

# Regulatory Compliance

The tone for regulatory compliance is driven from the top and resonates with our employees at every level across Keppel. We remain vigilant and determined to build a disciplined and sustainable company.

We are guided by our core values and code of conduct. We will do business the right way and comply with all applicable laws and regulations in whichever countries we operate in. We strive to deliver outstanding performance, whilst maintaining the highest ethical standards in line with applicable laws and regulations.

We are clear with our tone for regulatory compliance, which is consistently emphasised from the top and throughout all levels across Keppel. We do not tolerate fraud, bribery, corruption or any violation of laws and regulations.

### STRATEGIC OBJECTIVES

In 2023, we continued to make significant progress in embedding a robust compliance framework and process throughout Keppel. We continued to implement ISO 37001 Anti-Bribery Management System across our platforms and divisions to ensure consistency and operational effectiveness of the compliance programme. 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.

Our compliance framework is designed to reflect the size, role and activity of the respective platforms and divisions, with appropriate compliance control systems to effectively detect and remediate potential gaps. We are committed to forging a sustainable compliance framework that supports Keppel's growth and vision.

### GOVERNANCE STRUCTURE

Our Regulatory Compliance Governance Structure is designed to strengthen corporate governance. The Board Risk Committee (BRC) supports the Board in its oversight of regulatory compliance and is responsible for driving Keppel's implementation of compliance and governance systems. The Risk &

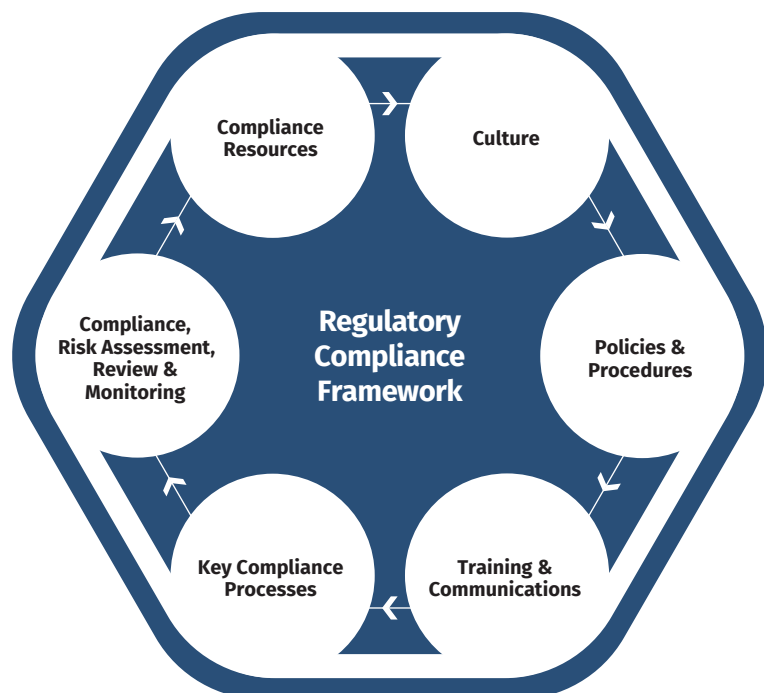
Compliance support function serves as a secretariat to the BRC, assessing and reporting on compliance risks, controls and mitigation.

The Regulatory Compliance Management Committee (RCMC) is chaired by Keppel's CEO and its members include the respective platforms and divisions' heads. The RCMC articulates Keppel's commitment to regulatory compliance, and directs and supports the development and implementation of overarching compliance policies and guidelines.

The RCMC is supported by the Regulatory Compliance Working Team (RCWT), which is chaired by the Head of Risk & Compliance. The RCWT (with the support of Risk & Compliance) oversees the development and review of pertinent regulatory compliance matters, overarching compliance policies and guidelines for Keppel. It also reviews Keppel's compliance training and communication programmes conducted by Risk & Compliance.

The respective platforms and divisions have dedicated Compliance Leads. He/she is supported by the risk and compliance team and is responsible for driving and administering the compliance programme and agenda for the respective platforms and divisions. This includes providing support to the relevant management with subject matter expertise, process excellence and regular reporting to ensure that compliance risks are effectively assessed, managed and mitigated. We continue to strengthen Keppel's compliance teams with additional professional and experienced officers.

Under the RCMC's direction, the respective platforms and divisions are responsible for implementing Keppel's Code of Conduct, as well as Keppel's regulatory compliance policies and procedures. They are also responsible for ensuring that risk assessments of material regulatory compliance risks are conducted, and that control measures implemented are practical, adequate and effective.



## REGULATORY COMPLIANCE FRAMEWORK

Our Regulatory Compliance Framework (Framework) focuses on critical pillars covering the areas of culture; policies and procedures; training and communication; key compliance processes; as well as compliance risk assessment, reviews and monitoring, and compliance resources.

A key aspect of the Framework is the structure of the compliance organisation. The Head of Risk & Compliance reports directly to the chairman of the BRC. Similarly, the Compliance Leads of the respective platforms and divisions have direct reporting lines to the respective Audit and Risk Committees (where applicable). In addition, the Compliance Leads report directly to the Head of Risk & Compliance. This reporting structure reinforces independence of the Compliance function and enables the Board and management to provide continuous, clear and explicit support. It also lends credence and credibility to Keppel's compliance programme.

## CULTURE

Culture and mindset are critical in ensuring effectiveness and durability of our compliance programme. Management has a key role in setting the right tone and walking the talk. This helps to embed a strong and robust regulatory compliance programme, as well as a compliance culture that permeates all levels across Keppel.

Anti-bribery, anti-corruption and reporting mechanisms are widely publicised in our offices globally. We issue Keppel-wide bulletins on relevant topical issues to apprise, inform and reinforce compliance principles and messages. Key tone-from-the-top messages are also delivered periodically by the respective platforms and divisions heads to employees. Compliance moments were introduced as part of the agenda at meetings, where pertinent compliance topics and learnings are shared. We continue to work on initiatives to foster a positive compliance-centric culture.

## KEPPEL'S POLICIES & PROCEDURES Keppel's Code of Conduct

We have a strict Keppel's Code of Conduct that applies to all employees, who are required to acknowledge and comply with Keppel's Code of Conduct.

Keppel's Code of Conduct sets out important principles to guide employees in executing their duties and responsibilities to the highest standards of business integrity. It encompasses topics ranging from conduct in the workplace to business conduct, including clear provisions on prohibitions against bribery and corruption, and conflicts of interests amongst others. Keppel's Code of Conduct is publicly available on Keppel's website. We continue to review and enhance Keppel's Code of Conduct to ensure that it stays relevant and instructive. Appropriate disciplinary action, including suspension/termination of employment, is taken if an employee is found to have violated Keppel's Code of Conduct.

We have procedures to ensure that disciplinary actions are carried out consistently and fairly across all levels of employees. All third parties who represent Keppel in business dealings, including joint venture (JV) partners, are also required to comply with and follow the requirements of Keppel's Code of Conduct.

## SUPPLIER CODE OF CONDUCT

The acknowledgement to abide by our Supplier Code of Conduct is mandatory for all key suppliers across Keppel. The areas covered within the Supplier Code of Conduct include proper business conduct, human rights, fair labour practices, stringent safety and health standards, as well as responsible environmental management.

## WHISTLE-BLOWER POLICY

Keppel's Whistle-Blower Policy encourages the reporting of suspected bribery, violations or misconduct through a clearly defined process and reporting channel, by which reports can be made in confidence and without fear of reprisal. The whistle-blower

reporting channels, found on page 107 of this report, are widely communicated and made accessible.

## PERSONAL DATA PROTECTION POLICY

Guidance is provided to employees on the Personal Data Protection Commission's advisory guidelines to ensure compliance with the requirements of the Personal Data Protection Act (PDPA). When necessary and appropriate, Keppel's personal data protection policy is updated in accordance with changes in applicable privacy laws and regulations.

Keppel's Personal Data Protection Policy (PDPP) applies to all staff of Keppel and its related companies. It informs and guides our employees on activities which involve the collection, use, disclosure, storage, transfer and retention of personal data. Entities that perform services for or on behalf of Keppel, including vendors, contractors, partners and agents, are also expected to comply with the PDPP. We have a designated Data Protection Officer within the respective platforms and divisions that staff can reach out to in case of any data protection or privacy issues and concerns. Failure to comply with the PDPP may result in penalties and fines imposed by the law and disciplinary actions by the respective business division. M1 is the first telecommunications provider in Singapore to receive the Data Protection Trustmark (DPTM) certification<sup>1</sup> by the Infocomm MediaDevelopment Authority, while Keppel Electric<sup>2</sup> conducts external audits on compliance with the PDPA.

Keppel is generally required to seek and obtain an individual's consent before collecting, using or disclosing any personal data pertaining to him/her. This includes informing customers of the nature of information captured and the use of the information. Customers can decide the purposes for which their personal data is collected, used, retained and processed through an opt-out option, and are entitled

<sup>1</sup> In line with the DPTM framework, M1 informs customers on the nature of information captured; the use of the collected information; possibility for customers to decide how private data is collected, used, retained and processed (opt-out option is available, opt-out consent is required, request access to data held by M1, request their data be corrected or deleted); how long the information is kept on corporate files; how the information is protected; and third-party disclosure policy (private and public entities).

<sup>2</sup> In compliance with the PDPA, Keppel Electric has fulfilled the external audit requirements as mandated by Singapore's Energy Market Authority.

## Regulatory Compliance

to withdraw their consent at any time where reasonable notice has been given.

### COMPLIANCE POLICIES

We maintain a comprehensive list of policies covering compliance-related matters including anti-bribery, gifts and hospitality, dealing with third-party associates (TPA), donations and sponsorships, solicitation and extortion, conflict of interest and insider trading, amongst others. These policies are reviewed periodically to ensure that they commensurate with the activities and business plans in the jurisdictions in which Keppel operates. Unless the jurisdictional regulatory requirements are more stringent, these policies represent the baseline standards for Keppel. We ensure all compliance policies, including translated versions, are made available and accessible to all employees globally.

We maintain a Keppel Sanctions Compliance policy and continually monitor updates on sanctions requirements.

### TRAINING & COMMUNICATIONS

Training is an essential component of Keppel's regulatory compliance framework. Our programmes are tailored to specific audiences and we leverage Keppel-wide forums to reiterate key messages.

We have a comprehensive annual e-learning training programme which is mandatory for directors, officers and employees. The content of the training covers Keppel's Code of Conduct and key principles underlying our compliance policies. Directors, officers and employees are required to undergo assessments to successfully complete the training. In addition, directors, officers and employees are also required to formally acknowledge their understanding of policies and declare any potential or actual conflicts of interest. Training on anti-bribery and Keppel's Code of Conduct in multiple languages are carried out for industrial/general workers. Also, e-training outlining the principles underpinning Keppel's policies and key areas to note when representing or acting on Keppel's behalf is conducted for high-risk TPAs.

We continue to refine our compliance training programmes and curriculum. We are also focused on developing and tailoring training content to varying target groups and training requirements. On the annual e-learning training programme, new e-training modules covering Personal Data Protection were introduced in 2023.

In addition to policy-related training programmes, we conduct training focused on the line managers' responsibilities in developing the desired culture and mindset regarding compliance. These responsibilities include the need to establish and maintain effective internal controls to ensure that processes are robust, and that potential gaps are identified and mitigated in a timely manner.

Our training aims to engender positive compliance mindsets and culture, and we see this guiding our employees in critical facets of their work. Training focused on building risk and compliance competencies are also organised to ensure that we are apprised of changes in approaches, best practices and tools.

We also leverage opportunities at various management conferences and employee meetings to emphasise the importance of compliance.

To drive greater compliance awareness and knowledge throughout Keppel, we issue regular awareness communications on compliance matters, with a focus on topical compliance matters including anti-bribery, sanctions anti-money laundering and personal data protection.

### KEY PROCESSES

#### Due Diligence

We continue to improve our risk-based due diligence process for all TPAs who represent Keppel in business dealings, including our JV partners, to assess the compliance risk of the business partner. In addition to background checks, the due diligence process incorporates requirements for TPAs to acknowledge understanding and compliance with Keppel's Code of Conduct. The due diligence process for the onboarding and monitoring of TPAs has been enhanced with the implementation of a system platform

and solution to standardise and automate processes across Keppel.

### Other Processes

As part of our ongoing review of our compliance policies and procedures, we ensure compliance oversight is embedded in key processes including areas such as gifts and hospitality, agent fees, donations and sponsorships, as well as conflicts of interest.

We also actively seek opportunities for digitisation and continually explore the use of data analytics to enhance value and ensure efficiency of our compliance processes.

In addition to the mandatory annual declaration of conflict of interest by all employees of Keppel, a Conflict of Interest App has been put in place to facilitate the conflict of interest review and conflict resolution process.

### RISK ASSESSMENT, REVIEW & MONITORING

We continually develop Keppel's compliance resources and framework. This enables the Compliance team to conduct independent risk assessments to identify and mitigate key compliance risks. Regular discussions are held with all platforms and divisions, focusing on risk assessments including specific compliance risks identified for the respective platforms and divisions. Separately, independent reviews of compliance risks are executed within the scope of internal audits, including reviews of the effectiveness of key aspects of our compliance programmes. These reviews provide valuable insights and opportunities for us to improve our processes and programmes.

ISO 37001 processes also assist in risk assessment exercises, providing even more systematic coverage and evaluations.

### RESOURCES

We recognise the need for an experienced Compliance team to effectively support compliance advisory, as well as to ensure that compliance programmes and controls are effectively implemented. The Board and management are committed to ensuring that we sustain a strong compliance function.