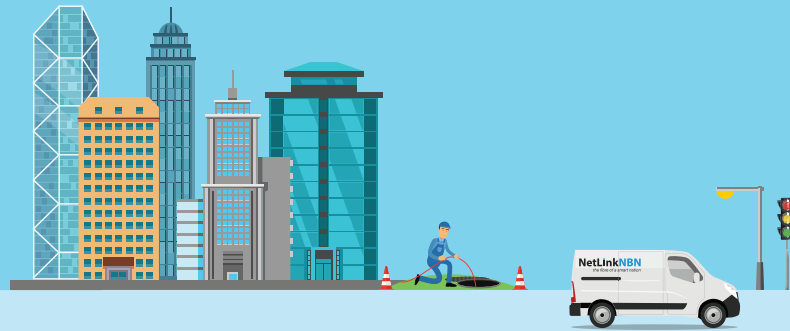




Breaking new grounds through connectivity

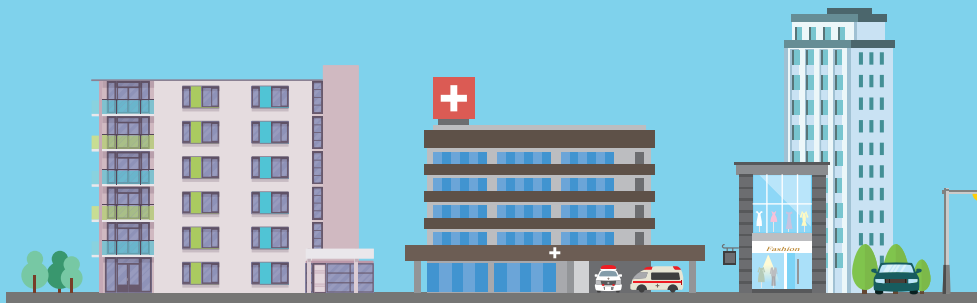


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Who We Are

NetLink NBN Trust's extensive network forms the backbone of Singapore's Nationwide Broadband Network (NBN), delivering ultra-high-speed internet access across mainland Singapore and its connected islands. NetLink NBN Trust and its subsidiaries ("NetLink"), designs, constructs, and maintains the passive fibre infrastructure, including ducts, manholes, fibre cables, and Central Offices, vital to the NBN's operation. This network ensures comprehensive coverage for both residential and non-residential premises throughout mainland Singapore and its connected islands.

Listed on the Mainboard of the Singapore Exchange Securities Trading Limited since 19 July 2017, NetLink NBN Trust is a key component of various indices including the FTSE ST Large and Mid-Cap Index, FTSE ST Singapore Shariah Index, and the MSCI Global Small Cap – Singapore Index.



Breaking new grounds through connectivity

We are breaking new grounds by seamlessly linking consumers and businesses to our high-speed fibre broadband network across Singapore. In every corner of our nation, we pave the way for dreams to become reality. Our commitment to robust connectivity ensures that aspirations are within reach, creating a dynamic environment where businesses thrive, and individuals harness the power of a connected future.



To read more visit
www.netlinknbn.com
or scan the QR code.

Highlights

Financial Highlights and Unit Price Performance



FY24

FY23

YOY
Change

	FY24	FY23	YOY Change
Revenue (\$m)	411.3	403.5	↑ 1.9%
EBITDA¹ (\$m)	292.4	295.0	↓ 0.9%
EBITDA¹ Margin (%)	71.1	73.1	↓ 2.0 pp
Profit After Tax (PAT) (\$m)	103.2	109.3	↓ 5.5%
Net Asset Value Per Unit (cents)	64.7	67.5	↓ 4.1%
Distribution Per Unit (DPU) (cents)	5.30	5.24	↑ 1.1%
Distribution Yield (%)	6.2²	6.1	
Net Gearing (%)	23.1	20.3	

¹ EBITDA is a non-SFRS(I) financial measure and represents operating profit before depreciation and amortisation expense, net finance costs and income tax expense.

² Distribution yield is based on a DPU of 5.30 cents and a unit price of 85.5 cents as at 31 March 2024.



The Singapore equity market demonstrated resilience, with the Straits Times Index (STI) ending 2023 roughly flat though more subdued compared to other markets. Despite headwinds stemming from economic and geopolitical volatility, the STI saw some recovery in the first quarter of 2024. With Singapore’s position as a regional financial hub and strong safeguards for investors, the Singapore equity market remains attractive to domestic and international investors.

With NetLink’s strong fundamentals and resilient business model, we continue to attract investor interest as described in the Investor Relations section (see pages 82 and 83). NetLink units had an average daily trading volume during this period of 4.0 million units. As at 31 March 2024, market capitalisation was approximately \$3.3 billion, based on the closing price of \$0.855.

NetLink NBN Trust is a key component of various indices including the FTSE ST Large and Mid-Cap Index, FTSE ST Singapore Shariah Index, and the MSCI Global Small Cap – Singapore Index.

	FY20	FY21	FY22	FY23	FY24
Opening price (\$)	0.835	0.900	0.945	0.980	0.865
Closing price (\$)	0.905	0.945	0.980	0.860	0.855
High (\$)	1.03	1.03	1.03	1.01	0.91
Low (\$)	0.795	0.88	0.95	0.80	0.82
Average Daily Trading Volume (Units)	10,828,773	10,938,974	7,496,522	6,254,358	4,007,371
Market Capitalisation (\$b) ³	3.5	3.7	3.8	3.4	3.3

Source: Bloomberg

UNIT PRICE PERFORMANCE VS MAJOR INDICES

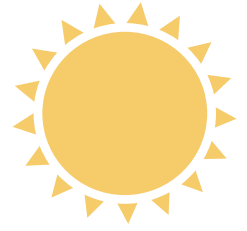


Source: Bloomberg

³ Based on the closing price on the last trading date of the respective financial year.

Highlights

Sustainability and Corporate Governance Highlights



ENVIRONMENT



Reducing waste generation and GHG emissions

Recorded a scrap rate of

1.2%

on fibre cable issued which is well within our

2.5%

target.



Recorded

61.8%

Scopes 1 and 2 emissions reduction from FY22 base year.¹

SOCIAL



Connecting the Nation

Commitment to providing a reliable and extensive fibre network that is capable of delivering ultra-high-speed internet that support online social connections as well as innovative digital solutions to boost productivity and delivery of social and economic services.

Expanded fibre network connections in FY24:

Residential end-users:

1,506,997

NBAP:

2,979

Non-residential end-users:

53,482

Segment:

3,542

Invested approximately

\$94m

to enhance and ensure the robustness of our fibre network



Giving back to our community

Volunteer manhours:

506 hours

Recognition:

**Community Chest -
Charity Platinum Award**

¹ Please refer to page 99 for more details.

GOVERNANCE



Enhancing Board Composition

67%
of the Board is Independent

Gender diversity:
44%
of Board Members are Female



Financially sustainable operations

Revenue and EBITDA of
\$411.3m and
\$292.4m
respectively

Increased distribution to
5.30 cents
per unit



Recognition

Ranked 5th
in the Singapore
Governance and
Transparency Index
(SGTI) Award
(REIT and Business
Trust Category)

Singapore Corporate
Awards 2023
**Best Investor
Relations Award
(Gold)**
(REITs & Business
Trust Category)

SIAS Investors' Choice
Awards
**Shareholder
Communication
Excellence
Award (Winner)**
(REITs & Business
Trust Category)

The Edge Billion Dollar
Club 2023
**Highest Growth
in PAT over three
(3) years (Winner)**
(Technology Equipment
+ Telecommunications
Services Category)

Chairman's Letter

The year in more detail



Dear Unitholders,

Amidst uneven recovery and geopolitical tension in the global environment, Singapore's economy expanded at slower rate, with gross domestic product (GDP) growing 1.1% in 2023 compared to 3.8% the previous year.

Against this challenging backdrop, NetLink delivered a consistent, stable performance for FY24.

DELIVERING CONSISTENT VALUE

Resilient earnings

Revenue increased 1.9% to \$411.3 million, up from \$403.5 million the previous year. Earnings before interest, tax, depreciation, and amortisation (EBITDA) was \$292.4 million, marginally lower than that in FY23 mainly due to a one-off non-cash write-off of decommissioned network assets and higher operating costs.

Mr Chaly Mah Chee Kheong

Chairman

NetLink's steady financial performance demonstrates the strength and resilience of our business, even in uncertain times. Our regulated operations provide a robust baseload of reliable recurring income streams, giving us added muscle to ride out challenging business conditions and position ourselves for future growth.

Attractive unitholder distributions

Since our establishment, NetLink has continued to deliver attractive distributions. This year was no exception.

On 12 June 2024, NetLink NBN Trust unitholders received a distribution of 2.65 cents per unit for the six-month period ended 31 March 2024, in line with our policy to return 100% of cash available for distribution to our unitholders. This brings our total FY24 distributions to 5.30 cents per unit, an increase of 1.1% from 5.24 cents in FY23.

Our consistent, growing distributions are testament to NetLink's proven track record in generating and delivering investor value.

Price certainty for the next few years

In November 2023, we announced that the Infocomm Media Authority of Singapore (IMDA) had completed its regulatory price review for our Interconnection Offer. Over the months leading up to this, the Board spent significant time guiding and advising management to achieve a reasonable outcome for NetLink.

The new pricing terms took effect on 1 April 2024 and did not have any financial impact on the Group for FY24. With the conclusion of this regulatory review, NetLink now has price certainty for the next few years, until the next round of review. We will continue to engage constructively with the regulator to ensure a sustainable pricing model for the future.

A FUTURE-PROOF BUSINESS

As a business, we are future-proof. We have the right technology and are strategically positioned in the right market.

In the right technology

Globally, across the industry, the consensus is clear. Fibre is the future of the internet. Fibre optics are the most efficient, reliable means of transmitting information. They offer superior bandwidths, speeds and latency compared to older technologies such as coaxial and copper cables.

Once installed, fibre networks are built to last. They are highly resilient, even under adverse weather conditions. Fewer physical resources are required to deploy and maintain them, and they involve lower operating costs than other solutions.



Revenue

\$411.3m

EBITDA

\$292.4m

Distribution Per Unit

5.30 cents

Summary of Message

- ▶ Steady financial performance demonstrates the strength and resilience of the business, even in uncertain times.
- ▶ Consistent growing distributions are testament to NetLink's proven track record in generating and delivering investor value.
- ▶ NetLink is in the right business. Fibre is quite simply, the best solution available to cope with future network demands.
- ▶ Sustainability is deeply embedded in the very nature of the business. Not only is fibre the fastest way to access the internet, it is also the most environmentally friendly.
- ▶ Enabling the widespread availability of reliable, high-speed internet access, NetLink's operations benefit millions in Singapore.

Chairman's Letter

Importantly, fibre technology is highly scalable. Capacity and speed upgrades can be made without needing to replace the fibres themselves. The higher the connection speeds, the greater the savings in costs and energy use versus other technologies.

All this means NetLink is in the right business. Fibre is quite simply, the best solution available to cope with future network demands.

In the right position, in the right market

Furthermore, NetLink has gained a strong strategic footing in the right market.

In Singapore, we represent the dominant means of fixed broadband internet access for the residential segment. We also support last-mile wireless access, such as through Wi-Fi hotspots and 4G/5G mobile base stations. Our fibre network forms part of the country's critical infrastructure and features in the nation's long-term Digital Connectivity Blueprint.

Singapore offers several advantages and relatively lower risks as a market. INSEAD has named it the best in Asia for information communications infrastructure. Household internet penetration rates are high, and connection numbers are growing together with increases in population. Broadband access is also fairly priced and widely available.

BREAKING NEW GROUNDS THROUGH CONNECTIVITY

Through its business, NetLink helps households, businesses and individuals break new ground through connectivity.

Our extensive nationwide infrastructure has given Singapore the fastest fixed broadband speed in the world, and the fastest upload and download speeds in Southeast Asia. This has supported economic and social development, enabling businesses to better access global markets and operate more efficiently and innovatively. It has also helped make the country an ideal testbed for new emerging technologies, such as quantum computing and artificial intelligence.

Furthermore, our network has supported the growth of the country's digital economy. According to an October 2023 study by IMDA, in 2022 the digital economy generated \$106 billion, or 17.3% of national GDP, nearly double the \$58 billion it generated just five years prior.

Meeting growing demands, investing for the future

In February 2024, the Singapore government announced plans to build on these strengths and bolster the country's connectivity even further. Over the next five years, it will invest up to \$100 million to upgrade the nationwide broadband network from 1Gbps to 10Gbps.

NetLink stands ready to support this exercise through our expertise and infrastructure. We are also working on strengthening our reach, densification, and capabilities to better support the country's transition to its 10Gbps future.

SUSTAINABILITY AT THE HEART OF ALL WE DO

As a Group, we believe that truly successful companies are also sustainable ones. Sustainability makes good business sense. It helps us manage risks, safeguard value, and position ourselves for long-term relevance and longevity.

Sustainability is deeply embedded in the very nature of our business. Not only is fibre the fastest way to access the internet, it is also the most environmentally friendly. It is the most energy efficient solution in the market, enabling higher bandwidths and speeds with a minimal carbon impact. Furthermore, through enabling the widespread availability of reliable, high-speed internet access, NetLink's operations benefit millions in Singapore, improving education, healthcare, public services, and quality of life.

In a spirit of continuous improvement, we assess, monitor, manage and enhance our performance and efforts with respect to our material Environmental, Social and Governance (ESG) topics and relevant UN Sustainable Development Goals (UNSDGs), on an ongoing basis. This endeavour is led by our Sustainability Steering Committee, comprising members of management, with accountability to the Board as part of wholistic risk governance. An example of our ESG efforts are our voluntary targets to halve our Scope 1 and 2 emissions by 2030, and achieve net zero emissions by 2050. These represent measures under our material topic of climate change, in line with our adoption of UN SDG 13.



BEST-IN-CLASS CORPORATE GOVERNANCE

Another example is our commitment to good governance and transparency, in line with UN SDG 16.

Within the Group, we have a strong system of internal controls, as well as a robust culture of governance all the way from the Board, down to management and staff. This encompasses an ongoing commitment to transparency and fair engagement with all our stakeholders.

We are encouraged that our efforts on this front have been acknowledged through a number of prestigious awards and recognitions during the year, conferred in the business trusts and real estate investment trusts (REITs) category. This includes the Shareholder Communication Excellence Award at the the Securities Investors Association (Singapore) Investors' Choice Awards 2023, as well as the Gold award for Best Investor Relations at the Singapore Corporate Awards 2023. In addition, we were ranked in the top 5 of listed companies in our sector on the Singapore Governance & Transparency Index.

A NOTE OF WELCOME AND OF THANKS

The Board recognises the importance of progressive and systematic board renewal, in ensuring continued independence of its directors and good corporate governance. It also recognises the value of board diversity, including gender diversity, as well as succession planning for key leadership positions.

On behalf of the Board, I extend a warm welcome to Ms Joyce Tee Siew Hong and Ms Shirley Wong Swee Ping, who joined as new non-executive independent directors

on 1 December 2023. As a member of the Board and its Nominating Committee, Ms Tee brings with her rich experience in banking, finance and supporting the growth of SMEs, while Ms Wong brings to the Board and its Audit Committee a strong background in finance, technology, and cybersecurity.

On behalf of the Board, I would also like to express our appreciation to Mr Eric Ang Teik Lim, who stepped down from the Board on 1 December 2023 after six years as a Director of the Group. We thank him for his wise guidance and his invaluable contributions to the Board, as well as to its Audit, Nominating and Remuneration Committees, on which he served during his tenure.

On the management front, the Board welcomes Mr Yoong Swie Leong, Nicholas, who joined the Group as Chief Operating Officer on 16 October 2023. He is responsible for overseeing the operations of our day-to-day business, as well as developing strategies and practices to enhance efficiency and productivity.

I would like to take this opportunity to express my appreciation to all directors on the NetLink board. I would also like to thank NetLink's management and staff for your hard work and dedication.

Last but not least, I would like to express the Group's gratitude to our customers, stakeholders, partners and unitholders for your trust in us, and for your continued support.

As NetLink strives towards our vision of being Singapore's leading fibre optics infrastructure provider, we remain committed towards value creation and delivering sustainable returns. We will also stay true to our goal of breaking new grounds through connectivity, for our customers and for Singapore, for years to come.

Chaly Mah Chee Kheong
Chairman



Sustainability is deeply embedded in the very nature of our business. Not only is fibre the fastest way to access the internet, it is also the most environmentally friendly.

In-Conversation with the C-Suite

What lies on the horizon for technology and digitalisation in Singapore, and what are some of the top concerns for companies and corporate leaders today? Against this backdrop, how is NetLink positioning itself for the future?

NetLink's CEO, CFO and COO share their views on these questions, as well as the Group's priorities for the coming year and strategies for sustainable growth.



TYH

Mr Tong Yew Heng,
Chief Executive Officer

NY

Mr Nicholas Yoong,
Chief Operating Officer

DC

Ms Diane Chen,
Chief Financial Officer
and Chief Sustainability
Officer

Q

Talk us through the key highlights for NetLink in 2024.

TYH

In FY24 NetLink demonstrated the strength and resilience of our business model and recurring income streams, affirming our solid value proposition to investors. We achieved key strategic milestones and took steps to actively position our business for future success.

Revenue grew 1.9% to \$411.3 million, backed by our regulated business enabling us to increase unitholder distributions by 1.1% to 5.30 cents per unit for FY24.

On the strategy front, we obtained a fairly reasonable outcome from the regulatory review of our Interconnection Offer. Our business

now has price certainty for up to five years, until the next regulatory review, and the new pricing is not expected to have any material impact on the Trust's distribution for FY25.

We continued to invest in the future by building a new central office in the northern part of Singapore, which is progressing in accordance with the plan, and by strengthening our network, which in turn increases our regulated asset base.

During the year, we received numerous awards recognising us for corporate excellence. These included the Gold for Best Investor Relations at the Singapore Corporate Awards and the Shareholder Communications Excellence Award from SIAS, for the business trusts and REITs sector. We were also honoured by The Edge Singapore's Billion Dollar Club for the best three-year PAT growth within the technology equipment and telecommunications services sector.

Mr Tong Yew Heng

Chief Executive Officer



What were some key accomplishments on the operational front?



FY24 marked yet another year of strong performance on the operational front. We met increased customer demands whilst continuing to maintain a good record of reliability, safety, and service quality.

We saw higher demand across most of our service categories, including residential, non-residential, non-building address point and segment connections, as well as installation-related services.

We maintained 100% island-wide coverage, 99.99% network reliability and provide the backbone for one the fastest broadband internet services in the world, if not the fastest. During the year, there were no fatalities or major workplace-related health and safety incidences reported reflecting our emphasis on a robust safety culture throughout the Group.

All required quality of service standards from our regulators were either met or exceeded. This is testament to our goal of continuously providing high quality service at the lowest cost to our end users.



The government recently announced plans to upgrade Singapore’s nationwide broadband infrastructure. What’s the future of digital in Singapore, and where does NetLink see its role in supporting this?



In Singapore, AI, cloud computing, the Internet of Things and quantum computing are some solutions that are gaining prominence. Adoption of some of these technologies has firmly entered the mainstream, with a widespread impact on businesses and everyday life. Technology for immersive digital experiences, and autonomous devices is also set to grow.

Against this background, in 2024 the Singapore government announced that it will invest \$100 million to upgrade the nationwide broadband network to support speeds up to 10Gbps, between now and 2026. This move is timely and will better support the development of future applications and innovations. It also follows the rollout of 5G mobile services and the introduction of Wi-Fi 7 in the country.

Since our inception, NetLink has actively supported the development and adoption of new technologies in Singapore. Most recently, this included supporting 5G mobile network rollouts and trials for quantum key distribution with our fibre infrastructure.

Now, once again we stand ready to support the upgrade of the nationwide broadband network with our expertise and infrastructure. This includes, for instance, enhancing our co-location facilities for requesting licensees to host their network equipment and servers.

Through initiatives like these, we will continue to collaborate with and partner industry partners and stakeholders, to keep Singapore at the forefront of digital development and adoption.



In FY24 NetLink demonstrated the strength and resilience of our business model and recurring income streams, affirming our solid value proposition to investors. We achieved key strategic milestones and took steps to actively position our business for future success.

In-Conversation with the C-Suite

Q

How is NetLink ensuring its business and organisation are future-ready?

TYH

NetLink's optical fibre network is future ready. Optical fibre is the most advanced and efficient fixed broadband connectivity solution for communities and businesses today. We have yet to encounter any technology that can surpass or replace it in terms of performance and efficiency.

Importantly, NetLink's business is not only resilient but highly scalable. Our assets today have plenty of headroom

to meet growing demands, and our existing network can support transmission speeds of 10Gbps and beyond.

To ensure that our Group is in an even better position to meet future demands, we are taking concrete steps to strengthen our organisation to support growth.

Firstly, we are actively looking at how we can optimise and enhance our assets and capacity. Secondly, we have made strategic investments, such as a new central office in the north of Singapore to serve future needs. Thirdly, we are deepening our management bench strength, including bringing on a new COO. Last but not least, we are maintaining robust systems, processes

and governance as a Group, because we believe that best-in-class transparency and business practices will make us stronger for the long run.

NY

On the operational front, we are gearing up for the future by actively working on strengthening our network reach, densification, and capabilities in support of fibre-to-anywhere deployment.

Power, cooling, and co-location space are being gradually improved or optimised at all our central offices, to better support our requesting licensees as they prepare to meet rising demands and ramp up to support 10Gbps services. We also continuously look at ways to enhance reliability, minimise downtime, and provide the best possible experience to end-users.

Even as we increase capacity, we are also exploring strategies to drive greater operational efficiencies and cost control whilst ensuring that we remain fully compliant with regulatory requirements.



Mr Nicholas Yoong Swie Leong

Chief Operating Officer



In the last few years, many companies have been feeling the impact of elevated interest rates on their cost of finance. Tell us more about NetLink's strategy to deal with this.

We have also stepped up our efforts to mitigate the risk of a volatile interest rate environment. Today, our interest rate exposure is substantially hedged with 78.4% of borrowings hedged at fixed rates.

To date, we have distributed a cumulative total of 33.9 cents per unit, in line with the Trust's stated distribution policy to distribute 100% of cash available for distribution to unitholders.



Amidst an environment of higher interest rates and higher costs, NetLink has adopted a prudent cost and capital management strategy to maintain financial stability. This is crucial to ensure we achieve our corporate objectives and continue delivering value to our stakeholders.

We actively seek to optimise our cost of operation and our balance sheet strength, making the best use of funds generated internally or from operations, and capitalising on borrowings to deliver an improved return to unitholders.

We maintain a strong capital structure with ample debt headroom to fund ongoing and future capital expenditure.



Would your future distributions to unitholders be affected by plans to invest more in your business to meet future demands? What can investors expect in terms of returns?

Investors can expect us to maintain stable distribution per unit given that NetLink generates more cash flow than what it distributes and maintains low net gearing with adequate funding available to support its future growth. Our business is also backed by reliable income streams, with price certainty for up to five years, until the next round of price review. We also do not expect any changes to our distribution policy and will continue to strive for sustainable distributions in line with it.



Over the years, NetLink has demonstrated its unchanging commitment to create and deliver shareholder value. Our goal has always been to achieve sustainable distribution growth, whilst ensuring adequate funds are set aside for future reinvestment.

Our track record speaks for itself. In the seven years since our initial public offering till the close of FY24, our unit price has increased 5.6%.



FY24 marked yet another year of strong performance on the operational front. We met increased customer demands whilst continuing to maintain a good record of reliability, safety, and service quality.

In-Conversation with the C-Suite



Globally and in Singapore, we're seeing growing momentum for the environmental agenda. The pressure is now on for businesses and governments to show a willingness to address key challenges, from climate change, to water use and waste. What is happening on this front at NetLink?



At NetLink, sustainability is embedded in our business and strategy. Our fibre network has a smaller carbon footprint and is more efficient to operate compared to other solutions. This supports Singapore's digital advancement and decarbonisation goals. At the same time, our network improves the quality of life for millions with fast, reliable broadband internet access.

As a Group we are actively addressing ESG issues. We have adopted relevant UN Sustainability Development Goals, and manage and report our performance with respect to our material ESG Topics. Concrete voluntary targets were set to reduce our environmental impact. On this front, we have achieved 61.8% reduction on our Scope 1 and 2 emissions in FY24. We strive to ensure the emissions reduction is sustained, while progressing towards achieving net zero by 2050. We are also on track to meet our commitments in areas like fibre scrap rate and water efficiency.

As we grow, we actively incorporate environmental considerations in the development of new assets. For instance, our upcoming central office in the north is being built in accordance with the Building Construction Authority and the Infocomm Development Authority's

Green Mark for Data Centres, for more energy efficient design, as well as operations and management.

We also incorporate environmental concerns into our scenario planning and strategy. For instance, in FY24 we conducted a quantitative scenario analysis to better understand the magnitude of climate impact on our business and have reported on the results in our Sustainability Report this year. With the assessment, we can plan and put in place actions to deal with the identified impacts, ensuring our business remains resilient in the face of environmental challenges.



We maintain a strong capital structure with ample debt headroom to fund ongoing and future capex. We have also stepped up our efforts to mitigate the risk of a volatile interest rate environment. Today, our interest rate exposure is substantially hedged.

Q

What are some of your key priorities for FY25, and your strategies to grow NetLink in the coming years?

TYH

We have five key priorities for FY25. Firstly, we will look to grow our non-building address point and segment connections, by supporting deployments related to Smart Nation and next-generation cloud-based services.

Secondly, we will continue to support the digitalisation of small and medium enterprises by making the cost of connections more accessible.

Thirdly, we will enhance our co-location facilities to support the upgrade of the nationwide broadband network.

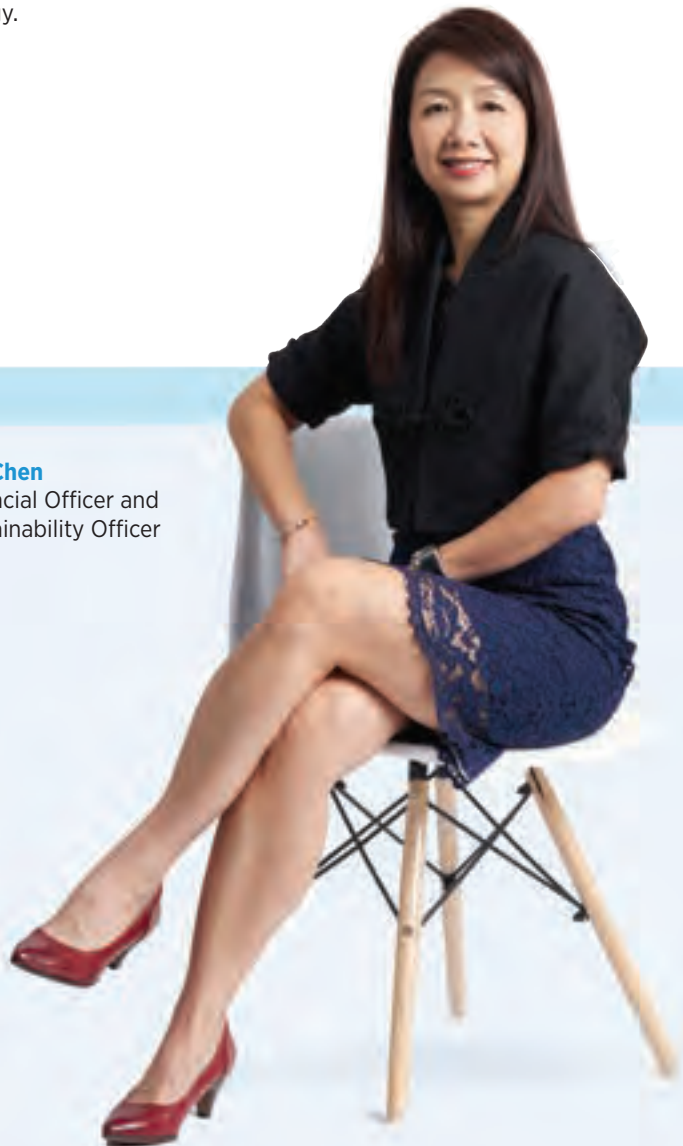
Fourthly, we will focus on completing construction for our eleventh central office in the north of Singapore and achieve operational readiness in 2025.

Fifthly, we will continue to execute our planned sustainability initiatives and strive for continued and sustained emissions reduction.

In the coming years, we will also continue to invest in growing our network and our regulated asset base, which will in turn give us a stable and predictable return.

We also remain open to exploring opportunities to invest in telecommunication and infrastructure-related businesses in Singapore and internationally, provided these are a good fit with our strategy.

Ms Diane Chen
Chief Financial Officer and
Chief Sustainability Officer



Our Business

Vision

To be the leading telecommunications infrastructure provider in Singapore

Mission

- ▶ We connect consumers and businesses anywhere in Singapore to the nationwide fibre broadband network
- ▶ We build strong and trusted partnerships with our industry operators to deliver reliable fibre connectivity to their customers
- ▶ We provide open and equal access to all industry operators
- ▶ We are committed to helping Singapore achieve its vision as a Smart Nation

Unique Proposition



Singapore's only nationwide passive infrastructure provider



Open and non-discriminatory access to industry partners



Universal and future-proof nationwide fibre network



A resilient business model with a transparent and regulated revenue stream



Stable regulatory environment

FY24 Performance

01

Resilient Business Model

Revenue of **\$411.3 million**, 1.9% higher than the previous year. EBITDA was 0.9% lower due mainly to a one-off non-cash write-off¹

Declared a distribution of **5.30 cents**; the highest distribution since listing

Continued investment in our Regulated Asset Base (RAB) - Invested approximately **\$94 million** to enhance and ensure the robustness of our fibre network.

Future Proof Business



Preferred means of fixed broadband delivery



High Penetration rate in the residential segment

¹ Please refer to the Operating and Financial Review on page 34 to 41 for further details.

Core Values



PARTNERSHIP

We measure our success by our partners



EXCELLENCE

We relentlessly pursue quality and excellence



INTEGRITY

We are fair, honest and accountable



TEAMWORK

We leverage individual strengths to work as one



RESPECT

We care for every employee

02

Foundation for groundbreaking initiatives

99.99% network availability

Met all Quality of Service (QoS) targets

Construction of Seletar CO **on track to completion** to meet demands in the Northern region of Singapore

Supported the rollout of 5G and collaborated with industry players to provide bandwidth services, driving digital transformation initiatives

03

Towards a Sustainable Future

Achieved a scrap rate of **1.2%** on fibre cable issued

61.8% reduction in Scope 1 and 2 emissions from FY22 base year²

Recorded **16,780** training hours, an average of **48** hours per employee

Stakeholders



Government and Regulators



Telecommunication Service Providers



Employees



Community



Investors



Low prices for fibre broadband



Critical Infrastructure supporting last-mile wireless access solution



Scalable and supportive of future transmission technologies

² Please refer to page 99 for more details.

Our Business

REGULATORY ENVIRONMENT

We hold a Facilities-Based Operations (FBO) licence granted by the Infocomm Media Development Authority (IMDA); this allows us to establish, operate and maintain the infrastructure required to provide telecommunications services via the nationwide broadband network (NBN).

Additionally, we operate strictly within IMDA's regulatory framework, in accordance with the regulations and service standards set out in the following areas:

- Telecom and Media Competition Code
- NetCo Interconnection Code
- Universal Service Obligation
- Quality of Service (QoS) Standards (for example, Service Provisioning Timeframe for Residential/Non-Residential End-User Connections)

NetLink is also required to pay an annual license fee to IMDA, determined by the audited annual gross turnover. Failure to meet these obligations or any regulatory requirements imposed may result in monetary penalties or other enforcement actions by IMDA.

As an essential service provider, we are relentless in our pursuit of service quality excellence. Over the past years, we have implemented various initiatives, such as the rollout of additional fibre capacity to residential homes across our nationwide network, the pre-laying of fibre infrastructure to non-residential buildings to speed up service provisioning, as well as the constant enhancement of work processes to improve our QoS performance. As a testament to our efforts, we have met all our QoS performance indicators every year since FY21.

PRICING

Most of our pricing are regulated by IMDA, as prescribed in the NetCo Interconnection Code and the Interconnection Offer (ICO), resulting in a transparent and predictable revenue via two streams:

- One-time installation and/or patching charges for each termination point upon the initial connection or service activation; and
- A monthly recurring connection charge

IMDA has the right to review the prices every five years following the last price review or at any such time as IMDA may consider appropriate. On 27 November 2023, IMDA concluded its review of prices, terms and conditions of the ICO. The current monthly recurring charge (MRC) per end-user connection services is shown below:

MRC (from 1 April 2024)

Residential End-User Connection	Non-Residential End-User Connection	NBAP Connection
\$13.50	\$55.00	\$70.50



Board of Directors

Date of First Appointment as a Director: 21 February 2017

Date of Appointment as Chairman: 19 April 2017

Date of Last Re-election as a Director: 19 July 2023

Professional Qualifications:

- Bachelor of Commerce, University of Melbourne, Australia
- Fellow, Institute of Chartered Accountants, Australia & New Zealand
- Fellow, Certified Practising Accountants, Australia
- Fellow, Association of Chartered Certified Accountants, United Kingdom
- Fellow, Institute of Singapore Chartered Accountants

Present directorships in other listed companies:

- CapitalLand Investment Limited

Other principal commitments:

- Chairman, Surbana Jurong Private Limited
- Deputy Chairman, National Environment Agency
- Board Member, Monetary Authority of Singapore
- Member of the Board of Trustees, National University of Singapore
- Board Member, Flipkart Private Limited

Other appointments:

- Non-Resident Ambassador to the Republic of Costa Rica
- Board of Trustee, SG Eco Fund

Past directorships in other listed companies held over preceding five years:

- Nil

Background and working experience:

Mr Mah, 68, was with Deloitte for over 38 years. He retired in 2016 as the CEO of Deloitte Southeast Asia and Chairman of Deloitte Singapore. He was the CEO of Deloitte Asia Pacific and member of the Deloitte Global Executive from 2007 to 2015 and the Vice Chairman of Deloitte Global Board from 2015 to 2016.



Chaly Mah Chee Kheong

Chairman of the Board

Non-Executive and Independent Director
of the Trustee-Manager

Chairman of the Nominating Committee

Chairman of the Remuneration Committee

Member of the Risk and Sustainability Committee

Date of First Appointment as a Director: 21 February 2017
Date of Last Re-election as a Director: 20 July 2022

Professional Qualifications:

- Bachelor of Commerce, University of Melbourne, Australia
- Fellow, CPA Australia
- CA (Singapore), Institute of Singapore Chartered Accountants

Present directorships in other listed companies:

- Far East Orchard Limited

Other principal commitments:

- Executive Director and Chief Financial Officer, Far East Organization
- Member, Accounting Standards Committee, Accounting and Corporate Regulatory Authority
- Director, Baker & Cook Pte Ltd
- Director, Commonwealth Concepts Pte Ltd

Past directorships in other listed companies held over preceding five years:

- Nil

Background and working experience:

Ms Koh, 52, is the Executive Director and Chief Financial Officer (“CFO”) of Far East Organization (“FEO”), where she is responsible for FEO’s financial affairs, including corporate finance, treasury, overseas investments, risk management and capital management. She also oversees the corporate function of FEO’s Group Legal Division.

Ms Koh is currently the board Chairman of Far East Orchard Limited (“FEOR”) and she was a member of the FEOR Remuneration Committee from 2017 to 2021.

Prior to joining FEO, Ms Koh worked in Singapore Telecommunications Limited (“SingTel”) from 2005 to 2011. In SingTel, she held various senior management positions, such as the Group Financial Controller, CFO of Singapore Business and Group Treasurer. Ms Koh previously served as a board member of public listed companies including Globe Telecom, Inc. and Advanced Info Service Public Company Limited. Prior to joining SingTel, Ms Koh began her career with Price Waterhouse and thereafter she worked at a leading global investment bank before she held a senior management role in a public listed F&B company in Singapore.

Ms Koh Kah Sek

Non-Executive and Independent Director
of the Trustee-Manager
Chairman of the Audit Committee



Board of Directors

Date of First Appointment as a Director: 1 October 2018

Date of Last Re-election as a Director: 19 July 2021

Professional Qualifications:

- Bachelor of Science, National University of Singapore
- Master of Business Administration (with Distinction), DePaul University, Chicago

Present directorships in other listed companies:

- Far East Orchard Limited

Other principal commitments:

- Nil

Other appointments:

- Board Member, Surbana Jurong Private Limited
- Board Member, Anyhealth Company Limited

Past directorships in other listed companies held over preceding five years:

- Nil

Background and working experience:

Ms Ku, 64, is currently a Director on the Board of Far East Orchard Limited ("FEOR"), Chairman of the FEOR Nominating Committee and a Member of the FEOR Remuneration Committee. She sits on the Board of Surbana Jurong Private Limited and Anyhealth Company Limited, a company in China focused on providing business-to-business (B2B) and business-to-consumer (B2C) healthcare mobile solutions. She also serves on the working committees of a number of non-profit organisations. She was in the editorial committee of the first edition of the series of Corporate Governance Guides published by the Singapore Institute of Directors.

Prior to her directorship roles, Ms Ku spent 27 years in Accenture Singapore where she was a Managing Director. She assumed multiple Asia Pacific leadership roles during her career at Accenture where she worked with clients across various industries to implement technology solutions, and improve business processes and organisation performance. She also spent four years in China, Hong Kong and Taiwan where she established the Greater China Change Management practice to help clients transform their organisation and workforce.



Ms Ku Xian Hong

Non-Executive and Independent Director
of the Trustee-Manager

Chairman of the Risk and Sustainability Committee

Member of the Remuneration Committee

Date of First Appointment as a Director: 1 December 2023
Date of Last Re-election as a Director: Not Applicable

Professional Qualifications:

- University of Oregon – Masters of Business Administration
- University of Oregon – W.H. Shields Scholarship
- University of Oregon – Bachelor of Science (cum Laude)
Double Majors in Finance and Decision Science
- University of Chicago-Booth School of Business –
The Accelerated Development Program

Present directorships in other listed companies:

- Nil

Past directorships in other listed companies held over preceding five years:

- Nil

Other Principal Commitments:

- Managing Director, Group Head, DBS China, Institutional Banking Group
- Board Director and Member of EXCO, Orix Singapore Leasing Pte Ltd
- Board Director and Member of Audit & Finance Committee, SISTIC.com Pte Ltd
- Board Director, DBS Foundation Ltd

Background and Working Experience:

Ms Tee, 58, is Managing Director, Group Head, DBS China, Institutional Banking Group. She recently joined from Singapore in January 2023 and is responsible for DBS Bank's corporate and institutional banking business in China.

Before joining from Singapore, Ms Tee was Managing Director & Group Head of SME Banking and oversaw the SME banking franchise across the region. Ms Tee is a strong advocate of driving business change that focus on the growth of corporates and SMEs alike. Through Ms Tee's leadership, DBS was awarded 'World's Best Bank for SMEs' by Euromoney in 2018 and 2022. Ms Tee was also recognised as Banker of the Year (Regional) by Asset in 2018 and was conferred a Fellowship by the Institute of Banking and Finance (IBF) in 2019. She has powered consistent growth of the franchise with incremental growth in non-Singapore revenue contribution since leading the business to date and maintaining balanced franchise performance in Singapore.

Prior to DBS, Ms Tee worked in OCBC Bank's Enterprise Banking unit for four years, covering the offshore marine and commodities sectors. She also spent 12 years in the United States at Grant Thornton providing management consultancy and financial advisory to SMEs, and as a senior credit officer at a regional bank in Houston Texas.

Ms Joyce Tee Siew Hong

Non-Executive and Independent Director
of the Trustee-Manager
Member of the Nominating Committee



Board of Directors

Date of First Appointment as a Director: 1 December 2023

Date of Last Re-election as a Director: Not Applicable

Professional Qualifications:

- City & Guilds of London Institute – Electrical & Electronics Engineering Diploma

Present directorships in other listed companies:

- Nil

Past directorships in other listed companies held over preceding five years:

- Nil

Other Principal Commitments:

- Managing Partner, TNF Ventures Pte Ltd
- Entrepreneur-In-Residence, Singapore Management University

Background and Working Experience:

Ms Wong, 59, is currently the Managing Partner of TNF Ventures Pte Ltd, a seed and early-stage venture fund that focuses on technology startups. She serves on the Board of Assurity Trusted Solutions, DSO National Laboratories, National Kidney Foundation, Yellow Ribbon Singapore, Alumni Services Pte Ltd and Wonder Strategic International Pte Ltd. Ms Wong is currently a member of the Civil Aviation Authority of Singapore (“CAAS”) Cybersecurity and Data Governance Committee, the PDPA Advisory, and the SIA Engineering Technology Advisory Board.

Having co-founded Frontline Technologies in 1994, Ms Wong steered the company to a Singapore Exchange listing in 2001 and a subsequent acquisition by British Telecom Global Services in 2008. Ms Wong oversaw the management and operations of the BT Frontline group in Asia Pacific, where she led the professional services business for Cyber Security, Healthcare and Applications Development. From 2013 to 2016, Ms Wong was the Chairman of Singapore Infocomm Technology Federation which is now known as SGTech.

Ms Wong is recognised as Singapore 100 Women in Tech 2020 for her contribution to the tech sector, she remains a driving force in shaping the technology and entrepreneurial landscape.



Ms Shirley Wong Swee Ping

Non-Executive and Independent Director
of the Trustee-Manager

Member of the Audit Committee

Date of First Appointment as a Director: 21 February 2017
Date of Last Re-election as a Director: 20 July 2022

Professional Qualifications:

- LLB (Hons), National University of Singapore

Present directorships in other listed companies:

- Vicplas International Ltd.

Other principal commitments:

- Partner, Allen & Gledhill LLP
- Board Member, Changi Airports International Pte. Ltd.

Past directorships in other listed companies held over preceding five years:

- Nil

Background and working experience:

Mr Yeo, 57, is currently a partner of Allen & Gledhill LLP, a Singapore law firm. He has been in legal practice in Singapore as an Advocate and Solicitor of the Supreme Court of Singapore since 1992. In addition, Mr Yeo was admitted as a solicitor of England and Wales and as an Attorney and Counselor-at-Law in the State of New York. He also serves as the independent non-executive chairman and director of Vicplas International Ltd. He was previously an independent non-executive director of CitySpring Infrastructure Management Pte. Ltd., the then trustee-manager of CitySpring Infrastructure Trust (now known as Keppel Infrastructure Trust) and a non-executive director of SP Services Limited (a wholly-owned subsidiary of Singapore Power Limited). He had also served as a member of the Accounting Standards Council.

Mr Yeo Wico

Non-Executive and Independent Director
of the Trustee-Manager
Member of the Audit Committee
Member of the Remuneration Committee



Board of Directors

Date of First Appointment as a Director: 3 November 2022

Date of Last Re-election as a Director: 19 July 2023

Professional Qualifications:

- Bachelor of Accountancy, University of Kent at Canterbury, United Kingdom
- Fellow, Institute of Chartered Accountants in England & Wales
- CA (Singapore), Institute of Singapore Chartered Accountants

Present directorships in other listed companies:

- Nil

Other principal commitments:

- Group Financial Controller, Singapore Telecommunications Limited

Past directorships in other listed companies held over preceding five years:

- Nil

Background and working experience:

Mr Quah, 62, is currently the Group Financial Controller for Singapore Telecommunications Limited (Singtel), overseeing the business reporting of the Singtel Group, and finance transformation initiatives.

He also has responsibilities for business enablement that drive performance across the Singtel Group, and is also the finance business partner for the Singtel Group Corporate functions, such as Sustainability, IT, HR, Procurement, Legal and Property.

With close to 30 years' experience at Singtel, Mr Quah was previously the CFO of various Singtel business units, the most recent being the CFO of Optus, Singtel Group's subsidiary in Australia. He has also held various roles within the Singtel Group in the areas of Corporate Finance, Tax and International Operations.



Mr Quah Kung Yang

Non-Executive and Non-Independent Director
of the Trustee-Manager

- Member of the Risk and Sustainability Committee

Date of First Appointment as a Director: 27 November 2020

Date of Last Re-election as a Director: 19 July 2023

Professional Qualifications:

- Bachelor of Applied Science in Computing (Distinction), Queensland University of Technology, Australia
- Executive MBA, National University of Singapore with an Academic Excellence Award

Present directorships in other listed companies:

- Nil

Other principal commitments:

- Group Chief Information Officer and Group Chief Digital Officer, Singapore Telecommunications Limited

Other appointments:

- Board Member, VA Dynamic Sdn Bhd

Past directorships in other listed companies held over preceding five years:

- Nil

Background and working experience:

Mr Woo, 60, is currently Singapore Telecommunications Limited (Singtel)'s Group Chief Information Officer and Group Chief Digital Officer. He is responsible for driving the IT vision and strategy in technology management to enable the digital transformation at Singtel Group. He is also a member of the Singtel Management Committee.

Mr Woo joined Singtel from Xchanging PLC, a London-listed leading business processing and technology service provider and integrator, where he was Managing Director for the South East Asia region. Prior to that, Mr Woo worked at Electronic Data Systems (EDS) for 20 years and had held various senior management roles which included Managing Director of South East Asia & India and Vice President, Global Service Delivery of Asia.

Mr William Woo Siew Wing

Non-Executive and Non-Independent Director
of the Trustee-Manager
Member of the Nominating Committee



Board of Directors

Date of First Appointment as a Director: 21 February 2017
Date of Last Re-election as a Director: 19 July 2023

Professional Qualifications:

- Bachelor of Engineering (Honours), University of Strathclyde, United Kingdom
- Master of Business Administration, Nanyang Technological University
- Executive Development Programme, International Institute of Management Development, Switzerland
- CA (Singapore), Institute of Singapore Chartered Accountants

Present directorships in other listed companies:

- Nil

Other principal commitments:

- Nil

Past directorships in other listed companies held over preceding five years:

- Nil

Background and working experience:

Mr Tong, 61, has been the CEO of NetLink Trust (“NLT”) since January 2016. In this role, he is responsible for the overall leadership and performance of NLT. Mr Tong brings with him more than 20 years of experience from senior management positions in various industries. Prior to joining NLT, Mr Tong was Executive Vice President, Corporate & Market Development, of Singapore Technologies Electronics Limited. Before that, he was CEO of CitySpring Infrastructure Trust.



Mr Tong Yew Heng

Executive and Non-Independent Director
of the Trustee-Manager

Chief Executive Officer of the Trustee-Manager



Management Team

Standing from left:

Ms Christine Yeo
Financial Controller

Mr Tiong Onn Seng
Senior Director
(Operations)

Mr Melvin Chan
Director, Facilities
Management

Mr Danny Leow
Director, Engineering
Planning

Mr Parry Huang
Director, Operations,
Implementation &
Maintenance

Mr Lee Khoon Aik
Director, Regulatory &
Interconnect

Seated from left:

Ms Diane Chen
Chief Financial Officer
Chief Sustainability
Officer

Mr Tong Yew Heng
Chief Executive Officer



Standing from left:

Mr Victor Chan
Director, Corporate
Planning &
Communications

Mr Widjaja Suki
Director, Products,
Business Development
& Processes

Ms Geraldine Yeoh
Director, Human
Resource &
Administration

Mr Kelvin Chia
Director, Treasury &
Corporate Finance

Mr Lim Ke Xiu
Counsel, Legal &
Secretariat

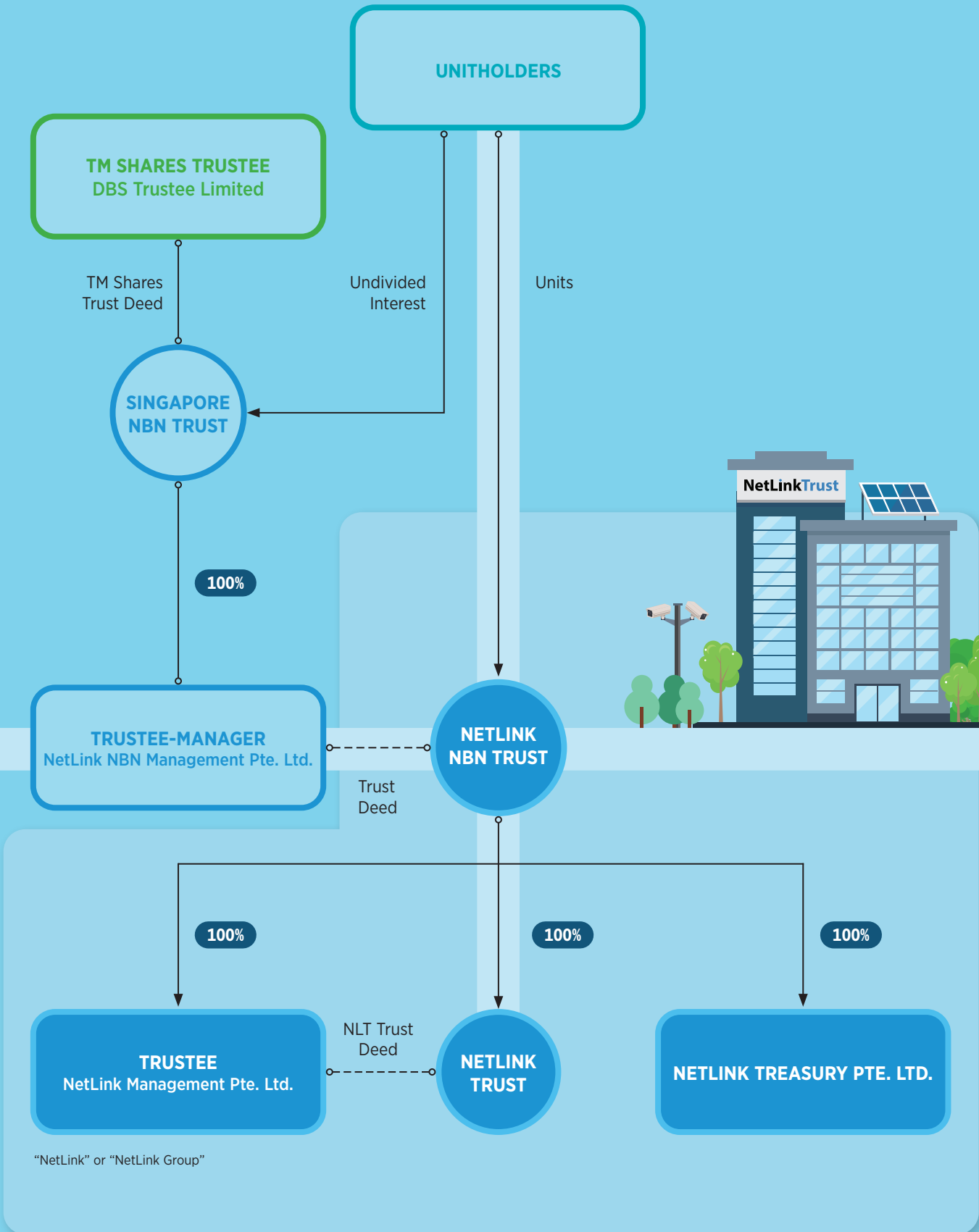
Seated from left:

Mr Nicholas Yoong Swie Leong
Chief Operating Officer

Mr Chye Hoon Pin
Executive Director
(Projects)



Trust Structure



NetLink NBN Trust is a trust constituted on 19 June 2017 by way of a declaration of trust by NetLink NBN Management Pte. Ltd. (“NetLink NBN Management”) in its capacity as trustee-manager of NetLink NBN Trust (sometimes referred to as the “TM”) and under a trust deed dated 19 June 2017 (as duly amended and restated subsequently on several occasions) (the “Trust Deed”). Further, NetLink NBN Trust is registered as a business trust under the Business Trusts Act 2004 (“BTA”), and was listed on the Mainboard of the Singapore Exchange Securities Trading Limited on 19 July 2017.

NetLink NBN Trust does not have a Sponsor and NetLink NBN Management (a company incorporated in Singapore) is not owned by a Sponsor. Rather, NetLink NBN Management is beneficially owned by the unitholders of NetLink NBN Trust (the “Unitholders”).

The shares in NetLink NBN Management (the “TM Shares”) are held on trust for

the benefit of the Unitholders of NetLink NBN Trust under the terms of the trust deed (the “TM Shares Trust Deed”) constituting Singapore NBN Trust, with DBS Trustee Limited as the trustee. By the terms of the TM Shares Trust Deed, DBS Trustee Limited holds the TM Shares in proportion to each NetLink Unitholder’s respective percentage of units held or owned in NetLink NBN Trust.

The terms of the TM Shares Trust Deed also provide that DBS Trustee Limited will exercise its rights and powers over NetLink NBN Management in such manner as the Unitholders may direct by way of resolutions passed at general meetings. This means that Unitholders are empowered, among other things, to direct DBS Trustee Limited by ordinary resolution at the Annual General Meeting of Singapore NBN Trust to approve the appointment or re-election of the directors of NetLink NBN Management (“Directors”) (each Director being required to retire from office at least once every three years).

This structure allows NetLink NBN Management to be “internalised” in contrast with other structures where the trustee-managers are typically owned by Sponsors. An “internalised” structure pre-empts any conflict of interest between the Unitholders and NetLink NBN Management. The complete alignment of interest between NetLink NBN Management and the Unitholders is a strong factor in the choice of NetLink NBN Management Pte. Ltd. as trustee-manager.

This “internalised” structure also benefits NetLink NBN Trust and its subsidiaries in the following ways:

- (a) The appointment and re-election of Directors are subject to Unitholders’ approval. With this right provided to Unitholders (which is not available where trustee-managers are owned by Sponsors), Unitholders have a direct role in the election of Directors.

- (b) The fees payable to NetLink NBN Management are primarily used to defray NetLink NBN Management’s expenses (for example, director’s fees payable to the Directors, as well as certain statutory and administrative costs). This results in substantially lower fees payable to NetLink NBN Management as compared to trustee-managers which charge fees on different bases. In addition, there are no acquisition or divestment fees. The lower fee that stems from the “internalised” structure results in cost savings for NetLink NBN Trust.

- (c) There is stability and continuity in the management of NetLink NBN Trust. While the BTA and the

Trust Deed provide mechanisms for the removal of NetLink NBN Management as trustee-manager, such removal is unlikely to occur as the interests of NetLink NBN Management and the Unitholders are aligned, and the Directors are elected by the Unitholders.

Stability and continuity in the management of NetLink NBN Trust is further bolstered by the fact that, pursuant to the Info-communications Media Development Authority of Singapore’s (“IMDA”) requirements, the Trust Deed provides that:

- (a) no appointment or removal of the trustee-manager shall be effective unless:

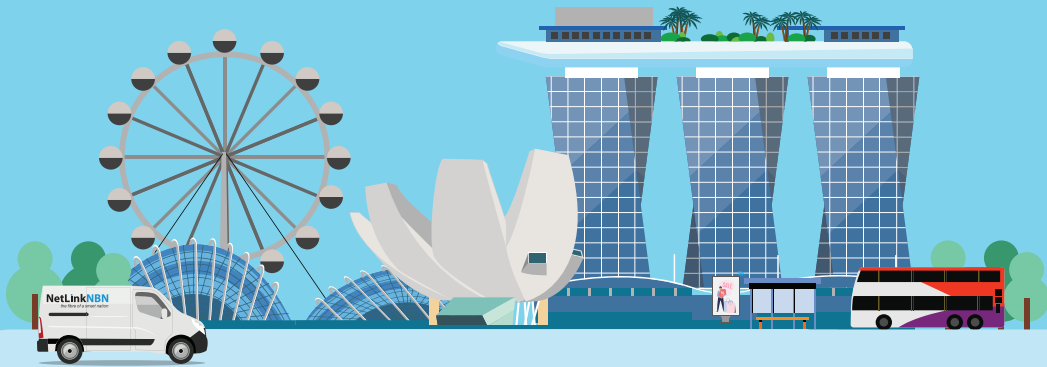
- (i) IMDA has approved such appointment or removal; and
- (ii) such appointment or removal is not contrary to the control and ownership restrictions under the licence held by the trustee-manager to provide facilities-based operations.

- (b) the prior approval of IMDA is required for any amalgamation, reconstruction or change to the trust structure of NetLink NBN Trust and its subsidiaries.

In addition, NetLink NBN Management does not hold any units in NetLink NBN Trust, and so does not have a blocking stake in the event of a takeover.



Operating and Financial Review



	FY24 (\$ million)	FY23 (\$ million)	% Change
Revenue	411.3	403.5	1.9
EBITDA	292.4	295.0	(0.9)
PAT	103.2	109.3	(5.5)

Highlights

- ▶ Resilient results underpinned by robust operations
- ▶ Steady revenue growth, backed by strong cash flows and reliable income streams from the regulated business
- ▶ Higher earnings across most service categories. Achieved an EBITDA margin of 71.1%
- ▶ Regulatory price review completed. Revised pricing took effect on 1 April 2024
- ▶ Stable operational performance, meeting all quality of service standards
- ▶ Strong balance sheet and liquidity. In a net cash position, with substantial headroom to support future capital expenditure and investment needs
- ▶ Positioning NetLink for the future with investments and capital commitments of \$109.6 million to strengthen our assets and business
- ▶ Construction of newest central office expected to be completed by end of 2024 and targeted for operational readiness by 2025



RESILIENT RESULTS UNDERPINNED BY ROBUST OPERATIONS

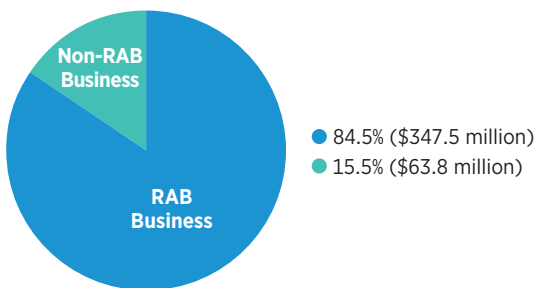
In FY24, NetLink delivered a resilient set of results and steady revenue growth.

Steady Revenue Growth

Revenue grew to \$411.3 million, an increase of \$7.8 million from \$403.5 million in the previous year. This was mainly driven by higher earnings across most service categories, partially offset by lower ancillary revenue.

Strong Cash Flow, Reliable Income from Regulated Business

In FY24, our Regulated Asset Base (RAB) generated 84.5% of our total revenue. These regulated operations continued to generate stable cash flow, providing us a solid baseload of reliable income streams. The remaining 15.5% of our revenue comprised contributions from our non-RAB operations.



EBITDA largely stable, besides a one-off write-off

EBITDA was largely stable at \$292.4 million in FY24, compared to \$295.0 million in FY23.

The small decrease was mainly due to the impact of a one-off write-off of decommissioned network assets amounting to \$8.8 million, partially offset by a one-off refund of \$5.2 million following the resolution of disputed power charges and \$1.1 million gain on disposal of assets. The write-off, being non-cash in nature, had no impact on the cash flow and distribution for FY24. Excluding the one-off items, EBITDA was marginally lower than the previous year due to higher operating expenses.

The Group achieved an EBITDA margin of 71.1% in FY24.

PAT was \$103.2 million compared to \$109.3 million the previous year. This was mainly due to a combination of lower EBITDA, higher finance costs, and higher depreciation and amortisation, partially offset by higher income tax credit.



ANOTHER YEAR OF RELIABLE OPERATIONS

FY24 marked another year of reliable operational performance for NetLink.

100% island-wide coverage, 99.99% network reliability

During the year, we maintained 100% island-wide fibre coverage and achieved 99.99% network reliability.

Fulfilled all required standards for quality of service

We also remained committed to the continuous pursuit of service excellence.

In FY24 we fulfilled all regulatory requirements with respect to quality of service performance indicators for our business.

As with previous years, we also continued to implement various initiatives to enhance service quality, such as the rollout of additional fibre capacity to residential homes across our nationwide network, the pre-laying of fibre infrastructure to non-residential buildings to speed up service provisioning, as well as the constant enhancement of work processes to improve customer experience.

Regulatory Price Review Completed

In November 2023, the Infocomm Media Development Authority (IMDA) completed its review of the wholesale prices, terms, and conditions of NetLink's Interconnection Offer. The revised wholesale prices will be valid for 5 years with effect from 1 April 2024.

Operating and Financial Review

NETLINK SERVICES: CONNECTING THE NATION

Residential Homes

NetLink's network primarily serves as the backbone for end-user fibre connections, catering to broadband, Internet Protocol TV, and Voice over Internet Protocol services. The network stands as Singapore's only fibre network offering residential coverage nationwide.

Residential Connections

1,506,997



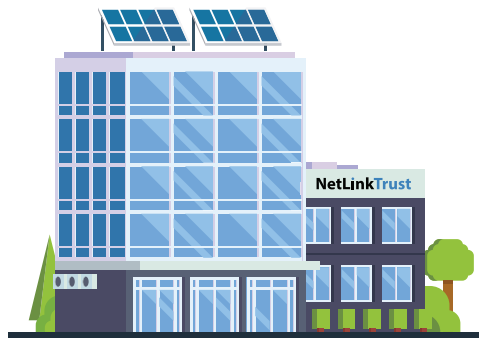
Central Offices

Central Offices - Singtel leases space within NetLink's Central Offices for specific equipment and operational needs.

Co-Location - Offers space in co-location rooms within its Central Offices to Requesting Licensees, allowing them to host active network equipment, servers, and other interconnecting hardware.

Central Offices

10



Segment Fibre

Offers dedicated point-to-point fibre connections, including Central Office-to-Central Office fibre connections and Central Office-to-Main Distribution Frame room fibre connections, among others.

Segment Connections

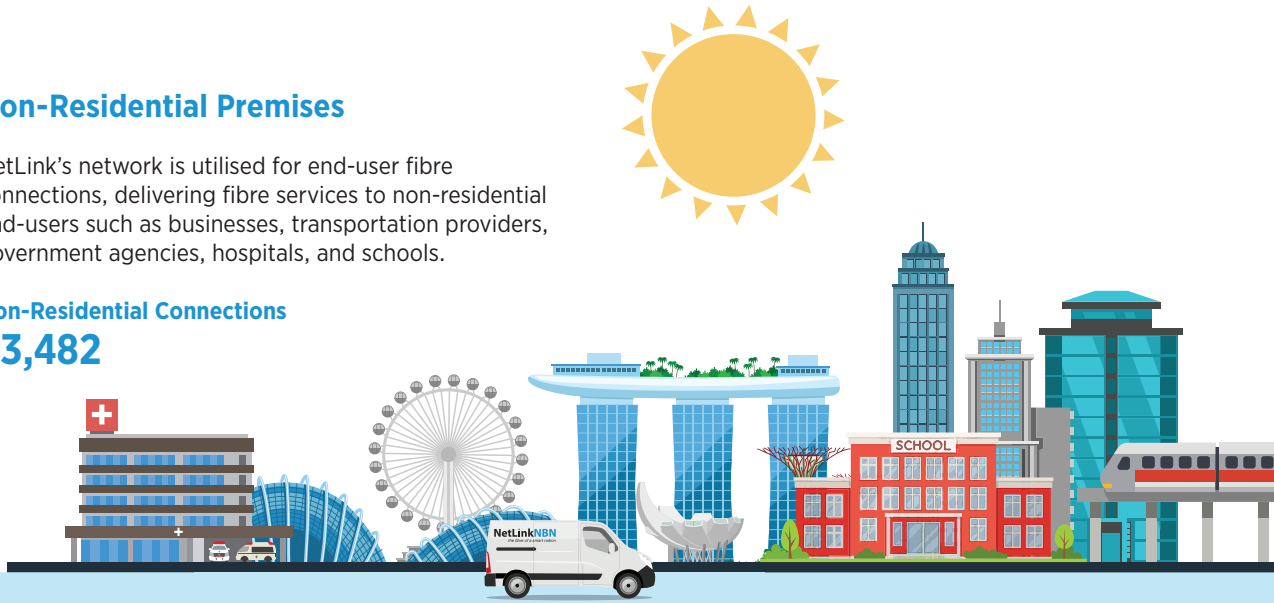
3,542



Non-Residential Premises

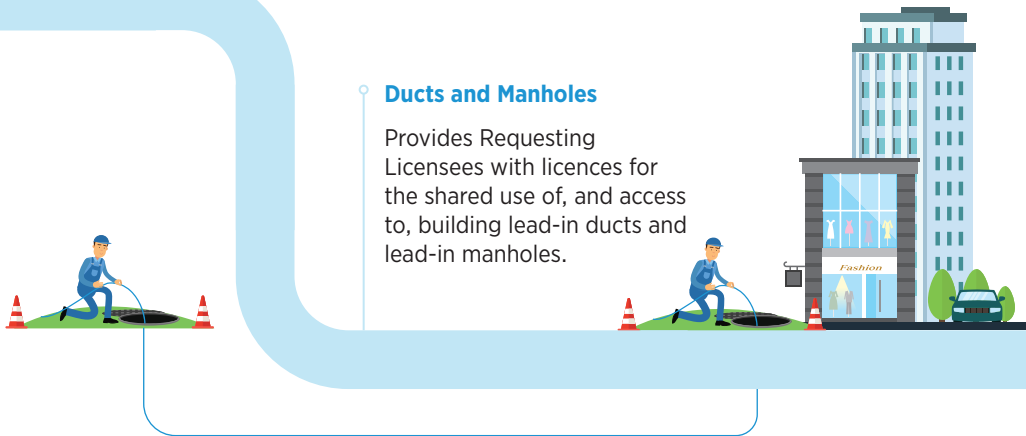
NetLink's network is utilised for end-user fibre connections, delivering fibre services to non-residential end-users such as businesses, transportation providers, government agencies, hospitals, and schools.

Non-Residential Connections
53,482



Ducts and Manholes

Provides Requesting Licensees with licences for the shared use of, and access to, building lead-in ducts and lead-in manholes.



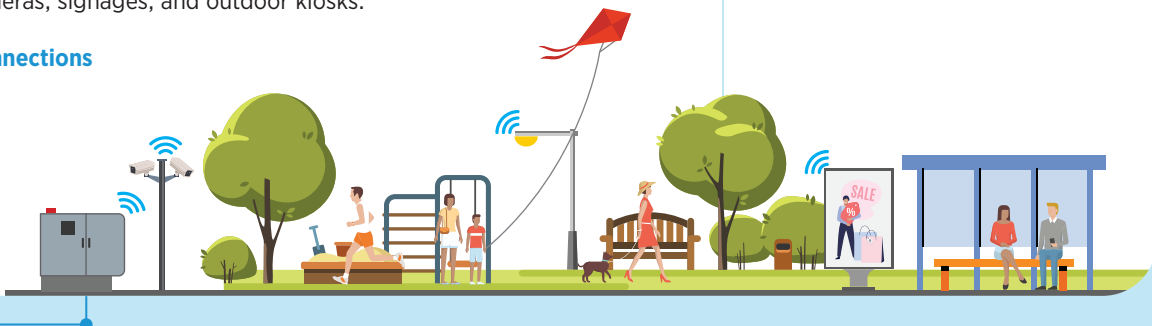
Non-Building Address Points (NBAP)

NBAP services include the connection to any location in mainland Singapore and its connected islands that does not have a physical address or assigned postal code, e.g. lamp posts, bus stops, multi-storey carparks, and traffic lights. NBAP applications extend to the infrastructure of telecommunication operators, such as wireless base stations, street cameras, signages, and outdoor kiosks.

NBAP Connections
2,979

In addition, NetLink also provides adjacent services relating to:

- Installation and other services
- Ancillary Projects



Operating and Financial Review

PERFORMANCE BY SERVICE CATEGORIES



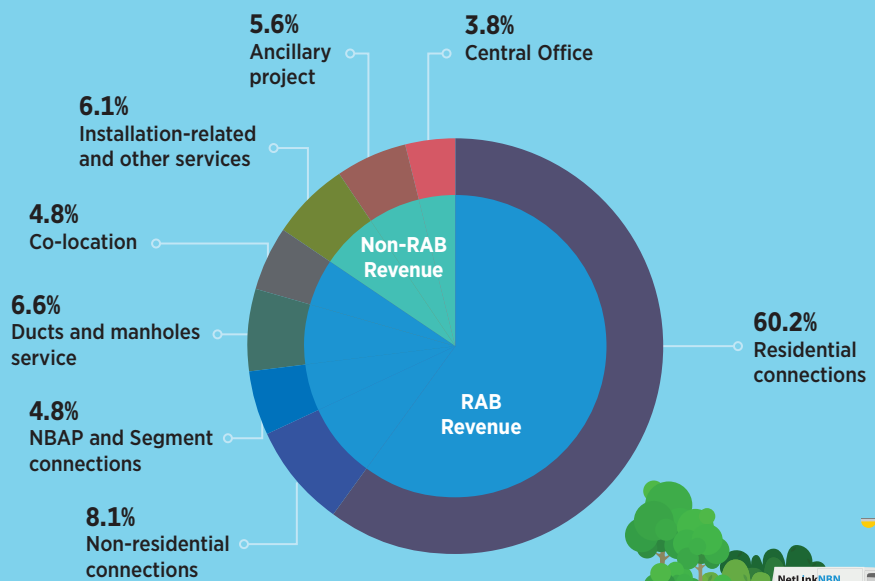
REVENUE GROWTH ACROSS MOST SERVICE OFFERINGS

In FY24, NetLink saw increased end-user connections and higher earnings across the majority of our service categories.

	FY24 \$'000 (Audited)	FY23 \$'000 (Audited)	Variance (%)
Residential connections	247,542	244,271	1.3
Non-residential connections	33,452	32,142	4.1
NBAP and Segment connections	19,582	16,871	16.1
Ducts and manholes service	27,007	27,615	(2.2)
Co-location	19,896	18,833	5.6
Total RAB Revenue⁽¹⁾	347,479	339,732	2.3
Installation related and other services	25,142	22,853	10.0
Ancillary project	22,881	25,654	(10.8)
Central Office	15,774	15,221	3.6
Total Non-RAB Revenue	63,797	63,728	0.1
Total Revenue	411,276	403,460	1.9

⁽¹⁾ These services are subject to IMDA's price review framework.

NetLink's Service Categories by Revenue Contribution (%)



SUSTAINED GROWTH IN FIBRE CONNECTION VOLUMES

The number of fibre connections in all categories rose, maintaining the consistent trend of steady growth over the years.

Residential Connections

Residential connections were the largest single contributor to our business. As at 31 March 2024, the number of residential connections grew 1.5% to 1,506,997, from 1,485,271 in the previous year. This resulted in an increase of \$3.3 million in revenue generated over the previous year, to \$247.5 million in FY24.

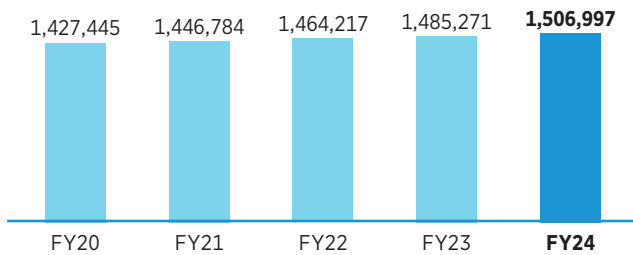
Non-residential Connections

Non-residential connections increased 2.6% to 53,482 as at 31 March 2024, from 52,120 in the previous year. This resulted in an increase of \$1.3 million in revenue contribution, to \$33.5 million in FY24.

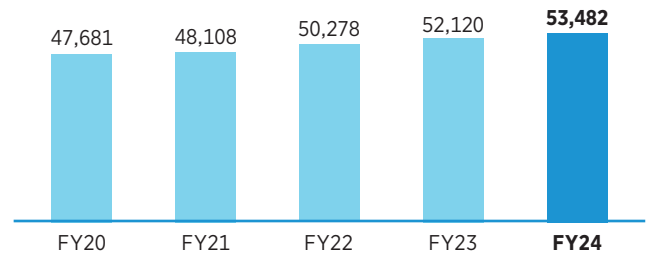
NBAP and Segment Connections

NBAP and segment connections also rose 17.5% to 6,521 in FY24, from 5,549 in FY23. The increase was driven by higher demand for point-to-point connections to support the rollout of mobile networks and other projects that require high resiliency. This resulted in a \$2.7 million increase in revenue contribution, to \$19.6 million in FY24.

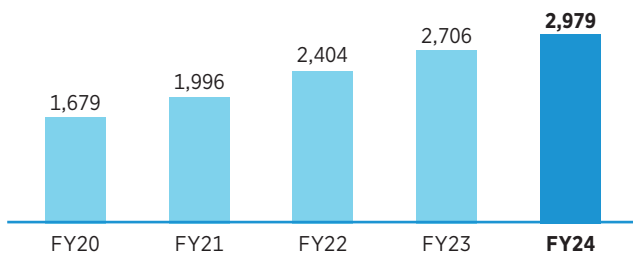
Residential



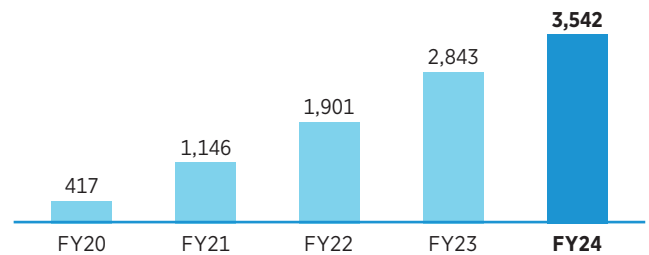
Non-Residential



NBAP



Segment



HIGHER DEMAND FOR OTHER CATEGORIES OF SERVICES

Aside from fibre connections, during the year we also saw higher demand and revenue contributions attributed to our co-location rooms, installation and other related services, as well as our central offices.

Installation and other services saw more outdoor NBAP installation, more residential service activations, and more

non-residential fibre termination points installations. This resulted an increase of \$2.3 million in revenue generated by this service category.

Revenue from ancillary projects was \$2.8 million lower in FY24 than in FY23. The availability of opportunities for such projects typically fluctuates from year to year.

Operating and Financial Review

STRONG CASH FLOW & LIQUIDITY

NetLink's cash flow and liquidity remain strong to support ongoing capital expenditure and steady growth in distributions.

Net cash from operating activities was \$288.6 million in FY24, \$2.9 million higher than the previous year. This was mainly driven by positive working capital movements, offset by higher interest and tax paid.

Net cash used in investing activities was \$127.6 million in FY24, \$30.9 million higher than FY23 due to higher capital expenditure for network assets and the construction of a new central office.

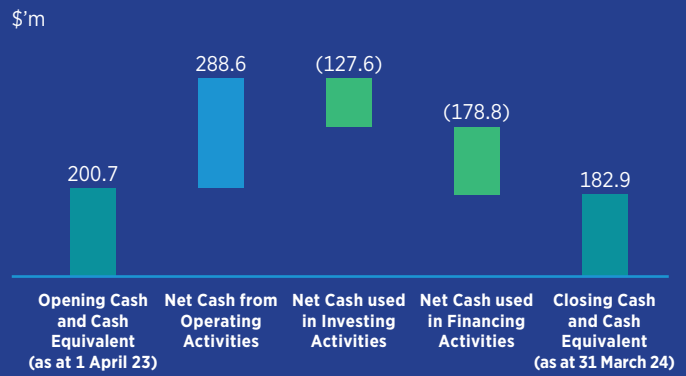
Net cash used in financing activities was \$178.8 million in FY24, \$40.7 million higher than in FY23, due to lower drawdown from loan facilities.

Credit Metrics and Cash Flow

	March 2024	March 2023
Gross debt	\$765m	\$735m
Weighted average debt duration	2.4yrs	3.4yrs
Net debt/EBITDA ⁽¹⁾	2.0x	1.8x
EBITDA interest cover ⁽¹⁾	14.0x	18.6x
Borrowings at fixed rate	78.4%	69.4%
	FY24	FY23
Effective average interest rate ⁽²⁾	2.75%	2.32%

⁽¹⁾ Ratios calculated based on NetLink Group's trailing 12 months financial.

⁽²⁾ The interest expenses used in the computation of effective average interest rate include the impact of net settlement of interest rate swap and the front-end fee which is equivalent to interest. The comparative number has been restated on the same basis.



- ▶ Interest rate exposure is substantially hedged
- ▶ Strong capital structure with debt headroom to fund future capital expenditure
- ▶ Strong cash flow generated from operations
- ▶ Net Cash used in financing activities mainly pertained to distribution paid on 13 June 2023 and 1 December 2023

ROBUST BALANCE SHEET AND PRUDENT CAPITAL MANAGEMENT

NetLink has adopted a prudent capital management strategy. Our goal is to optimise the Group's balance sheet by making the best use of funds generated internally or from operations, while capitalising on borrowings to deliver an improved return to unitholders.

Net gearing levels provide substantial debt headroom for future needs

As at 31 March 2024, the Group had \$765.0 million (FY23: \$735.0 million) of bank loans outstanding and undrawn committed facility of \$135.0 million available. The Group's net gearing was 23.1%. This provides us comfortable debt headroom to support future capital expenditure and investment needs.

Our ratios for net debt to EBITDA as well as EBITDA interest cover were both healthy, at 2 times and 14 times respectively.

Active measures to hedge against increases in interest rates

NetLink uses interest rate swaps to manage its exposure to interest rate movements on its bank borrowings. We had entered into a series of interest rate swaps based on the Singapore Overnight Rate Average (SORA) to convert variable interest rates on our bank loans into fixed interest rates, for a total notional principal amount of \$600.0 million (31 March 2023: \$510.0 million). With this, 78.4% (31 March 2023: 69.4%) of our outstanding bank borrowings have been hedged. NetLink obtained an average effective interest rate of 2.75% for FY24.

For more information on the Group's borrowings and debt facilities, including utilisation of its committed revolving credit facilities and term loans, please refer to Note 21 of the Financial Statements on page 188.



POSITIONING THE BUSINESS FOR THE FUTURE

During the year, we took active steps to position NetLink's business for the future.

Building a new central office

We continued to progress in the ongoing development of an additional central office in the northern area of Singapore. The project is expected to complete construction by the end of 2024 and is targeted to achieve operational readiness in 2025.

Once online, this new central office will support connectivity to future developments in the northern region of Singapore. Together with NetLink's current network of 10 central offices across Singapore, it will enhance the resilience of our nationwide fibre network.

Upgrading our business IT platform

In addition, we began work to develop and migrate to a new, more advanced operations and business support IT system. Once implementation is complete, this new backend IT platform will improve operational efficiency and better equip NetLink and its stakeholders to meet future operational demands and growth.

Ongoing asset improvements

During the year, we also continued our programme of ongoing enhancements to our fibre assets. Key works include laying additional backbone fibre cables, which allow for more point-to-point connections and a greater diversity of options for our customers.

Investing and committing \$109.6 million to strengthen our business

In total, in FY24 we reinvested approximately \$129.1 million to strengthen our business and position it to meet future needs. This consisted of \$121.7 million for property, plant and equipment and \$7.4 million for additions to intangible assets. In addition, we made commitments for \$109.6 million more in capital expenditure, mainly for the construction of the new central office and for software development.

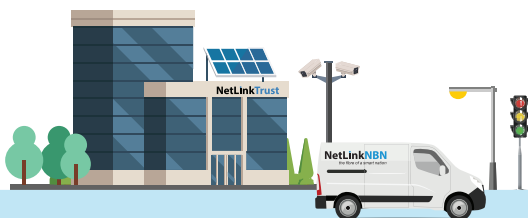


OUTLOOK

Looking ahead, the global political and economic outlook remains uncertain. In Singapore, the government is maintaining its economic growth forecast of between 1% to 3% for the calendar year 2024. NetLink Group will continue to monitor the evolving macro environment and take appropriate mitigating measures, as necessary.

Notwithstanding this, NetLink Group's business model is resilient and well supported by predictable revenue streams. The Group's balance sheet and liquidity remain strong, underpinned by stable cash flow and adequate access to financial resources to support ongoing and future capital expenditure.

FY25 will see the first full year of NetLink's revised wholesale prices, terms and conditions, which came into effect on 1 April 2024 following the completion of IMDA's review of NetLink's Interconnection Offer in November 2023. Nonetheless, the revised prices are not expected to have any material impact on the Trust's distribution to its unitholders for FY25.



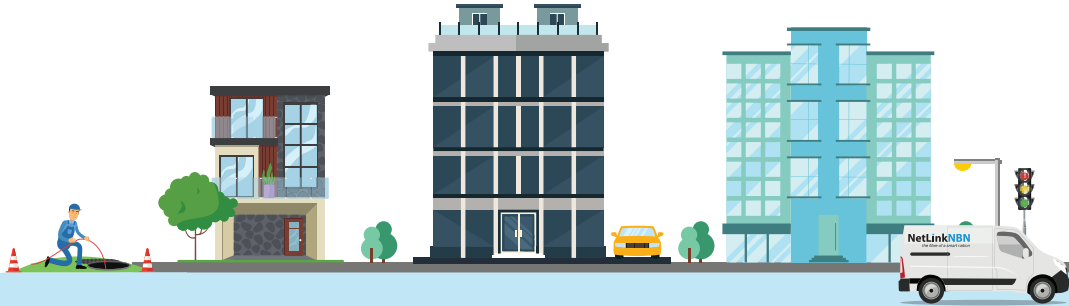
NetLink Group will continue to invest in our network assets to cater to the growing end-user demand across residential, non-residential, NBAP and Segment connections. These investments, in turn, increase our Regulated Asset Base.

Development of our newest central office is on track, and targeted to achieve operational readiness in 2025. This strategic facility will be our eleventh central office in Singapore and will serve the northern part of Singapore.

On 21 February 2024, IMDA announced its plans to invest \$100 million to upgrade the nationwide broadband network (NBN) over the next five years. The upgrade will enable fibre broadband speeds of up to 10Gbps for consumers. As the appointed Network Company of the NBN, NetLink is well positioned to support IMDA and its customers in their technology upgrade to deliver a 10Gbps-enabled NBN.

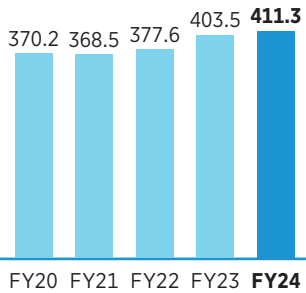
Leveraging on its expertise and infrastructure, NetLink Group will continue to collaborate closely with our industry partners and stakeholders to ensure that Singapore remains at the forefront of digital infrastructure development. In line with this, we also plan to enhance our co-location facilities to better support the needs of Requesting Licensees as they transition to a 10Gbps-enabled NBN.

5-Year Financial Summary



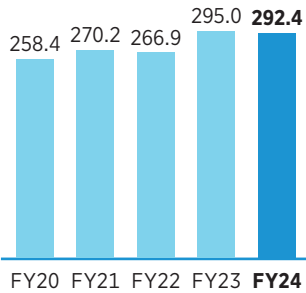
Revenue (\$'M)

\$411.3m



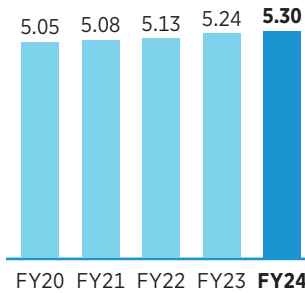
EBITDA (\$'M)

\$292.4m



Distribution Per Unit (Cents)

5.30 cents



Revenue

\$411.3m



Profit After Tax

\$103.2m



EBITDA

\$292.4m



Distribution Per Unit (DPU)

5.30 cents

	Group				
	Financial Year Ended 31 March				
	2024 \$'000	2023 \$'000	2022 \$'000	2021 \$'000	2020 \$'000
Income Statement					
Revenue	411,276	403,460	377,611	368,466	370,192
EBITDA	292,399	294,979	266,941	270,237	258,425
EBITDA Margin (%)	71.1	73.1	70.7	73.3	69.8
Profit after tax	103,209	109,253	91,262	94,812	78,113
Cash Flow					
Cash flow generated from operating activities	288,612	285,692	258,731	264,512	262,518
Cash flow used in investing activities	(127,630)	(96,733)	(73,865)	(60,246)	(75,531)
Cash flow used in financing activities	(178,772)	(138,073)	(205,584)	(202,354)	(166,984)
Balance Sheet					
Total assets	3,916,567	4,012,780	4,031,892	4,123,455	4,208,771
Total liabilities	1,393,902	1,380,949	1,315,446	1,319,752	1,301,833
Total borrowings (gross)	765,000	735,000	666,000	666,000	666,000
• Fixed rate borrowing	600,000	510,000	510,000	-	636,000
• Floating rate borrowing	165,000	225,000	156,000	666,000	30,000
Net assets	2,522,665	2,631,831	2,716,446	2,803,703	2,906,938
Net debt	582,086	534,296	516,182	495,464	497,376
Key Financial Indicators					
EBITDA Interest cover	14.0x	18.6x	29.8x	14.8x	13.4x
Net debt/EBITDA	2.0x	1.8x	1.9x	1.8x	1.9x
Effective average interest rate (%)	2.75	2.32	1.34	2.57	2.96
Distribution per unit (cents)	5.30	5.24	5.13	5.08	5.05



Distribution Yield
6.2%



Net Asset Value Per Unit
64.7 cents



EBITDA Margin
71.1%



Debt Maturity
2.4 years



Net Gearing
23.1%

Corporate Governance

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Governance at a Glance

44%

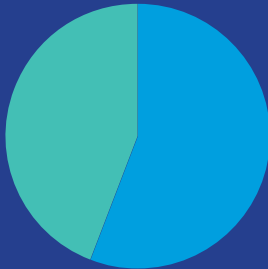
Board Female representation

67%

Board Independence

About the Board

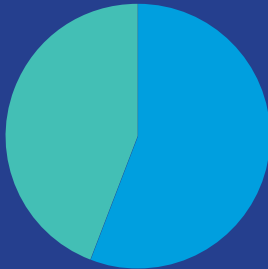
Age group



44%
61 to 70 years old

56%
51 to 60 years old

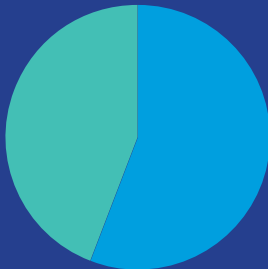
Gender



44%
Female

56%
Male

Independence



33%
Non-Independent

67%
independent

Length of tenure



44.5%
<4 years

11.0%
4 years but <6 years

44.5%
>6 years but <9 years

Corporate Governance



Mr Chaly Mah Chee Kheong
Chairman of the Board

Introduction

NetLink NBN Trust (also referred to as “Trust”) is a trust constituted on 19 June 2017 by a declaration of trust by NetLink NBN Management Pte. Ltd., as trustee-manager of NetLink NBN Trust (the “Trustee-Manager”), under the trust deed dated 19 June 2017 (as amended and restated by the Amending and Restating Deeds dated 25 July 2018, 28 September 2020, 19 July 2021, and 20 July 2022) (collectively, the “Trust Deed”). NetLink NBN Trust is registered as a business trust under the Business Trusts Act 2004 (“BTA”) and was listed on the Mainboard of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 19 July 2017.

The Trustee-Manager is incorporated in Singapore, and the management of NetLink NBN Trust is undertaken by the Trustee-Manager, the shares of which are held on trust for the benefit of the unitholders of NetLink NBN Trust (the “Unitholders”) in proportion to such Unitholders’ respective percentage of units held or owned in NetLink NBN Trust (the “Units”).

Further, subject to the terms of the trust deed (“TM Shares Trust Deed”) constituting Singapore NBN Trust (“TM Shares Trust”), DBS Trustee Limited (as trustee of Singapore NBN Trust and the legal owner of the TM Shares) will exercise its rights and powers over the Trustee-Manager in such manner as the Unitholders may direct by way of resolutions passed at general meetings. This means that Unitholders are empowered to direct DBS Trustee Limited (among other things, by ordinary resolution at the Annual General Meeting (“AGM”) of the TM Shares Trust) to approve the appointment or re-election of the directors of the Trustee-Manager (“Directors”) (each Director of the Trustee-Manager being required to retire from office at least once every three years). This structure allows the Trustee-Manager to be internalised in contrast with other structures where the trustee-managers are typically owned by sponsors.

An internalised structure pre-empts any conflict of interest between the Unitholders and the Trustee-Manager from arising. The complete alignment of interest between the Trustee-Manager and the Unitholders is a strong factor in the choice of NetLink NBN Management Pte. Ltd. as trustee-manager.

This internalised structure of the Trustee-Manager also benefits NetLink NBN Trust and its subsidiaries (referred to collectively as “NetLink”, and together with the Trustee-Manager referred to as “NetLink NBN Group”) in the following ways:



- (a) The appointment and re-election of Directors of the Trustee-Manager are subject to Unitholders’ approval. With this right provided to Unitholders (which is not available where the trustee-managers are owned by sponsors), Unitholders have a direct role in the election of Directors.
- (b) The fees payable to the Trustee-Manager are primarily used to defray the Trustee-Manager’s expenses (for example, director’s fees payable to the Directors of the Trustee-Manager, as well as certain statutory and administrative costs incurred by the Trustee-Manager). This results in substantially lower fees payable to the Trustee-Manager as compared to other trustee-managers which charges fees on different basis. In addition, there are no acquisition or divestment fees. The lower fee that stems from the internalised structure of the Trustee-Manager results in cost savings for NetLink NBN Trust.
- (c) There is stability and continuity in the management of NetLink NBN Trust. While the BTA and the Trust Deed provide mechanisms for the removal of the Trustee-Manager, such removal is unlikely to occur as the interests of the Trustee-Manager and the Unitholders are aligned, and the Directors of the Trustee-Manager are elected by the Unitholders.

In addition, pursuant to the Info-communications Media Development Authority of Singapore’s (“IMDA”) requirements, the Trust Deed provides that no appointment or removal of the Trustee-Manager shall be effective unless:



- (a) IMDA has approved such appointment or removal; and
- (b) such appointment or removal is not contrary to the control and ownership restrictions under the licence held by the Trustee-Manager to provide facilities-based operations.

The Trust does not have a Sponsor. Further, the Trustee-Manager does not hold any Units in the Trust, and so does not have a blocking stake in the event of a takeover. However, the prior approval of IMDA is required for any amalgamation, reconstruction or change to the trust structure of NetLink NBN Trust.



Code of Corporate Governance

The board of directors and management team of the Trustee-Manager are fully committed to maintaining high standards of corporate governance, and firmly believe that good corporate governance is essential to protecting the best interests of Unitholders and maintaining the sustainability of the business of NetLink.

The Trustee-Manager has complied with the principles of the Code of Corporate Governance 2018 (“2018 Code”) and largely complied with the provisions of the 2018 Code, and where there is a variation from any provisions of the 2018 Code, appropriate explanations have been provided

on the reason for such variations and how the existing practices adopted are consistent with the intent, aim and philosophy of the relevant principles of the 2018 Code. The Trustee-Manager also ensures that all applicable laws, rules and regulations including the Securities and Futures Act 2001 (“SFA”), the Listing Rules, and the BTA, including the relevant regulations thereunder, are duly complied with.

This report describes the Trustee-Manager’s main corporate governance policies and practices with specific reference to the 2018 Code and should be read in totality with the other sections of this Annual Report which are cross-referred.

SECTION (A): BOARD MATTERS

THE BOARD’S CONDUCT OF AFFAIRS

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

The board of directors of the Trustee-Manager (“Board”) is responsible for the overall management and the corporate governance of NetLink NBN Trust – including setting the direction and goals for the Trustee-Manager’s management team (“Management”), monitoring the achievement of these goals, and holding Management accountable for its performance. The Board seeks to align the interests of NetLink NBN Trust with that of Unitholders, and to balance the interests of other stakeholders.

The Board is collectively responsible for the long-term success of NetLink NBN Trust and its value creation and exercises close oversight over key areas in corporate governance, strategy, finance, risk management and internal controls, and human resources. Various policies have been developed and implemented to ensure proper governance.

► More details on these policies are set out under “Additional Information” on pages 72 to 73.

The Board provides a balanced and understandable assessment of NetLink’s performance, position, and prospects to Unitholders in a timely manner, through publication of its business updates and financial results, and via announcements on NetLink NBN Trust’s website and SGXNET. Following Singapore Exchange Regulation Pte Ltd (“SGX RegCo”)’s removal of mandatory quarterly reporting, the Board provides business updates on NetLink for its first and third quarters. These business updates supplement the half-year and full-year financial results. Notwithstanding the removal of quarterly reporting, the Board continues to conduct regular scheduled meetings for the first and third quarters of the financial year to review the business updates.

All Directors act honestly and exercise reasonable diligence in the discharge of the duties of his or her office and, in particular, will take all reasonable steps to ensure that the Trustee-Manager discharges its duties under the BTA, and gives priority to the interests of all Unitholders as a whole over the interests of the Trustee-Manager in the event of a conflict between the interests of all Unitholders as a whole and the interests of the Trustee-Manager. In NetLink NBN Group’s case, as the Trustee-Manager is beneficially owned by the Unitholders as a whole, the interests of the Unitholders as a whole and the interests of the Trustee-Manager are completely aligned, and this pre-empts any conflict of interest from arising.

Corporate Governance

All Directors are required to disclose their business interests and any potential or actual conflicts of interest that they are aware of, or as soon as such conflicts become apparent. In any situation that involves a conflict of interest with NetLink NBN Trust, Directors recuse themselves from participating in any discussion and decision on the matter.

NetLink NBN Group has established appropriate internal policies to ensure compliance with legislative and regulatory requirements, including requirements under the BTA and the Listing Rules.

A formal letter of appointment explaining their duties and obligations as Director is provided to every new Director upon appointment. The formal letter of appointment sets out the time commitment required of the Director and the Director's roles and responsibilities, including disclosure requirements and best practices relating to dealings in securities under applicable laws and regulations.

Newly-appointed Directors undergo a structured and comprehensive orientation programme which includes site visits to NetLink's central offices and co-location rooms to better apprise them of NetLink's business and briefing by Senior Management on the NetLink NBN Group's business activities, strategic direction and policies and key business risks. First-time Directors who do not have prior experience as a director of a Singapore listed company are also provided with a comprehensive briefing on the roles, duties and obligations of directors and will undergo compulsory training in the roles and responsibilities of a director of a listed issuer as prescribed under the Listing Rules.

Ms Joyce Tee Siew Hong and Ms Shirley Wong Swee Ping both of whom were appointed on 1 December 2023 and had no prior experience as a director of a listed company will be completing their mandatory training as a director of a listed issuer by November 2024.

Directors are regularly updated on changes to applicable laws and regulations (e.g. regulatory developments), developments in corporate governance (e.g. ESG issues) and changes in accounting standards, either during Board meetings or via electronic mail. In line with NetLink's commitment to promoting workplace safety and health, the Board had also been briefed on the Code of Practice on Chief Executives' and Board of Directors' Workplace Safety and Health Duties.

Management also circulates to Directors, relevant articles relating to recent developments in the telecoms industry, such as developments in broadband technology, artificial intelligence, and cybersecurity. All Directors are encouraged to undergo continual professional development during their term of office to ensure that they are able to fulfil their obligations and continually improve the performance of the Board.

Under the direction of the Chairman of the Board ("Chairman") and the Chief Executive Officer ("CEO"), the Company Secretaries facilitate good information flow between the Board and Management. The Company Secretaries assist Directors in ensuring compliance with their obligations under the relevant rules and regulations, and in the Directors' professional development. During the period under review, the external courses/seminars attended by the Directors included the SID Directors Conference, the Audit and Risk Committee Seminar on Climate Reporting and Assurance, and the talk on Cyber Security Governance conducted by the Singapore Institute of Directors ("SID"). The Directors were also briefed on ESG-related updates such as climate-related issues during Board meetings.

All Directors (save for Ms Joyce Tee Siew Hong and Ms Shirley Wong Swee Ping who will be completing their mandatory training as a director of a listed issuer by November 2024) have attended the sustainability training mandated under the enhanced SGX-ST sustainability reporting rules.

The Company Secretaries also inform Directors of relevant upcoming conferences and seminars (e.g. training programmes conducted by the SID). The expenses of such events attended by the Directors are borne by the Trustee-Manager.

The Board Charter sets out, *inter alia*, matters that require the Board's approval viz:



- (a) major funding proposals, investments, acquisitions, and divestments including commitments in terms of capital and other resources;
- (b) annual budget;
- (c) annual and quarterly financial reports;
- (d) internal controls and risk management strategies, and execution; and
- (e) appointment of Directors, CEO, Chief Operating Officer ("COO"), Chief Financial Officer ("CFO"), including review of their performance and remuneration packages.

As a general rule, the Board reviews and approves transactions that require disclosure by NetLink NBN Trust pursuant to the Listing Rules. The policy guidelines on Delegation of Authority on Expenditure and Revenue (“DOA Policy”) also set out the financial limits that require the Board’s approval. In its DOA Policy, the Trustee-Manager has adopted a set of internal guidelines which set out the financial authority limits for expenditure, asset disposals and write-off, revenue, and treasury transactions that require the approval of the Board. Appropriate delegations of authority and approval sub-limits are also established at the Management level to facilitate operational efficiency.

The following Board committees have been set up with clear terms of reference to assist the Board in the discharge of its responsibilities:



- Audit Committee (“AC”)
- Risk and Regulatory Committee (“RRC”)
- Nominating Committee (“NC”)
- Remuneration Committee (“RC”)

Information on the AC, RRC, NC, and RC (collectively, “Board Committees”) and their respective terms of reference can be found in the subsequent sections of this report.

The schedules of all Board and Board Committee meetings, and the AGMs of NetLink NBN Trust and the TM Shares Trust are planned one calendar year in advance, in consultation with the Directors. The Board meets at least four times a year and convenes at other times as warranted by particular circumstances to discuss and review NetLink NBN Group’s key activities. Matters on which the Board is consulted include business strategies and policies for NetLink NBN Group, its annual budget, the performance of the business and the financial affairs of NetLink NBN Group. The Board also reviews and approves the release of the half-year and full-year financial results and business updates. During the year under review, the Board held a Board Strategy Meeting which was also attended by Senior Management. Subject matter experts were invited to give an overview of future technological developments, such as the evolution of fibre-based broadband technologies. Together with Senior Management, the Board also discussed potential growth opportunities for NetLink NBN Group.

The Trustee-Manager’s Constitution provides for Board meetings to be held via telephone or video conference.

To ensure that each Director is able to give sufficient time and attention to NetLink NBN Group’s affairs, the Trustee-Manager has in place a Policy on Multiple Directorships. As a general rule, each Director may hold a maximum of five directorships in listed companies. Where a Director holds directorships in more than one listed company within the same group of companies by virtue of his or her employment, such directorships may be considered as a single directorship.

Corporate Governance

A record of the Directors' attendance at the AGMs, Board and Board Committee meetings for FY2024 is set out in the table below.

Name	AGM		Board		Audit Committee	
	Number of Meetings					
	Held	Attended	Held	Attended	Held	Attended
Chaly Mah Chee Kheong	1	1	4	4	-	-
Koh Kah Sek	1	1	4	4	4	4
Eric Ang Teck Lim ⁽¹⁾	1	1	3	3	3	3
Ku Xian Hong	1	1	4	4	-	-
Joyce Tee Siew Hong ⁽²⁾	-	-	1	1	-	-
Shirley Wong Swee Ping ⁽³⁾	-	-	1	1	1	1
Yeo Wico	1	1	4	4	4	4
Quah Kung Yang	1	1	4	4	-	-
William Woo Siew Wing	1	1	4	4	-	-
Tong Yew Heng ⁽⁴⁾	1	1	4	4	4	4

Note:

⁽¹⁾ Mr Eric Ang Teck Lim stepped down from the Board on 1 December 2023. Consequently, he also relinquished his position as member of the Audit Committee and the Nominating Committee.

⁽²⁾ Ms Joyce Tee Siew Hong was appointed onto the Board and the Nominating Committee on 1 December 2023.

⁽³⁾ Ms Shirley Wong Swee Ping was appointed onto the Board and the Audit Committee on 1 December 2023.

⁽⁴⁾ Mr Tong Yew Heng is not a member of the Board Committees but attends the meetings in his capacity as CEO.

Management provides the Board with relevant, complete, adequate, 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. Management has in place a procedure for papers to be circulated to the Board or to be submitted at Board meetings. Board papers adhere to a standard format which includes background information, issues for deliberation, and risk mitigation measures.

To give Directors sufficient time to prepare for Board and Board Committee meetings, the agenda, papers, and presentation slides are uploaded onto a secured electronic platform, one week before the relevant meeting. Directors can access these materials via their personal computers, laptops, smartphones, and other mobile devices prior to, during and after meetings.

Hard copies of these materials are also distributed to the Directors at their request. Members of Management who prepared the Board papers and can provide additional insights into matters at hand would be present at the relevant meeting.

Management provides the Board with monthly reports on NetLink's financial and business performance, and such explanation and information as the Board may require, to enable the Board to make a balanced and informed assessment of NetLink's performance, position, and prospects. The Board is also apprised of any significant developments on business initiatives, industry developments and regulatory updates. Since the start of the COVID-19 pandemic, Management has been providing the Board with regular status updates on how NetLink NBN Group manages



Risk & Regulatory Committee		Nominating Committee		Remuneration Committee		Board Strategy Retreat	
Number of Meetings							
Held	Attended	Held	Attended	Held	Attended	Held	Attended
4	4	3	3	1	1	1	1
-	-	-	-	-	-	1	1
-	-	3	3	-	-	1	-
4	4	-	-	1	1	1	1
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1	1	1	1
4	4	-	-	-	-	1	1
-	-	3	3	-	-	1	1
4	4	3	3	1	1	1	1

its operations under its business continuity planning (“BCP”). To keep the Board abreast of investors’ feedback and perceptions, NetLink NBN Group’s Investor Relations team provides the Board with a summary of the investor relations activities, feedback gathered from investors, unit price performance and analysis of the Trust’s unitholder register on a half-yearly basis. Summaries of analyst/media reports are also provided to the Board each time after NetLink NBN Group announces its quarterly business updates, half-year, and full-year financial results.

Directors have separate and independent access to Management and the Company Secretaries. As a matter of good corporate governance practice, the role of the Company Secretary has been clearly defined.

The Company Secretaries attend to corporate secretarial administration matters. They assist the Board and Management in implementing and strengthening corporate governance policies and procedures. The Company Secretaries ensure that Board procedures are properly followed. They prepare the agenda for Board and Board Committee meetings in consultation with the Chairman, the respective Board Committee Chairpersons and the CEO, and attend Board and Board Committee meetings. The appointment and the removal of the Company Secretaries are subject to the Board’s approval.

The Directors, whether as a group or individually, may seek and obtain independent professional advice in the furtherance of their duties, the expenses of which are borne by the Trustee-Manager.

Corporate Governance

BOARD COMPOSITION AND GUIDANCE

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

As at the date of this Annual Report, the Board consists of nine members, six of whom are independent Directors. Of the three non-independent Directors, two are non-executive Directors and one (being the CEO) is an executive Director. The Chairman, Mr Chaly Mah Chee Kheong, is an independent Director. The independent Directors and their immediate family members have no relationships with the Trustee-Manager, its related corporations, its substantial shareholders, or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in the best interests of NetLink NBN Trust.

► More details on the independence of Directors are set out under "Additional Information" on pages 207 to 212.

The composition of the Board also complies with the BTA and the Business Trusts Regulations 2005 ("BTR"), and consists of:



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

The current composition of the Board and the Board Committees is set out below:

Name	Board	Audit Committee	Risk and Regulatory Committee	Nominating Committee	Remuneration Committee
Chaly Mah Chee Kheong	Chairman and Independent Director	-	Member	Chairman	Chairman
Koh Kah Sek	Independent Director	Chairman	-	-	-
Ku Xian Hong	Independent Director	-	Chairman	-	Member
Joyce Tee Siew Hong ⁽¹⁾	Independent Director	-	-	Member	-
Shirley Wong Swee Ping ⁽²⁾	Independent Director	Member	-	-	-
Yeo Wico	Independent Director	Member	-	-	Member
Quah Kung Yang	Non-Executive Director	-	Member	-	-
William Woo Siew Wing	Non-Executive Director	-	-	Member	-
Tong Yew Heng	Executive Director	-	-	-	-

Note:

⁽¹⁾ Ms Joyce Tee Siew Hong was appointed Member of the Nominating Committee on 1 December 2023.

⁽²⁾ Ms Shirley Wong Swee Ping was appointed Member of the Audit Committee on 1 December 2023.

Annually, the NC reviews the structure, size, and composition of the Board to ensure appropriate balance and diversity. The Board has in place a Board Diversity Policy which recognises and embraces the importance and benefits of having a diverse Board and supports the Board in achieving its strategic objectives. In designing the Board's composition, Board diversity has been considered from a number of aspects, such as diversity in skills, industry and business experiences, knowledge, gender, age, ethnicity, tenure of service, and other distinguishing qualities of the members of the Board. A diverse Board will bring to the Board different perspectives, experiences, and competencies, and enhance the decision-making of the Board.

The NC has put in place a skills matrix which is used to assess if the skills and experience of a candidate complement

those of the existing Board members. When reviewing and assessing the composition of the Board and making recommendations to the Board for the appointment of Directors, the NC will take into consideration the Board's Diversity Policy and strive for the inclusion of diverse groups and viewpoints, as well as independence and time commitment. All Board appointments are made based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity and the needs of the Board.

In its annual review, the NC was satisfied that the objectives of the Diversity Policy continue to be met. The appointments of Ms Joyce Tee Siew Hong and Ms Shirley Wong Swee Ping on 1 December 2023 further add to the Board's diversity in terms of gender, skills and experience.

The Board diversity targets are as follows:-

- Gender diversity – to maintain minimum 30% female representation until 2030; and
- Skills diversity – to have expertise across domain knowledge and functional disciplines that are relevant to NetLink NBN Group's business operations including expertise in accounting/finance, technology, legal/regulatory, sustainability and industry/business related.

The Board has met these diversity targets, as detailed in the subsequent paragraphs.

In relation to gender diversity, the Board has four female Directors, representing 44% of the Board which is ahead of the guidelines proposed by the Council for Board Diversity and in line with the Board's target of achieving a minimum 30% female representation on the Board by 2030. The NC will ensure that female candidates are included for consideration when identifying suitable candidates for new appointments to the Board as part of the Board renewal process.

In relation to skills diversity, the Board comprises members who are business leaders and professionals with diverse expertise, experience, and background that includes accounting/finance, technology, legal/regulatory, mergers and acquisitions, and industry/business related.

The Board, taking into account the views of the NC, considers that the current nine-member Board to be an appropriate size¹ and as a group possesses an appropriate balance and diversity necessary to manage and contribute effectively to NetLink NBN Group as contemplated by the Board Diversity Policy. In relation to skills and experience, the Directors are corporate and business leaders and professionals with varied backgrounds, expertise, and experience. In relation to tenure, the ongoing Board renewal process is phased to ensure that the Trustee-Manager has

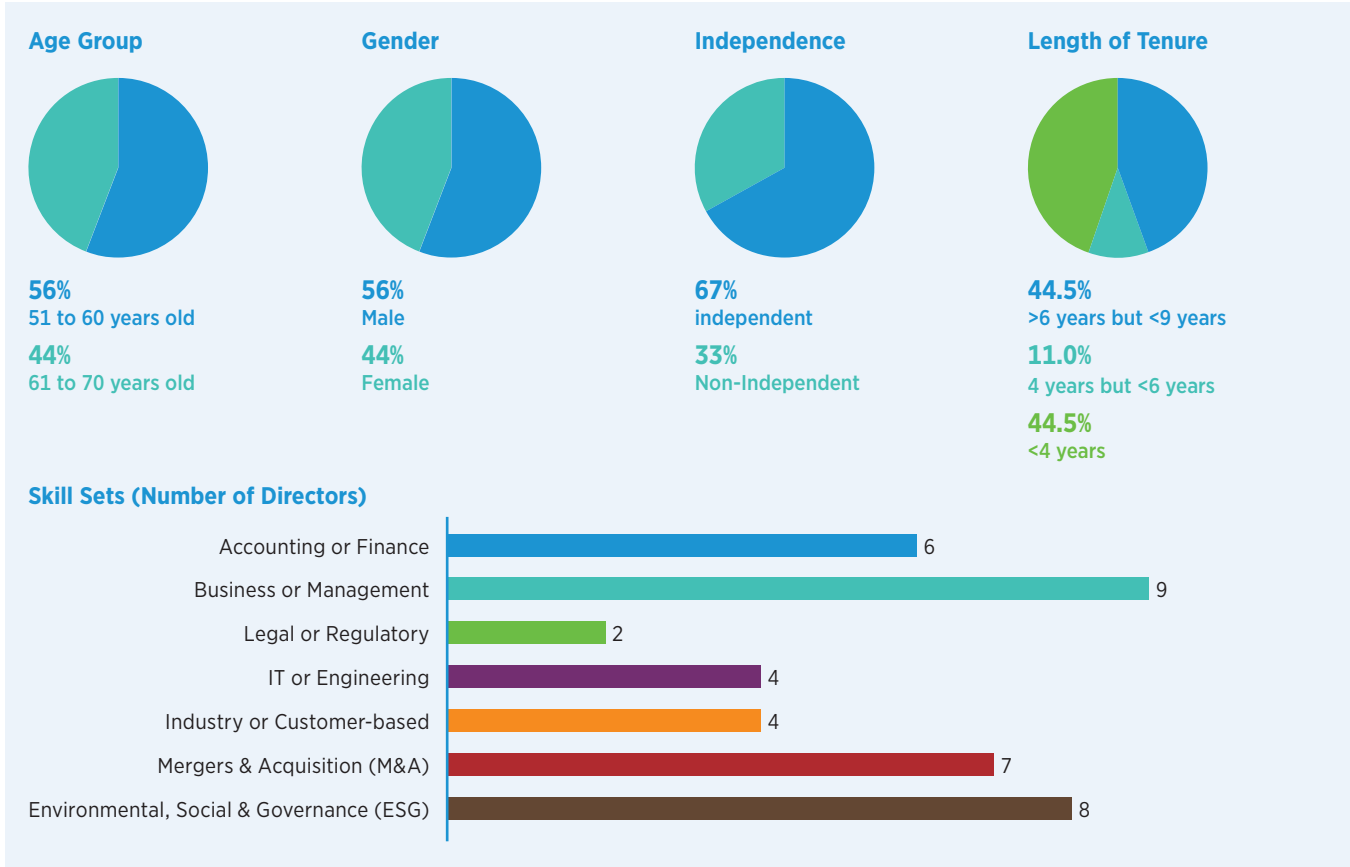
a group of Independent Directors whose tenure are staggered across their terms of office. This provides continuity and stability for the conduct of Board matters while also ensuring that the Board is able to benefit from different perspectives and insights from its members.

The current composition of the Board reflects its commitment to diversity. Any progress made towards the implementation of the Board Diversity Policy will be reported and disclosed in future annual reports, as appropriate.

¹ The NC will review the board size from time to time and make recommendations to the Board. Currently, the NC has recommended that a board size of nine to ten members is appropriate.

Corporate Governance

The Board composition in terms of age group, gender, independence, length of tenure and skills is illustrated in the charts below:-



Directors and Management openly discuss and debate issues at Board meetings. Non-executive Directors are kept apprised of NetLink’s business through monthly business reviews (which include financial highlights, operational performance indicators and key risks monitoring indices) circulated by Management. Minutes of all Board Committee meetings are circulated to the Board so that the Directors are aware and kept updated as to the proceedings and matters discussed during such meetings. At every Board Meeting, a Non-executive Directors session without the CEO’s and Management’s presence is scheduled for the Non-executive Directors to review the performance and effectiveness of Management and feedback is thereafter provided to the CEO and Management.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision making.

The positions of Chairman and CEO are separately held by two persons in order to maintain effective checks and balances. This promotes greater accountability from Management and allows the Board to exercise its independence in its oversight of and deliberations with Management. There is a clear separation of the roles and responsibilities between the Chairman and the CEO, as set out in the Role Statement of the Chairman and the CEO.

The Chairman is responsible for the overall management of the Board as well as ensuring that Directors and Management work together with integrity and competency. He leads the Board to ensure its effectiveness in all aspects of its role. Among other things, the Chairman ensures effectiveness by steering productive and comprehensive discussions amongst



Board members and Management on strategic and other key issues pertinent to the business and operations of NetLink NBN Group. He encourages active engagement, participation by and contribution from all Directors. With the assistance of the Company Secretaries, he schedules meetings and prepares meeting agendas to enable the Board to perform its duties responsibly having regard to NetLink NBN Trust's operations. He also monitors the flow of information from Management to the Board to ensure that material information is provided in a timely manner to Directors. The Chairman plays a key role in promoting high standards of corporate governance and transparency and ensuring effective communication with the stakeholders.

The CEO has full executive responsibilities over the business direction and operational decisions in the day-to-day management of NetLink NBN Trust. He works with Management to ensure that action plans have been put in place in developing an effective enterprise risk management system. He works with the Board to determine NetLink NBN Trust's strategy and is responsible for the implementation of the strategies and polices approved by the Board. The CEO provides leadership and guidance to Management in order to meet the strategic and operational objectives of NetLink NBN Trust. He develops and manages good relationships with the stakeholders, such as Unitholders, the regulators and the investment community.

The Chairman and CEO are not immediate family members. Given that the roles of the Chairman and CEO are separate, and the Chairman is independent, no lead independent Director is required to be appointed.

BOARD MEMBERSHIP

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

The NC comprises three Directors, all of whom are non-executive Directors and a majority of whom (including the NC Chairman) are independent, namely:

Mr Chaly Mah Chee Kheong	Chairman
Ms Joyce Tee Siew Hong	Member
Mr William Woo Siew Wing	Member

The terms of reference of the NC provides that the NC shall comprise at least three non-executive Directors, the majority of whom shall be independent (including being independent from management and business relationships with the Trustee-Manager and independent from every substantial shareholder of the Trustee-Manager).

The NC's responsibilities include, but are not limited to, the following:



- (a) establishing procedures and making recommendations to the Board on relevant matters relating to the appointment and re-appointment of Directors and considering the composition and progressive renewal of the Board and each Director's competencies, commitment, contribution and performance;
- (b) reviewing and making recommendations to the Board on relevant matters relating to the board succession plans for Directors, the development of a process and the criteria for evaluation of the performance of the Board, to ensure that the size and diversity of the Board continue to:
 - (i) meet the needs of the Trustee-Manager and NetLink NBN Trust; and
 - (ii) facilitate effective decision making;
- (c) reviewing and making recommendations to the Board on training and professional development programmes for the Board;
- (d) reviewing, on an annual basis and as and when circumstances require, whether or not a Director is independent; and
- (e) reviewing other directorships held by each Director and deciding whether or not a Director is able to carry out, and has been adequately carrying out, his duties as a Director of the Trustee-Manager.

Each member of the NC abstains from voting on any resolution in respect of the matter in which he has an interest.

The NC seeks to refresh the Board membership progressively and in a systematic manner, to avoid losing institutional knowledge. The NC also reviews the succession plans for the CEO, the COO, and the CFO. The NC recognises the importance of succession planning as part of corporate governance and there is an internal process of succession planning for the Chairman, Directors, the CEO, and senior Management, to ensure the progressive and systematic renewal of the Board and key executives.

The NC decides how the Board's performance is to be evaluated and propose objective performance criteria. The Chairman of the NC acts on the results of the performance evaluation of the Board, and selections of members of the Board, in consultation with the NC. The Board appointed Willis Towers Watson Consulting (Singapore) Pte Ltd ("WTW") as its external consultant to conduct the evaluation of the Board, the Board Committees, and the individual Directors for FY2024.

Corporate Governance

The NC conducts an annual review of each Director's independence in accordance with the BTA and the BTR requirements and takes into consideration the relevant guidelines in the 2018 Code and the Practice Guidance 2023 in relation to the 2018 Code. In any situation that involves a conflict of interest with NetLink NBN Trust, Directors recuse themselves from participating in any discussion and decision on the matter.

► More details on the independence of the Directors are set out under "Board Composition and Guidance" on pages 52 to 54 and under "Additional Information" on pages 207 to 212.

Each of the Directors consults the Chairman of the Board prior to accepting further commitments which might either give rise to a conflict of interest or a conflict with any of his duties to the Trustee-Manager and/or NetLink NBN Trust, or which might detract from the time that he is able to devote to his role as a Director. The Chairman of the Board himself has to consult the NC before accepting such commitments.

For FY2024, the Board is satisfied that all Directors have been able to and have adequately carried out their duties as Directors notwithstanding their other listed company board representations and other principal commitments. Having reviewed each Director's attendance, participation, contribution, expertise and competing time commitments, the Board (with the NC's concurrence) is of the view that none of the Directors hold a significant number of directorships and other principal commitments that may impede his/her ability to discharge his/her duties. The Board further notes that, in line with the Trustee-Manager's Policy on Multiple Directorships, none of the Directors hold five or more listed company directorships.

None of the Directors has appointed an alternate director.

The Trustee-Manager has put in place a framework for selection, appointment, and re-appointment of Directors. In the process of searching for qualified persons to serve on the Board, the NC will strive for the inclusion of diverse groups and viewpoints. The NC leads the process and makes recommendations to the Board for approval. In making its recommendations, the NC will take into consideration the Board Diversity Policy, details of which are set out under "Board Composition and Guidance" on pages 52 to 54. The Board believes that orderly succession and renewal is achieved as a result of careful planning, where the appropriate composition of the Board is continually under review. In searching for appropriate candidates, the Board uses executive search firms and third-party institutions, like the SID, to identify a broader range of suitable candidates.

Under the deed (i.e. the TM Shares Trust Deed) constituting Singapore NBN Trust (i.e. the TM Shares Trust), Unitholders (as beneficiaries of Singapore NBN Trust) have the right to, by ordinary resolution in accordance with the TM Shares Trust Deed,

direct DBS Trustee Limited (as legal owner of the shares in the Trustee-Manager) to approve the re-election of each Director at the AGM of the Trustee-Manager. Each Director of the Trustee-Manager shall retire from office at least once every three years and for this purpose, at each AGM of the Trustee-Manager, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation and shall be eligible for re-election at that AGM (the Directors so to retire being those longest in office). The CEO, as a Director, is subject to the same retirement by rotation.

Annually, the Company Secretary will inform the NC which Directors are due for retirement at the AGM. The NC will then review the composition of the Board and decide whether to recommend to the Board the re-election of these retiring Directors, after taking into account factors such as their attendance, participation, contribution, expertise and competing time commitments. At the upcoming AGM, the following Directors will be retiring by rotation, and they have offered themselves for re-election:



- (a) Ms Koh Kah Sek;
- (b) Mr Yeo Wico; and
- (c) Ms Ku Xian Hong.

The NC recommends the re-election of these Directors to the Board for approval having regard to the Directors' contribution and performance, with reference to the results of the assessment of the performance of the individual Director.

In addition, pursuant to Article 89 of the Constitution of the Trustee-Manager, a Director appointed by the Board to fill a casual vacancy or appointed as an additional Director may only hold office until the next AGM, at which he will be eligible for re-election by Unitholders. As Ms Joyce Tee Siew Hong and Ms Shirley Wong Swee Ping were appointed by the Board of Directors on 1 December 2023, they will retire at the upcoming AGM. Ms Tee and Ms Wong have offered themselves for re-election at the upcoming AGM.

As the Trustee-Manager is a Designated Telecommunication Licensee, approval from IMDA is required for the change in appointment of its Chairman, Directors, and CEO.

► All key information on the Directors, including listed company directorships and principal commitments, are set out under "Board of Directors" on pages 20 to 28. Information relating to the Directors who are retiring and offering themselves for re-election at the upcoming AGM are as set out in Appendix 7.4.1 of the Listing Rules, and can be found in the "Additional Information on Directors seeking re-election" on page 19 to 24 of the Report of Singapore NBN Trust for FY2024.

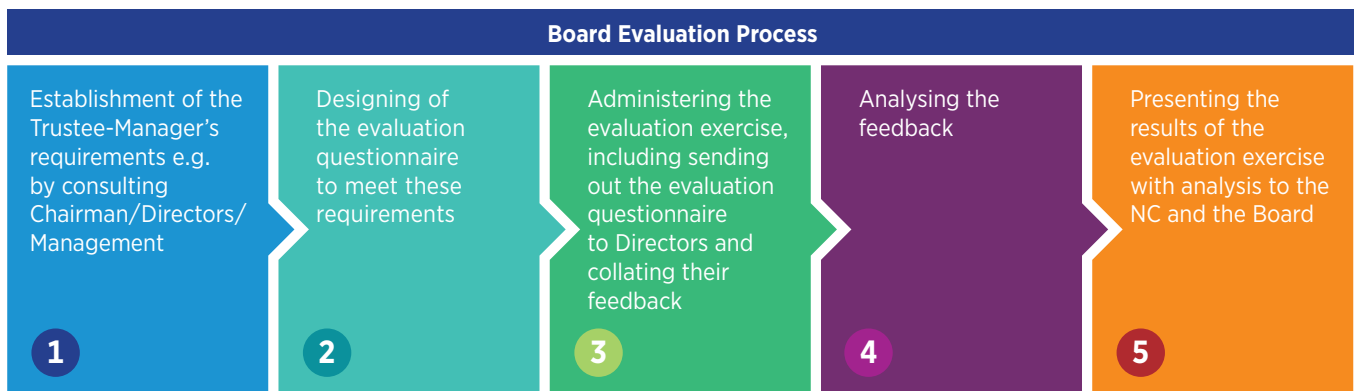
BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The Board has in place a process carried out by the NC for assessing the effectiveness of the Board as a whole and its Board Committees and each individual Director. Directors' self and peer evaluation are carried out for individual Directors to assess each Director's contribution to the Board.

To ensure that these assessments are conducted fairly, the Board has appointed an external facilitator, WTW, to conduct the evaluation. WTW has also been engaged as consultant for job re-evaluation, and review of job grade structure and compensation structure. Save for WTW's appointment as the external facilitator to conduct the Board evaluation and as consultant for the job re-evaluation, and review of job grade structure and compensation structure. WTW does not have any other existing relationships with the Trustee-Manager or any of the Directors. The Board believes that the use of an external facilitator promotes objectivity, neutrality, and confidentiality. The external facilitator has also provided a more detailed and in-depth assessment including benchmarking the results with industry standards.

The evaluation process is illustrated below:



The evaluation focuses on areas such as:-

- Corporate Strategy and Direction Setting
- Board Governance and Oversight
- Board Composition
- Boardroom Conduct, Board Dynamics, and Communication
- Board Management and Operations / Board Processes
- CEO Performance Management and Succession Planning
- Director Development and Management
- Risk Management

In FY2024, the Board received affirmative ratings across all major evaluation criteria. Overall, the Board has been evaluated as being effective.

Through self and peer feedback mechanisms, each Director is evaluated on attributes such as contribution, knowledge and abilities, and teamwork. All Members of the Board have been evaluated very positively across categories. There is no significant gap or distinction in perceived competence or effectiveness between Members. Upon completion of the evaluation exercise, each Director receives a copy of the ratings on his or her evaluation analysis. The Chairman will then meet with each Director to obtain and/or provide feedback on the Board evaluation exercise, with a view to improving the overall Board performance.

In FY2024, all members of the Board have been evaluated positively across categories. There was no significant gap or distinction in perceived competence or effectiveness between Members.



Corporate Governance

SECTION (B): REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

The RC comprises three Directors, all of whom are non-executive and independent Directors, namely:

Mr Chaly Mah Chee Kheong	Chairman
Ms Ku Xian Hong	Member
Mr Yeo Wico	Member

The terms of reference of the RC provides that the RC shall comprise at least three non-executive Directors, the majority of whom shall be independent (including being independent from management and business relationships with the Trustee-Manager and independent from every substantial shareholder of the Trustee-Manager).

The RC's responsibilities include, but are not limited to, the following:



- (a) reviewing and recommending to the Board, in consultation with the Chairman of the Board (where applicable), a general framework of remuneration for the Board and key management personnel, and specific remuneration packages for each Director and key management personnel, for endorsement by the Board;
- (b) reviewing the obligations of NetLink NBN Group arising in the event of the termination of the service contracts of executive Directors and key management personnel, to ensure that such service contracts contain fair and reasonable termination clauses which are not overly generous; and
- (c) administering and approving awards under the Long-Term Incentive Plan (please refer to "Long-Term Incentive Component" under "CEO/Executive Director and Key Management Personnel Remuneration" on pages 58 to 59) and/or other long-term incentive schemes to Directors and/or senior executives of NetLink NBN Group).

The Director of Human Resource assists the RC in the execution of its functions, and makes reference to market surveys and information where relevant. The RC ensures that in the event any advice on remuneration matters is sought from consultants, existing relationships, if any, between the NetLink NBN Group and its appointed consultants will not affect the independence and objectivity of the remuneration consultants.

LEVEL AND MIX OF REMUNERATION

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

The RC establishes remuneration policies that are in line with NetLink NBN Group's business strategies and risk policies as well as long-term interests of NetLink NBN Group and the Unitholders, with a view to ensuring remuneration packages are sufficiently competitive to attract, retain and motivate Directors and key management personnel of the appropriate experience and expertise. In its deliberations, the RC will take into consideration industry practices and benchmarks against relevant industry players to ensure that its remuneration and employment conditions are competitive.

The framework for determining Directors' fees is set out under "Disclosure on Remuneration" on page 60. Directors' fees are wholly paid out in cash. Nevertheless, Directors are encouraged to hold NetLink NBN Trust units so as to better align the interests of Directors with the interests of Unitholders.

The framework for determining the remuneration of the key management personnel is described in the paragraphs below. Remuneration packages comprise fixed components and variable components, including short-term and long-term incentive components, and are structured around measured key performance indicators.

CEO/Executive Director and Key Management Personnel Remuneration

The RC seeks to ensure that the level and mix of remuneration for the CEO and key management personnel are competitive, aligned with Unitholders' interests and promote NetLink NBN Group's long-term success.

The letters of appointment of the CEO, the COO and the CFO provide that the incentive components of their remuneration may be reclaimed in exceptional circumstances of misstatement of financial results or of misconduct resulting in financial loss to NetLink.

During FY2024, there was no termination, retirement or post-employment benefits granted to the Directors, the CEO and key management personnel. None of NetLink NBN Group's employees is an immediate family member of any Director or the CEO.

Remuneration for the CEO and key management personnel comprises a fixed component, variable cash component, long-term incentive component and market-related benefits:



A. Fixed Component

The fixed component comprises the base salary and fixed allowances.

B. Variable Cash Component

The variable cash component is given in the form of an Annual Variable Bonus (“AVB”). This AVB is a cash-based incentive for the CEO and key management personnel, which is linked to the achievement of annual performance targets.

Corporate and individual performance objectives are set at the beginning of each financial year. The objectives are aligned to NetLink’s overall strategic, financial, operational, and sustainability-linked goals, and are cascaded down to a select group of key management personnel using scorecards, creating alignment between the performance of NetLink and the individual. While the performance objectives are different for each executive, they are assessed on the same principles across five broad categories of targets, namely Financial and Operational Performance; People; Projects and Processes; Stakeholders; and Strategic.

The target AVB for the CEO and key management personnel is pre-set at a fixed percentage of their annual base salary, and is adjusted based on the achievement of the corporate and individual targets at the end of each financial year. The final AVB pay-out can range from 0 to 1.5 times of the target pay-out for the CEO, the COO, and the CFO, and range from 0 to 2 times of the target pay-out for other key management personnel.

C. Long-Term Incentive Component

The NetLink Trust Long-Term Incentive Plan (“Plan”) is an incentive plan first established in April 2017 with the objective of rewarding and retaining key executives for driving long-term business performance that is aligned with Unitholders’ interest. Under the Plan, the performance conditions are set over a three-year performance period and are based on operating cash flow², return on total assets and absolute total unitholder return. The target award for eligible roles is set as a multiple of monthly base salary and the magnitude is determined using market benchmark on total compensation.

The awards are granted on a contingent basis, and the awards will be determined and fully vest at the end of a three-year performance period (beginning on 1 April immediately preceding the date of grant), based on performance against the measures identified above, with a minimum threshold performance being specified in respect of each performance measure and with superior performance in respect of each performance measure allowing for a maximum final award of up to 1.5 times of the contingent award.

The awards are paid out in cash in full upon vesting. In this regard, the awards which are granted will be notionally converted into a number of Units based on the volume weighted average unit price over a 12-month period ending March of the year in which the awards are granted, and such notional number of Units, multiplied by the achievement factor of 0 to 1.5 times depending on the performance achieved against the measures identified above, will then be converted into and paid out in cash based on the volume weighted average unit price over a 12-month period ending March³ of the year at the end of the three-year performance period.

To the extent that any awards are granted to the CEO, the COO and the CFO, such awardee is required, within one year following the vesting of the relevant awards (subject to the awardee still being in NetLink’s employment), to accumulate a minimum unitholding in NetLink NBN Trust equal to such person’s prevailing annual base salary at the time of vesting of the awards. This obligation to accumulate a minimum unitholding does not apply to other participants in the Plan.

D. Market-related Benefits

These benefits, which include club membership and flexi benefit and non-cash benefits such as medical, dental, comprehensive health screening and car-parking, are comparable with local market practices.

² Operating cash flow replaces free cash flow as one of the performance conditions with effect from FY2023 onwards.

³ This applies to awards from June 2022 onwards. Prior years’ awards were notionally converted into a number of Units based on the average daily closing unit price from January to March of the year in which the awards were granted, and depending on the performance achieved against the measure identified above, converted into and paid out in cash based on the average daily closing unit price of the Units in the three-month period immediately prior to the end of the three-year performance period.

Corporate Governance

DISCLOSURE ON REMUNERATION

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

The remuneration framework is based on policies which are aligned with Unitholders' interests to support NetLink's business with the aim of retaining key capabilities, provide sound and structure funding of remuneration in ensuring affordability and sustainable value creation. Competitive remuneration packages

are offered to attract and retain experienced individuals. The remuneration policies, the procedures for setting remuneration and the relationships between remuneration, performance and value creation are described in Principle 7 above.

Non-Executive Directors' Remuneration

For FY2024, the framework for determining the Directors' fees is set out below. This framework was adopted first in FY2020 after the Board commissioned Aon Solutions Singapore Pte Ltd in October 2018 to review the remuneration framework for non-executive Directors to ensure that Director remuneration is market benchmarked. The Board is not proposing any change to the Directors' fee structure for FY2025.

Appointment	Fees per annum (\$)
Board Chairman	150,000
Board Member	75,000
Audit Committee Chairman	50,000
Audit Committee Member	30,000
Risk and Regulatory Committee Chairman ⁽¹⁾	35,000
Risk and Regulatory Committee Member ⁽¹⁾	20,000
Nominating Committee Chairman	20,000
Nominating Committee Member	12,000
Remuneration Committee Chairman	20,000
Remuneration Committee Member	12,000

Note:

⁽¹⁾ The Risk and Regulatory Committee was renamed 'Risk and Sustainability Committee' with effect from 16 May 2024.

The annual remuneration of Directors for FY2024 is as follows:

Directors	Directors' Fees (\$)
Chaly Mah Chee Kheong	210,000
Eric Ang Teik Lim ⁽¹⁾	77,894
Koh Kah Sek	125,000
Ku Xian Hong	122,000
Yeo Wico	117,000
Quah Kung Yang ⁽²⁾	95,000
William Woo Siew Wing ⁽²⁾	87,000
Joyce Tee Siew Hong ⁽³⁾	29,079
Shirley Wong Swee Ping ⁽³⁾	35,095
Total	898,068

Note:

⁽¹⁾ Stepped down on 1 December 2023.

⁽²⁾ Fees are paid to Director's employer company.

⁽³⁾ Appointed on 1 December 2023.

The CEO, Mr Tong Yew Heng, is an Executive Director and is therefore remunerated as part of senior Management. He does not receive Directors' Fees.

CEO's and Top Five Key Management Personnel's Remuneration

Following is a breakdown of the level and mix of the annual remuneration of the CEO and each of the top five key management personnel in FY2024, set out in bands of \$250,000:

Table 1: CEO's Remuneration

Name	Fixed ⁽¹⁾ (\$)	Variable ⁽²⁾ (\$)	CPF ⁽³⁾ (\$)	Benefits ⁽⁴⁾ (\$)	LTI ⁽⁵⁾ (\$)	Total Remuneration (\$)
Tong Yew Heng	651,912	748,412	11,454	5,276	426,317	1,843,371

Mr Tong Yew Heng was granted a long-term incentive award of \$614,712 in June 2024. The award is granted on a contingent basis, and will be determined and fully vested at the end of a three-year performance period, based on performance against the performance conditions set.

Table 2: Top Five Key Management Personnel's Remuneration

Remuneration Band	Fixed ⁽¹⁾ (%)	Variable ⁽²⁾ (%)	CPF ⁽³⁾ (%)	Benefits ⁽⁴⁾ (%)	LTI ⁽⁵⁾ (%)	Total Remuneration (%)
Between \$750,001 and \$1,000,000						
Chye Hoon Pin	46	24	1	1	28	100
Between \$500,001 and \$750,000						
Diane Chen Dan	60	36	3	1	0	100
Between \$250,001 and \$500,000						
Tiong Onn Seng	62	24	3	1	10	100
Widjaja Suki	65	19	4	2	10	100
Nicholas Yoong Swie Leong ⁽⁶⁾	49	48	2	1	0	100

Note:

⁽¹⁾ Fixed refers to base salary and fixed allowances for FY2024.

⁽²⁾ Variable refers to cash-based incentives earned in FY2024 and paid out in June 2024.

⁽³⁾ CPF refers to company statutory contributions to the Singapore Central Provident Fund in FY2024.

⁽⁴⁾ Benefits in FY2024 are stated on the basis of direct costs and include benefits like club membership and flexi benefit and other non-cash benefits such as medical, dental, comprehensive health screening and car-parking.

⁽⁵⁾ LTI refers to the 2021 long-term incentive plan award which has become vested. This award will be paid out in July 2024.

⁽⁶⁾ Nicholas Yoong Swie Leong was appointed COO on 16 October 2023 and his remuneration for the period from 16 October 2023 to 31 March 2024 is in the band of \$250,001 to \$500,000.

The total remuneration paid to the top five senior Management personnel (who are not Directors or the CEO) in FY2024 was approximately \$2,558,162.

There are no employees of NetLink NBN Group who are substantial Unitholders of the Trust, or are immediate family members of the Directors or the CEO or a substantial Unitholder of the Trust, and whose remuneration exceeds \$100,000 during FY2024.

The top five members of senior Management (who are not Directors or the CEO) were granted LTI awards in aggregate of \$442,481 in June 2024. These awards are granted on a contingent basis, and will be determined and fully vested at the end of a three-year performance period in FY2027, based on performance against the performance conditions set.

Corporate Governance

SECTION (C): ACCOUNTABILITY AND AUDIT

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders⁴.

NetLink NBN Group aims to excel as the planner, builder, operator and long-term owner of quality infrastructure assets and provider of quality infrastructure services, adding value to its stakeholders and achieving consistent returns. The Board views risk management as a key contributing factor in achieving its objectives.

The Board oversees risk governance in NetLink NBN Group through frameworks for risk management and the implementation of internal controls. Through NetLink NBN Group's risk governance structure, and with the assistance of the RRC and the AC, the Board seeks to manage potential risks associated with the execution of its business strategies and create value for its stakeholders.

NetLink NBN Group's risk governance structure is illustrated below.



The RRC comprises three Directors, the majority of whom are non-executive and independent Directors, namely:

Ms Ku Xian Hong	Chairman
Mr Chaly Mah Chee Kheong	Member
Mr Quah Kung Yang	Member

The terms of reference of the RRC provides that the RRC shall comprise at least three Directors, the majority of whom are non-executive and independent (including being independent from Management and business relationships with the Trustee-Manager and independent from every substantial shareholder of the Trustee-Manager).

The RRC's responsibilities include, but are not limited to, the following:

- (a) providing oversight and reviewing the adequacy and effectiveness of the risk management system and system of internal controls of NetLink NBN Group, and reviewing NetLink NBN Group's overall risk assessment processes, policies and guidelines that inform the Board's decision-making;
- (b) advising the Board on NetLink NBN Group's overall risk tolerance and strategy;
- (c) reviewing the risk management processes and activities of NetLink NBN Group to mitigate and manage risk at acceptable levels determined by the Board;
- (d) keeping under review the effectiveness of NetLink NBN Group's internal controls and risk management systems and reviewing and approving the statements to be included in the annual report of NetLink NBN Trust concerning the effectiveness of NetLink NBN Group's internal control and risk management systems;

⁴ Rule 610(5) and Rule 719(1) of the Listing Rules require the Board to comment on the adequacy and effectiveness of the company's internal controls and risk management systems, and the AC's concurrence with the Board's comments. Where either the Board or the AC comments that the issuer's group's internal controls or risk management systems have weaknesses, the issuer must provide clear disclosure on the weaknesses and the steps taken to address them.



- (e) reviewing the Trust's compliance with regulatory obligations imposed by IMDA, particularly in respect of:
- (i) the control and ownership restrictions set out in the Facilities-Based Operations ("FBO") licence granted to the Trustee-Manager by IMDA;
 - (ii) the Capex Reserve Requirement⁵; and
 - (iii) the restrictions on services offered by the Trust as set out in the FBO licence granted to the Trustee-Manager by IMDA; and
- (f) providing guidance and recommendations to the Board on strategic regulatory matters.

Each member of the RRC abstains from voting on any resolutions in respect of the matter in which he has an interest.

The RRC, under its terms of reference, has the responsibility to, among others, provide oversight and review the adequacy and effectiveness of the risk management system. While the overall supervision of risk management rests with the RRC, the AC is involved in monitoring Management's efforts in managing financial and financial reporting-related risks, and internal controls, and liaises closely with the RRC. Information is shared on a regular basis between the AC and the RRC.

The RRC is supported by a Management Risk Committee ("MRC") comprising management executives which reviews the effectiveness of the risk management processes on a regular basis and reports any substantial findings of risks or non-compliance to the RRC. The CEO chairs the MRC.

NetLink has implemented an Enterprise Risk Management ("ERM") framework based on ISO 31000: 2018 (Risk Management Guidelines) with the aim of pursuing a systematic and structured approach towards the effective management of risk that will promote a more stable and informed environment for NetLink to meet its intended objectives.

The MRC is accountable to the RRC and the Board for the effectiveness of the ERM framework, policies and resources employed to identify, manage, and report risks relating to NetLink's activities.

Significant risks facing NetLink are identified and assigned to relevant risk owners. The risk owners will perform an assessment on the potential impact and likelihood of those risks occurring, and seek inputs from control owners on the adequacy of NetLink's internal controls and the action plans taken to mitigate such risks. This assessment will be documented in NetLink's risk register and updated at least on an annual basis. Risks are then categorised into Tier 1 and Tier 2 risks based on likelihood of occurrence and impact, which will be further deliberated by the MRC and the RRC.

To enhance risk monitoring, key risk indicators ("KRIs") and the thresholds are developed and monitored. Regular reports on KRI trending and risk heat-map are submitted to MRC and RRC for discussion and review of action plans.

With effect from 16 May 2024, the RRC has undertaken the role of overseeing sustainability governance in:

- providing oversight of sustainability efforts and identifying ESG factors crucial to the business, including climate-related risks and opportunities;
- monitoring the implementation of sustainability strategies and performance against established targets; and
- providing recommendations to the Board on sustainability matters.

This is in addition to its role of overseeing risk governance and maintaining a sound system of risk management and internal controls. Accordingly, the RRC has been renamed as the "Risk and Sustainability Committee" ("RSC").

More information on NetLink's ERM framework can be found under "Enterprise Risk Management" on pages 74 to 81.

Various policies have been developed to ensure sound governance with transparent and ethical business practices. Information on these policies can be found on pages 72 to 73.

⁵ "Capex Reserve Requirement" is the requirement for NetLink Trust to set aside monies each year for at least 20% of capital expenditure reserve fund ("Capex Reserve"), which cumulates to \$40 million over the five-year period from 1 January 2018 to 31 December 2022, to meet regulatory requirements from IMDA for any new network infrastructure projects that improve the capacity, technology, capability or resilience of NetLink Trust's network infrastructure. As at 31 March 2024, NetLink Trust had completed the implementation of the network infrastructure projects that improve network resiliency and expand capacity, and had fully utilised the capital expenditure reserve of \$40 million for this purpose.

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In terms of internal controls, the internal auditors conduct reviews on the adequacy and effectiveness of NetLink NBN Group's internal controls and report any material non-compliances or weaknesses in internal controls to the AC for review. The external auditors perform procedures in relation to internal controls relevant to the audit risks that they have identified and report to the AC any significant deficiencies. The AC also reviews the adequacy and effectiveness of the measures taken by Management on recommendations made by the internal and external auditors to rectify such non-compliances and weaknesses.

The Board has received assurance from:

- (a) the CEO and the CFO that NetLink's financial records have been properly maintained and the financial statements for the year under review give a true and fair view of NetLink's operations and finances; and
- (b) the CEO, the COO, and the CFO (collectively "C-Suite") that the system of risk management and internal controls in place within NetLink NBN Group is adequate and effective in addressing the risks which NetLink NBN Group considers relevant and material to its business operations.

The C-Suite have obtained similar assurances from the heads of operational and corporate departments in NetLink NBN Group on the risk management and internal control systems within their respective scope, to support their assurance statement to the Board.

Based on:

- (a) the system of risk management and internal controls established and maintained by NetLink NBN Group as described above;
- (b) assurances from the C-Suite together with regular reviews performed by Management; and
- (c) work performed by the internal and external auditors,

the Board, with the concurrence of the AC and the RRC, is of the opinion that NetLink NBN Group's system of risk management and internal controls were adequate and effective as at 31 March 2024 to address the risks (including financial, operational, compliance and information technology risks), which NetLink NBN Group considers relevant and material to its operations.

The Board notes that NetLink NBN Group's risk management and internal controls provide reasonable, but not absolute, assurance that NetLink NBN Group will not be adversely affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. The Board also notes that there is no risk management system and internal controls that could 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.

AUDIT COMMITTEE

Principle 10: The Board has an AC⁶ which discharges its duties objectively.

Pursuant to the Business Trusts Regulations, the Audit Committee is required to comprise at least three members:

- all of whom are independent from management and business relationships with the Trustee-Manager; and
- at least a majority of whom, including the Chairman of the AC, are independent from management and business relationships with the Trustee-Manager and independent from every substantial shareholder of the Trustee-Manager.

The members of the AC are:

Ms Koh Kah Sek	Chairman
Ms Shirley Wong Swee Ping	Member
Mr Yeo Wico	Member

All AC members are independent Directors. None of the AC members were former partners or directors of the Trustee-Manager's external auditor within the last two years or hold any financial interest in the external auditor.

The Board is of the view that the members of the AC have sufficient financial management expertise and experience to discharge the AC's functions given their experience as directors and/or senior management/partners in the accounting, financial, technology and legal sectors.

The role of the AC is to develop, maintain and monitor an effective system of internal controls. The AC also reviews the quality and reliability of information prepared for inclusion in financial reports, and is responsible for the nomination of an external auditor and reviewing the adequacy of internal and external audits in respect of cost, scope and performance.

⁶ Rule 210(5)(e) of the SGX Listing Rules (Mainboard) / Rule 406(3)(e) of the SGX Listing Rules (Catalist) requires companies to establish one or more committees as may be necessary to perform the functions of an Audit Committee, a Nominating Committee and a Remuneration Committee. Each committee formed should have written terms of reference which clearly set out the authority and duties of the committee.

The AC's responsibilities also include, but are not limited to, the following:

- (a) reviewing the quality and reliability of information prepared for inclusion in NetLink NBN Trust's financial reports;
- (b) reviewing NetLink NBN Trust's consolidated financial statements, as well as the assurances from the C-Suite on the financial records and financial statements, and any announcements relating to NetLink NBN Trust's financial performance prior to submission to the Board;
- (c) reviewing with the auditors of NetLink NBN Trust:
 - (i) the audit plan of NetLink NBN Trust;
 - (ii) the auditor's audit report for NetLink NBN Trust;
 - (iii) the auditor's management letter and management's response;
 - (iv) the assistance given by the officers of the Trustee-Manager to the auditors of NetLink NBN Trust;
 - (v) the scope and results of the internal audit procedures implemented by the Trustee-Manager;
 - (vi) the policies and practices put in place by the Trustee-Manager to ensure compliance with the BTA and the Trust Deed; and
 - (vii) the internal guidelines and procedures put in place by the Trustee-Manager for managing any conflict that may arise between the interests of the Unitholders and the interests of the Trustee-Manager, including interested person transactions (to determine if such guidelines and procedures put in place are sufficient to ensure that interested person transactions are conducted on normal commercial terms and will not be prejudicial to the Trust and the minority Unitholders), the indemnification of expenses or liabilities incurred by the Trustee-Manager and the setting of fees or charges payable out of the Trust Property;
- (d) reviewing interested person transactions to ensure that interested person transactions are conducted on normal commercial terms and will not be prejudicial to the Trust and the minority Unitholders;
- (e) reviewing any actual or potential conflicts of interest matters referred to the AC. This includes reviewing any actual or potential conflicts of interest that may involve the Directors as disclosed by them to the Board. Upon disclosure of an actual or potential conflict of interest by a Director, the AC will consider whether a conflict of interest does in fact exist. A Director who is a member of the AC will not participate in any proceedings of the AC in relation to the review of a conflict of interest relating to him. The review will include an examination of the nature of the conflict and such relevant supporting data, as the AC may deem reasonably necessary. Where a conflict of interest does exist, the AC will resolve or propose, where appropriate, the relevant measures for the management of such conflicts;
- (f) reviewing the balance sheet, and profit and loss account of the Trustee-Manager, as well as the balance sheet, profit and loss account and cash flow statement of NetLink NBN Trust submitted to it by the Trustee-Manager, and thereafter to submit them to the Board;
- (g) reporting to the Board:
 - (i) any inadequacies, deficiencies or matters of concern of which the AC becomes aware or that it suspects arising from its review of the items referred to in sub-paragraphs (b), (c), (d), (e) and (f); and
 - (ii) any breach of the BTA or any breach of the provisions of the Trust Deed, of which the AC becomes aware or that it suspects;
- (h) reporting to the Monetary Authority of Singapore ("MAS") if the AC is of the view that the Board has not taken, or does not propose to take, appropriate action to deal with a matter reported under sub-paragraph (g);
- (i) nominating a person or persons as auditor of the Trust, notwithstanding anything contained in the Trust Deed;
- (j) reviewing and monitoring Management's efforts in managing financial risks (including financial reporting-related risks) and internal controls;
- (k) reviewing the significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the Trustee-Manager and the Trust and any announcements relating to the Trustee-Manager's and the Trust's financial performance;

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- (l) reviewing the policy and arrangements by which staff of the Trustee-Manager and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. The AC's objective shall 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;
- (m) reviewing and reporting to the Board at least annually the adequacy and effectiveness of NetLink NBN Group's risk management systems and internal controls, including financial, operational, compliance and information technology controls. Such review can be carried out internally or with the assistance of any competent third parties;
- (n) monitoring and reviewing the implementation of the auditors' recommendations for internal control weaknesses (if any);
- (o) reviewing the adequacy, effectiveness, independence, scope and results of the external auditors;
- (p) reviewing all hedging policies to be implemented by NetLink;
- (q) determining the criteria for selection, monitoring and assessing the external auditor, and making recommendations to the Board on the appointment, re-appointment, and removal of the external auditor, as well as approving the remuneration and terms of engagement of the external auditor;
- (r) reviewing at least annually the independence, adequacy and effectiveness, scope and results of the internal audit function and processes, as well as ensuring that the internal auditor is adequately resourced and set up to carry out its functions. This includes the function's addressing of requirements outlined in the Global Internal Audit Standards;
- (s) meeting with the external and internal auditors, without the presence of the executive officers, at least on an annual basis and;
- (t) reviewing and reporting to the Board on significant matters raised through the whistle-blowing channel.

Whistle-blowing Policy

NetLink NBN Group adopts a zero-tolerance policy against ethical and legal violations. Consistent with this commitment and to maintain a high standard of integrity in its business conduct, NetLink NBN Group has put in place a whistle-blowing policy. The policy and the related procedures provide NetLink NBN Group's employees and parties who have dealings with NetLink NBN Group with well-defined, accessible, and trusted channels to report to the Company any suspected fraud, corruption, dishonest practices, misconduct, wrongdoing and/or other improprieties relating to NetLink NBN Group and its Officers and provide for the independent investigation of any reported incidents and appropriate follow-up actions. The objective of the policy is to encourage the reporting of such matters – by ensuring that employees or external parties making any reports in good faith will be able to do so with the confidence that they will be treated fairly and, to the extent possible, be protected from reprisal and detrimental or unfair treatment. The policy provides that the identity of the whistle-blower will be kept confidential unless disclosure is required by law. It further provides that NetLink NBN Group will not tolerate the harassment or victimisation of anyone reporting a genuine concern and that it will ensure the protection of whistle-blowers who have acted in good faith against reprisal and detrimental or unfair treatment.

The AC is responsible for oversight and monitoring of whistle-blowing. The policy identifies those authorised to receive complaints, including a whistle-blower hotline service independently managed by an external service provider. These channels have been made available with details published on NetLink's website (https://www.netlinknbn.com/corporate_governance.html). All whistle-blower complaints are investigated independently and overseen by the AC. Investigations are performed by independent, appropriately skilled, and knowledgeable persons and the outcome of each investigation is reported to the AC. The AC reviews all whistle-blowing complaints at its quarterly meetings and where required, appropriate follow-up actions are taken.

The whistle-blowing policy is publicly disclosed on NetLink NBN Group's website and made available to all employees on NetLink's intranet. Further, as part of NetLink NBN Group's efforts to promote strong ethical values and fraud and control awareness, the whistle-blowing policy, including the procedures for raising concerns, is covered and explained during staff training and periodic communication to all staff.

The AC has the authority to investigate matters within its terms of reference and has unfettered access to NetLink NBN Group’s management, and internal and external auditors. AC meetings are attended by the C-Suite as well as the internal and external auditors.

The AC Members are kept updated on changes to accounting standards and significant accounting matters involving the exercise of judgement. In addition, the AC is entitled to seek independent professional advice, or attend relevant seminars and/or informative talks at NetLink’s expenses from time to time to apprise themselves of accounting standards/financial updates.

During FY2024, the AC reviewed the Trustee-Manager’s and NetLink’s financial statements and accompanying announcements before recommending them to the Board for

approval. The AC discussed with Management and the external auditors the matters which involved significant judgement. The AC also met with the internal and external auditors without the presence of Management to obtain feedback on the competency and adequacy of the finance function, to review the assistance given to the internal and external auditors, and to discuss the financial reporting process and the Trustee-Manager’s and NetLink’s financial condition, the system of internal controls, and other significant comments and recommendations by the auditors. Where relevant, the AC makes reference to best practices and guidance for Audit Committees in Singapore including practice directions issued from time to time in relation to the Financial Reporting Surveillance Programme administered by the ACRA. The key audit matters reported by the external auditors and reviewed by the AC for FY2024 are set out below:

Key Audit Matter	How the Audit Committee addressed the matter
Goodwill impairment review	<p>The AC considered the methodology, estimates and assumptions such as WACC of 4.89% and terminal growth rate of 1.5% used in the valuation model for the purpose of determining if there is any impairment of goodwill.</p> <p>The AC also considered the auditor’s report and findings of the external auditors on their assessment for the key assumptions driving the value-in-use calculation, in particular the discount and long-term growth rate.</p> <p>The AC was satisfied that the review process and the methodology used were appropriate and disclosures in the financial statements were adequate. The external auditor has included this item as a key audit matter in the auditor’s report for the financial year ended 31 March 2024. Please refer to page 144.</p>

The AC reviews, among others, the scope and results of the external audit, and the independence and objectivity of the external auditors. The AC considered the following matters in its review of the external auditors’ performance, and when formulating its recommendation on the re-appointment of the external auditors:-



- Adequacy and experience of the professional staff and audit engagement partner assigned;
- External auditors’ experience in the telecommunication sector and in business trusts, including the size and the complexity of the audit;
- The quality of audit services rendered, and reports and findings presented, by the external auditors during the year;
- The Audit Quality Indicators Disclosure Framework issued by ACRA; and
- The external auditors’ self-assessment, including the confirmation of its independence to the AC.

The AC has considered the performance of the external auditors and the volume of non-audit services provided by the external auditors together with the fees paid for such services. The AC is satisfied that the independence and objectivity of the external auditors have not been impaired by the provision of those services. The aggregate amount of fees paid/payable to the external auditors is \$233,000 of which \$186,000 pertains to annual audit services and \$47,000 pertains to non-audit services (as shown in Note 7 under “Notes to the Financial Statements” on page 164). The fees for non-audit services were mainly for a limited assurance engagement on NetLink’s Sustainability Report and tax services and did not exceed 50% of the total fees paid. The AC is satisfied with the independence and work of the external auditors and has recommended to the Board the re-appointment of Deloitte & Touche LLP as the external auditors of NetLink NBN Trust at the forthcoming annual general meeting.

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The Board confirms that the appointment of the external auditors is in accordance with Rules 712, 713(1) and 715 of the Listing Rules. The information included in this Annual Report, excluding the Financial Statements and auditor's report, was provided to the external auditors after the auditor's report date. The external auditors have completed the work in accordance with SSA 720 (Revised) The Auditor's Responsibilities Relating to Other Information, and they have noted no exception.

NetLink's external auditors prepare an audit plan on an annual basis, taking into consideration, amongst other things, the financial reporting-related risks identified by the internal auditors, and presents such audit plan to the AC for its review and concurrence. NetLink's external auditors also report to the AC on matters relating to internal financial controls that come to their attention during the course of their normal audit and provides related recommendations for improvements. The AC reviews, among others, the scope and results of the external audit, and the independence and objectivity of the external auditors.

The Trustee-Manager has an Internal Audit Department ("IA") that is independent of the activities it audits. The primary reporting line of IA is to the AC, which also decides on the appointment, termination and remuneration of the Director of IA. IA has unfettered access to all the records, documents, property and personnel, including access to the AC, when carrying out the internal audit reviews and has appropriate standing within NetLink NBN Group. The AC reviews, among others, the independence, the role and effectiveness of IA and the AC may make recommendations for any changes to IA's processes, approach and focus areas. The AC also performs reviews to ensure that IA is adequately resourced and skilled, in line with the nature, size and complexity of the business, and to confirm that IA is able to properly function as internal auditors of NetLink NBN Group.

IA adopts a risk-based approach in formulating the annual audit plan that aligns its activities to the key strategies and risks across NetLink NBN Group's business. IA plans its internal audit schedules in consultation with, but independently of,

Management and the plan has been designed to cover all aspects of NetLink NBN Group. The IA plan is submitted to the AC for approval prior to the beginning of each financial year. The reviews performed by IA are aimed at assisting the AC and the Board in promoting sound risk management, robust internal controls, and good corporate governance, through assessing the design and operating effectiveness of controls that govern key business processes and risks identified in the overall risk framework of NetLink NBN Group. IA's reviews also focus on compliance with NetLink NBN Group's policies, procedures and regulatory responsibilities.

IA utilises Data Analytics to enhance the timeliness, depth and breadth of assessments performed. On a quarterly basis, IA reports are submitted to the AC for discussion. In particular, IA will update the AC on the progress in executing the IA plan and any major internal control gaps and lapses. The AC will also monitor the timely and proper implementation of the required corrective actions undertaken by Management.

IA subscribes to, and is guided by, the International Standards for the Professional Practice of Internal Auditing (Standards) developed by the Institute of Internal Auditors and has incorporated these Standards into its audit practices. An External Quality Assurance review of the IA function was performed in 2023 and no material issues were raised.

IA is resourced and staffed with persons having the relevant qualifications (Chartered Accountancy and Certified Internal Auditor) and internal audit experience. For areas requiring additional technical assistance, IA will engage the relevant technical experts to assist with the performance of these reviews.

Based on the above, the AC is satisfied that the internal audit function is independent, effective, and adequately resourced.

The AC is kept apprised by Management and through presentations by the auditors of changes in financial reporting standards and issues which have a direct impact on financial statements.



SECTION (D): SHAREHOLDER RIGHTS AND ENGAGEMENT

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

The Trustee-Manager is committed to treating all of NetLink NBN Trust's Unitholders fairly and equitably and to facilitate the exercise of Unitholders' rights. All Unitholders enjoy specific rights under the Trust Deed, the Trustee-Manager's Constitution and the relevant laws and regulations, including the right to attend and vote at general meetings.

DBS Trustee Limited (as share trustee of Singapore NBN Trust) holds the shares of the Trustee-Manager on trust for the benefit of the beneficiaries of Singapore NBN Trust (being the Unitholders) *pari passu*, each of whom has an undivided interest in the Trustee-Manager in proportion to their respective percentage of units held or owned by each of them in the Trust. The TM Shares Trust Deed provides that the Trustee-Manager agrees and undertakes to call and hold meetings and proceedings of the beneficiaries of Singapore NBN Trust for the purposes of the TM Shares Trust Deed in accordance with the Trust Deed. The TM Shares Trust Deed also provides that all rights of voting conferred by the shares in the Trustee-Manager shall be exercised by the Share Trustee in accordance with the relevant resolutions passed by the Unitholders. Accordingly, in addition to the AGM of the Trust held each year, an AGM of the TM Shares Trust is also held each year as immediately after the AGM of the Trust.

The Trustee-Manager welcomes Unitholders' participation at NetLink NBN Trust's AGMs, the AGMs of the TM Shares Trust, and any Extraordinary General Meetings ("EGM"). The Board and senior management attends all general meetings to address Unitholders' queries. Unitholders will be given opportunity to communicate their views on various matters concerning NetLink.

The AGMs on 19 July 2023 were held in a physical format for better engagement with Unitholders. The Notice of AGM and proxy forms were mailed out to Unitholders and also published on NetLink NBN Trust's website. It was also released via SGXNET and made available on the SGX website. Unitholders could submit questions either in advance of the AGMs or ask questions in person at the AGMs. There were no questions received from Unitholders in advance of the 2023 AGMs.

The NetLink NBN Trust Annual Report 2023 was made available to Unitholders on SGXNET and NetLink NBN Trust's website. Unitholders who wished to receive a physical copy of the Annual Report 2023 and ancillary documents could submit their request through NetLink NBN Trust's website. The AGM for the financial year under review will be held wholly in physical format. The arrangements relating to attendance, submission of questions in advance of the AGM, appointment of proxies and access to documents are set out in the Notice of AGM dated 27 June 2024.

All Directors and the external auditors of NetLink and the Trustee-Manager attended the AGMs on 19 July 2023. No other Unitholders' meeting was held during the financial year under review.

For EGMs, the Trustee-Manager will similarly notify Unitholders when the notice of EGM and the circular (which contain details of the matters to be proposed for Unitholders' consideration and approval) have been published on NetLink NBN Trust's website and also released via SGXNET and made available on the SGX website. Unitholders who wish to receive a physical copy of the circular can submit their request via the request form. The request form will be mailed to Unitholders together with the EGM Notice.

At AGMs, the CEO will make a presentation to Unitholders on NetLink's business performance and its prospects, going forward. The presentation materials will be posted on SGXNET and NetLink NBN Trust's corporate website.

At Unitholders' meetings, each resolution proposed will be voted on by way of electronic poll voting for Unitholders/proxies present at the meetings. The detailed results showing the number of votes cast for and against each resolution, and the respective percentages, will be tallied and displayed on screen to Unitholders immediately after each poll is conducted at the Unitholders' meeting. The results of the poll of each Unitholders' meeting will also be announced in a timely manner after the Unitholders' meeting via SGXNET.

Unitholders may appoint up to two proxies to attend and vote on their behalf if they are unable to attend in person, and corporate Unitholders may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM/EGM and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual, in accordance with the Trust Deed. Unitholders who are Relevant Intermediaries (as defined in the Companies Act 1967) may appoint more than two proxies at a meeting of Unitholders, such that indirect investors may be appointed as proxies to participate in Unitholders' meetings. Details on the appointment of proxies are contained in the proxy forms which will be despatched to Unitholders together with the notice of AGM/EGM.

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Resolutions submitted at the AGM are separate and not bundled or made inter-conditional on each other, unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are bundled, the Trustee-Manager will explain the reasons and material implications. The tabling of separate resolutions gives Unitholders the right to express their views and exercise their voting rights on each resolution separately. Information is also provided on each resolution to enable Unitholders to exercise their vote on an informed basis. Such information includes the Directors' fees framework for the resolution on the payment of Directors' fees, and the background and board committee positions of the relevant Directors for the resolutions on the re-election of Directors.

The Trustee-Manager does not intend to adopt absentia voting methods (e.g. via mail, email, or fax) for NetLink NBN Trust and Singapore NBN Trust until issues such as the authentication of unitholder identity and other related security and integrity of such information can be resolved. Notwithstanding the foregoing, as Unitholders may appoint proxies to attend and vote on their behalf as further mentioned above, the Board is of the view that Unitholders will still be able to participate effectively in and vote at the general meetings even in the absence of absentia voting.

Minutes of NetLink NBN Trust's and Singapore NBN Trust's AGM/EGM are posted on the Trust's website as soon as practicable. Substantial and relevant comments or queries from Unitholders relating to the meetings, and responses from the Board and Management, are recorded in the minutes. The Trustee-Manager also ensures that all material information relating to NetLink NBN Group is disclosed in an accurate and timely manner through publication on SGXNET and is made available to everyone, including Unitholders. The Minutes of the NetLink NBN Trust's and the Singapore NBN Trust's AGM in 2023 were published on SGXNET and posted on the Trust's website within one month after the AGMs were held. The said Minutes include the questions by Unitholders and the responses to these questions.

NetLink NBN Trust's distribution policy is to distribute 100% of its cash available for distribution, which includes distribution received from its wholly-owned subsidiary, NetLink Trust. NetLink Trust's distribution policy is to distribute at least 90% of its distributable income to NetLink NBN Trust, after setting aside reserves and provisions for, amongst other things, future capital expenditure (including the funding of a capital expenditure reserve fund pursuant to regulatory requirements), debt repayment and working capital as may be required. Distributions by NetLink NBN Trust and NetLink Trust will be made on a semi-annual basis, with the amount calculated as at 31 March and 30 September each year for the six-month period ending on each of the said dates.

ENGAGEMENT WITH SHAREHOLDERS

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

The Trustee-Manager is committed to keeping Unitholders and the public fully informed of information that may have a material effect on the price or value of NetLink NBN Trust's units through timely disclosure of information to the SGX-ST via the SGXNET, to assist investors in their investment decisions. The Trustee-Manager has in place a policy on announcements which governs the timely and accurate disclosure of announcements via SGXNET.

The Trustee-Manager actively engages its stakeholders (including Unitholders, fund managers, analysts, and the media) through its Investor Relations ("IR") department, which has a dedicated IR policy to promote regular, effective and fair communication with its Unitholders. The IR policy is committed to a two-way process to allow the Trustee-Manager to explain NetLink's business as well as to gather feedback. The IR policy sets out the communication tools and practices adopted by the Trustee-Manager, including the protocol for email and phone replies to investor queries.

The IR team conducts roadshows together with senior Management and participates in one-on-one investor meetings, investor seminars and conferences, which may be virtual or in person, to keep the market and investors apprised of its financial performance and corporate development. The aim of such meetings is to provide investors with prompt disclosure of relevant information, provide a better understanding of NetLink's operations and financial performance, and to enable investors to make informed investment decisions, as well as to solicit and understand the views of Unitholders. Management makes available all of its briefing materials to the SGX-ST through SGXNET and via NetLink NBN Trust's corporate website at www.netlinknbn.com.

- Investors can also contact the IR team by email at investor@netlinknbn.com. This email address is published on NetLink NBN Trust's corporate website. Further details of the IR activities during FY2024 can be found under "Investor Relations" on pages 82 to 83.

MANAGING STAKEHOLDERS RELATIONSHIPS

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

NetLink NBN Group takes a strategic and pragmatic approach in managing stakeholders' expectations to support its long-term strategy. Sustainability governance structure and framework were put in place to identify, engage with, and manage material environmental, social and governance topics which are important to stakeholders and to NetLink NBN Group.

The following corporate websites are maintained to communicate and engage with stakeholders:

- www.netlinknbn.com
- www.netlinktrust.com

- ▶ More information on NetLink NBN Group's material stakeholders, sustainability efforts (including its strategy and key areas of focus), and performance can be found under "Sustainability Report" on pages 84 to 136.

ADDITIONAL INFORMATION

DEALING IN SECURITIES

NetLink NBN Group has adopted an internal compliance Code of Best Practices on Securities Dealings ("Code") to provide guidance to NetLink NBN Group, its Directors and employees ("Officers") on dealing in securities of NetLink NBN Trust.

In line with the Singapore Exchange Securities Trading Limited's guide on prevention of insider dealing, "*Handling of Confidential Information and Dealings in Securities*", the Code:

- (a) elaborates on prohibitions under the Securities and Futures Act 2001 and the Singapore Exchange Securities Trading Limited Listing Rules; and
- (b) stresses the importance of prohibitions against insider trading and market misconduct, and the potential civil and criminal sanctions which could result from breach of obligations.

In accordance with the Code, NetLink NBN Group and its Officers are prohibited from dealing in NetLink NBN Trust's securities during the period commencing (a) two weeks before the announcement of NetLink NBN Trust's business updates for the first and third quarter of the financial year; and (b) one month before the announcement of NetLink NBN Trust's half year and full year financial results, and ending on the date of the announcement of the relevant business updates or financial results ("black-out period"). In exceptional circumstances when Officers wish to deal in NetLink NBN Trust's securities (especially during a black-out period), they must obtain prior written approval of the Board, the Chairman, or the CEO, as the case may be. A full explanation of the exceptional circumstances and proposed dealing must be given before any such request will be considered.

Quarterly notices are issued to Officers to, among other things:

- (a) remind them that it is an offence to deal in NetLink NBN Trust's securities, as well as securities of other listed issuers, while in possession of unpublished price-sensitive information; and
- (b) inform them on the start of each blackout period.

As and when appropriate, Officers will be issued advisories to refrain from dealing in NetLink NBN Trust's securities.

Corporate Governance

Officers are required to confirm annually that they have complied with the Code and quarterly notices are issued to Officers informing them not to deal in NetLink NBN Trust's securities during a black-out period. The Code also discourages dealings on short-term considerations and cautions that it is an offence to deal in NetLink NBN Trust's securities (as well as securities of other listed issuers) while in possession of unpublished price-sensitive information.

In addition, Directors are required to report to the Company Secretaries within two business days whenever they deal in NetLink NBN Trust's securities and the latter will make the necessary announcements in accordance with the requirements of SGX-ST.

MATERIAL CONTRACTS AND INTERESTED PERSON TRANSACTIONS

There are no material contracts entered into by NetLink NBN Trust or any of its subsidiaries involving the interests of the CEO, any Director, any controlling shareholder of the Trustee Manager, either subsisting or entered into for FY2024, other than:



- (a) contracts as disclosed on pages 238 to 242 of the IPO Prospectus (www.netlinknbn.com/ipo.html); and
- (b) interested person transactions as disclosed on page 214 of this Annual Report.

POLICIES

The Trustee-Manager has developed and implemented various policies to ensure proper governance.

Employee Code of Conduct Policy

NetLink NBN Group has in place an Employee Code of Conduct Policy which sets out principles to guide employees in carrying out their duties and responsibilities to the highest standards of personal and corporate integrity.

Employees must comply with NetLink NBN Group's reporting and disclosure requirements of potential or actual conflicts of interest, and are prohibited from engaging in situations which could result in conflicts of interest.

Anti-Bribery and Corruption Policy

The Anti-Bribery and Corruption Policy further reinforces NetLink NBN Group's commitment to maintain high ethical standards. NetLink NBN Group adopts a "zero-tolerance" position to bribery and corruption and the policy sets out the responsibilities of NetLink NBN Group and its employees in observing and upholding this position.

Gift, Prize, Entertainment and Hospitality Policy

Though business gifts, prizes, entertainment, and hospitality on a modest scale are commonly used to build goodwill and strengthen working relationships among business associates, NetLink prohibits its employees from accepting gifts from customers, existing and/or potential, business partners, suppliers, contractors, competitors or members of the public that could create a situation of conflict or potential conflict of interest. Employees are responsible to abide by the policy to make the right decisions when providing or accepting gifts (including lucky draw prizes), entertainment or hospitality while conducting business on behalf of NetLink NBN Group.

Supplier Code of Conduct

NetLink NBN Group also has in place a Supplier Code of Conduct which sets out the minimum standards that Suppliers need to comply with. Amongst others, Suppliers are expected to act ethically and comply with all relevant laws and regulations in their business operations.

Human Rights Policy

NetLink NBN Group understands the importance and impact of human rights on its business, the communities in which it operates, and society at large. NetLink NBN Group believes that respecting human rights is key to the sustainable operation and growth of our business. Through the provision of an environment that is free of discrimination and harassment, where all individuals are treated with respect and dignity, NetLink NBN Group creates equal opportunities for all to contribute fully. NetLink NBN Group's commitment to human rights is enshrined in a culture of respect, trust, and inclusion within its organisation and across its supply chain. In doing so, NetLink NBN Group is guided by the United Nations Universal Declaration of Human Rights and related covenants, and the International Labour Organisation's core conventions.

Health, Safety, Security and Environment Policy

NetLink NBN Group is committed to ensuring that all its business activities are conducted safely in a secured workplace, the health of its employees, contractors, customers, and the public are protected, and the environmental impact resulting from its activities, are within national standards. NetLink NBN Group establishes, implements, and maintains an effective occupational health and safety management programme that is certified to the ISO 45001: 2018 standard to uphold the well-being of all its employees and stakeholders, and comply with statutory and regulatory requirements. Employees are to observe all safe work procedures in carrying out their work and report any potential unsafe and unhealthy situations.

Information Security Policy

Given that NetLink NBN Group's computer and information systems underpin most of the Group's business operations activities, and with intensifying cybersecurity threats, NetLink is cognisant of the imperative to protect the security of its information and information systems against breaches of confidentiality, failures of integrity or interruptions to the availability of the information it manages, and to ensure appropriate legal, regulatory, and contractual compliance. To this end, the Information Security Policy and its technical and security related policies, personal data protection policy, risk mitigation strategies, cyber security programmes, systems, processes, and controls have been put in place to guide NetLink NBN Group and its employees in appropriate management of data to ensure its protection, security, and privacy.

Creditors Payment Policy

NetLink NBN Group values its suppliers and is committed to safeguarding creditors' rights and acknowledges the importance of paying invoices, in a timely manner. It is NetLink NBN Group's practice to agree on terms with suppliers when entering into contracts. NetLink NBN Group negotiates with suppliers on an individual basis and meet its obligations accordingly.

Interested Person Transactions Policy

NetLink NBN Group is required to comply with the provisions of the Listing Rules relating to Interested Person Transactions ("IPTs") as well as the BTA and such other guidelines relating to IPTs as may be prescribed by relevant laws, regulations, and guidelines. In this regard, the Trustee-Manager has adopted an Interested Person Transactions Policy which sets out, inter alia, procedures for reviewing IPTs, to ensure that all IPTs will be undertaken on an arm's length basis and on normal commercial terms and will not be prejudicial to the interests of NetLink NBN Trust and its minority Unitholders.

- ▶ The list of IPTs for the year under review can be found under "Additional Information" on page 214.



Enterprise Risk Management

Managing and mitigating risks proactively helps NetLink protect its reputation, people, and performance, and maximise opportunities that may arise.

In line with the Group's commitment to responsible business practices, NetLink seeks to proactively identify, assess, and address potential risks in the execution of our business strategies. This helps us reduce operating uncertainty, minimise any negative impact to our reputation, people, or operational and financial performance, and maximise opportunities that may arise.

We maintain a robust system for risk management based on the latest ISO 31000:2018 Risk Management guidelines and benchmarked to other recognised sources of best practice. We also regularly review our risk policies and procedures, as well as risk management tactics and internal controls, to ensure that they remain relevant, appropriate, and adequate.

RISK GOVERNANCE STRUCTURE

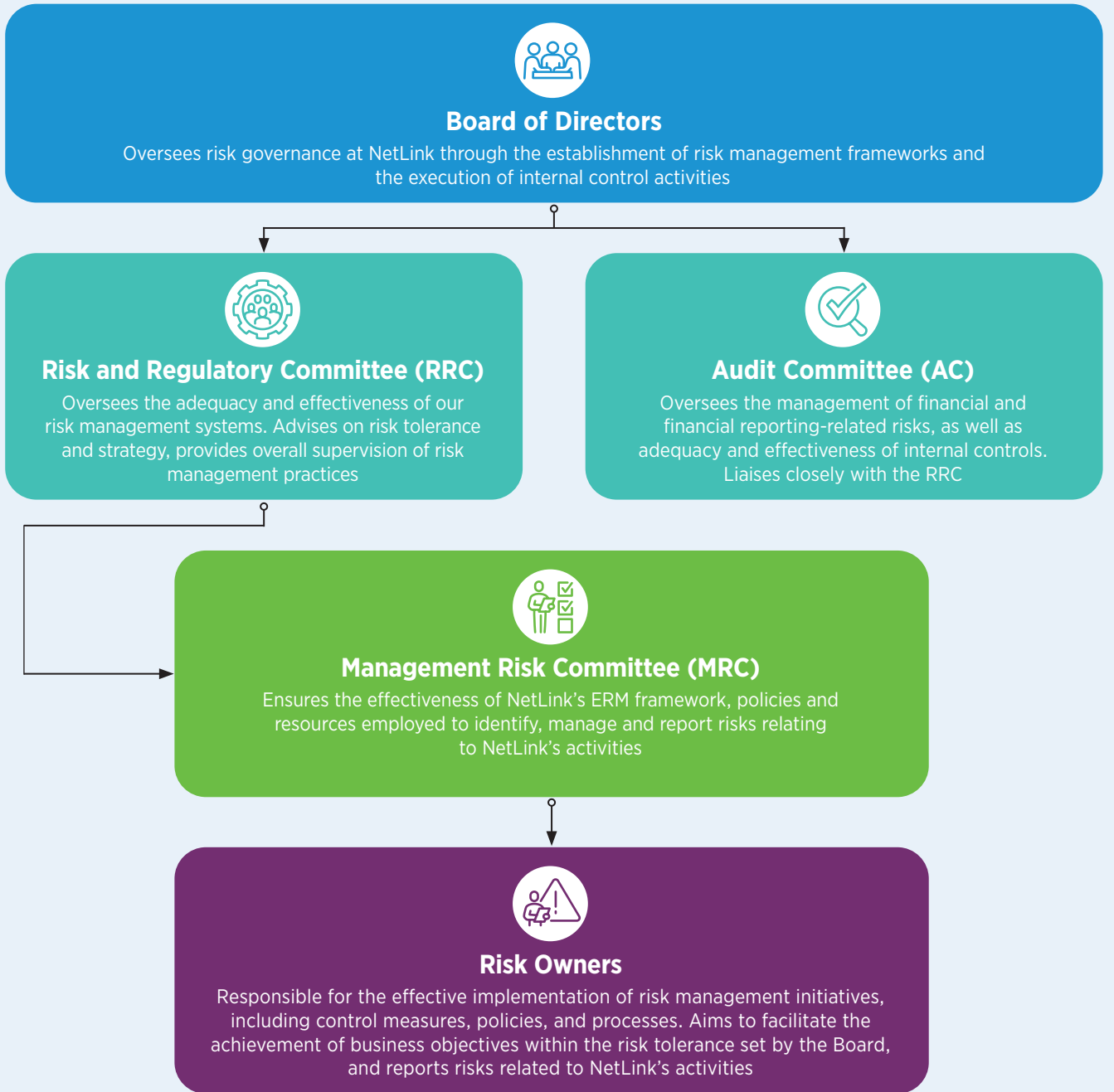
NetLink's Enterprise Risk Management (ERM) Framework lays out our formalised risk governance structure, including clear roles and responsibilities for the various entities involved, which includes

Risk Management

- Aligns with NetLink's environmental, social and governance commitment to maintaining strong and resilient business practices
- A disciplined, structured approach to identifying, assessing, monitoring, responding to and reporting risks
- Adequate and effective risk management and internal control systems
- A strong culture of risk awareness across all levels of the company

Ultimately, Risk Management protects the value of NetLink's business, strengthens our ability to capitalise on opportunities and helps position us for long-term growth and sustainability.





► For more information, please refer to the section on Risk Management and Internal Controls in the Corporate Governance chapter, on page 62.

Enterprise Risk Management

RISK APPETITE AND TOLERANCE

The Group is committed to excellence and integrity across all facets of its operations. We adhere stringently to all relevant regulatory standards, firmly believing that dependable service delivery and ethical business practices are critical to our sustained success.

Our risk management approach is aimed at ensuring the long-term reliability, quality, and availability of our network, thereby significantly enhancing the customer experience. The Group has a low appetite to risks that will impact our operations.

We have defined our risk tolerance for each functional area to proactively manage material risks integral to our operations. To ensure that our risk-taking remains aligned with our strategic goals, we employ rigorous monitoring mechanisms and regular communication within all levels of the Group.

A STRONG, ORGANISATION-WIDE CULTURE OF RISK AWARENESS

NetLink aims to build a strong culture of risk awareness and ownership that permeates across all levels of management and staff.

This starts with the Group's board and management setting the right tone from the top, by demonstrating its commitment to understanding and managing risks, which then is cascaded through the entire organisation.

Flowing from this, staff work together to support the Group achieving its risk management goals. On the ground, employees and risk owners serve as a first line of defence against any potential risks. They are accountable for identifying and managing risks stemming from their business activities. The risk management department, supported by subject matter experts from various specialised departments, form the secondary line of defence, providing guidance to employees and risk owners in driving execution of compliance and risk management activities. Internal and external auditors serve as another layer of defence, providing added accountability, evaluating the effectiveness and adequacy of the risk management and internal control systems, and highlighting areas for continuous improvement. The outcome of their audits in turn help inform the board, providing a degree of confidence and oversight of risk management at NetLink as a whole.

Regular communications are used to enhance employees' risk awareness and understanding of their roles in risk mitigation. Interactive discussion and feedback mechanisms ensure ongoing engagement and learning.

Ultimately, the goal is to embed risk consciousness into the daily workflow and decision-making processes across all levels of the organisation, thereby promoting a proactive approach to identifying, assessing, and responding to risks in alignment with the organisation's overall strategy and risk appetite.

RISK IDENTIFICATION AND ASSESSMENT

NetLink adopts a thorough, forward-looking approach to identifying, assessing, managing, and mitigating risks.

Our risk identification and assessment process take into account information from a wide range of sources, such as external reports, stakeholder discussions, audit reports, incident logs, and strategic plans. By carefully examining historical, current, and evolving data, we identify risks that could impact our organisational objectives, and assign them to risk owners.

Risk owners perform an assessment on the potential impact and likelihood of those risks occurring and seek inputs from control owners on the adequacy of NetLink's internal controls and mitigation plans. These risk assessments are documented in NetLink's risk register and updated on an annual basis at minimum. Key risk indicators and accompanying thresholds are established for more regular monitoring and reported on an ongoing basis to the MRC and RRC along with updates to our risk heat map, for discussion and review of action plans. Based on our assessment process, risks are categorised into tiers based on likelihood of occurrence and degree of impact. This process is overseen by the MRC and the RRC, along with the AC where appropriate.

The principal categories of risk faced by NetLink, listed in no particular order of significance are:

- Technology risks
- Regulatory risks
- Legal and contractual risks
- Financial risks
- Critical physical infrastructure risks
- Risks to business continuity
- Procurement and outsourcing risks
- IT systems implementation risks
- Cybersecurity risks
- Project management risks
- Health and safety risks
- Human resources risks
- Environment and climate change risks

2024 MATERIAL RISKS AND OPPORTUNITIES

Every year, we conduct an annual exercise to identify and update our list of top tier risks that are material to the Group. These can include inherent or existing risks, as well as new and emerging risks that NetLink faces in delivering our strategic objectives. Mitigation plans are reviewed and enhanced, with a view to not only reduce potential negative impact, but also capitalise on opportunities to position the Group for the future.

Based on our latest assessment, the material risks for the Group in 2024, along with the key mitigating actions and opportunities, are as follows.

MATERIAL RISKS	KEY MITIGATING ACTIONS	OPPORTUNITIES
<p>Technology Risks</p> <p>Technological or market disruptions requiring replacement or upgrade of our network infrastructure.</p>	<ul style="list-style-type: none"> • Constantly keeping abreast of emerging trends to anticipate potential disruptions. • Regularly scanning the market for changes in broadband consumption behaviour, including the deployment and adoption of substitute technologies in Singapore and overseas markets. • Providing updates to the Board at least once a year. • Analysing resultant findings and assessing any need to update our business plans and strategies in response, e.g. <ul style="list-style-type: none"> - Investing in similar technologies - Improving current offerings 	<ul style="list-style-type: none"> • Protect NetLink against any potential downside of market developments. • Position us to leverage technological changes for innovation and long-term growth.
<p>Regulatory Risks</p> <p>Any breach of applicable laws, regulations, and codes of practice.</p> <p>Any regulatory changes and/or interventions by the Singapore government affecting our business.</p>	<ul style="list-style-type: none"> • Maintaining a systematic approach to ensure compliance with applicable laws and regulations. This includes: <ul style="list-style-type: none"> - Identifying persons responsible to manage compliance with specific relevant laws and regulations under our applicable authorities (the Infocomm Media Development Authority (IMDA), the Singapore Exchange and the Monetary Authority of Singapore, etc.) - Embedding compliance into day-to-day operations - Central reporting of compliance issues to the MRC - An escalation process to the RRC • Where necessary and appropriate, the Group also engages with regulatory stakeholders for clarification, to provide industry input or necessary updates, or to discuss any areas for improvement. 	<ul style="list-style-type: none"> • Keep abreast of the changing regulatory environment to enhance our resilience/stay relevant. • Identify opportunities for improvement in various areas of compliance.

Enterprise Risk Management

MATERIAL RISKS	KEY MITIGATING ACTIONS	OPPORTUNITIES
<p>Financial Risks</p> <p>Exposure to financial risks such as those involving liquidity, as well as changes in interest rates.</p>	<ul style="list-style-type: none"> • Practicing prudent capital management to ensure NetLink's ability to meet financial obligations as well as working capital and investment requirements. • Hedging against interest rate exposure through interest rate swaps to fix borrowing rates. • Maintaining a strong capital structure with sufficient debt headroom to fund capital expenditure and operational requirements. • Maintaining diversified funding sources, including <ul style="list-style-type: none"> - A mix of borrowings from different banks - A multicurrency debt issuance programme • Monitoring and managing refinancing risk, spreading out the maturities of debt facilities as far as possible. <p>▶ For more details, please refer to Note 18 and 21 of the Financial Statements on page 184 and 188.</p>	<ul style="list-style-type: none"> • Manage our financial risks to give confidence to our investors and enhance our management track record. • Leverage our strong balance sheet to capture opportunities that may arise.
<p>Critical Physical Infrastructure Risks</p> <p>Failure of, or damage to, NetLink's physical aboveground and underground fibre-related infrastructure and IT infrastructure.</p>	<ul style="list-style-type: none"> • Carrying out regular maintenance for facilities in our Central Offices, ensuring they are kept in good working condition, with any needed replacements made in time. • Quick response upon receipt of any fault notification from our Requesting Licensees (RLs). <ul style="list-style-type: none"> - Swift investigation by our 24/7 Network Operation Centre, who will work with our Facilities team to deploy operations staff onsite for rectification where required • Maintaining a Building Management System that activates an alarm in the event of breakdown in cooling or power systems in co-location rooms. • Putting in place safeguards to protect our physical infrastructure against security threats, such as 24/7 monitoring at our Security Operations Centre, fire monitoring systems, physical fencing, and intrusion detection systems. 	<ul style="list-style-type: none"> • Prolong the lifespan of our equipment, to prevent sudden financial burdens and allow for better budget management and resource allocation. • Enhance the security and protection of our key physical assets.

MATERIAL RISKS	KEY MITIGATING ACTIONS	OPPORTUNITIES
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Business Continuity Risks

Risk of disruption to NetLink’s operations or services due to unforeseen events. (e.g. fire, heavy rain or flooding, power outage, accidents, acts of mischief or terrorism, pandemics, cyberattacks etc.)

- Addressing the issue from three angles: crisis preparedness and incident response, IT disaster recovery, and business continuity planning for key functions.

Crisis Preparedness and Incident Response

- Working with key stakeholders to enhance joint preparedness to mount a swift, well-coordinated response to crisis
 - Clearly delineating all parties’ roles and responsibilities in our crisis management plan
 - Holding an annual industry crisis simulation exercise conducted by an external consultant for NetLink, its customers, RLs and IMDA
 - Continuously improving our crisis management plan and reviewing it annually

IT Disaster Recovery

- Investing in specialised disaster recovery systems for our IT infrastructure, to promote swift recovery and restoration in the event of IT systems going down.

Business Continuity Planning

- Maintaining a robust Business Continuity Management System (BCMS) to ensure continuity of key staff functions in the event of unforeseen circumstances
 - Our BCMS is certified to ISO 22301:2019 standards and audited annually to maintain certification
 - It encompasses business continuity plans (BCPs), and an annual tabletop exercise
 - BCPs are updated on an ongoing basis, with a full review done once a year

- Enhance NetLink’s ability to recover swiftly from disruptions and maintain uninterrupted delivery of our services, which are essential to businesses, organisations, and households in Singapore.
- Strengthen our organisational resilience and overall service quality and consistency.
- Strengthen our working relationships with key external stakeholders.
- Promote continuous improvement amidst ever-evolving challenges in our operating environment.

IT Systems Implementation Risks

Adverse impact to NetLink’s operational processes or Quality of Service performance, arising from downtime or failure in the course of migrating an existing major backend IT System to a new and more advanced one.

- Maintaining a high priority on the design and development of a new fit-for-purpose Operations and Business Support IT System system, as well as driving a smooth and complete migration from the existing system to the new one.
- Closely monitoring each stage, regularly documenting and reviewing any issues, and involving a senior committee for critical discussions. Extensive testing and user involvement in refining and validating the system are integral to our process before the system goes live.

- Better equip NetLink to meet future operational demands and growth.
- Improve system reliability and user-friendliness.
- Enhance stakeholder and user satisfaction and long-term operational efficiency.

Enterprise Risk Management

MATERIAL RISKS	KEY MITIGATING ACTIONS	OPPORTUNITIES
<p>Cybersecurity Risks</p> <p>Exposure to cybersecurity threats, data privacy breaches, and other network security and stability risks.</p>	<ul style="list-style-type: none"> • Maintaining an Information Security Policy and Personal Data Protection Policy setting out clear guidelines governing the security of our information systems and the collection, use, disclosure, and retention of personal data. • Deploying a multi-layered cybersecurity defence framework. • Mandatory training, upskilling and awareness building for employees. • Internal and external audits conducted periodically, and yearly third-party penetration testing. • Establishing a protocol for swift action in the event of a cybersecurity incident or data breach, including immediate containment and isolation, reporting, investigation, rectification, and recovery. <p>▶ For more details, please refer to the section on Data Security and Privacy in our Sustainability Report on page 97.</p>	<ul style="list-style-type: none"> • Strengthen the resilience of our business and the security of our customer data. • Enhance our threat intelligence, enabling better anticipation of potential cyberattacks, more informed decision-making in defence strategies.
<p>Health and Safety Risks</p> <p>Exposure to risks relating to health and safety, such as accidents, injuries, and fatalities.</p>	<ul style="list-style-type: none"> • Maintaining an ISO 45001 certified Occupational Health and Safety Management System (OHSMS) covering all employees and contract workers. • Employing risk-based approach to identify and assess potential hazards and apply appropriate controls. • Implementing stringent operating procedures for employees and contractors, including on-site health and safety risk assessments, enforcement of controls and requirements on incident reporting, investigation, and remediation. • Driving compliance, learning and continuous improvement through a cross-department Health, Safety, Security and Environment Committee. • Increasing accountability through internal and external audits, and regular updates to the RRC. <p>▶ For more details, please refer to the section on Health and Safety in our Sustainability Report on pages 108 to 110.</p>	<ul style="list-style-type: none"> • Promote better health and safety for all our people. • Position the company for long-term success by creating an environment that prioritises safety, learning, and continuous improvement.

MATERIAL RISKS	KEY MITIGATING ACTIONS	OPPORTUNITIES
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Project Management Risks

Project risks relating to NetLink’s ongoing construction of a new Central Office in the north of Singapore.

These may include issues like potential delays, cost overruns, or issues with quality or contractor performance.



- Regular project meetings between NetLink’s management, project consultants and the main contractor.
- Regular site visits to closely monitor the progress of the construction and manage any risk of delay.
- These frequent direct interactions facilitate swift adjustments, decisions, and actions to ensure the project remains on budget and on schedule.



- Position the business for future growth with the successful delivery of this new key asset.

Environment and Climate Change Risks

Physical risks such as higher temperatures, rising sea levels, violent storms, and flash floods, which can affect our operations and assets, as well as the wider community.

Transitional risks, such as the potential for more stringent regulation and increased stakeholder expectations.



- Tracking, managing, and reporting our progress on the Environment and Climate Change front in line with recommendations by the Task Force on Climate-Related Financial Disclosures and SGX requirements on climate-related disclosure.
- Conducting and disclosing a quantitative scenario analysis to better illustrate the potential magnitude of climate impacts on our business.
- Designating Climate Change, Waste Management, Water Consumption and Sustainable Supply Chain as material Sustainability topics, setting voluntary targets for each, and reporting performance with respect to these targets yearly.
- Focusing on improving the carbon footprint of our central offices, where a large proportion of energy is used for cooling.



- Achieving ongoing and sustained carbon reduction targets and attain net zero emissions by FY50.
- Achieve our long-term strategy of building a green and resilient fibre network that enables Singapore’s sustainable digital future.

▶ For more information, please refer to the section on Our Environment in our Sustainability Report on pages 98 to 107.



Investor Relations

At NetLink, we prioritise clear and consistent communication with our stakeholders in the investment community. Guided by our Investor Relations (IR) Policy, we engaged with more than 70 institutional investors, financial institutions, private bankers, and more than 430 retail investors and trading representatives. These engagements facilitate timely two-way communication regarding NetLink's operational and financial performance and corporate strategy. Together with the Securities Investors Association (Singapore) (SIAS), we organised a meeting to connect with retail Unitholders before our Annual General Meeting (AGM). This financial year, we resumed with an in-person AGM and

was attended by over 250 Unitholders and proxies. All resolutions tabled at the AGM were duly passed and the results were announced on SGXNET and our website on the day of the AGM. Minutes of general meetings, which included the unitholders' queries and responses, were made available on our corporate website. The resumption of in-person meetings provided us an excellent opportunity to meet retail Unitholders; this promotes greater interaction between the Board together with the management of the Trustee-Manager and the Unitholders.

Our IR team maintains regular communication with over 10 sell-side research analysts, including hosting quarterly post-results conference calls.

Key information, including financials and announcements, is accessible on our corporate website www.netlinknbn.com. We ensure all material updates are promptly announced on the Singapore Exchange ("SGX-ST"), and investors and the public can sign up for email alerts to receive our latest announcements. Contact details for the IR department are also available on the website.

As a testament to the quality of NetLink's investor engagement and corporate governance efforts, NetLink was recognised by the investment community for our high standards of communication and investor engagement. More details of our Corporate Governance efforts can be found on pages 44 to 73.

AWARDS

Singapore Corporate Awards 2023

Singapore Corporate Awards 2023
REITs & Business Trust Category
Best Investor Relations Award

SIAS Investors' Choice Awards
REITs & Business Trust Category
Shareholder Communication
Excellence Award

**Singapore Corporate Governance
and Transparency Index (SGTI)**
REIT and Business Trust category
5th

The Edge Billion Dollar Club 2023
*Technology Equipment +
Telecommunications Services*
Highest Growth in PAT over three
(3) years



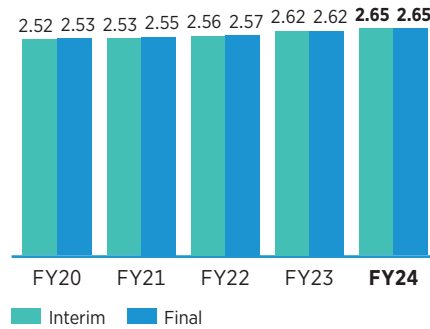
DISTRIBUTION POLICY & CHART

The Trust's full distribution policy can be found in the prospectus dated 10 July 2017. NetLink NBN Trust's distribution policy is to distribute 100% of its cash available for distribution, which includes distributions received from its wholly-owned subsidiary NetLink Trust ("NLT").

NLT's distribution policy is to distribute at least 90% of its distributable income to NetLink NBN Trust after setting aside reserves and provisions for, amongst others, future capital expenditure, debt repayment and working capital as may be required.

Distributions by NetLink NBN Trust will be made on a semi-annual basis, with the amount calculated as at 31 March and 30 September each year for the 6-month period ending on each of the said dates.

Distribution Per Unit (cents)



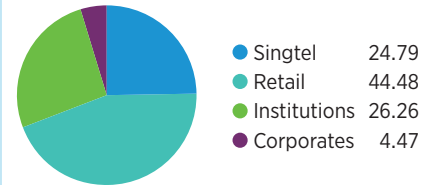
Distribution Yield (as at 31 March 2024)

NetLink NBN Trust Yield	6.20
10-year SG Govt Bond	3.11
STI Yield	5.22
FTSE ST REIT Index Yield	5.42
FTSE Mid-Cap Index Yield	4.80

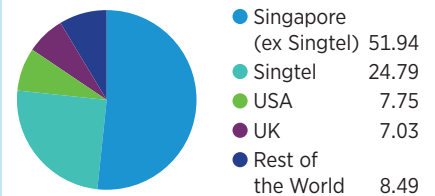
Source: Bloomberg

UNITHOLDER COMPOSITION (as at 31 March 2024)

Unitholder Base by Type



Ownership by Geography



CALENDAR

Q1

Full Year Financial Results for the period ended 31 March 2023

CGS-CIMB NDR

UBS OneASEAN Conference 2023

SGX-Maybank Securities Singapore Corporate Day (Kuala Lumpur, Malaysia)

DBS Investor call

Q2

Q1 Financial Results for the period ended 30 June 2023

SIAS Conference

6th Annual General Meeting

Phillip Securities Retail and Trading Representatives Briefing

Q3

Q2 Financial Results for the period ended 30 September 2023

SGX-SIAS Corporate Connect

CGS-CIMB ProsperUs Webinar

CGS-CIMB Trading Representatives Briefing

Q4

Q3 Financial Results for the period ended 31 December 2023

Lim & Tan Retail and Trading Representatives Briefing

DBS Vickers Pulse of Asia Conference 2024

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ABOUT THIS REPORT

The information in this report covers all business activities of NetLink NBN Trust and its subsidiaries (NetLink)¹ for the financial year 2024 (FY24) from 1 April 2023 to 31 March 2024. NetLink's business activities occur solely in Singapore.

This report is published on an annual basis together with our Annual Report. For queries or comments on NetLink's sustainability report or initiatives, please write to investor@netlinknbn.com.

NetLink has prepared this report with reference to the latest Global Reporting Initiative (GRI) 2021 standards. NetLink also discloses climate-related risks and opportunities according to the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations, in line with SGX's climate-related disclosure requirement. Together, both GRI and TCFD reporting allows us to provide a transparent and more comprehensive way of reporting our environmental, social and governance (ESG) impact. We also abide by the SGX-ST Listing Manual (Rules 711A and 711B) for the disclosures in this report. Our GRI content index can be found at the end of the report.

EXTERNAL ASSURANCE AND INTERNAL REVIEW

NetLink has sought external assurance for our FY24 sustainability report. The limited assurance was provided by Deloitte & Touche LLP on selected FY24 metrics and GRI disclosures using Singapore Standard on Assurance Engagements 3000 (Revised). The independent limited assurance statement can be found on pages 130 to 136 of this report.

NetLink's Internal Audit department has additionally performed a review of the sustainability report and supporting processes as part of its audit review cycle. Findings arising from both the external assurance and internal review are reported to and reviewed by the Board.



¹ Please refer to Annual Report page 32 for our list of subsidiaries. The environmental, social and governance information included in this report correspond to all the entities listed and has been consolidated without any adjustments.

BOARD STATEMENT

The Board of Directors of NetLink (the Board) is pleased to present NetLink NBN Trust and its subsidiaries' (NetLink) sixth Sustainability Report, which highlights our sustainability performance and progress, as well as our initiatives and plans to advance our sustainability goals.

FY24 was another year marked by slow global growth, persistent inflation, and geopolitical turmoil. However, amidst the global uncertainties, one trend stood out prominently – rapid digital advancements in the areas of artificial intelligence (AI) and autonomous devices. To be future ready, the Infocomm Media Development Authority (IMDA) will be investing up to \$100 million to upgrade Singapore's Nationwide Broadband Network (NBN), at speeds up to 10 times faster than today. NetLink's existing fibre network is fully capable of supporting 10Gbps and higher speeds, and we will work closely together with the telecommunication operators to make this happen. To ensure that our fibre network continues to provide ultra-fast, reliable, and affordable nationwide broadband connectivity in the long run, we are committed to furthering sustainability in our business. We firmly believe in a future that is not only transformed by digital connectivity, but also one that is green, low-carbon and inclusive.

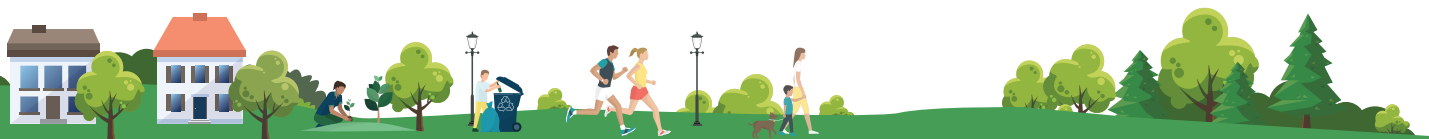
With electricity consumption set to grow in tandem with greater digitalisation, NetLink has been proactive in introducing measures to improve the energy efficiency of our Central Offices (COs). We have completed the installation of LED lightings in all our COs, and we are progressively replacing and retrofitting more energy efficient chillers, as well as installing detection systems to monitor refrigerant leaks. Our new CO that is currently under construction, is designed in compliance with the BCA-IMDA Green Mark for New Data Centres standards, using innovative cooling systems to optimise energy efficiency, along with environmentally sustainable operation and management.

In FY24, NetLink has built upon the previous work done in our inaugural climate impact reporting, referencing the recommendations by the Taskforce on Climate-Related Financial Disclosures (TCFD). Although the Singapore Exchange (SGX) only mandates reporting on a 'comply or explain' basis, we believe that aligning to the TCFD recommendations will help our stakeholders better gauge the climate-related risks and opportunities our business faces. This year, NetLink has conducted a quantitative scenario analysis to estimate the impact of climate change on our business. This assessment will allow us to focus our efforts and plan our business strategy to adapt to and mitigate against the negative impact of climate change in the future.

Sustainability is an integral aspect of our business strategy and operations at NetLink. The Board provides the oversight and guidance to drive the sustainability agenda across the organisation. With support from the Sustainability Steering Committee (SSC), the Board reviews the development of NetLink's sustainability objectives and their integration with the business strategy, as well as the management and monitoring of the sustainability performance. The Board has reviewed NetLink's material ESG topics for FY24, which are also aligned with 7 United Nations' Sustainable Development Goals (SDGs). This is aimed at addressing global challenges and identifying key areas for us to better focus our sustainability efforts.

In the years ahead, we will continue to be a responsible sustainability steward by ensuring that we continuously consider the impact of our operations on the environment, economy, and society. We are excited to share more within this report. On behalf of the NetLink Board and Management, we thank you for your support as we continue to progress in our sustainability journey.

NetLink NBN Trust
Board of Directors



Sustainability Report

OUR FY24 ACHIEVEMENTS

OUR BUSINESS PRACTICES

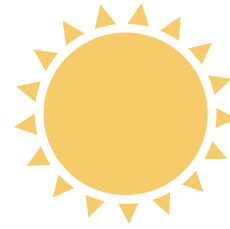
Governance and Transparency

Maintained **zero incidents of corruption** and **zero incidents of significant non-compliance** with laws or regulations.

Won **Gold Award for Best Investor Relations** in the REITS and Business Trusts category, at the Singapore Corporate Awards (SCA) 2023.

Accorded the **'Highest Growth in PAT Over Three Years Award'** in the Technology Equipment + Telecommunication Services category at The Edge Singapore Billion Dollar Club Awards.

Won the annual **Shareholder Communication Excellence Award** in the REITs and Business Trust category at the SIAS Investor's Choice Awards for the third time in 2023.



OUR PEOPLE AND COMMUNITIES

Occupational Health and Safety

Maintained **zero work-related incidents** that resulted in permanent disability or fatality.



OUR ENVIRONMENT

Climate Change

Recorded **61.8% Scopes 1 and 2 emissions reduction** from FY22 base year.²

Embarked on a **quantitative climate scenario analysis** covering both transition and physical risks.

Waste Management

Achieved a **scrap rate of 1.2%** on fibre cable issued.

Maintained **zero incidents of non-compliance** on waste disposal practices.

Talent Retention, Training, and Development

No incidents of discrimination reported.

Recorded **total training hours 16,780** at an average of 48 training hours per employee.

Recorded **employee turnover rate of 14%**, lower than the High-Tech industry average turnover rate of 16.7%.

Conferred the **Plaque of Commendation by the Singapore's National Trades Union Congress (NTUC)** for outstanding role in promoting workers' interests.

Connecting the Nation

Maintained **100% island-wide fibre coverage** and achieved 99.99% network reliability.

Supported 5G rollout and collaborated with industry players to provide bandwidth services and enable digital transformation initiatives.

Received the **NTUC-U Care Bronze award** for our long-term contribution to the NTUC-U Care Fund.

Supported SMEs in their digital transformation through promotional pricing with more than 4,300 qualified orders received as of March 2024.

Received the **Charity Platinum award** for the \$200,000 contribution towards the IMDA Digital Access @ Home initiative. Digital Access @ Home provides subsidised broadband and laptops/tablets to lower-income households.

² This is due to a reduction in refrigerant and diesel top-up, roll-out of LED lighting and installation of electricity meters in more areas in our COs. The reduction may not be reflective of NetLink's overall decarbonisation trajectory as the refrigerant and diesel top-up are on a need-to basis and thus fluctuate yearly. Refer to pages 99 to 100 for details.

Sustainability Report

OUR SUSTAINABILITY APPROACH

Our sustainability approach underpins our long-term value creation for our stakeholders by addressing the environmental, economic and societal challenges impacting our business, customers, and partners. Guided by our core values of Partnership, Excellence, Integrity, Teamwork, and Respect, we continue to monitor and

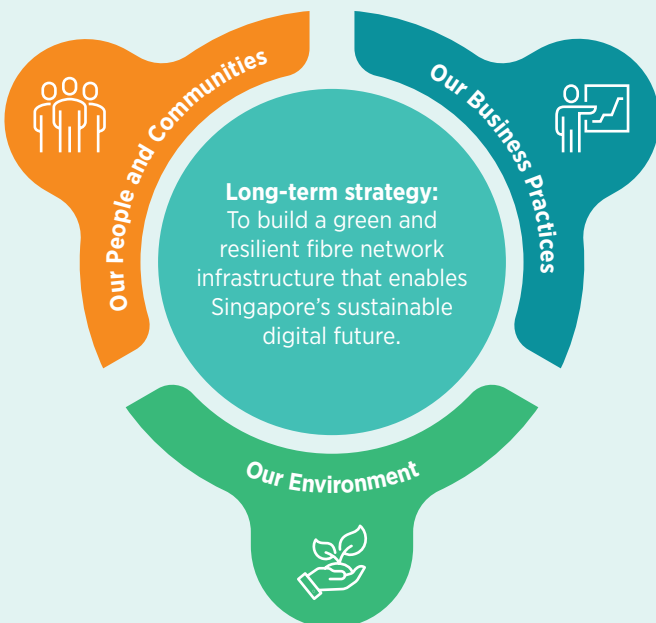
address sustainability-related risks and opportunities and delivering our long-term strategy through our sustainability framework.

Our sustainability framework lays out our high-level strategic initiatives that contribute to Singapore’s evolving digital economy and society.

Our sustainability approach underpins our long-term value creation for our stakeholders by addressing the environmental, economic and societal challenges impacting our business, customers, and partners.



Sustainability Framework



Our Business Practices

- NetLink is committed to responsible and ethical business practices supported by sound governance. We strictly adhere to relevant laws and regulations and implement industry best practices in our operations.

Our Environment

- NetLink strives to reduce our environmental footprint, improve resource efficiency, and ensure our operations remain resilient to climate change risks.
- NetLink aims to reduce our Scopes 1 and 2 emissions by 50% by FY30 (using FY22 as a baseline) and achieve net zero by 2050.

Our People and Communities

- NetLink connects communities and businesses in Singapore with the nationwide fibre network. We stay invested in expanding and boosting our network’s availability, robustness, and reliability to serve the communities, as well as supporting industry efforts and innovation in Singapore.
- NetLink firmly believes that our success and continued business growth are the result of our employees’ efforts. Therefore, we actively strive to create a safe, inclusive and equal-opportunities workplace and provide opportunities for our employees to seek personal development and professional advancement.

SUSTAINABILITY GOVERNANCE

NetLink has an established sustainability governance structure to provide oversight on our sustainability efforts and ensure that our growth is sustainable in the long run.

At NetLink, the Board sets the vision and has the overall responsibility for sustainability strategies and issues. The Board incorporates sustainability issues in NetLink’s strategic formulation and provide input to the management of NetLink’s ESG impacts, risks and opportunities, including climate-related risks and opportunities.

The Board and the Sustainability Steering Committee (SSC) work together to validate and direct the goals and plans set by the SSC. Such engagements are carried out during three of the four board meetings held annually, where NetLink’s ESG impact, risks and opportunities presented by the management are discussed as part of the meeting agenda to ensure that management takes the appropriate actions to mitigate any adverse impact or risks accordingly.

During these meetings, the Board also reviews the progress of our sustainability initiative implementation and current performance against sustainability goals to provide feedback for improvement and follow-up by the SSC. The Board additionally reviews and approves NetLink’s sustainability report. From May 2024, the Risk and Regulatory Committee (RRC) undertook the role of overseeing sustainability governance in

- providing oversight of sustainability efforts and identifying ESG factors crucial to the business, including climate-related risks and opportunities;
- monitoring the implementation of sustainability strategies and performance against established targets; and
- providing recommendations to the Board on sustainability matters.

This is in addition to its existing role of overseeing risk governance and maintaining a sound system of risk management and internal controls. Accordingly, the committee has been renamed the Risk and Sustainability Committee.

The SSC spearheads NetLink’s sustainability initiatives and discusses sustainability plans and progress with the management team. When setting and updating strategies and targets for recommendation to the Board, the SSC considers employee and other stakeholder feedback through

the Heads of Department. The SSC, meeting at least quarterly, also tracks NetLink’s performance against key ESG indicators and targets. To promote greater accountability and ownership of NetLink’s sustainability, relevant ESG targets have been incorporated into the corporate performance scorecard and remuneration of SSC members and Heads of Department.

Board of Directors

- Oversee and set the direction for our sustainability strategies and goals, including climate-related risks and opportunities.
- Oversee the determination and management of material ESG issues.

Sustainability Steering Committee (comprising C-Suites)

- Develop and update sustainability objectives, strategies, goals and policies for recommendation to the Board.
- Manage and monitor sustainability performance regarding ESG impact, risks, and opportunities.

Heads of Department

- Drive the implementation of sustainability strategies and policies across the organisation.



Sustainability Report

MATERIAL TOPICS, COMMITMENTS AND SUPPORT FOR UN SDGS

NetLink has a process to review and update our material topics regularly. Taking into account the current sustainability trends and GRI 2021 guidance for determining material topics, we conducted a materiality refresh³ exercise with the assistance of an external consultant.

Under the GRI 2021 guidance, we identified and assessed the impact of our operations and services on the economy, environment, society and individuals. Impact can be actual or potential, positive or negative, and short or long-term. Impact was scored based on severity,

ease of remediation, and likelihood before being grouped into material topics. The list of identified impact was verified and consulted with NetLink’s Heads of Department and SSC, who provided feedback on the impact list and scoring assumptions based on their intimate knowledge of NetLink’s operations.

As there has not been any material change to the nature and scope of our business activity from FY23 to FY24, NetLink’s material topics remained unchanged.

Under each material topic, we have set commitments and targets to drive our sustainability performance and manage the

topics. The progress is closely monitored and reported to the SSC regularly.

In addition, NetLink continues to support the United Nations Sustainable Development Goals (SDGs). These goals, launched in 2015, have mobilised the world into collective action across private and public sectors to address 17 areas of critical importance for humanity and the planet. NetLink aligns our sustainability commitments with 7 SDGs through our material topics.

The following lists our material topics commitments, progress towards meeting the commitments and SDG alignment for FY24:

Our Business Practices		
Material Topic	Target / Commitment ^(a)	FY24 Performance and Progress
Economic Performance	Maintain a financially sustainable operation to better serve and provide value for our stakeholders.	Refer to financial results in pages 34 to 43.
Governance and Transparency	Maintain zero incidents of significant ^(b) non-compliance with laws and regulations, including corruption.	Maintained zero incidents of significant non-compliance with laws and regulations, and zero incidents of corruption.
Data Security and Privacy	Maintain zero incidents relating to data breaches of personal data or company-related confidential data.	Encountered a cybersecurity incident affecting internal operations. There were no disruptions to fibre broadband connectivity. More details are discussed in the Data Security and Privacy section on page 97.

Supporting UN SDGs



Goal 8: Decent Work and Economic Growth

Target 8.1: Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries.



Goal 9: Industry, Innovation and Infrastructure

Target 9.1: Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.



Target 9.4: By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.

Goal 16: Peace, Justice and Strong Institution

Target 16.5: Substantially reduce corruption and bribery in all their forms.

Refer to initiatives on pages 95 to 97.

³ In line with NetLink’s materiality assessment cycle, external stakeholders will be engaged once every three years and were last engaged in FY22. The results of the FY22 engagement remain valid given that there has not been any material change to the nature and scope of our business activity. A full materiality assessment which will include consultation with stakeholders, both internal and external, has been planned for FY25.

Our Environment		
Material Topic	Target / Commitment ^(a)	FY24 Performance and Progress
Climate Change	Reduce Scopes 1 and 2 emissions by 50% by FY30 (using FY22 as a baseline) and achieve net zero by 2050.	Recorded Scopes 1 and 2 emissions reduction of 61.8% ^(c) relative to base year FY22 level.
Waste Management	Keep fibre scrap within 2.5% of the total fibre cable issued. Maintain zero incidents of non-compliance with the relevant laws and regulations on waste disposal practices.	Generated a total of 1.2% fibre scrap in proportion to total fibre cable issued. Maintained zero incidents of non-compliance with the relevant laws and regulations on waste disposal practices.
Water Consumption	Conduct water assessment from FY24 to identify water saving opportunities with a view of establishing water consumption reduction target in the coming years.	Withdrew 81,562 m ³ of potable water from PUB for our COs and offices. Preparing the COs for PUB Water Efficient Building (Basic) certification.
Sustainable Supply Chain	Engage with at least 3 key suppliers/contractors on green initiatives from FY24, with a view to enlarge the engagement population in the coming years.	Discussing and reviewing potential green initiatives and collecting data from 4 key suppliers / contractors.

Supporting UN SDGs



Goal 3: Good Health and Wellbeing

Target 3.8: Achieve universal health coverage, including financial risk protection, access to quality essential healthcare services and access to safe, effective, quality and affordable essential medicines and vaccines for all.



Goal 12: Responsible Consumption and Production

Target 12.2: By 2030, achieve the sustainable management and efficient use of natural resources.

Target 12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.



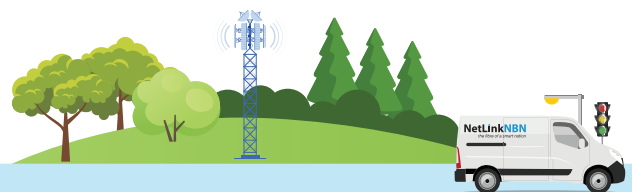
Goal 13: Climate Action

Target 13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.

Refer to initiatives on pages 98 to 107.

Notes:

- ^(a) These are ongoing annual targets unless indicated otherwise.
- ^(b) NetLink defines serious instances of non-compliance with laws and regulations as fines and/or penalties of SGD10,000 or more, or other public sanctions causing reputational damage.
- ^(c) This is due to a reduction in refrigerant and diesel top-up, roll-out of LED lighting and installation of electricity meters in more areas in our COs. The reduction may not be reflective of NetLink's overall decarbonisation trajectory as the refrigerant and diesel top-up are on a need-to basis and thus fluctuate yearly. Refer to pages 99 to 100 for details.



Sustainability Report

Our People and Communities ^(a)		
Material Topic	Target / Commitment ^(b)	FY24 Performance and Progress
Health and Safety	Maintain zero work-related incidents that resulted in permanent disability or fatalities.	Maintained zero work-related incidents that resulted in permanent disability or fatalities.
Talent Retention, Training, and Development	Achieve an annual employee turnover rate below the industry average.	Achieved a turnover rate of 14%, which is lower than the High-Tech industry turnover rate of 16.7%.
	Achieve at least an average of 24 training hours per employee.	Achieved an average of 48 training hours per employee.
	Continue to maintain a diverse and inclusive workforce and providing fair opportunities to employees based on merit.	Maintained a diverse and inclusive workforce. Maintained zero incidents of discrimination.
	Maintain zero incidents of discrimination.	
Connecting the Nation	Build a network infrastructure that anticipates Singapore's growing needs in the coming year.	Number of end-user connections (Residential): 1,506,997
	Continue to make investments in network infrastructure to ensure long-term reliability, quality, and availability of our network to enhance our customer experience.	Number of end-user connections (Non-residential): 53,482 Number of NBAP connections: 2,979 Number of segment connections: 3,542 Maintained 99.99% in network availability.

Supporting UN SDGs



Goal 3: Good Health and Wellbeing

Target 3.8: Achieve universal health coverage, including financial risk protection, access to quality essential healthcare services and access to safe, effective, quality and affordable essential medicines and vaccines for all.



Goal 8: Decent Work and Economic Growth

Target 8.1: Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries.



Goal 9: Industry, Innovation and Infrastructure

Target 9.1: Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.



Target 9.4: By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.

Goal 10: Reduced Inequalities

Target 10.2: By 2030, empower and promote the social, economic, and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

Refer to initiatives on pages 108 to 117.

Notes:

- ^(a) Management has identified corporate social responsibility as a non-material topic but to be included as part of NetLink's sustainability reporting.
- ^(b) These are ongoing annual targets unless indicated otherwise.

STAKEHOLDER ENGAGEMENT

Regular engagement with various stakeholders is crucial for NetLink to build trust and drive business development. Through these engagements, our stakeholders can bring across their interests and feedback, which then shapes NetLink's

sustainability strategies, focus areas and actions to manage our risks and impact.

Given that there has not been any material change to the nature and scope of our business activity, the results of our stakeholder mapping exercise conducted

in FY22 remain valid. We continue to engage the material stakeholders identified from the mapping exercise to maintain strong relationships and manage our impact on them more effectively.

Key Stakeholders	Engagement Methods and Frequency	Engagement Topics Covered	NetLink's Response
Unitholders/ Analysts	Throughout the year	<ul style="list-style-type: none"> Financial result releases, announcements, press releases, and other required disclosures through SGXNET and NetLink's website Meetings and calls Investor conferences / roadshows 	<ul style="list-style-type: none"> Regular engagement with the investment community Provide timely information to the market
	Annually	<ul style="list-style-type: none"> SGX Corporate Connect Seminar Annual General Meeting SIAS Shareholder Meeting 	
Lenders	Throughout the year	<ul style="list-style-type: none"> Announcements and press releases in SGXNET and NetLink's website 	<ul style="list-style-type: none"> Regularly engage and provide timely information to lenders
	As and when needed	<ul style="list-style-type: none"> Meetings and calls 	



Sustainability Report

Key Stakeholders	Engagement Methods and Frequency		Engagement Topics Covered	NetLink's Response																				
Customers (telecommunication operators)	Annually	<ul style="list-style-type: none"> Customer surveys 	<ul style="list-style-type: none"> Reliability and quality of infrastructure Availability of infrastructure to meet demand Materials sourcing and operational processes Collection of data for sustainability reporting Coordination to support the delivery of 10Gbps-enabled NBN 	<ul style="list-style-type: none"> Regular engagements with customers to understand the projected demand for infrastructure capacity planning Improve our network reliability and availability based on feedback from customers 																				
	Throughout the year	<ul style="list-style-type: none"> Regular customer meetings 			Employees	Upon joining the company	<ul style="list-style-type: none"> Induction for new employees 	<ul style="list-style-type: none"> Performance review Career development and compensation Employee wellbeing Occupational health and safety such as fire evacuation procedures Company policies such as cyber security, anti-corruption, business continuity, whistleblowing, and personal data protection ESG targets, initiatives, issues and opportunities 	<ul style="list-style-type: none"> Established practices and policies readily accessible on NetLink's intranet Various channels for employees to provide their feedback, such as during town hall meetings, performance appraisal sessions, and listening ear sessions. Feedback received will be deliberated by management for determination of appropriate actions 	Twice a year	<ul style="list-style-type: none"> Performance appraisals 	Throughout the year	<ul style="list-style-type: none"> Staff activities to promote engagement and wellbeing Training and awareness programmes 	Once every 2 years	<ul style="list-style-type: none"> Employee engagement survey 	Twice a year	<ul style="list-style-type: none"> Town hall meetings 	Local Communities	Throughout the year	<ul style="list-style-type: none"> Two-way focus group discussion with our community partners, such as Touch Community Services 	<ul style="list-style-type: none"> Monetary or non-monetary contributions to the local community 	<ul style="list-style-type: none"> Contribute at community events through volunteering and corporate donations* 	Government and Regulators	Throughout the year
Employees	Upon joining the company	<ul style="list-style-type: none"> Induction for new employees 	<ul style="list-style-type: none"> Performance review Career development and compensation Employee wellbeing Occupational health and safety such as fire evacuation procedures Company policies such as cyber security, anti-corruption, business continuity, whistleblowing, and personal data protection ESG targets, initiatives, issues and opportunities 	<ul style="list-style-type: none"> Established practices and policies readily accessible on NetLink's intranet Various channels for employees to provide their feedback, such as during town hall meetings, performance appraisal sessions, and listening ear sessions. Feedback received will be deliberated by management for determination of appropriate actions 																				
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Local Communities	Throughout the year	<ul style="list-style-type: none"> Two-way focus group discussion with our community partners, such as Touch Community Services 	<ul style="list-style-type: none"> Monetary or non-monetary contributions to the local community 	<ul style="list-style-type: none"> Contribute at community events through volunteering and corporate donations* 																				
Government and Regulators	Throughout the year	<ul style="list-style-type: none"> Ongoing communication and consultation with the relevant authorities 	<ul style="list-style-type: none"> Compliance with laws and regulations Price review Coordination to support the delivery of 10Gbps-enabled NBN 	<ul style="list-style-type: none"> Established policies and procedures to ensure compliance with laws and regulations Provided data and explanation to pursue a reasonable outcome for next 5 years 																				

* Refer to page 118 for more details on our communities' initiatives.

OUR BUSINESS PRACTICES

ECONOMIC PERFORMANCE

NetLink designs, builds, owns, and operates the passive fibre network infrastructure of Singapore's Nationwide Broadband Network (NBN). We strive to be financially sustainable to meet our investors' expectations as this will allow us to upkeep and future-proof our core national infrastructure in the fast-evolving digital era.

Our pursuit for financial sustainability is underpinned by these three areas:

- Sound governance and business practices: see pages 95 to 97 and our Corporate Governance report (pages 44 to 73).
- Comprehensive risk management framework: see our Enterprise Risk Management (ERM) framework (pages 74 to 81), our TCFD report (pages 101 to 104), cybersecurity risk management (page 97) and health and safety risk management (page 108).
- A resilient business model that is committed to high standards of service: see our Operating Review (pages 34 to 41) and our initiatives to connect the nation (see pages 115 to 117).

Value creation for our stakeholders is also summarised in pages 16 to 17. We aim to maintain a financially sustainable operation to better serve and provide value to our stakeholders. Please refer to our Annual Report pages 34 to 43 for our financial results in FY24.



GOVERNANCE AND TRANSPARENCY

Good governance is the cornerstone of NetLink's business. We ensure that we fully comply with the laws and regulations and are kept informed of upcoming policies that may affect our operations. We proactively take steps to stamp out any practices that may pose significant business risks such as corruption, mismanagement of company resources, non-compliance with laws and regulations, unethical practices, as well as mismanagement in supply chain. Our policies are enforced upon relevant stakeholders to ensure transparent and ethical practices, and that the highest conduct and quality of our services are carried out.

We strive to be financially sustainable to meet our investors' expectations as this will allow us to upkeep and future-proof our core national infrastructure in the fast-evolving digital era.



Sustainability Report

NetLink has in place several policies where employees are to abide by to uphold the right conduct at work and ensure our business operates in a safe and ethical manner. Our responsible business policies are listed below.

Senior management reviews and approves all our policies. Key policies setting governance and risk management principles and thresholds are approved by the Board and/or sub-committees of the Board. The information on the policies listed below is publicly available on our company website and our Corporate Governance report (pages 44 to 73).

Our business policies are shared with new hires during onboarding. All employees are informed of the updates to the policies

which are reviewed regularly. Regular refresher trainings are also conducted throughout the year to ensure that employees are aware of how NetLink deals with potential internal issues such as misconduct through policies such as the Employees' Code of Conduct or Whistleblowing Policy.

Under our ERM framework, NetLink effectively manages compliance with laws and regulations, prevents corruption, and mitigates human rights risks. The framework sets out the roles and responsibilities of various key personnel, departments, and committees in NetLink that are responsible for the implementation of risk management policies, remediation, and reviews.

The RRC is responsible for the review of the adequacy and effectiveness of NetLink's risk management system, including those relating to compliance. This also includes an annual fraud risk assessment aimed at identifying significant fraud and corruption risks in our entire business operations. The Audit Committee (AC) reviews the adequacy and effectiveness of internal control system, investigates any reports, as well as discuss and direct appropriate follow-up action for valid whistleblowing reports during its quarterly meetings. During FY24, we maintained zero incidents of corruption, with no incidents of fraud found and no significant whistleblowing incidents reported. More details of our governance practices are found in our Corporate Governance report on pages 44 to 73.

NetLink's Responsible Business Policies



Anti-bribery and Corruption

The policy provides guidance on acts that may constitute bribery, corruption, and/or money-laundering and sets out the responsibilities of employees in observing and upholding this position.



Health, Safety, Security and Environment

Outlines the important processes and steps taken to mitigate potential health and safety impact. These measures cover all employees and workers working on our premises and projects and are reviewed and kept up to date at least yearly. Our occupational, health and safety programme is certified to the ISO 45001:2018 standard and periodic internal and external audits are conducted to ensure all requirements are met.



Employee Code of Conduct

The Employee Code of Conduct sets out ethical values and business principles which all employees are expected to observe while carrying out their duties and responsibilities in their daily dealings, such as personal and corporate integrity, responsibility, and accountability.



Human Rights

Guided by the United Nations Universal Declaration of Human Rights, International Labour Organisation, United Nations Convention Against Corruption, the Human Rights policy sets out our commitments towards equality of opportunity and non-discrimination, freedom of association, fair employment practices, prohibition of child, forced and involuntary labour, health and safety, and right to privacy for our employees, customers, business partners, and suppliers.



Gift, Prize, Entertainment and Hospitality (Accepting and Giving)

This policy is specifically designed to guide employees on the acceptance or giving of gifts, prizes, entertainment and/or hospitality from or to vendors, customers, business partners, suppliers, contractors, etc. The acceptance or giving of gifts, prizes, entertainment and/or hospitality is strongly discouraged unless permitted under the Gift, Prize, Entertainment and Hospitality Policy.



Supplier Code of Conduct

Sets out the minimum standards that our suppliers need to comply with. Amongst other social and environmental criteria, our suppliers are reminded of our zero-tolerance stance on corruption, the available whistleblowing channels, and the requirement that our suppliers are to act ethically and comply with all relevant laws and regulations in their business operations.



Whistleblowing

Our Whistleblowing Policy provides a platform for employees, stakeholders and the public to report concerns anonymously in good faith about any perceived irregularity or misconduct within the business and sets out strict protocols to follow should a report be made. Our whistleblowing channels are made publicly available on our website. Valid reports made in good faith will be investigated independently and appropriate follow-up action will be taken upon direction by the Chairman of the Audit Committee.



DATA SECURITY AND PRIVACY

With rampant cyber-attacks across the globe, it is NetLink's imperative to secure the personal and corporate data of our employees, business, customers, and partners. Failure to do so may result in regulatory fines, financial losses, reputational damage, and loss of stakeholders' trust. To mitigate this risk, our Information Security Policy, and Personal Data Protection Policy⁴ set out clear requirements and guidelines for security of our information systems and the collection, use, disclosure, and retention of personal data.

NetLink's cybersecurity defence framework comprises risk mitigation strategies, cybersecurity programmes, systems, processes, controls, and regular upskilling, training and awareness building for cybersecurity

staff and all employees. Periodic internal and external audits, including system penetration test, are conducted to pinpoint shortcomings in our systems, and all vulnerabilities found are reviewed and rectified. Regular phishing email simulation exercises are also conducted to evaluate employees' vigilance and raise awareness on identifying such emails. Third-party suppliers are also assessed to ensure they meet our cybersecurity requirements.

We are continually improving our systems to ensure that we keep up with cybersecurity best practices to respond to any potential threats. NetLink is committed to uphold the highest standards of data privacy and cybersecurity protection as we continue to serve the ever-growing digital needs of Singapore.

Cybersecurity Incident

NetLink had encountered a cybersecurity incident in FY24 that affected some of our internal operations. However, it did not affect fibre broadband connectivity. The cyber incident did not cause any major disruptions to our business or any known loss of personal data belonging to our customers. Upon detection of the incident, we took immediate steps to contain and isolate the incident and engaged external cybersecurity experts to assist with the investigation and recovery. We also promptly notified the relevant authorities, namely, the Cyber Security Agency of Singapore (CSA) and the Infocomm Media Development Authority (IMDA).



⁴ Our privacy statement regarding the use of data collected through our website is also available at https://www.netlinknbn.com/privacy_policy.html.

Sustainability Report

OUR ENVIRONMENT

CLIMATE CHANGE

The World Meteorological Organisation's 2023 State of the Global Climate Report has confirmed that this year is set to be the warmest year on record, with extreme weather and climate events leading to severe socio-economic impact around the world. NetLink believes that firm action is needed to reduce greenhouse gas (GHG) emissions to avoid the worst consequences of climate change. Recognising that our business and wider community may be impacted by climate change, we are committed to reduce our energy use and the corresponding GHG emissions across our own operations and value chain.

This year, we continued to focus our efforts on improving the energy efficiency of our Central Office (CO) operations, where a significant share of energy is used for cooling. For instance, our new CO, due to be operational in FY25 has been designed around the BCA-IMDA Green Mark for New Data Centre 2019 Standards. To meet these requirements, we have utilised green products certified by the Singapore Green Building Council and opted for materials with low global warming potential, invested in high-efficiency chiller systems and charging points for electric vehicles, and included power meters for continuous monitoring and energy optimisation.



To improve the energy efficiency of our existing COs, we now use LEDs as replacements for conventional lightings. We are progressively retrofitting our chillers with more energy-efficient models, in line with our asset renewal cycles. We are also installing detection systems to improve our monitoring of refrigerant leaks, a potential source of Scope 1 emissions. While our feasibility assessment shows that solar PV installation at our COs is not feasible and cost-effective due to current site constraints, we will continue to look for alternative renewable energy options.

In addition to our ongoing CO initiatives, we plan to progressively convert our fleet to electric vehicles.

NetLink believes that firm action is needed to reduce greenhouse gas (GHG) emissions to avoid the worst consequences of climate change.





Energy Consumption

Energy	FY24	FY23	FY22
Total energy consumption within the organisation (MWh)	1,299	1,652	2,189
Electricity	655	1,018	1,032
Diesel ^(a)	644	634	1,157
Energy intensity (MWh/connection)^(b)	0.0008	0.0011	0.0014
Purchased RECs (MWh)^(c)	253	224	189
Total energy consumption outside of the organisation (MWh)^(d)			
Electricity	55,722	55,593	56,170

Notes:

- ^(a) The diesel conversion factor for L to MWh used were derived from the UK Department for Environment, Food and Rural Affairs (DEFRA) environmental reporting guidelines.
- ^(b) This metric covers the total energy consumption within the organisation over total number of end-users / connections for residential, non-residential, NBAP and segment.
- ^(c) For two of our leased premises, the electricity costs were included as part of the rental packages. In these cases, the electricity supply was provided by the landlord, who had procured RECs to compensate 100% of the electricity consumption of its buildings.
- ^(d) Electricity used to power co-location rooms where our customer equipment is maintained and electricity consumed by customers who had leased our CO spaces, which corresponds to our Scope 3 downstream leased assets emissions.

In FY24, we recorded a 890 MWh reduction in energy use and overall 61.8% (595 tCO₂e) reduction in Scopes 1 and 2 GHG emissions compared to the base year FY22. The Scope 1 reduction is largely due to a reduction in refrigerant and diesel top up in our COs which is currently on a need-to basis and thus fluctuates yearly. Though the use of LEDs has improved energy efficiency in our COs, the Scope 2 reduction was also attributable to a more accurate estimate of electricity

consumption from newly installed electricity meters in the COs. Whilst the current year reduction in Scopes 1 and 2 may not be reflective of NetLink's overall decarbonisation trajectory, we will continue to strive for continued and sustained emissions reduction in our operations by implementing the decarbonisation initiatives described in page 98.

Scope 3 emissions continue to form a majority of our carbon footprint, in particular emissions attributed to

the electricity used by our customers' equipment in our COs. Hence, we are engaging with our CO customers to explore opportunities for energy reduction. We are currently working on completing the remaining applicable categories within our Scope 3 emission inventory to obtain a better understanding of the available energy and GHG emission reduction levels for Scope 3. More details on supply chain management efforts to collect Scope 3 emission data can be found on page 107.

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GHG Emissions

Emissions ^(e)	FY24	FY23	FY22
Total emissions for scope 1 & 2 (tCO₂e)	368	664	963
Scope 1^(f)	200	340	619
Refrigerants	37	180	326
Vehicles (diesel consumption)	86	77	83
Generators (diesel consumption)	77	83	210
Scope 2^(g)	168	324	344
Electricity (location-based)	273	415	421
Electricity (market-based)	168	324	344
GHG emissions intensity (tCO₂e/connection)^(h)	0.00030	0.00049	0.00068
Scope 3 (tCO₂e)⁽ⁱ⁾	34,242	38,057	33,372
Category 3: Fuel and energy-related activities	37	60	61
Category 5: Waste generated from operations	10,851	15,182	10,366
Category 7: Employee commuting ^(j)	129	133 ^(k)	28
Category 13: Downstream leased assets ^(l)	23,225	22,682	22,917
Total emissions for scope 1, 2 & 3 (market-based)	34,610	38,721	34,335

Notes:

- ^(e) NetLink reports its GHG emissions data in accordance with the GHG Protocol Standard and uses the operational control approach to consolidate GHG emissions data. Our GHG emissions consists of all seven main gases covered under the Kyoto Protocol which includes: CO₂, CH₄, N₂O, HFCS, PFCs, SF₆ and NF₃. The emission factors used were derived from the UK Department for Environment, Food and Rural Affairs (DEFRA) environmental reporting guidelines, which is aligned to the Intergovernmental Panel on Climate Change's (IPCC) approach to calculating GHG emissions and is one of the third-party databases recognised by the GHG Protocol. For our Scope 2 emissions calculations, the latest grid emission factor reported by Energy Market Authority of Singapore is used. Our GHG emissions profile represents the total emissions in all owned and leased premises used for NetLink's operations. Our GHG emissions calculation base year is FY22, the first year for which we have estimated emissions.
- ^(f) Scope 1 emissions include direct emissions from refrigerants and fuel from back-up generators in NetLink's properties, as well as fuel from NetLink-owned vehicles.
- ^(g) Scope 2 emissions include indirect emissions from electricity consumed at NetLink's owned and leased premises used for NetLink's operations. Estimates were made when electricity bills were not received. NetLink also discloses its electricity consumption using market-based and location-based approaches. The former accounts for the application of purchased RECs. The Scope 2 emissions reduction in FY24 is partly due to a more accurate estimation of electricity consumption from newly installed electricity meters in the COs, besides the use of energy efficient LEDs.
- ^(h) GHG emissions intensity covers Scopes 1 and 2 GHG emissions (location-based) over total number of end-users / connections for residential, non-residential, NBAP and segment.
- ⁽ⁱ⁾ Scope 3 emissions include fuel and energy-related activities, waste generated from operations, employee commuting and downstream leased assets.
- ^(j) Employee commuting was based on an employee survey conducted. 77% of NetLink employees took part in the survey and the numbers reflected have been averaged and pro-rated to reflect 100% of employees.
- ^(k) FY23 Scope 3 Category 7: Employee Commuting emissions has been restated from 12 tCO₂e to 133 tCO₂e to correct a computation error found. The overall Scope 3 emission reported last year was understated by 0.3% because of the error.
- ^(l) Scope 3 emissions from downstream leased assets correspond to electricity used to power co-location rooms where our customer equipment is maintained, as well as electricity consumed by customers who had leased our CO spaces.

BUILDING OUR CLIMATE RESILIENCE

Following our inaugural TCFD disclosures in FY23, we continue to align our sustainability reporting with the TCFD recommendations to better help our key stakeholders understand the potential business and financial impact of climate change on our operations and our management response to mitigating these risks. This year we have enhanced our climate reporting by conducting a quantitative scenario analysis to better understand the magnitude of climate impact on our business. The results of this exercise along with the rest of our TCFD disclosure can be found below.

Governance

NetLink's Board and senior management oversee, assess, and manage climate-related risks and opportunities within the broader sustainability and ESG risks governance. As part of the SSC, the senior management oversees the risk assessment process to identify the pertinent climate-related risks and opportunities and reports the findings to the Board. The Board, through NetLink's ERM framework, exercises oversight of our climate risk management, with support from the SSC.

The SSC members' remuneration is also tied to NetLink's performance against relevant ESG targets, which includes amongst others, our emission reduction targets.

Strategy

Building upon the qualitative scenario analysis in FY23, we have conducted a quantitative scenario analysis this year to better understand the potential financial impact of selected physical and transitional climate-related risks on our business.

The scope of our approach is largely similar to our qualitative scenario analysis, taking into account the direct impact of climate change risks to NetLink's operations in Singapore across the short to medium (2030) and medium to long (2050) term. In line with TCFD guidance, physical and transition risks are assessed along two scenarios, mainly a 1.5°C and >3°C warming scenario.

It is important to consider that our climate scenario analysis extends to a longer time horizon (2030, 2050) than what is usually used for traditional stress tests, as well as a typical business

planning horizon, for the purpose of exploring impact which may become more prominent in the long run. As a result, various socioeconomic factors such as changing geopolitical landscape, the pace of technology advancement, and sudden demographic shifts are assumed to remain constant in our scenarios to prevent the higher degree of complexity and uncertainty that comes from projecting these factors. While we utilise the latest understanding of climate science through reputable sources such as the Intergovernmental Panel on Climate Change (IPCC) and International Energy Agency (IEA) we acknowledge that the associated modelling is still evolving and may not fully represent the context of our operations in Singapore. Finally, we present the climate-risk impact to our financial before the application or consideration of any mitigation or adaptation strategies. For a further explanation on the key assumptions, limitations and methodology used for the analysis please refer to the Appendix.



Sustainability Report

Based on a further consideration of different factors with key stakeholders and data owners, we have shortlisted a selection of climate-related risks for quantification. The results of this exercise can be found in the table below⁵.

P&L (in \$'000)		1.5°C		>3°C	
		2030	2050	2030	2050
Physical risks	Increase in cooling energy cost from rising mean temperatures				
	Increase in manpower cost arising from productivity loss due to heat stress				
	Increase in insurance related costs for buildings due to more frequent and intense flooding and rising sea levels				
	Revenue loss due to business disruption from flash floods				
	Revenue loss due to business disruption from coastal flooding				
	Asset value loss from rising sea levels				
Transition risk	Increase in operating costs from rise in carbon pricing				

Legend:

Significance	EBITDA threshold
Not significant	<\$3 million impact
Minor impact	\$3-8 million
Moderate-Major impact	>\$8 million

- Notes:**
- Financial impact reflect the annual incremental financial impact expected in a single year for each modelled timeframe (i.e., 2030 and 2050) relative to the baseline year (FY 2023).
 - Asset value loss is reflected as a one-time, single event loss of asset value instead of an annual recurring loss over time.
 - Significance of financial impact is determined by thresholds as defined in NetLink's ERM framework.
 - For further information on the methodology, assumptions and limitations for each risk, please refer to the Appendix.



⁵ Shortlisting of climate-related risks and opportunities is based on a careful consideration of: (1) the availability of underlying climate data and science-based pathways to project climate risk and opportunity drivers into the future, (2) the relative significance of identified climate risks and opportunities on NetLink's operations and (3) the availability of a relevant metric to map out the financial impact of the climate-related risk and opportunity on our business.

Based on the results of the scenario analysis, physical risks make up the most significant climate-related risks that may impact our business. In particular, the potential asset value loss due to coastal flooding is projected to significantly impact our business in a 2050 timeframe for both a 1.5°C and >3°C warming scenario. As Singapore is a low-lying region, a significant rise in sea levels could potentially expose some of our assets to coastal flooding. Under a >3°C warming scenario, we may also be significantly impacted by rising mean temperatures in year 2050 as chronic heat stress would increase the risk of heat-related injuries to both our contractors and workers, which potentially increases our manpower requirement. In addition, rising temperatures would result in increased cooling demand in our offices and central offices leading to higher energy and operational costs.

In terms of transition risk, an increase in carbon-related costs from higher carbon taxes may not be as significant to our business due to the relatively lower Scopes 1 and 2 carbon emissions generated from our direct operations. This can however change if the scope and scale of carbon tax is expanded to more sectors and jurisdictions, impacting our key suppliers and incentivising them to pass-on carbon related costs to us, which may increase procurement costs and capital expenditures. While not yet covered in the quantitative scenario analysis, we can still qualitatively assess that increasingly stringent green building, products, and service requirements would result

in additional green construction cost premiums for our offices and COs. We also anticipate that future data demand will result in an expansion in our fibre network infrastructure and higher power consumption in our COs which will drive an increase in our Scope 3 emissions. This may lead to a reputational risk, especially if it prevents us from reaching our emission reduction targets.

Recognising that majority of our transition risk can be attributed to our value chain and Scope 3 emissions, NetLink plans to mitigate and manage these risks by collaborating with key suppliers and contractors to identify emission hotspots and opportunities to reduce the embodied carbon of our fibre network infrastructure. In addition, we plan to leverage our influence as a landlord to encourage our CO tenants to improve their energy and water efficiency thereby lowering our own Scope 3 emissions and their Scope 2 emissions.

Although climate-related opportunities have not been quantified in this year's analysis, we recognise that the development and/or expansion of low emission goods and services may be a significant opportunity for NetLink in the future. With ICT services being seen as a key enabler to support industry decarbonisation efforts through digitalisation and automation, as well as the relatively low carbon footprint of fibre broadband, our extensive fibre network and expertise is well positioned to meet this demand of data. As we further develop and refine our climate risk analysis methodology in the future, we will look into carrying out a quantitative analysis on these significant climate-related opportunities.

Physical Risk Mitigation and Adaptation Measures

To adapt and mitigate to these physical risks, particularly on coastal flooding, NetLink has established flood mitigation and adaptation strategy which covers our:

Central Offices

We implement a range of flood protection measures at our COs which include installing mobile flood barriers and sump pumps, clearing drains and gutters, and elevating key equipment away from the ground level. We continuously monitor our CO locations against flood exposure in collaboration with regulators and government bodies. Where required, we will intensify our flood protection measures for our assets to mitigate flood risk.

Fibre cable network

Our fibre cables and ducts are made of materials which are generally resistant to water exposure. Nevertheless, we do take into consideration flood risk when planning our cable routes.



Sustainability Report

Risk Management

NetLink identifies, assesses, and manages climate-related risks as a part of our overall ERM framework. Through a bespoke approach, we conducted a quantitative scenario analysis to identify the pertinent physical and transition climate-related risks that may impact our business. The results of the scenario analysis are then used to update our climate change risk register, which is reviewed at least annually by the SSC and Heads of Department (HOD).

This year, climate-related risks are grouped into a single climate change risk and fall into a Tier 2 risk in our ERM framework based on the likelihood of occurrence and magnitude of impact on our business. A dedicated risk owner is responsible to ensure that all control measures for climate-related risks are implemented and maintained. Meanwhile, business control owners such as the Facilities Management HOD is responsible in ensuring that mitigation measures for their respective areas (e.g., Central Offices) are in place. Together the climate change risk owner and the business control owners decide on whether to mitigate, transfer, accept or control the climate-related risks.

For physical risks impacting our CO and fibre network, we focus on minimising the potential impact of flooding since infrastructure cannot be readily moved. In order to track and monitor our business operation's

exposure to climate risk, we also rely on a variety of risk indicators which include but are not limited to:

- Number of flooding incidents in Singapore and PUB flood prone areas list for assessing potential risk to our COs, ducts and manholes, and outdoor cabinets.
- Government authorities' announcements and plans related to climate change for assessing the impact to NetLink and our fibre infrastructure and COs.
- Potential issues with staff working conditions as reflected in our monthly HSSE committee meetings.
- Energy and water consumption in the COs and energy consumption of our IT data centres.

Metrics and Targets

To further track and manage our carbon-related risks, we have calculated Scopes 1, 2 and 3 GHG emissions and set various emission reduction targets which can be found in pages 91 and 100. Most of our emissions are attributed to Scope 3 emissions. Out of the 15 Scope 3 categories, 7 are relevant to our operations and we currently report categories 3, 5, 7 and 13.

NetLink also tracks other environmental-related metrics and targets. For our waste generated metrics and waste reduction goals, please see pages 91 and 105. Our energy and water consumption metrics can be found in pages 99 and 106 respectively.



WASTE MANAGEMENT

Singapore has limited land space, making waste disposal a key issue. Singapore’s only landfill, Semakau has been projected to run out of space within the next 10-15 years and there is limited land for new incineration plants or landfills. National efforts to tackle this issue include the Zero Waste Masterplan, released in 2021. To align with the nation’s efforts, NetLink has been taking efforts to reduce waste disposed from our operations. The main forms of waste generated from NetLink are fibre scraps and used fibre cables, however, there are other less impactful sources of waste generated from office activities. This section discusses these sources in greater depth, as well as NetLink’s efforts to reduce such waste.

Fibre Waste

NetLink has two major sources of fibre waste. During the process of installing fibre cables, there will be excess fibre cables which are deemed too short to be reused. These excess fibre cables are labelled as fibre scraps, which will be eventually disposed of. NetLink seeks to minimise the generation of fibre scraps by conducting more precise calculations on the length required for each installation and to issue our contractors with the best fit length of fibre cables. In F24,

we have kept the proportion of fibre scrap generated at 1.2% of total fibre cables issued, within our target of 2.5%.

Another source of waste is recovered used fibre cables from diversion projects, which are due to development activities such as road works and demolition of buildings. These recovered used fibre cables are not reusable and will be disposed eventually.

Total fibre waste generated in FY24 have decreased from the previous year due to a decrease in recovered fibre cables from diversion projects and decrease in fibre scrap from fibre cable installations completed in FY24.

We have engaged a National Environment Agency (NEA) licenced waste vendor to collect and weigh the fibre waste before disposal at the NEA approved incineration facility where the ashes will then be sent to the landfill. A certificate of disposal is provided as proof of incineration.

In FY24, the collaboration with our suppliers to trial recycling of fibre waste have shown the potential of recycling other components of the fibre waste besides the steel core which was previously tested. By recycling more components of the fibre waste, we could potentially reduce both the amount of waste disposed

and the carbon footprint of our waste management activities. This initiative is in its early trial stage and implementation needs to be further evaluated.

Other Waste

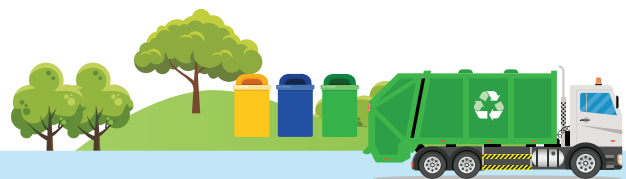
NetLink’s office activities produce a smaller percentage of waste compared to other waste streams. Nonetheless, we aim to manage our sources of waste where possible. To reduce waste from paper, NetLink has been transitioning to electronic documents where paper use had decreased by 30% to 243,000 pieces this year compared to the average of FY21-FY23. This is an encouraging trend for us compared to pre-COVID 19 times where printed copies ranged from 1.0-1.3 million pieces annually between FY19-FY20.

The actions of staff are essential in progressing the reduction of waste generated from office activities. As such, NetLink has been carrying out annual awareness campaigns on sustainability, reminding staff of the importance of waste reduction, and encouraging them to do their part. We also have a platform for staff to submit their sustainability suggestions which will be reviewed for feasibility of implementation.

The data for waste generated from our office, including those designated for recycling, is not available as they are disposed or recycled as part of our building landlord’s waste management system. Likewise in our COs, the bulk of waste generated correspond to our customers’ waste. These are however handled by our customers and as such, the relevant data is not made available to us.

Total Fibre Waste Disposed⁶

Fibre waste (tonnes)	FY24	FY23	FY22
Fibre scrap	18	31	17
Recovered fibre cables	492	682	470
Total	510	713	487



⁶ Total fibre waste disposed is also the total fibre waste generated. There is no fibre waste diverted.

Sustainability Report

WATER CONSUMPTION

Singapore has limited freshwater, making it an important and scarce resource. Therefore, the prudent use of Singapore’s water supply is important in ensuring the long-term availability of water. At NetLink, potable water purchased from the Public Utilities Board (PUB) is predominantly used for cooling our CO facilities. The used water is subsequently discharged as wastewater into the municipal sewerage system.

While our water consumption is relatively low compared to other water-intensive industries, we believe in practicing good water stewardship and not overconsume water beyond what is necessary for our operations.

In FY24, NetLink withdrew an estimated 81,562 m³ of potable water from PUB; with 81,411 m³ being used for the COs and the remaining 151 m³ used at our corporate offices. The reason for such increase was due to the higher number of days staff work in office.

Total Water Withdrawn

Water withdrawn (m ³)*	FY24	FY23
Office	151	105
CO	81,411	75,135
Total	81,562	75,240

* Water consumption has 2 years of data only as it was identified as a material topic in FY23.

NetLink is committed to continuously monitor and optimise our use of water. We are currently working towards the PUB’s Water Efficient Building (Basic) Certification and are preparing for an internal assessment which needs to be conducted as part of the compliance requirements. We believe that working towards this certification will not only signal our commitment to responsible water usage but also will help us reduce our water footprint.

NetLink also supports the use of Singapore’s NEWater⁷ supply as it promotes national efforts towards water sustainability and self-reliance. In FY24, we are assessing the feasibility of construction and retrofit work that would be required for the usage of NEWater in our CO for cooling purposes.



⁷ NEWater is ultra-clean, high-grade reclaimed water used mainly for operational activities such as cooling in Singapore.

SUSTAINABLE SUPPLY CHAIN

Supply chain management and ensuring sustainability across the value chain is a core aspect of decarbonising an organisation. Environmental and social impact may originate from various stages of NetLink's supply chain, such as sourcing of raw materials and manufacturing or transportation of purchased fibre cables.

The primary parties within NetLink's supply chain are fibre cable manufacturers and local contractors who carry out construction and maintenance of NetLink's fibre network infrastructure. We have a Supplier Code of Conduct which all our suppliers and contractors are required to abide by as part of their contracts. The Code of Conduct covers the following topics:

- Compliance with all relevant laws and regulations in their operations
- NetLink's zero-tolerance regarding unlawful, improper, or dishonest practices, and conflicts of interests
- Escalation policies following incidents of non-compliance
- Expectations for suppliers to adopt policies that promote respect for human rights, and fair and ethical employment practices
- Environmental protection, ensuring environmental laws are not breached
- Implement initiatives to reduce waste and carbon emissions

We have also in place a screening process that evaluates all new key suppliers and contractors based on environmental and social criteria. This ensures that the selected suppliers and contractors are aligned with NetLink's values, and more importantly, contribute significantly to our overall sustainability strategy and policy.

A bizSAFE 3 certification and ISO certifications (or equivalent) on occupational health and safety and quality management system are requisites for key fibre suppliers and contractors. We also require an ISO certified (or equivalent) environmental management system for suppliers' manufacturing facilities where relevant.

To ensure that our suppliers and contractors meet NetLink's quality standards, an annual self-assessment is conducted, and improvement feedback provided based on the results. Random spot checks are also conducted on our contractors regularly to check for compliance with health, safety, and environmental regulations such as on pollution control. In FY24, a total of 202 inspections were conducted. Any health, safety and environmental non-compliance findings were rectified following discussion with the affected contractors after the inspection. More details on our efforts in managing the health and safety impact on our contractors in the course of their work for NetLink can be found on page 110.

NetLink is engaging with our key suppliers and contractors on their sustainability efforts in the area of GHG emissions, as well as waste recycling initiatives. Our contractors' main sources of emissions come from transportation and equipment usage. Based on initial data collected and discussion with the contractors, the quality and completeness of data need to be further refined to make reasonable estimates of our Scope 3 emissions. Engagement with our key suppliers provided us with a better understanding of their sustainability practices, and opportunities to collaborate on GHG emissions mitigation and waste reduction (see page 105). NetLink will continue to build upon our efforts to engage with our suppliers, contractors and our CO customers to form a more complete picture of our Scope 3 emissions and to explore opportunities to improve sustainability in our supply chain.



Sustainability Report

OUR PEOPLE AND COMMUNITIES

HEALTH AND SAFETY

NetLink places a high priority on upholding the highest standard of occupational health and safety (OHS) for our employees and contractors. Workers, as part of our contractor teams, are vulnerable to OHS risks as their work involve substantial manual tasks to build and maintain our fibre broadband network. Poor observance to OHS may result in injuries, ranging from minor to more fatal injuries. Hence, NetLink has implemented several internal controls and safety measures to manage and mitigate OHS risks.

NetLink's ISO 45001 certified OHS Management System (OHSMS), which includes our Health, Safety, Security and Environment (HSSE) policy and OHSMS Manual, outlines the important processes and steps taken to mitigate potential health and safety impact. All NetLink employees and contract workers are to observe the OHSMS. The HSSE committee and HSE officers are led by our Senior Director (Operations) and they hail from various operations and corporate departments. They will review our OHSMS practices and plan periodic internal and external audits to ensure that our worksites comply with the OHSMS requirements. The committee meets monthly and is responsible for overseeing, developing, implementing, monitoring, and updating all OHS practices at our business operations. NetLink's employees and other workers may provide feedback on safety matters to the HSSE committee via a few channels - department representatives, HSE officers or their direct supervisors.



In recognition of our health and safety efforts, we are awarded with bizSAFE Partner certification and retained our bizSAFE Star certification by WSH Council in October 2023.



NetLink places a high priority on upholding the highest standard of occupational health and safety (OHS) for our employees and contractors.



Hazard Identification, Risk Assessment, and Incident Investigation

We adopt a risk-based approach to identify and assess potential OHS risks that may result in workplace injury or ill health. NetLink actively implements stringent operating procedures for employees and contractors to enforce appropriate control measures, mitigate hazards and report and investigate incidents as part of our remediation process. These procedures are reviewed regularly to ensure that employees and workers can conduct work activities in a safe environment.

Training and Awareness

We aim to cultivate a culture that prioritises health and safety through continuous employee engagement such as awareness campaigns and training. All employees are to familiarise themselves with NetLink’s HSSE Policy, OHSMS and emergency response plans that are readily available on the intranet as they will be tested regularly throughout the year. For those involved in high-risk work, such as working at height or in confined spaces, additional training is provided to increase safety awareness. Safety bulletins, posters and emails are regularly circulated to employees as well.

Hazard Identification, Risk Assessment and Determining Controls Procedure

Prior to each activity, a risk assessment is conducted to identify the related hazards and risk mitigation measures. As part of the risk assessment, the procedure stipulates the use of a hierarchy of controls to manage OHS risks, starting with elimination, substitution, and mitigation of risks, before protection using Personal Protective Equipment (PPE) against the hazard is considered. Required PPE are provided to our employees whenever needed.

Under our OHS manual, our stop work policy allows our employees and contractors’ workers to initiate a stop to work and remove themselves from situations which they believe could cause injury or ill health. Workers who report or remove themselves from OHS hazards are protected against reprisal under our Whistleblowing Policy.

All our risk assessments are conducted by trained personnel and approved by our head of department (HOD) or appointed designees before commencement of work. With an iterative process, we seek to continually identify and assess areas of improvement and opportunities to enhance our OHS performance.



Incident Reporting and Investigation Procedure

Our employees, contractors and members of the public can report near misses and unsafe practices via a few channels – direct supervisors, corporate website online form and whistleblowing.

Employees are required to report work-related incident to their supervisors immediately. An incident report is to be completed by the supervisor and submitted to the HOD and HSE officer within 48 hours. All incidents will be investigated by a team comprises HOD, HSE officer and the supervisor-in-charge. The HOD will communicate the details and action taken on the incident, including improvements in process / activity / operating procedure / OHS risk assessment to all employees and workers, including those involved in the incident.



Sustainability Report

Managing Contractor Health and Safety

Our contractors' workers are exposed to OHS hazards in our operations both at our premises (e.g. COs) and public areas (e.g. public roads), hence, it is imperative that we ensure they are well-equipped with the necessary skills and knowledge so that they can construct and maintain our fibre network efficiently and safely. We expect our key contractors to have an effective OHS programme (e.g. ISO 45001) in place to promote workplace health and safety. We also ensure the contractors working at our COs adhere to the mandatory health and safety management system.

All our contractors must abide by the following to minimise health and safety risks:

- Comply with all applicable laws and regulations such as the Workplace Safety and Health (Confined Spaces) Regulations 2009 and Workplace Safety and Health (Work at Heights) Regulations 2013
- Attend the necessary safety courses and provide adequate safety equipment to the workers
- Have full-time site supervisors with relevant certifications
- Ensure that workers are covered by health insurance as required by law, under the Work Injury Compensation Act (WICA)
- Take full responsibility for the safety of all site operations and methods of construction by meeting NetLink's and local authorities' requirements
- Conduct toolbox briefing which covers OHS matters
- Minimise potential health hazard through good housekeeping practice, such as removing debris from construction sites and sealing keyholes of manhole covers to prevent the breeding of mosquitoes

Our contractors are also subjected to random OHS inspections to always ensure adherence to strict internal controls and safety standards. Findings from these inspections are reported and shared with the contractors for rectification and further improvements. Contractors with workplace safety and health breaches will be subjected to follow-up inspections to ensure rectification. More information on our inspection findings for FY24 are found in page 107.

Our Health and Safety Performance

NetLink's health and safety performance covering all our employees, temporary workers, and contractors⁸ are shown below. As a result of our comprehensive policies, strong commitment towards operational health and safety, and dedication of all NetLink employees and contractors, there were zero work-related incidents that resulted in fatality or permanent disability in FY24.

NetLink Health and Safety	FY24	FY23	FY22
Number of workplace fatalities (including from work-related ill health)	0	0	0
Number of high-consequence work-related injuries ^(a) (excluding fatalities)	0	0	0
Number of recordable work-related injuries ^(b)	1	0	1
Recordable injury rate ^(c) (per 1 million hours worked)	1	0	1
Number of occupational disease cases ^(d)	0	0	0
Number of hours worked	888,723	876,708	894,309

Notes:

- ^(a) We refer to the Ministry of Manpower's definition of major injuries as described here <https://www.mom.gov.sg/faq/wsh-act/what-are-major-injuries-and-minor-injuries>. Example of potential work-related hazards that might pose a risk of high-consequence injury for the activities carried out by NetLink and our contractors include working at height, traffic accident, work in confined space.
- ^(b) We refer to the Ministry of Manpower's definition of minor injuries, which are non-severe injuries with any instances of medical leave or light duties.
- ^(c) Recordable injury rate refers to (number of recordable work-related injuries)/(number of working hours worked) x 1,000,000.
- ^(d) Potential work-related hazards that may contribute to occupational disease cases include repetitive movement or heavy lifting contributing to musculoskeletal disorder, and exposure to loud noises such as in the plant chiller room.

⁸ These refer to resident contractors: security personnel, cleaners and managing agents.



TALENT RETENTION, TRAINING, AND DEVELOPMENT⁹

Behind NetLink's robust fibre network are employees who are competent, motivated, and diverse. NetLink believes that employees are our most valuable asset and our talent management practices are kept up to date to create a working environment that brings out the best in our employees. We have established Human Resource (HR) policies and practices covering areas such as competitive remuneration packages, personal and professional development opportunities, employee wellbeing and protection from discrimination.

NetLink was conferred the Plaque of Commendation in May 2023 by the Singapore's National Trades Union Congress (NTUC) for outstanding role in promoting workers' interests. The annual NTUC May Day Awards honour distinguished individuals and organisations for championing workers' interests and rights and contributing to the Labour Movement's cause to improve workers' wages, welfare and work prospects.

Remuneration and Benefits

We have established Recruitment Guidelines to ensure that the salaries we offer are market competitive. Our remuneration and benefits are also formulated with inputs from market surveys and engagements with professional HR consultancies to ensure they are on par with the market. In addition, 25% of our eligible employees¹⁰ (as of 31 March 2024) are covered by the Union of Telecoms Employees of Singapore (UTES) Collective Agreement, which safeguards their interests and wellbeing during compensation negotiations. We made sure that our employees who are not covered by a collective agreement

(CA) also enjoy working conditions and terms of employment comparable with those covered under the existing CA. Both permanent and contract employees receive the same array of benefits, which include life insurance, disability and invalidity coverage, medical and health care, maternity or paternity leaves, and re-employment and retirement provisions. Health screening is also provided to permanent employees once every two years. Meanwhile, our temporary workers have health coverage under WICA and leave benefits as required by law.

Our employees' compensation packages are reviewed annually as part of our annual performance review process. It is mandatory for all our employees to participate in our annual performance review process.

Training

Training is a key component of building capabilities at NetLink. In a sector that is constantly evolving, we ensure that our employees receive the necessary upskilling to meet the needs of the Information and Communications Technology (ICT) industry.

Various in-house and external training opportunities, relating to both soft and technical skills, are offered to NetLink employees. We have adopted a competency-based learning approach in rolling-out on-site and online learning programmes that are aligned to our organisational competency frameworks, to boost our employees' skills development. Our employees also have access to the NTUC LXP Enterprise Learning Platform, which offers a huge library of professionally produced courses that are available on-demand, on any device, to empower self-development.

In FY24, NetLink introduced a Job Rotation Programme for employees in the operations departments. This programme

allows employees to be rotated across various operational job functions over a six-year period. Employees participating in this programme will have the opportunity to develop new knowledge through exposure to various roles, acquire new skills, and gain a broader understanding of the company's operations.

Another learning opportunity that NetLink has championed is the Educational Assistance Programme to support eligible employees who are interested in pursuing further education. NetLink believes that investing and grooming potential talents will enable NetLink and the ICT sector reap the benefits of personal professional growth. NetLink also has a retirement and re-employment policy to offer continued employment to employees who have reached the statutory retirement age but wish to continue working. These employees will be provided with retraining if necessary to allow for their continued employment.

In FY24, NetLink achieved total of 16,780 training hours at an average of 48 training hours per employee. The increase of training hours in FY24 is largely attributable to the availability of training across all delivery formats, including in-person and online learning courses conducted throughout the year.

Engagement

We believe that employee engagement is closely tied to employee satisfaction. Through engagement, our employees not only receive feedback to improve their professional development, but also given the opportunity to have their voices heard. This is done regularly through our company-wide town hall meetings, department functions and team meetings throughout the year. In addition, an external consultant is engaged to conduct our employee engagement survey biennially to gauge the effectiveness of our employee engagement programmes and identify areas of improvement.

⁹ The disclosures in this section cover our employees in Singapore. Singapore is our significant and only location of operation.

¹⁰ In Singapore's law, only certain employees are covered by CA, i.e. in a bargainable position. In NetLink, about 60% of our employees are bargainables, which means they can join the Union. Of this 60%, 25% are unionised.

Sustainability Report



Our Listening Ear programme is into its third year, and this is another avenue for direct communication where our employees can candidly share their views, feedback, or concerns about work. Since its launch in FY22, we have gained useful insights and uncovered important issues faced by employees in our business operations, which we subsequently took steps to address them where appropriate.

In FY24, NetLink’s Teambuilding Programme was reintroduced since the COVID-19 pandemic. All employees had to cohesively work together to complete the various NetLink’s core value focused challenges in this fun-filled, full day programme. The objective was to strengthen our core values and imbue our staff with a renewed sense of purpose at work.

As sustainability is central to NetLink’s business, sustainability topics were highlighted in various functions including town hall meetings. Our sustainability targets and initiatives were shared during these sessions, so that all employees are aware of the importance of their roles in collectively achieving NetLink’s sustainability goals. Our employees were also presented with an opportunity to learn more about sustainability practices through workshops organised by the company in our Learning Week. In one of these workshops, ‘Building A Sustainable Future’, the SG Green Plan 2030 was in focus and NetLink’s contribution to the nationwide effort was highlighted. At the management workshop for managers and senior managers across all departments, a 2.5-hour session was included to equip and drive integration of sustainability practices into their respective business functions.

Wellbeing

We also recognise the importance of employee mental wellbeing and actively promote it through various wellbeing initiatives throughout the year. In FY24, we maintained a hybrid work arrangement to provide employees with greater flexibility in managing the demands of work. We have also continued our monthly fruit day to promote the importance of a healthy lifestyle at work. Our Recreation Club activities allowed us to better engage our employees and destress through an assortment of exciting, post-work activities, such as bowling, spin classes, VR games and annual Dinner and Dance. During our annual Learning Week, we also run a mental wellness programme under the umbrella of the Health Promotion Board’s mental health initiatives.

Employees Profile

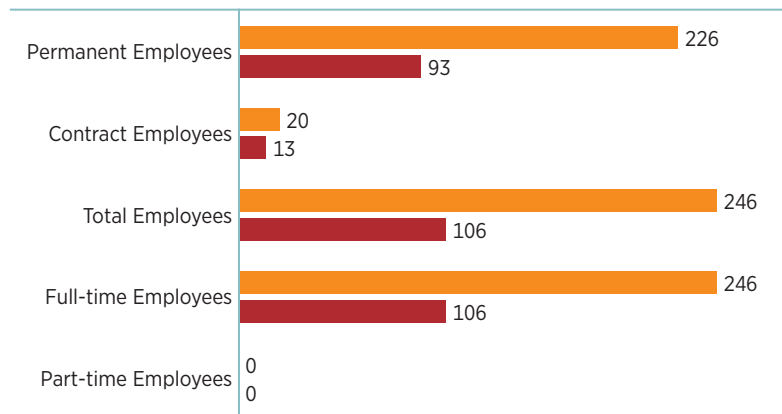
As of 31 March 2024, NetLink has 352 permanent and contract employees. During the year, our hiring rate was 18% and our turnover rate was 14%. For FY24, our turnover rate of 14% is lower compared to the High-Tech industry average turnover rate of 16.7%.

In addition to our employees, NetLink is also supported by temporary workers who perform administrative duties for our corporate offices and COs. As of 31 March 2024, we have 4¹¹ temporary workers, and have one¹¹ intern whom we provide training to augment what they learned in their institution.

Number of Employees by Employment Contract¹² by Gender

Total Employees 352

Male Female



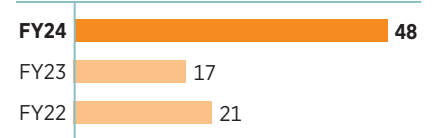
¹¹ Temporary workers are either hired directly by NetLink or via 3rd party agencies. Interns are placed directly by NetLink.

¹² Employee numbers are reported for our significant location of operation in Singapore. Employee numbers are based on head count as of year-end FY24. There was no significant fluctuation in numbers compared to FY23.

Average Training Hours by Gender and Employee Category (per Employee)



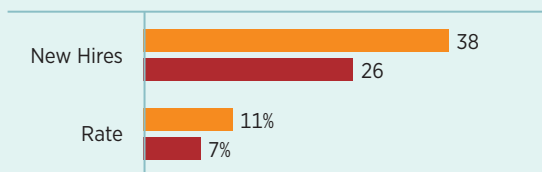
Average Training Hours per Employee



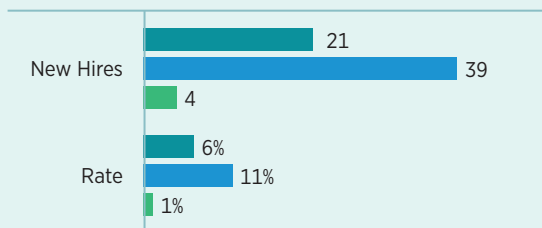
Total Number and Rate of New Hires by Gender and Age Group

Total New Hires 64	Total New Hires Rate 18%
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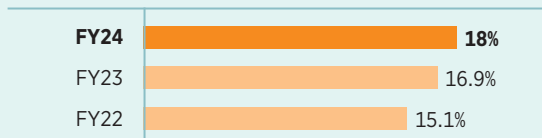
By Gender
■ Male ■ Female



By Age Group
■ <30 years old ■ 30-50 years old ■ >50 years old



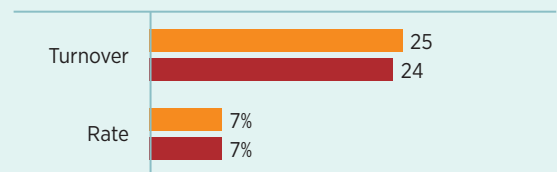
Overall New Hire Rates



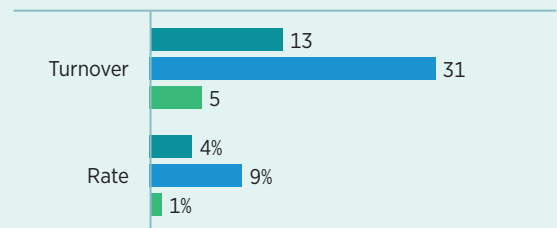
Total Number and Rate of Turnover by Gender and Age Group

Total Turnover 49	Total Turnover Rate 14%
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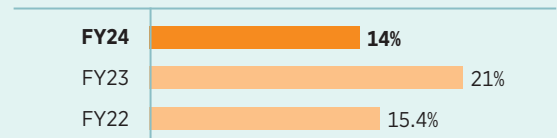
By Gender
■ Male ■ Female



By Age Group
■ <30 years old ■ 30-50 years old ■ >50 years old



Overall Turnover Rates



Sustainability Report

Diversity and Equal Opportunities

Creating a workforce that is both diverse and inclusive is one of NetLink’s commitments to improve the social elements in our operations. This allows us to build a team with varied skills and perspectives while delivering a greater impact on local communities. To promote a workforce free from discrimination or harassment, we ensure that we provide fair opportunities to all based on merit.

Continuing the trend from previous years, 70% of NetLink workforce comprised of employees falling within the 30- to 50-year-old age range. Additionally, the ratio between male and female employees is 2.3, with 246 male employees to 106 female employees. At the Board level, female Board members make up 44% of the Board. More details on our Board diversity policy can be found in page 52.

Our employee grievance policy aims to improve our workforce environment, setting out procedures in reporting and managing grievances, including

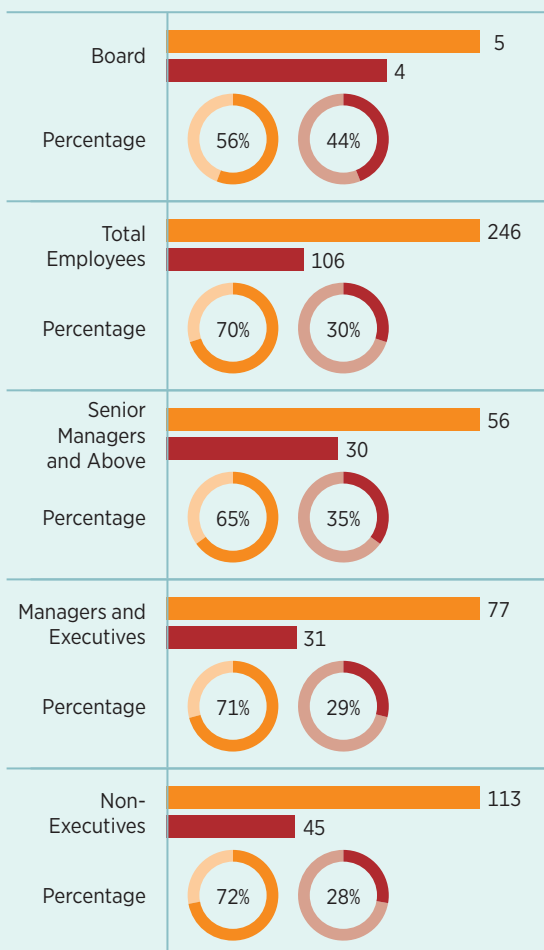
discrimination. All employees can share their grievances directly with the HR department, HR director or Head of Department, who will review the grievances and seek an appropriate settlement with utmost confidentiality. At NetLink, any employee who raises a grievance is protected from reprisal under our grievance procedure. The policy is communicated to all employees, and it is also easily accessible on the intranet.

In FY24, we are pleased to continue to maintain no reported incidents of discrimination.

Gender Diversity by Employee Category

By Gender

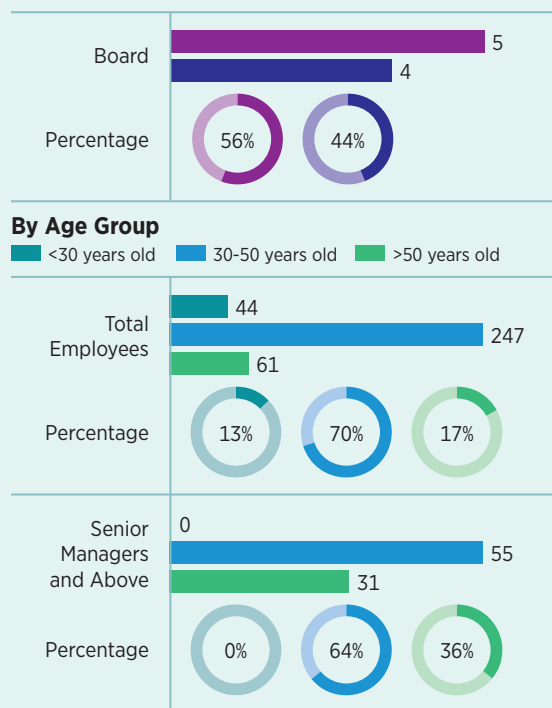
Male Female



Age Diversity by Employee Category

By Age Group

51-60 years old 61-70 years old



CONNECTING THE NATION

With rapid advancement in the digital economy, the reliability of our network is integral to the enablement of essential internet connectivity services to households and businesses. As the dominant owner and operator of the largest passive fibre network infrastructure in Singapore, NetLink has become a pillar of the nation’s digital ecosystem and a key driver

towards its smart nation aspirations. We remain steadfast in our commitment to providing a reliable and pervasive fibre network that is capable of delivering ultra-high-speed internet that support online social connections as well as innovative digital solutions to boost productivity and delivery of social and economic services.

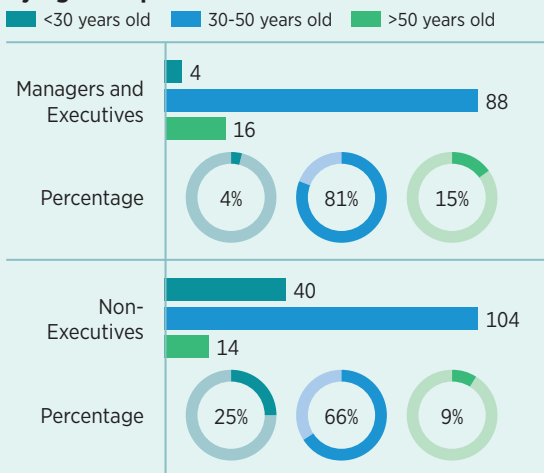
Our approach to managing Singapore’s NBN is as follows:



We are dedicated to maintaining 100% island-wide fibre coverage and to grow our network to ensure available capacity to meet future demands.

We strive for continuous improvement in the robustness and resilience of our network to minimise risk of service disruption to our customers.

By Age Group



We are also committed to meet the national objective of developing a 10Gbps home broadband network, aligning with Singapore’s Digital Connectivity Blueprint. In support of the 10Gbps ambition, we are actively working with the telecommunication operators and Infocomm Media Development Authority (IMDA) that has committed to invest up to \$100 million to upgrade the Nationwide Broadband Network (NBN) from mid-2024 to 2026. NetLink is reviewing and planning upgrades within our COs to support the infrastructure deployment required of the NBN upgrade, enabling our network to continue to allow the industry to grow sustainably through sharing of our wholesales network, avoiding wasteful duplication of fibre infrastructure, and contributing to a more sustainable development of the telecommunication sector in Singapore.



Sustainability Report

Network Coverage and Capacity

To meet the future demands of the digital economy, NetLink engages and collaborates with industry associations, research institutions, government agencies and our customers to make provisions for our fibre network and co-location facilities. As a member of the Telecommunications Facility Coordination Committee¹³ (TFCC) in Singapore, we are also pre-consulted on the telecommunication facilities requirements for any upcoming development projects to ensure fibre network availability.

We remain committed to technological advancement by working with various industries in Singapore to accelerate their digital transformation journeys and innovation efforts. We participated as the fibre provider for the Quantum Key Delivery Initiative with the NUS Centre for Quantum Computing. This collaboration facilitates the deployment of cutting-edge technologies over NetLink's fibre optic network, ensuring robust network security for companies handling sensitive data.

In FY24, NetLink supported a customer in showcasing their quantum-key distribution (QKD) solution at events such as InnoTech 2023, GovWare 2023, and the Singapore Airshow 2024. Highlighting the effectiveness of QKD, NetLink's existing fibre network has met strict requirements for minimal losses and delay, as demonstrated in the initiative with the NUS Centre for Quantum Computing.

With a focus on network reliability, coverage, and capacity expansion, we have expanded the total number of end-user connections for residential and non-residential, non-building address point (NBAP) and segment

connections by 1.5%, 2.6%, 10.1% and 24.6% respectively this year. We continued to meet the home-reached connections required as the sole fibre network infrastructure provider for residential buildings.

Supporting Singapore to Go 5G

Over the past few years, NetLink has consistently leverage its high-speed network to support businesses and industry partners, particularly with the roll-out of 5G services. Besides M1's 5G roll-out in FY23, we have also successfully supported SIMBA's full transition of their 4G customers onto their 5G network in FY24. We remain committed to support the growth of Singapore's 5G innovation ecosystem and advocate collaboration with industry counterparts.



Supporting SMEs to Go Digital

Small and Medium-sized Enterprises (SMEs) have historically faced disproportionate challenges in digitalisation, despite playing a key role in Singapore's economy. NetLink, cognisant of the SMEs' challenges, is committed to supporting their digital transformation. This year, we have extended our promotional pricing for the non-residential connection service to the telecommunication operators, offering rebates upon successful applications for SMEs. These rebates, which have been extended until June 2024, offset the monthly recurring charge for the non-residential service over a 12-month period. It is through this initiative that we aim to establish a more competitive pricing framework for SMEs, ultimately reducing their operational expenses and empowering them to leverage our high-speed network for business process optimisation. Since the programme's launch in September 2020, NetLink has received more than 4,300 qualified orders.



¹³ The TFCC has been appointed by IMDA as a single-contact point for building developers or owners to co-ordinate with Public Telecommunication Licensees (PTLs) or Telecommunication Service Licensees (TSLs) on the submission of proposed telecommunication facilities to be provided in buildings.

Network Robustness and Resilience

As the internet becomes an increasingly ubiquitous part of daily life, disruptions to NetLink's fibre network could have potential widespread consequences to end-users and businesses. NetLink places utmost importance on network reliability, and we have implemented a robust set of processes to ensure the fibre broadband network remains stable, resilient, and reliable.

In FY24, we invested approximately \$94 million to improve the resilience, robustness, and availability of our fibre network. Key works include laying additional backbone fibre cables, which allow for more point-to-point and diversity options for our customers.

We have also implemented additional preventive measures to reduce the risk and impact of service disruptions, particularly from third-party contractors who accidentally cut our underground cables when carrying out earthworks. The Telecommunications

Act in Singapore requires all contractors intending to carry out earthworks near telecommunication cables to take precautions and those who fail to do so can face prosecution — a fine amounting to \$1 million and a jail term of five years. We have produced an explainer video to educate earthworks contractors about the specific precautions that they need to take to minimise accidental fibre cuts. At the same time, we also attend joint site meetings and trial-hole inspections for projects involving earthworks to verify the location of our fibre cables before excavation starts.

Our other preventive measures to mitigate service disruption risks include:

- Regular inspections of critical systems by our employees and contractors
- Conduct scheduled maintenance regularly and timely equipment replacement
- Use of test equipment and remote fibre monitoring systems to quickly respond and rectify faults reported by telecommunication operators, reducing network downtime

- Establish a robust Business Continuity Management System (BCMS) programme certified under ISO 22301:2019 standard to manage business disruptions. Under the BCMS programme, stakeholders also attend regular simulated business continuity exercises to familiarise themselves with their business continuity protocols. Key metrics such as response time are tracked in these exercises to gauge the effectiveness and efficiency of the BCMS, the findings of which go into improving our processes to respond, recover, restore connectivity and communicate with stakeholders during a network failure.

Through these investments, regular maintenance, and preventive measures, we continued to achieve a network availability of 99.99%¹⁴ in FY24.



¹⁴ Network availability (%) = [1 - (Downtime/Total Time)] x 100%, based on the assumption that faults exclude incidents that are not within NetLink's control, such as our cables being cut by third party contractors not engaged by NetLink.

Sustainability Report

CORPORATE SOCIAL RESPONSIBILITY

Though not a material topic on its own, NetLink is committed to making a positive impact in our community through meaningful volunteering engagements, donations, and partnerships. We actively support causes and groups that align with our values and objectives. In FY24, NetLink has contributed a total of \$260,000 in donations and 506 hours of employee volunteering hours. In recognition of our social responsibility initiatives, we received the 'Community Chest Awards - Charity Platinum Award'.

Digital Inclusion

In line with our commitment to digital inclusion, we continued supporting the Infocomm Media Development Authority's (IMDA) Digital@Home movement, reinforcing our belief in equitable access to digital benefits. Alongside our \$200,000 contribution, we are dedicated to empowering individuals and communities for success in the digital era.

Support for Low-income Families

One of our key initiatives involves supporting TOUCH Young Arrows - Eunos (TYA - Eunos), serving children aged 5 to 14 from low-income or disadvantaged backgrounds. Through our sponsorship, we cover the operational expenses and the costs of providing enrichment classes, which include academic coaching and character-building exercises. In our third year of partnership, we continued to interact meaningfully with the children by organising impactful events. We organised a Sustainability Workshop to educate the children about the importance of reducing food waste.

Additionally, we celebrated the festive season with the children by treating them to a special Christmas meal and presenting them with heartfelt Christmas presents. These initiatives aim to foster positive relationships and make a meaningful difference in the children's lives. Continuing our support to low-income families, we partnered Singapore Institute of Technology to extend bursaries to students from financially challenged backgrounds. Through this initiative, we hope to alleviate the students' financial concerns, allowing them to fully focus on their studies without the burden of expense.

As the cost of living in Singapore continues to escalate, low-income families will continue to face significant challenges, particularly in accessing essential goods like food. These families find themselves increasingly burdened, with their ability to afford meals becoming increasingly difficult. Recognising this need, NetLink

partnered with Food from the Heart and Willing Hearts to donate and distribute food packs to those in need, providing crucial support to vulnerable communities.

Environmental Stewardship

As we broaden our corporate social responsibility efforts to encompass environmental protection, we partnered with the Waterways Watch Society, a local non-profit environmental organisation dedicated to fostering an appreciation for and promoting the conservation of our waterways through education. Through a hands-on litter-picking session and an educational talk on various water-related environmental issues and the importance of individual responsibility in ensuring environmental sustainability, volunteers gained a deeper understanding of the importance of individual responsibility in ensuring the sustainability of our waterways.



APPENDIX

MAIN ASSUMPTIONS AND LIMITATIONS OF THE CLIMATE SCENARIO ANALYSIS

The following outlines the main methodologies we utilise to quantify selected climate-related physical and transition climate risks, along with the assumptions and limitations behind the approach.

In addition to the main assumptions included in Building Our Climate Resilience section (page 101), some additional assumptions are presented below.

Physical risk modelling:

Our modelling on physical risks was conducted based on the best available information at the time and are subject to the assumptions and limitations as outlined below.

Risk Drivers	Methodology	Key Assumptions	Key Limitations
Increase in cooling energy cost from rising mean temperatures	Increased cooling demand in both a 1.5°C and >3°C scenarios is modelled based on projections on changes in Cooling Degree days from the World Bank Climate Change Knowledge Portal.	<p>Increase in demand for cooling and the associated financial impact is estimated before application of mitigation measures (e.g. installation of energy efficient systems).</p> <p>Increase in cooling cost is presented on a net basis, with the assumption that increased cooling cost from the planned update on the National Broadband Network (NBN) would be charged to customers based on usage according to existing practice.</p>	<p>The share of energy used for cooling in a building is based on national estimates instead of NetLink-specific data. We will be working to collect NetLink-specific data for a more accurate analysis in the future.</p>
Increase in manpower cost arising from productivity loss due to heat stress	We utilise the ' <i>% loss in productivity due to chronic heat stress</i> ' metric from NGFS Climate Analytics as a proxy for productivity loss cost in both the RCP 2.6 and 8.5 scenario for the 1.5°C and >3°C scenarios. Baseline costs are based on the cost of our contractors who will be most exposed to rising temperatures due to the nature of their work.	The cost of contractors is assumed to be constant as to isolate the impact of chronic heat stress on labour productivity. We take a conservative approach and assume that the impact on labour productivity translates to higher costs for contractors which are then passed on towards NetLink.	We are currently unable to separate the labour component from our contractor project costs. As a result, contractor labour costs are based on what is typically observed in general construction data and not specific to NetLink's type of operations.

Sustainability Report

Physical risk modelling:

Risk Drivers	Methodology	Key Assumptions	Key Limitations
<p>Increase in insurance related costs for buildings due to more frequent and intense flooding and rising sea levels</p>	<p>We modelled the projected increase in property insurance premium due to climate change based on an independent third-party study.</p>	<p>As the third-party study only provides projections up to 2040 in a 1.5°C scenario, for the >3°C scenario we estimated the increase in climate-related property insurance premium by applying a scaling factor based on flood risk (the dominant weather-related extreme event risk for Singapore).</p>	<p>Motor / vehicle premiums are not modelled due to the lack of projections on future increases of vehicle insurance premiums due to climate change.</p> <p>Data is unavailable on insurance premium for fibre assets which may be impacted by severe weather. General property insurance is used as the closest substitute.</p>
<p>Revenue loss due to business disruption from flash floods</p>	<p>We modelled the business disruption from flash floods based on the change in flash flood risk and severity over time. This is taken from projections on the changing intensity and severity of extreme precipitation events according to the IPCC AR6, which are the main driver of flash flooding. Baseline costs are derived by applying the share of GDP impacted by flash floods in Singapore from the EM-DAT (international disaster) database into our revenue.</p>	<p>Revenue is assumed to remain constant to isolate the impact on increasing intensity of flash floods on NetLink.</p>	<p>The projected potential financial impact may be understated using this methodology as we apply a factor derived from a country-based metric (i.e., the share of GDP impacted by flash floods) to our business metric (i.e., revenue).</p> <p>On the other hand, we have not considered the impact of future flood mitigation measures by the government due to the lack of reliable projections on its impact on flooding risks.</p>

Risk Drivers	Methodology	Key Assumptions	Key Limitations
<p>Revenue loss due to business disruption from coastal flooding</p>	<p>To model the potential revenue loss from coastal flooding, we applied the annual expected affected GDP from coastal flooding into our current year revenue. Similarly, for asset value loss we applied the annual expected share of urban damage from coastal flooding and applied it to our gross asset value as a proxy for our infrastructure/asset exposure to these hazards.</p> <p>Damage from coastal flooding is taken from WRI Aqueduct Floods tool for Singapore. For the 1.5°C scenario we take the “optimistic scenario” while the >3°C scenario is taken from the “pessimistic scenario”.</p>	<p>Revenue and gross asset value used in the calculation are assumed to remain constant, without taking into account any changes to current asset values (e.g., depreciation) or changes in business operations in the future.</p>	<p>Damage value taken from WRI Aqueduct do not consider the Singapore Government’s future flood protection plans, which may overstate the financial impact if the risks are mitigated by these actions in the future.</p>
<p>Asset value loss from rising sea levels</p>			

Transition risk modelling:

Our modelling on transition risks is also subject to a series of assumptions and limitations as outlined below.

Risk Drivers	Methodology	Key Assumptions	Key Limitations
<p>Increase in operating costs from rise in carbon pricing</p>	<p>We modelled a set of carbon prices against our current Scopes 1 and 2 emissions to derive the impact of carbon pricing on our operating costs.</p> <p>We obtained our carbon prices from the International Energy Agency (IEA) and Singapore legislation.</p>	<p>Scopes 1 and 2 GHG emissions are assumed to remain constant to isolate the impact of carbon pricing on NetLink’s current level of emissions.</p> <p>We assume that carbon costs are fully passed through from the electricity providers to NetLink. To further assess the resilience of our business against carbon prices, we take a conservative approach and assume that we would not be able to pass on this cost further to our customers.</p>	<p>Given that announced carbon prices in Singapore is only available up to 2030, a variety of theoretical prices from the IEA was utilised in addition, which may lead to higher uncertainty on the financial impact modelled.</p>

Sustainability Report

GRI CONTENT INDEX

Statement of Use:	NetLink has reported in accordance with the GRI Standards for the period 1 April 2023 to 31 March 2024.
GRI 1 Used:	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s):	None; GRI Sector Standard for the telecommunications and information technology industries are not available yet.

GRI Standard	Disclosure	Page Number	Omission	
General disclosures				
GRI 2: General Disclosures 2021	2-1	Organisational details	44, 84	
	2-2	Entities included in the organisation's sustainability reporting	84	
	2-3	Reporting period, frequency, and contact point	84 (Publication date: 27 June 2024)	
	2-4	Restatements of information	100 (Note k)	
	2-5	External assurance	84	
	2-6	Activities, value chain and other business relationships	1, 16-19, 32-33, 36-41, 93-94, 107, 115-118. There are no significant changes in activities, value chain and other business relationships compared to previous reporting period.	
	2-7	Employees	112	
	2-8	Workers who are not employees	112	
	2-9	Governance structure and composition	NetLink's Board has overall responsibilities. Refer to pages 20-31 and 44-56 for our governance structure, including our Board's composition.	
	2-10	Nomination and selection of the highest governance body	52-56	
	2-11	Chair of the highest governance body	20, 52	
	2-12	Role of the highest governance body in overseeing the management of impacts	89	

GRI Standard	Disclosure	Page Number	Omission	
General disclosures				
GRI 2: General Disclosures 2021	2-13	Delegation of responsibility for managing impacts	89	
	2-14	Role of highest governance body in sustainability reporting	89	
	2-15	Conflicts of interest	45-48, 55, 64, 71-73, 138-143	
	2-16	Communication of critical concerns	66-67, 71, 96, 107	
	2-17	Collective knowledge of the highest governance body	48	
	2-18	Evaluation of the performance of the highest governance body	57	
	2-19	Remuneration policies	58-61, 89	
	2-20	Process to determine remuneration	58-61, AGM minutes: https://www.netlinknbn.com/annual-report.html	
	2-21	Annual total compensation ratio	NetLink is not disclosing this due to confidentiality constraints.	
	2-22	Statement on sustainable development strategy	85	
	2-23	Policy commitments	66, 72-73, 86-88, 97, 107	
	2-24	Embedding policy commitments	66, 72-73, 95-97, 107	
	2-25	Processes to remediate negative impacts	96, 107, 111, 114, 117	
	2-26	Mechanisms for seeking advice and raising concerns	94, 96, 107	
	2-27	Compliance with laws and regulations	90-92	
	2-28	Membership associations	In FY24, NetLink did not participate significantly in any industry associations, other membership associations, and national or international advocacy organisations. However, NetLink is a member of the Singapore National Employers Federation.	
2-29	Approach to stakeholder engagement	93-94		
2-30	Collective bargaining agreements	111		

Sustainability Report

GRI CONTENT INDEX

GRI Standard	Disclosure		Page Number	Omission
Material topics				
GRI 3: Material topics 2021	3-1	Process to determine material topics	90	
	3-2	List of material topics	90-92	
Governance and Transparency				
GRI 3: Material topics 2021	3-3	Management of material topics	90, 95-96	
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	95-96	
	205-2	Communication and training about anti-corruption policies and procedures	96, 107	
	205-3	Confirmed incidents of corruption and actions taken	95-96	
Economic Performance				
GRI 3: Material topics 2021	3-3	Management of material topics	95	
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	95	
	201-2	Financial implications and other risks and opportunities due to climate change	95	
Data Security and Privacy				
GRI 3: Material topics 2021	3-3	Management of material topics	90, 97	
GRI 418: Customer privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	97	
Climate Change				
GRI 3: Material topics 2021	3-3	Management of material topics	91, 98	
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	99	
	302-2	Energy consumption outside of the organisation	99	
	302-3	Energy intensity	99	
	302-4	Reduction of energy consumption	99	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	100	
	305-2	Energy indirect (Scope 2) GHG emissions	100	
	305-3	Other indirect (Scope 3) GHG emissions	100	
	305-4	GHG emissions intensity	100	
	305-5	Reduction of GHG emissions	99	

GRI Standard	Disclosure		Page Number	Omission
Waste Management				
GRI 3: Material topics 2021	3-3	Management of material topics	91, 105	
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	105	
	306-2	Management of significant waste-related impacts	105	
	306-3	Waste generated	105	
	306-4	Waste diverted from disposal	105	
	306-5	Waste directed to disposal	105	
Water Consumption				
GRI 3: Material topics 2021	3-3	Management of material topics	91, 106	
GRI 303: Water and Effluents 2018	303-1	Interactions with water as shared resource	106	
	303-3	Water withdrawal	106	
	303-4	Water discharge	106	
	303-5	Water consumption	106	
Sustainable Supply Chain				
GRI 3: Material topics 2021	3-3	Management of material topics	91, 107	
GRI 308: Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	107	
	308-2	Negative environmental impacts in the supply chain and actions taken	107	
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	107	
	414-2	Negative social impacts in the supply chain and actions taken	107	

Sustainability Report

GRI CONTENT INDEX

GRI Standard	Disclosure		Page Number	Omission
Health and Safety				
GRI 3: Material topics 2021	3-3	Management of material topics	92, 108-110	
GRI 403: Occupational health and safety 2018	403-1	Occupational health and safety management system	108	
	403-2	Hazard identification, risk assessment, and incident investigation	109	
	403-3	Occupational health services	108	
	403-4	Worker participation, consultation, and communication on occupational health and safety	108	
	403-5	Worker training on occupational health and safety	109	
	403-6	Promotion of worker health	111-112	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	107, 110	
	403-8	Workers covered by an occupational health and safety management system	108	
	403-9	Work-related injuries	110	403-9b as information is unavailable for non-resident contractors.
	403-10	Work-related ill health	110	403-10b as information is unavailable for non-resident contractors.

GRI Standard	Disclosure		Page Number	Omission
Talent Retention, Training, and Development				
GRI 3: Material topics 2021	3-3	Management of material topics	92, 111-114	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	113	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	111-112	
GRI 404: Training and education 2016	404-1	Average hours of training per year per employee	113	
	404-2	Programs for upgrading employee skills and transition assistance programs	111-112	
	404-3	Percentage of employees receiving regular performance and career development reviews	111	
GRI 405: Diversity and equal opportunity 2016	405-1	Diversity of governance bodies and employees	114-115	
	405-2	Ratio of basic salary and remuneration of women to men	NetLink is not disclosing this due to confidentiality constraints.	
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	114	
Connecting the Nation				
GRI 3: Material topics 2021	3-3	Management of material topics	92, 115-117	
GRI 203: Indirect economic impacts 2016	203-2	Significant indirect economic impacts	115-117	

Sustainability Report

SGX CORE ESG METRICS INDEX

NetLink's sustainability disclosures for the set of 27 common core ESG metrics identified by SGX are mapped as follows.

Topic	Metric	Unit	GRI Disclosure	Page Number
Environmental				
Greenhouse Gas Emissions (GHG)	Absolute emissions by: (a) Total; (b) Scope 1, Scope 2; and (c) Scope 3, if appropriate	tCO ₂ e	305-1, 305-2, 305-3	100
	Emission intensities by: (a) Total; (b) Scope 1, Scope 2; and (c) Scope 3, if appropriate	tCO ₂ e/organisation-specific metrics	305-4	100
Energy Consumption	Total energy consumption	MWhs or GJ	302-1	99
	Energy consumption intensity	MWhs or GJ/organisation-specific metrics	302-3	99
Water Consumption	Total water consumption	ML or m ³	303-5	106
	Water consumption intensity	ML or m ³ /organisation-specific metrics	-	-
Waste Generation	Total waste generated	t	306-3	105
Social				
Gender Diversity	Current employees by gender	Percentage (%)	405-1	114-115
	New hires and turnover by gender	Percentage (%)	401-1	113
Aged-Based Diversity	Current employees by age groups	Percentage (%)	405-1	114-115
	New hires and turnover by age groups	Percentage (%)	401-1	113
Employment	Total turnover	Number and percentage (%)	401-1	113
	Total number of employees	Number	2-7	112
Development and Training	Average training hours per employee	Hours/No. of employees	404-1	113
	Average training hours per employee by gender	Hours/No. of employees	404-1	113
Occupational Health and Safety	Fatalities	Number of cases	403-9	110
	High-consequence injuries	Number of cases	403-9	110
	Recordable injuries	Number of cases	403-9	110
	Recordable work-related ill health cases	Number of cases	403-10	110
Governance				
Board Composition	Board independence	Percentage (%)	2-9	54
	Women on the board	Percentage (%)	2-9, 405-1	54
Management Diversity	Women in the management team	Percentage (%)	2-9, 405-1	114
Ethical Behaviour	Anti-corruption disclosures	Discussion and number of standards	205-1, 205-2, 205-3	95-96
	Anti-corruption training for employees	Number and percentage (%)	205-2	96
Certifications	List of relevant certifications	List	-	108
Alignment with Frameworks	Alignment with frameworks and disclosure practices	GRI/TCFD/SASB/SDGs/others	-	84 (GRI, TCFD), 90-92 (SDGs alignment)
Assurance	Assurance of sustainability report	Internal/External/None	2-5	84

TCFD CONTENT INDEX

TCFD Pillar	TCFD Disclosure Recommendations	Page Number
Governance	Describe the organisation's governance around climate-related risks and opportunities.	101
	Describe management's role in assessing and managing climate-related risks and opportunities.	101
Strategy	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	101-103
	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	101-103
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	101-103
Risk Management	Describe the organisation's processes for identifying and assessing climate-related risks.	104
	Describe the organisation's processes for managing climate-related risks.	104
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	104
Metrics and Targets	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	104
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	104
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	104

Sustainability Report

INDEPENDENT LIMITED ASSURANCE REPORT

In Connection With Netlink NBN Trust And Its Subsidiaries' Sustainability Report For The Year Ended 31 March 2024

We have performed a limited assurance engagement on NetLink NBN Trust and its subsidiaries' ("NetLink") Sustainability Report for the year ended 31 March 2024 ("Sustainability Report 2024") and selected Global Reporting Initiative ("GRI") Universal Standards 2021 disclosures ("Disclosures") as identified below (collectively, the "Sustainability Information").

Our assurance engagement does not extend to information in respect of earlier periods included in or linked to from the Sustainability Report 2024 or the Annual Report 2024, including any images, audio files or embedded videos.

LIMITED ASSURANCE CONCLUSION

Based on the procedures we have performed as described under the "Summary of the work we performed as the basis of our assurance conclusion" and the evidence we have obtained, nothing has come to our attention that causes us to believe that:

- (a) the Sustainability Report 2024 has not described, in all material respects, the sustainability practices on a comply-or-explain basis with reference to the following components as listed under the Rule 711B of the Singapore Exchange's (SGX) Listing Manual:
- Material environmental, social and governance factors;
 - Climate-related disclosures consistent with the recommendations of the Task Force on Climate-related Financial Disclosures;
 - Policies, practices and performance;
 - Targets;
 - Sustainability reporting framework; and
 - Board statement and associated governance structure for sustainability practices.

(b) the selected GRI Disclosures as identified in the table below, are not calculated, in all material respects, in accordance with the relevant topic-specific disclosures requirements in the GRI Universal Standards 2021:

Material Topic	GRI Standards - Topic-Specific Disclosure Requirements		Selected GRI Disclosures
Governance and Transparency	GRI 205-3 (2016)	Confirmed incidents of corruptions and actions taken.	Zero incidents of corruption recorded
	GRI 2-27 (2021)	Compliance with laws and regulations	Zero incidents of significant non-compliance with laws or regulations recorded
Data Security and Privacy	GRI 418-1 (2016)	Substantiated complaints concerning breaches of customer privacy and losses of customer data.	Zero incidents of substantiated complaints concerning breaches of customer privacy and losses of customer data
Climate Change	GRI 302-1 (2016)	Energy consumption within the organization	Energy Consumption: 1,299 megawatt hour (MWh) Purchased Renewable Energy Certificates (RECs): 253 MWh
	GRI 302-2 (2016)	Energy consumption outside of the organization	Energy Consumption: 55,722 MWh
	GRI 302-3 (2016)	Energy Intensity	0.0008 MWh per connection
	GRI 305-1 (2016)	Direct (Scope 1) GHG emissions	Refrigerants: 37 tonnes of carbon dioxide emissions equivalent (tCO ₂ e) Vehicles (diesel consumption): 86 tCO ₂ e Generators (diesel consumption): 77 tCO ₂ e
	GRI 305-2 (2016)	Energy indirect (Scope 2) GHG emissions	Electricity (location-based): 273 tCO ₂ e Electricity (market-based): 168 tCO ₂ e
	GRI 305-3 (2016)	Other indirect (Scope 3) GHG emissions, limited to the following categories. <ul style="list-style-type: none"> Category 3: Fuel- and energy-related activities (not included in scope 1 or scope 2) Category 5: Waste generated in operations. Category 7: Employee commuting Category 13: Downstream leased assets 	Fuel and energy-related activities: 37 tCO ₂ e Waste generated in operations: 10,851 tCO ₂ e. Employee commuting: 129 tCO ₂ e Downstream leased assets: 23,225 tCO ₂ e
	GRI 305-4 (2016)	GHG Emission Intensity	0.00030 tCO ₂ e per connection

Sustainability Report

INDEPENDENT LIMITED ASSURANCE REPORT

In Connection With Netlink NBN Trust And Its Subsidiaries' Sustainability Report For The Year Ended 31 March 2024

Material Topic	GRI Standards - Topic-Specific Disclosure Requirements	Selected GRI Disclosures																
Water Consumption	GRI 303-3 (2018) Water withdrawal	Water consumption: 81,562 cubic meters																
Waste Management	GRI 306-3 (2020) Waste generated	Total fibre waste disposed: 510 tonnes. Fibre scrap: 18 tonnes. Recovered fibre cables: 492 tonnes. Percentage of fibre waste generated in proportion to total fibre cables issued: 1.2% of fibre scrap in proportion to total fibre cable issued.																
	GRI 2-27 (2021) Compliance with laws and regulations	Zero incidents of significant non-compliance with laws or regulations recorded																
Talent Retention, Training and Development	GRI 401-1 (2016) New employee hires and employee turnover	New Hires																
		<table border="1"> <tr><td>Total Number</td><td>64</td></tr> <tr><td>Hiring Rate</td><td>18%</td></tr> <tr><td>By age group</td><td></td></tr> <tr><td><30 years</td><td>21</td></tr> <tr><td>30-50 years</td><td>39</td></tr> <tr><td>>50 years</td><td>4</td></tr> <tr><td>By gender</td><td></td></tr> <tr><td>Male</td><td>38</td></tr> <tr><td>Female</td><td>26</td></tr> </table>	Total Number	64	Hiring Rate	18%	By age group		<30 years	21	30-50 years	39	>50 years	4	By gender		Male	38
Total Number	64																	
Hiring Rate	18%																	
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30-50 years	39																	
>50 years	4																	
By gender																		
Male	38																	
Female	26																	
Talent Retention, Training and Development	GRI 404-1 (2016) Average hours of training per year per employee	Turnover																
		<table border="1"> <tr><td>Total Number</td><td>49</td></tr> <tr><td>Turnover Rate</td><td>14%</td></tr> <tr><td>By age group</td><td></td></tr> <tr><td><30 years</td><td>13</td></tr> <tr><td>30-50 years</td><td>31</td></tr> <tr><td>>50 years</td><td>5</td></tr> <tr><td>By gender</td><td></td></tr> <tr><td>Male</td><td>25</td></tr> <tr><td>Female</td><td>24</td></tr> </table>	Total Number	49	Turnover Rate	14%	By age group		<30 years	13	30-50 years	31	>50 years	5	By gender		Male	25
Total Number	49																	
Turnover Rate	14%																	
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By gender																		
Male	25																	
Female	24																	
Talent Retention, Training and Development	GRI 404-1 (2016) Average hours of training per year per employee	Average training hours by gender Male: 49 hours Female: 45 hours Average training hours by employee category Senior Managers and above: 58 hours Managers and executives: 50 hours Non-executives: 41 hours Total training hours: 16,780 hours Average training hours per employee: 48 hours																

Material Topic	GRI Standards - Topic-Specific Disclosure Requirements	Selected GRI Disclosures		
Diversity and Equal Opportunities	GRI 405-1 (2016)	Diversity of governance bodies and employees		
		Board of Directors by age group		
		Group	%	
		51 – 60 years old	56%	
		61 – 70 years old	44%	
		Board of Directors by gender		
		Group	%	
		Male	56%	
		Female	44%	
		Employee category by age group		
		Group	Number	%
		<30 years old	44	13%
		30-50 years old	247	70%
		>50 years old	61	17%
		Employee category by gender		
		Group	Number	%
		Male	246	70%
		Female	106	30%
		Senior Managers and above by age group		
		Group	Number	%
		<30 years old	0	0%
30-50 years old	55	64%		
>50 years old	31	36%		
Senior Managers and above by gender				
Group	Number	%		
Male	56	65%		
Female	30	35%		
Managers and Executives by age group				
Group	Number	%		
<30 years old	4	4%		
30-50 years old	88	81%		
>50 years old	16	15%		
Managers and Executives by gender				
Group	Number	%		
Male	77	71%		
Female	31	29%		

Sustainability Report

INDEPENDENT LIMITED ASSURANCE REPORT

In Connection With Netlink NBN Trust And Its Subsidiaries' Sustainability Report For The Year Ended 31 March 2024

Material Topic	GRI Standards - Topic-Specific Disclosure Requirements	Selected GRI Disclosures																					
Diversity and Equal Opportunities	GRI 405-1 (2016) Diversity of governance bodies and employees	<p>Non-Executives by age group</p> <table border="1"> <thead> <tr> <th>Group</th> <th>Number</th> <th>%</th> </tr> </thead> <tbody> <tr> <td><30 years old</td> <td>40</td> <td>25%</td> </tr> <tr> <td>30-50 years old</td> <td>104</td> <td>66%</td> </tr> <tr> <td>>50 years old</td> <td>14</td> <td>9%</td> </tr> </tbody> </table> <p>Non-Executives by gender</p> <table border="1"> <thead> <tr> <th>Group</th> <th>Number</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Male</td> <td>113</td> <td>72%</td> </tr> <tr> <td>Female</td> <td>45</td> <td>28%</td> </tr> </tbody> </table>	Group	Number	%	<30 years old	40	25%	30-50 years old	104	66%	>50 years old	14	9%	Group	Number	%	Male	113	72%	Female	45	28%
Group	Number	%																					
<30 years old	40	25%																					
30-50 years old	104	66%																					
>50 years old	14	9%																					
Group	Number	%																					
Male	113	72%																					
Female	45	28%																					
Talent Retention, Training and Development	GRI 406-1 (2016) Incidents of discrimination and corrective actions taken	Zero incidents of discrimination recorded																					
Health and Safety	GRI 403-9 (2018) Number and rates of work-related fatalities and injuries (including both employees and workers whose work and/or workplace is controlled by the organization)	<p>Workplace injuries: 1 work-related injuries</p> <p>Workplace fatalities: Zero work-related fatalities</p> <p>Injury rate: 1 per 1,000,000 manhours</p>																					
Connecting the Nation	GRI 2-6 (2021) Number of fibre connections under residential, non-residential, non-building address points connections, and segment connections	<table border="1"> <thead> <tr> <th colspan="2">Residential</th> </tr> </thead> <tbody> <tr> <td>End Users</td> <td>1,506,997</td> </tr> <tr> <th colspan="2">Non- Residential</th> </tr> <tr> <td>End Users</td> <td>53,482</td> </tr> <tr> <th colspan="2">Non-building address points</th> </tr> <tr> <td>Number of NBAP connections</td> <td>2,979</td> </tr> <tr> <th colspan="2">Segment connections</th> </tr> <tr> <td>Number of segment connections</td> <td>3,542</td> </tr> </tbody> </table>	Residential		End Users	1,506,997	Non- Residential		End Users	53,482	Non-building address points		Number of NBAP connections	2,979	Segment connections		Number of segment connections	3,542					
Residential																							
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End Users	53,482																						
Non-building address points																							
Number of NBAP connections	2,979																						
Segment connections																							
Number of segment connections	3,542																						
Connecting the Nation	GRI 2-6 (2021) Network availability rate	Network Availability: 99.99%																					

We do not express an assurance conclusion on information in respect of earlier periods included in or linked to from the Sustainability Report 2024 or from the Annual Report 2024, including any images, audio files or embedded videos.

NETLINK'S RESPONSIBILITIES

Management of NetLink is responsible for:

- Selecting or establishing suitable criteria for preparing the Sustainability Information;
- Preparing the Sustainability Report 2024 and selected GRI Disclosures in accordance with the Rule 711B of the SGX Listing Manual and Global Reporting Initiative (GRI) Universal Standards 2021 (collectively known as "Reporting Criteria"); and
- Designing, implementing, and maintaining internal control over information relevant to the preparation of the Sustainability Information that is free from material misstatement, whether due to fraud or error.

UNDERSTANDING HOW NETLINK HAS PREPARED THE SUSTAINABILITY INFORMATION

The absence of a commonly used generally accepted reporting framework or a significant body of established practice on which to draw to evaluate and measure sustainability information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Sustainability Information needs to be read and understood together with the Reporting Criteria and the basis of preparation set out in the Introduction section under "About This Report" of the Sustainability Report 2024, which NetLink has used to prepare the Sustainability Information.

OUR RESPONSIBILITIES

We are responsible for:

- Planning and performing the engagement to obtain limited assurance about whether the Sustainability Information is free from material misstatement, whether due to fraud or error;
- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- Reporting our conclusion to the Board of Directors and management of NetLink.

As we are engaged to form an independent conclusion on the Sustainability Information as prepared by management, we are not permitted to be involved in the preparation of the Sustainability Information as doing so may compromise our independence.

PROFESSIONAL STANDARDS APPLIED

We performed a limited assurance engagement in accordance with Singapore Standard on Assurance Engagements 3000 (Revised) – Assurance Engagements other than Audits or Reviews of Historical Financial Information ("Standard").

PRACTITIONER'S INDEPENDENCE AND QUALITY MANAGEMENT

We have complied with the independence and other ethical requirements of the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Singapore Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Sustainability Report

INDEPENDENT LIMITED ASSURANCE REPORT

In Connection With Netlink NBN Trust And Its Subsidiaries' Sustainability Report For The Year Ended 31 March 2024

SUMMARY OF THE WORK WE PERFORMED AS THE BASIS OF OUR ASSURANCE CONCLUSION

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Sustainability Information is likely to arise. The procedures we performed were based on our professional judgement. In carrying out our limited assurance engagement on the Sustainability Information, our procedures included the following:

- Evaluated the suitability in the circumstances of NetLink's use of the Reporting Criteria, as the basis for preparing the Sustainability Information;
- Through inquiries, obtained an understanding of NetLink's control environment, processes and information systems relevant to the preparation of the Sustainability Information, but we did not evaluate the design of particular control activities, did not obtain evidence about their implementation and did not test their operating effectiveness;
- Evaluated whether NetLink's methods for developing estimates are appropriate and had been consistently applied, but our procedures did not include testing the data on which the estimates were based and we did not separately develop our own estimates against which to evaluate NetLink's estimates;
- Sample tested a number of items to or from supporting records, as appropriate;
- Performed analytical procedures by comparing the expected targets to actual emissions or consumption, and by comparing current period to prior period, and made inquiries of management to obtain explanations for any significant differences we identified; and
- Considered the presentation and disclosure of the Sustainability Information.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

PURPOSE AND RESTRICTION ON DISTRIBUTION AND USE

This report is made solely to the Board of Directors and management of NetLink in accordance with our engagement letter dated 4 December 2023 for the purpose of providing a limited assurance conclusion on the Sustainability Information. As a result, this report may not be suitable for another purpose.

We disclaim any assumption of responsibility for any reliance on this report to any person other than the Board of Directors and management of NetLink, or for any purpose other than that for which it was prepared.

Deloitte & Touche LLP

Public Accountants and
Chartered Accountants
Singapore

16 May 2024

Financial Statements

NETLINK NBN TRUST AND ITS SUBSIDIARIES

Annual Financial Statements For the financial year ended 31 March 2024

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- 148** Statements of Financial Position
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- 151** Consolidated Cash Flow Statement
- 153** Notes to the Financial Statements

Report of NetLink NBN Management Pte. Ltd.

(as Trustee-Manager of NetLink NBN Trust)

The Directors of NetLink NBN Management Pte. Ltd., the Trustee-Manager of NetLink NBN Trust (the “Trust”), are pleased to present their report to the Unitholders of the Trust, together with the audited consolidated financial statements of NetLink NBN Trust and its subsidiaries (collectively, the “NetLink Group” or “Group”) and the statement of financial position and statement of changes in Unitholders’ funds of the Trust for the financial year ended 31 March 2024.

DIRECTORS

The Directors of the Trustee-Manager (“Directors”) in office at the date of this report are as follows:

Mr Chaly Mah Chee Kheong	(Chairman and Independent Director)
Ms Koh Kah Sek	(Independent Director)
Ms Ku Xian Hong	(Independent Director)
Ms Tee Siew Hong	(Independent Director) (Appointed on 1 December 2023)
Ms Wong Swee Ping, Shirley	(Independent Director) (Appointed on 1 December 2023)
Mr Yeo Wico	(Independent Director)
Mr Quah Kung Yang	(Non-Executive Director)
Mr William Woo Siew Wing	(Non-Executive Director)
Mr Tong Yew Heng	(Chief Executive Officer and Executive Director)

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE UNITS AND DEBENTURES

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

DIRECTORS’ INTERESTS IN UNITS OR DEBENTURES

According to the register kept by the Trustee-Manager for the purposes of Sections 13 and 76 of the Business Trusts Act 2004 (the “Act”), particulars of the interests of Directors who held office at the end of the financial year held units in, or debentures of, the Trust are as follows:

	Holdings registered in name of Directors		Holdings in which Directors are deemed to have an interest	
	At 31 March 2023	At 31 March 2024	At 31 March 2023	At 31 March 2024
Number of units				
Mr Chaly Mah Chee Kheong	300,000	300,000	-	-
Ms Koh Kah Sek	100,000	100,000	-	-
Ms Ku Xian Hong	40,000	40,000	-	-
Ms Tee Siew Hong	-*	-	-*	-
Ms Wong Swee Ping, Shirley	-*	-	-*	-
Mr Yeo Wico	300,000	300,000	-	-
Mr Quah Kung Yang	200,000	200,000	-	-
Mr William Woo Siew Wing	400,000	400,000	-	-
Mr Tong Yew Heng	650,000	850,000	-	-

* At date of appointment.

There are no changes in any of the abovementioned interest in the Trust between the end of the financial year and 21 April 2024.

Report of NetLink NBN Management Pte. Ltd.

(as Trustee-Manager of NetLink NBN Trust)

OPTIONS

There were no options granted during the financial year by the Trustee-Manager to any person to take up unissued units in the Trust.

No units have been issued during the financial year by virtue of the exercise of options to take up unissued units of the Trust.

There were no unissued units of the Trust under option at the end of the financial year.

AUDIT COMMITTEE

The members of the Audit Committee of the Trustee-Manager as at the date of this report were as follows:

Ms Koh Kah Sek	(Chairman)
Mr Yeo Wico	(Member)
Ms Wong Swee Ping, Shirley	(Member)(Appointed on 1 December 2023)

Mr Ang Teik Siew @ Ang Teik Lim Eric, who served during the financial year, stepped down as a member of the Audit Committee on 1 December 2023.

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

The Audit Committee carried out its functions in accordance with Regulation 13(6) of the Business Trusts Regulations 2005 of Singapore. In performing its functions, the Audit Committee has reviewed (among other things):

- with the Independent Auditor of the Trust, the audit plan of the Trust, the Independent Auditor's evaluation of the design and implementation of internal accounting controls of the Trust and the Independent Auditor's report on the consolidated financial statements of the NetLink Group for the financial year ended 31 March 2024;
- the assistance given by the officers of the Trustee-Manager to the Independent Auditor of the Trust, the policies and practices put in place by the Trustee-Manager to ensure compliance with the Act and the trust deed dated 19 June 2017 (as amended and restated by the Amending and Restating Deeds dated 25 July 2018, 28 September 2020, 19 July 2021 and 20 July 2022) constituting the Trust, the procedures put in place by the Trustee-Manager for managing any conflict that may arise between the interest of the Unitholders and the interests of the Trustee-Manager (including interested person transactions, indemnification of expenses or liabilities incurred by the Trustee-Manager and the setting of fees or charges payable out of the trust property of the Trust); and
- the financial statements of NetLink NBN Trust and its subsidiaries, which comprise the consolidated statement of financial position of the NetLink Group and the statement of financial position of the Trust as at 31 March 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in Unitholders' funds and consolidated statement of cash flows of the NetLink Group and the statement of changes in Unitholders' funds of the Trust for the financial year ended 31 March 2024 before their submission to the Board of Directors of the Trustee-Manager.

Report of NetLink NBN Management Pte. Ltd.

(as Trustee-Manager of NetLink NBN Trust)

INDEPENDENT AUDITOR

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

On behalf of the Board of Directors of the Trustee-Manager

Chaly Mah Chee Kheong

Chairman

Koh Kah Sek

Director

Singapore
16 May 2024

Statement by NetLink NBN Management Pte. Ltd. (as Trustee-Manager of NetLink NBN Trust)

In our opinion,

- (a) the consolidated financial statements of the NetLink Group and the statement of financial position and statement of changes in Unitholders' funds of the Trust as set out on pages 147 to 206 are drawn up so as to give a true and fair view of the financial position of the NetLink Group and of the Trust as at 31 March 2024, and of the financial performance, changes in Unitholders' funds and cash flows of the NetLink Group and changes in Unitholders' funds of the Trust for the financial year ended on that date in accordance with the provisions of the Act and Singapore Financial Reporting Standards (International) ("SFRS(I)").
- (b) at the date of this statement, there are reasonable grounds to believe that the Trustee-Manager will be able to fulfil out of the trust property of the Trust, the liabilities of the Trust as and when they fall due.

In accordance with Section 86(2) of the Act, 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 NetLink Group during the financial year ended 31 March 2024 are not detrimental to the interest of the Unitholders of the Trust as a whole based on the circumstances at the time of the relevant 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 interest of the Unitholders of the Trust as a whole.

The Board of Directors has, on the date of this statement, authorised the above statements and the consolidated financial statements of the NetLink Group as at and for the financial year ended 31 March 2024 for issue.

On behalf of the Board of Directors of the Trustee-Manager

Chaly Mah Chee Kheong

Chairman

Koh Kah Sek

Director

Singapore
16 May 2024

Statement by the Chief Executive Officer

In accordance with Section 86(3) of the Act, 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 interest of the Unitholders of the Trust as a whole.

Tong Yew Heng

Chief Executive Officer

Singapore
16 May 2024

Independent Auditor's Report

to the Unitholders of NetLink NBN Trust

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of NetLink NBN Trust (the "Trust") and its subsidiaries (the "NetLink Group" or "Group") which comprises the consolidated statement of financial position of the NetLink Group and the statement of financial position of the Trust as at 31 March 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in Unitholders' funds and consolidated cash flow statement of the NetLink Group and the statement of changes in Unitholders' funds of the Trust for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 147 to 206.

In our opinion, the accompanying consolidated financial statements of the NetLink 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 Business Trusts Act 2004 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the NetLink Group and the financial position of the Trust as at 31 March 2024, and of the consolidated financial performance, consolidated changes in Unitholders' funds and consolidated cash flows of the NetLink Group and changes in Unitholders' funds of the Trust for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the NetLink Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's Report

to the Unitholders of NetLink NBN Trust

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion of these matters.

Key audit matters	How the matter was addressed in the audit
<p>Goodwill Impairment Review</p> <p>Under SFRS(I) 1-36 <i>Impairment of Assets</i>, the Group is required to test goodwill for impairment at least annually or earlier when there is indication of impairment. This assessment requires the exercise of significant judgement about future market conditions, including discount and long-term growth rates.</p> <p>As at 31 March 2024, the carrying amount of the goodwill recorded on acquisition of NetLink Trust amounted to \$746.9 million, constituting approximately 19.1% of the Group's total assets.</p> <p>The key assumptions to the impairment test and the sensitivity of changes in these assumptions to the risk of impairment are disclosed in Note 15 to the financial statements.</p>	<p>We obtained an understanding of the design and tested the implementation of the NetLink Group's relevant key controls relating to the assessment of impairment for goodwill.</p> <p>We involved our valuation specialists to develop an independent view of the key assumptions driving the value in use calculation, in particular the discount and long-term growth rates, and compare the independent expectations to those used by management.</p> <p>We challenged the reasonableness of the cash flow forecasts used by management, with comparison to historical actual performance and accuracy of management forecast in prior years and performed sensitivity analysis of the key inputs and assumptions.</p> <p>We also assessed and validated the adequacy and appropriateness of the disclosures made in the financial statements.</p> <p>Based on our procedures, we noted management's key assumptions to be within a reasonable range of our expectations, and the disclosures made in the financial statements are adequate and appropriate.</p>

Independent Auditor's Report

to the Unitholders of NetLink NBN Trust

Information Other than the Financial Statements and Auditor's Report Thereon

The Trustee-Manager is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors of the Trustee-Manager and take appropriate action in accordance with SSAs.

Responsibilities of the Trustee-Manager and Directors of the Trustee-Manager for the Financial Statements

The Trustee-Manager is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets that are part of the property of the Trust are safeguarded against loss from unauthorised use or disposition; and transactions by the Trustee-Manager entered into on behalf of or purported to be entered into on behalf of the Trust are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, the Trustee-Manager is responsible for assessing the NetLink Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the NetLink Group or to cease operations, or has no realistic alternative but to do so.

The directors of the Trustee-Manager's responsibilities include overseeing the NetLink Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditor's Report

to the Unitholders of NetLink NBN Trust

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

- Obtain an understanding of internal control relevant to the audit 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 NetLink Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Trustee-Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the NetLink Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the NetLink Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the NetLink Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors of the Trustee-Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors of the Trustee-Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors of the Trustee-Manager, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Trustee-Manager of the Trust have been properly kept in accordance with provisions of the Act.

The engagement partner on the audit resulting in this Independent Auditor's Report is Mr Shariq Barmaky.

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants
Singapore

16 May 2024

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the financial year ended 31 March 2024

	Note	2024 \$'000	2023 \$'000
Revenue	3	411,276	403,460
Other income	4	9,273	5,856
Expenses			
Operation and maintenance costs		(15,853)	(19,827)
Installation costs		(11,696)	(10,479)
Ancillary project direct costs		(17,749)	(17,794)
Depreciation and amortisation	7	(172,928)	(170,617)
Staff costs	5	(27,815)	(25,544)
Finance costs	6	(21,752)	(16,725)
Other operating expenses	7	(51,690)	(39,113)
Total expenses		(319,483)	(300,099)
Profit before income tax	7	101,066	109,217
Income tax credit	8	2,143	36
Profit after income tax		103,209	109,253
Other comprehensive (loss)/income			
Items that may be subsequently reclassified to profit or loss			
Cash flow hedges	18	(7,004)	8,385
Other comprehensive (loss)/income for the year	18	(7,004)	8,385
Total comprehensive income for the year		96,205	117,638
Profit attributable to:			
Unitholders of the Trust		103,209	109,253
Total comprehensive income attributable to:			
Unitholders of the Trust		96,205	117,638
Earnings per unit:			
- Basic and diluted	25	2.65 cents	2.80 cents

Statements of Financial Position

As at 31 March 2024

	Note	Group		Trust	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
ASSETS					
Current assets					
Cash and bank deposits	9	182,914	200,704	59,072	59,876
Trade and other receivables	10	36,495	49,953	176	146
Contract assets	11	43,983	45,800	-	-
Finance lease receivables	12	224	211	-	-
Inventories		4,331	6,762	-	-
Other current assets		5,827	5,670	156	145
		273,774	309,100	59,404	60,167
Non-current assets					
Finance lease receivables	12	65,670	65,894	-	-
Property, plant and equipment	13	2,679,088	2,734,283	-	-
Right-of-use assets	14	29,820	30,039	-	-
Rental deposits		240	240	-	-
Goodwill and other intangible assets	15	845,978	844,223	-	-
Investment in subsidiaries	16	-	-	2,013,673	2,013,673
Subordinated loan to a subsidiary	17	-	-	1,100,000	1,100,000
Derivative financial instruments	18	21,997	29,001	-	-
		3,642,793	3,703,680	3,113,673	3,113,673
Total assets		3,916,567	4,012,780	3,173,077	3,173,840
LIABILITIES					
Current liabilities					
Trade and other payables	19	54,312	60,042	397	224
Deferred revenue	20	37,990	36,921	-	-
Lease liabilities	22	2,273	1,635	-	-
Current tax liabilities		42,828	43,312	69	20
		137,403	141,910	466	244
Non-current liabilities					
Other payables	19	794	1,059	-	-
Deferred revenue	20	5,133	5,530	-	-
Loans	21	763,124	732,016	-	-
Lease liabilities	22	31,204	31,602	-	-
Deferred tax liabilities	23	456,244	468,832	-	-
		1,256,499	1,239,039	-	-
Total liabilities		1,393,902	1,380,949	466	244
NET ASSETS		2,522,665	2,631,831	3,172,611	3,173,596
UNITHOLDERS' FUNDS					
Units in issue	24	3,117,178	3,117,178	3,117,178	3,117,178
(Accumulated deficits)/Retained earnings		(616,510)	(514,348)	55,433	56,418
Hedging reserves	18	21,997	29,001	-	-
Total Unitholders' funds		2,522,665	2,631,831	3,172,611	3,173,596

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Changes in Unitholders' Funds

For the financial year ended 31 March 2024

	Units in issue \$'000	Accumulated deficits \$'000	Hedging reserves \$'000	Total Unitholders' fund \$'000
Group				
2024				
At 1 April 2023	3,117,178	(514,348)	29,001	2,631,831
Total comprehensive income for the year:				
- Profit for the year	-	103,209	-	103,209
- Other comprehensive loss for the year	-	-	(7,004)	(7,004)
Distribution paid, representing transactions with Unitholders, recognised directly in Unitholders' funds (Note 29)	-	(205,371)	-	(205,371)
At 31 March 2024	3,117,178	(616,510)	21,997	2,522,665
2023				
At 1 April 2022	3,117,178	(421,348)	20,616	2,716,446
Total comprehensive income for the year:				
- Profit for the year	-	109,253	-	109,253
- Other comprehensive income for the year	-	-	8,385	8,385
Distribution paid, representing transactions with Unitholders, recognised directly in Unitholders' funds (Note 29)	-	(202,253)	-	(202,253)
At 31 March 2023	3,117,178	(514,348)	29,001	2,631,831

Statements of Changes in Unitholders' Funds

For the financial year ended 31 March 2024

	Units in issue \$'000	Retained earnings \$'000	Total Unitholders' fund \$'000
Trust			
2024			
At 1 April 2023	3,117,178	56,418	3,173,596
Total comprehensive income for the year:			
- Profit for the year	-	204,386	204,386
Distribution paid, representing transactions with Unitholders, recognised directly in Unitholders' funds (Note 29)	-	(205,371)	(205,371)
At 31 March 2024	3,117,178	55,433	3,172,611
2023			
At 1 April 2022	3,117,178	54,310	3,171,488
Total comprehensive income for the year:			
- Profit for the year	-	204,361	204,361
Distribution paid, representing transactions with Unitholders, recognised directly in Unitholders' funds (Note 29)	-	(202,253)	(202,253)
At 31 March 2023	3,117,178	56,418	3,173,596

Consolidated Cash Flow Statement

For the financial year ended 31 March 2024

	Note	2024 \$'000	2023 \$'000
Operating activities			
Profit before income tax		101,066	109,217
Adjustments for:			
- Depreciation and amortisation	7	172,928	170,617
- Net impairment losses on trade receivables	7,10	3	2
- Provision for stock obsolescence	7	254	32
- Interest expense	6	21,752	16,725
- Interest income	4	(3,347)	(1,580)
- Gain on disposal of property, plant and equipment	4,13	(1,123)	(6)
- Property, plant and equipment written off	7,13	8,837	2,380
- Share-based payment expenses	19	720	704
Operating cash flows before working capital changes		301,090	298,091
Changes in working capital:			
- Trade and other receivables		13,536	1,264
- Contract assets		1,817	(1,516)
- Trade and other payables		(3,280)	5,718
- Deferred revenue		672	7,746
- Inventories		2,177	(2,694)
Cash generated from operations		316,012	308,609
Interest received		3,320	1,560
Interest paid		(19,791)	(14,944)
Income tax paid		(10,929)	(9,533)
Net cash generated from operating activities		288,612	285,692
Investing activities			
Purchase of property, plant and equipment (Note A)		(124,285)	(88,572)
Purchase of intangible assets (Note A)		(8,033)	(8,167)
Proceeds on disposal of property, plant and equipment	13	4,688	6
Net cash used in investing activities		(127,630)	(96,733)
Financing activities			
Payment of loan arrangement fee	21	(75)	(1,575)
Repayments of lease liabilities	22	(3,326)	(3,245)
Repayment of bank loans	21	-	(156,000)
Distribution paid	29	(205,371)	(202,253)
Proceeds from bank loans	21	30,000	225,000
Net cash used in financing activities		(178,772)	(138,073)
Net (decrease)/increase in cash and cash equivalents		(17,790)	50,886
Cash and cash equivalents at beginning of financial year		200,704	149,818
Cash and cash equivalents at end of financial year	9	182,914	200,704

Consolidated Cash Flow Statement

For the financial year ended 31 March 2024

NOTE A

	Note	2024 \$'000	2023 \$'000
Purchase of property, plant and equipment	13	121,707	85,986
Less: Accruals for purchase of property, plant and equipment at end of financial year	19	(9,226)	(11,804)
Add: Payment of accruals for purchase of property, plant and equipment at beginning of financial year		11,804	14,390
		<u>124,285</u>	<u>88,572</u>
Purchase of intangible assets	15	7,385	8,664
Less: Accruals for intangible assets at end of financial year	19	(601)	(1,249)
Add: Payment of intangible assets at beginning of financial year		1,249	752
		<u>8,033</u>	<u>8,167</u>

Notes to the Financial Statements

For the financial year ended 31 March 2024

1. CORPORATE INFORMATION

NetLink NBN Trust (the “Trust”) was constituted by a trust deed dated 19 June 2017 (as amended and restated by the Amending and Restating Deeds dated 25 July 2018, 28 September 2020, 19 July 2021 and 20 July 2022) (collectively, the “Trust Deed”). It was registered as a business trust with the Monetary Authority of Singapore on 29 June 2017. The Trust is regulated by the Business Trusts Act 2004 and is domiciled in Singapore. The Trust was listed on the Mainboard of the Singapore Exchange Securities Trading Limited on 19 July 2017 (the “Listing Date”).

Under the Trust Deed, NetLink NBN Management Pte. Ltd. (the “Trustee-Manager”) has declared that it shall hold the authorised business on trust for the Unitholders as the Trustee-Manager of the Trust. The registered address of the Trustee-Manager is at 750E Chai Chee Road, #07-03, ESR BizPark @ Chai Chee, Singapore 469005.

The principal activities of the Trust are that of investment holding. The principal activities of the Trust’s subsidiaries are disclosed in Note 16 to the financial statements.

These financial statements for the financial year ended 31 March 2024 were authorised for issue in accordance with a resolution of the Board of Directors of the Trustee-Manager on 16 May 2024.

1.1 Basis of preparation

The financial statements have been prepared on the historical cost basis, except as disclosed in the material accounting policy information and are drawn up in accordance with the provisions of the Business Trusts Act 2004 and Singapore Financial Reporting Standards (International) (“SFRS(I)s”). The financial statements are presented in Singapore dollars and all values are rounded to the nearest thousands (“\$’000”), except when otherwise stated.

1.2 Adoption of new and revised standards

On 1 April 2023, the Trustee-Manager adopted all the new and revised SFRS(I) pronouncements that are mandatorily effective and are relevant to the Group’s and the Trust’s operations. The adoption has no material effect on the disclosures or amounts reported for the current or prior years except as below.

- Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: *Disclosure of Accounting Policies*

The Group has adopted the amendments to SFRS(I) 1-1 for the first time in the current year. The amendments change the requirements in SFRS(I) 1-1 with regard to disclosure of accounting policies. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in SFRS(I) 1-1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The Group has applied materiality guidance in SFRS(I) Practice Statement 2 in identifying its material accounting policies for disclosures in the related notes. The previous term ‘significant accounting policies’ used throughout the financial statements has been replaced with ‘material accounting policy information’.

Notes to the Financial Statements

For the financial year ended 31 March 2024

1.2 Adoption of new and revised standards (cont'd)

- Amendments to SFRS(I) 1-12: *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

The Group has adopted the amendments to SFRS(I) 1-12 for the first time in the current year. The amendments narrow the scope of the initial recognition exemption, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences (e.g. leases and decommissioning obligations). Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting profit nor taxable profit.

The Group had not previously recognised deferred tax for leases on an aggregate temporary difference basis as this was not material to the Group. Following the amendments, the Group is required to recognise separately deferred tax asset and deferred tax liability for the deductible and taxable temporary differences in relation to its lease liabilities and right-of-use assets respectively, which are now disclosed in Note 23. There was no impact to the opening retained earnings as at 1 April 2023 as a result of the change, and there was also no material impact on the statement of financial position as the resulting deferred tax consequences qualify for offsetting under SFRS(I) 1-12.

1.3 Standards issued but not yet effective

At the date of authorisation of these financial statements, the Group and Trust have not applied the following SFRS(I) pronouncements that have been issued but are not yet effective.

Effective for annual periods beginning on or after 1 January 2024

- Amendments to SFRS(I) 1-1: *Classification of Liabilities as Current or Non-current*
- Amendments to SFRS(I) 1-1: *Non-current Liabilities with Covenants*

The Trustee-Manager is still assessing the adoption of the above amendments to SFRS(I) in future periods on the financial statements of the Group and Trust but anticipates that the adoption of the above amendments to SFRS(I) in future periods will not have a material impact on the financial statements of the Group and Trust.

1.4 Material accounting policy information

Functional and presentation currency

The individual financial statements of each group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position and statement of changes in Unitholders' funds of the Trust are presented in Singapore dollars, which is the functional currency of the Trust and the presentation currency for the consolidated financial statements.

Notes to the Financial Statements

For the financial year ended 31 March 2024

1.4 Material accounting policy information (cont'd)

Subsidiaries

Subsidiaries are entities controlled by the Group. Control is achieved when the Group has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee, and has the ability to use its power to affect its returns. Details of the Group's significant subsidiaries and composition of the Group are disclosed in Note 16.

Basis of consolidation

The consolidated financial statements of the Group incorporate the financial statements of the Trust and its subsidiaries. Consolidation of a subsidiary begins when the Trust obtains control over the subsidiary and ceases when the Trust loses control of the subsidiary. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Trust's separate financial statements

Investments in subsidiaries are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

Fair value measurement

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 if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for the measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of SFRS(I) 2 *Share-based Payment*, leasing transactions that are within the scope of SFRS(I) 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SFRS(I) 1-2 *Inventories* or value in use in SFRS(I) 1-36 *Impairment of Assets*.

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

Notes to the Financial Statements

For the financial year ended 31 March 2024

1.4 Material accounting policy information (cont'd)

Financial instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

Financial assets are initially measured at fair value (except for trade receivables that do not have a significant financing component which are measured at transaction price), net of transaction costs that are directly attributable to the acquisition or issue of financial assets. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Classification of financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value through other comprehensive income ('FVTOCI') based on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial assets (comprising Cash and bank deposits (Note 9), trade and other receivables (Note 10), unbilled receivables (Note 11), finance lease receivables (Note 12), other current assets, rental deposit and subordinated loan to a subsidiary (Note 17)) are subsequently measured at amortised cost as they are held within a business model whose objective is to collect the contractual cash flows which are solely payments of principal and interest on the principal amount outstanding ("SPPI").

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on trade and other receivables, unbilled receivables and finance lease receivables and other debt instruments that are measured at amortised cost. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial asset.

The ECL incorporates forward-looking information and is a probability-weighted estimate of the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. Details about the Group's credit risk management and impairment policies are disclosed in Note 28(b), and ECL policies are disclosed in on trade and other receivables (Note 10), unbilled receivables (Note 11), finance lease receivables (Note 12) and subordinated loan to a subsidiary (Note 17).

Notes to the Financial Statements

For the financial year ended 31 March 2024

1.4 Material accounting policy information (cont'd)

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks 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 equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities measured at amortised cost

Financial liabilities at amortised cost include trade and other payables and loans. These are initially measured at fair value, net of transaction costs that are directly attributable to the acquisition or issue of the financial liabilities, and are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Notes to the Financial Statements

For the financial year ended 31 March 2024

1.5 Critical judgements in applying the Group's material accounting policies and key sources of estimation uncertainty

The preparation of financial statements requires management to exercise judgements, use estimates and make assumptions in the application of policies and in reporting the amounts in the financial statements. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from these estimates. Critical accounting estimates and assumptions used that are significant to the financial statements, and areas involving a higher degree of judgement and complexity, are as follows and further disclosed in the respective notes:

Note description	Critical judgements and key sources of estimation uncertainty	Note #
Property, plant and equipment	Estimated useful life of property, plant and equipment	13
Goodwill and investment in subsidiaries	Impairment reviews on goodwill and investment in subsidiaries	15 and 16

2. SEGMENT INFORMATION

The chief operating decision maker has been determined as the Chief Executive Officer of the Group. The Chief Executive Officer reviews the internal management reports in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

As the Group is principally engaged in the provision of ducts and manholes, central offices and space in central offices and fibre related services in Singapore, management considers that the Group operates in one single business and geographical segment.

Notes to the Financial Statements

For the financial year ended 31 March 2024

3. REVENUE

Revenue consists of both regulated and non-regulated revenues. Regulated revenues comprise revenues received pursuant to the Interconnection Offer, Tariff and Customised Agreement and the ducts and manholes services revenue. Revenue received pursuant to the Interconnection Offer are subject to regulated pricing determined by Infocomm Media Development Authority (“IMDA”). The tariff and Customised Agreement for providing fibre connection services and the ducts and manholes services revenue was approved by IMDA. Non-regulated revenue comprises central office revenue, ancillary project revenue and other revenue that is not regulated or approved by IMDA.

Disaggregation of the Group’s revenue for the year by timing of revenue recognition is as follows:

	Group	
	2024 \$'000	2023 \$'000
At a point in time:		
- Installation-related revenue	24,899	22,727
- Ancillary project revenue	22,881	25,654
- Co-location revenue – Others	1,400	689
- Other revenue	243	311
	49,423	49,381
Over time:		
- Ducts and manholes service revenue - Provision of space	27,007	27,431
- Central office revenue	4,147	4,176
- Finance lease income (Note 12)	3,938	3,978
- Service income and charges	7,689	7,067
- Connection revenue	300,576	293,284
- Co-location revenue - Space, power and cooling	18,496	18,143
	361,853	354,079
	411,276	403,460

As at 31 March 2024, all performance obligations that are unsatisfied or partially satisfied are either part of a contract that has an original expected duration of one year or less, or the Group has a right to consideration from the customer in an amount that corresponds directly with the value to the customer of the Group’s performance, the Group has applied the practical expedient to not disclose the related unsatisfied performance obligations.

Notes to the Financial Statements

For the financial year ended 31 March 2024

3. REVENUE (CONT'D)

Contract balances

Contract balances with customers and the related disclosures have been included in the following notes:

- Trade and other receivables (Note 10)
- Contract assets (Note 11)
- Deferred revenue (Note 20)

Material accounting policy information

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

The Group recognises revenue from the following major sources:

- (a) Ducts and manholes service revenue primarily comprise revenue received from the provision of space in NetLink Trust's ("NLT") ducts and manholes. Revenue is recognised over time over the contract period on a straight-line basis when the services are rendered.
- (b) Central office revenue primarily comprises revenue received for the lease of machinery and equipment relating to the central offices. Revenue relating to central office is recognised over time over the lease period on a straight-line basis when the services are rendered.
- (c) Service income and charges primarily comprises revenue for the provision of ancillary services such as security, maintenance and administration services relating to the central offices. Revenue relating to service income and charges is recognised over time over the lease period on a straight-line basis when the services are rendered.
- (d) Connection revenue primarily comprises monthly recurring fees received from Requesting Licensees for each residential, non-residential, Non-Building Address Points ("NBAP") and segment (i.e. point to point) connection. Revenue is recognised over time over the subscription period on a straight-line basis when the services are rendered.
- (e) Co-location revenue includes the following:
 - (i) Monthly recurring charges received from Requesting Licensees to use space in co-location rooms in central office to house their equipment racks. Revenue is recognised over time over the lease term when the services are rendered; and
 - (ii) Provision of ancillary services includes the provision of power and cooling. Revenue from power is recognised over time using the rate and usage charged while cooling is recognised over time over the lease term when services are rendered.

Notes to the Financial Statements

For the financial year ended 31 March 2024

3. REVENUE (CONT'D)

- (f) Installation-related revenue includes the following:
- (i) One-time charges imposed on Requesting Licensees for the installation of a termination point at residential home, non-residential premises and/or NBAP locations, and charges for the relocation, repair, replacement or removal of existing termination points and/or fibre cables within the same residential home, non-residential premises and/or NBAP location. Revenue from the installation of network fibre is recognised upon completion of the installation of the network fibre for each customer; and
 - (ii) Service activation charge imposed on Requesting Licensees for each activation of service on any fibre which comprises of the patching and unpatching services relating to each new connection. Revenue from the patching services is recognised upon activation of fibre connection, while revenue from the unpatching services is deferred until the unpatching work for the termination of fibre connection is completed.
- (g) Ancillary project revenue comprise mainly diversion revenue received from third parties, such as developers and the Government Agencies upon their request for the diversion of NLT's ducts, manholes and fibre cables due to events such as road works, the construction of MRT infrastructure and tunnels and building construction. Revenue is recognised upon completion of diversion work for each customer.

Accounting policy for finance lease income is disclosed in Note 12.

4. OTHER INCOME

	Group	
	2024 \$'000	2023 \$'000
Net gain on disposal of property, plant and equipment	1,123	6
Interest income	3,347	1,580
Grant income ^(a)	1,832	740
Third party compensation	870	1,777
Others ^(b)	2,101	1,753
	9,273	5,856

(a) Grant income receivable from IMDA for a manhole cover replacement project. The Group assessed that there is reasonable assurance that it complied with the conditions attached to the grants and the grants had been received or receivable.

(b) Others consists mainly of income from Fibre Readiness Certification, Notice for Commencement of Earthworks and Plant Route Plans.

Notes to the Financial Statements

For the financial year ended 31 March 2024

4. OTHER INCOME (CONT'D)

Material accounting policy information

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Grant income is not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received, and are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

Grant income that is receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

5. STAFF COSTS

	Group	
	2024 \$'000	2023 \$'000
Salaries and wages	30,813	28,809
Employer's contribution to defined contribution plans including Central Provident Fund	3,645	3,357
Other short-term benefits	2,317	2,054
Less: Staff costs capitalised	(8,960)	(8,676)
	27,815	25,544

Material accounting policy information

Staff costs are recognised as an expense unless the cost qualifies to be capitalised as an asset. Direct labour costs arising directly from the construction or acquisition of the items of property, plant, and equipment and intangible assets are considered directly attributable costs and capitalised into property, plant and equipment and intangible assets.

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund, on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

Notes to the Financial Statements

For the financial year ended 31 March 2024

6. FINANCE COSTS

	Group	
	2024 \$'000	2023 \$'000
Interest expense on bank loans	32,869	20,802
Interest expense on lease liabilities (Note 22)	987	786
Financing related costs*	1,326	1,160
Realised gain on interest rate swaps designated in hedge accounting relationship, reclassified from hedging reserves (Note 18)	(13,430)	(6,023)
	21,752	16,725

* Includes amortisation of transaction fees amounting to \$809,000 (2023: \$859,000).

Material accounting policy information

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 using effective interest rate method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and 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 liability, or, where appropriate, a shorter period, to the amortised cost of a financial liability. Borrowing costs also include interest expense arising from lease liabilities.

Notes to the Financial Statements

For the financial year ended 31 March 2024

7. PROFIT BEFORE INCOME TAX

The following items have been included in arriving at profit before income tax:

	Group	
	2024 \$'000	2023 \$'000
<u>Depreciation and amortisation:</u>		
Depreciation of property, plant and equipment (Note 13)	164,500	162,563
Depreciation of right-of-use assets (Note 14)	2,798	2,864
Amortisation of intangible assets (Note 15)	5,630	5,190
	172,928	170,617
<u>Other operating expenses:</u>		
Property tax	18,025	17,753
Property, plant and equipment written off (Note 13)	8,837	2,380
Provision for stock obsolescence	254	32
<u>Impairment loss on financial assets:</u>		
Net impairment losses on trade receivables (Note 10)	3	2
<u>Total amount of fees paid/payable to auditors of the Trust:</u>		
Audit fees paid/payable to auditors of the Trust	186	175
Non audit fees paid/payable to auditors of the Trust	47	51
	233	226

8. INCOME TAX CREDIT

The major components of income tax credit for the financial year are as follows:

	Group	
	2024 \$'000	2023 \$'000
Income tax is made up of:		
- Current income tax expense	(11,807)	(15,638)
- Over/(under) provision of current income tax in prior year	1,362	(132)
	(10,445)	(15,770)
- Deferred income tax due to origination and reversal of temporary differences (Note 23)	13,151	15,683
- (Under)/over provision of deferred income tax in prior year (Note 23)	(563)	123
Income tax credit recognised in profit or loss	2,143	36

Notes to the Financial Statements

For the financial year ended 31 March 2024

8. INCOME TAX CREDIT (CONT'D)

The reconciliation between income tax credit and accounting profit multiplied by the applicable corporate tax rate for the financial year is as follows:

	Group	
	2024 \$'000	2023 \$'000
Profit before income tax	101,066	109,217
Income tax calculated at a tax rate of 17% (2023: 17%)	(17,181)	(18,567)
Effect of:		
- Income not subject to taxation	310	126
- Expenses not deductible for tax purposes	(1,357)	(1,231)
- Tax relief and tax rebate	35	52
- Tax benefit on the tax exempted interest income derived from qualifying project debt securities (Note 17)	19,635	19,635
- Over/(under) provision in prior year – net	799	(9)
- Others	(98)	30
	2,143	36

Material accounting policy information

Income tax expense represents the sum of the tax currently payable and deferred tax, which are recognised in profit or loss. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting and any adjustment to tax payable in respect of previous periods.

The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects the uncertainty related to income taxes.

Notes to the Financial Statements

For the financial year ended 31 March 2024

9. CASH AND BANK DEPOSITS

	Group		Trust	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Cash and bank balances	157,914	180,704	59,072	59,876
Fixed deposit	25,000	20,000	-	-
Cash and cash equivalents in the consolidated cash flow statement	182,914	200,704	59,072	59,876

Material accounting policy information

Cash and bank deposits comprise cash at bank and fixed deposits which are subsequently measured at amortised cost. Cash and cash equivalents in the consolidated cash flow statement comprise cash at bank and fixed deposits (generally with original maturity of three months or less) that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

10. TRADE AND OTHER RECEIVABLES

As at 1 April 2022, trade receivables from contracts with customers amounted to \$42,630,000 (net of loss allowance of \$62,000).

	Group		Trust	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Trade receivables:				
- Third parties	9,082	16,190	43	25
- Substantial Unitholder	11,767	20,962	-	-
- Subsidiaries of a substantial shareholder of the substantial Unitholder	14,328	11,593	-	-
Loss allowances	(67)	(64)	-	-
	35,110	48,681	43	25
Other receivables:				
- Third parties	398	372	-	4
- Subsidiaries	-	-	133	117
Grant receivable	987	900	-	-
	36,495	49,953	176	146

Notes to the Financial Statements

For the financial year ended 31 March 2024

10. TRADE AND OTHER RECEIVABLES (CONT'D)

ECL assessment of trade receivables

The following table details the risk profile of trade receivables based on the Group's provision matrix.

	2024			2023		
	Expected loss rate	Gross carrying amount	Loss allowance	Expected loss rate	Gross carrying amount	Loss allowance
	%	\$'000	\$'000	%	\$'000	\$'000
Group						
Current	0.1	33,344	20	0.1	38,134	6
Past due 1-30 days	0.7	1,255	9	0.7	1,950	13
Past due 31-60 days	8.3	180	15	0.1	4,096	3
Past due 61-90 days	80.0	5	4	11.1	9	1
Past due above 90 days	4.8	393	19	0.9	4,556	41
		<u>35,177</u>	<u>67</u>		<u>48,745</u>	<u>64</u>

The table below shows the movement in lifetime ECL that has been recognised for trade receivables in accordance with the simplified approach set out in SFRS(I) 9:

	Lifetime ECL - Not credit-impaired		Lifetime ECL - credit-impaired	Total
	Collectively assessed	Individually assessed	Collectively assessed	
	\$'000	\$'000	\$'000	
At 1 April 2022	41	-	21	62
Loss allowance recognised	22	1	26	49
Amounts recovered	(41)	-	(6)	(47)
At 31 March 2023	22	1	41	64
Loss allowance recognised	44	-	10	54
Amounts recovered	(18)	(1)	(32)	(51)
At 31 March 2024	48	-	19	67

Notes to the Financial Statements

For the financial year ended 31 March 2024

10. TRADE AND OTHER RECEIVABLES (CONT'D)

ECL assessment of other receivables

Other receivables due from third parties are considered to have low risk of default as they are not due for payment at the end of the reporting period and there has been no significant increase in credit risk since initial recognition, as the Group has not identified any indications of adverse changes in business, financial or economic conditions that are expected to cause a significant change in the counterparty's ability to meet its repayment obligations. The loss allowance is measured at an amount equal to 12-month ECL and is determined to be immaterial.

Other receivables due from subsidiaries are considered to have low credit risk because the subsidiaries have strong financial capacity to meet the contractual obligation. Accordingly, the Trust has applied the practical expedient under SFRS(I) 9 to measure the loss allowance at an amount equal to 12-month ECL and has determined the amount to be immaterial.

Material accounting policy information

Trade receivables are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore classified as current. Trade receivables are initially measured at their transaction price, unless they contain significant financing components, when they are recognised at fair value. They are subsequently measured at amortised cost, less loss allowance.

The Group applies the simplified approach in SFRS(I) 9 to measure the loss allowance at an amount equal to lifetime ECL for trade receivables and contract assets. The loss allowance is estimated using a provision matrix by reference to past default experience of the customers and an analysis of the customers' current financial position, adjusted for factors that are specific to the customers, general economic conditions of the industry in which the customers operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The Group considers default has occurred when a trade receivable is more than 90 days past due unless the group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate. The Group writes off a trade receivable or a contract asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. Financial assets written off may still be subject to enforcement activities under the group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

There has been no change in the estimation techniques or material assumptions made during the current reporting period.

Details about the Group's credit risk management are disclosed in Note 28(b).

Other receivables are recognised initially at fair value and are subsequently measured at amortised cost, less loss allowance.

Notes to the Financial Statements

For the financial year ended 31 March 2024

11. CONTRACT ASSETS

As at 1 April 2022, contract assets from contracts with customers amounted to \$44,284,000.

	Group	
	2024	2023
	\$'000	\$'000
Unbilled receivables	27,974	27,817
Ancillary projects in progress	16,009	17,983
	43,983	45,800

	Group	
	2024	2023
	\$'000	\$'000
Unbilled receivables		
Substantial Unitholder	10,845	10,160
Subsidiaries of a substantial shareholder of the substantial Unitholder	11,035	10,796
Third parties	6,094	6,861
	27,974	27,817

	Group	
	2024	2023
	\$'000	\$'000
Ancillary projects in progress		
Substantial Unitholder	1,417	-
Third parties	14,592	17,983
	16,009	17,983

Notes to the Financial Statements

For the financial year ended 31 March 2024

11. CONTRACT ASSETS (CONT'D)

Movements in the unbilled receivables during the year are as follows:

	Group	
	2024 \$'000	2023 \$'000
At the beginning of the year	27,817	29,650
Contract assets recognised, net of reclassification to trade receivables	157	(1,833)
At the end of the year	27,974	27,817

Unbilled receivables primarily relate to the Group's rights to consideration for goods and services provided but not billed at the reporting date. Unbilled receivables are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customers.

Movements in the ancillary projects in progress during the year are as follows:

	Group	
	2024 \$'000	2023 \$'000
At the beginning of the year	17,983	14,634
Contract assets recognised, net of reclassification to trade receivables	(1,974)	3,349
At the end of the year	16,009	17,983

Ancillary project in progress pertains primarily to costs incurred for ancillary projects not completed at year end. These costs will be recognised in the statement of profit or loss and other comprehensive income when the ancillary projects are completed.

ECL is not expected to be significant for unbilled receivables. Unbilled receivables are considered to have low risk of default as they are not due for payment at the end of the reporting period and there has been no significant increase in credit risk since initial recognition, as the Group has not identified any indications of adverse changes in business, financial or economic conditions that are expected to cause a significant change in the counterparty's ability to meet its repayment obligations. The loss allowance is measured at an amount equal to 12-month ECL and is determined to be immaterial.

Material accounting policy information

Refer to Note 3 for the material accounting policy information relating to recognition of revenue.

Notes to the Financial Statements

For the financial year ended 31 March 2024

12. FINANCE LEASE RECEIVABLES

	Group	
	2024	2023
	\$'000	\$'000
Amounts receivable under finance leases		
Year 1	4,148	4,148
Year 2	4,148	4,148
Year 3	4,148	4,148
Year 4	4,148	4,148
Year 5	4,148	4,148
Year 6 and onwards	186,650	190,798
Undiscounted lease payments and gross investment in the lease (Note 26b)	207,390	211,538
Less: Unearned finance income	(141,496)	(145,433)
Net investment in the lease	65,894	66,105
Undiscounted lease payments analysed as:		
Recoverable within 12 months	4,148	4,148
Recoverable after 12 months	203,242	207,390
	207,390	211,538
Net investment in the lease analysed as:		
Recoverable within 12 months	224	211
Recoverable after 12 months	65,670	65,894
	65,894	66,105

The following table presents the amounts included in profit or loss.

	Group	
	2024	2023
	\$'000	\$'000
Finance income on the net investment in finance leases (Note 3)	3,938	3,978

The Group's finance lease arrangements do not include variable payments.

Notes to the Financial Statements

For the financial year ended 31 March 2024

12. FINANCE LEASE RECEIVABLES (CONT'D)

The finance lease receivables relate to the rental agreements on the land and buildings between a subsidiary and the substantial Unitholder in relation to the space occupied by the substantial Unitholder in the central office buildings owned by the subsidiary. As at 31 March 2012, the Central office buildings have a remaining lease period of 57 to 77 years.

The interest rate inherent in the leases is fixed at the contract date for all of the lease term. The average effective interest rate contracted is approximately 6.2% (2023: 6.2%).

Finance lease receivables are considered to have low risk of default as they are not due for payment at the end of the reporting period and there has been no significant increase in credit risk since initial recognition, as the Group has not identified any indications of adverse changes in business, financial or economic conditions that are expected to cause a significant change in the counterparty's ability to meet its repayment obligations. The loss allowance is measured at an amount equal to 12-month ECL and is determined to be immaterial.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for finance lease receivables.

Material accounting policy information

The Group enters into lease agreements as a lessor with respect to the lease of space occupied by the substantial Unitholder in central office buildings owned by the Group.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Finance lease income is calculated with reference to the gross carrying amount of the lease receivables.

When a contract includes lease and non-lease components, the Group applies SFRS(I) 15 to allocate the consideration under the contract to each component.

Notes to the Financial Statements

For the financial year ended 31 March 2024

13. PROPERTY, PLANT AND EQUIPMENT

	Leasehold land and buildings	Network assets	Exchange equipment	Leasehold improvements	Furniture, fittings and equipment	Motor vehicles	Asset under construction	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group								
Cost:								
At 1 April 2022	37,042	3,859,633	121,173	2,483	28,788	1,747	64,152	4,115,018
Reclassification (Note 30)	-	-	-	-	(22,403)	-	(17,109)	(39,512)
At 1 April 2022 (after reclassification)	37,042	3,859,633	121,173	2,483	6,385	1,747	47,043	4,075,506
Reclassification	607	-	-	-	-	-	-	607
Additions	108	6,701	2,198	274	919	7	75,779	85,986
Transfer	802	71,542	210	-	-	-	(72,554)	-
Disposals/written off	(217)	(3,099)	(2,703)	(448)	(954)	-	(186)	(7,607)
At 31 March 2023	38,342	3,934,777	120,878	2,309	6,350	1,754	50,082	4,154,492
Additions	3,200	33,460	891	12	940	-	83,204	121,707
Transfer	-	60,940	-	-	-	-	(60,940)	-
Disposals/written off	(23)	(18,324)	(126)	-	(1)	-	(64)	(18,538)
At 31 March 2024	41,519	4,010,853	121,643	2,321	7,289	1,754	72,282	4,257,661
Accumulated depreciation:								
At 1 April 2022	8,293	1,165,652	80,511	2,388	26,682	814	-	1,284,340
Reclassification (Note 30)	-	-	-	-	(21,467)	-	-	(21,467)
At 1 April 2022 (after reclassification)	8,293	1,165,652	80,511	2,388	5,215	814	-	1,262,873
Depreciation charge (Note 7)	1,582	151,323	8,515	64	904	175	-	162,563
Disposals/written off	(165)	(1,067)	(2,593)	(448)	(954)	-	-	(5,227)
At 31 March 2023	9,710	1,315,908	86,433	2,004	5,165	989	-	1,420,209
Depreciation charge (Note 7)	1,750	154,144	7,485	81	863	177	-	164,500
Disposals/ written off	(18)	(6,039)	(78)	-	(1)	-	-	(6,136)
At 31 March 2024	11,442	1,464,013	93,840	2,085	6,027	1,166	-	1,578,573
Net carrying amount:								
At 31 March 2023	28,632	2,618,869	34,445	305	1,185	765	50,082	2,734,283
At 31 March 2024	30,077	2,546,840	27,803	236	1,262	588	72,282	2,679,088

Leasehold land and buildings include leases of land on which the Group's central office buildings are built on, with remaining lease terms of between 44 years to 64 years (2023: 45 years to 65 years) and have a net carrying amount of \$13,680,000 (2023: \$13,583,000).

Notes to the Financial Statements

For the financial year ended 31 March 2024

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Material accounting policy information

Property, plant and equipment acquired as part of a business combination are recognised initially at their fair values at the date of acquisition and subsequently carried at cost (i.e. the fair values at initial recognition) less accumulated depreciation and accumulated impairment losses.

All other property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The initial cost of an item includes its purchase price and any costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Trustee-Manager. Cost also includes professional fees and, for qualifying assets, borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

The projected cost of dismantlement, removal or restoration is also recognised as part of the cost of property, plant and equipment if the obligation for the dismantlement, removal or restoration is incurred as a consequence of either acquiring the asset or using the asset.

Depreciation

Depreciation is calculated using a straight-line method to allocate their depreciable amounts over their estimated useful life as follows:

Leasehold land and buildings	Over the remaining leasehold period of 57 to 77 years and for incidental assets 10 to 15 years
Network assets	25 to 50 years
Exchange equipment	3 to 15 years
Leasehold improvements	5 years
Furniture, fittings and equipment	3 to 7 years
Motor vehicles	10 years

Assets under construction included in property, plant and equipment are carried at cost, less any recognised impairment loss. Asset under construction is not depreciated as these assets are not yet available for use. Depreciation will commence when these assets are ready for use.

The estimated useful lives, residual values and depreciation method of property, plant and equipment are reviewed and adjusted as appropriate, at each year end. The effects of any changes in estimate are accounted for prospectively.

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in the profit or loss when incurred.

Notes to the Financial Statements

For the financial year ended 31 March 2024

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Disposal

On disposal of a property, plant and equipment, the difference between sale proceeds and its carrying amount is recognised in the profit or loss.

Impairment of property, plant and equipment

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment 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 to determine the extent of the impairment loss (if any). Where the assets do not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) 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.

Critical judgements in applying the Group's material accounting policies

The Group reviews annually the estimated useful life of property, plant and equipment based on factors such as business plans and strategies, expected level of usage and future technological developments. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful life of property, plant and equipment would decrease the net profit and decrease the carrying value of property, plant and equipment.

Notes to the Financial Statements

For the financial year ended 31 March 2024

14. RIGHT-OF-USE ASSETS

The Group leases several leasehold land and buildings and furniture, fittings and equipment. The average lease term is 14 years (2023: 16 years).

	Leasehold land and buildings \$'000	Furniture, fittings and equipment \$'000	Total \$'000
Group			
Cost:			
At 1 April 2022	53,106	612	53,718
Increase	2,707	-	2,707
Decrease	(5,638)	-	(5,638)
Disposal	(4,890)	(344)	(5,234)
At 31 March 2023	45,285	268	45,553
Increase	1,745	834	2,579
Disposal	(7,176)	(84)	(7,260)
At 31 March 2024	39,854	1,018	40,872
Accumulated depreciation:			
At 1 April 2022	17,662	398	18,060
Depreciation charge (Note 7)	2,757	107	2,864
Decrease	(176)	-	(176)
Disposal	(4,890)	(344)	(5,234)
At 31 March 2023	15,353	161	15,514
Depreciation charge (Note 7)	2,601	197	2,798
Disposal	(7,176)	(84)	(7,260)
At 31 March 2024	10,778	274	11,052
Carrying amount:			
At 31 March 2023	29,932	107	30,039
At 31 March 2024	29,076	744	29,820

The Group has no options to purchase any of its right-of-use assets at the end of the lease term, and there are no variable lease payment terms on all leases. The Group has options to extend the leases of certain leasehold land and buildings and furniture, fittings and equipment by another 1-2 years.

Leases amounting \$1,995,000 (2023: \$165,000) that expired in the current financial year were extended.

Due to the decrease in areas leased, the Group has applied lease modifications accounting resulting in a decrease of right-of-use assets amounting to \$Nil (2023: \$5,462,000) and lease liability amounting to \$Nil (2023: \$5,459,000) (Note 22).

Notes to the Financial Statements

For the financial year ended 31 March 2024

14. RIGHT-OF-USE ASSETS (CONT'D)

Material accounting policy information

The Group assesses whether a contract is or contains a lease, at inception of the contract. A right-of-use asset and a corresponding lease liability are recognised with respect to all lease arrangements, except for short-term leases (those with a lease term of 12 months or less) and leases of low value assets (those with cost below \$5,000 when new). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The Group has applied the practical expedient under SFRS(I) 16 that permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement.

A right-of-use asset is initially measured at cost comprising the initial lease liability, any lease payments made at or before the commencement date (less any lease incentives received), any initial direct costs and any restoration costs. The right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset and are tested for impairment in accordance with the policy similar to that adopted for property, plant and equipment in Note 13. The Group has assessed that there is no indication of impairment for its right-of-use assets.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the Group's lease liabilities comprise mainly of fixed lease payments over the lease terms and variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. Lease liability is remeasured by discounting the revised lease payments using a revised discount rate when there is a change in the lease term upon exercising extension options not previously included in the determination of the lease term. A corresponding adjustment is made to the related right-of-use asset.

Notes to the Financial Statements

For the financial year ended 31 March 2024

15. GOODWILL AND OTHER INTANGIBLE ASSETS

	Goodwill	License	Software development costs	Total
	\$'000	\$'000	\$'000	\$'000
Group				
Cost:				
At 1 April 2022	746,854	95,980	-	842,834
Reclassification (Note 30)	-	-	39,512	39,512
At 1 April 2022 (after reclassification)	746,854	95,980	39,512	882,346
Additions	-	-	8,664	8,664
At 31 March 2023	746,854	95,980	48,176	891,010
Additions	-	-	7,385	7,385
Disposal	-	-	(10)	(10)
At 31 March 2024	746,854	95,980	55,551	898,385
Accumulated amortisation:				
At 1 April 2022	-	20,130	-	20,130
Reclassification (Note 30)	-	-	21,467	21,467
At 1 April 2022 (after Reclassification)	-	20,130	21,467	41,597
Amortisation charge (Note 7)	-	4,238	952	5,190
At 31 March 2023	-	24,368	22,419	46,787
Amortisation charge (Note 7)	-	4,238	1,392	5,630
Disposal	-	-	(10)	(10)
At 31 March 2024	-	28,606	23,801	52,407
Carrying amount:				
At 31 March 2023	746,854	71,612	25,757	844,223
At 31 March 2024	746,854	67,374	31,750	845,978

Notes to the Financial Statements

For the financial year ended 31 March 2024

15. GOODWILL AND OTHER INTANGIBLE ASSETS (CONT'D)

Material accounting policy information

Goodwill

Goodwill arising from business combination is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, the goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount (estimated based on the higher of fair value less costs of disposal and value in use) of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss on goodwill is recognised in profit or loss and is not reversed in a subsequent period.

On disposal of a cash generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are identified and recognised separately from goodwill. The cost of such intangible assets is their fair value at the acquisition date.

The Group's Facilities-Based Operations ("FBO") licence has a finite useful life, over which the assets are amortised using the straight-line method. The estimated useful life of 23 years from the financial year ended 31 March 2018 is consistent with the remaining useful life of network assets.

The Group's Facilities-Based Operations licence pertains to providing access to the ducts, manholes and central offices required by other FBOs in rolling out their network for specific telecommunication purposes.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Software development costs has a useful life of 3-7 years and assets are amortised over the estimated useful life.

The estimated useful life and amortisation method are reviewed as at each reporting date, with the effect of any changes in estimate being accounted for on a prospective basis. The amortisation expense is included in the line item "depreciation and amortisation" in profit or loss.

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

Recoverable amount is the higher of fair value less costs to sell and value in use.

Notes to the Financial Statements

For the financial year ended 31 March 2024

15. GOODWILL AND OTHER INTANGIBLE ASSETS (CONT'D)

Key sources of estimation uncertainty in applying the Group's material accounting policies

Goodwill arose in the acquisition of NLT because the consideration paid effectively included amounts in relation to the benefits of expected revenue growth which do not meet the recognition criteria for separate intangible assets.

The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired. There is only one cash-generating unit and management considers that the Group operates in one single business unit.

During an impairment review, the Group assesses whether the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. Recoverable amount is defined as the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use. In making this judgement, the Group evaluates the value in use which is supported by the net present value of future cash flows derived from such assets or cash-generating units using cash flow projections which have been discounted at an appropriate rate. Forecasts of future cash flows are based on the Group's estimates using historical, sector and industry trends, general market and economic conditions, changes in technology and other available information.

The recoverable amount of the cash-generating unit is determined from value in use calculations. The key assumptions for the value in use calculations are the discount rate and the expected cash flows. The long-term cash flow forecasts are based on revenue, operating and capital expenditure assumptions which are mainly driven by growth rates and operating margins.

The Group prepares cash flow forecasts which are derived from the most recent financial budget approved by the Board. The discount rates applied to the cash flow projections are based on Weighted Average Cost of Capital ("WACC") where the cost of a company's debt and equity capital are weighted to reflect its capital structure.

The WACC used to discount the cash flows is 4.89% (2023: 5.69%). The time period used is 10 years (2023: 11 years) in line with the license period granted by IMDA. The terminal growth rates used of 1.50% (2023: 1.50%) do not exceed the long-term average growth rates of the industry in which the Group operates.

As at 31 March 2024, any reasonably possible change to the key assumptions applied are not likely to cause the recoverable amounts to be below the carrying amounts of the cash-generating unit.

Notes to the Financial Statements

For the financial year ended 31 March 2024

16. INVESTMENT IN SUBSIDIARIES

	Trust	
	2024 \$'000	2023 \$'000
Unquoted equity investments, at cost	2,013,673	2,013,673

Details of the subsidiaries at the end of the reporting period are as follows:

Name of company/entity	Principal activities (Country of incorporation/Place of business)	Proportion of ownership interest and voting rights (%)	
		2024	2023
Held by the Trust:			
NetLink Trust [#]	See Note 1 below (Singapore)	100	100
NetLink Management Pte. Ltd. [#]	Provision of management services to NLT (Singapore)	100	100
NetLink Treasury Pte. Ltd. [#]	Provision of treasury management activities (Singapore)	100	100
Held through NetLink Trust:			
NetLink Trust Operations Company Pte. Ltd. [#]	Provision of manpower services to NLT (Singapore)	100	100

[#] Audited by Deloitte & Touche LLP.

Note 1:

The principal activities are (i) The ducts and manholes business which entails the ownership, installation, operation and maintenance of ducts, manholes, central offices and space in central offices in Singapore for the purposes of telecommunication activities; and (ii) The ownership, installation, operation and maintenance of the passive portion of the National Broadband Network of Singapore for the purposes of providing services to provide facilities based operations granted by IMDA which is the successor-in-title of the Info-communications Development Authority of Singapore.

Notes to the Financial Statements

For the financial year ended 31 March 2024

16. INVESTMENT IN SUBSIDIARIES (CONT'D)

Critical judgements in applying the Group's material accounting policies

At the end of each financial year, an assessment is made on whether there are indicators that the Group's and the Trust's investments in subsidiaries are impaired. Where applicable, the Group's and the Trust's assessments are based on the estimation of the value-in-use of the assets defined in SFRS(I) 1-36 *Impairment of Assets*.

During an impairment review, the Group assesses whether the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. Recoverable amount is defined as the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use. In making this judgement, the Group evaluates the value in use which is supported by the net present value of future cash flows derived from such assets or cash-generating units using cash flow projections which have been discounted at an appropriate rate. Forecasts of future cash flows are based on the Group's estimates using historical, sector and industry trends, general market and economic conditions, changes in technology and other available information.

17. SUBORDINATED LOAN TO A SUBSIDIARY

On 19 July 2017, the Trust subscribed for \$1.1 billion of subordinated notes due in year 2037 issued by NLT, which are qualifying project debt securities. The notes bear interest of 10.5% per annum, payable semi-annually in arrears on 31 March and 30 September each year.

Subordinated loan to a subsidiary is considered to have low risk of default as they are not due for payment at the end of the reporting period and there has been no significant increase in credit risk since initial recognition, as the Trust has not identified any indications of adverse changes in business, financial or economic conditions that are expected to cause a significant change in the counterparty's ability to meet its repayment obligations. The loss allowance is measured at an amount equal to 12-month ECL and is determined to be immaterial.

Material accounting policy information

Subordinated loan to a subsidiary is recognised initially at fair value and are subsequently measured at amortised cost, less loss allowance.

Notes to the Financial Statements

For the financial year ended 31 March 2024

18. DERIVATIVE FINANCIAL INSTRUMENTS

	Group	
	2024 \$'000	2023 \$'000
Non-current		
Interest rate swaps, designated in hedge accounting relationship (net-settled)	21,997	29,001

Interest rate swaps

Under interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the cash flow exposures on the issued variable rate debt. The fair value of interest rate swaps at the end of the reporting period is determined by discounting the future cash flows based on various inputs, including the forward interest rates (from observable yield curves at the end of the reporting period) and contract interest rates, the terms and maturity of each contract, and discounted at rates derived from observable yield curves.

As the critical terms of the interest rate swap contracts and their corresponding hedged items are the same, the Group performs a qualitative assessment of effectiveness and it is expected that the value of the interest rate swap contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying interest rates.

During the year, the Group entered into interest rate swaps where NLT will pay a fix rate in exchange for 3-month compounded SORA. The Group will settle the difference between the fixed and floating interest rate on a net basis.

The following tables detail various information regarding interest rate swap contracts outstanding at the end of the reporting period and their related hedged items. Interest rate swap contract assets and liabilities are included in the "derivative financial instruments" within the consolidated statements of financial position.

Group	Currency	Maturity years	Average rate	Notional amount of the hedging instrument \$'000	Carrying amount of the hedging instrument Assets \$'000	Hedging reserve \$'000	Current period hedging gains (losses) recognised in OCI \$'000	Amount reclassified to profit or loss due to hedged item affecting profit or loss (Note 6) \$'000
2024								
Cash flow hedge								
Interest rate swaps	SGD	2.2	2.10%	600,000	21,997	(21,997)	(7,004)	13,430
2023								
Cash flow hedge								
Interest rate swaps	SGD	3.0	1.85%	510,000	29,001	(29,001)	8,385	6,023

Notes to the Financial Statements

For the financial year ended 31 March 2024

18. DERIVATIVE FINANCIAL INSTRUMENTS (CONT'D)

All interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges to reduce the Group's cash flow exposure resulting from variable interest rates on borrowings. The interest rate swaps and the interest payments on the loan occur simultaneously and the amount recognised in other comprehensive income is reclassified from equity to profit or loss over the period that the floating rate interest payments on debt affect profit or loss.

The Group uses interest rate swaps to manage its exposure to interest rate movements on its bank borrowings. The Group currently has \$765.0 million (2023: \$735.0 million) bank loan outstanding and has entered into a series of SORA-based interest rate swaps to convert the variable interest rates on its bank loan into fixed interest rates during year ended 31 March 2024 for a total notional principal amount of \$600.0 million (2023: \$510.0 million). Accordingly, 78.4% (2023: 69.4%) of the interest in respect of the outstanding amounts under the Group's existing bank loans has been hedged.

Material accounting policy information

The Group enters into interest rate swaps to manage its exposure to interest rate risk.

Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value as at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group has both a legally enforceable right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Hedge accounting

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions, and whether the hedging relationship meets the hedge effectiveness requirements under SFRS(I) 9. The Group designates the change in the fair value of a hedging instrument (i.e. including any forward elements) in its entirety as the hedging instrument for all of its hedging relationships.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income and accumulated under the heading of hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is realised in profit or loss, and is included in the 'finance costs' line item.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. The Group expects that some or all of the loss accumulated in other comprehensive income will not be recovered in the future, that amount is immediately reclassified to profit or loss.

Notes to the Financial Statements

For the financial year ended 31 March 2024

18. DERIVATIVE FINANCIAL INSTRUMENTS (CONT'D)

Hedge accounting (cont'd)

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated, or exercised. The discontinuation is accounted for prospectively. Any gain or loss recognised in other comprehensive income and accumulated in cash flow hedge reserve at that time remains in equity and is reclassified to profit or loss when the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in the cash flow hedge reserve is reclassified immediately in profit or loss.

19. TRADE AND OTHER PAYABLES

	Group		Trust	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Current				
Trade payables				
- Third parties	20,446	21,490	3	3
- Substantial Unitholder	-	4,539	-	-
- Subsidiaries of a substantial shareholder of the substantial Unitholder	542	236	-	-
- Related parties	42	25	42	25
Other payables	2,121	1,346	7	-
Accruals:				
- Property, plant and equipment	9,226	11,804	-	-
- Intangible assets	601	1,249	-	-
- Operating expenses	15,258	13,921	345	196
- Operating expenses from substantial Unitholder	4,361	3,915	-	-
Interest payable to third parties	229	64	-	-
Provision for reinstatement cost	496	495	-	-
Share-based payments	990	958	-	-
	<u>54,312</u>	<u>60,042</u>	<u>397</u>	<u>224</u>
Non-current				
Other payables:				
Share-based payments	794	1,059	-	-

Trade and other payables pertaining to third parties, substantial Unitholder, Trustee-Manager of the Trust, related parties in which a subsidiary of the substantial Unitholder and subsidiaries of a substantial shareholder of the substantial Unitholder, are normally settled between 30 to 90 days terms and are non-interest bearing.

The trade payables for related parties consist of amount owing to Trustee-Manager of \$42,000 (2023: \$25,000).

Notes to the Financial Statements

For the financial year ended 31 March 2024

19. TRADE AND OTHER PAYABLES (CONT'D)

Share-based payments

The Group issued to certain employees Long Term Incentive Programme (“LTIP”) that require the Group to pay the intrinsic value of the LTIP to the employee upon vesting after the end of a three-year performance period. The Group has recorded liabilities of \$1.8 million (2023: \$2.0 million). The Group recorded total expenses of \$0.7 million (2023: \$0.7 million) during the year in respect of LTIP. The current share-based payment of \$990,000 (2023: \$958,000) as at 31 Mar 2024 represent the total vested LTIP.

Material accounting policy information

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, 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 the effect of the time value of money is material).

Share-based payments

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At each reporting date until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

Notes to the Financial Statements

For the financial year ended 31 March 2024

20. DEFERRED REVENUE

As at 1 April 2022, deferred revenue from contracts with customers amounted to \$34,705,000.

The Group's revenue that was included in deferred revenue at the end of the year:

	Group	
	2024 \$'000	2023 \$'000
Current		
Amounts received/receivable for service activation charge ⁽ⁱ⁾	21,319	19,347
Amounts received/receivable for ancillary project services ⁽ⁱⁱ⁾	14,897	15,528
Amounts received in advance for Notice for Commencement of Earthworks	773	825
Amounts receivable for which collection is uncertain	565	772
Amounts received/receivable for ducts and manholes services	436	449
Balance at end of year	37,990	36,921
Non-current		
Amounts received/receivable for ducts and manholes services	5,133	5,530

- (i) The service activation charge relating to the termination of fibre connections is deferred and recognised only upon completion of unpatching works required for the termination of fibre connections.
- (ii) Revenue related to ancillary project services is recognised when the services are completed. When the customer initially prepays for the services, deferred revenue is recognised until the services are provided to the customer. The increase in deferred revenue for ancillary project services is due to increase in advance billings received.

Group's revenue that was included in deferred revenue at the beginning of the year:

	Group	
	2024 \$'000	2023 \$'000
Amounts received/receivable for service activation charge ⁽ⁱ⁾	2,898	2,615
Amounts received/receivable for ancillary project services ⁽ⁱⁱ⁾	9,676	8,852
Amounts received in advance for Notice for Commencement of Earthworks	825	416
Amounts receivable for which collection is uncertain	518	513
Amounts received/receivable for ducts and manholes services	463	416
Recognised as revenue in profit or loss	14,380	12,812

Material accounting policy information

Please refer to Note 3 for the material accounting policy information relating to recognition of revenue in relation to the above items.

Notes to the Financial Statements

For the financial year ended 31 March 2024

21. LOANS

	Effective Average Interest rate ⁽ⁱ⁾		Group	
	2024 %	2023 %	2024 \$'000	2023 \$'000
Unsecured borrowings				
Non-current				
- Bank loans (unsecured)	2.75	2.32	763,124	732,016

Committed revolving credit facility ("RCF") and term loan

Maturity	Terms	Utilised	
		2024 \$'000	2023 \$'000
May 2026	\$510 million Five-Year Term Loan	510,000	510,000
September 2027 ⁽ⁱⁱⁱ⁾	\$180 million Five-Year Term Loan	180,000	180,000
September 2025 ⁽ⁱⁱⁱ⁾	\$90 million Three-Year RCF	45,000	45,000
March 2026 ^{(ii) (iii)}	\$120 million Three-Year RCF	30,000	-
		765,000	735,000
	Amortised transaction costs	(1,876)	(2,984)
		763,124	732,016

- (i) The interest expenses used in the computation of effective average interest rate included the impact of net settlement of interest rate swaps and the front-end fees which is equivalent to interest. The comparative figure has been restated to conform with the current year basis.
- (ii) \$30.0 million was drawn on 28 March 2024 from the \$120.0 million sustainability-linked three-year RCF to fund near term capital expenditure. The date of maturity of the three-year RCF will be on 31 March 2026.
- (iii) These are sustainability-linked facilities where the margin of the facilities will be reduced if the sustainability performance targets are met during the relevant period.

Notes to the Financial Statements

For the financial year ended 31 March 2024

21. LOANS (CONT'D)

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	1 April 2023	Financing cash flows	Non-cash amortisation of transaction fees (Note 6)	31 March 2024
	\$'000	\$'000	\$'000	\$'000
Loans	732,016	30,299 [#]	809	763,124

	1 April 2022	Financing cash flows	Non-cash amortisation of transaction fees (Note 6)	31 March 2023
	\$'000	\$'000	\$'000	\$'000
Loans	663,687	67,470 [#]	859	732,016

[#] Reconciliation of financing cashflows

	Group	
	2024	2023
	\$'000	\$'000
Additional bank loan, net	30,000	69,000
Loan arrangement fee*	-	(1,530)
Co-ordination fee expensed off	299	-
	30,299	67,470

* For cash flow purposes, financing cash flow comprises payment for loan arrangement fee of \$Nil (2023: \$1,530,000) and agency fee of \$75,000 (2023: \$45,000) which is included under other operating expense in profit and loss.

Notes to the Financial Statements

For the financial year ended 31 March 2024

22. LEASE LIABILITIES

	Group	
	2024	2023
	\$'000	\$'000
Maturity analysis:		
Not later than one year	3,217	2,553
Later than one year but not later than five years	8,067	7,681
Later than five years	46,823	48,520
	58,107	58,754
Less: Unearned interest	(24,630)	(25,517)
	33,477	33,237
Analysed as:		
Current	2,273	1,635
Non-current	31,204	31,602
	33,477	33,237

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	1 April 2023	Financing cash flows	Non-cash changes			31 March 2024
			Additions	Finance cost recognised (Note 6)	Adjustment (Note 14)	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Lease liabilities	33,237	(3,326)	2,579	987	-	33,477

	1 April 2022	Financing cash flows	Non-cash changes			31 March 2023
			Additions	Finance cost recognised (Note 6)	Adjustment (Note 14)	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Lease liabilities	38,448	(3,245)	2,707	786	(5,459)	33,237

Material accounting policy information

Please refer to accounting policy for lease liabilities under Note 14.

Notes to the Financial Statements

For the financial year ended 31 March 2024

23. DEFERRED TAX LIABILITIES

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.

	Group	
	2024	2023
	\$'000	\$'000

Movement in deferred tax account is as follows:

Balance at beginning of year	468,832	484,638
Credited to profit or loss (Note 8)	(12,588)	(15,806)
Balance at end of year	456,244	468,832

The movements in deferred tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) during the financial year were as follows:

Deferred income tax liabilities

Group	Accelerated tax depreciation	Right-of-use assets*	Finance lease receivables	Licence	Others	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 April 2022	466,349	6,062	11,375	12,895	393	497,074
Credited to profit or loss	(13,676)	(955)	(137)	(721)	114	(15,375)
At 31 March 2023	452,673	5,107	11,238	12,174	507	481,699
Credited to profit or loss	(11,451)	(38)	(36)	(720)	(188)	(12,433)
At 31 March 2024	441,222	5,069	11,202	11,454	319	469,266

Notes to the Financial Statements

For the financial year ended 31 March 2024

23. DEFERRED TAX LIABILITIES (CONT'D)

Deferred income tax assets

Group	Lease liabilities*	Deferred revenue	Total
	\$'000	\$'000	\$'000
At 1 April 2022	(6,536)	(5,900)	(12,436)
Credited to profit or loss	886	(1,317)	(431)
At 31 March 2023	(5,650)	(7,217)	(12,867)
Credited to profit or loss	(41)	(114)	(155)
At 31 March 2024	(5,691)	(7,331)	(13,022)
Net deferred income tax liabilities			
At 31 March 2023			468,832
At 31 March 2024			456,244

* Following the adoption of the amendments to SFRS(I) 1-12 as disclosed in Note 1.2, as at 1 April 2022, the Group recognises deferred tax assets of \$6,536,000 (31 March 2023: 5,650,000) and deferred tax liabilities of \$6,062,000 (31 March 2023: \$5,107,000) in relation to its lease liabilities and right-of-use assets respectively.

Material accounting policy information

Deferred tax is the tax expected to be payable or recoverable 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 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 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. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Notes to the Financial Statements

For the financial year ended 31 March 2024

23. DEFERRED TAX LIABILITIES (CONT'D)

The carrying amount of deferred tax assets is reviewed at each reporting date 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 is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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.

24. UNITS IN ISSUE

	Number of units		Units in Issue	
	2024	2023	2024 \$'000	2023 \$'000
Group and Trust				
Balance at beginning and end of year	3,896,971,100	3,896,971,100	3,117,178	3,117,178

All issued units are fully paid and rank pari passu in all respects.

Material accounting policy information

Proceeds from issuance of units are recognised in unitholders' funds, net of issue costs.

Notes to the Financial Statements

For the financial year ended 31 March 2024

25. EARNINGS PER UNIT

The calculation of the basic earnings per unit is based on the following data:

Earnings

	2024 \$'000	2023 \$'000
Profit attributable to unitholders of the Trust for basic and diluted earnings per unit computation	103,209	109,253

Number of Units

	2024 \$'000	2023 \$'000
Weighted average number of units on issue applicable for basic and diluted earnings per unit computation	3,896,971,100	3,896,971,100

Material accounting policy information

Basic earnings per unit is calculated by dividing profit attributable to unitholders of the Trust by the weighted average number of units on issue during the financial year.

Diluted earnings per unit is calculated by dividing profit attributable to unitholders of the Trust by the weighted average number of units on issue during the financial year (adjusted for the effects of dilutive unit options).

Notes to the Financial Statements

For the financial year ended 31 March 2024

26. COMMITMENTS

(a) Operating lease commitments – as lessee

At 31 March 2024 and 31 March 2023, the Group does not have any significant commitments to short-term leases.

(b) Finance lease commitments – as lessor

The Group's finance lease commitments as lessor are shown in Note 12.

The future minimum finance lease receivables comprise future minimum finance lease receivables from the substantial Unitholder which amounted to \$207,390,000 (2023: \$211,538,000).

(c) Capital commitments

Capital expenditure contracted for at the consolidated statement of financial position date but not recognised in the financial statements are as follows:

	Group	
	2024	2023
	\$'000	\$'000
Property, plant and equipment	91,045	121,153
Intangible assets - software development cost	18,575	17,729

27. RELATED PARTY TRANSACTIONS

(a) In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties during the financial year:

	Group	
	2024	2023
	\$'000	\$'000
Services rendered to a substantial Unitholder	164,532	161,708
Services rendered to subsidiaries of a substantial shareholder of the substantial Unitholder	130,438	129,098
Refund received from purchase of services from a substantial Unitholder	5,172	-
Sales of fixed assets to a substantial Unitholder	4,688	-
Purchase of services from a substantial Unitholder	4,217	5,765
Purchase of fixed assets from a substantial Unitholder	33,525	6,701
Management fee paid or payable to Trustee-Manager of the Trust	1,031	1,010
Purchase of services from subsidiaries of a substantial shareholder of the substantial Unitholder	3,340	3,493
Purchase of fixed assets from subsidiaries of a substantial shareholder of the substantial Unitholder	96	163
Purchases of goods from subsidiaries of the substantial Unitholder	11	75

Notes to the Financial Statements

For the financial year ended 31 March 2024

27. RELATED PARTY TRANSACTIONS (CONT'D)

(b) Compensation of directors and key management personnel compensation are as follows:

	Group	
	2024	2023
	\$'000	\$'000
Wages and salaries	3,798	3,123
Employer's contribution to defined contribution plans, including Central Provident Fund	59	41
Other benefits	134	106

The remuneration of directors and key management are determined by the Board Remuneration Committee having regard to the performance of individuals and market trends.

28. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES

The Group's activities expose it to a variety of financial risks arising from its operations. The key financial risks include credit risk, interest rate risk and liquidity risk. Risk management is integral to the whole business of the Group. The Group's overall risk management programme seeks to minimise potential adverse effects of the unpredictability of financial markets on the financial performance of the Group.

The Board of Directors of the Trustee-Manager is responsible for setting the objectives and underlying principles of financial risk management for the Group. The Trustee-Manager then establishes and implements the detailed financial risk management policies such as authority levels, oversight responsibilities, risk identification and exposure limits in accordance with the objectives and underlying principles approved by the Board of Directors of the Trustee-Manager.

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group uses a variety of derivative financial instruments to manage its exposure to interest rate, including interest rate swaps to mitigate the risk of rising interest rates.

The Group does not hold or issue derivative financial instruments for speculative purposes.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below.

Notes to the Financial Statements

For the financial year ended 31 March 2024

28. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (CONT'D)

(a) Market risk management

(i) Interest rate risk management

Summary quantitative data of the Group's interest-bearing financial instruments can be found in section (c) of this Note. The Group sometimes borrow at variable rates and uses interest rate swaps as cash flow hedges of future interest payments, which have the economic effect of converting borrowings from floating rates to fixed rates.

The Group's policy is to maintain a mix of borrowings in both floating and fixed rate instruments to manage its overall exposure to interest rate risk. The interest rate swaps allow the Group to raise long-term borrowings at floating rates and swap them into fixed rates. Under the interest rate swaps, the Group agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. Further details of the interest rate swaps can be found in Note 18 to the financial statements.

During the year, \$30.0 million was drawn from the \$120.0 million sustainability-linked three-year RCF to fund near term capital expenditure. The exposures arise on derivatives and non-derivative financial assets and liabilities (e.g. bank borrowings) referenced to SORA.

During the year, the Group entered into \$90 million interest rate swaps where NLT will pay a fix rate in exchange for 3-month compounded SORA. The Group will settle the difference between the fixed and floating interest rate on a net basis.

(ii) Interest rate sensitivity

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period and the stipulated change taking place at the beginning of the financial period. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point (2023: 50 basis point) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents the Trustee-Manager's assessment of the reasonably possible change in interest rates.

Interest rate swaps for \$600.0 million loan is in place to hedge outstanding bank loans exposure to interest rate fluctuations as at 31 March 2024 (2023: \$510.0 million).

If interest rates had been 50 basis points higher or lower and all other variables were held constant, the Group's Profit for the financial year ended 31 March 2024 would decrease/increase by \$825,000 (2023: \$1,125,000). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

Notes to the Financial Statements

For the financial year ended 31 March 2024

28. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (CONT'D)

(b) 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 or the Trust.

The Group's and the Trust's maximum exposures to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group or the Trust's due to failure to discharge an obligation by the counterparties or financial guarantees provided by the Group, is represented by the carrying amount of the respective recognised financial assets as stated in the statements of financial position. To minimise credit risk, the Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, as a means of mitigating the risk of financial loss from defaults.

Of the trade and other receivables, finance lease receivable, contract assets, other current assets and rental deposits at the end of the year, \$114.0 million (2023: \$119.8 million) is due from substantial Unitholder and subsidiary of the substantial shareholder of a substantial Unitholder of the Group. Apart from this, the Group does not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Group defines counterparties as having similar characteristics if they are related entities. Concentration of credit risk related to substantial Unitholder and subsidiary of a substantial shareholder of the substantial Unitholder of the Group represent 74.8% (2023: 71.4%) of total trade and other receivables, finance lease receivable, contract assets, other current assets, and rental deposits at year end.

Before accepting any new customer, the Group considers all available information specific to the prospect in assessing the potential customer's credit quality and defines credit limits by customer. These limits attributed to customers are reviewed and approved annually. Ongoing credit evaluation is performed on the financial conditions of accounts receivable.

The maximum credit risk exposure is represented by the carrying value of each financial asset in the statements of financial position less collateral held. Collaterals in the form of cash are obtained from counterparties where appropriate.

The Group regularly monitors outstanding receivables and contract assets. Credit approvals and other monitoring procedures are also in place to ensure that follow-up action is taken to recover overdue debts. Furthermore, the Group reviews the recoverable amount of trade debt at the end of the reporting period to ensure that adequate loss allowance is made for irrecoverable amounts.

Cash and fixed deposits are placed with banks which are regulated and with high credit ratings.

Further details of ECL are disclosed in on trade and other receivables (Note 10), unbilled receivables (Note 11), finance lease receivables (Note 12) and subordinated loan to a subsidiary (Note 17).

Notes to the Financial Statements

For the financial year ended 31 March 2024

28. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (CONT'D)

(c) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for management of the Group's short, medium and long-term funding and liquidity management requirements.

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group manages their liquidity risk by maintaining a sufficient level of cash and cash equivalents deemed adequate by the Trustee-Manager to finance the Group's operations including servicing of financial obligations and to mitigate the effects of fluctuations in cash flow. This excludes the potential impact of extreme circumstances that cannot be reasonably predicted.

As at the date of this report, the Group has \$135.0 million (2023: \$165.0 million) of undrawn committed borrowing facilities available for working capital and general corporate use and bank guarantee of \$176,000 (2023: \$580,000).

Non-derivative financial liabilities

The table below analyses the maturity profile of the Group's and Trust's financial liabilities based on contractual undiscounted cash flows.

The contractual maturity is based on the earliest date on which the Group may be required to pay.

	Effective interest rate [#]	Within 1 year	Between 2 and 5 years	More than 5 years	Adjustment	Total
	%	\$'000	\$'000	\$'000	\$'000	\$'000
2024						
Group						
Loans	2.75	17,386	797,243	-	(51,505)	763,124
Trade and other payables	-	54,312	794	-	-	55,106
Lease liabilities	2.97	3,217	8,067	46,823	(24,630)	33,477
		74,915	806,104	46,823	(76,135)	851,707
Trust						
Trade and other payables		397	-	-	-	397

Notes to the Financial Statements

For the financial year ended 31 March 2024

28. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (CONT'D)

(c) Liquidity risk management (cont'd)

	Effective interest rate [#]	Within 1 year	Between 2 and 5 years	More than 5 years	Adjustment	Total
	%	\$'000	\$'000	\$'000	\$'000	\$'000
2023						
Group						
Loans	2.32	17,813	780,965	-	(66,762)	732,016
Trade and other payables	-	60,042	1,059	-	-	61,101
Lease liabilities	3.01	2,553	7,681	48,520	(25,517)	33,237
		80,408	789,705	48,520	(92,279)	826,354
Trust						
Trade and other payables		224	-	-	-	224

All non-derivative financial assets are recoverable within 1 year except for finance lease receivables disclosed in Note 12.

[#] The interest expenses used in the computation of effective interest rate included realised gain on interest rate swaps and the front-end fees which is equivalent to interest. The comparative figure has been restated to conform with the current year basis.

Notes to the Financial Statements

For the financial year ended 31 March 2024

28. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (CONT'D)

(d) Fair value of financial assets and financial liabilities

Group

Some of the Group's financial assets are measured at fair value at each reporting date. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation techniques and inputs used).

Financial asset	Fair Value as at (\$'000)		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs	Relationship and sensitivity of unobservable inputs to fair value
	31 March 2024	31 March 2023				
Interest rate swaps (Note 18)	21,997	29,001	Level 2	Note 1	N.A.	N.A.

Note 1: Discounted cash flow where the future cash flows are estimated based on various inputs, including the forward interest rates (from observable yield curves at the end of the reporting period) and contract interest rates, the terms and maturity of each contract, and discounted at rates derived from observable yield curves.

N.A. = Not applicable.

The carrying value less loss allowance of trade receivables approximates their fair values. The carrying amounts of other receivables and finance lease receivables, subordinated loan to a subsidiary and bank loans approximate their fair values.

The Group has no other financial assets or liabilities that are measured at fair value on a recurring basis.

The Trust has no financial assets or liabilities that are measured at fair value on a recurring basis.

Notes to the Financial Statements

For the financial year ended 31 March 2024

28. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (CONT'D)

(d) Fair value of financial assets and financial liabilities (cont'd)

Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)

Except as detailed in the following table, the carrying amounts of financial assets and financial liabilities at amortised cost approximate their respective fair values:

Trust	2024			2023		
	Carrying amount	Fair value	Fair value hierarchy	Carrying amount	Fair value	Fair value hierarchy
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets						
Subordinated loan to a subsidiary	1,100,000,000	1,043,933,000	2	1,100,000,000	1,049,927,000	2

The fair values of the financial instruments classified as Level 2 were calculated using the discounted cash flow method. A prevailing market risk-free rate adjusted by the subsidiary's credit risk was used for discounted future cashflow. There were no financial instruments that are measured at amortised cost but for which fair values were disclosed classified as Level 3 either in current year or in prior year.

(e) Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern and to ensure that all externally imposed capital requirements are complied with.

The capital structure of the Group consists of net debt and equity of the Group. Debt is defined by the Group as long-term borrowings and lease liabilities as disclosed in Notes 21 and 22. Net debt is defined as debt after deducting cash and cash equivalents (including cash and bank balances). Equity includes units in issue, reserves and accumulated deficits.

Notes to the Financial Statements

For the financial year ended 31 March 2024

28. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (CONT'D)

(f) Categories of financial instruments

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

	Group		Trust	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Financial Assets				
Financial assets at amortised cost	313,728	345,006	1,159,248	1,160,022
Derivative instruments:				
Designated in hedge accounting relationships	21,997	29,001	-	-
	<u>335,725</u>	<u>374,007</u>	<u>1,159,248</u>	<u>1,160,022</u>
Financial Liabilities				
Financial liabilities at amortised cost	818,230	793,117	397	224
Lease liabilities	33,477	33,237	-	-
Total	<u>851,707</u>	<u>826,354</u>	<u>397</u>	<u>224</u>

29. DISTRIBUTION TO UNITHOLDERS

Distribution paid during the year:

	Group and Trust	
	2024 \$'000	2023 \$'000
Distribution of 2.57 Singapore cents per unit for the period from 1 October 2021 to 31 March 2022 and paid on 10 Jun 2022	-	100,153
Distribution of 2.62 Singapore cents per unit for the period from 1 April 2022 to 30 September 2022 and paid on 30 November 2022	-	102,100
Distribution of 2.62 Singapore cents per unit for the period from 1 October 2022 to 31 March 2023 and paid on 13 June 2023	102,101	-
Distribution of 2.65 Singapore cents per unit for the period from 1 April 2023 to 30 September 2023 and paid on 1 December 2023	103,270	-
	<u>205,371</u>	<u>202,253</u>

Material accounting policy information

Distributions to the Unitholders are recorded in equity in the period in which they are approved for payment.

Notes to the Financial Statements

For the financial year ended 31 March 2024

30. RECLASSIFICATIONS AND COMPARATIVE FIGURES

Certain reclassifications have been made to the prior year's financial statements to enhance comparability with the current year's financial statements.

Software development costs have been reclassified from property, plant and equipment to goodwill and other intangible assets to reflect the nature of the assets. Goodwill and Licence, which are shown separately on the statements of financial position are combined into intangible assets to streamline presentation of assets of similar nature.

Cost of ancillary projects in progress have been reclassified from trade and other receivables to contract assets to better reflect the nature of the assets.

The impact of the reclassification is not material to the opening statement of financial position of the comparable period.

As a result, the items below have been amended in the statements of financial position, and consolidated cashflow statement. Comparative figures have been adjusted to conform to the current year's presentation.

The items were reclassified as follows:

Statements of financial position

	Group	
	Previously reported 2023 \$'000	After reclassification 2023 \$'000
Property, plant and equipment	2,760,040	2,734,283
Goodwill	746,854	-
Licence	71,612	-
Goodwill and other intangible assets	-	844,223
	3,578,506	3,578,506
Trade and other receivables	67,936	49,953
Contract assets	27,817	45,800
	95,753	95,753

Notes to the Financial Statements

For the financial year ended 31 March 2024

30. RECLASSIFICATIONS AND COMPARATIVE FIGURES (CONT'D)

Consolidated cashflow statement

	Group		
	Previously reported	After reclassification	
	2023 \$'000	2023 \$'000	
Operating activities			
Trade and other receivables	(2,085)	1,264	
Contract assets	1,833	(1,516)	
Investing activities			
Purchase of property, plant and equipment	96,739	88,572	
Purchase of intangible assets	-	8,167	
		PPE (Note 13) Previously reported	Intangible assets (Note 15)
		Furniture, fittings and equipment	After reclassification Software development costs
		\$'000	\$'000
Group			
Cost:			
At 1 April 2022	22,403	17,109	39,512
Additions	1,161	7,503	8,664
At 31 March 2023	23,564	24,612	48,176
Accumulated amortisation:			
At 1 April 2022	21,467	-	21,467
Amortisation charge	952	-	952
At 31 March 2023	22,419	-	22,419
Carrying amount:			
At 31 March 2023	1,145	24,612	25,757

Notes to the Financial Statements

For the financial year ended 31 March 2024

31. SUBSEQUENT EVENTS

- (a) As per the Trust announcement on 27 November 2023, the revised prices of NLT's Interconnection Offer shall take effect from 1 April 2024. The current and revised prices for the Residential End-User Connection, Non-Residential End-User Connection, and Non-Building Address Point ("NBAP") Connection Services are shown below:

	Price before revision	Price after revision
Residential End-User Connection	\$13.80	\$13.50
Non-Residential End-User Connection	\$55.00	\$55.00
NBAP Connection	\$73.80	\$70.50

- (b) Subsequent to the end of reporting year, the Trustee-Manager approved a distribution of \$103,269,734 or 2.65 Singapore cents per unit in respect of financial period from 1 October 2023 to 31 March 2024.

Additional Information

(required under the Business Trusts Act 2004 and the Business Trusts Regulations 2005)

1. INDEPENDENCE OF DIRECTORS

The Board of Directors (the “**Board**”) had conducted an annual review of the independence of the Independent Directors in accordance with the Business Trusts Act 2004 (the “**BTA**”) and the Business Trusts Regulations 2005 (the “**BTR**”).

NetLink NBN Management Pte. Ltd.

Having reviewed the independence of Mr Chaly Mah Chee Kheong, Ms Koh Kah Sek, Ms Ku Xian Hong, Ms Tee Siew Hong Joyce, Ms Wong Siew Ping Shirley and Mr Yeo Wico, as of the date of this document, the Board is satisfied that the independent Directors are independent from (a) management relationships with the Trustee-Manager and its subsidiaries, (b) business relationships with the Trustee-Manager and its related corporations or with officers of the Trustee-Manager and its related corporations, and (c) DBS Trustee Limited (“**DBS Trustee**”), being the substantial shareholder of the Trustee-Manager, each in accordance with the relevant provisions of the BTR, based on the reasons set out below.

Mr Chaly Mah Chee Kheong

Mr Chaly Mah Chee Kheong is considered to be independent from (a) management relationships with the Trustee-Manager and its subsidiaries, and (b) DBS Trustee, each in accordance with the relevant provisions of the BTR.

However, as NetLink NBN Trust and its subsidiaries (collectively, the “**Group**”) provides essential utilities services in Singapore, there would be and will continue to be business dealings between the Trustee-Manager and its related corporations and companies on which Mr Chaly Mah Chee Kheong serves or had served as a director or an executive officer or partnership of which he was a partner, in the ordinary course of business.

In this regard, the Board has determined that Mr Chaly Mah Chee Kheong is independent from business relationships with the Trustee-Manager and its related corporations, and is therefore an independent Director. The Board has reached this conclusion based on the reason that the Group provides essential utilities services to individuals and business entities in Singapore on an arm’s length basis and in the ordinary course of business. Therefore, where the business relationships are of such a nature as described above, the Board is of the view that such relationships will not interfere with Mr Chaly Mah Chee Kheong’s independent judgment and ability to act with regard to the interests of all the Unitholders of NetLink NBN Trust as a whole.

Additional Information

(required under the Business Trusts Act 2004 and the Business Trusts Regulations 2005)

1. INDEPENDENCE OF DIRECTORS (CONT'D)

Ms Koh Kah Sek

Ms Koh Kah Sek is considered to be independent from (a) management relationships with the Trustee-Manager and its subsidiaries, and (b) DBS Trustee, each in accordance with the relevant provisions of the BTR.

However, as the Group provides essential utilities services in Singapore, there would be and will continue to be business dealings between the Trustee-Manager and its related corporations and companies on which Ms Koh Kah Sek serves or had served as a director or an executive officer, in the ordinary course of business.

In addition, Ms Koh Kah Sek is the Executive Director and Chief Financial Officer of Far East Organization and is on the board of directors of various entities within the Far East Organization group, the Sino Group and the Commonwealth Concepts Group, which entities operate within the real estate, food and beverage and/or hospitality industries (collectively, the “Entities”). The Entities have engaged in commercial transactions with, and/or performed services for, the Trustee-Manager and its (current and future) related corporations in the ordinary course of business and may in the future engage in similar commercial transactions and/or perform similar services, for which they have received, or may in the future receive, fees in respect of such transactions and/or services.

In this regard, the Board has determined that Ms Koh Kah Sek is independent from business relationships with the Trustee-Manager and its related corporations, and is therefore an independent Director. The Board has reached this conclusion based on the following reasons:

- the Group provides essential utilities services to individuals and business entities in Singapore on an arm's length basis and in the ordinary course of business. Therefore, where the business relationships are of such a nature as described above, the Board is of the view that such relationships will not interfere with Ms Koh Kah Sek's independent judgment and ability to act with regard to the interests of all the Unitholders of NetLink NBN Trust as a whole; and
- while Ms. Koh Kah Sek is the Executive Director and Chief Financial Officer of Far East Organization and is on the board of directors of the Entities which have engaged in commercial transactions with, and/or performed services for, the Trustee-Manager and its (current and future) related corporations, (i) such transactions and/or services were provided on an ad hoc basis and conducted on an arm's length basis and in the ordinary course of business; (ii) Ms. Koh Kah Sek was not and will not be involved in any decision-making process for the entering into of such commercial transactions and/or receipt of services involving the Entities; and (iii) the payments received by the Entities in respect of such transactions and/or services were not material or significant in the context of the Entities or the Group for the financial year ended 31 March 2024 (and in any event were less than \$100,000 in aggregate). There will thus be no interference with her exercise of independent judgment and her ability to act with regard to the interests of all the Unitholders of NetLink NBN Trust as a whole or the best interests of the Trustee-Manager.

Additional Information

(required under the Business Trusts Act 2004 and the Business Trusts Regulations 2005)

1. INDEPENDENCE OF DIRECTORS (CONT'D)

Ms Ku Xian Hong

Ms Ku Xian Hong is considered to be independent from (a) management relationships with the Trustee-Manager and its subsidiaries, and (b) DBS Trustee, each in accordance with the relevant provisions of the BTR.

However, as the Group provides essential utilities services in Singapore, there would be and will continue to be business dealings between the Trustee-Manager and its related corporations and companies on which Ms Ku Xian Hong serves or had served as an executive officer in the ordinary course of business.

In this regard, the Board has determined that Ms Ku Xian Hong is independent from business relationships with the Trustee-Manager and its related corporations, and is therefore an independent Director. The Board has reached this conclusion based on the reason that the Group provides essential utilities services to individuals and business entities in Singapore on an arm's length basis and in the ordinary course of business. Therefore, where the business relationships are of such a nature as described above, the Board is of the view that such relationships will not interfere with Ms Ku Xian Hong's independent judgment and ability to act with regard to the interests of all the Unitholders of NetLink NBN Trust as a whole.

Additional Information

(required under the Business Trusts Act 2004 and the Business Trusts Regulations 2005)

1. INDEPENDENCE OF DIRECTORS (CONT'D)

Ms Tee Siew Hong Joyce

Ms Tee Siew Hong Joyce is considered to be independent from (a) management relationships with the Trustee-Manager and its subsidiaries, and (b) DBS Trustee, each in accordance with the relevant provisions of the BTR.

However, as the Group provides essential utilities services in Singapore, there would be and will continue to be business dealings between the Trustee-Manager and its related corporations and companies on which Ms Tee Siew Hong Joyce serves or had served as a director or an executive officer, in the ordinary course of business.

Further, Ms Tee Siew Hong Joyce is currently the Managing Director, Group Head, Institutional Banking Group, DBS Bank China and has held various positions in DBS Group Holdings Ltd and its subsidiaries (together, the “**DBS Group**”). DBS Trustee holds all the shares in the Trustee-Manager on trust for the benefit of the Unitholders of NetLink NBN Trust, and DBS Trustee is a wholly-owned subsidiary of DBS Bank Ltd. (“**DBS Bank**”), which in turn is a wholly-owned subsidiary of DBS Group Holdings Ltd. The DBS Group has engaged in transactions with, and/or performed services for the Trustee-Manager and its related corporations in the ordinary course of business and have, and may in the future, engage in commercial banking or investment banking transactions and/or other commercial transactions for which they have received or made payment of, or may in the future receive or make payment of, customary fees.

In this regard, the Board has determined that Ms Tee Siew Hong Joyce is independent from business relationships with the Trustee-Manager and its related corporations, and independent from DBS Trustee, and is therefore an independent Director. The Board has reached this conclusion based on the following reasons:

- the Group provides essential utilities services to individuals and business entities in Singapore on an arm's length basis and in the ordinary course of business. Therefore, where the business relationships are of such a nature as described above, the Board is of the view that such relationships will not interfere with Ms Tee Siew Hong Joyce's independent judgment and ability to act with regard to the interests of all the Unitholders of NetLink NBN Trust as a whole;
- the Board noted that in holding the shares of the Trustee-Manager pursuant to the terms of the trust constituting the Singapore NBN Trust dated 21 February 2017 (the “**TM Shares Trust Deed**”), DBS Trustee is acting in its capacity as a professional trustee. In its role as a professional trustee, DBS Trustee will be acting in accordance with the terms of the TM Shares Trust Deed. Ms Tee Siew Hong Joyce is not a director nor an employee of DBS Trustee and has confirmed that she is not accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of DBS Trustee. Further, under the TM Shares Trust Deed, any exercise of powers of DBS Trustee as the shareholder of the Trustee-Manager shall, subject to the applicable terms of the TM Shares Trust Deed, be exercised or fulfilled in accordance with a resolution of the Unitholders of NetLink NBN Trust; and
- the Board noted that while Ms Tee Siew Hong Joyce is employed by the DBS Group and the DBS Group has engaged in transactions with, and/or performed services for the Trustee-Manager and its related corporations in the ordinary course of business, Ms Tee Siew Hong Joyce is not a director of the DBS Group. Ms Tee Siew Hong Joyce will not be involved in any decision-making process which will involve the engagement of the DBS Group and will abstain from the Board's decisions in relation to the engagement of the DBS Group for any matters. There will thus be no interference with her exercise of independent judgment and her ability to act with regard to the interests of the Unitholders of NetLink NBN Trust as a whole or the best interests of the Trustee-Manager.

Additional Information

(required under the Business Trusts Act 2004 and the Business Trusts Regulations 2005)

1. INDEPENDENCE OF DIRECTORS (CONT'D)

Ms Wong Swee Ping Shirley

Ms Wong Swee Ping Shirley is considered to be independent from (a) management relationships with the Trustee-Manager and its subsidiaries, and (b) DBS Trustee, each in accordance with the relevant provisions of the BTR.

However, as the Group provides essential utilities services in Singapore, there would be and will continue to be business dealings between the Trustee-Manager and its related corporations and companies on which Ms Wong Swee Ping Shirley serves or had served as a director or an executive officer or partnership of which she was a partner, in the ordinary course of business.

In this regard, the Board has determined that Ms Wong Swee Ping Shirley is independent from business relationships with the Trustee-Manager and its related corporations, and is therefore an independent Director. The Board has reached this conclusion based on the reason that the Group provides essential utilities services to individuals and business entities in Singapore on an arm's length basis and in the ordinary course of business. Therefore, where the business relationships are of such a nature as described above, the Board is of the view that such relationships will not interfere with Ms Wong Swee Ping Shirley's independent judgment and ability to act with regard to the interests of all the Unitholders of NetLink NBN Trust as a whole.

Additional Information

(required under the Business Trusts Act 2004 and the Business Trusts Regulations 2005)

1. INDEPENDENCE OF DIRECTORS (CONT'D)

Mr Yeo Wico

Mr Yeo Wico is considered to be independent from (a) management relationships with the Trustee-Manager and its subsidiaries, and (b) DBS Trustee, each in accordance with the relevant provisions of the BTR.

However, as the Group provides essential utilities services in Singapore, there would be and will continue to be business dealings between the Trustee-Manager and its related corporations and companies on which Mr Yeo Wico serves or had served as a director or partnership of which he is a partner, in the ordinary course of business.

In addition, Mr Yeo Wico is a partner at Allen & Gledhill LLP, one of the top law firms in Singapore. Allen & Gledhill LLP has provided corporate secretarial and/or legal services to the Trustee-Manager and its related corporations, and continues to do so from time to time.

Mr Yeo Wico is also the non-executive and independent director and chairman of Vicplas International Ltd (“VIL”) (which is the parent of a subsidiary which may from time to time supply piping products to NetLink Trust on an arm’s length basis and in the ordinary course of business). Mr Yeo Wico also holds shares and share options in VIL, being less than 5% of the issued share capital of VIL.

In this regard, the Board has determined that Mr Yeo Wico is independent from business relationships with the Trustee-Manager and its related corporations, and is therefore an independent Director. The Board has reached this conclusion based on the following reasons:

- the Group provides essential utilities services to individuals and business entities in Singapore on an arm’s length basis and in the ordinary course of business. Therefore, where the business relationships are of such a nature as described above, the Board is of the view that such relationships will not interfere with Mr Yeo Wico’s independent judgment and ability to act with regard to the interests of all the Unitholders of NetLink NBN Trust as a whole;
- while Allen & Gledhill LLP has provided corporate secretarial and/or legal services from time to time to the Trustee-Manager and its related corporations:
 - o Mr Yeo Wico has a less than 5 per cent stake in Allen & Gledhill LLP;
 - o Mr Yeo Wico has not been and will not be involved in any decision which may involve the selection of Allen & Gledhill LLP to provide any services to the Group; and
 - o the fees received by Allen & Gledhill LLP from the Group are not material or significant in the context of Allen & Gledhill LLP or the Group for the relevant period (and in any event were less than \$100,000 in aggregate);
- regardless of whether Mr Yeo Wico is a Director, the Group will appoint its legal counsel based on their expertise and decide on their fees based on market rates. There will thus be no interference with his exercise of independent judgment and his ability to act with regard to the interests of the Unitholders of NetLink NBN Trust as a whole or the best interest of the Trustee-Manager; and
- Mr Yeo Wico does not hold an executive position and is not involved in the day-to-day management of the operations of VIL nor its subsidiaries and will abstain from voting at VIL on any matters in relation to the provisions of products to NetLink Trust. The amount of shares and share options that Mr Yeo Wico holds in VIL were less than 5% of the issued share capital of VIL.

Mr Quah Kung Yang and Mr William Woo Siew Wing are considered to be non-independent Directors under the BTA and the BTR as they are the management representatives of Singapore Telecommunications Limited, a substantial Unitholder of NetLink NBN Trust.

Mr Tong Yew Heng is the Chief Executive Officer of the Trustee-Manager. As an Executive Director of the Trustee-Manager, he is considered to be non-independent under the BTA and the BTR.

Additional Information

(required under the Business Trusts Act 2004 and the Business Trusts Regulations 2005)

2. STATEMENT OF POLICIES AND PROCEDURES REQUIRED UNDER BUSINESS TRUSTS ACT 2004 AND THE BUSINESS TRUSTS REGULATIONS 2005

The Trustee-Manager has established the following policies and practices in relation to its management and governance of NetLink NBN Trust:

- the trust property of NetLink NBN Trust is properly accounted for and the trust property is kept distinct from the property of the Trustee-Manager in its own capacity. Different bank accounts are maintained for the Trustee-Manager in its personal capacity and in its capacity as the Trustee-Manager of NetLink NBN Trust;
- the Board reviews the business operations of NetLink NBN Trust to ensure it focuses on,
 - (i) investing, directly or indirectly, in, and operating, the ownership, installation, operation and maintenance of ducts, manholes, central offices and space in central offices in Singapore for the purposes of telecommunication activities (the “**D&M Business**”), the ownership, installation, operation and maintenance of the passive portion of the Next Generation Nationwide Broadband Network for the purposes of providing services under its licence to provide facilities-based operations granted by the IMDA (the “**Fibre Business**”), and the exploration of opportunities for the ownership, design, construction, installation, operation and maintenance outside of Singapore of any infrastructure networks, systems and facilities to serve telecommunications service providers and others (the “**Infrastructure Business**”),
 - (ii) selling, leasing or otherwise disposing of the D&M Business and the Fibre Business and exploring any opportunities for the foregoing purposes; and
 - (iii) any business, undertaking or activity associated with, incidental and/or ancillary to the operation of the businesses referred to in (i) and (ii) as set out in the trust deed dated 19 June 2017 (as amended and restated by the Amending and Restating Deeds dated 25 July 2018, 28 September 2020, 19 July 2021 and 20 July 2022) constituting NetLink NBN Trust (collectively, the “**Trust Deed**”);
 - the Trustee-Manager identifies potential conflicts between the interests of the Trustee-Manager and the interests of the Unitholders of NetLink NBN Trust and reviews the measures taken to manage conflicts or potential conflicts and will appoint independent advisors whenever necessary to provide required advice. Non-independent Directors of the Trustee-Manager will abstain from voting whenever there are any conflicts or potential conflicts of interest;
 - the Trustee-Manager identifies Interested Person Transactions (“**IPTs**”) in relation to NetLink NBN Trust. IPTs are properly accounted for and the IPTs are transacted on normal commercial terms as those extended to third parties. The Audit Committee examines the reports to satisfy themselves that all IPTs are conducted in accordance with applicable requirements of the BTA and any other guidelines as may be applicable. IPTs in relation to NetLink NBN Trust during the financial year ended 31 March 2024 are disclosed on page 214;
 - the expenses payable to the Trustee-Manager of NetLink NBN Trust out of trust property are appropriate and in accordance with the Trust Deed and regular internal reviews are carried out to ensure that such expenses payable are in order. Fees and expenses charged to NetLink NBN Trust by NetLink NBN Management Pte. Ltd. out of the trust property are disclosed in Note 27 of the financial statements and in paragraph 3 below; and
 - the Trustee-Manager complies with and has engaged the services of and obtained advice from professional advisers and consultants from time to time to ensure compliance with the requirements of the Business Trusts Act 2004, the Listing Manual of the Singapore Exchange Securities Trading Limited, and all other relevant laws and regulations.

Additional Information

(required under the Business Trusts Act 2004 and the Business Trusts Regulations 2005)

3. INTERESTED PERSON TRANSACTIONS

The aggregate value of all interested person transactions¹ during the financial year (excluding transactions less than \$100,000) are as follows:

Nature of Relationship	Group		Group	
	Aggregate value of all IPTs during the financial period under review		Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
NetLink NBN Management Pte. Ltd.:				
- Management fees	900	900	-	-
- Reimbursement of expenses	131	110	-	-
	1,031	1,010	-	-

¹ Excludes transactions which are regulated by IMDA or where prices are publicly quoted.

Financial Statements

NETLINK NBN MANAGEMENT PTE. LTD.

(Incorporated in Singapore)

Company Registration. No. 201704783K

For the financial year ended 31 March 2024

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NETLINK NBN MANAGEMENT PTE. LTD.**Directors' Statement****For the financial year ended 31 March 2024**

The Directors of NetLink NBN Management Pte. Ltd. (the "Company") are pleased to present their statement together with the audited financial statements of the Company for the financial year ended 31 March 2024.

In the opinion of the Directors, the accompanying financial statements of the Company as set out on pages 220 to 229 are drawn up to give a true and fair view of the financial position of the Company as at 31 March 2024, and the financial performance, changes in equity and cash flows of the Company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

DIRECTORS

The Directors of the Company in office at the date of this statement are:

Mr Chaly Mah Chee Kheong	(Chairman and Independent Director)
Ms Koh Kah Sek	(Independent Director)
Ms Ku Xian Hong	(Independent Director)
Ms Tee Siew Hong	(Independent Director) (Appointed on 1 December 2023)
Ms Wong Swee Ping, Shirley	(Independent Director) (Appointed on 1 December 2023)
Mr Yeo Wico	(Independent Director)
Mr Quah Kung Yang	(Non-Executive Director)
Mr William Woo Siew Wing	(Non-Executive Director)
Mr Tong Yew Heng	(Chief Executive Officer and Executive Director)

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the Directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate.

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

None of the Directors who held office at the end of the financial year had an interest in shares or debentures of the Company and related corporations either at the beginning or at the end of the financial year.

SHARE OPTIONS

- (a) Options to take up unissued shares

During the financial year, no options to take up unissued shares of the Company were granted.

- (b) Options exercised

During the financial year, there were no shares of the Company issued by virtue of the exercise of an option to take up unissued shares.

- (c) Unissued shares under option

At the end of financial year, there were no unissued shares of the Company under option.

NETLINK NBN MANAGEMENT PTE. LTD.

Directors' Statement

For the financial year ended 31 March 2024

AUDITORS

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

On behalf of the directors,

Chaly Mah Chee Kheong
Chairman

Tong Yew Heng
Director

Singapore
16 May 2024

NETLINK NBN MANAGEMENT PTE. LTD.

Independent Auditor's Report

To the Members of Netlink NBN Management Pte. Ltd.**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS****Opinion**

We have audited the financial statements of NetLink NBN Management Pte. Ltd. (the "Company"), which comprise the statement of financial position of the Company as at 31 March 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 220 to 229.

In our opinion, the accompanying financial statements of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967, (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2024 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the Directors' Statement, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, 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 financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

NETLINK NBN MANAGEMENT PTE. LTD.

Independent Auditor's Report

To the Members of Netlink NBN Management Pte. Ltd.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Deloitte & Touche LLP

Public Accountants and
Chartered Accountants
Singapore

16 May 2024

NETLINK NBN MANAGEMENT PTE. LTD.

Statement of Profit or Loss and
Other Comprehensive Income

For the financial year ended 31 March 2024

	Note	2024 \$	2023 \$
Revenue	2	1,012,473	995,059
Other income		-	166
Operating expenses		(1,010,854)	(968,059)
Profit before tax	3	1,619	27,166
Income tax expenses	4	(158)	(2,038)
Profit after tax representing total comprehensive income for the financial year		1,461	25,128

NETLINK NBN MANAGEMENT PTE. LTD.

Statement of Financial Position

For the financial year ended 31 March 2024

	Note	2024 \$	2023 \$
ASSET			
Current assets			
Cash and bank balances	5	460,750	455,201
Prepayments		14,871	15,320
Trade receivable from a related party	6	41,880	25,345
		<u>517,501</u>	<u>495,866</u>
LIABILITY			
Current liabilities			
Other payables		21,223	18,565
Accrued operating expenses		276,441	257,036
Income tax payable		149	2,038
		<u>297,813</u>	<u>277,639</u>
Net assets		<u>219,688</u>	<u>218,227</u>
SHAREHOLDER'S EQUITY			
Share capital	7	5	5
Accumulated profits		219,683	218,222
Total equity		<u>219,688</u>	<u>218,227</u>

NETLINK NBN MANAGEMENT PTE. LTD.

Statement of Changes in Equity

For the financial year ended 31 March 2024

2024

	Share capital (Note 7)	Accumulated profits	Total
	\$	\$	\$
Balance as at 1 April 2023	5	218,222	218,227
Profit for the year representing total comprehensive income for the financial year	-	1,461	1,461
Balance as at 31 March 2024	5	219,683	219,688

2023

	Share capital (Note 7)	Accumulated profits	Total
	\$	\$	\$
Balance as at 1 April 2022	5	193,094	193,099
Profit for the year representing total comprehensive income for the financial year	-	25,128	25,128
Balance as at 31 March 2023	5	218,222	218,227

NETLINK NBN MANAGEMENT PTE. LTD.

Statement of Cash Flows

For the financial year ended 31 March 2024

	Note	2024 \$	2023 \$
Operating activities			
Profit before tax		1,619	27,166
Operating cash flows before working capital changes		1,619	27,166
Changes in working capital:			
- Prepayments		449	(818)
- Trade receivable from a related party		(16,535)	3,351
- Other payables		2,658	1,765
- Accrued operating expenses		19,405	(15,323)
Cash generated from operations		7,596	16,141
Income tax paid		(2,047)	(1,872)
Net cash generated from operating activities		5,549	14,269
Net increase in cash and cash equivalents		5,549	14,269
Cash and cash equivalents at beginning of financial year		455,201	440,932
Cash and cash equivalents at end of financial year		460,750	455,201

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NETLINK NBN MANAGEMENT PTE. LTD.

Notes to the Financial Statements

For the financial year ended 31 March 2024

1. GENERAL INFORMATION

The Company (Registration No. 201704783K) was incorporated in the Republic of Singapore with its principal place of business and registered office at 750E Chai Chee Road, #07-03, ESR BizPark @ Chai Chee, Singapore 469005.

The principal activity of the Company is to act as Trustee-Manager of NetLink NBN Trust (the "Trust"). The Trust is a business trust constituted by a trust deed and regulated by the Business Trust Act 2004 and is domiciled in Singapore. The Trust was listed on the Mainboard of the Singapore Exchange Securities Trading Limited on 19 July 2017.

DBS Trustee Limited (as share trustee of Singapore NBN Trust) holds all shares of the Company (being the trustee-manager of the Trust) on trust for the benefit of the beneficiaries of Singapore NBN Trust (being the unitholders of the Trust), each of whom has an undivided interest in the Company in proportion to their respective percentage of units held or owned by each of them in the Trust. Singapore NBN Trust is a business trust constituted by a trust deed dated 21 February 2017.

The financial statements for the financial year ended 31 March 2024 were authorised for issue in accordance with a resolution of the Board of Directors on 16 May 2024.

1.1 BASIS OF PREPARATION

The financial statements have been prepared on the historical cost basis, except as disclosed in the material accounting policy information, and are drawn up in accordance with the provisions of the Companies Act 1967, and Financial Reporting Standards in Singapore ("FRSs"). The financial statements are expressed in Singapore dollars, which is functional currency of the Company.

1.2 ADOPTION OF NEW AND REVISED STANDARDS

On 1 April 2023, the Company has applied all the new and revised FRSs pronouncements that are relevant to its operations. Their adoption has not had any material impact on the disclosures or on the amounts reported for the current or prior years except as below.

- **Amendments to FRS 1 and FRS Practice Statement 2: *Disclosure of Accounting Policies***

The Company has adopted the amendments to FRS 1 *Presentation of Financial Statements* for the first time in the current year. The amendments change the requirements in FRS 1 with regard to disclosure of accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in FRS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The Company has applied materiality guidance in FRS Practice Statement 2 in identifying its material accounting policies for disclosures in the related notes. The previous term 'significant accounting policies' used throughout the financial statements has been replaced with 'material accounting policy information'.

- **Standards issued but not effective**

At the date of authorisation of these financial statements, there are no FRS pronouncements that have been issued but are not yet effective, that will have a material impact on the financial statements in the period of their initial adoption.

NETLINK NBN MANAGEMENT PTE. LTD.

Notes to the Financial Statements

For the financial year ended 31 March 2024

1.3 MATERIAL ACCOUNTING POLICY INFORMATION

FAIR VALUE MEASUREMENTS

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 Company takes into account the characteristics of the asset or liability if market participants would take those characteristics 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.

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:

- a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- b) 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
- c) Level 3 inputs are unobservable inputs for the asset or liability.

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instruments.

FINANCIAL ASSETS

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

Financial assets are initially measured at fair value (except for trade receivables that do not have a significant financing component which are measured at transaction price), net of transaction costs that are directly attributable to the acquisition or issue of financial assets.

CLASSIFICATION OF FINANCIAL ASSETS

The Company classifies its financial assets based on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial assets (comprising cash and cash equivalents and trade receivable from a related party) are subsequently measured at amortised cost as they are held within a business model whose objective is to collect the contractual cash flows which are solely payments of principal and interest on the principal amount outstanding ("SPPI").

IMPAIRMENT OF FINANCIAL ASSETS

The Company recognises a loss allowance for expected credit losses ("ECL") on trade receivable from a related party. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. Details about the Company's credit risk management and impairment policies are disclosed in Note 9(a).

NETLINK NBN MANAGEMENT PTE. LTD.

Notes to the Financial Statements

For the financial year ended 31 March 2024

1.3 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

DERECOGNITION OF FINANCIAL ASSETS

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

CLASSIFICATION AS DEBT OR EQUITY

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

EQUITY INSTRUMENTS

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

FINANCIAL LIABILITIES MEASURED AT AMORTISED COST

Financial liabilities at amortised cost include other payables and accrued operating expenses. These are initially measured at fair value, net of transaction costs that are directly attributable to the acquisition or issue of the financial liabilities, and are subsequently measured at amortised cost using the effective interest method.

DERECOGNITION OF FINANCIAL LIABILITIES

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

1.4 CRITICAL JUDGEMENTS IN APPLYING THE COMPANY'S MATERIAL ACCOUNTING POLICIES

Management has not made any critical judgement which may have a significant effect on the amounts recognised in the financial statements.

1.5 KEY SOURCES OF ESTIMATION UNCERTAINTY

There are no key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NETLINK NBN MANAGEMENT PTE. LTD.

Notes to the Financial Statements

For the financial year ended 31 March 2024

2. REVENUE

	2024 \$	2023 \$
Management fees	900,000	900,000
Reimbursement of expenses	112,473	95,059
	1,012,473	995,059

MATERIAL ACCOUNTING POLICY INFORMATION

The Company acts as the Trustee-Manager of NetLink NBN Trust in accordance with the Trust Deed dated 19 June 2017 which constituted NetLink NBN Trust.

The Company recognises revenue from the provision of management services and revenue relates to the management fees and reimbursement of expenses in accordance with the Trust Deed. Revenue is recognised over the period which management services are being rendered.

3. PROFIT BEFORE TAX

The following items have been included in arriving at profit before tax:

	2024 \$	2023 \$
Directors' fees	898,068	873,000
Foreign exchange loss/(gain)	314	(149)
	898,382	872,851

4. INCOME TAX EXPENSES

The income tax on the results differs from the amount that would arise using the Singapore standard rate of income tax due to the following:

	2024 \$	2023 \$
Profit before tax	1,619	27,166
Tax calculated at a tax rate of 17%	275	4,618
Expenses not deductible for tax purposes	320	307
Under provision in prior years	9	-
Effect of tax relief	(446)	(2,887)
	158	2,038

MATERIAL ACCOUNTING POLICY INFORMATION

Current tax payable represents the amount expected to be paid to taxation authorities based on taxable profit for the year, using tax rates enacted or substantively enacted at the reporting date. The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects the uncertainty related to income taxes.

NETLINK NBN MANAGEMENT PTE. LTD.

Notes to the Financial Statements

For the financial year ended 31 March 2024

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statement of cash flows comprise the following amounts:

	2024 \$	2023 \$
Cash and bank balances	460,750	455,201

MATERIAL ACCOUNTING POLICY INFORMATION

Cash and cash equivalents comprise cash and bank balances that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

6. TRADE RECEIVABLE FROM A RELATED PARTY

Related party in these financial statements refer to NetLink NBN Trust. The receivable is non-interest bearing and on 30 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

In determining the expected credit losses ("ECL"), management has taken into account the financial position of NetLink NBN Trust, adjusted for factors that are specific to NetLink NBN Trust and general economic conditions of the industry NetLink NBN Trust operates, in establishing the probability of default. Management determines that the probability of default is low and ECL is not material.

There has been no change in the estimate techniques or significant assumptions made during the current and previous reporting period.

Details about the Group's credit risk management and impairment policies are disclosed in Note 9(a).

7. SHARE CAPITAL

Issued and paid-up ordinary share capital

	2024 Shares and \$	2023 Shares and \$
Balance at beginning and end of financial year	5	5

All issued shares are fully paid, have no par value, and carry one vote per share and a right to dividends as and when declared by the Company.

NETLINK NBN MANAGEMENT PTE. LTD.

Notes to the Financial Statements

For the financial year ended 31 March 2024

8. RELATED PARTY TRANSACTIONS

	2024 \$	2023 \$
Management fees and reimbursement of expenses received/receivable from NetLink NBN Trust	1,012,473	995,059

9. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

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

	2024 \$	2023 \$
<u>Financial assets</u>		
Financial assets at amortised cost	502,630	480,546
<u>Financial liabilities</u>		
Financial liabilities at amortised cost	297,664	275,601

The main risks arising from the Company's financial instruments are credit risk and liquidity risk. The Board reviews and manages each of these risks and they are summarised below:

(a) CREDIT RISK MANAGEMENT

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company develops and maintains its credit risk ratings to categorise exposures according to their degree of risk of default. The Company uses its trading records to rate its revenue from NetLink NBN Trust.

The Company applies the simplified approach in FRS 109 to measure the loss allowance at an amount equal to lifetime ECL for trade receivable from a related party. There has been no change in the estimation techniques or material assumptions made during the current reporting period.

(b) LIQUIDITY RISK MANAGEMENT

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company maintains sufficient cash and cash equivalents and internally generated cash flows to finance its activities.

(c) CAPITAL RISK MANAGEMENT

The Company manages its capital to ensure that it will be able to continue as a going concern. The capital requirements of the capital structure of the Company consist of equity attributable to shareholders, comprising share capital and accumulated profits.

Statistics of Unitholdings

As at 30 May 2024

ISSUED AND FULLY PAID UNITS

3,896,971,100 Units (Voting rights: 1 vote per Unit)
There is only one class of units in NetLink NBN Trust

DISTRIBUTION OF UNITHOLDINGS

Size of Unitholdings	No. of Unitholders	%	No. of Units	%
1 – 99	8	0.03	82	0.00
100 – 1,000	3,545	11.60	3,234,418	0.08
1,001 – 10,000	16,552	54.15	79,558,826	2.04
10,001 – 1,000,000	10,394	34.00	553,561,450	14.21
1,000,001 and above	68	0.22	3,260,616,324	83.67
Total	30,567	100.00	3,896,971,100	100.00

TWENTY LARGEST UNITHOLDERS

No.	Name	No. of Units	%
1.	SINGTEL INTERACTIVE PTE LTD	965,999,999	24.79
2.	CITIBANK NOMINEES SINGAPORE PTE LTD	667,213,295	17.12
3.	DBS NOMINEES (PRIVATE) LIMITED	509,934,229	13.09
4.	HSBC (SINGAPORE) NOMINEES PTE LTD	316,322,876	8.12
5.	RAFFLES NOMINEES (PTE.) LIMITED	237,320,538	6.09
6.	DBSN SERVICES PTE. LTD.	180,151,362	4.62
7.	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	60,092,177	1.54
8.	PHILLIP SECURITIES PTE LTD	25,336,790	0.65
9.	BPSS NOMINEES SINGAPORE (PTE.) LTD.	18,321,421	0.47
10.	OCBC SECURITIES PRIVATE LIMITED	18,195,400	0.47
11.	IFAST FINANCIAL PTE. LTD.	17,873,300	0.46
12.	MORGAN STANLEY ASIA (SINGAPORE) SECURITIES PTE LTD	17,772,351	0.46
13.	GUTHRIE VENTURE PTE LTD	17,400,000	0.45
14.	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	17,039,022	0.44
15.	DB NOMINEES (SINGAPORE) PTE LTD	15,590,280	0.40
16.	UOB KAY HIAN PRIVATE LIMITED	13,128,600	0.34
17.	CGS INTL SECURITIES SINGAPORE PL	12,568,861	0.32
18.	ABN AMRO CLEARING BANK N.V.	11,028,200	0.28
19.	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	10,318,200	0.26
20.	LIEW CHEE KONG	9,835,000	0.25
Total		3,141,441,901	80.62

Statistics of Unitholdings

As at 30 May 2024

SUBSTANTIAL UNITHOLDERS

Based on the Register of Substantial Unitholders' Unitholdings maintained by the Trustee-Manager as at 30 May 2024, the Substantial Unitholders of NetLink NBN Trust and their interests in the Units of NetLink NBN Trust are as follows:

Name	Direct interest		Deemed interest	
	No. of Units	%	No. of Units	%
Singtel Interactive Pte. Ltd.	965,999,999	24.79	-	-
Singapore Telecommunications Limited ¹	-	-	965,999,999	24.79
Temasek Holdings (Private) Limited ²	-	-	1,017,130,250	26.10

Notes:

- ¹ Singtel Interactive Pte. Ltd. is a wholly-owned subsidiary of Singtel Telecommunications Limited ("Singtel"). Accordingly, Singtel is deemed to have an interest in the 965,999,999 units of NetLink NBN Trust that Singtel Interactive Pte. Ltd. holds.
- ² Singtel is a subsidiary of Temasek Holdings (Private) Limited ("Temasek"). Accordingly, Temasek is deemed to be interested in the 965,999,999 units in which Singtel has a deemed interest. In addition, under the Securities and Futures Act 2001, Temasek is deemed to be interested in a further 51,130,251 units in which an associated company has or is deemed to have an interest. Singtel and the associated company referred to above are independently-managed Temasek portfolio companies. Temasek is not involved in their business or operating decisions, including those regarding their positions in the Units of NetLink NBN Trust.

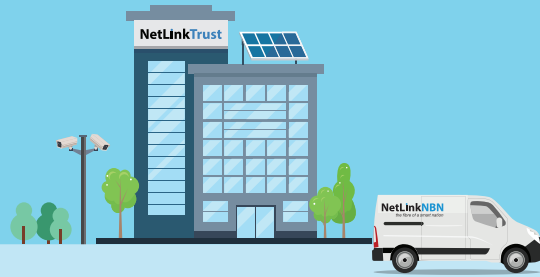
PUBLIC UNITHOLDERS

Based on the information available to the Trustee-Manager as at 30 May 2024, approximately 73.84% of the issued Units in NetLink NBN Trust is held by the public and therefore, pursuant to Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited, it is confirmed that at least 10% of the issued Units in NetLink NBN Trust is at all times held by the public.

As at 30 May 2024, there are no treasury units held and there are no subsidiary holding.

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Corporate Information



Board of Directors

Mr Chaly Mah Chee Kheong (Chairman)
Ms Koh Kah Sek
Ms Ku Xian Hong
Ms Joyce Tee Siew Hong
Ms Shirley Wong Swee Ping
Mr Yeo Wico
Mr Quah Kung Yang
Mr William Woo Siew Wing
Mr Tong Yew Heng

Audit Committee

Ms Koh Kah Sek (Chairman)
Ms Shirley Wong Swee Ping
Mr Yeo Wico

Nominating Committee

Mr Chaly Mah Chee Kheong (Chairman)
Ms Joyce Tee Siew Hong
Mr William Woo Siew Wing

Remuneration Committee

Mr Chaly Mah Chee Kheong (Chairman)
Ms Ku Xian Hong
Mr Yeo Wico

Risk and Sustainability Committee

Ms Ku Xian Hong (Chairman)
Mr Chaly Mah Chee Kheong
Mr Quah Kung Yang

Company Secretaries

Ms Eunice Hooi Lai Fann
Mr Albert Lim Aik Seng



Registered Office

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Singapore 469005

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Unit Registrar

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Singapore 098632

Tel: 6536 5355
Fax: 6438 8710

www.boardroomlimited.com

Auditors

Deloitte and Touche LLP

6 Shenton Way
#33-00 OUE Downtown 2
Singapore 068809

Tel: 6224 8288
Fax: 6538 6166

Partner-in-charge: Shariq Barmaky
(Appointed from financial year ended
31 March 2024)

IR Contact

For enquiries on the Group's business performance, contact the Investor Relations team at investor@netlinknbn.com.



NetLinkNBN

the fibre of a smart nation

NetLink NBN Trust

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