

CORPORATE GOVERNANCE

The Directors and Management of BBR Holdings (S) Ltd (the "Company") are committed to maintaining a high standard of corporate governance to protect the interests of shareholders as well as strengthen investors' confidence. The Company confirms that it has adhered to the principles and provisions of the Code of Corporate Governance 2018 ("2018 Code", last amended on 11 January 2023) for the financial year ended 31 December 2023 in all material aspects. In so far as any provision has not been complied with, the reason for the deviation has been explained appropriately in this report.

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.

The Board of Directors comprises eight Directors and two alternate Directors, namely:

Executive	: Mr. Tan Kheng Hwee Andrew Mr. Voon Yok Lin Mr. Voon Chet Chie (alternate to Mr. Voon Yok Lin)
Non-Executive	: Prof. Yong Kwet Yew Mr. Bruno Sergio Valsangiacomo Dr. Pietro Brenni Mr. Romano William Fanconi (alternate to Dr. Pietro Brenni)
Independent	: Mr. Lim Boon Cheng Mr. Chan Mun Wei Ms. Karen Lee Kiah Ling

The Board has overall responsibility for the long-term success of the Company and its value creation. Apart from its statutory responsibilities, the Board is responsible for overseeing and supervising the management and corporate affairs of the Group. Board members are expected to act in good faith and exercise independent judgement in the best interests of the Group. All Directors have objectively discharged their fiduciaries duties and responsibilities in every circumstance in the best interests of the Company and hold Management accountable for performance.

The principal functions of the Board are:

- set the strategic direction of the Group and ensure the necessary financial and human resources are in place for the Group to meet its objectives;
- establish a framework of prudent and effective controls so as to safeguard the shareholders' interests and the Company's assets;
- review and approve financial performance of the Group including its half-yearly and full year financial results announcements;
- review and assess the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information controls, the effectiveness of its internal audit, risk management and compliance functions, and the adequacy of the resources allocated to these functions;
- identify key stakeholder groups and set the values and standards so as to ensure that obligations to these stakeholders and shareholders are met;

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- consider sustainability issues, e.g. environmental and social factors, as part of its strategic formulation;
- to approve annual plan and budgets, key operational matters, major funding proposals, investment and divestment proposals, corporate and financial restructuring, material acquisitions and disposal of assets, convening of shareholders' meetings, review and approve interested person transactions, recommend dividend payments, and share buybacks, where applicable;
- review and ensure that the appropriate policies and practices on corporate governance are in place;
- review and monitor Group policies and practices on compliance with legal and regulatory requirements;
- consider sustainability issues as part of its long-term strategy formulation with an assurance framework that provides comfort on sustainability practices, including the integration of sustainability-related matters and the monitoring of sustainability related risks and opportunities, as part of its long-term strategy formulation;
- assess annually the effectiveness of the Board and the Board Committees, and contributions of each Director;
- oversee the design and operation of the Company's remuneration policy and compensation framework; and
- develop a succession plan for Directors and key management personnel of the Company, including the Chairman and Chief Executive Officer ("CEO"), through the Nominating Committee.

Under the terms of reference of the Board of Directors, a Director shall fully avoid any conflict of interest possible and declare any actual and potential conflicts of interest. He/she should not vote on any matter in which he/she has any direct or indirect interest and should recuse himself/herself from the portion of the meeting where there is a potential conflict. In addition, his/her presence should not be counted towards the quorum of any meeting for any resolution where he/she is recused or refrained from voting.

The Group has in place a Code of Conduct and all employees are to demonstrate integrity and professionalism in the workplace. All staff are also required to declare any conflict of interest that he/she may have with the Group.

Every new Director will receive appropriate induction and in-depth briefings by senior management on the Group's structure, business units, operations, and policies when he/she is first appointed to the Board. This is to ensure that each incoming Director is familiar with the Company's business and governance practice.

Upon appointment of each Director, the Company will provide a formal letter to the Director, setting out the Director's duties and obligations.

During the year, the Directors were kept informed of and updated on the following:

- developments in accounting standards and code of corporate governance;
- Group strategies and industry trends and developments in the construction and property development; and
- relevant new legislation, regulations and changing commercial risks.

The updates and briefings were facilitated via attendance at conferences and seminars conducted by The Singapore Exchange Securities Trading Limited ("SGX-ST"), other external trainers, circulation of memoranda by Ernst & Young LLP, company secretary, and the Company, including briefings at Board and Board Committee meetings.

Directors are encouraged to attend training courses and conferences conducted by professional organisations or institutions to keep abreast of changes in laws, regulations and financial reporting standards, at the Company's expense.

Any new Director who has no prior experience as a Director of a listed company must undergo the mandatory training in the roles and responsibilities of a Director of a listed company according to Rule 210(5)(a) of the Mainboard Listing Manual. Mr. Chan Mun Wei who was appointed to the Board on 9 May 2023 had attended the following modules of the Listed Entity Directors ("LED") Programme organised by the Singapore Institute of Directors:

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LED 1 – Listed Entity Director Essentials
LED 2 – Board Dynamics
LED 3 – Board Performance
LED 4 – Stakeholder Engagement
LED 5 – Audit Committee Essentials
LED 6 – Board Risk Committee Essentials
LED 7 – Nominating Committee Essentials
LED 8 – Remuneration Committee Essentials

Mr. Chan Mun Wei did not attend LED 9 on Environmental, Social and Governance (“ESG”) Essentials as the Nominating Committee is of the view that this training is not required for him as he has the expertise in sustainability matters from his extensive participation in sustainability activities. As an ESG practitioner, Mr. Chan advises and helps listed companies with sustainability reporting, governance and climate risk assessment. As a lecturer, he provides training on ESG to corporates and post-graduate students.

Ms. Karen Lee Kiah Ling who was appointed to the Board on 2 January 2024 had attended the LED Programme and completed modules LED 1 to LED 6 and LED 9.

The approval of the Board is required for certain material transactions, which include the following:

- policy or strategic matters affecting the Group;
- major investment proposals or divestitures;
- reorganisation or substantial transactions which have a material impact on the Group;
- periodic announcements of financial results and annual reports;
- declaration of dividends to shareholders;
- approve the organisational structure of the Company and its key management positions;
- the compensation packages and incentive payment structure for key management positions in consultation with the Remuneration Committee;
- share buyback;
- recommendations for any issuance of shares and subdivision of shares;
- borrowing of funds;
- provision of any corporate guarantees by the Company; and
- any change to the terms of reference of any Board Committee.

All the Directors have objectively discharged their duties and responsibilities in every circumstance as fiduciaries in the interests of the Company. To facilitate effective management, the Board has delegated the authority to make certain decisions to the various Board Committees, namely the Audit & Risk Committee (“ARC”), Remuneration Committee (“RC”) and Nominating Committee (“NC”). The effectiveness of each Board Committee is also closely monitored. The Board accepts that while these Board Committees have the authority to examine particular issues and will report back to the Board with their decision and/or recommendations, it has not abdicated its ultimate responsibilities. The composition of each Board Committee, the terms of reference for the respective Board Committees and their activities are disclosed in the following paragraphs.

Board and Board Committee meetings have been held regularly and as required by the particular circumstances in each financial year. The Company's Constitution has provided for meetings of Directors and Board Committees to be conducted by means of telephone and video-conference and other methods of simultaneous communication by electronic, telegraphic or other similar means, where applicable, by which the foreign Directors who reside overseas could participate in the meetings. Where appropriate, decisions may be taken by way of Directors' circulating resolutions in writing.

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The number of meetings held in 2023 and the attendance of each Board member at these meetings was as follows:

Name of Director	Board	Audit & Risk Committee	Remuneration Committee	Nominating Committee
Number of meetings held	4	4	1	2
Number of meetings attended:				
Mr. Tan Kheng Hwee Andrew	4	4*	1*	1*
Mr. Voon Yok Lin/Voon Chet Chie	4	N.A.	N.A.	N.A.
Mr. Bruno Sergio Valsangiacomo	4	N.A.	1	N.A.
Dr. Pietro Brenni/Romano William Fanconi	3	N.A.	N.A.	N.A.
Prof. Yong Kwet Yew	4	4	N.A.	2
Mr. Lim Boon Cheng	4	4	1	2
Mr. Chan Mun Wei ⁽¹⁾ (appointed on 9 May 2023)	3	3	1	1
Ms. Karen Lee Kiah Ling ⁽²⁾ (appointed on 2 January 2024)	N.A.	N.A.	N.A.	N.A.
Ms. Luk Ka Lai Carrie ⁽³⁾ (retired on 27 April 2023)	1	1	N.A.	1
Mr. Seow Chin Heng Adrian ⁽⁴⁾ (resigned on 16 October 2023)	3	3	N.A.	N.A.

* Attendance by invitation

Notes:

- (1) Mr. Chan Mun Wei was appointed on 9 May 2023 and since his appointment, he had attended all the Board meetings and Board Committee meetings where he is a member.
- (2) Ms. Karen Lee Kiah Ling was appointed subsequent to the financial year end on 2 January 2024 and hence the attendance of 2023 meetings is not applicable to her.
- (3) Ms Luk Ka Lai Carrie retired on 27 April 2023 following the conclusion of the last AGM and during her term within the financial year, she had attended all the Board and Board Committee meetings.
- (4) Mr. Seow Chin Heng Adrian resigned on 16 October 2023 and during his term within the current financial year, he had fully attended all the Board meetings and Board Committee meetings where he was a member.

The NC has considered each Director's other board representations and principal commitments and is satisfied that each Director is able to carry out and has been adequately carrying out their duties as a Director of the Company and that each Director has given sufficient time and attention to the affairs of the Company and the Group.

The NC also determined that each Director has attended and actively participated in the discussions and deliberations of the Board and, where they hold Board Committee membership, of the Board Committees.

Management assists in the preparation of the formal papers for the Board and Board Committee meetings and such papers are circulated in advance of the meetings so as to provide complete, adequate and timely information prior to the meetings. The Management makes available to the Board quarterly management accounts, including explanations for variances between projected and actual results, annual budget reports, and yearly review of business segments and prospects.

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In between Board meetings, the Board receives updates on important matters affecting the business from the CEO. The CEO is always available to answer questions from the Directors. In order to ensure that the Board is able to fulfil its responsibilities, the Management is required to provide timely information on matters that require the Board's decision and reports on material operational and financial matters of the Group on an on-going basis. The Directors also have unrestricted access to the Company's records and information.

Management is invited to attend relevant discussions at Board and Board Committee meetings, where applicable, to address any queries which the Board may have. The Board has separate and independent access to the Management, the company secretary and internal and external auditors on all matters whenever they deem necessary.

Where decisions to be taken require expert opinion or specialised knowledge, the Directors, as a group or individually, may seek independent professional advice as and when necessary at the Company's expense. The appointment of such independent professional advisory is subject to approval by the Board.

The role of the company secretary is defined and includes responsibility for ensuring that Board procedures are followed and that relevant statutes, applicable rules and regulations are complied with. The company secretary or a representative from the company secretary's office attends all meetings of the Board and Board Committees as well as general meetings. The Board decides on the appointment and removal of the company secretary.

Board Composition and Guidance

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.

The Company endeavours to maintain a strong and independent element on the Board. The Board comprises six Non-Executive Directors and two Executive Directors with Non-Executive Directors making up a majority of the Board during the year. There are three Independent Directors on the Board and Independent Directors make up at least one-third of the Board.

However, the Company has not complied with Provision 2.2 of the 2018 Code as Independent Directors do not make up a majority of the Board where our Chairman is not independent. Notwithstanding this, the Company continues to maintain a strong and independent element on the Board.

The ARC, RC and NC are all chaired by an Independent Director and majority of the members in these committees are Independent Directors.

Executive Directors make up a minority on the Board while Non-Executive Directors form the majority. The Non-Executive Directors including the Independent Directors, constructively challenge Management's proposals or decisions with their independent judgement, help develop proposals on strategy and they review and monitor Management's performance against goals and objectives. Their views and opinions provide alternative perspectives to the Group's business.

Additionally, all Directors shall fully avoid any conflict of interest possible and declare any actual and potential conflicts of interest. He/she should not vote on any matter in which he/she has any direct or indirect interest and should recuse himself/herself from the portion of the meeting where there is a potential conflict. In addition, his/her presence should not be counted towards the quorum of any meeting for any resolution where he/she is recused or refrained from voting.

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Annually, the Independent Directors submit declarations to confirm their independence to the NC for their review and assessment. The NC, in its deliberation of the independence of a Director, takes into consideration the relevant provisions of the SGX-ST Listing Manual, the 2018 Code and where relevant, the recommendations set out in the Practice Guidance accompanying the 2018 Code.

The Company has adopted provisions set out in the 2018 Code in determining independence of Directors. An "independent" Director is one who is independent in conduct, character and judgement, and has no relationship with the company, its related corporations, 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.

The NC also takes into account the existence of relationships or circumstances, including those identified by the Listing Manual, the 2018 Code and the Practice Guidance, that are relevant in its determination as to whether a Director is independent. Such relationships and circumstances include (i) the employment of a Director or his/her immediate family whose remuneration is determined by the RC by the Company or any of its related corporations for the current or any of the past three financial years; (ii) a Director who has been a Director of the Company for an aggregate period of more than nine years; (iii) a Director or his/her immediate family member or any organisation in which they are related to, has in the current or immediate past financial year, provided to or received from the Company or any of its subsidiaries any significant payments or material services other than compensation for board service; (iv) a Director or his/her immediate family member being related to any organization to which the Company or any of its subsidiaries received significant payments or material services during the financial year or the previous financial year; and (v) a Director who has been directly associated with a substantial shareholder of the Company in the current or previous financial year.

The NC and the Board have confirmed the independence of the Company's Independent Directors taking into consideration the following:

- (a) none of the Independent Directors was employed by the Company or any of its related corporations for the current or any of the past three (3) financial years; and
- (b) none of the Independent Directors have an immediate family member who is, or has been in any of the past three (3) financial years, employed by the Company or any of its related corporations and whose remuneration is determined by the remuneration committee.
- (c) None of the Independent Directors is directly or indirectly interested in the shares of the Company and the Group

Following a Board renewal process, the Company currently does not have any Independent Directors who have served more than nine years.

A new Independent Director, Mr. Chan Mun Wei, was appointed on 9 May 2023. Following the cessation of Mr. Seow Chin Heng Adrian on 16 October 2023, Ms. Karen Lee Kiah Ling was appointed to the Board as an Independent Director.

Mr. Chan Mun Wei has in the current and previous financial year (prior to his appointment) provided consulting services through a firm owned by him to the Company on sustainability matters and reporting for service fees amounting to \$18,500 and \$16,800 respectively. In reviewing the independence of Mr. Chan Mun Wei, the NC has considered this transaction and given that the amount was less than the guideline of \$50,000 in the Practice Guidance, the NC is of the view that the amount was not significant and it shall not affect his independence.

The Independent Directors of the Company communicate regularly to discuss matters relating to the Group's financial performance, corporate governance initiatives, board processes as well as succession planning and leadership development.

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The NC and the Board concur that all the three (3) Independent Directors are independent as they have continually demonstrated independence in the conduct, character and judgement, through, *inter alia*, their contributions to Board discussions and deliberations and the ability and preparedness to exercise independent business judgement and/or decisions for to the best interest of the Company and its stakeholders, without undue reliance, influence or consideration of the interested parties such as the CEO, other Directors, controlling shareholders and/or their associates. They have demonstrated strong independent conduct, character, and judgement over the years in discharging their duties and responsibilities as independent Directors of the Company with the utmost commitment in upholding the interest of the non-controlling shareholders and other stakeholders. In addition, they have expressed individual viewpoints, debated issues and objectively scrutinised and challenged Management. They have sought clarification and amplification as they deemed necessary, including through direct access to the management.

The Board is of the view that the Independent Directors have over the years developed significant insights in the Group's business and operations, and can continue to provide significant and valuable contribution objectively to the Board as a whole. The Board will nevertheless on a continual basis, review the need for progressive refreshing of its Board.

The Company recognises and embraces the importance and benefits of having a diverse Board to enhance its performance and has adopted a Board Diversity Policy. The Company believes that diversity is an important attribute of a well-functioning and effective Board and will enhance the decision-making of the Board by utilising the variety of skills, industry and business experiences, gender, age, ethnicity and culture, geographical background and nationalities, tenure of service, and other distinguishing qualities of the members of the Board. All Director appointments will be based on merit, having due regard to the overall balance and effectiveness of the Board.

The Board has evaluated its size, composition and skills of its members to ensure an appropriate balance and diversity of skills, experience and knowledge.

Under the Board Diversity Policy, the Board strives to have one member with relevant experience in the Group's core markets; and some members with professional qualifications in accounting, legal or other professional background or discipline as may be determined by the Board to be necessary and/or beneficial to the Group. The Board recognised that skill-set and core competencies required of the Board may change over time as the business of the Group develops.

The Board is committed to maintaining an environment of respect for people regardless of their gender in all business dealings and achieving a workplace environment free of harassment or discrimination on the basis of gender, race, nationality, religion, age, family status or sexual orientation. The Board recognises that gender is an important aspect of diversity and strives to have a Board composition where each gender has a representation on the Board. In line with this, a female Director, Ms. Karen Lee Kiah Ling, has been appointed to the Board.

The NC will review this Policy periodically as appropriate and make recommendations for changes, as appropriate, to the Board.

The current Board composition reflects the Company's commitment to Board diversity in terms of different professional experiences, skills, knowledge and gender. The Board comprises members that possess a wealth of experience ranging from accounting and finance, risk management, legal and relevant industry knowledge who, as a group, provide core competencies necessary to meet the demands facing the Company and the industry and provide leadership of the Company. Any further progress made towards the implementation of the policy will be disclosed in our Corporate Governance Statement as appropriate.

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DIVERSITY OF THE BOARD		
	Number of Directors [^]	Proportion of Board
Core Competencies		
Accounting or finance	4	50%
Relevant Industry knowledge or experience	6	75%
Experience in risk management, audit and internal controls	4	50%
ESG and Sustainability	3	38%
Gender		
Male	7	87%
Female	1	13%

[^] Exclude alternate directors

The Board strives to have:

- (a) one member who has direct or relevant experience in the Group's core business markets;
- (b) some members with professional qualification in accounting or finance; and
- (c) each gender has a representation on the Board.

As 75% of the Board has the relevant industry knowledge and 50% of the Board possesses competencies in the field of accounting and finance, this is in line with the Company's Board Diversity Policy. In addition, with the recent appointment of Ms. Karen Lee Kiah Ling, the Company's target that each gender has a representation on the Board has been met.

Key information regarding the Directors is set out under the section entitled "Board of Directors" in this Annual Report.

The Board is satisfied that the current size of the Board is appropriate for effective decision-making, given the size, scope and nature of the operations of the Company. It will continue to review the size and composition of the Board for effectiveness.

During Board and Board Committee meetings, our Non-Executive Directors have participated constructively in the mapping of strategic plans and reviewed critically the performance of the CEO and management in meeting goals and objectives. They have informal meetings without the presence of the CEO and management to discuss the performance of the Company and the Group.

In view of the above, the Company is of the view that the intent of Principle 2 of the Code is met with 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.

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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.

The clear division of responsibilities between the Chairman and the Chief Executive Officer ensures a proper balance of power and authority of the Group.

Prof. Yong Kwet Yew has been the Chairman of the Board since 28 April 2008.

The Chairman's role includes the following:

- scheduling meetings that enable the Board to perform its duties responsibly while not interfering with the flow of the Company's operations;
- preparing agendas for meetings in consultation with the CEO;
- exercise control over quality, quantity and timeliness of the flow of information between Management and the Board;
- assist in ensuring compliance with Company's guidelines on corporate governance;
- facilitating the effective contribution of the non-executive Directors;
- ensuring effective communication with shareholders;
- encourage constructive relations within the Board and between the Board and Management; and
- promote high standards of corporate governance.

Mr. Tan Kheng Hwee Andrew, the Group CEO, and Mr. Voon Yok Lin are Executive Directors of the Company. Together with the Management, they are responsible for the daily operations and administration of the Group.

The Board is of the view that power is not unduly concentrated in the hands of one individual nor is there any unfettered powers of decision-making that may compromise accountability and independent decision-making as all decisions and policy changes are conducted through the respective Board Committees, which are chaired by Independent Directors.

The Company has not appointed a lead independent Director because the Chairman and the CEO are separate persons and they are not family members. The Chairman is also a Non-Executive Director who is not part of the management team.

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.

The NC comprises three Non-Executive Directors, with two of its members, including the Chairman, being Independent Directors, namely:

Mr. Lim Boon Cheng - Chairman
Prof. Yong Kwet Yew
Mr. Chan Mun Wei

The NC was established for the purpose of ensuring that there is a formal and transparent process for all board appointments.

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The terms of reference of the NC are to:

- review the structure, size and composition of the Board and Board Committees;
- review the succession plans for the Board Chairman, Directors, CEO and other senior management;
- consider, at the request of the Board or the Chairman, all appointments to the Board and upon the appointment of a new Director, provide a formal appointment letter to the director, setting out the duties and obligations as a Director;
- provide advice and recommendations to the Board and the Chairman on re nomination of Directors to the Board having regard to the director's contribution and performance, for example, attendance, preparedness, participation and candour including, if applicable, as an independent Director;
- determine annually, or whenever necessary during the year, whether or not a Director is independent, bearing in mind the circumstances set forth in the 2018 Code and any other salient factors;
- develop a transparent process for evaluating the performance of the Board and the contributions from the Directors on a year-to-year basis; and
- review the training and professional development programmes for the Board.

Selection, appointment and re-appointment of Directors

In the search for new Directors, the NC will identify the key attributes that an incoming Director should have based on the requirements of the Group, its nature of business, attributes of the existing Board members and Board diversity. After the Board has endorsed the key attributes, the search for potential candidates begins by first tapping on existing Directors' personal contacts and recommendations of business associates, followed by a shortlisting process by the NC. The NC interviews the shortlisted candidates, evaluate them taking into account the relevant expertise of the candidates and their potential contribution before making recommendations for further interview or approval by the Board. Should a controlling shareholder nominate a candidate as a non-executive and non-independent Director, the NC will perform an independent assessment as to whether he/she has the appropriate attributes to be a Director of a listed company prior to approval by the Board.

In re-appointment of Directors as and when their tenure of appointment is due, the NC evaluates several criteria, including qualifications and independence of the Director, and his/her contribution and performance to the effectiveness of the Board.

With respect to the re-nomination and re-election of Directors, all Directors of the Company are subject to re-nomination and re-election at regular intervals and at least once every three years.

The NC is also tasked with deciding whether or not a Director is able to and has been adequately carrying out his duties as a Director, particularly when he has multiple board representations, and to assess the maximum number of listed entity board representations which any one of the Directors may hold.

After conducting reviews, the NC is satisfied that sufficient time and attention are being given by the Directors to the affairs of the Group taking into consideration their attendance and active participation at Board meetings, and other activities besides Board meetings.

Details of the Directors, including date of initial appointment, date of last re-election, listed company directorships (other than BBR Holdings (S) Ltd) for both current and for the preceding five years, and principal appointments, are set out below:

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Name of Director	Date of First Appointment	Date of Last Re-election	Present Principal Commitments ⁽³⁾ (including Listed Directorship)	Past Five Years Principal Commitments ⁽³⁾ (including Listed Directorship)
Mr. Tan Kheng Hwee Andrew	01/04/1994	27/04/2023	Principal Commitments BBR Holdings (S) Ltd and its group of companies	Principal Commitments BBR Holdings (S) Ltd group of companies: Northern Retail Pte Ltd – Director BBR Kovan Pte Ltd – Director Wisteria Mall Management Pte Ltd - Director
Mr. Voon Yok Lin	21/06/2017	29/04/2022	Principal Commitments BBR Holdings (S) Ltd and its group of companies, in particular, BBR Construction Systems (M) Sdn. Bhd. – Managing Director Strengthened Soil Wall (M) Sdn. Bhd. – Director	Principal Commitments Voon Yok Lin Holdings Sdn. Bhd. - Director
Mr. Bruno Sergio Valsangiacomo	11/02/1997	27/04/2023	Principal Commitments Switzerland FFC Fincoord Finance Coordinators Ltd. - Chairman Proceq SA - Chairman Stahlton AG – Vice-Chairman BBR Holding AG - Chairman Tectus SA - Chairman Stahlton Bauteile AG – Vice-Chairman Virtually Live (Switzerland) GmbH - Director Screening Eagle Technologies AG - Chairman	Principal Commitments Switzerland FFC Fincoord Holding AG - Chairman Brain Forum – Board member

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Name of Director	Date of First Appointment	Date of Last Re-election	Present Principal Commitments ⁽³⁾ (including Listed Directorship)	Past Five Years Principal Commitments ⁽³⁾ (including Listed Directorship)
Mr. Bruno Sergio Valsangiacomo			<p><u>United Kingdom</u> Virtually Live Holding (UK) Ltd. – Board member Vesalius Holding Ltd. – Board member</p> <p><u>Gibraltar</u> Oximesa Holdings Ltd. – Director</p> <p><u>British Virgin Islands</u> Voco Ltd. – Director</p> <p><u>Singapore</u> Screening Eagle Dreamlab Pte. Ltd. – Director</p>	
Dr. Pietro Brenni	03/05/2021	29/04/2022	<p><u>Principal Commitments</u> Brenni Engineering SA - CEO, Chairman Stahlton AG - Chairman Stahlton Bauteile AG – Board Member BBR Holding AG - Board member</p>	–
Prof. Yong Kwet Yew	19/08/1997	29/04/2022	<p><u>Principal Commitments</u> National University of Singapore – Professor of Civil and Environmental Engineering</p> <p><u>Public Sector</u> Public Utilities Board – Board Member</p> <p><u>Listed Directorships</u> ⁽⁴⁾ Tritech Group Limited Boustead Projects Limited</p>	–

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Name of Director	Date of First Appointment	Date of Last Re-election	Present Principal Commitments ⁽³⁾ (including Listed Directorship)	Past Five Years Principal Commitments ⁽³⁾ (including Listed Directorship)
Mr. Lim Boon Cheng	03/05/2021	29/04/2022	<u>Principal Commitments Listed Directorships</u> ⁽⁴⁾ Advanced Holdings Ltd Design Capital Ltd, listed on Hong Kong Stock Exchange	<u>Principal Commitments</u> FG Investors Pte. Ltd. - Director FGPO (Singapore) Pte. Ltd. - Director Fitzroy Corporate Advisory - Owner AIB MT Fund Asia Pte Ltd (In Members' Voluntary Liquidation) - Director
Mr. Chan Mun Wei	09/05/2023	Not applicable	<u>Principal Commitments</u> SustainableSG – Founder and Principal Consultant	<u>Principal Commitments</u> The Conference Board – ESG Center Leader for Asia Sentosa Development Corporation – Divisional Director, Corporate Planning
Ms. Karen Lee Kiah Ling	02/01/2024	Not applicable	<u>Principal Commitments</u> ESR-LOGOS REIT SPV2 Pte Ltd - Director ESR-LOGOS REIT MTN Pte Ltd - Director ESR-LOGOS REIT INV Pte Ltd - Director ESR-LOGOS REIT INV2 Pte Ltd - Director ALOG (Australia) Pte Ltd -Director	<u>Principal Commitments</u> LOGOS Property Management Pte Ltd - Director 2TPC Pte Ltd - Director ALOG Singapore One Pte Ltd - Director
Mr. Romano William Fanconi ⁽¹⁾	24/04/2015	-	<u>Principal Commitments</u> <u>Switzerland</u> FFC Fincoord Finance Coordinators Ltd. – Managing Partner Tectus S.A. – Board member Proceq S.A. – Board member	<u>Principal Commitments</u> <u>Switzerland</u> FFC Fincoord Holding AG – Board member Vektor AG (Liquidated) – Liquidator <u>United States</u> Proceq US Inc. – Director

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Name of Director	Date of First Appointment	Date of Last Re-election	Present Principal Commitments ⁽³⁾ (including Listed Directorship)	Past Five Years Principal Commitments ⁽³⁾ (including Listed Directorship)
			BBR Holding A.G. – Board member BBR VT International Ltd – Board member GEHAG Real Estate AG – Board member Virtually Live (Switzerland) GmbH - Director NeuroPro AG – Chairman	<u>China</u> Proceq Trading (Shanghai) Co. Ltd. – Supervisor <u>Iceland</u> Icelandic Water Holdings hf. – Board member <u>Singapore</u> Proceq Asia Pte. Ltd. - Director
Mr. Romano William Fanconi ⁽¹⁾			<u>United Kingdom</u> Virtually Live Holding Ltd. – Director Vesalius Holdings Ltd - Director <u>Canada</u> Contessa Development Inc. – Board member	
Mr. Voon Chet Chie ⁽²⁾	21/06/2017	–	<u>Principal Commitments</u> BBR Construction Systems (M) Sdn. Bhd. – Director (Operations)	<u>Principal Commitments</u> Voon Yok Lin Holdings Sdn. Bhd. - Director

(1) Alternate Director to Dr. Pietro Brenni

(2) Alternate Director to Mr. Voon Yok Lin

(3) Principal appointments 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

(4) Listed directorships refers to directorships in companies listed on Singapore Exchange Securities Trading Limited unless otherwise indicated

All retiring Directors are subject to an assessment by their peers and NC on factors such as level of participation and effectiveness in meetings, depth of industry experience and business knowledge. Based on the assessment collated, the NC would recommend re-election of the retiring Directors at each annual general meeting.

In accordance with Regulation 111 of the Constitution of the Company, the following Directors are due to retire by rotation at the forthcoming Annual General Meeting (“AGM”):

Prof. Yong Kwet Yew

Mr. Voon Yok Lin

CORPORATE GOVERNANCE

As part of the Board renewal process, Prof. Yong Kwet Yew will retire as Director at the forthcoming AGM and will not be seeking re-election. Hence the Director seeking re-election at the AGM is Mr. Voon Yok Lin.

In accordance with Regulation 115 of the Constitution of the Company, Mr. Chan Mun Wei and Ms. Karen Lee Kiah Ling who were appointed on 9 May 2023 and 2 January 2024 respectively, shall retire and seek re-election at the forthcoming AGM.

The NC has recommended Mr. Voon Yok Lin, Mr. Chan Mun Wei and Ms. Karen Lee Kiah Ling for re-election as Directors of the Company at the AGM. In making its recommendations, the NC evaluates their contributions and performance at the Board, Board committees, participation and any special contributions.

If re-elected at the AGM, Mr. Voon Yok Lin will remain as an Executive Director of the Company.

If re-elected at the AGM, Mr. Chan Mun Wei, being an Independent Director, will remain as the Chairman of RC and a member of the ARC and NC.

If re-elected at the AGM, Ms. Karen Lee Kiah Ling, being an Independent Director, will remain as a member of the ARC.

The NC is responsible for reviewing the independence of each Director on an annual basis. The details of the review conducted are set out under Principle 2 of this report.

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.

An annual board evaluation process has been implemented by the NC for assessing the effectiveness of the Board as a whole and that of each of its Board Committees, as well as the contribution by the Chairman and each individual Director to the Board. The assessment parameters which had been approved by the Board include, among other things, Board's composition, performance, process and procedures, risk management and internal controls, individual Director's competencies such as accounting or finance, business or management experience, industry knowledge, strategic planning experience, leadership and communication skills and customer-based experience or knowledge, contributions to the Board and long-term strategies of the Company. Changes, if any, to the assessment parameters are justified by the Board.

Based on the evaluation for 2023, the NC is satisfied that the Directors have shown commitment and devoted sufficient time in discharging their responsibilities adequately towards the Group, notwithstanding that some of the Board members have multiple board representations. Since multiple board representations do not hinder them from carrying out their duties as Directors of the Company, the Board has not set a maximum limit on the number of listed companies' board representations for its Directors.

No external consultant has been engaged to facilitate the annual board evaluation process. The company secretary facilitated the evaluation without engaging an external consultant.

The Board and the NC strive to ensure that Directors on the Board possess the experience and knowledge that are critical to the Group's business, and that each Director brings to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made.

CORPORATE GOVERNANCE

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

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.

The RC comprises three Non-Executive Directors, with two of its members, including the Chairman, being Independent Directors. They are:

Mr. Chan Mun Wei - Chairman
Mr. Lim Boon Cheng
Mr. Bruno Sergio Valsangiacomo

The RC is responsible for ensuring a formal and transparent procedure for developing policy on executive remuneration, and for fixing the remuneration packages of individual Directors and key management personnel. No Director is involved in deciding his own remuneration.

The duties and responsibilities of the RC include, among others:

- review and recommend to the Board a framework of remuneration for the Board and key management personnel ("KMP");
- review the specific remuneration packages for each Director and the CEO (or executive of equivalent rank if the CEO is not a Director) as well as KMP. Remuneration includes, but not limited to director's fees, salaries, allowances, bonus, options, share-based incentives and benefits in kind;
- review all aspects of remuneration, including the termination clause of the service contracts of the CEO and KMP to ensure that it is fair and reasonable and not overly generous; and
- review and recommend salary adjustments and bonuses of the CEO and KMP at each year-end.

Recommendations from the RC are submitted to the entire Board for endorsement.

The RC deems unnecessary to seek expert advice on remuneration to Directors. In its deliberations, the RC takes into consideration industry practices and norms in compensation, in addition to the Company's relative performance to the industry.

The Board has reviewed the composition of the RC which comprises entirely Non-Executive Directors to minimise the risk of any potential conflict of interest. Although Mr. Bruno Sergio Valsangiacomo, a member of the RC, is deemed to be a substantial shareholder of the Company, the Board is of the view that the risk for any potential conflict is minimal.

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

The remuneration structure of the CEO and key executives comprises fixed and variable compensation components. The fixed compensation consists of basic salary and fixed allowances, and variable compensation, in the form of bonus and performance shares. The variable compensation is approved by the RC upon the achievement of individual and corporate performance conditions which are aligned with the interests of shareholders and other stakeholders and promotes long-term success of the Company and the Group.

CORPORATE GOVERNANCE

No personnel is entitled to termination, retirement and post-employment benefits. The Company has not structured any contractual provisions in employee appointment letters to reclaim incentive components of remuneration in exceptional circumstances of misstatements of financial results or misconduct resulting in financial loss to the Company. If such events were to occur, it shall avail itself to existing legal remedies to recover excessive incentives paid.

The Independent Directors and Non-Executive Directors are paid director's fees only, the value of which has taken into consideration the effort, time spent, scope and extent of responsibilities and benchmarked against market expectations. Accordingly, the RC views that director's fees of the Non-Executive Directors are not over-compensated. The yearly fees are recommended by the RC, endorsed by the Board and will be subject to approval by members of the Company at annual general meetings. Travelling and accommodation expenses of overseas Non-Executive Directors to Board and general meetings in Singapore are reimbursed by the Company.

The RC determined that the remuneration is appropriate to attract, retain and motivate the Directors to provide good stewardship to the Company and KMP 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.

Directors of the Company

The remuneration bands and components in percentage terms of the Directors' remuneration based on amounts recorded in financial year 2023 are as follows:

Name of Director	Basic salary	Variable performance bonus	Benefits-in-kind and others	Director's fee	Total
	%	%	%	%	%
Above \$1,000,000 and below \$1,250,000					
Mr. Tan Kheng Hwee Andrew	53	44	1	2	100
Below \$250,000					
Mr. Voon Yok Lin	86	–	2	12	100
Mr. Voon Chet Chie ⁽¹⁾	100	–	–	–	100
Mr. Bruno Sergio Valsangiacomo	–	–	–	100	100
Dr. Pietro Brenni/Mr. Romano William Fanconi ⁽²⁾	–	–	–	100	100
Prof. Yong Kwet Yew	–	–	–	100	100
Mr. Lim Boon Cheng	–	–	–	100	100
Mr. Chan Mun Wei	–	–	–	100	100
Ms. Karen Lee Kiah Ling ⁽³⁾	–	–	–	–	–
Ms. Luk Ka Lai Carrie ⁽⁴⁾	–	–	–	100	100
Mr. Seow Chin Heng Adrian ⁽⁵⁾	–	–	–	100	100

CORPORATE
GOVERNANCE

- (1) Alternate Director to Mr. Voon Yok Lin
- (2) Alternate Director to Dr. Pietro Brenni
- (3) Appointed on 2 January 2024 and hence no director's fee was recorded
- (4) Retired on 27 April 2023
- (5) Resigned on 16 October 2023

The Board is of the view that due to competitive reasons, the total remuneration of each Director is not disclosed.

The Directors' fees for financial year 2022 amounted to \$270,000.00 were paid in financial year 2023 after approval by the members at the AGM held on 27 April 2023.

The Directors' fees for financial year 2023 amounted to \$283,000.00 is subject to approval by the members at the forthcoming AGM to be held on 30 April 2024.

Key Management Personnel ("KMP")

Compensation of KMP consists of salary, bonus and performance share awards that are dependent on the performance of the Company, the Group and individual performance.

The remuneration bands and components in percentage terms of the top five KMP are as follows:

Remuneration Band	Number of key executives	Basic salary	Variable performance bonus	Benefits-in-kind and others	Total
		%	%	%	%
\$250,000 to below \$500,000	3	87	11	2	100
Below \$250,000	2	95	5	–	100

The Board is of the view that given the sensitive and confidential nature of employees' remuneration, detailed disclosure of the compensation for KMP is not in the best interests of the Company and the Group. Such disclosure would disadvantage the Group in relation to its competitors and may affect adversely the cohesion and spirit of teamwork prevailing among the employees of the Group.

The annual aggregate remuneration paid to the top five KMP (excluding the CEO) for the financial year 2023 is approximately \$1,361,000.

Immediate Family Members of Director, Chief Executive Officer or Substantial Shareholder

Except for Mr. Voon Yok Lin and Mr. Voon Chet Chie who are both Directors of the Company and are related to each other, there was no employee who is an immediate family member of a Director, CEO or Substantial Shareholder of the Company and whose remuneration exceeds S\$100,000 for the financial year ended 31 December 2023.

CORPORATE GOVERNANCE

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.

In 2013, the Board established a Risk Management Committee ("RMC") which reports to the ARC to oversee all aspects of risk governance. The RMC has developed BBR's enterprise risk register, which involved identifying and evaluating key business risks, likely consequences should the event occur and mitigating controls in place to manage these risks. More importantly, the RMC's role is to constantly monitor identified risks and pre-empt new risks in a dynamic operating environment.

Members of the RMC comprise the management of the key operating units of the Group.

The Risk Management Report is on pages 150 to 157.

The Board and the ARC are satisfied that there is adequate and effective material internal control in place for the Group to address financial, operational, compliance and information technology risks after considering the following:

- The Board, through the ARC, is responsible for oversight of the risk management responsibilities, internal controls and governance processes delegated to Management;
- Internal auditors ("IA") plans its internal audit schedules independently in consultation with the Management on an annual basis and submits the internal audit plan to the ARC for approval. The ARC also meets with the IA at least once a year without the presence of the management to gather feedback on the management's level of cooperation and other matters that warrant the ARC's attention. All internal audit reports are submitted to the ARC for deliberation, with copies of these reports extended to the relevant senior management for prompt corrective actions as recommended. Furthermore, IA's summary of findings, recommendations and updates on management actions taken are discussed at the half-yearly ARC meetings together with the external auditors;
- The ARC reviews the audit plans of the external auditors of the Company and ensures the adequacy of controls for the accounting system. The ARC held discussions with the management and the auditors on the observations of the auditors in the management letter. The ARC was generally satisfied with the management's responses during the discussions and suggested improvements, where appropriate;
- The ARC reviews the half-yearly and annual financial statements, the auditors' report on the annual financial statements of the Group and the Company and the significant matters together with the external auditors and management before their submission to the Board of Directors;
- The ARC evaluates the effectiveness of the Group and the Company's material internal controls, including financial, operational, compliance and information technology controls and risk management via reviews carried out by the IA and observations of the external auditors;
- The ARC reviews interested person transactions in accordance with the requirements of the SGX-ST Listing Manual;
- The ARC and the Board are satisfied that policies and procedures for key business processes had been established. These include ISO procedures, financial policies, standard operating procedures, conflict of interest policy and a whistleblowing mechanism;
- For financial year 2023, the Board has received assurance from the CEO and the Chief Financial Officer ("CFO") that, to the best of their knowledge, the financial records have been properly maintained and the financial statements give a true and fair view of the operations and finances of the Company and the Group;

CORPORATE GOVERNANCE

- The Board has also received assurance from the CEO and the responsible KMP, that the risk management and internal control systems are adequate and effective, based on the established risk management and internal control systems, work performed by the internal and external auditors and reviews performed by Management; and
- All Directors and executive officers have submitted undertakings that they have complied with Rule 720(1) of the SGX-ST Mainboard Listing Rules.

The system of internal controls maintained by the Management is adequate and effective to meet the needs of the current business environment. However, the Board notes that the review of the Group's systems of internal control is a continuing process and there is always room for improvement having regard that no system of internal controls could provide absolute assurance against the occurrence of material errors, poor judgement in decision making, human error, natural disasters, losses, fraud or other irregularities. The system of internal controls adopted by the Group is therefore designed to minimise rather than eliminate the risk of failure to achieve business objectives.

Based on (i) the established risk management framework; (ii) the internal control systems in place and (iii) the work performed by the internal and external auditors, the Board, with the concurrence of the ARC, is of the opinion that the Group's internal controls, including financial, operational, compliance and information technology controls, and risk management systems were adequate and effective as at 31 December 2023.

Audit & Risk Committee

Principle 10: The Board has an Audit & Risk Committee which discharges its duties objectively.

The ARC comprises four Non-Executive Directors and the majority of whom, including the Chairman, are Independent Directors, namely:

Mr. Lim Boon Cheng- Chairman
Prof. Yong Kwet Yew
Mr. Chan Mun Wei
Mr. Karen Lee Kiah Ling

Mr. Lim Boon Cheng, the ARC Chairman, is well qualified to discharge their duties, as he possesses the necessary recent and relevant accounting and related financial management expertise and experience.

None of the ARC members were ever previous partners of the Company's external auditor, Ernst & Young LLP, nor do they have any financial interest in the auditing entity.

The duties and responsibilities of the ARC include those described in the Companies Act 1967 of Singapore and the 2018 Code. The main responsibilities include:

- review 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;
- review at least annually the adequacy and effectiveness of the Company's internal controls and risk management systems;
- review the assurance from the CEO and the CFO on the financial records and financial statements;
- review and make recommendations to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the external auditors of the Company and the Group, including fixing their remuneration and terms of engagement;
- review the audit plan of the external and internal auditors;
- review the adequacy, effectiveness, independence, scope and results of the external and internal audit functions and ensure coordination between external and internal auditors and the management;

CORPORATE GOVERNANCE

- oversee the establishment and operation of the whistleblowing process in the Company and review policies and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up;
- review the Group's financial and operating results and accounting policies;
- review the consolidated financial statements of the Group before submission to the Board together with the external auditors' report on those financial statements;
- review the half-yearly and full-year announcements as well as the related press releases (if any) on the results and financial position of the Group before submission to the Board for approval for release to SGX-ST; and
- review interested person transactions to ensure that each has been conducted on an arm's length basis.

The ARC has explicit authority to investigate any matter within its charter, full access to and co-operation of management and full discretion, to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly. The CEO and the CFO were invited to attend meetings of the ARC to report and brief the Committee on the financial and operational performance of the Group and answer queries raised by the ARC.

The ARC has reviewed the half-yearly and full-year financial statements of the Group in conjunction with the report issued by external auditors before announcement on SGXNET. Since the cessation of quarterly reporting by the Company on SGXNET in 2020, the ARC and the Board have continued to review and monitor the Group's quarterly results.

The following significant matters were highlighted by external auditors as key audit matters (KAMs) for the financial year ended 31 December 2023, which was discussed with management and reviewed by the ARC.

Significant matters	How the ARC reviewed the matter and what decision was made
Revenue recognition on construction contracts and development properties under construction	The ARC reviewed the approach and methodology applied to the revenue recognition on construction contracts where revenue is recognised over time based on the Percentage of Completion ("POC"). The ARC considered the approach and methodology used to be appropriate for its nature of business and they are in line with prevailing accounting standards and business practices. The ARC has also reviewed management's judgement and assumptions used in the determination of POC.
Provision for expected credit loss on trade receivables and contract assets	The ARC reviewed the approach and methodology applied to the provision for credit loss on trade receivables and contract assets. This comprised recognising appropriate amounts of loss allowance, and the identification of credit impaired debtors on trade receivables and contract assets balances. The Group has established a provision matrix to calculate expected credit losses that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.
Recoverability of development properties	The ARC was in constant discussion with Management on the developments of the Group's property development project to understand the project's progress, sales and marketing strategies, sales results etc. The ARC also reviewed the basis of capitalisation of development costs and Management's judgement and assumptions in the determination of the net realisable value of the development properties.

CORPORATE GOVERNANCE

Details on the KAMs can be found in the Independent Auditor's Report on pages 25 to 27. Based on its review as well as discussion with Management and the external auditors, the ARC is satisfied that the KAMs have been properly dealt with.

In the ARC meetings held quarterly during the financial year, the ARC has reviewed all interested person transactions entered into by the Group. From the review, the ARC is satisfied that all such transactions have been conducted on an arm's length basis and has recommended to the Board for the approval of those transactions.

The ARC has reviewed the work performed by the external auditors, Ernst & Young LLP, after taking into consideration the relevant guidelines issued to the Audit Committees by Singapore Exchange Trading Limited and/or the Singapore Accounting & Corporate Regulatory Authority.

After taking into consideration the adequacy of the resources and experience of Ernst & Young LLP (including the audit partner in charge of auditing the Company), the time spent by the audit team members, the other audit engagements of Ernst & Young LLP, the number and experience of supervisory and professional staff assigned to the audit, the inspection results of the audit partner in charge, as well as the Group's size and complexity, the ARC and the Board are of the view that Ernst & Young LLP has been able to assist the Company in meeting its audit obligations.

The Company engages Ernst & Young LLP for all its Singapore incorporated subsidiaries, associate and joint venture companies as well as its significant foreign-incorporated subsidiaries.

Accordingly, the Company is in compliance with Rules 712 and 715 of the SGX-ST Mainboard Listing Rules.

In accordance with Rule 1207(6) of the SGX-ST Mainboard Listing Rules, the audit fees paid to Ernst & Young LLP for their audit and non-audit services for the financial year ended 31 December 2023 for the Group, including associates and joint ventures, amounted to \$267,000 and \$2,000 respectively.

The ARC has conducted an annual review of non-audit services provided by the external auditors to the Group and is satisfied that the nature and extent of such services do not affect the independence of the external auditors.

The ARC is satisfied with the independence and objectivity of the external auditors and recommends to the Board the nomination of the external auditors for re-appointment.

The ARC meets the external auditors without the presence of the Management annually. The external auditors have attended ARC meetings held during the financial year to present their audit reports, where applicable.

The Company has in place a whistleblowing framework which serves to encourage and provide a channel whereby employees may, in good faith and in confidence, raise concerns about possible improprieties in financial reporting and other concerns, to ensure independent investigation of such matters and appropriate follow-up action. Staff may wish to report to his/her immediate supervisor or the Company Secretary. If these channels are not appropriate in view of the circumstance or nature of the incident, the matter can be reported to the ARC Chairman. Protection is given to the person reporting any irregularity in good faith. The whistleblower's identity is kept confidential and his/her interests will be safeguarded at all times. He/She will be protected from reprisals for whistleblowing in good faith, even if no violation is found to have occurred eventually. A review committee, comprising the ARC, any senior management staff and/or professionals which the review committee may include at their discretion, will be set up to look into the concerns raised. The review committee may appoint one or more investigating officers to conduct the investigation and the findings of the investigation will be communicated to the review committee for their necessary action. There have been no reported incidents pertaining to whistleblowing for the financial year 2023.

CORPORATE GOVERNANCE

The Company has established an internal audit function that is independent of the activities it audits. The internal audit function is presently outsourced and conducted by One e-Risk Services Pte Ltd, a professional risk advisory company. Their appointment, removal, evaluation and compensation are approved by the ARC. The Company has given the IA full access to its documents, records, premises and personnel in the course of their work.

The internal audit function is independent and reports directly to the ARC. To ensure the adequacy of the internal audit function, the ARC meets at least once a year to review the internal audit findings and to approve the annual internal audit plans. Annual reviews are conducted on the adequacy and effectiveness of the Company's risk management and internal control systems, which may include financial, operational, compliance and information technology controls. The members of the ARC have unrestricted access to the IA on all matters whenever they deem necessary and have met the IA without the presence of the Management at least once annually.

The IA meets the standards set by recognised professional bodies, including the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

The ARC has reviewed the adequacy of the Company's internal audit functions and is satisfied that it is independent, effective, adequately resourced and has appropriate standing within the Company.

The ARC will continue to review the adequacy of the internal audit function 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.

The Directors and Management are mindful of the obligation to provide shareholders with information on all major developments and other material information that affects the Group on a timely basis. The Company does not practice selective disclosure of material information.

Information is communicated to shareholders on a timely basis through:

- Annual reports and circulars;
- SGXNET announcements and press releases, where applicable;
- Half-yearly financial results and annual reports are broadcast via SGXNET within the prescribed period;
- Notices and explanatory notes of the general meetings; and
- the Company's website at <http://www.bbr.com.sg>

The Board provides shareholders with a balanced and understandable assessment of the Group's financial performance, position, and prospects through the announcement of half-yearly and annual financial results and press release (where appropriate) via SGXNET.

Shareholders can access both general information such as business activities, project history, as well as investor-related information on the Group via the Company's website.

CORPORATE GOVERNANCE

Conduct of General Meetings

Shareholders are notified of general meetings within the prescribed period before the scheduled date of such meetings via notices in annual reports or circulars, announcements on SGXNET and advertisements in the Business Times (unless such requirement is otherwise waived by the relevant regulatory authorities). Members are entitled to attend all general meetings so as to participate effectively and vote. They are also given the opportunity to share and communicate their views and seek clarification with the Board on issues relating to the Group's performance either formally at or informally after the meeting. Shareholders are informed of the rules, including voting procedures that govern general meetings of members at the commencement of each meeting.

The Company tables separate resolutions at general meetings of shareholders on each substantially separate issue with provision of explanatory notes unless the issues 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. No such resolutions were tabled in the previous annual general meeting held.

All resolutions tabled at general meetings are voted by poll in the presence of scrutineers from One e-Risk Services Pte Ltd. Results of the polling are made known to members before the meeting is concluded and announced on the SGXNET immediately after the meeting.

All Directors and the Chief Financial Officer will strive to attend general meetings to address any questions and concerns of the shareholders. The external auditors will also be present to address shareholders' queries about the conduct of audit, the preparation and content of the auditor's report.

The Company's constitution allows for absentia voting at general meetings of shareholders but the Company is not implementing absentia voting methods such as voting via mail, e-mail or fax as issues concerning authentication, security, privacy and integrity have to be satisfactorily dealt with and resolved. Banking corporation or subsidiary of such corporation whose business includes the provision of nominee services and person that provide custodial services for securities and who holds shares of the Company in that capacity are entitled to appoint more than two proxies to attend, speak and vote at general meetings.

Conduct of 2023 AGM

During the financial year under review, the Company's 29th AGM was convened physically. Shareholders (including Central Provident Fund Investment Scheme members ("CPF Investors") and/or Supplementary Retirement Scheme investors ("SRS Investors")) may participate in the AGM by (a) attending the AGM in person; (b) raising questions at the AGM or submitting questions in advance of the AGM; and/or (c) voting at the AGM themselves personally; or through their duly appointed proxy(ies).

Shareholders were allowed to raise questions at the AGM or submit questions related to the resolutions to be tabled for approval at the AGM in advance. The Company then published its responses to the substantial and relevant questions, if any, submitted by the shareholders on SGXNET.

The Company publishes the minutes of general meetings on its corporate website as well as through announcements via SGXNET. The minutes will include information of the Directors, Management and, where relevant, the external auditor and advisors who attended the meeting, details of any questions raised by members and the answers given by the Board and/or Management. The minutes of the previous AGM held on 27 April 2023 was announced and published on 22 May 2023.

CORPORATE GOVERNANCE

Dividend Policy

The Company does not have a fixed dividend policy in place. In determining the annual dividend payout, the Board will consider setting aside sufficient funds for investments, capital expenditure, equity contribution for property development projects, working capital and other requirements as the Board may deem fit for the best interests of the Company and the Group.

A dividend of 0.3 cents for FY2022 was approved by shareholders at the last AGM held on 27 April 2023 and paid on 24 May 2023.

A dividend of 0.3 cents has been proposed for FY2023 representing a dividend payout of 15% of its current earnings.

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.

The annual general meetings and extraordinary general meetings are the principal forums for dialogue with shareholders and venues for shareholders to express their views on various matters affecting the Company and to stay informed of the Group's strategy and goals. Shareholders and members are encouraged to participate in the meetings by raising relevant questions or to seek clarification on the motions to be debated and decided upon. According to the Company's constitution, a member who is not a relevant intermediary, is entitled to attend, speak and vote at general meetings may either vote in person or appoint not more than two proxies to attend, speak and vote on his behalf. Member who is a relevant intermediary, either banking corporation, its wholly-owned subsidiary that provide nominee services or a person that provide custodial services for securities, may appoint more than two proxies to attend, speak and vote at the general meetings.

The Chairman of the respective committees are present and available to address questions at general meetings. The external auditors are invited to general meetings, in particular, the annual general meetings, to assist the Directors in addressing any relevant queries by the members.

Shareholders are given the opportunity to raise questions at general meetings or submit questions related to the resolutions to be tabled for approval at the general meetings in advance. The Company shall publish its responses to the substantial and relevant questions, if any, submitted by the shareholders on SGXNET.

The Directors and Management of the Company continue to place emphasis on its investor relations efforts to engage and strengthen relationships with shareholders. It believes that regular, timely, effective and fair communication with shareholders is part of good corporate governance practices.

The Investor Relations team communicates with financial analysts to update them on the latest corporate development and at the same time address their queries, if any. The CEO and CFO may hold analysts' briefings on the Company's financial results and business updates after they have been announced on SGXNET. Interviews with the appropriate media may be organised from time to time.

Shareholders with questions may contact the Company's investor relations which are managed by Waterbrooks Consultants Pte Ltd, through the Company's website at www.bbr.com.sg, from which shareholders can access, provides all publicly announced financial information, corporate announcements, media releases and annual reports which shareholders can access at any time.

CORPORATE GOVERNANCE

MANAGING STAKEHOLDERS RELATIONSHIP

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.

The Group has regularly engaged its stakeholders through various mediums and channels to ensure that the business interests are aligned with those of the stakeholders, to understand and address the concerns so as to improve services and products' standards, as well as to sustain business operations for long term growth.

The stakeholders identified are those who are impacted by or who will be impacted the Group's business and operations. They are our future generation, employees, customers, suppliers and the community.

The Group has undertaken a process to determine the environmental, social and governance issues which are important to these stakeholders. These issues form the materiality matrix upon which targets, performance and progress are reviewed by the Board annually.

Having identified the stakeholders and the material issues, the Company has mapped out the key areas of focus in relation to the management of the respective stakeholder relationships.

More information is available in the annual Sustainability Report, which will be published by the Company at a later date, a copy of which will be made available on the Company's website in due course.

ADDITIONAL INFORMATION

Dealings in the Company's Shares (Rule 1207(19) of the SGX-ST Listing Manual)

The Company has adopted policies in line with the requirements of the listing rules of SGX-ST on dealings in the Company's securities. The Company and all officers and employees of the Group are not allowed to deal in the Company's shares while in possession of unpublished material price-sensitive information and on short-term considerations, and during the period commencing one month before the announcement of the Company's half year and full year financial statements up till the date when the relevant announcements have been released.

Risk Management Policies and Processes (Rule 1207(4)(b)(iv) of the SGX-ST Listing Manual)

The Group's overall risk management policy aims to minimise potential adverse effects on the financial performance of the Group. The Group has adopted risk management policies and processes that seek to mitigate these risks in a cost-effective manner.

Information on risk management, policies and processes are disclosed in the financial statements as well as Risk Management Report on pages 150 to 157.

Material Contracts (Rule 1207(8) of the SGX-ST Listing Manual)

There were no material contracts entered into by the Company and its subsidiaries in financial year 2023, save as disclosed under "Interested Person Transactions" in this section and in the financial statements, which involved the interests of the CEO, any Director or controlling shareholders of the Company.

CORPORATE GOVERNANCE

Interested Person Transactions (Rule 907 of the SGX-ST Listing Manual)

No general mandate has been obtained for interested person transactions pursuant to Rule 920(1) of the SGX-ST Mainboard Listing Rules. The aggregate value of interested person's transactions carried out during the financial year ended 31 December 2023 by the Group based on the Group's effective interest in the transactions was as follows:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	S\$'000	S\$'000
BBR VT International Ltd (A related corporation of BBR Holding AG, Switzerland, a controlling shareholder of the Company)	1,464	-

The above interested person transactions were carried out on an arm's-length basis.

Sustainability Report (Rules 711A and 711B of the SGX-ST Mainboard Listing Rules)

The Board recognises the importance of sustainability in our Group's business operations and performance and oversees the overall strategic plan including considering sustainability and environmental issues as part of our strategic formulation. It is our belief that building a sustainable business is vital to our continued success and that we must be fully accountable for our impact on the environment, our customers, our people and our community as well as its financial performance.

In response to growing climate change challenges, the Group has continuously sought to minimise the environmental impact and reduce carbon footprint of its activities through energy conservation, optimising paper consumption and managing waste. The Group is adopting a progressive approach towards managing and reporting climate-related risks and opportunities. Climate-related physical and transition risks relevant to the business have been identified, assessed and mitigating measures implemented. These climate-related risks are now integrated into the Group's overall risk management policies and process.

All our employees are urged to minimise paper wastage at work by adhering to our internal paper usage reduction guidelines, such as setting double-sided printing as a default, lower grammage paper being used for daily printing, and blank sides of unneeded single-sided copies being used for printing drafts. Wherever possible, we go green by adopting a paperless approach for record-keeping. In addition, the Board emphasises the need to provide and maintain a safe and healthy work environment for the Company's employees. Given the high-risk nature of construction activities, we place greater emphasis on health and safety training, awareness, procedures and general education, and aim to develop a culture whereby safety is ingrained into each and every employee and subcontractor working with us.

Information on the Group's Corporate ESG policies and practices will be included in its Sustainability Report which will be released via SGXNET no later than 4 months after the end of the financial year.