

# Corporate Governance

Bumitama Agri Ltd. (the “**Company**” or “**Bumitama**”) and its subsidiaries (the “**Group**”) recognises the importance of, and is committed to observing and attaining high standards of corporate governance, business integrity and professionalism in its business and operations. The Board constantly reviews the Company’s corporate governance practices and seeks to align its practices with the development and changes in the Code of Corporate Governance 2018 (the “**Code**”) as well as inputs from the stakeholders. The Company has complied substantially with the principles and guidelines set out in the Code, where they are applicable, relevant and practicable. In so far as any principle and/or guideline has not been complied with, the reason has been provided.

This report sets out Bumitama key corporate governance practices with reference to the Code and with the Group’s cultural pillar of morality, capability and integrity and its code of ethics which is captured by the Company’s code of conduct policy, business ethics and anti-corruption policy.

## ACHIEVEMENT

The Company has been accorded from the Straits Times and the Financial Times in 2020 the Distinguished member of Singapore’s Fastest Growing Companies 2020 and the High-Growth Companies Asia-Pacific, respectively. The Asiamoney Corporate Governance Poll 2020 had also accorded to the Company the Most Outstanding Company in Singapore – Consumer Staples sector award.

## (A) BOARD MATTERS

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

The primary function of the Board is to protect and enhance long-term value and returns to its Shareholders. Board members are expected to act in good faith and exercise independent judgement in the best interests of the Group. The Board focuses on the following broad areas, namely:

- Formulate corporate strategies, financial objectives and direction for the Group;
- Ensure effective management leadership of the highest quality and integrity;
- Provide oversight in the proper code of conduct and business ethics of the Group;
- Oversee and/or evaluate the adequacy of the internal audit, risk management, financial reporting and compliance processes; and
- Oversee and ensure high standards of corporate governance for the Group.

The Board also establishes a framework of prudent and effective internal controls which enable risks to be assessed and managed, reviews Management performance, sets the Company’s values and standards, and ensures that the Company’s obligations to Shareholders and other stakeholders are understood and met and that all decisions are made objectively and in the interest of the Company and its Shareholders.

To facilitate effective management and assist the Board in discharging its responsibilities, certain functions have been delegated by the Board to various Board Committees namely: Audit Committee (“**AC**”), Remuneration Committee (“**RC**”), Nominating Committee (“**NC**”) and Conflicts Resolution Committee (“**CRC**”), which operate under clearly defined terms of reference.

The Committees are each chaired by an Independent Director and all members are Independent Directors. Each Board Committee is governed by clear terms of reference approved by the Board and its role is to assist the Board in the matters that the Board delegates to it. Each Board Committee has the authority to examine any issue that arises in their specific areas and report to the Board with their recommendations. The ultimate responsibility and the final decision on all matters, however, lies with the Board. Details of the scopes, responsibilities and functions of the various Board Committees are set out in this Report.

## Corporate Governance

The Board and Board Committees meetings are scheduled in advance to coincide with the announcements of the Group's half yearly results and key summary production and financial indicators for first and third quarter of the financial year. The Board had on 30 April 2020 adopted this revised reporting, in line with the changes allowed by the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). Additional and ad hoc meetings and conference calls are convened as and when they are deemed necessary to address significant transactions or issues that may arise in between the scheduled meetings. In addition to these meetings, Independent Directors meet without the presence of Management, as and when required. The Company's Constitution provide for meetings to be held via telephone, electronic or other communication facilities which permits all persons participating in the meeting to communicate with each other simultaneously.

Directors may request for explanations, briefings by or discussions with Management on any aspect of the Group's operations or business from Management. When circumstances require, Board members exchanged views outside the formal environment of Board meetings.

The Board met four times during the financial year ended 31 December 2020 ("**FY2020**"). Since the outbreak of pandemic of Coronavirus 2019 ("**COVID-19**") in the beginning of 2020, Board and Board Committees Meetings were held in compliance to the health and safety procedures set by the Ministry of Health of Singapore. The attendance of each Director at the Board and Board Committees Meetings for FY2020 was as follows:

	Board	AC	RC	NC	CRC
Number of Meetings Held	4	4	1	1	1

Name	No. of Meetings Attended				
Lim Gunawan Hariyanto	4	NA	NA	NA	NA
Lim Christina Hariyanto	4	2 <sup>1</sup>	NA	NA	1 <sup>1</sup>
Dato' Lee Yeow Chor	4	4 <sup>1</sup>	1 <sup>1</sup>	NA	NA
Lee Lap Wah George	4	4	1	1	1
Lim Hung Siang	4	4	1	1	1
Lawrence Lua Gek Pong	4	4	1	1	1

NA: Not Applicable

<sup>1</sup> Attendance by invitation of the Committee

The Board has delegated day-to-day operations to Management, while reserving certain key matters for its approval. Matters that specifically require Board approval are the Group's financial results, annual budgets, financial statements, interested person transactions, acquisitions and disposals of assets, capital expenditure plan, corporate or financial restructurings, dividend payments, commitments to banking facilities and convening of Shareholders' meetings. Board approval is also required for other matters which are likely to have a material impact on the Group's operating units and/or financial positions as well as matters other than in the ordinary course of business. The Board believes that when making decisions, all Directors of the Board act objectively and in the interests of the Group. If there is any director facing conflicts of interest, the concerned director will recuse himself/ herself from discussions and decisions involving the issue of conflict.

Directors who do not have prior experience or are not familiar with the duties and obligations required of a Director of a listed company in Singapore must undergo the necessary training and briefing as prescribed by the SGX-ST, especially organised by the Singapore Institute of Directors ("**SID**"). Directors also have the opportunity to visit the Group's operational facilities and meet with the Management to gain a better understanding of the Group's business operations. For FY2020, none of the Independent Directors and the Non-Executive Director had been able to travel to the Company's plantations in Indonesia, with safeguard measures undertaken by the Group on international travel, and all visitors needing to undergo isolation due to the COVID-19 pandemic.

## Corporate Governance

The Company encourages Directors to participate in development programmes especially technology development in palm oil industry, which are considered essential and/or will enhance their roles on the Board and its Committees. The cost of Directors' attendance at appropriate training courses, conferences and seminars conducted by professionals (including SID) will be borne by the Company.

Some of the courses/seminars/conferences attended by some of the Directors are:

- SID Listed Entity Director Programme
- SID Listed Company Director Essentials – Remuneration Committee
- SID Conference – Board Audit Committee
- Forbes Global CEO Conference
- Institutional Investor Council - Dialogue with Plantation Industry Key Players
- Asia Global Dialogue 2020 - Towards a New Multilateral Global Economy
- A Deep Dive into ASEAN Power Structures and Geopolitical Implications in a Post COVID-19 World
- Asia Leadership Forum
- Invest Malaysia Forum
- Fraud Risk Management Workshop
- Boston Consulting Group (BCG) Leadership Institute Seminar

All Directors are updated on an on-going basis via Board meetings and/or circulars on matters relating to, *inter alia*, changes to the regulations of the SGX-ST, Companies Act, accounting standards and/or other statutory requirements and/or new releases issued by the SGX-ST, Accounting and Corporate Regulatory Authority (“**ACRA**”), Monetary Authority of Singapore. The Directors may also seek independent professional advice on any Group matters, as they require, at the Group's expense.

Prior to each Board and Board Committees meeting, all Directors are provided with the relevant Board papers and reports within adequate time for the Directors to review the papers and reports. These reports provide information on the Group's performance, financial position, significant issues and any other matter which may be brought before the Board. Besides these, Board members are provided with quarterly operational performance report with a short commentary so as to ensure Board members are kept updated and informed of the progress of the Group and industrial update on a regular basis. Directors are also informed of any significant developments or events relating to the Group.

All Directors have independent access to the senior management of the Group and the Company Secretary. The Directors also have unrestricted access to the Group's information, minutes of Board meetings, and management accounts to enable them to carry out their duties.

The Company Secretary attends all Board and Board Committees meetings and ensures that Board procedures are followed and that the applicable rules and regulations are complied with. The Company Secretary is responsible for assisting the Company in its compliance with the requirements of the Companies Act, the rules of SGX-ST Listing Manual and any other applicable regulations. The Company Secretary also ensures good information flow within the Board and the Board Committees, as well as between the senior management and Non-Executive Directors (including Independent Directors), and assists in the professional development of existing Directors, as and when required. The appointment and/or removal of the Company Secretaries are subject to Board approval.

# Corporate Governance

## PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

The Board comprises six members and half of the Board are Independent Directors as follows:

Name	Board	AC	RC	NC	CRC	Years of Service
Lim Gunawan Hariyanto	Executive Chairman	–	–	–	–	8.8
Lim Christina Hariyanto	Executive Director	–	–	–	–	3.6
Dato' Lee Yeow Chor	Non-Executive Director	–	–	–	–	8.8
Lee Lap Wah George	Lead Independent Director	Chairman	Member	Chairman	Member	3.6
Lim Hung Siang	Independent Director	Member	Chairman	Member	Member	2.6
Lawrence Lua Gek Pong	Independent Director	Member	Member	Member	Chairman	1.3

The strong independent element of the Board ensures that it is able to exercise objective and independent judgement on corporate affairs and on transactions involving conflicts of interest and other complexities.

The NC is tasked to determine on an annual basis and as and when the circumstances require whether or not a Director is independent, bearing in mind the guidelines set forth in the Code and any other salient factors which would render a Director to be deemed not independent. Each of the Independent Directors has provided a declaration of his independence to the NC. The NC has reviewed, determined and confirmed the independence of the Independent Directors.

None of the Independent Directors has served on the Board for a period exceeding nine years from the date of their first appointments.

The Board periodically conducts a review of its size and composition of the Board which comprises members of both genders and from different backgrounds whose core competencies, qualifications, skills and experiences, to ensure both aspects continue to meet the needs of the Group and to maintain the effectiveness of the Board. The Board, with the concurrence of the NC, is of the view that the Board can benefit from having an additional independent director preferably female candidate who have financial background and experience in palm oil industry and so as to ensure greater oversight and independence in view that the position of the Chairman and Chief Executive Officer (“**CEO**”) is held by the same person. The Company is in the midst of sourcing potential candidate. Appointment of additional independent director will be approved and executed before the end of the calendar year of 2021.

In recognition of the importance and value of gender diversity in the composition of the Board, Ms Lim Christina Hariyanto, was appointed as Executive Director on 1 June 2017.

As the Board consists of professionals from various disciplines, it has yet to adopt a Board diversity policy. Nonetheless, the Board acknowledges and embraces the benefits of diversity on the Board and would look into setting board diversity objective and formalising and adopting of a Board diversity policy soon.

The current Board comprises Directors who as a group provide core competencies such as finance, legal, business management and industry knowledge. The profile of the Directors can be found on pages 18 to 20 of this Annual Report.

Views and opinions of Non-Executive Directors, who make up a majority of the Board, provide alternative perspectives to the Group’s business. When challenging Management’s proposals or decisions, they bring independent judgement to bear on business activities and transactions involving conflicts of interest and other complexities. The Non-Executive Directors also communicate regularly with Management to discuss matters such as the Group’s financial performance, business strategies, latest business innovation and technologies, and corporate governance initiatives. Where necessary, the Group arranges for the Independent Directors to meet the Heads of Departments and key employees without the presence of Management.

## Corporate Governance

Where necessary or appropriate and at least once a year, the Non-Executive Director and Independent Directors on the Board will meet without the presence of the Management. The Independent Director communicates regularly to discuss matters related to the Group. Where appropriate, the Lead Independent Director provides feedback to the Executive Chairman after such meetings.

The Code provides that where the Chairman is, *inter alia*, part of the Management team or is not an Independent Director, the Independent Director should make up a majority of the Board. With 1 Non-Executive Director and 3 Independent Directors making up a majority of the Board, the Board is satisfied and assured that no individual or group of Directors has unfettered powers of decision that could create a potential conflict of interest. Nonetheless, the NC will source for a suitable candidate to be appointed as Independent Director in order to comply with provision 2.2 of the Code.

### **PRINCIPLE 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER**

The Chairman of the Board, Mr. Lim Gunawan Hariyanto, is also the CEO of the Company. Mr. Lim Gunawan Hariyanto plays an instrumental role as the CEO in (i) formulating the overall business and corporate policies and strategies of the Group; (ii) managing the overall business and operations of the Group; and (iii) overseeing the Group's overall business development. As Chairman of the Board, he bears primary responsibility for the workings of the Board, by ensuring effectiveness on all aspects of its role including setting agenda for Board meetings and ensuring that the Directors receive complete and adequate information.

With the establishment of various Board Committees who have power and authority to perform key functions and put in place internal controls for effective oversight of the Group's business, the Board is of the view that these enable the Board to exercise objective decision-making in the interests of the Group. The Board believes that Mr. Lim Gunawan Hariyanto's dual role as Chairman and CEO allows for more effective planning and execution of long term business strategies as he is knowledgeable in the business of the Group and provides the Group with a strong and consistent leadership.

In view of the foregoing, the Board is of the view that it is currently unnecessary to effect a separation of the roles of the Chairman of the Board from that of the CEO to facilitate the Group's decision-making and implementation process.

Taking cognizance of the non-separation of the roles of the Chairman of the Board and the CEO, the Board has in the spirit of good corporate governance, appointed Mr. Lee Lap Wah George as Lead Independent Director to serve as a channel for Shareholders in the event their concerns are not resolved through the normal channel of the Chairman and CEO or the Chief Financial Officer ("CFO"), or for which such contact is inappropriate. Mr. Lee Lap Wah George will also act as liaison between the Independent Directors and the Chairman of the Board; to provide non-executive perspectives in circumstances where it would be inappropriate for the Chairman to serve in such capacity and to contribute a balanced viewpoint to the Board.

### **PRINCIPLE 4: BOARD MEMBERSHIP**

The NC comprises three Directors, all three of whom are non-executive and are Independent Directors. The NC members are:

Mr. Lee Lap Wah George (NC Chairman)  
Mr. Lim Hung Siang  
Mr. Lawrence Lua Gek Pong

The NC met on one occasion in FY2020.

The NC performed the following functions in FY2020 in accordance with its terms of reference:

1. reviewed and recommended to the Board the structure, size and composition of the Board and Board Committees;
2. determined the process for search, nomination, selection and appointment of new Board members;
3. reviewed and made recommendations to the Board on all Board appointments, including nomination of the Directors for re-election/re-appointment, taking into account the Director's contribution and performance;
4. determined annually whether a Director is independent;

## Corporate Governance

5. determined whether or not a Director is able to and has been adequately carrying out his/her duties as a Director of the Company, particularly where the Director concerned has multiple board representations;
6. evaluated the Board's performance as a whole and the contribution by each Director to the effectiveness of the Board, and to adopt appropriate measures to assess performance;
7. reviewed succession plans, in particular, the Chairman/CEO, key management; and
8. monitored the induction, orientation and training for any new and existing Directors.

Pursuant to Regulation 91 of the Company's Constitution, one-third of the Directors will retire from office by rotation and submit themselves for re-nomination and re-election at every Annual General Meeting ("**AGM**"). Each Director is also required to retire at least once every three years. Pursuant to Regulation 97 of the Company's Constitution, any Director so appointed shall hold office until the next AGM. A retiring Director is eligible and may be nominated for re-election.

The NC has recommended to the Board that Dato' Lee Yeow Chor and Mr. Lim Hung Siang (retiring pursuant to Regulation 91 of the Company's Constitution) be nominated for re-election at the forthcoming AGM. Dato' Lee Yeow Chor and Mr. Lim Hung Siang have signified their consent to remain in office.

In reviewing the nomination of the retiring Directors, the NC considered the performance and contribution of each of the retiring Directors, having regards not only to their attendance and participation at Board and Board Committees meetings but also the time and efforts devoted to the Group's business and affairs. The Board has accepted the NC's recommendation.

Each member of the NC and the Board shall abstain from voting on any resolutions and/or participating in deliberations in respect of his/her re-election as Director. Accordingly, Dato' Lee Yeow Chor and Mr. Lim Hung Siang have abstained from the deliberation and decision in respect of their own re-election.

The NC conducts an annual review of Directors' independence adopting the Code's definition of an Independent Director and guidelines as to relationship in determining the independence of a Director. The NC and the Board are of the view that Mr. Lee Lap Wah George, Mr. Lim Hung Siang, and Mr. Lawrence Lua Gek Pong are considered independent while Dato' Lee Yeow Chor is considered a Non-Executive and Non-Independent Director in view of his association with Oakridge Investments Pte Ltd., a substantial shareholder of the Company.

Save as disclosed, the Non-Executive Directors are not related and do not have any relationship with the Company, its related corporations, or its officers or are in any circumstances that could interfere or be reasonably perceived to interfere, with the exercise of their independent business judgement with a view to the best interests of the Company.

The NC had adopted a process for the selection and appointment of new Directors which provides the procedures for identification of potential candidates' skills, knowledge, experience and assessment of the candidates' suitability.

Selection of candidates to be considered for appointment as Directors is facilitated through recommendations from the Directors, Management or external parties. The NC interviews the shortlisted candidates before formally considering and recommending them for appointment to the Board and where applicable, to the Board Committee(s).

In reviewing and recommending to the Board any new Director appointments, the NC considers: (a) the candidate's independence, in the case of the appointment of an Independent Director; (b) the composition requirements for the Board or Board Committee(s) as the case may be; (c) the candidate's track record, experience and capabilities and such other relevant factors as may be determined by the NC which would contribute to the Board's collective skills; and (d) any competing time commitments if the candidate has multiple board representations.

The Company will provide a formal letter of appointment to newly appointed Non-Executive Directors, setting out the Director's duties and obligations and terms of appointment whereas Executive Directors will be provided with Service Agreements setting out their terms of office and terms and conditions of appointment.

## Corporate Governance

The NC had deliberated on succession planning for the Chairman/CEO and key management and would bear this factor in mind when considering the appointment and/or replacement of any Executive Director and key management.

A Director with multiple board representations is expected to ensure that sufficient time and attention is given to the affairs of the Group. The NC is of the view that Directors who have multiple board representations have performed as well as the other Directors with lesser board representations. The Board, with the concurrence of the NC, having considered the attendance of the Directors and their contributions at meetings of the Board and Board Committees, is of the view that such multiple representations do not hinder the Directors from carrying out their duties in the Company. The Board and the NC are also satisfied that sufficient time and attention have been accorded by these Directors to the affairs of the Group. The NC is also of the view that putting a maximum limit on the number of listed company board representations is arbitrary, given that time requirements for each vary, and thus should not be prescriptive but are not adverse to consider and review existing models available on the market for managing board representations.

As at 31 December 2020, there is no alternate Director on the Board.

### **PRINCIPLE 5: BOARD PERFORMANCE**

The NC has adopted an annual assessment of the performance and effectiveness of the Board and Board Committees collectively. The NC believes it is more appropriate to assess the Board and its Committees as a whole, rather than assessing individual Directors, bearing in mind that each member of the Board contributes in different ways to the effectiveness of the Board.

The assessment process had been continuously improved upon, with feedback from the Board and the review incorporates factors such as attendance, Board composition, conduct, input and contributions of the Board and its various committees; keeping updated on latest trends in the industry and global market; and quality, availability and sufficiency of information. Each Director evaluates and assesses the Board and the Board Committees, the results of which are consolidated, analysed and discussed within the NC, which included a comparison with the results of the preceding financial year. The results and areas to be strengthened are identified and reported to the Board.

The Chairman, in consultation with the NC, would act on the results of the assessment; upon the endorsement of the report.

For FY2020, the NC is generally satisfied with the Board evaluation results, which indicated areas of strengths and areas that could be improved further. No significant problems had been identified. The NC had discussed the results with the Board and the Board has agreed to work on the areas where improvement is necessary as appropriate.

### **(B) REMUNERATION MATTERS**

#### **PRINCIPLE 6: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES**

The RC comprises three members, all of whom are non-executive and Independent Directors. The members of the RC are:

Mr. Lim Hung Siang (RC Chairman)  
Mr. Lee Lap Wah George  
Mr. Lawrence Lua Gek Pong

During FY2020, the RC met on one occasion.

The RC carried out the following activities during FY2020 in accordance with its terms of reference:

1. recommended to the Board a framework of remuneration for the Directors and key management personnel of the Group;
2. ensured that these remuneration packages are in line with the Group's staff remuneration guidelines and commensurate with their respective job scopes and levels of responsibilities;

# Corporate Governance

3. reviewed and recommended Directors' fees for Non-Executive Directors, taking into account factors such as their effort, time spent, and responsibilities; and
4. reviewed the service contracts of the CEO and Executive Directors.

The Group has a formal and transparent process for developing policy on executive remuneration and fixing the remuneration packages of individual Directors and key management personnel. The RC's review covers all aspects of remuneration including but not limited to, Directors' fees, salaries, allowances, bonuses, employees share options and benefits in kind and specific remuneration package for each Director.

In developing a policy on executive remuneration, the RC seeks to link a proportion of the compensation to the Group's performance. The RC also ensures that the remuneration packages of individual Directors take into consideration the Group's performance and the performance of that individual Director. No Director is involved in deciding his own remuneration. The RC has access to external expert advice on remuneration matters, if required. No external remuneration consultants were appointed for the financial year under review.

The Group does not have any employee share option scheme or any long-term scheme in place.

## **PRINCIPLE 7: LEVEL AND MIX OF REMUNERATION**

### **PRINCIPLE 8: DISCLOSURE ON REMUNERATION**

The remuneration policy of the Company is to provide compensation packages at market rates, reward performance and attract, retain and motivate the key management personnel.

Only Non-Executive Directors (including Independent Directors) are paid Directors' fees. The Directors' fees are set in accordance with a framework comprising Board fees and additional fee(s) for serving on any of the Board Committees, and taking into account factors such as effort and time spent for serving on the Board and Board Committees, as well as the responsibilities and obligations of the Directors. The payment of such fees is recommended for Shareholders' approval at the AGM of the Company.

The Executive Directors do not receive any Directors' fee. The remuneration packages of the Executive Directors and key management personnel are determined annually having regard to the performance of the individuals and the Group as well as taking into account industry standards.

The remuneration packages for the Executive Directors and key management personnel consist of both fixed and variable components. The variable component is determined based on the performance of the individual and the Group's performance in the relevant financial year. Annual increments and adjustments to remuneration are reviewed and approved taking into account the outcome of the annual appraisal of the employees. Management makes recommendations to the RC, having regard to key performance indicators, such as (a) revenue, (b) earnings before interest, depreciation and amortisation (EBITDA), (c) net profit, (d) planted area and (e) Fresh Fruits Bunches internal and Crude Palm Oil production. The list is not exhaustive. The Group will also consider the individual contribution to these objectives.

Each member of the RC shall abstain from voting on any resolutions and/or participating in discussion regarding his own remuneration package or on matters in which he is interested.

## Corporate Governance

The Executive Directors' Service Agreements were for an initial period of 3 years from the date of appointment respectively and are renewable for successive periods of one year each. The Service Agreements may be terminated during such term either as provided in the Service Agreements or by either party giving to the other not less than six months' written notice. There are no onerous compensation commitments on the part of the Company or its subsidiaries in the event of an early termination of the service of the Executive Directors. The Executive Directors and key management personnel of the Group are rewarded based on their achievement of certain key performance indicators and the actual results of the Group, and not on any other assigned incentives, the "claw back" provisions in their employment contracts may therefore not be relevant or appropriate. The RC will when appropriate, review the need to adopt provisions allowing the Company to reclaim incentive components of remuneration from Executive Directors and key management personnel in exceptional circumstance of misstatement of financial results or of misconduct which could result in financial loss to the Group.

The RC, with the concurrence of the Board, has recommended that an amount of S\$317,500 as Directors' fees be paid to the Non-Executive Directors quarterly in arrears for FY2021. These fees will be tabled for Shareholders' approval at the forthcoming AGM.

The annual remuneration bands for the Directors and key management personnel and the proportion of variable bonus and fixed remuneration, fee and salary of the benefit for FY2020 are set out below:

Name	Total Directors' Fee	Fixed Salary	Variable Bonus and Benefit	Remuneration Band	Total
<b>Directors</b>					
Lim Gunawan Hariyanto <sup>1</sup>	–	60%	40%	S\$2,250,001 – S\$2,500,000	100%
Lim Christina Hariyanto <sup>1</sup>	–	63%	37%	S\$250,001 – S\$500,000	100%
Dato' Lee Yeow Chor	62,500	–	–	Below S\$250,000	100%
Lee Lap Wah George	91,500	–	–	Below S\$250,000	100%
Lim Hung Siang	82,500	–	–	Below S\$250,000	100%
Lawrence Lua Gek Pong	81,000	–	–	Below S\$250,000	100%
<b>Key Management Personnel<sup>2</sup></b>					
1 Executive	–	63%	37%	S\$1,500,001 – S\$1,750,000	100%
1 Executive	–	50%	50%	S\$1,000,001 – S\$1,250,000	100%
1 Executive	–	68%	32%	S\$250,001 – S\$500,000	100%

Notes:

<sup>1</sup> Payment partly by Indonesian subsidiaries and partly by Bumitama.

<sup>2</sup> Fully paid by Indonesian subsidiaries.

The remuneration of the Directors and key management personnel are set out in incremental bands of S\$250,000. The Group is of the view that disclosure in incremental bands is sufficient and adequate, and that any further disclosure could be detrimental to the Group's interest, as it may hamper the Group's efforts in retaining and nurturing its talent pool, having regard to the highly competitive human resource environment, and the confidential nature of remuneration matters.

On the same basis and also due to sensitivity of such matter, it is not in the Group's interest to disclose the aggregate remuneration of its key management personnel (who are not Directors or the CEO).

# Corporate Governance

Having considered Provision 8.1 of the Code requiring the disclosure of the remuneration of at least the top 5 key management personnel (who are not directors or the CEO), the Group is only disclosing the above 3 individuals, who, besides the CEO, are considered as the Group's key management personnel and since they have supervisory roles over the other senior management of the Group.

There are two employees, who are immediate family members of a Director and/or the CEO and/or a substantial shareholder of the Company whose remuneration exceeded S\$100,000, in bands no wider than S\$100,000 during FY2020. The information is set out below:

Name of Executives <sup>1</sup>	Related to	Remuneration Band
Gunardi Hariyanto Lim	Brother of Lim Gunawan Hariyanto and Lim Christina Hariyanto	S\$1,700,001 – S\$1,800,000
Lim Liana Sarwono	Sister of Lim Gunawan Hariyanto and Lim Christina Hariyanto	S\$200,001 – S\$300,000

Notes:

<sup>1</sup> Fully paid by Indonesian subsidiaries.

## (C) ACCOUNTABILITY AND AUDIT

### PRINCIPLE 9: RISK MANAGEMENT AND INTERNAL CONTROLS

The Board recognises that it is responsible for ensuring that Management maintains a sound system of internal controls to safeguard Shareholders' investment and the Group's assets.

The Board regularly reviews and improves its business and operational activities to identify areas of significant business risks as well as taking appropriate measures to control and mitigate these risks. Management reviews all control policies and procedures and highlights all significant matters to the AC and the Board. The Group's financial risk factors and financial risk management objectives and policies are outlined under Note 34 of the "Notes to the Financial Statements" on pages 113 to 121. Risk management alone does not guarantee that business undertakings will not fail. However, by identifying and managing risks that may arise, the AC and the Board are in a position to make more informed decisions and will benefit from a better balance between risk and reward. This will assist in protecting the Group's assets.

The AC, together with the Board has reviewed the effectiveness of the Group's system of internal controls put in place to address the key financial, operational, compliance and information technology risks affecting the operations.

### ENTERPRISE RISK MANAGEMENT ("ERM")

Effective and prudent risk management is one of the key factors in achieving the Group's business objectives and strategic goals.

The Group has established a systematic ERM framework to identify, assess, monitor, manage and evaluate the significant business risks which the Group is exposed to. Under the ERM framework, a risk register identifying the material risks together with the internal controls to manage or mitigate those risks is maintained. A separate Management Committee and an Enterprise Risk Department were formed to oversee the ERM and ensure that the risk register is reviewed, managed and updated regularly.

The Management Committee comprises the Chief Operating Officer, CFO, Chief Sustainability Officer ("CSO") as well as the Head of the Internal Audit Department.

Risks are pro-actively identified and addressed. The ownership of these risks lies with the respective business and executive heads with stewardship residing with the Board. The Internal Audit Department, CSO, together with the ERM Secretariat review on the whole ERM system and the Board reviews the adequacy and effectiveness of the Group's risk management and internal control systems quarterly. As the Group continues to grow and taking into account the evolving nature of its business, the Management Committee will on a regular basis, conduct an assessment on the adequacy of the framework, processes and procedures and risk identified and measured.

# Corporate Governance

In 2020, the results of a review incorporating changing business dynamics especially taking into consideration of COVID-19 pandemic were tabled and the results and recommendations had been shared with AC and the Board. It was agreed that (1) business continuity in the COVID-19 pandemic emphasizes in ensuring the health and safety of workers, their families and communities near to our operations; (2) continuous training are needed and will be conducted in phases to ensure internalisation of the purpose and method of ERM assessment and risk management; (3) the risk map was improved and updated based on feedback from various departments and management; and (4) preparation of the internal audit plan for 2021 incorporating information drawn from this revised risk map.

The Board has received written assurances from the CEO and CFO that:

- (a) 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 Group's risk management and internal control systems are effective and adequate.

The CEO and CFO have obtained similar assurance from the business and corporate executive heads in the Group.

Based on the ERM framework established, internal controls systems maintained by the Group, work performed by the internal and external auditors, and assurance from Management, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls and risk management systems addressing financial, operational, compliance and information technology controls and risk management system of the Group are adequate and effective during FY2020.

## **PRINCIPLE 10: AUDIT COMMITTEE**

The AC comprises three members, all of whom are non-executive and Independent Directors. The AC members are:

Mr. Lee Lap Wah George (AC Chairman)  
Mr. Lim Hung Siang  
Mr. Lawrence Lua Gek Pong

In accordance with the principles in the Code, the Board is of the view that at least two members of the AC, collectively, have the expertise and experience in accounting and financial and finance management, and are qualified to fulfill and discharge their responsibilities.

The AC does not comprise former partners or directors of the Company's existing auditing firm, Ernst & Young LLP.

For FY2020, the AC has performed the following in accordance with its terms of reference:

1. met with both the internal and the external auditors to review the audit plans, and discussed the results of their audit findings and evaluation of the Group's system of internal accounting controls;
2. reviewed the Group's significant financial reporting issues and judgement to ensure the integrity of the financial statements of the Group and announcements relating to the Group's financial performance;
3. reviewed the adequacy and effectiveness of the Group's internal audit controls and risk management systems;
4. reviewed with the internal auditors, the scope and results of the internal audit procedures and monitored Management's response to their findings to ensure that appropriate follow-up measures are taken;
5. reviewed the adequacy, independence and effectiveness of the external audit and the Group's internal audit function;
6. reviewed the assurance from the CEO and the CFO on the financial records and financial statements;

## Corporate Governance

7. reviewed compliance with the corporate governance guidelines on processes and activities adopted by the Board;
8. reviewed and discussed with the external auditors, any suspected fraud or irregularity, or suspected infringement of any law, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position and Management's response;
9. reviewed Interested Person Transactions ("**IPT**") falling within the scope of Chapter 9 of the SGX-ST Listing Manual and the IPT Register;
10. reviewed any report or concern received via channel established by whistleblowing policy;
11. reviewed quarterly ERM report prepared by the Internal Audit Department, CSO, together with the ERM Secretariat;
12. made recommendations to the Board on the nomination of the external auditors, as well as reviewed the remuneration and terms of engagement of the external auditors;
13. met with the internal and external auditors, without the presence of Management. Both the internal and external auditors had confirmed that they had received full co-operation from Management and no restrictions were placed on the scope of the respective audits;
14. kept abreast of accounting standards and issues that could potentially impact the Group's financial reporting through semi-annual updates and advice from the external auditors;
15. reviewed the non-audit services provided by the external auditors of the Group, and the fees paid to them, to assess the independence and objectivity of the external auditors. The aggregate amount and breakdown of the audit and non-audit fees paid to the external auditors are found in Note 6 "General and Administrative Expenses" in the Financial Statements of this Annual Report. The AC is satisfied that the nature and extent of non-audit services had not prejudiced the independence and objectivity of the external auditors. The external auditors had also confirmed their independence in this respect; and
16. reviewed and confirmed the Group's compliance with Rules 712, 715 and 716(1) of the Listing Rules of the SGX-ST. The AC in their deliberation on the proposed appointment of Ernst & Young LLP have considered various factors, and was satisfied that the adequacy of resources and firm's experience, the audit engagement partner and his team assigned to the audit of the Group were adequate to meet their audit obligations, given the size, nature, operations and complexity of the Group. The accounts of the Company, its significant foreign-incorporated subsidiaries and its associates are audited by Ernst & Young LLP, an auditing firm registered with ACRA, and KAP Purwantono, Sungkoro & Surja (a member firm of Ernst & Young Global Indonesia).

The rest of the Group's subsidiaries are audited by Anwar & Rekan ("**A&R**"), an auditing firm which is part of DFK International, a worldwide association of independent accounting firms and business advisers. The AC is satisfied that the appointment of A&R would not compromise the standard and effectiveness of the audit of the Group. The list of the Group's subsidiaries audited are disclosed on Note 9 of the "Investments in Subsidiaries" on pages 82 to 84 of this Annual Report.

The AC with the concurrence of the Board has recommended the nomination of Ernst & Young LLP for re-appointment as external auditors of the Company at the forthcoming AGM. Rule 713(1) of the Listing Rules of SGX-ST provides that the audit partner must not be in charge of more than 5 consecutive audit for a full financial year. The Company adheres to the regular rotation of audit partner once every five years.

The AC has explicit authority within the scope of its responsibilities to seek any information it requires or investigates any matter within its terms of reference. In particular, the AC has full access to both the external and internal auditors. It also has full discretion to invite any Director, and/or Management to attend its meetings.

# Corporate Governance

The Group has put in place a **whistle-blowing policy**, whereby staff of the Group or any other persons such as customers, suppliers, contractors or local community may, in good faith and confidence, without fear of reprisals raise concerns about possible improprieties in financial reporting, unethical practices or other matters. Anonymous disclosures will also be accepted and anonymity honoured. Arrangements are also in place for the confidential and independent investigation of such matters and for appropriate follow up actions; always mindful of protecting the identity and interest of all whistle blowers. The whistle-blowing policy and the procedures put in place to implement such a policy had been reviewed by the AC and made available to all employees.

During FY2020, the Group had received whistle-blowing reports which were also highlighted to the AC's attention. The whistle-blowing reports highlighted several incidents of impropriety carried out at the Group's plantations in Indonesia. These incidents were not material to the Group's financial statements and operations and remedial actions had been taken to address the issues.

## INTERNAL AUDIT

A dedicated in-house internal audit team ("**IA**") is in place to review, at least once annually, the risks of the Group's policy, procedures and activities. The IA has unfettered access to all of the Group's records and documents and reports directly to the AC on any material non-compliance and internal control weakness.

The Head of the IA reports directly to the Chairman of the AC on audit matters and to the CFO on administrative matters. The Head of the IA also shares the IA report with Management so as to ensure that the recommended corrective and preventive actions are taken. Every quarter, the IA prepares the internal audit report and reports the key issues, highlighting concerns, if any, to the AC. Feedback from the AC is taken note of, acted on and monitored. Within this framework, the internal audit function provides reasonable assurance that the risks of the Group will be identified, analysed and managed by Management. The IA will also make recommendations to enhance the effectiveness and security of the Group's operations.

The AC ensures that the internal audit function is adequately resourced and qualified. On an annual basis, the AC reviews the adequacy and effectiveness of the internal audit function. The IA prepares and present internal audit plan which incorporated feedback from the AC reviews, categorised inputs gathered from the audits, reviewing risk map, core programmes of the Group and critical internal control areas. To ensure maximisation of human resources in this department, IA has a training programme drawn up specifically to ensure that the team is kept updated and current on matters of audit, risks and internal controls based on the recommendations of the AC. The IA department is staffed with suitably qualified and experienced professionals with operational and financial experiences.

In addition to the work performed by the internal audit team, the external auditors also performed tests of certain controls that are relevant to the preparation of the Group's financial statements. The external auditors report any significant deficiencies of such internal controls to the AC. The AC also reviews the effectiveness of measures taken by Management to address the issues noted by the external auditors. The internal controls are continually being refined by Management.

## (D) SHAREHOLDER RIGHTS AND ENGAGEMENT

### PRINCIPLE 11 & PRINCIPLE 12:

#### SHAREHOLDERS RIGHTS AND CONDUCT OF GENERAL MEETINGS

##### ENGAGEMENT WITH SHAREHOLDERS

The Group is committed to disseminate information to Shareholders regularly and on a timely basis. It aims to provide Shareholders with clear, balanced, useful and material information to ensure that Shareholders receive a balanced and up-to-date view of the Group's strategic development, performance and business. The Company also takes input from stakeholders by considering and balancing the needs and interests of material stakeholders.

Shareholders are informed of general meetings through notices posted on the Company's website and the Company's announcement via SGXNET. The Company will dispatch the notice of AGM to shareholders, together with the explanatory notes or a circular on items of special business, at least 14 calendar days before the meeting.

# Corporate Governance

## **Pre-COVID-19 pandemic arrangement**

The Group's main forum for dialogue with Shareholders takes place at its AGM, where members of the Board, senior management and the external auditors are in attendance. In particular, the chairpersons of the Audit, Nominating, Remuneration and Conflicts Resolution Committees will all endeavor to be present and available to address questions raised at the AGM. All Directors will endeavor to be present at the Company's forthcoming AGM to address shareholders' questions relating to matters of the Board and respective Committees.

The Group's external auditors are also invited and required to attend the AGM and are available to assist the Directors in addressing any relevant queries by the Shareholders relating to the conduct of the audit and the preparation and content of their Auditors' Report.

Shareholders will be given the opportunity to air their views and ask questions regarding matters affecting the Group. The Company's Constitution allows a Shareholder to appoint one or two proxies to attend, speak and vote at the general meetings on his/her behalf. On 3 January 2016, the legislation was amended, among other things to allow certain members, defined as "relevant intermediary" to attend and participate in general meeting without being constrained by the two-proxy requirement. Relevant intermediary includes corporations holding licenses in providing nominee and custodial services and Central Provident Fund ("CPF") Board which purchases shares on behalf of the CPF investors.

Shareholders are encouraged to attend the Company's AGM to ensure a high level of accountability and to stay informed of the Group's strategies and growth. If Shareholders are unable to attend the meetings, the Constitution allows a Shareholder of the Company to appoint up to two proxies to attend, speak and to vote in place of the Shareholder through proxy form sent in advance.

As the authentication of Shareholder identity information and other related security issues still remain a concern, the Group has decided, for the time being, not to implement voting in absentia by mail, email or fax.

Separate resolutions on each distinct issue are tabled at general meetings and explanatory notes are set out in the notices of general meetings where appropriate.

The minutes of general meetings, which will typically include relevant and substantial comments from Shareholders relating to the agenda of the meetings and responses from Management, will be made available to Shareholders upon written request.

The Company will put all resolutions to vote by poll and make an announcement of the detailed results showing the number of votes cast for and against each resolution and the respective percentages for general meetings. Electronic poll voting may be efficient in terms of speed but may not be cost effective. In this respect, the Company did not adopt electronic poll voting.

## **Post-COVID-19 pandemic arrangement**

In view of the evolving COVID-19 situation in 2020 and heightened safe distancing measures, AGM of the Company held on 24 April 2020 was conducted partially via electronic means in accordance with the COVID-19 (Temporary Measures) Act 2020 and the related order on the conduct of alternative arrangements for general meetings (the "COVID-19 Order"). All directors of the Company attended AGM for FY2019 virtually and/or physically.

In 2020 and in accordance with the COVID-19 Order, shareholders attended the AGM via electronic means (i.e. live audiovisual webcast or live audio-only stream and submitted questions to the Chairman of the Meeting(s) in advance of the AGM). The Company addressed substantial and relevant questions received from shareholders and Securities Investors Association (Singapore) (SIAS) at the aforesaid meeting and published minutes of AGM including the responses to these questions on SGXNET and the Company's website.

# Corporate Governance

Shareholders who wish to exercise their right to vote on any or all of the resolutions at the general meeting were required to appoint the Chairman of the Meeting(s) as their proxy by submitting the duly completed and signed proxy forms to designated email address and mailing address. Persons who hold shares through relevant intermediaries who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or Supplementary Retirement Scheme (SRS) Operators to submit their votes.

Shareholders are encouraged to submit their questions relating to the agenda of the general meeting in advance prior to the general meeting to designated email address and mailing address.

An independent scrutineer was appointed to validate the proxy forms submitted by the shareholders and the votes of all such valid proxies were counted and verified. The voting results of all votes cast for or against each resolution will be screened at the meeting with respective percentages and these details will be announced through SGXNET after the meeting. The Company Secretary prepares the minutes of general meeting, which incorporate substantial and relevant comments or queries from shareholders and responses from the Board and Management. These minutes will be publicly available at SGX-ST's website and the Company's website.

Based on the News Releases issued by the Singapore Exchange Regulation (the "SGX RegCo") on 1 October 2020, issuer and non-listed companies may continue to conduct their general meetings to be held on or before 30 June 2021 via electronic means in order to keep physical interactions and COVID-19 transmission risks to a minimum, even as safe distancing regulations are gradually and cautiously relaxed. In this regard, the Company will convene the forthcoming AGM wholly by electronic means pursuant to the COVID-19 Order.

## **(E) MANAGING STAKEHOLDER RELATIONSHIPS**

### **PRINCIPLE 13: ENGAGEMENT WITH STAKEHOLDERS**

The Group has arrangements in place to identify and engage with its material shareholder groups and to manage its relationships with such groups. It undertakes formal and informal stakeholder engagement exercise, such as announcements, press releases, investor relations, publications, surveys and feedback with material stakeholder groups which include shareholders, suppliers, customers and employees. The Group has identified the environmental, social and governance factors that are important to its stakeholders. These factors form the materiality matrix upon which targets, metrics, programmes and progress are reviewed by and approved by the Board, before they are published annually in the Company's sustainability report. Further information in relation to details of the stakeholders engaged by the Group, areas of focus, approaches to stakeholders, including frequency of engagement by type and by stakeholder groups and key feedback or issues that have been raised through stakeholder engagement can be found in the sustainability report for FY2020 which is included in this annual report.

The Company has a dedicated investor relations team of whom contact details are available on the Company's corporate website which shareholders may contact the Company with questions and through which the Company respond to such questions.

### **DIVIDEND POLICY**

The Group has a dividend policy to distribute up to 40% of its distributable income. The policy on distribution of dividend depends on the results of the Group's cash flow and financial position, capital expenditure plan, debt repayment schedule, dividends received from its subsidiaries, industry conditions and prospects, and other factors deemed relevant by the Board of Directors.

For FY2020, the Group had declared and paid interim dividend of S\$0.004 per ordinary share on 17 September 2020. A final dividend of S\$0.02 per ordinary share for FY2020 has been recommended by the Board and subject to the approval by Shareholders at the forthcoming AGM.

# Corporate Governance

## CONFLICTS RESOLUTION COMMITTEE

In light of the interest of the Group's controlling shareholders in the palm oil business outside of the Group, the Board has adopted certain procedures to address conflicts or potential conflicts of interest issues that may arise from time to time in the course of business conducted or carried on by the Group.

The CRC comprises three members, all of whom are non-executive and are Independent Directors. The members are:

Mr. Lawrence Lua Gek Pong (CRC Chairman)  
Mr. Lee Lap Wah George  
Mr. Lim Hung Siang

The CRC performs the following functions in accordance with its terms of reference for FY2020:

1. reviewed on an annual basis the protocols established to resolve conflicts or potential conflicts of interest, so as to ascertain that the guidelines are adequate and relevant to the business and affairs of the Group;
2. received quarterly report from internal auditors in relation to potential of conflict of interest for the Company; and
3. reviewed, if any, specific conflicts or potential conflicts of interests that may arise from time to time and to ensure that such conflicts are dealt with or resolved properly.

Management maintains a record of potential conflict transactions (deliberated on as well as decided). Any member of the CRC is entitled to inspect such records.

Within 45 days from the end of each financial quarter/ half-year and 60 days from the full year results announcement, Management will circulate or present information on transactions or potential transactions carried out or rejected in the immediately preceding financial quarter to the Board. However, this information will not be extended to the Directors who are in a conflict or potential conflict of interest situation.

On a quarterly basis, the CRC will receive reports from the internal auditors who provide confirmation that the protocols have been adhered to in the preceding quarter.

## DEALINGS IN SECURITIES

The Group has adopted an internal compliance code on Securities Transaction ("**Compliance Code**") which provides guidance and internal regulation with regard to dealings in the Company's securities by the Company, its Directors and officers. These guidelines prohibit dealing in the Company's securities on short-term considerations and while in possession of unpublished material price-sensitive information in relation to such securities and during the "closed period", which is defined as two weeks before the date of announcement of results for each of the first three quarters of the Company's financial year (if the Company announces its quarterly results, whether required by the SGX-ST or otherwise) and/or one month before the date of announcement of the half year and full year financial results (if the Company does not announce its quarterly results), and ending on the date of the announcement of the relevant results. The Directors and employees of the Company are notified in advance of the commencement of each "closed period". The Compliance Code has been disseminated and made available to all employees.

The Group confirmed that it has adhered to its Compliance Code for FY2020 pursuant to Rule 1207(19) of the SGX-ST Listing Manual.

# Corporate Governance

## INTERESTED PERSON TRANSACTIONS

The Group has established internal guidelines to ensure compliance with the requirements of Chapter 9 of the Listing Manual on interested person transactions. The main objective is to ensure that interested person transactions are properly reviewed, approved, and conducted on an arm's length basis and on normal commercial terms and will not be prejudicial to the interests of the Shareholders.

In particular, the CFO will maintain a register of interested persons and a register of transactions carried out with interested persons. These registers are updated quarterly based on submissions by the designated persons. The AC reviews all transactions recorded in the register of interested person transactions on a quarterly basis to ensure that they are carried out on normal commercial terms and in accordance with the procedures established by the Group.

The aggregate value of interested person transactions entered into by the Group in FY2020 is as follows:

Name of interested person	Nature of the Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual during the financial year under review (excluding transactions less than S\$100,000)
		in IDR million	in IDR million
Mr. Gunardi Hariyanto Lim <sup>1</sup>	Family relationship with the controlling shareholder of the Company	2,400	Nil
Goldwood Investments Ltd <sup>2</sup>	Related company	2,050	Nil
IOI Corporation Berhad <sup>3</sup>	Controlling shareholder of the Company	Nil	Nil
PT Lima Srikandi Jaya <sup>4</sup>	Related company	7,200	Nil
<b>TOTAL</b>		<b>11,650</b>	<b>Nil</b>

Notes:

\* For illustrative purpose the aggregate value of all interested person transactions, conducted under the Shareholders' Mandate during the financial year under review using the current period average rate.

<sup>1</sup> In respect of the aggregate rent paid by the Group to Mr. Gunardi Hariyanto Lim for office space in Indonesia pursuant to the lease agreement between Mr. Gunardi Hariyanto Lim and PT Bumitama Gunajaya Agro.

<sup>2</sup> In respect of the aggregate rent paid by the Group to Goldwood Investments Ltd. for office space in Singapore pursuant to the lease agreement between Goldwood Investments Ltd. and the Company.

<sup>3</sup> In respect of transactions conducted pursuant to the Shareholders' Mandate for Transactions with IOI Corporation Berhad and its Associates (as described in the Prospectus).

<sup>4</sup> In respect of the rental agreement of barge transactions involving PT Lima Srikandi Jaya which is one of the subsidiaries of Harita Group. Harita Group is owned by Lim family and also one of the Company's controlling shareholders.

## MATERIAL CONTRACTS

Save as disclosed above in the sections on "Interested Person Transactions" and Service Agreements entered into between the Company and the Executive Directors, there are no other material contracts of the Company or its subsidiaries involving the interest of the CEO, each Director or controlling shareholders, which are either still subsisting at the end of FY2020 or if not then subsisting, entered into since the end of FY2020.

# Corporate Governance

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION PURSUANT TO RULE 720(6) OF THE LISTING MANUAL OF THE SGX-ST

Dato' Lee Yeow Chor and Mr. Lim Hung Siang are the Directors seeking re-election at the forthcoming annual general meeting of the Company to be convened on 12 April 2021 ("AGM") under Ordinary Resolutions 3 and 4 as set out in the Notice of AGM dated 26 March 2021 (collectively, the "Retiring Directors" and each a "Retiring Director").

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST is set out below:

Name of Director	Dato' Lee Yeow Chor	Lim Hung Siang
<b>Date of Appointment</b>	23 March 2012	1 June 2018
<b>Date of Last Re-Appointment</b>	23 April 2018	22 April 2019
<b>Age</b>	54	70
<b>Country of principal residence</b>	Malaysia	Singapore
<b>The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)</b>	The Board having considered among others, the recommendation of the Nominating Committee, contribution, qualifications and work experience of Dato' Lee Yeow Chor, is of the view that he is suitable for re-election as a Non-Executive Director of the Company.	The Board having considered among others, the recommendation of the Nominating Committee, contribution, qualifications and work experience of Mr. Lim Hung Siang, is of the view that he is suitable for re-election as an Independent Director of the Company.  The Board considers Mr. Lim to be independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST.
<b>Whether appointment is executive, and if so, the area of responsibility</b>	No.	No.
<b>Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)</b>	Non-Executive Director.	Independent Director, Chairman of Remuneration Committee and a member of Audit Committee, Conflicts Resolution Committee and Nominating Committee.
<b>Professional qualifications</b>	Please refer to Directors' Profile on pages 18 to 20 of Annual Report.	Please refer to Directors' Profile on pages 18 to 20 of Annual Report.
<b>Working experience and occupation(s) during the past 10 years</b>	Please refer to Directors' Profile on pages 18 to 20 of Annual Report.	Please refer to Directors' Profile on pages 18 to 20 of Annual Report.
<b>Shareholding interest in the listed issuer and its subsidiaries</b>	Indirect interest – 556,672,070 ordinary shares	Direct interest – 50,000 ordinary shares

# Corporate Governance

Name of Director	Dato' Lee Yeow Chor	Lim Hung Siang
<b>Any relationship (including immediate family relationship) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries</b>	<p>Dato' Lee is a substantial shareholder of the Company and presently the Group Managing Director and Chief Executive of IOI Corporation Berhad ("IOI"). Dato' Lee and Lee Yeow Seng are immediate family members are deemed to be interested in the shares held by Oakridge Investments Pte. Ltd. and Lynwood Capital Resources Pte Ltd, each a subsidiary of IOI, by virtue of their collective 100% shareholding interest in Progressive Holdings Sdn Bhd.</p> <p>IOI, Lee Yeow Seng, Oakridge Investments Pte. Ltd. and Progressive Holdings Sdn Bhd are substantial shareholders of the Company.</p>	<p>Nil</p>
<b>Conflict of interest (including any competing business)</b>	<p>IOI is engaged in the oil palm plantation business and is one of the largest palm oil players globally. Directors are of the view that IOI's engagement in the oil palm plantation business does not present a real conflict of interests as most of IOI's plantations are located in Malaysia. Furthermore, a substantial portion of IOI's CPO and PK are utilised in its downstream manufacturing processes to produce, amongst others, oleochemicals and specialty oils and fats. Also, most of IOI's CPO and PK are sold outside Indonesia. Despite the foregoing, in order to ensure that all potential conflict of interest issues are properly addressed, our Board has set up a conflicts resolution committee comprising not less than three members, all of whom are independent directors.</p>	<p>Nil</p>
<b>Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer</b>	<p>Yes</p>	<p>Yes</p>

# Corporate Governance

Name of Director	Dato' Lee Yeow Chor	Lim Hung Siang
<b>Other principal commitments including directorships</b>		
<b>Past (for the last 5 years)</b>	<ul style="list-style-type: none"> <li>Subsidiaries of IOI Corporation Berhad and/or IOI Properties Group Berhad</li> </ul>	Nil
<b>Present</b>	<ul style="list-style-type: none"> <li>IOI Corporation Berhad and its subsidiaries</li> <li>IOI Properties Group Berhad and its subsidiaries</li> <li>Seaview (Sentosa) Pte Ltd</li> <li>Pinnacle (Sentosa) Pte Ltd</li> <li>Mergui Development Pte Ltd</li> <li>Scottsdale Properties Pte Ltd and its subsidiaries</li> <li>South Beach Consortium Pte Ltd and its subsidiaries</li> <li>Fatty Chemical (Malaysia) Sdn Bhd</li> <li>Kao Plasticizer (Malaysia) Sdn Bhd</li> <li>Bunge Lodders Croklaan Group B.V. and its subsidiaries</li> <li>Adawan Development Sdn Bhd</li> <li>Progressive Holdings Sdn Bhd</li> <li>Summervest Sdn Bhd</li> <li>Vertical Capacity Sdn Bhd and its subsidiaries</li> <li>Yayasan Tan Sri Lee Shin Cheng</li> <li>Aspen Assets Sdn Bhd</li> </ul>	Nil

Name of Director	Dato' Lee Yeow Chor	Lim Hung Siang
<b>The general statutory disclosures (items (a) to (k) of Appendix 7.4.1) of the Directors are as follows:</b>		
<b>(a) Whether at any time during the last 10 years, an application for a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner of at any time within 2 years from the date he ceased to be a partner?</b>	No	No
<b>(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?</b>	No	No

## Corporate Governance

Name of Director	Dato' Lee Yeow Chor	Lim Hung Siang
<b>(c) Whether there is any unsatisfied judgment against him?</b>	No	No
<b>(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?</b>	No	No
<b>(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?</b>	No	No
<b>(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?</b>	No	No
<b>(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?</b>	No	No
<b>(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?</b>	No	No
<b>(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?</b>	No	No

# Corporate Governance

Name of Director	Dato' Lee Yeow Chor	Lim Hung Siang
<p><b>(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:</b></p> <p><b>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</b></p> <p><b>(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or</b></p> <p><b>(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or</b></p> <p><b>(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,</b></p> <p><b>in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</b></p>	<p>No</p> <p>No</p> <p>No</p> <p>No</p>	<p>No</p> <p>No</p> <p>No</p> <p>No</p>
<p><b>(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?</b></p>	<p>No</p>	<p>No</p>
<p><b>Prior Experience as a Director of a Listed Company on the Exchange</b></p>		
<p><b>Any prior experience as a director of an issuer listed on the Exchange?</b></p>	<p>Not applicable. This is a re-election of a director.</p>	<p>Not applicable. This is a re-election of a director.</p>
<p><b>If yes, please provide details of prior experience.</b></p>	<p>Not applicable. This is a re-election of a director.</p>	<p>Not applicable. This is a re-election of a director.</p>
<p><b>If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.</b></p>	<p>Not applicable. This is a re-election of a director.</p>	<p>Not applicable. This is a re-election of a director.</p>
<p><b>Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).</b></p>	<p>Not applicable.</p>	<p>Not applicable.</p>