

## OUR GOVERNANCE FRAMEWORK

Chairman					
MIGUEL KO					
KEY RESPONSIBILITIES					
Leads the Board and facilitates the conditions for the overall effectiveness of the Board, Board Committees and individual Directors; provides oversight, direction, advice and guidance to the Group CEO					
Board of Directors					
11 DIRECTORS (9 INDEPENDENT DIRECTORS AND 2 NON-INDEPENDENT DIRECTORS)					
KEY RESPONSIBILITIES					
Fosters the success of the Company so as to deliver sustainable value over the long term; engages with stakeholders based on the principles of sustainability and sound governance					
Audit Committee	Executive Committee	Executive Resource and Compensation Committee	Nominating Committee	Risk Committee	Strategy and Sustainability Committee
CHALY MAH CHEE KHEONG (Chairman)	MIGUEL KO (Chairman)	JUDY HSU CHUNG WEI (Chairman)	GABRIEL LIM MENG LIANG (Chairman)	KEE TECK KOON (Chairman)	ANTHONY LIM WENG KIN (Chairman)
4 IDs	2 IDs and 2 Non-IDs	3 IDs and 1 Non-ID	2 IDs and 1 Non-ID	6 IDs	3 IDs and 2 Non-IDs

## INTRODUCTION

CapitaLand Investment Limited (the Company, which together with its subsidiaries are referred to in this Report (as defined below) as the Group) embraces the tenets of sound corporate governance including accountability, transparency and sustainability. It is committed to enhancing value over the long term to its stakeholders with the appropriate people, processes and structure to direct and manage the business and affairs of the Company, achieve operational excellence and deliver the Group's long-term strategic objectives.

The values, ethics and practices of the Group provide the foundation for a trusted and respected business enterprise.

The Board of Directors (Board) is responsible for and plays a key role in setting the Company's corporate governance standards and policies. This sets the tone at the top and underscores its importance to the Group.

This corporate governance report (Report) sets out the corporate governance practices and structures in place for the financial year ended 31 December 2023 (FY 2023), and which are benchmarked against the Code of Corporate Governance 2018 (last amended 11 January 2023) (Code).

The Company's governance framework and processes are in compliance with the Code's principles of corporate governance, and also substantially with the provisions underlying the principles of the Code. Where there are deviations from the provisions of the Code, appropriate explanations are provided in this Report.

## BOARD MATTERS

### PRINCIPLE 1: THE BOARD'S CONDUCT OF AFFAIRS

#### Board's Duties and Responsibilities

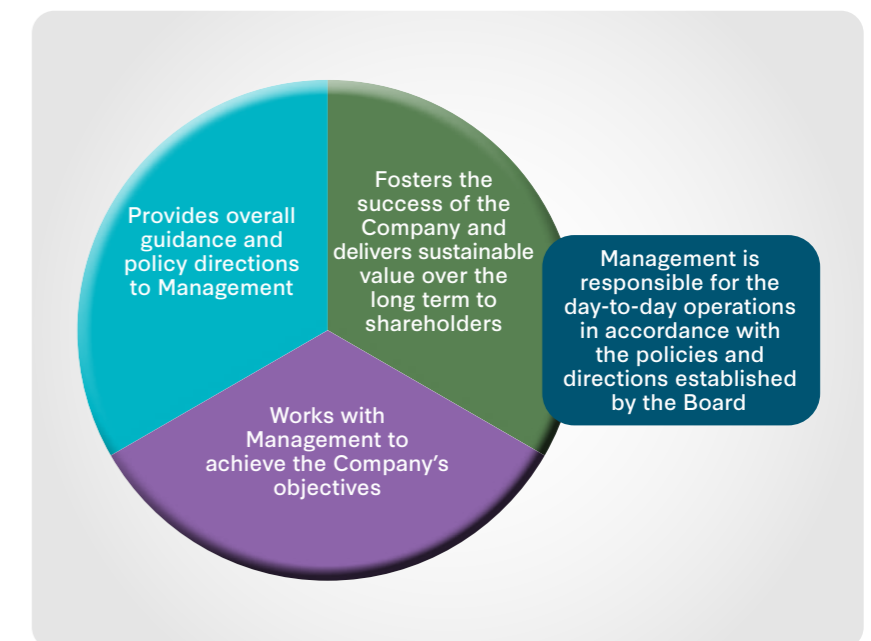
The Board has the primary responsibility to foster the success of the Company so as to deliver sustainable value over the long term, and to engage stakeholders based on the principles of sustainability and sound governance. It oversees the strategic direction, performance and affairs of the Group and provides overall guidance to Management, led by the Group Chief Executive Officer (Group CEO). In this regard, the Board works with Management to achieve the Company's objectives and Management is accountable to the Board for its performance.

The Company has adopted a Board Charter which sets out the Board's role, responsibilities, duties and powers, which include:

- approving the strategies and objectives for the Company, and monitoring the progress in achieving them;
- approving the financial plan (including annual budgets and capital management plans) and monitoring the financial performance of the Company;
- approving share issuances, dividends and other returns to shareholders;
- approving corporate and financial restructuring, mergers, and major acquisitions and divestments;
- approving the risk appetite of the Company, and reviewing the adequacy and effectiveness of the risk management and internal control systems;
- approving the succession plans, the remuneration policy and guidelines, and the general framework of remuneration for Directors, as well as approving the appointment of new Directors;
- approving the succession plans, the overall remuneration policy and compensation framework, and the individual compensation package for the Group CEO and other key management personnel positions, as well as approving the corporate organisational structure and the appointment of the Group CEO and other key management positions; and
- reviewing any matter which involves a conflict of interest for a substantial shareholder or a Director.

The Board has established financial approval limits for capital expenditure, investments, divestments, bank borrowings and issuance of shares as well as debt and equity-linked instruments, and this is communicated to Management in writing. The financial approval limits set out the specific matters which the Board has reserved for its approval, and these include capital expenditure, investments and borrowings exceeding certain threshold limits. Apart from matters that require the Board's approval, the Board delegates authority for transactions below those limits to Board Committees and Management to optimise operational efficiency.

Directors are fiduciaries of the Company, and are collectively and individually obliged at all times to act objectively in the best interests of the Company. Consistent with this principle, the Board is committed to ethics and integrity of action and has adopted a Board Code of Business Conduct & Ethics which provides for every Director to, among other things, adhere to the highest standards of ethical conduct. All Directors are required to comply with the Board Code of Business Conduct & Ethics. This sets the appropriate tone at the top in respect of the desired organisational culture, and ensures proper accountability within the Company. In line with this, the Board has incorporated in the Board Code of Business Conduct & Ethics



a standing policy that each Director must not allow himself/herself to get into a situation where his/her duty to the Company conflicts with his/her own interests. In this regard, a Director is required to disclose to the Board his/her interests in any transaction to which the Company is a party, and any other conflicts (including potential conflicts) of interest. Where a Director has an interest in a transaction (including potential transaction) or a conflict (including potential conflict) of interest in a particular matter, he/she is required to declare his/her interest to the Board, recuse himself/herself from the deliberations and abstain from voting on the transaction or matter. During FY 2023, every Director has complied with this policy and, where relevant, such compliance has been duly recorded in the minutes of meeting or, as the case may be, circular resolution. Consistent with the principle that Directors are fiduciaries of the Company, the Company also has a policy of not providing loans to Directors. Further, Directors are required to act with due diligence in the discharge of their duties and they are responsible for ensuring that they have the relevant knowledge (including understanding the business of the Company and the environment in which it operates) to carry out and discharge their duties as Directors. They are also required to dedicate the necessary effort, commitment and time to their work, and are expected to attend all meetings of the Board, except if unusual circumstances make attendance impractical or if a Director has to recuse himself or herself from the discussion in relation to the sole matter under consideration at the relevant meeting. All Directors on the Board during FY 2023 attained a 100% attendance record for all Board and Board Committee meetings held in FY 2023.

## Sustainability

The Company places sustainability at the core of everything it does. It is committed to growing its business in a responsible manner, delivering long-term economic value, and contributing to the environmental and social well-being of the communities where it operates. In keeping with this commitment, sustainability-related considerations are key aspects of the Board's strategic formulation.

The Board recognises the importance of sustainability as a business imperative. At the Board level, there is a Board Committee, the Strategy and Sustainability Committee, which is responsible for overseeing the development of sustainability strategies and plans, including providing guidance to Management and monitoring progress towards achieving the goals of any sustainability initiatives. This is consistent with the principle that the Board plays an important role in considering and incorporating sustainability considerations as part of its strategy development. This also ensures that Environmental, Social and Governance (ESG) risks and opportunities are holistically integrated into and inform the Company's long-term strategy. In this regard, sustainability is integrated into each phase of the real estate life cycle, with the Group's operations, financing activities, support for the environment, business ethics, corporate governance and care for the people and communities anchored in the Company's ESG approach. The Strategy and Sustainability Committee's oversight of the Company's sustainability strategies and plans also sets the tone at the top to ensure the alignment of the Company's activities with its purpose and stakeholder interests. The Strategy and Sustainability Committee also provides inputs to the Board and other Board Committees on sustainability matters as required.

The Company has in place the CapitalLand Investment 2030 Sustainability Master Plan (SMP) to elevate its commitment to global sustainability in its business. The SMP is a strategic blueprint which outlines the Company's goals and directs sustainability efforts towards a common purpose. The master plan sets out the Group's sustainability targets over the years up to 2030 and the pathways to achieve such targets. It focuses on the three key pillars of ESG to drive the Company's sustainability efforts. As part of its sustainability commitment, the Company embeds ESG considerations into its investment analysis, financing consideration and day-to-day business operations. The SMP is regularly reviewed where necessary to ensure that it remains relevant in terms of complementing the Group's business strategy and alignment with climate science. In FY 2023, the Company refreshed the SMP to elevate its targets in line with a 1.5°C scenario, incorporate its Net Zero commitment for Scope 1 and 2 emissions, and enhance its focus on social indicators.

For more information, please refer to the Sustainability section on pages 76 to 82 of this Annual Report.

## Directors' Development

In view of the increasingly demanding, complex and multi-dimensional role of a Director, the Board recognises the importance of continual training and development for its Directors so as to equip them with the necessary knowledge and skills to discharge the duties and responsibilities of their office as Directors of the Company to the best of their abilities. This is even if the Directors are generally experienced professionals in their own right, and takes into account each Director's specific role(s) on the Board and the specific skills he or she should possess in relation to that role(s). The Company has in place a training framework to guide and support the Company towards meeting the objective of having a Board which comprises individuals who are competent and possess up-to-date knowledge and skills necessary to discharge their duties and responsibilities. The costs of training are borne by the Company.

Each newly appointed Director is provided with a formal letter of appointment setting out the key terms of appointment, the time commitment expected, the Company's guidelines on the tenure of Directors and other relevant matters pertaining to the appointment. He or she also has access to the Director's Manual which includes information on a broad range of matters relating to the role, duties and responsibilities of a Director and the Company's policies relating to disclosure of interests in securities, conflicts of interests and securities trading restrictions. All Directors upon appointment undergo an induction programme which focuses on orientating the Director to the Company's business, operations, strategies, organisation structure, responsibilities of key management personnel, and financial and governance practices. Conducted by the Group CEO and Senior Management, the induction programme also provides opportunities for the new Director to get acquainted with members of Senior Management which facilitates their interaction at Board meetings. Where a newly appointed Director has no prior experience as a director of an issuer listed on the Singapore Exchange Securities Trading Limited (SGX-ST), such Director will undergo training on the roles and responsibilities of a director of a listed issuer, as prescribed by the SGX-ST, unless the Nominating Committee determines that such training is not required because the Director has other relevant experience. As a first-time Director of a SGX-ST listed company, Ms Belita Ong who was appointed on 1 January 2024 will undergo training in the financial year ending 31 December 2024 (FY 2024) on the roles and responsibilities of a director of a listed issuer as prescribed by the SGX-ST.

Following their appointment to the Board, Directors are provided with opportunities for continuing education in areas such as directors' duties and responsibilities, laws and regulations, risk management and accounting standards. Directors can also request for training in any other areas relating to the Company's business and corporate governance. The objective is to enable Directors to be updated on matters that affect or go towards enhancing their performance as a Director or Board Committee member. Directors may also contribute by recommending to the Board specific training and development programmes which he or she believes would benefit Directors or the Board as a whole.

The Company believes in keeping Board members updated and externally focused. Directors are encouraged to attend training and professional development programmes which include forums and dialogues with experts and senior business leaders on issues facing boards and board practices. Sharing and information sessions by guest speakers and Management team members are organised as part of Board events and meetings. Such sessions typically include updates on business strategies and key industry developments and trends. Directors receive regular Board briefings and highlights on areas such as real estate investment management (REIM) business, ESG and risk management. Directors also receive on a regular basis reading materials on topical matters or subjects and their implications for the Group's business. Further, individual sessions on specific topics will be arranged if required to address the needs of particular Board members. These Board and individual sessions facilitate Board-Management interaction and feedback, which in turn enables the Company to better organise programmes and information sessions to suit the needs of the Board and individual Directors.

During the year under review, the members of the Board spent close to 96 hours in aggregate attending various training programmes, forums and workshops. The training programmes attended by the Directors include the SID Directors Conference 2023, the SID Environmental, Social and Governance Essentials (Core) programme, as well as various other webinars and seminars organised by the Singapore Institute of Directors and business partners in relation to board matters, audit committee matters, ESG matters and cybersecurity matters. Being a first-time Director of a SGX-ST listed company when he joined the Board on 1 January 2023, Tan Sri Abdul Farid Alias underwent training during FY 2023 on the roles and responsibilities of a director of a listed issuer as prescribed by the SGX-ST.

# CORPORATE GOVERNANCE

All Directors on the Board as at the end of FY 2023 have attended the sustainability training as prescribed by the Listing Manual of the SGX-ST (Listing Manual). Similar arrangements will be made for Ms Belita Ong, who was appointed as a Director after FY 2023, to attend such mandatory sustainability training in FY 2024.

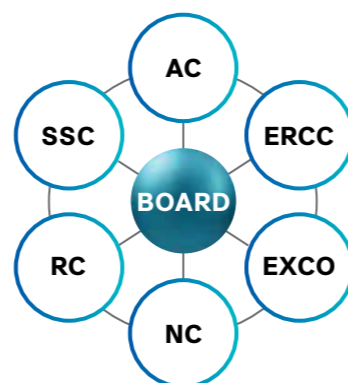
The in-house forums/briefings attended by the Directors during the year under review were conducted by guest speakers and covered the following topics:

- Family Office Developments and Private Banking Trends in Singapore;
- Cybersecurity Updates;
- Global Market Trends;
- Latest Developments affecting REIT Managers; and
- Board & Management Dynamics of Global Companies in Today's Converging World.

In addition to the various training programmes, forums and workshops, various research papers<sup>1</sup> (published by the Company's Group Research team) were also shared with the Directors during the year under review.

## Board Committees

The Board has established various Board Committees to assist it in the discharge of its functions. The Board Committees are the Audit Committee (AC), the Executive Committee (EXCO), the Executive Resource and Compensation Committee (ERCC), the Nominating Committee (NC), the Risk Committee (RC) and the Strategy and Sustainability Committee (SSC). In addition to the Board Committees mandated by the Listing Manual and/or recommended by the Code (namely, the AC, the ERCC, the NC and, where appropriate, the RC), the Board has set up two other Board Committees, namely the EXCO and the SSC.



The EXCO assists the Board primarily in its review of investment, credit and funding proposals. The EXCO carries out its responsibility within the authorities and limits approved by the Board.

The SSC assists the Board in reviewing, including recommending to the Board for approval, the Group's strategic plan and initiatives on matters such as digitalisation and in overseeing the Company's sustainability strategies and plans. The SSC was introduced to the overall Board Committee structure as part of the Company's listing on the Mainboard of the SGX-ST by introduction on 20 September 2021 (Introductory Listing), in recognition of the leading role the Board plays in the process of developing and reviewing the Company's strategy. As the Company establishes itself as a global business focused on fee-related earnings and growth in funds under management, the SSC also oversees and provides guidance to Management in the Company's continuing growth towards becoming a global real assets manager.

The Board adopts a cross-Committee membership approach between the AC and the RC to facilitate more effective communication and sharing of information, and to ensure better coordination of risk oversight which is essential given the interconnectivity of the key risks that a company could be faced with. In this regard, as at 15 March 2024, there are two AC members, namely Ms Helen Wong Siu Ming and Tan Sri Abdul Farid Alias, who are also members of the RC.

Each Board Committee is formed with clear written terms of reference (setting out its composition, authorities and duties, including reporting back to the Board) and operates under delegated authority from the Board with the Board retaining overall oversight. The chairpersons of these Board Committees report on the decisions and significant matters discussed at the respective Board Committee meetings, to the Board on a quarterly basis. The minutes of the Board Committee meetings which record the deliberations and decisions taken during these meetings are also circulated to all Board members for their information. The duties and responsibilities of the various Board Committees are set out in this Report. The Board may form other Board Committees from time to time.

<sup>1</sup> The research papers published in FY 2023 include the following, which may be accessed on the Company's website at the URL <https://www.capitaland.com/en/investment/news-and-events/perspectives.html>

- Riding the Growth Impetus – A Focus on India's Office and Business Park Sector (January 2023)
- Finding Opportunity in Volatility within Asia Pacific – Reprioritising Fundamentals in Challenging Times (June 2023)
- Catalyst for Change – Commercial Real Estate Private Credit in Asia Pacific (August 2023)
- The Benefits of Diversity – APAC's Role in Investment Portfolio Growth (September 2023)

The composition of the various Board Committees as at 15 March 2024 is set out in the table below as well as in the Corporate Information section on page 287 of this Annual Report.

## COMPOSITION OF BOARD COMMITTEES AS AT 15 MARCH 2024

Committees	AC	EXCO	ERCC	NC	RC	SSC
<b>Miguel Ko</b> Non-independent Chairman	-	C	M	M	-	M
<b>Lee Chee Koon</b> Group CEO and Non-independent Director	-	M	-	-	-	M
<b>Anthony Lim Weng Kin</b> Lead Independent Director	-	-	M	M	-	C
<b>Chaly Mah Chee Kheong</b> Independent Director	C	M	-	-	-	-
<b>Kee Teck Koon</b> Independent Director	-	M	-	-	C	-
<b>Gabriel Lim Meng Liang</b> Independent Director	-	-	-	C	M	-
<b>Judy Hsu Chung Wei</b> Independent Director	-	-	C	-	M	-
<b>David Su Tuong Sing</b> Independent Director	M	-	-	-	-	M
<b>Helen Wong Siu Ming</b> Independent Director	M	-	-	-	M	M
<b>Tan Sri Abdul Farid Alias</b> Independent Director	M	-	-	-	M	-
<b>Belita Ong</b> Independent Director	-	-	M	-	M	-
<b>Total</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>3</b>	<b>6</b>	<b>5</b>

Legend:

C: Chairman

AC: Audit Committee

ERCC: Executive Resource and Compensation Committee

RC: Risk Committee

EXCO: Executive Committee

NC: Nominating Committee

SSC: Strategy and Sustainability Committee

M: Member

The Board regularly reviews the structure and terms of reference of the Board Committees, to ensure that they remain relevant and effective in fulfilling the objectives and responsibilities of the respective Board Committees. Similarly, the respective Board Committees also regularly review their terms of reference and effectiveness and recommend necessary changes to the Board.

Board Committee memberships are also reviewed regularly, and as and when there are changes to the Board composition, changes are made where appropriate. Considerations include the respective Directors' leadership experience and domain or functional expertise, among others, to optimise the overall effectiveness of the Board Committees, continuity of experience in the respective Board Committees and an equitable and balanced distribution of duties among Board members, whilst providing Board members with the opportunity to focus on specific areas and develop expertise over time to benefit the Company. In general, each independent Director serves on at least one Board Committee. This is to foster active participation by every Director and ensure that every Director contributes to Board deliberations in each case, and collectively to overall Board effectiveness.

In addition, the Board Committees (except the EXCO which is chaired by the Board Chairman) are each chaired by a different independent Director.

In FY 2023, the NC undertook two reviews of the Board Committee memberships; the first review was undertaken as part of the review of the proposed appointment of Ms Belita Ong as a Director, following from which the Board approved her appointment as a Director and as a member of each of the ERCC and the RC with effect from 1 January 2024, and the second review was undertaken as part of the review of the retirement by rotation of Directors, following from which the Board approved the following changes, which will take effect upon the conclusion of the annual general meeting (AGM) of the Company to be held on 25 April 2024 (2024 AGM):

- (a) Mr Kee Teck Koon (who is due to retire by rotation, and is not seeking reelection at the 2024 AGM) will step down as chairman of the RC and as a member of the EXCO;
- (b) Tan Sri Abdul Farid Alias will be appointed as chairman of the RC; and
- (c) Ms Helen Wong Siu Ming will be appointed as a member of the EXCO and step down as a member of the RC.

### Meetings of Board and Board Committees

The Board and the respective Board Committees meet regularly to discuss strategy, financial results as well as operational and governance matters. Board and Board Committee meetings are scheduled prior to the start of each financial year in consultation with the Directors with a view to ensuring that all the Directors would be able to participate in the meetings. The Constitution of the Company (Constitution) also permits Directors to participate via audio or video conference. The Directors participated in the Board and Board Committee meetings held in FY 2023 in person or via audio or video conference.

The Constitution provides for the quorum necessary for the transaction of the business of the Directors at each Board meeting (unless fixed by the Directors at any number) to be two. The quorum for the transaction of the business of each Board Committee, however, is a majority of its members (excluding any member who has a conflict of interest in the subject matter under consideration). Notwithstanding this, there is an expectation for Directors to attend scheduled Board and Board Committee meetings, except if unusual circumstances make attendance impractical or if a Director has to recuse himself or herself from the discussion in relation to the sole matter under consideration at the relevant meeting. All Board and Board Committee meetings held during FY 2023 were attended by Directors, in excess of the aforementioned quorum requirements.

The independent Directors, led by the Lead Independent Director (LID), also set aside time at every Board meeting to meet without the presence of Management and at other times when necessary. Where appropriate, the LID provides feedback to the Board and/or the Chairman after such meetings. The non-executive Chairman also meets with the other non-executive Directors at every Board meeting without the presence of Management.

Prior to the start of each financial year, the Board meetings which are to be held in that year will be scheduled. During the financial year, *ad hoc* Board meetings are convened as and when required (in addition to the scheduled meetings). For FY 2023, the Board scheduled and subsequently held six meetings, including one held offsite to discuss strategy.

Board meetings typically take up a full day. At each Board meeting:

- (a) the chairperson of each Board Committee provides an update on the significant matters discussed at the Board Committee meetings which were held before the quarterly Board meetings;
- (b) the Group CEO provides updates on the Group's business and operations, including the latest market developments and trends, and business initiatives and opportunities; and
- (c) the Group Chief Financial Officer (Group CFO) presents the Group's financial performance and budgetary and capital management related matters.

Presentations and updates given by key executives at the Board meetings allow the Board to develop a good understanding of the progress of the Group's business and the issues and challenges the Group is faced with, as well as promote active engagement between Board members and the key executives. Any risk management

or other major issues, including taxation, that are relevant to the Company's performance or position are also highlighted to the Board. Further, any material variance between any projections in budget or business plans and the actual results from business activities and operations are disclosed and explained to the Board. To keep the Board abreast of investors' concerns, feedback and perceptions, the Board receives regular updates on analysts' estimates and views. This includes updates and analyses of the shareholder register, highlights of key shareholder engagements as well as market feedback.

Through the meetings, the Board reviews, monitors and oversees the implementation of the Group's corporate strategy. The Board also meets with Senior Management at least annually to review and deliberate on strategy and strategic matters, including the Company's capital and debt structure to ensure that it is compatible with its strategic goals and risk appetite. In the lead-up to the Board meeting to discuss strategy in FY 2023, Management met with the SSC several times to seek its guidance in Management's formulation of strategic options for the Company.

The Board adopts and practises the principle of collective decision-making. It is able to achieve consensus on matters requiring its approval after a robust debate on each matter placed before it for approval or guidance. Prior to decision-making, all Directors actively participate in discussions, which includes challenging assumptions, offering alternative scenarios, and testing Management's vision on the relevant matter. The Board is able to achieve this as it benefits from a culture of open, frank, rigorous and constructive discussions and debates at Board and Board Committee meetings conducted on a professional basis. There is mutual trust and respect among the Directors. No individual Director influences or dominates the decision-making process.

The Board is provided with relevant information on a timely basis prior to Board and Board Committee meetings. This enables Directors to make informed decisions to discharge their duties and responsibilities. In addition to receiving complete, adequate and timely information on Board affairs and issues requiring the Board's decision, the Board also receives information on an ongoing basis. Management provides the Board with ongoing reports relating to the operational and financial performance of the Company, as well as updates on market developments and trends.

As a general rule, Board papers are sent to Board or Board Committee members in advance of each Board or Board Committee meeting to allow them to prepare for the meetings and enable them to focus discussions on any questions or issues that they may have or identify. Where appropriate, Management briefs Directors in advance on issues to be discussed before the Board or Board Committee meeting. Agendas for Board and Board Committee meetings are prepared in consultation with and incorporate inputs from Senior Management, the Chairman and the chairpersons of the respective Board Committees. This provides assurance that important topics and issues are covered. Half-year and full-year financial statements are reviewed by the AC prior to the recommendation to the Board for approval.

In line with the Company's ongoing commitment to minimise paper waste and reduce its carbon footprint, the Company does not provide printed copies of Board papers. Instead, Directors are provided with tablet devices to access and review soft copies of the Board and Board Committee papers whether prior to or during meetings. This initiative also enhances information security as the papers are made available through an encrypted channel. Directors are also able to review and approve written resolutions using the tablet devices.

With a view to ensuring that the Board meets frequently enough to review essential matters and make efficient and well-informed decisions on an ongoing basis throughout the year, the Board meets at least on a quarterly basis. This is despite the Company having adopted semi-annual financial results reporting with effect from its Introductory Listing which ordinarily would necessitate that the Board meets at least twice a year.

A record of the Directors' attendance at general meeting(s) of shareholders and Board and Board Committee meetings held in FY 2023 is set out on page 133 of this Annual Report.

The Group CEO, who is also a Director, attends all Board meetings. He also attends all EXCO and SSC meetings as a member and all other Board Committee meetings on an *ex officio* basis. Other senior executives attend Board and Board Committee meetings as required to brief the Board on specific business matters.

# CORPORATE GOVERNANCE

The matters discussed at Board and Board Committee meetings are set out briefly in the table below. The deliberations and decisions taken at Board and Board Committee meetings are recorded in writing in the minutes of meeting.

BOARD OF DIRECTORS					
<ul style="list-style-type: none"> <li>• Strategy</li> <li>• Business and Operations</li> <li>• Financial Performance</li> <li>• Feedback from Board Committees</li> <li>• Governance</li> <li>• Directors Training and Development</li> <li>• Facilitate Business Opportunities and Strategic Relationships</li> </ul>					
AC	EXCO	ERCC	NC	RC	SSC
<ul style="list-style-type: none"> <li>• Financial Performance</li> <li>• Internal Controls</li> <li>• Internal and External Audit</li> <li>• Whistle-Blowing</li> </ul>	<ul style="list-style-type: none"> <li>• Investments and Divestments</li> <li>• Mergers and Acquisitions</li> <li>• Debt and/or Equity Funding</li> </ul>	<ul style="list-style-type: none"> <li>• Remuneration and Management Development</li> <li>• Succession Planning</li> </ul>	<ul style="list-style-type: none"> <li>• Board Performance</li> <li>• Board Appointments and Succession Planning</li> <li>• Board Governance</li> </ul>	<ul style="list-style-type: none"> <li>• Risk Management (includes Environment, Workplace Safety and Health)</li> <li>• Risk Governance</li> </ul>	<ul style="list-style-type: none"> <li>• Strategy Review and Monitoring</li> <li>• Strategic Planning</li> <li>• Sustainability Strategy Development</li> </ul>

There is active interaction between Board members and Management during Board and Board Committee meetings, as well as outside of Board and Board Committee meetings, including Board-hosted lunches and dinners. The Board has unfettered access to any Management staff for any information that it may require at all times. Likewise, Management has access to Directors outside of the formal environment of Board and Board Committee meetings for any guidance that it may seek whenever a need arises. The Board and Management share a productive and harmonious relationship which facilitates separate and independent access by Directors to Management executives, which is critical for good governance and organisational effectiveness.

The Board has separate and independent access to the Company Secretaries at all times. They support the Board to ensure its proper functioning, including by attending to corporate secretarial administration matters and providing advice to the Board and Management on corporate matters. The Company Secretaries attend all Board meetings and assist the Board Chairman in ensuring that Board procedures are followed. The Company Secretaries also facilitate orientation and undertake the administration work relating to professional development for the Directors. The Company Secretaries are legally trained and their appointment and removal are subject to the Board's approval.

The Board, whether as individual Directors or as a group, is entitled to access to independent professional advice where required, at the Company's expense.

## PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

### Board Independence

The NC and the Board review from time to time the size and composition of the Board and Board Committees, with a view to ensuring that the size of the Board and Board Committees is appropriate in facilitating effective deliberations and decision-making. The review takes into account the scope and nature of the Group's operations, the evolving external environment and the competition the Group faces. The Board considers the current Board and Board Committees' compositions as reflecting diversity of thought and background.

The Company recognises the importance of maintaining an appropriate level of independence and diversity of thought and background in the Board composition to enable the Board to make decisions in the best interests of the Company. Its Board Charter provides that at least one-third of the Board shall comprise independent Directors. The Board Charter also provides that, in the event that the Chairman is not an independent Director, the Company will appoint a LID and ensure that the Board comprises a majority of independent Directors.

The Company has a significant majority of independent Directors - 9 out of 11 Directors are non-executive independent Directors (including a LID). The non-executive Chairman and the Group CEO are the only non-independent Directors. This exceeds the requirements in the Listing Manual, the Code and the Board Charter.

Other than the Group CEO who is the only executive Director on the Board, non-executive Directors make up the rest of the Board.

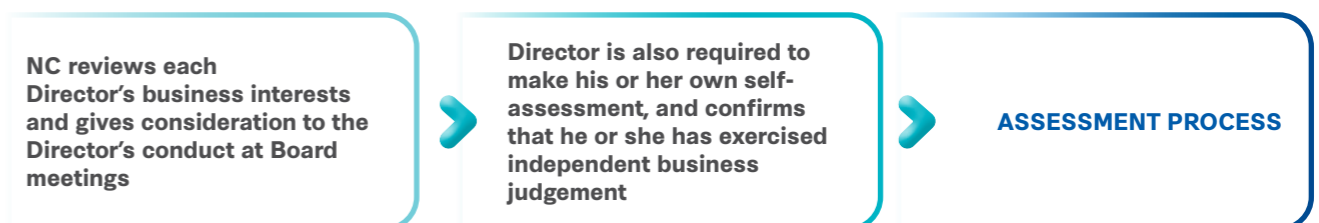
Profiles of the Directors and their respective designations and roles are set out on pages 13 to 19 of this Annual Report. Key information on Directors is also available on the Company's website.

The Board, taking into account the views of the NC, assesses annually (and additionally as and when circumstances require) the independence of each Director, taking into consideration the relevant relationships and circumstances, including those specified in the Listing Manual, the Code and where relevant, the recommendations set out in the Practice Guidance accompanying the Code (Practice Guidance), that are relevant in the determination as to whether a Director is independent. Under the Code, a director is considered independent if he/she 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 his/her independent business judgement in the best interests of the company<sup>2</sup>.

The Company follows a rigorous process to evaluate the independence of the Directors whom it considers as independent. As part of the process:

- each such Director provides information of his or her business interests and confirms, on an annual basis, that there are no relationships which interfere with the exercise of his or her independent business judgement with a view to the best interests of the Company; such information is then reviewed by the NC. In this regard, all such Directors have in their respective declarations confirmed that they do not have any relationships 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 their independent business judgement with a view to the best interests of the Company; and
- the NC also gives consideration to the respective Directors' conduct and contributions at Board and Board Committee meetings, in particular, whether the relevant Director has exercised independent judgement in discharging his or her duties and responsibilities.

Thereafter, the NC's recommendation is presented to the Board for its determination. Each Director is required to recuse himself or herself from the NC's and the Board's deliberations respectively on his or her own independence. The NC also reviews the independence of Directors as and when there is a change of circumstances involving the Director and makes recommendations to the Board for its consideration and determination. In this regard, Directors are required to report to the Company any change of circumstances which may affect his or her independence.



<sup>2</sup> Under the Listing Manual, a director who falls under any of the following circumstances is considered not independent: (i) if he/she is or has been employed by the company or any of its related corporations in the current or any of the past three financial years; (ii) if he/she has an immediate family member who is or has been employed by the company or any of its related corporations in the current or any of the past three financial years, and whose remuneration is or was determined by the remuneration committee of the company; or (iii) if he/she has been a director of the company for an aggregate period of more than 9 years (whether before or after listing) in which case, such director may continue to be considered independent until the conclusion of the next annual general meeting of the company.

# CORPORATE GOVERNANCE

The Board assesses the independence of each Director annually and it last refreshed its assessment in February 2024. The paragraphs below set out the outcome of the assessment.

As part of the review process on the independence of the Directors, the NC took into consideration the relevant relationships and circumstances of each Director, including those specified in the Listing Manual and the Code, that are relevant in its determination as to whether a Director is independent. Such relationships and circumstances include: (a) directorships (if any) in Temasek Holdings (Private) Limited (Temasek), the majority shareholder of the Company through CapitaLand Group Pte. Ltd. (CLG), and in organisations linked to Temasek; (b) appointments (if any) in organisations which have a business relationship with the Group; (c) employment (if any) with the Company or any of its related corporations in the year under review or any of the past three financial years; and (d) whether the aggregate period of service as a Director exceeds nine years<sup>3</sup>.

## ADDITIONAL CONSIDERATIONS

Directorships (if any) in Temasek, the majority shareholder of the Company through CLG, and in organisations linked to Temasek	Appointments (if any) in organisations which have a business relationship with the Group	Employment (if any) with the Company or any of its related corporations in the year under review or any of the past three financial years	Whether the aggregate period of service as a Director exceeds nine years <sup>3</sup>

Based on the outcome of the assessment, other than Mr Lee Chee Koon, Group CEO, and Mr Miguel Ko, non-executive Chairman, both of whom are the only non-independent Directors, all members of the Board are considered to be independent Directors. Further, none of the non-executive Directors has been a company's former CEO in the past two years.

As at 15 March 2024, except for Mr Kee Teck Koon, none of the members on the Board has served for more than nine years as a Director (taking into account the respective Directors' tenure, if any, on the board of the Company's predecessor CapitaLand Limited (CL, now known as CLG)<sup>4</sup>). For more information on the assessment of Mr Kee's independence, please refer to the paragraphs below under "Mr Kee Teck Koon".

### Mr Lee Chee Koon

Mr Lee Chee Koon, who is Group CEO of the Company, is considered non-independent by virtue of his employment with the Company.

### Mr Miguel Ko

Mr Miguel Ko was an executive of CLA Real Estate Holdings Pte. Ltd. (CLA), a related corporation of the Company, until 1 November 2020. Under the Listing Manual, a director who has been employed by a related corporation of the issuer in any of the past three financial years will not be considered independent. However, Mr Ko's past employment with CLA no longer falls within the past three financial years look-back period.

Therefore, in FY 2023, the NC undertook a review of the re-designation of Mr Ko as an independent Director. The NC discussed and the outcome is that the NC concurred that the re-designation of Mr Ko as an independent Director would not be pursued at this juncture.

Although Mr Ko is considered a non-independent Director, he is not accustomed or under the obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of any shareholder in relation to the corporate affairs of the Company. He acts with independent judgement in the discharge of his duties and responsibilities.

<sup>3</sup> This takes into account the respective Directors' tenure, if any, on the board of CL (now known as CLG). As disclosed on page 158 of the Company's Introductory Document dated 17 July 2021, in view that the appointment of the relevant independent directors of CL (now known as CLG) as the Company's independent Directors was a natural transition from such directors' appointments as independent directors of CL, for the purposes of compliance with Rule 210(5)(d)(iii) of the Listing Manual (repealed on 11 January 2023), the period served by such directors as independent directors of CL should be counted towards, and treated as part of, the cumulative period that such directors will serve as the Company's independent Directors.

<sup>4</sup> The Company was listed on the SGX-ST on 20 September 2021 following a strategic restructuring and demerger of the investment management business of CL. Prior to its listing on the SGX-ST, the Company was a wholly owned subsidiary of CL. CL was delisted from the Official List of the SGX-ST on 21 September 2021 and is now known as CLG. Information relating to the strategic restructuring and demerger exercise can be found in the Company's Introductory Document dated 17 July 2021, a copy of which is available on the SGX website [www.sgx.com](http://www.sgx.com).

Mr Ko, also an NC member, had recused himself from the NC's deliberations on the assessment of his independence. The Board was duly informed of the outcome of the discussions.

### Mr Chaly Mah Chee Kheong

Mr Chaly Mah Chee Kheong is a non-executive board member of the Monetary Authority of Singapore (MAS), Singapore's central bank and financial regulatory authority. Certain subsidiaries of the Company undertake the business of fund management and real estate investment trust (REIT) management, which MAS regulates. Mr Mah's role in MAS generally does not generate any conflict of interest issues in respect of his role as a Director of the Company. In the event of any issues arising in relation to the regulatory aspects of the Group's fund and/or REIT management business, Mr Mah will be required to recuse himself from any deliberations on such issues as appropriate or necessary.

Mr Mah is chairman of Surbana Jurong Private Limited (SJ). SJ is a subsidiary of Temasek and therefore also a related corporation of the Company. It is predominantly focused on the provision of building and engineering consultancy services, which the Group may engage for some of its projects. SJ was not engaged to provide any services to the Group in FY 2023. The Company will continue to monitor and track any engagements with regard to SJ and the value of such engagements thereof, for consideration in the review of Mr Mah's independence.

In any event, the Board noted that (i) Mr Mah's appointment in SJ is as non-executive chairman, (ii) SJ, although a wholly owned subsidiary of Temasek, is independently managed under Temasek, (iii) any engagement of SJ for any of the Group's projects will continue to be made by Management on behalf of the Group in the ordinary course of business and on normal commercial terms, based on merit and competitive terms negotiated by Management, and (iv) Mr Mah was not and will continue not to be involved in the process for or approval of the engagement of SJ. In the event of any engagement of SJ requiring the Board's approval, Mr Mah will be required to follow the Company's established process to recuse himself from any deliberations or approvals thereto.

The Board also considered the conduct of Mr Mah in the discharge of his duties and responsibilities as a Director and is of the view that he has acted with independent judgement in the discharge of his duties and responsibilities. Based on the above, the Board arrived at the determination that Mr Mah is an independent Director.

Mr Mah had recused himself from the Board's deliberations on his independence.

### Mr Kee Teck Koon

Save as disclosed below (in regard to the length of his Board service), Mr Kee Teck Koon does not have any relationships and is not faced with any of the circumstances identified in the Listing Manual, the Code or the Practice Guidance, or any other relationships that may affect his independent judgement.

Mr Kee was first appointed to the board of CL (now known as CLG) on 22 September 2014 and subsequently appointed to the Board of the Company on 25 June 2021. He has served an aggregate of more than nine years as a Director (taking into account his tenure on the board of CL (now known as CLG)) as at 22 September 2023. Based on the transitional arrangements for the application of new Rule 210(5)(d)(iv) of the Listing Manual as set out in Transitional Practice Note 4 of the Listing Manual, during the transitional period (between 11 January 2023 and the date of the 2024 AGM), directors who have served for an aggregate period of more than nine years can continue to be regarded as independent for so long as they continue to fulfil the independence requirements under Rule 210(5)(d)(i) and Rule 210(5)(d)(ii) of the Listing Manual. The Board considered that Mr Kee continues to fulfil the independence requirements under Rule 210(5)(d)(i) and Rule 210(5)(d)(ii) of the Listing Manual.

The Board also considered the conduct of Mr Kee in the discharge of his duties and responsibilities as a Director, and is of the view that he has exercised independent judgement in the discharge of his duties and responsibilities.

Based on the above, the Board arrived at the determination that Mr Kee is an independent Director and may continue to be considered as an independent Director until the conclusion of the 2024 AGM.

As part of the Board renewal process, Mr Kee will be stepping down from the Board upon the conclusion of the upcoming 2024 AGM.

Mr Kee had recused himself from the Board's deliberations on his independence.

## Mr Anthony Lim Weng Kin

Mr Anthony Lim Weng Kin is a non-executive director of DBS Group Holdings Ltd (DBS), a financial services group headquartered in Singapore with multinational operations across the Asia-Pacific region. DBS is one of the banks the Group works with for its financing requirements. The magnitude of the fees and payments made to DBS in FY 2023 exceeded the threshold amount of S\$200,000 (which is provided as a general guide in the Practice Guidance). However, Mr Lim's role in DBS is non-executive in nature and he is not involved in the business operations of DBS. The decision to engage DBS was made by Management in the ordinary course of business and on normal commercial terms, based on merit and competitive terms negotiated by Management. Mr Lim was not involved in the process of obtaining approval for the engagement of DBS. In the event of any engagement of DBS requiring the Board's approval, Mr Lim will have to recuse himself under the Company's standing policy, which requires each Director to declare and recuse themselves from any situation(s) where there may be conflicts of interest between his/her duty to the Company and his/her other interest(s).

The Board also considered the conduct of Mr Lim in the discharge of his duties and responsibilities as a Director, and is of the view that the relationship set out above did not impair his ability to act with independent judgement in the discharge of his duties and responsibilities as a Director. The Board is therefore of the view that Mr Lim has exercised independent judgement in the discharge of his duties and responsibilities. Based on the above, the Board arrived at the determination that Mr Lim is an independent Director.

Mr Lim, also an NC member, had recused himself from the NC's as well as the Board's deliberations, respectively, on the assessment of his independence.

## Mr Gabriel Lim Meng Liang

Mr Gabriel Lim Meng Liang does not have any relationships and is not faced with any of the circumstances identified in the Listing Manual, the Code or the Practice Guidance, or any other relationships that may affect his independent judgement. Mr Lim is presently Permanent Secretary of the Ministry of Trade and Industry. The Board noted that Mr Lim's public office duties neither require him to take, nor subject him to any obligation to follow, any instructions from any government authorities in relation to the corporate affairs of the Company. This role also does not generate conflict of interest issues in respect of his role as a Director of the Company.

The Board also considered the conduct of Mr Lim in the discharge of his duties and responsibilities as a Director, and is of the view that he has acted with independent judgement in the discharge of his duties and responsibilities. Based on the above, the Board arrived at the determination that Mr Lim is an independent Director.

Mr Lim, also an NC member, had recused himself from the NC's as well as the Board's deliberations, respectively, on the assessment of his independence.

## Ms Judy Hsu Chung Wei

Ms Judy Hsu Chung Wei is CEO of Consumer, Private and Business Banking of Standard Chartered Bank (Singapore) Limited (StanChart). She is in charge of StanChart's consumer, private and business banking business. StanChart is currently not a principal banker of the Group. In any event, should the relationship between StanChart and the Group develop, Ms Hsu will recuse herself from any engagement involving StanChart.

The Board also considered the conduct of Ms Hsu in the discharge of her duties and responsibilities as a Director, and is of the view that the relationships set out above did not impair her ability to act with independent judgement in the discharge of her duties and responsibilities as a Director. The Board is of the view that Ms Hsu has exercised independent judgement in the discharge of her duties and responsibilities. Based on the above, the Board arrived at the determination that Ms Hsu is an independent Director.

Ms Hsu had recused herself from the Board's deliberations on her independence.

## Mr David Su Tuong Sing

Mr David Su Tuong Sing does not have any relationships and is not faced with any of the circumstances identified in the Listing Manual, the Code or the Practice Guidance, or any other relationships that may affect his independent judgement.

The Board considered the conduct of Mr Su in the discharge of his duties and responsibilities as a Director, and is of the view that Mr Su has exercised independent judgement in the discharge of his duties and responsibilities. Based on the above, the Board arrived at the determination that Mr Su is an independent Director.

Mr Su had recused himself from the Board's deliberations on his independence.

## Ms Helen Wong Siu Ming

Ms Helen Wong Siu Ming does not have any relationships and is not faced with any of the circumstances identified in the Listing Manual, the Code or the Practice Guidance, or any other relationships that may affect her independent judgement.

The Board considered the conduct of Ms Wong in the discharge of her duties and responsibilities as a Director, and is of the view that Ms Wong has exercised independent judgement in the discharge of her duties and responsibilities. Based on the above, the Board arrived at the determination that Ms Wong is an independent Director.

Ms Wong had recused herself from the Board's deliberations on her independence.

## Tan Sri Abdul Farid Alias

Tan Sri Abdul Farid Alias does not have any relationships and is not faced with any of the circumstances identified in the Listing Manual, the Code or the Practice Guidance, or any other relationships that may affect his independent judgement.

The Board considered the conduct of Tan Sri Abdul Farid in the discharge of his duties and responsibilities as a Director, and is of the view that Tan Sri Abdul Farid has exercised independent judgement in the discharge of his duties and responsibilities. Based on the above, the Board arrived at the determination that Tan Sri Abdul Farid is an independent Director.

Tan Sri Abdul Farid had recused himself from the Board's deliberations on his independence.

## Ms Belita Ong

Ms Belita Ong is a new member of the Board (appointed on 1 January 2024). A review was conducted for the purpose of her appointment as a Director of the Company. The outcome of the review was that she did not have any relationships and was not affected by any circumstances that might interfere with the exercise of her independent business judgement. The NC recommended and the Board approved her appointment as an independent Director on that basis.

The Board is not aware of any changes in circumstances since the abovementioned review, which may affect Ms Ong's independence. The Board has had the opportunity of working with Ms Ong since she came on board on 1 January 2024, and is of the view that she has exercised independent judgement in the discharge of her duties and responsibilities. Based on the above, the Board arrived at the determination that Ms Ong is an independent Director.

Ms Ong had recused herself from the Board's deliberations on her independence.

## Board Diversity

The Company embraces diversity and has in place a Board Diversity Policy which provides for the Board to comprise talented and dedicated Directors with a wide mix of expertise (including industry, domain and functional expertise), skills, experience (including international experience) and perspectives, with due consideration to diversity in gender, age, tenure, ethnicity and culture, and geographical background including nationality, as well as any other relevant aspects of diversity.

The Company values the benefits that diversity can bring to the Board in its deliberations by avoiding groupthink and fostering constructive debate. Diversity enhances the Board's decision-making capability and ensures that the Company has the opportunity to benefit from all available talent and perspectives, which is essential to effective business governance and for ensuring long-term sustainable growth.

The Company's Board diversity targets, plans and timelines for achieving the targets and progress towards achieving the targets are described below. Further information on the progress achieved during FY 2023 can be found in the "Board Composition and Renewal" section under Principle 4 of this Report.

Diversity Targets, Plans and Timelines	Targets Achieved/Progress Towards Achieving Targets
<b>Gender</b>	
<p>To have at least 2 female Directors on the Board during the period leading up to 2025.</p> <p>The Company believes in achieving an optimum mix of men and women on the Board to provide different approaches and perspectives.</p>	<p><b>Achieved</b> – As at the end of FY 2023, there were 2 female Directors (out of 10 Directors) on the Board. This represents 20% of the Board.</p> <p>The proportion of female Directors on the Board increased to 27% (or 3 female Directors out of a total of 11 Directors) with the appointment of Ms Belita Ong on 1 January 2024.</p>
<b>Age</b>	
<p>To ensure that the Board comprises Directors across the following age groups:</p> <p>(a) 50 and below; (b) 51 to 60; and (c) 61 and above,</p> <p>and to maintain such level of age diversity during the period leading up to 2025.</p> <p>The Company believes that age diversity would provide a broad spectrum of thoughts and views in Board and Board Committee deliberations.</p>	<p><b>Achieved</b> – As at the end of FY 2023, the Board comprised Directors across all 3 age groups, as follows:</p> <p>(a) 2 Directors aged 50 and below; (b) 3 Directors aged between 51 to 60; and (c) 5 Directors aged 61 and above.</p> <p>Ms Belita Ong, who was appointed as Director on 1 January 2024, is 66 years old as at 15 March 2024.</p>

Diversity Targets, Plans and Timelines	Targets Achieved/Progress Towards Achieving Targets
<b>Tenure</b>	
<p>To ensure that the Board comprises Directors across the following tenure groups:</p> <p>(a) less than 3 years; (b) 3 to 6 years; and (c) more than 6 years,</p> <p>and to maintain such level of tenure diversity during the period leading up to 2025.</p> <p>The Company believes that tenure diversity would facilitate Board renewal progressively and in an orderly manner, whilst ensuring knowledge continuity about the Company and its business operations and sustainability of corporate performance.</p>	<p><b>Achieved</b> – As at the end of FY 2023, the Board comprises Directors across all 3 tenure groups, as follows:</p> <p>(a) 4 Directors' tenure being less than 3 years; (b) 2 Directors' tenure being between 3 to 6 years; and (c) 4 Directors' tenure being more than 6 years.<sup>^</sup></p> <p><sup>^</sup> See footnote 3 on page 98 of this Annual Report.</p>
<b>Skills &amp; Experience</b>	
<p>To ensure that the Directors, as a group, possess:</p> <p>(a) a variety of skill sets, including in core competencies, domain knowledge and other fields of expertise, such as finance, banking, real estate, fund and investment management and technology; and (b) a mix of industry experience, management experience, business acumen and listed company board experience, in particular on organisational development and ESG matters,</p> <p>by 2025, or (if applicable) to maintain such level of diversity in skill sets and experience during the period leading up to 2025.</p> <p>The Company believes that diversity in skill sets would support the work of the Board and Board Committees and needs of the Company, and that an optimal mix of experience would help shape the Company's strategic objectives and provide effective guidance and oversight of Management and the Company's operations.</p> <p>The Company continually endeavours to deepen the bench strength of the Board with complementary and relevant expertise, including in the areas of fund and investment management, organisational development and ESG matters.</p>	<p><b>In Progress</b> – As at the end of FY 2023, the Board comprises Directors who, as a group, possess a significant majority of the identified core skills and experience.</p> <p>In terms of skill sets, the Board comprises Directors with a variety of skills and expertise in areas including finance, banking, real estate, fund management, international capital markets and technology.</p> <p>In terms of experience, the Board comprises Directors who are corporate and business leaders and who collectively have experience in general business management, have served on public listed company boards and have international or regional experience.</p> <p>In terms of industry experience, the Directors collectively have exposure in various sectors and markets, including the venture capital industry and the international capital markets networks.</p> <p>The Board's collective skill sets were further strengthened (in fund and investment management) with the appointment of Ms Belita Ong on 1 January 2024.</p> <p>Efforts to identify new Board members continue. The NC also continues to look for opportunities to strengthen the collective skillsets of the Board.</p>



The Company remains committed to enhancing Board diversity and any further progress made towards attaining the targets set will be disclosed in future Corporate Governance Reports as appropriate.

The NC, in carrying out its duties of determining the optimal composition of the Board in its Board renewal process and addressing Board vacancies, considers candidates that bring a diversity of background and opinion with the appropriate training and industry or related expertise and experience. In identifying possible candidates and making recommendations of Board appointments to the Board, the NC's considerations include achieving an appropriate level of diversity in the Board composition having regard to diversity factors such as skills, experience, gender, age, tenure, ethnicity, culture, geographical background and nationality, as well as educational, business and professional background of its members. In its annual review of the Board's composition, the NC expressly considers and includes a commentary to the Board on the subject of diversity, including gender diversity, in the composition of the Board. In this regard, the Board, taking into account the views of the NC, is of the opinion that the Board's current size is appropriate with an appropriate balance and diversity of skills, experience, gender, age, tenure, ethnicity, culture, and geographical background including nationality, taking into account the Company's diversity targets, plans and timelines and objectives of the Board Diversity Policy and the Group's business needs and plans, for effective decision-making, quality discussions and constructive debate.

In line with the Board Diversity Policy, the Board comprises Directors who are corporate and business leaders, or professionals with varied backgrounds, expertise and experience in areas including finance, banking, real estate, fund management, general management and technology, who bring with them the combination of skills, talents, experience and diversity required to serve the needs of and achieve the plans for the Group.

For further information on the NC's work in this regard, please refer to "Board Membership" under Principle 4 of this Report.

### PRINCIPLE 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles and responsibilities of the Chairman and Group CEO are held by separate individuals, in keeping with the principles that there be a clear division of responsibilities between the leadership of the Board and that of Management, and that no one individual has unfettered powers of decision-making. The Chairman of the Board is elected by the Board, and it is a non-executive appointment held by Mr Miguel Ko. The Group CEO is Mr Lee Chee Koon. They do not share any family ties. The Chairman and Group CEO enjoy a positive and constructive working relationship, and support each other in their respective leadership roles.

The Chairman leads and oversees the performance of the Board and plays a pivotal role in creating the conditions necessary for overall Board and individual director effectiveness. This includes setting the agenda of Board meetings in collaboration with the Group CEO, ensuring that the agenda takes full account of the important issues facing the Company and that there is sufficient information and time at meetings to address all agenda items, as well as promoting open and constructive engagement and dialogue among the Directors as well as between the Board and Group CEO at meetings. The Chairman also guides the Board through its decision-making process and ensures that the Board operates effectively as a team.

The Chairman devotes considerable time to keep himself updated on the Company's business, including the issues and the competition the Company faces. He plays a significant and active leadership role by providing clear oversight, direction, advice and guidance to the Group CEO. He also maintains open lines of communication and engages with other members of the senior leadership regularly, and acts as a sounding board for the Group CEO and the other members of the senior leadership team on strategic and significant operational matters.

Aside from chairing Board meetings, the Chairman also presides at AGMs and other general meetings where he plays a crucial role in fostering constructive dialogue between shareholders, the Board and Management.

The Group CEO has full executive responsibilities to manage the Group's business and to develop and implement Board approved policies.

The separation of the roles and responsibilities of the Chairman and the Group CEO, which is set out in writing, and the resulting clarity of roles provide a healthy professional relationship between the Board and Management, facilitate robust deliberations on the Group's business activities and the exchange of ideas and views to help shape the strategic process, and ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

As the Chairman is non-independent, the Board has appointed Mr Anthony Lim Weng Kin as the LID. As LID, Mr Lim's main duties are to facilitate the functioning of, and provide leadership to, the Board if circumstances arise in which the Chairman may be (or is perceived to be) in conflict, to support effective Board objectivity in business judgement and oversight, and to serve as an independent leadership contact for shareholders, Directors and Management especially where contact through the normal channels of communication with the Chairman or Management (as the case may be) is inappropriate or inadequate.

### PRINCIPLE 4: BOARD MEMBERSHIP

The Board has a formal and transparent process for the appointment and re-appointment of Directors. It has established the NC, which makes recommendations to the Board on all appointments to the Board and Board Committees. All Board appointments are made based on merit and approved by the Board.

NOMINATING COMMITTEE		
<b>MR GABRIEL LIM MENG LIANG</b> Committee Chairman & Non-Executive Independent Director	<b>MR MIGUEL KO</b> Non-Executive Non-Independent Director	<b>MR ANTHONY LIM WENG KIN</b> Lead Independent Director & Non-Executive Independent Director

A majority of the NC members, including the chairman of the NC, are non-executive independent Directors. In FY 2023, the NC met thrice. The NC also reviewed and approved various matters within its remit via circulating papers.

Under its terms of reference, the NC's scope of duties and responsibilities is as follows:

- review and make recommendations to the Board on the size and composition of the Board, the succession plans for Directors, and the structure and membership of the Board Committees;
- review and recommend an objective process and criteria for the evaluation of the performance of the Board, Board Committees and Directors;
- ensure continual training and professional development programmes are put in place for the Directors, including ensuring that new Directors are trained to understand their duties and obligations;
- consider annually, and as and when circumstances require, if a Director is independent and provide its views to the Board for consideration; and
- review whether a Director has been adequately carrying out his or her duties as a Director.

### Board Composition and Renewal

The Board, through the NC, strives to ensure that the Board has an optimal and diverse blend of backgrounds, experience and knowledge in business and general management, expertise relevant to the Group's business and operations, and that each Director can bring to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made in the interests of the Group.

There is a structured process for determining Board composition and for selecting candidates for appointment as Directors. In undertaking its duty of reviewing and making Board appointment recommendations to the Board, the NC evaluates the Board's competencies on a long-term basis and identifies competencies which may be further strengthened in the mid-to long-term. The review includes planning ahead to fill one or more vacancies which may arise in the future. Board succession planning takes into account the need to maintain flexibility to effectively address succession planning and to ensure that the Company continues to attract and retain highly qualified individuals to serve on the Board. The process ensures that the Board composition is such that it has capabilities and experience which are aligned with the Company's strategy and the environment it operates in, and that there are non-executive Directors who have prior working experience in the major sector(s) that the Company is operating in.

# CORPORATE GOVERNANCE

The Board supports the principle that Board renewal is a necessary and continual process for good governance and ensuring that the Board has the skills, expertise, diversity and experience which are relevant to the evolving needs of the Group's business.

Board succession planning is carried out through the annual review by the NC of the Board composition as well as when a Director gives notice of his or her intention to retire or resign. The annual review takes into account, among other things, the requirements in the Listing Manual and the Code, feedback from any individual Board member as well as the diversity targets and factors in the Board Diversity Policy. The outcome of that review is reported to the Board. The Board seeks to refresh its membership progressively and in an orderly manner, whilst ensuring continuity and sustainability of corporate performance. The Board also has in place guidelines on the tenure of Directors. The guidelines provide that a Director is appointed for two terms of a total of approximately six years and any extension of tenure beyond six years will be rigorously considered by NC in arriving at a recommendation to the Board.

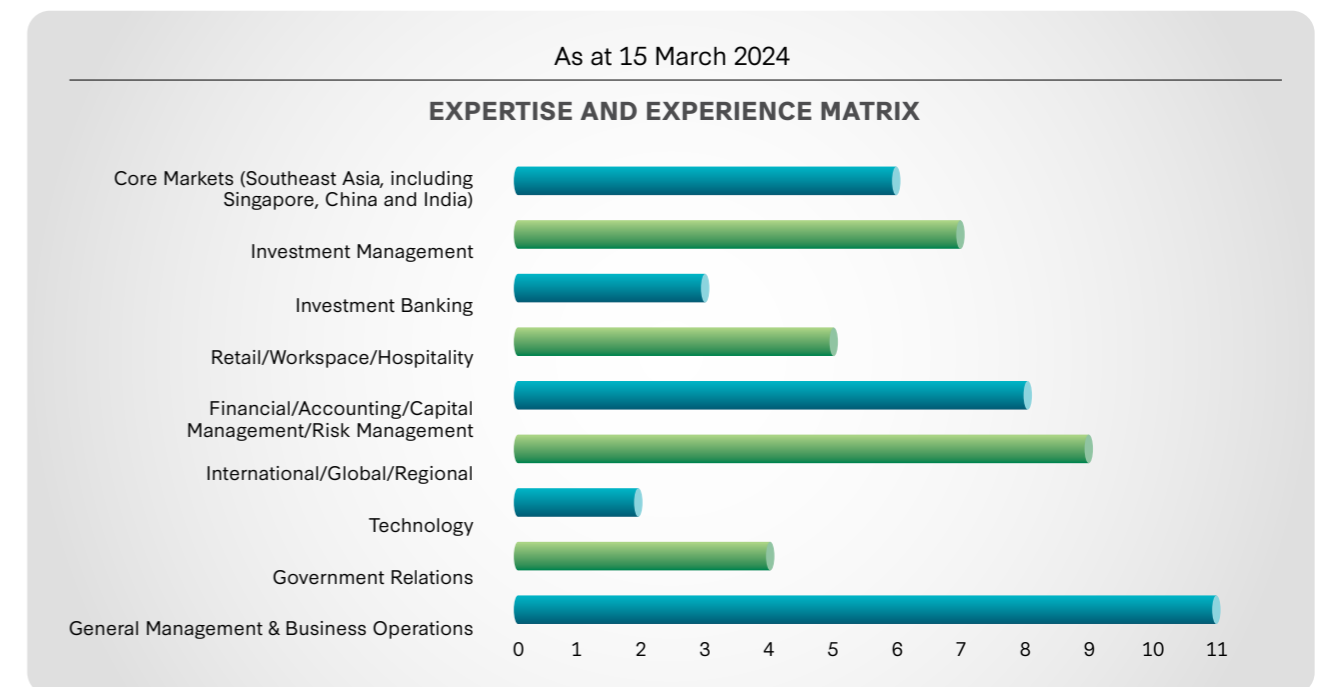
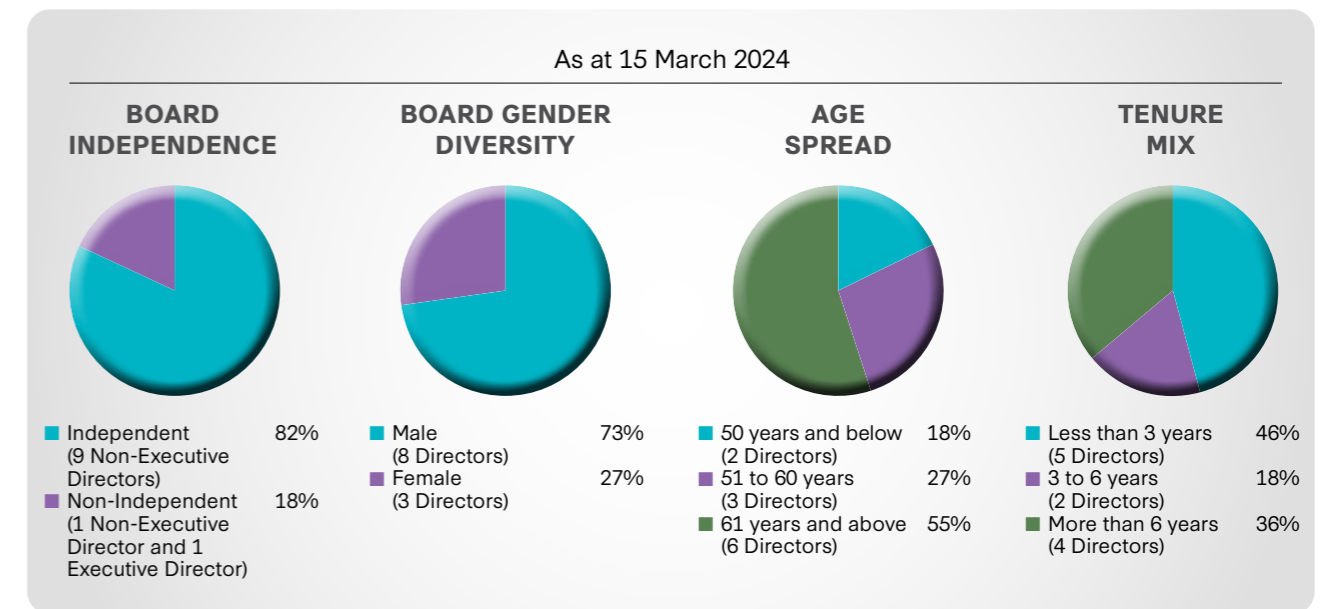
The NC identifies suitable candidates for appointment to the Board. In this regard, external consultants are retained from time to time to assist the NC in identifying candidates, to ensure that a diverse slate of candidates is presented for the NC's and the Board's consideration.

Candidates are identified based on the needs of the Company, taking into account the strategic priorities of the Company and the relevant skills required. Those considered will be assessed against a range of criteria including the candidates' demonstrated business sense and judgement, skills and expertise, and market and industry knowledge (and may include elements such as financial, sustainability or other specific competency, geographical representation and business background) with due consideration to diversity, including but not limited to, diversity in business or professional experience, age and gender, ethnicity and culture, and geographical background (including nationality). The NC also considers the qualities of the candidate(s), in particular whether they are aligned with the strategic directions and values of the Company, while also assessing his or her ability to commit time to the affairs of the Company, taking into consideration the candidate(s)' other current appointments or commitments. The NC uses a skills matrix to determine the skills gaps of the Board and to assess if the expertise and experience of a candidate would complement those of the existing Board members.

Whilst the Board believes that it has an optimal blend of backgrounds, experience, knowledge in business and general management, and expertise relevant to help the Company deliver on its ambition and strategic priorities, it believes in planning for orderly succession as well as contingencies and is continually looking out for opportunities to fill future gaps in competencies and to renew the Board in a progressive manner. In FY 2023, Tan Sri Abdul Farid Alias joined the Board. On 1 January 2024, Ms Belita Ong joined the Board. These appointments augmented various aspects of Board diversity in terms of professional qualifications, ethnicity, industry and market knowledge, age and skills and experience. Tan Sri Abdul Farid Alias brings considerable expertise and networks in the financial and banking sector and the ASEAN markets while Ms Belita Ong brings significant in-country experience and networks in the investment management sector and the United States of America (US) market, both of which increases the diversity of skill sets of the Board. The appointment of Ms Ong has also increased the proportion of female Directors on the Board, contributing to gender diversity on the Board. In particular, these appointments enable the Board to achieve or, as the case may be, make significant progress towards achieving the following targets set for the Board:

- improve gender diversity;
- maintain current level of age, ethnicity and tenure diversity; and
- enhance skill sets in fund and investment management and increase number of Directors with international or regional experience.

The NC remains focused on Board renewal and continues to identify opportunities for Board enhancement. In FY 2023, the NC also considered several other candidates (aside from Ms Belita Ong), both male and female, but the process did not result eventually in appointments due to various reasons. The NC continues its efforts to search for and build its pipeline of possible Board candidates who are proven business leaders with complementary and relevant expertise. The need for ethnic and/or gender diversity, experience in overseeing ESG matters and/or an appreciation of the investment management business are some of the considerations. The NC also takes into consideration any qualitative feedback received from Directors and Management during its annual Board evaluation exercise.



In this regard, the Board acknowledges that it may not be possible to find all the desired credentials and qualities in a single candidate and, therefore, it would be necessary to prioritise some of them, taking into consideration the current collective skill sets of the Board.

### Shareholders' Approval at AGM

Election of Board members is the prerogative and right of shareholders. The Constitution requires one-third of the Company's Directors to retire, prioritised by the length of service since the previous reelection or appointment and who are not otherwise required to retire, and subject themselves to reelection by shareholders at every AGM (one-third rotation rule). Effectively, this results in all Directors having to retire and stand for reelection at least once every three years or earlier.

The Group CEO, as a Board member, is also subject to the one-third rotation rule. His role as the Group CEO is separate from his position as a Board member and does not affect the ability of shareholders to exercise their right to select Board members.

# CORPORATE GOVERNANCE

In addition, any Director who is newly appointed by the Board (whether as an additional Director or to fill a vacancy) will submit himself or herself for reelection at the AGM immediately following his or her appointment. Thereafter, he or she is subject to the one-third rotation rule.

In this regard, Mr Anthony Lim Weng Kin, Mr Lee Chee Koon and Ms Judy Hsu Chung Wei, all of whom are retiring by rotation at the upcoming 2024 AGM, will be standing for reelection by shareholders. Mr Kee Teck Koon is also due to retire by rotation at the upcoming 2024 AGM, and has given notice to the Company that he will not be seeking reelection at the upcoming 2024 AGM. Ms Belita Ong, who was newly appointed by the Board in January 2024, will be submitting herself for reelection at the upcoming 2024 AGM.

With regard to the reelection of existing Directors each year, the NC advises the Board of those Directors who are retiring or due for consideration to retire in accordance with the articles of the Constitution. The NC makes recommendations to the Board as to whether the Board should support the reelection of a Director who is retiring. For that purpose, it undertakes a review of the retiring Director's contributions to the Board's deliberations, taking into consideration also the collective skill sets of the Directors at that juncture and the near term targets and plans relating to Board renewal. The NC also considers the relevant Directors' attendance record and preparedness for and level of engagement at Board meetings, as well as their other appointments and commitments. Each member of the NC is required to recuse himself from deliberations on his own reelection. In this regard, the NC has carried out the requisite review and recommendation work in respect of the proposed reelection by shareholders of Mr Anthony Lim Weng Kin, Mr Lee Chee Koon and Ms Judy Hsu Chung Wei as Directors at the upcoming 2024 AGM. After taking into account their respective tenures on the board of CL (now known as CLG), Mr Lim would have served as a Director for more than six years as at the date of the 2024 AGM. The Board has adopted the guidelines that a Director be appointed for two terms for a total of approximately six years and any extension of tenure beyond six years be rigorously considered by the NC before arriving at a recommendation to the Board. Therefore, for the review and recommendation relating to the proposed reelection of Mr Lim, the NC undertook a rigorous review. Noting the respective contributions of Mr Lim, Mr Lee and Ms Hsu, including as chairman of the relevant Board Committees, the NC recommended to the Board to support their reelection at the upcoming 2024 AGM. The Board, after considering the NC's recommendation, has duly provided its support for their respective reelections. Ms Belita Ong, who was newly appointed by the Board after the 2023 AGM, will also seek reelection at the upcoming 2024 AGM, and the Board has also duly provided its support for her reelection. Each Director seeking reelection at the upcoming 2024 AGM has recused himself or herself from the Board's and, where applicable, the NC's deliberations on his or her reelection.

Shareholders elect the Directors or candidates put up for election and reelection at AGMs individually. Key information on the Directors or candidates who are seeking election or reelection at AGMs, including date of first appointment, age, professional qualifications, working experience and other principal commitments (including directorships), is provided in the Annual Report.

## Review of Directors' Ability to Commit Time

In view of the responsibilities of a Director, Directors need to be able to devote sufficient time and attention to adequately perform their duties and responsibilities. The NC reviews the other appointments and commitments of each Director on an annual basis and as and when there is a change of circumstances involving a Director which may affect his or her ability to commit time to the Company. In this regard, Directors are required to report to the Company any changes in their other appointments or commitments.

In reviewing whether a Director has adequately discharged his or her duties to the Company and a Director's ability to commit time to the affairs of the Company, the NC and the Board consider if the Director's total number of listed company board appointments is within the guidelines of major proxy advisor firms. In respect of the Directors' other appointments and commitments, the Board takes the view that the limit on the number of directorships and principal commitments that an individual may hold should be considered on a case-by-case basis, as a person's available time and attention may be affected by many different factors, such as his or her capacity, whether he or she is in full-time employment, the nature of his or her other responsibilities and near-term plan regarding some of the other appointments. A Director with multiple directorships is nonetheless expected to ensure that he or she can devote sufficient time and attention to the affairs of the Company. Directors are also required to consult the Chairman before accepting any invitation for appointment as a director of another entity or offer of a full-time executive appointment. Such a consultation will enable any concerns relating to the Director's ability to commit time to the affairs of the Company, as well as any potential conflicts of interests, to be shared and addressed. The Chairman will make the requisite assessment and consult with the NC as necessary.

There is no alternate director to any of the Directors. In keeping with the principle that a Director must be able to commit time to the affairs of the Company, the NC has adopted the principle that it will generally not approve the appointment of alternate directors to Directors.

Each of the Directors is required to make his or her self-assessment and confirm that he or she is able to devote sufficient time and attention to the affairs of the Company. For FY 2023, all Directors had undergone the self-assessment and provided the confirmation.

On an annual basis and, where appropriate, when there is a change of circumstances involving a Director, the NC assesses each Director's ability to commit time to the affairs of the Company. In the assessment, the NC takes into consideration each Director's confirmation, his or her other appointments and commitments, attendance record at meetings of the Board and Board Committees, as well as conduct (including preparedness, participation and level of engagement) and the value and quality of their contributions at Board and Board Committee meetings.

NC reviews each Director's other appointments and commitments, attendance record, as well as conduct and contributions at Board and Board Committee meetings

Director is also required to make his or her self-assessment, and confirmation that he or she is able to devote sufficient time and attention to the affairs of the Company

ASSESSMENT PROCESS

The Directors' listed company directorships and other principal commitments are disclosed on pages 14 to 19 of this Annual Report.

None of the Directors currently holds more than three listed company board appointments, which number is within the guidelines of major proxy advisor firms. The Group CEO, who is the sole executive Director, does not serve on any listed company board outside of the Group.

The Directors' attendance record for FY 2023 is set out on page 133 of this Annual Report. Directors are informed of the expectation to attend scheduled meetings, unless unusual circumstances make attendance impractical or if a Director has to recuse himself or herself from the discussion in relation to the sole matter under consideration at the relevant meeting. In this regard, the Directors on the Board during FY 2023 achieved full attendance rate for Board and Board Committee meetings held in FY 2023. They have also contributed positively to discussions at Board and Board Committee meetings. In respect of any meetings for which any Director is unable to attend, arrangements will be made for such Director to provide his or her comments on the relevant matters to be discussed at such meetings to the Chairman or the relevant Board Committee chair prior to the relevant meetings. A separate briefing may be arranged to facilitate this if necessary. The Directors are also generally accessible to Management outside the formal environment of Board and/or Board Committee meetings.

Based on the foregoing, the NC (with each member recused from the deliberations in respect of himself) has determined that each Director has been adequately carrying out his or her duties as a Director of the Company. The Board, taking into consideration the NC's assessment, has noted that each Director has met with the requirements under the NC's guidelines and has been adequately carrying out his or her duties and responsibilities as a Director of the Company.

## PRINCIPLE 5: BOARD PERFORMANCE

The Company believes that oversight from a strong and effective Board goes a long way in guiding the Company's success. Whilst Board performance is ultimately reflected in the long-term performance of the Group, the Board believes that engaging in a regular process of self-assessment and evaluation of Board performance provides an opportunity for the Board to reflect on its effectiveness including the quality of its decisions, as well as to clarify the individual and collective roles and responsibilities of the Directors and the Board to give the Directors better knowledge of expectations to help them become more effective. It also enables the Board to identify key strengths and gaps in its composition as well as areas for improvement which are essential to effective stewardship and attaining success for the Company, in addition to improving working relationships with Management.

# CORPORATE GOVERNANCE

Led by the NC chairman, findings and practical suggestions were reviewed, considered and discussed by the NC, and subsequently by the Board, to formulate appropriate follow-up actions where necessary, as part of the FY 2023 Board evaluation process. The Board evaluation process helps to identify where the Board has met its objectives, and indicate where it needs improvements.

## Board and Board Committees

The NC undertakes a tailored process to evaluate the effectiveness of the Board as a whole and the Board Committees every year. For an objective and independent evaluation, an external consultant is engaged to facilitate the evaluation process. The consultant engaged for the review for FY 2023, Aon, is independent of and is not related to the Company or any of its Directors.

As part of the process, questionnaires are sent by the consultant to the Directors and interviews are conducted where necessary. In addition to numerically scored multiple-choice items, the questionnaires use a mix of open-ended questions to solicit qualitative or strategic, big picture comments including suggestions for improvement, with a view to engendering constructive dialogues and gaining insights. Where necessary, one-to-one interviews may be conducted with certain Board members, to seek clarifications on the feedback obtained from the responses in the questionnaires, during which broader questions might also be raised to help validate certain survey findings. The findings are then evaluated by the consultant and reported, together with the recommendations of the consultant, to the NC and thereafter the Board. The evaluation categories covered in the questionnaire for FY 2023 included Board Composition, Information Management, Board Processes, Representation of ESG, Managing Company's Performance, Human Capital Management, Director Development and Management, Risk Management and Board Committee Effectiveness.



Given that the Board works closely with Management to oversee and provide guidance on the business affairs of the Group, as an integral part of the evaluation process, the Senior Management team also provides feedback on areas including Board Composition, Information Management, Developing Strategy, Monitoring the Strategy, Working with Management and Managing Risks.

The findings and recommendations of the consultant which include benchmarking information and best practices of other boards, are considered by the Board and follow-up action is taken, where necessary.

The FY 2023 Board and Board Committee evaluation yielded a set of overall credible evaluation results, including when compared to market peers. The evaluation process found that the Board has been functioning well as a team with each of the Board members contributing to Board deliberations. In general, there was acknowledgement that the level of engagement amongst Board members was satisfactory and there was openness and rigour in

Board discussions. There is a positive and healthy professional relationship and alignment between the Board and Management. The different members and committees of the Board work well together, and Board members and Management are respectful of each other and able to reach consensus amicably. Board Committees were also assessed to work well with thorough robust debate, a good understanding of the issues and functional knowledge. There are no concerns or issues affecting any Board or Board Committee requiring attention or follow-up work.

KEY FINDINGS FOR FY 2023 BOARD AND BOARD COMMITTEE EVALUATION				
Functioning well as a team	Openness and rigour in Board discussions	Positive and healthy professional relationship and alignment between the Board and Management	Board members work well together, and Board members and Management are able to reach consensus amicably	Good understanding of the issues and functional knowledge

## Individual Directors

In respect of individual Directors, a formal evaluation is also carried out on an annual basis. For FY 2023, the Board Chairman and NC Chairman jointly evaluated each individual Director using an agreed evaluation framework as a guide. The evaluation criteria include Director's duties, contributions and conduct. Feedback from selected Senior Management members was also sought as part of the process. The NC Chairman also held one-to-one conversations with each of the Directors to discuss strengths and opportunities, which sessions were received positively by the Directors.

The outcome of the FY 2023 individual Director evaluation is that every Director contributes to Board deliberations. Each one of them participates actively and is fully engaged in Board deliberations. Additionally, Directors work well with one another, and with Management, contributing to the overall smooth functioning of the Board. Whilst collegial, deliberations at meetings were open, constructive and robust, and conducted on a professional and respectful basis. Management has also provided positive feedback on the performance and contributions of the individual Directors, noting that the relationship between the Board and Management is healthy and good. Directors are also generally accessible to Management outside the formal environment of Board and/or Board Committee meetings. As with the outcome of the Board and Board Committee evaluations, there are no concerns or issues affecting any Director requiring attention or follow-up work.

KEY FINDINGS FOR FY 2023 INDIVIDUAL DIRECTOR EVALUATIONS			
Contributes to Board deliberations	Participates actively and is fully engaged in Board deliberations	Works well with one another, and with Management	Generally accessible to Management

Formal evaluation is also carried out by the NC as and when a Director is due for retirement by rotation and is seeking reelection. The NC also considers the contributions and performance of individual Directors when it reviews Board composition.

The Board also recognises that contributions by an individual Board member can take different forms including providing objective perspectives on issues, facilitating business opportunities and strategic relationships, and accessibility to Management outside of the formal environment of Board and/or Board Committee meetings.

## Board Evaluation as an Ongoing Process

The Board believes that performance evaluation should be an ongoing process and the Board achieves this by seeking feedback on a regular basis. The regular interactions among Board members, and between Board members and Management, also contribute to this ongoing process. Through this process of engaging its members, the Board also benefits from an understanding of shared norms between Board members which in turn contributes to a positive Board culture. The collective Board performance and the contributions of individual Board members are also reflected in, and evidenced by, the synergistic performance of the Board in discharging its responsibilities as a whole by providing proper guidance, diligent oversight and able leadership, and lending support to Management in steering the Company in the appropriate direction, as well as the long-term performance of the Company whether under favourable or challenging market conditions.

REMUNERATION MATTERS

**PRINCIPLES 6, 7 AND 8: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES, LEVEL AND MIX OF REMUNERATION AND DISCLOSURE ON REMUNERATION**

The Board has a formal and transparent procedure for developing policies on Director and executive remuneration, recommending individual Directors' remuneration packages for shareholders' approval and determining the remuneration of key management personnel.

It has established the ERCC to recommend to the Board for approval a general framework of remuneration for the non-executive Directors and key management personnel of the Group, and the specific remuneration package for each key management personnel. The ERCC also recommends to the Board for endorsement of the specific remuneration package for each Director.

EXECUTIVE RESOURCE AND COMPENSATION COMMITTEE			
<b>MS JUDY HSU CHUNG WEI</b> Committee Chairman & Non-Executive Independent Director	<b>MR MIGUEL KO</b> Non-Executive Non-Independent Director	<b>MR ANTHONY LIM WENG KIN</b> Lead Independent Director & Non-Executive Independent Director	<b>MS BELITA ONG</b> Non-Executive Independent Director

A majority of ERCC members, including the chairman of the ERCC, are non-executive independent Directors. All ERCC members are non-executive Directors. Ms Belita Ong was appointed as a member of the ERCC with effect from 1 January 2024. In FY 2023, the ERCC met four times.

The ERCC is guided by its terms of reference. The ERCC oversees leadership and succession planning for key management personnel. This includes overseeing the process that supports the Board in making decisions regarding the appointment of the Group CEO and his terms of appointment and remuneration package, and approving the appointment and remuneration of other key management personnel. In carrying out its role, the ERCC also aims to build capable and committed management teams through market competitive compensation and progressive policies which are aligned with the long-term interests and risk policies of the Group. The ERCC thus plays a crucial role in helping to ensure that the Company is able to attract, motivate and retain the best talents to drive the Group's business forward and deliver sustainable returns to shareholders.

The ERCC also conducts, on an annual basis, the evaluation of the Group CEO's performance and a succession planning review of the Group CEO and key management positions in the Group and presents its findings and recommendations to the Board. Potential candidates for leadership succession are reviewed for their readiness in the immediate, medium and long term.

The Company is committed to developing a strong talent pipeline to sustain its business growth. It has an established process to identify different talent segments to enable leaders of the Company to plan for the succession of key roles. The success of its approach to talent development and succession planning is evidenced by many examples of internal promotions into key leadership roles throughout the Group over the years (including those years when the Company was a subsidiary of the then-listed CL (now known as CLG)), even at the most senior levels of the organisation.

The Company also believes that learning is a continuous journey and is committed to developing employees to their fullest potential by equipping them with the right tools and knowledge to stay relevant and ahead of the competition. The Company provides learning opportunities to employees so that they will consistently deliver high standards of performance and be able to perform their job roles competently.

**Remuneration Policy for Key Management Personnel**

The remuneration framework and policy are designed to support the implementation of the Group's strategy and deliver sustainable returns to shareholders. The policy's principles governing the remuneration of the Company's key management personnel are as follows:

BUSINESS ALIGNMENT	FAIR & APPROPRIATE
<ul style="list-style-type: none"> <li>• Create sustainable value and drive dollar returns above the risk-adjusted cost of capital to align with the long-term interests of its stakeholders</li> <li>• Provide sound and structured funding to ensure affordability and cost-effectiveness in line with performance goals</li> <li>• Enhance retention of key talents to build strong organisational capabilities</li> <li>• Strengthen alignment to ESG practices</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure competitive remuneration relative to the appropriate external talent markets</li> <li>• Manage internal equity such that remuneration is viewed as fair across the Group</li> <li>• Significant and appropriate portion of pay-at-risk, taking into account risk policies of the Group, symmetric with risk outcomes and sensitive to risk time horizon</li> </ul>
MOTIVATE RIGHT BEHAVIOUR	EFFECTIVE IMPLEMENTATION
<ul style="list-style-type: none"> <li>• Pay for performance – align, differentiate and balance rewards according to multiple dimensions of performance</li> <li>• Strengthen line-of-sight linking rewards and performance</li> <li>• Foster Group-wide interests to recognise the interdependence of the various businesses of the Group and drive superior outcomes</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain rigorous corporate governance standards</li> <li>• Exercise appropriate flexibility to meet strategic business needs and practical implementation considerations</li> <li>• Facilitate employee understanding to maximise the value of the remuneration programmes</li> </ul>

The Board sets the remuneration policies in line with the Company's business strategy and approves the executive compensation framework based on the key principle of linking pay to performance. Pay-for-performance is emphasised by linking total remuneration to the achievement of business and individual goals and objectives. In its deliberations, the ERCC also takes into consideration industry practices and norms in compensation to ensure market competitiveness. The ERCC considers all aspects of remuneration, including termination terms, to ensure they are fair.

The Board has access to independent remuneration consultants to advise on remuneration matters as required.

The ERCC appointed an independent remuneration consultant, Willis Towers Watson, to provide professional advice on Board and executive remuneration in FY 2023. Willis Towers Watson is a global advisory, broking and solutions company with over 45,000 employees serving more than 140 countries and markets. The remuneration consultant is not related to the Company or any of its Directors and does not otherwise have any relationships with the Company that could affect its independence and objectivity.

**Remuneration of Key Management Personnel**

The remuneration of key management personnel comprises fixed components, variable cash components, share-based components and employee benefits. A significant proportion of key management personnel's remuneration is in the form of variable compensation, awarded in a combination of short-term, deferred and long-term incentives, in keeping with the principles that the interests of the Group CEO and key management personnel should be aligned with those of the Company's shareholders and other stakeholders and that the remuneration framework should link rewards to corporate and individual performance.

**A. Fixed Components:**

The fixed components comprise the base salary, fixed allowances and compulsory employer contribution to an employee’s Central Provident Fund (CPF).

**B. Variable Cash Components:**

The variable cash components comprise the Performance Bonus Plan (PBP) and the Economic Value-Added (EVA)-based Incentive Plan (EBIP).

**Performance Bonus Plan**

The PBP is linked to the achievement of annual performance targets for each key management personnel as agreed at the beginning of the financial year with the Board and/or the Group CEO, as the case may be.

Using the Balanced Scorecard framework, the Group’s strategy and goals are translated to performance outcomes comprising both quantitative and qualitative targets in the dimensions of Financial & Execution, Future Growth, People, Sustainability and Digitalisation & Innovation; these are cascaded down throughout the organisation, thereby creating alignment across the Group. The overall dimensions, performance measures and their relative weights are reviewed annually to reflect the Group’s business priorities and focus for the relevant year.

Balanced Scorecard Dimension	Financial & Execution	Future Growth	People	Sustainability	Digitalisation & Innovation
<b>Key Objectives</b>	<ul style="list-style-type: none"> <li>Driving sustainable growth by:                             <ul style="list-style-type: none"> <li>- Growing recurring cash PATMI</li> <li>- Improving Return on Equity</li> <li>- Effective capital recycling</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Growing assets/funds under management</li> <li>Growing fee-related income</li> <li>Growing the lodging platform</li> </ul>	<ul style="list-style-type: none"> <li>Motivating and retaining talents</li> <li>Engaging employees for commitment, productivity and performance</li> </ul>	<ul style="list-style-type: none"> <li>Driving carbon emissions intensity reduction in line with our 2050 Net Zero commitment for Scope 1 and 2 emissions</li> <li>Benchmarking against global sustainability indices</li> <li>Ensuring workplace safety</li> </ul>	<ul style="list-style-type: none"> <li>Driving operational efficiency</li> <li>Improving customer experience</li> </ul>
<b>Weightage</b>	← 60% →		← 40% →		

After the close of each year, the ERCC reviews the Group’s achievements against the targets set in the Balanced Scorecard, determines the overall performance taking into consideration qualitative factors such as the quality of earnings, operating environment, regulatory landscape, industry trends and affordability to the Company, and approves a bonus pool that is commensurate with the performance achieved. For FY 2023, the bonus pool was smaller as compared to the bonus pool for the financial year ended 31 December 2022 (FY 2022), due to the targets set having only been partially achieved by the Group.

In determining the payout quantum for each key management personnel under the PBP, the ERCC considers the overall performance of the Group, the performance of the business(es) specific to each key management personnel, as well as quantitative and qualitative aspects of individual performance, including but not limited to leadership behaviours and demonstration of the Group’s core values.

The PBP is delivered in a combination of cash and deferred shares with employees in senior management grades receiving a greater proportion of their PBP payout in deferred shares. These time-based shares are awarded pursuant to the CapitaLand Investment Restricted Share Plan 2021 (RSP) and will vest in three equal annual tranches without further performance conditions. Recipients will receive fully paid shares, their equivalent cash value or combinations thereof, at no cost. The share awards ensure ongoing alignment between remuneration and sustainable business performance.

**Economic Value-Added-based Incentive Plan**

The EBIP is based on sharing with employees a portion of the EVA achieved, which varies according to the actual achievement of residual economic profit.

The EBIP rewards sustainable value creation over the medium term achieved by growing profits, deploying capital efficiently and managing the risk profile and risk time horizon of the business.

Under this plan, the bonus declared to each EBIP participant for the current year is added to the participant’s balance carried forward from the previous year, upon which one-third of the resulting total amount is paid out in cash, with the remaining two-thirds to be carried forward to the following year. The balance in each participant’s EBIP account is at risk because a significant reduction in EVA in any year may result in retraction (performance clawback) of the EBIP bonus declared in preceding years. The EBIP encourages key management personnel to work for sustained EVA generation and to take actions that are aligned with the long-term interests of the Company’s stakeholders.

In determining the EBIP bonus declared to each participant, the ERCC considers the overall business performance, individual job responsibilities, performance and contribution, as well as the relevant market remuneration benchmarks. In respect of FY 2023, no EBIP bonus was paid as the Group’s EVA was negative.

**C. Share-based Components:**

The Company adopted the CapitaLand Investment Performance Share Plan 2021 (PSP) and the RSP (together, the Share Plans) on 17 July 2021 in connection with the Company’s Introductory Listing in 2021. Share awards were granted in FY 2023 pursuant to both the PSP and RSP. The total number of shares comprised in the awards granted under the Share Plans during FY 2023 did not exceed 1% of the total number of issued shares (excluding treasury shares) of the Company.

To foster a “founders’ mindset” in driving the transformation of the Group into a REIM company, a one-time special contingent award (Special PSP Award) was granted pursuant to the PSP to selected key new-hire executives of the Group during the financial year ended 31 December 2021 (FY 2021) and into FY 2022. This long-term share-based award with a five-year performance period will vest at the end of the third year and/or fifth year, subject to the achievement of pre-determined targets approved by the ERCC. No Special PSP Award was made in FY 2023. Further details on the Special PSP Award can be found in the Company’s corporate governance report for FY 2021 (FY 2021 Report).

As previously disclosed in the FY 2021 Report, awards were granted under the PSP to certain employees of the Group and certain employees of CL, its holding company and their subsidiaries (other than the Group) during FY 2021 (Replacement Awards) to replace awards previously granted to such employees pursuant to the performance share plans of CL. Further details on the Replacement Awards can be found in the FY 2021 Report.

The obligation to deliver shares pursuant to awards granted under the Share Plans is intended to be satisfied primarily out of treasury shares.

To promote the alignment of Management’s interests with that of the Company’s stakeholders, the ERCC has approved share ownership guidelines for Senior Management to instill stronger identification by senior executives with the long-term performance and growth of the Group. Under these guidelines, key management personnel are required to build up over time and hold shares with an aggregate value of at least the equivalent to, one, two or three times their annual base salary (depending on their seniority level).

In alignment with the Practice Guidance, shares awarded pursuant to the Share Plans may be clawed back in circumstances of misstatement of financial results, misconduct resulting in financial or other losses to the Company, or other misdemeanours.

Details of the Share Plans as well as awards granted under the Share Plans are given in the Share Plans section of the Directors' Statement on pages 139 to 142 of this Annual Report and the Equity Compensation Benefits section of the Notes to the FY 2023 Financial Statements on pages 208 to 213 of this Annual Report.

#### CapitalLand Investment Performance Share Plan 2021

The awards granted under the PSP in FY 2023 are conditional on targets set for a three-year performance period. A specified number of shares will only be released to recipients at the end of the qualifying performance period if the threshold targets are minimally achieved.

Under the PSP (excluding Replacement Awards and the Special PSP Award), an initial number of shares (baseline award) is allocated according to the following performance conditions approved by the ERCC:

- (a) Absolute Total Shareholder Return (TSR) of the Group measured as a multiple of Cost of Equity;
- (b) Relative TSR of the Group measured by the percentile ranking of the Group's TSR relative to the constituents of a peer group comprising public-listed companies and REIM firms of comparable scale, scope and/or business mix in Singapore and other countries;
- (c) ROE of the Group; and
- (d) Carbon emissions intensity reduction of the Group.

The above performance measures have been selected as key measurements of wealth creation for shareholders and longer-term ESG performance. The final number of shares to be released will depend on the achievement of pre-determined targets over the three-year qualifying performance period. No share will be released if the threshold targets are not met at the end of the qualifying performance period. On the other hand, if superior targets are met or exceeded, more shares than the baseline award can be delivered up to a maximum of 200% of the baseline award for the FY 2022 award and up to a maximum of 300% of the baseline award for the FY 2023 award. The ERCC has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors. Recipients will receive fully paid shares, their equivalent cash value or combinations thereof, at no cost.

In respect of the share awards granted pursuant to the PSP during FY 2023, the qualifying performance periods have not ended as at the date of this Report.

#### CapitalLand Investment Restricted Share Plan 2021

Under the RSP, the ERCC may grant awards which are conditional on targets set for a one-year performance period. A specified number of shares will only be released to recipients at the end of the qualifying performance period if the threshold targets are minimally achieved.

Under the RSP, an initial number of shares (baseline award) is allocated according to the following performance conditions approved by the ERCC:

- (a) Operating Earnings Before Interest and Taxes of the Group; and
- (b) Operating ROE of the Group.

The above performance measures have been selected as they are the key drivers of operating business performance. The final number of shares to be released will depend on the achievement of pre-determined targets at the end of the one-year qualifying performance period. The shares will then be released in equal annual tranches over a vesting period of three years. No share will be released if the threshold targets are not met at the end of the qualifying performance period. On the other hand,

if superior targets are met, more shares than the baseline award can be delivered up to a maximum of 150% of the baseline award. The ERCC has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors. Recipients will receive fully paid shares, their equivalent cash value or combinations thereof, at no cost.

There were no performance-based awards granted under the RSP in FY 2023. In its place, time-vested shares were awarded in FY 2024 pursuant to the RSP as part of the FY 2023 PBP, which will vest in three equal annual tranches without further performance conditions, with the first tranche delivered in FY 2024.

Time-vested restricted awards may also be granted, for example, as a retention tool for critical talents, or as a recruitment tool to compensate new senior executive hires for the share-based incentives that they may have had to forego when they leave their previous employer to join the Group.

The time-vested restricted awards can vest progressively over periods of up to three years, provided recipients of the awards remain under employment.

#### D. Employee Benefits:

The benefits provided are comparable with local market practices.

Each year, the ERCC evaluates the extent to which the Group CEO and each of the key management personnel have delivered on the corporate and individual goals and objectives, and based on the outcome of the evaluation, approves the compensation for the key management personnel, and recommends the compensation for the Group CEO for the Board's approval. The appointed independent remuneration consultant advises the Board and the ERCC on the compensation of the Group CEO and key management personnel including, but not limited to, the reasonableness of compensation levels in relation to the performance achieved, the competitiveness of compensation levels against relevant industry peers, and compensation trends and practices around the world. The Group CEO who attends meetings of the ERCC on an *ex officio* basis does not participate in discussions relating to his performance and remuneration.

The details of the remuneration for the Group CEO in respect of FY 2023 are provided in the Directors' and Group CEO's Remuneration for FY 2023 section on page 134 of this Annual Report.

While the disclosure of, among others, the names, amounts and breakdown of remuneration of at least the top five key management personnel (who are not Directors or the Group CEO) in bands no wider than S\$250,000 and the aggregate of the total remuneration paid to these key management personnel, would be required for full compliance with Provision 8.1 of the Code, the Board has considered carefully and decided that such disclosure would not be in the interests of the Company and its shareholders due to the following reasons:

- (a) in light of the intense competition for talents in the REIM industry, the Board is of the view that it is in the interests of the Company and its shareholders to not make such disclosures so as to minimise potential staff movement and undue disruption to its key management team;
- (b) taking into account the need to balance the confidential and commercial sensitivities associated with remuneration matters, the Board is of the view that such disclosures could be prejudicial to the interests of the Company and its shareholders; and
- (c) in view of the importance of retaining competent and experienced staff to ensure the Company's stability and continuity of business operations, the Board is of the view that such disclosures may subject the Company to undue risks, including, unnecessary key management turnover.

The Board is of the view that despite the abovementioned deviation from Provision 8.1 of the Code, the disclosures on the remuneration of key management personnel in this Report (including the detailed disclosures on the remuneration policy for key management personnel and the breakdown of the various components of the remuneration for key management personnel) are consistent with the intent of Principle 8 of the Code and would provide sufficient information and transparency to shareholders on the Company's remuneration policies, the level and mix of remuneration accorded to the key management personnel and the procedure for setting remuneration. These disclosures would enable shareholders to understand the relationship between the Company's performance, value creation and the remuneration of the key management personnel. The Board is of the view that there is no misalignment between the remuneration of the key management personnel and the interests of shareholders, and the interests of shareholders are not prejudiced by the abovementioned deviation from Provision 8.1 of the Code.

The ERCC seeks to ensure that the remuneration paid to the Group CEO and key management personnel is strongly linked to achieving business and individual performance targets. The performance targets endorsed by the ERCC and approved by the Board are set at realistic yet stretched levels each year to motivate a high degree of business performance with emphasis on short, medium and long-term quantifiable objectives. A pay-for-performance alignment study was conducted by the appointed independent remuneration consultant and reviewed by the ERCC, and the findings indicate that there has been effective pay-for-performance alignment for the Group in both absolute and relative terms against a peer group of listed companies and REIM firms in Singapore and other countries over a multi-year period.

In FY 2023, there were no termination, retirement or post-employment benefits granted to Directors, the Group CEO and key management personnel. There was also no special retirement plan, 'golden parachute' or special severance package for any key management personnel.

There are no employees of the Group who are substantial shareholders of the Company or immediate family members of such a substantial shareholder, a Director or the Group CEO. "Immediate family member" refers to the spouse, child, adopted child, step-child, sibling or parent of the individual.

#### Non-Executive Director Remuneration

The compensation policy for non-executive Directors (except the Chairman) is based on a scale of fees divided into basic retainer fees for serving as Director and additional fees for serving on Board Committees. The Chairman receives an all-inclusive fee (i.e., without any additional fee for serving on Board Committees). Directors' fees are paid to non-executive Directors on a current year basis, subject to shareholders' approval at the AGM.

The Directors' fees are market-benchmarked on an annual basis, taking into account the effort, time spent and demanding responsibilities on the part of the Directors in light of the scale, complexity and international nature of the business. The remuneration of Directors is reviewed to ensure that it is appropriate to attract, retain and motivate the Directors to provide good stewardship of the Company. The remuneration of non-executive Directors does not include any performance-related elements, and no performance conditions are attached to the share awards granted under the RSP to non-executive Directors as part of their remuneration in lieu of cash.

The Group CEO, who is also a Director, is remunerated as part of the key management personnel and therefore does not receive any Director's fees.

No individual Director by himself or herself can decide his or her own remuneration. Directors' fees are reviewed and recommended by the ERCC to the Board for endorsement before the Directors' remuneration for the relevant financial year is put forward for shareholders' approval at the AGM. The Directors' remuneration is paid only following upon receipt of shareholders' approval at the AGM. These measures serve to assure that the independence of the non-executive Directors is not compromised by their compensation.

The fee structure for non-executive Directors for FY 2023 remained substantially similar to that for the preceding financial year except that the basic retainer fee and committee fee payable to non-executive Directors were increased to bring these fees in line with market norms. With the revision to the basic fees, no attendance fees were payable save for in-person participation by Directors at Board and Board Committee meetings that require Directors to travel overseas. The fee structure for FY 2023 (which will remain unchanged for FY 2024) is as follows:

Basic retainer fee	S\$
Board Chairman	750,000 <sup>1</sup>
Lead Independent Director	149,000
Director	114,000
Fee for appointment to Audit Committee and Executive Committee	
Committee Chairman	71,000
Committee member	51,000
Fee for appointment to other Board Committees	
Committee Chairman	52,000
Committee member	32,000
Attendance fee for Board/Board Committee meetings (per trip)	
Overseas meeting(s) (in region <sup>2</sup> )	3,000
Overseas meeting(s) (out of region <sup>3</sup> )	10,000

- 1 The fee is all-inclusive and there will be no separate Board retainer fee, Board Committee fee or attendance fee for the Board Chairman.
- 2 Up to 15 hours travel time (both ways) for travel within the region.
- 3 More than 15 hours travel time (both ways) for travel beyond the region.

For FY 2023, to facilitate the payment of Directors' remuneration to all non-executive Directors on a current year basis, the Company obtained shareholders' approval at the 2023 AGM for an amount of up to S\$2,900,000 which was calculated based on the fee structure for non-executive Directors for FY 2023 taking into account, among others, the anticipated number of Board and Board Committee meetings for FY 2023 assuming full attendance by all of the non-executive Directors and the number of non-executive Directors expected to hold office in FY 2023, as well as complimentary accommodation which may be provided to the non-executive Directors during the year. The amount also included a buffer to cater for contingencies such as, but are not limited to, the appointment of additional Directors during the year and/or the formation of additional Board Committees.

The Directors' fees of the non-executive Directors for FY 2023, as approved by shareholders at the 2023 AGM, were paid in a combination of cash and equity, in the proportions of about 70% in cash and about 30% in the form of share awards under the RSP, save in the case of Mr Gabriel Lim Meng Liang whose fees was paid fully in cash to a government agency, the Directorship & Consultancy Appointments Council (DCAC). Mr Lim had requested, and the DCAC had concurred, that the Directors' fees for his services be donated by the Company in its entirety to a charitable organisation, the CapitalLand Hope Foundation.

The share awards under the RSP consist of the grant of fully paid shares, with no performance conditions attached and no vesting periods imposed. In order to encourage the alignment of the interests of the non-executive Directors with the interests of shareholders, a non-executive Director is required to hold shares in the Company worth at least one year of the basic retainer fee for a Director or the total number of shares awarded under the above policy, whichever is lower, at all times during his or her Board tenure. For the Chairman, the shares are required to be held for at least two years from the date of award, and the two-year moratorium shall continue to apply in the event of retirement. Other than this, the non-executive Directors do not receive any other share incentives under any of the Company's share plans.

The cash component of Directors' fees for FY 2023 was paid half-yearly in arrears. The share component of the fees for FY 2023 was paid as soon as practicable after 1 January 2024.



Details of the Directors' remuneration are provided in the Directors' and Group CEO's Remuneration for FY 2023 section on page 134 of this Annual Report.

Shareholders of the Company have the opportunity to approve the remuneration and any increases in remuneration for the non-executive Directors. The Company will be seeking shareholders' approval at the upcoming 2024 AGM for the remuneration to be paid to the non-executive Directors in respect of the Directors' fees for FY 2024. Further information on this proposal is provided in the Notice of AGM dated 3 April 2024.

## Compensation Risk Assessment

Under the Practice Guidance, the compensation system shall take into account the risk policies of the Group, be symmetric with risk outcomes and sensitive to the time horizon of risks. The ERCC has conducted a Compensation Risk Assessment to review the various compensation risks that may arise as well as the mitigating policies to better manage risk exposures identified. The ERCC is satisfied that there are adequate risk mitigation features in the Group's compensation system, such as the use of malus, deferral and clawback features in the Share Plans and EBIP. The ERCC will continue to undertake periodic reviews of compensation-related risks.

## ACCOUNTABILITY AND AUDIT

### PRINCIPLE 9: RISK MANAGEMENT AND INTERNAL CONTROLS

The Company maintains adequate and effective systems of risk management and internal controls (including financial, operational, compliance and information technology (IT) controls) to safeguard stakeholders' interests and the Group's assets.

The Board has overall responsibility for the governance of risk, including determining the risk strategy, risk appetite and risk limits, as well as the risk policies. The Board has established the RC to assist it in carrying out the Board's responsibility of overseeing the Company's risk management framework and policies for the Group, determining the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation and ensuring that Management maintains a sound system of risk management and internal controls.

Under its terms of reference, the RC's scope of duties and responsibilities is as follows:

- make recommendations to the Board on risk strategy, risk appetite and risk limits;
- review the risk management framework, including the processes and resources to identify, assess and manage material and emerging risks;
- oversee the design, implementation and monitoring of the risk management and internal controls systems;
- review the key risks facing the Group (including investment and divestment, competition, regulatory and compliance and IT-related risks as well as workplace safety and health risks) and the management of risks thereof;
- review the adequacy and effectiveness of the risk management and internal controls systems covering material risks and the assurance given by Management, as well as the disclosures in the Annual Report; and
- consider and advise on risk matters referred to it by the Board or Management.

RISK COMMITTEE					
<b>MR KEE TECK KOON</b> Committee Chairman & Non-Executive Independent Director	<b>MR GABRIEL LIM MENG LIANG</b> Non-Executive Independent Director	<b>MS JUDY HSU CHUNG WEI</b> Non-Executive Independent Director	<b>MS HELEN WONG SIU MING</b> Non-Executive Independent Director	<b>TAN SRI ABDUL FARID ALIAS</b> Non-Executive Independent Director	<b>MS BELITA ONG</b> Non-Executive Independent Director

All RC members, including the chairman of the RC, are non-executive independent Directors. In FY 2023, the RC met twice. Ms Belita Ong was appointed as a member of the RC with effect from 1 January 2024.

The Company recognises that it is a good risk governance structure to ensure awareness among the members of the AC and RC of the respective risk-related activities of both committees, given the interconnectivity of risks. In this regard, the Company has put in place the following arrangements to facilitate sharing of information and knowledge, and to foster a common understanding of the risk management and internal controls systems, between the AC and the RC:

- an annual joint meeting between the RC and the AC;
- updates to be provided by the AC chairman and the RC chairman at the beginning of each Board meeting to allow the AC and the RC to provide context for their respective reporting to the Board; and
- common membership between the AC and the RC - for FY 2023, two members of the RC (namely Ms Helen Wong Siu Ming and Tan Sri Abdul Farid Alias) also served as members of the AC.

The Group adopts an Enterprise Risk Management (ERM) framework which sets out the required environmental and organisational components for managing risks in an integrated, systematic and consistent manner. The ERM framework and related policies are reviewed annually. A team comprising the Group CEO and other key management personnel is responsible for directing and monitoring the development, implementation and practice of ERM across the Group.

As part of the ERM framework, Management, among other things, undertakes and performs a Group-wide Risk and Control Self-Assessment annually to identify material risks along with their mitigating measures.

The adequacy and effectiveness of the systems of risk management and internal controls are reviewed at least annually by Management, the RC, the AC and the Board, taking into account the Listing Manual and the best practices and guidance in the Risk Governance Guidance for Listed Boards issued by the Corporate Governance Council.

The Group's Risk Appetite Statement (RAS), which incorporates the Group's risk limits, addresses the management of material risks faced by the Group. Alignment of the Group's risk profile to the RAS is achieved through various communication and monitoring mechanisms (including key performance indicators set for Management) put in place across the Group.

More information on the Group's ERM framework, including the material risks identified, can be found in the Risk Management section on pages 83 to 87 of this Annual Report.

The internal and external auditors conduct reviews of the adequacy and effectiveness of the material internal controls (including financial, operational, compliance (including with sanctions-related laws and regulations) and IT controls) and risk management systems. This includes testing, where practicable, material internal controls in areas managed by external service providers. Any material non-compliance or lapses in internal controls together with corrective measures recommended by the internal and external auditors are reported to and reviewed by the AC. The AC also reviews the adequacy and effectiveness of the measures taken by Management on the recommendations made by the internal and external auditors in this respect.

The Board has received assurance from the Group CEO and the Group CFO that the financial records of the Group have been properly maintained and the financial statements for FY 2023 give a true and fair view of the Group's operations and finances. It has also received assurance from the Group CEO and the relevant key management personnel who have responsibility regarding various aspects of risk management and internal controls that the systems of risk management and internal controls within the Group are adequate and effective in addressing the risks (including financial, operational, compliance (including sanctions-related risks) and IT risks) which the Company considers relevant and material to its current business environment.

The Group CEO, the Group CFO and the other key management personnel have obtained similar assurances from the respective business and corporate executive heads in the Group.

In addition, for FY 2023, the Board received the relevant certification by Management on the integrity of financial reporting and the Board provided a negative assurance confirmation to shareholders as required by the Listing Manual.

# CORPORATE GOVERNANCE

Based on the ERM framework established and the reviews conducted by Management and both the internal and external auditors, as well as the assurance from the Group CEO, the Group CFO and the relevant key management personnel, the Board is of the opinion that the systems of risk management and internal controls within the Group are adequate and effective to address the risks (including financial, operational, compliance (including sanctions-related risks) and IT risks) which the Company considers relevant and material to its current business environment as at 31 December 2023. The AC and the RC concur with the Board in its opinion. No material weaknesses in the systems of risk management and internal controls were identified by the Board, the AC or the RC in the review for FY 2023.

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

## PRINCIPLE 10: AUDIT COMMITTEE

AUDIT COMMITTEE			
<b>MR CHALY MAH CHEE KHEONG</b> Committee Chairman & Non-Executive Independent Director	<b>MR DAVID SU TUONG SING</b> Non-Executive Independent Director	<b>MS HELEN WONG SIU MING</b> Non-Executive Independent Director	<b>TAN SRI ABDUL FARID ALIAS</b> Non-Executive Independent Director

All members of the AC, including the chairman of the AC, are non-executive independent Directors. The chairman of the AC is not the Chairman of the Board. The members of the AC bring invaluable recent and relevant managerial and professional expertise in accounting and related financial management domains. In particular, they have professional qualifications relating substantially to accounting or finance, experience in working within the areas of corporate finance, financial reporting or accounting, and/or experience gained through executive responsibilities for a sizeable business including having or having had responsibility for the finance function.

For FY 2023, the AC met five times. The Board calendar provides for the AC to meet at least four times a year, with two meetings to coincide with the half-year and full-year financial reporting cycles and the other two to coincide with the release of the Company's quarterly business updates.

The AC does not comprise members who were partners or directors of the incumbent external auditors, KPMG LLP, within the period of two years commencing on the date of their ceasing to be a partner or director of KPMG LLP. The AC also does not comprise any member who has any financial interest in KPMG LLP.

The AC has explicit authority to investigate any matter within its terms of reference. Management gives the fullest cooperation in providing information and resources to the AC, and in implementing or carrying out all requests made by the AC. The AC has direct access to the internal and external auditors and full discretion to invite any Director or executive officer to attend its meetings. Similarly, internal and external auditors have unrestricted access to the AC.

Under its terms of reference, the AC's scope of duties and responsibilities is as follows:

- review the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;
- review and report to the Board at least annually the adequacy and effectiveness of the Company's internal controls, and together with the RC, the risk management systems including financial, operational, compliance and IT controls;
- review the assurances from the Group CEO and the Group CFO on the financial records and financial statements of the Company;
- review the scope and results of the internal audit, and the adequacy, effectiveness and independence of the Company's internal audit function;

- review the scope and results of the external audit, and the adequacy, effectiveness and independence of the external auditors;
- review the whistle-blowing reports and the policy and processes for the detection, independent investigation and follow-up action relating to possible improprieties in financial reporting or other matters; and
- make recommendations to the Board on the proposals to the shareholders on the appointment, reappointment and removal of the external auditors, and the remuneration and terms of engagement of the external auditors.

The AC also reviews and approves processes to regulate interested person transactions (as the term is defined in the Listing Manual) (IPT) to comply with the applicable regulations, including the Listing Manual.

The AC assesses the adequacy, effectiveness and independence of the external auditors. To assist the AC in carrying out this duty, in particular, to balance the independence and objectivity of the external auditors, the Company has developed policies regarding the types of non-audit services that the external auditors can provide to the Group and the related approval processes. The AC has reviewed the nature and extent of non-audit services provided by the external auditors in FY 2023 and the fees paid for such services. The AC is satisfied that the independence of the external auditors is not impaired by the provision of those services. The external auditors have also provided confirmation of their independence to the AC.

The total audit and non-audit fees paid to the external auditors for FY 2023 were as follows:

External Auditor Fees for FY 2023	S\$ Million	As a Percentage to Total Fees Paid
Total Audit Fees	8.3	91%
Total Non-Audit Fees	0.8	9%
<b>Total Fees Paid</b>	<b>9.1</b>	<b>100%</b>

At all pre-scheduled quarterly meetings of the AC in FY 2023, the Group CEO and all key management personnel were in attendance. The Company adopts the practice of announcing its financial statements on a half-yearly basis and provides quarterly business updates in between such announcements or as and when necessary. Accordingly, during the AC meetings scheduled for February and August each year, among other things, the AC reviews the half-yearly financial statements, including the relevance and consistency of the accounting principles adopted and any significant financial reporting issues and judgements, and recommends the half-yearly financial statements and corresponding announcements to the Board for approval. During the AC meetings scheduled for May and October/November each year, the AC reviews, among other things, the quarterly business updates prepared by Management, which will then be presented to the Board for approval.

In FY 2023, the AC also, together with the RC, reviewed and assessed the adequacy and effectiveness of the Company's internal controls and risk management systems to address the material risks faced by the Company, taking into consideration the outcome of reviews conducted by Management and both the internal and external auditors, as well as the assurance from the Group CEO and the Group CFO.

In FY 2023, the AC also met with the internal and external auditors, separately and without Management's presence, to discuss the reasonableness of the financial reporting process, the internal controls and risk management systems, and the significant comments and recommendations by the auditors. The AC meets with the internal and external auditors, separately and without Management's presence, at least once a year.

Where relevant, the AC makes reference to the 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 Accounting and Corporate Regulatory Authority of Singapore (ACRA).

In its review of the financial statements of the Group and the Company for FY 2023, the AC had discussed with Management the accounting principles that were applied and their judgement of items that could affect the integrity of the financial statements. The AC also considered the clarity of key disclosures in the financial statements. The AC reviewed, among other matters, the following key audit matters as reported by the external auditors for FY 2023.

**KEY AUDIT MATTER**

- Valuation of investment properties

**HOW THIS ISSUE WAS ADDRESSED BY THE AC**

- The AC reviewed the outcomes of the annual valuation process and discussed the details of the valuation with Management, focusing on properties which registered significant fair value gains or losses during FY 2023 and the key drivers for the changes.
- The AC considered the findings of the external auditors, including their assessment of the appropriateness of valuation methodologies and the underlying key assumptions applied by the valuer in the valuation of investment properties.
- The AC was satisfied with the valuation process, the methodologies used and the valuation for investment properties as adopted and disclosed in the financial statements.

Changes to the accounting standards and accounting issues which have a direct impact on the financial statements are reported to and discussed with the AC at its meetings. Directors are also invited to attend relevant seminars on changes to accounting standards and issues by leading accounting firms.

The Company confirms that it complies with Rules 712, 715 and 716 of the Listing Manual in relation to the appointment of its external auditors.

KPMG LLP have served as external auditors of the Company and its predecessor CL (now known as CLG) for 23 years, since 2000. As part of the Company's ongoing good corporate governance initiatives, the Directors are of the view that it would be timely to review the external audit services engagement. The last review was undertaken in 2015. Thus, in FY 2023, the Company conducted a Request for Proposal for the appointment of external auditors for FY 2024, whereby the AC invited and evaluated competitive proposals from various audit firms. The AC reviewed and deliberated on the proposals received from each of the audit firms, taking into consideration the audit quality indicators listed in the Audit Quality Indicators Disclosure Framework introduced by ACRA and the criteria for the evaluation and selection of external auditors contained in the Guidebook for Audit Committees in Singapore, including factors such as the adequacy of the resources and experience of the audit firm to be selected and the audit engagement partner to be assigned to the audit, the audit firm's other engagements, the size and complexity of the Company and its subsidiaries and the number and experience of supervisory and professional staff to be assigned. After evaluation, the AC recommended that Deloitte & Touche LLP be selected for the proposed appointment as external auditors of the Company in place of KPMG LLP, which will be retiring at the upcoming 2024 AGM. The Board has accepted the AC's recommendation and the Company proposes to seek shareholders' approval for the change of external auditors, details of which are set out in the Letter to Shareholders dated 3 April 2024.

**Internal Audit**

The Company has an Internal Audit Department (IA). IA 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 head of IA. IA has unfettered access to the Group's documents, records, properties and employees, including access to the AC, and has appropriate standing within the Company.

The AC monitors and assesses the role and effectiveness of IA through the review of IA's processes from time to time, and the AC may make recommendations to the Board for any changes to IA's processes. The AC also reviews to ensure that IA is adequately resourced and skilled in line with the nature, size and complexity of the Company's business, and that an adequate budget is allocated to IA to ensure its proper functioning as internal auditors of the Company. The AC reviewed the internal audit function in respect of FY 2023, and is satisfied that the internal audit function performed by IA is adequately resourced, effective and independent.

IA formulates its internal audit plan in consultation with, but independently of, Management and its audit plan is submitted to the AC for approval prior to the beginning of each year. IA adopts a risk-based approach in formulating the audit plan that aligns its activities to the key strategies and risks across the Group's business. The reviews performed by IA are focused on assisting the Board in promoting sound risk management, robust internal controls and good corporate governance, through assessing the design and effectiveness of operating

controls that govern key business processes and risks identified in the overall risk framework of the Group. IA also reviews compliance with the Group's policies, procedures and regulatory responsibilities, performed in the context of financial and operational and information system reviews.

For FY 2023, the AC reviewed the results of audits performed by IA based on the approved audit plan. All findings are reported to Senior Management and the AC with emphasis on the significant findings. IA also reviews the status of implementation of the audit recommendations and whether there are any past due items, and reports the same to Senior Management and the AC.

The AC also reviewed reports on whistle-blower complaints reviewed by IA to ensure independent and thorough investigation and adequate follow-up.

The AC also received reports on IPTs reviewed by IA, noting that the transactions were on normal commercial terms and were not prejudicial to the interests of the Company and its minority shareholders. A policy and appropriate procedures are in place to comply with the Listing Manual requirements relating to IPTs. All IPTs are reported to and monitored by the Finance department which also keeps tabs on the aggregate value of such IPTs (as necessary for the Company's compliance with the Listing Manual), prior to the review by IA. Legal advice is sought, if required, in respect of any issues relating to any specific IPT. In the year under review, there were no significant IPTs involving controlling shareholders or Directors requiring approval of the shareholders.

As required by the Listing Manual, details of IPTs entered by the Company in FY 2023 are disclosed in this Annual Report at page 273.

The AC also meets with IA at least once a year without the presence of Management.

IA is adequately resourced and staffed with persons having the relevant qualifications and experience. IA is a corporate member of the Institute of Internal Auditors Inc. Singapore (IIAS), an affiliate of the Institute of Internal Auditors Inc. headquartered in the US. IA subscribes to, and is guided by, the International Standards for the Professional Practice of Internal Auditing (Standards) developed by the IIAS, and has incorporated these Standards into its audit practices.

To ensure that internal audits are performed effectively, IA recruits and employs suitably qualified professional staff with the requisite skill sets and experience. This includes IA staff involved in IT audits who possess the relevant professional IT certifications. The IT auditors are also members of the ISACA Singapore Chapter, a professional body administering information systems audit and information security certifications that is headquartered in the US. The ISACA Information Systems Auditing Standards provide guidance on the standards and procedures to be applied in IT audits. IA identifies and provides training and development opportunities for its staff to ensure their technical knowledge and skill sets remain current and relevant.

**SHAREHOLDER RIGHTS AND ENGAGEMENT**

**PRINCIPLES 11 AND 12: SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS AND ENGAGEMENT WITH SHAREHOLDERS**

The Company is committed to treating all its shareholders fairly and equitably. All shareholders enjoy specific rights under the Constitution and the relevant laws and regulations. These rights include, among other things, the right to participate in profit distributions (including dividends) and, to approve any proposed amendments to the Constitution, the payment of Directors' remuneration, the transfer of all or substantially all assets of the Company, and the issue of new shares of the Company. Further, under the Companies Act 1967 (the Companies Act), (a) two or more members holding not less than 10% of the total number of issued shares of the Company (excluding treasury shares) may call a meeting of the Company; (b) members holding not less than 10% of the total number of paid-up shares (excluding treasury shares) may requisition the Directors to convene an extraordinary general meeting of the Company; or (c) members representing not less than 5% of the total voting rights of all the members, or not less than 100 members holding shares in the Company on which there has been paid up an average sum per member, of not less than S\$500, may together requisition a resolution to be put up at the AGM.

## General Meetings

The Company encourages and facilitates shareholder participation and voting at general meetings. Annual Reports of the Company are provided to shareholders within four months from the end of the Company's financial year and prior to the AGM. Shareholders may download Annual Reports (printed copies are available upon request) and notices of general meetings from the Company's website at [www.capitalandinvest.com](http://www.capitalandinvest.com). These documents are also available on the SGXNet. Shareholders are provided with at least 21 days' notice for general meetings, which is longer than the legally required notice period of 14 days where all the resolutions (for which shareholders' approval are sought at the general meeting) are ordinary resolutions. Where a special resolution is proposed for shareholders' approval, at least 21 days' notice must be given. The Company's notices of general meetings are also published in the Business Times pursuant to the Company's Constitution, except when overridden by applicable laws or regulations.

The rationale and explanation for each agenda item requiring shareholders' approval are provided in the notice of general meeting so as to enable shareholders to exercise their voting rights on an informed basis. To safeguard shareholder interests and rights, a separate resolution is proposed for each substantially separate issue at general meetings, unless the issues are interdependent and linked so as to form one significant proposal. Where resolutions are bundled, the reasons and material implications are explained in the notice of general meeting to enable shareholders to make an informed decision. There was no bundling of resolutions at the Company's 2023 AGM and there will also not be any bundling of resolutions at the upcoming 2024 AGM. Further, if the resolution is in respect of an IPT (as defined in the Listing Manual), the interested person(s) (as defined in the Listing Manual) will be required to abstain from voting on such resolution.

During the financial year under review, the Company's 2023 AGM was held in a wholly physical format pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 and the checklist jointly issued by ACRA, MAS and Singapore Exchange Regulation, which gave guidance to listed and non-listed entities on the conduct of general meetings amid the evolving COVID-19 situation. Shareholders submitted questions to the Chairman of the Meeting, in advance of, or at the 2023 AGM, and the Company addressed all substantial and relevant questions received from shareholders by the submission deadline by publishing the Company's responses to such questions on the Company's website and on the SGXNet, prior to the 2023 AGM. Shareholders voted at the AGM themselves or through duly appointed proxy(ies). Shareholders who did not wish or were unable to attend the 2023 AGM in person but who wished to only watch the AGM proceedings were allowed to do so remotely by accessing the Company's live webcast of the 2023 AGM after registering to do so. Further information on the arrangements relating to the conduct of the 2023 AGM was provided in the Notice of AGM dated 3 April 2023.

Pursuant to recent legislative amendments (with effect from 1 July 2023) to the Companies Act, as read with Rule 730A of the Listing Manual and Practice Note 7.5 of the Listing Manual on the conduct of general meetings (amended with effect from 1 July 2023), listed companies are required to hold all their general meetings either at a physical place in Singapore, or at a place in Singapore and using virtual meeting technology. Listed companies are guided to have regard to the size and needs of their shareholder base and to facilitate shareholder engagement. In this regard, the Company's upcoming 2024 AGM will be held in a hybrid format. Shareholders, including CPF and SRS investors, and (where applicable) duly appointed proxies and representatives may attend the AGM in person or by using virtual meeting technology (i.e., via live-audio visual webcast or live audio-only stream), and submit substantial and relevant questions pertaining to the resolutions to be proposed for shareholders' approval at the AGM, to the Chairman of the Meeting in advance of, or live at, the AGM. Shareholders may also vote at the AGM (a) themselves or through duly appointed proxy(ies) or representative(s) (other than the Chairman of the Meeting) or (b) by appointing the Chairman of the Meeting as proxy to vote on their behalf at the AGM. Further information on the arrangements relating to the conduct of the 2024 AGM is provided in the Notice of AGM dated 3 April 2024.

Shareholders are entitled to attend general meetings and are accorded the opportunity to participate effectively and vote at general meetings (including through the appointment of up to two proxies, if they are unable to attend in person or, in the case of a corporate shareholder, through its appointed representative). Shareholders such as nominee companies which provide custodial services for securities are not constrained by the two proxy limitation, and are able to appoint more than two proxies to attend, speak and vote at general meetings of the Company.

At general meetings, the Group CEO presents and updates shareholders on the Company's performance, position and prospects. The presentation materials are available to shareholders on the Company's website and the SGXNet. Shareholders are given the opportunity to communicate their views, raise questions and discuss with the Board and Management on matters affecting the Company. All Directors (including the chairpersons of the respective Board Committees), Management and external auditors, attend and are present for the entire duration of general meetings to address any queries that the shareholders may have, including queries about the conduct of the Company's audit, and preparation and contents of the auditors' report.

To ensure transparency in the voting process and better reflect shareholders' shareholding interests, the Company conducts electronic poll voting for all the resolutions proposed at general meetings. The Company has only one class of shares, i.e., ordinary shares. One ordinary share is entitled to one vote. Voting procedures and rules governing general meetings are explained and vote tabulations are disclosed at the general meetings. An independent scrutineer is also appointed to validate the vote tabulation procedures. Votes cast for or against each resolution, and the respective percentages, are tallied and displayed live on-screen to shareholders immediately at the general meetings. The total number of votes cast for or against the resolutions and the respective percentages are also announced on the SGXNet after trading hours on the date of the general meeting.

Provision 11.4 of the Code requires an issuer's Constitution to allow for absentia voting at general meetings of shareholders. The Company's Constitution currently does not permit shareholders to vote at general meetings in absentia (such as via mail or email). The Company will consider implementing the relevant amendments to the Constitution to permit absentia voting after it has carried out careful study and is satisfied that the integrity of information and authentication of the identity of shareholders will not be compromised through web transmission, and legislative changes to the Companies Act are effected to formally recognise absentia voting. The Company is of the view that despite its deviation from Provision 11.4 of the Code, shareholders nevertheless have opportunities to communicate their views on matters affecting the Company even when they are not in attendance at general meetings. For example, shareholders may appoint proxies to attend, speak and vote, on their behalf, at any general meeting.

Minutes of the general meetings, recording the substantial and relevant comments made, questions raised and answers provided, are prepared and available to shareholders for their inspection upon request. Minutes of general meetings are also uploaded to the Company's website at [www.capitalandinvest.com](http://www.capitalandinvest.com) and, where required, on the SGXNet.

## Engagement with Shareholders

The Company actively engages with its shareholders to ensure that they have the information needed to make informed judgements about the Company, and to solicit and understand their perspectives.

The Company's institutional shareholder base is well diversified across geographies. To maintain transparency and keep shareholders abreast of the Company's progress, the Company regularly participates in investor conferences and conducts non-deal roadshows globally. In addition to virtual engagements, physical visits are also undertaken to key financial hubs, including Beijing, Shanghai, Hong Kong, Kuala Lumpur, Miami and London, to connect with both new and existing investors. On a regular basis, the Company organises group meetings of various sizes and formats, along with one-on-one sessions, to update investors on crucial matters related to business and financial performance, sustainability, and governance.

Live webcast briefings are conducted for key calendar events, such as the Company's half-year and full-year financial results release, as well as important announcements including those relating to or impacting its investments and strategic developments. Three such briefings were conducted from 1 January 2023, up to the date of this Annual Report. These sessions included real-time Q&A sessions with sell-side research analysts and members of the media to enhance viewer engagement.

The Company regularly hosts dialogue sessions for its retail shareholders, frequently collaborating with organisations such as the Securities Investors Association (Singapore) as well as the SGX Academy, both of which boast a substantial retail investor base. These sessions typically feature the Company's Group CEO, Group CFO and other senior management who address questions from the audience. Additionally, the Company takes a proactive approach to keeping retail investors well-informed through various channels, including business media, website updates, and other social media and publicity outlets.

Materials disseminated to institutional investors are also disseminated via the SGXNet for access by retail shareholders.

The Company has an Investor Relations department that facilitates effective communication with the Company's shareholders and the general investor community including sell-side analysts, fund managers and retail investors. The Company maintains a website which contains information on the Company, including but not limited to announcements and news releases, financial statements (current and past), investor presentations, Annual Reports (current and past years), the Constitution and key events.

The Company has in place an Investor Relations Policy (IR Policy) to promote regular, effective and fair communications with its shareholders. The IR Policy, which sets out the mechanism through which shareholders may contact the Company with questions and through which the Company may respond to such questions, is available on the Company's website at [www.capitalandinvest.com](http://www.capitalandinvest.com). Shareholders are encouraged to engage with the Company beyond general meetings and they may do so by contacting the Investor Relations department, the details of which may be found on the Company's website.

The Company also has a Group Communications department which works closely with the media and oversees the Company's external communications efforts.

More information on the Company's investor and media relations efforts can be found on pages 66 to 68 of this Annual Report.

## Dividends Policy

The Company has a policy on paying dividends to shareholders in an equitable and timely manner. Barring unforeseen circumstances, the Company's policy is to declare a dividend of at least 30% of the annual cash profit after tax and minority interests (PATMI), defined as the sum of operating PATMI, portfolio gains/losses and realised valuation gains/losses, after considering a number of factors, including the Company's level of cash and reserves, results of operations, business prospects, capital requirements and surplus, general financial condition, contractual restrictions, the absence of any circumstances which might reduce the amount of reserves available to pay dividends, and other factors considered relevant by the Board, including the Company's expected financial performance. Upon approval by shareholders at the general meeting, dividends are generally paid to all shareholders within 15 market days after the record date.

## Timely Disclosure of Information

The Company is committed to ensuring that its shareholders, other stakeholders, analysts and the media have access to accurate information vis-à-vis the Company on a timely basis. This is achieved through posting announcements and news releases on the SGXNet on a timely and consistent basis. These announcements and news releases are also posted on the Company's website.

The Company provides shareholders with its half-year and full-year financial statements within the relevant periods prescribed by the Listing Manual. Such half-year and full-year financial statements are reviewed and approved by the Board prior to release to shareholders via an announcement on the SGXNet. The releases of the half-year and full-year financial statements are accompanied by news releases issued to the media, which are also posted on the SGXNet. In presenting the half-year and full-year financial statements to shareholders, the Board seeks to provide shareholders with a balanced, clear and understandable assessment of the Company and the Group's performance, position and prospects. In order to achieve this, Management provides the Board with management accounts on a monthly basis and such explanation and information as any Director may require, to enable the Directors to keep abreast, and make a balanced and informed assessment, of the Group's financial performance, position and prospects.

In FY 2023, the Company provided shareholders with the full-year financial statements for FY 2022 and the half-year financial statements for FY 2023 within the relevant periods prescribed by the Listing Manual. In keeping with the Company's commitment to providing its shareholders with information promptly, the Company provides shareholders, on a voluntary basis, with quarterly business updates between the announcement of its half-year and full-year financial statements. Such business updates contain, among other things, information on the Group's key operating and financial metrics.

In addition to financial statements, the Company also keeps its shareholders, stakeholders and analysts informed of the performance and changes in the Group or its business which are materially price-sensitive or trade-sensitive, so as to assist shareholders and investors in their investment decision-making.

The Group has a formal policy on corporate disclosure controls and procedures to ensure that the Company complies with its disclosure obligations under the Listing Manual. These controls and procedures incorporate decision-making processes and an obligation on internal reporting of decisions made.

The Company believes in conducting itself in ways that seek to deliver maximum sustainable value to its stakeholders. Best practices are promoted as a means to build an excellent business for its stakeholders. Prompt fulfilment of statutory reporting requirements is but one way to maintain stakeholders' confidence and trust in the capability and integrity of the Company.

## MANAGING STAKEHOLDER RELATIONSHIPS

### PRINCIPLE 13: ENGAGEMENT WITH STAKEHOLDERS

With the Company placing sustainability at the core of everything it does, the Board's role includes considering sustainability as part of its strategy formulation. The Company engages with its stakeholders based on the principles of sustainability and sound governance, in keeping with its commitment to sustainability with a view to enabling the Company to generate sustainable returns over time.

The Company adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders. Reflecting the Company's commitment to sustainability, the SMP was refreshed in 2023 following a review by the Board and Management.

The master plan articulates the Group's sustainability targets over the next decade and five pathways to achieve them. As part of its sustainability commitment, the Company embeds ESG considerations into its investment analysis, financing consideration and day-to-day business operations. The master plan is reviewed every two years. The Company has arrangements in place to identify and engage with its material stakeholder groups and, through such arrangements, engages with these stakeholder groups from time to time to gather feedback on the sustainability issues most important to such groups and to manage its relationships with such groups. Such arrangements include maintaining and updating the Company's website at [www.capitalandinvest.com](http://www.capitalandinvest.com) with current information on its sustainability strategy and stakeholder engagements, so as to facilitate communication and engagement with the Company's stakeholders.

In 2023, the Company conducted a sustainability-focused roadshow to provide the institutional investor community with updates on its progress in this area. More than 50 participants attended the roadshow. The recording and materials from the roadshow were subsequently published on the SGXNet, ensuring accessibility for all stakeholders. Further information on the SMP and stakeholder engagement can be found on pages 76 to 82 of this Annual Report.

The Company has received recognition for its efforts on sustainability. It is listed on the Dow Jones Sustainability World Index and Asia-Pacific Index, GRESB (Global Sector Leader - Listed (Diversified)) with the highest 5-star rating, FTSE4Good Index Series, MSCI Global Sustainability Indexes and The Sustainability Yearbook. More information on the Company's efforts in sustainability management can be found on pages 76 to 82 of this Annual Report and in the CapitalLand Investment Global Sustainability Report 2023, which will be published on (and, in any case, no later than) 31 May 2024.

In addition, the rights of the Company's creditors, which comprises lending banks, are protected with well-spread debt maturity and a healthy interest coverage ratio. Regular internal reviews are also conducted to ensure that various capital management metrics remain compliant with loan covenants.

## ADDITIONAL INFORMATION

### Dealings in Securities

The Company has adopted a securities trading policy for the Group's officers and employees which applies the best practice recommendations in the Listing Manual. Under the policy, Directors and employees in the Group are required to refrain from dealing in the Company's securities (a) while in possession of material unpublished price-sensitive or trade-sensitive information, and (b) during the one-month period immediately preceding, and up to the time of the announcement of the Company's half-year and full-year financial statements. Prior to the commencement of each relevant blackout period, an email would be sent out to all Directors and employees of the Group to inform and/or remind them of the duration of the relevant blackout period.

In addition, Directors and certain employees identified as "Key Insiders" are prohibited from dealing in the securities of the Company, except during the open trading window (being the one calendar month period commencing from the relevant date of announcement of the Company's half-year and full-year results), provided that they are not in possession of undisclosed material price-sensitive or trade-sensitive information. If a Key Insider intends to trade outside the open trading window, he or she is required to obtain the approval of, in the case of a Director, the Board, or in the case of an employee, the Group CEO. In addition, Key Insiders are required to notify the Group CEO of any intended trade prior to any trade of the Company's securities during the open trading window.

The policy also provides for the Company to maintain a list(s) of persons who are privy to price-sensitive or trade-sensitive information relating to the Group as and when circumstances require such a list to be maintained.

Directors and employees of the Group are also required to refrain from dealing in securities of the Company and/or other relevant listed entities in the Group if they are in possession of unpublished price-sensitive or trade-sensitive information of the Company and/or these other listed entities arising from their appointment as Directors and/or in the course of performing their duties. As and when appropriate, they would be issued an advisory to refrain from dealing in the relevant securities.

Under the policy, Directors and employees are also discouraged from trading on short-term or speculative considerations. They are also prohibited from using any information with respect to other companies or entities obtained in the course of their employment in connection with securities transactions of such companies or entities.

A Director is required to notify the Company of his or her interest in the Company's securities within two business days after (i) the date on which he or she becomes a Director; or (ii) the date on which he or she acquires an interest in the Company's securities. A Director is also required to notify the Company of any change in his or her interests in the Company's securities within two business days after he or she becomes aware of such a change. Any dealings by the Directors (including the Group CEO who is also a Director) in securities of the Company are disclosed, in accordance with the requirements of the Securities and Futures Act 2001. The Directors', including the Group CEO's, interests in shares or debentures of the Company, or of its related corporations, are disclosed in the Directors' Statement on pages 136 to 139 of this Annual Report.

During FY 2023, there were no dealings by the Directors in the securities of the Company (other than the award of shares to them under the RSP in part payment of their Directors' fees for FY 2022 (comprising the share component of their Directors' fees), and, in the case of Mr Lee Chee Koon, the contingent awards of shares to him as an employee pursuant to the Share Plans).

### Ethics And Code Of Business Conduct

The Company adheres to an ethics and code of business conduct policy that deals with issues such as business ethics, confidentiality, conflict of interest, conduct and work discipline.

Integrity is a core value of the Company. The Company is committed to doing business with integrity and has adopted a zero-tolerance stance against fraud, bribery and corruption. Consistent with this commitment, the Company has in place a Fraud, Bribery and Corruption Risk Management Policy (FBC Risk Management Policy). The FBC Risk Management Policy reiterates the Company's strong stance against fraud, bribery and corruption, and sets the overarching approach and standards for managing fraud, bribery and corruption risks in an integrated, systematic and consistent manner. The FBC Risk Management Policy works with various other policies and guidelines to guide all employees to maintain the highest standards of integrity in their work and business dealings. This includes guidelines and procedures for the giving and receipt of corporate gifts and concessionary offers. The Company's zero tolerance policy on bribery and corruption extends to its business dealings with third parties. The Company's stance against bribery and corruption is also reiterated by Management during its regular staff communication sessions. In addition, on an annual basis, all employees of the Group are required to pledge that they will uphold the Company's core values and not engage in any corrupt or unethical practices.

In addition to the FBC Risk Management Policy and related policies, various other policies and guidelines are in place to guide employees' behaviour.

Together, these policies aim to help detect and prevent fraud in mainly three ways. First, the Company offers fair compensation packages, based on practices of pay-for-performance and promotion of employees based on merit. The Company also provides various healthcare subsidies and financial assistance schemes to alleviate the common financial pressures its employees may face. Second, clearly documented policies and work procedures incorporate internal controls which ensure that adequate checks and balances are in place. Periodic audits are also conducted to evaluate the effectiveness of these internal controls. Finally, the Company seeks to build and maintain the right organisational culture through its core values and instilling in its employees good business conduct and ethical values.

A written communications protocol has also been established to implement a control process within the Group for the management of communications with various internal and external stakeholders. The protocol identifies the spokespersons who are authorised to provide information about the Group to the relevant stakeholders. As part of the employee onboarding process, all employees are informed that they are required to comply with the obligation of maintaining the confidentiality of information relating to the Group and are prohibited from disclosing or communicating such information or discussing internal corporate matters or developments with anyone except where necessary and in the performance of regular corporate duties. On an annual basis, they also declare that, among other things, they are aware of and will comply with their obligations to keep confidential information which they receive during their employment.

These policies and guidelines are published on the Company's intranet, which can be easily accessed by all employees. As part of their onboarding, employees are provided with training on the abovementioned policies and guidelines. On an annual basis, employees sign an acknowledgement of awareness of and compliance with these policies and guidelines.

### Interested Person Transactions

The Company has established processes and procedures to comply with the applicable regulations governing IPTs including the Listing Manual. This includes subjecting all IPTs (excluding those having a transaction value of less than S\$100,000) to IA's review on a regular basis. IA then reports to the AC on its opinion on whether the procedures carried out by Management are in line with the Company's approved processes and procedures to ensure that the transactions are on arm's length and normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders. Each review includes an examination of the nature of the transaction and its supporting documents or such other information considered necessary by IA and/or the AC. If a member of the AC has an interest in any IPT which is subject to the AC's approval, he or she is required to abstain from voting and recuse himself or herself from the deliberations relating to the IPT. Similarly, shareholders interested in an IPT which is subject to shareholders' approval are not permitted to exercise their voting rights in respect of the IPT.

# CORPORATE GOVERNANCE

The aggregate value of IPTs entered into in FY 2023 (excluding those having a transaction value of less than S\$100,000) are disclosed in this Annual Report on page 273. The Company entered into various IPTs with Temasek and its associates on an arm's length basis for the purpose of its business operations. In FY 2023, IPTs with Temasek amounted to an aggregate of S\$81 million, which is approximately 0.5% of the Group's audited net tangible assets at the end of FY 2023.

## Whistle-Blowing Policy

Consistent with its commitment to maintaining a high standard of integrity in its business conduct, the Company has put in place a whistle-blowing policy. The policy and the related procedures provide the Group's employees and parties who have dealings with the 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 the Company 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, and that an independent investigating committee will be formed for the purpose of investigating any reports made in good faith. It further provides that the Company will not tolerate the harassment or victimisation of anyone reporting a genuine concern and that it will ensure the protection of whistle-blowers against reprisal and detrimental or unfair treatment, even if they turn out to be mistaken.

The AC is responsible for overseeing and monitoring whistle-blowing. Whistle-blowing reports can be made to the chairman of the AC and the Company has designated an independent function to investigate whistle-blowing reports made in good faith. IA provides the staff function for the AC and reports directly to the AC on all reported cases. The AC reviews all whistle-blowing complaints at its quarterly meetings. Independent, thorough investigation and appropriate follow-up actions are taken. The outcome of each investigation is reported to the AC.

The whistle-blowing policy is publicly disclosed on the Company's website and it is also made available to all employees on the Company's intranet. Further, as part of the 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 in detail during periodic communications to all staff.

## Anti-Money Laundering and Counter-Financing of Terrorism Measures

The Company is committed to complying fully with all applicable anti-money laundering and counter-financing of terrorism laws and regulations. Singapore is a member of the Financial Action Task Force (FATF) and is obliged to implement FATF's recommendations on measures to combat money laundering, terrorist financing and other related threats to the integrity of the international financial systems (FATF Recommendations). Following from which, the Company has in place a policy on the prevention of money laundering and terrorism financing. Enhanced due diligence checks are performed on counterparties when suspicions of money laundering or terrorism financing arise. Suspicious transactions are also reported to the Suspicious Transaction Reporting Office of the Commercial Affairs Department. To the extent applicable to the Group's businesses, the policy takes into account the FATF Recommendations relating to the financial sector and designated non-financial businesses and professions. In addition, certain entities within the Group are required to comply with specific requirements under anti-money laundering laws applicable to their respective businesses and/or the countries in which they operate. Relevant employees undergo periodic training to stay updated on applicable regulations, prevailing trends, techniques and measures adopted to combat money laundering and terrorism financing.

## Global Sanctions Compliance

The Company is committed to carrying on business in accordance with the highest ethical standards. This includes complying with applicable sanctions laws and regulations of Singapore and the United Nations. Due to the global nature of the Group's business and the cross-border applicability of sanctions, the transactions the Group engages in may be subject to unilateral sanctions imposed by multiple government authorities.

To help ensure that the Company and its Directors, employees and officers, as well as third parties acting on behalf of the Company or any entity within the Group, fully comply with all sanctions applicable to the Group's business activities, the Company has adopted a policy to comply with the applicable sanctions laws and regulations. The policy sets out the Company's sanctions risk appetite and a risk management framework to help Directors, employees and third parties identify the areas where breaches of applicable sanctions laws and regulations may arise and to support them in making the right decisions in line with the corporate position as stated in the policy and, in the process, establishing a consistent approach for the organisation's response to sanctions laws and regulations.

## Business Continuity Management

The Company has implemented a Business Continuity Management programme that puts in place the prevention, detection, response and business recovery and resumption measures to minimise the impact of adverse business interruptions or unforeseen events on the Company's operations under a Business Continuity Plan (BCP) put in place by Management. Management has identified the critical business functions, processes and resources, and has a pool of employees trained under a Business Psychological Resilience Programme to provide peer support to colleagues following the occurrence of adverse events. As part of the BCP, periodic desktop exercises and drills, simulating different scenarios, are carried out to stress-test the effectiveness of the processes, procedures and escalation protocols. For instance, during FY 2023, simulated hacker attacks were conducted as part of cybersecurity vulnerability analysis. This holistic approach under the BCP serves to ensure organisational and staff preparedness and readiness to deal with adverse business disruptions such as acts of terrorism, cyber-attacks, data breaches and epidemics. This approach aims to minimise financial loss, allows the Company to continue to function and mitigates any negative effects that disruptions could have on the Company's reputation, operations and ability to remain in compliance with the relevant laws and regulations.

### ATTENDANCE RECORD OF MEETINGS OF SHAREHOLDERS, BOARD AND BOARD COMMITTEES IN FY 2023<sup>1</sup>

	Board <sup>3</sup>	Audit Committee (AC)	Executive Committee (EXCO)	Executive Resource and Compensation Committee (ERCC)	Nominating Committee (NC)	Risk Committee (RC)	Strategy and Sustainability Committee (SSC)	General Meeting(s)
<b>No. of Meetings Held</b>	<b>6</b>	<b>5</b>	<b>8</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>4</b>	<b>1</b>
<b>Board Members</b>								
Miguel Ko	100%	-	100% <sup>4</sup>	100%	100%	-	100%	100%
Lee Chee Koon <sup>2</sup>	100%	-	100%	-	-	-	100%	100%
Anthony Lim Weng Kin	100%	-	-	100%	100%	-	100%	100%
Chaly Mah Chee Kheong	100%	100%	100%	-	-	-	-	100%
Kee Teck Koon	100%	-	100%	-	-	100%	-	100%
Gabriel Lim Meng Liang	100%	-	-	-	100%	100%	-	100%
Judy Hsu Chung Wei	100%	-	-	100%	-	100%	-	100%
David Su Tuong Sing	100%	100%	-	-	-	-	100%	100%
Helen Wong Siu Ming	100%	100%	-	-	-	100%	100%	100%
Tan Sri Abdul Farid Alias	100%	100%	-	-	-	100%	-	100%

- 1 All Directors are required to attend shareholders, Board and/or Board Committee meetings called, in person or via audio or video conference, unless required to recuse. Attendance is marked against the shareholders, Board and Board Committee meetings each Director is required to attend, and the percentage is computed accordingly.
- 2 Attended all Board Committee meetings on an *ex officio* basis.
- 3 Includes a Board Strategy Meeting held over two days.
- 4 Recused from one EXCO meeting due to conflict of interest.

# CORPORATE GOVERNANCE

## DIRECTORS' AND GROUP CEO'S REMUNERATION FOR FY 2023

Directors and of the Company	Group CEO	Salary inclusive of employer's CPF S\$	Bonus and other benefits inclusive of employer's CPF S\$	Deferred Compensation Awards <sup>1</sup> S\$	Directors' fees		Benefits S\$	Total remuneration S\$
					Cash component S\$	Share component S\$		
<b>Director and Group CEO</b>								
Lee Chee Koon		1,130,844	1,723,805	2,295,397	-	-	-	5,150,046 <sup>2</sup>
<b>Sub-Total</b>		<b>1,130,844</b>	<b>1,723,805</b>	<b>2,295,397</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,150,046</b>
<b>Non-Executive Directors</b>								
Miguel Ko		-	-	-	525,000	225,000	-	750,000
Anthony Lim Weng Kin		-	-	-	185,500	79,500	393	265,393
Chaly Mah Chee Kheong		-	-	-	165,200	70,800	1,462	237,462
Kee Teck Koon		-	-	-	151,900	65,100	556	217,556
Gabriel Lim Meng Liang <sup>3</sup>		-	-	-	198,000	-	932	198,932
Judy Hsu Chung Wei		-	-	-	138,600	59,400	2,808	200,808
David Su Tuong Sing		-	-	-	148,400	63,600	1,964	213,964
Helen Wong Siu Ming		-	-	-	170,800	73,200	-	244,000
Tan Sri Abdul Farid Alias		-	-	-	150,500	64,500	-	215,000
<b>Sub-Total</b>					<b>1,833,900</b>	<b>701,100</b>	<b>8,115</b>	<b>2,543,115<sup>4</sup></b>
<b>Total for Directors and Group CEO of the Company</b>		<b>1,130,844</b>	<b>1,723,805</b>	<b>2,295,397</b>	<b>2,535,000</b>		<b>8,115</b>	<b>7,693,161</b>

- Includes contingent performance shares awarded during the year pursuant to the PSP which are subject to the achievement of pre-determined performance conditions over a three-year vesting period; deferred shares to be awarded in FY 2024 as part of the FY 2023 PBP, pursuant to the RSP, which are time-vested over three equal annual tranches without further performance conditions; and 10% of the PBP award which is deferred and set aside for future long-term co-investment in CLI private funds.
- The FY 2023 total remuneration of S\$5,150,046 for Mr Lee Chee Koon represents a decrease of about 14% when compared to Mr Lee's FY 2022 total remuneration of S\$6,006,434.
- The fees payable to Mr Gabriel Lim Meng Liang was paid fully in cash to a government agency, DCAC. Mr Lim had requested and the DCAC had concurred, that the fees for his services, as approved by shareholders at the 2023 AGM, be donated by the Company in its entirety to a charitable organisation, the CapitalLand Hope Foundation.
- At the 2023 AGM, shareholders approved the payment of Directors' remuneration by the Company to the non-executive Directors of up to S\$2,900,000 in aggregate for FY 2023.

## GROUP CEO'S REMUNERATION FOR FY 2023

The remuneration of the Group CEO for FY 2023 is set out in the table below:

	Salary inclusive of employer's CPF	Bonus and other benefits inclusive of employer's CPF <sup>1</sup>	Deferred Compensation Awards <sup>2</sup>	Total
Lee Chee Koon	S\$1,130,844 22%	S\$1,723,805 33%	S\$2,295,397 45%	S\$5,150,046 <sup>3</sup> 100%

- Includes the cash bonus earned under the PBP which accrued in FY 2023. No bonus under the EBIP was declared or paid during FY 2023.
- Includes contingent performance shares awarded during the year pursuant to the PSP which are subject to the achievement of pre-determined performance conditions over a three-year vesting period; deferred shares to be awarded in FY 2024 as part of the FY 2023 PBP, pursuant to the RSP, which are time-vested over three equal annual tranches without further performance conditions; and 10% of the PBP award which is deferred and set aside for future long-term co-investment in CLI private funds.
- The FY 2023 total remuneration of S\$5,150,046 for Mr Lee Chee Koon represents a decrease of about 14% when compared to Mr Lee's FY 2022 total remuneration of S\$6,006,434.