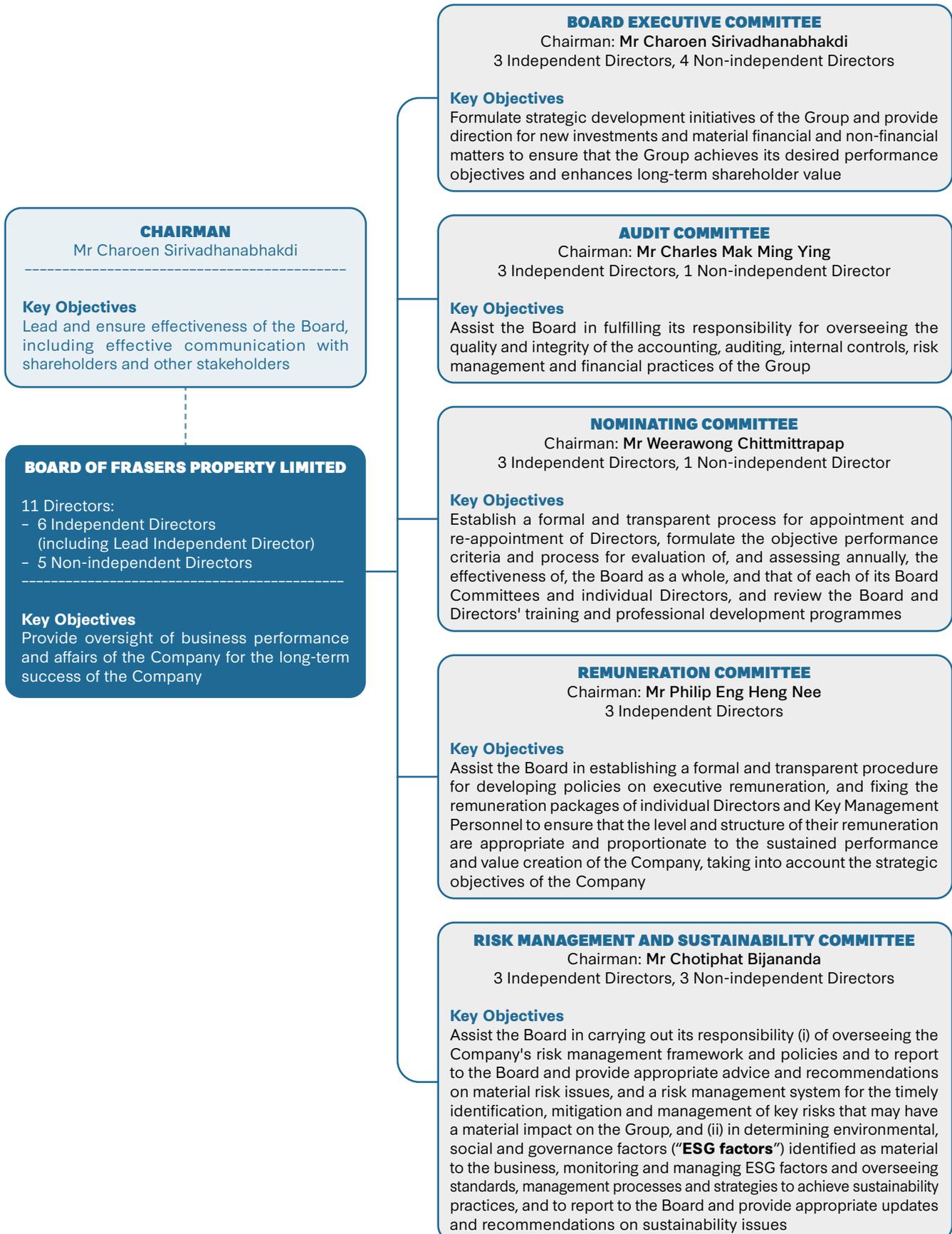


Corporate Governance Report

OUR GOVERNANCE FRAMEWORK



Corporate Governance Report

INTRODUCTION

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

In line with the listing manual of the SGX-ST (the "**SGX-ST Listing Manual**"), FPL complies with the principles of the Code of Corporate Governance 2018 (the "**Code**"). The practices of the board of directors of the Company (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 of the Code, FPL will state explicitly the provision from which it has varied, explain the reason for the variation and explain how its practices nevertheless are consistent with the intent of the relevant principle of the Code. FPL is also guided by the Practice Guidance which accompanies the Code and which sets out best practice standards for listed companies, as this will build investor and stakeholder confidence in the Group. A summary of compliance with the express disclosure requirements under the provisions of the Code is set out on pages 211 to 212 of this annual report.

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, which includes appropriate focus on value creation, innovation and sustainability. The Board also determines the Group's approach to corporate governance, including setting appropriate tone-from-the-top and the desired organisational culture, values and ethical standards of conduct, and works with Management on its implementation across all levels of the Group's values, standards, policies and practices. 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 ("**ERM Framework**"), the Board establishes and maintains a sound risk management framework to effectively monitor and manage risks, and to achieve an appropriate balance between risks and company performance. The Board also puts in place policies, structures and mechanisms to ensure compliance with legislative and regulatory requirements. The Board, which comprises directors who, as fiduciaries, are expected to act objectively in the best interests of the Company, constructively challenges Management and reviews its performance, and holds Management accountable for performance. It also oversees Management to ensure transparency and accountability to key stakeholder groups.

In the financial year ended 30 September 2021 ("**FY2021**"), all the directors of the Company (the "**Directors**") attended a Board Strategy Meeting over two days which allowed the Directors to: (i) focus on the Group's long-term strategy apart from the regular agenda at the quarterly Board meetings; and (ii) engage in dynamic and in-depth strategic discussion with Management to promote deeper understanding of the Group's business environment and operations, and refine its strategies.

Corporate Governance Report

During FY2021, the Board has continued to spend time monitoring the impact of the ongoing COVID-19 pandemic and has been working closely with Management in reviewing the business opportunities and challenges posed by the COVID-19 pandemic. The Board has tasked Management to prioritise health, well-being and safety of employees and customers in all aspects of the Group's operations. In addition, the Board has been paying close attention to the level of financial discipline and portfolio management rigour across the Group's businesses.

The Chairman and the Group Chief Executive Officer

The Chairman of the Board (the "**Chairman**") and Group Chief Executive Officer of the Company (the "**Group CEO**") are separate persons, each carrying out their respective roles as Chairman of the Board and the Group CEO of the Company, in alignment with the principle for a clear division of responsibilities and an appropriate balance of power and authority.

The Chairman provides leadership to the Board. He sets the right ethical and behavioural tone and desired organisational culture, and ensures the Board's effectiveness by, among other things, promoting and maintaining high standards of corporate governance and transparency, encouraging effective participation by all Directors and facilitating constructive and appropriate relations among and between them and Management. The Chairman sets the agenda for each Board meeting, taking into account strategic and other key issues pertinent to the business and operations of the Group and promotes a culture of openness and debate at Board meetings. The Chairman ensures effective communication with Shareholders on critical issues that could significantly affect the reputation and standing of the Company.

In addition, the Chairman ensures that the Directors receive accurate, clear, complete and timely information to facilitate their effective contributions and enable informed decisions to be made.

The Group CEO provides strategic leadership to, and management of, the Group to ensure that the mission, vision, and core values of the Company are put into practice and executed in an effective, focused and sustainable manner, and is also responsible for leading, promoting and conducting the affairs of the Group with the highest standards of integrity, corporate governance and transparency. He leads Management, which includes the Chief Executive Officers (the "**CEOs**") of the strategic business units (the "**SBUs**") and other business units within the Group, reviews and implements the business direction, business plans and processes and the strategies for the Group as approved by the Board, and works together with the Board to formulate such strategies, plans and processes. The Group CEO seeks business opportunities, drives new initiatives and is responsible for the operational performance of the Group as well as building and maintaining strong relationships with stakeholders of the Group. Key initiatives led by the Group CEO include (i) leading the Group's evolution, amid changes brought upon by external factors, while navigating the transition to an endemic COVID-19 environment; (ii) building resilient and sustainable business platforms and strengthening the Group's structure; (iii) scaling up the platform of REITs and trusts managed by the Group; (iv) maintaining the Company's active capital management discipline; and (v) driving organisational culture and developing the Company's purpose.

The division of responsibilities between the Chairman and the Group CEO are set out in writing. Although the Chairman and the Group CEO are related, as the Chairman is the father of the Group CEO, independence of decision making by the Board is achieved through Independent Directors making up a majority of the Board, one of whom is appointed as the Lead Independent Director, and no one person has unfettered powers of decision making.

Role of Management

The Management is led by the Group CEO. 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 CEOs of 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.

Relationships between Management and Board

Mr Panote Sirivadhanabhakdi was appointed as the Group CEO on 1 October 2016. Mr Panote Sirivadhanabhakdi is the son of the Chairman, Mr Charoen Sirivadhanabhakdi, and the Vice Chairman of the Board, Khunying Wanna Sirivadhanabhakdi, each of whom is also a substantial Shareholder. Mr Panote Sirivadhanabhakdi is also the brother-in-law of a Director, Mr Chotiphat Bijananda.

Corporate Governance Report

Board Committees

The Board has formed committees of the Board (the “**Board Committees**”) to oversee specific areas for greater efficiency, and has delegated authority and duties to such Board Committees based on written and clearly defined terms of reference. The terms of reference of the Board Committees set out their compositions, authorities and duties, including reporting back to the Board.

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 and Sustainability Committee (“**RMSC**”).

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.

Board Executive Committee		
Membership		Key Objectives
Mr Charoen Sirivadhanabhakdi, <i>Chairman</i> Mr Charles Mak Ming Ying, <i>Vice Chairman</i> Mr Chotiphat Bijananda, <i>Vice Chairman</i> Mr Philip Eng Heng Nee, <i>Member</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 the Group’s core competencies. 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 such as capital investments, and acquisitions, investments and divestitures (other than those which are material to the Company requiring Board approval) in accordance with the 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.

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 systems 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. All members of the AC, including the Chairman, are appropriately qualified and have recent and/or relevant accounting or 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 external auditors, KPMG LLP, and none of the members of the AC hold any financial interest in the Company’s external auditors, KPMG LLP.

Corporate Governance Report

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 consideration, inter alia, 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;
- **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 any announcements relating to the Company’s and the Group’s financial performance 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 Systems:** reviewing and reporting to the Board, 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 as may be required under the SGX-ST Listing Manual and the general mandate for interested person transactions, 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 on; 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.

Where the external auditors raise any significant issues (where applicable) in their audit of the Company’s year-end financial statements, the AC will consider whether the issues raised have a material impact on the interim financial statements or business updates previously announced by the Company. If so, the AC will bring this to the Board’s attention immediately so that the Board can consider whether an immediate announcement is required under the SGX-ST Listing Manual. In such a situation, the AC will also advise the Board if changes are needed to improve the quality of future interim financial statements or business updates – such changes (if any) will be disclosed in the Company’s annual report.

In carrying out its role, the AC is empowered to investigate any matter within its Terms of Reference, with full access to, and cooperation 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.

Corporate Governance Report

During FY2021, key activities of the AC included:

- reviewing the half-year and full-year financial results, first-quarter and third-quarter interim business updates and related SGXNet 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 half yearly and annual financial results, interim business updates and related SGXNet 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;
- assessing the impact of the COVID-19 pandemic and reviewing with Management the adequacy of cash flow and liquidity in sustaining the Group's operations on an ongoing basis;
- reviewing and approving the internal and external audit plans to ensure the adequacy of the audit scope, including reviewing and approving adjustments to the annual internal audit plan to prioritise and address risks and constraints arising during the COVID-19 pandemic;
- 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, effectiveness and independence 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.

Membership	Nominating Committee
Mr Weerawong Chittmittrapap, <i>Chairman</i> Mr Charles Mak Ming Ying, <i>Member</i> Mr Chan Heng Wing, <i>Member</i> Mr Chotiphath Bijananda, <i>Member</i>	<ul style="list-style-type: none"> • Establish a formal and transparent process for appointment and re-appointment of Directors • Formulate the objective performance criteria and process for evaluation of, and assessing annually, the effectiveness of, the Board as a whole, and that of each of its Board Committees and individual Directors • Review the Board and Directors' 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 and Key Management Personnel, making recommendations to the Board on all appointments and re-appointments of Directors (including alternate Directors, if any), 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 disclosures of such criteria and process are made. The NC is also responsible for reviewing and making recommendations to the Board on training and professional development programmes for the Board and the Directors.

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

- “Training and development of Directors” on page 187
- “Board Composition” on pages 188 to 190
- “Directors’ Independence” on pages 191 to 192
- “Board Evaluation Performance” on page 193

Membership	Remuneration Committee	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 procedure for developing policies on executive remuneration • Assist the Board in fixing the remuneration packages of individual Directors and Key Management Personnel to ensure that the level and structure of their remuneration are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives 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.

Corporate Governance Report

Risk Management and Sustainability Committee

Membership

Key Objectives

Mr Chotiphat Bijananda, *Chairman*
Mr Charles Mak Ming Ying, *Member*
Mr Chan Heng Wing, *Member*
Mr Weerawong Chittmittrapap, *Member*
Mr Panote Sirivadhanabhakdi, *Member*
Mr Sithichai Chaikriangkrai, *Member*

- 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
- Assist the Board in carrying out its responsibility in determining ESG factors identified as material to the business, monitoring and managing ESG factors and overseeing standards, management processes and strategies to achieve sustainability practices
- Report to the Board and provide appropriate updates and recommendations on sustainability issues

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

In FY2021, the terms of reference of the Risk Management Committee were expanded to include oversight of sustainability matters and, to reflect this, the Committee was renamed the "Risk Management and Sustainability Committee".

The RMSC assists the Board to oversee the Group's ERM Framework, determine the risk appetite and risk strategy, assess the Group's risk profile, material risks, practices and risk control measures, ensure the adequacy and effectiveness of the Group's risk management policies and procedures, as well as to oversee matters in relation to personal data protection and sustainability practices.

The Board, through the RMSC, 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 RMSC 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 RMSC 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 RMSC also helps to ensure that Management maintains a sound system of sustainability governance and an appropriate sustainability reporting framework which links sustainability risks and opportunities with strategy, other organisational risks and goals and which also enhances operational responses to sustainability risks and opportunities.

The meetings of the RMSC 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 RMSC can be found in the section "Governance of Risk and Internal Controls" on pages 203 to 204.

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In addition to the formalised 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>	<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 its 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 (including data collection and protection), oversees any major information technology projects with a cost of more than \$2 million or which the Information Technology & Cybersecurity Committee considers are of significant importance to the Company and seeks to ensure their timely and efficient implementation, and also seeks to ensure that appropriate business continuity arrangements relating to information technology are in place.

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, which is approved by the Board, 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 order to facilitate 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 and these are clearly communicated to Management in writing. These include approval of annual budgets, financial plans, business strategies and material transactions, such as major acquisitions, divestments, funding and investment proposals.

The Board delegates authority for approval of transactions below certain limits to the EXCO and/or Management and sub-committees formed at various levels of Management (the "**Management Sub-Committees**") 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 capital management and finance and investment committees at various business units that are responsible for the review of the quality and integrity of (a) finance, accounting, treasury and taxation functions; (b) audit, internal controls and financial practices; and (c) risk management and compliance framework, and reviewing of matters such as 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.

Corporate Governance Report

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 FY2021:

	Board	Board Executive Committee	Audit Committee	Nominating Committee	Remuneration Committee	Risk Management and Sustainability Committee	General Meetings
Meetings held in FY2021	8	1	5	2	4	4	1
Mr Charoen Sirivadhanabhakdi	8 ^(C)	1 ^(C)	N.A.	N.A.	N.A.	N.A.	1 ^(C)
Khunying Wanna Sirivadhanabhakdi	8	N.A.	N.A.	N.A.	N.A.	N.A.	1
Mr Charles Mak Ming Ying	8	1	5 ^(C)	2	4	4	1
Mr Chan Heng Wing	8	N.A.	N.A.	2	4	4	1
Mr Philip Eng Heng Nee	8	1	5	N.A.	4 ^(C)	N.A.	1
Mr Tan Pheng Hock	8	N.A.	N.A.	N.A.	N.A.	N.A.	1
Mr Wee Joo Yeow	8	1	5	N.A.	N.A.	N.A.	1
Mr Weerawong Chittmittrapap	8	N.A.	N.A.	2 ^(C)	N.A.	4	1
Mr Chotiphat Bijananda	8	1	N.A.	2	N.A.	4 ^(C)	1
Mr Panote Sirivadhanabhakdi	8	1	N.A.	N.A.	N.A.	4	1
Mr Sithichai Chaikriangkrai	8	1	5	N.A.	N.A.	4	1

Notes:

^(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.

Management provides the Directors with Board papers setting out complete, adequate and relevant information on the agenda items to be discussed at Board and Board Committee meetings approximately a week in advance of the meeting (save in cases of urgency). This is to provide 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 FY2021

BOARD

- Strategy
- Business and Operations Update
- Financial Performance
- Governance
- Feedback from Board Committees

Board Executive Committee	Audit Committee	Nominating Committee	Remuneration Committee	Risk Management and Sustainability 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 Systems • 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

Management provides Directors with complete and accurate 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. In respect of budgets, any material variance between the projections and actual results will be disclosed and explained in the relevant periodic report.

Directors have separate and independent access to Management, and are entitled to request for such additional information as needed to make informed decisions, which additional information will then be provided by Management in a timely manner. 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 a better understanding of the key business operations of each division and to promote active engagement with Management.

Directors are provided with complete, adequate and timely information to enable them to prepare adequately for Board and Board Committee meetings and make informed decisions, and Directors (including those who hold multiple board representations and other principal commitments) 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 continued to closely monitor developments on the COVID-19 situation during FY2021, and the Board was promptly informed on the impact of such developments on business operations, as well as the implementation of business continuity plans and other mitigating measures to minimise any operational disruptions. Over the course of FY2021, notable developments that impacted business operations included a series of tightening and relaxation of COVID-19 related restrictions at varying points in time across the Group's markets.

In addition, the Board was regularly updated on macro-economic conditions in the Group's markets, and relevant legal and regulatory requirements in light of the evolving COVID-19 situation. Notable updates over the course of FY2021 included the government stimulus measures in Australia and the Rental Waiver Framework and Jobs Support Scheme implemented in Singapore.

Corporate Governance Report

The Company Secretary

The Board is supported by the Company Secretary, who is legally trained and familiar with company secretarial practices, and responsible for administering and executing Board and Board Committee procedures, in compliance with the Company's Constitution and applicable law. The Company Secretary also provides advice and guidance on relevant rules and regulations, including disclosure requirements under the Securities and Futures Act, Chapter 289 (the "**SFA**"), Companies Act, Chapter 50 (the "**Companies Act**") and the SGX-ST Listing Manual, as well as corporate governance practices and processes.

The Company Secretary attends all 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 Directors have separate and independent access to the Company Secretary, whose responsibilities include supporting and advising the Board on corporate and administrative matters.

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.

Training and Development of Directors

The NC is tasked with ensuring that new Directors understand the Group's business and 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 roles, duties, responsibilities and obligations, including his or her responsibilities as fiduciaries and on the policies relating to conflicts of interest, as well as the expectations of the Company. 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, to foster rapport and facilitates communication with Management. A new Director who has no prior experience as a director of an issuer listed on the SGX-ST must also undergo mandatory training in his or her roles and responsibilities as prescribed by the SGX-ST, unless the NC is of the view that training is not required because he or she has other relevant experience, in which case the basis of its assessment will be disclosed.

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 SGX-ST Listing Manual as well as developments in financial reporting standards, by way of briefings held by the Company's lawyers and auditors. During FY2021, the Directors attended a briefing on updates to the SGX-ST Listing Manual conducted by the Company's lawyers, and were updated on global macro and geopolitical developments, sustainability and ESG matters, and cyber security landscape and trends by Management.

To ensure the Directors have the opportunities to develop their skills and knowledge 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 global mega-trends.

Corporate Governance Report

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 and Sustainability Committee
Mr Charoen Sirivadhanabhakdi	Non-Executive and Non-independent Chairman	✓ (Chairman)				
Khunying Wanna Sirivadhanabhakdi	Non-Executive and Non-independent Vice Chairman					
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 Panote Sirivadhanabhakdi	Group Chief Executive Officer Executive and Non-independent Director	✓				✓
Mr Sithichai Chaikriangkrai	Non-Executive and Non-independent Director	✓	✓			✓

Profiles of each of the Directors can be found on pages 20 to 26 of this annual report.

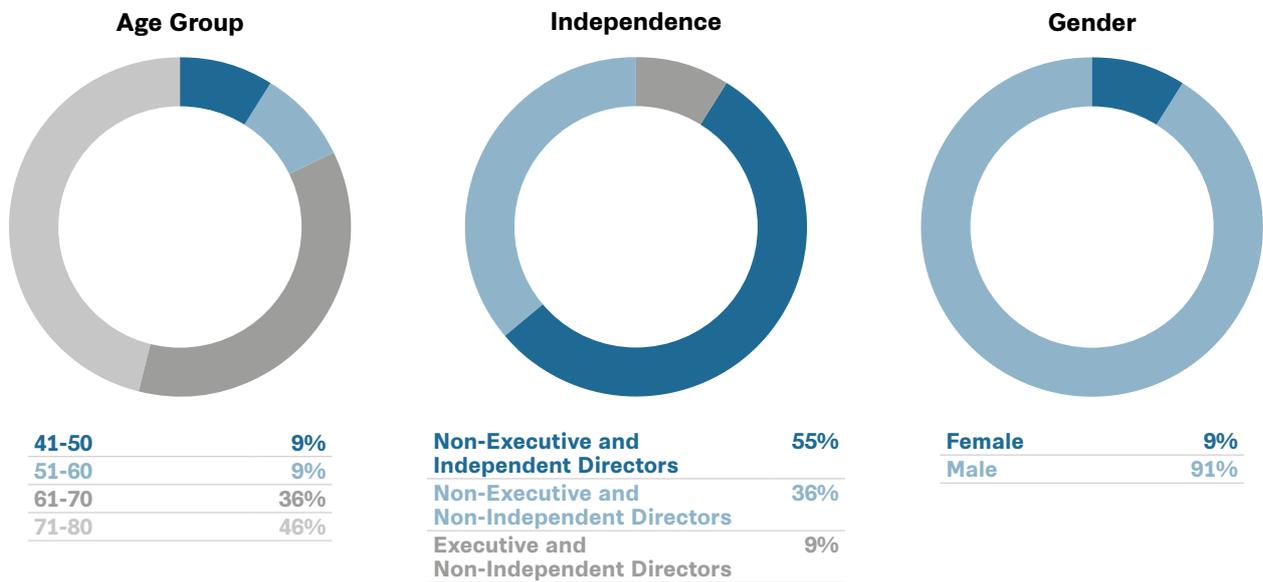
As can be seen from the table above, other than the Group CEO, all of the Directors are non-executive and the Board comprises a majority of Independent Directors.

No alternate Directors were appointed to the Board in FY2021. Alternate Directors will only be appointed in exceptional circumstances.

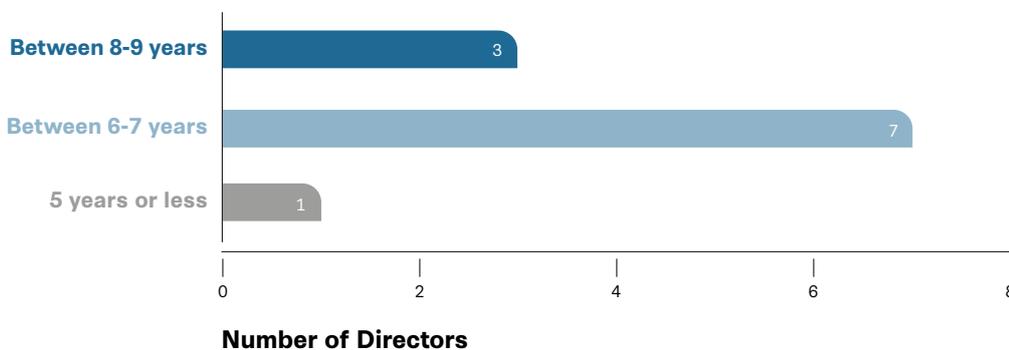
Corporate Governance Report

The NC reviews, on an annual basis, the structure, size and composition of the Board and Board Committees, taking into account the requirements of the Code. The NC has assessed that the current structure, size and composition of the Board and Board Committees are appropriate for the scope and nature of FPL's operations. 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 competencies (including banking, finance, accounting, legal and other relevant industry knowledge, entrepreneurial and management experience, and familiarity with regulatory requirements and risk management) provide the appropriate balance and mix of skills, knowledge, experience and other aspects of diversity such as gender and age that avoids groupthink and fosters constructive debate and ensures the effectiveness of the Board and its Board Committees. The Board concurs with the views of the NC.

Board Composition in terms of Age Group, Independence, Gender and Tenure (as at 30 September 2021)



Tenure



Corporate Governance Report

The Company's Constitution provides that at least one-third (or the number nearest to but not less than one-third) of its Directors shall retire from office by rotation at each annual general meeting of the Company ("**AGM**"). All Directors are required to retire from office at least once every three years. All retiring Directors are eligible for re-election. New Directors appointed by the Board during the year must also retire from office at the next AGM immediately following their appointment, but will be eligible for re-election at that AGM.

Shareholders may vote on the appointment of Directors who are retiring from office and standing for re-election at each AGM. Information on the Directors who are seeking re-election at the upcoming AGM can be found in the section "Additional Information on Directors Seeking Re-Appointment" on pages 417 to 424.

In the event any Director steps down from the Board, a cessation announcement providing detailed reason(s) for the cessation will be released on SGXNet in compliance with the requirements of the SGX-ST Listing Manual.

Selection, Appointment and Re-appointment of Directors

The NC reviews the nominations for appointments and re-appointments to the Board and Board Committees, taking into account, among other things, the succession plans for Directors, whether Directors (including those who hold multiple board representations and other principal commitments) are able to and have been contributing and 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.

Additionally, as part of the NC's review of the composition, and performance evaluation, of the Board and Board Committees (which are done at least annually), the NC will consider the competencies, commitment, contribution and performance (e.g. attendance, preparedness, participation and candour) of the Directors (including Directors who are to be recommended for re-appointment). In the case of a potential new Director, the NC will consider the candidate's experience, education, expertise, skillset, personal qualities and general and sector-specific knowledge in relation to the needs of the Board and the Group's business, as well as whether the candidates will add diversity and technological expertise to the Board and whether they are likely to have adequate time to discharge their duties, including attendance at all Board meetings. The NC will also take into consideration whether a candidate had previously served on the board of companies with adverse track records or a history of irregularities, and assess whether such past appointments would affect his/her ability to act as a Director of the Company.

The NC considers a range of different channels to source and screen both internal and external candidates for Board appointments, depending on the requirements, including tapping on the existing networks of contacts and recommendations. External consultants may be retained from time to time, where appropriate, to assist in sourcing, assessing and selecting a broader range of potential internal and external candidates beyond the Board's existing networks of contacts. Suitable candidates are carefully evaluated by the NC so that recommendations made on proposed candidates are objective and well supported. The NC submits its recommendations for nominations of appointments and re-appointments for approval by the Board.

On an annual basis, the NC reviews (a) the directorships and principal commitments of each Director; and (b) a framework for Board evaluation to be conducted by an external consultant on the effectiveness of the Board. Through the aforementioned review and Board evaluation exercise, the Directors assess whether Board members have been and are able to effectively manage his or her directorships and principal commitments and make the substantial time commitment required to contribute to the Board, carry out their duties adequately and fulfil their responsibilities and duties to the Company and its Shareholders.

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 assessment also takes into consideration Directors' commitment, conduct and contributions (such as meaningful participation, candour and rigorous decision making) at Board meetings, as well as whether the Director's engagement with Management is adequate and effective. In respect of FY2021, the NC is of the view that each Director, including Directors who hold multiple board representations, has been able to effectively discharge his duties as a Director of the Company.

Further details on the Board evaluation exercise are set out under the section "Board Performance Evaluation" on page 193.

Corporate Governance Report

Board Diversity Policy

The Board has adopted a board diversity policy, and has charged the NC with the task of setting qualitative and measurable quantitative objectives (where appropriate) for achieving board diversity, and reviewing the Company's progress towards achieving the objectives under the 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 and specific diversity targets, with a view to achieving an optimal Board composition, and these objectives and specific diversity targets may be reviewed by the NC from time to time to ensure their appropriateness. Although there were no Board composition changes during FY2021, the Company remains committed to implementing the Board Diversity Policy and any progress made towards the implementation of such policy will be disclosed in future Corporate Governance Reports, as appropriate. The current Board composition reflects the Company's commitment to Board diversity, especially in terms of geographical background and experience (Singapore, Thailand and Hong Kong SAR) and diverse age range (between 40 to 80 years).

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. Furthermore, as the Group has multi-national businesses across key markets including Singapore, China and Thailand, the Board's diversity in its geographical background and experience has provided the Company with significant insights and in-depth understanding of the Group's investments and businesses in such countries.

Directors' Independence

The NC determines the independence of each Director annually and as and when circumstances require, based on the rules, guidelines and/or circumstances on director independence as set out in the SGX-ST Listing Manual, the Code and its accompanying Practice Guidance. The NC provides its views to the Board for the Board's consideration. Directors are expected to disclose any relationships with the Company, its related corporations, its substantial Shareholders or its officers, if any, which may affect their independence, as and when they arise, to the Board.

The Independent Directors complete a declaration of independence annually, which is then reviewed by the NC. Based on the declarations of independence of these Directors, and having regard to the rules, guidelines and/or circumstances set forth in Rule 210(5)(d) of the SGX-ST Listing Manual, Provision 2.1 of the Code and the accompanying Practice Guidance, the NC and the Board have determined that for FY2021, there are six Independent Directors on the Board, namely Mr Charles Mak Ming Ying, Mr Chan Heng Wing, Mr Philip Eng Heng Nee, Mr Tan Pheng Hock, Mr Wee Joo Yeow and Mr Weerawong Chittmitrapap, constituting a majority of the Board.

Based on their declarations, none of these six Independent Directors 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. In particular, the NC and the Board 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**"); (ii) the non-executive chairman of the approval committee of the Hospitality SBU, being one of the Management Sub-Committees; and (iii) a member of the board of directors of Frasers Property Australia Pty Ltd ("**FPA**"), and were satisfied that such appointments and the payment of director's fees to him in respect of such appointments did not affect his continued ability to exercise strong objective judgment and be independent in conduct and character (in particular, in the expression of his views and in his participation in the deliberations and decision making of the Board and the Board Committees of which he is a member) and act in the best interests of all Shareholders as a whole. FHI is a wholly-owned subsidiary of the Company within the Hospitality SBU and FPA is a wholly-owned subsidiary of the Company within the Frasers Property Australia SBU. In relation to the other Independent Directors, notwithstanding that certain Independent Directors may hold directorships in entities which have provided services to or received payment from the Company or any of its subsidiaries in FY2021 or the previous financial year in excess of \$200,000 in any financial year, the NC and the Board were satisfied that such Independent Directors have demonstrated the ability to exercise strong objective judgement and act in the best interest of the Company and have remained independent in conduct and character, in particular in expressing their respective views and participating in the deliberations and decision making of the Board and the Board Committees.

Corporate Governance Report

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 2021, none of the Independent Directors have served on the Board for an aggregate period of more than nine years. Board renewal is a continuing process where the appropriate composition of the Board is continually under review. In this regard, the tenure of each Independent Director is monitored so that the process for Board renewal is commenced ahead of any Independent Director reaching the nine-year mark to facilitate a smooth transition and to ensure that the Board continues to have an appropriate balance of independence. To this end, the NC is tasked with undertaking the process of reviewing, considering and recommending any changes to the composition of the Board, where appropriate, taking into account the requirements to be met by Independent Directors, including Rule 210(5)(d)(iii) of the SGX-ST Listing Manual which will take effect from 1 January 2022.

Under Rule 210(5)(d)(iii) of the SGX-ST Listing Manual, a director is not independent if he or she has been a director for an aggregate period of more than nine years (whether before or after listing) and his or her continued appointment as an independent director has not been sought and approved in separate resolutions by (A) all shareholders; and (B) all shareholders, excluding the directors and the chief executive officer of the company, and associates of such directors and chief executive officer (the separate resolutions in (A) and (B) hereinafter referred to as the **"Two-Tier Approvals"**).

Mr Charles Mak Ming Ying, Mr Chan Heng Wing, Mr Philip Eng Heng Nee and Mr Weerawong Chittmitrapap (collectively, the **"Prospective Nine-Year IDs"**), all of whom joined the Board on 25 October 2013, are Independent Directors who will each have served an aggregate of more than nine years on the Board by 25 October 2022, and will each be deemed non-independent from 25 October 2022 under Rule 210(5)(d)(iii), unless Two-Tier Approvals for their continued appointments as Independent Directors are sought and obtained for each of them before then.

Following a review by the NC and the Board, it has been determined that new Independent Directors, including a new Lead Independent Director, be appointed to replace the Prospective Nine-Year IDs as part of succession planning and Board renewal. Accordingly, the continued appointment of the Prospective Nine-Year IDs as Independent Directors will not be submitted for the Two-Tier Approvals at the upcoming AGM. The Company is in the process of selecting and reviewing candidates for appointment as new Independent Directors.

To facilitate an orderly and smooth transition and continuity of knowledge, experience and good governance during the current and future Board renewal exercises, the NC and the Board have recommended that appointment of new Independent Directors be on a staggered basis, with certain Prospective Nine-Year IDs remaining on the Board for a transitional period.

The Company will provide updates on the appointment of the new Independent Directors, and the retirement of the Prospective Nine-Year IDs, via SGXNet in due course.

Lead Independent Director

Mr Charles Mak Ming Ying, an Independent Director, 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, works with the Chairman in leading the Board 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 Board and/or Chairman as appropriate. In addition, the Lead Independent Director may also help the NC conduct annual performance evaluation and develop succession plans for the Chairman and the Group CEO.

Corporate Governance Report

Conflict of Interest

The Board has in place clear procedures for dealing with conflicts of interest. 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 recuse themselves from meetings and 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 2021, 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 objective performance criteria for evaluation of the performance of the Board as a whole, the Board Committees and the individual Directors.

The Board, with the recommendation of the NC, has approved the objective performance criteria and implemented a formal process for assessing the effectiveness of the Board as a whole and its Board Committees separately, and the contribution by the Chairman and each individual Director to the effectiveness of the Board, on an annual basis. The objective performance criteria are not typically changed from year to year. In relation to FY2020, the outcome of the evaluation was generally affirmative across the evaluation categories. 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.

For FY2021, an independent external consultant, Aon Solutions Singapore Pte. Ltd. ("**Aon**"), has been 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.

Each Director is required to complete a Board evaluation questionnaire, a Board Committee evaluation questionnaire and an individual Director self-evaluation questionnaire (the "**Questionnaires**"). The Questionnaires have been designed to provide an evaluation of the 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. The external consultant will facilitate the sending of the Questionnaires to all Directors, and one-to-one interviews are conducted selectively on a rotational basis to obtain Directors' feedback.

The objective performance criteria covered in the Board evaluation exercise relate to the following key segments: (1) Board composition (balance of skills, experience, independence, knowledge of the company, and diversity); (2) management of information flow; (3) Board processes (including Board practices and conduct); (4) Board's consideration of Environmental, Social and Governance aspects; (5) Board strategy and priorities; (6) Board's value add to, and management of the performance of, the Company; (7) development and succession planning of executives; (8) development and training of Directors; (9) oversight of risk management and internal controls; and (10) the effectiveness of the Board Committees. The individual Director self-evaluation questionnaire aims to assess whether each Director is willing and able to constructively challenge and contribute effectively to the Board, and demonstrate commitment to his or her roles on the Board and Board Committees (if any).

The responses to the Questionnaires and interview(s) are summarised by the external consultant and its report submitted to the NC. To provide a greater level of objectivity in the evaluation process, the report also includes peer comparisons and third-party benchmarking of the results to the evaluation. 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. The Chairman will, where necessary, provide feedback to the Directors with a view to improving Board performance and, where appropriate, propose changes to the composition of the Board.

Corporate Governance Report

REMUNERATION MATTERS

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

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 compensation philosophy 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.

(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 FY2021, Aon 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.

Corporate Governance Report

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, benefits in kind, termination terms and payments, grant of share awards and incentives for the Key Management Personnel and fees for the Independent Directors and other non-executive Directors, and the RC considers all such aspects of remuneration to ensure they are fair and avoids rewarding poor performance.

The remuneration framework is tailored to the specific role and circumstances of each Director and Key Management Personnel, to ensure an appropriate remuneration level and mix that recognises the performance, potential and responsibilities of these individuals.

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 and value creation 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

A significant and 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. The performance targets are measurable, appropriate and meaningful so that they incentivise the right behaviour in a manner consistent with the Group's core values. For individuals in control functions, performance targets are principally based on the achievement of the objectives of their functions.

(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 Culture & People, Sustainability, Organisation Effectiveness, Digital/Data, Customer/Branding 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.

Corporate Governance Report

(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 subsequently adopted by Shareholders 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 periods for the RSP and the PSP are one year 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. Such performance conditions are generally performance indicators that are key drivers of business performance, Shareholders' value creation and aligned to the Group's business objectives.

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 may 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 one-year performance period. For the PSP, the Final Awards will vest fully at the end of the three-year performance period. The aggregate number of Shares allotted and issued and/or to be allotted and issued, when aggregated with existing Shares (including shares held in treasury) delivered and/or to be delivered pursuant to the RSP and the PSP shall not exceed ten percent (10%) of the total number of issued Shares of the Company (excluding treasury shares and subsidiary holdings) over the 10-year duration of the RSP and the PSP.

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

Corporate Governance Report

Approach to Remuneration of Key Management Personnel

The Company advocates a performance-based remuneration system that is highly flexible and responsive to the market, and is structured so as to link a significant and appropriate proportion of remuneration to the Company's performance and that of the individual.

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 level and mix of remuneration are aligned with the interests of the Shareholders and other stakeholders and promote the long-term success of the Company, and appropriate to attract, retain and motivate Key Management Personnel to successfully manage the Company for the long term.

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 SBUs' 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 FY2021, the pre-determined target performance levels under the LTI Plans were partially 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 remuneration packages and service terms for the Group CEO and the other Key Management Personnel for approval by the Board, which is ultimately accountable for all remuneration decisions relating to the Group CEO and the Key Management Personnel.

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

The Group CEO does not receive any Directors' fee for serving on the Board and Board Committees. As he is also an associate of a controlling 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 as those for 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.

In solidarity with its stakeholders in overcoming the challenges posed by the COVID-19 pandemic, senior Management took a reduction in their base salary of between 10% to 25% from 1 October 2020 to 31 July 2021.

Corporate Governance Report

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, to attract, retain and motivate the Directors to provide good stewardship of the Company to successfully manage the Company for the long term.

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 Director's 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 on Board Committees are paid an additional fee for such services. The chairman of each Board Committee is also paid a higher fee compared to 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 upon recommendation by the RC, was endorsed by the Board for FY2021:

	Basic Fee (\$)	Attendance Fee (for physical attendance in Singapore or home country of Director) (\$)	Attendance Fee (for physical attendance outside Singapore (excluding home country of Director)) (\$)	Attendance Fee (for attendance via tele / video conference) (\$)
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 Board Executive Committee				
- 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 and Sustainability Committee				
- Chairman	40,000	3,000	4,500 per trip	1,000
- Member	20,000	1,500	4,500 per trip	1,000
Information Technology & Cybersecurity Committee⁽¹⁾				
- Chairman	-	3,000	4,500 per trip	1,000
- Member	-	1,500	4,500 per trip	0

Note:

⁽¹⁾ The Information Technology & Cybersecurity Committee comprises Board members and members of Management. For FY2021, no basic fees are payable to the members of the Information Technology & Cybersecurity Committee, while attendance allowance is payable only to Mr Tan Pheng Hock and Mr Wee Joo Yeow, who are respectively the Chairman and a member of this committee.

Corporate Governance Report

Shareholders' approval was obtained at the AGM held on 22 January 2021 for the payment of Directors' fees of up to \$2,000,000 for FY2021. Shareholders' approval will be sought at the upcoming AGM to be held on 21 January 2022 for the proposed payment of Directors' fees of up to \$2,500,000 for the financial year ending 30 September 2022.

The increase of \$500,000 over the sum approved for last year is to accommodate, amongst others, any fee increases due to the appointment of new Directors and/or additional unscheduled Board or Board Committee meetings, as well as the inclusion of a basic fee for serving as Chairman or member of the Information Technology & Cybersecurity Committee upon its conversion to a formalised Board Committee, which is anticipated to take place in the financial year ending 30 September 2022. Apart from the inclusion of the basic fees for the Information Technology & Cybersecurity Committee, there are no other anticipated changes to the Directors' fee structure for the current financial year ending 30 September 2022.

Disclosure of Remuneration of Directors and Top Key Management Personnel

Information on the remuneration of the Directors for FY2021 is set out below.

Directors of the Company	Total Remuneration (in the form of Directors' Fees) \$(⁽¹⁾)
Mr Charoen Sirivadhanabhakdi	– ⁽²⁾
Khunying Wanna Sirivadhanabhakdi	– ⁽²⁾
Mr Charles Mak Ming Ying	277,083
Mr Chan Heng Wing	179,250
Mr Philip Eng Heng Nee	227,000 ⁽³⁾
Mr Tan Pheng Hock	111,667
Mr Wee Joo Yeow	171,167
Mr Weerawong Chittmittrapap	161,667
Mr Chotiphat Bijananda	190,167
Mr Panote Sirivadhanabhakdi	– ⁽⁴⁾
Mr Sithichai Chaikriangkrai	184,000

Notes:

- ⁽¹⁾ The Board had approved a waiver of 10% of the non-executive Directors' basic fees for the period from 1 October 2020 to 31 July 2021, which were reinstated with effect from 1 August 2021, and this is reflected in the amount of remuneration disclosed above.
- ⁽²⁾ Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi waived payment of Directors' fees due to them.
- ⁽³⁾ Excludes \$49,304 and \$120,000, being payment of director's fees from FPL's subsidiaries, Frasers Property Australia Pty Ltd and Frasers Hospitality International Pte Ltd, respectively.
- ⁽⁴⁾ Mr Panote Sirivadhanabhakdi, the Group CEO, is not paid Directors' fees.

Corporate Governance Report

Information on the remuneration of the Group CEO, and the total remuneration paid to the top five Key Management Personnel of the Group (excluding the Group CEO) in aggregate, for FY2021, is set out below:

	Salary inclusive of employer's CPF	Bonus and other benefits inclusive of employer's CPF	Long Term Incentives / Share awards ⁽¹⁾	Total ⁽²⁾
Group CEO				
Mr Panote Sirivadhanabhakdi ⁽³⁾⁽⁴⁾	\$771,750 25%	\$1,553,171 51%	\$750,145 ⁽⁵⁾ 24%	\$3,075,066 100%
Top five Key Management Personnel				
Mr Chia Khong Shoong				
Mr Loo Choo Leong				
Mr Reini Otter	\$3,405,240 40%	\$3,052,651 36%	\$2,092,397 24%	\$8,550,288 100%
Mr Anthony Boyd				
Mr Uten Lohachitpitaks				

Notes:

- (1) The value of long term incentives was calculated based on the initial awards at target level and on the closing share price of \$1.15 on 23 June 2021.
- (2) Certain Key Management Personnel have taken a reduction in their remuneration for the period from 1 October 2020 to 31 July 2021, which was reinstated with effect from 1 August 2021, and this has been reflected in the amount of total remuneration disclosed above.
- (3) Mr Panote Sirivadhanabhakdi, the Group CEO, is not paid Director's fees.
- (4) The total remuneration paid to the Group CEO for FY2020 was \$3,067,342 instead of \$3,837,674 as previously disclosed in the Company's annual report for FY2020. The remuneration paid comprised (i) salary inclusive of employer's CPF (28%), (ii) bonus and other benefits inclusive of employer's CPF (42%) and (iii) long-term incentives (30%).
- (5) 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 as those for the RSP and the PSP.

Save as disclosed above, for FY2021, there were no termination, retirement and post-employment benefits granted to the Directors, the Group CEO and the top five Key Management Personnel.

The Company has decided not to disclose the remuneration of each of the top five Key Management Personnel (excluding the Group CEO) in bands of \$250,000, and it has disclosed the aggregate remuneration of all of the top five Key Management Personnel for the following reasons:

- (i) given the competitive business environment which the Company operates in, there is significant competition for talent, and the Company has not disclosed the remuneration of the top five Key Management Personnel in bands of \$250,000 so as to minimise potential staff movement and undue disruption to its management team which would be prejudicial to the interests of Shareholders;
- (ii) the composition of the current management team has been stable and to ensure the continuity of business and operations of the Company, it is important that the Company continues to retain its team of competent and committed staff;
- (iii) it is important for the Company to ensure stability and continuity of its business by retaining a competent and experienced management team and being able to attract talented staff, and disclosure of the remuneration in bands of \$250,000 of each Key Management Personnel could make it difficult to retain and attract talented staff on a long-term basis; and
- (iv) due to the confidentiality and sensitivity of staff remuneration matters, the Company is of the view that such disclosure could be prejudicial to the interests of Shareholders.

While full compliance with Provision 8.1(b) of the Code would require disclosure of the remuneration of each of the top five Key Management Personnel (who are not Directors or the Group CEO) in bands no wider than \$250,000, taking into account the reasons why such disclosure would be prejudicial to the interests of Shareholders and the fact that the Company has disclosed the aggregate remuneration of all of the top five Key Management Personnel (excluding the Group CEO), the remuneration policies, the composition of remuneration, the appraisal process and the performance metrics which go towards determination of the performance bonus of the Group CEO and the top five Key Management Personnel, the Board has determined that despite the partial deviation from Provision 8.1(b) of the Code, there is sufficient transparency on the Company's remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation consistent with the intent of Principle 8 of the Code.

Corporate Governance Report

As at 30 September 2021, 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, the Group CEO or substantial Shareholder, and whose remuneration (from the Company and its subsidiaries) exceeds \$100,000 during the year. As disclosed above, Mr Panote Sirivadhanabhakdi, the Group CEO, is the son of the Chairman, Mr Charoen Sirivadhanabhakdi, and the Vice Chairman of the Board, Khunying Wanna Sirivadhanabhakdi, each of whom is also a substantial Shareholder. Mr Panote Sirivadhanabhakdi is also the brother-in-law of a Director, Mr Chotiphat Bijananda.

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 or trade 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 Company announces its financial statements on a half-yearly basis and provides business updates to Shareholders for the first quarter and the nine-month performance of the Company and the Group. The financial results and business updates contain information on the impact of the COVID-19 situation on the Company's business operations and financial performance. The Board also provides Shareholders with business updates, other price or trade sensitive information and material corporate developments through announcements on SGXNet 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, re-appointment or removal to the Board. The assessment is based on factors such as the performance and quality of its audit and the independence of the auditors. The AC also makes recommendations to the Board on the remuneration and terms of engagement of the external auditors.

In the AGM held on 22 January 2021, KPMG LLP was re-appointed by Shareholders as the external auditors of the Company until the conclusion of the next AGM. 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. The KPMG LLP audit partner has been in charge of the audit of the Company since FY2021.

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 FY2021 are set out in the table below:

Fees Relating to External Auditors for FY2021	\$ (Million)
For audit and audit-related services	6.8
For non-audit services	1.9
Total	8.7

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.

The Company has complied with Rule 712 of the SGX-ST Listing Manual which requires, amongst others, that a suitable auditing firm should be appointed by the Company to meet its audit obligations. The Company has also complied with Rule 715 of the SGX-ST Listing Manual which requires that the same auditing firm of the Company based in Singapore audits its Singapore-incorporated subsidiaries and significant joint ventures and associates, and that a suitable auditing firm be engaged for its significant foreign-incorporated subsidiaries and associates.

Corporate Governance Report

In the review of the financial statements for FY2021, the AC discussed the following key audit matters identified by the external auditors with Management:

Key Audit Matter	Review by the AC
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 and the estimation uncertainty during the current climate.</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 2021.</p>
Valuation 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 2021.</p>
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 queried Management on its basis and its strategy to sell the unsold units.</p> <p>The AC 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 2021.</p>
Valuation of Property, Plant and Equipment	<p>The AC considered the methodologies and key assumptions applied in arriving at the valuation of property, plant and equipment in relation to the Group's portfolio of hotel properties.</p> <p>The AC reviewed the outputs from the year-end valuation process of the Group's hotel 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 the Group's hotel properties and the estimation uncertainty during the current climate.</p> <p>The AC was satisfied with the valuation process, the methodologies used and the valuation for property, plant and equipment as adopted as at 30 September 2021 in relation to the Group's portfolio of hotel properties.</p>

Corporate Governance Report

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 RMSC, 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 RMSC, the Board determines the Company's risk appetite, assesses the Group's risk profile, material risks, practices and risk control measures, provides advice to Management in formulating the risk management framework, policies and guidelines, and oversees Management in the implementation of the risk management systems. The Board, with the assistance of the RMSC and the AC, reviews, at least annually, the adequacy and effectiveness of the Company's risk management systems.

The Company has adopted an ERM Framework to enhance its risk management capabilities. The Board is assisted by the RMSC 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 47 to 49 of this annual report.

Periodic updates are provided to the RMSC 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 RMSC 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 financial and operational areas, are reviewed and monitored closely by Management, and reported to the RMSC. The tolerance statements and risk thresholds are revised at least annually to ensure they are aligned with the Group's business strategies.

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, at least annually, 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.

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 areas of the business and operations to self-evaluate the internal controls status. Management also separately maps out key operational risks with the existing assurance processes in a comfort matrix every year. Using a comfort matrix of key risks, the material financial, operational, compliance information technology and sustainability 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.

Corporate Governance Report

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 2021, the financial records of the Group have been properly maintained and the financial statements for FY2021 give a true and fair view of the Group's operations and finances;

System of Internal Controls

- (b) 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 2021 to address financial, operational, compliance and information technology risks which the Group considers relevant and material to its operations; and
- (c) the CEOs of each of the SBUs that the system of internal controls in place for their respective SBUs is adequate and effective as at 30 September 2021 to address financial, operational, compliance and information technology risks for their respective SBUs which the Group considers relevant and material to its operations; and

Risk Management System

- (d) 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 2021 to address risks which the Group considers relevant and material to its operations; and
- (e) the CEOs of each of the SBUs that the risk management system in place for their respective SBUs is adequate and effective as at 30 September 2021 to address risks for their respective SBUs which the Group considers relevant and material to its operations.

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 CEOs of the SBUs, the Board is of the view that the Group's internal controls were adequate and effective as at 30 September 2021 to address financial, operational, compliance and information technology risks, which the Group considers relevant and material to its operations.

Based on the ERM 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 CEOs of the SBUs, the Board is of the view that the Group's risk management system was adequate and effective as at 30 September 2021 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 2021, 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.

Corporate Governance Report

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 FPL Group IA reports directly to the AC and administratively, to the Group CCO. The appointment and removal of the Head of FPL Group IA requires the approval of the AC.

The AC ensures that FPL Group IA complies with the standards set by nationally or internationally recognised professional bodies. In this regard, 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.

The AC is also responsible for ensuring that the internal audit function is adequately resourced and staffed with persons with the relevant qualifications and experience. As at 30 September 2021, FPL Group IA comprised 22 professional staff members. 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 employs suitably qualified audit professionals with the requisite skills and experience. FPL Group IA staff members are given relevant training and development opportunities to update their technical knowledge and auditing skills. This includes attending technical workshops and 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. FPL Group IA function adopts a risk-based audit methodology to develop its audit plans, and its activities are aligned to key strategies of the Group. Risk assessments are carried out on all key business processes and the results of the risk assessments are used to determine the extent and the frequencies of the reviews to be performed. Higher risk areas are subject to more extensive and frequent reviews. FPL Group IA conducts its reviews based on the internal audit plan approved by the AC. FPL Group IA has unfettered access to all the Group companies' documents, records, properties and personnel, and the AC members, and has appropriate standing within the Company. 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 submits reports to the AC on the status of completion of the audit plans, audit findings noted from reviews performed, and status of Management's action plans to address such findings, including implementation of the audit recommendations. The AC is satisfied that FPL Group IA is independent, effective, adequately resourced, and has appropriate standing within the Group to perform its functions effectively. Quality assurance reviews on FPL Group IA function are periodically carried out by qualified professionals from an external organisation. The last review was performed in the financial year ended 30 September 2018. Where required, the AC will make recommendations to the Board to ensure that FPL Group IA remains an adequate, effective and independent internal audit function.

Interested Person Transactions

Pursuant to Rule 920 of the SGX-ST Listing Manual, the Company has in place a general mandate approved by Shareholders ("**Shareholders' Mandate**") enabling it to enter into certain types of interested person transactions with the interested persons covered by the Shareholders' Mandate. The Shareholders' Mandate, which must be approved by independent Shareholders at a general meeting, is subject to annual renewal.

The Company has an internal control system in place to ensure that the types of transactions to which the Shareholders' Mandate will apply (the "**Mandated Transactions**"), with the Mandated Interested Persons¹ are made on normal commercial terms, supported by independent valuation where appropriate, and consistent with the Group's usual policies and practices. In general, there are procedures established by the EAR Group² to ensure that general transactions with Mandated Interested Persons are undertaken on an arm's length basis and on normal commercial terms consistent with the EAR Group's usual business practices and policies, which are generally no more favourable to the Mandated Interested Persons than those extended to unrelated third parties.

¹ The Shareholders' Mandate will apply to the transactions that are carried out with Thai Beverage Public Company Limited, TCC Assets Limited, Fraser and Neave, Limited, the Directors and their respective associates (the "**Mandated Interested Persons**").

² For the purposes of the Shareholders' Mandate, an "Entity At Risk" means (i) the Company; (ii) a subsidiary of the Company that is not listed on the SGX-ST or an approved exchange; or (iii) an associated company of the Company that is not listed on the SGX-ST or an approved exchange, provided that the Company and its interested person(s), have control over the associated company (collectively, the "**EAR Group**").

Corporate Governance Report

In addition, specific review and approval procedures with threshold limits apply to the Mandated Transactions. The Company maintains a register of Mandated Transactions carried out with Mandated Interested Persons (recording the basis, including the quotations obtained to support such basis, on which they are entered into), and the Company's annual internal audit plan will incorporate a review of all Mandated Transactions entered into in the relevant financial year pursuant to the Shareholders' Mandate.

The AC reviews the internal audit reports on Mandated Transactions to ascertain that the guidelines and review procedures for Mandated Transactions have been complied with. If during any of the reviews by the AC, the AC is of the view that the guidelines and review procedures for Mandated Transactions have become inappropriate or insufficient in the event of changes to the nature of, or manner in which, the business activities of the Group or the Mandated Interested Persons are conducted, the Company will revert to Shareholders for a fresh general mandate based on new guidelines and review procedures so that Mandated Transactions will be carried out at arm's length, on commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

All other existing and future interested person transactions not subject to the Shareholders' Mandate will be reviewed and approved in accordance with the prevailing rules and regulations of the SGX-ST (in particular, Chapter 9 of the SGX-ST Listing Manual) to ensure that they are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders. In the event that such interested person transactions require the approval of the Board and the AC, relevant information will be submitted to the Board and the AC for review. In the event that such interested person transactions require the approval of Shareholders, additional information may be required to be presented to Shareholders and an independent financial adviser may be appointed for an opinion.

Directors who are interested in any interested person transactions to be entered into by the Company are required to abstain from any deliberations or decisions in relation to that interested person transaction.

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, misconduct or wrongdoing relating to FPL and its officers 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 and the Company has designated Group IA, an independent function, to investigate all whistle-blowing reports made in good faith. FPL is committed to ensuring that whistle-blowers will be treated fairly, and protected from reprisals, victimisation or any otherwise detrimental or unfair treatment for whistle-blowing in good faith. FPL will treat all information received confidentially and protect the identity of all whistle-blowers.

The improprieties, misconduct or wrongdoing 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 and explained in detail during staff training, including the procedures for raising concerns. 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, which is responsible for oversight and monitoring of whistle-blowing, 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. Shareholders are also given a balanced and understandable assessment of the Company's performance, position and prospects. The Company communicates regularly with its Shareholders and facilitates the participation of Shareholders during general meetings and other dialogues to allow Shareholders to communicate their views on various matters affecting the Company.

Corporate Governance Report

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 or are likely to influence persons who commonly invest in securities in deciding whether or not to subscribe for, or buy or sell 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. The IR policy also sets out the mechanism through which Shareholders may contact the Company with questions and through which the Company may respond to such questions.

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 through announcements on SGXNet, and quarterly briefings for results and business updates. In the interim business updates for the first and third quarters of each financial year, the Company provides, *inter alia*, a discussion of the significant factors that affected the Company's interim performance as well as relevant market trends, including the risks and opportunities that may have a material impact on the Company's prospects. Such information provides Shareholders a better understanding of the Company's performance in the context of the current business environment.

The aim of such engagement 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 also makes available on its corporate website at <https://www.frasersproperty.com>, 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 SGXNet announcements.

Further details on the various activities organised by IR during the year can be found in the IR section on pages 40 to 41.

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 on pages 40 to 41.

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

Conduct of General Meetings

In view of the COVID-19 pandemic, the 57th Annual General Meeting ("**2021 AGM**") was convened and held by way of electronic means on 22 January 2021, pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 ("**COVID-19 Temporary Measures Order**"). The alternative arrangements put in place for the conduct of the 2021 AGM included attendance at the AGM via electronic means where shareholders could observe and/or listen to the AGM proceedings via live audio-visual webcast or live audio-only stream, submission of questions to the Chairman of the Meeting in advance of the AGM, addressing of substantial and relevant questions prior to the AGM and voting by appointing the Chairman of the Meeting as proxy. All the Directors attended the 2021 AGM either in-person or via electronic means.

In view of the ongoing COVID-19 situation in Singapore, the forthcoming 58th Annual General Meeting ("**2022 AGM**") will again be convened and held by way of electronic means on 21 January 2022, pursuant to the COVID-19 Temporary Measures Order. The alternative arrangements put in place for the AGM last year will likewise be put in place this year except, Shareholders will additionally be able submit questions to the Chairman of the Meeting "live" at the AGM. The description below sets out the Company's usual practice for Shareholders' meetings prior to the 2021 AGM when there were no pandemic risks and the COVID-19 Temporary Measures Order was not in operation.

Corporate Governance Report

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 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 generally provides Shareholders with longer than the minimum notice period required for general meetings. The Company tries its best not to schedule its AGMs during peak periods when these might coincide with the AGMs of other listed companies.

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, such as nominee companies which provide custodial services for securities, to appoint more than two proxies to attend, speak and vote on their behalf in Shareholders' meetings.

At general meetings, the Company sets out separate resolutions on each substantially separate matter unless the matters are interdependent and linked so as to form one significant proposal. In the event where resolutions are bundled, the Company will explain the reasons and material implications in the relevant notice of meeting. 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 via SGXNet 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.

Provision 11.4 of the Code provides for a company's constitution to allow for absentia voting at general meetings of shareholders. FPL's Constitution currently does not, however, permit Shareholders to vote at general meetings in absentia (such as via mail, email or fax). In line with Principle 11 of the Code, Shareholders nevertheless have the opportunity to appoint proxies to vote on his behalf at the meeting through proxy forms sent in advance. As the authentication of shareholder identity and other related security and integrity issues remain a concern, the Company has decided for the time being, not to implement absentia voting methods such as voting via mail, email or fax.

At the AGM, a presentation by Management 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, and for the entire duration of, 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.

The Chairman of the meeting is tasked with facilitating constructive dialogue between the Shareholders and the Board, Management and the external auditors. Where appropriate, the Chairman allows specific Directors, such as the respective Board Committee chairmen or the Lead Independent Director, to answer queries on matters pertaining to their Committees.

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.

Corporate Governance Report

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).

In keeping with the Group's efforts to maintain financial flexibility in light of the ongoing COVID-19 pandemic, for FY2021, the Board has proposed a final dividend of 2.0 Singapore cents per Share (approximately 20% of APBFE before distribution to perpetual securities holders) to be approved at the forthcoming 2022 AGM to be held on 21 January 2022.

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. Stakeholders are parties who may be affected by the Company's activities or whose actions can affect the ability of the Company to conduct its activities.

Sustainability

In order to review and assess the material topics relevant to the Company's business activities, the Company from time to time proactively identifies and 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, which can be found on pages 100 to 175 and 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 sustainability strategy and key areas of focus in relation to the management of stakeholder relationships during FY2021.

Code of Business Conduct

The Company's business practices are governed by integrity, honesty, fair dealing and compliance with applicable laws. To guide the Group's employees across its multi-national network to uphold these values, the Company has established the FPL Code of Business Conduct to provide clear guidelines on ethics and relationships to safeguard the interests and reputation of the Group, as well as stakeholders of FPL.

The Code of Business Conduct covers key aspects such as avoiding conflicts of interest, working with external stakeholders (including customers, suppliers, business partners, governments and regulatory officials), protecting company's assets, social media engagement, data privacy and upholding laws in countries where the Group has geographical presence in. The Code of Business Conduct also emphasises the importance of upholding the Company's core values to build a respectful culture. Employees are encouraged to be respectful to the elements that make people similar or different from one another, including background, views, experiences, capabilities, values, beliefs, physical differences, ethnicity and culture, gender, age, thinking styles, preferences and behaviours.

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. It includes requirements relating to the keeping of accurate and sufficiently detailed accounting records for financial transactions, internal financial reporting and financial reporting to stakeholders, sets out the standards to which employees must adhere in their business relationships with third parties and personal business undertakings and their obligations to the Group, and provides for the need to obtain approval in certain situations where a conflict of interest may arise. It also covers an employee's obligations in protecting the Group's confidential information and intellectual property and reiterates the Group's zero tolerance approach to bribery and corruption.

Where applicable/appropriate, the Code of Business Conduct is also made available to other stakeholders such as the Company's agents, suppliers, business associates and customers.

Corporate Governance Report

Anti-Bribery and Anti-Corruption

The Company has procedures in place to comply with applicable anti-bribery laws and regulations. Under the Company's Code of Business Conduct, employees are not to accept, offer, promise, or pay anything of value to another person with the intention to obtain or retain business, to improperly influence an official action or to secure an unfair business advantage, whether directly or through a third party. The Company also has an anti-bribery policy, which is applicable to entities of the Group incorporated or formed in the United Kingdom, and those carrying on business in the United Kingdom.

Anti-Money Laundering and Countering the Financing of Terrorism Measures

The Company has a policy and has implemented procedures to comply with applicable anti-money laundering, counter-terrorism financing laws and regulations, including the notice and guidelines issued by the Monetary Authority of Singapore to capital intermediaries on the prevention of money laundering and countering the financing of terrorism. The Company's policy and procedures include, but are not limited to, risk assessment and mitigation, customer due diligence, reporting of suspicious transactions, and record keeping. Training on anti-money laundering, counter-terrorism financing laws and regulations are also conducted for employees, officers and representatives periodically and as and when needed.

Business Continuity Management

The Company has in place a Group Business Continuity Management ("**BCM**") Policy which references the requirements of ISO22301 management system. The policy sets the directives and guides the Company in implementing and maintaining a BCM management programme to protect against, reduce the likelihood of the occurrence of, prepare for, respond to and recover from disruptions when they arise. The Group Business Continuity Management Committee oversees the Company's Business Continuity Management (BCM) programme and activities.

The Company has implemented a BCM programme that boosts its resilience and capability in responding, managing, and recovering from adverse business disruptions and unforeseen catastrophic events. Management has developed Crisis Management Plans, Business Continuity Plans and Emergency Response Plans at all levels to prepare themselves in case of disruption that may negatively impact on the business of the Company. Under the programme, critical business functions, key processes, resource requirements and business recovery strategies are identified. Annual tests, exercises (tabletop or simulated) and drills, simulating different scenarios, are carried out to assess the effectiveness of the abovementioned plans. The Company's Crisis Management Team and staff are trained periodically, and the plans under the BCM are updated regularly. The BCM programme ensures the Company stays resilient in the face of a crisis. It is a holistic approach to minimise adverse business impact and to safeguard the Company's reputation and business operations.

The Code of Business Conduct, together with the other policies mentioned above, are accessible to all employees on the FPL Group intranet.

POLICY ON DEALINGS IN SECURITIES

The Company has established a procedure regarding dealings in the securities of the Company. In compliance with Rule 1207(19) of the SGX-ST Listing Manual on best practices on dealing in securities, the Group issues reminders to its Directors, officers and employees on the restrictions in dealings in listed securities of the Group during the period commencing one month before the announcement of the half-year and full-year results, and ending on the date of such announcements. Similar reminders are also sent to Directors, officers and employees on the restrictions in dealing in listed securities of the Group during the period commencing two weeks before the announcement of the Group's interim business updates for the first and third quarters of the financial year, 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 or trade sensitive information and to refrain from dealing in the Group's securities on short-term considerations. Pursuant to the SFA, Directors and the Group CEO are also required to report their dealings in the Company's securities within two business days.

Corporate Governance Report

SUMMARY OF COMPLIANCE WITH EXPRESS DISCLOSURE REQUIREMENTS UNDER THE PROVISIONS OF THE CODE

The following table benchmarks the disclosures in this Corporate Governance Report and this annual report against the express disclosure requirements under the provisions of the Code.

Provisions of the Code – Express Disclosure Requirements		Page Reference of Annual Report
THE BOARD'S CONDUCT OF AFFAIRS		
Provision 1.2	Induction, training and development provided to new and existing Directors	Page 187
Provision 1.3	Matters requiring Board approval	Page 184
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	Pages 179 to 184
Provision 1.5	Number of Board and Board Committee meetings held in the year and each individual Directors' attendance at such meetings	Page 185
BOARD COMPOSITION AND GUIDANCE		
Provision 2.4	The Board diversity policy and progress made towards implementation of the policy, including objectives	Page 191
BOARD MEMBERSHIP		
Provision 4.3	Process for the selection, appointment and reappointment of Directors to the Board, including the criteria used to identify and evaluate potential new Directors and channels used in searching for appropriate candidates	Page 190
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	Pages 191 to 192
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	Page 190
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	Page 193
PROCEDURES FOR DEVELOPING REMUNERATION POLICIES		
Provision 6.4	Engagement of any remuneration consultants and their independence	Pages 193 to 194

Corporate Governance Report

SUMMARY OF COMPLIANCE WITH EXPRESS DISCLOSURE REQUIREMENTS UNDER THE PROVISIONS OF THE CODE (CONT'D)

Provisions of the Code - Express Disclosure Requirements		Page Reference of Annual Report
DISCLOSURE ON REMUNERATION		
Provision 8.1	<p>Policy and criteria for setting remuneration, as well as names, amounts and breakdown of remuneration of:</p> <p>(a) each individual Director and the CEO; and</p> <p>(b) at least the top five key management personnel (who are not Directors or the CEO) in bands no wider than \$250,000* and in aggregate the total remuneration paid to these key management personnel</p> <p><i>*The Company has decided not to disclose the remuneration of each of the top five Key Management Personnel (excluding the Group CEO) in bands of \$250,000 (it has disclosed the aggregate remuneration of all of the top five Key Management Personnel (excluding the Group CEO)). The provision of the Code from which the Company has varied (i.e., Provision 8.1(b)), the reason for the variation, and an explanation as to how the practices it had adopted are consistent with the intent of the relevant principle (i.e., Principle 8), are stated on page 200 of this annual report.</i></p>	Pages 197 to 200
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 of the Company, and whose remuneration exceeds \$100,000 during the year, in bands no wider than \$100,000. The employee's relationship with the relevant Director or the CEO or substantial Shareholder should also be clearly stated	Page 201
Provision 8.3	All forms of remuneration and other payments and benefits, paid by the Company and its subsidiaries to Directors and key management personnel of the Company, and details of employee share schemes	Pages 199 to 200
RISK MANAGEMENT AND INTERNAL CONTROLS		
Provision 9.2	<p>Board's assurance from:</p> <p>(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</p> <p>(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</p>	Page 204
AUDIT COMMITTEE		
Provision 10.1(f)	The existence of a whistle-blowing policy and procedures for raising such concerns	Page 206
SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS		
Provision 11.3	Directors' attendance at general meetings of Shareholders held during the financial year	Page 185
Provision 11.6	The Company's dividend policy	Page 209
ENGAGEMENT WITH SHAREHOLDERS		
Provision 12.1	Steps taken by the Company to solicit and understand the views of Shareholders	Pages 206 to 208
ENGAGEMENT WITH STAKEHOLDERS		
Provision 13.2	The Company's strategy and key areas of focus in relation to the management of stakeholder relationships during the reporting period	Pages 209 to 210