

# Corporate Governance

The Board and management of Keppel firmly believe that a strong commitment to good corporate governance is essential to the sustainability of Keppel’s business and performance, and directors must at all times act objectively in the best interests of Keppel.

This report sets out an overview of our corporate governance practices and adherence to the principles of the Code of Corporate Governance 2018 (the “2018 CG Code”), with references to the accompanying Practice Guidance.

## BOARD’S CONDUCT OF AFFAIRS

### Principle 1:

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

### Principle 3:

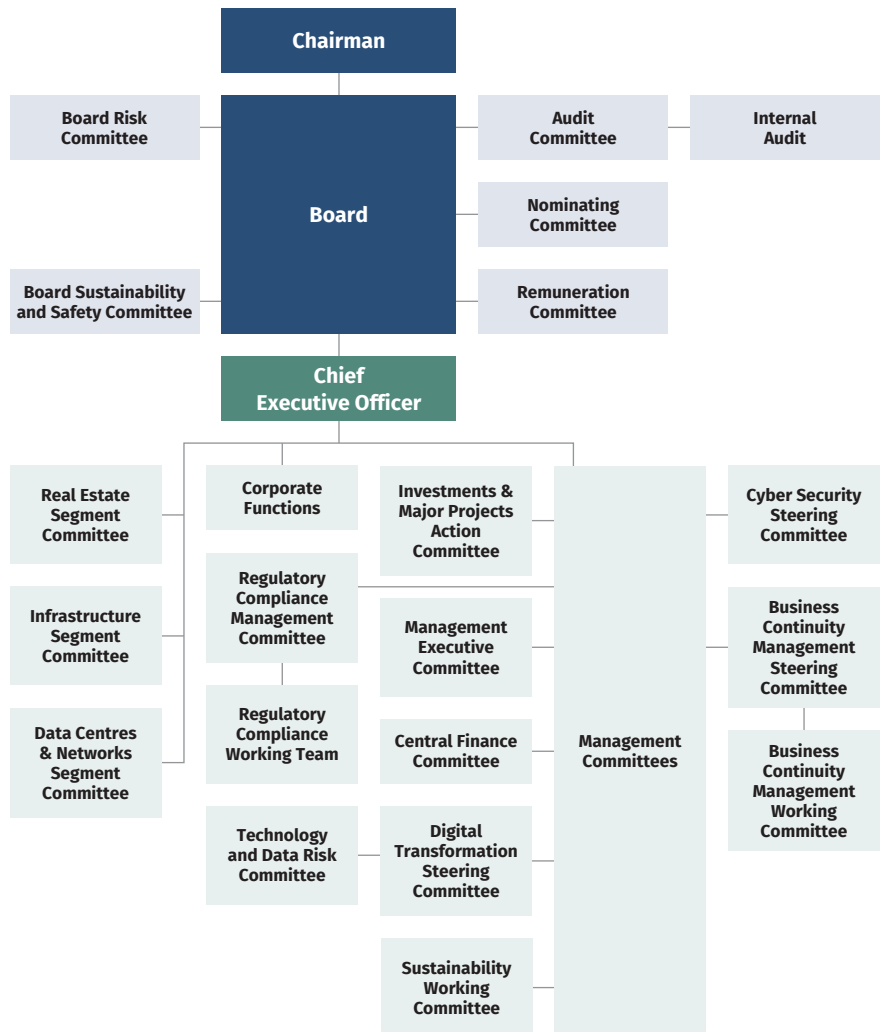
*There is a clear division of responsibilities between the leadership of the Board and management, and no one individual has unfettered powers of decision making.*

Mr Danny Teoh is the Chairman of the Company. He was appointed as a non-executive and independent Chairman with effect from 23 April 2021 and was re-designated as non-executive and non-independent Chairman with effect from 1 January 2022 in view of him having served for more than 9 years on the Board.

The Chairman, with the assistance of the Company Secretaries, schedules meetings and prepares meeting agenda to enable the Board to perform its duties responsibly, having regard to the flow of Keppel’s operations. He further sets guidelines on and monitors the flow of information from management to the Board to ensure that all material information is provided in a timely manner to the Board for the Board to make good decisions. He also encourages constructive relations between the Board and management. At board meetings, the Chairman encourages a full and frank exchange of views, drawing out contributions from all directors so that the debate

Keppel’s governance structure is as follows:

### GOVERNANCE FRAMEWORK 2023



benefits from the full diversity of views, in a robust yet collegiate setting. At general meetings, the Chairman ensures constructive dialogue between shareholders, the Board and management. The Chairman sets the right ethical and behavioural tone and takes a leading role in the Company’s drive to achieve and maintain a high standard of corporate governance with the full support of the directors, Company Secretaries and management.

Mr Till Vestring is the Lead Independent Director of the Company. He was appointed Lead Independent Director with effect from 1 November 2021 in view of Mr Teoh’s re-designation as a

non-executive and non-independent Chairman. As Lead Independent Director, Mr Vestring supports the Chairman and the Board to ensure effective corporate governance in managing the affairs of the Company, provides leadership in situations where the Chairman is conflicted and facilitates communication between the Board and shareholders or other stakeholders of the Company as necessary. He is also available to shareholders and other stakeholders of the Company where they have concerns and for which their previous contact through the normal channels of the Chairman and management has failed to resolve the matter or has been inadequate or inappropriate.

He is also the chairman of the Remuneration Committee and a member of the Nominating Committee. In view of Mr Vestring's step down from the Board at the upcoming Annual General Meeting of the Company, Mr Shirish Apte will be appointed Lead Independent Director in Mr Vestring's stead.

To assist the Board in the discharge of its oversight function, various board committees, namely the Audit, Board Risk, Nominating, Remuneration, and Board Sustainability and Safety Committees, have been constituted with clear written terms of reference. All the board committees are actively engaged and play an important role in ensuring good corporate governance in the Company and within Keppel, and the Board is kept updated on discussions of the committees via circulation of minutes and regular updates by the respective chairmen of the committees at board meetings. The terms of reference of the respective committees are reviewed on an annual basis, along with the board committees' structures and membership, to ensure their continued relevance and effectiveness. The composition and terms of reference of the respective board committees setting out their responsibilities and authority are in Appendix 1.

Mr Loh Chin Hua is the Chief Executive Officer ("CEO") of the Company. He, assisted by the management team, makes strategic proposals to the Board and after robust and constructive discussion by the Board, executes the agreed strategy, manages and develops the business and implements the Board's decisions. He is supported by committees that direct and guide management on operational policies and activities, which include:

1. *Investments & Major Projects Action Committee*, which guides Keppel in exercising a spirit of enterprise as well as prudence to earn optimal risk adjusted returns on invested capital for its chosen lines of business, taking into consideration the relevant risks in a controlled manner;
2. *Management Executive Committee ("MexCo")*, which brings together the CEO and CFO of the Company, the CEO and CIO of Keppel's Fund Management and Investment platforms, and the CEOs of Keppel's operating divisions (Real Estate, Infrastructure and Data Centres and Networks), and selected members of Keppel's senior management, to review, deliberate and approve major business, governance, organisation/people, strategy & transformation, and risk management related decisions that impact Keppel or a substantial part of Keppel; to delegate their implementation to specific groups or individuals; to review and track progress of previously approved decisions; and oversee the development and review of overarching compliance policies and guidelines for Keppel. MexCo also oversees sustainability issues, including determining Keppel's policies and targets;
3. *Segment Committees*, which cover management matters across the Fund Management, Investment and Operating platforms relating to Real Estate, Infrastructure, and Data Centres and Networks. The Segment Committees were introduced pursuant to Keppel's transformation from a conglomerate structure into a cohesive horizontally integrated structure. Matters discussed quarterly at each Segment Committee meeting include sustainability and safety, risk and compliance, audit, internal controls, financial-related matters, business, operations and strategy. The Segment Committees report key issues and discussions at these meetings to the Board;
4. *Regulatory Compliance Management Committee ("RCMC")*, which articulates our commitment to regulatory compliance, directs and supports the development of overarching compliance policies and guidelines, and facilitates the implementation and sharing of policies and procedures. Discussions on such matters also take place as part of MexCo meetings;
5. *Regulatory Compliance Working Team*, which together with Risk & Compliance, supports the RCMC and oversees the development and review of overarching compliance policies and guidelines for Keppel, as well as reviews the training and communication programmes;
6. *Central Finance Committee*, which reviews, guides and monitors financial policies and activities;
7. *Digital Transformation Steering Committee*, which provides strategic guidance and endorses technology vision, initiatives and policies to achieve alignment and optimisation in achieving business strategies;
8. *Sustainability Working Committee*, which drives, coordinates and monitors the execution of Keppel's sustainability efforts;
9. *Cyber Security Steering Committee*, which guides Keppel's overall cyber security vision and strategy and provides oversight on cyber security risks and initiatives to safeguard information assets and interests;
10. *Business Continuity Management Steering Committee*, which guides the effective development and implementation of a robust business continuity plan and ensures continuous improvement to enhance Keppel's operational readiness through the review of Business Continuity Management ("BCM") plans and exercises; and
11. *Business Continuity Management Working Committee*, which supports the Business Continuity Management Steering Committee and coordinates with respective business divisions and department BCM coordinators in developing detailed plans in the prevention, preparedness, response, continuity, and recovery of critical business functions.

The role of the Transformation Office, which was previously established to drive the implementation of Keppel's Vision 2030, has now been embedded within MexCo.

## Corporate Governance

### BOARD MATTERS

The directors have equal responsibility to oversee the business and affairs of Keppel. Management on the other hand is responsible for day-to-day operation and administration in accordance with the policies and strategy set by the Board.

**Role:** The principal functions of the Board are to:

- provide entrepreneurial leadership and decide on matters in relation to Keppel's activities which are of a significant nature, including decisions on strategic directions and guidelines and the approval of periodic plans and major investments and divestments;
- oversee the business and affairs of Keppel, establish, with management, the strategies and financial objectives to be implemented by management (including appropriate focus on value creation, innovation and sustainability), monitor the performance of management and ensure that Keppel has the necessary resources to meet its strategic objectives;
- set Keppel's values, standards (including ethical standards), appropriate tone from the top and desired organisational culture, and put in place policies, structures and mechanisms to ensure such values, standards and culture are complied with;
- constructively challenge management and hold them accountable for performance and ensure proper accountability within Keppel;
- oversee processes for evaluating the adequacy and effectiveness of internal controls, risk management, financial reporting and compliance, and satisfy itself as to the adequacy and effectiveness of such processes;

- be responsible for the governance of risk and ensure that management maintains a sound system of risk management and internal controls, to effectively monitor and manage risks so as to safeguard the interests of Keppel and its stakeholders, and achieve an appropriate balance between risks and company performance; and
- assume responsibility for corporate governance and ensure transparency and accountability to key stakeholder groups.

The Company has also adopted internal guidelines setting forth matters that require Board approval. Material items that require Board approval include strategic directions, annual budget, financial results and dividend declaration. Further, all transactions exceeding \$150 million require the approval of the Board. For transactions between \$30 million and \$150 million, the Investments & Major Projects Action Committee will determine if Board approval is required, depending on the individual considerations for each case.

**Independent Judgment:** The Company's directors are required to exercise independent judgment in the best interests of the Company. Based on the result of the peer assessment carried out by the directors for FY 2023, all directors have discharged this duty well.

**Conflicts of Interest:** Each director must promptly disclose conflicts of interest, whether direct or indirect, in relation to any transaction or proposed transaction. In this connection, the Company has in place a Directors' Conflict of Interest Policy to guide directors in identifying, disclosing and managing situations of actual or potential conflicts, as well as situations which may be perceived to be conflicts of interest. Every director is required to

promptly disclose any conflict of interest, whether direct or indirect, in relation to a transaction or proposed transaction with the Company as soon as is practicable after the relevant facts have come to his/her knowledge, and recuse himself/herself when the conflict-related matter is discussed unless the Board is of the opinion that his/her presence and participation is necessary to enhance the efficacy of such discussion, and abstain from voting in relation to conflict-related matters. On an annual basis, each director is also required to submit details of his/her associates for the purpose of monitoring interested persons transactions.

**Board Strategic Review:** The Board periodically reviews and approves Keppel's strategic plans. An off-site Board strategy meeting is organised annually for in-depth discussions on Keppel's strategy. The offsite Board strategy meeting, which includes directors as well as senior management, includes a review of the progress made, deep-dive discussions on key strategic issues, and alignment on the strategic direction going forward. It provides a good platform for the non-executive directors to have a deep understanding of Keppel and its segments and get to know the current and future leadership teams.

For FY 2023, the focus of the strategy meeting was centred on Keppel's transformation into a global asset manager and operator. The meeting included in-depth discussions and review of the strategy, priorities and growth for each of our three segments, along our new operating model which integrates our Fund Management, Investment and Operating activities horizontally. The meeting also included organisation-wide items such as people & talent strategy, digitalisation, and sustainability.

**Meetings:** The Board meets six times a year and as warranted by particular circumstances. Board meetings are scheduled, and the schedule is circulated to the directors prior to the start of the financial year, to allow directors to plan ahead to attend such meetings so as to maximise participation. Telephonic attendance and conference via audio-visual communication at board meetings are allowed under the Company's constitution ("**Constitution**"). The attendance of each Board member at the annual general meeting ("**AGM**"), extraordinary general meeting ("**EGM**"), and the board and board committee meetings held in FY 2023, are disclosed in the table below:

## ATTENDANCE

|                             | 2023<br>Annual<br>General<br>Meeting | 2023<br>Extraordinary<br>General<br>Meeting | Board<br>Meetings | Board Committee Meetings |            |              |                              |            |
|-----------------------------|--------------------------------------|---|-------------------|--------------------------|------------|--------------|------------------------------|------------|
|                             |                                      |   |                   | Audit                    | Nominating | Remuneration | Sustainability<br>and Safety | Risk       |
| Danny Teoh                  | 1                                    | 1   | 8                 | –                        | 4          | 4            | 4                            | –          |
| Loh Chin Hua                | 1                                    | 1   | 8                 | –                        | –          | –            | 4                            | –          |
| Till Vestring               | 1                                    | 1   | 8                 | –                        | 4          | 4            | –                            | –          |
| Veronica Eng                | 1                                    | 1   | 8                 | 6                        | –          | –            | –                            | 4          |
| Jean-François Manzoni       | 1                                    | 1   | 8                 | –                        | 4          | 4            | –                            | –          |
| Teo Siong Seng              | 0                                    | 1   | 7                 | –                        | –          | –            | 4                            | –          |
| Tham Sai Choy               | 1                                    | 1   | 8                 | 6                        | –          | –            | –                            | 4          |
| Penny Goh                   | 1                                    | 1   | 8                 | 6                        | –          | 4            | –                            | 4          |
| Shirish Apte                | 1                                    | 1   | 8                 | 6                        | –          | –            | –                            | 4          |
| Olivier Blum                | 1                                    | 1   | 7                 | –                        | –          | –            | 3                            | –          |
| Jimmy Ng                    | 1                                    | 0   | 8                 | –                        | –          | –            | –                            | 4          |
| Ang Wan Ching <sup>1</sup>  | 0                                    | 1   | 5 out of 5        | 3 out of 3               |            |              |                              | 2 out of 2 |
| <b>No. of Meetings Held</b> | <b>1</b>                             | <b>1</b>                                    | <b>8</b>          | <b>6</b>                 | <b>4</b>   | <b>4</b>     | <b>4</b>                     | <b>4</b>   |

Note:

<sup>1</sup> Ms Ang Wan Ching was appointed as a non-executive and independent Director and a member of the Audit Committee and the Board Risk Committee with effect from 1 July 2023.

Barring unforeseen circumstances, directors are expected to attend all board and board committee meetings. If a director was unable to attend a board or board committee meeting, he/she would still receive all the papers and materials for discussion at that meeting. He/she would review them and advise the Chairman and/or board committee chairman of his/her views and comments on the matters to be discussed so that they may be conveyed to other members at the meeting.

### Non-executive Directors' ("NED")

**Meetings:** NED meetings, chaired by the Board Chairman, are held at the end of each scheduled quarterly board meeting without the presence of management to discuss matters such as board processes, risk and compliance matters, succession planning and leadership development, and performance management and remuneration matters. Any relevant

feedback is shared and discussed with the CEO.

### Independent Directors' ("ID")

**Meetings:** ID meetings, chaired by the Lead Independent Director, are held on a need-be basis after the NEDs' meetings at the end of each scheduled quarterly board meeting, without the presence of the Board Chairman, non-independent director, and management. In FY 2023, ID meetings were held twice a year in January and July, without the presence of the Board Chairman, non-independent director and CEO. Relevant feedback was shared and discussed with the Board Chairman.

**Company Secretaries:** The Company Secretaries administer, attend and prepare minutes of board proceedings. They assist the Board Chairman to ensure that board procedures (including but not limited to assisting the Board Chairman to ensure timely and good

information flow to the Board and board committees, and between senior management and the NEDs, and facilitating orientation and assisting in the professional development of the directors) are followed and regularly reviewed to ensure effective functioning of the Board, and that the Constitution and relevant rules and regulations, including requirements of the Companies Act, Securities & Futures Act and Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX**") are complied with. They also assist the Board Chairman and the Board to implement and strengthen corporate governance practices and processes with a view to enhancing long-term shareholder value. They are also the primary channel of communication between the Company and the SGX.

The appointment and removal of the Company Secretaries are subject to the approval of the Board.

## Corporate Governance

**Access to Information:** The Board and management fully appreciate that fundamental to good corporate governance is an effective and robust Board whose members engage in open and constructive debate and challenge management on its assumptions and proposals, and that for this to happen, the Board must be kept well informed of Keppel's business and affairs and be knowledgeable about the industries in which Keppel operates. Keppel has therefore adopted initiatives to put in place processes to ensure that the NEDs are well supported by accurate, complete and timely information, have unrestricted access to management and the Company Secretaries, and have sufficient time and resources to discharge their oversight function effectively. Subject to the approval of the Chairman, the directors, whether as a group or individually, may seek and obtain independent professional advice to assist them in their duties, at the expense of the Company.

As a general rule, board papers are required to be distributed to the directors at least seven days before the board meeting so that the directors may better understand the matters prior to the board meeting and discussion may be focused on questions that the directors may have. Directors are provided with tablet devices to facilitate their access to and review of board materials. However, sensitive matters may be tabled at the meeting itself and discussed. Managers who can provide additional insights into the matters at hand would be present at the relevant time during the board meeting.

The Board is briefed on prospective deals and potential developments at an early stage before formal board approval is sought, and relevant information on business initiatives, industry developments and analyst and press commentaries on matters in relation to Keppel or the industries in which it operates are circulated to the directors from time to time. Management is also expected to provide the Board with accurate information in a timely manner concerning Keppel's progress or shortcomings in meeting its strategic business objectives or financial targets and other information

relevant to the strategic issues facing Keppel. In this aspect, the Board is regularly updated on new projects and the progress of Keppel's pivot to becoming a global asset manager and operator.

The Board also reviews the budget on an annual basis, and any material variance between the projections and actual results would be disclosed and explained. Management also provides the Board members with management accounts on a monthly basis and as the Board may require from time to time, to keep the Board informed, on a balanced and understandable basis, of Keppel's performance, financial position and prospects.

**Orientation:** A formal letter is sent to newly-appointed directors upon their appointment explaining their roles, duties, obligations and responsibilities as a board director. All newly-appointed directors receive a director tool-kit and undergo a comprehensive orientation programme which includes site visits and management presentations on Keppel's business, strategic plans and objectives.

**Training:** Directors are provided with continuing education in areas such as directors' duties and responsibilities, corporate governance, risk management, changes in financial reporting standards, changes in the Companies Act, continuing listing obligations and industry-related matters, so as to update and refresh them on matters that may affect or enhance their performance as board or board committee members. Site visits are also conducted periodically for directors to familiarise them with the operations of the various segments so as to enhance their performance as board or board committee members. All induction, training and development costs are at the Company's expense.

In FY 2023, some directors attended talks on topics relating to sustainability, digitalisation and AI, decarbonisation, Energy-as-a-Service, health, safety & environment, technology foresight, China's business environment, risk management, corporate governance and macroeconomic trends. E-training

was also conducted on Keppel's Code of Conduct and its policies on anti-bribery, gifts & hospitality, conflict of interest, health, safety & environment, solicitations and extortions, donations and sponsorships, whistle-blowing, insider trading, cyber security and anti-money laundering and countering the financing of terrorism. All directors have also attended sustainability training courses mandated by Singapore Exchange Regulation ("**SGX RegCo**").

Each director is also invited to participate in the annual Keppel Technology Advisory Panel conference, which brings together thought leaders across academia, startups and industries to share their perspectives on emerging technology and megatrends with our senior management, board members and guests from our valued partners.

In the one-day event held in FY 2023, over 15 distinguished speakers engaged the audience across two content streams: "The Year of AI" and "Demographics & Assets in a New Era". This entailed engaging demonstrations, showcasing where Keppel's business is innovating in the AI space and sharing their views on the impact of Generative Artificial Intelligence ("**GenAI**") on industries relevant to Keppel, and emerging trends and the interplay between tech and society, as a means of understanding our future customers and their environment. This time, the event also included an exhibition zone where external ecosystem technology partners came together to showcase curated solutions around Machine Learning, Robotics and GenAI.

After the main conference, there was also a subsequent closed door event for the Board of Directors and management to further discuss Keppel's approach to innovation and review the progress made across each segment.

**Oversight of subsidiaries:** Key issues and discussions relating to the business and other operational related matters of the Company's subsidiaries are reported by each of Keppel's Real Estate, Infrastructure, and Data Centre & Networks Segment



Committees, to the Board. The Chief Investment Officers of Keppel's Fund Management and Investment platforms and Chief Executive Officer of each of Keppel's Infrastructure, Real Estate and Data Centre & Networks divisions lead the update to the Board at such meetings. This allows for efficient and coordinated decision making while enabling the Board to maintain appropriate oversight through the adoption of a risk-based approach for escalation of material or significant matters, and leveraging the existing risk management framework for high risk matters to be reported at the Company's board committees' meetings, and where applicable, Board meetings. The Board receives summaries of these discussions prior to each Board meeting. Minutes of the discussions are also shared promptly with the Board.

## BOARD COMPOSITION AND SUCCESSION PLANNING

### Principle 2:

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

### Principle 4:

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

### Nominating Committee

The Nominating Committee ("NC") comprises entirely NEDs, the majority of whom (including the chairman of the NC) are independent, namely:

- Prof Jean-François Manzoni  
Independent Chairman
- Mr Danny Teoh  
Non-Executive and  
Non-Independent Member
- Mr Till Vestring  
Independent Member
- Mr Tham Sai Choy  
(from 1 January 2024)  
Independent Member
- Mr Shirish Apte  
(from 1 January 2024)  
Independent Member

The NC is responsible for making recommendations to the Board on board appointments, overseeing the Board and senior management's succession and leadership development plans and conducting annual review of board diversity, board size, board independence, and directors' commitments.

The detailed terms of reference of the NC are disclosed on page 104 herein.

### Board Succession Planning

The Board believes that orderly succession and renewal are achieved

as a result of careful planning, where the appropriate composition of the Board is continually under review. In this regard, the Board has put in place a formal process for the renewal of the Board and the selection of new directors so that the experience of longer serving directors can be drawn upon while tapping into the new external perspectives and insights which more recent appointees bring to the Board's deliberation. The NC leads the process and makes recommendation to the Board on the appointment of new directors and re-nomination of directors.

| Process for appointment of new directors  | Process for re-nomination of retiring Directors  |
|---|--|
| <p>a. NC reviews annually the balance and mix of skills, knowledge, experience, diversity of profiles (including gender and age) and Board size which would facilitate decision-making. In this review, the NC would also take into account the needs of Keppel, the collective skills and competencies of the Board and service tenure spread of the directors.</p>  | <p>a. Pursuant to the Constitution, one-third of the directors shall retire from office at the Company's annual general meeting every year, and a director appointed after the last annual general meeting shall only hold office until the next annual general meeting. If eligible, these directors may submit themselves for re-election.</p> |
| <p>b. In the light of such review and in consultation with management, the NC assesses if there is any inadequate representation in respect of any of those attributes and if so, determines the role and the desirable competencies for a particular appointment.</p>  | <p>b. NC reviews each director's eligibility, contribution and performance (such as attendance, preparedness, participation and candour), with reference to the results of the assessment of the performance of the individual director by his/her peers and his/her tenure.</p>   |
| <p>c. The NC will in all cases take into consideration the following objective criteria identified as necessary for the Board and board committees to be effective:</p> <ul style="list-style-type: none"> <li>i. Integrity</li> <li>ii. Independent mindedness</li> <li>iii. Able to commit time and effort to carry out duties and responsibilities effectively</li> <li>iv. Track record of making good decisions</li> <li>v. Experience in high-performing companies</li> <li>vi. Financial literacy</li> </ul> | <p>c. NC makes recommendations to the Board for approval.</p>  |
| <p>d. External help (for example, Singapore Institute of Directors and search consultants) may be used to source for potential candidates if need be. Directors and management may also make recommendations.</p>   |  |
| <p>e. NC meets with the short-listed candidate(s) to assess suitability and to ensure that the candidate(s) is/are aware of the expectations and the level of commitment required.</p>  |  |
| <p>f. NC makes recommendations to the Board for approval.</p>   |  |

## Corporate Governance

### Annual Review of Board Diversity

Keppel recognises that diversity in relation to composition of the Board provides a range of perspectives, insights and challenge needed to support good decision making for the benefit of Keppel, and is committed to ensuring that the Board comprises directors who, as a group, provide an appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity (such as gender, age, race/ethnicity and nationality) so as to promote the inclusion of different perspectives and ideas, mitigate against groupthink and ensure that Keppel has the opportunity to benefit from all available talent. The final decision on the appointment of directors would be based on the objective criteria set by the Board from time to time on the recommendation of the NC after having regards to the benefits of diversity and the needs of the Board.

The Company has in place a Board Diversity Policy that sets out the framework and approach for the Board to set its qualitative and measurable quantitative objectives for achieving diversity, and to annually assess the progress in achieving these objectives. The annual assessment is led by the NC as part of the process for appointment of new directors and Board succession planning. To help the NC identify gaps (if any) in skills, knowledge, experience and other

### Achievement of Qualitative and measurable Quantitative Objectives Identified Under the Board Diversity Policy for the period FY 2023 to FY 2025, and Adoption of New Rolling 3-year Board Diversity Objective for the Period FY 2024 to FY 2026

The objectives identified by the NC in January 2023 for the period FY 2023 to FY 2025 were reviewed in January 2024. The progress towards achieving such objectives as at the end of FY 2023 are set out below:

| Objectives  | Progress   |
|---|--|
| Source for candidates with deep knowledge and experience in investment, infrastructure/ engineering and relevant regional expertise, while being mindful of age and gender diversity. | Ms Ang, who was appointed as an independent director to the Board with effect from 1 July 2023, has in-depth experience and expertise in global investment, especially in private funds and alternative assets. Her appointment supports the acceleration of Keppel's transformation to be a leading global alternative real asset manager with deep operating capabilities. |

aspects of diversity in the board composition in any given year of assessment, each member of the Board is required to complete a Board and Skills Diversity Matrix to indicate which of the list of skills, talents, knowledge, experience and other aspects of diversity (identified by the NC, and set out in the Board and Skills Diversity Matrix, as being able to contribute to Keppel's strategy and business) the Board member possesses. The returns from the Board members are then consolidated into a single Board and Skills Diversity Matrix to highlight the Board's current mix of skills, knowledge, experience and other aspects of diversity and gaps therein if any.

The Board will, taking into consideration the recommendations of the NC, review and agree annually the qualitative and measurable quantitative objectives for achieving diversity on the Board.

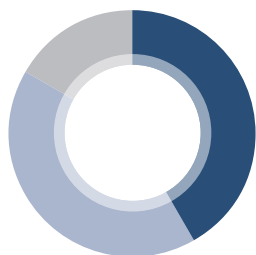
In January 2024, in view of the progress that had been made in respect of the diversity objectives previously identified, a further review of the skills, knowledge, talents, experience and other aspects of diversity that had been identified to help accelerate Keppel's transformation to become a global asset manager and operator, and for succession planning purposes, was undertaken. It was noted by the NC that the focus of the Board diversity objectives for the next rolling 3-year period from FY 2024 to FY 2026 could be appropriately consolidated as shown in the diagram below.

#### Objective

To consider and align the optimum size and skill matrix of the Board in light of Keppel's new business direction as a global asset manager and operator, with a focus on candidates with specialisations in asset management and infrastructure know-how, while being mindful of the various pertinent diversity factors such as gender, age, race/ethnicity and nationality.

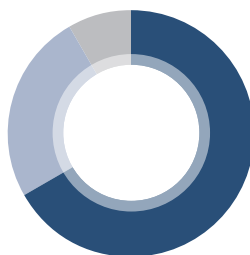
## Other Aspects of Diversity

### TENURE (%)



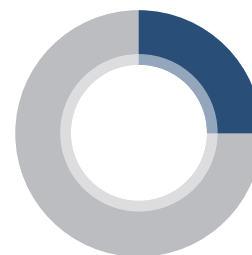
|                 |              |
|-----------------|--------------|
| ● 0-4 years     | 41.7         |
| ● 5-9 years     | 41.7         |
| ● Above 9 years | 16.6         |
| <b>Total</b>    | <b>100.0</b> |

### RACE OR ETHNICITY (%)



|              |              |
|--------------|--------------|
| ● Chinese    | 66.7         |
| ● Caucasian  | 25.0         |
| ● Indian     | 8.3          |
| <b>Total</b> | <b>100.0</b> |

### GENDER (%)



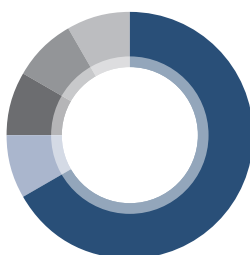
|              |              |
|--------------|--------------|
| ● Female     | 25.0         |
| ● Male       | 75.0         |
| <b>Total</b> | <b>100.0</b> |

### AGE (%)



|              |              |
|--------------|--------------|
| ● 51-55      | 8.3          |
| ● 56-60      | 25.0         |
| ● 61-65      | 25.0         |
| ● 66-70      | 33.4         |
| ● 71-75      | 8.3          |
| <b>Total</b> | <b>100.0</b> |

### COUNTRY OF ORIGIN, NATIONALITY OR CULTURAL BACKGROUND (%)



|               |              |
|---------------|--------------|
| ● Singaporean | 66.8         |
| ● German      | 8.3          |
| ● Canadian    | 8.3          |
| ● British     | 8.3          |
| ● French      | 8.3          |
| <b>Total</b>  | <b>100.0</b> |

### Skills, Knowledge, Talents and Experience

- Finance/Accounting
- Risk Management
- Sustainability
- Digital/Technology
- Mergers & Acquisitions
- Corporate Finance/Banking and Finance Management
- Human Resource
- Legal
- Strategic Planning Experience
- Customer-based experience or knowledge
- Industry Knowledge – Infrastructure
- Industry Knowledge – Real Estate
- Industry Knowledge – Connectivity
- Industry Knowledge – Asset Management
- International Perspective
- Regional Experience
- Renewable Energy
- Policy/Economics
- Business/Entrepreneurship
- Corporate Governance



## Corporate Governance

### Retirements and Re-nomination

For the upcoming AGM, Mr Till Vestring, Ms Veronica Eng, Prof Jean-François Manzoni and Mrs Penny Goh will be retiring by rotation pursuant to the Constitution. Mrs Penny Goh, being eligible, will be seeking re-election. Mr Vestring, Ms Eng, and Prof Manzoni, although eligible, will not be seeking re-election.

Ms Ang Wan Ching, having been appointed after the AGM held in FY 2023, will also be retiring at the upcoming AGM, and being eligible, will be seeking re-election.

The NC has reviewed the abovementioned directors' eligibility, contribution and performance, and taking into account the results of the recent peer assessment, are of the view that the directors have given sufficient time and attention to the affairs of Keppel and have been able to discharge their duties as directors effectively. The Board, at the recommendation of the NC, approved the re-nomination of Mrs Penny Goh and Ms Ang Wan Ching at the upcoming AGM.

### Succession Planning for Key Management Personnel

The NC reviews bi-annually, succession plans for key management personnel, taking into account Keppel's long-term strategy and objectives, the orderly succession of key management personnel, and contingency planning for preparedness against sudden and unforeseen changes.

A Board Mentorship framework was introduced in 2021 to support the development of a new generation of leaders, and was in place for FY 2023. The objective was for Board members to act as a sounding board and provide seasoned counsel and feedback to enable the new leadership to perform their roles more effectively. A senior leadership development programme was also put in place as part of Keppel's continuing efforts to widen its bench strength by developing senior leaders both individually and collectively as a group.

### Annual Review of Board Independence

The NC determines on an annual basis whether or not a director is independent. In January 2024, the NC carried out the review on the independence of each director based on the respective directors' self-declaration in the Directors' Independence Checklist and their actual performance on the Board and board committees, taking into account the listing rules on the circumstances in which a director will not be deemed independent and guidance in the 2018 CG Code as to the circumstances in which a director should not be deemed independent.

In this connection, the NC noted that Mr Danny Teoh had served more than nine years on the Board and, consistent with the approach taken since the re-designation of Mr Teoh as non-executive and non-independent Chairman with effect from 1 January 2022, deemed Mr Teoh as non-independent.

The NC noted Mr Till Vestring had declared himself independent by virtue of the absence of ties, relationships or obligations to Keppel. Taking these factors into consideration, along with his invaluable contributions to the Board and board committees, the NC unanimously agreed that Mr Vestring had at all times exercised independent judgment in the best interests of Keppel in the discharge of his director's duties and should therefore continue to be deemed an independent director.

The NC noted that Ms Veronica Eng had declared herself independent and declared her position as member of the Investment Committee of Temasek Trust, which was established by Temasek to provide financial oversight and governance of philanthropic endowments and gifts from Temasek and other donors. Noting that Ms Eng did not hold any executive or management role in Temasek Trust, along with Ms Eng's invaluable contributions to the Board and board committees, the NC unanimously agreed that

Ms Eng had at all times exercised independent judgment in the best interests of Keppel in the discharge of her director's duties and should therefore continue to be deemed an independent director.

The NC noted that Prof Jean-François Manzoni had declared himself independent. Noting Prof Jean-François Manzoni's absence of relationship to Keppel which could interfere or be perceived to interfere with his independent judgment, the absence of circumstances which would deem him to be non-independent, and his invaluable contributions to the Board and board committees, the NC unanimously agreed that Prof Jean-François Manzoni had at all times exercised independent judgment in the best interests of Keppel in the discharge of his director's duties and should therefore continue to be deemed an independent director.

The NC noted that Mr Teo Siong Seng had declared his position as Executive Chairman of Pacific International Lines Pte Ltd which is majority owned by Heliconia Capital Management Pte. Ltd., a wholly-owned subsidiary of Temasek. Although all the NC members were confident that Mr Teo would be able to continue to exercise independent judgment in the best interests of Keppel, the NC considered that market perception might be different and hence decided to deem Mr Teo as a non-executive and non-independent director.

The NC noted that Mr Tham Sai Choy had declared his directorship on DBS Group Holdings, DBS Bank Ltd., and DBS Bank (China) Limited, which provide banking services to Keppel. The NC considered that such interests had already been declared to the Board, and that Mr Tham would abstain from voting whenever there was potential conflict of interest. The NC further considered that, as DBS was a leading bank in Singapore and Southeast Asia, it was not unexpected that its services would be sought by

Keppel from time to time. Taking these factors into consideration, along with Mr Tham's invaluable contributions to the Board and board committees, the NC unanimously agreed that Mr Tham had at all times exercised independent judgment in the best interests of Keppel in the discharge of his director's duties and should therefore continue to be deemed an independent director.

The NC noted that Mrs Penny Goh is a Senior Advisor of Allen & Gledhill LLP ("A&G") which provides legal services to Keppel. Mrs Goh had declared that she did not hold a partnership interest in A&G and was not involved in the selection and appointment of legal advisors of Keppel and did not regard the business relationship with A&G as something that could affect her independent judgment. The NC further considered that, as A&G was one of the top law firms in Singapore, it was not unexpected that its services would be sought by Keppel from time to time. Taking these factors into consideration, along with her invaluable contributions to the Board and board committees, the NC unanimously agreed that Mrs Goh had at all times exercised independent judgment in the best interests of Keppel in the discharge of her director's duties and should therefore continue to be deemed an independent director.

The NC noted that Mr Shirish Apte had declared himself independent. Noting Mr Shirish Apte's absence of relationship to Keppel which could interfere or be perceived to interfere with his independent judgment, the absence of circumstances which would deem him to be non-independent, and his invaluable contributions to the Board and board committees, the NC unanimously agreed that Mr Shirish Apte had at all times exercised independent judgment in the best interests of Keppel in the discharge of his director's duties and should therefore continue to be deemed an independent director.

The NC noted that Mr Jimmy Ng is the Group Head of Operations at DBS

Bank which provides banking services to Keppel. The NC considered that such interests had already been declared to the Board, and that Mr Ng would abstain from voting whenever there was potential conflict of interest. The NC further considered that, as DBS was a leading bank in Singapore and Southeast Asia, it was not unexpected that its services would be sought by Keppel from time to time. Taking these factors into consideration, along with Mr Ng's invaluable contributions to the Board and board committees, the NC unanimously agreed that Mr Ng had at all times exercised independent judgment in the best interests of Keppel in the discharge of his director's duties and should therefore continue to be deemed an independent director.

The NC noted that Mr Olivier Blum declared himself independent and that he was an executive Vice President of Schneider Electric's Energy Management business. Noting Mr Blum's declaration that Schneider Electric is a minor supplier of Keppel, and Mr Blum's invaluable contributions to the Board and board committees, the NC unanimously agreed that Mr Blum had at all times exercised independent judgment in the best interests of Keppel in the discharge of his director's duties and should therefore continue to be deemed an independent director.

The NC noted that Ms Ang Wan Ching had declared herself independent. Noting Ms Ang's absence of relationship to Keppel which could interfere or be perceived to interfere with her independent judgment, the absence of circumstances which would deem her to be non-independent, and her invaluable contributions to the Board and board committees, the NC unanimously agreed that Ms Ang had at all times exercised independent judgment in the best interests of Keppel in the discharge of her director's duties and should therefore continue to be deemed an independent director.

Following the review, the NC was of the view that Mr Till Vestring, Ms Veronica Eng, Prof Jean-François Manzoni, Mr Tham Sai Choy, Mrs Penny Goh, Mr Shirish Apte, Mr Olivier Blum, Mr Jimmy Ng and Ms Ang Wan Ching should be deemed independent, while Mr Danny Teoh and Mr Teo Siong Seng should be deemed non-executive and non-independent directors. The Board has reviewed the basis of the NC's recommendations and concurred with the assessment of independence in respect of the abovementioned directors. In view of the above, the Board currently comprises a majority of independent directors, with a total of 12 directors of whom nine are independent. Taking into account the independence and diversity of the Board, the NC was of the view that 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 Keppel. However, the NC also noted the need for appointment of additional directors with relevant expertise and experience that would complement those already on the Board, which would help drive Keppel's asset management strategy and infrastructure know-how, and would contribute to the Board's ongoing renewal.

#### **Annual Review of Board Size**

The Board, in concurrence with the NC, was of the view that a Board size of 12 directors would be appropriate to facilitate effective decision making, taking into account the nature and scope of the operations of Keppel, the requirements of Keppel's business and the need to avoid undue disruptions from changes to the composition of the Board and board committees. The NC will continue to consider and review the optimum Board size and skill matrix given Keppel's new business direction, bearing in mind pertinent diversity factors and succession planning considerations. No individual or small group of individuals dominate the Board's decision making.

## Corporate Governance

### Annual Review of Directors' Commitments

The NC assesses annually whether a director with other listed company board representations and/or other principal commitments is able to and has been adequately carrying out his/her duties as a director of the Company. Instead of fixing a maximum number of listed company board representations and/or other principal commitments that a director may have, the NC assesses holistically whether a director is able to and has been adequately carrying out his/her duties as a director of the Company, taking into account the results of the assessment of the effectiveness of the individual director, the level of commitment required of the director's listed company board representations and/or other principal commitments, and the director's actual conduct and participation on the Board and board committees, including availability and attendance at regular scheduled meetings and ad hoc meetings. The NC is of the view that such an assessment is sufficiently robust to detect and address, on a timely basis, any time commitment issues that may hinder the effectiveness of the directors.

The NC conducted an assessment in January 2024 and was of the view that each director has given sufficient time and attention to the affairs of Keppel and has been able to discharge his/her duties as director effectively. The NC noted that based on the attendance of board and board committee meetings during the year, the directors were able to participate in at least a substantial number of such meetings to carry out their duties. The NC also noted that, based on the recent individual director assessment for FY 2023, all the directors performed well. The NC was therefore satisfied that in FY 2023, where a director had other listed company board representations and/or other principal commitments, the director was able and had been adequately carrying out his/her duties as director of the Company.

### Nominee Director Policy

At the recommendation of the NC, the Board approved the adoption of the Company's Nominee Director Policy in January 2009. For the purposes of the policy, a "**Nominee Director**" is a person who, at the request of the Company, acts as director (whether executive or non-executive) on the board of another company or entity ("**Investee Company**") to oversee and monitor the activities of the relevant Investee Company so as to safeguard the Company's investment in the company. The purpose of the policy is to highlight certain obligations of a person while acting in his/her capacity as a Nominee Director. The policy also sets out the internal process for the appointment and resignation of a Nominee Director. The policy would be reviewed and amended as required to take into account current best practices and changes in the law and stock exchange requirements.

### Alternate Director

The Company has no alternate directors on the Board.

### Key Information Regarding Directors

The following key information regarding directors is set out in the following pages of this Annual Report:

Pages 30 to 33: Academic and professional qualifications, board committees served on (as a member or chairman), date of first appointment as director, date of last re-election as director, directorships or chairmanships both present and past held over the preceding five years in other listed companies and other major appointments, whether appointment is executive or non-executive, whether considered by the NC to be independent, and details of their membership on board committees; and

Pages 124 to 125: Shareholding in the Company and its subsidiaries.

### BOARD PERFORMANCE

#### Principle 5:

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

The Board has implemented formal processes for assessing the effectiveness of the Board as a whole, each of its board committees, and the contribution by the Chairman and peer assessment of the individual directors to the effectiveness of the Board. The evaluation for FY 2023 was conducted by the NC Chairman. The evaluation process is set out on page 106 of this Annual Report.

### Formal Process and Performance

**Criteria:** The evaluation processes and performance criteria are disclosed in Appendix 1. The performance criteria was similar to that adopted in previous years.

**Objectives and Benefits:** The board assessment exercise provides an opportunity to obtain constructive feedback from each director on whether the Board's procedures and processes allow him/her to discharge his/her duties effectively and the changes which should be made to enhance the effectiveness of the Board and/or board committees. The assessment exercise also helps directors to focus on their key responsibilities and allows for peer review with a view to raising the quality of Board members. It also assists the NC in determining whether to re-nominate directors who are due for retirement at the next AGM, and in determining whether directors with multiple board representations were nevertheless able to and have adequately discharged their duties as directors of the Company.

### REMUNERATION REPORT

#### Principle 6:

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

#### Principle 7:

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

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**Principle 8:**

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

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**REMUNERATION COMMITTEE**

The Remuneration Committee (“RC”) comprises entirely non-executive directors, the majority of whom (including the chairman of the RC) are independent, namely:

- Mr Till Vestring  
Independent Chairman
- Mr Danny Teoh  
Non-Independent Member
- Prof Jean-François Manzoni  
Independent Member
- Mrs Penny Goh  
Independent Member
- Mr Shirish Apte  
(from 1 January 2024)  
Independent Member

The RC is responsible for ensuring a formal and transparent procedure for developing policies on director and executive remuneration and for determining the remuneration packages of individual directors and senior management. The RC assists the Board to ensure that remuneration policies and practices are sound in that they are able to attract, retain and motivate without being excessive, thereby maximising shareholder value. The RC recommends to the Board, for endorsement, a framework of remuneration (which covers all aspects of remuneration including directors’ fees, salaries, allowances, bonuses, share-based incentives and awards, benefits-in-kind and termination payments) and the specific remuneration packages for each director and the key management personnel. The RC also reviews the remuneration of senior management and administers the Keppel Restricted Share Plan and Keppel Performance Share Plan (the “**Keppel RSP**” and “**Keppel PSP**”). The Keppel RSP 2020 and the Keppel PSP 2020 (collectively, the “**New Share Plans**”) were approved by shareholders at the AGM held on 2 June 2020. In addition, the RC reviews

Keppel’s obligations arising in the event of termination of the executive directors’ and key management personnel’s contract of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

The detailed terms of reference of the RC are disclosed on pages 104 to 105 herein.

**Access to Expert Advice:** The RC has access to expert advice from external remuneration consultants where required. In FY 2023, the RC sought views from external remuneration consultant, Willis Towers Watson, on market practice and trends, and benchmarks against comparable organisations. The RC undertook a review of the independence and objectivity of the external remuneration consultants through discussions with the external remuneration consultants and has confirmed that the external remuneration consultants had no relationships with the Company which would affect their independence and objectivity.

**Policy in Respect of Non-executive Directors’ Remuneration**

Each NED’s remuneration comprises a basic fee and an additional fee for services performed on board committees. The chairman of each board committee is also paid a higher fee compared with the members of the respective committees in view of the greater responsibility carried by that office. The directors’ fee structure is regularly benchmarked with

comparable listed companies to ensure that their remuneration is fair and appropriate.

The NEDs participated in additional ad-hoc meetings with management during the year and are not paid for attending such meetings. Executive directors are not paid directors’ fees.

The RC, in consultation with Willis Towers Watson, conducted a review of the NED fee structure in 2023/2024. The review took into account a variety of factors, including prevailing market practices and referencing the fees against comparable benchmarks locally and globally, as well as the roles and responsibilities of the Board and board committees. The revised directors’ fee structure will take effect from FY 2024 onwards and is set out in the table below.

Shareholders’ approval for the payment of directors’ fees will be sought at each AGM. If approved, each NED (including the Chairman) will receive 70% of his/her total directors’ fees in cash (“**Cash Component**”) and 30% in the form of shares in the Company (“**Remuneration Shares**”) (both amounts subject to adjustment as described below, and such shares, “Remuneration Shares”). The Cash Component is paid half-yearly in arrears. The Remuneration Shares are paid after the next AGM has been held. The actual number of Remuneration Shares, to be purchased from the market on the first trading day immediately after the date of the next AGM provided

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**DIRECTORS’ FEE STRUCTURE**

|                           | <b>Basic Fee (per annum)</b> |  |
|---------------------------|------------------------------|--|
| Board Chairman            | \$750,000 (all-in)           |  |
| Board Member              | \$120,000                    |  |
| Lead Independent Director | \$24,000                     |  |

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|   | <b>Additional Fees for Membership in Board Committees (per annum)</b> |               |
|---|---|---------------|
|   | <b>Chairman</b>   | <b>Member</b> |
| Audit Committee                           | \$67,000  | \$43,000      |
| Board Risk Committee                      | \$67,000  | \$38,000      |
| Remuneration Committee                    | \$47,000  | \$31,000      |
| Board Sustainability and Safety Committee | \$47,000  | \$31,000      |
| Nominating Committee                      | \$40,000  | \$28,000      |

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## Corporate Governance

that it does not fall within any applicable restricted period of trading (“**Trading Day**”), for delivery to the respective NEDs will be based on the market price of the shares of the Company on the SGX on the Trading Day. In the event that the first trading day after the date of the next AGM falls within a restricted period of trading, the Remuneration Shares will be purchased on the first trading day immediately after the end of the restricted period of trading. The actual number of Remuneration Shares will be rounded down to the nearest thousand and any residual balance will be paid in cash. Such incorporation of an equity component in the total remuneration of the NEDs is intended to align the interests of the NEDs with those of the shareholders’ and the long-term interests of the Company. A NED who steps down before the payment of the Remuneration Shares will receive all of his directors’ fees for that year (calculated on a pro-rated basis, where applicable) in cash.

The aggregate directors’ fees for NEDs for FY 2024 are subject to shareholders’ approval at the forthcoming AGM. The amount of directors’ fees has been computed taking into consideration the number of board committee representations by the NEDs and also caters for additional fees (if any) which may be payable due to the formation of additional board Committees, or additional Board or board Committee members being appointed in the course of FY 2024. In the event that the amount proposed is insufficient, approval will be sought at the next AGM before payments are made to the NEDs for the shortfall amount. The Chairman and the NEDs will abstain from voting and will procure their respective associates to abstain from voting in respect of this resolution.

The RC is of the view that the remuneration of NEDs is appropriate to their level of contribution, taking into account factors such as effort,

time spent and responsibilities, and to attract, retain and motivate the directors to provide good stewardship of the Company.

### Remuneration Policy in Respect of Executive Director and Other Key Management Personnel

The Company advocates a performance-based remuneration system that is highly flexible and responsive to the external environment and performance of Keppel and individual employees, and is aligned with shareholders’ and other stakeholders’ interests.

The RC periodically reviews the Company’s scorecard and remuneration structure to ensure that it supports Keppel’s vision and long-term strategy. In designing the remuneration structure, the RC seeks to ensure that the level and mix of remuneration is competitive, relevant and appropriate in finding a balance between current versus long-term remuneration, and between cash versus equity incentive remuneration, and appropriate to attract, retain and motivate key management personnel to successfully manage Keppel for the longer term.



The total remuneration structure reflects the following four key objectives:

- a. **Shareholder Alignment:** To incorporate performance measures that are aligned to shareholders’ interests;
- b. **Long-term Orientation:** To motivate employees to drive sustainable long-term growth;
- c. **Simplicity:** To ensure that the remuneration structure is easy to understand and communicated to stakeholders; and
- d. **Synergy:** To facilitate talent mobility and enhance collaboration across Keppel.

The total remuneration structure comprises three components; that is, annual fixed cash, annual performance bonus and the New Share Plans. The annual fixed cash component comprises the annual basic salary plus any other fixed allowances. The size of the Company’s annual performance bonus pot is determined by Keppel’s financial and non-financial performance and is distributed to employees based



on their individual performance. For FY 2023, contingent shares were awarded under the New Share Plans. The Keppel RSP and Keppel PSP are long-term incentive plans which vest over a longer-term horizon. A portion of the annual performance bonus is granted in the form of deferred shares that are awarded under the Keppel RSP. The Keppel PSP comprises performance targets determined on an annual basis. Executives who have a greater ability to influence particular outcomes have a greater proportion of their overall remuneration at risk. The Company performs regular benchmarking reviews on employees' total remuneration to ensure market competitiveness.

The RC exercises broad discretion and independent judgment in ensuring that the amount and mix of remuneration is aligned with the interests of shareholders and promotes the long-term success of Keppel. The mix of fixed and variable reward is considered appropriate for Keppel and for each individual role.

The remuneration structure is directly linked to corporate and individual performance, both in terms of financial and non-financial performance. This link is achieved in the following ways:

- a. by placing a significant portion of executives' remuneration at risk ("**At Risk component**") and subject to a vesting schedule;
- b. by incorporating appropriate key performance indicators ("**KPIs**") for awarding of annual performance bonus:
  - i. For FY 2023, there are three scorecard areas that the Company has identified as key to measuring the performance of Keppel and aligned with the Vision 2030 goals – (i) Drivers – Vision 2030 Value Creation and Transformation; (ii) Outcomes – Financials; and (iii) Enablers – People and Stakeholders.

Some of the key sub-targets within each of the scorecard areas include key financial indicators, sustainability, safety, risk management, compliance and controls, employee engagement, talent development and succession planning.

- ii. The scorecard areas have been chosen because they support how Keppel achieves its strategic objectives. The framework provides a link for employees to understand how they contribute to each area of the scorecard, and therefore to Keppel's overall strategic goals. This is designed to achieve a consistent approach and understanding across Keppel. The RC reviews and approves the scorecard each year and the annual performance bonus is determined thereafter based on the scorecard achievement. The annual performance bonus comprises both cash bonus and deferred shares awards that vest equally over three years, thereby aligning employees with shareholders' interests.
- c. by selecting performance conditions for the Keppel PSP awards, namely Total Shareholder Returns, Return on Equity, Net Profit and Reduction in Carbon Emissions, that are aligned with shareholders' interests;
- d. by requiring those conditions to be met in order for the At-Risk components of remuneration to be awarded or vested; and
- e. by forfeiting the At-Risk components of remuneration when those conditions are not met at a satisfactory level.

The RC also recognises the need for a reasonable alignment between risk and remuneration to discourage excessive risk taking. Therefore, in determining the remuneration

structure, the RC takes into account the risk policies and risk tolerance of Keppel as well as the time horizon of risks, and incorporates risk-adjustments into the remuneration structure through several initiatives, including but not limited to:

- a. prudent funding of annual performance bonus;
- b. granting a portion of the annual performance bonus in the form of deferred shares, to be awarded under the Keppel RSP;
- c. vesting of contingent share awards under the Keppel PSP being subject to performance conditions being met;
- d. potential forfeiture of variable incentives in any year due to misconduct;
- e. requiring the executive director and key management personnel to hold a minimum number of shares under the share ownership guideline; and
- f. exercising discretion to ensure that remuneration decisions are aligned to Keppel's long-term strategy and performance and discourage excessive risk taking.

The RC is of the view that the overall level of remuneration is not considered to be at a level which is likely to promote behaviours contrary to Keppel's risk profile.

In determining the actual quantum of variable component of remuneration, the RC had taken into account the extent to which the corporate and individual performance conditions, set forth above, have been met. Based on the outcome of the evaluation, the RC recommends the total remuneration for the key management for the Board's approval. The Board and RC are of the view that the remuneration is aligned to performance during FY 2023.



# Corporate Governance

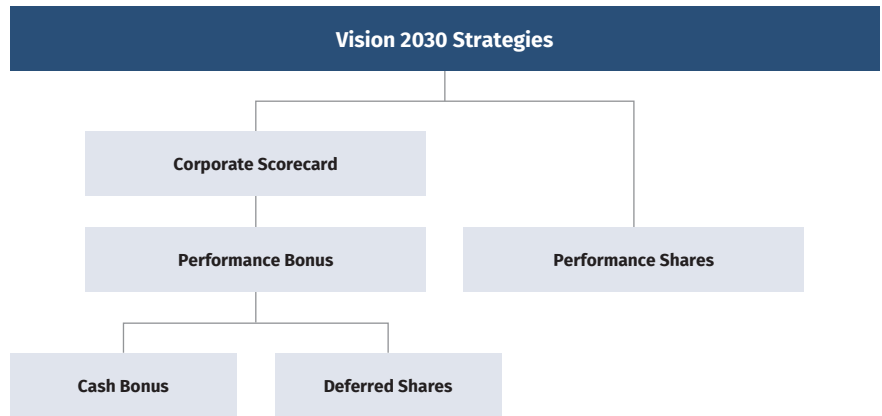
In order to align the interests of the executive director and key management personnel with that of shareholders, the executive director and key management personnel are remunerated partially in the form of shares in the Company and are encouraged to hold such shares while they remain in the employment of Keppel. The executive director and key management personnel are required to hold at least 2 times of their annual fixed pay in the form of shares in the Company, while other key senior management are required to hold at least 1.5 times of their annual fixed pay under the share ownership guideline so as to maintain a beneficial ownership stake in the Company, thus further aligning their interests with shareholders.

The directors, the CEO and key management personnel (who are not directors or the CEO) are remunerated on an earned basis and there are no termination, retirement and post-employment benefits that are granted over and above what has been disclosed.

### Keppel Long-term Incentive Plans Keppel Share Plans

The Keppel Share Plans are put in place to reward, retain and motivate employees to achieve superior performance and to motivate them to continue to strive for long-term shareholder value. The Keppel Share Plans also aim to strengthen Keppel's competitiveness in attracting and retaining talented key senior management and employees. The Keppel RSP applies to a broader base of employees while the Keppel PSP applies to a selected group of key management personnel. The range of performance targets to be set under the Keppel PSP emphasise stretched targets aimed at sustaining longer-term growth.

## REMUNERATION STRUCTURE



Given Keppel's strong focus on providing sustainability-related solutions, various aspects of the remuneration framework have been enhanced for a stronger alignment with this focus. Sustainability related targets relating to Keppel's own carbon footprint as well as commercialisable solutions have been incorporated in various incentive programmes, including the annual scorecard that determines the annual performance bonus pool for all employees, the 3-year Keppel PSP that is awarded to a selected group of key management personnel as well as the one-time 5-year V2030 PSP-TIP that was awarded to selected senior management and key employees who will be contributing significantly towards the attainment of Vision 2030. The weightages of the sustainability targets vary across the

various programmes, weighing up to 25% for the 3-year Keppel PSP awards.

Under the terms of the New Share Plans, shares awarded pursuant to the New Share Plans may be clawed back in the event of among others, misconduct (including a breach of laws), or violation of policies and compliance standards which had or is likely to cause financial loss or reputational harm to Keppel or which may be detrimental to the interests of Keppel. Outstanding performance bonuses and share awards under the New Share Plans are also subject to the RC's discretion before further payment or vesting can occur.

Details of the Keppel Share Plans are set out in pages 125 to 127, and pages 160 to 163.

## TARGETS OF THE 3-YEAR KEPPEL PERFORMANCE SHARE PLAN



## LEVEL AND MIX OF REMUNERATION OF DIRECTORS AND KEY MANAGEMENT PERSONNEL (WHO ARE NOT ALSO DIRECTORS OR THE CEO) FOR THE YEAR ENDED 31 DECEMBER 2023

The level and mix of remuneration of each of the Company's directors are set out below:

| Remuneration &<br>Name of Director | Base/Fixed<br>Salary<br>(\$) | Performance-related<br>Cash Bonuses Earned <sup>1</sup><br>(\$) | Directors' Total Fees <sup>2</sup><br>(\$) |                                  | Benefits-<br>in-kind<br>(\$) | Share<br>Awards <sup>3,4</sup><br>(\$) |           | Total<br>Remuneration<br>(\$) |
|------------------------------------|------------------------------|---|--|----------------------------------|------------------------------|--|-----------|-------------------------------|
|                                    |                              |   | Cash<br>component <sup>5</sup>             | Shares<br>component <sup>5</sup> |                              | PSP                                    | RSP       |                               |
|                                    |                              |   |  |                                  |                              |  |           |                               |
| Loh Chin Hua                       | 1,254,056                    | 2,727,346   | –  | –                                | n.m. <sup>6</sup>            | 2,295,000                              | 2,725,000 | 9,001,402 <sup>7</sup>        |
| Danny Teoh                         | –                            | –   | 525,000                                    | 225,000                          | –                            | –                                      | –         | 750,000                       |
| Till Vestring <sup>8</sup>         | –                            | –   | 143,500                                    | 61,500                           | –                            | –                                      | –         | 205,000                       |
| Veronica Eng <sup>9</sup>          | –                            | –   | 152,600                                    | 65,400                           | –                            | –                                      | –         | 218,000                       |
| Jean-François Manzoni              | –                            | –   | 125,300                                    | 53,700                           | –                            | –                                      | –         | 179,000                       |
| Teo Siong Seng                     | –                            | –   | 108,500                                    | 46,500                           | –                            | –                                      | –         | 155,000                       |
| Tham Sai Choy                      | –                            | –   | 149,100                                    | 63,900                           | –                            | –                                      | –         | 213,000                       |
| Penny Goh <sup>10</sup>            | –                            | –   | 154,000                                    | 66,000                           | –                            | –                                      | –         | 220,000                       |
| Shirish Apte <sup>11</sup>         | –                            | –   | 132,300                                    | 56,700                           | –                            | –                                      | –         | 189,000                       |
| Olivier Blum                       | –                            | –   | 97,300                                     | 41,700                           | –                            | –                                      | –         | 139,000                       |
| Jimmy Ng                           | –                            | –   | 102,200                                    | 43,800                           | –                            | –                                      | –         | 146,000                       |
| Ang Wan Ching <sup>12</sup>        | –                            | –   | 66,694                                     | 28,583                           | –                            | –                                      | –         | 95,277                        |

### Notes:

- <sup>1</sup> The RC is satisfied that the quantum of performance-related cash bonuses earned by the executive director was fair and appropriate taking into account the extent to which his KPIs for FY 2023 were met.
- <sup>2</sup> Based on the NEDs' fee structure set out in the 2022 Annual Report, the total fees amount to \$2,509,277. The directors' total fees are subject to shareholders' approval at the Company's Annual General Meeting.
- <sup>3</sup> Shares awarded under the Keppel PSP are subject to pre-determined performance targets over a three-year performance period. As at 28 April 2023, being the grant date for the contingent awards under the Keppel PSP, the estimated value of each share was \$5.10. For the Keppel PSP, the figures are based on the value of the PSP shares at 100% of the award and the figures may not be indicative of the actual value at vesting which can range from 0% to 150% of the award.
- <sup>4</sup> The award of Keppel RSP deferred shares was granted for Mr Loh Chin Hua's performance and contributions in FY 2023. The Company's 2023 volume-weighted average share price of \$6.01 was used to determine the number of Keppel RSP deferred shares to be awarded to him as well as his FY 2023 total remuneration. As at 15 February 2024, being the grant date for the awards under the Keppel RSP, the estimated value of each share was \$7.04.
- <sup>5</sup> The amounts stated may be adjusted as indicated on pages 85 to 86 of this report.
- <sup>6</sup> n.m. – not material
- <sup>7</sup> Total remuneration shown above for Mr Loh Chin Hua does not include vested share of carried interests for funds created during the time he was Managing Director at Keppel Fund Management Ltd. These carried interests are only earned at the end of the fund life and depends entirely on the actual performance of the funds after they have been liquidated.
- <sup>8</sup> Mr Till Vestring retired as a member of the Board of Keppel Telecommunications & Transportation Ltd with effect from 31 October 2023 and will receive a prorated fee of \$37,500 for his services rendered in the year.
- <sup>9</sup> Ms Veronica Eng retired as a member of the Board of Keppel Capital Holdings Pte Ltd with effect from 31 October 2023 and will receive a prorated fee of \$37,500 for her services rendered in the year.
- <sup>10</sup> Mrs Penny Goh retired as a member of the Board of Keppel Land Limited (n.k.a. Keppel Management Ltd.) with effect from 31 October 2023 and will receive a prorated fee of \$37,500 for her services rendered in the year.
- <sup>11</sup> Mr Shirish Apte retired as a member of the Board of Keppel Infrastructure Holdings Pte Ltd with effect from 31 October 2023 and will receive a prorated fee of \$37,479 for his services rendered in the year.
- <sup>12</sup> Ms Ang Wan Ching was appointed to the Board and as a member of the Audit Committee and Board Risk Committee with effect from 1 July 2023. Fees are prorated accordingly.

## Corporate Governance

Shares granted and vested to the Executive Director pursuant to the Keppel PSP and the Keppel RSP are shown below:

| Name of Executive Director | PSP Awards               | Vesting Date | Awards of PSP Shares          | Number of PSP Shares Vested | Value of PSP Shares Vested (\$) <sup>1</sup> | RSP Awards  | Vesting Date | Awards of RSP Shares | Number of RSP Shares Vested | Value of RSP Shares Vested (\$) <sup>1</sup> |         |         |
|----------------------------|--------------------------|--------------|-------------------------------|-----------------------------|--|-------------|--------------|----------------------|-----------------------------|--|---------|---------|
| Loh Chin Hua               | 2019 Awards <sup>2</sup> | 28 Feb 2023  | 0 to 782,925 <sup>4</sup>     | 343,100                     | 1,863,033                                    | 2021 Awards | 26 Feb 2021  | 298,262 <sup>4</sup> | 86,956                      | 446,954                                      |         |         |
|                            |                          | 31 Mar 2023  |                               | 147,533                     | 870,445                                      |             | 28 Feb 2022  | 301,887              | 86,956                      | 519,997                                      |         |         |
|                            |                          |              |                               |                             |  |             | 28 Feb 2023  |                      | 86,958                      | 472,182                                      |         |         |
|                            | 2020 Awards <sup>2</sup> | 29 Feb 2024  | 0 to 782,925 <sup>4</sup>     | -                           | -  |             | 31 Mar 2023  |                      | 37,392                      | 220,613                                      |         |         |
|                            |                          | 2021 Awards  |                               | 29 Feb 2024                 | 0 to 782,925 <sup>4</sup>                    | -           | -            | 2022 Awards          | 28 Feb 2022                 | 510,775 <sup>4</sup>                         | 132,325 | 791,304 |
|                            | 2022 Awards              | 27 Feb 2026  | 0 to 2,080,650 <sup>3,4</sup> | -                           | -  |             | 28 Feb 2023  |                      | 132,325                     | 718,525                                      |         |         |
|                            |                          |              |                               |                             |  |             |              | 31 Mar 2023          |                             | 56,900                                       | 335,710 |         |
|                            |                          |              |                               |                             |  |             |              | 29 Feb 2024          |                             | -  | -       |         |
|                            | 2023 Awards              | 27 Feb 2026  | 0 to 675,000                  | -                           | -  | 2023 Awards | 28 Feb 2023  | 640,118 <sup>4</sup> | 114,106                     | 619,596                                      |         |         |
|                            |                          |              |                               |                             |  |             |              |                      | 31 Mar 2023                 |  | 99,265  | 585,664 |
|                            |                          |              |                               |                             |  |             |              |                      | 29 Feb 2024                 |  | -       | -       |
|                            |                          |              |                               |                             |  |             |              |                      | 28 Feb 2025                 |  | -       | -       |
|                            |                          |              |                               |                             |  |             |              |                      | 2024 Awards                 | 29 Feb 2024                                  | 453,411 | -       |
|                            |                          |              |                               |                             |  |             |              |                      | 28 Feb 2025                 |  | -       | -       |
|                            |                          |              |                               |                             |  |             | 27 Feb 2026  |                      | -                           | -  |         |         |

## Notes:

- <sup>1</sup> The value of the shares vested under the Keppel PSP and RSP is computed based on the market price of the shares when the shares are credited to the employee's CDP account. The RC is satisfied that the value of the shares vested under the Keppel PSP and RSP to the executive director was fair and appropriate taking into account the extent to which his KPIs and performance conditions for FY 2023 were met.
- <sup>2</sup> As the targets of the 2019 and 2020 PSP awards were set before the onset of the COVID-19 pandemic, the RC decided to extend the performance period of the awards by 1 more year. The achievements in Year 2019, 2021 and 2022 were used to determine the vesting level of the 2019 PSP award at the end of the extended performance period, while the achievements in Year 2021, 2022 and 2023 will be used to determine the vesting level of the 2020 PSP award at the end of the extended performance period.
- <sup>3</sup> Refers to one-time contingent shares awarded under the Vision 2030 Keppel PSP – TIP.
- <sup>4</sup> Arising from the distribution of Seatrium Limited (formerly known as Sembcorp Marine Ltd) ("Seatrium") shares by way of distribution *in specie* on the basis of 19.085033835 Seatrium shares per Keppel Ltd. share held on 28 February 2023, the RC approved the adjustments to unvested shares under the award.

The total remuneration paid to key management personnel (who are not directors or the CEO) in FY 2023 was \$17,966,354. The level and mix of remuneration of each of such key management personnel (who are not directors or the CEO) are set out below:

| Remuneration Band and<br>Name of Key Management Personnel <sup>2</sup> | Base/<br>Fixed Salary<br>(%) | Performance-related<br>Cash Bonuses Earned <sup>1</sup><br>(%) | Benefits-<br>in-kind<br>(%) | Contingent Awards<br>of Shares |         |
|--|------------------------------|--|-----------------------------|--------------------------------|---------|
|  |                              |  |                             | PSP (%)                        | RSP (%) |
| <b>Above \$3,750,000 to \$4,000,000</b>                                |                              |  |                             |                                |         |
| Tan Hua Mui, Christina <sup>3,4</sup>                                  | 20                           | 29   | n.m.                        | 22                             | 29      |
| <b>Above \$2,750,000 to \$3,000,000</b>                                |                              |  |                             |                                |         |
| Lim Joo Ling, Cindy <sup>4</sup>                                       | 21                           | 29   | n.m.                        | 22                             | 28      |
| <b>Above \$2,500,000 to \$2,750,000</b>                                |                              |  |                             |                                |         |
| Lim Lu-Yi, Louis   | 25                           | 26   | n.m.                        | 24                             | 25      |
| <b>Above \$2,250,000 to \$2,500,000</b>                                |                              |  |                             |                                |         |
| Manjot Singh Mann  | 31                           | 22   | 3                           | 22                             | 22      |
| <b>Above \$2,000,000 to \$2,250,000</b>                                |                              |  |                             |                                |         |
| Pang Thieng Hwi, Thomas  | 27                           | 25   | n.m.                        | 23                             | 25      |

Notes:

- <sup>1</sup> The RC is satisfied that the quantum of performance-related bonuses earned by the key management personnel was fair and appropriate taking into account the extent to which their KPIs for FY 2023 were met.
- <sup>2</sup> Mr Chan Hon Chew retired with effect from 31 December 2023. He received a total remuneration in the band of above \$4,250,000 to \$4,500,000 for 2023. His remuneration comprised 19% in base/fixed salary, 58% in performance-related cash bonuses earned and 23% in awards of shares (PSP). 67% of the performance-related cash bonuses earned has been paid in 2024 while the remaining cash bonuses will be payable in 2025 and 2026.
- <sup>3</sup> Total remuneration shown above for Ms Christina Tan does not include vested share of carried interests for funds created during the time she was Managing Director at Keppel Fund Management Ltd. These carried interests are only earned at the end of the fund life and depend entirely on the actual performance of the funds after they have been liquidated.
- <sup>4</sup> In addition to the remuneration disclosed above, in view of the extraordinary contributions put in by Ms Christina Tan and Ms Cindy Lim towards the attainment of Keppel's transformation objectives, a one-off Special Bonus award comprising cash bonus and Keppel RSP deferred shares had been granted to them. The Company's 2023 volume-weighted average share price of \$6.01 was used to determine the number of contingent Keppel RSP deferred shares to be awarded. Shares awarded under the Keppel RSP are subject to vesting over a 3-year period. As at 15 February 2024, being the grant date for the contingent awards under the Keppel RSP, the estimated value of each share was \$7.04. The cash bonus and deferred shares awards are each in the range of above \$0 to \$250,000 for both individuals.

**Remuneration of Employees who are Substantial Shareholders of the Company or are Immediate Family Members of a Director or the Chief Executive Officer or a Substantial Shareholder of the Company**

No employee of the Company and its subsidiaries is a substantial shareholder of the Company or an immediate family member of a director, the CEO or a substantial shareholder of the Company and whose remuneration exceeded \$100,000 during the financial year ended 31 December 2023. "Immediate family member" means the spouse, child, adopted child, step-child, sibling and parent.

**AUDIT COMMITTEE**

**Principle 10:**

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

The Audit Committee ("AC") comprises entirely independent directors, namely:

- Mr Tham Sai Choy  
Independent Chairman
- Ms Veronica Eng  
Independent Member
- Mrs Penny Goh  
Independent Member
- Ms Ang Wan Ching  
(from 1 July 2023)  
Independent Member
- Mr Shirish Apte  
(until 31 December 2023)  
Independent Member
- Mr Jimmy Ng  
(from 1 January 2024)  
Independent Member

The AC's primary role is to assist the Board with ensuring the integrity of financial reporting and the adequacy and effectiveness of the system of internal controls and risk management. The AC has explicit authority to

investigate any matter within its responsibilities, full access to and co-operation by management, full discretion to invite any director or executive officer to attend its meetings, and reasonable resources (including access to external consultants) to enable it to properly discharge its responsibilities.

Mr Tham Sai Choy, Ms Veronica Eng and Ms Ang Wan Ching have recent, relevant and in-depth experience in accounting and financial management. Mrs Penny Goh has extensive experience in advising on a broad range of corporate real estate transactions for commercial, industrial and logistics projects in Singapore and Asia Pacific, involving investment, joint development and profit participation structures, and has the practical knowledge of issues and considerations affecting the Committee to discharge her responsibilities as a member of the Committee. Mr Jimmy Ng has prior

## Corporate Governance

experience leading a global internal audit function and spearheading its transformation, and possesses recent, relevant and in-depth experience in technology, data analytics and driving digital innovations. Mr Tham Sai Choy, Ms Veronica Eng, Mrs Penny Goh, Ms Ang Wan Ching and Mr Jimmy Ng are also members of the Board Risk Committee, with Ms Veronica Eng being the Chairperson. None of the members of the AC were partners or directors of the Company's current external auditors within the last two years and none of the members of the AC hold any financial interest in the auditing firm. The detailed terms of reference of the AC are set out on pages 102 to 103 herein.

### AUDIT

The AC met with the external auditors five times during the year and one of the meetings included sessions held without the presence of management and the internal auditors. The AC also met with the internal auditors five times during the year, of which one of these meetings was conducted without the presence of management and the external auditors, and the other four meetings included private sessions held with the internal auditors to discuss whistle-blower reports and investigation updates. The AC reviewed and approved the external auditor's audit plan for the year and assessed the quality of the work carried out by the external auditors in accordance with the Audit Quality Indicators Disclosure Framework published by the Accounting and Corporate Regulatory Authority and noted their performance to be adequate. Taking into account the requirements under the Accountants Act 2004 of Singapore, the AC undertook a review of the independence and objectivity of the external auditors through discussions with the external auditors as well as reviewing the audit and non-audit fees awarded to them and has confirmed that the non-audit services performed by the external auditors would not affect their independence. For details of fees payable to the auditors in respect of audit and non-audit services, please refer to Note 28 of the Notes to the Financial Statements on page 192.

The Company has complied with Rule 712, and Rule 715 read with

Rule 716 of the SGX Listing Manual in relation to its auditing firms.

The Company also has an in-house internal audit function ("**Internal Audit**") which, together with the external auditors, report their findings and recommendations to the AC independently. The role of Internal Audit is to provide independent assurance to the AC to ensure that Keppel maintains a sound system of internal controls. In this aspect, Internal Audit conducts regular reviews of the adequacy and effectiveness of Keppel's key internal controls, including financial, operational, compliance and information technology controls, and risk management. Any significant non-compliance or failures in internal controls together with recommendations for improvements are reported to the AC. Internal Audit also undertakes investigations as directed by the AC.

Internal Audit has direct access to the AC and unfettered access to all the documents, records, properties and personnel of Keppel. The AC approves the hiring, removal, evaluation and compensation of the Head of Internal Audit, whose primary line of reporting is to the chairman of the AC, with an administrative reporting line to the CEO of Keppel. The AC reviewed the adequacy and effectiveness of Internal Audit and is satisfied that the team is independent, effective and adequately resourced with persons with relevant qualifications and experience and has appropriate standing within Keppel. Internal Audit attends Keppel's key strategy sessions and executive meetings, and is staffed with professionals with sufficient expertise in corporate governance, risk management, internal controls, and other relevant disciplines. The AC also reviewed the training costs and programmes attended by Internal Audit to ensure that their technical knowledge and skill sets remain current and relevant.

The purpose, authority and responsibility of Internal Audit are defined in the Audit Charter, which is reviewed annually and approved by the AC. The Audit Charter establishes

Internal Audit's position within the organisation, including the nature of its functional reporting relationship with the AC; authorises access to records, personnel, and physical properties relevant to the performance of internal audit engagements; and defines the scope of internal audit activities. The Audit Charter mandates Internal Audit to maintain a quality assurance and improvement programme that covers all aspects of the internal audit activity, including the evaluation of its conformance with the Standards, and an evaluation of whether internal auditors apply the Institute of Internal Auditors' ("**IIA**") Code of Ethics.

Internal Audit is guided by the International Professional Practices Framework established by the IIA. External quality assessment reviews are carried out at least once every five years by qualified professionals, with the last assessment conducted in 2021. The results re-affirmed that the internal audit activity generally conforms to the International Standards for the Professional Practice of Internal Auditing. Internal Audit staff perform a yearly declaration of independence and confirm their adherence to Keppel's Code of Conduct as well as the Code of Ethics established by the IIA, from which the principles of objectivity, competence, confidentiality and integrity are based.

Internal Audit adopts a risk-based auditing approach that focuses on key risks, including financial, operational, compliance and information technology risks. An annual audit plan is developed using a structured risk and control assessment framework. This plan is reviewed and approved by the AC, who are also apprised on material changes to the plan regularly. Audits are planned based on the results of the assessment, with priority given to high risks. All Internal Audit's reports are circulated to the relevant senior management personnel for deliberation with copies of these reports extended to the AC, Chairman and CEO. During AC meetings, significant audit findings and recommendations put up by

the internal and the external auditors are reported and discussed, together with reviews of the effectiveness of the actions taken by management on the recommendations made by Internal Audit and the external auditors. To ensure timely and adequate closure of audit recommendations, the status of implementation of the actions agreed by management is tracked and reported to the AC.

During the year, the AC carried out a review of certain work practices in Internal Audit and, in view of the departure of the Head of Internal Audit, the AC appointed Irving Low and Tea Wei Li as co-Interim Heads of Internal Audit.

#### Financial Matters

Changes to accounting standards and accounting issues which have a direct impact on the financial statements were reported to the AC, and highlighted by the external auditors in their quarterly meetings with the AC.

During the year, the AC performed an independent review of the financial statements of Keppel before the announcement of Keppel's first half and full year results. In the process, the Committee reviewed the key areas of management judgment applied for adequate provisioning and disclosure, critical accounting policies and any significant changes made that would have a material impact on the financials.

In its review of the financial statements of Keppel for FY 2023, the AC reviewed the key areas of management's judgments and estimates applied for key financial issues, including valuation of investment properties and development properties held for sale, revenue recognition and contract cost, impairment assessment of goodwill arising from the acquisition of M1, the divestment of Keppel Offshore & Marine and related undertakings and warranties, the assessment of the valuation and accounting for the vendor notes in relation to Asset Co, and the accounting and disclosure of material subsequent events, that might affect the integrity of the

financial statements. The AC took into consideration the methodology applied in determining the valuation of different asset classes, including the reasonableness of the estimates and key assumptions used. In addition, external independent valuations, work performed by independent professional firms and the financial advisor, as well as opinions from internal and external legal counsel, where applicable, were considered when reviewing management's assessment. The AC also considered the report from the external auditors, including their findings on the key audit matters as set out in the independent auditor's report for the financial year ended 31 December 2023.

The AC concurs with the methodology, accounting treatment and estimates adopted, as well as the disclosures made in the financial statements for each of the key audit matters set out by the external auditors in their report.

#### Whistle-Blower Policy

The AC has reviewed the "Keppel Whistle-Blower Policy" (the "**Policy**") which provides for the mechanisms by which employees and other persons may, in confidence, raise concerns about possible improprieties in business conduct and will be treated fairly and, to the extent possible, protected from reprisal, and was satisfied that arrangements are in place for the independent investigation of such matters and for appropriate follow-up action. To facilitate the management of incidences of alleged fraud or other misconduct, the AC is guided by a set of guidelines to ensure proper conduct of investigations and appropriate closure actions following completion of the investigations, including administrative, disciplinary, civil and/or criminal actions, and remediation of control weaknesses that allowed the perpetration of fraud or misconduct so as to prevent recurrence. Significant matters raised through the whistle-blowing channel are reported to the Board.

The details of the Policy are set out on pages 119 hereto. The AC reviews the Policy yearly to ensure that it remains current.

#### Interested Person Transactions

Keppel has established the Keppel Interested Person Transactions ("**IPT**") Policy which lays out the procedures sufficiently for reviewing, approving, tracking and reporting IPTs in accordance with Chapter 9 of the SGX-ST Listing Manual and pursuant to the general mandate from shareholders that allows for such transactions where made on normal commercial terms and not be prejudicial to the interests of Keppel and its minority shareholders. IPT policies and procedures were reviewed by the internal auditors and findings with management's remedial actions were reported during AC meetings.

Details of IPTs entered into by Keppel in FY 2023 are set out on page 227 of this Annual Report.

#### RISK MANAGEMENT AND INTERNAL CONTROLS

##### Principle 9:

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*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 Risk Committee ("**BRC**") comprises entirely independent directors, namely:

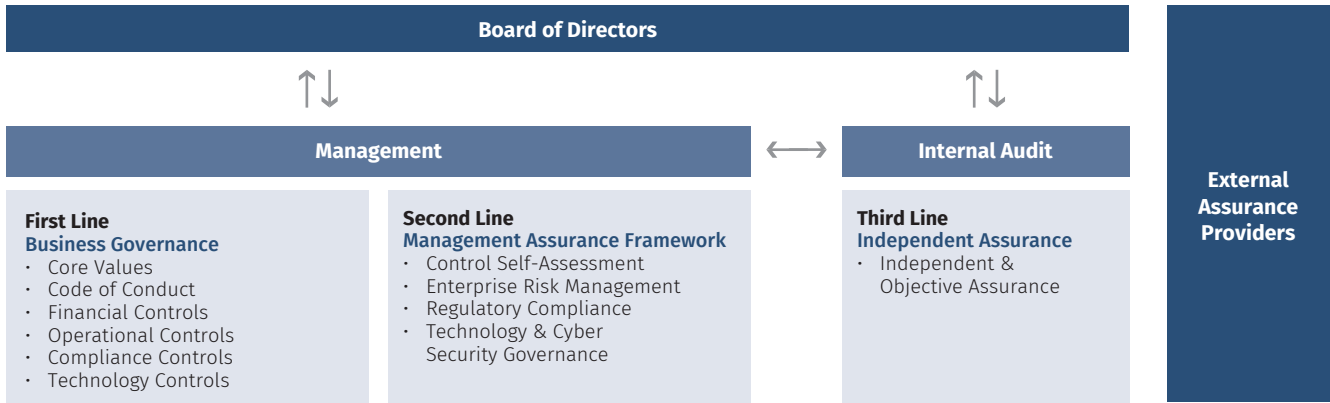
- Ms Veronica Eng  
Independent Chairperson
- Mr Tham Sai Choy  
Independent Member
- Mrs Penny Goh  
Independent Member
- Mr Shirish Apte  
Independent Member
- Mr Jimmy Ng  
Independent Member
- Ms Ang Wan Ching  
(from 1 July 2023)  
Independent Member

The BRC considers the nature and extent of the significant risks which Keppel may take in achieving its strategic objectives and value creation; and reviews and guides management in the formulation of risk policies and processes to effectively identify,



# Corporate Governance

## KEPPEL'S SYSTEM OF MANAGEMENT CONTROLS



↑ Accountability, reporting    ↓ Delegation, direction, resources, oversight    ↔ Alignment, communication, coordination, collaboration

evaluate and manage significant risks, to safeguard shareholders' interests and Keppel's assets, and ensure corporate sustainability. The Committee reports to the Board on critical risk issues, material matters, findings and recommendations.

The detailed terms of reference of the BRC are disclosed on pages 103 to 104 herein.

The Risk & Compliance ("R&C") function, working in conjunction with the business teams, supports management in applying the Enterprise Risk Management ("ERM") Framework to ensure significant risks are assessed and adequately mitigated. This is performed through the monitoring of risk matters, conduct of training, site visits, participation at IMPAC meetings, and implementation of risk-related policies and standards. The ERM Framework was established to guide Keppel in managing risks and also facilitate the Board's assessment of the adequacy and effectiveness of Keppel's risk management system and processes for managing risks.

It lays out the governance mechanisms and principles, policies and processes, and system pertaining to how Keppel should identify, assess, mitigate, communicate, and monitor or escalate significant risk matters.

Risk assessments are performed at the respective platforms and divisions and agreed with senior management before being consolidated to form Keppel's risk assessment. Further assessments are performed and each key risk area is grouped by sub-groups within Strategic, Financial, Operational, Compliance and IT, and the mitigation plans where applicable, are provided to the Board and BRC at quarterly meetings. This is complemented by education and awareness, resources and expertise, and assessment or feedback, which are ongoing in nature.

Our approach to risk management and our key risks are set out in the "Risk Management" section on pages 111 to 117 of this Annual Report. We are guided by a set of Risk Tolerance Guiding Principles, as disclosed on page 111.

Keppel also has in place its System of Management Controls ("KSMC") outlining our internal control and risk management processes and procedures. The KSMC comprises the Three-Lines Model to ensure the adequacy and effectiveness of Keppel's system of internal controls and risk management.

Under the First Line of Business Governance, the respective platforms and divisions management, supported by their respective line functions and committees, are responsible for the identification and mitigation of risks (including financial, operational, compliance and IT risks) in the course of running their business. Appropriate policies, procedures, and controls are implemented and operationalised in line with Keppel's risk appetite where applicable. Employees are also guided by the Keppel's Core Values and expected to comply strictly with Keppel's Code of Conduct. Keppel Cyber Security Centre consists of Cyber Technology and Cyber Operations pillars, partnering business and managing cyber risks through advisory, building, and running sustainable next-generation solutions to combat

evolving cyber threats while meeting business objectives.

Under the Second Line, Management Assurance Frameworks are established to enable oversight and governance over operations and activities undertaken by management under the First Line. The platforms and divisions and entities scoped in for control self-assessment (“CSA”) are required to conduct a self-assessment exercise to assess the status of their respective internal controls on an annual basis. The annual CSA exercise is overseen by Control Assurance. Remedial actions are implemented to address all control gaps identified during the CSA exercise.

R&C, working in conjunction with the respective platforms and divisions line functions and committees, oversees the implementation of Keppel’s ERM Framework to ensure that risks are identified, assessed and mitigated and that risks fall within the established risk appetite and tolerance. In respect of regulatory compliance, the respective platforms and divisions line functions and committees support and work alongside R&C to ensure relevant policies, processes and controls are effectively designed, implemented and managed to mitigate compliance risks that Keppel face in the course of their business.

The Technology Governance Framework overseen by Keppel Information Technology aims to align technology strategy to enterprise vision, whilst strengthening technology controls and security, and managing technology risks for Keppel. The Technology Governance Framework consists of a uniform framework structure and methodology to enable Keppel to monitor and manage technology risks better and more effectively, as well as to ensure that activities associated with technology are aligned with the overall business objectives through the establishment of the three (3) pillars in Technology Governance (i.e. Policy,

Technology Risk Management and Compliance). The Technology Governance Framework aims to provide an approach to ensure technology risks are identified and adequately mitigated in the design, operation, use, and management of Keppel’s computing resources taking into consideration statutory, regulatory, contractual, and security requirements. This framework covers the use of all technology systems and assets within Keppel, including 3rd party service providers.

The Head of Cyber Security, providing oversight to Keppel Cyber Security Centre and Cyber Governance, has a reporting line to the Board Risk Committee through the Head of Risk & Compliance, to reinforce independence and facilitate Board oversight. Cyber Security drives the enterprise vision, strategy and programme to ensure that Keppel’s technology assets are adequately protected from cyber threats. Cyber Governance maintains cyber policies, which are aligned with industry standards as well as local regulators’ requirements to ensure effective management of cybersecurity risks. Cyber assurance and compliance programmes are executed to ensure developed processes and controls are effective and adhered to.

The Data Governance Framework aims to establish a common minimum level of data governance maturity. It seeks to create a consistent and proper management of data assets.

The Third Line comprises independent assurance, including internal and external audit. Internal audit provides the Board and Keppel’s senior management with independent assurance over the adequacy and effectiveness of the system of internal controls, risk management and governance, while external audit considers the internal controls relevant to Keppel’s preparation of financial statements and performs tests on such internal controls, where

they are assessed to be necessary, in support of the audit opinion issued on the financial statements of Keppel.

### **Enhancements to Compliance Programme in FY 2023**

At Keppel, being Trusted is a core value. As Keppel’s Code of Conduct states, “we care how results are achieved, not just that they are attained.” Implementing that core value through enhancing Keppel’s regulatory compliance process and by reminding every Keppelite of that core value is a focus of attention for Keppel, Keppel’s directors and officers, and line managers across the globe.

This section provides an overview of the improvements and enhancements that have been made to strengthen Keppel’s compliance programme over the past year. Further details of Keppel’s compliance initiatives are set out on pages 118 to 120 of this Annual Report. Keppel is committed to a continuous review and, where necessary and appropriate, further improvements and enhancements to Keppel’s compliance programme will be made.

Keppel has taken the following steps over the past year to further enhance its internal controls, policies and procedures:

- a. During the year, the applicable in-scope entities achieved ISO 37001 certification/re-certification, which follows the ISO 37001 certification achieved by our overseas entities in India, Belgium and Qatar in 2022.
- b. Implementation and enhancement of an integrated system (Ethixbase) for onboarding and monitoring of Third-Party Associates and a Conflicts of Interest (COI) App for declaration of such potential conflicts in key projects.
- c. E-training modules were enhanced to cover Personal Data Protection in the 2023 Annual Training and Declaration of Keppel Policies.

## Corporate Governance

### Keppel's Compliance Programme

Keppel's compliance programme also includes the following:

- a. a compliance governance structure that is overseen by a Regulatory Compliance Management Committee and Regulatory Compliance Working Team, bringing together senior management, compliance personnel, and other core function leads to discuss compliance enhancements and address compliance issues as they arise;
- b. a Supplier Code of Conduct, to integrate Keppel's sustainability principles across our supply chain, and positively influence the environmental, social and governance ("ESG") performance of our suppliers. Keppel's suppliers are expected to abide by the Supplier Code of Conduct, which covers areas pertaining to business conduct (including specific anti-bribery provisions), labour practices, safety and health, and environmental management;
- c. risk-based due diligence process for all third-party associates who represent Keppel in business dealings, including our joint venture partners, to assess the compliance risk of the business partner; and
- d. the dedicated independent compliance function has reporting lines independent of Keppel's platforms and divisions. The Head of Risk & Compliance has a primary line of reporting to the chairman of the BRC, with an administrative reporting line to the CFO of the Company.

Keppel's compliance programme is and will be subjected to a periodic review to ensure it meets the following standards, i.e.:

#### 1. Board and Senior Management Commitment

Keppel's senior management, including members of the Board, provide continuous, clear and explicit support to the compliance programme.

#### 2. Policies and Procedures

Keppel continuously implements and communicates its corporate policy against violations of any anti-corruption laws. This policy includes appropriate measures to reduce the prospect of violations of anti-corruption laws, and encourage and support the observance of compliance policies and procedures by personnel at all levels of Keppel. These anti-corruption policies and procedures apply to all directors, officers and employees and, where necessary and appropriate, outside parties acting on behalf of Keppel, including but not limited to, agents and intermediaries, consultants, representatives, partners and suppliers.

Individuals at all levels of Keppel comply with Keppel's Code of Conduct and its compliance policies and procedures. Such policies and procedures address, among other areas:

- a. gifts and hospitality;
- b. dealing with third party associates – due diligence;
- c. political contributions;
- d. donations and sponsorships;
- e. facilitation payments; and
- f. solicitation and extortion.

Keppel ensures that:

- a. books, records and accounts are in reasonable detail, and accurately and fairly reflect the transactions and disposition of assets; and
- b. It develops and maintains a system of internal accounting controls, sufficient to provide reasonable assurance that:
  - i. transactions are performed in accordance with the general guidelines or specific authorisation;
  - ii. transactions are recorded as necessary to permit preparation of financial statements in conformity

with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for assets;

- iii. access to assets shall only be permitted in accordance with the general guidelines or specific authorisation; and
- iv. the recorded accountability for assets shall be compared with the existing assets at reasonable intervals and appropriate action be taken with respect to any differences.

#### 3. Periodic Risk-based Review

Keppel continues to enhance its compliance policies and procedures on the basis of a periodic risk assessment to ensure their continued effectiveness, taking into account relevant developments such as international and industry standards, and addressing the individual circumstances of Keppel and its platforms and divisions, and in particular corrupt practices risks, including but not limited to its geographical organisation and sectors of industrial operation.

#### 4. Training and Orientation

Keppel continuously ensures that its compliance policies and procedures are communicated effectively to all employees, including officers, directors, and where necessary and appropriate, agents, and business partners. These mechanisms include:

- a. a mandatory annual e-learning training and declaration covering all employees comprising the Keppel's Code of Conduct and all other key compliance policies. For 2023, new e-training modules included Personal Data Protection. Where necessary and appropriate, compliance training for agents and business partners were also conducted during the year.
- b. corresponding certifications by such senior management members (including directors), employees, agents and business

partners, acknowledging their understanding of policies and conformity with training requirements.

## 5. Internal Reporting, Communication and Investigation

Keppel maintains a system for the internal reporting/communication of potential violations of compliance policies and procedures and applicable laws, that ensures as far as possible confidentiality to the whistle-blower and investigation subjects.

Keppel maintains a process for receiving internal reports/communications with sufficient resources to respond and document allegations of violations of compliance policies and procedures and applicable law. When necessary, Keppel undertakes independent investigations of the alleged violations.

## 6. Enforcement and Discipline

Keppel maintains and, where necessary, improves its processes to effectively enforce its compliance policies and procedures including, where appropriate, the imposition of disciplinary measures in the case of violations.

Keppel institutes disciplinary measures with reference to, among other things, violations of compliance policies and procedures and applicable law by its senior management (including directors) and employees. Such procedures are applied consistently and fairly, regardless of the position held by, or the perceived importance of the senior management member (including directors) or employee. Where misconduct is discovered, measures are taken promptly to cease the misconduct or irregularities, and remedy the harm resulting from such misconduct.

## 7. Third-Party Relationships

Keppel continues to implement the following procedures with reference to its agents and business partners:

- a. due diligence relating to the engagement of third parties;
- b. appropriate oversight of third parties; and
- c. seeking reciprocal commitments regarding ethical conduct from third parties, associates and business partners.

When necessary, Keppel includes in contracts with third parties, agents and business partners, anti-corruption provisions, which may include the following:

- a. commitment to act in accordance with applicable laws;
- b. right to conduct audits of the books and records of third parties, agents or business partners; and
- c. right to terminate a contract due to violations of compliance policies and procedures or any applicable anti-corruption law by any third party, agent or business partner.

Keppel also communicates its Sanctions Compliance Policy to all counterparties of Keppel as relevant, to ensure that in all dealings with such counterparties, they are made aware of, and agree to comply with, all applicable sanctions and export control laws and regulations.

In addition, risk-based screening of counterparties to identify sanctions-related risks is also conducted. Where appropriate, on a risk-based consideration, contracts with such counterparties would contain sanctions and export control compliance clauses.

## 8. Mergers, Acquisitions and Corporate Restructuring

Keppel performs appropriate compliance due diligence checks on potential merger and acquisition target entities.

Also, Keppel applies its compliance codes, policies and procedures

for adoption by newly acquired businesses or entities, and conducts training for new employees, senior management (including directors), agents and business partners.

## 9. Monitoring and Developments

Keppel conducts continuous monitoring of its compliance programme to enhance its effectiveness in preventing and detecting violations of its compliance policies.

### Annual Assurance

The Board has received assurance:

- a. from the CEOs and CFOs of each of Keppel's business divisions and the CEO and CFO of the Company that, as of 31 December 2023, the financial records of Keppel have been properly maintained and the financial statements for the year ended 31 December 2023 give a true and fair view of Keppel's operations and finances; and
- b. from the CEO and CFO of the Company, the CEOs and CFOs of each of Keppel's business divisions, and other key management personnel responsible for risk management and internal control systems that, as of 31 December 2023, Keppel's internal controls (including financial, operational, compliance and IT controls) and risk management systems were adequate and effective to address the risks which Keppel considers relevant and material to its operations.

Based on the internal controls and enterprise-wide risk management framework established and maintained by Keppel, work performed by internal and external auditors, and reviews performed by management, the AC and BRC, as well as the assurances set out above, the Board is of the view that, as of 31 December 2023, Keppel's internal controls (including financial, operational, compliance and IT controls) and risk management systems were adequate and effective to address the risks which Keppel considers relevant and material to its operations.

## Corporate Governance

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

The AC and BRC concur with the Board's view that, as of 31 December 2023, Keppel's internal controls (including financial, operational, compliance and IT controls) and risk management systems were adequate and effective to address the risks which Keppel considers relevant and material to its operations.

### SHAREHOLDER RIGHTS AND COMMUNICATION WITH SHAREHOLDERS

#### Principle 11:

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

#### Principle 12:

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

#### Principle 13:

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



During the year, Keppel held briefings for media and analysts, and meetings with investors on key initiatives, including the unveiling of Keppel's transformation plans to be a global asset manager and operator.

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

The Board has embraced openness and transparency in the conduct of Keppel's affairs, whilst preserving the commercial interests of Keppel. Financial reports and other price-sensitive information are disseminated to shareholders through announcements via SGXNet, media releases, Keppel's website, public webcasts and media and analyst briefings. Keppel's Annual Report is accessible on Keppel's website, and can be viewed at or downloaded from <https://www.keppel.com/en/investors/annual-reports/>. Shareholders are encouraged to read the Annual Report on Keppel's website, but may also request for a physical copy at no cost.

Keppel adopts a comprehensive stakeholder engagement approach, whereby stakeholders are defined to be individuals, groups of individuals or organisations that affect and/or could be affected by Keppel's

activities, products or services and associated performance.

Keppel engages its stakeholders regularly in the determination of its material areas of focus. Materiality assessments are important components of Keppel's sustainability strategy and reporting. Keppel's materiality assessments take reference from the SGX guidelines on Sustainability Reporting, as well as guidance from the Global Reporting Initiative (GRI). Materiality as defined by GRI includes topics and indicators that reflect the organisation's significant economic, environmental, and social impacts on external stakeholders. In addition, Keppel took into consideration the new standards from the International Sustainability Standards Board (ISSB) which state that information is material if it could affect an entity's prospects, and if omitting, misstating or obscuring that information could influence decisions of primary users of general purpose financial reports.

Keppel has identified and prioritised its material ESG issues. An overview of Keppel's approach to sustainability management can be found on pages 24 to 29 of this report. More details of Keppel's management approach,



priorities, targets and performance reviews in key areas will be made available through its externally audited Sustainability Report, prepared in accordance with the GRI standards, published annually in May.

Keppel's Corporate Communications department (with assistance from other departments as required) regularly communicates with shareholders and receives and attends to their queries and concerns. Keppel treats all its shareholders fairly and equitably and keeps all its shareholders and other stakeholders informed of its corporate activities, including changes in Keppel or its business, which would be likely to materially affect the price or value of its shares, on a timely basis.

Keppel has in place an Investor Relations Policy which sets out the principles and practices that Keppel applies to provide shareholders and prospective investors with information necessary to make well-informed investment decisions and to ensure a level playing field. The Investor Relations Policy is published on Keppel's website at <https://www.keppel.com/en/investors/investor-relations-policy/>, and sets out the mechanism through which shareholders may contact Keppel with questions and through which Keppel may respond to such questions. This is to allow for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders.

Keppel announces its financial statements on a half-yearly basis, but continues to provide voluntary business updates in between its half-yearly financial reports. Keppel stands committed to engaging shareholders and the investment community through clear, timely and consistent communications.

Keppel employs various platforms to effectively engage the investment

community and other stakeholders, with an emphasis on timely, accurate, fair and transparent disclosure of information. Engagement with stakeholders takes many forms, including live webcasts of financial results briefings, email communications, publications and content on Keppel's corporate website, as well as through facility visits, where shareholders may raise any queries or concerns that they may have. Presentation materials of Keppel's half-yearly financial statements and voluntary business updates are made available on its website on the same day they are released on SGXNet, while transcripts of the question-and-answer sessions held during the webcasts or media and analyst briefings are released on SGXNet and posted on Keppel's website before the start of the next trading day.

Keppel's mobile-responsive website is regularly updated with the latest information. These include company announcements, half-yearly results and voluntary business updates, annual reports, investor events, stock and dividend information, investor presentation slides, as well as information on general meetings, including presentations and minutes. Contact details of the Investor Relations personnel (email: [investor.relations@keppel.com](mailto:investor.relations@keppel.com)) are also set out on the website to facilitate any queries from investors. In addition to shareholder meetings, senior management engages investors, analysts and the media to solicit and understand the views of the investment community. In 2023, Keppel held about 280 meetings with institutional investors from Singapore and overseas. These meetings included various site visits and roadshows in Singapore and abroad, and Keppel's inaugural Investor Day, which was organised in collaboration with Citigroup and attended by over 40 local and international investors.

Keppel has, since 2017, been collaborating with the Securities Investors Association (Singapore)

to hold briefings for retail shareholders. In 2023, Keppel held its annual briefing on Keppel's developments, drawing more than 140 shareholders. All materials presented on these occasions were also made available on the SGXNet and Keppel's website in a timely manner, to ensure fair disclosure of information for the benefit of all shareholders.

### **Annual General Meeting and Extraordinary General Meeting**

In 2023, the Company held its AGM and an EGM to seek shareholders' approval for the proposed special dividend *in specie* of units in Keppel REIT and the proposed change of name of the Company from "Keppel Corporation Limited" to "Keppel Ltd."

Both general meetings were held physically, in line with Keppel's practice prior to the pandemic and following the cessation of the COVID-19 (Temporary Measures). The Company's general meetings are generally held physically in central locations which are easily accessible by public transportation, ensuring that shareholders have the opportunity to participate effectively and vote at such meetings. Shareholders are informed of the meetings through notices published in the newspapers and via SGXNet, and reports or circulars sent or made available to all shareholders. If any shareholder is unable to participate at the physical meeting, he/she is allowed to appoint up to two proxies to vote on his/her behalf at the meeting through proxy forms sent in advance. Specified intermediaries, such as banks and capital markets services licence holders which provide custodial services, may appoint more than two proxies. This will enable indirect investors, including CPF investors, to be appointed as proxies to participate in the physical meetings. Such indirect investors, where so appointed, will have the same rights as direct investors to vote at the physical meeting.



## Corporate Governance

Shareholders are invited to submit questions they may have on the motions to be debated and decided upon, to the Chairman of the meetings prior to the general meetings. Responses to substantial and relevant questions submitted by shareholders prior to the meetings are uploaded to SGXNet and Keppel's website prior to the events and addressed at the general meetings. The CEO of the Company will give a presentation at the AGM, providing further elaboration to shareholders.

At the general meetings, shareholders are invited to put forth any further questions they may have on the motions to be debated and decided upon, and vote on the resolutions at general meetings. Each distinct issue is proposed as a separate resolution. Such resolutions include matters of significance to shareholders such as, where applicable, proposed amendments to the Constitution, the authorisation to issue additional shares, the transfer of significant assets, re-election of directors, and the remuneration of NEDs. The rationale for the resolutions to be proposed at the meeting is set out in the notices to the meeting or their accompanying appendices. However, where the issues are interdependent and linked so as to form one significant proposal, the Company may propose "bundled resolutions" and will set out the reasons and material implication in the notices to the meeting or its accompanying appendices.

To ensure transparency, the Company conducts electronic poll voting for shareholders/proxies present at the physical meeting for all the resolutions proposed at the general meeting. Shareholders are also informed of the rules, including voting procedures, governing such general meetings. A scrutineer will be appointed to count and validate the

votes cast at the meetings. Votes cast for and against and the respective percentages, on each resolution will be displayed live to shareholders/proxies immediately after each poll is conducted. The total number of votes cast for or against the resolutions and the respective percentages are also announced in a timely manner after the general meeting via SGXNet. Each share is entitled to one vote.

Where possible, all directors will attend the general meetings of the Company. The chairmen of the Board and each board committee are required to be present to address questions at general meetings. External auditors are also present at such meetings to assist the directors to address shareholders' queries, if necessary.

The Constitution allows for absentia voting at general meetings. However, the Company is not implementing absentia voting methods such as voting via mail, email or fax for security, integrity and related considerations.

The Company Secretaries prepare minutes of general meetings, which incorporate substantial and relevant comments or queries from shareholders relating to the agenda of the meeting and responses from the Board and management. These minutes are available to shareholders upon their requests. All minutes of general meetings will be published on the Company's website as soon as practicable. Minutes of the AGM and EGM held in 2023 were published on both the Company's website and SGXNet within one month from the respective meetings.

The Company is committed to rewarding shareholders fairly and sustainably, while balancing the payment of dividends with its capital requirements to ensure that the best interests of Keppel are served. While it does not have a formal dividend

policy, the Company has a track record for distributing about 50% to 60% of its annual net profit as dividends. Any payment of interim dividend or, upon receipt of shareholders' approval at AGMs, final dividend, will be paid to all shareholders in an equitable and timely manner. For FY 2023, the Company will be paying out a total cash dividend of 34 cents per share to shareholders, on top of a distribution *in specie* of Seatrium Limited (formerly known as Sembcorp Marine Ltd) shares and a special dividend *in specie* of Keppel REIT units.

### SECURITIES TRANSACTIONS

#### Insider Trading Policy

The Company has a formal Insider Trading Policy and Guidelines on Disclosure of Dealings in Securities on dealings in the securities of the Company and its listed subsidiaries and associated companies, which sets out the implications of insider trading and guidance on such dealings, including the prohibition on dealings with the Company's securities on short-term considerations. The policy and guidelines have been distributed to Keppel's directors and officers.

Pursuant to Rule 1207(19)(c) of the Listing Manual, the Company and its officers should not deal in the Company's securities during the period commencing two weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and one month before the announcement of the Company's full year financial statements (if the Company announces its quarterly financial statements), or one month before the announcement of the Company's half year and full year financial statements (if the Company does not announce its quarterly financial statements) (the "Embargo Period(s)").

The Company had issued circulars to its directors and officers informing them that the Company and its

officers must not deal in listed securities of the Company during the applicable Embargo Period(s), and if they are in possession of unpublished price-sensitive information. Directors and the CEO are also required to report their dealings in the Company's securities within two business days.

### BOARD SUSTAINABILITY AND SAFETY COMMITTEE

In May 2022, the Board established the Board Sustainability and Safety Committee ("**BSSC**") to sharpen Keppel's focus on sustainability. The role of the former Board Safety Committee was subsumed under the terms of reference of the BSSC. The BSSC comprises both independent and non-independent directors, namely:

- Mr Teo Siong Seng  
Non-independent and Non-executive Chairman
- Mr Danny Teoh  
Non-Independent Member
- Mr Olivier Blum  
Independent Member
- Mr Loh Chin Hua  
Non-independent Member

The BSSC's roles include reviewing Keppel's sustainability strategy and its integration with commercial objectives, ensuring that Keppel has in place effective sustainability and safety governance structures, as well as overseeing the adoption of and progress towards Keppel's sustainability and health, safety and environment ("**HSE**") goals. The BSSC also monitors international sustainability-related trends and developments, and reviews the processes for identifying, assessing and managing climate-related risks and opportunities. In addition, the BSSC plays a pro-active role in reviewing material changes in Keppel's HSE risk profile, and oversees the management of significant HSE risks and strategic



In 2023, the BSSC visited the Keppel South Central project site, as well as the construction site of the Singapore Integrated Waste Management Facility.

plans, such as Keppel's Zero Fatality Strategy as well as the digital transformation of HSE processes.

The BSSC meets at least four times a year. It considers management's reports and proposals, and reports to the Board on material sustainability and safety issues, as well as its findings and recommendations, where relevant.

In 2023, sustainability issues deliberated by the BSSC included Keppel's sustainability roadmap, targets and key workplans, including Keppel's decarbonisation strategy. The BSSC also reviewed Keppel's material ESG factors, the assessment of climate-related risks and opportunities faced by Keppel, in line with the recommendations of the Task Force on Climate-related Financial Disclosures, as well as the evolving international sustainability reporting standards. In addition, the BSSC reviewed Keppel's

sustainability-related policies, including Keppel's Environmental Sustainability Policy, its new Diversity, Equity and Inclusion Policy and its Sustainability-Linked Financing Framework.

In addition to meetings, the BSSC makes regular site visits to better understand the issues faced by operating divisions, and also strengthen Keppel's safety culture and commitment to sustainability through demonstrating visible leadership. The site visits allow the BSSC to interact directly with the Company's contractors, suppliers, and workers, thus gaining deeper insights into Keppel's sustainability and safety performance. In 2023, the BSSC visited the Keppel South Central project site, as well as the construction site of the Singapore Integrated Waste Management Facility.

The detailed terms of reference of the BSSC are disclosed on page 105 herein.

## Corporate Governance

**APPENDIX 1  
BOARD COMMITTEES –  
RESPONSIBILITIES**
**A. Audit Committee**

- 1.1 Review financial statements and announcements relating to financial performance, and significant financial reporting issues and judgments contained in them, for better assurance of the integrity of such statements and announcements.
- 1.2 Review and report to the Board at least annually on the adequacy and effectiveness of Keppel's internal controls, including financial, operational, compliance and information technology controls, and risk management systems in relation to financial reporting and other financial-related risks (such review can be carried out internally or with the assistance of any competent third parties).
- a. Review the Board's comment on the adequacy and effectiveness of the Keppel's internal control systems, and risk management systems, and state whether it concurs with the Board's comments.
- b. Where there are material weaknesses identified in the Keppel's internal control systems, to consider and recommend the necessary steps to be taken to address them.
- 1.3 Review the assurance from the CEO and CFO on the financial records and financial statements and the assurance and steps taken by the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of Keppel's internal control systems.
- 1.4 Internal and External Audit
- a. Review the adequacy, effectiveness and independence, scope and results of the internal and external audit function, at least annually and report the Audit Committee's assessment to the Board.
- b. Ensure that the Head of Internal Audit and external auditors have direct and unrestricted access to the chairman of the Audit Committee, and that they are able to meet separately and privately to discuss matters and concerns.
- c. Monitor and assess the role and effectiveness of the internal audit function, including the internal audit charter, plans, activities (including consulting services), staffing budget, resources and organisational structure of the internal audit function.
- d. Ensure that the internal audit function is adequately resourced and staffed with persons with the relevant qualifications and experience, and has appropriate standing within Keppel.
- e. Review audit plans and reports of the external auditors and on a periodic basis the internal auditors, management's responsiveness to any findings and recommendations to the extent set out/identified, and effectiveness of any follow up actions taken.
- f. Ensure that a Quality Assurance Review on internal audit function is independently conducted at least once every five years.
- g. Decide and approve the appointment, termination, evaluation and remuneration of the Head of Internal Audit, or the accounting/auditing firm or corporation to which the internal audit function is outsourced.
- h. Make recommendations to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the external auditors, and approve the remuneration and terms of engagement of the external auditors.
- i. Review the nature and extent of non-audit services performed by the external auditors, to ensure their independence and objectivity.
- 1.5 Oversee the establishment and operation of the whistle-blower process. Review the whistle-blower policy and Keppel's procedures for detecting and preventing fraud, and other arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on.
- 1.6 Review interested party transactions to ensure they are on normal commercial terms and are not prejudicial to the interests of Keppel or its minority shareholders, and determine methods or procedures for assessing that the transaction prices are adequate for transactions to be carried out on normal commercial terms, and that they will not prejudice Keppel or its minority shareholders.
- 1.7 Investigate any matters within the Audit Committee's purview, whenever it deems necessary.
- 1.8 Perform such other functions as the Board may determine.
- 1.9 Report to the Board on the Audit Committee's proceedings at the next Board meeting, including:
- a. the significant issues and judgments that the Audit Committee considered in relation to the financial statements, and how these issues were addressed;
- b. the Audit Committee's assessment of the adequacy and effectiveness of internal control and risk management systems that relate to financial reporting and other financial-related risks and controls, and any material matters, findings and recommendations;
- c. the Audit Committee's assessment of the adequacy, effectiveness and independence of the internal audit function;
- d. the Audit Committee's assessment of the independence and objectivity of the external auditors, taking into consideration

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| <p>factors including the aggregate and respective fees paid for audit and non-audit services provided by the external auditors;</p> <p>e. the Audit Committee's assessment of the quality of the work carried out by the external auditors, and the basis of such assessment; and</p> <p>f. the significant matters raised through the whistleblower channel.</p>   | <p>Keppel's risk governance structure and framework including risk policies, risk strategy, risk culture, risk assessment, risk mitigation and monitoring processes and procedures.</p>   | <p>1.10 Assess the need to obtain independent legal advice or appoint a compliance adviser in relation to sanctions-related risks applicable to Keppel<sup>5</sup>.</p>  |
| <p>1.10 The Audit Committee shall ensure proper disclosure and reporting to shareholders on interested party transactions as required by the SGX Listing Manual.</p>  | <p>1.3 Review the Information Technology (IT) governance and cybersecurity framework to ascertain alignment with business strategy and Keppel's risk tolerance including monitoring the adequacy of IT capability and capacity to ensure business objectives are well-supported with adequate measures to safeguard corporate information, operating assets, and effectively monitor the performance, quality and integrity of IT service delivery.</p> | <p>1.11 Ensure timely and accurate disclosures to shareholders, Singapore Exchange Securities Limited ("SGX") and other relevant authorities and continuously monitor the validity of the information provided to shareholders, SGX and other relevant authorities<sup>6</sup>.</p>    |
| <p>1.11 The Audit Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.</p>   | <p>1.4 Receive and review quarterly reports from Management on Keppel's risk profile and major risk exposures, and the steps taken to monitor, control and mitigate such risks, to ensure that such risks are managed within acceptable levels.</p>   | <p>1.12 Through interactions with the Head of Risk and Compliance, review and oversee performance of Keppel's implementation of compliance programmes.</p>   |
| <p>1.12 The Audit Committee shall produce a report on its activities to be included in the Company's annual report. The report should also disclose the measures taken by the Committee members to keep abreast of changes to accounting standards and issues which have a direct impact on financial statements; and an explanation of how the prospects of Keppel have been assessed, over what period it has done so, and why the Board should consider it to be appropriate to use that period.</p> | <p>1.5 Review Keppel's risk management capabilities including capacity, resourcing, systems, training, communication channels as well as competencies in identifying and managing new risk types.</p>   | <p>1.13 Review and monitor Keppel's approach to ensuring compliance with regulatory commitments, including progress of remedial actions where applicable.</p>  |
| <p>1.13 Review the Audit Committee's terms of reference annually and recommend any proposed changes to the Board for approval.</p>  | <p>1.6 Receive and review updates from Management to assess the adequacy and effectiveness of Keppel's compliance framework in line with relevant laws, regulations and best practices.</p>   | <p>1.14 Review the adequacy, effectiveness and independence of Keppel's Risk &amp; Compliance function, at least annually, and report the Committee's assessment to the Board.</p>   |
| <p><b>B. Board Risk Committee</b></p>   | <p>1.7 Assess Keppel's exposure or nexus to sanctions-related risks on an on-going basis<sup>1</sup> and monitor Keppel's risk of becoming subject to, or violating, any sanctions-related laws and regulations ("<b>Sanction Law</b>")<sup>2</sup>.</p>  | <p>1.15 Review and monitor Management's responsiveness to the risks, matters identified and recommendations of the Risk and Compliance function.</p>   |
| <p>1.1 Obtain recommendations on risk tolerance and strategy from Management, and where appropriate, report and recommend to the Board for its determination the nature and extent of significant risks which Keppel overall may take in achieving its strategic objectives and the overall Keppel's levels of risk tolerance, risk parameters and risk policies.</p>   | <p>1.8 Ensure that adequate and effective control measures have been implemented to protect Keppel's interests in relation to any sanctions-related risks<sup>3</sup>.</p>  | <p>1.16 Provide timely input to the Board on critical risk and compliance issues (including sanctions-related risks), material matters, findings and recommendations.</p>  |
| <p>1.2 Review and discuss, as and when appropriate, with Management on</p>  | <p>1.9 Where Keppel has exposure or nexus to sanctions-related risks, review and assess, on an annual basis, whether there has been a material change in Keppel's risk of being subject to any Sanction Law<sup>4</sup>.</p>  | <p>1.17 Review Management's proposals in respect of strategic transactions and new risk focused products focusing in particular on the risk and compliance aspects and implications of the proposed action for the risk tolerance of Keppel and make recommendations to the Board.</p> |

<sup>1</sup> Para 1.3 of the article issued by SGX on 7 March 2022 titled "Regulator's Column: What SGX expects of issuers in respect of sanctions-related risks, subject or activity" ("**SGX Sanctions Article**")

<sup>2</sup> Para 1.4(b) of the SGX Sanctions Article.

<sup>3</sup> Para 1.3 of the SGX Sanctions Article.

<sup>4</sup> Para 1.4 of the SGX Sanctions Article.

<sup>5</sup> Para 1.5 of the SGX Sanctions Article.

<sup>6</sup> Para 1.5 of the SGX Sanctions Article.



## Corporate Governance

- 1.18 Review the assurance and steps taken by the CEO and other key management personnel for their relevant areas of responsibilities, regarding the adequacy and effectiveness of Keppel's risk management system.
- 1.19 Review and report to the Board annually on the adequacy and effectiveness of Keppel's risk management systems, including financial, operational, compliance, information technology controls and consideration with respect to any sanctions-related risks<sup>1</sup>.
- 1.20 a. Review the Board's comment on the adequacy and effectiveness of Keppel's risk management systems and state whether it concurs with the Board's comments.
- b. Where there are material weaknesses identified in Keppel's risk management systems, to consider and recommend the necessary steps to be taken to address them.
- 1.21 Ensure that the Head of Risk & Compliance has direct and unrestricted access to the Chairman of the Committee.
- 1.22 Perform such other functions as the Board may determine.
- 1.23 Review the Committee's terms of reference annually and recommend any proposed changes to the Board.
- 1.24 Sub-delegate any of its powers within its terms of reference as listed above from time to time as the Committee may deem fit.
- C. Nominating Committee**
- 1.1 Recommend to the Board the appointment and re-appointment of directors (including alternate directors, if any).
- 1.2 Annual review of the structure and size of the Board and Board Committees, and the balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender, age, race/ethnicity and nationality.
- 1.3 Recommend to the Board a Board Diversity Policy (including the qualitative, and measurable quantitative, objectives (as appropriate) for achieving board diversity), and conduct an annual review of the progress towards achieving these objectives.
- 1.4 Annual review of the independence of each director, and to ensure that the Board comprises (a) majority non-executive directors, and (b) at least one-third, or (if Chairman is not independent) a majority of independent directors.
- 1.5 Assess, where a director has other listed company board representation and/or other principal commitments, whether the director is able to and has been adequately carrying out his duties as director of the Company.
- 1.6 Recommend to the Board the process for the evaluation of the performance of the Board, the Board Committees and individual directors, and propose objective performance criteria to assess the effectiveness of the Board as a whole, the Board Committees and the contribution of the Chairman and each director.
- 1.7 Annual assessment of the effectiveness of the Board as a whole, the Board Committees and the contribution of the Chairman and individual directors.
- 1.8 Review the succession plans for the Board (in particular, the Chairman), the CEO and other key management personnel.
- 1.9 Review talent development plans.
- 1.10 Review the training and professional development programmes for Board members.
- 1.11 Review and, if deemed fit, approve recommendations for nomination of candidates as nominee director (whether as chairman or member) to the board of directors of investee companies which are:
- a. listed on the Singapore Exchange or any other stock exchange;
- b. managers or trustee-managers of any collective investment schemes, business trusts, or any other trusts which are listed on the Singapore Exchange or any other stock exchange; and
- c. parent companies of the Company's core businesses which are unlisted.
- 1.12 Report to the Board on material matters and recommendations.
- 1.13 Review the Nominating Committee's terms of reference annually and recommend any proposed changes to the Board for approval.
- 1.14 Perform such other functions as the Board may determine.
- 1.15 Sub-delegate any of its powers within its terms of reference as listed above, from time to time as this Committee may deem fit.
- D. Remuneration Committee**
- 1.1 Review and recommend to the Board a framework of remuneration for Board members and key management personnel, and the specific remuneration packages for each director as well as for the key management personnel, including review of all long-term and short-term incentive plans, with a view to aligning the level and structure of remuneration to Keppel's long-term strategy and performance.
- 1.2 Consider all aspects of remuneration to ensure that they are fair, and review the Company's obligations arising in the event of termination of the executive directors' and key management personnel's contracts of service, to ensure that such clauses are fair and reasonable and not overly generous.
- 1.3 Consider whether directors should be eligible for benefits under long-term incentive schemes (including weighing the use of share schemes against the other types of long-term incentive scheme).

<sup>1</sup> Para 1.4(b) of the SGX Sanctions Article.

- 1.4 Review the ongoing appropriateness and relevance of the remuneration policy to ensure that the level and structure of the remuneration are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of Keppel.
- 1.5 Monitor the level and structure of remuneration for directors and key management personnel relative to the internal and external peers and competitors to ensure that the remuneration is appropriate to attract, retain and motivate the directors to provide good stewardship of the Company and key management personnel to successfully manage Keppel for the long term.
- 1.6 Set performance measures and determine targets for any performance-related pay schemes.
- 1.7 Administer the Company's Restricted Share Plan and Performance Share Plan (collectively, the **"Keppel Share Plans"**), in accordance with the rules of the Keppel Share Plans.
- 1.8 Report to the Board on material matters and recommendations.
- 1.9 Review the Remuneration Committee's terms of reference annually and recommend any proposed changes to the Board.
- 1.10 Perform such other functions as the Board may determine.
- 1.11 Sub-delegate any of its powers within its terms of reference as listed above, from time to time as the Remuneration Committee may deem fit.
- Save that a member of this Committee shall not be involved in the deliberations in respect of any remuneration, compensation, award of shares or any form of benefits to be granted to him.
- E. Board Sustainability and Safety Committee**
- Sustainability**
- 1.1 Review the Company's sustainability strategy, with reference to industry peers and expectations, to ensure that they are relevant to evolving local and global sustainability trends and developments.
- 1.2 Ensure that the Company has in place an effective governance structure for sustainability matters.
- 1.3 Review annually the reasons for and the process of selecting the ESG factors identified to be material to Keppel's business, taking into account the prevailing business strategy, market conditions and stakeholder concerns.
- 1.4 Review annually the processes for identifying, assessing, and managing climate-related risks and opportunities across the 4 pillars of governance, strategy, risk management, and metrics and targets, and related reporting aligned with the Task Force on Climate-related Financial Disclosures.
- 1.5 Oversee the adoption of the Company's sustainability goals and targets, as well as management's plans and progress towards achieving the goals and targets.
- 1.6 Consider management's proposals and recommendations on sustainability related policies and practices and make recommendations to the Board where relevant.
- 1.7 Monitor the Company's performance against previously disclosed targets in relation to identified material ESG factors.
- 1.8 Monitor the integration of the Company's sustainability strategy into the Company's general commercial objectives and align the management of key sustainability issues and impacts with the Company's broader business and sustainability strategy.
- 1.9 Monitor international sustainability-related trends and developments and consider the implications on the Company's sustainability strategy.
- 1.10 Review stakeholder engagement plan(s) to ensure that stakeholders' concerns are meaningfully captured and addressed.
- 1.11 Review and approve the independent assurance and audit process, and assess annually the adequacy and effectiveness of the process.
- 1.12 Review the Company's diversity and inclusion management.
- 1.13 Review the Company's sustainability reporting and sustainability-related disclosures.
- Safety**
- 1.14 Review the policies, practices and performance of the Company relating to safety, including in particular the safe condition and responsible operation of Keppel's assets and business, as well as employee health and well-being.
- 1.15 Ensure that the safety functions in Keppel are adequately resourced (in terms of number, qualification and budget) and have appropriate standing within the organisation.
- 1.16 Monitor HSE performance of the Company, analyse trends and accident root causes, and recommend or propose company-wide initiatives for improvement where appropriate to ensure a robust HSE management system is maintained.
- 1.17 Review the major changes to HSE risk profile of Keppel that has changed or will change as a result of new business, new market, new product, etc. and the steps taken to monitor, control and mitigate such risks.
- 1.18 Structure an audit programme of the Company's HSE management programme to verify effectiveness and use its resources to lead the execution of such audits, drawing additional resources from the line where needed.
- 1.19 Ensure a process is in place to have fatalities and other major incidents investigated by an independent and competent team.
- 1.20 Review any major incident that impact, or has the potential to impact, the Company's safety, environmental and social performance.



## Corporate Governance

## NATURE OF DIRECTORS' APPOINTMENTS AND MEMBERSHIP ON BOARD COMMITTEES

The Board currently has 12 members, the majority of whom are non-executive and independent and each board committee (except for the Board Sustainability and Safety Committee) comprise at least three members, a majority of whom (including the Chairman) are non-executive and independent. The current composition of the Board Committees are as follows:

| Director              | Committee Membership |                      |                        |                      |   |
|-----------------------|----------------------|----------------------|------------------------|----------------------|---|
|                       | Audit Committee      | Nominating Committee | Remuneration Committee | Board Risk Committee | Board Sustainability and Safety Committee |
| Danny Teoh            | –                    | Member               | Member                 | –                    | Member                                    |
| Loh Chin Hua          | –                    | –                    | –                      | –                    | Member                                    |
| Till Vestring         | –                    | Member               | Chairman               | –                    | –   |
| Veronica Eng          | Member               | –                    | –                      | Chairman             | –   |
| Jean-François Manzoni | –                    | Chairman             | Member                 | –                    | –   |
| Teo Siong Seng        | –                    | –                    | –                      | –                    | Chairman                                  |
| Tham Sai Choy         | Chairman             | Member               | –                      | Member               | –   |
| Penny Goh             | Member               | –                    | Member                 | Member               | –   |
| Shirish Apte          | –                    | Member               | Member                 | Member               | –   |
| Olivier Blum          | –                    | –                    | –                      | –                    | Member                                    |
| Jimmy Ng              | Member               | –                    | –                      | Member               | –   |
| Ang Wan Ching         | Member               | –                    | –                      | Member               | –   |

## BOARD ASSESSMENT

## Evaluation Processes for FY 2023

Each Board member was required to complete a survey prepared by the NC Chairman setting out questions on various aspects of the Board's and its Committees' composition, functioning and performance. The NC Chairman then conducted one-on-one interviews with each director. Based on the feedback, the NC Chairman aggregated and integrated the quantitative and qualitative feedback received, and prepared a consolidated report and briefed the NC members and the Board Chairman on the report. Thereafter, the NC Chairman presented the report to the Board for discussion on the changes which should be made to help the Board discharge its duties more effectively. Thereafter and where necessary, the NC chairman will in consultation with the Board Chairman meet with directors individually to provide feedback on their respective board performance with a view to improving their board performance and shareholder value.

## Performance Criteria

The performance criteria for the Board included board size, board and board composition and independence, board dynamics and culture, board processes, board information

management and communication, board accountability and performance, CEO performance oversight and succession planning, director development, risk management and board committee effectiveness.

## KEPPEL WHISTLE-BLOWER POLICY

The Keppel Whistle-Blower Policy (the "Policy") took effect on 1 September 2004 and was enhanced on 15 February 2017, 1 May 2019, 1 November 2021, 1 February 2023 and 1 January 2024 to encourage reporting in good faith of suspected Reportable Conduct (as defined below). The Policy clearly defines and centralises processes through which such reports may be made with confidence that employees and other persons making such reports will be treated fairly and, to the extent possible, protected from reprisal.

Reportable Conduct refers to any act or omission by a Keppel company director, officer, employee, or a third party associate that provides services or engages in business activities on behalf of a Keppel company, which occurred in the course of his or her work (whether or not the act is within the scope of his or her employment) which in the view of a Whistle-Blower acting in good faith, is:

- dishonest, including but not limited to theft or misuse of Keppel resources;
- fraudulent;
- corrupt;
- illegal;
- other serious improper conduct;
- an unsafe work practice; or
- any other conduct which may cause financial or non-financial loss to Keppel or damage to Keppel's reputation.

A person who files a report or provides evidence which he or she knows to be false, or without a reasonable belief in the truth and accuracy of such information, will not be protected by the Policy and may be subject to administrative and/or disciplinary action including termination of employment or other contract as the case may be.

Similar actions may be taken against any person who subjects (i) a person who has made or intends to make a report in accordance with the Policy, or (ii) a person who was called or may be called as a witness, to any form of reprisal which would not have occurred if he or she did not intend to or had not made the report or be a witness.

The Head of Internal Audit is the Receiving Officer for the purposes of the Policy and is responsible for the administration, implementation and oversight of ongoing compliance with the Policy. He reports directly to the AC Chairman.

### REPORTING MECHANISM

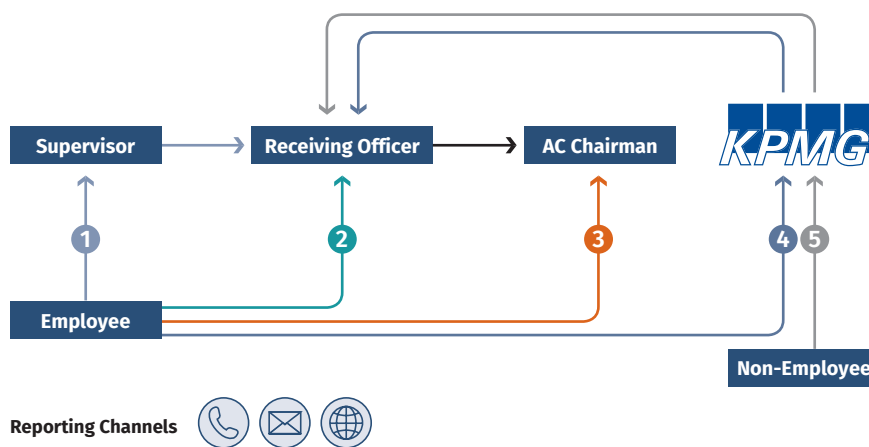
Whistle-Blowers may report a suspected Reportable Conduct via the independently managed Whistle-blower reporting channels that Keppel has established. There is an email hotline (kpmgethicsline@kpmg.com) and local toll-free numbers for Singapore, Asia (China, India, Indonesia, Japan, Malaysia, the Philippines, South Korea and Vietnam), Europe (Belgium, Germany, Netherlands and United Kingdom), Americas (Brazil and United States of America) and Oceania (Australia). Manning of the whistle-blower hotlines have been outsourced to an independent third party (KPMG) and provides for reporting in the languages listed above. KPMG also maintains the aforementioned email hotline and an online portal, the link to which is available in the “**Contact Us**” section of Keppel’s website at www.keppel.com. Reports can also be made directly to the Receiving Officer or the AC Chairman.

The Policy emphasises that information disclosed should be as precise as possible to allow for proper assessment of the nature, extent and urgency of preliminary investigative procedures to be undertaken.

### INVESTIGATION

Every Protected Report (referring to a report made in good faith that discloses suspected Reportable Conduct) received will be assessed by the Receiving Officer, who will exercise his/her own discretion or in consultation with the Investigation Advisory Committee, make recommendations to the AC Chairman. Where the circumstances warrant

### WHISTLE-BLOWER REPORTING MECHANISM



an investigation, the AC Chairman or the AC (as the case may be) and the Investigation Advisory Committee (if consulted) will use their respective best endeavours to ensure that there is no conflict of interests on the part of any person involved in the investigations. The Investigation Advisory Committee (comprising representatives from each of Keppel’s Human Resources, Legal and Risk & Compliance departments, or such other representatives as the AC may determine) assists the AC Chairman with overseeing the investigation process and any matters arising therefrom.

The Receiving Officer, in consultation with the Investigation Advisory Committee, will prepare a report on her findings including recommendations on any corrective or remedial actions to be taken, and such report shall be submitted to the AC Chairman upon the conclusion of the investigation into any Reportable Conduct. The AC Chairman (whether in the exercise of his own discretion or in consultation with the AC) shall determine the adequacy of corrective or remedial actions proposed (if any). Identities of Whistle-Blowers, participants of the investigations

and the Investigation Subject(s) will be kept confidential to the extent possible.

In 2023, amongst the reported incidents of breaches to our Code of Conduct received through the Whistle-Blower reporting channels, there were three reports alleging corruption or bribery, one incident related to conflict of interest and another four incidents related to workplace discrimination. All the complaints were followed up and that were no substantiation of the allegations for concluded reviews or those that are currently under review. None of the reported incidents were related to customer privacy data, money laundering or insider trading.

### NO REPRISAL

No person will be subject to any reprisal (such as any detrimental or unfair treatment) for having made a report in good faith in accordance with the Policy or having participated in an investigation. Any reprisal suffered may be reported to the Receiving Officer (who shall refer the matter to the AC Chairman) or directly to the AC Chairman. The AC Chairman shall review the matter and determine the appropriate actions to be taken.

## Corporate Governance

## APPENDIX 2

## Rule 720(6) of the Listing Manual of the SGX-ST

The information required under Rule 720(6) read with Appendix 7.4.1 of the Listing Manual, in respect of directors whom the Company is seeking re-election by shareholders at the upcoming annual general meeting to be held in 2024, is set out below.

| Name of Director   | Penny Goh  | Ang Wan Ching   |
|--|--|---|
| Date of Appointment  | 2 January 2020   | 1 July 2023   |
| Date of last re-appointment (if applicable)  | 2 June 2020  | N.A.  |
| Age  | 71   | 57  |
| Country of principal residence   | Singapore  | Germany   |
| The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)  | The process for the re-nomination of director to the Board, is set out in page 79 of this Annual Report  |   |
| Whether the appointment is executive, and if so, the area of responsibility  | Non-executive  | Non-executive   |
| Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)  | Non-Executive and Independent Director; Audit Committee (Member); Board Risk Committee (Member)  | Non-Executive and Independent Director; Audit Committee (Member); Board Risk Committee (Member)   |
| Professional qualifications  | Bachelor of Law (Honours), University of Singapore   | Bachelor of Arts (First Class Honours) in Philosophy, Politics and Economics, University of Oxford; Masters of Business Administration (Dean's List), INSEAD (France).  |
| Working experience and occupation(s) during the past 10 years  | Co-Chairman and Senior Partner, Allen & Gledhill LLP (2017 to 2019); Partner, Allen & Gledhill LLP (Prior to 2017)   | Member of Supervisory Board, HQ Capital GmbH & Co KG (Germany) – from April 2023 to present<br><br>Member of Supervisory Board, HQ Holding GmbH & Co KG (Germany) – from March 2021 to March 2023<br><br>External Investment Committee Member, British International Investment plc (UK) – from 2014 to March 2023<br><br>External Investment Committee Member, Montana Capital Partners AG (Switzerland) – from 2012 to present<br><br>Member of Supervisory Board, Bavaria Industries Group AG (Germany) – from 2012 to present |
| Shareholding interest in the listed issuer and its subsidiaries  | 53,000 (direct interest) in the Company<br>304,408 (direct interest) in Keppel REIT<br>286,600 (direct interest) in Keppel DC REIT   | Nil   |
| Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries | No   | No  |
| Conflict of interest (including any competing business)  | No   | No  |
| Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer  | Yes  | Yes   |
| Other Principal Commitments including Directorships – Past (for the last 5 years)  | Keppel REIT Management Limited (the manager of Keppel REIT); Mapletree Logistics Trust Management Ltd (the manager of Mapletree Logistics Trust); Eastern Development Private Limited; Eastern Development Holdings Pte Ltd; Allen & Gledhill Regulatory & Compliance Pte. Ltd.; Keppel Land Limited (n.k.a. Keppel Management Ltd.) | HQ Holding GmbH & Co KG (Germany)   |
| Other Principal Commitments including Directorships – Present  | Allen & Gledhill LLP (Senior Adviser); HSBC Bank (Singapore) Limited; Singapore Totalisator Board  | Bavaria Industries Group AG (Germany); AS Beteiligungen und Vermögensverwaltungs GmbH (Germany); HQ Capital GmbH & Co KG (Germany); Montana Capital Partners AG (Switzerland) (Member of Investment Committee)  |

| Name of Director   | Penny Goh  | Ang Wan Ching   |
|--|--|---|
| a. Whether at any time during the last 10 years, an application or 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 or at any time within 2 years from the date he ceased to be a partner?   | No   | No  |
| 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? | No   | No  |
| c. Whether there is any unsatisfied judgment against him?  | No   | No  |
| 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?  | No   | No  |
| 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?  | No   | No  |
| 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?  | No   | No  |
| 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?   | No   | No  |
| 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?  | No   | No  |
| 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?   | No   | No  |
| j. Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:   | No   | No  |
| i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or  | No   | No  |
| 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   | No   | No  |
| 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  | No   | No  |
| 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,   | No   | No  |
| in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?  | No   | No  |
| 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?   | No   | No  |
| Any prior experience as a director of an issuer listed on the Exchange?  | Yes  | No  |
| If yes, please provide details of prior experience.  | Keppel REIT Management Limited (the manager of Keppel REIT); Mapletree Logistics Trust Management Ltd (the manager of Mapletree Logistics Trust) | Nil   |
| 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.   | N.A.   | Ms Ang has completed the Listed Entity Directors' programme organised by the Singapore Institute of Directors |
| 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).   |  |   |

## Corporate Governance

## APPENDIX 3

## Summary of Disclosures of 2018 CG Code

Rule 710 of the SGX Listing Manual requires Singapore listed companies to describe their corporate governance practices with specific reference to the 2018 CG Code in their annual reports. This summary of disclosures describes our corporate governance practices with specific reference to the disclosure requirement under the 2018 CG Code.

| Principles   | Page Reference in this Report | Principles  | Page Reference in this Report |
|--|-------------------------------|---|-------------------------------|
| <b>BOARD MATTERS</b>                                   |                               | <b>ACCOUNTABILITY AND AUDIT</b>                           |                               |
| <b>The Board's Conduct of Affairs</b>                  |                               | <b>Risk Management and Internal Controls</b>              |                               |
| <b>Principle 1</b>                                     |                               | <b>Principle 9</b>  |                               |
| Provision 1.1  | Page 76                       | Provision 9.1   | Pages 93 to 94                |
| Provision 1.2  | Page 78                       | Provision 9.2   | Page 97                       |
| Provision 1.3  | Page 76                       | <b>Audit Committee</b>                                    |                               |
| Provision 1.4  | Pages 79 to 98, 102 to 106    | <b>Principle 10</b>                                       |                               |
| Provision 1.5  | Pages 77, 84                  | Provision 10.1  | Pages 91 to 93, 102 to 103    |
| Provision 1.6  | Page 78                       | Provision 10.2  | Pages 91 to 92                |
| Provision 1.7  | Pages 77 to 78                | Provision 10.3  | Page 92                       |
| <b>Board Composition and Guidance</b>                  |                               | Provision 10.4  | Page 92                       |
| <b>Principle 2</b>                                     |                               | Provision 10.5  | Page 92                       |
| Provision 2.1  | Pages 82 to 83                | <b>SHAREHOLDER RIGHTS AND RESPONSIBILITIES</b>            |                               |
| Provision 2.2  | Pages 82 to 83                | <b>Shareholder Rights and Conduct of General Meetings</b> |                               |
| Provision 2.3  | Pages 82 to 83                | <b>Principle 11</b>                                       |                               |
| Provision 2.4  | Pages 79 to 81                | Provision 11.1  | Pages 98 to 100               |
| Provision 2.5  | Page 77                       | Provision 11.2  | Page 100                      |
| <b>Chairman and Chief Executive Officer</b>            |                               | Provision 11.3  | Pages 77, 100                 |
| <b>Principle 3</b>                                     |                               | Provision 11.4  | Page 100                      |
| Provision 3.1  | Pages 74, 75                  | Provision 11.5  | Page 100                      |
| Provision 3.2  | Pages 74, 75                  | Provision 11.6  | Page 100                      |
| Provision 3.3  | Page 74                       | <b>Engagement with Shareholders</b>                       |                               |
| <b>Board Membership</b>                                |                               | <b>Principle 12</b>                                       |                               |
| <b>Principle 4</b>                                     |                               | Provision 12.1  | Pages 98 to 100               |
| Provision 4.1  | Pages 79 to 84, 104           | Provision 12.2  | Page 99                       |
| Provision 4.2  | Page 79                       | Provision 12.3  | Page 99                       |
| Provision 4.3  | Page 79                       | <b>MANAGING STAKEHOLDER RELATIONSHIPS</b>                 |                               |
| Provision 4.4  | Pages 82 to 83                | <b>Engagement with Stakeholders</b>                       |                               |
| Provision 4.5  | Pages 78, 84                  | <b>Principle 13</b>                                       |                               |
| <b>Board Performance</b>                               |                               | Provision 13.1  | Pages 98 to 99                |
| <b>Principle 5</b>                                     |                               | Provision 13.2  | Page 98                       |
| Provision 5.1  | Page 84                       | Provision 13.3  | Page 99                       |
| Provision 5.2  | Page 106                      |   |                               |
| <b>REMUNERATION MATTERS</b>                            |                               |   |                               |
| <b>Procedures for Developing Remuneration Policies</b> |                               |   |                               |
| <b>Principle 6</b>                                     |                               |   |                               |
| Provision 6.1  | Pages 84 to 91, 104 to 105    |   |                               |
| Provision 6.2  | Page 85                       |   |                               |
| Provision 6.3  | Pages 84 to 91, 104 to 105    |   |                               |
| Provision 6.4  | Page 85                       |   |                               |
| <b>Level and Mix of Remuneration</b>                   |                               |   |                               |
| <b>Principle 7</b>                                     |                               |   |                               |
| Provision 7.1  | Pages 84 to 91                |   |                               |
| Provision 7.2  | Pages 84 to 91                |   |                               |
| Provision 7.3  | Pages 84 to 91                |   |                               |
| <b>Disclosure on Remuneration</b>                      |                               |   |                               |
| <b>Principle 8</b>                                     |                               |   |                               |
| Provision 8.1  | Pages 84 to 91                |   |                               |
| Provision 8.2  | Page 91                       |   |                               |
| Provision 8.3  | Pages 84 to 91                |   |                               |