processes to review, test and refine their business continuity plans.

KGT and its O&M contractor will continue to scan for possible threats and review plans to enhance operational preparedness.

For more details on KGT's risk management strategy, please refer to pages 52 to 53.

OPERATIONAL EXCELLENCE

As plant operations are the main source of KGT's income, KGT aims to achieve high availability of plants and meet the required service standards through working with established O&M contractors.

Working with well-qualified O&M contractors with good track records ensures that standards are closely benchmarked to the best in the industry, thereby reducing operational risk to KGT, the asset owner.

The O&M contractor, Keppel Seghers has strong Quality, Environment and Occupational Health and Safety accreditations. It is ISO 9001, 14001 and OHSAS 18001-certified for its quality management system, environmental as well as occupational health and safety policies respectively. These certifications are audited annually by accredited certification bodies.

KGT participated in various platforms and forums throughout the year to advance industry discussions on the financing of large-scale green infrastructure projects. These platforms include Clean Power Asia, Solar World Asia Conference, and Global PV (photovoltaic) Financial Summit, among others. KGT also helped to promote networking amongst its stakeholders in Singapore waste management industry, including sponsoring the Chinese New Year networking dinner organised by the Waste Management & Recycling Association of Singapore (WMRAS).

Empowering Lives

The Trustee-Manager values its employees and recognises their contributions towards achieving sustainable business growth for the company. A safe and healthy work environment is also of paramount importance.



Regular drills are held at KGT's assets to ensure staff are always prepared for emergency situations.

SAFETY AND HEALTH

Safety is the top priority for KGT and is an integral part of the workplace culture. The Trustee-Manager strives to create a zero-incident workplace by working closely with its Operations & Maintenance (O&M) contractor, Keppel Seghers.

Keppel Seghers actively participated and contributed in a workgroup committee, comprising the National Environmental Agency and Ministry of Manpower, to raise safety standards in Singapore's waste management industry. The issues the committee looked into included refuse truck operators' skills and competency, vehicle safety, and waste collector licensing. Arising from one of the committee's recommendations, it is now mandatory for waste collectors to don Personal Protective Equipment (PPE) when disposing waste in the incineration plants.

The O&M teams of all three of KGT's plants continued to participate actively in safety initiatives at the Keppel Group and national levels. Teams from the plants received a Workplace Safety and Health (Manufacturing) Innovation bronze award presented by the Workplace Safety and

Health Council, and two gold awards at the Keppel Group Safety Awards.

The Trustee-Manager is supportive of its O&M contractor's practice to periodically review the training needs of its staff and identify areas of improvement. Internal and external training on areas such as Behaviour Management of Safety, Incident Investigation and Office Ergonomics were provided to improve safety standards. The O&M teams of each plant have also geared up their emergency readiness through regular drills and table top exercises such as fire drills, chemical spillage drills and in-place protection. These exercises help to validate operational effectiveness and mitigation measures taken by the plants' Critical Emergency Response Teams (CERT).

Daily tool box meetings, safety briefings, risk assessments and site inspections are conducted with regular walkabouts by senior management to ensure that safety standards are upheld.

Hazard reporting and suggestion schemes are also in place to encourage staff and subcontractors to highlight risks and propose mitigation steps.

PEOPLE MATTERS

The Trustee-Manager emphasises the importance of developing its staff and is dedicated to uphold the principles of fair employment in its human resource policies.

Such principles include a meritocratic recruitment process, continual training and development, respectful treatment of all employees and fair rewards based on performance and experience.

The Trustee-Manager also seeks to promote a healthy work-life balance for all staff and provide a work environment that encourages mutual respect and teamwork.

► SUSTAINABILITY REPORT

Nurturing Communities

The Trustee-Manager is committed to contribute meaningfully to the well-being of the communities and to support initiatives that promote sustainability.



K-Green Trust supported the SGX Bull Charge 2013 charity run, which was graced by President Tony Tan (left). Photo courtesy of the Ministry of Communication and Information.

COMMUNITY RELATIONS

KGT hosted some 3,800 visitors at its plants in 2013. Representing diverse segments of the community, the visitors included foreign delegates, community organisations and educational institutions.

The plant tours allowed the visitors to gain better appreciation of Singapore's waste management practices and water reuse solutions, including the importance of practicing the "3Rs" of reduce, reuse and recycle. The Trustee-Manager and its O&M contractor will continue to engage and educate the community on the importance of resource conservation as part of its community outreach programme.

The Trustee-Manager supported the Dover Park Hospice through its charity golf event in March 2013. Together with other companies in the Keppel Group, a total of \$50,000 was raised. This donation went towards helping the hospice, a secular, non-profit organisation that helps to meet Singapore's growing need for hospice care for terminally-ill patients.

The Trustee-Manager encourages its staff to participate in community outreach projects. In August 2013, KGT staff, together with other colleagues from the Keppel Group,

gathered at St. Theresa's Home for a terrarium-building workshop. Pairing pupils from Queenstown Primary School with the elderly residents of the home, volunteers guided the pupils to assist the residents in creating terrariums to decorate their rooms. This workshop was part of the Nature Cares programme, a Keppel Care Foundation-supported initiative led by the National Parks Board to bring the healing properties of nature to elderly in Singapore.

KGT, as a member of Singapore's water industry, contributed to PUB's 50th Anniversary Charity Dinner in October 2013. The event celebrated the continued commitment towards ensuring a sustainable water supply in Singapore and was graced by Minister for the Environment and Water Resources, Dr Vivian Balakrishnan. Proceeds from the dinner were channelled to PUB's adopted charities, Metta Welfare Association and President's Challenge. KGT continued its tradition of supporting the Bull Charge 2013, an annual charity run organised by the Singapore Exchange, by participating in and donating to the event. The 2013 edition, which was graced by President Tony Tan, saw some 8,000 participants and raised a record \$3 million in aid of four charities – the Asian Women's Welfare Association, Fei Yue

Community Services, the Adults at Autism Association (Singapore) and Shared Services for Charities. The Trustee-Manager's CEO also continued his participation in the Chief Challenge. KGT lent further support to the various beneficiaries with its donation to the Bull Charge Charity Golf dinner held on 22 May 2013.

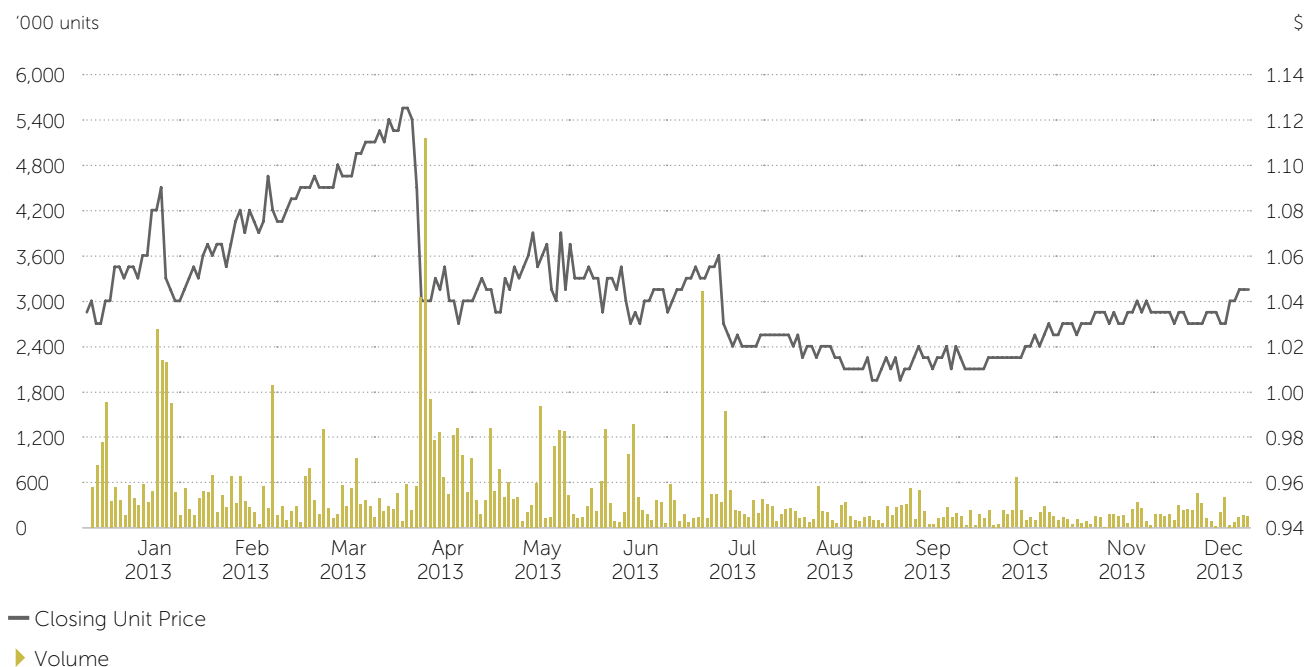
GREEN ENDEAVOURS

Besides investing in "green" infrastructure assets, the Trustee-Manager also believes in minimising impact to the environment during operations. In 2013, the Trustee-Manager together with its Sponsor, recycled about 4000kg of paper and plastic.

To lower its carbon footprint arising from using electricity to produce water, KGT had installed a 1MWp solar photovoltaic (PV) plant at the Keppel Seghers Ulu Pandan NWater Plant in 2013. The solar PV plant produced about 1,100 MWh in 2013. This energy generated is equivalent to the annual needs of approximately 240 four-room HDB flats. The installation contributes to the national effort to reduce dependency on traditional sources of energy.

Unit Price Performance

Unit Price Performance and Trading Volume in 2013



K-Green Trust's unit price remained fairly stable for the most part of 2013. The stock reached a high of \$1.125 in April 2013, an approximate 2-year high, and a low of \$1.005 in September 2013. The unit price closed at \$1.045 on 31 December 2013, an increase of 1.5% from \$1.03 on 31 December 2012. Including the distribution per unit of 7.82 cents paid to unitholders during the year, total unitholders' return was 9.1%.

For financial year 2013, the total volume of trade was 104 million units, which translated to an average daily traded volume of approximately 0.41 million units. The stable unit price performance is a clear indication of the continuous support from investors for K-Green Trust as an investment vehicle that delivers steady distribution yields.

Significant Events

► 2013

21 January

- K-Green Trust (KGT) announced distribution payable of 4.69 cents per unit (DPU) for the period from 1 July 2012 to 31 December 2012.

18 February

- The 1 megawatt peak solar photovoltaic installation on the rooftops of Keppel Seghers Ulu Pandan NEWater Plant was commissioned.

22 February

- KGT paid a DPU of 4.69 cents to Unitholders for the period from 1 July 2012 to 31 December 2012.

2 May

- Keppel Infrastructure Holdings Pte. Ltd. (KI), a wholly-owned subsidiary of Keppel Corporation Limited, acquired 100% of the issued share capital of Keppel Integrated Engineering Limited (KIE) pursuant to a reorganisation exercise. Accordingly, KI is deemed interested in the shares of Keppel Infrastructure Fund Management Pte. Ltd. and KGT units held by KIE.

20 May

- Mr Lionel Chua was appointed Chief Financial Officer in place of Ms Kang Leng Hui.

15 July

- Mr Tan Boon Leng was appointed as a non-executive and non-independent director in place of Mr Tay Lim Heng
- KGT announced DPU payable of 3.13 cents for the period from 1 January 2013 to 30 June 2013, an amount unchanged from the corresponding period in 2012.



15 August

- KGT paid a DPU of 3.13 cents to unitholders for the period from 1 January 2013 to 30 June 2013.

8 November

- KGT was awarded the Singapore Corporate Governance Merit Award (REITs & Business Trusts) at the Securities Investors Association (Singapore) Investors' Choice Awards 2013.

► 2014

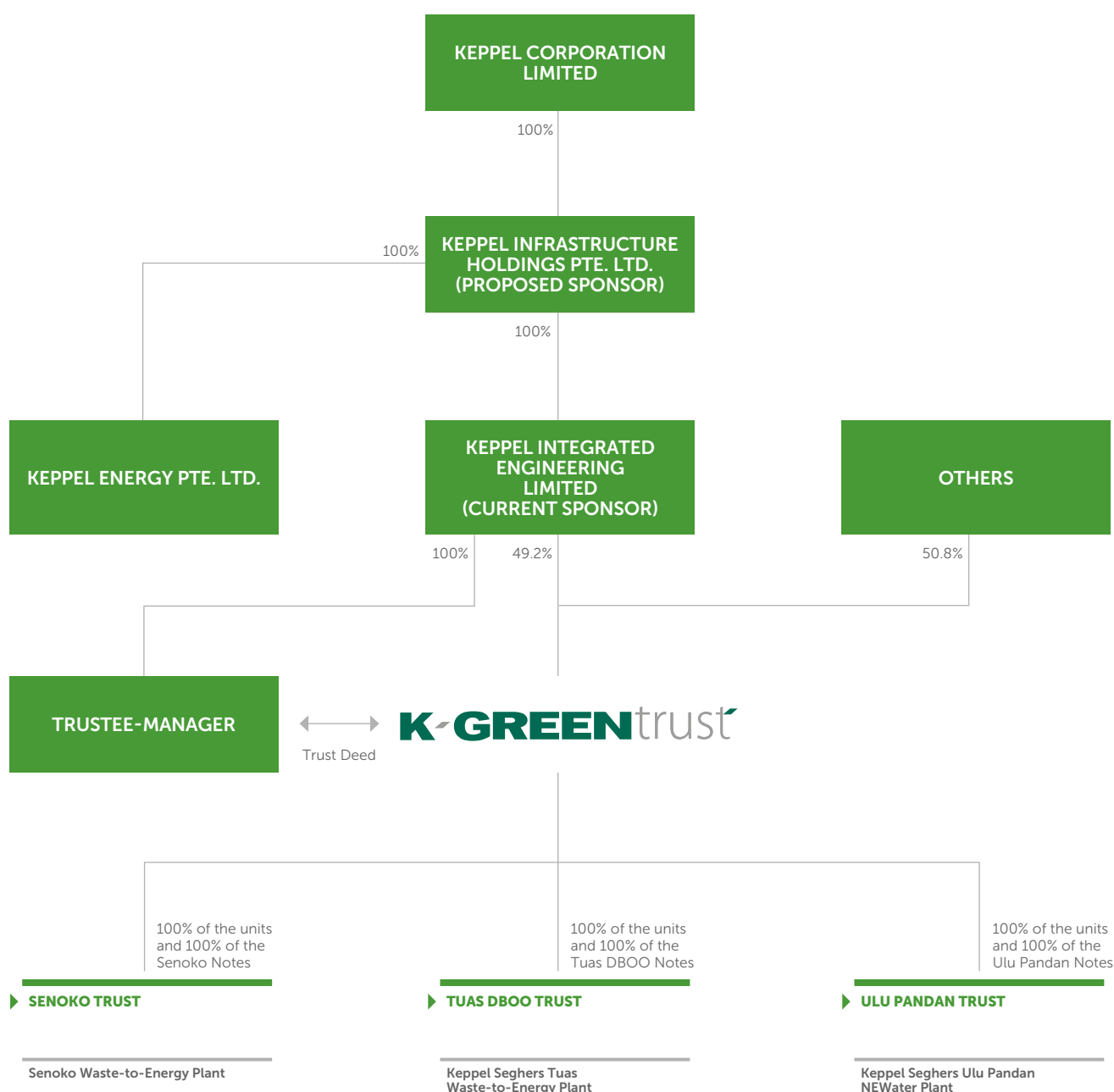
20 January

- KGT announced DPU payable of 4.69 cents for the period from 1 July 2013 to 31 December 2013.

1. Unitholders had robust discussions with the Chairman of the Trustee-Manager, Mr Khor Poh Hwa.
2. Mr Thomas Pang, CEO of the Trustee-Manager, received the Singapore Corporate Governance Merit Award (REITs & Business Trusts) from Mrs Josephine Teo, Senior Minister of State, Ministry of Finance and Ministry of Transport.



Trust Structure



Notes:

- ¹ The Trustee-Manager holds: (i) 100% of the issued share capital in Senoko Waste-to-Energy Pte Ltd (Senoko Trustee), 100% of the units in the Senoko Trust and 100% of the Senoko Notes; (ii) 100% of the issued share capital in Keppel Seghers Tuas Waste-to-Energy Plant Pte Ltd (Tuas DBOO Trustee), 100% of the units in the Tuas DBOO Trust and 100% of the Tuas DBOO Notes; and (iii) 100% of the issued share capital in Keppel Seghers NEWater Development Co Pte Ltd (Ulu Pandan Trustee), 100% of the units in the Ulu Pandan Trust and 100% of the Ulu Pandan Notes, in each case on trust for the Unitholders of K-Green Trust (KGT).
- ² The Senoko Trustee, the Tuas DBOO Trustee and the Ulu Pandan Trustee hold the assets and business undertakings relating to Senoko Waste-to-Energy Plant, Keppel Seghers Tuas Waste-to-Energy Plant and Keppel Seghers Ulu Pandan NEWater Plant, respectively, on trust for the respective Unitholders of the Sub-Trusts.
- ³ The above unitholdings were based on the trust structure as at 31 December 2013.
- ⁴ On 1 May 2013, Keppel Corporation Limited announced a strategic exercise pursuant to which Keppel Energy Pte. Ltd. and Keppel Integrated Engineering Limited ("KIE") were reorganised under Keppel Infrastructure Holdings Pte Ltd ("KI") with effect from 2 May 2013. As part of the reorganisation, the Trustee-Manager became a wholly-owned subsidiary of KI. In connection with the reorganisation, the Trustee-Manager proposes to modify KGT's Trust Deed so as to (i) expand the investment scope of KGT to align the focus of the Trustee-Manager with that of KI and (ii) update the current definition of "Sponsor Group Entity" in the Trust Deed to refer to the wider KI group, rather than to the KIE group, thus providing KGT the flexibility to harness the full capability of the KI group. Accordingly, if the modifications to KGT's Trust Deed are approved by Unitholders at KGT's Extraordinary General Meeting, KGT would be renamed as Keppel Infrastructure Trust to better represent the nature and scope of the infrastructure assets and businesses that the trust may acquire moving forward. Please refer to KGT's Notice of Extraordinary General Meeting and Circular to Unitholders in relation to the proposed Trust Deed Supplement, both dated 24 March 2014, for further details.

Corporate Governance

The Board and management of Keppel Infrastructure Fund Management Pte Ltd, as the Trustee-Manager of K-Green Trust (KGT), are fully committed to maintaining good corporate governance as they firmly believe that it is essential to protect the best interests of the unitholders of KGT (Unitholders).

The Business Trusts Act, Chapter 31A, of Singapore (BTA) sets out the requirements and obligations in respect of corporate governance. The Business Trusts Regulations (BTR) set out the requirements for, amongst other matters, the board composition of a Trustee-Manager, the independence of its directors, and the audit committee composition of a Trustee-Manager.

In addition, the Trustee-Manager adopts the Code of Corporate Governance 2012¹ (the 2012 Code) as its benchmark for corporate governance policies and practices. The following describes the Trustee-Manager's main corporate governance policies and practices with specific reference to the 2012 Code.

THE BOARD'S CONDUCT OF AFFAIRS

Principle 1:

Effective Board to lead and control the company

The Board of Directors of the Trustee-Manager (the Board) is responsible for the overall management and the corporate governance of KGT,

including establishing goals for management and monitoring the achievement of these goals.

The principal functions of the Board are to:

- Decide on matters in relation to KGT's activities which are material in nature, including decisions on strategic directions and guidelines and the approval of periodic plans and major investments and divestments;
- Oversee the business and affairs of KGT, establish, with management, the strategies and financial objectives to be implemented by management, and monitor the performance of management;
- Oversee processes for evaluating the adequacy of internal controls, risk management, financial reporting and compliance, and satisfy itself as to the adequacy and effectiveness of such processes; and
- Assume responsibility for corporate governance.

All directors of the Trustee-Manager (the Directors) are expected to exercise independent judgment in the best interests of KGT.

To assist the Board in the discharge of its oversight function, the Audit Committee, the Nominating Committee, the Remuneration Committee and the Conflicts Resolution Committee have been constituted with clear written

terms of reference. The Board Committees are actively engaged and play an important role in ensuring good corporate governance. The terms of reference of the Audit Committee, the Nominating Committee and the Remuneration Committee had been amended following the issuance of the 2012 Code and were disclosed in the appendix to the corporate governance report for FY 2012 and are also disclosed in the Appendix to this report at pages 46 to 48.

The Board meets at least four times a year and as warranted by particular circumstances to discuss and review the Trustee-Manager's key activities, including its business strategies and policies for KGT, proposed acquisitions and disposals, the annual budget, review the performance of the business and the financial performance of KGT and the Trustee-Manager. The Board also reviews and approves the release of the quarterly and full-year results. In addition, the Board reviews the risks to the assets of KGT, and acts upon any comments from the auditors of KGT.

The Trustee-Manager's Articles of Association permit Board meetings to be held by way of conference by telephone or any other electronic means of communication by which all persons participating are able, contemporaneously, to hear and be heard by all other participants.

Board and Board committee meetings for FY 2013:

	Board Meetings	Audit Committee Meetings	Nominating Committee Meetings	Remuneration Committee Meetings	Conflicts Resolution Committee Meetings	Non-Executive Directors Meeting (without presence of management)
Khor Poh Hwa	6	–	2	–	–	1
Alan Ow Soon Sian	6	4	2	–	–	1
Paul Ma Kah Woh	5	4	2	–	1	1
Quek Soo Hoon	6	4	–	1	1	1
Thio Shen Yi	6	–	–	1	1	1
Teo Soon Hoe	6	–	–	1	–	1
Tay Lim Heng ²	2 out of 4	–	–	–	–	1
Tan Boon Leng ³	2 out of 2	–	–	–	–	0 out of 0
No. of Meetings Held in FY 2013	6	4	2	1	1	1

¹ The Code of Corporate Governance 2012 issued by the Monetary Authority of Singapore on 2 May 2012.

² Mr Tay Lim Heng resigned as non-independent non-executive Director with effect from 15 July 2013.

³ Mr Tan Boon Leng was appointed as a non-independent non-executive Director with effect from 15 July 2013.

Nature of current Directors' appointments on the Board and the details of their membership on Board Committees

	Board Membership	Audit Committee	Nominating Committee	Remuneration Committee	Conflicts Resolution Committee
Khor Poh Hwa	Non-Executive and Non-Independent Chairman	–	Member	–	–
Alan Ow Soon Sian	Non-Executive Independent	Member	Chairman	–	–
Paul Ma Kah Woh	Non-Executive Independent	Chairman	Member	–	Member
Quek Soo Hoon	Non-Executive Independent	Member	–	Member	Chairman
Thio Shen Yi	Non-Executive Independent	–	–	Chairman	Member
Teo Soon Hoe	Non-Executive and Non-Independent	–	–	Member	–
Tan Boon Leng	Non-Executive and Non-Independent	–	–	–	–

The current Directors' appointments and details of membership on Board committees, number of Board and Board committee meetings held for FY 2013 between 1 January 2013 and 31 December 2013, as well as the attendance of each Board member at these meetings, are disclosed in the tables on pages 31 and 32.

The Trustee-Manager has adopted a set of internal guidelines which sets out the financial authority limits for investment/business acquisition, operating/capital expenditure, leasing, disposal of assets and various corporate matters that require the approval of the Board and Sub-Trust Boards. Appropriate delegations of authority and approval sub-limits are also provided at management level to facilitate operational efficiency.

A formal letter is sent to newly-appointed Directors upon their appointment explaining their duties and obligations as directors. Changes to laws, regulations, policies, accounting standards and industry-related matters are monitored closely. Where the changes have an important and significant bearing on KGT and its disclosure obligations, the Directors are briefed either during Board meetings, at specially convened sessions or via circulation of Board papers. The Directors are also provided with continuing education in areas such as directors' duties and responsibilities, corporate governance, changes in financial reporting standards, insider trading, changes in the Companies Act and industry-related matters, so as to

update and refresh them on matters that affect or may enhance their performance as Board or Board committee members. In FY 2013, some Directors attended talks and forums on topics relating to corporate governance, leadership in the boardroom, regional outlook and updates on financial reporting standards, among others.

BOARD COMPOSITION AND GUIDANCE

Principle 2:

Strong and independent element on the Board

Presently, the Board consists of seven members, four of whom are independent non-executive Directors. The other Directors are non-independent non-executive Directors. The Chairman of the Board is Mr Khor Poh Hwa, who is a non-independent non-executive Director.

The composition of the Board complies with the BTR and comprises:

- at least a majority of the directors who are independent from management and business relationships with the Trustee-Manager;
- at least one-third of the directors who are independent from management and business relationships with the Trustee-Manager and from every substantial shareholder of the Trustee-Manager; and
- at least a majority of the directors who are independent from any single substantial shareholder of the Trustee-Manager.

To be considered to be independent from management and business relationships with the Trustee-Manager (whether or not the Trustee-Manager is acting for or on behalf of KGT), a Director must not have any:

- management relationships with the Trustee-Manager or with any of its subsidiaries; and
- business relationships with the Trustee-Manager or with any of its related corporations, or with any officer of the Trustee-Manager or any of its related corporations, that could interfere with the exercise of his independent judgment with regard to the interests of all the Unitholders as a whole.

To be considered to be independent from a substantial shareholder of the Trustee-Manager, a Director must not be a substantial shareholder of the Trustee-Manager and is not connected to the substantial shareholder of the Trustee-Manager.

The Trustee-Manager is wholly-owned by Keppel Integrated Engineering Limited (KIE), a wholly-owned subsidiary of Keppel Infrastructure Holdings Pte. Ltd. (KI) which is in turn wholly-owned by Keppel Corporation Limited (Keppel Corporation). On 1 May 2013, Keppel Corporation announced a strategic exercise pursuant to which Keppel Energy Pte. Ltd. and KIE were reorganised under KI with effect from 2 May 2013. As part of the reorganisation, the Trustee-Manager became a wholly-owned subsidiary of KI. Keppel Corporation and its related and associated companies have

extensive business activities in offshore and marine, infrastructure, property sectors and investments. Temasek Holdings (Private) Limited (Temasek), by virtue of their interest in Keppel Corporation, is deemed a substantial shareholder of the Trustee-Manager.

Taking into account the views of the Nominating Committee, the Board has determined that:

- a. Mr Khor Poh Hwa is not considered to be independent from Keppel Corporation. Mr Khor is a director of a number of subsidiaries or associated companies of Keppel Corporation. According to BTR criteria, Mr Khor is deemed to be connected to Keppel Corporation.
- b. although Mr Alan Ow Soon Sian is not considered to be independent from Keppel Corporation according to the definition in the BTR, nonetheless, the Board determined that Mr Ow is independent from Keppel Corporation and is therefore an independent Director. Under the BTR, a director is considered not to be independent from a substantial shareholder of the Trustee-Manager if he is connected to that substantial shareholder. Mr Ow is an independent director of M1 Limited, which is an associated company of Keppel Corporation. According to the BTR, Mr Ow is connected to Keppel Corporation. After review, the Board is satisfied that the connection to Keppel Corporation will not interfere with Mr Ow's independent judgment and ability to act with regard to the interests of all the Unitholders as a whole. The Board reached its conclusion on the basis that Mr Ow has shown independent judgment in his deliberation of the interests of KGT. Mr Ow's participation in the Board will benefit KGT given his expertise. Mr Ow will abstain from the Board's decisions in relation to any matter which involves M1 Limited in which he is an independent director.
- c. although Mr Paul Ma Kah Woh is not considered to be independent from Temasek according to the definition in the BTR, nonetheless, the Board determined that Mr Ma is independent from Temasek and is therefore an independent Director. Under the BTR, a director is considered not to be independent from a substantial shareholder of the Trustee-Manager if he is connected to that substantial shareholder. Mr Ma is an independent director of Mapletree Investments Pte Ltd, Nucleus Connect Pte Ltd and non-executive Chairman of Mapletree Logistics Trust Management Ltd, which are subsidiaries of Temasek, which is deemed a substantial shareholder of the Trustee-Manager. According to the BTR, Mr Ma is connected to Temasek. After review, the Board is satisfied that the connection to Temasek will not interfere with Mr Ma's independent judgment and ability to act with regard to the interests of all the Unitholders as a whole. The Board reached its conclusion on the basis that Mr Ma has shown independent judgment in his deliberation of the interests of KGT. Mr Ma's participation in the Board will benefit KGT given his expertise. Mr Ma will abstain from the Board's decisions in relation to any matter which involves Mapletree Investments Pte Ltd, Mapletree Logistics Trust Management Ltd and Nucleus Connect Pte Ltd.
- d. although Ms Quek Soo Hoon is considered to have a business relationship with the Trustee-Manager and its related corporations according to the definition used in the BTR, nonetheless, the Board determined that Ms Quek is independent from business relationships with the Trustee-Manager and/or its related corporations and is therefore an independent Director. Ms Quek Soo Hoon is currently an operating partner of a fund manager, iGlobe Partners (II) Pte Ltd (Fund Manager), that manages a fund that Keppel Corporation (through a wholly owned subsidiary) invested into in 2010. In accordance with the BTR, Ms Quek is deemed to have a business relationship with a related corporation of the Trustee-Manager. After review, the Board is satisfied that the business relationship described

above will not interfere with Ms Quek's independent judgment and ability to act with regard to the interests of all the Unitholders as a whole. The Board reached its conclusion on the basis that Ms Quek did not derive any direct benefit from Keppel Corporation's investment. The Fund Manager did not have direct interest in the investment invested by Keppel Corporation in the fund. Keppel Corporation had not paid and will not be paying any monies to the Fund Manager directly. Ms Quek's benefits and interest as an operating partner of the Fund Manager are contingent on many other factors and not solely dependent on Keppel Corporation's investment, which is small. Any benefit that Ms Quek might receive is paid by the Fund Manager and not by Keppel Corporation and the benefit that Ms Quek might receive is also not determined by the Trustee-Manager or any of its related corporations. As the benefit that Ms Quek might receive (which is dependent on the performance of the fund) is not determined by the Trustee-Manager or any of its related corporations, decisions made by the Trustee-Manager or any of its related corporations has no direct effect on the same, and her share of the carried interest benefit is small, it is not contemplated that the duties required to be performed by Ms Quek as a Director of the Trustee-Manager would be compromised. Ms Quek, in the course of her service as a Director to the Trustee-Manager, has shown independent judgment in her deliberation of the interests of KGT. Ms Quek's participation in the Board will benefit KGT given her expertise. Ms Quek will abstain from the Board's decisions in relation to any matter which involves the Fund Manager in which she is an operating partner.

- e. Mr Thio Shen Yi is independent from management and business relationships with the Trustee-Manager and independent from Keppel Corporation and Temasek.

- f. Mr Teo Soon Hoe is not considered to be independent from Keppel Corporation. Mr Teo is a Senior Executive Director of Keppel Corporation. He is the Chairman of Keppel Telecommunications & Transportation Ltd, M1 Limited and Keppel Philippines Holding Inc. In addition, Mr Teo is a director of several other companies within the Keppel Group, including Keppel Offshore & Marine Ltd, Singapore Tianjin Eco-City Investment Holdings Pte Ltd and K1 Ventures Limited.
- g. Mr Tan Boon Leng is not considered to be independent from Keppel Corporation. Mr Tan Boon Leng is Executive Director, X-to-Energy of KI and a director of several other companies with the Keppel Group, including Keppel Energy Ventures Pte. Ltd. and Keppel DHCS Pte. Ltd..

The Board, in concurrence with the Nominating Committee is of the view the present size of the Board of 7 members is appropriate. This is considering the nature, scope and requirements of KGT's businesses and the need to avoid disruptions from changes to the composition of the Board and Board Committees.

The Board now comprise 7 directors, the majority of whom 4 are independent. No individual or small group of individuals dominate the Board's decision making.

The nature of the Directors' appointments on the Board and details of their membership on Board Committees are set out on page 32 herein.

The Board and management fully appreciate that fundamental to good corporate governance is an effective and robust Board whose members engage in open and constructive debate and challenge management on its assumptions and proposals. For this to happen, the Board, in particular, the non-executive Directors, are kept well informed of KGT's businesses and affairs and are knowledgeable about the industry in which the businesses operate. For the current financial year, the non-executive Directors have constructively challenged and helped

to develop proposals on strategy and reviewed the performance of management. The non-executive Directors are well supported by accurate, complete and timely information, have unrestricted access to management, and have sufficient time and resources to discharge their oversight function effectively.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3:

Clear division of responsibilities between the leadership of the Board and the executives responsible for managing the company's business

The positions of Chairman and Chief Executive Officer (CEO) are held by two individuals to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making. The Chairman and the CEO are not related to each other.

The Chairman leads the Board in working together with management with integrity, competency and in an effective manner to address strategy, business operations and enterprise risk issues, and facilitates the effective contribution of the non-executive Directors and the Board as a whole. With the assistance of the company secretaries, the Chairman also sets and approves the agenda of all Board meetings.

The Chairman monitors the flow of information from management to the Board to ensure that material information is provided in a timely manner to the Board. He also encourages constructive relations between the Board and management.

The Chairman ensures effective communication with Unitholders. He also takes a leading role in promoting high standards of corporate governance with the full support of the Directors and management.

The Chairman and CEO are already separate persons, independent Directors currently comprise a majority of the Board, and the various Board

committees are chaired by and comprise a majority of independent Directors. In view of the foregoing, the Board has considered that it is not necessary, for the time being, to appoint a lead independent director.

The CEO is responsible for working with the Board to determine the strategy for KGT. The CEO also works with other members of the Trustee-Manager's management team to ensure that KGT is operated in accordance with the stated investment strategy of the Trustee-Manager. He is also responsible for the strategic planning and development of KGT.

The clear separation of roles of the Chairman and the CEO provides a healthy professional relationship between the Board and management with clarity of roles and robust deliberation on the business activities of KGT.

BOARD MEMBERSHIP

Principle 4:

Formal and transparent process for the appointment and re-appointment of directors to the Board

Nominating Committee

The Trustee-Manager has established a Nominating Committee (NC) to, among other things, make recommendations to the Board on all Board appointments. The NC comprises three Directors, majority of whom are independent, namely:

Mr Alan Ow Soon Sian	Chairman
Mr Khor Poh Hwa	Member
Mr Paul Ma Kah Woh	Member

The terms of reference of the NC are disclosed at pages 46 and 47 of the Appendix hereto.

PROCESS FOR APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS

A formal process for the selection of new Directors to increase the transparency of the nominating process in identifying and evaluating nominees for Directors, and the re-appointment of Directors, is in place.

The NC leads the process and makes recommendations to the Board as follows:

- the NC reviews the balance of skills, knowledge and experience on the Board and the size of the Board which would facilitate decision-making, in the light of such review and evaluation and in consultation with management, the NC assesses if there are any inadequate representation in respect of any of those attributes and if so, determines the role and the desirable competencies for a particular appointment;
- external help (for example, Singapore Institute of Directors, search consultants, open advertisement) to be used to source for potential candidates if need be. Directors and management may also make suggestions;
- the NC meets with the short-listed candidates to assess suitability and to ensure that the candidate(s) are aware of the expectations and the level of commitment required;
- the NC is charged with the responsibility of re-nomination having regard to the Director's contribution and performance; and
- the NC makes recommendations to the Board for approval.

The Nominating Committee is satisfied that the Board and the Board committees comprise Directors who as a group provide an appropriate balance and diversity of skills, experience, gender and knowledge for KGT. The Directors also provide core competencies such as accounting or finance, business or management experience, industry knowledge, strategic planning experience and customer-based experience or knowledge which are required for the Board and the Board committees to be effective.

CRITERIA FOR APPOINTMENT OF NEW DIRECTORS

All new appointments are subject to the recommendation of the NC based on the following objective criteria:

- integrity
- independent mindedness
- diversity – possess core competencies that meet the

- current needs of KGT and the Trustee-Manager and complement the skills and competencies of the existing Directors on the Board
- able to commit time and effort to carry out duties and responsibilities effectively – proposed Director does not have more than six listed company board representations and/or other principal commitments
- track record of making good decisions
- experience in high-performing corporations or infrastructure funds
- business acumen and financial literacy

ANNUAL REVIEW OF DIRECTORS' INDEPENDENCE

The NC is also charged with determining annually whether or not a Director of the Trustee-Manager is independent in the manner provided in the BTR.

Please refer to pages 32 to 34 herein on the basis of the NC's determination as to whether a Director should or should not be deemed independent.

ANNUAL REVIEW OF DIRECTORS' TIME COMMITMENTS

The NC has adopted internal guidelines addressing competing time commitments that are faced when Directors serve on multiple boards and/or have other principal commitments. As a guide, Directors should not have in aggregate more than six listed company board representations and/or other principal commitments.

The NC determines annually whether a Director with other listed company board representations and/or other principal commitments is able to and has been adequately carrying out his duties as a director. The NC takes into account the results of the assessment of the effectiveness of the individual Director, and the respective Directors' actual conduct on the Board, in making this determination. The NC was satisfied that in FY 2013, where a Director had other listed company board representations and/or other principal commitments, the Director was able and had been adequately carrying out his duties as a Director.

Corporate Governance

The following key information regarding the Directors is set out in the following pages of this Annual Report:

Pages 8 to 11: Academic and professional qualifications, Board committees served on (as a member or Chairman), date of first appointment as a Director, directorships or chairmanships both present and past held over the preceding 5 years in other listed companies and other major appointments, whether appointment is executive or non-executive; and

Page 58: unitholding in KGT as at 21 January 2014.

BOARD PERFORMANCE

Principle 5:

Formal assessment of the effectiveness of the Board and Board Committees and the contribution by each director to the effectiveness of the Board

The Board has implemented formal processes for assessing the effectiveness of the Board as a whole and its Board committees, the contribution of the Chairman and each individual Director to the effectiveness of the Board.

To ensure that assessments are done promptly and fairly, the Board appointed an independent coordinator (Independent Coordinator) to assist the NC and the Board in collating and analysing the returns of the Board members.

Mr Tan Wee Khim, a former Assurance Partner of Ernst & Young Singapore prior to his retirement, was appointed for this role. Mr Tan Wee Khim does not have any business relationships or any other connections with KGT or any of the Directors which may affect his independent judgment.

The evaluation of the Board and of the individual Directors for FY 2013 was carried out by the Independent Coordinator in the last quarter of 2013 and presented to the Board in January 2014.

The evaluation processes are disclosed on page 48 of the Appendix to this report.

The Board assessment exercise provided an opportunity to obtain constructive feedback from each Director on whether the Board's procedures and processes allow him to discharge his duties effectively and the changes which should be made to enhance the effectiveness of the Board and/or Board committees. The assessment exercise also helped the Directors to focus on their key responsibilities. The individual director assessment exercise allowed for peer review with a view of raising the quality of Board members. It also assisted the NC in evaluating the skills required by the Board, the size and the effectiveness of the Board as a whole.

ACCESS TO INFORMATION

Principle 6:

Board members to have complete, adequate and timely information

Management provides the Board with relevant and accurate information in a timely manner relating to matters to be brought before the Board, prior to Board meetings and on an on-going basis.

As a general rule, Board papers are required to be sent to Directors at least seven days before the Board meeting. However, sensitive matters may be tabled at the meeting itself or discussed without any papers being distributed. Managers who can provide additional insight into the matters at hand would be present at the relevant time during the Board meeting. The Board has separate and independent access to the Trustee-Manager's management for further clarification if required.

The information provided to the Board includes financial results, market and business developments, and business and operational information. Such reports keep the Board informed, on a balanced and understandable basis, of KGT's performance, financial position and prospects. The financial results are also compared against the budgets, together with explanations given for significant variances for the reporting period.

The Trustee-Manager has implemented quarterly financial reporting from the date of listing of KGT on the SGX.

The Directors have separate and independent access to both company secretaries of the Trustee-Manager. The company secretaries assist the Chairman to ensure that Board procedures (including but not limited to assisting the Chairman to ensure the timely and good information flow to the Board and its Board committees, and between management and the non-executive Directors) are followed and that the Trustee-Manager's memorandum and articles of association and relevant rules and regulations are complied with. At least one of the two company secretaries will attend Board meetings and prepare minutes of the Board proceedings. The appointment and removal of each of the company secretaries are subject to the approval of the Board as a whole.

The Board also has access to independent professional advice in the furtherance of their duties, where appropriate.

REMUNERATION MATTERS

Principle 7:

The procedure for developing policy on executive remuneration and for fixing remuneration packages of individual directors should be formal and transparent

Principle 8:

The level and structure of director fees are aligned with the long-term interest of the company and appropriate to attract, retain and motivate directors to provide good stewardship of the company. The level and structure of key management remuneration are aligned with the long-term interest and risk policies of the company and appropriate to attract, retain and motivate key management to successfully manage the company

Principle 9:

There should be clear disclosure of remuneration policy, level and mix of remuneration, and procedure for setting remuneration

The Board has established a Remuneration Committee (RC) to cover all aspects of remuneration.

The RC's terms of reference are set out at page 47 of the Appendix hereto. The RC comprises entirely non-executive directors, two out of three of whom (including the Chairman) are independent, namely:

Mr Thio Shen Yi	Independent Chairman
Mr Teo Soon Hoe	Non-Independent Member
Ms Quek Soo Hoon	Independent Member

The RC is responsible for ensuring a formal and transparent procedure for developing policy on executive remuneration and for determining the remuneration packages of individual Directors and key management personnel. The RC assists the Board to ensure that remuneration policies and practices are sound in that they are able to attract, retain and motivate the Directors and key management personnel of the Trustee-Manager, without being excessive, and thereby maximise Unitholders' value. The RC recommends to the Board for endorsement a framework of remuneration (which covers all aspects of remuneration including Directors' fees, salaries, allowances, bonuses, grant of shares and benefits in kind) and the specific remuneration packages for each Director and the CEO. The RC also reviews the remuneration of the key management personnel of the Trustee-Manager. In addition, the RC reviews the Trustee-Manager's obligations arising in the event of termination of key management personnel's contract of service, to ensure that such contracts of service contain fair

and reasonable termination clauses which are not overly generous.

The RC has access to expert advice in the field of executive compensation outside the Trustee-Manager where required.

ANNUAL REMUNERATION REPORT

Although the remuneration and compensation, including any bonus or profit sharing plan, payable to Directors and employees of the Trustee-Manager is paid by the Trustee-Manager (in its personal capacity), and not by KGT, the Trustee-Manager is disclosing the following information on the remuneration of its Directors and key management personnel.

POLICY IN RESPECT OF NON-EXECUTIVE DIRECTORS' REMUNERATION

Directors' fees are established annually for the Directors, the amount of which is dependent on their level of responsibilities on the Board and its committees. Each Director is paid a basic fee. In addition, Directors who perform additional services through Board committees are paid an additional fee for such services. The Chairman of the Board and of each Board committee is paid a higher fee compared with members of the Board and of such Board committee in view of the greater responsibility carried by that office. None of the Directors has any service contracts with the Trustee-Manager.

The framework in FY 2013 for determining the Directors' fees is shown in the table below:

Main Board	Chairman	\$40,000 per annum
	Director	\$25,000 per annum
Audit Committee	Chairman	\$12,000 per annum
	Member	\$8,000 per annum
Nominating Committee	Chairman	\$8,000 per annum
	Member	\$4,000 per annum
Remuneration Committee	Chairman	\$8,000 per annum
	Member	\$4,000 per annum
Conflicts Resolution Committee	Chairman	\$8,000 per annum
	Member	\$4,000 per annum

Level and Mix of Remuneration of Directors, CEO and Top 5 Key Management Personnel

Remuneration & Names of Directors	Base/Fixed Salary (\$)	Variable or Performance-Related Income/Bonuses (\$)	Directors' Fees (\$)	Benefits-in-Kind (\$)	Contingent awards of shares (\$)	Total Remuneration (\$)
Khor Poh Hwa	–	–	44,000	–	–	44,000
Alan Ow Soon Sian	–	–	41,000	–	–	41,000
Paul Ma Kah Woh	–	–	45,000	–	–	45,000
Quek Soo Hoon	–	–	45,000	–	–	45,000
Thio Shen Yi	–	–	37,000	–	–	37,000
Teo Soon Hoe	–	–	29,000	–	–	29,000
Tan Boon Leng ¹	–	–	11,644	–	–	11,644
Tay Lim Heng ²	–	–	13,356	–	–	13,356

¹ Mr Tan Boon Leng was appointed as a non-independent non-executive Director with effect from 15 July 2013. His director's fees are pro-rated.

² Mr Tay Lim Heng resigned as non-independent non-executive Director with effect from 15 July 2013. His director's fees are pro-rated.

The total remuneration paid to the CEO and key management personnel (who are not also Directors) in FY 2013 was \$1,785,655. The level and mix of the CEO and each of the top five key management personnel (who are not also Directors) in bands of \$250,000 are set out below:

Remuneration Band & Names of CEO and Top Five Key Management Personnel	Base/Fixed Salary	Performance-Related Bonuses Earned (including EVA ² and non-EVA Bonuses)		Benefits-in-Kind	Contingent awards of shares ¹
		Paid	Deferred & at risk		
Above \$500,000 to \$750,000					
Thomas Pang Thieng Hwi	43%	22%	4%	n.m. ³	31%
Above \$250,000 to \$500,000					
Foo Chih Chi	42%	26%	15%	n.m. ³	17%
Below \$250,000					
Chua Lionel ⁴	80%	20%	–	n.m. ³	–
Koh Hee Song	92%	8%	–	n.m. ³	–
Liew Yuen Cheng	64%	15%	–	n.m. ³	21%
Lu Yeow Chor	86%	14%	–	n.m. ³	–

¹ Based on Keppel Corporation Limited Restricted Share Plan (KCL RSP) granted on 28 March 2013. Shares awarded under the KCL RSP are subject to pre-determined performance targets set over a one-year performance period. As at 28 March 2013, the estimated fair value of each share granted in respect of the contingent awards under the KCL RSP was \$10.54.

² "EVA" means Economic Value Added.

³ "n.m." means not material.

⁴ Mr Chua Lionel was appointed as Chief Financial Officer ("CFO") of the Trustee-Manager with effect from 20 May 2013. His total remuneration is pro-rated.

REMUNERATION POLICY IN RESPECT OF CEO AND KEY MANAGEMENT PERSONNEL

The Trustee-Manager advocates a performance-based remuneration system that is flexible and responsive to the market and the individual employee's performance.

The compensation structure is directly linked to corporate and individual performance, both in terms of financial and non-financial performance. There are four scorecard areas identified as key to measuring performance – (a) Commercial/Financial; (b) Customers; (c) Process; and (d) People. The four scorecard areas have been chosen because they support how the Trustee-Manager achieves its strategic objectives.

The total remuneration mix comprises three key components; that is, annual fixed cash, annual performance incentive, and the Keppel Corporation Limited ("KCL") Share Plan. The annual fixed cash component comprises the annual basic salary plus any other fixed allowances. The annual performance incentive is tied to the individual employee's performance and the performance of KGT. This allows the Trustee-Manager to better align executive compensation towards Unitholders' value creation. The KCL Share Plan is in the form of KCL Restricted Share Plan.

The compensation structure is designed such that to stay competitive and relevant, the Trustee-Manager benchmarks the annual fixed salaries of key management personnel at the target market level with the variable compensation being strictly performance-driven.

The RC has the discretion not to award variable incentives in any year if an executive is directly involved in a material restatement of financial statements or of misconduct resulting in restatement of financial statements or of misconduct resulting in financial loss to KGT.

LEVEL AND MIX OF REMUNERATION OF DIRECTORS, CEO AND TOP FIVE KEY MANAGEMENT PERSONNEL FOR THE YEAR ENDED

31 DECEMBER 2013

The level and mix of each of the Directors' remuneration (other than the CEO) and that of the CEO and each of the other top five key management personnel in bands of S\$250,000, for the year ended 31 December 2013 are set out at page 38.

REMUNERATION OF EMPLOYEES WHO ARE IMMEDIATE FAMILY MEMBERS OF A DIRECTOR OR THE CHIEF EXECUTIVE OFFICER

No employee of the Trustee-Manager was an immediate family member of a Director or the CEO and whose remuneration exceeded S\$50,000 during FY 2013. "Immediate family member" means the spouse, child, adopted child, step-child, brother, sister and parent.

ACCOUNTABILITY AND AUDIT

Principle 10:

The Board should present a balanced and understandable assessment of the company's performance, position and prospects

Principle 12:

Establishment of Audit Committee with written terms of reference

The Board is responsible to Unitholders for providing a balanced and understandable assessment of KGT's performance, position and prospects.

The Board has embraced openness and transparency in the conduct of the Trustee-Manager's affairs, whilst preserving the commercial interests of KGT. Financial reports and other price-sensitive information are disseminated to Unitholders through announcements via SGXnet, press releases, KGT's website and investor meetings.

Management provides all members of the Board with management accounts which present a balanced and understandable assessment of KGT's performance, position and

prospects on a periodic basis and as the Board may require from time to time. Such reports include financial results, market and business developments, and business and operational information. The financial results are compared against the respective budgets, together with explanations for significant variances for the reporting period.

AUDIT COMMITTEE

The Audit Committee (AC) has been appointed by the Board from among the Directors of the Trustee-Manager and comprises three independent non-executive Directors:

Mr Paul Ma Kah Woh	Chairman
Mr Alan Ow Soon Sian	Member
Ms Quek Soo Hoon	Member

All members of the AC have accounting or related financial management expertise or experience.

The AC's main role is to assist the Board to ensure integrity of financial reporting and that there is in place a sound system of internal controls.

The AC's terms of reference are set out on page 46 herein.

The AC has explicit authority to investigate any matter within its terms of reference, full access to and co-operation by management and full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly. The Trustee-Manager's internal audit functions are performed by Keppel Corporation's Group Internal Audit department (Group Internal Audit). Group Internal Audit, together with the external auditors, reports their findings and recommendations independently to the AC.

The AC met the external auditors twice in the year. The AC also met with the internal auditors on four occasions. At least one of the meetings with each of the external auditors and internal auditors was held without the presence of management.

During the year, the AC performed a review of the financial statements of KGT before the announcement of KGT's quarterly results and full year results. In the process, the AC reviewed the key areas of management judgment applied for adequate provisioning and disclosure, critical accounting policies and any significant changes made that would have had a material impact on the financial statements. Changes to accounting standards and issues which have a direct impact on the financial statements were reported to the AC by the Trustee-Manager and highlighted by the external auditors in their report to the AC. In addition, the AC members were also invited to the annual finance conference hosted by Keppel Corporation's Group Control & Accounts where relevant changes to accounting standards that will impact the Keppel Group of companies were discussed with accounting practitioners from one of the leading accounting firms.

The AC also reviewed and approved both the internal auditors' and external auditors' plans to ensure that the plans covered sufficiently in terms of audit scope in reviewing the significant internal controls of KGT and the Trustee-Manager. Such significant controls comprise financial, operational, compliance and information technology controls, and risk management. All audit findings and recommendations put up by the internal and the external auditors, were forwarded and discussed at the AC meetings.

In addition, the AC undertook a review of the independence and objectivity of the external auditors through discussions with the external auditors as well as a review of the non-audit services performed and the non-audit fees paid to them, and confirmed that the non-audit services performed by the external auditors would not affect their independence.

The aggregate audit fees payable to the external auditors, broken down into audit services and non-audit services paid or payable for FY 2013 have been disclosed at page 79.

KGT has complied with Rule 712, and Rule 715 read with Rule 716 of the SGX Listing Manual in relation to its auditing firms.

The AC reviewed the "Whistle-Blower Protection Policy" which provides for the mechanisms by which employees and other persons may, in confidence, raise concerns about possible improprieties in financial reporting or other matters, and was satisfied that arrangements are in place for the independent investigation of such matters and for appropriate follow-up action.

To facilitate the management of incidences of alleged fraud or other misconduct, the AC is guided by a set of guidelines to ensure proper conduct of investigations and appropriate closure actions following completion of the investigations, including administrative, disciplinary, civil and/or criminal actions, and remediation of control weaknesses that perpetrated the fraud or misconduct so as to prevent a recurrence. At each quarterly meeting, the AC will review any reported case filed under the Whistle-Blower Protection Policy to ensure proper and timely follow-up. The details of the Whistle-Blower Protection Policy are set out on pages 48 and 49 hereto.

On a quarterly basis, management reported to the AC the interested person transactions ("IPTs") in accordance with KGT's Unitholders' Mandate for IPTs. The IPTs were reviewed by the internal auditors. All findings were reported during AC meetings.

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 11:

Sound system of risk management and internal controls

The Board of Directors, supported by the AC, oversees KGT's system of internal controls and risk management.

The AC assists the Board in the effective discharge of its responsibilities in ensuring that KGT and the Trustee-Manager maintain a sound system of risk management and internal controls to safeguard KGT's assets and

Unitholders' interests. The AC reviews and guides the Trustee-Manager in the formulation of risk policies and processes to effectively identify, evaluate and manage significant risks, and ensures that the Trustee-Manager has put in place internal control policies and procedures in areas such as financial, operational, compliance and information technology controls, and risk management.

Recognising and managing risk is central to the business of KGT and to protecting Unitholders' interests and value. The Trustee-Manager has appointed an experienced and well-qualified Operation and Maintenance (O&M) contractor to handle its day-to-day operations.

The Trustee-Manager's internal and external auditors also conduct an annual review of the adequacy and effectiveness of KGT's and the Trustee-Manager's material internal controls, including financial, operational, compliance and information technology controls, and risk management. Any material non-compliance or failures in internal controls and significant risk matters, and recommendations for improvements are reported to the AC. The AC also reviews the effectiveness of the actions taken by the management on the recommendations made by the internal and external auditors.

The Board met 4 times in 2013 to review the financial performance of KGT. During the year, the Board also discussed the key business risks in KGT and the risk management policies and procedures that management had put in place.

In assessing business risks, the Board takes into consideration the economic environment, the risks relevant to the infrastructure industry, the risks particular to KGT and the procedures put in place by the O&M contractor. The Trustee-Manager has implemented a systematic risk assessment process to identify business risks and mitigating actions. The Trustee-Manager's approach to risk management and internal control and the management of key business risks is set out in the "Risk Management" section at pages 25, 52 and 53 of this Annual Report.

KGT is guided by a set of Risk Tolerance Guiding Principles, approved by the Board, as detailed under the "Risk Management" section of pages 52 and 53 of this Annual Report.

In addition, the Trustee-Manager has adopted the Keppel's System of Management Controls Framework (the "Framework") outlining KGT's internal control and risk management processes and procedures. The Framework comprises three Lines of Defence ("LoD") towards ensuring the adequacy and effectiveness of KGT's system of internal controls and risk management.

Under the first LoD, the Trustee-Manager is required to ensure good corporate governance through the implementation and management of policies and procedures relevant to KGT's business scope and environment. Such policies and procedures govern financial, operational, information technology and compliance matters and are reviewed and updated periodically. Employees are also guided by the Keppel Group's Core Values and expected to comply strictly with the Employee Code of Conduct.

Under the second LoD, the Trustee-Manager conducted an annual self-assessment exercise to assess the status of the internal controls and risk management via self-assessment questionnaires. Action plans would then be drawn up to remedy identified weaknesses. Through the Enterprise Risk Management Framework, significant risks areas were identified and assessed, with systems, policies and processes put in place to manage and mitigate the identified risks. Fraud risk management processes include mandatory conflict of interest declaration by employees in high-risk positions and the implementation of policies such as the Whistle-Blower Protection Policy and Employee Code of Conduct to establish a clear tone at the top with regard to employees' business and ethical conduct.

Under the third LoD, assurances are sought from the internal and external auditors based on their independent assessments.

The Board has also received assurance from the CEO and CFO that, amongst others:

- a. the financial records have been properly maintained and the financial statements give a true and fair view of KGT's operations and finances;
- b. the internal controls are adequate and effective to address the financial, operational, compliance and information technology risks which KGT considers relevant and material to its current business scope and environment and that they are not aware of any material weakness in the system of internal controls; and
- c. they are satisfied with the adequacy and effectiveness of KGT's risk management system.

For FY 2013, based on KGT's framework of management control, the internal control policies and procedures established and maintained by the Trustee-Manager, the operational risk management procedures put in place by the O&M contractor, and the regular audits, monitoring and reviews performed by the internal and external auditors, and management, the Board, with the concurrence of the AC, is of the opinion that, the internal controls to address the financial, operational, compliance risks and information technology controls, and risk management systems which the Trustee-Manager considers relevant and material to its current business scope and environment, are adequate and effective.

The system of internal controls and risk management established by the Trustee-Manager provides reasonable, but not absolute, assurance that the Trustee-Manager will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

INTERNAL AUDIT

Principle 13:

Effective and independent internal audit function that is adequately resourced

The role of Group Internal Audit is to assist the AC to ensure that KGT and the Trustee-Manager maintain a sound system of internal controls by reviewing the key controls and procedures and ensuring their effectiveness, undertaking investigations as directed by the AC, and conducting regular in-depth audits of high risk areas.

Staffed by suitably qualified and experienced executives, Group Internal Audit has unrestricted direct access to the AC and unfettered access to all documents, records, properties and personnel. The Head of Group Internal Audit's primary line of reporting is to the chairman of the AC.

As a corporate member of the Singapore branch of the Institute of Internal Auditors Incorporated, USA (IIA), Group Internal Audit is guided by the International Standards for the Professional Practice of Internal Auditing (International Standards) set by the IIA. These standards consist of attribute and performance standards. External quality assessment reviews are carried out at least once every 5 years by qualified professionals, with the last assessment conducted in 2011 and the results reaffirmed that the internal audit activity conforms to the International Standards.

During the year, Group Internal Audit adopted a risk-based auditing approach that focuses on material internal controls, including financial, operational and compliance and information technology controls. Group Internal Audit's reports are submitted to the AC for deliberation with copies of these reports extended to the relevant senior management personnel. In addition, Group Internal Audit's summary of findings and recommendations are discussed at the AC meetings.

The AC reviewed and is satisfied that Group Internal Audit is adequately resourced to perform its functions and

has appropriate standing within KGT and the Trustee-Manager.

COMMUNICATION WITH UNITHOLDERS

Principle 14:

Fair and equitable treatment of Unitholders and protection of Unitholders' rights

Principle 15:

Regular, effective and fair communication with Unitholders

Principle 16:

Greater Unitholder participation at general meetings

In addition to the matters mentioned above in relation to "Access to Information/Accountability", the Trustee-Manager regularly communicates with Unitholders and receives and attends to their queries and concerns.

KGT has in place an Investor Relations Policy which sets out the principles and practices that KGT applies in order to provide Unitholders and prospective investors with information necessary to make well-informed investment decisions and to ensure a level playing field. The Investor Relations Policy is published on KGT's website at www.kgreentrust.com.

Material information is disclosed in a comprehensive, accurate and timely manner via SGXnet and the press. The Trustee-Manager does not practice selective disclosure, material and price-sensitive information is publicly released to the public via SGXnet and the press within mandatory periods.

The Trustee-Manager keeps equity research analysts apprised of corporate developments through conference calls and via emails following KGT's results announcements to encourage and facilitate research coverage.

The Trustee-Manager also holds investor meetings and site visits to introduce and explain KGT's businesses to the investment community.

The Trustee-Manager ensures that Unitholders have the opportunity to participate effectively and vote at

Unitholders' meeting. Unitholders are informed of Unitholders' meetings through notices published in the newspapers and via SGXnet, and reports or circulars sent to all Unitholders. Unitholders are invited at such meetings to put forth any questions they may have on the motions to be debated and decided upon. Unitholders are also informed of the rules, including voting procedures, governing such meetings. If any Unitholder is unable to attend, he is allowed to appoint up to two proxies to vote on his behalf at the meeting through proxy forms sent in advance.

At Unitholders' meetings, each distinct issue is proposed as a separate resolution. To ensure transparency, the Trustee-Manager conducts electronic poll voting for Unitholders/proxies present at the meeting for all the resolutions proposed at the general meeting. Votes cast for and against and the respective percentages, on each resolution will be displayed 'live' to Unitholders/proxies immediately after each poll conducted. The total number of votes cast for or against the resolutions and the respective percentages are also announced in a timely manner after the general meeting via SGXnet.

The Chairman of the Board and each Board committee is required to be present to address questions at general meetings of Unitholders. External auditors are also present at such meetings to assist the Directors to address Unitholders' queries, if necessary.

The Trustee-Manager will not be implementing absentee voting methods such as voting via mail, e-mail or fax until security, integrity and other pertinent issues are satisfactorily resolved.

The company secretaries of the Trustee-Manager prepare minutes of Unitholders' meetings, which incorporates substantial comments or queries from Unitholders and responses from the Board and management. These minutes are available to Unitholders upon their requests.

SECURITIES TRANSACTIONS INSIDER TRADING POLICY

The Trustee-Manager has issued a formal insider trading policy on dealings in the securities of KGT to its directors and officers, setting out the implications of insider trading and guidance on such dealings. In compliance with Rule 1207(19) of the Listing Manual on best practices on dealing in securities, the Trustee-Manager issues circulars to its directors and officers informing that the Trustee-Manager and its officers must not deal in listed securities of KGT one month before the release of the full-year results and two weeks before the release of quarterly results, and if they are in possession of unpublished price-sensitive information.

CONFLICTS OF INTERESTS GENERAL

The Board has formed a Conflicts Resolution Committee (CRC), consisting entirely of independent Directors:

Ms Quek Soo Hoon	Chairman
Mr Thio Shen Yi	Member
Mr Paul Ma Kah Woh	Member

The CRC's primary role is to review conflicts or potential conflicts of interest that may arise from time to time in the course of KGT's business or operations between (i) KGT and (ii) any Director or officer of the Trustee-Manager, any controlling Unitholder (as defined in the Listing Manual), or any controlling shareholder of the Trustee-Manager (as defined in the Listing Manual). The CRC's terms of reference are set out at pages 47 and 48 herein.

The CRC has adopted the following framework to resolve such conflicts or potential conflicts of interest:

- a. first, to identify the conflict or potential conflict and then assess and evaluate its nature and extent; and
- b. then, to develop and implement one or more appropriate measures with the aim of controlling, avoiding or mitigating such conflict or potential conflict.

The CRC will apply this framework both in the course of day-to-day conduct of

business, as well as in the specific instances when a particular acquisition or disposal is contemplated. In the course of day-to-day conduct of business, all Directors, officers and employees of the Trustee-Manager are obliged to keep strictly confidential all matters received by them in the course of their service to the Trustee-Manager (including without limitation information relating to potential acquisition or disposal opportunities) and not disclose any such matter to any other person.

As an example, when the Trustee-Manager identifies an acquisition or disposal target and seeks the approval of the Board to pursue the transaction:

- a. Each Director and officer of the Trustee-Manager will be obliged to disclose to the CRC whether he or, as far as he is aware, his affiliates (including family members, companies of which he is a significant shareholder, director or employee) have an interest in pursuing the same target (Potential Conflict of Interest);
- b. If any Director discloses to the CRC that he or his affiliates have a Potential Conflict of Interest, the CRC will consider the nature and extent of the Potential Conflict of Interest and develop such measures as may be appropriate to address these issues (including, where material, disclosure of such measures to Unitholders at the appropriate time);
- c. As part of such measures, the CRC may require the relevant Director to abstain from participating in the deliberations of the Board on the transaction;
- d. The CRC will monitor the implementation by the Trustee-Manager of the measures imposed by the CRC in order to resolve or mitigate the Potential Conflict of Interest; and
- e. The obligation on the Director to make disclosures to the CRC, and on the CRC to review, a Potential Conflict of Interest in relation to any particular transaction is an ongoing obligation and lasts for so long as that transaction is still on-going. This obligation is not imposed only at the start of

the transaction. Thus, if in the course of considering the transaction, a Director should learn of a Potential Conflict of Interest, then that Director is required forthwith to make the necessary disclosure to the CRC so that the CRC may consider such matters and take the necessary actions.

The CRC will periodically review the framework to ascertain how it has worked out in practice and, where appropriate, will consider and implement further measures to fine-tune the framework so as to make it better suited to the potential conflict issues that the Trustee-Manager may face, including procedures to ensure that no controlling Unitholder or controlling shareholder of the Trustee-Manager would be able to influence the evaluation of potential acquisitions, disposals or other transactions in a manner contrary to the interests of Unitholders as a whole.

The CRC will have the power to appoint an independent adviser to advise on and recommend procedures to resolve or mitigate such conflict or potential conflict of interests, so as to enable the CRC to discharge its duties to the Unitholders. The independent adviser may also be called on to provide an opinion as to whether the procedures recommended by the CRC to resolve or mitigate conflicts or potential conflicts are carried out in an appropriate and effective manner.

On 1 May 2013, Keppel Corporation announced a strategic exercise pursuant to which Keppel Energy Pte. Ltd. and KIE were reorganised under KI with effect from 2 May 2013. As part of the reorganisation, the Trustee-Manager became a wholly-owned subsidiary of KI.

The CRC and the framework will be in place for so long as (i) the Trustee-Manager remains as the Trustee-Manager of KGT and (ii) KI, its related corporations and/or any of its associates remain

as controlling shareholders (as defined in the Listing Manual) of the Trustee-Manager or in fact exercise control (as defined in the Listing Manual) over the Trustee-Manager.

The CRC also adopted additional guidelines as set out at page 48 of the Appendix hereto.

SPECIFIC POTENTIAL CONFLICT OF INTEREST

There may be potential conflict of interests between KGT, KI and other KI Group Entities (ie. a subsidiary entity, trust or undertaking of KI (including KIE), excluding for the avoidance of doubt each of the Trustee-Manager and its subsidiary entities, trusts and undertakings).

Although the Trustee-Manager is a wholly-owned subsidiary of KIE, its Board composition includes four independent Directors which make up the majority of the Board. All the Directors have a duty to disclose their interests in respect of any transaction in which they have any personal material interest or any actual or potential conflicts of interest (including a conflict that arises from their directorship or employment or personal investment in any corporation). Upon such disclosure, such Directors will not participate in any proceeding of the Board and shall abstain from voting in respect of any such transaction where the conflict arises, unless the AC (in the case of interested person transactions) or the CRC (in the case of a conflict of interests) has determined that there is no such interest or conflict of interest.

In respect of matters of KGT which Keppel Corporation, KI and/or their subsidiaries have an interest, direct or indirect, the non-independent Directors (including the Chairman) shall abstain from voting in view of their directorship/employment with Keppel Corporation, KI and/or their subsidiaries. In such matters, the quorum will comprise a majority of the independent Directors of the Trustee-Manager and shall exclude the non-independent

Directors. Such matters will fall also within the purview of the AC.

KIE and its associates cannot vote their Units at, or be part of a quorum for, any meeting of Unitholders convened to approve any matter in which KIE or any of its associates has a material interest in the business to be conducted.

In addition, if the Trustee-Manager is required to decide whether to take action against any person in relation to a breach of any agreement entered into by the Trustee-Manager for and on behalf of KGT with an interested party of the Trustee-Manager, the Trustee-Manager shall consult with a reputable law firm for legal advice on the matter. For example, if there is a breach of an O&M Agreement, the Trustee-Manager will be required to consult a reputable law firm for legal advice on the matter.

DISCLOSURE OF CONFLICTS OR POTENTIAL CONFLICTS OF INTEREST

During the year, the CRC met to review conflicts or potential conflicts of interest in the course of KGT's business or operations between (i) KGT and any (ii) director or officer of the Trustee-Manager, controlling Unitholder, or controlling shareholder of the Trustee-Manager.

INTERESTED PERSON TRANSACTIONS THE TRUSTEE-MANAGER'S INTERNAL CONTROL SYSTEM

The Trustee-Manager has established an internal control system to ensure that all interested person transactions are undertaken on normal commercial terms and are not prejudicial to the interests of KGT and its minority Unitholders.

On 16 April 2013, KGT obtained a general mandate from its Unitholders pursuant to Chapter 9 of the Listing Manual (Unitholders' Mandate) to enable KGT, a subsidiary of KGT or an associated company of KGT (collectively the "Entities at Risk" or "EAR Group"), as the term is used in the Listing Manual, in the ordinary course of their business, to enter into the Mandated Transactions with the Mandated Interested Persons (as respectively defined in the

Interested Person Transactions Transacted for the Period 1 January 2013 to 31 December 2013

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under unitholders' mandate pursuant to Rule 920) (\$'000)	Aggregate value of all interested person transactions conducted under a unitholders' mandate pursuant to Rule 920 of the SGX Listing Manual (excluding transactions less than \$100,000) (\$'000)
Keppel Corporation Group		
General Transactions	–	–
Treasury Transactions	–	42,356
Total	–	42,356

Appendix to the Notice of Annual General Meeting dated 25 March 2013) which are necessary for the day-to-day operations of KGT, provided that all such transactions are carried out on normal commercial terms and are not prejudicial to the interests of KGT and its minority Unitholders. The Unitholders' Mandate remains in force until the next Annual General Meeting.

In view of the time-sensitive nature of commercial transactions and the frequency of commercial transactions between members in the EAR Group and KGT's interested persons, it would be advantageous to KGT to renew the above Unitholders' Mandate and KGT will seek Unitholders' approval for the same during the forthcoming Annual General Meeting.

The interested person transactions transacted for the period 1 January 2013 to 31 December 2013 by KGT are as above.

MATERIAL CONTRACTS

For the financial period between 1 January 2013 to 31 December 2013, there was no material contract that was not in the ordinary course of business, entered into by KGT or any of its subsidiaries involving the interest of the CEO, any Director, or controlling Unitholder.

STATEMENT OF POLICIES AND PRACTICES

The Trustee-Manager has established policies and practices in relation to

its management and governance of KGT to ensure that KGT is managed in the interest of the Unitholders.

These policies and practices include:

- the trust property of KGT is properly accounted for and trust property is kept distinct from the property of the Trustee-Manager in its own capacity. The Trustee-Manager maintains different bank accounts in its personal capacity and in its capacity as the Trustee-Manager of KGT.
- the Board reviews and approves all investments and acquisitions by KGT in accordance with the business objectives and investment scope as set out in KGT's trust deed.
- the Board has set up the CRC, consisting entirely of independent Directors, to deal with conflicts or potential conflicts of interest between KGT and the Trustee-Manager. The details of the measures taken are as set out at pages 47 and 48.
- the Trustee-Manager has established internal control systems to ensure that all interested person transactions are undertaken on normal commercial terms and are not prejudicial to the interests of KGT and its minority Unitholders. The internal auditors carry out a review of interested person transactions and submit a report to the AC (comprising entirely of independent Directors). The AC reviews the report submitted and ensures compliance with applicable legislation and the relevant

provisions of the Listing Manual.

The details of the interested person transactions for the period between 1 January 2013 and 31 December 2013 have been set out above.

- the Trustee-Manager has adopted a Whistle-Blower Protection Policy, an Employee Code of Conduct, a Code of Practice on Safeguarding Information and an Insider Trading Policy which reflects the management commitment to conduct its business within a framework that fosters the highest ethical and legal standards.
- the expense and cost allocations (if any) payable to the Trustee-Manager in its capacity as Trustee-Manager of KGT out of the trust property of KGT are reviewed and approved by the Board, to ensure that the fees and expenses charged to KGT are appropriate and in accordance with the KGT trust deed. The fees and expenses paid to the Trustee-Manager relate to Management Fees and Performance Fees disclosed at pages 76 and 77.
- the Trustee-Manager has engaged the services of and obtained advice from professional advisers and consultants from time to time, and in particular when dealing with acquisitions and capital raising, to ensure compliance with the requirements of the BTA, BTR and the Listing Manual.

APPENDIX

BOARD COMMITTEES – TERMS OF REFERENCE

A. AUDIT COMMITTEE

1. Review and report to the Board at least annually the adequacy and effectiveness of the Trustee-Manager's internal control system, including financial, operational, compliance and information technology controls, and risk management systems (such review can be carried out internally or with the assistance of any competent third parties);
2. Perform a review of K-Green Trust's (KGT) financial statements and announcements relating to financial performance, and review significant financial reporting issues and judgments contained in them, for assurance of the integrity of such statements and announcements;
3. Review audit plans and reports of the external and internal auditors, and consider the effectiveness of actions or policies taken by management on the recommendations and observations;
4. Monitor the procedures established to regulate interested person transactions, including reviewing any interested person transactions entered into from time to time and ensuring compliance with applicable legislation and the relevant provisions of the Listing Manual (this review will exclude conflicts of interest, which are dealt with by the Conflicts Resolution Committee);
5. Monitor the implementation of the foreign exchange hedging policy approved by the Board as well as review and recommend to the Board all other hedging policies and instruments before implementation by KGT;
6. Review the independence and objectivity of the external and internal auditors annually and as part of the review of independence, to review the nature and extent of non-audit services performed by the external auditors;

7. Meet with external and internal auditors, without the presence of Management, at least annually;
8. Review the adequacy and effectiveness of the Trustee-Manager's internal audit function, at least annually;
9. Review and ensure at least annually that the internal audit function is adequately resourced and has appropriate standing within the Trustee-Manager;
10. Approve the hiring, removal, evaluation and compensation of the accounting / auditing firm or corporation to which the internal audit function is outsourced;
11. Recommend to the Board on the proposal to the Unitholders on the appointment, re-appointment and removal of the external auditor;
12. Approve the remuneration of the external auditor;
13. Investigate any matters within the Audit Committee's terms of reference, whenever it deems necessary;
14. Obtain, at the Trustee-Manager's or KGT's expense, external professional advice on any matter within its terms of reference;
15. Report to the Board on material matters, findings and recommendations;
16. Review the policy and arrangements (such as whistle-blowing policy) by which staff of the company and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. The objective should be to ensure that arrangements are in place for such concerns to be raised and independently investigated, and for appropriate follow-up action to be taken.
17. Sub-delegate any of its powers within its terms of reference as listed above from time to time as the Audit Committee may deem fit;
18. Carry out all other functions of the Audit Committee in accordance with Regulation 13(6) of the Singapore Business Trusts Regulations.

B. NOMINATING COMMITTEE

1. Review and assess candidates for directorships (including executive directorships) before making recommendations to the Board for the appointment/re-appointment/removal of Directors on Trustee-Manager's Board and KGT's subsidiaries.
2. Re-nomination for re-election of the Directors on the Trustee-Manager's Board and K-Green Trust's subsidiaries in accordance with the Trustee-Manager's Articles of Association, having regard to the Director's contribution and performance.
3. Review annually the composition of the Board of the Trustee-Manager and conduct an annual review of balance and diversity of skills, experience, gender and knowledge required by the Board, and the size of the Board which would facilitate decision-making.
4. Determine annually whether or not a Director of the Trustee-Manager is independent in the manner provided in the Business Trust Regulations. In this connection, the Nominating Committee should conduct particularly rigorous review of the independence of any director who has served on the Board beyond nine years from the date of his first appointment.
5. Ensure that the Board of the Trustee-Manager comprises:
 - a. at least a majority of the Directors who shall be independent from management and business relationships with the Trustee-Manager;
 - b. at least one-third of the Directors who shall be independent from management and business relationships with the Trustee-Manager and from every substantial shareholder of the Trustee-Manager; and
 - c. at least a majority of the Directors who shall be independent from any single substantial shareholder of the Trustee-Manager.
6. Decide, where a Director has other listed company board

representation and/or other principal commitments, whether the Director is able to and has been adequately carrying out his duties as Director of the Trustee-Manager.

7. Decide how the Trustee-Manager's Board performance may be evaluated, and propose objective performance criteria to assess effectiveness of the Board as a whole and the contribution of each Director and thereafter carry out annual assessment of the Board and individual Directors based on the criteria set.
8. Review the succession plans for the Board (in particular, the Chairman) and senior management (in particular, the Chief Executive Officer).
9. Review talent development plans.
10. Review the training and professional development programs for Board members.
11. Report to the Board on material matters and recommendations.
12. Review the Nominating Committee's terms of reference annually and recommend any proposed changes to the Board.
13. Perform such other functions as the Board may determine.
14. Sub-delegate any of its powers within its terms of reference as listed above, from time to time, as the Nominating Committee may deem fit.

Save that a member of the Nominating Committee shall not be involved in the deliberations in respect of any matter in which he has a personal interest in.

C. REMUNERATION COMMITTEE

1. Review and recommend to the Board a framework of remuneration for Board members and key management personnel, and the specific remuneration packages for each Director as well as for the key management personnel.
2. Review the Trustee-Manager's obligations arising in the event of termination of the executive directors' and key management personnel's contracts of service, to ensure that such clauses are fair and reasonable and not overly generous.
3. Consider whether Directors should be eligible for benefits

under long-term incentive schemes (including weighing the use of share schemes against the other types of long-term incentive scheme).

4. Report to the Board on material matters and recommendations.
5. Review the Remuneration Committee's terms of reference annually and recommend any proposed changes to the Board.
6. Perform such other functions as the Board may determine.
7. Sub-delegate any of its powers within its terms of reference as listed above, from time to time as the Remuneration Committee may deem fit.

Save that a member of the Remuneration Committee shall not be involved in the deliberations in respect of any remuneration, compensation, award of shares or any form of benefits to be granted to him.

D. CONFLICTS RESOLUTION COMMITTEE

1. Review conflicts or potential conflicts of interest that may arise from time to time in the course of KGT's business or operations between (i) KGT and (ii) any Director or officer of the Trustee-Manager, any controlling Unitholder (as defined in the Listing Manual), or any controlling shareholder of the Trustee-Manager (as defined in the Listing Manual);
2. Consider declarations made by a Director and/or officer of the Trustee-Manager when they declare a potential conflict of interest, identify conflict or potential conflict of interest issues and then assess and evaluate its nature and extent;
3. Develop and implement one or more appropriate measures with the aim of controlling, avoiding or mitigating such conflict or potential conflict (including, where material, disclosure of such measures to Unitholders at the appropriate time);
4. Monitor the implementation by the Trustee-Manager of the measures imposed by the Conflicts Resolution Committee in order to resolve or mitigate conflict or potential conflict of interest;

5. Periodically review the framework to resolve conflict or potential conflict of interest and ascertain how it has worked out in practice and, where appropriate, to consider and implement further measures to fine-tune the framework so as to make it better suited to the potential conflict issues that the Trustee-Manager may face, including procedures to ensure that no controlling Unitholder or controlling shareholder of the Trustee-Manager would be able to influence the evaluation of potential acquisitions or disposals in a manner contrary to the interests of Unitholders as a whole; and
6. Where appropriate, appoint an independent adviser to advise on and recommend procedures to resolve or mitigate such conflict or potential conflict of interests, so as to enable the Conflicts Resolution Committee to discharge its duties to the Unitholders.

Save that the terms of reference of the Conflicts Resolution Committee would exclude review of interested person transactions which fall within the purview of the Audit Committee.

ADDITIONAL GUIDELINES TO THE CRC FRAMEWORK

1. A conflict of interest situation that arises should be brought to the attention of the CRC immediately, which will consider the situation against the guidelines and if the CRC is of the view that the compliance with the guidelines are not adequate to control, avoid or mitigate the conflict of interest, a CRC meeting will be convened to discuss the conflict.
2. A distinction is to be made between the processes of participation in deliberation and the voting in the transaction as a Director on the Board. An interested Director will be required to abstain from voting on the transaction where there

exists a conflict of interest but it should not prohibit the interested Director from participating in the deliberations of the relevant transaction.

3. However, if an interested Director is also a direct counterparty (for example, if the Director is an officer or sits on the board of directors of the counterparty), such a Director will be required not only to abstain from deliberation of the transaction but also to abstain from voting.
4. It is acknowledged that a Director has a right to information but the decision whether to disclose such sensitive information (for instance, where the transaction is that of a competitive bid between interested persons) must be made in the best interests of KGT and this is to be decided on a case-by-case basis. Management should consult the CRC in this respect.

BOARD ASSESSMENT EVALUATION PROCESSES

Each Board member is required to complete a Board Evaluation Questionnaire and send the Questionnaire direct to the Independent Coordinator within 2 weeks. Based on the returns of each Director, the Independent Coordinator prepares a consolidated report to brief the Chairman of the Nominating Committee and the Board Chairman on the report. The Independent Coordinator will thereafter present the report to the Board for discussion on the changes which should be made to help the Board discharge its duties more effectively.

The Questionnaire consists of two parts:

1. Board Evaluation
2. Non-executive Directors' Peer Evaluation and Self Assessment

Directors are also invited to include written comments in spaces provided throughout the questionnaire.

WHISTLE-BLOWER PROTECTION POLICY

The Whistle-Blower Protection Policy (the "Policy") took effect on 1 February 2011 to encourage reporting in good faith of suspected Reportable Conduct (as defined below) by establishing clearly defined processes through which such reports may be made with confidence that employees and other persons making such reports will be treated fairly and, to the extent possible, protected from reprisal.

Reportable Conduct refers to any act or omission by an employee of the Group or contract worker appointed by a company within the Group, which occurred in the course of his or her work (whether or not the act is within the scope of his or her employment) which in the view of a Whistle Blower acting in good faith, is:

- a. dishonest, including but not limited to theft or misuse of resources within the Group;
- b. fraudulent;
- c. corrupt;
- d. illegal;
- e. other serious improper conduct;
- f. an unsafe work practice; or
- g. any other conduct which may cause financial or non-financial loss to the Group or damage to the Group's reputation.

A person who files a report or provides evidence which he knows to be false, or without a reasonable belief in the truth and accuracy of such information, will not be protected by the Policy and may be subject to administrative and/or disciplinary action.

Similarly, a person may be subject to administrative and/or disciplinary action if he subjects (i) a person who has made or intends to make a report in accordance with the Policy, or (ii) a person who was called or

may be called as a witness, to any form of reprisal which would not have occurred if he did not intend to, or had not made the report or be a witness.

The Head of Group Internal Audit is the Receiving Officer for the purposes of the Policy and is responsible for the administration, implementation and overseeing ongoing compliance with the Policy. She reports directly to the AC Chairman on all matters arising under the Policy.

REPORTING MECHANISM

The Policy emphasises that the role of the Whistle Blower is as a reporting party, and that Whistle Blowers are not to investigate, or determine the appropriate corrective or remedial actions that may be warranted.

Employees are encouraged to report suspected Reportable Conduct to their respective supervisors who are responsible for promptly informing the Receiving Officer, who in turn is required to promptly report to the AC Chairman, of any such report. The supervisor must not start any investigation in any event. If any of the persons in the reporting line prefers not to disclose the matter to the supervisor and/or Receiving Officer (as the case may be), he may make the report directly to the Receiving Officer or the AC Chairman.

Other Whistle Blowers may report a suspected Reportable Conduct to either the Receiving Officer or the AC Chairman.

All reports and related communications made will be documented by the person first receiving the report. The information disclosed should be as precise as possible so as to allow for proper assessment of the nature, extent and urgency of preliminary investigative procedures to be undertaken.

INVESTIGATION

The AC Chairman will review the information disclosed, interview the Whistle Blower(s) when required and, either exercising his own discretion or in consultation with the other AC members, determine whether the circumstances warrant an investigation and if so, the appropriate investigative process to be employed and corrective actions (if any) to be taken. The AC Chairman will use his best endeavours to ensure that there is no conflict of interests on the part of any person involved in the investigations.

All employees have a duty to cooperate with investigations initiated under the Policy. An employee may be placed on administrative leave or investigatory leave when it is determined by the AC Chairman that it would be in the best interests of the employee, the Company or both. Such leave is not to be interpreted as an accusation or a conclusion of guilt or innocence of any employee, including the employee on leave. All participants in the investigation must also refrain from discussing or disclosing the investigation or their testimony with anyone not connected to the investigation. In no circumstance should such persons discuss matters relating to the investigation with the person(s) who is/are subject(s) of the investigation ("Investigation Subject(s)").

Identities of Whistle Blower, participants of the investigations and the Investigation Subject(s) will be kept confidential to the extent possible.

NO REPRISAL

No person will be subject to any reprisal for having made a report in accordance with the Policy or having participated in the investigation. A reprisal means personal disadvantage by:

- a. dismissal;
- b. demotion;
- c. suspension;
- d. termination of employment/contract;
- e. any form of harassment or threatened harassment;
- f. discrimination; or
- g. current or future bias.

Any reprisal suffered may be reported to the Receiving Officer (who shall refer the matter to the AC Chairman) or directly to the AC Chairman. The AC Chairman shall review the matter and determine the appropriate actions to be taken. Any protection does not extend to situations where the Whistle Blower or witness has committed or abetted the Reportable Conduct that is the subject of allegation. However, the AC Chairman will take into account the fact that he or she has cooperated as a Whistle Blower or a witness in determining the suitable disciplinary measure to be taken against him or her.

Corporate Governance

Code of Corporate Governance 2012

Specific Principles and Guidelines for Disclosure

Relevant Guideline or Principle	Page Reference in Corporate Governance Report
Guideline 1.3 Delegation of authority, by the Board to any board committee, to make decisions on certain board matters	Pages 31 and 32
Guideline 1.4 The number of meetings of the Board and board committees held in the year, as well as the attendance of every board member at these meetings	Page 31
Guideline 1.5 The type of material transactions that require board approval under guidelines	Page 32
Guideline 1.6 The induction, orientation and training provided to new and existing directors	Page 32
Guideline 2.3 The Board should identify in the company's Annual Report each director it considers to be independent. Where the Board considers a director to be independent in spite of the existence of a relationship as stated in the Code that would otherwise deem a director not to be independent, the nature of the director's relationship and the reasons for considering him as independent should be disclosed	Pages 32 to 34
Guideline 2.4 Where the Board considers an independent director, who has served on the Board for more than nine years from the date of his first appointment, to be independent, the reasons for considering him as independent should be disclosed	Not applicable
Guideline 3.1 Relationship between the Chairman and CEO where they are immediate family members	Not applicable
Guideline 4.1 Names of the members of the NC and the key terms of reference of the NC, explaining its role and the authority delegated to it by the Board	Pages 32, 35, 46 and 47
Guideline 4.4 The maximum number of listed company board representations which directors may hold should be disclosed	Page 35
Guideline 4.6 Process for the selection, appointment and re-appointment of new directors to the Board, including the search and nomination process	Page 35
Guideline 4.7 Key information regarding directors, including which directors are executive, non-executive or considered by the NC to be independent	Pages 8 to 11 and 32 to 34
Guideline 5.1 The Board should state in the company's Annual Report how assessment of the Board, its board committees and each director has been conducted. If an external facilitator has been used, the Board should disclose in the company's Annual Report whether the external facilitator has any other connection with the company or any of its directors. This assessment process should be disclosed in the company's Annual Report	Pages 36 and 48
Guideline 7.1 Names of the members of the RC and the key terms of reference of the RC, explaining its role and the authority delegated to it by the Board	Pages 36 to 39 and 47
Guideline 7.3 Names and firms of the remuneration consultants (if any) should be disclosed in the annual remuneration report, including a statement on whether the remuneration consultants have any relationships with the company	Not applicable
Principle 9 Clear disclosure of remuneration policies, level and mix of remuneration, and procedure for setting remuneration	Pages 36 to 39
Guideline 9.1 Remuneration of directors, the CEO and at least the top five key management personnel (who are not also directors or the CEO) of the company. The annual remuneration report should include the aggregate amount of any termination, retirement and post-employment benefits that may be granted to directors, the CEO and the top five key management personnel (who are not directors or the CEO)	Pages 37 and 38

Guideline 9.2 Fully disclose the remuneration of each individual director and the CEO on a named basis. There will be a breakdown (in percentage or dollar terms) of each director's and the CEO's remuneration earned through base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives	Page 38
Guideline 9.3 Name and disclose the remuneration of at least the top five key management personnel (who are not directors or the CEO) in bands of S\$250,000. There will be a breakdown (in percentage or dollar terms) of each key management personnel's remuneration earned through base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives. In addition, the company should disclose in aggregate the total remuneration paid to the top five key management personnel (who are not directors or the CEO). As best practice, companies are also encouraged to fully disclose the remuneration of the said top five key management personnel	Page 38
Guideline 9.4 Details of the remuneration of employees who are immediate family members of a director or the CEO, and whose remuneration exceeds S\$50,000 during the year. This will be done on a named basis with clear indication of the employee's relationship with the relevant director or the CEO. Disclosure of remuneration should be in incremental bands of S\$50,000	Page 39
Guideline 9.5 Details and important terms of employee share schemes	Not applicable
Guideline 9.6 For greater transparency, companies should disclose more information on the link between remuneration paid to the executive directors and key management personnel, and performance. The annual remuneration report should set out a description of performance conditions to which entitlement to short-term and long-term incentive schemes are subject, an explanation on why such performance conditions were chosen, and a statement of whether such performance conditions are met	Pages 36 to 39
Guideline 11.3 The Board should comment on the adequacy and effectiveness of the internal controls, including financial, operational, compliance and information technology controls, and risk management systems The commentary should include information needed by stakeholders to make an informed assessment of the company's internal control and risk management systems The Board should also comment on whether it has received assurance from the CEO and the CFO: (a) that the financial records have been properly maintained and the financial statements give true and fair view of the company's operations and finances; and (b) regarding the effectiveness of the company's risk management and internal control systems	Pages 40 and 41
Guideline 12.1 Names of the members of the AC and the key terms of reference of the AC, explaining its role and the authority delegated to it by the Board	Pages 39 to 42 and 46
Guideline 12.6 Aggregate amount of fees paid to the external auditors for that financial year, and breakdown of fees paid in total for audit and non-audit services respectively, or an appropriate negative statement	Page 79
Guideline 12.7 The existence of a whistle-blowing policy should be disclosed in the company's Annual Report	Pages 40, 48 and 49
Guideline 12.8 Summary of the AC's activities and measures taken to keep abreast of changes to accounting standards and issues which have a direct impact on financial statements	Pages 39 to 42
Guideline 15.4 The steps the Board has taken to solicit and understand the views of the shareholders e.g. through analyst briefings, investor roadshows or Investors' Day briefings	Page 42
Guideline 15.5 Where dividends are not paid, companies should disclose their reasons	Not applicable

Risk Management

STRENGTHENING ENTERPRISE RISK MANAGEMENT

KGT's Enterprise Risk Management (ERM) framework provides a holistic and structured approach towards assessing, monitoring and mitigating risks. During the year, the Board adopted the three risk tolerance guiding principles for KGT. These risk tolerance guiding principles serve to determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

The three risk tolerance guiding principles are :-

1. Risk taken should be carefully evaluated, commensurate with rewards and in line with the Trustee-Manager core strengths and strategic objectives.
2. No risk arising from a single area of operation, investment or undertaking should be so huge as to endanger the Trustee-Manager.
3. The Trustee-Manager adopts zero tolerance towards safety incidents, non-compliance with laws and regulations, as well as acts such as fraud, bribery and corruption.

A robust ERM framework enables KGT to manage risks systematically and remain nimble in capitalising on opportunities. Reference is made to practices in risk management set out in the ISO31000 standards, ISO22301 standards, Singapore Standards SS540 for Business Continuity Management (BCM), as well as the Code of Corporate Governance 2012.

The Board, supported by the Audit Committee, is responsible for the governance of risk and ensures that the Trustee-Manager maintains a sound system of risk management and internal controls to safeguard Unitholders' interests and KGT's assets. The Board and Audit Committee provide valuable advice to the Trustee-Manager in formulating various risk policies and guidelines. For Year 2013, the Board, with the concurrence of the Audit Committee, is of the opinion that KGT's risk management system is adequate and effective, in addressing the key risks identified.

The Trustee-Manager's risk governance is set out in pages 40 to 41 under Principle 11 (Risk Management and Internal Controls).

The Trustee-Manager has identified and managed the following key risks to KGT:

INVESTMENT RISK

Distribution growth is dependent on KGT's ability to grow its asset base. Timing of new acquisitions is dependent on market opportunities and funding environment. The Trustee-Manager evaluates all investment opportunities according to KGT's stated investment criteria and investment mandate. Investment evaluation will look at the asset quality, expected returns, sustainability of asset performance and security of the cash flows.

The Trustee-Manager aims to manage and mitigate risks by diversifying the asset classes and geographic regions in which KGT will invest. To mitigate against country concentration risks, the investment mandate is global. Although the three Singapore plants in the current portfolio all fall under the broad category of "green" infrastructure assets, it is unlikely that these existing plants will simultaneously be affected by the same events, except for general macro-economic events.

The Trustee-Manager intends to seek Unitholders' approval to expand the investment mandate of KGT, which will enable KGT to achieve further diversification beyond a wider universe of infrastructure assets. The Trustee-Manager believes that the expanded investment scope would not on its own change the stability of distributions made by KGT to Unitholders as the Trustee-Manager will still focus on projects that provide regular and/or predictable cash flows, and/or backed by long-term contracts with creditworthy and reputable off-takers.

INTEREST RATE RISK

KGT's exposure to interest rate risk is minimal. In the event KGT is exposed to interest rate risk on the loans drawn under the working capital facility or

additional loans that it may undertake, the risk is managed by maintaining an appropriate level of borrowings and mix between fixed and floating rate borrowings. The Trustee-Manager will also monitor the interest rate exposure of KGT and will consider restructuring KGT's credit facilities or use derivative financial instruments to hedge interest rate risks should the need arise.

FOREIGN EXCHANGE RISK

KGT's exposure to foreign exchange risk is minimal as it does not have foreign currency denominated balances at the end of the reporting period. If KGT acquires assets in future with cash flows denominated in foreign currencies, the Trustee-Manager may utilise foreign currency hedging instruments to hedge KGT's exposure to specific currency risks relating to future investments, receivables, payables and other commitments.

CREDIT RISK

As at the end of the reporting period, there is a significant concentration of credit risk to KGT's customer, the Singapore Government, for the duration of the service concession contracts. The Trustee-Manager monitors the credit risk by ensuring payments are received by the contracted date. New assets must have creditworthy or reputable off-takers.

LIQUIDITY RISK

The Trustee-Manager monitors and maintains adequate cash and cash equivalents to finance KGT's operations and mitigate the effects of cash flow fluctuations. The Trustee-Manager manages liquidity risk by maintaining adequate reserves, monitoring cash flows and matching the maturity profiles of financial assets and liabilities.

OPERATIONAL RISK

The Waste-to-Energy plants and NEWater plant are built to operate within certain input specifications. Deviations from the specifications may affect the performance of the plants or the production processes. Each plant is also subject to wear and tear and there may be periodic downtime for repairs and maintenance. If downtime exceeds the time anticipated, affecting plant

availability, full capacity payments may not be received. Deductions are passed on to the Operations and Maintenance (O&M) contractor, subject to an annual liability cap.

Each plant has a set of standard operating procedures that is for the day-to-day operations and regular maintenance of the plants to ensure that plants are performing at optimal efficiency. The Trustee-Manager monitors, reviews and manages, with the plant managers, the operational risks of the three plants regularly.

KGT, together with the O&M contractor, continues to scan and assess threats that could disrupt plant operations. Business continuity plans are tested, reviewed and refined regularly to ensure the plants are ready to respond to these threats. In 2013, various drills were conducted to address threats such as pandemic flu, chemical spillage, fire and power outage. KGT will continue to enhance the robustness of its business continuity plans to ensure operational resilience.

HEALTH, SAFETY & ENVIRONMENT (HSE) RISK

HSE is one of the core values for KGT and the O&M contractor. KGT adopts zero tolerance towards safety incidents. KGT, together with the O&M contractor, embrace a safety culture within the work environment and constantly strive to create safety awareness and share best practices. The O&M contractor has developed strong HSE policies and practices and ensures that safe working practices and environment are integrated in all of KGT's operations.

COMPLIANCE RISK

KGT's operations are subject to various government regulations and licensing regimes. In particular, those relating to environmental protection and safety, such as emission levels, noise, hazardous substances, fire safety and employment legislation, have the potential to impact the operations and profitability of the Trust.

The Trustee-Manager maintains close working relationships with O&M contractor and authorities to keep abreast of developments in regulatory frameworks and the business environment. The Trustee-Manager also attends regular operations meetings to ensure that plants are meeting contractual requirements and in compliance with regulations.

STRONG RISK CENTRIC CULTURE AND PROACTIVE RISK MANAGEMENT

Recognising the importance of fostering a strong risk centric culture in KGT, the Trustee-Manager continues to place emphasis on raising risk awareness through staff education. Briefings on ERM is included in new employee orientations.

KGT will continue to review and refine its risk management methodology, systems and processes to ensure its adequacy and effectiveness. A robust and effective risk management system will harness its ability to achieve the plants optimal performance and efficiency, seize growth opportunities and to take calculated risks where it is rewarded appropriately.

Statistics of Unitholdings

As at 26 February 2014

ISSUED AND FULLY PAID UNITS

629,781,279 Units (Voting rights: 1 vote per Unit)

There is only one class of units in K-Green Trust.

Distribution of Unitholdings

Size of Holdings	No. of Unitholders	%	No. of Units	%
1 – 999	14,122	53.70	5,243,014	0.83
1,000 – 10,000	9,444	35.92	34,458,427	5.47
10,001 – 1,000,000	2,716	10.33	128,535,876	20.41
1,000,001 and above	14	0.05	461,543,962	73.29
Total	26,296	100.00	629,781,279	100.00

Twenty Largest Unitholders

No.	Name	No. of Units	%
1	Keppel Integrated Engineering Limited	309,683,005	49.17
2	DBS Nominees (Private) Limited	75,555,170	12.00
3	Citibank Nominees Singapore Pte Ltd	34,108,912	5.42
4	HSBC (Singapore) Nominees Pte Ltd	9,844,807	1.56
5	Bank Of Singapore Nominees Pte. Ltd.	8,590,527	1.36
6	Raffles Nominees (Pte) Limited	4,781,215	0.76
7	United Overseas Bank Nominees (Private) Limited	4,207,005	0.67
8	DB Nominees (Singapore) Pte Ltd	3,418,724	0.54
9	OCBC Nominees Singapore Private Limited	2,621,309	0.42
10	BNP Paribas Nominees Singapore Pte Ltd	2,356,175	0.37
11	NTUC Fairprice Co-Operative Ltd	2,000,000	0.32
12	UOB Kay Hian Private Limited	1,705,522	0.27
13	DBSN Services Pte. Ltd.	1,391,591	0.22
14	Shanwood Development Pte Ltd	1,280,000	0.20
15	Ali Iskandar	1,000,000	0.16
16	Chia See Pan	920,000	0.15
17	Lim Chee Onn	915,833	0.15
18	Phillip Securities Pte Ltd	889,190	0.14
19	OCBC Securities Private Limited	845,600	0.13
20	DBS Vickers Securities (Singapore) Pte Ltd	845,300	0.13
Total		466,959,885	74.14

SUBSTANTIAL UNITHOLDERS

Based on the Register of Substantial Unitholders' Unitholdings maintained by the Trustee-Manager as at 26 February 2014, the Substantial Unitholders of K-Green Trust and their interests in the Units of K-Green Trust are as follows:

Name	Direct Interest No. of units	%	Deemed Interest No. of units	%
Keppel Integrated Engineering Limited	309,683,005	49.17	–	–
Keppel Infrastructure Holdings Pte. Ltd. ¹	–	–	309,683,005	49.17
Keppel Corporation Limited ²	–	–	309,683,005	49.17
Temasek Holdings (Private) Limited ³	–	–	309,683,081	49.17

Notes:

¹ Keppel Infrastructure Holdings Pte. Ltd. is deemed to have an interest in the Units held by Keppel Integrated Engineering Limited, its wholly-owned subsidiary.

² Keppel Corporation Limited is deemed to have an interest in the Units in which its wholly-owned subsidiary, Keppel Infrastructure Holdings Pte. Ltd., has interest.

³ Temasek Holdings (Private) Limited is deemed to have an interest in the Units in which its associated companies, namely Keppel Corporation Limited and DBS Group Holdings Limited, have interests.

PUBLIC UNITHOLDERS

Based on the information available to the Trustee-Manager as at 26 February 2014, approximately 50.69% of the issued Units in K-Green Trust is held by the public and therefore, pursuant to Rules 1207 and 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited, it is confirmed that at least 10% of the issued Units in K-Green Trust is at all times held by the public.

As at 26 February 2014, there are no treasury units held.

Corporate Information

TRUSTEE-MANAGER OF K-GREEN TRUST

KEPPEL INFRASTRUCTURE FUND MANAGEMENT PTE LTD

Registered Address
1 HarbourFront Avenue
#18-01 Keppel Bay Tower
Singapore 098632

Place of Business Address
108 Pasir Panjang Road
#03-01 Golden Agri Plaza
Singapore 118535

Phone: +65 6499 0599
Fax: +65 6265 1953
Email: info@kgreentrust.com
Website: www.kgreentrust.com

AUDIT COMMITTEE

Mr Paul Ma Kah Woh (Chairman)
Mr Alan Ow Soon Sian
Ms Quek Soo Hoon

CONFLICTS RESOLUTION COMMITTEE

Ms Quek Soo Hoon (Chairman)
Mr Thio Shen Yi
Mr Paul Ma Kah Woh

DIRECTORS OF THE TRUSTEE MANAGER

MR KHOR POH HWA
Non-Executive and
Non-Independent Director and
Chairman of the Board

MR ALAN OW SOON SIAN
Independent Director

MR PAUL MA KAH WO
Independent Director

MS QUEK SOO HOON
Independent Director

MR THIO SHEN YI
Independent Director

MR TEO SOON HOE
Non-Executive and
Non-Independent Director

MR TAN BOON LENG
Non-Executive and
Non-Independent Director

NOMINATING COMMITTEE

Mr Alan Ow Soon Sian (Chairman)
Mr Paul Ma Kah Woh
Mr Khor Poh Hwa

AUDITORS

Deloitte & Touche LLP
Certified Public Accountants
6 Shenton Way #32-00
Tower Two
Singapore 068809
Phone: +65 6224 8288
Fax: +65 6538 6166

Partner-in-charge:
Patrick Tan Hak Pheng
Year appointed: 2013

UNIT REGISTRAR AND UNIT TRANSFER OFFICE

**BOARDROOM CORPORATE &
ADVISORY SERVICES PTE LTD (A
MEMBER OF BOARDROOM LIMITED)**
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623
Phone: +65 6230 9525
Fax: +65 6536 1360

REMUNERATION COMMITTEE

Mr Thio Shen Yi (Chairman)
Mr Teo Soon Hoe
Ms Quek Soo Hoon

COMPANY SECRETARIES

Mr Ng Wai Hong
Ms Winnie Mak

Report of the Trustee-Manager & Financial Statements

Report of the Trustee-Manager

The directors of Keppel Infrastructure Fund Management Pte Ltd, the Trustee-Manager of K-Green Trust (the "Trust"), are pleased to present their report to the unitholders of the Trust, together with the audited financial statements of the Trust and its subsidiaries (collectively "the Group") for the financial year ended December 31, 2013.

1. Directors

The directors of the Trustee-Manager in office at the date of this report are:

Khor Poh Hwa (Chairman)
Alan Ow Soon Sian
Paul Ma Kah Woh
Quek Soo Hoon
Thio Shen Yi
Teo Soon Hoe
Tan Boon Leng (Appointed on July 15, 2013)

2. Arrangements to enable directors to acquire benefits by means of the acquisition of units and debentures

Neither at the end of the financial year nor at any time during the financial year was the Trustee-Manager a party to any arrangement whose object is to enable the directors of the Trustee-Manager to acquire benefits by means of the acquisition of units in, or debentures of the Trust.

3. Directors' interests in units and debentures

The directors at the end of the financial year had no interests in the unit capital and debentures of the Trust and related companies either at the beginning of the financial year or date of appointment, if later, or at the end of the financial year, except as follows:

Name of directors and corporations in which interests are held	Interest held	
	At beginning of year	At end of year
Interest in K-Green Trust (Units)		
Paul Ma Kah Woh	10,000	10,000
Quek Soo Hoon	3,170	3,170
Thio Shen Yi	400	400
Teo Soon Hoe	817,666	817,666

The unitholdings of the above directors as at January 21, 2014 were the same as those at December 31, 2013.

4. Directors' receipt and entitlement to contractual benefits

During the financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Trust or a related corporation with the director, or with a firm of which he is a member or with a company in which he has a substantial financial interest, except for the arrangement as disclosed in Note 5 to the financial statements.

5. Unit options

(a) Options to take up unissued unit

During the financial year, there was no option granted by the Trustee-Manager to any person to take up unissued unit in the Trust.

(b) Options exercised

During the financial year, there was no unit of the Trust issued by virtue of the exercise of an option to take up unissued unit.

(c) Unissued unit under options

At the end of the financial year, there was no unissued unit of the Trust under options.

There was no option issued by subsidiaries during the financial year.

6. Audit Committee

The members of the Audit Committee during the financial year and as at the date of this report are:

Paul Ma Kah Woh (Chairman)
Alan Ow Soon Sian
Quek Soo Hoon

All members of the Audit Committee are independent and non-executive directors.

The Audit Committee carried out its function in accordance with Regulation 13(6) of the Singapore Business Trusts Regulations and the SGX Listing Manual.

In performing its functions, the Audit Committee met with the Trust's external and internal auditors to discuss the scope and results of their audits and evaluation of the Group's internal accounting control system.

The Audit Committee also reviewed the following:

- a) the audit plans and results of the internal auditors' examination and evaluation of the Group's systems of internal accounting controls;
- b) the Group's financial and operating results and accounting policies;
- c) the statement of financial position and statement of changes in unitholders' funds of the Trust and the consolidated financial statements of the Group before their submission to the Board of Directors of the Trustee-Manager;
- d) the adequacy and effectiveness of the internal controls, including financial, operational, compliance and information technology controls, and risk management systems;
- e) external auditors' report on those financial statements;
- f) the quarterly and annual announcements on the results and financial position of the Trust and the Group;
- g) the co-operation and assistance given by the Trustee-Manager's officers to the Group's external auditors; and
- h) the re-appointment of the external auditors of the Group.

The Audit Committee has full access to and has the co-operation of the management of the Trustee-Manager and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any director and executive officer of the Trustee-Manager to attend its meetings. The external and internal auditors have unrestricted access to the Audit Committee.

The Audit Committee has recommended to the directors the nomination of Deloitte & Touche LLP for re-appointment as external auditors of the Group at the forthcoming Annual General Meeting of the unitholders.

7. Auditors

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

ON BEHALF OF THE DIRECTORS



Khor Poh Hwa
Chairman



Teo Soon Hoe
Director

Singapore
January 21, 2014

Statement by the Trustee-Manager

In our opinion,

- (a) the financial statements set out on pages 63 to 84 are drawn up so as to give a true and fair view of the state of affairs of the Group and Trust as at December 31, 2013 and the consolidated financial statements of the Group and statement of financial position and changes in unitholders' funds of the Trust for the financial year then ended in accordance with the provisions of the Singapore Business Trusts Act, Chapter 31A and Singapore Financial Reporting Standards; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Trust will be able to pay its debts when they fall due.

We further certify:

- (a) the fees or charges paid or payable out of the trust property of the Trust to the Trustee-Manager are in accordance with the Trust Deed;
- (b) the interested person transactions entered into by the Group during the financial year ended December 31, 2013 are not detrimental to the interests of all the unitholders of the Trust as a whole based on the circumstances at the time of the transactions; and
- (c) the Board of Directors of the Trustee-Manager is not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of the Trust or on the interests of all the unitholders of the Trust as a whole.

In accordance with Regulation 12(6) of the Singapore Business Trust Regulations ("BTR"), the Board of Directors of the Trustee-Manager may determine that a director who is not considered to be independent from management and business relationships with the Trustee-Manager under Regulation 3; or not considered to be independent from a substantial shareholder of the Trustee-Manager under Regulation 4, is nonetheless independent from management and business relationships with the Trustee-Manager or independent from a substantial shareholder of the Trustee-Manager, if the Board of Directors is satisfied that the director's independent judgment and ability to act with regard to the interests of all the unitholders of the Trust as a whole will not be interfered with, despite the relationships.

The details of the Board of Directors' review and determination under Regulation 12(7) of the BTR are disclosed in the Corporate Governance section of the Annual Report of the Trust in accordance to Regulation 12(8) and 12(9) of the BTR.

ON BEHALF OF THE DIRECTORS



Khor Poh Hwa
Chairman



Teo Soon Hoe
Director

Singapore
January 21, 2014

Statement by the Chief Executive Officer

In accordance with Section 86 of the Singapore Business Trusts Act, Chapter 31A, I certify that I am not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of the Trust or on the interests of all the unitholders of the Trust as a whole.



Thomas Pang Thieng Hwi
Chief Executive Officer

Singapore
January 21, 2014

Independent Auditors' Report

to the Unitholders of K-Green Trust

(Constituted under a Trust Deed in the Republic of Singapore)

Report on the Financial Statements

We have audited the accompanying financial statements of K-Green Trust (the "Trust") and its subsidiaries (the "Group") which comprise the statements of financial position of the Group and the Trust as at December 31, 2013, and the consolidated statement of profit or loss and other comprehensive income, statement of changes in unitholders' funds and statement of cash flows of the Group and the statement of changes in unitholders' funds of the Trust for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 63 to 84.

Trustee-Manager's Responsibility for the Financial Statements

The Trustee-Manager of the Trust is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Business Trusts Act, Chapter 31A (the Act) and Singapore Financial Reporting Standards and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Trustee-Manager, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position and statement of changes in unitholders' funds of the Trust are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and the Trust as at December 31, 2013 and of the results, changes in unitholders' funds and cash flows of the Group and changes in unitholders' funds of the Trust for the year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Trust and by those subsidiaries incorporated in Singapore of which we are the auditors, have been properly kept in accordance with the provisions of the Act.

Public Accountants and
Chartered Accountants
Singapore

Patrick Tan Hak Pheng

Partner
Appointed on April 16, 2013

January 21, 2014

Statements of Financial Position

December 31, 2013

	Note	GROUP		TRUST	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Non-Current Assets					
Plant and equipment	6	1,876	1,658	-	-
Subsidiaries	7	-	-	289,836	327,936
Service concession receivables	8	509,805	547,616	-	-
Notes receivable	9	-	-	290,142	290,142
Total Non-Current Assets		511,681	549,274	579,978	618,078
Current Assets					
Inventories	10	13,491	15,359	-	-
Service concession receivables	8	54,956	54,956	-	-
Trade and other receivables	11	19,258	19,048	92	161
Cash, bank and deposit balances	12	43,143	42,795	37,130	37,481
Total Current Assets		130,848	132,158	37,222	37,642
Current Liabilities					
Trade and other payables	13	14,217	17,799	2,435	3,031
Income tax payable		666	864	1	1
Total Current Liabilities		14,883	18,663	2,436	3,032
Net Current Assets		115,965	113,495	34,786	34,610
Non-Current Liability					
Deferred tax liability	14	10	67	-	-
Net Assets		627,636	662,702	614,764	652,688
Represented by:					
Unitholders' Funds					
Units in issue	15	719,307	719,307	719,307	719,307
Revenue reserves		(91,671)	(56,605)	(104,543)	(66,619)
Net Unitholders' Funds		627,636	662,702	614,764	652,688

See accompanying notes to financial statements.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Year ended December 31, 2013

	Note	2013 \$'000	2012 \$'000
Revenue	17	67,113	76,248
Operation and maintenance costs	5	(35,703)	(35,180)
Electricity costs		(6,829)	(8,313)
Construction costs		-	(7,725)
Depreciation		(350)	(240)
Trustee-Manager's fees		(4,698)	(4,588)
Trust expenses		(1,414)	(1,310)
Other operating expenses	18	(4,279)	(4,185)
Other income		869	781
Operating profit		14,709	15,488
Interest income	19	77	95
Profit before income tax		14,786	15,583
Income tax expense	20	(603)	(806)
Profit for the year, representing total comprehensive income for the year		14,183	14,777
Earnings per unit (cents):			
Basic and diluted	16	2.25	2.35

See accompanying notes to financial statements.

Statements of Changes in Unitholders' Fund

Year ended December 31, 2013

	Units in issue \$'000	Revenue reserves \$'000	Total unitholders' funds \$'000
Group			
Balance as at January 1, 2012	719,307	(22,133)	697,174
Total comprehensive income for the year	-	14,777	14,777
Distribution paid (Note 23)	-	(49,249)	(49,249)
Balance at December 31, 2012	719,307	(56,605)	662,702
Total comprehensive income for the year	-	14,183	14,183
Distribution paid (Note 23)	-	(49,249)	(49,249)
Balance at December 31, 2013	719,307	(91,671)	627,636
Trust			
Balance as at January 1, 2012	719,307	(28,912)	690,395
Total comprehensive income for the year	-	11,542	11,542
Distribution paid (Note 23)	-	(49,249)	(49,249)
Balance at December 31, 2012	719,307	(66,619)	652,688
Total comprehensive income for the year	-	11,325	11,325
Distribution paid (Note 23)	-	(49,249)	(49,249)
Balance at December 31, 2013	719,307	(104,543)	614,764

See accompanying notes to financial statements.

Consolidated Statement of Cash Flows

Year ended December 31, 2013

	2013 \$'000	2012 \$'000
Operating activities		
Profit before income tax	14,786	15,583
Adjustments for:		
Depreciation	350	240
Interest income	(77)	(95)
Operating cash flows before movements in working capital	15,059	15,728
Decrease in inventories	1,868	52
Decrease in service concession receivables	37,811	36,691
Decrease in trade and other receivables	109	2,940
Decrease in trade and other payables	(2,523)	(2,089)
Cash generated from operations	52,324	53,322
Income tax paid	(858)	(1,148)
Interest received	77	95
Net cash from operating activities	51,543	52,269
Investing activity		
Construction of assets, representing net cash used in investing activity	(1,946)	(7,851)
Financing activity		
Distribution paid, representing net cash used in financing activity	(49,249)	(49,249)
Net increase/(decrease) in cash and cash equivalents	348	(4,831)
Cash and cash equivalents at beginning of year	42,795	47,626
Cash and cash equivalents at end of year (Note 12)	43,143	42,795

See accompanying notes to financial statements.

Notes to Financial Statements

December 31, 2013

1. General

K-Green Trust (the "Trust") is a business trust constituted by a Trust Deed dated July 23, 2009 and is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Trust Deed is governed by the laws of Singapore. The address of the Trustee-Manager's registered office and principal place of business is 1 HarbourFront Avenue, #18-01 Keppel Bay Tower, Singapore 098632 and 108 Pasir Panjang Road, #03-01 Golden Agri Plaza, Singapore 118535 respectively. The financial statements are expressed in Singapore dollars which is the functional currency of the Trust.

The principal activity of the Trust is investment holding.

The principal activities of the subsidiaries are disclosed in Note 7 to the financial statements.

The Trustee-Manager is under a duty to take into custody and hold the assets of the Trust in trust for the holders of units (the "Units") in the Trust ("Unitholders").

The consolidated financial statements of the Group and statement of financial position, and statement of changes in unitholders' funds of the Trust for the year ended December 31, 2013 were authorised for issue by the Board of Directors of the Trustee-Manager on January 21, 2014.

2. Summary of significant accounting policies

BASIS OF ACCOUNTING – The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with Singapore Financial Reporting Standards ("FRS").

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of FRS 102, leasing transactions that are within the scope of FRS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in FRS 2 or value in use in FRS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

ADOPTION OF NEW AND REVISED STANDARDS – On January 1, 2013, the Group adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are effective from that date and are relevant to its operations. The adoption of these new/revised FRSs and INT FRSs did not result in changes to the Group's and Trust's accounting policies and has no material effect on the amounts reported for the current or prior years except as disclosed below:

Amendments to FRS 1 Presentation of Items of Other Comprehensive Income

The Group has applied the amendments to FRS 1 *Presentation of Items of Other Comprehensive Income* retrospectively for the first time in the current year, and renamed the 'statement of comprehensive income' as the 'statement of profit or loss and other comprehensive income'. Under the amendments to FRS 1, items of other comprehensive income will be grouped into two categories in the other comprehensive income section: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Other than the above mentioned presentation changes, the application of the amendments to FRS 1 did not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

2. Summary of significant accounting policies (continued)

FRS 113 Fair Value Measurement

The Group has applied FRS 113 for the first time in the current year. FRS 113 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The fair value measurement requirements of FRS 113 apply to both financial instrument items and non-financial assets for which other FRSs require or permit fair value measurements and disclosures about fair value measurements, except for share-based payment transactions that are within the scope of FRS 102 *Share-based Payment*, leasing transactions that are within the scope of FRS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

FRS 113 includes extensive disclosure requirements, although specific transitional provisions were given to entities such that they need not apply the disclosure requirements set out in the Standard in comparative information provided for periods before the initial application of the Standard. Consequently the Group has not made any new disclosures required by FRS 113 for the comparative period.

Other than the additional disclosures, the application of FRS 113 has no impact on the amounts recognised in the financial statements.

At the date of authorisation of these financial statements, the Trustee-Manager anticipates that the adoption of new FRSs, INT FRSs and amendments to FRS that were issued but not effective until future periods will not have a material impact on the financial statements of the Group and the Trust in the year of their initial adoption.

BASIS OF CONSOLIDATION - The consolidated financial statements include the financial statements of the Trust and entities controlled by the Trust (its subsidiaries) as at the end of the financial year. Control is achieved where the Trust has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the financial year are included or excluded from the consolidated financial statements from their respective dates of acquisition or disposal. All intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Trust.

On a transaction-by-transaction basis, the measurement of non-controlling interests is either at fair value or at the non-controlling interests' share of the fair value of the identifiable net assets of the acquiree.

When the group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under FRS 39 *Financial Instruments: Recognition and Measurement* or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

BUSINESS COMBINATIONS - Acquisition of subsidiaries is accounted for using the acquisition method. The cost of an acquisition is measured at the aggregate of the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. Acquisition-related costs are recognised in profit or loss as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest.

Any excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill. Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of business combination is recognised in the profit or loss account on the date of acquisition.

Contingent consideration is measured at fair value at the acquisition date; subsequent adjustments to the consideration are recognised against goodwill only to the extent that they arise from better information about the fair value at the acquisition date, and they occur within the 'measurement period' (a maximum of 12 months from the acquisition date). All other subsequent adjustments are recognised in profit or loss.

SUBSIDIARIES - Investments in subsidiaries are stated in the Trust's financial statements at cost less any impairment losses. On disposal of a subsidiary, the difference between net disposal proceeds and the carrying amount of the investment is taken to profit or loss.

FINANCIAL INSTRUMENTS - Financial assets and financial liabilities are recognised on the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period. Income and expense are recognised on an effective interest rate basis for debt instruments.

Financial assets

All financial assets are recognised and de-recognised on a trade date where the purchase or sale of an asset is under a contract whose terms require delivery of the asset within the timeframe established by the market concerned. Financial assets are classified into the following specified categories: financial assets "at fair value through profit or loss", "held-to-maturity investments", "available-for-sale" financial assets and "loans and receivables". The classification depends on the nature and purpose of financial assets and is determined at the time of initial recognition.

Trade receivables and other receivables

Trade and other receivables that have fixed or determined payments are not quoted in an active market and are classified and accounted for as "loans and receivables". These are initially measured at fair value and subsequently measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest method, except for short-term receivables when the recognition of interest would be immaterial.

Service concession arrangements

The Group has entered into service concession arrangements with governing agencies (the grantors) of the Government of Singapore to operate a water treatment plant and two waste-to-energy plants in Singapore. Under the concession arrangements, the Group will operate the plants for agreed original concession periods of between 15 to 25 years and transfer the plants to the grantors at the end of the concession period. Such concession arrangements fall within the scope of INT FRS 112 *Service Concession Arrangements* and are accounted for as service concession receivables.

The Group recognises a finance receivable arising from a service concession arrangement when it has a right to receive a fixed and determinable amount of payments during the concession period irrespective of the usage of the concession infrastructure. When the Group receives a payment during the concession period, it will apportion such payment between (i) a repayment of the finance receivable (if any), which will be used to reduce the carrying amount of the finance receivable on its statement of financial position, (ii) interest income, which will be recognised as finance income in profit or loss and (iii) revenue from operating and maintaining the infrastructure, which will be recognised in profit or loss.

Notes receivable

Interest-bearing notes receivables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method less impairment. Interest is recognised by applying the effective interest method.

Notes to Financial Statements

2. Summary of significant accounting policies (continued)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each financial year. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables where the carrying amount is reduced through the use of an allowance account. When a trade or other receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risk and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and unitholders' funds

Classification as debt or equity

Financial liabilities and unitholders' funds issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and unitholders' funds.

Units issued

Units in issue are classified as equity in the unitholders' funds. Units issue costs represent expense incurred in connection with the issue of units. All such expense are deducted directly from unitholders' funds.

Financial liabilities

Trade payables and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method.

Derecognition of financial liabilities

The Trust derecognises financial liabilities when, and only when, the Trust's obligations are discharged, cancelled or expired.

INVENTORIES - Inventories comprise spare parts and consumables and are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method.

PLANT AND EQUIPMENT – Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost of assets over their estimated useful lives using the straight-line method. The estimated useful lives of the assets are as follows:

Office equipment	-	3 to 5 years
Furniture and fittings	-	5 years
Machinery and equipment	-	5 to 14 years

No depreciation is provided on capital work-in-progress.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

IMPAIRMENT OF NON-FINANCIAL ASSETS - At the end of each financial year, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

PROVISIONS - Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Group will be required to settle the obligation. Provisions are measured at the Trustee-Manager's best estimate of the expenditure required to settle the obligation at the end of the financial year, and are discounted to present value where the effect is material.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the financial year, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

GOVERNMENT GRANTS - Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received. Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

REVENUE RECOGNITION - Revenue is measured at the fair value of the consideration received or receivable.

Construction revenue

Revenue from construction contract is recognised based on the percentage of completion method in proportion to the stage of completion and the outcome of such contract can be reliably estimated. The percentage of completion is measured by reference to the proportion of the contract cost incurred to date to the estimated total contract costs.

Finance income from service concession arrangements

Finance income from service concession arrangement represents the interest income on the service concession receivables arising from a service concession arrangement, and is recognised using the effective interest method.

Operation and maintenance income

Revenue from provision of operation and maintenance service is recognised when the services are rendered.

Other income

Other income represents the sale of scrap and rental income. Sale of scrap is recognised upon delivery of the scrap materials and rental income is recognised on a straight line basis over the term of the relevant lease.

Notes to Financial Statements

2. Summary of significant accounting policies (continued)

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial assets to that assets' net carrying amount.

BORROWING COSTS - Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

INCOME TAX - Income tax expense represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the financial year.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each financial year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in the profit or loss, except when they relate to items credited or debited directly to Unitholders' Funds, in which case the tax is also recognised directly in Unitholders' Funds, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

FOREIGN CURRENCY TRANSACTIONS - The Trust's financial statements are measured and presented in the currency of the primary economic environment in which the Trust operates (its functional currency). The financial statements of the Group are presented in Singapore dollars.

In preparing the financial statements of the Group, transactions in currencies other than the Trust's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the end of the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

CASH AND CASH EQUIVALENTS IN THE STATEMENT OF CASH FLOWS - Cash and cash equivalents comprise cash on hand, cash at banks and deposits placed with a related party that are readily convertible to a known amount of cash and are subject to insignificant risk of changes in value.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in Note 2 to the financial statements, the Trustee-Manager is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(i) Critical judgements in applying the Group's accounting policies

The Trustee-Manager is of the opinion that there is no instance of application of judgements which is expected to have a significant effect on the amounts recognised in the financial statements, apart from those involving estimations described below.

(ii) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

(a) Impairment of investment in subsidiaries

The Trustee-Manager assesses at each reporting date whether there is an indication that the investment in subsidiaries may be impaired. Should there be any indicator of impairment, the Trustee-Manager then estimates the recoverable amount based on the higher of fair value less costs to sell or value-in-use of the investment. Estimating the value-in-use requires the Trustee-Manager to make an estimate of the expected future cash flows from the cash-generating units and also to choose an appropriate discount rate in order to calculate the present value of those cash flows. During the year, there was no indicator to suggest that the investment in subsidiaries has suffered any impairment loss.

The carrying amount of the investment in subsidiaries at the end of the financial year is disclosed in Note 7 to the financial statements.

(b) Recognition of service concession receivables

The Group recognises a finance receivable if it has a contractual right under the concession agreements to receive a fixed and determinable amount of payments during the concession period, which will be apportioned between (i) interest income recognised as finance income in profit or loss, and (ii) a repayment of the receivable used to reduce the carrying amount of the receivable at the end of the financial year. The apportionment is determined using the effective interest rate which in turn was derived from the Trustee-Manager's estimate of the cash flows that are expected to arise from the concession agreements.

(c) Construction revenue recognition

The Group recognises contract revenue based on the stage of completion method. The stage of completion is measured in accordance with the accounting policy stated in Note 2 to the financial statements. Significant assumption is required in determining the stage of completion based on the extent of the contract cost incurred. Revenue from construction contracts is disclosed in Note 17 to the financial statements.

(d) Allowance for doubtful debts

The Group makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. Allowances are applied to trade and other receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of doubtful debts requires the use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of trade and other receivables and doubtful debts expenses in the year in which such estimate has been changed. The carrying amount of the Group's trade and other receivables is disclosed in Note 11 to the financial statements.

Notes to Financial Statements

4. Financial instruments, financial risks and capital risks management

(a) Categories of financial instruments

The following table sets out the financial instruments as at the end of the financial year:

	GROUP		TRUST	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Financial Assets				
Loans and receivables (including cash, bank and deposit balances)	62,040	61,479	327,273	327,668
Service concession receivables	564,761	602,572	-	-
Total	626,801	664,051	327,273	327,668
Financial Liabilities				
Payables, at amortised cost	12,975	16,735	2,435	3,031

(b) Financial risk management policies and objectives

The Group's overall financial risk management seeks to minimise potential adverse effects of financial performance of the Trust. There have been no changes to the Trust's exposure to these financial risks or the manner in which the Trustee-Manager manages and measures the risk.

(i) Foreign exchange risk management

The Group's exposure to foreign exchange risk is minimal as it does not have any foreign currency denominated balances at the end of the financial year. Hence, no sensitivity analysis is performed and presented.

(ii) Interest rate risk management

The Group's and the Trust's exposure to interest rate risk is minimal, which is only on the interest-bearing deposits placed with a related party (Note 12). Hence, no sensitivity analysis is performed and presented.

(iii) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at the end of the financial year, there is a significant concentration of credit risk to the Group's customer, which is the Government of Singapore, for the duration of the service concession contract entered into. The Trustee-Manager monitors the credit risk by ensuring that payments are received by the contracted date. The maximum exposure to credit risk is the carrying amount of financial assets which are mainly trade and other receivables and bank balances and cash.

Financial assets that are neither past due nor impaired

The trade receivables have an average credit period of 45 days (2012: 45 days).

All the Group's trade receivables and service concession receivables are neither past due nor impaired and are recoverable from a creditworthy customer, i.e., the Government of Singapore.

Information relating to the service concession receivables and trade and other receivables are disclosed in Notes 8 and 11 to the financial statements respectively.

(iv) Liquidity risk management

In the management of liquidity risk, the Trustee-Manager monitors and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The Trustee-Manager manages liquidity risk by maintaining adequate reserves and actual cash flows and matching the maturity profiles of financial assets and liabilities. Liquidity risk is minimal.

Liquidity and interest rate analysisNon-derivative financial assets

The following tables detail the weighted average effective interest rates and the expected maturity for non-derivative financial assets. The tables below have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the Group and the Trust anticipates that the cash flow will occur in a different period. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which is not included in the carrying amount of the financial assets on the statement of financial position.

	Weighted average effective interest rate %	On demand or less than 1 year \$'000	Between 1 to 5 years \$'000	After 5 years \$'000	Adjustment \$'000	Total \$'000
Group						
2013						
Non-interest bearing	-	19,763	-	-	-	19,763
Fixed interest rate instrument	0.31 to 0.36	42,295	-	-	(18)	42,277
Service concession receivable (fixed rate)	2.13 to 4.68	54,956	219,822	432,365	(142,382)	564,761
Total		<u>117,014</u>	<u>219,822</u>	<u>432,365</u>	<u>(142,400)</u>	<u>626,801</u>
2012						
Non-interest bearing	-	19,550	-	-	-	19,550
Fixed interest rate instrument	0.20 to 0.26	41,938	-	-	(9)	41,929
Service concession receivable (fixed rate)	2.13 to 4.68	54,956	219,821	487,321	(159,526)	602,572
Total		<u>116,444</u>	<u>219,821</u>	<u>487,321</u>	<u>(159,535)</u>	<u>664,501</u>
	Weighted average effective interest rate %	On demand or less than 1 year \$'000	Between 1 to 5 years \$'000	After 5 years \$'000	Adjustment \$'000	Total \$'000
Trust						
2013						
Non-interest bearing	-	341	-	-	-	341
Fixed interest rate instrument	0.14 to 6.00	36,802	500,814	(210,684)		326,932
Total		<u>37,143</u>	<u>500,814</u>	<u>(210,684)</u>		<u>327,273</u>
2012						
Non-interest bearing	-	269	-	-	-	269
Fixed interest rate instrument	0.14 to 6.00	37,266	518,222	(228,089)		327,399
Total		<u>37,535</u>	<u>518,222</u>	<u>(228,089)</u>		<u>327,668</u>

Non-derivative financial liabilities

All financial liabilities of the Group and Trust as at the end of the financial year are repayable on demand or due within 1 year from the end of the financial year and is non-interest bearing.

(v) Fair value of financial assets and financial liabilities

The Trustee-Manager considers that the carrying amounts of cash and cash equivalents, trade and other current receivables and payables and other liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair values of other classes of financial assets and liabilities are disclosed in the respective notes to financial statements.

Notes to Financial Statements

4. Financial instruments, financial risks and capital risks management (continued)

(c) Capital risk management policies and objectives

The Group and the Trust manage its capital to ensure that it will be able to continue as a going concern while maximising the return to its stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group and the Trust consists of unit attributable to unitholders of the Trust, comprising issued units and revenue reserves as disclosed in the notes to the financial statements.

The Trustee-Manager reviews the capital structure on an annual basis. As part of this review, the Trustee-Manager considers the cost of capital and the risks associated with each class of capital. The Trustee-Manager will evaluate its overall capital, distributions, new unit issues, obtain new borrowings or sell assets to reduce borrowings.

The Group's overall strategy remains unchanged from prior year.

5. Related party transactions

a) Related Parties

Some of the Group and the Trust's transactions and arrangements were with related parties and the effect of these, on the basis determined between the parties, was reflected in these financial statements. The balances are unsecured, repayable on demand, interest-free and expected to be settled in cash unless otherwise stated.

Significant transactions with affiliated companies of a corporate shareholder:

	GROUP	
	2013 \$'000	2012 \$'000
Operation and maintenance costs	(35,703)	(35,180)
Electricity costs	(6,829)	(8,313)
Construction costs	-	(7,725)
Trustee-Manager's management and performance fees	(4,698)	(4,588)
Interest income	77	95

b) Trustee-Manager

The Trust Deed provides the following fees payable to the Trustee-Manager:

Management Fee and Performance Fee

The Trustee-Manager (in its personal capacity) is entitled under the Trust Deed to a Management Fee and a Performance Fee for its provision of services to the Trust. These fees are payable for each calendar quarter ending on March 31, June 30, September 30 and December 31 of each year (each referred to as a "Quarter").

The Management Fee comprises a fixed fee of \$2.0 million per annum and covers the on-going operating costs of the Trustee-Manager. To provide for inflation, the Management Fee is subject to increase each year by such percentage representing the percentage increase (if any) in the average of the monthly Consumer Price Index of Singapore ("CPIS") for the 12 calendar months immediately preceding the beginning of each financial year ("FY") over the average of the monthly CPIS for FY2010.

The Performance Fee is calculated at 4.5% per annum of the sum of all cash inflow received by the Trust from subsidiaries, associates, sub-trusts and its investments (including but not limited to dividends, distributions, interest earned, revenues earned, principal repayment of debt securities and all other receipts).

The Management Fee and the Performance Fee will be payable to the Trustee-Manager quarterly in arrears, for each of the first three Quarters in a FY, within 55 calendar days after the end of that Quarter, and for the last Quarter in a FY, within 70 calendar days after the end of that Quarter.

The Trustee-Manager may elect for Units in lieu of all or a portion of the Management Fee and/or the Performance Fee payable in respect of the relevant Quarter and the Trustee-Manager shall be entitled to receive, such number of Units as may be purchased by the amount of such Management Fee and/or Performance Fee which the Trustee-Manager has elected to receive in Units at an issue price equal to the volume weighted average price of Units for all trades on the SGX-ST in the ordinary course of trading on the SGX-ST over the last five Trading Days of that Quarter (rounded to the nearest cents). The volume weighted average trading price for the last five Trading Days in a Quarter shall be the total value of transactions in the Units (for each transaction, the Unit price multiplied by the volume) for those five Trading Days divided by the total volume transacted for those five Trading Days.

Other fees

In addition to the Management Fee and the Performance Fee, the Trustee-Manager (in its personal capacity) is also entitled to receive an Acquisition Fee in respect of any investment (other than the Plants) acquired by the Trust or any of the Trusts or such other special purpose vehicles holding or constituted to hold Trust's investment and a Divestment Fee in respect of any investment sold or divested by the Trust or a Trust's entity.

The Acquisition Fee will be calculated as follows:

- a) 0.5% (or such lower percentage as may be determined by the Trustee-Manager in its absolute discretion) of the Enterprise Value of any investment acquired, where the investment is acquired:
 - (i) from one or more Sponsor Group Entities (Keppel Integrated Engineering Group); or
 - (ii) partly from one or more Sponsor Group Entities and partly from one or more third parties, and the Sponsor Group Entity(ies) had in aggregate direct or indirect interests of more than 50.0% in such investment prior to the acquisition; and
- b) in all other cases, 1.0% (or such lower percentage as may be determined by the Trustee-Manager in its absolute discretion) of the Enterprise Value of such investment.

The Acquisition Fee is payable within 10 Business Days after the date of completion of the acquisition, and the Trustee-Manager may elect to receive all or part of the Acquisition Fee in Units instead of cash. When paid in the form of Units, the Trustee-Manager is entitled to receive the number of Units as may be purchased with the relevant portion of the Acquisition Fee at the issue price of Units issued to finance or part finance the acquisition in respect of which the Acquisition Fee is payable or, where Units are not issued to finance or part finance the acquisition, at the issue price equal to the volume weighted average price of Units for all trades on the SGX-ST in the ordinary course of trading on the SGX-ST over the last five Trading Days prior to the date of completion of the acquisition. The volume weighted average trading price shall be the total value of transactions in the Units (for each transaction, the Unit price multiplied by the volume) for those five Trading Days divided by the total volume transacted for those five Trading Days.

The Divestment Fee is calculated at the rate of 0.5% (or such lower percentage as may be determined by the Trustee-Manager in its absolute discretion) of the Enterprise Value of any investment sold or divested by the Trust or a Trust's entity.

The Divestment Fee is payable within 10 Business Days after the date of completion of the sale or divestment, and the Trustee-Manager may elect to receive all or part of the Divestment Fee in Units instead of cash.

Notes to Financial Statements

6. Plant and equipment

	Office equipment \$'000	Furniture and fittings \$'000	Machinery and equipment \$'000	Capital work- in-progress \$'000	Total \$'000
Group					
Cost:					
At January 1, 2012	33	-	1,163	-	1,196
Additions	-	-	-	1,263	1,263
At December 31, 2012	33	-	1,163	1,263	2,459
Additions	-	4	564	-	568
Transfer	-	-	1,263	(1,263)	-
At December 31, 2013	33	4	2,990	-	3,027
Accumulated depreciation:					
At January 1, 2012	17	-	544	-	561
Depreciation	7	-	233	-	240
At December 31, 2012	24	-	777	-	801
Depreciation	4	-	346	-	350
At December 31, 2013	28	-	1,123	-	1,151
Carrying amount:					
At December 31, 2013	5	4	1,867	-	1,876
At December 31, 2012	9	-	386	1,263	1,658

7. Subsidiaries

	TRUST	
	2013 \$'000	2012 \$'000
Unquoted unit trusts, at cost net of distribution	289,836	327,936

Distribution received pertaining to cash distributions paid out of the Trust property of the subsidiaries are taken against the cost of the unquoted unit trusts as the subsidiaries may declare a cash distribution regardless of whether there are any profits or losses, retained earnings or accumulated losses in respect of a given period.

The details of the subsidiaries are as follows:

Name of subsidiary	Country of constitution/ incorporation and operations	Proportion of ownership interest and voting power held	2013 \$'000	Cost 2012 \$'000	Principal activity
		2013 % 2012 %			
Senoko Trust	Singapore	100 100	224,604	254,354	Waste incineration and electricity generation
Tuas DBOO Trust	Singapore	100 100	43,882	49,582	Waste incineration and electricity generation
Ulu Pandan Trust	Singapore	100 100	21,348	23,998	Collection, purification and distribution of water
Senoko Waste-to-Energy Pte Ltd	Singapore	100 100	*	*	Trustee of Senoko Trust
Keppel Seghers Tuas Waste-to-Energy Plant Pte Ltd	Singapore	100 100	1	1	Trustee of Tuas DBOO Trust

Name of subsidiary	Country of constitution/ incorporation and operations	Proportion of ownership interest and voting power held		2013 \$'000	Cost 2012 \$'000	Principal activity
		2013 %	2012 %			
Keppel Seghers Newwater Development Co Pte Ltd	Singapore	100	100	1	1	Trustee of Ulu Pandan Trust
Total				<u>289,836</u>	<u>327,936</u>	

* Less than \$1,000.

The above subsidiaries are audited by the auditors of the Trust, Deloitte & Touche LLP, Singapore.

For 2013, the aggregate fees payable to auditors was \$394,000 (2012: \$398,000), broken down into audit services of \$104,000 (2012: \$104,000) and non-audit services of \$290,000 (2012: \$294,000).

8. Service concession receivables

	GROUP	
	2013 \$'000	2012 \$'000
Service concession receivables	564,761	602,572
Less: Due within 12 months	(54,956)	(54,956)
Due after 12 months	<u>509,805</u>	<u>547,616</u>

This relates to service concession receivables from the following plants:

(a) Senoko Plant

A 15-year contract to own and operate an incinerator plant with a requirement to carry out the Flue Gas Treatment Upgrade, which has contracted incineration capacity of 2,100 tonnes per day with six incinerator-boiler units and two condensing turbine-generators with a power generation capacity of 2x28MW. The sub-trust has a contractual right under the concession arrangement to receive fixed and determinable amounts of payment during the concession period irrespective of usage of the plant.

(b) Tuas DBOO Plant

A 25-year Design-Build-Own-Operate ("DBOO") contract to build, design, own and operate a waste-to-energy plant, which has contracted incineration capacity of 800 tonnes per day with two incinerator-boiler units and one condensing turbine-generator with a power generation capacity of 22MW. The sub-trust has a contractual right under the concession arrangement to receive fixed and determinable amounts of payment during the concession period irrespective of usage of the plant.

(c) Ulu Pandan Plant

A 20-year DBOO contract to build, design, own and operate a water treatment plant, which has the capacity to produce 148,000m³ of NEWater daily. The sub-trust has a contractual right under the concession arrangement to receive fixed and determinable amounts of payment during the concession period irrespective of the output produced.

In arriving at the carrying value of the service concession arrangements as at the end of the reporting period, weighted average interest rate ranging from 2.13% to 4.68% (2012: 2.13% to 4.68%) per annum was used to discount the future expected cash flows. The Trustee-Manager is of the opinion that the carrying amount of the above approximates its fair value.

9. Notes receivable

Notes receivable of \$290,142,000 (2012: \$290,142,000), represent the qualifying project debt securities ("QPDS") receivable from its subsidiaries by the Trust to finance the acquisition of the plants on June 29, 2010. The QPDS are unsecured, repayable between December 31, 2023 to 2028 and bear interest at 6% per annum, payable semi-annually in arrears.

The Trustee-Manager is of the opinion that the carrying amount of the above approximates its fair value.

Notes to Financial Statements

10. Inventories

	GROUP	
	2013 \$'000	2012 \$'000
Spare parts and consumables	13,491	15,359

11. Trade and other receivables

	GROUP		TRUST	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Trade receivables:				
Outside parties	9,215	9,176	-	-
Unbilled revenue	9,286	9,325	-	-
	18,501	18,501	-	-
Other receivables:				
Goods and services tax	43	40	43	40
Prepayments	318	324	48	76
Related party (Note 5)	71	176	1	45
Others	6	7	-	-
Government grant	319	-	-	-
	757	547	92	161
Total	19,258	19,048	92	161

The average credit period is 45 days (2012: 45 days). No interest is charged on the outstanding trade receivables.

12. Cash, bank and deposit balances

	GROUP		TRUST	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Cash at banks and on hand	866	866	340	224
Deposits placed with a related party (Note 5)	42,277	41,929	36,790	37,257
Total	43,143	42,795	37,130	37,481

The deposits placed with a related party bear effective interest ranging from 0.13% to 0.36% (2012: 0.11% to 0.39%) per annum for the Group and the Trust and for tenure of less than 3 months (2012: tenure of less than 3 months).

13. Trade and other payables

	GROUP		TRUST	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Trade payables:				
Goods and services tax	1,242	1,064	-	-
Related party (Note 5)	6,898	9,293	1,989	1,971
	8,140	10,357	1,989	1,971
Other payables:				
Accrued expenses	6,003	7,385	435	1,052
Deposits received	17	30	-	-
Related party (Note 5)	-	27	11	8
Others	57	-	-	-
	6,077	7,442	446	1,060
Total	14,217	17,799	2,435	3,031

14. Deferred tax liability

	GROUP	
	2013 \$'000	2012 \$'000
Balance at beginning of year	67	107
Credit to profit or loss (Note 20)	(57)	(40)
Balance at end of year	<u>10</u>	<u>67</u>

The balance comprises mainly the tax effect of tax over book depreciation of plant and equipment.

15. Units in issue

	GROUP AND TRUST			
	2013 Number of Units	2012 Number of Units	2013 \$'000	2012 \$'000
At beginning and end of year	<u>629,781,279</u>	<u>629,781,279</u>	<u>719,307</u>	<u>719,307</u>

- a) Each unit in the Trust represents an undivided interest in the Trust. The rights and interests of Unitholders are contained in the Trust Deed and include the right to:
- (i) Receive income and other distributions attributable to the units held.
 - (ii) Participate in the termination of the Trust by receiving a share of all net cash proceeds derived from the realisation of the assets of the Trust less any liabilities, in accordance with their proportionate interests in the Trust; and
 - (iii) Receive audited accounts and the annual reports of the Trust.
- b) The restrictions of a Unitholder include the following:
- (i) a Unitholder has no right to request the Trustee-Manager to transfer to him any asset of the Trust; and
 - (ii) a Unitholder cannot give any directions to the Trustee-Manager (whether at a meeting of Unitholders or otherwise) if it would require the Trustee-Manager to do or omit doing anything which may result in:
 - the Trust ceasing to comply with applicable laws and regulations; or
 - the exercise of any discretion expressly conferred to the Trustee-Manager by the Trust Deed.
- c) A Unitholder's liability is limited to the amount paid or payable for any units in the Trust. The provisions of the Trust Deed provide that no Unitholders will be personally liable to indemnify the Trustee-Manager or any creditor of the Trustee-Manager in the event the liabilities of the Trust exceed its assets.

16. Earnings per unit

The calculation of basic earnings per unit is based on the weighted average number of units as at end of the year.

	GROUP	
	2013	2012
Earnings for the purpose of basic earnings per unit (\$'000)	<u>14,183</u>	<u>14,777</u>
Weighted average number of units for the purpose of basic earnings per unit ('000)	<u>629,781</u>	<u>629,781</u>
Earnings per unit (cents) – basic	<u>2.25</u>	<u>2.35</u>

Diluted earnings per unit is the same as the basic earnings per unit as there is no dilutive instruments in issue during the year.

Notes to Financial Statements

17. Revenue

	GROUP	
	2013 \$'000	2012 \$'000
Finance income from service concession arrangement	17,143	17,892
Operation and maintenance income	49,970	50,242
Construction revenue	-	8,114
Total	67,113	76,248

18. Other operating expenses

	GROUP	
	2013 \$'000	2012 \$'000
Property tax	2,923	2,912
Insurance	852	845
Others	504	428
	4,279	4,185

19. Interest income

	GROUP	
	2013 \$'000	2012 \$'000
Related Party (Note 5): Interest income	77	95

20. Income tax expense

	GROUP	
	2013 \$'000	2012 \$'000
Current tax	661	864
Overprovision in prior year	(1)	(18)
Deferred tax (Note 14)	(57)	(40)
	603	806

Domestic income tax is calculated at 17% (2012: 17%) of the estimated assessable profit for the year.

The total income tax expense for the year can be reconciled to the profit before income tax as follows:

	GROUP	
	2013 \$'000	2012 \$'000
Profit before income tax	14,786	15,583
Tax at the domestic income tax rate	2,514	2,649
Overprovision in prior year	(1)	(18)
Non-deductible items	18	139
Exempt income	(1,928)	(1,964)
	603	806

Exempt income arises mainly from interest income received by the Trust in respect of the Notes Receivables (Note 9) when onward declared to its unitholders within six months from the end of the financial year.

21. Commitment

	GROUP	
	2013 \$'000	2012 \$'000
Capital expenditure contracted but not provided for	-	862

This is in respect of a contract placed in 2012 for the construction of solar photovoltaic systems on the rooftop of a plant.

22. Operating segments

The Group determines its operating segments based on internal reports of segment profit or loss about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance.

The Group is organised into business units based on their services on which information is prepared and reportable to the Group's chief operating decision maker for the purposes of resources allocation and assessment of performance.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 2 to the financial statements.

	Waste Management \$'000	Water and Wastewater Treatment \$'000	Total \$'000
2013			
Revenue	51,564	15,549	67,113
Result:			
Operating profit	18,110	2,711	20,821
Interest income	43	6	49
Profit before income tax	18,153	2,717	20,870
Income tax expense	(603)	-	(603)
Segment profit	17,550	2,717	20,267
Trustee-Manager's fees			(4,698)
Interest income			28
Trust expenses			(1,414)
			14,183
Other information:			
Additions to non-current assets	-	568	568
Depreciation	237	113	350
2012			
Revenue	59,877	16,371	76,248
Result:			
Operating profit	19,403	1,983	21,386
Interest income	57	6	63
Profit before income tax	19,460	1,989	21,449
Income tax expense	(819)	14	(805)
Segment profit	18,641	2,003	20,644
Trustee-Manager's fees			(4,588)
Interest income			32
Trust expenses			(1,310)
Income tax expense			(1)
			14,777
Other information:			
Additions to non-current assets	8,114	1,263	9,377
Depreciation	238	2	240

Notes to Financial Statements

22. Operating segments (continued)

The Group has two reportable operating segments: Waste Management and Water and Wastewater Treatment. Waste Management represents the businesses relating to Senoko Plant and Tuas DBOO Plant. Water and Wastewater Treatment represents the business relating to Ulu Pandan Plant. No geographical segment information has been prepared as all the assets are located within Singapore.

Revenue reported above represents revenue generated from a single external customer. There were no inter segment sales in the year. Segment profit represents the profit earned by each segment before allocation of Trustee-Manager's fees and trust expenses.

Additions to non-current assets for Waste Management and Water and Wastewater Treatment segment relate to construction revenue recognised as service concession receivables under INT FRS 112 – *Service Concession Arrangements* and construction of 1MWp solar photovoltaic system capitalised as plant and equipment under FRS 16 – *Property, Plant and Equipment* respectively at the end of the reporting period.

23. Distributions

During the financial year, tax-exempt distributions paid are as follows:

	\$'000
For the period from July 1 to December 31, 2012	
- distribution of 4.69 cents per unit	29,537
For the period from January 1 to June 30, 2013	
- distribution of 3.13 cents per unit	19,712
	<u>49,249</u>

For the period from July 1, 2013 to December 31, 2013 (2012: July 1, 2012 to December 31, 2012), the Trust declared a tax-exempt distribution of 4.69 cents per unit (2012: 4.69 cents per unit). Together with the distribution of 3.13 cents per unit (2012: 3.13 cents per unit) paid for the period from January 1, 2013 to June 30, 2013 (2012: January 1, 2012 to June 30, 2012), total cash distribution in respect of the financial year ended December 31, 2013 will be 7.82 cents per unit (2012: 7.82 cents per unit).

Reconciliation of Consolidated Statement of Cash Flows to distribution:

	2013 \$'000	2012 \$'000
Cash generated from operations	52,324	53,322
Interest received	77	95
Tax paid and amount set aside for working capital	(3,152)	(4,168)
Total distribution for the financial year of 7.82 cents per unit	49,249	49,249
Distribution paid of 3.13 cents per unit	(19,712)	(19,712)
Distribution for period from July 1 to December 31	29,537	29,537
Distribution per unit from July 1 to December 31 (cents)	4.69	4.69
- based on total issued units of 629,781,279 at end of financial year		

Financial Calendar

FY 2013

Financial year-end	31 December 2013
Announcement of 2013 1Q results	15 April 2013
Announcement of 2013 2Q results	15 July 2013
Announcement of 2013 3Q results	14 October 2013
Announcement of 2013 full year results	20 January 2014
Distribution payout to Unitholders for the period 1 January to 30 June 2013	
- Books closure date	23 July 2013
- Payment date	15 August 2013
Distribution payout to Unitholders for the period 1 July to 31 December 2013	
- Books closure date	28 January 2014
- Payment date	21 February 2014
Despatch of Annual Report to Unitholders	24 March 2014
Annual General Meeting	15 April 2014

FY 2014

Financial year-end	31 December 2014
Announcement of 2014 1Q results	April 2014
Announcement of 2014 2Q results	July 2014
Announcement of 2014 3Q results	October 2014
Announcement of 2014 full year results	January 2015

Notice of Annual General Meeting

K-GREENtrust

(Registration No. 2010002)

(Constituted in the Republic of Singapore as a business trust pursuant to a trust deed dated 23 July 2009 (as amended))

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("AGM") of the holders of units of K-Green Trust ("KGT", and the holders of units of KGT, "Unitholders") will be held at Raffles City Convention Centre, Stamford Ballroom (Level 4), 80 Bras Basah Road, Singapore 189560 on Tuesday, 15 April 2014 at 10.00 a.m. to transact the following business:

(A) AS ORDINARY BUSINESS

1. To receive and adopt the Report of the Trustee-Manager, the Statement by the Trustee-Manager and the Audited Financial Statements of KGT for the year ended 31 December 2013 and the Independent Auditors' Report thereon.
2. To re-appoint Messrs Deloitte & Touche LLP as Auditors of KGT to hold office until the conclusion of the next AGM of KGT, and to authorise the Trustee-Manager to fix their remuneration.

Ordinary Resolution 1

Ordinary Resolution 2

(B) AS SPECIAL BUSINESS

To consider, and, if thought fit, to pass with or without any modifications, the following resolutions as Ordinary Resolutions:

3. That pursuant to Clause 6.1 of the trust deed constituting KGT executed by the Trustee-Manager on 23 July 2009 (as amended) (the "Trust Deed"), Section 36 of the Business Trusts Act (Chapter 31A of Singapore) (the "Business Trusts Act") and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Trustee-Manager be authorised and empowered to:

Ordinary Resolution 3

- (a)
 - (i) issue units in KGT ("Units") whether by way of rights, bonus or otherwise; and/or
 - (ii) make or grant offers, agreements or options (collectively, "Instruments") that would or might require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) securities, options, warrants, debentures or other instruments convertible into Units,

at any time and on such terms and conditions and for such purposes and to such persons as the Trustee-Manager may in its absolute discretion deem fit; and

- (b) issue Units in pursuance of any Instrument made or granted by the Trustee-Manager while this Resolution was in force (notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time such Units are issued),

provided that:

- (1) the aggregate number of Units to be issued pursuant to this Resolution (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed fifty per cent. (50%) of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Units to be issued on a non pro rata basis to Unitholders (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed twenty per cent. (20%) of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (2) below);

- (2) subject to such manner of calculation as may be prescribed by the SGX-ST for the purpose of determining the aggregate number of Units that may be issued under sub-paragraph (1) above, the total number of issued Units (excluding treasury Units, if any) shall be calculated based on the total number of issued Units (excluding treasury Units, if any) at the time this Resolution is passed, after adjusting for:
 - (a) any new Units arising from the conversion or exercise of any Instruments which are outstanding or subsisting at the time this Resolution is passed; and
 - (b) any subsequent bonus issue, consolidation or subdivision of Units;
- (3) in exercising the authority conferred by this Resolution, the Trustee-Manager shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST), the Trust Deed and the Business Trusts Act;
- (4) (unless revoked or varied by the Unitholders in a general meeting) the authority conferred by this Resolution shall continue in force until (a) the conclusion of the next AGM of KGT or (b) the date by which the next AGM of KGT is required by applicable regulations to be held, whichever is earlier;
- (5) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Units into which the Instruments may be converted in the event of rights, bonus or other capitalisation issues or any other events, the Trustee-Manager is authorised to issue additional Instruments or Units pursuant to such adjustment, notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments or Units are issued; and
- (6) the Trustee-Manager and any of its Directors be and are hereby severally authorised to complete and do all such acts and things (including executing, as the case may be, all such documents as may be required) as the Trustee-Manager or, as the case may be, the Director may consider expedient or necessary or in the interest of KGT to give effect to the authority conferred by this Resolution.

(Please see Explanatory Note 1)

4. That:

Ordinary Resolution 4

- (a) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual ("Chapter 9") of the SGX-ST, for KGT, its subsidiaries and associated companies that are "entities at risk" (as defined under Chapter 9), or any of these entities, to enter into any of the transactions falling within the types of interested person transactions, described in the Appendix accompanying this Notice dated 24 March 2014 (the "Appendix") issued by the Trustee-Manager, with any party who is of the class of interested persons described in the Appendix, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such interested person transactions (the "Unitholders' Mandate");
- (b) the Unitholders' Mandate shall, unless revoked or varied by the Unitholders in a general meeting, continue in force until the date that the next AGM of KGT is held or is required by law to be held, whichever is earlier; and
- (c) the Trustee-Manager and any of its Directors be and are hereby severally authorised to complete and do all such acts and things (including, executing, as the case may be, all such documents as may be required) as the Trustee-Manager or, as the case may be, the Director may consider expedient or necessary or in the interest of KGT to give effect to the Unitholders' Mandate and/or this Resolution.

(Please see Explanatory Note 2)

Notice of Annual General Meeting

(C) AS OTHER BUSINESS

5. To transact such other business as may be transacted at an AGM of KGT.

BY ORDER OF THE BOARD
Keppel Infrastructure Fund Management Pte. Ltd.
(Company Registration No. 200803959H)
as Trustee-Manager of K-Green Trust



Ng Wai Hong/Winnie Mak
Company Secretaries

Singapore
24 March 2014

Explanatory notes:

1. Ordinary Resolution 3

Ordinary Resolution 3 above, if passed, will empower the Trustee-Manager from the date of the AGM until (i) the conclusion of the next AGM of KGT, (ii) the date by which the next AGM of KGT is required by law to be held, or (iii) the date on which such authority is revoked or varied by the Unitholders in a general meeting, whichever is the earliest, to issue Units, to make or grant Instruments and to issue Units pursuant to such Instruments, up to a number not exceeding 50% of the total number of issued Units, of which up to 20% may be issued on a non pro rata basis to Unitholders (in each case, excluding treasury Units, if any).

For determining the aggregate number of Units that may be issued, the total number of issued Units will be calculated based on the issued Units at the time Ordinary Resolution 3 above is passed, after adjusting for new Units arising from the conversion or exercise of any Instruments which are outstanding at the time this Resolution is passed and any subsequent bonus issue, consolidation or subdivision of Units.

Ordinary Resolution 3 above, if passed, will empower the Trustee-Manager from the date of this AGM until the date of the next AGM of KGT, to allot and issue Units to itself instead of cash in the event the Trustee-Manager elects in accordance with Clause 12 of the Trust Deed to receive all or any part of the fees due and payable to it in Units, provided that such allotment and issue shall be in accordance with the provisions of the Trust Deed, the Business Trusts Act and applicable regulations.

2. Ordinary Resolution 4

Ordinary Resolution 4 relates to the renewal of a mandate given by the Unitholders on 16 April 2013 approving KGT, its subsidiaries and associated companies that are "entities at risk" (as that term is used in Chapter 9), or any of these entities, to enter into transactions falling within the types of interested person transactions described as Mandated Transactions (as defined in the Appendix), with any party who is of the class of interested persons described in the Appendix. Please refer to the Appendix for details.

Notes:

1. A Unitholder entitled to attend and vote at the AGM is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a Unitholder.
2. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her holding (expressed as a percentage of the whole) of Units concerned to be represented by each proxy.
3. The proxy form must be deposited at the registered office of the Trustee-Manager at 1 HarbourFront Avenue, #18-01, Keppel Bay Tower, Singapore 098632 not less than 48 hours before the time fixed for the AGM.

Proxy Form

K-GREENtrust

(Registration No. 2010002)

(Constituted in the Republic of Singapore as a business trust pursuant to a trust deed dated 23 July 2009 (as amended))

IMPORTANT

1. For CPF investors who hold units in K-Green Trust, this Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent FOR THEIR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or is purported to be used by them.
3. CPF investors who wish to attend the Annual General Meeting as observers have to submit their requests through their CPF Approved Nominees so that their CPF Approved Nominees may register, within the specified timeframe, with K-Green Trust's Unit Registrar. CPF Approved Nominees, please refer to Note 12 on the reverse side of the Proxy Form for further details.
4. CPF Investors who wish to vote must submit their voting instructions to their CPF Approved Nominees to enable them to vote on their behalf.
5. **PLEASE READ THE NOTES TO THE PROXY FORM.**

ANNUAL GENERAL MEETING

I/We _____
(Name(s) and NRIC Number(s)/Passport Number(s)/Company Registration Number)

of _____ (address)
being a Unitholder/Unitholders of K-Green Trust ("KGT") hereby appoint:

Name	Address	NRIC/ Passport Number	Proportion of Unitholdings	
			No. of Units	%

and/or (delete as appropriate)

Name	Address	NRIC/ Passport Number	Proportion of Unitholdings	
			No. of Units	%

as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the Annual General Meeting of KGT ("AGM") to be held at Raffles City Convention Centre, Stamford Ballroom (Level 4), 80 Bras Basah Road, Singapore 189560 on Tuesday, 15 April 2014 at 10.00 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they may on any other matter arising at the AGM.

No.	Ordinary Resolutions	No. of Votes For *	No. of Votes Against *
	Ordinary Business		
1.	To receive and adopt the Report of the Trustee-Manager, the Statement by the Trustee-Manager and the Audited Financial Statements of KGT for the year ended 31 December 2013 and the Independent Auditors' Report thereon.		
2.	To re-appoint Messrs Deloitte & Touche LLP as Auditors of KGT and authorise the Trustee-Manager to fix the Auditors' remuneration.		
	Special Business		
3.	To authorise the Trustee-Manager to issue Units and to make or grant convertible instruments.		
4.	To authorise the renewal of the Unitholders' Mandate.		

* If you wish to exercise all your votes "For" or "Against" the relevant resolution, please tick (✓) within the relevant box provided. Alternatively, if you wish to exercise your votes for both "For" and "Against" the relevant resolution, please indicate the number of Units in the respective boxes provided.

Dated this _____ day of _____ 2014

Total Number of Units held	
----------------------------	--

Signature(s) of Unitholder(s)/Common Seal of Corporate Unitholder

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Notes to proxy form:

1. A unitholder of KGT ("Unitholder") entitled to attend and vote at the Annual General Meeting ("AGM") is entitled to appoint one or two proxies to attend and vote in his/her stead provided that, in the case of Units entered in the Depository Register, the Trustee-Manager shall be entitled and bound:
 - (a) to reject any Proxy Form lodged if the Unitholder, being the appointer, is not shown to have any Units entered against his name in the Depository Register as at 48 hours before the time of the relevant meeting as certified by CDP to KGT; and
 - (b) to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by the Unitholder is or are able to cast on a poll a number which is the number of Units entered against the name of that Unitholder in the Depository Register as at 48 hours before the time of the relevant meeting as certified by CDP to KGT, whether that number is greater or smaller than the number specified in any Proxy Form executed by or on behalf of that Unitholder.
2. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her holding (expressed as a percentage of the whole) of Units concerned to be represented by each proxy.
3. A proxy need not be a Unitholder.
4. A Unitholder should insert the total number of units in KGT ("Units") held. If the Unitholder has Units entered against his/her name in the Depository Register maintained by The Central Depository (Pte) Limited ("CDP"), he/she should insert that number of Units. If the Unitholder has Units registered in his/her name in the Register of Unitholders of KGT, he/she should insert that number of Units. If the Unitholder has Units entered against his/her name in the said Depository Register and registered in his/her name in the Register of Unitholders, he/she should insert the aggregate number of Units. If no number is inserted, this Proxy Form (as defined in note 5 below) will be deemed to relate to all the Units held by the Unitholder.
5. The instrument appointing a proxy or proxies (the "Proxy Form") must be deposited at the registered office of the Trustee-Manager at 1 HarbourFront Avenue, #18-01, Keppel Bay Tower, Singapore 098632 not less than 48 hours before the time appointed for the AGM.

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Affix
Postage
Stamp

The Company Secretary
Keppel Infrastructure Fund Management Pte. Ltd.
(as Trustee-Manager of K-Green Trust)
1 HarbourFront Avenue
#18-01 Keppel Bay Tower
Singapore 098632

Fold along this line (2)

6. Completion and return of the Proxy Form shall not preclude a Unitholder from attending and voting at the AGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a Unitholder attends the AGM in person, and in such event, the Trustee-Manager reserves the right to refuse to admit any person or persons appointed under the Proxy Form to the AGM.
7. The Proxy Form shall be in writing, under the hand of the appointor or of his/her attorney duly authorised in writing or if the appointor is a corporation either under the common seal or under the hand of an officer or attorney so authorised. The Trustee-Manager shall have the right to reject a Proxy Form which has not been properly completed. In determining the rights to vote and other matters in respect of a completed Proxy Form submitted to it, the Trustee-Manager shall have regard to any instructions and/or notes set out in the Proxy Form.
8. Where the Proxy Form is signed on behalf of the appointor by an attorney or a duly authorised officer, the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority must (failing previous registration with the Trustee-Manager) be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.
9. The Proxy Form and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited at such place as the Trustee-Manager may in the notice convening the meeting direct, or if no such place is appointed, then at the registered office of the Trustee-Manager not less than 48 hours before the time appointed for holding the meeting or adjourned meeting (or in the case of a poll before the time appointed for the taking of the poll) at which the person named in the Proxy Form proposes to vote and in default the Proxy Form shall not be treated as valid. No Proxy Form shall be valid after the expiration of 12 months from the date named in it as the date of its execution.
10. All Unitholders will be bound by the outcome of the AGM regardless of whether they have attended or voted at the AGM.
11. On a poll, every Unitholder who is present in person or by proxy shall have one vote for every Unit of which he/she is the Unitholder. A person entitled to more than one vote need not use all his/her votes or cast them the same way.
12. CPF Approved Nominees acting on the request of the CPF investors who wish to attend the AGM as observers are requested to submit in writing, a list with details of the CPF investors' names, NRIC/Passport numbers, addresses and number of Units held. The list (to be signed by an authorised signatory of the CPF Approved Nominee) should reach KGT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower Singapore 048623 not less than 48 hours before the time fixed for the AGM.

KEPPEL INFRASTRUCTURE FUND MANAGEMENT PTE LTD

(as Trustee-Manager of K-Green Trust)
(Incorporated in the Republic of Singapore)
108 Pasir Panjang Road
#03-01 Golden Agri Plaza
Singapore 118535

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