

# CORPORATE GOVERNANCE REPORT

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The Board of Directors (“the Board”) is committed to high standards of corporate governance as a fundamental part of discharging its responsibilities to protect and to enhance long-term shareholders’ value whilst taking into account the interests of other stakeholders.

This Report describes the corporate governance framework and practices of the Company with specific reference made to each of the principles of the Code of Corporate Governance 2018 (the “Code”). There are other sections of this Annual Report that contain information required by the Code and these should be read together with this Report.

The Company has complied in all material aspects with the principles and provisions of the Code. Where there are deviations from the Code, appropriate explanations are provided.

## 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.**

### *Provision 1.1*

#### *Directors as Fiduciaries*

The Directors exercise due diligence and independent judgment in dealing with the business affairs of the Group and work with the Management to make objective decisions as fiduciaries in the interest of the Group. Directors facing conflicts of interest recuse themselves from discussions and decisions involving the issues of conflict. The Board puts in place a code of conduct and ethics to set appropriate tone-from-the-top and desired organisational culture, and ensure proper accountability within the Company.

### *Provision 1.2*

#### *Directors’ Duties and Responsibilities*

## **Board’s Role**

The principal functions of the Board, apart from its statutory responsibilities, include:

- a) providing entrepreneurial leadership and setting overall strategies to achieve the vision and mission of the Group;
- b) overseeing the overall sustainability direction and strategy to drive, manage and monitor the key sustainability issues;
- c) ensuring that the necessary resources are in place for the Group to meet its strategic objectives;
- d) establishing a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders’ interests and the Group’s assets;
- e) identifying the key stakeholder groups and ensuring transparency and accountability to key stakeholder groups;
- f) setting the Group’s values and standards, and ensuring that the Group’s policies and practices are consistent therewith;
- g) reviewing the performance of the Management; and
- h) assuming responsibility for corporate governance.

The Company publishes a sustainability report which is included in this Annual Report.

## **Compliance with Regulatory Requirements**

The Board is committed to ensure compliance with the Listing Rules of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The Directors have each signed the respective undertaking in the form set out in Appendix 7.7 of the Listing Manual to undertake to use their best endeavours to comply with the Listing Rules and to procure that the Company shall so comply.

The Board ensures timely, reliable and full disclosure of material information to shareholders in compliance with statutory requirements and the Listing Rules of the SGX-ST.

# CORPORATE GOVERNANCE REPORT

## THE BOARD'S CONDUCT OF AFFAIRS (CONTINUED)

### Continuous Training and Development of Directors

Upon appointment, each new Director would be provided with a formal letter outlining a director's duties and obligations under applicable laws and the Listing Manual of the SGX-ST. The Company has in place an orientation programme for new Directors. Newly appointed Directors are briefed by the Board to familiarise them with the Group's business and strategic directions. The Company will arrange for incoming Directors to meet up with the Management and the Company Secretaries to familiarise themselves with their roles, the organisation structure and business practices of the Group. This will enable them to get acquainted with the Management and the Company Secretaries thereby facilitating board interaction and independent access to the Management and the Company Secretaries.

Unless the NC is of the view that training is not required because he or she has other relevant experience, a newly appointed Director who has no prior experience as a director of an issuer listed on the SGX-ST will be required to undergo training in his or her roles and responsibilities. Ms Ng Hsueh Ling, who was newly appointed to the Board on 24 March 2025, is not required to attend such training and training on sustainability matters as she has experience as a listed company director and has attended the training on sustainability matters.

The Nominating Committee ("NC") is charged with reviewing the training and professional development of Directors. All Directors are provided with regular updates on the latest governance and listing policies. The NC will recommend appropriate courses and seminars and arrange for updates by professionals as it deems relevant to improve the performance of the individual Directors and the Board.

Directors are encouraged to attend seminars, workshops and receive training in areas such as directors' duties and responsibilities, changes in regulations and regulatory framework (including financial reporting standards and the Listing Manual of the SGX-ST) which are relevant to the Group's business and operations, so as to enable them to perform effectively as Directors. Such expenses are borne by the Company.

Briefings and updates provided for Directors in FY 2024 included the following:

- The External Auditors briefed the Board at the Audit Committee meetings on developments in accounting and governance standards.
- The Chief Executive Officer ("CEO") updated the Board at Board meetings on the Group's business and strategic developments.
- The Management highlighted the salient operational and risk management issues to the Board.
- The Company Secretaries briefed the Board on the amendments to the Companies Act 1967 (the "Act") and the Listing Rules of the SGX-ST.

The Directors had also attended appropriate courses, conferences and seminars in FY 2024. They also have unrestricted access to professionals for consultation on laws, regulations and commercial risks as and when necessary at the expense of the Group.

#### *Provision 1.3*

##### *Internal Guidelines on Matters Requiring Board Approval*

The Company's Board Charter sets out in writing the matters which are specifically reserved to the Board for approval and such matters are clearly communicated to the Management in writing. Such matters include:

- a) annual budgets and financial plans of the Group;
- b) semi-annual financial reports;
- c) material acquisitions, divestments, investments and funding proposals;
- d) issuance of shares, dividend distributions and other returns to shareholders;
- e) interested person transaction (as defined under Chapter 9 of the Listing Manual); and
- f) matters involving a conflict of interest for a substantial shareholder or a Director.

#### *Provision 1.4*

##### *Delegation of Authority to Board Committees*

In carrying out and discharging its duties, the Board is assisted by the AC, the NC and the Remuneration Committee ("RC"). These Board Committees are made up of wholly or predominantly Non-Executive Directors and chaired by Independent Directors. These Board Committees function within clearly defined terms of references which set out their authority and duties. The effectiveness of each Committee is also constantly being reviewed by the Board. Other Board Committees may be formed from time to time to look into specific areas as and when required.

# CORPORATE GOVERNANCE REPORT

## THE BOARD'S CONDUCT OF AFFAIRS (CONTINUED)

The present Board members and Board Committee members are as follows:

Name of Directors	Board Membership	Board Committees		
		Audit Committee	Remuneration Committee	Nominating Committee
Albert Teo Hock Chuan	Chairman	-	-	Member
Susan Teo Geok Tin	Executive Director	-	-	-
Lawrence Mok Kwok Wah	Non-Executive & Non-Independent Director	Member	Member	-
Ginney Lim May Ling	Lead Independent Director	Member	Chairman	Member
Bill Chua Teck Huat	Independent Director	Member	Member	Chairman
George Seow Ewe Keong	Independent Director	Chairman	Member	Member
Keith Tan Keng Soon	Non-Executive & Non-Independent Director	Member	Member	Member
Ng Hsueh Ling <sup>(1)</sup>	Independent Director	Member	Member	-
Teo Shao-Lynn, Dawn (Zhang Xiaolin)	Alternate Director to Albert Teo Hock Chuan	-	-	-

<sup>(1)</sup> Appointed as an Independent Director and a member of AC and RC on 24 March 2025

### Provision 1.5

#### Meetings of Board and Board Committees

The number of Board and Board Committee meetings held and attendance of the Directors at these meetings in FY 2024 are as follows:

Number of meetings held	Board	Audit Committee	Remuneration Committee	Nominating Committee
		7	2	3
Name of Directors/Alternate Director	Number of meetings attended			
Albert Teo Hock Chuan	7	2*	3*	2
Susan Teo Geok Tin	7	2*	3*	2*
Lawrence Mok Kwok Wah	7	2	3	2*
Ginney Lim May Ling <sup>(1)</sup>	7	-	3	2
Bill Chua Teck Huat	7	2	3	2
George Seow Ewe Keong	7	2	3	2
Tan Kim Seng <sup>(2)</sup>	4	2	2	1*
Keith Tan Keng Soon <sup>(3)</sup>	6	1	3	2
Teo Shao-Lynn, Dawn (Zhang Xiaolin)	7*	2*	2*	2*

\* By invitation

<sup>(1)</sup> Appointed as a member of AC on 29 October 2024

<sup>(2)</sup> Resigned as an Independent Director and a member of AC and RC on 2 September 2024

<sup>(3)</sup> Appointed as a Non-Executive & Non-Independent Director, a member of AC, RC and NC on 21 March 2024

The Management are invited to attend Board and Board Committee meetings whenever necessary and there is timely communication of information among the Board, the Management and the Board Committees.

The Board comprises a majority of Non-Executive Directors, all with relevant and diverse experiences necessary to contribute effectively and objectively to the Group. The Company's Constitution provides for telephone and other electronic means of conducting meetings of the Board. This facilitates the attendance and participation of Directors at Board and Board Committee meetings, even though they may not be in Singapore.

# CORPORATE GOVERNANCE REPORT

## THE BOARD'S CONDUCT OF AFFAIRS (CONTINUED)

### *Provision 1.6*

#### *Board's Access to Information*

Directors receive periodic financial and operational reports, budgets, forecasts and other documents on the Group's businesses prior to Board meetings. In respect of budgets, any material variance between the projections and actual results are disclosed and explained. Management staff are invited where appropriate to provide further inputs during Board and Board Committee meetings.

### *Provision 1.7*

#### *Board's Access to Management, Company Secretaries and External Advisers*

The Board has separate and independent access to the Management and the Company Secretaries at all times. The role of the Company Secretaries includes, inter alia, advising the Board and Board Committees on all matters regarding the proper functioning of the Board and Board Committees, compliance with the Company's Constitution and applicable regulations, requirements of the Act and the Listing Rules of the SGX-ST. At least one of the Company Secretaries is present at all formal Board and Board Committee meetings to respond to the queries of any Director and to assist in ensuring that Board and Board Committee meetings procedures as well as applicable rules and regulations are followed. The appointment and the removal of a Company Secretary are subject to the Board's approval.

Where decisions to be taken by the Board require specialised knowledge or expert opinion, the Board has adopted a policy to seek independent professional advice from external advisers.

## 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.**

### *Provision 2.1*

#### *Independence of Directors*

The Board consists of eight Directors, of whom four are Independent and Non-Executive Directors and two are Non-Independent and Non-Executive Directors. The Executive Directors are Mr Albert Teo Hock Chuan and Ms Susan Teo Geok Tin. The Non-Independent and Non-Executive Directors are Mr Lawrence Mok Kwok Wah and Mr Keith Tan Keng Soon. The Independent Directors are Ms Ginney Lim May Ling, Mr Bill Chua Teck Huat, Mr George Seow Ewe Keong and Ms Ng Hsueh Ling.

The criteria for independence are based on the definition given in the Code and the Listing Rules of the SGX-ST. The Code has defined an "independent director" as one who is independent in conduct, character and judgement, and has no relationship with the Company, 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 judgment in the best interests of the Company. Under the Listing Rules of the SGX-ST, a director is not independent (i) if he is or has been employed by the Company or any of its related corporations for the current or any of the past three financial years; or (ii) if he has an immediate family member who is, or has been in any of the past three financial years, employed by the Company or any of its related corporations and whose remuneration is determined by the RC; and/or (iii) if he has been a director of the Company for an aggregate period of more than nine years (whether before or after listing).

The independence of each Independent Director is reviewed annually by the NC. Ms Ginney Lim May Ling, Mr Bill Chua Teck Huat, Mr George Seow Ewe Keong and Ms Ng Hsueh Ling have confirmed their independence which is in compliance with Provision 2.1 of the Code and the criteria of independence in the Listing Rules. None of the Independent Directors has attained nine years of service on the Board as at the date of this Annual Report.

### *Provisions 2.2 and 2.3*

#### *Composition of Independent Directors and Non-Executive Directors on the Board*

Under the Listing Rules of the SGX-ST, the Independent Directors should make up at least one-third of the Board. With four out of the eight Directors being independent, the Listing Rules of the SGX-ST have been complied with. Under Provision 2.2 of the Code, the Independent Directors should make up the majority of the Board where the Chairman is not an Independent Director. Given the Board size, the four Independent Directors led by the Lead Independent Director, provide a good balance of authority and power within the Board. In addition, the NC, AC and RC which assist the Board in its functions is each chaired by an Independent Director. The Board is of the view that there is a strong independence element within the Board to justify the departure of the Board composition from the Code. Under Provision 2.3 of the Code, the Non-Executive Directors should make up a majority of the Board. With six out of eight Directors being Non-Executive Directors, this complies with Provision 2.3 of the Code.

# CORPORATE GOVERNANCE REPORT

## BOARD COMPOSITION AND GUIDANCE (CONTINUED)

### *Provision 2.4*

#### *Composition and Size of the Board*

The Company recognises that board diversity is an essential element to enhance the Board's decision-making process and it has a board diversity policy in place. A diverse board will have a broad range of views and perspectives which are essential to foster constructive discussions, promote effective decision-making and avoid groupthink. The following principles are considered to embrace diversity and in determining the Board composition. The Board should comprise Directors with a broad range of skills, competencies, knowledge, experience, and educational and professional backgrounds.

The Board is of the view that the current Board comprises an appropriate balance and mix of skills, knowledge, experience and other aspects of diversity, that support the Company in the pursuit of its strategic objectives and its sustainable development. Details of the Directors' qualifications, background and working experience are provided under the "Board of Directors" section of this Annual Report.

The Board also recognises the importance and value of gender diversity. It presently includes three female Directors, thereby achieving a level of 38% female representation on the Board which is higher than the 25.1% female representation benchmark reported by the Council for Board Diversity for the Top 100 primary-listed companies on SGX-ST as at 31 December 2024.

The Board constantly examines its size with a view to determine its impact upon its effectiveness taking into account the scope and nature of the operations of the Company, the requirements of the business and the need to avoid undue disruptions caused by changes to the composition of the Board and Board Committees.

### *Provision 2.5*

#### *Role of Non-Executive Directors*

Non-Executive Directors contribute, especially in their areas of specialties, to proposals and strategies of the Group. They also review performance of the Management in achieving goals and objectives set.

During the year, the Non-Executive Directors (including the Independent Directors) led by the Lead Independent Director communicate among themselves without the presence of the Management as and when the need arises. Where necessary or appropriate, the Lead Independent Director provides inputs to the Board. The Company also benefits from the Management's ready access to its Directors for guidance and exchange of views both within and outside the formal environment of the Board and Board Committee meetings.

## 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.**

### *Provisions 3.1 and 3.2*

#### *- Separate role of Chairman and CEO*

#### *- Role of the Chairman*

Mr Albert Teo Hock Chuan is both the Chairman of the Board and the CEO of the Group. While the roles of the Chairman and the CEO are held by Mr Teo, as set out in writing in the Board Charter, the duties of Chairman and CEO are separate and distinct, each having their own areas of responsibilities.

The Board believes that there is no need for the role of Chairman of the Board and the CEO to be separated as there is good balance of power and authority with all Board Committees chaired by Independent Directors.

# CORPORATE GOVERNANCE REPORT

## CHAIRMAN AND CHIEF EXECUTIVE OFFICER (CONTINUED)

Mr Albert Teo Hock Chuan, as the Chairman leading the Board, approves the agendas for the Board meetings and ensures sufficient allocation of time for thorough discussion of each agenda item. He promotes an open environment for debate, and ensures that the Non-Executive and Independent Directors are able to speak freely and contribute effectively. He facilitates the quality and quantity of the information as well as the timeliness of the flow of information between the Board and Management. As the Chairman, he promotes high standards of corporate governance within the Company. Externally, he represents the Board to promote transparency and accountability to shareholders and other stakeholders.

As CEO, Mr Albert Teo Hock Chuan, together with the other Executive Director, have full executive responsibilities over the business directions and operational decisions of the Group. Assisting them are the Director, Property Division, the Group Quality and Systems Manager, the Chief Operating Officer and the Chief Financial Officer. The CEO is responsible to the Board for all corporate governance procedures to be implemented by the Group and ensures that the Management conforms to such practices. Directors are given board papers in advance of meetings for them to be adequately prepared for the meetings and senior management staff (who are not Executive Directors) are in attendance at Board and Board Committee meetings whenever necessary.

### *Provision 3.3*

#### *Lead Independent Director*

Ms Ginney Lim May Ling is the Lead Independent Director. She is available to shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman and CEO or Chief Operating Officer or Chief Financial Officer has failed to provide satisfactory resolution, or where such contact is inappropriate or inadequate.

## 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.**

### *Provisions 4.1 and 4.2*

#### *Nominating Committee*

- Bill Chua Teck Huat (Chairman)
- Ginney Lim May Ling
- George Seow Ewe Keong
- Keith Tan Keng Soon
- Albert Teo Hock Chuan

The majority of the NC members, including its Chairman, are independent. Ms Ginney Lim May Ling, as the Lead Independent Director, is a member of the NC.

The NC carried out its duties in accordance with the terms of reference which include the following:

- a) Identifying and selecting members of the Board for the purpose of recommending such nomination to the Board for its approval on board appointments;
- b) Assessing the effectiveness of the Board as a whole and contribution by each Director, and Board Committees;
- c) Assessing the independence of each Independent Director annually;
- d) Reviewing succession plans for Directors, in particular the appointment and/or replacement of the Chairman, the CEO and key management personnel; and
- e) Reviewing training and professional development of Directors.

# CORPORATE GOVERNANCE REPORT

## BOARD MEMBERSHIP (CONTINUED)

### *Provision 4.3*

#### *Process for the Selection and Appointment of New Directors*

For the selection and appointment of a new Director, the NC will determine the desired proficiencies to complement the skills and competencies of the existing Directors. Potential candidates are sourced from a network of contacts and identified based on the established criteria. Recommendations from the Directors and Management are the usual source for potential candidates. Where applicable, search through external consultants can be considered.

The NC will interview shortlisted candidates to assess their suitability and to verify that the candidates are aware of the expectations and the level of commitment required. Finally, the NC will make recommendations on the appointment to the Board for approval.

The Company's Constitution provides that one third of the Directors for the time being or if their number is not a multiple of three, then the number nearest to one-third shall retire from office at the Annual General Meeting ("AGM"). Accordingly, the Directors will submit themselves for re-nomination and re-election at regular intervals of at least once every three years. The NC is charged with the responsibility of re-nomination having regard to the Director's contribution and performance, including, if applicable, as an Independent Director. In recommending a Director for re-election to the Board, the NC considers, inter alia, his or her performance and contributions to the Board (including attendance and participation at meetings, and time and effort accorded to the Group's business and affairs).

The Directors due to retire at the forthcoming AGM pursuant to Article 87 of the Company's Constitution are Mr Lawrence Mok Kwok Wah and Ms Ginney Lim May Ling. Ms Ginney Lim May Ling has given her consent to re-election at the forthcoming AGM whilst Mr Lawrence Mok Kwok Wah has decided not to seek re-election at the forthcoming AGM. Upon the conclusion of the AGM, Mr Lawrence Mok Kwok Wah will step down as member of AC and RC. Ms Ginney Lim May Ling will, upon re-election, continue to serve as the Lead Independent Director, Chairman of the RC and a member of the AC and NC. Ms Ng Hsueh Ling who was appointed on 24 March 2025, will be retiring at the forthcoming AGM pursuant to Article 94 of the Company's Constitution. Ms Ng will, upon re-election, continue to serve as an Independent Director and a member of the AC and RC. In accordance with the Listing Rules of the SGX-ST, the particulars of the Directors seeking re-election as set out in accordance with Appendix 7.4.1 of the Listing Manual are provided under the "Additional Information on Directors Seeking Re-Election" section of this Annual Report.

The NC has recommended to the Board, the re-election of the above Directors at the forthcoming AGM. The Board has accepted the NC's recommendations. Ms Ginney Lim May Ling, as a member of the NC, has abstained from the NC's and the Board's deliberation on her re-election.

### *Provision 4.4*

#### *Determining Directors' Independence*

The NC is charged with determining annually whether a Director is independent. The NC has reviewed and determined that the Independent Directors are independent. Ms Ginney Lim May Ling, Mr Bill Chua Teck Huat and Mr George Seow Ewe Keong have abstained from such NC's review of their own independence.

### *Provision 4.5*

#### *Multiple Board Representations*

The Board has determined the maximum number of board appointments in listed companies that a Director can hold, which shall not be more than six so as to ensure that the Directors are able to commit their time to effectively discharge their responsibilities. All the Directors currently do not hold more than six listed company board representations. The NC is satisfied that each individual Director has allocated sufficient time and resources to the affairs of the Company.

# CORPORATE GOVERNANCE REPORT

## 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.**

*Provisions 5.1 and 5.2  
Conduct of Board Performance*

The NC has established a formal evaluation process to assess the effectiveness of the Board as a whole. Performance criteria include, inter alia, core competencies and diversity of the Board, Directors' attendance record at the meetings of the Board and Board Committees and also the contributions of each Director to the effectiveness of the Board. The performance criteria are reviewed annually by the NC to ensure they continue to be relevant. The NC Chairman will act on the results of the performance evaluation and will, in consultation with the NC, propose, where appropriate, new members to be appointed to the Board or to seek the resignation of Directors. The NC, along with the participation of the Executive Directors, carried out an evaluation and discussed the results of the evaluation of Board performance. The NC also reviewed and discussed each Director's individual performance and if he sits on a Board committee, his performance thereon, and contribution to the effectiveness of the Board. The NC is satisfied that the Board has been effective in the conduct of its duties and the Directors have each contributed to the effectiveness of the Board.

The Company does not use any external professional facilitator for the assessments of the Board, Board Committees and individual Directors, but will consider the use of such facilitator as and when appropriate.

## REMUNERATION MATTERS

**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.**

*Provisions 6.1 and 6.2  
Remuneration Committee*

- Ginney Lim May Ling (Chairman)
- Bill Chua Teck Huat
- George Seow Ewe Keong
- Lawrence Mok Kwok Wah
- Keith Tan Keng Soon
- Ng Hsueh Ling

All members of the RC are Non-Executive Directors, the majority of whom, including the RC Chairman, are Independent Directors.

The RC carried out its duties in accordance with its terms of reference which include the following:

- a) recommend to the Board, a framework of remuneration for the Board and key management personnel, and to determine specific remuneration packages for each Executive Director; and
- b) review Executive Directors' and key management personnel's remuneration and Non-Executive Directors' fees annually.

*Provision 6.3  
Review of Remuneration*

All aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, ex-gratia payments, options and benefits-in-kind, will be reviewed by the RC. No member of the RC or any Director is involved in the deliberations in respect of any remuneration, compensation, options or any form of benefits to be granted to him or her.

Each of the Executive Directors and key management personnel has employment contract with the Group which can be terminated by either party giving notice of resignation/termination. The RC has reviewed the Group's obligations arising in the event of termination of the Executive Directors' and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

# CORPORATE GOVERNANCE REPORT

## REMUNERATION MATTERS (CONTINUED)

### *Provision 6.4*

#### *Engagement of Remuneration Consultants*

The RC is provided with access to expert professional advice on remuneration matters as and when necessary. The professional advisers, if engaged, shall be free from any relationships with the Company as that will affect their objectivity and independence. The expenses of such professional services shall be borne by the Company.

In 2023, the Company commissioned Korn Ferry to undertake a review of the remuneration of the Executive Directors and key management personnel to benchmark their remuneration against comparable companies in the industry.

## 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.**

### *Provision 7.1*

#### *Remuneration of Executive Directors and Key Management Personnel*

The Company's remuneration structure for its Executive Directors and key management personnel comprises both fixed and variable components. The variable component is performance related and is linked to the Group's and the Company's performance as well as individual's performance. The performance criteria are selected based on key drivers of business performance and are aligned to shareholders' value. Such performance-related remuneration is designed to align with the interests of shareholders and promote long term success of the Group. In setting remuneration packages, the RC takes into consideration the pay and employment conditions within the industry and in comparable companies. The RC is guided by the Korn Ferry's report in its review of the remuneration of Executive Directors and key management personnel to ensure they are fairly remunerated.

For the year under review, the RC has reviewed the remuneration of Executive Directors and key management personnel in accordance with their performance criteria and recommended them to the Board. The Board has endorsed the RC's recommendations.

### *Provision 7.2*

#### *Remuneration of Non-Executive Directors*

For the current year, the Board has recommended a fee for Non-Executive Directors which is subject to approval at the AGM. Directors' fees are set in accordance with a remuneration framework comprising a basic fee as a Director and an additional fee for serving on Board Committees, taking into consideration contribution of each of the Non-Executive Directors. The RC considers that the current fee structure adequately compensates the Non-Executive Directors, without over-compensating them as to compromise their independence.

### *Provision 7.3*

#### *Remuneration Framework*

The RC is satisfied that the remuneration framework for the Directors, CEO and key management personnel is aligned with the sustained performance of the Group and the interest of shareholders and is appropriate to attract, retain and motivate them for the long term success of the Group.

## 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.**

# CORPORATE GOVERNANCE REPORT

## DISCLOSURE ON REMUNERATION (CONTINUED)

### Provision 8.1

#### Remuneration Report

#### Directors

The breakdown of the total remuneration of the directors of the Company for FY 2024 is set out below:

Name of Directors / Alternate Director	Salary %	Bonus %	Benefits- in-kind <sup>(4)</sup> %	Directors' Fees <sup>(5)</sup> %	Total Remuneration \$
Albert Teo Hock Chuan	96	-	4	-	484,677
Susan Teo Geok Tin	76	-	24	-	380,983
Lawrence Mok Kwok Wah	-	-	-	100	43,900
Ginney Lim May Ling <sup>(1)</sup>	-	-	-	100	45,754
Bill Chua Teck Huat	-	-	-	100	47,900
George Seow Ewe Keong	-	-	-	100	50,500
Tan Kim Seng <sup>(2)</sup>	-	-	-	100	29,511
Keith Tan Keng Soon <sup>(3)</sup>	-	-	-	100	35,236
Teo Shao-Lynn, Dawn (Zhang Xiaolin)	94	-	6	-	294,540

<sup>(1)</sup> Appointed as a member of AC on 29 October 2024

<sup>(2)</sup> Resigned as an Independent Director and a member of AC and RC on 2 September 2024

<sup>(3)</sup> Appointed as a Non-Executive & Non-Independent Director, a member of AC, RC and NC on 21 March 2024

<sup>(4)</sup> Benefits-in-kind include provident fund contribution, club membership subscription and car provided for use as appropriate

<sup>(5)</sup> The Directors' fees are subject to shareholders' approval at the forthcoming AGM

#### Key Management Personnel of the Group

The Company has many competitors in the same industry. By disclosing the top five key management personnel individually in bands of S\$250,000, the Company is susceptible to the poaching of its key management personnel in a highly competitive marketplace vying for limited talent. Loss of its key management personnel involves considerable loss of operational know-how and cost in recruitment of similar talent and gestation period for new key management personnel to be fully inducted into the Company's work practices. Disclosure of names of key management personnel will also give rise to comparisons among key management personnel across jurisdictions with different industry and market practices, which may in turn lead to unequal comparisons. Disclosure of the names and remunerations of the key management personnel will not be in the best interests of the Company from a business perspective.

The Company had adopted a share plan known as the "Amara Performance Share Plan" (the "Share Plan") which was approved by the shareholders of the Company on 29 April 2014. The Share Plan had expired on 28 April 2024.

### Provision 8.2

#### Remuneration of Employees who are Substantial Shareholders, or are Immediate Family Members of a Director, CEO or Substantial Shareholder of the Company

There are three employees who are immediate family members of Mr Albert Teo Hock Chuan, Chairman and CEO, and Ms Susan Teo Geok Tin, Executive Director. They are their brother, sister and daughter/niece respectively and they currently serve as (i) Director, Property Division and (ii) Group Quality and Systems Manager and (iii) Chief Operating Officer and Senior Vice President, Amara Hotels & Resorts, respectively. The remuneration of Ms Teo Shao-Lynn, Dawn (Zhang Xiaolin) is disclosed above under the Remuneration Report of the Directors while the annual remuneration of the two siblings of Mr Albert Teo Hock Chuan and Ms Susan Teo Geok Tin individually exceeded S\$100,000 during the year and are under the following broad band of remuneration:

Remuneration Band	No. of Immediate Family Members who are not Directors
S\$200,001 to S\$300,000	1
S\$300,001 to S\$400,000	1

The RC has oversight of the remuneration of the above-mentioned family members to ensure independence in remuneration of such immediate family members of the Directors and CEO.

# CORPORATE GOVERNANCE REPORT

## 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 shareholders.**

### *Provision 9.1*

#### *Risk Management*

The Board is responsible for the governance of risk management and internal controls, and determines the nature and extent of the significant risks which the Group is willing to take in achieving its strategic objectives and value creation. The responsibility of overseeing the Company's risk management framework and policies is undertaken by the AC with the assistance of the Enterprise Risk Management Working Committee.

To enhance the Group's continuous effort in Enterprise Risk Management ("ERM"), the Group had consulted with a reputable risk consulting firm to assist with formalising an ERM Programme and documenting an ERM Framework Manual to ensure consistency in application across the Group and sustainability of the programme.

Key risks identified are closely assessed, monitored and action plans are put in place to improve areas where the internal controls could be further strengthened. These are communicated to the AC with updates by the Management on the status of these action plans.

The Group strives to attain a proper balance of risk and return in regard to its business operations and overall strategies.

The AC ensures that a review of the adequacy and effectiveness of the Group's significant internal controls, including financial, operational, compliance and information technology risks, and risk management systems is conducted at least annually.

The AC has reviewed the Group's significant internal controls, including financial, operational, compliance and information technology risk, and risk management systems and is satisfied that there are adequate and effective risk management and internal controls in place. The AC reports and discusses with the Board its findings.

### *Provision 9.2*

#### *Assurances to the Board*

The Board has received the following assurances for FY 2024:

- (a) from the CEO and Chief Financial Officer that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and
- (b) from the CEO and Chief Financial Officer that the Group's risk management and internal control systems were adequate and effective to address key financial, operational, compliance and information technology risks.

#### **Board's Comment on Adequacy and Effectiveness of Internal Controls**

Based on the internal controls established and maintained by the Group, reviewed by the AC and the letters of assurance from the CEO and the Chief Financial Officer, the Board is of the opinion that the risk management and internal controls systems of the Group are adequate and effective in addressing the financial, operational, compliance and information technology risks. The AC concurs with the Board.

# CORPORATE GOVERNANCE REPORT

## AUDIT COMMITTEE

### Principle 10: The Board has an Audit Committee which discharges its duties objectively.

*Provisions 10.1 and 10.2*

*Audit Committee Membership and Duties*

The AC comprises six Non-Executive Directors, four of whom, including its Chairman, are independent. They are Mr George Seow Ewe Keong (Chairman of the AC), Mr Bill Chua Teck Huat, Ms Ginney Lim May Ling, Ms Ng Hsueh Ling, Mr Lawrence Mok Kwok Wah and Mr Keith Tan Keng Soon. The AC had two meetings during the financial year.

The AC members bring with them invaluable professional expertise in the accounting and financial management domains. The key information including the experience and qualifications of the AC members are set out in the "Board of Directors" section of this Annual Report.

The AC members have kept abreast of changes in accounting standards and issues which impact the financial statements from briefings by auditors during the AC meetings.

### Roles, Responsibilities and Authorities of Audit Committee

The AC has expressed power to investigate any matter brought to its attention, within its terms of reference, with the power to seek professional advice at the Company's expense.

The AC carries out its functions in accordance with its terms of reference, Section 201B(5) of the Act and the Code, including the following:

- reviews at least annually the adequacy and effectiveness of the Group's internal controls and risk management systems;
- reviews the independence of the External and Internal Auditors and the adequacy and effectiveness of the external audit and the internal audit functions;
- makes recommendations to the Board on the appointment of External Auditors, the audit fee and any matters of their resignation or dismissal;
- reviews and approves the appointment, replacement, reassignment or the dismissal of the Internal Auditors;
- monitors interested person transactions (if any) falling within the scope of Chapter 9 of the Listing Manual of the SGX-ST and conflict of interest situation that may arise within the Group including any transaction, procedure or course of action that raises questions of the integrity of the Management;
- reviews the assurances from the CEO and the Chief Financial Officer on the financial records and financial statements;
- reviews half-year and full year financial results announcement of the Group to SGX-ST and year-end financial statements of the Group before submission to the Board, focusing on
  - going concern assumption;
  - compliance with financial reporting standards and regulatory requirements;
  - any changes in accounting policies and practices;
  - significant issues arising from the audit;
  - major judgmental areas; and
  - any other functions which may be agreed by the AC and the Board; and
- reviews arrangements by which the staff of the Company and the Group may, in confidence, raise concerns about possible improprieties in matters of financial reporting and any other matters to be independently investigated and appropriately followed up on.

The AC has the power to conduct or authorise investigations into any matter within the AC's scope of responsibility. The AC is authorised to obtain independent professional advice if it deems necessary in the discharge of its responsibilities. Such expenses are to be borne by the Company. No member of the AC or any Director is involved in the deliberations and voting on any resolutions in respect of matters he is interested in.

The AC has free and independent access to the External Auditors and the Internal Auditors, and the Management for information that it may require. It has full discretion to invite any Director and executive officer to attend its meetings. The AC is satisfied with the assistance given by the Group's officers to the audit functions.

In appointing the audit firms for the Group, the AC is satisfied that the Company has complied with Rules 712 and 715 of the Listing Manual of the SGX-ST.

# CORPORATE GOVERNANCE REPORT

## AUDIT COMMITTEE (CONTINUED)

### Whistleblowing Policy

The Company has in place a whistleblowing policy and the AC has the authority to conduct independent investigations into any complaints.

Staff of the Group has access to senior management employees whom they are free to bring their concerns or complaints to. All such concerns or complaints received shall be investigated thoroughly by the AC or the Whistleblowing Committee, as the case may be, and all investigations shall be conducted without bias. The Group will treat all information received confidentially and protect the identities and the interests of all whistle-blowers, so as to enable staff to voice their concerns or complaints without any fear of reprisal, retaliation, discrimination or harassment of any kind.

#### *Provision 10.3*

##### *Restriction on Acting as Audit Committee Member*

There is no member within the Company's AC who is a former partner or director of the Company's existing auditing firm.

#### *Provision 10.4*

##### *Internal Audit Function*

The Internal Auditor ("IA") supports the AC in reviewing the adequacy and effectiveness of the Company's internal control systems. IA reports directly to the Chairman of the AC on all internal audit matters and administratively to the CEO.

IA is an independent function within the Company, and it has unfettered access to all the Group's documents, records, properties and personnel, including unrestricted direct access to the AC. The in-house internal audit function is complemented by outsourced internal audit firm. IA carries out its functions according to the International Standards for the Professional Practice of Internal Auditing which is laid down in International Professional Practices Framework issued by The Institute of Internal Auditors, and plans its internal audit schedule in consultation with, but independent of Management. IA submits the Internal Audit Plan to the AC for approval. Internal audit fieldworks are carried out according to the Internal Audit Plan. Internal Audit reports completed with the responses from the Management are submitted to the AC for deliberation.

The AC reviews the adequacy of the internal audit function to ensure that internal audits are conducted effectively and that the Management provides the necessary co-operation to enable the Internal Auditors to perform their function. The AC also reviews the internal audit reports and remedial actions implemented by the Management to address any internal control inadequacies identified. The AC is satisfied that the internal audit function is independent, effective and adequately resourced to carry out its function in FY2024.

#### *Provision 10.5*

##### *Meeting with External Auditors and Internal Auditors*

The AC has met with the External and Internal Auditors without the presence of the Management annually and reviewed the non-audit services provided by the External Auditors and is satisfied that the nature and extent of the services would not affect their independence and objectivity.

## 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.**

#### *Provision 11.1*

##### *Providing Opportunity for Shareholders to Participate and Vote at General Meetings*

Shareholders are encouraged to attend the AGM and Extraordinary General Meeting ("EGM") (if any) to ensure high level of accountability and to stay apprised of the Group's strategy and goals. Notice of the meetings will be announced on SGXNet and published on the Company's corporate website at [www.amaraholdings.com](http://www.amaraholdings.com).

# CORPORATE GOVERNANCE REPORT

## SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS (CONTINUED)

At the AGM and EGM (if any), shareholders are given the opportunity to express their views and ask the Board and the Management questions about the Group. Shareholders are also invited to submit questions for the AGM via email or by post within 7 days upon receiving the notice of AGM. Responses to the relevant and substantial questions received from the shareholders will be announced on SGXNet at least 48 hours prior to the closing date and time for the lodgement of the proxy forms.

All resolutions at general meetings are required to be voted by poll under the Listing Rules of the SGX-ST. Poll voting procedures are clearly explained to the shareholders. The poll voting results are announced during the meeting and also disclosed via SGXNet promptly after the general meetings.

The forthcoming AGM will be held physically and shareholders shall have the right to participate fully in the meeting by voting in person or by proxy. There will be no option for shareholders to participate virtually.

### *Provision 11.2*

#### *Separate Resolutions at General Meetings*

The Company will have separate resolutions at general meetings on each distinct issue. For resolutions that are special business, explanations are given in the accompanying notes to the notices of the general meetings. In particular, for resolutions on the election or re-election of Directors, information on the Directors as set out in accordance with Appendix 7.4.1 of the Listing Manual are provided in this Annual Report.

### *Provision 11.3*

#### *Attendance of Directors and Auditors at General Meetings*

The Board, together with the Management and the External Auditors, are normally present at the AGM to address shareholders' queries, if any. In 2024, the Company held one annual general meeting which was attended by all the Directors and auditors.

### *Provision 11.4*

#### *Absentia Voting*

The Company's Constitution allows for appointment of proxies to vote on behalf of a shareholder who is absent from a general meeting. The Company's Constitution permits a shareholder (other than a relevant intermediary as defined in Section 181 of the Act) to appoint up to two proxies to attend general meetings and vote in his stead. The Act allows relevant intermediaries to appoint more than two proxies. This will enable indirect investors, including CPF investors, to be appointed as proxies to participate in the general meetings.

### *Provision 11.5*

#### *Minutes of General Meetings*

Minutes of general meetings, including substantial and relevant comments and queries from shareholders and responses from the Board and the Management, will be announced on SGXNet and published on the Company's corporate website at [www.amaraholdings.com](http://www.amaraholdings.com) within one month after the general meetings.

### *Provision 11.6*

#### *Dividend Policy*

The Company currently does not have a fixed dividend policy. The dividend paid each year, if any, will depend on factors that include the Group's profit level, cash position and future cash needs.

The details of dividend payment, if any, would be disclosed via the release of announcements through SGXNet.

# CORPORATE GOVERNANCE REPORT

## 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.**

### *Provision 12.1*

#### *Avenues for Communication between the Board and Shareholders*

The Company strives for transparency in its disclosures to the shareholders and the public. This is done through the timely release of information through SGXNet. However, the Company does not practise selective disclosure as all price-sensitive and/or trade-sensitive information is released through SGXNet. The Company also maintains a website at [www.amaraholdings.com](http://www.amaraholdings.com), at which shareholders can access information on the Group such as corporate information, annual report and core businesses of the Group. The Company also responds to enquiries from investors, analysts, fund managers and the press.

The Company has adopted semi-annual reporting and financial results of the Group are released within 45 days from the half year end and within 60 days from the financial year end. In addition, Annual Reports are issued to shareholders at least 14 days before each AGM.

In accordance with the Listing Rules of the SGX-ST, the Board's policy is that all shareholders are informed on a timely basis of all major developments that impact the Group. The Company's AGM is the principal forum for dialogues with shareholders.

### *Provisions 12.2 and 12.3*

#### *Investor Relations*

The Company has retained the services of a public relations firm to assist in its communication with the shareholders.

The Company's investor relations policy is to communicate with its shareholders and the investment community through the timely and equal dissemination of information and news via announcements to the SGX-ST through SGXNet. As mentioned above, the Company does not practise selective disclosure.

The Company strives to reach out to shareholders and investors via its online investor relations site within its corporate website at [www.amaraholdings.com](http://www.amaraholdings.com) where it updates shareholders and investors on the latest news and business developments of the Group. Shareholders and investors are also provided with investor relations contacts under the "Corporate Data" section of this Annual Report where they can send their queries.

## ENGAGEMENT WITH STAKEHOLDERS

**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.**

### *Provisions 13.1 and 13.2*

#### *Engagement with Material Stakeholder Groups*

The Group's material stakeholders are its shareholders, customers, employees, business partners and the community and the Company engages with them through its sustainability initiatives and corporate social responsibility programmes as set out under the "Sustainability Report" section in this Annual Report. Please refer to the "Sustainability Report" for details.

### *Provision 13.3*

#### *Corporate Website for Communication and Engagement with Stakeholders*

As mentioned above, the Company maintains a corporate website at [www.amaraholdings.com](http://www.amaraholdings.com) which shareholders and other stakeholders can access information on the Group. The website provides, inter alia, corporate announcements, press releases and profiles of the Group. Shareholders and other stakeholders are provided with investor relations contacts at the "Corporate Data" section of this Annual Report to contact the Company.

# CORPORATE GOVERNANCE REPORT

## **OTHER CORPORATE GOVERNANCE MATTERS**

### **INTERESTED PERSON TRANSACTIONS**

The Group has adopted an internal policy in respect of any transactions with interested persons and requires all such transactions to be at arm's length and reviewed by the AC.

There were no interested person transactions conducted during the financial year pursuant to the Listing Manual.

The Board is satisfied with the Group's commitment to compliance with the Code.

### **DEALINGS IN SECURITIES**

In line with Listing Rule 1207(19) on Dealings in Securities, the Company has adopted the SGX-ST best practices on dealings in securities in its Internal Code of Dealings in Securities ("Internal Code") to prescribe the internal regulations pertaining to the securities of the Company.

Under the Internal Code and the adoption of semi-annual reporting of the financial statements, all Directors and employees of the Group are prohibited from dealing in the Company's securities one month before and up to the release of the half year and full year financial statements, as the case may be.

The Directors and these employees are also prohibited from dealing in the securities of the Company on short-term considerations or at any time when in possession of price-sensitive and/or trade-sensitive information (including during non-prohibited periods).

The Company confirms that it has complied with the best practices pursuant to Listing Rule 1207(19)(c) in not dealing in its securities during the restricted trading periods.

### **MATERIAL CONTRACTS**

There were no material contracts of the Company involving the interests of the CEO, each Director or controlling shareholder entered into since the end of the previous financial year.