

CORPORATE GOVERNANCE

A Director is considered independent if he has no relationship with the Manager, its related companies or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgment in the best interest of CCT. The Chairman of the Board, Mr Richard E. Hale, Mr Fong Kwok Jen, Mr Ho Swee Huat and Dato' Mohammed Bin Haji Che Hussein (with effect from 1 January 2009) are considered to be Independent Non-Executive Directors.

The Board is of the view that its current composition comprises persons who, as a group, provides the necessary core competencies and that the current Board size is appropriate and effective, taking into consideration the nature and scope of CCT's operations.

The profiles of the Directors are set out on pages 13 to 16 of this Annual Report.

Principle 3: Chairman and Chief Executive Officer

The roles of Chairman and Chief Executive Officer are separate and the positions are held by two separate persons. The Chairman, Mr Richard E. Hale, is an Independent Non-Executive Director while the Chief Executive Officer, Ms Lynette Leong Chin Yee, is an Executive Director. This is to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making. The division of responsibilities between the Chairman and the Chief Executive Officer facilitates effective oversight and a clear segregation of duties. The Chairman and the Chief Executive Officer are not related to each other.

The Chairman leads the Board to ensure the effectiveness on all aspects of its role and sets its agenda. He ensures that the members of the Board receive accurate, clear and timely information, facilitates the contribution of Non-Executive

Directors, and encourages constructive relations between Executive Directors, Non-Executive Directors and management.

The Chairman also ensures that the Board works together with management with integrity, competency and moral authority, and engages management in constructive debate on strategy, business operations and enterprise risks.

The Chief Executive Officer has full executive responsibilities over the business directions and operational decisions of managing CCT.

Principle 4: Board Membership

Principle 5: Board Performance

As the Manager is not a listed entity, the Manager does not consider it necessary for the Board to establish a nominating committee as it believes that the performance of the Manager, and hence, its Board, is reflected in the long-term success of CCT. Thus, the Board performs the functions that such a committee would otherwise perform, namely, it administers nominations to the Board, reviews the structure, size and composition of the Board, and reviews the independence of Board members. Directors of the Manager are not subject to periodic retirement by rotation.

The composition of the Board is reviewed regularly to ensure that the Board has the appropriate size and mix of expertise and experience. In particular, the Manager strives to ensure the Board as a whole, has the requisite blend of background, experience and knowledge in business, finance and management skills critical to CCT's businesses, and that each Director with his special contribution brings to the Board an independent and objective perspective, to enable balanced and well-considered decisions to be made. A Director with multiple board representations is expected to ensure that sufficient attention is given to the affairs of the Manager and CCT.

The composition of the Board, including the selection of candidates for new appointments to the Board as part of the Board renewal process, is determined using the following principles:

- the Chairman of the Board should be an Independent Non-Executive Director.
- the Board should comprise Directors with a broad range of commercial experience, including expertise in fund management, the property industry and in the banking and legal fields; and
- at least one-third of the Board should comprise Independent Non-Executive Directors.

The selection of candidates is evaluated taking into account various factors including the current and mid-term needs and goals of CCT and the Manager as well as the relevant expertise of the candidates and their potential contributions. Candidates may be put forward or sought through contacts and recommendations.

The independence of each Director is reviewed upon appointment, and thereafter annually, by the Board.

Reviews of Board performance as appropriate are informal. Renewal or replacement of Board members do not necessarily reflect their contributions to-date, but may be driven by the need to position and shape the Board in line with the medium term needs of CCT and its business.

In the Manager's opinion, the financial indicators, set out in the Code as guides for the evaluation of the Board and its Directors, are more appropriate measurement of management performance and therefore less applicable to Directors. In any case, such financial indicators provide a snapshot of CCT's performance, and do not fully measure the sustainable long-term wealth and value creation of CCT. The Manager believes that Board performance and that of individual Board members would be better reflected and evidenced by proper guidance, diligent oversight and able leadership, and the support that it lends to management to steer CCT in the appropriate direction, and the long-term performance of CCT under favourable or challenging market conditions. Ultimately the interests of CCT will be safeguarded and reflected by maximisation of Unitholder's value.

Contributions by an individual Board member can also take other forms, including providing objective perspectives of issues, facilitating business opportunities and strategic relationships, and accessibility to management outside of a formal environment of Board and/or Board Committee meetings.

The Board members' participation and attendance record at Board meetings and the respective Board Committees during the financial year is provided below.

BOARD AND BOARD COMMITTEES

Composition and Attendance Record

Seven Board meetings, four Audit Committee meetings and one Executive Committee meeting were held in 2008. The following tables contain details of the memberships in the Board and Board Committees and the attendance record of Directors at Board meetings and Board Committee meetings during the year.

BOARD MEMBERS	AUDIT COMMITTEE	EXECUTIVE COMMITTEE	CORPORATE DISCLOSURE COMMITTEE
Richard E. Hale	–	–	–
Liew Mun Leong	–	C	–
Lynette Leong Chin Yee	–	M	–
Ho Swee Huat	C	–	–
Fong Kwok Jen	M	–	C
Stewart Fraser Ewen OAM (Resigned on 31 October 2008)	M	–	–
Kee Teck Koon	–	M	M
Wen Khai Meng	–	M	–
Lui Chong Chee (Appointed on 1 July 2008)	–	–	–
Olivier Lim Tse Ghow	M	M	M

Key: C – Chairman, M – Member

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BOARD MEMBERS	BOARD NO. OF MEETINGS HELD: 7	AUDIT COMMITTEE NO. OF MEETINGS HELD: 4	EXECUTIVE COMMITTEE NO. OF MEETINGS HELD: 1
Richard E. Hale	7	N.A.	N.A.
Liew Mun Leong	3	N.A.	1
Lynette Leong Chin Yee	7	4*	1
Ho Swee Huat	7	4	N.A.
Fong Kwok Jen	7	4	N.A.
Stewart Fraser Ewen OAM (Resigned on 31 October 2008)	7	4	N.A.
Kee Teck Koon	6	N.A.	1
Wen Khai Meng	7	N.A.	1
Lui Chong Chee (Appointed on 1 July 2008)	1	N.A.	N.A.
Olivier Lim Tse Ghow	7	2	1

* In attendance as Chief Executive Officer

Principle 6: Access to Information

Principle 10: Accountability

Management provides the Directors with complete and adequate information in a timely manner. This is done through regular updates on financial results, market trends and business developments. Changes to regulations, policies and accounting standards are also monitored closely. To keep pace with regulatory changes, where these changes have an important and significant bearing on CCT and its disclosure obligations, the Directors are briefed by management during Board and/or Board Committee meetings, at specially convened sessions or via circulation of Board and/or Board Committee papers. Information provided to the Directors includes explanatory background relating to matters to be brought before them, budgets, forecasts and management accounts. In relation to budgets, any material variance between projections and actual results are disclosed and explained.

The Manager also provides the Directors with management accounts on a monthly basis to enable Directors to keep abreast of CCT's financial performance, position and prospects.

The company secretary (Secretary) works with the Chairman and management to ensure that Board and/or Board Committee papers and agenda are provided to each Director ahead of meetings of Board and/or Board Committee so that they can familiarise themselves with the matters prior to the meetings. Senior executives who can provide additional insights into matters to be discussed are requested to attend the meetings to answer any questions. Meetings are usually half-a-day affairs and include presentations by senior executives, external consultants and experts on strategic issues relating to specific business areas.

The Board has separate and independent access to the Manager's senior management and the Secretary, and vice versa. The Secretary renders necessary assistance to the Board, and ensures meeting procedures are followed and the applicable

laws and regulations are complied with. Under the direction of the Chairman, the Secretary's responsibilities include ensuring good information flows within the Board and its Committees and between senior management and Non-Executive Directors as well as facilitating orientation and assisting with professional development as required. The Secretary attends Board meetings and Board Committee meetings to take minutes.

Where necessary, the Manager will, upon the request of Directors (whether as a group or individually), provide them with independent professional advice, at the Manager's expense, to enable them to discharge their duties. The Secretary assists the Directors in obtaining such advice.

(B) REMUNERATION MATTERS

Principle 7: Procedures for Developing Remuneration Policies

Principle 8: Level and Mix of Remuneration

Principle 9: Disclosure on Remuneration

The remuneration of staff of the Manager and Directors' fees are paid by the Manager, and not by CCT.

The Manager adopts the remuneration policies and practices of its holding company, CapitaLand Limited (CL), which has a remuneration committee that determines and recommends to the CL board of directors, the framework of remuneration, terms of engagement, compensation and benefits for senior executives of the CL Group, which include the Chief Executive Officer of the Manager and members of its senior management team. Therefore, the Manager does not have a remuneration committee.

The Directors' fees for the year ended 31 December 2008 are shown in the table below. The Chief Executive Officer and representatives of CL on the Board of the Manager do not receive directors' fees. Non-Executive Directors have no service contracts with the Manager. They receive a basic fee, an additional fee for serving on any of the Committees and an attendance fee for participation in meetings of the Board and the relevant Board Committees, project meetings and verification meetings. In determining the quantum of such fees, factors such as frequency of meetings, time spent and responsibilities of Directors are taken into account. The Chairman of and members of the Audit Committee receive higher fees compared to other Committees to take into account the nature of their responsibilities and the greater frequency of meetings.

BOARD MEMBERS	FY 2008 DIRECTOR'S FEES ⁽¹⁾	FY 2007 DIRECTOR'S FEES ⁽¹⁾
Richard E. Hale	S\$85,000	S\$82,000
Liew Mun Leong	-	-
Lynette Leong Chin Yee	-	-
Ho Swee Huat	S\$87,000	S\$84,000
Fong Kwok Jen	S\$87,000	S\$84,000
Stewart Fraser Ewen OAM (Resigned on 31 October 2008)	S\$91,900 ⁽²⁾	S\$96,000
Kee Teck Koon	-	-
Wen Khai Meng	-	-
Lui Chong Chee (Appointed on 1 July 2008)	-	-
Olivier Lim Tse Ghow	-	-

(1) Inclusive of attendance fees of (a) S\$2,000 (local director) and S\$5,000 (foreign director) per meeting attendance in person (b) S\$1,700 per meeting attendance via tele-conference or video conference, and (c) S\$1,000 per meeting attendance at project and verification meetings subject to a maximum of S\$10,000 per director per annum.

(2) For the period from 1 January 2008 to 31 October 2008

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(C) INTERNAL CONTROL AND AUDIT

Principle 11: Audit Committee

The Audit Committee is established by the Board from among the Directors and comprises four non-executive members, the majority of whom (including the Chairman of the Audit Committee) are independent. The Manager is of the view that the Audit Committee members have the relevant expertise to discharge the functions of an Audit Committee. The Chairman of the Audit Committee is Mr Ho Swee Huat and the other members are Mr Fong Kwok Jen, Dato' Mohammed Bin Haji Che Hussein (with effect from 1 January 2009) and Mr Olivier Lim Tse Ghow.

The Audit Committee has a set of terms of reference defining its scope of authority in relation to its management of CCT which includes:

- monitoring the integrity of the financial information provided by the Manager, in particular by reviewing the relevance and consistency of the accounting standards used for the financial reports of CCT (i.e. entity level) and its group (i.e. consolidation level) and the Manager;
- evaluating the effectiveness of the internal control systems (including financial control, operational and compliance controls and risk management systems) established by management by reviewing written reports from the internal auditor and external auditor, and management's responses and actions to correct the deficiencies;
- reviewing the procedures in place to ensure compliance with applicable legislation (such as the Companies Act, Chapter 50 and the SFA and their subsidiary legislations), the Listing Manual and the CIS Code;

- reviewing the effectiveness of the internal audit function;
- assessing the suitability of the accounting firm as external auditor and recommending to the Board its appointment or re-appointment as external auditor for the coming year at the compensation as negotiated by management and reviewing and recommending to the Board for approval of its discharge;
- reviewing the adequacy of external auditor in terms of cost, scope and performance and also assessing the cost effectiveness, the independence and objectivity of the external auditor; and
- reviewing and monitoring the procedure established to regulate all transactions involving an Interested Person (as defined in Chapter 9 of the Listing Manual) and/or Interested Party (as defined in the Property Fund Guidelines of the CIS Code (Property Fund Guidelines)) (each, a "related party") and CCT and/or its subsidiary (Related Party Transactions), including ensuring compliance with the provisions of the Listing Manual and Property Fund Guidelines relating to Related Party Transactions.

The Audit Committee is authorised to investigate any matter within its terms of reference. The Audit Committee has full access to and co-operation of management and the internal auditor and has full discretion to invite any executive director or officer to attend its meetings. The internal auditor and external auditor have unrestricted access to the Audit Committee. Reasonable resources have been made available to the Audit Committee to enable it to discharge its duties.

In its review of the audited financial statements for the financial year ended 2008, the Audit Committee discussed with management and external auditor the accounting principles that were applied. Based on the review and discussions with management and the

external auditor, the Audit Committee is of the view that the financial statements are fairly presented, and conform to generally accepted accounting principles in all material aspects.

The Audit Committee has also conducted a review of all non-audit services provided by the external auditor during the financial year and is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditor.

The Audit Committee also reviews arrangements by which employees of the Manager may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. Pursuant to this, the Audit Committee has reviewed and is satisfied with the Whistle Blowing Policy introduced by management where employees may raise improprieties to the Audit Committee Chairman in good faith, with the confidence that employees making such reports will be treated fairly and be protected from reprisal. The Audit Committee confirms that no reports have been received under the Whistle Blowing Policy thus far.

Audit Committee meetings are generally held after the end of every quarter of every financial year. Four Audit Committee meetings were held during the year.

The Audit Committee also meets CCT's external auditor, and with the internal auditor, without the presence of management, at least once annually.

Principle 12: Internal Controls

Principle 13: Internal Audit

The Manager has put in place a system of internal control of procedures and processes to safeguard the assets of CCT, interests of Unitholders as well as to manage risk.

CCT's external auditor carries out, in the course of its annual audit, a review of the effectiveness of the Manager's material internal controls, including financial, operational and compliance controls and risk management to the extent of the scope of audit as laid out in its audit plan. Material non-compliance and internal control weaknesses noted during the audit and the auditor's recommendations to address such non-compliance and weaknesses are reported to the Audit Committee. Management follows up and implements CCT's external auditor's recommendations.

The Manager also has in place an internal audit function supported by CL's Internal Audit Department (CLIA) in relation to CCT since inception. The role of the internal auditor is to assist the Audit Committee to ensure that the Manager maintains a sound system of internal controls by regular monitoring of key controls and procedures and ensuring their effectiveness, undertaking investigations as directed by the Audit Committee, and conducting regular in-depth audits of high risk areas.

A majority of the CLIA staff are members of the Singapore branch of the Institute of Internal Auditors, Inc. (IIA), which has its headquarters in the USA. CLIA subscribes to, and is guided by; the Standards for the Professional Practice of Internal Auditing developed by the IIA and has incorporated these standards into its audit practices.

The standards set by the IIA cover requirements in respect of the following:

- independence.
- professional proficiency.
- scope of work.
- performance of audit work.
- management of the Internal Audit Department.

To ensure that the internal audits are performed by competent professionals, CLIA recruits and employs suitably qualified staff.

In order that their technical knowledge remains current and relevant, CLIA identifies and provides training and development opportunities to its staff.

CLIA is headed by a senior manager, who reports directly to the Audit Committee on audit matters and to the Chief Executive Officer of the Manager on administrative matters.

The Audit Committee reviews the internal audit reports and activities on an on-going basis. The Audit Committee also reviews and approves the annual internal audit plan with respect to CCT. The Audit Committee is of the view that the internal audit team is adequately resourced to perform its functions and has, to the best of its ability, maintained its independence from the activities that it audits.

The Board is satisfied that the Manager's internal controls are adequate based on reports from the CLIA and an external auditor.

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D) COMMUNICATION WITH UNITHOLDERS

Principle 14: Communication with Shareholders

Principle 15: Greater Shareholder Participation

The Listing Manual requires that a listed entity disclose to the market matters that could, or might be expected to, have a material effect on the price of the entity's securities. In line with CCT's disclosure obligations, the Board policy is to inform Unitholders, in a timely manner, of all major developments that impact CCT. During the year, a continuous disclosure process was in place to ensure that compliance with such obligations was constantly adhered to. The Manager believes that it should engage in regular, effective, unbiased and transparent communication with Unitholders. The Manager communicates information on CCT to Unitholders and the investing community through announcements that are released to the SGX-ST via SGXNet. Such announcements include the quarterly results, material transactions, and other developments relating to the CCT requiring disclosure under the corporate disclosure policy of the SGX-ST. Communication channels with Unitholders are also made accessible via:

- media and analysts briefings;
- one-on-one/group meetings or conference calls, investor luncheons, local/overseas road shows and conferences;
- annual reports;
- press releases on major developments of CCT;
- notices of and explanatory memoranda for, Extraordinary General Meetings (EGM); and
- CCT's web site at www.cct.com.sg

The Manager has implemented quarterly financial reporting for CCT since inception. Financial results and other price sensitive public announcements are presented in a balanced and understandable assessment of CCT's performance, position and prospects.

CCT is included in a few indices comprising the FTSE ST Mid-Cap Index, the European Public Real Estate Association (EPRA)/ National Association of Real Estate Investment Trust (NAREIT) Global Real Estate Index, Standard & Poors (S&P)/ Citigroup BMI World Property Index, Global Property Research's GPR 250 Property Securities Index, GPR 250 REIT Sub-Index, GPR General Index, and the FTSE/ASEAN Index.

With a majority of Units held by institutional investors, the Manager considers meeting local and foreign fund managers an integral part of investor relations. During the year under review, four briefings in relation to financial results and major announcements were conducted for investment analysts and the media.

During the year under review, the Manager met with institutional investors from Singapore, Hong Kong, Japan, Netherlands, United Kingdom, United States of America and Australia. These meetings with investors as well as participation in local and overseas conferences enabled the Manager to update potential and current Unitholders on CCT's significant developments, long-term strategies and the Singapore office market environment. The Manager will continue to pursue opportunities to educate and keep retail investors informed of the latest developments in the Singapore REIT industry, through relevant seminars and conferences.

Unitholders and potential stakeholders have 24-hour access to CCT's website for information on CCT's major developments, property descriptions, announcements and other corporate information. Real time information on CCT's unit price is also made available on the website. In addition, the public can pose questions via a dedicated "Ask Us" email address, and have their queries addressed accordingly. Also available on the website is an archive of CCT's announcements, press releases, annual reports and operational details. The latest information is posted on the website as soon as it is released to SGX-ST and the media.

All Unitholders are sent a CD containing CCT's Annual Report and printed copies are available upon request.

As and when an EGM of the Unitholders is to be held, each Unitholder will receive a copy of a circular to Unitholders which contains the details of the matters to be proposed for Unitholders' consideration and approval. The notice of EGM which sets out all items of business to be transacted at the EGM, is also announced on SGXNet and advertised in the major newspapers. Members of the Board, the Manager's senior management and the external auditor of CCT are in attendance at EGMs, and Unitholders are given the opportunity to air their views and ask questions regarding the matters to be tabled at the EGM.

(E) ADDITIONAL INFORMATION

Dealings with Related Parties, Review of Procedures for Related Party Transactions

The Manager has established internal control procedures to ensure that all Related Party Transactions are undertaken at arm's length basis and on normal commercial terms, which are generally no more favourable than those extended to unrelated third parties. In respect of such transactions, the Manager would have to demonstrate to the Audit Committee that the transactions are undertaken on normal commercial terms which may include obtaining (where practicable) quotations from parties unrelated to the Manager, or obtaining a valuation from an independent valuer (in accordance with the Property Fund Guidelines).

In addition, the following procedures are followed:

- (1) Where the value of a proposed Related Party Transaction, if aggregated with other Related Party Transactions involving the same related party during the same financial year, is equal to or greater than 3% of CCT's net tangible assets/net asset value, the Manager must, in addition to the review and approval of the Audit Committee, announce the Related Party Transaction immediately.
- (2) Where the value of a proposed Related Party Transaction, if aggregated with other Related Party Transactions involving the same related party during the same financial year, is equal to or greater than 5% of CCT's net tangible assets/net asset value, the proposed Related Party Transaction will be subject to:

- i) review and approval by the Audit Committee;
- ii) immediate announcement; and
- iii) the approval of the Unitholders at a meeting of the Unitholders.

Paragraphs (1) and (2) above do not apply to any transactions below S\$100,000 unless such a transaction involves an acquisition, investment or divestment of real estate or any other authorised investment.

All transactions with the CL Group are subject to review and approval by the Audit Committee.

Role of the Audit Committee for Related Party Transactions

The Manager's internal control procedures are intended to ensure that Related Party Transactions are conducted at arm's length and on normal commercial terms and are not prejudicial to Unitholders' interests. The Manager maintains a register to record all Related Party Transactions which are entered into by CCT (and the basis, including the quotations obtained to support such basis, on which they are entered into). The Manager incorporates into its internal audit plan, a review of all Related Party Transactions entered into by CCT. The Audit Committee reviews the internal audit reports to ascertain that the guidelines and procedures established to monitor Related Party Transactions have been complied with. The review includes the examination of the nature of the transaction and its supporting documents or such other data deemed necessary by the Audit Committee. In addition, the Trustee will also review such audit reports to ascertain that the Property Fund Guidelines have been complied with.

If a member of the Audit Committee has an interest in a transaction, he is to abstain from participating in the review and approval process in relation to that transaction.

Details of all Related Party Transactions (equal to or exceeding S\$100,000 each in value) entered into by CCT during the financial year are disclosed on page 137 of this Annual Report.

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Dealings with Conflicts of Interest

The following procedures have been established to deal with potential conflicts of interest which the Manager (including its Directors, executive officers and employees) may encounter in managing CCT:

- the Manager will be a dedicated manager to CCT and will not manage any other REIT or be involved in any other real property business.
- all executive officers of the Manager will be employed by the Manager.
- all resolutions at meetings of the Board of Directors of the Manager in relation to matters concerning CCT must be decided by a majority vote of the Directors, including at least one Independent Director.
- in respect of matters in which CL and/or its subsidiaries have an interest, direct or indirect, any nominees appointed by CL and/or its subsidiaries to the Board will abstain from voting. In such matters, the quorum will comprise a majority of Directors which excludes such interested Directors.
- if the Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of CCT with an affiliate of the Manager, the Manager shall be obliged to consult with a reputable law firm (acceptable to the Trustee) which shall provide legal advice on the matter. If the said law firm is of the opinion that the Trustee, on behalf of CCT, has a prima facie case against the party allegedly in breach under such agreements, the Manager is obliged to pursue the appropriate remedies under such agreements. The Directors of the Manager will have a duty to ensure that the Manager complies with the aforesaid. Notwithstanding the foregoing, the Manager shall inform the Trustee as soon as it becomes aware of

any breach of any agreement entered into by the Trustee for and on behalf of CCT with an affiliate of the Manager, and the Trustee may take such action as it deems necessary to protect the rights of Unitholders and/or which is in the interest of Unitholders. Any decision by the Manager not to take action against an affiliate of the Manager shall not constitute a waiver of the Trustee's right to take such action as it deems fit against such affiliate.

- at least one third of the Board shall comprise Independent Non-Executive Directors.

The Directors of the Manager are under a fiduciary duty to CCT to act in its best interests in relation to decisions affecting CCT when they are voting as members of the Board. In addition, the Directors and executive officers of the Manager are expected to act with integrity and honesty at all times.

Additionally, the Trustee has been granted a right of first refusal by CapitaLand Commercial Limited (CCL) over properties with certain specified characteristics which may in the future be identified and targeted for acquisition by CCL or any of its subsidiaries.

Under the Trust Deed, in respect of voting rights where the Manager would face a conflict between its own interest and that of the Unitholders, the Manager shall cause such voting rights to be exercised according to the discretion of the Trustee.

Risk Assessment and Management of Business Risk

Effective risk management is a fundamental part of CCT's business strategy. CCT operates within the overall guidelines and specific risk parameters set by the Board from time to time. Transactions are analysed to understand the risks involved, and appropriate controls and measures are put in place before the Manager proceeds to execute these transactions.

The Board generally meets quarterly, or more often if necessary, to review the financial performance of the Manager and CCT against a previously approved budget. The Board also reviews the risk to the assets of CCT and acts upon any comments by the auditor of CCT. In assessing business risk, the Board takes into consideration the general economic environment and property industry risk. Management also reviews the operations of the Manager and CCT regularly together with the Property Manager where appropriate.

The Manager has determined that significant risk for CCT will most likely arise when making property investment decisions. Accordingly, the Board and/or the Executive Committee reviews and approve all major investment decisions. Management is required to conduct due diligence in relation to any proposed property investment and in addition to the Property Manager, third party consultants with the requisite specialised knowledge are also engaged to assist in due diligence exercises when necessary.

The Board also requires that each major investment proposal submitted for decision includes a detailed risk assessment, including where appropriate, sensitivity analysis and management's proposed risk mitigation or control strategies.

Dealings in Securities

The Manager has complied with the best practices under the Listing Manual and has pursuant there to issued guidelines to its Directors and employees which prohibit dealing in the Units while in possession of material unpublished price-sensitive information, and during the two weeks before and up to (and including) the time of announcement of CCT's quarterly results and during the one month before and up to (and including) the time of announcement of CCT's full year results. Under these guidelines, Directors and employees have been directed to refrain from dealing in Units on short-term considerations. They are also made aware of the applicability of the insider trading laws at all times.