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CORPORATE GOVERNANCE

FEOR (the “**Company**”) is firmly committed to maintaining a high standard of corporate governance and promoting corporate transparency, accountability and integrity to enhance long-term shareholder value, while taking into account the interests of its other stakeholders. Under the Singapore Governance and Transparency Index (“**SGTI**”) which assesses companies on the timeliness, accessibility and transparency of their financial results announcements along with their corporate governance disclosure and practices, the Company ranked 83 out of 477 listed companies in 2024. At the Singapore Corporate Awards 2024, which is supported by ACRA and Singapore Exchange, the Company received the Bronze Award for Best Annual Report Award, in the category of companies with market capitalisation of S\$300 million to less than S\$1 billion (“**Mid Cap**”). The 2025 Board Diversity Index, developed by SID with global advisory firm WTW and James Cook University, evaluated 553 Singapore-listed companies across eight dimensions of diversity based on data as of September 2024, and the Company is one of six Mid Cap companies recognised for exemplar diversity standards.

This report describes the corporate governance practices and policies of the Company and its subsidiaries (the “**Group**”) with reference to the principles and provisions of the Code of Corporate Governance 2018 as amended on 11 January 2023 (the “**Code**”), the Mainboard Rules of the Listing Manual of the SGX-ST (“**Listing Rules**”), the Companies Act 1967 (“**Companies Act**”), the Securities and Futures Act 2001 (“**Securities and Futures Act**”) and the voluntary Practice Guidance as at 14 December 2023 (“**Practice Guidance**”).

The Company has complied with all the principles and provisions in the Code.

BOARD MATTERS

The Board’s Conduct of its Affairs

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

Principal Duties of the Board

The Board, as fiduciaries acting in the Company’s interests, is collectively responsible for the Group’s long-term success. In addition to its statutory duties, the Board’s principal functions are to:

- a. create value for shareholders and to ensure the long-term success of the Group;
- b. oversee the effectiveness of Management, provide leadership, review the Group’s corporate strategies and direction having regard to sustainability, and ensure that the necessary financial and human resources are adequate to achieve the Group’s goals;
- c. review and approve the annual budget of the Group;
- d. establish a robust ERM framework including a workplace health and safety framework, and a sound system of internal controls to safeguard shareholders’ interests and the Group’s assets;
- e. review the business performance of the Group and approve the release of the half-year and full-year results and any other announcements;
- f. endorse the framework of remuneration for the Board and key management personnel (“**KMP**”) (being the Group CEO, the Chief Executive Officer of Far East Hospitality, the CFO and any other persons having authority and responsibility for planning, directing and controlling the activities of the Group);
- g. identify the key stakeholder groups for engagement;
- h. set the Group’s values and standards and ensure that obligations to shareholders and other stakeholders are understood and met; and
- i. set the sustainability direction for the Group, providing oversight and management of ESG risks and opportunities.

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Independent Judgement and Proper Accountability

The Board and Management are guided by a CG Policy Manual, which encapsulates the terms of reference for the Board and each Board Committee, and is aligned with the Code. The Group's employees are also guided by its Code of Conduct and Employee Handbook which are published on the intranet and which prescribes the standards of ethical behaviour.

The CG Policy Manual directs the Board and Management to adhere to the approved policies and schemes, including the Board Diversity Policy, the Dividend Policy and Scrip Dividend Scheme, the IR Policy, the Securities Trading Policy and Whistle-blowing Policy. It comprehensively addresses declaration and disclosure obligations, covering areas such as director independence, listed company directorships and principal commitments, declaration of any relatives in managerial positions and conflicts of interest.

To address and manage possible conflicts of interest that may arise between Directors' interests and those of the Group, the Company has put in place appropriate procedures including requiring (i) Directors to declare any conflict of interest to any proposal or papers submitted for deliberation, and (ii) for such Directors to recuse from participating in meetings or discussions (or relevant segments thereof) in addition to abstaining from voting, on any matter in which they are so interested or conflicted. To monitor IPTs and directors' independence, and for accountability, each Director is also required to submit details of his/her associates to the Company.

The CG Policy Manual makes clear that every Director is expected to objectively discharge his/her duties and responsibilities, to act in good faith, provide insights and consider the interests of the Group at all times. The Directors have the right core competencies and experience to enable the Board to contribute effectively.

Delegation by the Board

The Board has established three board committees ("**Board Committees**") to assist in the execution of its responsibilities. They are the ARC, the RC and the NC. Each Board Committee is governed by clear terms of reference setting out its role, authority, duties and responsibilities, as well as qualifications for committee membership in line with the Code, which has been approved by the Board.

Authority has been delegated to Management to approve transactions below certain thresholds, which are set out in a structured Delegation of Authority Matrix ("**DoA Matrix**"), while key matters are reserved for the Board's approval.

The Board Committees and Management remain accountable to and report back to the Board. Minutes of meetings of all Board Committees in FY2024 were provided to the Board, and the Chair of each Board Committee provided updates at Board meetings in FY2024 of its activities and matters discussed in Board Committee meetings. The activities of each Board Committee in FY2024 are disclosed under the respective principles of this report.

Board and Board Committees Meetings

The Board meets at least quarterly, or more frequently when required or appropriate, to review and evaluate the Group's performance and address key matters. The meeting calendar is planned and circulated one year in advance to ensure maximum attendance by the participants. Directors are expected to attend all Board meetings and meetings of the Board Committees on which they serve in person, or otherwise by telephone or video-conference which is allowed under the Company's Constitution. The agendas are approved by the Chair and respective Chair of the Board Committees in consultation with the KMP, with sufficient time provisioned for key and material topics. The agendas and meeting materials are circulated to the Board and Board Committees about one week before the meetings to allow for sufficient time to review and raise questions prior to the meeting. The Board and Board Committees may also make decisions by way of circular resolutions. Minutes of meetings are prepared and circulated to the Directors for review and approval post-meeting.

The attendance of the Directors and Group CEO at scheduled meetings of the Board and Board Committees and the AGM held in FY2024 is disclosed below. The Directors with multiple board representations have ensured that sufficient time and attention are given to the affairs of the Company.

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	AGM	Board of Directors	ARC	NC	RC
No. of Meetings Held	1	6	5	2	2
Names of Directors	Number of Meetings Attended				
Koh Kah Sek	1	6	-	2	-
Ramlee Bin Buang	1	6	5	2	-
Alan Tang Yew Kuen ¹	1	6	5	2	2
Ee Choo Lin Diana	1	6	5	-	2
Shailesh Anand Ganu ²	1	6	-	1	2
Ku Xian Hong ³	1	6	2	1	1
Chan Hon Chew ⁴	1	5	3	-	-
Samuel Gene Rhee ⁵	1	1	-	1	1

Board Approval

Key Matters

The Company has a structured DoA Matrix and internal guidelines regarding matters that require Board approval. Key matters which require Board approval include:

- transactions in the ordinary course of business that have not been delegated by the Board to any Board Committee for approval;
- major transactions not in the ordinary course of business;
- bank borrowings;
- provision of corporate guarantees or other securities to secure loans granted to subsidiaries and associated companies;
- acquisition or disposal of fixed assets, save where authority has been delegated by the Board to any Board Committee for approval;
- equity or contractual JV; and
- diversification into new businesses.

Key Activities of the Board during FY2024

Regular agenda items:

- Quarterly updates on the businesses
- Quarterly review of ERM and sustainability updates
- Quarterly review of financial and operational performance including compliance of financial covenants and cash flow projection

- Review and approval of all announcements including full-year results and year-end financial statements
- Conflict of interests and register of IPTs
- Disclosure of Directors' interests pursuant to the Companies Act and the Securities and Futures Act
- Reports of the ARC, NC and RC

Other key agenda items considered during FY2024:

- Discuss and provide guidance on the Company's 5-year strategy (FEOR25)
- Approve the 2024 strategic asset plans and hurdle rates
- Sustainability issues as part of Group's strategy
- Review the results of the qualitative climate scenario analysis and the climate-related risks faced by the Group
- Cybersecurity matters
- Business opportunities
- New banking relationships
- Material developments relating to accounting, risk management, sustainability reporting, legal, regulatory and/or corporate governance issues
- Adequacy and effectiveness of the internal controls and risk management systems of the Group
- Review of the independence, effectiveness and adequacy of resources for the internal audit function
- Review of a workplace health and safety framework for the Group

¹ Group CEO and Executive Director Mr Tang was invited to attend all the ARC, NC and RC meetings held in FY2024.

² Mr Ganu attended all NC meetings before he stepped down as a NC member on 25 April 2024.

³ Ms Ku attended all ARC meetings before she stepped down as an ARC member on 25 April 2024. She was appointed as the NC Chair and a RC member on 25 April 2024; and attended all NC and RC meetings thereafter.

⁴ Mr Chan was appointed as a Director on 6 March 2024, and an ARC member on 25 April 2024. He attended all meetings after his respective appointments.

⁵ Mr Rhee retired as a Director at the conclusion of the last AGM held on 25 April 2024. He attended all meetings before his retirement.

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Matters reserved for Board recommendation/approval annually:

- Documents for distribution to shareholders including the Annual Report, Sustainability Report and Audited Financial Statements
- Annual budget and business plan
- Dividend payout
- Remuneration of the Executive Director(s), Non-Executive Directors (“**NEDs**”) and KMP
- Retirement and re-election of Directors
- Appointment and re-appointment of external auditors

Throughout the year, the Board receives regular updates on business performance, risk management, sustainability initiatives, and strategic discussions. This ensures that all decisions are made based on comprehensive and up-to-date information.

The Company schedules periodic site visits to the Group’s local and overseas operations for the Directors to have a deeper understanding on the issues reported by Management and on-site conditions. During FY2024, the Board visited selected hotels operated by TFE Hotels in Europe, and the Group’s UK PBSA.

Board Training and Orientation

Directors receive a comprehensive induction when they are first appointed to the Board. New Directors are provided with relevant information on the Group’s business activities, strategic directions, policies and procedures relating to corporate conduct and governance, including disclosure of interests in securities, restricted periods for dealings in the Company’s securities and restrictions on disclosure of confidential or price-sensitive information. If the new Director is also appointed to a Board Committee, relevant information on the duties of such Board Committee is also provided. If there are first-time Directors appointed, the Group will direct them to attend external training courses prescribed by SGX, at the Company’s cost. Each newly appointed Director is also provided with a formal letter setting out the Director’s duties and obligations, including pertinent obligations under the Companies Act, the Securities and Futures Act, the Listing Rules and the Code, and information on the Group including the Company’s Annual Report and the detailed Group organisation structure.

The Company is responsible for funding and arranging regular training for the Directors from time to time, particularly on changes in the relevant laws, regulations and changing commercial risks to enable them to make well-informed decisions in carrying out their expected roles and responsibilities. Changes to regulations

and accounting standards are monitored closely by Management, and Directors are briefed during Board meetings or at specially convened sessions conducted by professionals, on regulatory changes that have any significant bearing on the Group’s or Directors’ obligations. Directors are provided with opportunities to attend appropriate courses, conferences and seminars.

In FY2024, the Company’s Directors attended training programmes by reputable providers such as the Singapore Business Federation, law firms, IRAS, ACRA, public accounting firms, CPA Australia and SID, covering a wide range of topics including audit committee matters, cybersecurity, board leadership in sustainability, climate risk reporting, workplace health and safety, and the SID Directors Conference 2024 among others. The Company also arranged for the Board to attend a focused discussion on climate scenario risk analysis.

Mr Chan Hon Chew, who has prior experience as a director of listed companies, was appointed as an ID on 6 March 2024 and he attended an induction programme conducted by the Company in April 2024.

Complete, Adequate and Timely Information

The Board has separate and independent access to Management. Management also keeps the Board apprised of the Group’s operations and performance by providing regular management reports. To ensure that the Board is able to fulfil its responsibilities, Management is required to provide complete, adequate and timely information to the Board on issues that require their decision. Whenever appropriate, employees or external advisors who can provide additional insight in the matters to be discussed are invited to attend the Board meetings.

Board papers and related materials are disseminated about one week in advance to the Board and the Board Committees, giving the Directors sufficient time to review the relevant information. In line with the Company’s sustainability efforts and for efficiency, the Company subscribes to a secure electronic board portal to electronically disseminate board papers and materials. Directors can access the board portal through a secure log-in process from any device, which eliminates the need to circulate hard copies. News articles and industry knowledge relevant to the Group’s businesses are also uploaded to the secure electronic board portal on a regular basis to keep Directors updated.

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Provision of Information to the Board

Information provided include board papers and related materials, background or explanatory information relating to matters, and copies of disclosure documents, budgets, forecasts and quarterly internal financial statements. Material variances between the actual results and forecast and budgets are also discussed and explained by Management to the Board. The Directors can ask for additional information as needed to make informed decisions.

Company Secretary

The Directors have separate and independent access to the Company Secretary. The role of the Company Secretary is crucial in facilitating the operations of the Board, including attendance at all Board meetings, preparation of the agenda and papers for meetings of the Board and Board Committees, taking and circulating minutes of meetings, sending the Board information relating to the Group as needed, advising the Board on corporate and administrative matters, ensuring that Board procedures are followed and that applicable rules and regulations including requirements of the Code, Companies Act, Securities and Futures Act and Listing Rules are complied with, facilitating orientation and assisting with professional development for the Board. The Company Secretary also ensures good information flow within the Board and Board Committees and between the Management and NEDs, advising the Board on all governance matters. In FY2024, the Company Secretary attended the AGM and all meetings of the Board and Board Committees.

The appointment and removal of the Company Secretary is subject to the approval of the Board as a whole.

Independent Professional Advice

In fulfilling their duties, the Directors may (individually or as a group), seek independent professional advice whenever necessary, at the Company's expense. This includes access to a reputable law firm which has been appointed by the Company as corporate governance advisor.

Board Composition and Guidance

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

Board Size and Composition

The Board comprised seven⁶ Directors in FY2024, the majority of whom are non-executive. The only Executive Director is the Group CEO.

There is a strong element of independence on the Board, as the IDs constitute a majority of the Board. The Board's decision-making process is not dominated by any individual or small group of individuals. While the Board Chair is a non-independent non-executive Director ("**NI-NED**"), the Company has complied with the Code's requirement for IDs to make up a majority of the Board and appointment of a lead ID ("**Lead ID**").

Each Director is required to complete a detailed self-assessment questionnaire on his/her independence annually. For FY2024, the questionnaires were premised on Rule 210(5)(d) of the Listing Rules, Provision 2.1 of the Code, and the circumstances set out in Practice Guidance 2. The NC assessed the questionnaires submitted and reported to the Board on its findings and recommendations.

For FY2024, four Directors provided declarations to confirm that they do not have any relationship with the Company or its related companies and its officers that could impair, interfere, or be reasonably perceived to interfere, with their judgement in the best interests of the Company, and are to be considered IDs. They are Mr Ramlee Bin Buang, Mr Shailesh Anand Ganu, Ms Ku Xian Hong and Mr Chan Hon Chew. The NC and Board observed many occasions where Mr Ramlee, Mr Ganu, Ms Ku and Mr Chan debated issues, objectively scrutinised and challenged Management, and provided impartial and autonomous views, and following deliberation, concurred that they are all independent. Each ID abstained from deliberations on his/her independence.

As Mdm Ee Choo Lin Diana has served the Board for more than nine years, with effect from 1 January 2022, she was re-designated as a NI-NED. Nonetheless, Mdm Ee continues to demonstrate strong independence in character and judgement, and provides impartial and autonomous views.

The Board concurred with the NC that its size and the size of each Board Committee is appropriate and facilitates effective decision-making, taking into account the scope and nature of the Group's operations.

⁶ During the period from 6 March 2024 (when Mr Chan Hon Chew was appointed) until just before the conclusion of the 25 April 2024 AGM (when Mr Samuel Gene Rhee retired), the Board comprised eight Directors.

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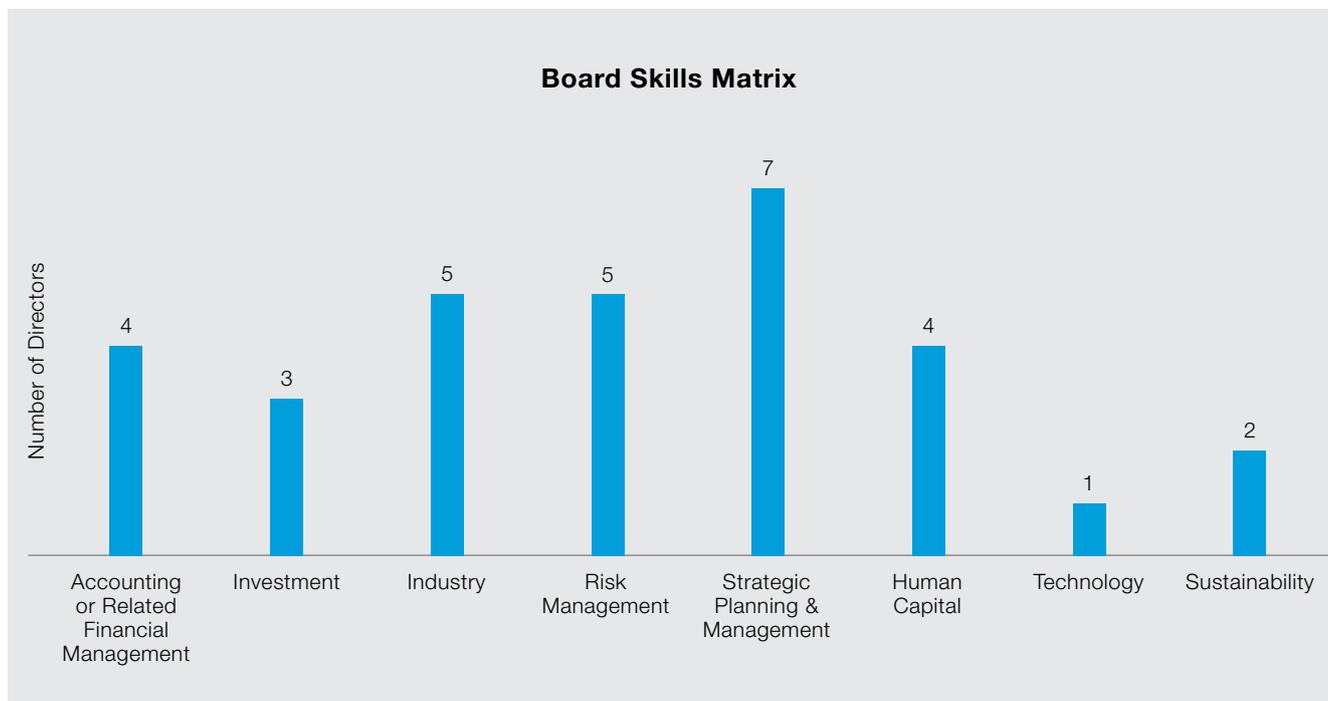
Board Competency and Diversity Policy

The Company is compliant with Rule 710A(2) of the Listing Rules. The Board comprises respected members of the business community, female and male, across diverse age ranges, with long and extensive experience in various fields, including real estate, engineering, hospitality, investment, corporate management, accounting, finance, human capital, risk management, technology, and sustainability. The Board finds the core competencies of the Directors, which include industry knowledge, strategic planning and customer-based experience, to be relevant and beneficial to the Group, both in the context of the Group's current plans and future strategy.

The 2025 Singapore Board Diversity Index monitored eight diversity attributes, being age, gender, industry experience, domain or functional expertise, international experience, cultural ethnicity, board independence and tenure of directors, and recognised listed companies with exemplar diversity standards across four or more of these attributes. The Company is pleased to be recognised as one of six Mid-Cap companies recognised in this Index.

When deciding on the appointment of new directors to the Board, the NC and the Board will consider various factors such as scope and nature of the Group's operations, skills, knowledge, experience, gender, age and competencies of the candidates that are required on the Board and Board Committees, conflicts of interest, time commitments, the prevailing Board Skills Matrix, the Board Succession Planning Policy and the Board Diversity Policy. The Board Skills Matrix was formalised in FY2023, along with a list of the knowledge/skillsets and expertise desired of the Board.

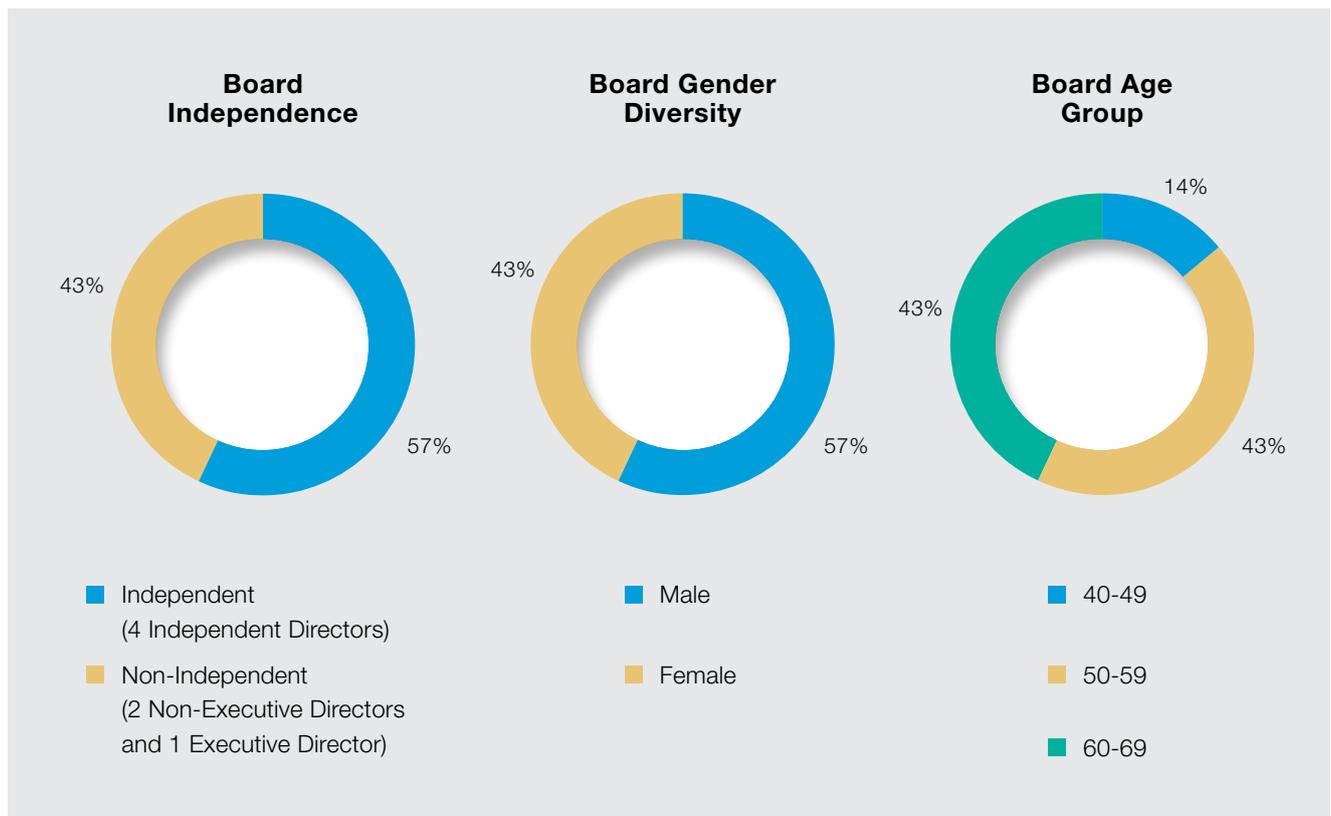
The Board Diversity Policy was established since 2018 as the NC and Board firmly believe that board diversity enhances decision-making capability and fosters constructive debate. The Board agreed that diversity is a wide-ranging concept and covers aspects ranging from industry knowledge, professional experience, educational qualifications, gender, age, ethnicity and nationality, among others. While all appointments to the Board will continue to be made based on merit, in making recommendations on Board appointments, the NC will consider all aspects of diversity to achieve an optimal composition for the Board.



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The Board Diversity Policy sets out two specific targets addressing age and gender, and the practical measures which may be implemented to meet such targets. The age target is to have directors of different age ranges (so that the Board will not consist of directors only in a particular age band). The gender target is for women to comprise at least 30% of the Board –

this was increased from the original 20% target when the Board Diversity Policy was updated in February 2024. Both targets were met and maintained throughout FY2024 and to-date. A profile of each Director is found in the “Board of Directors and Management” section of this Annual Report.



Role of NEDs

The NEDs are well-supported by accurate, complete and timely information from Management. They engage in open and constructive debate and challenge Management on its assumptions and proposals, which are fundamental to good corporate governance. They aid in the development of growth strategies and oversee effective implementation by Management to achieve set objectives. They also monitor the performance of the Group.

NEDs have unrestricted access to Management. When NEDs are unable to attend any Board or Board Committee meetings, they may provide their comments to the Chair of the Board or the relevant Board Committees separately. The NEDs constructively challenge and help develop proposals on strategy formulated by Management. They also review the performance of Management in meeting agreed goals and objectives and monitor the reporting of financial and operational performances.

Meetings of NEDs, and of IDs, without the presence of Management

In FY2024, the NEDs met regularly without the presence of Management, and discussed matters ranging from internal audit and external audit matters to the performance of Management.

In FY2024, the IDs, led by the Lead ID, met periodically without the presence of other Directors and Management and discussed matters including succession planning and remuneration, and where appropriate they provided feedback to the Board Chair after such meetings.

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Chair and Chief Executive Officer

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

Separate Persons Acting as Chair and Group CEO

The roles and responsibilities of the Chair and the Group CEO are distinct and separate to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making. The division of responsibilities between the Chair and the Group CEO are clearly established in the Group's CG Policy Manual. The Chair and the Group CEO are not related family members. The Chair and the Group CEO are also not related to any substantial shareholder of the Company.

Roles of Chair

Ms Koh Kah Sek assumed the role of Chair on 18 April 2022. The Chair is responsible for leading the Board and ensuring the effectiveness and governance of the Board and Board Committees.

The other roles of the Chair include the following:

- a) schedule meetings that enable the Board to perform its duties responsibly while minimising disruptions to the Company's operations;
- b) ensure sufficient allocation of time for thorough discussion of Board meeting agenda items;
- c) promote an open environment for debate at the Board;
- d) foster constructive dialogue between shareholders, the Board and Management at AGMs and other shareholders' meetings;
- e) encourage constructive relations within the Board and between the Board and Management;
- f) ensure that NEDs are able to speak freely and contribute effectively; and
- g) promote high standards of corporate governance.

Roles of Group CEO

Mr Alan Tang Yew Kuen was appointed as the Group CEO on 1 January 2020. The roles and responsibilities of the Group CEO are clearly defined in his service contract with the Company and includes managing and supervising the day-to-day business operations in accordance with the strategies, policies and business plans approved by the Board.

Lead ID

The Company has a Lead ID as the Chair is not an ID. Mr Ramlee Bin Buang was appointed as Lead ID on 1 January 2023. The Lead ID is a key member of the Board, providing leadership in situations where the Chair is conflicted, representing the views of the IDs, offering a confidential channel for the NEDs to discuss any concerns, and facilitating communication between shareholders, the Chair and the Board.

Shareholders with concerns may contact the Lead ID directly if contact through the normal channels via the Chair or Management is inappropriate or has failed to provide satisfactory resolution. The Lead ID's email address is lead_independent_director@fareastorchard.com.sg, which is also listed on the Company's website.

Board Membership

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

NC Composition and Key Terms of Reference

During FY2024, the NC comprised three NEDs, the majority of whom, including the NC Chair, are independent. In FY2024, the Lead ID was a NC member.

FY2024 NC Composition

Ms Ku Xian Hong (ID) as NC Chair
Mr Ramlee Bin Buang (Lead ID)
Ms Koh Kah Sek (NI-NED)

The composition of the NC was refreshed from the conclusion of the last AGM on 25 April 2024, when ID Mr Samuel Gene Rhee retired, Ms Ku was appointed as the NC Chair and Mr Ganu stepped down as a member of NC.

The principal functions of the NC under its terms of reference are to:

- a. identify and nominate new Directors for appointment to the Board and Board Committees, after evaluating factors such as the candidate's experience, knowledge, skills, age and gender in relation to the needs of the Board, whether the candidate will add diversity to the Board having regard to the Board Diversity Policy and Board Skills Matrix, the composition and progressive renewal of the Board and Board Committees, and whether it is ideal to appoint an independent third-party search firm to source and screen candidates;

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- b. develop and maintain a formal and transparent process for the appointment of new Directors to the Board, which includes disclosing to the Board the channels used in searching for candidates, and the criteria used to identify and evaluate the candidates;
- c. provide nominations for the re-appointment of a Director having regard to the Director's performance, tenure, commitment and ability to continue contributing to the Board, and how the Director will fit in the overall competency, performance, diversity of the Board and Board Skills Matrix;
- d. recommend retirement of Directors at regular intervals and arrange all Directors to submit themselves for re-nomination and re-appointment at least once every three years in accordance with the Listing Rules;
- e. identify and develop training and professional development programmes for the Board and Board Committees, and review these annually;
- f. provide the Board with succession plans for the Chair and Directors and KMP;
- g. review the independent status of NEDs and assess the independence of the Directors annually having regard to the Listing Rules, the Code, and the Practice Guidance, among others;
- h. review the appropriate structure, composition and size of the Board and Board Committees for effective decision-making and constructive debate;
- i. develop and maintain a formal annual assessment process and objective performance criteria to evaluate the effectiveness of the Board, its Board Committees and the contribution by each Director (including the Chair) to the effectiveness of the Board, and to analyse the findings of the performance evaluation forms submitted; and
- j. provide a reasoned assessment of a Director's ability to diligently discharge his/her duties where such Director holds a significant number of listed company directorships and principal commitments.

In FY2024, the NC held two meetings. In those meetings, the NC carried out all its principal functions as listed above. After each NC meeting, the NC Chair provided updates and relevant recommendations to the Board.

Board Renewal, Roles and Responsibilities

The Board's renewal is an on-going process, to ensure good governance and to maintain relevance to the business as well as the changing needs of the Group. New Directors are appointed by way of a Board Resolution, after the NC recommends their appointments.

The Board Succession Planning Policy together with a Board Skills Matrix and the Board Diversity Policy serves as a guide to the NC in the identification, nomination and appointment of new directors and re-nominating Directors to the Board. The annual performance evaluations of individual Directors are considered by the NC when nominating Directors for re-election. The Board Succession Planning Policy and Board Diversity Policy are regularly reviewed and were updated in FY2024 to reflect an increase in the gender diversity target for the Board. The Board Skills Matrix was also updated in FY2024 when the Board composition was refreshed following the appointment of Mr Chan and the retirement of Mr Rhee.

Throughout FY2024 and to-date, IDs continue to make up a majority of the Board.

The NC is charged with the responsibility of re-nominating the Directors. The Company's Constitution requires one-third, or the number nearest to one-third of the Directors, to retire from office. The Directors to retire every year are those who have been longest in office since their last election. In line with SGX Listing Rule 720(5), all Directors are required to submit themselves for re-nomination and re-election at least once every three years. In addition, a newly appointed Director will hold office only until the next AGM at which he/she will be eligible for re-election.

Each NC member abstains from voting on any resolution, making any recommendation and/or participating in matters where he/she is the subject or interested in.

Directors who are subject to retirement by rotation in accordance with the Company's Constitution and who are seeking re-election at the forthcoming AGM scheduled on 25 April 2025, are named in the Notice of AGM on page 158 of this Annual Report.

Review of Directors' Independence

The NC conducts an annual review of the independence of each Director, with full regard to the Listing Rules, the Code, the Practice Guidance and having considered the self-assessment of independence submitted by each Director to the NC, details of which were explained above. The NC provides its views on the independence of the Directors to the Board for consideration. The NC is also committed to reassessing the independence of each individual Director as and when warranted. Directors are required to notify the Board of any changes to their external appointments, interests in shares, and other relevant information which may affect their independence.

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Based on the review for FY2024, the Board concurred with the NC that Mr Ramlee Bin Buang, Mr Shailesh Anand Ganu, Ms Ku Xian Hong and Mr Chan Hon Chew are independent.

Multiple Board Representations

When a Director has multiple board representations or principal commitments, the NC also considers whether or not the Director is able to and has adequately carried out his/her duties as a Director of the Company. The NC will consider factors such as the degree of participation by a Director at meetings and in considering issues, and the quality of contributions made by a Director, as well as attendance since Board and Board Committee meetings are scheduled in advance to facilitate the Directors' scheduling of their commitments.

Since FY2023, the NC and Board agreed on a guideline of a maximum of four other directorships in unrelated listed companies for each Director, noting the significant time commitment required of directors on listed companies. Through FY2024 and to-date, there were no Directors who exceeded this internal guideline limit. In FY2024, three Directors held one other directorship in unrelated listed companies. The NC reviewed each Director's other directorships, principal commitments, attendance, performance and contributions to the Board, and noted the full attendance of all Directors at the AGM, all scheduled Board meetings and all Board Committee meetings. The NC is satisfied that all Directors have given sufficient time and attention to the Company's matters and have diligently discharged their duties.

Appointment of Alternate Director

The Company did not have any alternate director on its Board during FY2024. The Company discourages the appointment of alternate directors as it is an indication that the principal director is not able or prepared to commit the time required for the Company's affairs.

Nomination and Selection of Directors

The Board Succession Planning Policy, guided by the Practice Guidance, supported by a service tenure chart of the Board and a checklist process, guides the NC in the identification, nomination and appointment of new Directors to the Board and relevant Board Committees, if applicable. The various factors to be considered by the NC when identifying and evaluating potential new directors are set out therein. The criteria include relevant experience, skillsets, qualifications, whether they have the calibre to contribute to the Group and its businesses, whether they complement the skills, competencies and

attributes of the existing Board, and their independence status. The NC will also consider the Company's current Board in terms of its size, composition, collective skills, experience, diversity, tenure, the Board Skills Matrix, and the targets in the Board Diversity Policy. The NC will also assess whether a Director's resignation from the board of any company casts any doubt on his/her qualification and ability to act as a Director of the Company.

Potential new directors are shortlisted after conducting external searches and/or tapping on internal resources and referrals from existing Directors. The potential candidates are required to provide their curriculum vitae and the following key information to the NC: (a) any relationships including immediate family relationships between the candidate and the Directors, the Company or its 5% shareholders; (b) a list of all current directorships in other listed companies; (c) details of other principal commitments; and (d) any shareholding (including immediate family's shareholding) in the Company and its related corporations.

The NC meets with each shortlisted candidate personally to assess suitability and to ensure that the candidate is aware of the expectations and the level of commitment required. Thereafter, the NC makes a recommendation to the Board for approval.

During FY2024, as part of the Board renewal exercise, the NC conducted the search of potential candidates for Board appointments. The exercise is guided by the Board Succession Planning Policy, supported by the service tenure chart of the Board, the checklist process, the Board Skills Matrix and the Board Diversity Policy. After identifying several candidates through referrals, the NC evaluated them based on the established criteria and eventually shortlisted Mr Chan Hon Chew, and recommended him to the Board for approval. As Mr Chan was appointed on 6 March 2024, he retired per the Company's Constitution, and was re-elected, at the last AGM on 25 April 2024.

Key Information of Directors

Key information regarding the Directors including academic and professional qualifications, membership or chairmanship in the Group's Board Committees, date of first appointment and last re-appointment, directorships or chairmanships both present and those held over the preceding three years in other listed companies and other principal commitments are listed in the "Board of Directors and Management" section of this Annual

CORPORATE GOVERNANCE

Report. Information on the Directors is also available on www.fareastorchard.com.sg/board-of-directors-and-management.html.

Board Performance

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

Board Evaluation Process

The responsibilities of the NC include evaluating the performance and effectiveness of the Board, the Board Committees and the contribution by the Chair and each Director, based on a set of criteria. The Board and each Board Committee carefully considered the sample evaluation forms in SID's NC Guidebook before preparing separate forms for evaluation of the Board, the ARC, the RC and the NC. These forms were specifically designed to focus on the specific roles and performance of the Board and each Board Committee.

The annual evaluation process involves each Director completing performance evaluation forms on the Board and each relevant Board Committee on which he/she is a member of, including the chair of such Board Committee. Each Director is also to complete a self-assessment performance evaluation form. Directors are encouraged to provide comments or suggestions for improvement in these forms.

The results of the performance evaluations are taken into consideration when the NC conducts its regular review in consultation with the Board Chair, on the appropriate composition for the Board and Board Committees and whether it would be appropriate or beneficial to propose changes to such composition.

The Company subscribes to a secure electronic board portal and utilises its survey tools to conduct the annual evaluation process. The findings from the performance evaluation forms are collated and presented by the Company Secretary to the NC for review. The NC considers the actions appropriate or beneficial to improve the corporate governance and effectiveness of the Board and Board Committees, before it presents the results of the evaluation exercise and its recommendations to the Board. The NC and the Board deliberated and agreed that in FY2024 the Board and each Board Committee was effective, and that the Board Chair and each individual Director have contributed to the effectiveness of the Board.

The NC agreed that there was no need to appoint any external facilitator to assist in the assessment for FY2024 and that it will suffice for the NC Chair to speak with the Directors individually on how to improve effectiveness of the Board and Board Committees.

Board and Board Committee Performance Criteria

The Board and each Board Committee are evaluated on a range of criteria including competencies, attendance, guidance provided in relation to the Company's performance, degree of preparedness, participation and candour of Directors, contribution to effective risk management, timeliness in response to resolution of issues, adequacy and conduct of Board and Board Committee meetings, engagement and collaboration, independence and objectivity, succession planning, and communication lines with Management and shareholders.

The Board is committed to guide the Company towards achieving its growth targets identified in the Company's 5-year business plan.

Individual Director Evaluation

For FY2024, the NC took note of each Director's attendance and preparation for Board and relevant Board Committee meetings, constructive participation in discussions, and application of skillset to the decision-making process. When assessing the contribution of each individual Director to the Board, each NC member abstains from assessing on his/her own performance as a Director to avoid any conflict of interest.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

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

RC Composition and Key Terms of Reference

During FY2024, the RC comprised three NEDs, the majority of whom, including the RC Chair, are independent.

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FY2024 RC Composition

Mr Shailesh Anand Ganu (ID) as RC Chair

Mdm Ee Choo Lin Diana (NI-NED)

Ms Ku Xian Hong (ID)

The composition of RC was refreshed at the conclusion of the last AGM held on 25 April 2024, following the retirement of Director Mr Rhee and Ms Ku's appointment as a RC member.

The principal functions of the RC under its terms of reference are to:

- a. review and recommend to the Board, a formal and transparent procedure for determining the remuneration of the Company's Directors, including NEDs and the Executive Director(s);
- b. review and recommend to the Board, a remuneration framework for Directors' fees (covering all aspects of remuneration) and the appropriateness of remuneration awarded to attract, retain and motivate Directors, having regard to factors including but not limited to the effort, time spent and responsibilities of the Director;
- c. review and recommend to the Board, a remuneration framework for KMP (including the Group CEO), with remuneration packages designed to align interest with shareholders and the Company's long-term goals, promoting long-term corporate value creation;
- d. review and recommend to the Board, proposed performance measures and targets for any performance-related pay schemes operated by the Company, and specific remuneration packages for each KMP covering all aspects of remuneration, including but not limited to salaries, allowances, bonuses, options and long-term incentives;
- e. review the design of all short-term and long-term incentive plans for approval by the Board and shareholders, with consideration of the use of long-term incentives such as share schemes (if appropriate) for KMP;
- f. review the level and structure of pay and employment conditions for KMP relative to internal and external peers from companies in the same industry to ensure that KMP are appropriately remunerated;
- g. oversee any major changes in employee benefits or remuneration structures and review the ongoing appropriateness and relevance of the Company's remuneration policy; and
- h. ensure that contractual terms and any termination payments for KMP are fair to the individuals and to the Company, and that poor performance will not be rewarded.

In FY2024, the RC held two meetings, during which the RC carried out all its principal functions as listed above.

RC's Access to Advice on Remuneration Matters

The RC has access to appropriate advice from the Head of Human Resources, who is invited to all RC meetings. The RC may also seek external expert advice on the remuneration of Directors and employees as and when the need arises. In its deliberations, the RC takes into consideration industry practices and norms in compensation, the Group's relative performance to the industry, and the performance of individual Directors.

Remuneration Framework

The RC reviews and recommends to the Board a general framework of remuneration for the Board as well as the entire Group, with a goal to recruit, motivate and retain employees through competitive compensation. The RC annually reviews the overall annual increment and bonus framework for Group employees, before putting forth its recommendations to the Board for approval.

The RC reviews and recommends to the Board the specific remuneration packages for the Executive Director/Group CEO and the other KMP upon recruitment. Subsequently, various aspects of their remuneration will be reviewed by the RC for recommendation to the Board from time to time, and the Board will annually assess their performance and approve their remuneration.

Individual Directors do not participate in any decisions concerning their own remuneration.

The Directors' Fees framework is evaluated for appropriateness, taking into account the level of contribution, the responsibilities and obligations of the Directors, the prevailing market conditions, the most recent bench-marking report (if any) and referencing the Directors' Fees against comparable and independent benchmarks. Bench-marking study is conducted to ensure that the remuneration structure for the Board is appropriate to attract, retain and motivate the Directors to provide good stewardship to the Company. The most recent bench-marking study was done independently by Mercer in FY2024 through to FY2025 on the remuneration of NEDs. The RC has reviewed and recommended to the Board the updated framework. After considering the RC's recommendation, the Board approved the revised Directors' Fees framework effective from FY2025. The revised Directors' Fees framework is presented under Principle 8 of this Report.

CORPORATE GOVERNANCE

Service Contracts

The RC has reviewed the Company's obligations arising in the event of termination of the Executive Director/Group CEO and other KMP's service contracts and is of the view that such service contracts contain fair and reasonable termination clauses which are not overly generous nor reward poor performance.

Level and Mix of Remuneration

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

Remuneration of Executive Director and KMP

The Company has one Executive Director who is the Group CEO, Mr Alan Tang Yew Kuen. He does not receive any Directors' fees, as his Group CEO remuneration package is inclusive of his executive directorship responsibilities. The identities of the top five KMP (who are not Directors or the Group CEO) are set out in Principle 8.

The service contracts of the Company's Executive Director/ Group CEO and the other top five KMP comprise both fixed and variable components. The fixed component comprises base salary, fixed allowances, and central provident fund contributions. The variable component comprises a cash-based annual short-term incentive (that is performance-related and is linked to the Company's and the individual's performance) and a long-term incentive scheme as detailed below. In structuring their remuneration packages, the RC and Board take into account the performance of the Group and the individual, and risk policies of the Group, so as to be symmetric with risk outcomes and sensitive to the time horizon of risks. The variable components are designed to align remuneration with the interest of shareholders and to promote the long-term success of the Group.

The RC and Board annually assess and evaluate the performance of the Group CEO and other top five KMP with reference to the performance metrics tied to the Group's long-term strategic objectives. The RC and the Board have deliberated and are assured that the current level and structure of the remuneration of the Company's Executive Director/ Group CEO and the other top five KMP are aligned

with the interest of shareholders, long-term success and risk management policies of the Company, and are appropriate to retain and motivate them to successfully manage the Group for the long-term.

Long-term Incentive ("LTI")

The Group has a LTI scheme for KMP and selected senior executives. Through the LTI scheme, the Group seeks to drive long-term business value creation, and ensure the alignment of longer-term interests among the LTI participants and those of shareholders and stakeholders. Through the LTIs, the Group seeks to motivate and retain key talents that are responsible for achieving the Group's long-term objectives.

The LTIs are cash-based, with a forward-looking three-year performance period, and performance metrics tied to the Group's long-term strategic objectives. Since FY2023, the LTI includes ESG targets to achieve the Group's long-term strategic sustainability objectives. Aligned with strong pay-for-performance principles, LTI outcomes are not guaranteed, and are subject to the achievement of stretched goals and long-term priorities set by the Board. As the LTIs are cash-based, they do not dilute the current shareholders of the Company. The Group does not have any employee share scheme.

Remuneration of NEDs

NEDs are paid a base retainer fee that varies depending on whether he/she serves as Board Chair, or as an ID or a NI-NED. The NEDs receive additional fees if they serve as the Lead ID or as a chair or member of the various Board Committees. NEDs do not receive any variable incentives or equity grants. The remuneration framework and fee structure are presented under Principles 6 and 8 of this Report.

At the AGM of each financial year, the Company will seek shareholders' approval for the aggregate of the fees that may be paid to the Board in such financial year ("**Directors' Fees**"). NED fees were last revised in FY2019. Following the recent independent bench-marking study on the remuneration of NEDs, a sum of up to S\$560,000 as total pool for the NED fees for FY2025 will be recommended by the Board for shareholders' approval at the forthcoming AGM.

The RC is of the view that the remuneration is appropriate to attract, retain and motivate the NEDs and they are not over-compensated to the extent that their independence and objectivity may be compromised.

CORPORATE GOVERNANCE

Contractual Provisions for Executive Director and KMP

The Company's LTI scheme contains contractual provisions to reclaim vested or cancel unvested amounts from all LTI participants including the Executive Director/Group CEO and other KMP in the event of a breach of obligations, laws or regulations. There are no excessively lengthy or onerous removal clauses in their service contracts.

Disclosure on Remuneration

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

Annual Remuneration Report

For FY2024, there were no termination, retirement or post-employment benefits granted to any Director or KMP. The breakdown of the remuneration of Directors and KMP for FY2024 is reported below.

Disclosure of Directors and Group CEO's Remuneration

Breakdown of Level and Mix of Directors' Fees

Save for Directors' Fees, the Directors do not receive any other form of remuneration or payment from the Company. A breakdown showing the level and mix of the Directors' Fees for FY2024 and FY2025 is appended below:

	Fees Per Approved Framework for FY2024 (S\$)	Fees Per Revised Framework Effective FY2025 (S\$)
Base Retainer Fee:		
Board Chair	70,000	70,000
ID	40,000	50,000
NI-NED	40,000	50,000
Executive Director	Nil	Nil
Lead ID	17,000	17,000
Board Committees:		
Audit & Risk Committee		
- Chair	38,500	38,500
- Member	19,000	19,000
Remuneration Committee		
- Chair	14,000	17,500
- Member	7,500	9,500
Nominating Committee		
- Chair	14,000	17,500
- Member	7,500	9,500

CORPORATE GOVERNANCE

If a NED is nominated by the Company to the board of a JV company, or a company in which the Group has shareholding interests, the RC will recommend to the Board for approval, additional Director fees, with the quantum dependent on the level of activities and responsibilities.

Breakdown of Directors' Fees received by each Director

A further breakdown of the aggregate Directors' Fees received by each Director for FY2024 is appended below.

Name of Director	Aggregate Director Fee (S\$)
Koh Kah Sek	77,500
Ramlee Bin Buang	103,000
Alan Tang Yew Kuen	Nil
Ee Choo Lin Diana ⁽¹⁾	115,182
Shailesh Anand Ganu	56,391
Ku Xian Hong	60,763
Chan Hon Chew	45,856
Samuel Gene Rhee ⁽²⁾	19,601

Notes:

⁽¹⁾ The Directors' Fees received by Mdm Ee include fees for her directorships on the board of FEHH (S\$10,000), Toga Hotel Holdings Pty Limited (director and member of the ARC of the trustee board) (S\$25,000), and Homes for Students Limited (S\$20,000).

⁽²⁾ Mr Rhee retired as a Director of the Company at the conclusion of the last AGM held on 25 April 2024.

Disclosure of Remuneration of the Group CEO

The remuneration of the Group CEO for FY2024 is disclosed as follows:

Group CEO	Base Salary ⁽¹⁾ (S\$)	Short-term Incentives (S\$)	Long-term Incentives ⁽²⁾ (S\$)	Benefits-in- kind (S\$)	Total (S\$)
Alan Tang Yew Kuen	626,292 (54.5%)	229,122 (20.0%)	235,232 (20.5%)	57,576 (5.0%)	1,148,222 (100.0%)

Notes

⁽¹⁾ Inclusive of allowances and Central Provident Fund contributions.

⁽²⁾ LTI amount is the value of contingent award granted in 2024. Payment is not guaranteed, and is subject to achievement of performance conditions over the period from 1 January 2024 to 31 December 2026.

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Disclosure of Remuneration of KMP

The compensation of the KMP consists of salary, allowances and bonuses. Bonuses are conditional upon the KMP and the Group meeting certain performance targets. A proportion of the remuneration of the KMP is linked to the Group and individual performances.

The Group has determined that it has five KMP (who are not Directors or the Group CEO) in FY2024. The aggregate of the total remuneration paid to them is S\$2,599,348. Their remuneration is also disclosed in percentage terms and in bands of S\$250,000 as follows.

KMP	Designation	Base Salary ⁽¹⁾	Short-term Incentives	Long-term Incentives ⁽²⁾	Benefits-in-kind
		%	%	%	%
S\$750,000 - S\$999,999					
Kiong Kim Hock Arthur	CEO, Far East Hospitality				
S\$500,000 - S\$749,999					
Joanna Gok Yin Yin	CFO				
S\$250,000 - S\$499,999					
Mark Rohner ⁷	Chief Operating Officer, Far East Hospitality	78.5%	7.9%	10.7%	2.9%
Audrey Chung Suet Cheng	Deputy Director and Head of Global Sales & Marketing, Far East Hospitality				
Tan Thiam Soon	Head of Human Resources				
S\$249,999 and below					
Gill Ishwinder Singh ⁸	Chief Operating Officer, Far East Hospitality				

Notes:

⁽¹⁾ Inclusive of allowances and Central Provident Fund contributions.

⁽²⁾ LTI amount is the value of contingent award granted in 2024. Payment is not guaranteed, and is subject to achievement of performance conditions over the period from 1 January 2024 to 31 December 2026.

No Employees with Relationships with a Director or the Group CEO or Substantial Shareholder of the Company

None of the Company's substantial shareholders are employees. There are no Company employees who are an immediate family member of a Director or the Group CEO or a substantial shareholder of the Company.

Relationships between Remuneration, Performance and Value Creation

The Company considers the achievement of sustainable income and long-term capital growth, and the provision of

consistent and sustainable ordinary dividend payments on an annual basis, to be value creation for its shareholders. The Group also views the continuous enhancement of its sustainability practices to be value creation for its stakeholders.

The variable component of the remuneration of the Executive Director/Group CEO and other KMP is tied to certain performance conditions of the Group, including financial targets such as revenue and profit, and non-financial targets such as guest/customer satisfaction levels and sustainability targets. These performance conditions align the Executive Director/Group CEO and other KMP with the short-term and long-

⁷ Mr Mark Rohner was appointed Chief Operating Officer of Far East Hospitality on 1 July 2024.

⁸ Mr Gill Ishwinder Singh was Chief Operating Officer of Far East Hospitality until his departure on 21 June 2024.

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term interests of the Group. The variable component of their remuneration was paid in accordance with those performance conditions which were met.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

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

Accountability of the Board and Management

The Board conducts itself in ways that deliver optimal sustainable value to the shareholders based on available information. The Board promotes best practices in providing timely and full disclosure of material information in compliance with the statutory reporting requirements. The Board is accountable to shareholders and is responsible for providing a balanced and understandable assessment of the Group's performance, position and prospects through SGXNet announcements on a half-year and full-year basis as well as timely announcements of other matters as prescribed by the relevant rules and regulations.

The half-year unaudited financial results and full-year results of the Group for FY2024 were announced within the deadlines prescribed by the Listing Rules. In addition, the Company also provides voluntary interim business updates.

Compliance with Legislative and Regulatory Requirements

In preparing the financial statements, the Board has selected suitable accounting policies and applied them consistently. The Board has made judgements and estimations that are reasonable and prudent and ensures that all applicable accounting standards have been followed.

The Board has taken adequate steps to ensure the Company's compliance with legislative and regulatory requirements, including requirements under the Companies Act and Listing Rules, for instance, by publishing its annual report, holding its AGM and making announcements of material corporate developments in a timely manner within required deadlines. Announcements are reviewed and approved by the Board before they are published. Relevant policies are also instituted, for example, the Company has a Personal Data Protection Policy and appointed data protection officers to oversee compliance with relevant data protection regulations in Singapore and overseas.

The Group has put in place a procedure to screen relevant identified entities and/or individuals dealing with the Group for compliance with the applicable sanction laws and regulations.

The Company confirms that undertakings under Rule 720(1) of the Listing Rules have been obtained from all its Directors and Executive Officers (as defined in the Listing Rules) in the format set out in Appendix 7.7 of the Listing Rules.

Management Accounts

Management provides the Board with management accounts on a quarterly basis and other information in connection with matters or transactions which require Board approval. In this way, the Board is kept abreast of the operations, financial performance, position and prospects of the Group.

Risk Management and Internal Control Systems

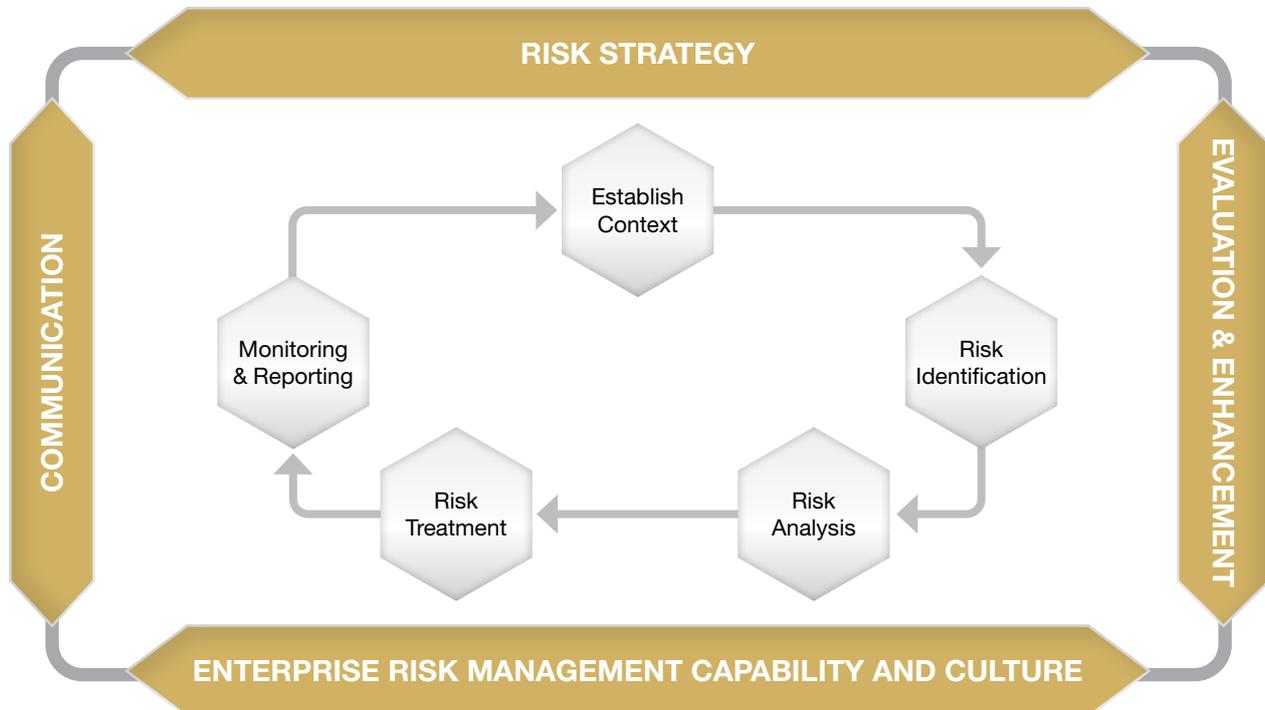
The Company has in place a sound system of risk management and internal controls, addressing material strategic, financial, operational, compliance, technological and sustainability risks to safeguard stakeholders' interests and the Group's assets.

The Board is responsible for risk governance, determines the Company's levels of risk tolerance and risk policies, and oversees the design, implementation and monitoring of the Company's risk management and internal control systems. The Group refers all significant matters to the ARC and the Board.

The Group's ERM framework integrates with ESG (being environmental, social and governance areas) to assure consistent and robust risk management practices across our areas of operations. The ERM framework sets out the appropriate risk mitigation strategy for different aspects of business risks and prescribes a zero tolerance towards non-compliance with laws and regulations, disregard for health and safety requirements, corruption, bribery, graft and fraudulent activities. It provides Management with a formal framework and structure to systematically identify risks and optimise available resources to mitigate any residual risks. The ERM framework encompasses an evaluation process to determine its adequacy and effectiveness; and accords appropriate improvements to the framework and process where relevant. The framework is reviewed annually taking into consideration the changing business landscape, strategy and expansion of the Group's operations. References were drawn from the Corporate Governance Council Risk Governance Guidance for Listed Boards (issued in 2012) and ISO 31000 (Risk Management Principles and Guidelines) when conceptualising this framework.

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ERM Process



The Group has established a risk matrix system where the key classes of risk are assessed and ranked, having regard to the likelihood of occurrence and the impact to the Group. The ARC and Board review the key risks of the Group quarterly. The key risks identified by the Group may be broadly categorised into the following:

Strategic Risks

The risks facing the Group are multi-fold which include changes in external market conditions such as oversupply of properties, competitive pricing in the market and drop in visitor arrivals or student numbers due to political instability, terrorism, health warnings and manpower shortage. The Group's approach to strategic risk management is based on taking a proactive approach with regular reviews of markets and other external risk drivers such as macroeconomic trends and geopolitical developments which influence our operating geographies and business segments or asset classes. Any relevant ongoing topical matters are discussed at quarterly MRSC, ARC and Board meetings.

Financial Risks

The Group's activities are affected by various financial risks, including interest rates, foreign exchange, credit ratings and liquidity. We manage our liquidity and access to funds actively.

Refer to Notes to the Financial Statements ("**Note**") 34 for details of each risks.

Operational Risks

Operational risks include workplace health and safety matters, operational incidents, increase in operating costs, and the necessity for capital expenditure from time to time. Additionally, our contracts and partnerships expose us to third-party related risks, which we monitor periodically. The Group's key operational risk matters are reviewed quarterly by the Board, ARC and MRSC and specific aspects are summarised in the Sustainability Report.

Compliance Risks

The Group faces compliance risks such as changes to government policies, rules and regulations relating to the hospitality and property businesses within the jurisdictions where the Group operates. The Group monitors such risks closely and any incidents or key matters are discussed at quarterly MRSC meetings and further escalated to both ARC and Board where appropriate.

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Technological Risks

Failure of critical IT systems could potentially disrupt the Group's business activities. Confidential information, such as customers' personal data may be at risk of cyber-attacks. The Group continuously reviews its IT systems, security and related policies and processes to enable necessary enhancements to mitigate such risks. Key risk indicators and matters relating to IT and cybersecurity risks are reviewed quarterly by the MRSC and ARC.

Sustainability Risks

Sustainability related risks covering key ESG matters are monitored and discussed at quarterly MRSC meetings and reported to the ARC and Board. The Group recognises the importance of its ESG obligations and associated risks including physical and transition risks related to climate change occurring in our operating geographies. We take many active measures in response to these risks all of which are detailed in the Sustainability Report.

Management undertakes regular reviews of the Group's performances and conducts horizon scanning in order to identify and assess current and future risks related to the aforementioned risk categories. Any risks falling outside of these categories or have yet to fully emerge or materialise are separately identified and tracked as "emergent risks" in our quarterly discussions. Based on these reviews, Management employs reasonable endeavours in ensuring that all these risks are within limits and strategies approved by the Board.

Adequacy and Effectiveness of Risk Management and Internal Control Systems

The Board oversees quarterly the adequacy and effectiveness of the Group's risk management and internal control systems.

The ARC assists the Board in determining the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives. The ARC considers the nature of the risks facing the Group and the extent to which

these risks are acceptable, the likelihood of risks materialising and the Group's ability to reduce their occurrence and/or impact on the business, and the cost versus the benefit of managing the risks. The ARC ensures that the internal auditors conduct reviews of the Group's internal controls, addressing material strategic, financial, operational, compliance, technological, and sustainability risks and their relevant associated controls. The process of risk management and financial management are also assessed.

The ARC is supported by the MRSC, which is headed by the Group CEO and comprises relevant KMP and senior executives across different business divisions within the Group as committee members. The MRSC supports the ARC in driving the risk management and sustainability efforts. The Group CEO and the CFO will also assess the reports from the internal auditors, external auditors and the MRSC before providing relevant assurance to the ARC and Board.

The Group has put in place BCPs across business units. The BCP involves systems of response and recovery to ensure business operations can continue to operate normally and disruptions are minimised when certain events occur. The Group has a Crisis Management ("CM") Policy covering areas ranging from response plan to communications framework. The CM Policy was approved by the ARC and the Board after an in-depth review. Both the BCPs and CM framework are part of the Group's ERM, supported by the MRSC and overseen by the ARC and Board.

The following are some of the policies instituted and activities conducted to ensure that the Company's risk management and internal control systems are adequate and effective. They include policies to ensure the health, safety and welfare of the Group's employees. The Group regularly provides training for employees in various areas including but not limited to personal data protection, competition law, operational risk management, and IT risks and prevention. For key trainings, employees are tested to ensure they understand and can apply the training in their daily work.

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Strategic Risks	<ul style="list-style-type: none"> a) CG Policy Manual b) ERM & Sustainability Manual c) BCPs d) Whistle-blowing Policy e) CM Policy
Financial Risks	<ul style="list-style-type: none"> a) Foreign Currencies & Control Procedures, Including Forex Monitoring & Hedging b) Interest Rate Hedging Policy
Operational Risks	<ul style="list-style-type: none"> a) HSSE Policy b) Emergency Response Plan and Drills c) Service Quality Audits d) Workplace Safety & Health Risk Assessment Procedures Manual e) Employee Safety Handbook f) Code of Conduct
Compliance Risks	<ul style="list-style-type: none"> a) Annual Declaration of Potential Conflicts of Interest b) Anti-Bribery and Corruption Policy c) Company's Code of Conduct and Employee Handbook covering: <ul style="list-style-type: none"> – Compliance with Competition Act – Usage of Social Media d) External and Internal Audits e) Securities Trading Policy f) Board Diversity Policy g) Dividend Policy
Technological Risks	<ul style="list-style-type: none"> a) Information Security Management Policy b) Personal Data Protection Policy
Sustainability Risks	<ul style="list-style-type: none"> a) ERM & Sustainability Manual

Although the Board acknowledges that it is responsible for the overall internal control framework, it also recognises that no cost-effective internal control system will preclude all errors and irregularities. The system of risk management and internal controls is designed to mitigate and reduce rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable, but not absolute, assurance against material misstatements or losses and any other potential non-systemic risk event such as human error, accidents or deliberate crime. The Board is satisfied that the system of risk management and internal controls that the Group has in place to identify and manage relevant and material business risks, provides reasonable assurance against material financial misstatements or losses, to ensure the safeguarding of assets, the maintenance of proper accounting records, reliability of financial information, compliance with legislation, regulations and best practices.

Assurance from Group CEO and relevant KMP

The Board has received assurance:

- (i) from the Group CEO and the CFO that the financial records have been properly maintained and the audited financial statements give a true and fair view of the Group's operations and finances; and
- (ii) from the Group CEO and the MRSC (which comprises relevant KMP and other employees) who are responsible for the adequacy and effectiveness for the Group's risk management and internal control systems, that the Group's risk management and internal control systems are adequate and effective in addressing the relevant and material risks of the Group in its current business environment, including material strategic, financial, operational, compliance, technological and sustainability risks.

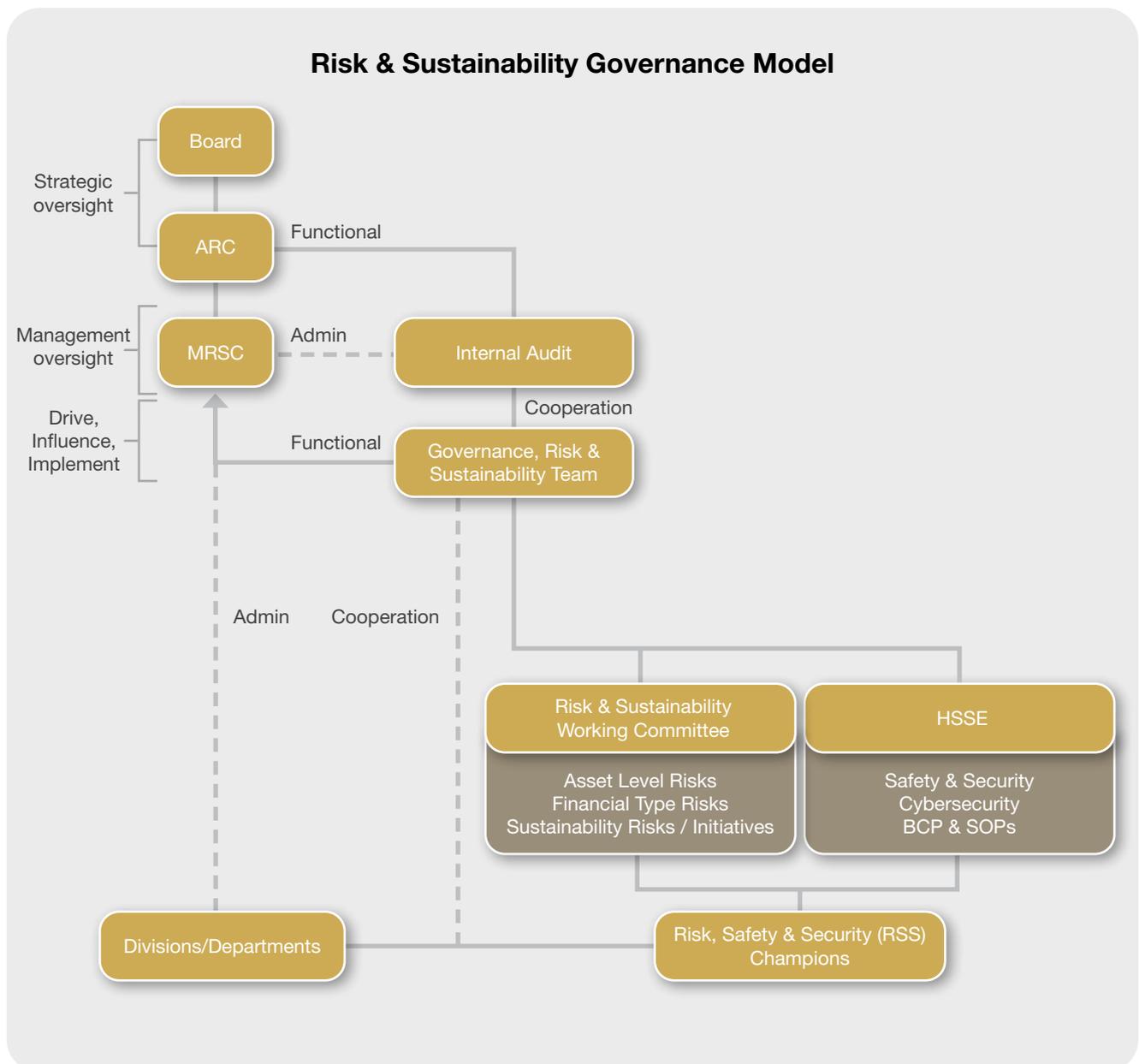
CORPORATE GOVERNANCE

Having reviewed the periodic reports by Management, internal auditors, external auditors and the procedures in place, as well as the assurances set out above, the Board, with the concurrence of the ARC, is therefore of the view that the Group's system of risk management and internal controls is adequate and effective to address material strategic, financial,

operational, compliance, technological and sustainability risks of the Group in its current business environment.

Risk Committee

The Company's structure to facilitate management of risks is set out below:



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Audit & Risk Committee

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

ARC Composition and Key Terms of Reference

During FY2024, the ARC comprised three NEDs, the majority of whom, including the ARC Chair, are independent.

FY2024 ARC Composition

Mr Ramlee Bin Buang (Lead ID) as ARC Chair
Mdm Ee Choo Lin Diana (NI-NED)
Mr Chan Hon Chew (ID)

At the conclusion of the last AGM on 25 April 2024, Ms Ku Xian Hong stepped down as an ARC member following her appointment to the NC and the RC, and Mr Chan was appointed as an ARC member.

The ARC assists the Board in discharging its responsibility to safeguard the Group's assets, maintain adequate accounting records, and develop and maintain adequate and effective risk management and internal control systems.

Expertise of ARC Members

The Board is of the view that all members of the ARC have recent and relevant accounting and/or related financial management expertise and experience to discharge their responsibilities as members of the ARC.

Authority of ARC

The ARC has explicit authority to investigate any matter within its terms of reference. The ARC has full access to and the co-operation of Management, internal auditors, external auditors and in addition, has absolute discretion to invite any Director, Executive Officer (as defined in the Listing Rules) or any employees of the Group to attend its meetings, as it deems necessary. External expert advice is available to the ARC as and when the need arises, to enable it to discharge its functions properly, at the Company's expense.

Role and Responsibilities of ARC

The principal roles and responsibilities of the ARC under its terms of reference are to:

- a. review the significant financial reporting issues and judgements to ensure the integrity of the financial statements of the Group and any announcements relating to the Company's financial performance;
- b. review annually the adequacy and effectiveness of the Group's risk management framework and material internal controls including controls for strategic, financial, operational, compliance, technological and sustainability risks of the Group;
- c. review the assurance from the Group CEO and the CFO on the financial records and financial statements;
- d. review the audit plans and reports by the internal auditors;
- e. review all non-audit services provided by the external auditors to ensure that any provision of such services would not affect the independence and objectivity of the external auditors;
- f. make recommendations to the Board on the appointment, re-appointment and removal of the external auditors, and approve their remuneration and terms of engagement;
- g. review the adequacy, effectiveness, independence, scope and results of the external audit and the Group's internal audit function;
- h. identify and mitigate business risks;
- i. review significant sustainability reporting issues and assess whether the annual sustainability information reflects the principles of the selected sustainability reporting framework;
- j. review IPTs, if any; and
- k. provide oversight and monitoring of whistle-blowing, including review of the policy and ensure arrangements are in place for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on.

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In its review of the financial statements of the Group and the Company for FY2024, the ARC bore in mind voluntary Practice Guidance 10 as it discussed with Management regarding the identification of matters that could significantly affect the integrity of the financial statements (“**significant financial reporting matters**”). The discussion included an assessment

of the accounting principles and critical judgements applied by Management and the clarity of the relevant disclosures in the financial statements. The significant financial reporting matters identified, which are consistent with the key audit matters identified by the external auditors, and the ARC’s commentaries are set out as follows:

Key Audit Matters	How these issues were addressed by the ARC
Valuation of investment properties, and land and buildings classified under property, plant and equipment (“ PPE ”)	The ARC reviewed the outcomes of the annual valuation process and discussed the details of the valuation with Management, focusing on investment properties and land and buildings classified under PPE which registered higher fair value gains/losses during the period under review.
	The ARC considered the techniques and key assumptions applied by the external valuers in arriving at the valuation of the investment properties and PPE.
	The ARC also considered the findings of the external auditors, including their assessment of the appropriateness of valuation techniques and the underlying key assumptions applied in the valuation.
	The ARC was satisfied with the valuation process, the techniques used and the valuation outcomes adopted and disclosed in the financial statements.
	Refer to Notes 20 and 21 for details of the relevant valuations.
Impairment assessment of goodwill	The ARC reviewed the outcome of the annual goodwill impairment assessment process and discussed the details of the impairment assessment with Management, focusing on the key assumptions and judgements applied on the cash flow projections and key inputs used including discount rates and terminal growth rates.
	The ARC also considered the findings of the external auditors, including their assessment of the appropriateness of valuation methodologies and the underlying key assumptions applied.
	The ARC was satisfied with the valuation methodologies applied, the appropriateness of the key assumptions applied and the conclusion of the impairment assessment of goodwill.
	Refer to Note 23 for details of the goodwill impairment assessment.

Meetings with External Auditors and Internal Auditors without Management

In FY2024, the ARC met twice with the external auditors, PricewaterhouseCoopers LLP (“**PwC**”), and four times with the internal auditors, an independent firm RSM Risk Advisory Pte Ltd (“**RSM**”), without the presence of Management. These

meetings enabled the external auditors and internal auditors to raise issues directly to the ARC, if any, encountered during their audits.

During FY2024, PwC was invited to five ARC meetings while RSM was invited to four ARC meetings.

CORPORATE GOVERNANCE

Independence of External Auditors

The ARC is primarily responsible for proposing the appointment and removal of the external auditors. The ARC conducted its annual review of non-audit services provided by PwC in FY2024, to satisfy itself that the nature and extent of such services will

not prejudice PwC's independence and objectivity. The details of fees payable to PwC and its network of member firms for audit and non-audit services provided for the Company and its subsidiaries for FY2024 are set out in the table below:

Fees Payable to PwC for FY2024	S\$	Percentage
Total Audit Fees	742,000	73%
Total Non-Audit Fees	280,000	27%
Total Fees	1,022,000	100%

The fees payable/paid to PwC and its network of member firms for non-audit services provided for FY2024 were incurred for the provision of corporate tax compliance, tax advisory, transfer pricing and certification services.

The ARC also evaluated the quality of work carried out by PwC based on the Audit Quality Indicators ("AQIs") Disclosure Framework published by the ACRA and was satisfied with the independence, objectivity and performance of PwC. Measures are in place to continuously monitor and ensure the effectiveness of the external audit function to maintain high standards.

All local subsidiaries of the Company that are required to have their accounts audited have appointed PwC as their external auditor. The Company has two local significant associated companies, one appointed PwC while the other appointed another audit firm as its external auditor, after the Board and the ARC had reviewed, and were satisfied, that the appointment of a different auditor for one local significant associated company would not compromise the standard and effectiveness of the audit of the Group.

Each significant foreign-incorporated subsidiary and associated company of the Company (which is required to appoint an auditor) has appointed a suitable audit firm as its external auditor.

The Company is compliant with Rules 712, 715 and 716 of the Listing Rules in relation to its external auditors.

During the year, a request for proposals exercise was conducted for the external audit to ensure the selection of the most suitable audit firm based on rigorous criteria. The evaluation considered factors such as AQIs, the size and complexity of the audit engagement for the Group, the number and experience of the audit team members assigned, the audit firm's track record, approach to audit quality, and technological capabilities, as well

as the SGX Guidance Note on Change of Auditor dated 19 June 2024. All shortlisted audit firms were invited to present their proposals to the ARC.

Given that PwC has served as the Group's auditor for over 20 years and considering the growth in the Group's business and operations, the ARC believes it is timely to appoint a new auditor to provide fresh perspectives and leverage on the different approaches that a new audit firm could bring. Having assessed all the proposals received, the ARC recommended to the Board, and the Board accepted the recommendation, to propose to shareholders the appointment of Deloitte & Touche LLP as the external auditor of the Company, in place of PwC, which will not be seeking re-appointment at the forthcoming AGM. Please refer to the Letter to Shareholders dated 8 April 2025 for more details on the proposal to appoint Deloitte & Touche LLP as the external auditor of the Company.

Whistle-blowing Policy

The Company's Whistle-blowing Policy, which was adopted in 2015, provides employees and external parties with an avenue to raise concerns in good faith, on a confidential basis without fear of reprisals, about possible improprieties relating to the Group and its officers, whether collusion, conflict of interest, violation of business ethics, unsafe work practices or otherwise. The policy's objective is to ensure that arrangements are in place for such concerns to be raised and independently investigated, and for appropriate follow-up action to be taken, while ensuring the whistle-blower is protected against detrimental or unfair treatment. The Whistle-blowing Policy is made available to all levels of employees during orientation together with the employee handbook, and is also posted on the Group's intranet system in three different languages, namely English, Mandarin and Malay.

The ARC is responsible for the oversight and monitoring of the Company's whistle-blowing arrangements. The communication channels for whistle-blowing reports are published on the

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Company's website and are managed by the Company's internal auditors (an independent professional services firm, RSM) who will assist the ARC in the enforcement of the Whistle-blowing Policy. The internal auditors are requested to report quarterly at ARC meetings whether there is any whistle-blowing report. In accordance with the Company's Whistle-blowing Policy, the identity of the whistle-blower is kept confidential, and unless required by law or with the whistle-blower's prior consent, his/her identity will not be revealed by the internal auditors to the Group.

No whistle-blowing incidents were reported during FY2024.

The Company is in compliance with Rule 1207(18A) and (18B) of the Listing Rules in relation to its Whistle-blowing Policy.

Disclosure on the ARC's activities

In FY2024, the ARC held five meetings. In those meetings, the ARC reviewed, *inter alia*, the internal auditors' report on processes relating to IPTs and various reports on other areas of the Group's business, the internal auditors' audit plan and fee for the current financial year, the external auditors' final audit report, key audit matters, the performance and independence of the external auditors, the half-year and full-year announcements on financial statements, the Group's consolidated financial statements, the Group's half-year and full-year performance, the voluntary interim business updates for the first and third quarters of the financial year, and corporate governance matters.

During the year, a request for proposals exercise was conducted for the external audit to ensure the selection of the most suitable audit firm based on rigorous criteria. The ARC invited shortlisted firms to present their proposals, assessed all submissions, and made recommendations to the Board.

The ARC has been kept abreast of any changes to the accounting standards and issues which have direct impact on the Group's consolidated financial statements by the CFO and the external auditors during FY2024.

ARC Member Restriction

None of the ARC members is a former partner or director of or holds any financial interest in, the Company's existing auditing firm or auditing corporation.

Internal Auditors

The ARC approves the appointment, removal, evaluation and fees of the outsourced internal audit function. During FY2024, the

Group outsourced its internal audit function to an independent professional firm (RSM) to provide internal audit services.

The internal auditors report directly to the ARC Chair on internal audit matters and to the Group CEO on administrative matters. The internal auditors have unfettered access to the ARC, the Company's documents, records, properties and personnel.

Resource and Standing of Internal Audit Function

The ARC ensures the adequacy of the internal audit function by examining the scope of the internal auditors' work, the quality of their reports, their qualifications and training, their relationship with the external auditors and their independence of the areas reviewed. In FY2024, a digital tool known as Client Interactive Platform Application was deployed to facilitate continuous auditing to enhance the internal controls.

Qualification and Experience of Internal Auditors

RSM is a corporate member of the Singapore chapter of the Institute of Internal Auditors ("IIA") and is staffed with professionals with relevant qualifications and experience.

Professional Standards and Competency

RSM is guided by the International Professional Practices Framework (IPPF) issued by the IIA. Having assessed the functions and organisational structure of the internal auditors pursuant to the Standards for the Professional Practice of Internal Auditing of the IIA and its ten core principles, the ARC is satisfied that the internal auditors meet the requisite IIA standards, are adequately resourced, and have appropriate standing within the Group.

Independence, Adequate Resourcing and Effectiveness of Internal Audit Function

The ARC reviews, at least once a year, whether the internal audit function is independent, effective and adequately resourced. The ARC reviews and approves the internal audit plans and the resources required to adequately perform this function annually, to ensure the adequacy of the internal audit function. During the internal audit process, the internal auditors follow up on the identified inherent and operational risks of each business entity (as well as the content of any management letter issued by the external auditors) to ensure that the committed rectification measures have been implemented. In FY2024, RSM audited, *inter alia*, areas such as centralised procurement, front office operations, housekeeping, engineering and workplace safety for selected properties, and at the Group level, IPTs, financial reporting, human resource and payroll, compliance with Personal Data Protection Act, sustainability reporting process

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and negative assurance checklists. Reports are provided by RSM with the recommended action steps to be taken, and remediation/rectification actions taken by Management. In addition, RSM conducts an internal Quality Assessment Review (“**QAR**”) annually and an external QAR every two years. The most recent internal and external QAR were conducted in November 2024 and October 2024, respectively, and the summary of findings from both QAR were submitted to ARC for review. Following its review and assessment, the ARC was of the view that the internal audit function is independent, effective and adequately resourced.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

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

Effective Shareholder Participation

Shareholders are informed of general meetings at least 14 days in advance through notices, which are delivered to shareholders, published in a local newspaper and on SGXNet. The procedures at general meetings facilitate opportunities for shareholders to participate and communicate with the Directors.

In line with the Company’s commitment towards environmental conservation, the Company makes available its annual reports by electronic communication, via publication on the Company’s website. Annual reports are also available on SGXNet and shareholders may request for hard copies of annual reports if preferred.

Shareholder Opportunity to Participate in and Vote at General Meetings

Shareholders are entitled to participate effectively in and vote at all general meetings. The Company encourages all shareholders to attend its general meetings to stay informed of the Company’s goals and strategies and to ensure a high level of accountability. At the AGM, the Group CEO will present the strategic focus, key financial highlights, business review, sustainability highlights, and outlook to enhance insight and transparency on the Group’s activities. The presentation

slides will be made available on SGXNet and the Company’s website. The Chair also ensures that there is sufficient time for shareholders to ask questions and that comprehensive answers are provided.

Shareholders are informed of general meetings through notices which are sent to all shareholders, advertised in a local newspaper and also made available on SGXNet and the Company’s website. General meetings are held at a central location, which is easily accessible by public transportation. All resolutions at general meetings are voted by way of electronic poll for greater transparency in the voting process. A polling agent and independent scrutineer are appointed to handle and brief the e-polling voting procedures, and to count and validate the votes cast at the general meetings, respectively, to ensure that the poll process is properly carried out. Votes cast ‘for’ or ‘against’ and the respective percentages on each resolution will be tallied and displayed ‘live’ on-screen to shareholders immediately after each poll is conducted. The total number of votes cast ‘for’ or ‘against’ the resolutions and the respective percentages will also be announced in a timely manner after the general meeting via SGXNet. This process was followed through for the Company’s physical AGM on 25 April 2024 (the “**AGM 2024**”).

Shareholders were invited to submit to the Company in advance, any questions related to the resolutions tabled for approval at the AGM 2024. Notice of the Company’s AGM 2024 was sent to shareholders on 9 April 2024, at least 14 calendar days before the AGM 2024. Shareholders had at least seven calendar days from the publication of notice of AGM 2024, to submit their questions. All substantial and relevant questions received from shareholders were publicly addressed by the Board and/or Management at least 72 hours prior to the closing date and time for lodgement of the proxy forms. The Company’s answers to questions received by 16 April 2024 were published at the Company’s website and SGXNet on 17 April 2024. Questions received from shareholders after 16 April 2024 and at the AGM 2024 were answered live by the Board and Management at the AGM 2024.

For the upcoming AGM on 25 April 2025, shareholders can likewise submit questions relating to the AGM resolutions in advance and the Company will publish its responses on SGXNet and Company’s website before the AGM.

Proxies

The Company’s Constitution allows shareholders to vote in person, by proxy or by attorney, at general meetings. Corporate

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shareholders can also appoint a representative to vote in their stead. A shareholder may appoint up to two proxies to attend and vote in his/her stead at a general meeting through a proxy form or certificate of corporate representative sent in advance. For shareholders who hold shares through nominees such as Central Provident Fund Board and custodian banks, they are able to attend and vote at general meetings under the multiple proxies regime. This process was followed through for the Company's AGM 2024.

Separate Resolutions at General Meetings

To safeguard shareholder interests and rights, at general meetings, each distinct issue is the subject of a separate resolution. All resolutions put to every general meeting of the Company are voted separately unless the resolutions are inter-dependent and linked so as to form one significant proposal. Detailed information on each item in the agenda of general meeting is provided in the explanatory notes to the notice of general meeting.

Attendees at General Meetings

The Company requests all its Directors, certain KMP, external auditors and external advisers to attend the Company's general meetings to address any questions raised by shareholders. Shareholders are given the opportunity to communicate their views and discuss with the Board and KMP after the general meetings.

All Directors, together with the Company's CFO, Financial Controller, Company Secretary, external auditors, internal auditors and external corporate governance and legal advisers attended the Company's AGM 2024.

Absentia Voting

The Company's Constitution provides that the Board may, at its sole discretion, approve and implement voting methods to allow shareholders an option to vote in absentia, such as online voting or voting by mail, electronic mail or facsimile. Having considered that shareholders who are unable to attend in person may vote by proxy or by attorney, or in the case of a corporation, by a representative, and considered carefully the security and cost concerns related to absentia voting (with careful study needed to ensure that integrity of information and authentication of the identity of shareholders through the web are not compromised), the Company has refrained from implementing absentia voting.

Minutes of General Meetings

The Company prepares minutes of general meetings that include substantial and relevant comments or queries from shareholders relating to the agenda of the meetings, and responses from the Board and Management. The minutes of the AGM 2024 was published to SGXNet and the Company's website on 23 May 2024, within a month of the AGM 2024.

Dividend Policy

The Company's principle-based Dividend Policy is published on the Company's website. The Company is committed to achieving sustainable income and long-term capital growth for the benefit of shareholders and will strive to provide consistent and sustainable ordinary dividend payments to its shareholders on an annual basis. In considering any recommendation for dividend payment and any appropriate level of dividend, the Board will take into consideration various factors including but not limited to the Group's level of cash, gearing, retained earnings, actual and projected financial performance, capital requirements, strategic plans, general economic conditions and outlook. The Company has a scrip dividend scheme. If the scrip dividend scheme is applied to any dividend, payment will be made in compliance with the Listing Rules. The scrip dividend scheme provides opportunity for shareholders to make an election of dividends in the forms of new fully paid-up ordinary shares in the Company ("**Shares**") instead of cash, enabling them to acquire additional Shares without having to incur transaction or other related costs. The Company also benefit from issuing shares to shareholders opting for Shares as the cash which would otherwise be payable for such dividend may be retained to fund the continuing growth and expansion of the Group. The Board will review and refresh the Dividend Policy from time to time. The Company is aligned to the voluntary Practice Guidance 11 (Shareholder Rights and Conduct of General Meetings) as updated in December 2023.

Upon approval by shareholders at the general meeting, and application of the Company's scrip dividend scheme, the Company pays the dividend in accordance with the Listing Rules to all shareholders within 35 market days after the record date.

Engagement with Shareholders

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

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Shareholder Rights

The Company practises fair and equitable treatment to all shareholders and stakeholders. To facilitate the exercise of ownership rights, the Company provides all material information, which would materially affect the price or value of the Company's shares, in an accurate and timely manner via appropriate media, to enable shareholders to make informed decisions. Such channels include announcements through SGXNet, the Company's website and shareholders' meetings. Materials include annual reports, sustainability reports, shareholder circulars, news releases and presentations to investors and analysts.

Communication with Shareholders and Soliciting and Understanding Views of Shareholders

The Company recognises the importance of regular, effective and timely communication with its shareholders.

The Company's main forum for dialogue with shareholders takes place at its AGM. To solicit and understand shareholders' views, shareholders are given the opportunity at the AGM to express their views and ask questions regarding the Company. For the AGM 2024, shareholders were invited to submit questions relating to the AGM resolutions in advance, and the Company provided its responses both before and during the AGM.

Investor Relations Policy and Contact

The Company has in place an IR Policy outlining the principles and practices adopted in the course of its IR activities, including communication with shareholders and the investment community. The IR Policy outlines the Company's communication channels with shareholders, including shareholders' meetings, the annual and sustainability reports, the corporate website, regulatory announcements, the release of half-year and full-year financial results and business performance updates. In addition, the Company also engages with analysts and media. It also provides guidance on how shareholders can reach the Company with inquiries. The IR Policy allows for an ongoing exchange of views with shareholders, thereby promoting regular, effective and fair communication. The Company has a dedicated IR link on its website and its IR Policy is available at www.fareastorchard.com.sg/ir_policy.html.

The Company has an IR team that facilitates two-way communication with the investment community. Communication with investors has been, and may be made through email correspondences and telephone calls. The Company responds to queries based on publicly available

information, upholding the principle of no selective disclosure. Shareholders may email their questions to the IR team at ir@fareastorchard.com.sg, and these contact details are also published on the Company's website. The Group demonstrates email responsiveness to queries posed to its IR team, with replies generally issued within one week. The Board receives updates from the IR team on any shareholder feedback.

Disclosure of Information on a Timely Basis

The Company is committed to making timely, full and accurate disclosures in accordance with the Listing Rules and the Code. The Company is aligned to the voluntary Practice Guidance 12 (Engagement with Shareholders) effective from December 2023, pertaining to engagement of shareholders via interim updates (that are in addition to the mandatory financial statements) that could provide shareholders with a better understanding of a company's performance in the context of the current business environment. The Company keeps its shareholders informed of corporate developments on a timely basis. In addition to mandatory announcements, the Company also makes voluntary announcements on corporate transactions from time to time. In FY2024, the Company voluntarily issued, *inter alia*, two interim updates in May and November on its first and third quarter business performance. In addition, voluntary announcements on any acquisition and disposal could be made when applicable. These were published on SGXNet and the Company's website.

The Group has adopted half-yearly reporting from FY2020. Half-year financial results will be released no later than 45 days after the end of the half-year period. Full-year financial results will be released no later than 60 days from the financial year end. The investor calendar is available on the Company's website at www.fareastorchard.com.sg/investor-calendar.html.

Notices of general meetings are dispatched to shareholders, together with explanatory notes on a timely basis in accordance with the legal requirements.

In addition to shareholder meetings, the Company engages investors, analysts or the media to solicit and understand the views of the investment community, and to provide updates on corporate developments. In 2024, the Company held an analyst engagement session to enhance transparency, provide updates on its performance, and strengthen engagement with the investment community. Presentation materials from this engagement is made available on SGXNet and the Company's website.

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For FY2024, a blackout period of one month before the announcement of the Company's half-year and full-year financial results was observed. During this period, the Company has limited interactions with investors and analysts and avoids commenting on financial results, operational performance and market outlook, except where required under the Listing Rules.

MANAGING STAKEHOLDER RELATIONSHIPS

Engagement with Stakeholders

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

Identification and Engagement of Material Stakeholders

The Company's material stakeholders are listed in its Sustainability Report. They are the Company's shareholders, its Board, its employees, customers, and business partners. The Sustainability Report outlines how relationships with these material stakeholders are managed, including the modes of engagement.

The Group's policies including the Stakeholder Engagement Policy, the Board Succession Policy, the Board Diversity Policy, the Dividend Policy and Scrip Dividend Scheme, the IR Policy, the Security Trading Policy and Whistle-blowing Policy facilitate the Group's engagement with its material stakeholders. The Group considers stakeholder feedback in its strategic planning and decision-making processes. This ensures that the interests and concerns of stakeholders are considered and addressed in a meaningful way. Further details of the Group's engagement with its key stakeholders in FY2024 are described in the Sustainability Report 2024 which is available at the Company's corporate website at www.fareastorchard.com.sg/sustainability.html. The Sustainability Report outlines the Group's policies, practices, performance and targets in relation to its ESG material issues. Prepared in accordance with the GRI 2021 standards and consistent with the TCFD's recommendations, the Group endeavours to communicate how sustainability is embedded in its business practices and value chain across its operations in the report.

Corporate Website

The Company maintains a current corporate website to communicate and engage with its stakeholders. There is a dedicated "Investor Relations" section on its corporate website at www.fareastorchard.com.sg which serves as a

repository for shareholders and the investment community, ensuring that they can easily access relevant and up-to-date information about the Company. It includes the Company's latest announcements, financial results/voluntary quarterly business performance updates, annual reports, sustainability reports, stock information, and IR contact. Members of the public may also subscribe to RSS feeds of all announcements and press releases issued by the Company through its corporate website. Details of the Group's Code of Conduct are disclosed on the Company's website under the same link. The Company's corporate website also discloses its vision and mission statements and corporate structure.

ADDITIONAL INFORMATION

Business Conduct and Ethics

The Group is guided by its Code of Conduct and Employee Handbook which are published on the intranet, and which new employees receive and are briefed upon joining. The Code of Conduct and Employee Handbook explain the Group's core values, encapsulated in BUILD, which stands for Business with Grace, Unity, Integrity, Love and Diligence. The Group seeks to build and maintain a strong ethical organisational culture through its core values. All employees are required to read and acknowledge the Code of Conduct and Employee Handbook on an annual basis.

The Code of Conduct and Employee Handbook outline the standards of ethics and behaviour in the way the employees are to conduct themselves in relationships with customers, suppliers, business partners and colleagues. They address several aspects including confidentiality, conflict of interest, the offering and receipt of gifts, entertainment, business dealings, intellectual property, workplace conduct, workplace health and safety, discipline, grievance handling and whistle-blowing.

The Group believes in applying ethical and transparent business practices across the value chain to maintain business continuity and market reputation, including the upholding of customer privacy. The Group's Anti-Bribery and Corruption Policy affirms its zero-tolerance approach to bribery and corruption. The Group has a Competition Compliance Manual which forms part of the Employee Handbook. This Manual reminds Directors, employees and representatives of the Group's commitment to compliance with the Competition Act of Singapore and to maintain the highest level of ethics in the conduct of its business. It was developed to help these stakeholders understand the basic principles of the Group's competition law compliance policy.

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The Group's policies and work procedures incorporate internal controls to ensure adequate checks and balances are in place, and to help detect and prevent any form of fraud, bribery or dishonesty by employees.

Creditors' Rights

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

The Group also protects creditors' rights through the presence of debt covenants in some of its loans including maintaining debt to equity and interest coverage ratios and fulfilling them. The Group monitors and maintains a level of cash and cash equivalents and enough standby credit lines to meet its financial obligations.

Health, Safety and Well-Being of Customers and Employees

The health, safety, and well-being of our customers and employees remains the Group's utmost priority. Our health and safety processes are regularly reviewed to ensure the high standards across our operations. In 2024, the Group's HSSE Policy was refreshed and reviewed by management and rolled out across all properties. This policy reinforces our commitment to providing a safe, healthy, and secure environment for employees, contractors, visitors, and guests. By continually keeping up with national safety regulations, enhancing policies and procedures, and engaging employees in proactive risk management and training, we continue to uphold our commitment to workplace safety and health for all our stakeholders.

To enhance our risk management framework, we have established regular workplace inspections, risk assessments, and incident reporting processes to identify and mitigate potential hazards. Additionally, ergonomic training was conducted for all employees promoting safe workplace practices to reduce the risk of musculoskeletal injuries.

As part of our ongoing commitment to health, safety, and hygiene of our guests, the CARE Programme (Clean And Repair Everything) remained in place at our Singapore hospitality properties, ensuring stringent standards for guest

assurance. The programme targets 100% completion across all properties, with a dedicated annual cycle of deep cleaning and engineering maintenance for every guest room.

Health, safety and wellbeing of employees, contractors, visitors, and guests to our properties are always foremost on our agenda and the Group remains fully committed to ensure this remains as a pillar of our hospitality operations.

Dealings in Securities

The Securities Trading Policy is an internal compliance code devised and adopted by the Company as a listed issuer, to provide guidance on dealings in its securities. The policy is guided by the Principles of Best Practice – Handling of Confidential Information and Dealings in Securities issued jointly by the SGX-ST with other associations in December 2017, the Corporate Disclosure Policy in the Listing Rules and prevailing provisions of the Securities and Futures Act. The policy reflects the Company's adoption of the best practices on dealings in securities set out in Rule 1207(19) of the Listing Rules.

The policy was reviewed and updated in FY2024. The policy applies to the Company, its principal subsidiaries, their officers, certain management personnel, and any persons who come into possession of material information of the Group before its public release.

On an annual basis, the Company circulates its Securities Trading Policy to its officers (including the Directors of the Company and its principal subsidiaries, persons employed in an executive capacity and the Company Secretary) and any persons who come into possession of material information of the Group before its public release, where they are reminded to refrain from dealing in the securities of the Company:

- (i) during one month before and up to the date of announcement of the half-year and full-year results, and for the two-week period before scheduled announcements of key business updates; and
- (ii) on short term considerations.

The Company has been complying and will continue to comply with Rule 1207(19) of the Listing Rules, in observing the aforesaid blackout period for any dealing in its securities.

The Company also issues a quarterly circular to the officers of the Company and its principal subsidiaries reminding them of

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the prohibited period from dealing in the Company's securities before the release of the results, key business updates and at any time if they are in possession of unpublished material price-sensitive information.

Material Contracts

Save for the transactions set out in the Company's circular to shareholders dated 24 June 2013 and the related parties transactions as disclosed in the Financial Statements and this Annual Report, no material contract involving the interests of any Director or controlling shareholder of the Group has been entered into by the Company or any of its subsidiaries during the financial year and no such material contract is subsisting as at 31 December 2024.

IPTs

The Company has established a policy on how proposed IPTs are to be reviewed and approved, to ensure IPTs are conducted fairly and on an arm's length basis. The IPT Policy is detailed in the IPT general mandate ("**IPT Mandate**") which was approved by shareholders at an Extraordinary General Meeting of the Company held on 9 July 2013. The IPT Mandate is submitted annually to shareholders for approval at each AGM, and for the upcoming AGM, is set out in the Letter to Shareholders. The IPT Policy and processes are reviewed by the internal auditors on a half-yearly basis, and findings with management's remedial actions are reported during ARC meetings.

IPTs carried out during FY2024 which fall under Chapter 9 of the Listing Rules are as follows:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual (excluding transactions less than S\$100,000)	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)
		Full year ended 31 December 2024 S\$'000	Full year ended 31 December 2024 S\$'000
<u>Agape Services Pte. Ltd.</u> Supply of goods and services	Associate of controlling shareholder	(571)	-
<u>Ariake Hospitality Kabushiki Kaisha</u> Hospitality management income	Associate of controlling shareholder	246	-
<u>Boo Han Holdings Pte. Ltd.</u> Hospitality management income	Associate of controlling shareholder	606	-
<u>China Classic Pte Ltd</u> Hospitality management income	Associate of controlling shareholder	1,542	-
<u>Commons SR Trustee Pte. Ltd.</u> Hospitality management income	Associate of controlling shareholder	162	-
<u>Dollar Land Singapore Private Limited</u> Hospitality management income	Associate of controlling shareholder	261	-
<u>Far East Hospitality Real Estate Investment Trust</u> Management income ¹ Rental expense on operating leases - offices - hotels and serviced residences	Associate of controlling shareholder	3,523 (112) (17,592)	- - -

¹ Pursuant to the trust deed constituting Far East Hospitality Real Estate Investment Trust ("Far East H-REIT") (the "Trust Deed") and entered into between FEO Hospitality Asset Management Pte. Ltd. ("FEOHAM") (in its capacity as the manager of Far East H-REIT) and DBS Trustee Limited (in its capacity as the trustee of Far East H-REIT), FEOHAM is entitled to a management fee comprising a base fee of 0.28% per annum of the value of the Deposited Property (as defined in the Trust Deed) and a performance fee of 4.0% per annum of net property income or the annual distributable amount (as defined in the Trust Deed) in the relevant year, whichever is lower. During the financial year ended 31 December 2024, the Company was a 33% shareholder of FEOHAM and this amount represents 33% of the management fees received during the financial period, being the value at risk to the Group.

CORPORATE GOVERNANCE

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual (excluding transactions less than S\$100,000)	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)
		Full year ended 31 December 2024 S\$'000	Full year ended 31 December 2024 S\$'000
<u>Far East Management (Private) Limited</u>	Associate of controlling shareholder		
Management service fees		(2,107)	-
Hospitality services		(627)	-
<u>Far East Organization Centre Pte Ltd</u>	Associate of controlling shareholder		
Hospitality management income		1,465	-
<u>Far East Real Estate Agency Pte. Ltd.</u>	Associate of controlling shareholder		
Property management services		(570)	-
Sales and marketing services		(174)	-
<u>Far East Rocks Pty Ltd</u>	Associate of controlling shareholder		
Rental expense on operating leases - hotel		(909)	-
<u>Far East Soho Pte. Ltd.</u>	Associate of controlling shareholder		
Hospitality management income		1,185	-
<u>Far East SR Trustee Pte Ltd</u>	Associate of controlling shareholder		
Hospitality management income		564	-
<u>Fontaine Investment Pte Ltd</u>	Associate of controlling shareholder		
Hospitality management income		1,791	-
<u>Golden Development Private Limited</u>	Associate of controlling shareholder		
Hospitality management income		2,092	-
<u>Golden Landmark Pte. Ltd.</u>	Associate of controlling shareholder		
Hospitality management income		1,070	-
<u>Orchard Mall Pte. Ltd.</u>	Associate of controlling shareholder		
Hospitality management income		595	-
<u>Orchard Parksuites Pte Ltd</u>	Associate of controlling shareholder		
Hospitality management income		1,137	-
<u>Oxley Hill Properties Pte Ltd</u>	Associate of controlling shareholder		
Hospitality management income		463	-
<u>Riverhub Pte Ltd</u>	Associate of controlling shareholder		
Rental expense on operating leases - offices		(875)	-
<u>Riverland Pte Ltd</u>	Associate of controlling shareholder		
Hospitality management income		349	-
<u>Sakuragicho Hospitality Kabushiki Kaisha</u>	Associate of controlling shareholder		
Hospitality management income		280	-
<u>Serene Land Pte Ltd</u>	Associate of controlling shareholder		
Hospitality management income		1,256	-
<u>Transurban Properties Pte. Ltd.</u>	Associate of controlling shareholder		
Hospitality management income		1,119	-