

CORPORATE GOVERNANCE REPORT

CSC Holdings Limited (the “**Company**”) continues to maintain a high standard of corporate governance and confirms its commitment to comply with the Code of Corporate Governance 2018 (last amended 11 January 2023) (the “**Code**”), with the aim to preserve and enhance shareholders’ value. This report describes the corporate governance framework and practices that the Company has adopted with specific reference to the principles and provisions of the Code, as required under the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). As at the date of this report, the Company has complied with the principles and provisions as set out in the Code. Where there are any deviations from the provisions of the Code, appropriate explanations have been provided in this report.

BOARD MATTERS

PRINCIPLE 1: THE BOARD’S CONDUCT OF AFFAIRS

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

The Board is primarily responsible for directing the affairs of the Company in order to achieve the goals set for the Group. The Board’s responsibilities include, among others, setting the strategic direction and long-term goals for the long-term success of the Company, setting the Group’s values and standards (including ethical standards), overseeing internal controls and risk management, corporate governance and sustainability-related matters (including climate-related issues) and reviewing/monitoring financial performance of the Group. Directors are expected to exercise due diligence and independent judgement, and objectively discharge their duties and responsibilities at all times as fiduciaries in the best interests of the Company (*Provision 1.1 of the Code*).

The Board also sets an appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the Company. The Board works closely with Management ensuring that their duties and responsibilities stipulated under the Companies Act 1967 and applicable rules and regulations are complied with and their obligations towards shareholders and other stakeholders are met. The Board monitors the performance of Management and holds Management accountable for performance (*Provision 1.1 of the Code*).

In a conflict of interest situation, a Director recuses/abstains himself from discussions and decisions involving the matter/issue of conflict (*Provision 1.1 of the Code*).

With assistance of the Company Secretaries, the Board and Management are continuously apprised of their compliance obligations and responsibilities arising from relevant regulatory requirements under the Companies Act 1967 and changes in the Listing Manual of the SGX-ST.

The Company also has set a budget for the Directors’ training programmes on an annual basis and the Directors are encouraged to attend relevant industry conferences, seminars, courses and/or talks organised by external organisations such as the Accounting and Corporate Regulatory Authority of Singapore (“**ACRA**”), Singapore Institute of Directors (“**SID**”), and the SGX-ST, at the Company’s expense, in order to keep the Directors abreast of the latest rules, regulations and accounting standards in Singapore and to facilitate effective discharge of their fiduciary duties as directors and/or board committee members (*Provision 1.2 of the Code*).

The Directors have been keeping themselves abreast of the latest rules, regulations and accounting standards applicable to the Group, in addition to relevant regulatory updates provided by the Company Secretary(ies) and external auditors as and when appropriate. News releases/guidance issued by the SGX-ST and ACRA which are relevant to the Directors are also circulated to the Board as part of the Company’s efforts to facilitate their continuing professional development.

During the year under review, the Directors have been briefed and/or provided with updates, *inter alia*, on key changes to regulatory requirements, developments in financial reporting standards and corporate governance requirements in Singapore. Besides, Mr Ong Tiew Siam had attended a seminar “Navigating Towards International Sustainability Standards Board (ISSB) Compliance” conducted by the SID (*Provision 1.2 of the Code*).

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New Directors who have no prior experience as a director of an issuer listed on the SGX-ST will be required to undergo training(s) in the roles and responsibilities of a director of a listed issuer as prescribed by the SGX-ST and undergo an orientation programme whereby they are briefed by the Group Chief Executive Officer ("CEO"), Deputy Group Chief Executive Officer ("DCEO")/Group Chief Operating Officer ("COO"), Group Chief Financial Officer ("CFO") and Company Secretary(ies) of their obligations as Directors, as well as the Group's corporate governance practices, and relevant statutory and regulatory compliance issues, as appropriate. They will also be briefed by Management on the Group's industry and business operations (*Provision 1.2 of the Code*).

Other than Dr Steve Lai Mun Fook who was appointed as Independent Non-Executive Director of the Company on 1 August 2024, there were no Directors appointed to the Board of the Company during the financial year ended 31 March 2025 ("FY2025"). Please refer to page 33 of this Annual Report for his profile under the Board of Directors section.

During the year, Dr Steve Lai Mun Fook, the newly appointed Independent Non-Executive Director, has participated in an orientation programme organised by the CEO, DCEO and CFO to have a better understanding of the Company's business and operations and to meet with the Key Management Personnel of the Company.

The matters specifically reserved for the Board's decision/approval include but are not limited to the following, and these are communicated to Management in writing (*Provision 1.3 of the Code*):

- (1) Approving the Group's goals, strategies and objectives;
- (2) Considering sustainability issues, e.g. environmental, social and governance factors including climate-related issues / risks and opportunities, as part of the Company's strategic formulation;
- (3) Overseeing the overall sustainability initiatives/reporting of the Company and climate-related risks and opportunities with respect to all stakeholders' expectations; and reviewing sustainability report and significant issues (including climate-related risks) identified.
- (4) Monitoring the performance of Management;
- (5) Monitoring the Company's key risks and mitigation strategies;
- (6) Overseeing the processes for evaluating the adequacy and effectiveness of internal controls, risk management systems, financial reporting and compliance of the Group;
- (7) Approving the appointment of Directors of the Company and Key Management Personnel of the Group;
- (8) Approving the announcement of unaudited half year financial results and unaudited full year financial results and audited financial statements;
- (9) Endorsing remuneration framework and key human resource matters of the Group;
- (10) Convening of general meetings;
- (11) Approving annual budgets, major funding proposals, major acquisition and major disposal of investments according to the Listing Manual of the SGX-ST; and
- (12) Assuming responsibility for corporate governance and compliance with the Companies Act 1967 and the rules and regulations applicable to a company listed on the SGX-ST.

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To facilitate effective management, the Board has delegated specific functions to Board Committees namely, Audit Committee (“AC”), Nominating Committee (“NC”), Risk Management Committee (“RMC”) and Remuneration Committee (“RC”), each of which has its own clear written terms of reference (“TOR”) (*Provision 1.4 of the Code*). The TORs are reviewed on a regular basis to ensure their continued relevance with the Code, SGX-ST’s Listing Manual and applicable rules/regulations. The Board accepts that while the Board Committees have the authority to examine particular issues and will report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters lies with the Board.

Management together with the Board Committees support the Board in discharging its duties and responsibilities. The roles, duties and summary of activities of the Board Committees are set out separately in this report.

The Board meets at least quarterly and more frequently as and when required, to review and evaluate the Group’s operations and performance and to address key policy matters of the Group, where necessary (*Provision 1.5 of the Code*).

The Constitution of the Company allows meetings of Directors to be conducted by way of teleconferencing, video conferencing or other similar means of communications to facilitate Board participation.

In the absence of Board and Board Committee meetings, the Board and the Board Committees discuss, deliberate and approve the matters specially reserved to them by way of resolutions in writing in accordance with the Company’s Constitution and Board Committees’ TORs, where applicable.

The number of Board and Board Committee meetings and general meeting(s) held during FY2025 and the attendance of each Director, where relevant, is set out as follows (*Provisions 1.5 and 11.3 of the Code*):

Name of Directors	Board Meeting	AC Meeting	RC Meeting	NC Meeting	RMC Meeting	Shareholders Meeting (Annual General Meeting)
Dr Leong Horn Kee	6	4	1	1	N.A.	1
See Yen Tarn	6	*4	*1	1	4	1
Koo Chung Chong	6	*4	*1	*1	*4	1
Ong Tiew Siam	6	4	1	*1	4	1
Dr Steve Lai Mun Fook #	3	3	N.A.	N.A.	2	N.A.
Ng San Tiong Roland	5	3	1	*1	N.A.	–
Number of meeting(s) held in FY2025	6	4	1	1	4	1

* Attendance of Director (who was non-member) by invitation of the Board Committee.

Dr Steve Lai Mun Fook was appointed as Independent Non-Executive Director, Chairman of the RC and member of the AC, RMC and NC on 1 August 2024.

Note: N.A. means Not Applicable.

Directors with multiple board representations are to disclose such board representations and ensure that sufficient time and attention are given to the affairs of the Company (*Provision 1.5 of the Code*).

Board papers for Board and Board Committee meetings, including all relevant documents, materials, background or explanatory information relating to matters which require consideration, are provided to the Directors in a timely manner, prior to the meetings and as and when required, to enable the Directors to make informed decisions and discharge their duties and responsibilities and to allow them to adequately prepare for the meetings. Management also provide the Board with regular updates and timely information to keep them informed of on-going developments within the Group (*Provision 1.6 of the Code*).

The Board, the Board Committees and the Directors have separate and independent access to Management, the Company Secretaries and external advisors (where necessary) at the Company’s expense (*Provision 1.7 of the Code*) and are entitled to request from Management such information or clarification as required.

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Professional advisors may be invited/engaged to advise the Board, or any of its members, if the Board or any individual member thereof needs independent professional advice, at the Company's expense.

The Company Secretary(ies) attend(s) all Board and Board Committee meetings, where appropriate. The Company Secretaries provide secretarial support and assistance to the Board and ensure adherence to the Board procedures and relevant rules and regulations applicable to the Company. Minutes of all Board and Board Committee meetings are recorded and circulated to the Board and Board Committees, respectively. The appointment and removal of the Company Secretary(ies) is subject to the approval of the Board (Provision 1.7 of the Code).

PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

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

On 22 July 2024, the Company announced via SGXNet the (i) appointment of Dr Steve Lai Mun Fook as an Independent Non-Executive Director with effect from 1 August 2024, (ii) the resignation of Mr Tan Hup Foi @ Tan Hup Hoi as an Independent Non-Executive Director with effect from the conclusion of the annual general meeting ("AGM") of the Company held on 30 July 2024, and (iii) changes in the composition of the Board committees with effect from 1 August 2024.

As at the date of this Annual Report, the Board has six (6) Directors, comprising two (2) Executive Directors, one (1) Non-Executive Director and three (3) Independent Non-Executive Directors, as follows:

Executive Directors

Mr See Yen Tarn (Executive Director and CEO)

Mr Koo Chung Chong (Executive Director and DCEO)

Non-Executive Directors

Dr Leong Horn Kee (Chairman and Independent Director)

Mr Ong Tiew Siam (Independent Director)

Dr Steve Lai Mun Fook (Independent Director)

Mr Ng San Tiong Roland (Non-Executive Director)

The Chairman of the Board is an Independent Director (*Provision 2.2 of the Code*).

The Board complies with the requirement by having a majority of the Board made up of Non-Executive Directors (*Provision 2.3 of the Code*).

As of the date of this Annual Report, the Board does not have any Alternate Director.

The NC conducted its annual review of the independence of Directors, having regard to the definition of independence/circumstances as stated in the Code and accompanying Practice Guidance and the Listing Manual of the SGX-ST. In their deliberation as to the independence of a Director, the NC and Board consider an "independent" Director as one who is independent in conduct, character and judgement and take into consideration, *inter alia*, whether a Director has any relationship (whether familial, business, financial, employment, or otherwise) with the Company, its related corporations, its substantial shareholders or its officers, and if so, whether such relationship could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent judgement in the best interests of the Company (*Provisions 2.1 and 4.4 of the Code*). The Independent Directors constructively challenge and assist in the development of proposals on strategy, and assist the Board in reviewing the performance of Management in meeting agreed goals and objectives, and monitor the reporting of performance.

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The Board is of the view that a strong element of independence is present in the Board with Non-Executive Director and Independent Directors making up a majority of the Board (*Provision 2.3 of the Code*). The Board exercises objective and independent judgement on the Group's corporate affairs. No individual or group of individuals dominates the Board's decision-making.

Members of the Board have experience in accounting or finance, business management, corporate governance, relevant industry knowledge, strategic planning, environmental technology and customer-based experience or knowledge. Their profiles are set out on pages 32 and 33 of this Annual Report. The Board, through the delegation of its authority to the NC, has used its best efforts to ensure that Directors appointed to the Board and its Board Committees have a wide range of core competencies, experience, skills and knowledge in, but not limited to, the fields of business development, business management, industry knowledge, financial and accounting.

The size and composition of the Board and Board Committees are reviewed annually by the NC, taking into account the scope and nature of the operations of the Company, to ensure that the size of the Board and Board Committees is appropriate to facilitate effective decision-making, and that the Board has an appropriate balance of Independent Directors and an appropriate mix of expertise and experience to enable Management to benefit from a diverse perspective of issues that are brought before the Board.

Given the diverse qualifications, experience, background and profile of the Directors, including the Independent Directors, the NC and Board are of the view that the current Board members as a group provides an appropriate balance and diversity of relevant skills, experience and expertise required for effective management of the Group (*Provision 2.4 of the Code*).

The NC and Board are also of the view that the current size, composition, range of experience and the varied expertise of the current Board members provide core competencies in business, investment, industry knowledge, regulatory matters, audit, accounting and tax matters which are necessary to meet the Group's business needs.

The Board, in concurrence with the NC, is of the view that given the nature and scope of the Group's operations, the present Board and Board Committees are of an appropriate size for the Company and to provide for effective decision-making (*Provision 2.4 of the Code*).

During FY2025, the NC conducted its annual review of the Directors' independence (*Provision 4.4 of the Code*) and was satisfied that Chairman of the Board is an Independent Director, Non-Executive Directors make up a majority of the Board (*Provision 2.3 of the Code*) and Independent Directors make up 50% of the Board (*Provision 2.2 of the Code*).

For FY2025, Non-Executive Directors represented a majority of the Board members and contributed to the Board process by monitoring and reviewing Management's performance against the established goals and objectives. The Non-Executive Directors and/or Independent Directors meet without the presence of Management, where necessary, and chairman of such meetings provides feedback to the Chairman of the Board as appropriate (*Provision 2.5 of the Code*). Their views and opinions provide alternate perspectives to the Group's business. When challenging Management's proposals or decisions constructively, the Non-Executive Directors bring independent and objective judgement to bear on business activities and transactions involving conflicts of interest and other complexities.

In its annual review for FY2025, the NC has determined that Dr Leong Horn Kee, Mr Ong Tiew Siam and Dr Steve Lai Mun Fook to be independent, which was concurred by the Board. None of the three (3) Independent Non-Executive Directors have served on the Board for an aggregate period of more than nine (9) years from the date of his first appointment.

Where a vacancy on the Board arises, the Board would commence search process for new Director taking into consideration the Group and Board's requirements, having due regard to the various aspects as well as factors concerning Board diversity as set out in the Company's Board Diversity Policy.

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BOARD DIVERSITY

The Company recognises and embraces the importance of diversity towards a well-functioning and effective Board and has adopted a Board Diversity Policy. The Company acknowledges that having diversity of thought and background in the Board's composition enables the Board to avoid groupthink, foster constructive debate and make decisions in the best interests of the Company (*Provision 2.4 of the Code*).

The policy defines diversity to refer not only to gender but also to skill-sets, experience, ethnicity, age, background and other relevant personal attributes important in providing range of perspectives, insights and challenge needed to support good decision-making. The NC is responsible to review and monitor its implementation and will recommend appropriate changes including setting measurable objectives (if necessary) to the Board for consideration and approval.

The Board has taken the following steps to maintain or enhance its balance and diversity (*Provision 2.4 of the Code*):

- (1) by assessing the existing attributes and core competencies of the Board are complementary and enhance the efficacy of the Board; and
- (2) evaluation by the Directors of the skill-sets the other Directors possess, with a view to understanding the range of expertise which is lacking by the Board.

The Board, supported by the NC, will consider factors such as skills, experience, ethnicity, age, background, independence and knowledge when reviewing the Board composition and Board succession planning so as to ensure an appropriate level of diversity is maintained at the Board. The NC will consider the results of the above steps in its recommendation for the appointment of new Directors and/or the re-appointment of incumbent Directors.

Non-Executive Directors and Independent Directors are not part of Management and they do not engage in the day-to-day management of the Company or its subsidiaries. Although all the Directors have an equal responsibility for the Group's operations, the roles of the Non-Executive Directors and Independent Directors are particularly important in ensuring that proposals by Management are fully discussed, deliberated and constructively challenged. The Non-Executive Directors and Independent Directors help to develop proposals on business strategies, business operations and practices of the Group. In addition, the Non-Executive Directors and Independent Directors evaluate the performance of Management by determining whether Management has met specific goals and objectives, which are pre-determined by the Board.

The NC is aware of the importance of diversity of the Board and will continue to assess on an annual basis the diversity of the Board (as regards skills, experience, core competencies, gender and knowledge of the Company), including to review the structure, size and composition of the Board and Board Committees and the need for progressive refreshing of the Board, and to ensure that the diversity would be relevant to the business needs of the Group. All Board appointments, if any, would continue to be based on the candidate's experience, skillset, background, regardless of gender, having due regard for the benefits of diversity on the Board including achieving overall balance and effectiveness of the Board.

Pursuant to the Board Diversity Policy, the NC reviews the size and mix of the Board and the Board Committees as and when appropriate and at least on an annual basis. In its review for FY2025, the NC considered that the current Board composition provides an appropriate balance of diversity and reflects the Company's commitment to Board diversity in terms of skills, age, educational qualifications, industry experience and expertise required for effective management of the Group, which was concurred by the Board (*Provision 2.4 of Code*).

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Details of the Board composition as at the date of this report are as follows:–

1. Directors' area of expertise

Engineering & construction	2
Accountancy, finance & taxation	3
Property development & management	2
Environmental Technology	1

2. Directors' educational background

Engineering & construction	2
Accountancy	2
Economics, business administration & business research	1
Science	2

3. Board independence

Independent Directors	3
Non-Independent Directors	3

4. Directors' age group

50-59	1
60-69	1
70-79	4

5. Directors' length of service

	Independent Director(s)	Non-Independent Director(s)
Served more than nine (9) years	–	1
Served more than six (6) years and less than nine (9) years	2	–
Served more than three (3) years and less than six (6) years	–	1
Served less than three (3) years	1	1

The NC and Board have determined and are satisfied that the current Board has an appropriate balance of diversity in terms of knowledge, skills, age and experience to facilitate effective decision-making to meet the Group's operational and business needs and enables Management to benefit from a diverse and objective external perspective on issues raised before the Board. The Board comprises six (6) members who are business leaders and professionals with accountancy, finance, engineering, business and management backgrounds and industry knowledge. Each Director has been appointed on the strength of his calibre, experience and ability to contribute to the Group and its business. Having said that, the NC and Board recognise and embrace the benefit of gender diversity on the Board. The Company has not set any specific target or objective in relation to other aspects of diversity such as age, gender, ethnicity, but will work towards having female director(s) on the Board if there are suitable candidates proposed/nominated for the consideration and approval by the NC and/or Board, if the opportunity arises. Any targets/objectives set and further progress made towards implementation of the policy and/or achieving the targets/objectives on Board diversity will be disclosed in future Annual Reports.

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PRINCIPLE 3: CHAIRMAN AND CEO

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

There is a clear division of roles and responsibilities between the Chairman and the CEO. The duties of Chairman and CEO are set out in the Board Charter adopted by the Board (*Provision 3.2 of the Code*). The Chairman and the CEO are not related to each other; they have no close family ties and are not immediate family members (*Provision 3.1 of the Code*).

Dr Leong Horn Kee, an Independent Director, is the Chairman of the Board. He leads the Company's compliance with guidelines on corporate governance and is free to act independently in the best interests of the Company and its shareholders. As Chairman, Dr Leong is responsible for amongst others, the proper carrying out of the business of the Board at its meeting, and he represents the collective leadership of the Company's Board of Directors and ensures that Management provides the Board with complete, adequate and timely information and there is effective communication with shareholders of the Company. The Chairman, with the assistance of the Company Secretaries, ensures that the Board meetings are held as and when necessary and sets the board meeting agenda in consultation with the CEO and Company Secretaries. The Chairman also encourages constructive relations, mutual respect and trust within the Board and between the Board and Management and facilitates the effective contribution of Non-Executive Directors (*Provision 3.2 of the Code*).

Mr See Yen Tarn, an Executive Director, is also the CEO of the Group. He is responsible for, among others, the day-to-day operations of the Group, as well as monitoring the quality, quantity and timeliness of information flow between the Board and Management (*Provision 3.2 of the Code*).

Mr Koo Chung Chong, an Executive Director, is also the DCEO, COO and Chief Sustainability Officer ("CSO") of the Group. He is responsible for the marketing, operational and sustainability matters of the Group. As the DCEO, Mr Koo works closely with the CEO on corporate development and strategic planning of the Group.

The Board is of the view that the current leadership structure is in the best interests of the Group. The decision making process of the Group would not be unnecessarily hindered as there are sufficient safeguards and checks to ensure that the process of decision making by the Board is independent and based on collective decisions without any individual exercising any considerable concentration of power or influence. In addition, all the Board Committees are chaired by Independent Directors of the Company.

The Company does not have a Lead Independent Director given that the Chairman of the Board and the CEO are separate persons and are not immediate family members; the Chairman of the Board is also not part of the Management team and is an Independent Director (*Provision 3.3 of the Code*).

PRINCIPLE 4: BOARD MEMBERSHIP

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

PRINCIPLE 5: BOARD PERFORMANCE

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

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NOMINATING COMMITTEE

As at the date of this Annual Report, the NC comprises Dr Leong Horn Kee (Chairman), Mr See Yen Tarn and Dr Steve Lai Mun Fook, the majority of whom, including the Chairman, are independent (*Provisions 1.4 and 4.2 of the Code*).

The NC is responsible for reviewing the composition and effectiveness of the Board and determining whether the Directors possess the requisite qualifications and expertise and whether the independence of the Directors is compromised pursuant to the Code and SGX-ST's Listing Manual.

The key duties of the NC include but not limited to the following (*Provisions 1.4 and 4.1 of the Code*):

- a) To review annually the independence of each Director with reference to the Code and the Listing Manual of the SGX-ST (*Provision 4.4 of the Code*);
- b) To review all nominations for new appointments to the Board and re-appointment of Directors, submit its recommendations for approval by the Board and ensure the new Directors are aware of their duties and obligation (*Provision 4.5 of the Code*);
- c) To determine whether a Director is able to and has been adequately carrying out his duties as a Director of the Company, particularly, when a Director has multiple listed company board representations and principal commitments (*Provision 4.5 of the Code*);
- d) To review Board succession plans, in particular, the Chairman, the CEO and Key Management Personnel;
- e) To review the process and criteria for evaluation of performance of the Board, the Board Committees and the Directors;
- f) To assess the effectiveness of the Board as a whole and contribution of each Director to the effectiveness of the Board; and
- g) To review training and professional development programs for the Board/Directors.

During FY2025, the NC held one (1) meeting to review/consider and recommend to the Board, where appropriate, (i) the structure, size, composition and diversity of the Board, (ii) the Board Diversity Policy, (iii) findings of performance evaluations of the Board and Board Committees, (iv) independence of the Independent Non-Executive Directors, (v) retiring Directors standing for re-election at AGM and (vi) the appointment & resignation of Independent Directors and changes in the composition of Board Committees, amongst others.

The NC takes the lead in identifying, evaluating and selecting suitable candidates for new directorships before making recommendation to the Board for appointment. The search for new Directors, if any, will be made through internal and external sources (for example, personal contacts of current Board members, or by referral of the Company's business associates) and will, if considered necessary, be made through external search firms/consultants, at the Company's expense (*Provision 4.3 of the Code*).

The NC identifies suitable candidates for appointment to the Board having due regard to the composition/diversity and progressive renewal of the Board as well as criteria including but not limited to the background, knowledge, relevant experience and skillsets to the Company's business, personal qualities and suitability of the potential candidates. The NC makes recommendations to the Board on candidates it considers suitable for appointment (*Provision 4.3 of the Code*). The NC has put in place process and procedures for the selection, appointment and re-appointment of Directors, in order to increase transparency of the nominating process.

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Letters of appointment will be issued to newly appointed Non-Executive Directors and/or Independent Directors setting out their duties, obligations and terms of appointment as appropriate while a service agreement accompanied with supporting documents setting out duties, responsibilities and terms of appointment will be given to a newly appointed Executive Director (*Provision 1.2 of the Code*).

The composition of the Board, including the selection of candidates for new appointments to the Board, is determined based on the following principles:

- there should be a strong and independent element on the Board, with Independent Directors making up at least one-third of the Board where:
 - a) the Chairman of the Board and the CEO is not the same person; and
 - b) the Chairman of the Board is an Independent Non-Executive Director.
- the Board should comprise business leaders and professionals with finance, engineering, business and management backgrounds.

The NC is of the view that the Board comprises Directors capable to exercise objective judgement on corporate affairs independently from Management and that no individual or small group of individuals is allowed to dominate the Board's decision making.

Pursuant to Rule 720(5) of Listing Manual of the SGX-ST, all directors must submit themselves for re-nomination and re-appointment at least once every three (3) years. In addition, Regulation 104 of the Company's Constitution requires one-third of the Directors, or the number nearest to but not greater than one-third, to retire from office by rotation at each AGM. A retiring Director shall be eligible for re-election.

In addition, Regulation 108 of the Company's Constitution requires all newly appointed Directors of the Company to hold office only until the next AGM of the Company following their appointment and shall then be eligible for re-election at such meeting.

The table below provides information pertaining to each Director, including date of appointment, date of the last re-election and other listed company directorships and principal commitments (if any) (*Provision 4.5 of the Code*):

Name of Directors	Date of appointment / Date of last re-election	Functions	Current directorships in other listed companies and other major appointments/ principal commitments	Past directorships in other listed companies and major appointments/ principal commitments over the preceding three (3) years
Dr Leong Horn Kee	28 July 2018 / 27 July 2023	Independent Director and Board Chairman Chairman of Nominating Committee Member of Audit Committee and Remuneration Committee	Singapore Ambassador to Argentina	Director of ESR-LOGOS Funds Management (S) Limited which is the management company of listed company, ESR Reit Director of -IGG Inc. -Paragon Reit Management Pte Ltd which is the management company of listed company, Paragon Reit

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Name of Directors	Date of appointment / Date of last re-election	Functions	Current directorships in other listed companies and other major appointments/ principal commitments	Past directorships in other listed companies and major appointments/ principal commitments over the preceding three (3) years
Mr See Yen Tarn	11 November 2005 / 30 July 2024	Executive Director and CEO Member of Nominating Committee and Risk Management Committee	Nil	Nil
Mr Koo Chung Chong	11 August 2023 / 30 July 2024	Executive Director and DCEO	Nil	Nil
Mr Ong Tiew Siam	28 July 2018 / 30 July 2024	Independent Director Chairman of Audit Committee and Risk Management Committee Member of Remuneration Committee	Director of CosmoSteel Holdings Limited	Director of Valuetronics Holdings Limited
Dr Steve Lai Mun Fook	1 August 2024 / 30 July 2025 [#]	Independent Director Chairman of Remuneration Committee Member of Audit Committee, Risk Management Committee and Nominating Committee	Director of 17Live Group Limited	Director of Intraco Limited Director of Yongmao Holdings Limited
Mr Ng San Tiong Roland	2 August 2021 / 30 July 2025 [^]	Non-Executive Director Member of Audit Committee and Remuneration Committee	Non-Executive Director and Deputy Chairman of Yongmao Holdings Limited Managing Director and Group CEO of Tat Hong Holdings Ltd Managing Director of Chwee Cheng & Sons Pte Ltd, Tat Hong International Pte Ltd and Tat Hong Industries Pte Ltd Director and Chairman of SPH Foundation Limited Chairman of the Board of Trustees of Chinese Development Assistance Council (CDAC)	Member of the Board of Directors of Business China

[^] Mr Ng San Tiong Roland will be seeking re-election at the forthcoming AGM of the Company to be held on 30 July 2025 ("2025 AGM") under Regulation 104 of the Company's Constitution.

[#] Dr Steve Lai Mun Fook will be seeking re-election at the 2025 AGM under Regulation 108 of the Company's Constitution.

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Although the Non-Executive Directors and Independent Directors hold directorships in other companies which are not within the Group, the Board is of the view that such multiple board representations do not hinder them from carrying out their duties as Directors. These Directors would widen the experience of the Board and give it a broader perspective. The NC is satisfied that, for FY2025, each of the Non-Executive Directors and Independent Directors has given sufficient time and attention to the affairs of the Company and was able to adequately carry out his duties as a Director of the Company (*Provisions 1.5 and 4.5 of the Code*). The Board concurred with the NC's views.

The Board does not impose a limit on the length of service of the Independent Directors but will comply with SGX Listing Rules which limit the tenure of Independent Directors to a maximum of 9 years. The Board's emphasis is on the Director's contribution in terms of skill, experience, professionalism, integrity, objectivity and independent judgement to discharge the Director's duties in the best interest of the Company. Such attributes are more critical in ascertaining the effectiveness of the Directors' independence than the years of service.

Each year, the NC reviews the independence of Directors based on the internal assessment criteria, which is applied equally to all Independent Directors, taking into account the criteria/circumstances set out in the Code and SGX-ST's Listing Manual. The Independent Non-Executive Directors are required to confirm their independence annually, and disclose any relationships or appointments which would impair their independence to the NC and Board (*Provision 4.4 of the Code*). In assessing objectivity and independent judgement, the NC, with the concurrence of the Board, considered, *inter alia*, the approach, character and attitude of the Independent Directors including whether such Directors:

- are free from any interest, business or other relationship with the Company and its subsidiaries, its related corporations, substantial shareholders which could interfere, or could reasonably be perceived to interfere, with the exercise of Director's independent business judgement with a view to the best interest of the Company;
- have any material contractual relationship with the Group other than as a Director; and
- have the ability to give time, participate and contribute at Board and/or Board Committee meetings.

The NC has also recommended the nomination of Mr Ng San Tiong Roland and Dr Steve Lai Mun Fook for re-election as Directors at the 2025 AGM, after having considered (a) the qualifications, expertise, skills, business knowledge and experience of the above-named retiring Directors and their overall contribution to the Company and attendance and contributions (such as participation, preparedness and candour) at Board and/or Board Committee meetings, and review of independence of Dr Steve Lai Mun Fook, as appropriate, and (b) the Board present composition provides an appropriate balance and diversity of relevant skills, age, industry knowledge, experience and expertise required to meet the Group's operational and business needs. The Board is satisfied that each of Mr Ng San Tiong Roland and Dr Steve Lai Mun Fook possesses the relevant experience, expertise, knowledge and skills to contribute towards the core competencies of the Board and has accepted the NC's recommendation. Mr Ng San Tiong Roland and Dr Steve Lai Mun Fook, being eligible, will be offering themselves for re-election at the 2025 AGM. The additional information of the retiring Directors, Mr Ng San Tiong Roland and Dr Steve Lai Mun Fook, is set out on pages 170 to 178 of this Annual Report.

Each member of the NC and/or Board is required to abstain from voting on any resolutions, making any recommendations and/or participating in any deliberations of the NC and/or Board in respect of his re-nomination as a Director.

The NC has put in place a formal process for evaluating the performance and effectiveness of the Board as a whole, and each of the Board Committees separately, on an annual basis following the conclusion of each financial year (*Provision 5.1 of the Code*).

The Board performance evaluation questionnaire, approved by the Board, focuses on a set of performance criteria, which includes, amongst other things, the size and composition of the Board, the Board's access to information pertaining to the Company, the efficiency and effectiveness of Board processes and the standards of conduct of Directors. All Directors are required to complete the evaluation questionnaire.

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Performance evaluations of Board Committees, namely, AC, NC and RC focus on a set of performance criteria includes, amongst other things, the respective Board Committees' composition, size and expertise, accountability and processes and/or the standards of conduct of members of Board Committees. All members of the respective Board Committees are required to complete the evaluation questionnaire.

The findings of the evaluation questionnaire are collated and analysed, and thereafter presented to the NC for discussion. The NC will then present the findings of the evaluation questionnaire and make its recommendation to the Board, if necessary (*Provision 5.2 of the Code*).

Although the Directors are not evaluated individually, the factors taken into consideration for nomination of a Director for re-election at AGM include the Director's attendance at meetings held during the financial year and the contributions made by that Director at those meetings, including a review of his independence, as appropriate.

Recommendations to further enhance the effectiveness of the Board and Board Committees are implemented as and when appropriate, if any.

No external facilitator had been engaged by the Board for the purpose of the aforesaid performance evaluations (*Provision 5.2 of the Code*).

REMUNERATION MATTERS

PRINCIPLE 6: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

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

PRINCIPLE 7: LEVEL AND MIX OF REMUNERATION

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

PRINCIPLE 8: DISCLOSURE ON REMUNERATION

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

REMUNERATION COMMITTEE

As at the date of this Annual Report, the RC comprises four (4) Non-Executive Directors, namely Dr Steve Lai Mun Fook (Chairman), Dr Leong Horn Kee, Mr Ong Tiew Siam and Mr Ng San Tiong Roland, the majority of whom, including the Chairman, are independent (*Provisions 1.4 and 6.2 of the Code*).

The key responsibilities of the RC include but not limited to the following (*Provisions 1.4 and 6.1 of the Code*):

- (1) To review and recommend to the Board a framework of remuneration for the Board and Key Management Personnel;
- (2) To review and recommend to the Board the specific remuneration packages for each Executive Director and Key Management Personnel;



CORPORATE GOVERNANCE REPORT

- (3) To review and recommend to the Board the benefits under long-term incentive schemes, if any, for Executive Directors and Key Management Personnel; and
- (4) To review the contracts of service of Executive Directors and Key Management Personnel.

During FY2025, the RC held one (1) meeting to review/consider and recommend to the Board, where appropriate, (i) remuneration of the Executive Director/CEO, Executive Director/DCEO and Key Management Personnel of the Company, (ii) Directors' fees for Non-Executive Directors, including Independent Non-Executive Directors, (iii) remuneration of Mr Ng Sun Oh (who is a relative of a Director and substantial shareholders of the Company) as the Managing Director of ICEFE Group (formerly known as ICE Far East Group) and (iv) other remuneration related matters.

Each member of the RC and/or Board is required to abstain from voting on any resolutions, making any recommendations and/or participating in any deliberations of the RC and/or Board in respect of his own remuneration. No Director is involved in deciding his own remuneration.

The recommendations of the RC pertaining to the service contracts of Executive Directors are submitted for endorsement by the Board before the execution of any such service contracts.

The RC reviews the performance of the Company's Executive Directors (together with other Key Management Personnel) annually and as and when required and the Board ensures that the remuneration of the Executive Directors and Key Management Personnel commensurate with their performance and that of the Company, having regard to the pay and employment conditions within the industry and local practices. The RC reviews the terms of compensation and employment of Executive Directors and Key Management Personnel at the time of their respective employment or renewal (where applicable) including considering the Company's obligations in the event of termination of services.

Further, the RC will take into consideration remuneration packages and employment conditions within the industry and within similar organisation structure as well as the Group's relative performance and the performance of individual employee.

The RC ensures that the remuneration packages of employees relating to the Directors and substantial shareholders/controlling shareholders of the Group, if any, are in line with the Group's staff remuneration guidelines and commensurate with their respective job scopes and levels of responsibilities.

The RC considers all aspect of remuneration and aims to be fair and avoid rewarding poor performance during the course of its duties including in the event of termination, to ensure that termination clauses are fair and not overly generous in respect of service contracts entered into with Executive Directors and Key Management Personnel (*Provision 6.3 of the Code*).

The RC has access to expert advice from external remuneration consultants, where required. The Company did not appoint any external remuneration consultants in FY2025 (*Provision 6.4 of the Code*).

The Company adopts a remuneration policy for Executive Directors and Key Management Personnel of the Group that comprise a fixed component and a variable component. The fixed component is in the form of a base salary. The variable component is in the form of a variable bonus that is linked to the performance of the Group and the individual performance for the preceding financial year, taking into account the strategic objectives of the Company (*Provision 7.1 of the Code*). Performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes long-term success of the Company (*Provision 7.1 of the Code*).

Currently, the Company does not have any long-term incentive, share option scheme or share award scheme within the Group.

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Even though there are no contractual provisions allowing the Company to reclaim incentive components of remuneration from Executive Directors and Key Management Personnel in exceptional circumstances of misstatement of financial results or of misconduct resulting in financial loss to the Company, the Company, will not hesitate to take legal actions against the personnel responsible in the event of such exceptional circumstances or misconduct resulting in financial loss to the Company

Directors' fees payable/paid to the Non-Executive Directors and Independent Directors are set in accordance with a remuneration framework comprising a basic fee and increment fixed fee, taking into account the level of responsibilities such as taking the roles of chairman and member of Board Committees as well as their contribution, responsibilities, effort and time spent (*Provision 7.2 of the Code*). The RC ensures that the Non-Executive Directors should not be overly compensated to the extent that their independence may be compromised.

In view of the Company's performance in FY2025, the Board has accepted the RC's recommendation and agreed to the reinstatement of the basic directors' fees (from S\$55,800 to S\$62,000) for the financial year ending 31 March 2026 ("FY2026"), payable to Non-Executive Director and Independent Directors. Accordingly, the RC had recommended to the Board an amount of S\$350,000 as Directors' fees for FY2026, to be paid quarterly in arrears. This recommendation had been endorsed by the Board and will be tabled at the forthcoming AGM for shareholders' approval. The total amount of Directors' fees paid to the Directors for FY2025 was S\$324,967.

The Board is of the view that the current remuneration structure is appropriate to attract, retain and motivate Directors to provide good stewardship of the Company and Key Management Personnel to successfully manage the Company for the long term (*Provision of 7.3 of the Code*).

The remuneration paid/payable to each Director of the Company for FY2025 is disclosed in the table below (*Provision 8.1 of the Code*):–

Name of Directors	Directors' Fees (S\$) (%) **	Salaries ⁽¹⁾ (S\$) (%)	Bonus ⁽²⁾ (S\$) (%)	Total (S\$) (%)
See Yen Tarn *	–	S\$583,400 73.0%	S\$215,890 27.0%	S\$799,290 100%
Koo Chung Chong *	–	S\$507,021 73.5%	S\$183,022 26.5%	S\$690,043 100%
Dr Leong Horn Kee	S\$91,461 100%	–	–	S\$91,461 100%
Ong Tiew Siam	S\$88,800 100%	–	–	S\$88,800 100%
Ng San Tiong Roland *	S\$63,800 100%	–	–	S\$63,800 100%
Dr Steve Lai Mun Fook #	S\$52,462 100%	–	–	S\$52,462 100%

* Mr See Yen Tarn is Executive Director and CEO. Mr See does not receive Directors' fees.
Mr Koo Chung Chong is Executive Director and DCEO. Mr Koo does not receive Directors' fees.
Mr Ng San Tiong Roland is a Non-Executive Director and a controlling shareholder of the Company.

** Directors' fees are subject to approval by shareholders at AGM.

Dr Steve Lai Mun Fook was appointed as Independent Non-Executive Director, Chairman of the RC and member of the AC, RMC and NC on 1 August 2024.

⁽¹⁾ The salary amount and percentage shown are inclusive of allowances and CPF contribution.

⁽²⁾ The bonus amount and percentage shown are inclusive of CPF contribution.

The remuneration and reward system for Key Management Personnel are designed to ensure competitive compensation to attract, retain and motivate employees to deliver high-level performance. Further, the level and mix of the variable remuneration component is structured to ensure that the total remuneration for Key Management Personnel is aligned with the Company's financial performance and interests of shareholders and other stakeholders and promotes the long-term success of the Company.

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- (i) Fixed remuneration – Fixed remuneration includes an annual basic salary, and where applicable, fixed allowances, an annual wage supplement and other emoluments. Base salaries of key executives are determined based on the scope, criticality and complexity of each role, equity against peers with similar responsibilities, experience and competencies, individual performance and market competitiveness.
- (ii) Annual variable bonuses – The annual variable bonus is intended to recognise the performance and contributions of the individual, while driving the achievement of key business results for the Company. This bonus is linked to the achievement of pre-agreed financial and non-financial performance targets comprising strategy, business processes and organisation and people development. It is designed to support the Group's business strategy and the ongoing enhancement of shareholder value through the delivery of annual financial strategy and operational objectives. At an individual level, the performance target bonus will vary accordingly to the actual achievement of the Group, business unit and individual performance.

The Code recommends that the Company should name and disclose the remuneration of at least the top five (5) Key Management Personnel. However, the RC believes such disclosure would be disadvantageous to the Group's business interests, given the highly competitive environment in the construction industry where poaching of staff is prevalent.

In order to provide a macro perspective of the remuneration patterns of Key Management Personnel, while maintaining the confidentiality, the disclosure of the top ten (10) Key Management Personnel remuneration (who are not Directors of the Company, the CEO or the DCEO) of the Group for FY2025 in bands of S\$100,000 are set out below (*Provision 8.1 of the Code*):–

Remuneration Band	Number of Key Management Personnel	Salaries ⁽¹⁾ (%)	Bonus ⁽²⁾ (%)	Others (Benefits in Kind) ⁽²⁾ (%)	Total (%)
S\$500,000.01 to S\$600,000	1	77.0%	23.0%	–	100
S\$300,000.01 to S\$400,000	7	80.0%	20.0%	–	100
S\$200,000.01 to S\$300,000	2	85.2%	14.0%	0.8%	100%

⁽¹⁾ The salary (shown in percentage terms) is inclusive of allowances and CPF contribution.

⁽²⁾ The bonus and benefits in kind (breakdown in percentage terms) are inclusive of CPF contribution.

The Board is of the view that the information disclosed in this report, including the above disclosure, is sufficient for shareholders to have an adequate understanding of the Company's remuneration framework, policies and practice for Key Management Personnel, as well as the link between performance and remuneration.

The Board is of the opinion that the practices the Company has adopted are consistent with the intent of Principle 8 of the Code as a balance is struck between the requirement for 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, and the Group's need to maintain confidentiality of sensitive information, given the sensitivity and confidentiality of remuneration matters.

The aggregate total remuneration paid to the top ten (10) Key Management Personnel (who are not Directors of the Company, the CEO or the DCEO) of the Group for FY2025 is approximately 3,479,000 (*Provision 8.1 of the Code*).

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Mr Ng Sun Oh (Managing Director of ICEFE Group (formerly known as ICE Far East Group), comprising ICEFE Pte Ltd (formerly known as ICE Far East Pte Ltd) and all its subsidiaries, 55% owned by the Company) is the brother of:–

- (i) Mr Ng San Tiong Roland, Non-Executive Director and a controlling shareholder of the Company;
- (ii) Mr Ng Sun Ho Tony, Mr Ng San Wee David and Mr Ng Sun Giam Roger, controlling shareholders of the Company,

and also the son of late Mr Ng Chwee Cheng, a substantial shareholder of the Company.

The remuneration paid to Mr Ng Sun Oh for FY2025 is set out below (*Provision 8.2 of the Code*):

	Remuneration Band	Salaries ⁽¹⁾ (%)	Bonus ⁽²⁾ (%)	Total (%)
Ng Sun Oh	S\$300,000.01 to S\$400,000	93.0%	7.0%	100

⁽¹⁾ The salary (shown in percentage terms) is inclusive of allowances and CPF contribution.

⁽²⁾ The bonus (shown in percentage terms) is inclusive of CPF contribution.

Save as disclosed above, there was no employee of the Group who was a substantial shareholder of the Company, or who was an immediate family member of a Director, the CEO, the DCEO or a substantial shareholder of the Company, and whose annual remuneration exceeded S\$100,000 during the year under review.

There are no termination, retirement and post-employment benefits granted to Directors, the CEO, the DCEO and the top ten (10) Key Management Personnel (who are not Directors of the Company, the CEO or the DCEO).

Save as disclosed above, there are no remuneration and other payments and benefits paid by the Company and its subsidiaries to the Directors, the CEO, the DCEO and top ten (10) Key Management Personnel of the Company (*Provision 8.3 of the Code*).

ACCOUNTABILITY AND AUDIT

PRINCIPLE 9: RISK MANAGEMENT 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, to safeguard the interests of the company and its shareholders.

The Board recognises the importance of sound internal controls and risk management practices and acknowledges its responsibility for the systems of internal controls and risk management of the Group. In this regard, the role of the Board includes (*Provision 9.1 of the Code*):

- a) ensuring that Management maintains a sound system of risk management to safeguard shareholders' interests and the Group's assets;
- b) determining the nature and extent of significant risks that the Company is willing to take in achieving its strategic objective and value creation;
- c) determining the levels of risk tolerance and risk policies of the Company;
- d) overseeing Management in the design, implementation and monitoring of internal controls (including financial, operational, compliance and information technology controls) and risk management systems; and
- e) reviewing the adequacy and effectiveness of the risk management and internal control systems annually.

CORPORATE GOVERNANCE REPORT

In FY2025, Management carried out an annual review of the Group's key risks and effectiveness of key internal controls in place within the Group.

RISK MANAGEMENT COMMITTEE

In order to assist the Board in fulfilling its oversight responsibilities on risk management, the Company has set up a RMC, comprising three (3) Directors as at the date of this Annual Report, namely Mr Ong Tiew Siam (Chairman), Mr See Yen Tarn and Dr Steve Lai Mun Fook (*Provisions 1.4 and 9.1 of the Code*).

The RMC holds at least four (4) meetings a year. The RMC assists the Board in reviewing risk policies and matters relating to management of risks.

The key functions and duties of the RMC under its terms of reference include but not limited to the following (*Provision 1.4 of the Code*):

- a) reviewing and advising the Board on the operating risk management philosophy, guidelines and major policies for effective risk management, including risk profile, risk tolerance level and risk strategy;
- b) reviewing of tendering procedure for major projects and risk management control in project management;
- c) overseeing and advising the Board on the current operating risk exposure and future risk strategy of the Company;
- d) reviewing the adequacy and effectiveness of the Company's programs, processes and initiatives in managing sustainability risks, including climate-related risks in line with the Group's business objectives; and
- e) monitoring and overseeing progress on sustainability initiatives/reporting of the Company and climate-related risks and opportunities with respect to all stakeholders' expectations; and reviewing sustainability report and significant issues (including climate-related risks) identified.

The RMC also reviews periodically the effectiveness of the Group's internal controls and risk management systems and framework to manage and mitigate risk within the agreed strategy; and evaluates risks in new business and in new markets.

During FY2025, the RMC held four (4) meetings to review the Group's business and operational activities to identify areas of significant risks, if any, as well as take appropriate measures to control and mitigate such risks, and review/consider other risk management related matters. The RMC had also reviewed the Sustainability Report for the financial year ended 31 March 2024, which was recommended to and approved by the Board.

INTERNAL CONTROLS

The Group maintains a robust and effective system of internal controls and risk management policies, addressing financial, operational, compliance and information technology risks, for all companies within the Group, to safeguard shareholders' interests and the Group's business and assets.

Since year 2013, the Group has implemented an Enterprise Risk Management (ERM) programme on the identification, prioritisation, assessment, management and monitoring of key risks covering, *inter alia*, financial, operational, compliance and information technology faced by the Group. Key risks identified are reviewed by Management regularly and significant controls measures and procedure to control these risks are being implemented and highlighted to the RMC, AC and the Board.

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The system of internal controls and risk management established by the Group provides reasonable, but not absolute, assurance that the Group's assets and investments are safeguarded. The Board notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human errors, losses, fraud or other irregularities. The Board reviews the adequacy and effectiveness of the Group's risk management and internal control systems, including financial, operational, compliance and information technology controls, and risk management systems on an on-going basis.

The Group's key internal controls include:

- establishment of risk management policies and systems;
- establishment of policies and approval limits for key financial and operational matters, and issues reserved for the Board;
- maintenance of proper accounting records;
- the reliability of financial information;
- safeguarding of assets;
- ensuring compliance with appropriate legislation and regulations;
- engaging qualified and experienced persons to take charge of important functions; and
- implementation of safety, security and internal control measures and taking up appropriate insurance coverage for employees.

The Board and AC will be responsible for (a) monitoring the Company's risk of becoming subject to, or violating, any sanctions-related law or regulation and (b) ensuring timely and accurate disclosures to SGX-ST and other relevant authorities. As at the date of this Annual Report, the Company does not have existing business in a country which is subject to sanctions-related law or regulation and has no exposure to sanctions-related risks.

In respect of FY2025, the Board has received the assurances from (*Provision 9.2 of the Code*):–

- (a) the CEO, the DCEO and the CFO that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and
- (b) the CEO, the DCEO and other relevant Key Management Personnel that the systems of risk management and internal controls (including financial, operational, compliance and information technology controls) in place within the Group are adequate and effective in addressing material risks in the Group in its current business environment.

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, and reviews performed by Management and the RMC, the AC and the Board are of the opinion that the Group's internal controls, addressing financial, operational, compliance and information technology controls and risk management systems were adequate and effective for FY2025 to meet the needs of the Group in its current business environment (*Provision 10.1(b) of the Code*). No material weaknesses of internal controls and risk management systems were identified in respect of FY2025.

The Board, together with the AC, RMC and Management, will continue to enhance and improve the existing internal control framework to mitigate the occurrence of material errors, poor judgement in decision-making, human errors, losses, fraud or other irregularities.



CORPORATE GOVERNANCE REPORT

PRINCIPLE 10: AUDIT COMMITTEE

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

AUDIT COMMITTEE

The AC is empowered to investigate any matter relating to the Group's accounting, auditing, internal controls and financial practices brought to its attention, with full access to records, resources and personnel of the Group, to enable them to discharge its functions properly (*Provision 1.4 of the Code*).

As at the date of this Annual Report, the AC comprises four (4) Non-Executive Directors, namely Mr Ong Tiew Siam (Chairman), Dr Leong Horn Kee, Dr Steve Lai Mun Fook and Mr Ng San Tiong Roland, the majority of whom, including the Chairman, are independent (*Provisions 1.4 and 10.2 of the Code*).

At least two (2) members, including the Chairman, have recent and relevant accounting or related financial management expertise or experience (*Provision 10.2 of the Code*).

None of the members of the AC is a partner or director of the Group's auditing firms or auditing corporations or was a former partner or former director of the Group's auditing firms or auditing corporations. None of them has any financial interest in the Group's auditing firms or auditing corporations (*Provision 10.3 of the Code*).

The AC has full access to Management and full discretion to invite any Director and officer to attend AC meetings held from time to time.

The key responsibilities of the AC include but not limited to the following (*Provisions 1.4 and 10.1 of the Code*):

- (1) To review the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and the Group and the announcements relating to the Group's financial performance;
- (2) To review at least annually the adequacy and effectiveness of the Company's internal controls and risk management systems;
- (3) To review the assurance from the CEO, the DCEO and the CFO on the financial records and financial statements;
- (4) To review scope, audit plans and reports of the external auditors and the internal auditors;
- (5) To review and report to the Board on the adequacy and effectiveness of the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management system;
- (6) To review interested person transactions in accordance with the requirements of the Listing Manual of the SGX-ST;
- (7) To review and recommend to the Board the release of the unaudited half year financial results and unaudited full year financial results;
- (8) To review and recommend the appointment or re-appointment of the external auditors, including the remuneration of the external auditors;
- (9) To oversee co-ordination where more than one auditing firm or auditing corporation is involved in the Group's external audit (if any);
- (10) To review the independence of the external auditors annually;

CORPORATE GOVERNANCE REPORT

- (11) To review the adequacy, effectiveness and independence of the external audit and internal audit function;
- (12) To review all non-audit services provided by the external auditors to determine if the provision of such services will affect the independence of the external auditors; and
- (13) To review 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.

Each member of the AC will abstain from voting on any resolution and making any recommendation or participating in any deliberations of the AC in respect of matters which concerned him, if any.

The AC has reviewed and confirmed that the Company has complied with Rules 712, 715 and 716 of the Listing Manual of the SGX-ST in relation to the appointment of auditors of the Company, its subsidiaries and significant associated companies.

All the accounts of the Company and its Singapore-incorporated subsidiaries are audited by KPMG LLP. KPMG LLP is the auditing firm registered with the Accounting and Corporate Regulatory Authority ("**ACRA**").

The Company's foreign incorporated subsidiaries are audited by separate auditing firms. The AC is of the view that the external auditors are each a suitable auditing firm that meets the Group's audit obligations, its size and complexity, and having also considered the external auditors' professional standing, the reputation of its audit engagement partner and the adequacy of the number and experience of its supervisory and auditing staff assigned for the audit. The Board and the AC are satisfied that the appointment of different auditors for certain subsidiaries and associates would not compromise the standard and effectiveness of the audit of the Group.

The external auditors have full access to the AC and the AC has full access to Management.

The AC has explicit authority to investigate any matter within its terms of reference, full access to and co-operation by Management and full discretion to invite any Director or executive officer to attend its meetings, and has reasonable resources to enable it to discharge its functions properly.

The AC meets at least four (4) times a year. The AC also meets with both the internal and external auditors, without the presence of Management, at least once a year to discuss the results of their respective audit findings and their evaluation of the Group's system of accounting and internal controls (*Provision 10.5 of the Code*).

The AC takes reference from the principles and best practices recommended in the "Guidebook for Audit Committees in Singapore" issued by the Audit Committee Guidance Committee jointly established by the Monetary Authority of Singapore (MAS), the ACRA and Singapore Exchange Limited ("**SGX**"), and the "Guidance to Audit Committees on Evaluation of Quality of Work Performed by External Auditors" issued by ACRA and SGX. In addition, the external auditor updates the AC on changes to accounting standards and issues which have a direct impact on financial statements of the Company.

In identifying the key audit matters, the AC and external auditors had deliberated on the key audit matters and their disclosures. Having considered these key audit matters and their disclosure, the AC concurred with the external auditors on the approach and methodology applied to each of the key audit matters and its disclosures as set out under the Independent Auditor's Report on pages 72 to 74 of this Annual Report.

The AC has also conducted a review of all non-audit services provided by the external auditors and is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors. The audit and non-audit fees paid / payable to the external auditors for FY2025 were \$422,000 and \$154,000 respectively.

The Company has established a pre-approval policy of non-assurance services which sets forth procedures and conditions whereby proposed permissible non-assurance services to be provided by the independent auditor can be presented to the Board for approval to provide the services.



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The AC has also considered the re-appointment of KPMG LLP based on factors such as performance, adequacy of resources and experience of the audit engagement partner and audit team assigned to the Company's and the Group's audit as well as the size and complexity of the Company and of the Group, and the Audit Quality Indicators of KPMG LLP. The AC, with the concurrence of the Board, had recommended the re-appointment of KPMG LLP as external auditors at the 2025 AGM.

The Group has outsourced its internal audit ("**IA**") function to Ernst & Young Advisory Pte Ltd ("**EY**"), a professional consultancy firm ("**Internal Auditors**"). The objective of the IA function is to determine whether the internal controls established by the Group are adequate and functioning in the required manner. The Internal Auditors performed its review in accordance with the IA plan reviewed and approved by the AC. The AC ensures that procedures are in place to follow up on the recommendations by the Internal Auditors in a timely manner and to monitor any outstanding issues. The IA function primary line of reporting would be to the AC and in particular to the Chairman of the AC (*Provision 10.4 of the Code*).

EY follows a global internal audit methodology which is in line with the Standards for the Professional Practice of Internal Auditing as set by The Institute of Internal Auditors. The engagement team is led by a Partner with more than 20 years of internal audit and risk advisory experience. EY currently serves organisations listed on the SGX-ST, multi-national companies as well as local enterprise in a wide range of industries, which include property development and management. The Internal Auditors report their findings on IA matters and action plans to the AC and administrative matters to Management. The AC approves the hiring, removal, evaluation and compensation of the Internal Auditors (*Provision 10.4 of the Code*).

The scope of the IA function is as follows: –

- a) to evaluate the reliability, adequacy and effectiveness of the internal controls, including financial, operational, compliance and information technology controls of the Company and its subsidiaries in scope;
- b) to highlight key business issues and operational weaknesses to the AC for deliberation with copies of these reports extended to the CEO, DCEO/COO, CFO and other relevant senior management officers; and
- c) to discuss the summary of findings and recommendations as well as the status of implementation of the actions agreed by Management at the AC meetings.

The AC meets the Internal Auditors at least once annually without the presence of Management (*Provision 10.5 of the Code*). The Internal Auditors have unfettered access to all the Group's documents, records, properties and personnel, including the AC and Management (*Provision 10.4 of the Code*).

The AC reviews the IA plans and all IA reports submitted by the Internal Auditors. Structured processes are in place so that audit findings and material control weaknesses (if any) raised in the IA reports are dealt with in a timely manner, with outstanding exceptions or recommendations being closely monitored and reported back to the AC on a quarterly basis.

The AC reviews the IA function at least annually and is of the opinion that, for FY2025, the IA function is independent, effective, adequately resourced to perform its functions and has appropriate standing within the Group (*Provision 10.4 of the Code*).

In performing its functions, the AC reviews the overall scope of both internal audit and external audit, and the assistance and resources given by Management to the internal auditors and the external auditors.

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WHISTLE-BLOWING POLICY

The Company has put in place a Whistle-Blowing Policy (“**Policy**”) which sets out the procedures for a whistleblower to report misconduct or wrongdoing, or to raise concerns in good faith, with the reassurance of being protected from reprisals or victimisation, about possible improprieties in financial reporting or other matters, and to ensure that arrangements are in place for independent investigation of matters raised and for appropriate follow-up actions to be taken (*Provision 10.1(f) of the Code*).

The Company ensures that the identity of the whistleblower is kept confidential and is committed to ensure the whistle-blower is protected against detrimental or unfair treatment. The identity of the whistle-blower will not be made known to anyone other than (i) the investigating team; (ii) the AC and Board; (iii) the CEO (provided the whistleblowing in question is not concerned with the integrity of staff directly reporting to the CEO or the CEO himself); and (iv) parties to whom the identity of the whistle-blower is required to be disclosed by law. The whistle-blower’s consent will be obtained when his / her identity is to be revealed to anyone other than in the above circumstances.

The AC is responsible for oversight and monitoring of whistleblowing. The AC will review investigation reports on whistleblowing cases and decide/recommend follow-up or remedial actions to be taken, where appropriate, and report the same to the Board accordingly. The AC may in its absolute discretion designate an independent function/party as it deems fit to investigate whistleblowing reports made in good faith. This Policy will be reviewed by the AC, as and when deemed appropriate, with recommendations, if any, made to the Board for approval. The Company’s Policy had been updated to be in line with the relevant amendments to the SGX-ST’s Listing Manual.

The Policy has been disseminated and made available to all employees of the Group. A copy of the Policy is made available on the Company’s intranet and website for transparency and ease of access by all employees and any parties who have business relationship with the Company.

MATERIAL ASSOCIATES AND JOINT VENTURES

Material associates and joint ventures which the Company does not have control are not dealt with for the purposes of this report.

SHAREHOLDER RIGHTS AND ENGAGEMENT

PRINCIPLE 11: SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

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

The Company treats all shareholders fairly and equitably, and recognises, protects and facilitates the exercise of shareholders’ rights and continually reviews and updates such governance arrangements.

The Company recognises the need to communicate with shareholders on all material matters affecting the Group and does not practice selective disclosure. Price sensitive information, including half year and full-year unaudited results and press release (the “**Corporate Announcements**”), are announced to shareholders on an equal and timely basis through SGXNet. The Corporate Announcements can also be found on the Company’s website at www.cschl.com.sg.

In line with continuous obligations of the Company under the SGX-ST listing rules and the Companies Act 1967, the Board’s policy is that all shareholders should be equally and timely informed of all major developments that impact the Group or the Company.

CORPORATE GOVERNANCE REPORT

The Board ensures adequate and material information relating to the Group's business development in accordance with disclosure requirements of the Listing Manual of the SGX-ST are released to SGX-ST through SGXNet in a timely and fair manner.

The Company encourages shareholder participation at general meetings of shareholders (*Provision 11.1 of the Code*). At each AGM and/or general meeting, shareholders are given opportunity to participate effectively and raise their questions in relation to item(s) of the agenda of the AGM and/or general meeting with the Directors and Management. Voting at general meetings is conducted by way of poll, in accordance with the Listing Manual of the SGX-ST and the Company's Constitution, in the presence of independent scrutineers. One (1) ordinary share is entitled to one (1) vote. Voting procedures and rules governing general meetings are explained to shareholders. The results of the poll voting are announced at the meeting and published via SGXNet on the same day as the meeting.

Resolutions on each distinct issue are tabled separately at general meetings (*Provision 11.2 of the Code*). For resolutions tabled under special business, a descriptive explanation of the effects of such a resolution will be disclosed in the notice of general meeting.

The Company's Constitution provides that subject to the Constitution, the Companies Act 1967 and the listing rules of the SGX-ST, the Directors may, at their sole discretion, approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow shareholders who are unable to vote in person at any general meeting the option to vote in absentia, including but not limited to voting by mail, electronic mail or facsimile (*Provision 11.4 of the Code*).

Currently, the Company has not implemented measures to allow shareholders who are unable to vote in person at the Company's general meetings the option to vote in absentia, such as, via mail, electronic mail or facsimile due to concerns on information control and security. Voting in absentia may only be possible following careful study/review of feasibility to ensure that integrity of the information and authentication of the identity of shareholders is not compromised.

Minutes of AGMs/general meetings of shareholders, including a summary of substantial and relevant comments or queries from shareholders relating to the agenda of general meetings and responses from the Board, Management and/or Auditors, are published via SGXNet and on the Company's website (*Provision 11.5 of the Code*).

Directors are expected to attend AGMs/general meetings of the Company. For the AGM held in 2024, the attendance of Directors (including the CEO and DCEO who are also Directors) can be found on page 44 of this Annual Report. Besides the Directors, the CEO and DCEO (who are also Directors), senior management and external auditors are also present at AGMs and other general meetings, if any, to address queries from shareholders (*Provision 11.3 of the Code*).

FORTHCOMING 2025 AGM

The Company's 2025 AGM will be held physically at 2 Tanjong Penjuru Crescent, #06-02, Singapore 608968 on 30 July 2025 at 10:00 am. There will be no option for shareholders to participate virtually. Please refer to the Notice of 2025 AGM for further details.

Dividend Policy

The Company does not have a formal dividend policy. The dividend that the Directors of the Company may recommend or declare in respect of any particular financial year or period will be subject to the factors outlined below as well as any other factors deemed relevant by the Directors of the Company (*Provision 11.6 of the Code*):–

- (1) the level of the earnings of the Group;
- (2) the financial condition of the Group;

CORPORATE GOVERNANCE REPORT

- (3) the projected levels of the Group's capital expenditure and other investment plans;
- (4) the restrictions on payment of dividends imposed on the Group by its financing arrangements (if any); and
- (5) other factors as the Directors of the Company may consider appropriate.

In line with the Group's financial performance for FY2025, the Board has recommended a final dividend of 0.035 Singapore cent per ordinary share for FY2025, subject to approval of shareholders at 2025 AGM.

PRINCIPLE 12: ENGAGEMENT WITH SHAREHOLDERS (including Provisions 12.1, 12.2 and 12.3 of the Code)

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.

The Board is committed to maintain a high standard of corporate governance by disclosing to its stakeholders, including its shareholders and investors, with adequate and material information concerning the Group's business development in accordance with disclosure requirements of the Listing Manual of the SGX-ST via SGXNet in a timely and fair manner.

The Board is mindful of its obligation to provide adequate and timely disclosure of all material and price-sensitive information to SGX-ST through SGXNet.

The announcements, including but not limited to the Group's unaudited half year financial results, the Group's unaudited full year financial results, and the material updates of the Group's business development (if any) prepared in accordance with disclosure requirements of the Listing Manual of the SGX-ST are also released to SGX-ST on SGXNet in a timely manner.

The Company does not practice selective disclosure as the relevant material and price-sensitive information are released to SGX-ST through SGXNet in a timely and fair manner.

Shareholders of the Company, including institutional investors and retail investors, are encouraged to attend general meetings, especially AGM which serves as the primary channel to express their views and raise their questions regarding the Group's businesses and prospects.

In addition, Management will address shareholders' questions and concerns in respect of the Group's businesses should they approach the Company through emails or telephone calls.

The AGMs of the Company serve as the primary channel for Management to solicit and collate views of shareholders of the Company, including institutional investors and retail investors.

While the Company does not have a dedicated investor relations team, the Company recognises the importance of regular, effective and timely communication with the shareholders.

The Company has put in place a Stakeholder Engagement and Investor Relations Policy ("**IR Policy**") which sets out, among others, the principles, policy and framework for engaging stakeholders of the Company, avenues for communication and company contacts. The IR Policy is made available on the Company's website at <http://www.cschl.com.sg>.

The Company also maintains a website at <http://www.cschl.com.sg> where shareholders and stakeholders of the Company can access to information relating to the Company or the Group and the Company's contact details under "Contact" section. The Company continuously reviews ways to enhance its corporate reporting process and the ease of access to information released.

CORPORATE GOVERNANCE REPORT

MANAGING STAKEHOLDERS RELATIONSHIPS

PRINCIPLE 13: ENGAGEMENT WITH STAKEHOLDERS

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

The Company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups (*Provision 13.1 of the Code*). The Company's engagement with its material stakeholders, including goal, approach and key concerns, is set out in the Sustainability Report which will be announced on or before 31 July 2025 (*Provisions 13.1 and 13.2 of the Code*).

The Company's efforts on sustainability are focused on creating sustainable value for key stakeholders, which include environment, communities, customers, staff, regulators, and shareholders.

The Company maintains a corporate website at <http://www.cschl.com.sg> to communicate and engage stakeholders (*Provision 13.3 of the Code*).

DEALING IN SECURITIES

The Group has adopted internal policies that are consistent with Rule 1207(19) of the SGX-ST's Listing Manual in relation to dealings in the Company's securities.

The Directors, officers and employees of the Company and its subsidiaries are notified that they are prohibited from trading in the Company's securities while in possession of unpublished material price-sensitive information.

The Company and Directors, officers and employees of the Company and its subsidiaries are prohibited from dealing in the Company's securities during the periods commencing one (1) month before the announcement of the Company's half year and full year unaudited financial statements and ending after the announcement of the relevant results.

The Directors, officers and employees of the Company and its subsidiaries are also expected to observe insider-trading laws at all times even when dealing in the Company's securities within the permitted trading period. They are also discouraged from dealing in the Company's securities on short-term considerations.

Directors are required to report to the Company Secretary whenever they deal in the Company's securities and the Company will make the necessary announcements in accordance with the disclosure requirements of the Listing Manual of the SGX-ST.

The Company has complied with Rule 1207(19) of the Listing Manual of the SGX-ST during the financial year under review.

MATERIAL CONTRACTS

Save as disclosed in the Directors' Statement and the financial statements for FY2025, no material contracts (including loans) of the Company or its subsidiaries involving the interests of the CEO, the DCEO or any Director or controlling shareholders subsisting at the end of the financial year have been entered into since the end of the previous financial year.

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INTERESTED PERSON TRANSACTIONS ("IPTs")

The Company has adopted an internal policy in respect of IPTs and has established procedures to monitor and review such transactions. All IPTs are subject to review by the AC at its quarterly meetings to ensure that such transactions are conducted on an arm's length basis and not prejudicial to the interests of the Company's minority shareholders. Any AC member (who is interested in any IPT and/or an associate of the interested person(s)) will abstain from the review and approval of such transactions.

The Company does not have a shareholders' mandate for IPTs.

IPTs carried out during the financial year under review under Chapter 9 of the SGX-ST's Listing Manual are as follows:

Name of interested person	Nature of relationship	Nature of transaction	Aggregate value of all IPTs during the financial year under review (excluding transactions less than S\$100,000) ⁽¹⁾ S\$'000
CMC Construction Pte Ltd	Note 2	Revenue from foundation engineering works	815
Tat Hong Plant Leasing Pte Ltd	Note 2	Expenses related to short-term leases and revenue from rental income	427

Notes:

- ¹ Excludes the transactions where the aggregate value of each category of transactions entered into with the same interested person was less than \$100,000. These transactions are not required in the IPTs disclosure under Chapter 9 of the Listing Manual.
- ² CMC Construction Pte Ltd ("CMC") and Tat Hong Plant Leasing Pte Ltd ("THPL") are related corporations of TH Investments Pte Ltd ("THI"), a controlling shareholder of the Company. CMC and THPL are associates of controlling shareholders of the Company, namely THI, Tat Hong Investments Pte Ltd, Chwee Cheng & Sons Pte Ltd, Mr Ng Sun Ho Tony, Mr Ng San Wee David, Mr Ng Sun Giam Roger and Mr Ng San Tiong Roland (who is also Non-Executive Director of the Company).

SUSTAINABILITY REPORTING

In accordance with the Singapore Exchange's sustainability reporting framework, the Group has established a Sustainability Team comprising the CSO and representatives from various divisions. The Sustainability Team is responsible for determining and implementing relevant practices in material environmental, social and governance sustainability including climate-related disclosures; taking into account their relevance to our business, strategy, business model and key stakeholders. Progress update on the Group's sustainability reporting would be included in the agenda of the RMC meeting as appropriate to receive relevant report from the Sustainability Team. Accordingly, the RMC would report the same to the Board.

The Company will publish its Sustainability Report for FY2025 by 31 July 2025. To minimise the impact on the environment, the report will be published online via the Company's corporate website at <http://www.cschl.com.sg> and via SGXNet.