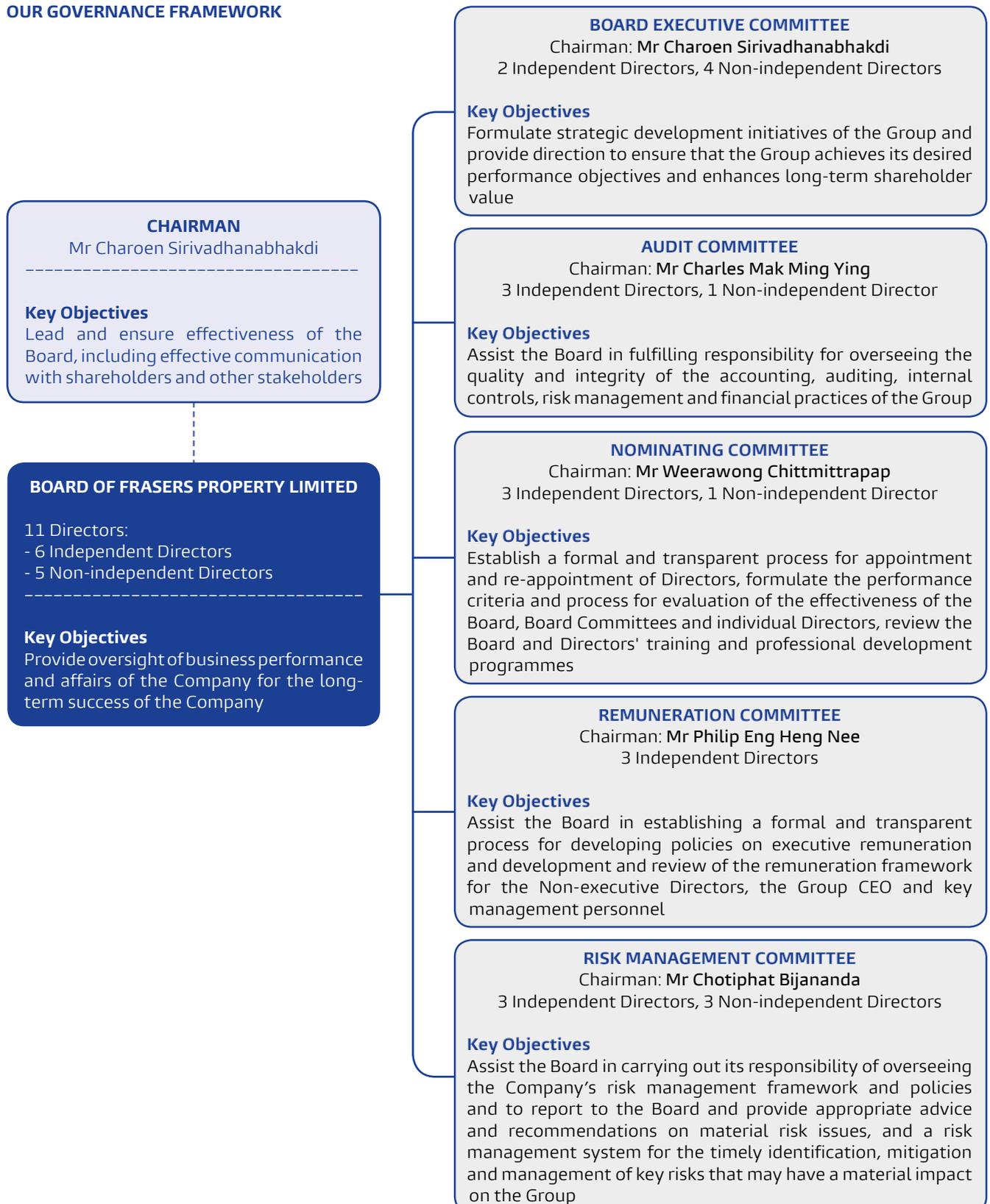


Corporate Governance Report

OUR GOVERNANCE FRAMEWORK



Corporate Governance Report

INTRODUCTION

Frasers Property Limited ("**FPL**" or the "**Company**", and together with its subsidiaries, the "**Group**") was re-listed on 9 January 2014 on the Mainboard of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").

In line with the listing rules of the SGX-ST (the "**Listing Rules**"), FPL complies with the principles of the Code of Corporate Governance 2018 (the "**Code**"). Even though the Code applies to annual reports covering financial years commencing 1 January 2019, the Board of Directors (the "**Board**") has elected to adopt and comply with Rule 710 of the listing manual of the SGX-ST (the "**SGX-ST Listing Manual**") to describe its corporate governance practices with specific reference to the principles and provisions of the Code (and not the Code of Corporate Governance 2012). The practices of the Board and the management of the Group (the "**Management**") adhere closely to the provisions under the Code. To the extent FPL's practices may vary from any provision, FPL will explain the reason for the variation and how its practices nevertheless are consistent with the intent of the relevant principle of the Code. FPL is also guided by the voluntary Practice Guidance which was issued to complement the Code and which sets out best practice standards for companies; as this will build investor and stakeholder confidence in the Group. A summary of compliance with the express disclosure requirements in the principles and provisions of the Code is set out on pages 172 to 173.

FPL'S VALUES

1. FPL is firmly committed to upholding and maintaining high standards of corporate governance, corporate transparency and sustainability. FPL believes that a robust and sound governance framework is an essential foundation on which to build, evolve and innovate a business which is sustainable over the long-term, and is resilient in the face of the demands of a dynamic, fast-changing environment.
2. FPL adheres to corporate policies, business practices and systems of risk management and internal controls, which are designed to ensure that it maintains consistently high standards of integrity, accountability and governance throughout its organisation and in its daily operations.
3. FPL pursues growth and enhancement of corporate performance and value on a sustainable basis. In so doing, FPL safeguards the assets of the Group, in the interests of the Company's shareholders (the "**Shareholders**") and other stakeholders.

The Board works with Management to ensure that these values underpin its leadership of the Company and guides Management and employees at all levels of the organisation in their respective roles within the Group.

BOARD MATTERS

The Board

The Board is responsible for the Group's overall entrepreneurial leadership, oversight of the Group's business performance, determination of its risk appetite and performance objectives, and its long-term success. The Board sets the strategic direction of the Group and its approach to corporate governance, including the organisational culture, values and ethical standards of conduct, and works with Management on its implementation across all levels of the Group's organisation, as well as focus on value creation, innovation and sustainability. The Board, supported by Management, ensures necessary resources are in place for the Group to meet its strategic objectives. Through the Group's enterprise-wide risk management framework, the Board establishes and maintains a sound risk management framework to effectively monitor and manage risks. It also oversees Management to ensure transparency and accountability to key stakeholder groups.

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In the financial year ended 30 September 2019 ("FY2019"), the Board attended a two day Board Strategy Meeting which allowed the directors of the Company (the "**Directors**") to: (i) focus on the Group's long-term strategic issues apart from the regular agenda at quarterly Board meetings; and (ii) engage in dynamic and in-depth strategic discussion to promote a deeper understanding of the Group's business environment and operations, to refine its strategies. All Directors attended the Board strategy meeting where topics such as identifying core capabilities and supporting management systems, summary of key takeaways from the Management strategy retreat, and strategies and priorities for the Group's key real estate platforms were discussed.

The Chairman

The Chairman of the Board (the "**Chairman**") leads the Board. The Chairman sets the right ethical and behavioural tone and ensures the Board's effectiveness by, among other things, encouraging active and effective engagement, participation by and contribution from all Directors and facilitating constructive relations among and between them and Management. The Chairman promotes a culture of openness at Board meetings and encourages Directors to engage in productive and thorough discussions on strategic, business and other key issues pertinent to the business and operations of the Group, and fosters constructive debate, leading to better decision-making and enhanced business performance.

Role of Management

The Management is led by the Group Chief Executive Officer (the "**Group CEO**") of the Company. Senior Management, comprising the Group CEO, the Group Chief Corporate Officer (the "**Group CCO**"), the Group Chief Financial Officer ("**Group CFO**"), the Group Chief Investment Officer (the "**Group CIO**") and the Chief Executive Officers ("**CEOs**") of the Group's strategic business units (the "**SBUs**") (collectively, the "**Key Management Personnel**") are responsible for executing the Group's strategies and policies, and are accountable to the Board for the conduct and performance of the respective business operations under their charge.

Division of Responsibilities between the Chairman and Group CEO

The division of responsibilities between the Chairman and the Group CEO are clearly demarcated. Having clarity of their respective responsibilities, and separating as the Chairman and the Group CEO roles, avoids concentration of power, ensures a degree of checks and balances, increases accountability, and ensures greater capacity of the Board for independent decision making.

Relationships between Management and Board

Mr Panote Sirivadhanabhakdi was appointed as the Group CEO as of 1 October 2016. Mr Panote Sirivadhanabhakdi is the son of the Chairman of the Board, Mr Charoen Sirivadhanabhakdi, who is also a substantial Shareholder. Mr Panote Sirivadhanabhakdi is also the brother-in-law of a Director, Mr Chotiphat Bijananda. The Board has appointed a lead independent director to provide leadership in situations where the Chairman is conflicted. Please refer to the section "Lead Independent Director" on page 157.

Board Committees

The Board has formed committees of the Board (the "**Board Committees**") to oversee specific areas for greater efficiency. There are five Board Committees, namely, the Board Executive Committee ("**EXCO**"), the Audit Committee ("**AC**"), the Nominating Committee ("**NC**"), the Remuneration Committee ("**RC**") and the Risk Management Committee ("**RMC**").

Minutes of all Board Committee meetings are circulated to the Board so that Directors are aware of and kept updated as to the proceedings, matters discussed and decisions made during such meetings.

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BOARD EXECUTIVE COMMITTEE	
MEMBERSHIP	KEY OBJECTIVES
Mr Charoen Sirivadhanabhakdi, <i>Committee Chairman</i> Mr Charles Mak Ming Ying, <i>Vice Chairman</i> Mr Chotiphat Bijananda, <i>Vice Chairman</i> Mr Wee Joo Yeow, <i>Member</i> Mr Panote Sirivadhanabhakdi, <i>Member</i> Mr Sithichai Chaikriangkrai, <i>Member</i>	<ul style="list-style-type: none"> Formulate strategic development initiatives of the Group Provide direction for new investments and material financial and non-financial matters to ensure that the Group achieves its desired performance objectives and enhances long-term shareholder value

The EXCO assists the Board in enhancing its business strategies and contributes towards the strengthening of core competencies of the Group. The terms of reference of the EXCO provide that the EXCO shall provide overall direction as well as oversee the general management of the Company and the Group. It is empowered to formulate the Group's strategic development initiatives, take all possible measures to protect the interests of the Group, review and approve corporate values, corporate strategy and corporate objectives, review and approve corporate decisions subject to the threshold limits set under the Company's prevailing internal control procedures, and review both the financial and non-financial performance of the Company and the Group. The EXCO reviews and approves corporate decisions, such as capital investments, and acquisitions, investments and divestments (other than those which are material to the Company requiring Board approval).

AUDIT COMMITTEE	
MEMBERSHIP	KEY OBJECTIVES
Mr Charles Mak Ming Ying, <i>Chairman</i> Mr Philip Eng Heng Nee, <i>Member</i> Mr Wee Joo Yeow, <i>Member</i> Mr Sithichai Chaikriangkrai, <i>Member</i>	<ul style="list-style-type: none"> Assist the Board in fulfilling its responsibility for overseeing the quality and integrity of the accounting, auditing, internal controls, risk management and financial practices of the Group

The AC is made up of non-executive Directors, the majority of whom, including the Chairman, are Independent Directors. The members of the AC, including the Chairman, are appropriately qualified and have recent and/or relevant accounting and related financial management expertise or experience. Their collective wealth of experience and expertise enables them to discharge their responsibilities competently.

Under the Terms of Reference of the AC, a former partner or director of the Company's existing auditing firm or auditing corporation shall not act as a member of the AC: (a) within a period of two years commencing on the date of his ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case (b) for so long as he has any financial interest in the auditing firm or auditing corporation. None of the members of the AC were previous partners or directors of the Company's auditors, KPMG LLP, and none of the members of the AC hold any financial interest in the Company's external auditors, KPMG LLP.

The Terms of Reference of the AC provide that some of the key responsibilities of the AC include:

- External Audit Process:** reviewing and reporting to the Board, its assessment of the adequacy, effectiveness, independence, scope and results of the external audit, taking into account the Audit Quality Indicators Disclosure Framework published by the Accounting and Corporate Regulatory Authority of Singapore ("**ACRA**");
- Internal Audit:** reviewing and reporting to the Board, its assessment of the adequacy, effectiveness, independence, scope and results of the Company's and the Group's internal audit function, and to approve the appointment, termination and remuneration of the head of the internal audit function, or the accounting/auditing firm or corporation to which the internal audit function is outsourced;

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- **Financial Reporting:** reviewing and reporting to the Board, the significant financial reporting issues and judgements, and how these issues were addressed, so as to ensure the integrity of the financial statements of the Company and the Group, and to review the assurance provided by the Group CEO and the Group CFO that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances;
- **Internal Controls and Risk Management:** reviewing and reporting to the Board at least annually, its assessment of the adequacy and effectiveness of the Company's and the Group's internal controls, including financial, operational, compliance and information technology controls, and risk management systems;
- **Interested Person Transactions:** reviewing interested person transactions ("IPT") as may be required under the SGX-ST Listing Manual and the IPT General Mandate, and to ensure proper disclosure and reporting to Shareholders;
- **Conflicts of Interests:** monitoring and/or reviewing any actual or potential conflicts of interest that may involve the Directors (as disclosed by them to the Board and in exercising their Directors' fiduciary duties), controlling shareholders and their respective associates;
- **Whistle-blowing:** reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up; and
- **Investigations:** reviewing the findings of internal investigations into any suspected fraud or irregularity, or suspected infringement of any Singapore laws or regulations, which has or is likely to have a material impact on the Company's operating results or financial position.

In carrying out its role, the AC is empowered to investigate any matter within its Terms of Reference, with full access to and co-operation by Management, and full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly. The AC meets with internal auditors and external auditors without the presence of Management at least once a year to obtain feedback on the competency and adequacy of the finance function and to ascertain if there are any material weaknesses or control deficiencies in the Group's financial reporting and operational systems. The AC may also consult outside counsel, auditors or other advisors as it may deem necessary at the Company's expense.

Periodic updates on changes in accounting standards and treatment are prepared by external auditors and circulated to members of the AC so that they are kept abreast of such changes and its corresponding impact on the financial statements, if any.

During FY2019, key activities of the AC included:

- reviewing the quarterly and full-year financial results and related SGX-ST announcements, including the independent auditors' report, significant financial reporting issues and assessments to safeguard the integrity in financial reporting, and to ensure compliance with the requirements of the Singapore Financial Reporting Standards;
- recommending, for the approval of the Board, the quarterly and annual financial results and related SGX-ST announcements;
- reviewing and evaluating with internal and external auditors, the adequacy and effectiveness of internal control systems, including financial, operational, information technology and compliance controls;
- reviewing and approving the internal and external audit plans to ensure the adequacy of the audit scope;

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- reviewing with internal and external auditors, the audit reports and their recommendations, and monitoring the timely and proper implementation of any required corrective or improvement measures;
- reviewing the adequacy and effectiveness of the Group's internal audit function, including the adequacy of internal audit resources and its appropriate standing within the Group;
- assessing the independence and objectivity of the external auditors and the quality of the work carried out by the external auditors, using ACRA's Audit Quality Indicators Disclosure Framework as a basis; and
- reviewing whistle-blowing investigations within the Group and ensuring appropriate follow-up actions, where required.

NOMINATING COMMITTEE	
MEMBERSHIP	KEY OBJECTIVES
Mr Weerawong Chittmittrapap, <i>Chairman</i> Mr Charles Mak Ming Ying, <i>Member</i> Mr Chan Heng Wing, <i>Member</i> Mr Chotiphat Bijananda, <i>Member</i>	<ul style="list-style-type: none"> • Establish a formal and transparent process for appointment and re-appointment of Directors • Assessing annually the effectiveness of the Board as a whole, and that of each of its Board Committees and individual Directors • Identifying and developing Board training and professional development programmes

A majority of the members of the NC, including the Chairman, are independent non-executive Directors. The Lead Independent Director, Mr Charles Mak Ming Ying, is a member of the NC.

The NC is guided by written Terms of Reference approved by the Board which set out the duties and responsibilities of the NC. The NC's responsibilities include reviewing the structure, size and composition and independence of the Board and its Board committees, reviewing and making recommendations to the Board on the succession plans for Directors, making recommendations to the Board on all Board appointments, and determining the independence of Directors. The NC also proposes for the Board's approval, the objective performance criteria and process for the evaluation of the effectiveness of the Board, the Board Committees and individual Directors, and ensures that proper disclosure of such criteria and process is made. The NC is also responsible for making recommendations to the Board on training and professional development programmes for the Board and the Directors.

Further information on the main activities of the NC are outlined in the following sections:

- "Training and development of Directors" on page 153
- "Board Composition" on pages 154 to 158
- "Directors' Independence" on pages 156 to 157
- "Board Evaluation Performance" on pages 157 to 158

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REMUNERATION COMMITTEE	
MEMBERSHIP	KEY OBJECTIVES
Mr Philip Eng Heng Nee, <i>Chairman</i> Mr Charles Mak Ming Ying, <i>Member</i> Mr Chan Heng Wing, <i>Member</i>	<ul style="list-style-type: none"> Assist the Board in establishing a formal and transparent process for developing policies on executive remuneration and development Ensuring that the level and structure of remuneration of the Board and key management personnel of the Group are appropriate and proportionate to the sustained performance and value creation of the Company

The RC is made up entirely of non-executive Directors, all of whom, including the Chairman, are Independent Directors.

Under the Terms of Reference of the RC, the RC shall review and recommend to the Board, a framework of remuneration for the Board and Key Management Personnel, and ensure the remuneration policies and systems of the Group, as approved by the Board, support the Group's objectives and strategies, and are consistently administered and being adhered to within the Group.

On an annual basis, the RC also reviews and recommends to the Board the Group's remuneration and benefits policies and practices (including long-term incentive schemes), and the performance and specific remuneration packages for each Director and Key Management Personnel, in accordance with the approved remuneration policies and processes. The RC also proposes, for the Board's approval, criteria to assist in the evaluation of the performance of Key Management Personnel, and reviews the obligations of the Group arising in the event of the termination of the service contracts of executive Directors and Key Management Personnel to ensure that such contracts of service contain fair and reasonable termination clauses. The RC also administers and approves awards under the FPL Performance Share Plan, the FPL Restricted Share Plan and/or other long term incentive schemes to senior executives of the Group.

In carrying out its role, the Terms of Reference of the RC provide that the RC shall consider all aspects of remuneration, including Directors' fees, special remuneration to Directors who render special or extra services to the Company or the Group, salaries, allowances, bonuses, share-based incentives and awards, benefits in kind and termination payments, and shall aim to be fair and to avoid rewarding poor performance.

If necessary, the RC can seek expert advice on remuneration within the Company or from external sources. Where such advice is obtained from external sources, the RC ensures that existing relationships, if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants.

RISK MANAGEMENT COMMITTEE	
MEMBERSHIP	KEY OBJECTIVES
Mr Chotiphat Bijananda, <i>Chairman</i> Mr Charles Mak Ming Ying, <i>Member</i> Mr Chan Heng Wing, <i>Member</i> Mr Weerawong Chittmittrapap, <i>Member</i> Mr Panote Sirivadhanabhakdi, <i>Member</i> Mr Sithichai Chaikriangkrai, <i>Member</i>	<ul style="list-style-type: none"> Assist the Board in carrying out its responsibility of overseeing the Company's risk management framework and policies Report to the Board and provide appropriate advice and recommendations on material risk issues, and a risk management system for the timely identification, mitigation and management of key risks that may have a material impact on the Group

Save for Mr Panote Sirivadhanabhakdi, all members of the RMC are non-executive Directors, and three of whom, namely Mr Charles Mak Ming Ying, Mr Chan Heng Wing and Mr Weerawong Chittmittrapap are Independent Directors.

The RMC assists the Board to oversee the Group's enterprise-wide risk management framework, determine the risk appetite and risk strategy, and assess the Group's risk profile, material risks, and mitigation plans.

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The Board, through the RMC, reviews the adequacy and effectiveness of the Group's risk management framework and systems to ensure that robust risk management and mitigating controls are in place. Together with the AC, the RMC helps to ensure that Management maintains a sound system of risk management and internal controls to safeguard the interests of Shareholders and the assets of the Group. Through guidance to and discussions with Management, the RMC assists the Board in its determination of the nature and extent of significant risks which the Board is willing to take in achieving the Group's strategic objectives. The meetings of the RMC are attended by key senior Management of the Group. The meetings serve as a forum to review and discuss material risks and exposures of the Group's businesses and strategies to mitigate risks. Further information on the key activities conducted by the RMC can be found in the section titled "Governance of Risk and Internal Controls" on pages 166 to 168.

In addition to the Board Committees, the Company has established an Information Technology & Cybersecurity Committee that comprises board members and members of Management.

INFORMATION TECHNOLOGY & CYBERSECURITY COMMITTEE	
MEMBERSHIP	KEY OBJECTIVES
Mr Tan Pheng Hock, <i>Chairman</i> Mr Wee Joo Yeow, <i>Member</i> Mr Panote Sirivadhanabhakdi, <i>Member</i> Mr Chia Khong Shoong, <i>Member</i> Mr Sebastian Tan, <i>Member</i>	<ul style="list-style-type: none"> Review and monitor the on-going appropriateness and relevance of the Company's policy for the allocation of resources required to deliver and execute both the short-term and long-term information technology strategies

The Information Technology & Cybersecurity Committee approves major changes in any information technology strategies, priorities and/or structures implemented throughout the Group. It also reviews and approves the Company's policies and procedures relating to cybersecurity and information technology, and seeks to ensure value for money in the provision of information technology services and that appropriate business continuity arrangements are in place relating to information technology.

The Information Technology & Cybersecurity Committee will make recommendations to the Board as it deems appropriate on any area within its remit where action or improvement is needed.

Delegation of Authority Framework

The Company has adopted a framework of delegated authorisations in its Manual of Authority (the "**MOA**"). The MOA defines the procedures and levels of authorisation required for specified transactions. It also sets out approval limits for operating and capital expenditure as well as acquisitions and disposals of assets and investments.

While day-to-day operations of the Group's business are delegated to Management, in the Board's exercise of its leadership and oversight of the Group, the MOA contains a schedule of matters specifically reserved for approval by the Board. These include approval of annual budgets, financial plans, business strategies and material transactions, such as major acquisitions, divestments, funding and investment proposals.

The Board approves transactions exceeding certain threshold limits while delegating authority for transactions below these limits to the EXCO and/or Management and sub-committees formed at various levels of Management (the "**Management Sub-Committees**"), under the authorisation limits of the MOA, to optimise operational efficiency.

Aligned with the Company's strategy to develop growth and build scalable platforms in core businesses and geographical markets, the Board has also put in place an internal approval matrix with established authority limits delegated to Management Sub-Committees, to facilitate the execution of adopted business strategies and operating plans subject to specified authority limits.

Such Management Sub-Committees include finance and investment committees at various business units that are responsible for the review of the quality and integrity of (a) finance, accounting, treasury, information technology and taxation functions; (b) audit, internal controls and financial practices; and (c) risk management and compliance framework, and reviewing of all proposed acquisitions, development plans, asset disposals and major leasing transactions.

The MOA and the internal approval matrix form a clear structure of accountability for decisions taken at different levels of the Group.

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Meetings of the Board and Board Committees

The Board and its various Board Committees meet regularly, and also as required by business needs or if their members deem it necessary or appropriate to do so.

The following table summarises the number of meetings of the Board and Board Committees and general meetings held and attended by the Directors in FY2019:

	Board	Board Executive Committee	Audit Committee	Nominating Committee	Remuneration Committee	Risk Management Committee	General Meetings
Meetings held for FY2019	6	2	5	1	6	4	1
Mr Charoen Sirivadhanabhakdi	6 (C)	1 (C)	-	-	-	-	-
Khunying Wanna Sirivadhanabhakdi	6	-	-	-	-	-	-
Mr Charles Mak Ming Ying	6	2	5 (C)	1	6	4	1
Mr Chan Heng Wing	5	-	-	1	5	2	1
Mr Philip Eng Heng Nee	6	-	5	-	6 (C)	-	1
Mr Tan Pheng Hock	6	-	-	-	-	-	1
Mr Wee Joo Yeow	5	2	5	-	-	-	1
Mr Weerawong Chittmittrapap	5	-	-	1 (C)	-	4	-
Mr Chotiphat Bijananda	5	2	-	1	-	4 (C)	1
Mr Panote Sirivadhanabhakdi	6	2	-	-	-	4	1
Mr Sithichai Chaikriangkrai	6	2	5	-	-	4	1

Note: (C) refers to Chairman of the Board or Board Committees

A calendar of activities is scheduled for the Board a year in advance.

The Company's Constitution provides for Board members who are unable to attend physical meetings to participate through telephone conference, video conference or any other forms of electronic or instantaneous communication facilities.

Directors are provided with Board papers setting out relevant information on the agenda items to be discussed at Board and Board Committee meetings around a week in advance of the meeting (save in cases of urgency), to give Directors sufficient time to prepare for the meeting and review and consider the matters being tabled and/or discussed so that discussions can be more meaningful and productive and Directors have the necessary information to make sound, informed decisions.

Senior members of the Management team and from the Company's business divisions attend Board meetings, and where necessary, Board Committee meetings, to brief and make presentations to the Directors, provide input and insight into matters being discussed, and respond to queries and take any follow up instructions from the Directors.

Where required by the Directors, external advisers may also be present or available whether at Board and Board Committee meetings or otherwise, and at FPL's expense where applicable, to brief the Directors and provide their expert advice.

For matters which require the Board's and/or Board Committees' decision outside such meetings, Board and/or Board Committee papers will be circulated through the Company Secretary for the Directors' consideration with further discussions taking place between the Directors and Management (if required) before a decision is made.

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Matters Discussed by Board and Board Committees in FY2019				
BOARD				
<ul style="list-style-type: none"> • Strategy • Business and Operations Update 		<ul style="list-style-type: none"> • Financial Performance • Governance 		<ul style="list-style-type: none"> • Feedback from Board committees • Networking
Board Executive Committee	Audit Committee	Nominating Committee	Remuneration Committee	Risk Management Committee
<ul style="list-style-type: none"> • Strategic Development Initiatives • Direction for New Investments and Material Financial and Non-Financial Matters 	<ul style="list-style-type: none"> • External and Internal Audit • Financial Reporting • Internal Controls and Risk Management • Interested Person Transactions • Conflicts of Interests • Whistle-blowing • Investigations 	<ul style="list-style-type: none"> • Board Composition and Renewal • Board, Board Committees and Director Evaluations • Training and Development • Succession Planning 	<ul style="list-style-type: none"> • Remuneration Policies and Framework 	<ul style="list-style-type: none"> • Risk Management Framework and Policies • Material Risk Issues

Board Oversight

Outside of Board and Board Committee meetings, Management also provides Directors with reports on major operational matters, business development activities, financial performance, potential investment opportunities and budgets periodically, as well as such other relevant information on an on-going and timely basis to enable them to discharge their duties and responsibilities properly. Where required or requested by Directors, site visits and meetings with personnel from the Group's business divisions are also arranged for Directors to have an intimate understanding of the key business operations of each division and to promote active engagement with Management.

Directors are provided with sufficient information to enable them to ensure that they prepare adequately for Board and Board Committee meetings, and devote sufficient time and attention to the affairs of the Group. At Board and Board Committee meetings, the Directors actively participate, discuss, deliberate and appraise matters requiring their attention and decision. Where necessary for the proper discharge of their duties, the Directors may seek and obtain independent professional advice at the Company's expense.

The Company Secretary

The Company Secretary, who is legally trained and familiar with company secretarial practices, is responsible for overseeing compliance with Board and Board Committee procedures, the Company's Constitution and relevant corporate rules and regulations, including disclosure requirements under the Securities and Futures Act, Chapter 289, Companies Act, Chapter 50 (the "**Companies Act**") and the Listing Rules, and provides advice and guidance on corporate governance practices and processes.

The Company Secretary attends Board and Board Committee meetings and drafts and reviews the minutes of proceedings thereof, and facilitates and acts as a channel of communication for the smooth flow of information to and within the Board and its various Board Committees, as well as between and with senior Management.

The Company Secretary solicits and consolidates Directors' feedback and evaluation, facilitates induction and orientation programmes for new Directors, and assists with Directors' professional development matters. The Company Secretary also acts as the Company's primary channel of communication with the SGX-ST.

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

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Training and Development of Directors

The NC is tasked with ensuring that new Directors are aware of their duties and obligations, and overseeing and making recommendations to the Board on the review of training and professional development programmes for the Board and its Directors.

Upon appointment, each new Director is issued a formal letter of appointment setting out his or her duties and obligations, including his or her responsibilities as fiduciaries and on the policies relating to conflicts of interest. A comprehensive induction and orientation programme is also conducted to familiarise new appointees with the business activities, strategic direction, policies and corporate governance practices of the Group, as well as their statutory and other duties and responsibilities as Directors. This programme allows new Directors to get acquainted with Management, and fosters better rapport and facilitates communication with Management.

The Directors are kept continually and regularly updated on the Group's businesses and the regulatory and industry specific environments in which the entities of the Group operate. Updates on relevant legal, regulatory and technical developments may be in writing or disseminated by way of presentations and/or handouts. The Board is also regularly updated on the latest key changes to any applicable legislation and changes to the Listing Rules as well as developments in financial reporting standards, by way of briefings held by the Company's lawyers and auditors. During FY2019, the Directors were updated on (a) changes in Financial Reporting Standards, (b) key tax measures, (c) global developments and trends, (d) cyber security risks and (e) recent changes to the Code of Corporate Governance and the Listing Rules.

To ensure the Directors can fulfil their obligations and to continually improve the performance of the Board, all Directors are encouraged to undergo continual professional development during the term of their appointment, and provided with opportunities to develop and maintain their skills and knowledge at the Company's expense.

Directors are encouraged to be members of the Singapore Institute of Directors ("**SID**") for them to receive updates and training from SID to stay abreast of relevant developments in financial, legal and regulatory requirements, and the business trends.

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BOARD COMPOSITION

The following table shows the composition of the Board and the various Board Committees:

		Board Executive Committee	Audit Committee	Nominating Committee	Remuneration Committee	Risk Management Committee
Mr Charoen Sirivadhanabhakdi	Non-executive and Non-independent Chairman	• (Chairman)				
Khunying Wanna Sirivadhanabhakdi	Non-executive and Non-independent Vice Chairman					
Mr Panote Sirivadhanabhakdi	Group Chief Executive Officer, Executive and Non-independent Director	•				•
Mr Charles Mak Ming Ying	Non-executive and Lead Independent Director	• (Vice Chairman)	• (Chairman)	•	•	•
Mr Chan Heng Wing	Non-executive and Independent Director			•	•	•
Mr Philip Eng Heng Nee	Non-executive and Independent Director		•		• (Chairman)	
Mr Tan Pheng Hock	Non-executive and Independent Director					
Mr Wee Joo Yeow	Non-executive and Independent Director	•	•			
Mr Weerawong Chittmittrapap	Non-executive and Independent Director			• (Chairman)		•
Mr Chotiphat Bijananda	Non-executive and Non-independent Director	• (Vice Chairman)		•		• (Chairman)
Mr Sithichai Chaikriangkrai	Non-executive and Non-independent Director	•	•			•

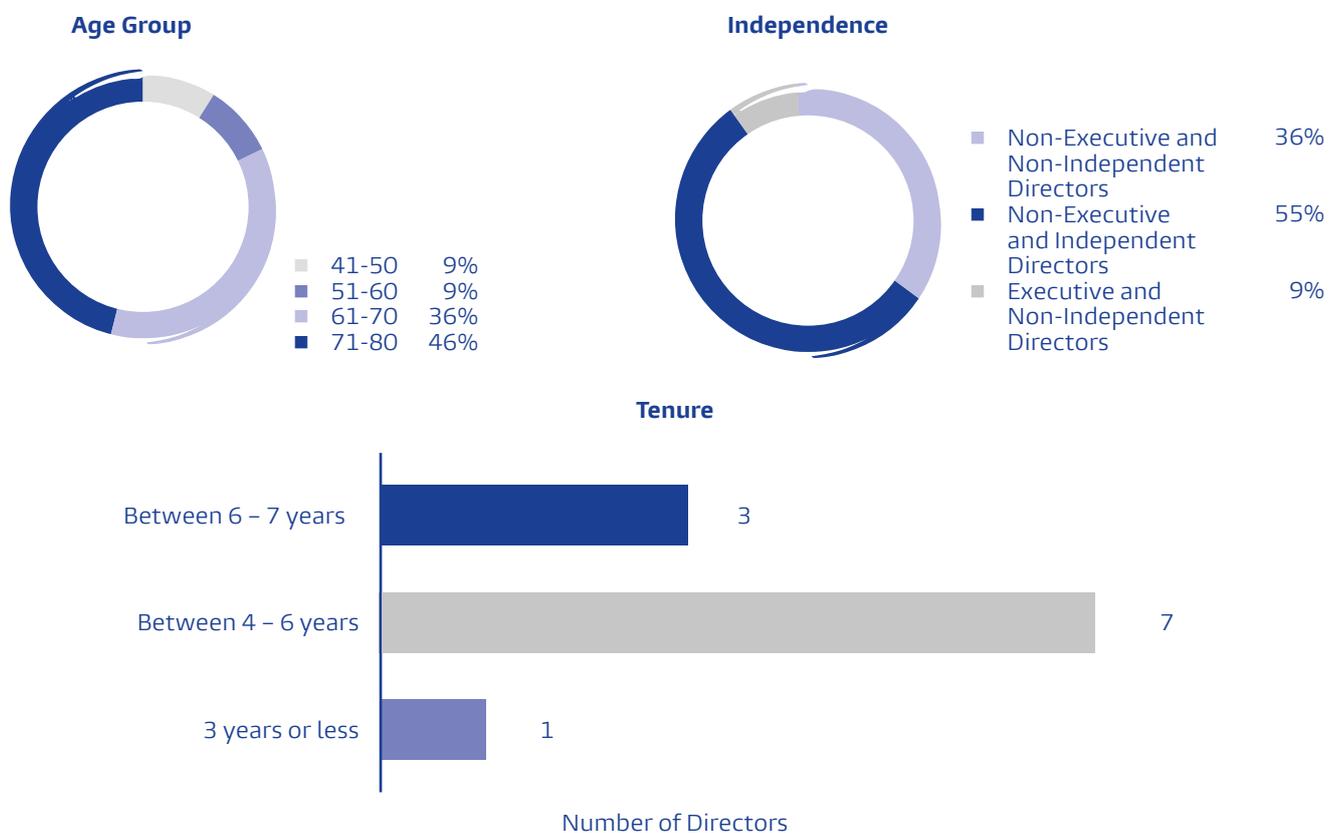
Profiles of each of the Directors can be found at on pages 12 to 18.

As can be seen from the table above, other than the Group CEO, all of the Directors are non-executive and the Board comprises a majority of Independent Directors.

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The NC has assessed that the current size and composition of the Board is appropriate for the scope and nature of the Group's operations, and facilitates effective decision-making. No individual or group dominates the Board's decision-making process or has unfettered powers of decision-making. The NC is of the opinion that the Directors with their diverse backgrounds and experience provide the appropriate balance and mix of skills, knowledge, experience relevant to the Group as they collectively bring with them a broad range of complementary competencies and experience. The Board is well-diversified in terms of age group, nationality and other aspects of diversity.

Board Composition in terms of Age Group, Independence and Tenure (as at 30 September 2019)



The Company's Constitution provides that at least one-third of its Directors shall retire from office and are subject to re-election at every annual general meeting of the Company ("**AGM**"). All Directors are required to retire from office at least once every three years. Under its Terms of Reference, the NC is tasked with reviewing the succession plans for Directors, and assessing and evaluating whether Directors retiring at each AGM are appropriate for re-appointment by virtue of their skills, experience and contributions, and providing its recommendations to the Board. Newly-appointed Directors during the year must also submit themselves for retirement and re-election at the next AGM immediately following their appointment. The Shareholders approve the appointment or re-appointment of Board members at the AGM. Information on the Directors that are seeking election or re-election at the upcoming AGM can be found on pages 383 to 393.

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The NC reviews the nominations for appointments and re-appointments to the Board and Board Committees, taking into account, among other things, whether Directors (including those who hold multiple board representations and other principal commitments) are able to and have been devoting sufficient time to discharge their responsibilities adequately and identifying the balance of skills, knowledge and experience required for the Board to discharge its responsibilities effectively. The process for the selection, appointment and re-appointment of Directors also takes into account the composition and progressive renewal of the Board and Board Committees, each Director's experience, education, expertise, judgment, personal qualities and general and sector specific knowledge in relation to the needs of the Board as well as whether the candidates will add diversity to the Board and whether they are likely to have adequate time to discharge their duties. The NC considers a range of different channels to source and screen candidates for Board appointments, depending on the requirements, including tapping on the existing networks of contacts and recommendations. Suitable candidates are carefully evaluated by the NC so that recommendations made on proposed candidates are objective and well supported. Instead of prescribing a maximum number of directorships and/or other principal commitments that each Director may have, the NC adopts a holistic assessment of each Director's individual capacity and circumstances to carry out his or her duties, taking into consideration not only the number of other board and other principal commitments held by each Director, but also the nature and complexity of such commitments. The NC submitted its recommendations for nominations of appointments and reappointments for approval by the Board.

Board Diversity Policy

The Board has adopted a board diversity policy. The NC will monitor and implement this policy, and will take the principles of the policy into consideration when determining the optimal composition of the Board, and when recommending any proposed changes to the Board. On the recommendation of the NC, the Board may set certain measurable objectives/specific diversity targets, with a view to achieving an optimal Board composition, and these objectives/specific diversity targets may be reviewed by the NC from time to time to ensure their appropriateness.

The Board views diversity at the Board level as an essential element for driving value in decision-making and proactively seeks as part of its diversity policy, to maintain an appropriate balance of expertise, skills and attributes among the Directors. This is reflected in the diversity of backgrounds and competencies of the Directors, whose competencies range from banking, finance, accounting and legal to relevant industry knowledge, entrepreneurial and management experience, and familiarity with regulatory requirements and risk management. This is beneficial to the Company and Management as decisions by, and discussions with, the Board would be enriched by the broad range of views and perspectives and the breadth of experience of the Directors.

Directors' Independence

The Directors complete a declaration of independence annually which is reviewed by the NC. The NC determines annually, and as and when circumstances require, if a Director is independent. Based on the declarations of independence of the Directors, having regard to the circumstances set forth in Provision 2.1 of the Code and taking into account Rule 210(5)(d) of the Listing Rules, the NC and the Board have determined that there are six Independent Directors on the Board.

Based on their declarations, none of them has any relationship with the Company, its related corporations, the substantial Shareholders or the Company's officers that could interfere, or reasonably be perceived to interfere, with the exercise of each of their independent business judgment in the best interests of the Company. The NC reviewed the appointments of Mr Philip Eng Heng Nee as (i) the chairman of the board of directors of Frasers Hospitality International Pte Ltd ("**FHI**") and non-executive chairman of the approval committee of the Hospitality SBU, being one of the Management Sub-Committees, (ii) a non-executive and non-independent director of Frasers Centrepoint Asset Management Ltd. ("**FCAM**") and a member of the Audit, Risk and Compliance Committee of FCAM, and (iii) a member of the board of directors of Frasers Property Australia Pty Ltd ("**FPA**"), and was satisfied that such appointments did not affect his continued ability to exercise strong objective judgment and be independent in the expression of his views and in his participation in the deliberation and decision making of the Board and the Board Committees of which he is a member. FHI is a wholly-owned subsidiary of the Company within the Hospitality SBU, FPA is a wholly-owned subsidiary of the Company within the Frasers Property Australia SBU and FCAM is a wholly-owned subsidiary of the Company.

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The Independent Directors lead the way in upholding good corporate governance at the Board level and their presence facilitates the exercise of objective independent judgement on corporate affairs. Their participation and input also ensure that key issues and strategies are critically reviewed, constructively challenged, fully discussed and thoroughly examined, taking into account the long-term interests of FPL and its Shareholders. As of 30 September 2019, none of the Independent Directors have been on the Board for more than nine years.

No alternate Directors have been appointed on the Board for FY2019.

Lead Independent Director

Mr Charles Mak Ming Ying, who has been an Independent Director of the Company since 25 October 2013, was appointed as lead Independent Director (the "**Lead Independent Director**") on 8 May 2015. The Lead Independent Director provides leadership in situations where the Chairman is conflicted, chairs Board meetings in the absence of the Chairman, and is available to Shareholders where they have concerns and the normal channels of communication with the Chairman, the Group CEO and the Group CFO may be inappropriate or inadequate. The Lead Independent Director represents the Independent Directors in responding to Shareholders' and other stakeholders' questions that are directed to the Independent Directors as a group, and has the authority to call for meetings of the Independent Directors, where necessary and appropriate. The Lead Independent Director can call for a meeting of the Independent Directors and/or other non-executive Directors when necessary and appropriate without the presence of Management to provide a forum for them for the frank exchange of any concerns which may be difficult to raise in Management's presence. The Lead Independent Director thereafter provides feedback to the Chairman as appropriate.

Conflict Policy

To address and manage possible conflicts of interest that may arise between Directors' interests and those of the Group, the Company, *inter alia*: (a) requires Directors to declare any interest in a transaction or proposed transaction with the Group and any actual or potential conflict of interest as soon as practicable after the relevant facts have come to their knowledge; and (b) requires such Directors to refrain from participating in meetings or discussions (or relevant segments thereof), in addition to abstaining from voting, on any matter in which they have a direct or indirect personal material interest.

For purchases of property in FPL property projects, there is also a policy which sets out the process and procedure for disclosing, reporting and obtaining of relevant approvals for property purchases made by any Director, the Group CEO or any other interested persons (as defined in the SGX-ST Listing Manual) and employees of the Group. The Company does not have a practice of extending loans to Directors, and as at 30 September 2019, there were no loans granted by the Company to Directors. If there are such loans, the Company will comply with its obligations under the Companies Act in relation to loans, quasi-loans, credit transactions and related arrangements to Directors.

Board Performance Evaluation

The NC is tasked with making recommendations to the Board on the process and criteria for evaluation of the performance of the Board, the Board Committees and the Directors.

The effectiveness of the Board as a whole, the Board Committees and the contribution by each Director to the effectiveness of the Board is assessed annually. The Board, with the recommendations of the NC, has implemented a formal process for assessing the effectiveness of the Board and its Board Committees and the contribution by each individual Director to the effectiveness of the Board.

For FY2019, an independent external consultant, Ernst & Young LLP was appointed to facilitate the process of conducting a Board evaluation survey. The external consultant has no connection with the Company or any of the Directors, apart from being the consultant in previous financial year(s).

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The survey was designed to provide an evaluation of current effectiveness of the Board and to support the Chairman and the Board in proactively considering what can enhance the readiness of the Board to address emerging strategic priorities for the Company as a whole. As part of the survey, questionnaires were sent by the external consultant to the Directors to obtain feedback, and interviews would be conducted to clarify the responses where required. The objective performance criteria covered in the Board evaluation exercise translated into the following key segments covered in the questionnaires: (1) the Board's contribution to the overall development of the Company's strategic and performance orientation; (2) Board composition and skills; (3) Governance of the Board and organisation focus; (4) Board functions and dynamics, including the Board's internal operations, as well as engagement with key investors, Shareholders and strategic stakeholders; (5) the Board's relation with Management; (6) Director Performance; (7) Board's role in respect of Director development and succession planning for the Board and Management; and (8) the effectiveness of the Board Committees. The responses to the survey would be summarised by the external consultant and its report would be submitted to the NC. Findings and recommendations of the external consultant which include feedback from Directors would be taken into consideration and any necessary follow-up actions would be undertaken with a view to improving the overall effectiveness of the Board in fulfilling its role and meeting its responsibilities to Shareholders. Based on the NC's review, the Board and the various Board Committees operate effectively and each Director is contributing to the overall effectiveness of the Board.

REMUNERATION MATTERS

With the recommendations of the RC, the Board has put in place a formal and transparent process for developing policies on Director and executive remuneration and for fixing the remuneration packages of individual Directors and key Management.

Compensation Philosophy

The Group seeks to incentivise and reward consistent and sustained performance through market competitive, internally equitable, performance-orientated and shareholder-aligned compensation programmes. This compensation philosophy serves as the foundation for the Group's remuneration framework, and guides the Group's remuneration framework and strategies. In addition, the Group's compensation philosophy seeks to align the aspirations and interests of its employees with the interests of the Group and its Shareholders, resulting in the sharing of rewards for both employees and Shareholders on a sustained basis. The Group's comprehensive human capital strategy serves to attract, motivate and retain employees. The Group aims to connect employees' desire to develop and fulfil their aspirations with the growth opportunities afforded by the Group's vision and corporate initiatives.

Compensation Principles

All compensation programme design, determination and administration are guided by the following principles:

(a) Pay-for-Performance

The Group's Pay-for-Performance principle encourages excellence, in a manner consistent with the Group's core values. The Group takes a total compensation approach, which recognises the value and responsibility of each role, and differentiates and rewards performance through its incentive plans.

(b) Shareholder Returns

Performance measures for incentives are established to drive initiatives and activities that are aligned with both short-term value creation and long-term shareholder wealth creation, thus ensuring a focus on delivering Shareholder returns.

(c) Sustainable Performance

The Group believes sustained success depends on the balanced pursuit and consistent achievement of short and long-term goals. Hence, variable incentives incorporate a significant pay-at-risk element to align employees with sustainable performance for the Group.

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(d) Market Competitiveness

The Group aims to be market competitive by benchmarking its compensation levels with relevant comparators. However, the Group embraces a holistic view of employee engagement that extends beyond monetary rewards. Recognising each individual as unique, the Group seeks to motivate and develop employees through all the levers available to the Group through its comprehensive human capital platform, including learning and development and career advancement through vertical, lateral and diagonal moves within the Group.

Engagement of External Consultants

The RC may from time to time, and where necessary or required, engage external consultants in framing the remuneration policy and determining the level and mix of remuneration for Directors and Management. Among other things, this helps the Company to stay competitive in its remuneration packages. During FY2019, Korn Ferry was appointed as the Company's remuneration consultant. The remuneration consultant does not have any relationship with the Company or its Directors or Key Management Personnel which would affect its independence and objectivity.

Remuneration Framework

The RC reviews and makes recommendations to the Board on the remuneration framework for the Independent Directors and other non-executive Directors, the Key Management Personnel and other management personnel of the Company. The remuneration framework is endorsed by the Board.

The remuneration framework covers all aspects of remuneration including salaries, allowances, performance bonuses, grant of share awards and incentives for the Key Management Personnel and fees for the Independent Directors and other non-executive Directors.

Remuneration Policy in Respect of Management and Other Employees

The RC reviews the level, structure and mix of remuneration and benefits policies and practices (where appropriate) of the Company, to ensure that they are appropriate and proportionate to the sustained performance of the Company, taking into account the strategic objectives of the Company, and designed to attract, retain and motivate the Key Management Personnel to successfully manage the Company for the long term. The RC takes into account all aspects of remuneration, including termination terms, to ensure that they are fair.

The remuneration framework comprises fixed and variable components, which include short-term and long-term incentives. When conducting its review of the remuneration framework, the RC takes into account Company and individual performance. Company performance is measured based on pre-set financial and non-financial indicators. Individual performance is measured via employee's annual appraisal based on indicators such as core values, competencies and key performance indicators.

Fixed Component

The fixed component in the Company's remuneration framework is structured to reward employees for the role they performed, and is benchmarked against relevant industry market data. It comprises base salary, fixed allowances and any statutory contribution. The base salary and fixed allowances for each Key Management Personnel are reviewed annually by RC and approved by the Board.

Variable Component

An appropriate proportion of Key Management Personnel's remuneration comprises a variable component which is structured so as to link rewards to corporate and individual performance and incentivise sustained performance in both the short and long term. The variable incentives are measured based on quantitative and qualitative targets, and overall performance will be determined at the end of the year and approved by the RC.

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(1) Short Term Incentive Plans

The short-term incentive plans aim to incentivise excellence in performance in the short term. All Key Management Personnel are assessed using a balanced scorecard with pre-agreed financial and non-financial Key Performance Indicators ("KPIs"). The financial KPIs comprise of Group and, where applicable, SBUs targets. Non-financial KPIs may include measures on People, Sustainability, Corporate Governance or specified projects. These targets are established at the beginning of each financial year. At the end of the financial year, the achievements are measured against the pre-agreed targets and the short-term incentives of each Key Management Personnel are determined.

The RC recommends the final short-term incentives that are awarded to the Key Management Personnel for the Board's approval, taking into consideration any other relevant circumstances.

(2) Long Term Incentive Plans

The RC administers the Company's long-term incentive plans ("**LTI Plans**"), namely, the restricted share plan ("**RSP**") and the performance share plan ("**PSP**"). The RSP and the PSP were approved by the Board and adopted on 25 October 2013. Through the LTI Plans, the Company seeks to foster a greater ownership culture within the Group by aligning more directly the interests of Key Management Personnel and senior executives with the interest of the Shareholders and other stakeholders, and for such employees to participate and share in the Group's growth and success, thereby ensuring alignment with sustainable value creation for Shareholders over the long-term.

The RSP is available to a broader base of senior executives compared to the PSP. Its objectives are to increase the Company's flexibility and effectiveness in its continuing efforts to attract, motivate and retain talented senior executives and to reward these executives for the future performance of the Company. The PSP applies to senior Management in key positions who shoulder the responsibility of the Company's future performance and who are able to drive the growth of the Company through superior performance. They serve as further motivation to the participants in striving for excellence, promoting the Company's long-term success and delivering long-term Shareholder value.

Under the RSP and the PSP, the Company grants share-based awards ("**Initial Awards**") with pre-determined Group performance targets being set at the beginning of performance period. The RC recommends the Initial Awards granted to each Key Management Personnel to the Board for approval, taking into consideration the executive's individual performance. The performance period for the RSP and the PSP are two years and three years respectively. For the RSP, the pre-set targets are Attributable Profit Before Fair value and Exceptional items ("**APBFE**") and Return on Capital Employed. For the PSP, the pre-set targets are Return on Invested Capital, Total Shareholders' Return Relative to FTSE ST Real Estate Index and Absolute Shareholders' Return as a multiple of Cost of Equity. The RSP and PSP awards represent the right to receive fully paid shares in the Company ("**Shares**"), their equivalent cash value or a combination thereof, free of charge, provided certain prescribed performance conditions are met. Such performance conditions are generally performance indicators that are key drivers of shareholder value creation and aligned to the Group's business objectives. The final number of Shares to be released ("**Final Awards**") will depend on the achievement of the pre-determined Group performance targets at the end of the respective performance period. If such targets are exceeded, more Shares than the Initial Awards can be delivered, subject to a maximum multiplier of the Initial Awards. The Final Awards under the RSP will vest to the participants in three tranches over two years after the two-year performance period. For the PSP, the Final Awards will vest fully at the end of the three-year performance period. The vesting period under the RSP is between two to four years. The maximum number of Shares which can be released, when aggregated with the number of new Shares issued pursuant to the vesting of awards under the RSP and the PSP will not exceed ten percent (10%) in aggregate of the issued share capital of the Company over the life of the RSP and the PSP of ten years respectively.

The RC has absolute discretion to decide on the Final Awards, taking into consideration any other relevant circumstances.

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Approach to Remuneration of Key Management Personnel

The Company advocates a performance-based remuneration system that is highly flexible and responsive to the market, which also takes into account the Company's performance and that of its employees.

In designing the compensation structure, the RC seeks to ensure that the level and mix of remuneration is competitive, relevant and appropriate in finding a balance between current versus long-term compensation and between cash versus equity incentive compensation.

Executives who have a greater ability to influence Group outcomes have a greater proportion of overall reward at risk. The RC exercises broad discretion and independent judgement in ensuring that the amount and mix of compensation are aligned with the interests of the Shareholders and other stakeholders and promote the long-term success of the Company.

Performance Indicators for Key Management Personnel

As set out above, the Company's variable remuneration comprises short-term and long-term incentives, taking into account both individual and Company's performance. This is to ensure employee remuneration is linked to performance. In determining short-term incentives, both the Group and SBU's financial and non-financial performance as set out in the balanced scorecard are taken into consideration. The performance targets under the LTI Plans of APBFE and Return on Capital Employed (in the case of the RSP) and Return on Invested Capital, Total Shareholders' Return Relative to FTSE ST Real Estate Index and Absolute Shareholders' Return as a multiple of Cost of Equity (in the case of the PSP) align the interests of the Key Management Personnel with the long-term growth and performance of the Company. For FY2019, the majority of pre-determined target performance levels for the RSP and the PSP grants were met.

Currently, the Company does not have claw-back provisions which allow it to reclaim incentive components of remuneration from its Key Management Personnel in exceptional circumstances of misstatement of financial results or misconduct resulting in financial loss.

Remuneration Packages of Key Management Personnel

The RC reviews and makes recommendations on the specific packages and service terms for the Group CEO and the other Key Management Personnel for approval by the Board.

No Director or Key Management Personnel is involved in deciding his/her remuneration.

The Group CEO does not receive any fee for serving on the Board and Board Committees. As he is also an associate of a substantial Shareholder, he does not participate in the RSP and PSP. The Group CEO's long-term incentive paid in the form of cash is based on similar performance targets, performance periods and achievement factors of the RSP and the PSP.

Non-independent Directors abstain from any decisions relating to the Group CEO's remuneration.

The RC aligns the Group CEO's leadership, through appropriate remuneration and benefit policies, with the Company's strategic objectives and key challenges. Performance targets are also set for the Group CEO and his performance is evaluated yearly.

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Remuneration Policy in respect of Independent Directors and Other Non-Executive Directors

The remuneration of Independent Directors and other non-executive Directors has been designed to be appropriate to the level of contribution, taking into account factors such as effort, time spent, and responsibilities, on the Board and Board Committees, and to attract, retain and motivate the Directors to provide good stewardship of the Company.

Independent Directors and other non-executive Directors do not receive options, share-based incentives or bonuses.

The Company engages consultants to review Directors' fees by benchmarking such fees against the amounts paid by listed industry peers. Each non-executive Director's and Independent Directors' remuneration comprises a basic fee and attendance fees for attending Board and Board Committee meetings. In addition, non-executive Directors and Independent Directors who perform additional services in Board Committees are paid an additional fee for such services. The chairman of each Board Committee is also paid a higher fee compared with the members of the respective Board Committees in view of the greater responsibility carried by that office. The following fee structure was presented to and reviewed by the RC, and endorsed by the Board for FY2019:

	Basic Fee (S\$)	Attendance Fee (for physical attendance in Singapore or home country of Director) (S\$)	Attendance Fee (for physical attendance outside Singapore (excluding home country of Director)) (S\$)	Attendance Fee (for attendance via tele / video conference) (S\$)
Board				
- Chairman	200,000	3,000	4,500 per trip	1,000
- Lead Independent Director	120,000	1,500	4,500 per trip	1,000
- Member	100,000	1,500	4,500 per trip	1,000
Audit Committee and EXCO				
- Chairman	60,000	3,000	4,500 per trip	1,000
- Member	30,000	1,500	4,500 per trip	1,000
Remuneration Committee				
- Chairman	50,000	3,000	4,500 per trip	1,000
- Member	25,000	1,500	4,500 per trip	1,000
Nominating Committee and Risk Management Committee				
- Chairman	40,000	3,000	4,500 per trip	1,000
- Member	20,000	1,500	4,500 per trip	1,000

Shareholders' approval was obtained at the AGM on 29 January 2019, for the payment of the Directors' fees for FY2019 of up to \$2 million. Shareholders' approval will be sought at the 56th AGM on 29 January 2020 for the approval of Directors' fees proposed for the financial year ending 30 September 2020, up to \$2 million.

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Disclosure of Remuneration of Directors and Top Key Management Personnel

Information on the remuneration of Directors and Key Management Personnel of the Group for FY2019 is set out below.

Directors of the Company	Remuneration S\$
Mr Charoen Sirivadhanabhakdi	– ⁽¹⁾
Khunying Wanna Sirivadhanabhakdi	– ⁽¹⁾
Mr Charles Mak Ming Ying	317,000
Mr Chan Heng Wing	187,500
Mr Philip Eng Heng Nee	217,500 ⁽²⁾
Mr Tan Pheng Hock	118,000
Mr Wee Joo Yeow	181,000
Mr Weerawong Chittmittrapap	175,500
Mr Chotiphat Bijananda	209,500
Mr Panote Sirivadhanabhakdi	– ⁽³⁾
Mr Sithichai Chaikriangkrai	202,500

Notes:

- ⁽¹⁾ Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi waived payment of Directors' fees due to them.
- ⁽²⁾ Excludes S\$78,500, A\$75,000 and S\$120,000 being payment of directors' fees from FPL's subsidiaries, Frasers Centrepoint Asset Management Ltd., Frasers Property Australia Pty Ltd and FHI, respectively.
- ⁽³⁾ Mr Panote Sirivadhanabhakdi, the Group CEO, who is an executive Director, is not paid director's fees.

Remuneration of Group CEO for Year Ended 30 September 2019	Remuneration (S\$)	Salary %	Bonus %	Allowances and Benefits %	Long Term Incentives ⁽¹⁾ %	Total %
Mr Panote Sirivadhanabhakdi	3,945,143	24	35	17	24 ⁽²⁾	100

Remuneration of Key Management Personnel for Year Ended 30 September 2019	Salary %	Bonus %	Allowances and Benefits %	Long Term Incentives ⁽¹⁾ %	Total %
Between S\$3,250,001 and S\$3,500,000					
Mr Rodney Fehring	33	36	13	18	100
Between S\$1,500,001 and S\$1,750,000					
Mr Chia Khong Shoong	40	24	4	32	100
Mr Christopher Tang Kok Kai	38	27	4	31	100
Between S\$1,250,001 and S\$1,500,000					
Mr Uten Lohachitpitaks	40	26	3	31	100
Between S\$1,000,001 and S\$1,250,000					
Mr Loo Choo Leong	46	22	4	28	100
Between S\$500,001 and S\$750,000					
Mr Choe Peng Sum ⁽³⁾	38	– ⁽⁴⁾	7	55	100
Mr Koh Teck Chuan ⁽⁵⁾	65	29	6	– ⁽⁶⁾	100
Aggregate Total Remuneration of Key Management Personnel					S\$10,345,980

Notes:

- ⁽¹⁾ The value of long term incentives was calculated based on the closing share price of S\$1.65 on 19 December 2018.
- ⁽²⁾ The long term incentives for Mr Panote Sirivadhanabhakdi will be paid in the form of cash based on similar performance targets, performance periods, vesting periods and achievement factors of the RSP and the PSP.
- ⁽³⁾ Mr Choe Peng Sum ceased to be appointed as the CEO of the Hospitality SBU on 15 February 2019, as such, the remuneration disclosed is for the period from 1 October 2018 to 15 February 2019.
- ⁽⁴⁾ No bonus was paid during Mr Choe Peng Sum's appointment as CEO of the Hospitality SBU from 1 October 2018 to 15 February 2019.
- ⁽⁵⁾ Mr Koh Teck Chuan was appointed as the CEO of the Hospitality SBU on 19 February 2019, as such, the remuneration disclosed is for the period from 19 February 2019 to 30 September 2019.
- ⁽⁶⁾ No long term incentives were granted since Mr Koh Teck Chuan's appointment as CEO of the Hospitality SBU is from 19 February 2019 to 30 September 2019.

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There are no existing or proposed service agreements entered into or to be entered into by the Company or any of its subsidiaries with Directors, the Group CEO or other Key Management Personnel which provide for compensation in the form of stock options, or pension, retirement or other similar benefits, or other benefits, upon termination of employment.

The Company has not disclosed exact details of the remuneration of each Key Management Personnel due to the highly competitive human resource environment and the confidential nature of staff remuneration matters.

As at 30 September 2019, save for the Group CEO, there are no employees within the Group who is a substantial Shareholder or an immediate family member of a Director or substantial Shareholder, and whose remuneration (from the Company and its subsidiaries) exceeds \$100,000 during the year.

FINANCIAL PERFORMANCE, REPORTING AND AUDIT

The Board is responsible for providing a balanced and understandable assessment of the Company's and the Group's performance, position and prospects, including interim and other price sensitive public reports, and reports to regulators (if required).

The Company prepares its financial statements in accordance with the Singapore Financial Reporting Standards (International) prescribed by the Accounting Standards Council.

The Board provides Shareholders with quarterly and annual financial reports, and releases its quarterly and full year financial results, other price sensitive information and material corporate developments through announcements to the SGX-ST and, where appropriate, press releases, the Company's website and media and analysts' briefings.

In communicating and disseminating its results, the Company aims to present a balanced and clear assessment of the Group's performance, position and prospects.

In order to enable the Board to obtain a timely and informed assessment of the Company's position, Management furnishes accounts to it on a quarterly basis, with monthly management accounts to be provided as the Board may request from time to time. Such reports keep the Board members informed of the Company's and the Group's performance, position and prospects.

External Audit

The AC conducts an assessment of the external auditors, and recommends its appointment or re-appointment to the Board. The assessment is based on factors such as the performance and quality of its audit and the independence of the auditors.

In the AGM held on 29 January 2019, KPMG LLP was reappointed by Shareholders as the external auditors of the Company for FY2019. Pursuant to the requirements of the SGX-ST, an audit partner may only be in charge of a maximum of five consecutive annual audits and may then return after two years. KPMG LLP has met this requirement, and the current KPMG LLP audit partner for the Group has been appointed since the AGM held on 29 January 2016.

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During the year, the AC conducted a review of the scope and results of audit by the external auditors and its cost effectiveness, as well as the independence and objectivity of the external auditors. It also reviewed all non-audit services provided by the external auditors, and the aggregate amount of audit fees paid to them. Details of fees payable to the external auditors in respect of audit and non-audit services for FY2019 are set out in the table below:

Fees Relating to External Auditors for FY2019	SGD (Million)
For Audit and Audit-Related Services	5.97
For Non-Audit Services	2.33
Total	8.30

The AC is satisfied that neither their independence nor their objectivity is put at risk, and that they are still able to meet the audit requirements and statutory obligations of the Company. It is also satisfied with the aggregate amount of audit fees paid to the external auditors.

The Company has complied with Rule 712 of the Listing Rules which requires, amongst others, that a suitable auditing firm should be appointed by the Company. The Company has also complied with Rule 715 of the Listing Rules which requires that the same auditing firm of the Company based in Singapore audits its Singapore-incorporated subsidiaries and significant associated companies, and that a suitable auditing firm be engaged for its significant foreign-incorporated subsidiaries and associated companies.

In the review of the financial statements for FY2019, the AC discussed the following key audit matters identified by the external auditors with Management:

Key Audit Matter	Review by the AC
Valuation of Development Properties for Sale	<p>The AC considered the methodology applied to the valuation of development properties held for sale, focusing on development projects in markets faced with challenging conditions or, with slower than expected sales. Where appropriate, the AC had inquired of Management on its basis and its strategy to sell the unsold units.</p> <p>The AC has also considered the findings of the external auditors on Management's assessment of the net realisable value of these development projects.</p> <p>The AC was satisfied with the approach and assessment adopted by Management in arriving at the net realisable value of the development projects as at 30 September 2019.</p>
Valuation of Investment Properties	<p>The AC considered the methodologies and key assumptions applied by the valuers in arriving at the valuation of investment properties.</p> <p>The AC reviewed the outputs from the year-end valuation process of the Group's investment properties and discussed the details of the valuation with Management, focusing on significant changes in fair value measurements and key drivers of the changes.</p> <p>The AC considered the findings of the external auditors, including their assessment of the appropriateness of valuation methodologies and the underlying key assumptions applied in the valuation of investment properties.</p> <p>The AC was satisfied with the valuation process, the methodologies used and the valuation for investment properties as adopted as at 30 September 2019.</p>

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Recoverability of Intangible Assets	<p>The AC considered the methodologies and key assumptions applied by Management for its annual impairment tests of the Group's intangible assets.</p> <p>The AC also considered the external auditors' findings on Management's estimates of the recoverable amounts supporting the intangible assets, the methodologies applied and key assumptions used. Where applicable, the AC was briefed on the sensitivity of the key assumptions on the available headroom.</p> <p>The AC was satisfied with the methodologies and key assumptions used in supporting Management's assessment of the carrying value of the intangible assets as at 30 September 2019.</p>
Significant Business Acquisitions	<p>The AC considered Management's use of independent valuation specialists to assist Management in arriving at its purchase price allocation ("PPA") assessments. The PPA assessments involved the use of valuation methodologies and certain assumptions to derive the fair value estimates of identified assets and liabilities and the resulting goodwill, if any.</p> <p>The AC also considered the findings of the external auditors on the PPA assessments performed by Management.</p> <p>The AC was satisfied that the PPA exercise was conducted appropriately and the methodologies used and the amounts adopted in the financial statements were appropriate.</p>

GOVERNANCE OF RISK AND INTERNAL CONTROLS

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls. The Company maintains a sound system of risk management and internal controls with a view to safeguarding the interests of the Company and its Shareholders and the Company's assets.

Enterprise Risk Management and Risk Tolerance

Assisted by the RMC, the Board oversees and determines the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation. With the assistance of the RMC, the Board determines the Company's risk appetite, assesses the Group's risk profile, material risks, and mitigation plan, provides advice to Management in formulating the risk management framework, policies and guidelines, and oversees Management in the implementation of the risk management and internal control systems.

The Company has adopted an enterprise-wide risk management framework ("**ERM Framework**") to enhance its risk management capabilities. The Board is assisted by the RMC to oversee the ERM Framework. Key risks, mitigating measures and management actions are continually identified, reviewed and monitored as part of the ERM Framework. Where applicable, financial and operational key risk indicators are put in place to track key risk exposures. Apart from the ERM Framework, key business risks are thoroughly assessed by Management and each significant transaction is comprehensively analysed so that Management understands the risks involved before it is embarked upon. An outline of the Group's ERM Framework is set out on pages 141 to 142.

Periodic updates are provided to the RMC on the Group's risk profile. These updates include assessments of the Group's key risks by major business units, highlights of emerging risks, the implementation status of the risk mitigation plan and changes in plans undertaken by Management to manage key risks, as well as reports on risk tolerance status. The Group's risk tolerance statements have been developed by Management, and approved by the RMC on behalf of the Board.

The risk tolerance statements set out the nature and extent of the significant risks that the Group is willing to take in achieving its strategic objectives. The accompanying risk tolerance thresholds, which set the risk boundaries in various strategic and operational areas, are reviewed and monitored closely by Management, and reported to the RMC. The tolerance statements and risk thresholds are revised annually to ensure they are aligned with the Group's business strategies.

Corporate Governance Report

To assist the Board in ascertaining the adequacy and effectiveness of the Group's internal controls, Management has in place a control self-assessment exercise for key business processes and separately maps out key operational risks with the existing assurance processes in a comfort matrix every year. Management carries out control self-assessment in key areas of the business and operations to self-evaluate the internal controls status. Using a comfort matrix of key risks, the material financial, operational, compliance and information technology risks of the Company are documented by the business units and presented against strategies, policies, people, processes, systems, mechanisms and reporting processes that have been put in place.

Internal Controls

The AC, on behalf of the Board, undertakes the monitoring and review of the system of internal controls. The AC, with the assistance of internal and external auditors, reviews and reports to the Board on the adequacy and effectiveness of the Company's system of controls, including financial, operational, compliance and information technology controls, established by Management, and highlights to the Board any significant findings. In assessing the effectiveness of internal controls, the AC ensures primarily that key objectives are met, material assets are properly safeguarded, fraud or errors in the accounting records are prevented or detected, accounting records are accurate and complete, and reliable financial information is prepared in compliance with applicable internal policies, laws and regulations.

Management Assurance

The heads of business units are required to provide the Company with written assurances as to the adequacy and effectiveness of their system of internal controls and risk management. Assurances are also sought from the Company's internal auditors based on their independent assessments. The Board has received the relevant assurances from:

Financial Records and Financial Statements

- a) the Group CEO and the Group CFO that as at 30 September 2019, the financial records of the Group have been properly maintained and the financial statements for FY2019 give a true and fair view of the Group's operations and finances;

System of Internal Controls

- b) (i) the Group CEO, the Group CCO, the Group CFO and the Group CIO, that the system of internal controls in place for the Group is adequate and effective as at 30 September 2019 to address financial, operational, compliance and information technology risks which the Group considers relevant and material to its operations; and
 - (ii) the CEOs of each of the Group's strategic business units ("**SBU CEOs**") that the system of internal controls in place for their respective strategic business units is adequate and effective as at 30 September 2019 to address financial, operational, compliance and information technology risks for their respective strategic business units which the Group considers relevant and material to its operations; and

Risk Management System

- c) (i) the Group CEO, the Group CCO, the Group CFO and the Group CIO, that the risk management system in place for the Group is adequate and effective as at 30 September 2019 to address risks which the Group considers relevant and material to its operations; and
 - (ii) each of the SBU CEOs that the risk management system in place for their respective strategic business units is adequate and effective as at 30 September 2019 to address risks for their respective strategic business units which the Group considers relevant and material to its operations.

Corporate Governance Report

Board's Comment

Based on the internal controls established and maintained by the Group, work performed by internal and external auditors, reviews performed by Management and various Board Committees and the relevant assurances from the Group CEO, the Group CCO, the Group CFO, the Group CIO and the SBU CEOs, the Board is of the view that the Group's internal controls were adequate and effective as at 30 September 2019 to address financial, operational, compliance and information technology risks, which the Group considers relevant and material to its operations.

Based on the Enterprise-wide risk management framework established and adopted by the Company, review performed by Management and the relevant assurances from the Group CEO, the Group CCO, the Group CFO, the Group CIO and the SBU CEOs, the Board is of the view that the Group's risk management system was adequate and effective as at 30 September 2019 to address risks which the Group considers relevant and material to its operations.

The Board notes that the system of internal controls and risk management provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that could be reasonably foreseen as it works to achieve its business objectives. In this regard, the Board also notes that no system of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgment in decision making, human error, losses, fraud or other irregularities.

The AC concurs with the Board's view that as at 30 September 2019, the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective to address risks which the Group considers relevant and material to its operations.

Internal Audit

The Group's internal audit department ("**FPL Group IA**") is responsible for conducting objective and independent assessments on the adequacy and effectiveness of the Group's system of internal controls, risk management and governance practices. The Head of the FPL Group IA reports directly to the Chairman of the AC and administratively, to the Group CEO. The appointment and removal of the Head of the FPL Group IA requires the approval of the AC. In performing internal audit services, FPL Group IA has adopted and complies with the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors, Inc.

FPL Group IA comprises 23 professional staff. The Head of FPL Group IA and the Singapore-based FPL Group IA staff are members of The Institute of Internal Auditors, Singapore. To ensure that the internal audit activities are effectively performed, FPL Group IA recruits and employs suitably qualified staff with the requisite skills and experience. Such staff are given relevant training and development opportunities to update their technical knowledge and auditing skills. All staff members of FPL Group IA also receive relevant technical training and attend seminars organised by The Institute of Internal Auditors, Singapore and other professional bodies. FPL Group IA operates within the framework of a set of terms of reference as contained in the Internal Audit Charter approved by the AC. The FPL Group IA function adopts a risk-based audit methodology to develop its audit plans, and its activities are aligned to key risks of the Group. The results of the risk assessments determine the level of focus and the review intervals for the various activities audited. FPL Group IA conducts its audit reviews based on internal audit plans approved by the AC. FPL Group IA has unfettered access to all the Group companies' documents, records, properties and personnel, including access to the AC members. All audit reports detailing audit findings and recommendations are provided to Management who would respond with the actions to be taken.

Each quarter, FPL Group IA will submit reports to the AC on the status of the audit plans and on audit findings and actions taken by Management on such findings. Key findings are highlighted at AC meetings for discussion. The AC monitors the timely and proper implementation of the required follow-up measures undertaken by Management. The AC is satisfied that the internal audit function is independent and effective and that FPL Group IA has adequate resources and appropriate standing within the Group to perform its functions effectively. Quality assurance reviews on the Group's internal audit function are periodically carried out by qualified professionals from an external organisation. The last review was performed in January 2018.

Corporate Governance Report

Whistle-Blowing Policy

The Company has in place a whistle-blowing policy (the "**Whistle-Blowing Policy**"). The Whistle-Blowing Policy provides an independent feedback channel through which matters of concern about possible improprieties in matters of financial reporting, suspected fraud and corruption or other matters may be raised by employees and any other persons in confidence and in good faith, without fear of reprisal. Whistle-blowers may report any matters of concern by mail, electronic mail or by calling a hotline, details of which are provided in the Whistle-Blowing Policy, which is made available on the Company's website. Any report submitted through this channel would be received by the Head of FPL Group IA. For employees, the Whistle-Blowing Policy provides assurance that employees will be treated fairly, and protected from reprisals or victimisation for whistle-blowing in good faith.

The improprieties that are reportable under the Whistle-Blowing Policy include: (a) financial or professional misconduct; (b) improper conduct, dishonest, fraudulent or unethical behaviour; (c) any irregularity or non-compliance with laws/regulations or the Company's policies and procedures, and/or internal controls; (d) violence at the workplace, or any conduct that may threaten health and safety; (e) corruption or bribery; (f) conflicts of interest; and (g) any other improprieties or matters that may adversely affect Shareholders' interest in, and assets of, the Company and its reputation. The Whistle-Blowing Policy is covered during staff training. All whistle-blowing complaints raised are investigated and if appropriate, an independent investigation committee constituted. The outcome of each investigation and any action taken is reported to the AC. The AC reviews and ensures that independent investigations and any appropriate follow-up actions are carried out.

SHAREHOLDER MATTERS

The Company treats all Shareholders fairly and equitably in order to enable them to exercise their Shareholders' rights and have the opportunity to communicate their views on matters affecting the Company.

Investor Relations

The Company prides itself on its high standards of disclosure and corporate transparency. FPL aims to provide fair, relevant, comprehensive and timely information regarding the Group's performance and progress and matters concerning the Group and its business which are likely to materially affect the price of the Shares, and other securities of the Company, to Shareholders and the investment community, to enable them to make informed investment decisions.

The Group's dedicated Investor Relations ("**IR**") team is tasked with, and focuses on, facilitating communications between the Company and its Shareholders, as well as with the investment community. The Company has an IR policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with Shareholders.

Frank and informed dialogue between the Company and Shareholders is a central tenet of good corporate governance, and encourages more active stewardship. Better engagement between these parties will thus benefit the Company and investors. The IR team communicates regularly with Shareholders, as well as with the investment community, through timely disclosures of material and other pertinent information to the SGX-ST, and quarterly results briefings and conference calls. The IR team also conducts roadshows (together with senior Management), and participates in investor seminars and conferences to keep the market and investors apprised of the Group's corporate developments and financial performance.

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During the year, the IR team, together with senior Management, engaged with Singapore and foreign investors at conferences, briefings and calls, non-deal roadshows as well as one-on-one and group meetings. The aim of such engagements is to provide Shareholders and investors with prompt disclosure of relevant information, to enable them to have a better understanding of the Company's businesses and performance. The Company makes available all its briefing materials to analysts and the media, webcasts of its half-year and full-year results briefings, its financial information, its annual reports, and all announcements to the SGX-ST on its website at <https://www.frasersproperty.com>. The Company maintains and regularly updates its corporate website to communicate and engage with Shareholders and other stakeholders.

Further details on the various activities organised by IR during the year can be found in the IR section of the FY2019 Annual Report on pages 92 to 93.

The contact details of the IR team for Shareholders, investors and other stakeholders to channel their comments and queries can be found on the Company's website, as well as in the IR section of the FY2019 Annual Report on page 92.

An electronic copy of the FY2019 Annual Report has been uploaded on the Company's website. Shareholders can access the FY2019 Annual Report (printed copies are available upon request) at <https://investor.frasersproperty.com/publications.html>.

Conduct of General Meetings

The Board supports and encourages active shareholder participation at AGMs as it believes that general meetings serve as an opportune forum for Shareholders to meet the Board and senior Management, and to interact with them. Shareholders are given the opportunity to participate effectively and vote at general meetings of the Company, where relevant rules and procedures governing such meetings (for instance, how to vote) are clearly communicated prior to the start of the meeting.

The Company's Constitution allows (a) each Shareholder who is not a relevant intermediary (as defined in the Companies Act) the right to appoint up to two proxies and (b) each Shareholder who is a relevant intermediary to appoint more than two proxies to attend and vote on their behalf in Shareholders' meetings.

At general meetings, the Company sets out separate resolutions on each substantially separate matter. Shareholders are given the opportunity to raise questions and clarify any issues that they may have relating to the resolutions sought to be passed.

For greater transparency, the Company has implemented electronic poll voting at AGMs. This entails Shareholders being invited to vote on each of the resolutions by poll, using an electronic voting system (instead of voting by hands), thereby allowing all Shareholders present or represented at the meeting to vote on a one share, one vote basis. The voting results of all votes cast for, against, or abstaining from each resolution is then screened at the meeting and announced to the SGX-ST after the meeting. An independent external party is appointed as scrutineer for the electronic voting process to count and validate the votes at general meetings. The Company will continue to use the electronic poll voting system at the forthcoming AGM. As the authentication of shareholder identity and other related security and integrity issues still remain a concern, the Company has decided for the time being, not to implement absentia voting methods such as voting via mail, e-mail or fax.

At the AGM, a video presentation is made to Shareholders to update on the Company's performance, position and prospects. The links to the presentation materials are made available on SGXNET and the Company's website for the benefit of Shareholders.

Board members and senior Management are present at each Shareholders' meeting to respond to any questions from Shareholders, unless they are unable to attend due to exigencies. The Company's external auditors are also present to address queries about the conduct of audit and the preparation and content of the auditors' report.

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The minutes of Shareholders' meetings which capture the attendance of Board members at the meetings, matters approved by Shareholders, voting results and substantial and relevant comments or queries from Shareholders relating to the agenda of the general meeting together with responses from the Board and Management, are prepared by the Company. These minutes are published on the Company's website as soon as practicable.

Dividend Policy

As previously disclosed in the Introductory Document issued by the Company on 28 October 2013 in connection with its listing on the SGX-ST, the Company intends to recommend dividends of up to 75% of its net profit after tax after considering factors such as its level of cash and reserves, results of operations, business prospects, capital requirements and surplus, general financial condition, contractual restrictions, the absence of any circumstances which might reduce the amount of reserves available to pay dividends and other factors relevant to the Board (including the expected financial performance of the Company).

The Company has maintained a historical payout ratio of 50% to 60% of APBFE before distribution to perpetual securities holders. For FY2019, the Board has proposed a final dividend of 3.6 Singapore cents per share which, if approved at the AGM to be held on 29 January 2020, will, together with the interim dividend of 2.4 Singapore cents per share paid on 10 June 2019, bring the total dividend payout for FY2019 to 6.0 Singapore cents per share.

STAKEHOLDER ENGAGEMENT

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.

The Company has adopted a Code of Business Conduct, with the key objectives of providing clear guidelines on ethics and relationships, in order to safeguard the reputation and interests of the Group and stakeholders of the Company. The Code of Business Conduct sets out the policies and procedures dealing with various issues such as conflicts of interests, the maintenance of records and reports, equal employment opportunities and sexual harassment and governs the conduct of employees, and where applicable, is also made available to other stakeholders of the Group such as the Group's agents, suppliers, business associates and customers.

In order to review and assess the material topics relevant to the Company's business activities, the Company from time to time proactively engages with various stakeholders, including employees, contractors and suppliers, customers and tenants, and the investment community to gather feedback on the sustainability issues most important to them. Please refer to the Sustainability Report on pages 96 to 137 of this annual report, which sets out information on the Company's arrangements to identify and engage with its material stakeholder groups and to manage its relationships with such groups, and the Company's strategy and key areas of focus in relation to the management of stakeholder relationships during FY2019.

POLICY ON DEALINGS IN SECURITIES

The Company has established a procedure regarding dealings in the securities of the Company. In compliance with Listing Rule 1207(19) of the SGX-ST Listing Manual on best practices on dealing in securities, the Group issues quarterly reminders to its Directors, officers and employees on the restrictions in dealings in listed securities of the Group during the period commencing (a) two weeks prior to the announcement of financial results of each of the first three quarters of the financial year, and (b) one month before the announcement of full year results, and ending on the date of such announcements. Directors, officers and employees are also reminded not to trade in listed securities of the Group at any time while in possession of unpublished price sensitive information and to refrain from dealing in the Group's securities on short-term considerations. Directors and the Group CEO are also required to report their dealings in the Company's securities within two business days.

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SUMMARY OF COMPLIANCE WITH EXPRESS DISCLOSURES REQUIREMENTS IN PRINCIPLES AND PROVISIONS OF THE CODE

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Provision 1.4	Names of Board Committee members, terms of reference of Board Committees, any delegation of Board's authority to make decisions and a summary of each Board Committee's activities	145 to 150
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Provision 2.4	The Board diversity policy and progress made towards implementation of the policy, including objectives	156
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Provision 4.4	Relationships that Independent Directors have with the Company, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence, and the reasons why the Board, having taken into account the views of the NC, has determined that such Directors are still independent	156 to 157
Provision 4.5	Listed company directorships and principal commitments of each Director, and where a Director holds a significant number of such directorships and commitments, the NC's and Board's reasoned assessment of the ability of the Director to diligently discharge his or her duties	156
BOARD PERFORMANCE		
Provision 5.2	How the assessments of the Board, its Board Committees and each Director have been conducted, including the identity of any external facilitator and its connection, if any, with the Company or any of its Directors	157 to 158
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DISCLOSURE ON REMUNERATION		
Provision 8.1	Policy and criteria for setting remuneration, as well as names, amounts and breakdown of remuneration of: (a) each individual Director and the CEO; and (b) at least the top five key management personnel (who are not Directors or the CEO) in bands no wider than S\$250,000 and in aggregate the total remuneration paid to these key management personnel	158 to 164
Provision 8.2	Names and remuneration of employees who are substantial shareholders of the Company, or are immediate family members of a Director, the CEO or a substantial shareholder, and whose remuneration exceeds S\$100,000 during the year, in bands no wider than S\$100,000. The employee's relationship with the relevant director or the CEO or substantial shareholders should also be stated.	163 to 164
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Provision 9.2	Board's assurance from: (a) the CEO and the CFO that the financial records have been properly maintained and the financial statements give a true and fair view of the company's operations and finances; and (b) the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the company's risk management and internal control systems.	167 to 168
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