Annex C

DRAFT REVISED CODE OF CORPORATE GOVERNANCE

[JAN 2018]

Introduction

1. Corporate governance refers to having the appropriate people, processes and structures to direct and manage the business and affairs of the company to enhance long-term shareholder value, whilst taking into account the interests of other stakeholders. Companies that embrace the tenets of good governance, including accountability, transparency and sustainability, are more likely to engender investor confidence and achieve long-term sustainable business performance.

2. The Code of Corporate Governance (the "Code") aims to promote high levels of corporate governance in Singapore by putting forth Principles of good corporate governance, Provisions with which companies are expected to comply, along with more practical advice in the form of Practice Guidance.

3. The Code takes as its starting point a recognition that the Board has the dual role of setting strategic direction, and of setting the company's approach to governance. The role of the Board is therefore broader than that of providing oversight. A well-constituted Board fosters more complete discussions, leading to better decisions, and enhanced business performance. This version of the Code expands on the need for a strong and independent element on the Board, along with a diverse skill set.

4. Given the centrality of the Board to good corporate governance, it is fundamental that the Chairman sets the right tone. The Chairman should encourage a full and frank exchange of views, drawing out contributions from all directors so that the debate benefits from the full diversity of views around the boardroom table. The Chairman should seek to stimulate and engender a robust yet collegiate setting, set the right ethical and behavioural tone, and provide leadership to the Board.

5. Good corporate governance is good for the company, with a well-governed company better placed to perform over the longer-term. The Code should not be seen as burdensome, or compliance-oriented, but should help companies by giving clear direction on good Board and management practices that will help build investor and stakeholder confidence. For this outcome, a philosophy of substantive compliance, rather than a checklist approach, is crucial. A sustainably successful company is good for myriad stakeholders: employees, suppliers, customers, shareholders, as well as society at large.

Comply or explain

6. This updated version of the Code represents a significant development both in terms of the way the Code is structured, and the way in which companies are required to describe their corporate governance practices.

7. This version of the Code has at its core broad Principles of corporate governance. Compliance with, and observation of, these Principles is mandatory. These Principles set out broadly accepted characteristics of good corporate governance. Companies are required to describe their corporate governance practices with reference to both the Principles and Provisions of the Code, and how the company's practices conform to the Principles of the Code.

8. The Provisions that underpin the Principles are designed to support compliance with the Principles. These Provisions, which replace the Guidelines of previous Codes, are drafted in a simple and direct manner, and describe the tenets of good corporate governance. Companies are expected to comply with the Provisions of the Code, and variations from Provisions are acceptable to the extent that companies explicitly state and explain how their practices are consistent with the aim and philosophy of the Principle in question. The explanations for variations should be comprehensive and meaningful.

9. The emphasis of the Code is for companies to provide thoughtful and meaningful explanations around their practices, and for investors to carefully consider these discussions as part of their engagements with companies. Frank and informed dialogue between companies and their shareholders is a central tenet of good corporate governance, and encourages more active stewardship. Better engagement between these parties will benefit the company and investors.

BOARD MATTERS

THE 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.

Provisions:

1.1 Directors are fiduciaries who act objectively in the best interests of the company. Directors with conflicts of interest recuse themselves from meetings and decisions involving the issues of conflict.

1.2 Directors understand the company's business as well as their directorship duties (including their roles as executive, non-executive and independent directors). Directors are provided with opportunities to develop and maintain their skills and knowledge at the company's expense[1]. The induction, training and development provided to new and existing directors are disclosed.

1.3 The Board decides on matters that require its approval and clearly communicates this to Management in writing. Matters requiring board approval are disclosed.

1.4 Board committees, including Executive Committees if any, are formed with clear written terms of reference setting out their compositions, authorities and duties, including reporting back to the Board. The names of the committee members, the terms of reference, any delegation of the Board's authority to make decisions, and a summary of each committee's activities are disclosed.

1.5 Directors attend and actively participate in Board and board committee meetings. The number of and individual director attendances at such meetings are disclosed. Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of each company.

1.6 Management provides directors with complete, adequate and timely information prior to meetings and on an on-going basis to enable them to make informed

[1] Rule 210(5)(a) of the SGX Listing Rules (Mainboard) / Rule 406(3)(a) of the SGX Listing Rules (Catalist) requires any director who has had no prior experience as a director of a listed company to undergo training in the roles and responsibilities of a listed company director.

decisions and discharge their duties and responsibilities.

1.7 Directors have separate and independent access to management, the company secretary, and external advice where necessary at the company's expense. The appointment and removal of the company secretary is a matter for the Board as a whole.

BOARD COMPOSITION AND GUIDANCE

Principle:

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

Provisions:

2.1 An "independent" director[2] is one who is independent in conduct, character and judgement, and has no relationship with the company, its related corporations[3], its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the company[4].

2.2 Independent directors make up a majority of the Board[5] where the Chairman is not independent[6].

[2] Rule 1207(10B) of the SGX Listing Rules (Mainboard) / Rule 1204(10B) of the SGX Listing Rules (Catalist) requires the Board to identify in the company's Annual Report each director it considers to be independent.

[3] The term "**related corporation**", in relation to the company, has the same meaning as currently defined in the Companies Act, i.e. a corporation that is the company's holding company, subsidiary or fellow subsidiary.

[4] A director who falls under the circumstances described in Rule 210(5)(d) of the SGX Listing Rules (Mainboard) / Rule 406(3)(d) of the SGX Listing Rules (Catalist) is not independent. These circumstances apply to the following: (a) a director being employed by the company or any of its related corporations for the current or any of the past three financial years; (b) a director who has an immediate family member who is, or has been in any of the past three financial years, employed by the company or any of its related corporations and whose remuneration is determined by the Remuneration Committee; (c) a director who is a substantial shareholder or an immediate family member of a substantial shareholder of the company; (d) [a director who has served on the Board for an aggregate period of more than 9 years before or after listing]/ [a director who has served on the Board for an aggregate period of more than 9 years before or after listing and his continued appointment as an independent director has not been sought and approved in separate resolutions from (i) all shareholders; and (ii) shareholders excluding any controlling shareholder and associate of the controlling shareholder.

[5] Rule 210(5)(c) of the SGX Listing Rules (Mainboard) / Rule 406(3)(c) of the SGX Listing Rules (Catalist) requires independent directors to make up at least one-third of the Board.

[6] The Chairman is not independent when (i) he is not an independent director, (ii) he is also the CEO, (iii) he and the CEO are immediate family members as defined in the Listing Manual of the Singapore Exchange (i.e. the person's spouse, child, adopted child, step-child, brother, sister and parent), (iv) he and the CEO have close family ties with each other (i.e. a familial relationship between two parties which extends beyond immediate family members and could influence the impartiality of the Chairman) as determined by the Nominating Committee, and (v) he is part of the Management team.

2.3 The vote of non-controlling shareholders[7] in the appointment and re-appointment of any independent directors is separately disclosed.

2.4 Directors who are independent from any management and business relationship with the company make up a majority of the Board.

2.5 The Board and board committees are of an appropriate size, and comprise directors who as a group provide the appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate. The board diversity policy and progress made in achieving the board diversity policy, including objectives, are disclosed.

2.6 Non-executive directors and/or independent directors, led by the independent Board Chairman or other independent director as appropriate, meet regularly without the presence of Management. The chairman of such meetings provides feedback to the Board and/or Board Chairman as appropriate.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

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.

Provisions:

3.1 The Chairman and the CEO are separate persons to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making[8].

3.2 The Board establishes and sets out in writing the division of responsibilities between the Chairman and the CEO.

3.3 The Board has a lead independent director to provide leadership in situations where the Chairman is conflicted, and especially when the Chairman is not independent.

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[7] Non-controlling shareholders are shareholders who are not controlling shareholders. The term "**controlling shareholder**" has the same meaning as currently defined in the Listing Manual of the Singapore Exchange, i.e. a person who holds directly or indirectly 15% or more of the total number of issued shares or in fact exercises control over a company.

[8] Rule 1207(10A) of the SGX Listing Rules (Mainboard) / Rule 1204(10A) of the SGX Listing Rules (Catalist) requires the Board to disclose the relationship between the Chairman and the CEO if they are immediate family members.

The lead independent director, if appointed, is available to shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate.

BOARD MEMBERSHIP

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.

Provisions:

4.1 The Board establishes a Nominating Committee ("NC")[9] to make recommendations to the Board on relevant matters relating to:

(a) the review of succession plans for directors, in particular the appointment and/or replacement of the Chairman, the CEO and key management personnel[10];

(b) the process and criteria for evaluation of the performance of the Board, its board committees and directors;

(c) the review of training and professional development programs for the Board and its directors; and

(d) the appointment and re-appointment[11] of directors (including alternate directors, if any)[12].

4.2 The NC comprises at least three directors, the majority of whom, including the NC Chairman, are independent. The lead independent director, if any, is a member of the NC.

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[9] Rule 210(5)(f) of the SGX Listing Rules (Mainboard) / Rule 406(3)(f) of the SGX Listing Rules (Catalist) requires companies to establish one or more committees as may be necessary to perform the functions of an Audit Committee, a Nominating Committee and a Remuneration Committee. Each committee formed has written terms of reference which clearly set out the authority and duties of the committee.

[10] The term "**key management personnel**" shall mean the CEO and other persons having authority and responsibility for planning, directing and controlling the activities of the company.

[11] Rule 720(4) of the SGX Listing Rules (Mainboard) / Rule 720(4) of the SGX Listing Rules (Catalist) requires all directors to submit themselves for re-nomination and re-election at least once every three years.

[12] Rule 720(5) of the SGX Listing Rules (Mainboard) / Rule 720(5) of the SGX Listing Rules (Catalist) requires key information on directors to be provided together with each resolution on the proposed appointment or re-appointment of directors.

4.3 The company discloses the process for the selection, appointment and re-appointment of directors to the Board, including the criteria used to identify and evaluate potential new directors and channels used in searching for appropriate candidates.

4.4 The NC determines annually, and as and when circumstances require, if a director is independent, bearing in mind the circumstances set forth in Provision 2.1 and any other salient factors. Directors disclose their relationships with the company, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence[13], to the Board. If the Board, having taken into account the views of the NC, determines that such directors are independent notwithstanding the existence of such relationships, the company discloses the relationships and its reasons.

4.5 The NC ensures that new directors are aware of their duties and obligations. The NC also decides if a director is able to and has been adequately carrying out his duties as a director of the company. The company discloses the listed company directorships and principal commitments[14] of each director, and where a director holds a significant number of such directorships and commitments, it provides the NC's and Board's reasoned assessment of the ability of the director to diligently discharge his duties.

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.

Provisions:

5.1 The NC recommends for the Board's approval the objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, and of each board committee separately, as well as the contribution by the Chairman and

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[13] Such relationships include business relationships with the company or any of its related corporations, and direct association with substantial shareholders in the current and immediate past financial year.

[14] The term "**principal commitments**" includes all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations. Where a director sits on the boards of non-active related corporations, those appointments should not normally be considered principal commitments.

each individual director to the Board.

5.2 The company discloses how the assessments of the Board, its board committees and each director have been conducted, including the identity of any external facilitator and its connection, if any, with the company or any of its directors.

REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle:

6 The Board has a formal and transparent procedure for developing policy 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 own remuneration.

Provisions:

6.1 The Board establishes a Remuneration Committee ("RC")[15] to review and make recommendations to the Board on:

(a) a framework of remuneration for the Board and key management personnel; and

(b) the specific remuneration packages for each director as well as for the key management personnel.

6.2 The RC comprises at least three directors. All members of the RC are non-executive directors, the majority of whom, including the RC Chairman, are independent.

6.3 The RC considers all aspects of remuneration including termination terms to ensure they are fair.

6.4 The company discloses the engagement of any remuneration consultants and their independence.

LEVEL AND MIX OF 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

[15] Rule 210(5)(f) of the SGX Listing Rules (Mainboard) / Rule 406(3)(f) of the SGX Listing Rules (Catalist) requires companies to establish one or more committees as may be necessary to perform the functions of an Audit Committee, a Nominating Committee and a Remuneration Committee. Each committee formed should have written terms of reference which clearly set out the authority and duties of the committee.

of the company, taking into account the strategic objectives of the company.

Provisions:

7.1 A significant and appropriate proportion of executive directors' and key management personnel's remuneration is structured so as to link rewards to corporate and individual performance. Performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the company.

7.2 The remuneration of non-executive directors is appropriate to the level of contribution, taking into account factors such as effort, time spent, and responsibilities.

7.3 Remuneration is appropriate to attract, retain and motivate the directors to provide good stewardship of the company and key management personnel to successfully manage the company for the long term.

DISCLOSURE ON REMUNERATION

Principle:

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

Provisions:

8.1 The company discloses the policy and criteria for setting remuneration, as well as names, amounts and breakdown of remuneration of:

(a) each individual director and the CEO; and

(b) at least the top five key management personnel (who are not directors or the CEO) in bands no wider than S$250,000 and in aggregate the total remuneration paid to these top five key management personnel.

8.2 The company discloses the names and remuneration of employees who are substantial shareholders, or are immediate family members of a director, the CEO or a substantial shareholder, and whose remuneration exceeds S$100,000 during the year, in bands no wider than S$100,000. The disclosure states clearly the employee's relationship with the relevant director or the CEO or substantial shareholder.

8.3 The company discloses all forms of remuneration, other payments and benefits, for directors and key management personnel from itself and its subsidiaries. It also discloses details of employee share schemes.

ACCOUNTABILITY AND AUDIT

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle:

9 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[16].

Provisions:

9.1 The Board determines the nature and extent of the significant risks which the company is willing to take in achieving its strategic objectives and value creation. The Board sets up a Board Risk Committee to specifically address this if appropriate.

9.2 The Board requires and discloses that it has received assurance from:

(a) the CEO and the CFO that the financial records have been properly maintained and the financial statements give a true and fair view of the company's operations and finances; and

(b) other such key management personnel as may be responsible, regarding the adequacy and effectiveness of the company's risk management and internal control systems.

AUDIT COMMITTEE

Principle:

10 The Board has an Audit Committee ("AC")[17] which discharges its duties objectively.

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[16] Rule 610(5) and Rule 719(1) of the SGX Listing Rules (Mainboard) / Rule 407(4)(b) and Rule 719(1) of the SGX Listing Rules (Catalist) require the Board to comment on the adequacy and effectiveness of the company's internal controls and risk management systems, and the AC's concurrence with the Board's comments. Where either the Board or the AC comments that the issuer's group's internal controls or risk management systems have weaknesses, the issuer must provide clear disclosure on the weaknesses and the steps taken to address them.

[17] Rule 210(5)(f) of the SGX Listing Rules (Mainboard) / Rule 406(3)(f) of the SGX Listing Rules (Catalist) requires companies to establish one or more committees as may be necessary to perform the functions of an Audit Committee, a Nominating Committee and a Remuneration Committee. Each committee formed should have written terms of reference which clearly set out the authority and duties of the committee.

Provisions:

10.1 The duties of the AC include:

(a) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the company and any announcements relating to the company's financial performance;

(b) reviewing at least annually the adequacy and effectiveness of the company's internal controls;

(c) reviewing the assurance from the CEO and the CFO on the financial records and financial statements;

(d) making recommendations to the Board on: (i) the proposals to the shareholders on the appointment and removal of external auditors; and (ii) the remuneration and terms of engagement of the external auditors;

(e) reviewing the adequacy, effectiveness and independence of the external audit and the company's internal audit function; and

(f) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on. The company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns.

10.2 The AC comprises at least three directors, all of whom are non-executive and the majority of whom, including the AC Chairman, are independent. At least two members, including the AC Chairman, have recent and relevant accounting or related financial management expertise or experience.

10.3 The AC does not comprise former partners or directors of the company's existing auditing firm or auditing corporation: (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

10.4 The primary reporting line of the internal audit function is to the AC, which also decides on the appointment, termination and remuneration of the head of the internal audit function. The internal audit function has unfettered access to all the company's documents, records, properties and personnel, including the AC, and has appropriate standing within the company.

10.5 The AC meets with the external auditors, and with the internal auditors, in each case without the presence of management, at least annually.

SHAREHOLDER RIGHTS AND ENGAGEMENT

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

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.

Provisions:

11.1 The company provides shareholders with the opportunity to participate effectively in and vote at general meetings of shareholders and informs them of the rules governing general meetings of shareholders.

11.2 The company tables separate resolutions at general meetings of shareholders on each substantially separate issue unless the resolutions are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the company explains the reasons and material implications in the notice of meeting.

11.3 All directors attend general meetings of shareholders, and the external auditors are also present to address shareholders' queries about the conduct of audit and the preparation and content of the auditors' report. Directors' attendance at such meetings held during the financial year is disclosed in the company's annual report.

11.4 The company's Articles of Association (or other constitutive documents) allow for absentia voting at general meetings of shareholders.

11.5 The company publishes minutes of general meetings of shareholders on its corporate website as soon as practicable. The minutes record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management.

11.6 The company has and communicates its dividend policy to shareholders[18].

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[18] Rule 704(24) and Rule 704(23) of the SGX Listing Rules (Mainboard) / Rule 407(4)(b) and Rule 719(1) of the SGX Listing Rules (Catalist), require that in the event that the Board decides not to declare or recommend a dividend in respect of the full financial year, the company must expressly disclose the reason(s) for the decision together with the announcement of the financial statements for the full financial year.

ENGAGEMENT WITH SHAREHOLDERS

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.

Provisions:

12.1 The company provides avenues for communication between the Board and all shareholders, and discloses the steps taken to solicit and understand the views of shareholders.

12.2 The company has in place an investor relations policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders.

12.3 The company's investor relations policy sets out the mechanism through which shareholders may contact the company with questions and through which the company may respond to such questions.

MANAGING STAKEHOLDERS RELATIONSHIPS

ENGAGEMENT WITH STAKEHOLDERS

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.

Provisions:

13.1 The company has arrangements in place to identify its material stakeholder groups and to manage its relationships with such groups.

13.2 The company discloses its key areas of focus in relation to the management of stakeholder relationships during the reporting period.

13.3 The company maintains a current corporate website that allows for all stakeholders to stay informed of material updates in a timely manner.