

Corporate Governance

OUR ROLE

We, CapitaLand Malaysia REIT Management Sdn. Bhd. (Manager), as the manager of CapitaLand Malaysia Trust (CLMT), set the strategic direction of CLMT and its subsidiaries (collectively, CLMT Group) and make recommendations to MTrustee Berhad (Trustee), in its capacity as trustee of CLMT on any investment or divestment opportunities for CLMT Group and the enhancement of the assets of CLMT Group in accordance with the stated investment strategy for CLMT. The research, evaluation and analysis required for this purpose are coordinated and carried out by us as the Manager.

As the Manager, we have general powers of management over the assets of CLMT Group. Our primary responsibility is to manage the assets and liabilities of CLMT Group for the benefit of the unitholders of CLMT (Unitholders). We perform this with a focus on generating rental income and enhancing asset values over time so as to maximise returns from the investments and ultimately, the distribution and total returns to Unitholders.

Our other functions and responsibilities of the Manager include:

- (a) using our best endeavours to conduct CLMT Group's business in a proper and efficient manner in the best interests of the Unitholders;
- (b) preparing annual business plans for review by the Directors of the Manager, including forecasts on revenue, net income and capital expenditure, explanations on major variances against previous years' financial results, written commentaries on key issues and underlying assumptions for rental rates, operating expenses and other relevant assumptions;
- (c) ensuring compliance with relevant laws and regulations, including but not limited to the Companies Act 2016, the Capital Markets and Services Act 2007 (CMSA), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Securities) (Listing Requirements), the Securities Commission's (SC) Guidelines on Listed Real Estate Investment Trusts (REITs Guidelines), Licensing Handbook, written directions, notices, codes and other applicable guidelines issued by SC and/or Bursa Securities and the tax rulings issued by the Inland Revenue Board of Malaysia on the taxation of CLMT and its Unitholders as well as any updates and amendments to such relevant laws and regulations;
- (d) attending to all regular communications with Unitholders; and

- (e) supervising the property managers which perform the day-to-day property management functions (including leasing, marketing and promotion, operations, coordination and other property management activities) for CLMT Group's properties.

The Manager also considers sustainability issues (including environmental and social factors) as part of its responsibility. CLMT's environmental, sustainability and community outreach programmes are set out on pages 40 to 64 of this Annual Report.

The Manager administers the enterprise risk management and ensures that internal controls are in place to mitigate and manage the risks as set out in the Risk Management section on pages 96 to 100 of this Annual Report.

CLMT, constituted as a trust, is externally managed by the Manager. The Manager was appointed in accordance with the terms of the trust deed dated 7 June 2010 (as amended, supplemented or restated from time to time) (Trust Deed). The Trust Deed outlines certain circumstances under which the Manager can be removed, including by notice in writing given by the Trustee upon the occurrence of certain events, or by resolution passed by a simple majority of Unitholders present and voting at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed. The Manager appoints experienced and well qualified personnel to run its day-to-day operations.

There was no public sanction or penalty imposed on the Manager by the relevant regulatory bodies during the financial year ended 31 December 2024 (FY 2024).

The Manager is a wholly owned subsidiary of CLI Asset Management Pte. Ltd., which in turn is a wholly owned subsidiary of CapitaLand Investment Limited (CLI). CLI holds a significant indirect unitholding interest in CLMT. CLI is a leading global real estate investment manager with a strong Asia foothold and has a vested interest in the long-term performance of CLMT. CLI's significant indirect unitholding in CLMT demonstrates its commitment to CLMT and as a result, CLI's interests is aligned with that of other Unitholders. The Manager's association with CLI provides the following benefits, among other things, to CLMT:

- (a) a stable pipeline of property assets through CapitaLand Group;
- (b) wider and better access to banking and capital markets;
- (c) fund raising and treasury support; and
- (d) access to a pool of experienced management talent.

OUR CORPORATE GOVERNANCE FRAMEWORK AND CULTURE

The Manager embraces the tenets of good corporate governance, including accountability, transparency and sustainability. It is committed to enhancing long-term Unitholder value and has appropriate people, processes and structure to direct and manage the business and affairs of the Manager with a view to achieving operational excellence and delivering CLMT Group’s long-term strategic objectives. The developed policies and practices meet the specific business needs of CLMT Group and provide a firm foundation for a trusted and respected real estate investment trust.

As of the date of this Corporate Governance Statement (Statement), our corporate governance framework is set out below:

The Board of Directors (Board) sets the tone from the top and is responsible for the Manager’s corporate governance standards and policies, underscoring their importance to the Manager and CLMT Group.

This Statement sets out the Manager’s application of the corporate governance practices for FY 2024 with reference to the principles and practices of the Malaysian Code on Corporate Governance 2021 (Code) issued by the SC.

Throughout FY 2024, the Manager has generally applied the principles and practices of corporate governance laid down by the Code and substantially achieved the intended outcome outlined in the Code. Where there are deviations, appropriate explanations are provided in this Statement. This Statement also sets out additional policies and practices adopted by the Manager which are not provided in the Code.

BOARD OF DIRECTORS

5 Independent Directors (ID) and 3 Non-Independent Directors (Non-ID)
Led by ID, Dato’ Ng Tiong Lip (Dato’ Jeffrey Ng), Chairman

Key responsibility: Oversees the Manager’s strategic direction, performance & affairs and fosters the success of CLMT so as to deliver sustainable value over the long-term to Unitholders

AUDIT COMMITTEE (AC)

3 IDs

Led by ID, Mr Foo Wei Hoong (Mr Foo), AC Chairman.

Key responsibility:

Assists the Board in its oversight of the financial reporting process, internal controls system, internal and external audit processes, and management of compliance with legal regulatory and company policies

EXECUTIVE COMMITTEE (Exco)

3 Non-IDs

Led by Mr Lim Cho Pin Andrew Geoffrey (Mr Andrew Lim), Exco Chairman.

Key responsibility:

Assists the Board in its oversight of the day-to-day activities of the Manager and CLMT

NOMINATING AND REMUNERATION COMMITTEE (NRC)

2 IDs and 1 Non-ID

Led by ID, Mr Tan Boon Peng, NRC Chairman.

Key responsibility:

Assists the Board in its oversight of nomination and remuneration matters for the Manager

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

Board's Duties and Responsibilities

The Board oversees the strategic direction, performance and affairs of the Manager, in furtherance to the Manager's primary responsibility in fostering the success of CLMT so as to deliver sustainable value over the long-term to Unitholders. It provides overall guidance to the management team (Management), led by the Chief Executive Officer (CEO). The Board works with Management to achieve CLMT's objectives and long-term success and Management is accountable to the Board for its performance. Management is responsible for the execution of the strategy for CLMT and the day-to-day operation of CLMT's business.

The Board establishes goals for Management and monitors the achievement of these goals. It ensures that proper and effective controls are in place to assess and manage business risks and compliance with requirements under the Listing Requirements, REITs Guidelines as well as any other applicable guidelines prescribed by Bursa Securities, SC or other relevant authorities and such other applicable laws. It also sets the disclosure and transparency standards for CLMT and ensures that obligations to Unitholders and other stakeholders are understood and met. The goals and achievements of CLMT are set in the Balance Scorecard approved by the Board and are measured at the end of each financial year. The Board also receives periodic reports on the risks, compliance, conflicts of interest or potential/perceived conflicts of interest, if any and internal controls managed and applied by Management for CLMT and the Manager.

The Directors are fiduciaries and collectively, as the Board and individually, obliged at all times to act honestly and objectively in the best interests of CLMT. Consistent with this principle, the Board is committed to good ethics and integrity of action and has adopted a Code of Business Conduct and Ethics for Board of Directors (Board Code) which provides that every Director is expected to, among other things, adhere to the highest standards of ethical conduct. All Directors are required to comply with the Board Code. This sets the appropriate tone from the top in respect of the desired organisational culture and assists the Board in ensuring proper accountability by the Manager. In line with this, the Board has incorporated a standing policy in the Board Code that a Director must not allow himself or herself to get into a position where there is a conflict between his or her duty to CMRM and his or her own interests. Where a Director has a conflict (including potential conflict) of interest in a particular matter, he or she will be required to disclose his or her interest to the Board, recuse himself or herself

from deliberations on the matter and abstain from voting on the matter. Every Director has complied with this policy, and where relevant, such compliance has been duly recorded in the minutes of meeting or written resolutions. The Board Code which was last revised on 28 July 2022 is published on CLMT's website at www.clmt.com.my (Website).

Furthermore, the Directors have the responsibility to act with due diligence in the discharge of their duties and ensure that they have the relevant knowledge to carry out and discharge their duties as Directors, including understanding their roles as executive, non-executive, and IDs, the business of CLMT Group and the environment in which CLMT Group operates. The Directors are also required to dedicate the necessary effort, commitment and time of their work as directors, and are expected to attend all meetings of the Board, unless unforeseen circumstances make attendance impractical.

Board Committees

The Board has established various Board Committees to assist in the discharge of its functions. These Board Committees are the Audit Committee (AC), Nominating and Remuneration Committee (NRC) and the Executive Committee (Exco). The Board undertakes all the responsibilities for approving corporate disclosures other than certain non-material and routine disclosures which approvals are delegated to Management, following the dissolution of the Corporate Disclosure Committee on 1 February 2020.

All the Board Committees have clear written terms of reference setting out their respective composition, authorities and duties. Each of these Board Committees operates under delegated authority from the Board with the Board retaining overall oversight. The decisions and significant matters discussed at the respective Board Committees are reported to the Board on a periodic basis. The minutes of the Board Committee meetings which record the key deliberations and decisions taken during these meetings are also circulated to all Board members for their information. The composition of the various Board Committees is set out under the Corporate Information section of this Annual Report. The duties and responsibilities of the Board Committees are set out in this Statement.

The Board may form other Board Committees from time to time as dictated by business imperatives. The composition of each Board Committee is also reviewed as and when there are changes to Board membership and is managed to ensure an equitable distribution of responsibilities among Board members, to maximise the effectiveness of the Board and to foster active participation and contribution from Board members. Diversity of experience and appropriate skills are considered in the composition of the respective Board Committees.

Meetings of Board and Board Committees

Board and Board Committee meetings are scheduled prior to the start of each financial year in consultation with the Directors. In line with good governance practices, the Manager leveraged on technology by conducting hybrid meetings of the Board and Board Committees, which made it more convenient for meeting participation and robust discussion. The conduct of Board and Board Committee meetings which includes participation by any Director via audio or video conference is permitted by the Constitution of the Manager (Constitution). If a Director is unable to attend a Board or Board Committee meeting, he or she may provide his or her comments to the Chairman or the relevant Board Committee Chairman ahead of the meeting, and these comments are taken into consideration in the deliberations. The Board and Board Committees may also make decisions by way of written resolutions. In addition to scheduled meetings, the Board may also hold ad hoc meetings as and when required by business imperatives.

At each scheduled Board meeting, the Board is apprised, amongst others, the following:

- (a) significant matters discussed at the AC meeting which is typically scheduled before the Board meeting;
- (b) AC's recommendation on CLMT's periodic and year-end financial results following AC's review of the same;
- (c) decisions made by Board Committees in the period under review;
- (d) updates on the CLMT Group's business and operations in the period under review, including market developments and trends, as well as business initiatives and opportunities;
- (e) financial performance, budgetary and capital management related matters in the period under review, including any material variance between any projections in budget or business plans and the actual results from business activities and operations;
- (f) any risk management issues that materially impact CLMT Group's operations or financial performance;
- (g) updates on key Unitholder engagements in the period under review, as well as analyst views and market feedback;
- (h) updates on CLMT Group's sustainability matters;
- (i) prospective transactions which Management is exploring; and
- (j) summary of dealings in CLMT units (Units) by the Manager.

The Manager adopts and practises the principle of collective decisions and therefore, no individual Director influences or dominates the Board's discussion and decision-making

process. There is mutual respect and trust among the Directors and therefore the Board benefits from a culture of frank and rigorous discussions. Such discussions conducted on a professional basis contribute to the dynamism and effectiveness of the Board. The Board composition is such that there is diversity in views and perspectives which enriches deliberations and contributes to better decision-making by the Board. At Board and Board Committee meetings, all the Directors actively participate in discussions, in particular, they engage in open and constructive debate and will challenge the Management on its assumptions and recommendations. Management provides the Directors with complete, adequate and timely information prior to Board and Board Committee meetings and on an ongoing basis. This enables the Directors to make informed decisions and discharge their duties and responsibilities.

The Company Secretary of the Manager works with the Chairman and Management to ensure that Board meeting materials and agendas are provided to each Director at least seven (7) days before the date of the Board meetings so that they can familiarise themselves with the matters prior to the Board meetings. Meeting materials for Board Committee meetings are circulated in advance of the meetings in accordance with the Terms of Reference of the respective Board Committees. Agendas for Board and Board Committee meetings are prepared in consultation with the Chairman and the chairmen of the respective Board Committees. This provides assurance that there is time to cover all relevant matters during the meetings.

Presentations in relation to specific businesses areas are also made by key executives and external consultants or experts. This allows the Board to develop a good understanding of the progress of CLMT Group's business as well as the issues and challenges facing CLMT Group, and also promotes active engagement between the Board and the key executives of the Manager.

In line with the Manager's ongoing commitment to minimise paper wastage and reduce its carbon footprint, the Manager does not provide printed copies of Board and Board Committee meeting materials. Instead, the Directors are provided with tablet devices to enable them to access and review soft copies of the meeting materials prior to and during meetings. This initiative also enhances information security as the meeting materials are made available through a secure channel. The Directors are also able to review and approve written resolutions using tablet devices.

The Manager practices timely circulation of the minutes of the Board and Committee meetings after each meeting. These minutes accurately reflect the deliberations and decisions of the Board and Board Committees, including whether any Director abstained from voting or deliberating on any matter.

A total of five (5) Board meetings, four (4) AC meetings, one (1) NRC meeting and four (4) Exco meetings were held in FY 2024 with the Company Secretary in attendance at every meeting while Management and internal and external auditors attended the Board and Board Committee meetings upon invitation, as and when necessary. A table showing the attendance record of the Directors at meetings of the Board and Board Committees in FY 2024 is set out on page 87 of this Annual Report.

The Manager believes in the manifest contribution of its Directors beyond attendance at formal Board and Board Committee meetings. To judge a Director's contributions based on his attendance at formal meetings alone would not do justice to his overall contributions, which include being accessible to Management for guidance or exchange of views outside the formal environment of Board and Board Committee meetings. In addition to the formal meetings held in FY 2024, Management has received and benefited from the strategic guidance of the Board through the Directors having had many interactive sessions with Management in person and also through electronic means.

Directors' Development

In view of the increasingly demanding, complex and multi-dimensional roles of a Director, the Board recognises the importance of continuous training and development, including material sustainability risks and opportunities for its Directors, so as to equip them with the necessary knowledge and ability to discharge the duties and responsibilities of their office as Directors. The Manager has in place a training framework to guide and support the Manager towards meeting the objective of having a Board which comprises individuals who are competent and possess up-to-date knowledge and skills necessary to discharge their duties and responsibilities. Newly appointed Directors who have no prior experience as a director of a listed issuer are provided with training on the roles and responsibilities of a director of a listed issuer in accordance with the Listing Requirements.

Upon appointment, each Director is provided a copy of the Director's Manual (which includes information on a broad range of matters relating to the role, duties and responsibilities of a director). All Directors, upon appointment, also undergo an induction programme which focuses on orientating the Director to CLMT Group's business, operations, strategies, organisation structure, responsibilities of the CEO and other persons having authority and responsibility for planning, directing and controlling the activities of the Manager (key management personnel), as well as financial and governance practices. Through the induction programme, the new Director also gets acquainted with members of Management which facilitates their interaction at Board meetings.

Following their appointment, Directors are provided with opportunities for continuing education in areas such as Directors' duties and responsibilities, changes to regulations

and accounting standards and industry-related matters, so as to be updated on matters that affect or which may enhance their performance as Directors or Board Committee members. The Directors may also recommend suitable training and development programmes to the Board. In FY 2024, the training and professional development programmes for the Directors included seminars conducted by experts and senior business leaders on board practices and issues faced by boards. The Directors also regularly receive reading materials on topical matters or subjects as well as updates on regulatory changes and their implications. The Board has been continuously briefed and updated on the latest development on the corporate governance issues.

As at the date of this Statement, except for the newly appointed Directors, Ms Yong Su-Lin (Ms Yong) and Datin Hayati Aman Binti Hashim (Datin Hayati), who have yet to complete the Mandatory Accreditation Programme (MAP) as prescribed by Bursa Securities, all other Directors have attended the MAP Part I and Part II. Training programmes, seminars and conferences attended by the Directors during FY 2024 are set out on page 88 of this Annual Report.

Chairman and Chief Executive Officer

The Chairman is responsible for:

- (i) providing leadership to the Board so that the Board can perform its responsibilities effectively;
- (ii) overseeing the Board agenda and interfacing between Management and Board members for delivery of information required at each Board meeting;
- (iii) leading all Board meetings and discussions;
- (iv) encouraging active participation and allowing dissenting views to be freely expressed by the Directors;
- (v) managing the interface between Board and Management on all other matters;
- (vi) ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board; and
- (vii) leading the Board in the adoption and implementation of good corporate governance practices in the Manager.

The roles and responsibilities of the Chairman and the CEO are held by separate individuals, in keeping with the principles that there be a clear division of responsibilities between the leadership of the Board and Management and that no one individual has unfettered powers in decision making.

During the FY 2024, the Board was led by Dato' Jeffrey Ng as Chairman of the Board whilst the CEO is Mr Tan Choon Siang. On 14 November 2024, CMRM announced the appointment of Ms Yong as CEO, Designate as part of the leadership succession plan effective 2 January 2025.

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Ms Yong subsequently assumed the roles of CEO and Non-Independent Executive Director, succeeding Mr Tan Choon Siang who resigned from both positions effective 1 February 2025. The Chairman and the CEO enjoy a positive and constructive working relationship between them and support each other in their respective leadership roles. They do not share any family ties.

The Chairman provides leadership to the Board and facilitates the conditions for the overall effectiveness of the Board, Board Committees and individual Directors. This includes approving the agenda set for the Board meetings and ensuring that there is sufficient information and time given at meetings to address all agenda items, and promoting open and constructive engagement among the Directors as well as between the Board and the Management on strategic issues.

The Chairman devotes considerable time to understanding the business of CLMT Group, as well as the issues and the competition that CLMT faces. He plays a leadership role by providing oversight, direction, advice and guidance to the CEO. He also maintains open lines of communication and engages with other members of Management regularly, and acts as a sounding board for the CEO on any strategic and significant operational matters. The Chairman also ensures that the Board works together with Management with integrity, competency and moral authority, and that the Board engages Management in deliberations on strategy, business operations and enterprise risks.

The Chairman is not a member of the AC, NRC and Exco of the Manager. This is to ensure the objectivity of the Chairman is not impaired particularly during deliberation on the recommendations put forth by the Board Committees.

The CEO has full executive responsibilities to manage CLMT Group's business and to develop and implement policies approved by the Board.

The separation of the roles and responsibilities between the Chairman and the CEO and the resulting clarity of roles provide a healthy professional relationship between the Board and Management, facilitates robust deliberations on CLMT Group's business activities and the exchange of ideas and views to help shape CLMT's strategic process thus ensuring an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

Company Secretaries

The Board is supported by two (2) suitably qualified and competent Company Secretaries. The Company Secretaries keep themselves abreast of relevant developments. They have oversight of corporate secretarial administration matters and advise the Board and Management on corporate governance matters. The Company Secretary

attends all meetings of the Board, Board Committees and Unitholders' and assists the Board in ensuring that procedures are followed. The Company Secretary also facilitates the induction programme for new Directors and oversees professional development administration for the Directors. The appointment and the removal of the Company Secretaries is subject to the Board's approval.

During FY 2024, the Company Secretary has advised on corporate disclosures and ensure compliance with the Companies Act 2016 and provided updates on the REITs Guidelines, Listing Requirements and other related laws and regulations for the Manager's and Board's information.

Board Charter

The Board Charter has been established to clearly outline the roles and responsibilities of the Board to ensure that principles and practices of good corporate governance are applied by the Board. The Board's duties and responsibilities as outlined in the Board Charter include, among others, the following:

- (a) to approve the strategy and objectives for CLMT Group and to monitor the progress thereof;
- (b) to approve the financial plan (including annual budgets and capital management plans) and monitor the financial performance of CLMT Group;
- (c) to approve corporate and financial restructuring, mergers, major acquisitions and divestments;
- (d) to approve the risk appetite of the Group; and review the adequacy and effectiveness of the risk management and internal control systems;
- (e) to consider sustainability issues as part of its strategic formulation;
- (f) to review and approve the appointment of directors and their remuneration;
- (g) to review the appointment of and succession planning for the CEO;
- (h) to oversee the overall remuneration policy and compensation framework, and the compensation package for the CEO;
- (i) to oversee leadership development and succession planning;
- (j) to review and assess from time to time any real, potential or perceived conflict of interest involving (i) directors, chief executive and key senior management of the Company; and (ii) directors and chief executive of the Trustee of CLMT;
- (k) to oversee and accord sufficient priority and resources to manage technology risk including to approve and establish technology risk management framework (TRM Framework), risk appetite and risk tolerance statement

and to ensure the TRM Framework and policies are robust and sound; and

- (l) to appoint and remove the Company Secretary.

The Board Charter is periodically reviewed to reflect changes to the Board's policies, procedures and processes as well as any development in statutes and regulations that may have an impact on the discharge of the Board's duties and responsibilities. The Board Charter which was last revised on 24 April 2024 is published on the Website.

The Board has also adopted a set of internal control which establishes financial approval limits for capital expenditure, investments, divestments, bank borrowings and issuance of debt instruments and this is clearly communicated to Management in writing. The Board has reserved authority to approve certain matters including:

- (a) material acquisition, investments and divestments;
- (b) issue of new units in CLMT (Units);
- (c) income distributions and other returns to Unitholders; and
- (d) matters which involve a conflict of interest for a controlling Unitholder or a Director.

Apart from matters that specifically require the Board's approval, the Board delegates authority for transactions below the Board's approval limits to Board Committees and Management to optimise operational efficiency.

Code of Business Conduct

The Manager adheres to an ethics and code of business conduct policy which deals with issues such as confidentiality, conduct and work discipline, corporate gifts and concessionary offers. Clear policies and guidelines on how to handle workplace harassment and grievances are also in place. These policies and guidelines are published on CapitaLand Group's intranet, which is accessible by all employees of the Manager. The policies that the Manager has implemented aim to help detect and prevent occupational fraud mainly in three ways, as set out below.

Firstly, the Manager offers fair compensation packages, based on practices of pay-for-performance and promotion based on merit to its employees. The Manager also provides various healthcare subsidies and financial assistance schemes to alleviate the common financial pressures its employees face.

Secondly, clearly documented policies and work procedures incorporate internal controls which ensure that adequate checks and balances are in place. Periodic audits are also conducted to evaluate the efficacy of these internal controls.

Finally, the Manager seeks to build and maintain the right

organisational culture through its core values, educating its employees on good business conduct and ethical values. This is achieved through orientation training of new employees and periodic training updates for existing employees.

The Board adheres to the Board Code, which essentially sets out the standards of conduct expected from all Directors, including avoiding conflict of interest/potential conflict of interest, duties of honesty and good faith, professionalism and commitment, preventing non-compliance with laws, rules and regulations. If the conflict of interest/potential conflict of interest cannot be avoided, then the Director must make full disclosure to the Board.

Fraud, Bribery & Corruption Risk Management Policy

The Manager adopts a zero tolerance stance against fraud, bribery and corruption. In addition to clear guidelines and procedures for the giving and receipt of corporate gifts and concessionary offers, all employees of the Manager are required to pledge annually to uphold the Manager's core values and to not engage in any corrupt or unethical practices. This serves as a reminder to all employees to maintain the highest standards of integrity in their work and business dealings which is in line with the Corporate Liability Provision under Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (MACC Act) which came into force on 1 June 2020.

The Board had on 22 January 2020 adopted the Fraud, Bribery & Corruption Risk Management Policy, also known as the FBC Policy, for the Manager's compliance. The FBC Policy underpins CLMT Group's strategies in identifying, preventing and managing bribery and corruption issues. The FBC Policy applies to all Directors and employees of the Manager in dealing with external parties in the commercial context and is extended to its business dealings with third parties. Pursuant to the FBC Policy, among other requirements, the Manager requires that certain agreements incorporate anti-bribery and anti-corruption provisions and communication of the zero-tolerance policy towards corruption and bribery is disseminated to all third parties in all correspondences to emphasise the Manager's commitment and seriousness. The FBC Policy is reviewed periodically to ensure that it continues to remain relevant, appropriate and effective to enforce the principles highlighted therein and to ensure continued compliance with the prevailing laws relating to corruption and bribery in Malaysia. A copy of the FBC Policy can be found on the Website.

A set of comprehensive communication slides has been established to communicate and disseminate the Corporate Liability Provision under Section 17A of the MACC Act as well as the FBC Policy throughout the CLMT Group through online training modules and other communication channels. The compliance with the policies and procedures put in place as guided by the Guidelines on Adequate Procedures issued

pursuant to Section 17A(5) of the MACC Act will be monitored closely, both on an ongoing basis and in conjunction with the annual assessment of the CLMT Group's corruption risks. The annual risk assessment is carried out to identify the corruption risks to which the CLMT Group is exposed to and the appropriateness of the mitigation measures established to minimise the exposure to these risks.

Anti-Money Laundering and Countering the Financing of Terrorism Measures

The Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (AMLATFA) lays down various activities which AMLATFA views as unlawful activities and which the Manager must be aware of. The Manager has applied a policy on the prevention of money laundering and terrorism financing and is alert at all times to suspicious transactions. As part of its business operational practices, the Manager performs due diligence checks on its counterparties in order to ensure that it is able to detect any suspicious money laundering and terrorist financing activities and it does not enter into business transactions with terrorist suspects or other high-risk persons or entities.

Under this policy, all relevant records or documents relating to business relations with the CLMT Group's customers or transactions entered into must be retained for a period of at least seven years following the termination of such business relations or the completion of such transactions.

All prospective employees, officers and Capital Markets Services Representatives Licence (CMSRL) holders of the Manager are also screened against various money laundering and terrorism financing information sources and lists of designated entities and individuals provided by SC. Periodic training is provided by the Manager to its Directors, employees and CMSRL holders to ensure that they are updated and aware of applicable anti-money laundering and countering of terrorism financing regulations, the prevailing techniques and trends in money laundering and terrorism financing and the measures adopted by the Manager to combat money laundering and terrorism financing.

Whistleblowing Policy

A Whistleblowing Policy has been put in place to provide the Manager's employees and parties who have dealings with the Manager with well defined, accessible and trusted channels to report suspected fraud, corruption, dishonest practices or other improprieties in the workplace, and for the independent investigation of any reported incidents and appropriate follow up action.

The objective of this policy is to encourage the reporting of such matters so that employees or external parties making any reports in good faith will be able to do so with the confidence that they will be treated fairly and, to the extent possible, be protected from reprisal. The AC reviews all whistle-blowing complaints at its scheduled meetings. Independent, thorough investigation and appropriate follow up actions are then taken. The outcome of each investigation is reported to the AC. All employees of the Manager are informed of this Whistleblowing Policy which is made available on CapitaLand Group's Intranet. A copy of the Whistleblowing Policy can also be found on the Website.

Information Technology and Cyber Security Policies

The Manager adopted the Information Technology and Cyber Securities Policies (IT and Cyber Security Policies) on 24 July 2024 to establish a robust framework aimed at safeguarding the confidentiality, integrity and availability of the Manager's information and IT systems, while effectively managing technology risks. This implementation enhances the Manager's resilience, security and competitiveness in the digital age. Furthermore, it aligns with the Guidelines on Technology Risk Management issued by the SC, which came into effect on 19 August 2024, demonstrating the Manager's commitment to regulatory compliance.

Sustainability

In 2020, CapitaLand launched its Sustainability Master Plan (SMP) that articulates the CapitaLand Group's sustainability targets, strategies and plans till 2030. The CapitaLand 2030 SMP focuses on three key themes to drive sustainability efforts in the environment, social and governance (ESG) pillars, and serves as CapitaLand Group's strategic blueprint focused on areas where it can create a larger positive impact whilst pursuing growth responsibly. As a CLI-sponsored Real Estate Investment Trust, CLMT's sustainability targets and efforts are guided by CLI. The 2030 SMP, which is reviewed every two years, guides CLMT's sustainability efforts across the ESG pillars.

To ensure the sustainability practice becomes an integral part of the organisational activities, the Board, had approved the sustainability performance and the achievement of set targets as part of CLMT's Balanced Scorecard and these are cascaded down throughout the organisation from the Board through senior management to employees. Sustainability goals are part of the Balanced Scorecard for measuring performance which include measurements that track progress towards sustainability targets for CLMT.

The Manager, through company disclosures and various engagement channels including dialogues, participation at conferences, member representations in industry-related associations, benchmarking and responding to sustainability surveys seeks to understand its stakeholders' views, communicate effectively with them and respond to their concerns.

The Manager is committed to maintaining close stakeholder engagement and communication with key stakeholders.

The Board is mindful of the importance for its members to have an adequate understanding of the industry issues that may pose threat to the sustainability of the business, and they should possess the appropriate skills and experience to manage these risks. Whenever required, the Directors will undergo education programmes, such as through internal workshops and training to be apprised of changes to emerging sustainability issues including climate-related topics and their impacts on the Group.

The Board effectiveness evaluation questionnaire had been updated to include questions on the Board's oversight of ESG and sustainability-related performance measures. The Board concluded that ESG practices will remain one of the areas requiring ongoing focus and dedicated attention for continuous improvement.

To strengthen its sustainability stewardship, the Manager has formalised a Sustainability department effective January 2023, which is helmed by Ms Jasmine Loo, and supported by various Heads of Department of the Manager, and the Heads of Department of the operations and technical teams of CLI. The Sustainability department regularly updates the Board on matters relating to sustainability management performance of CLMT, key material issues identified by stakeholders and the planned follow-up measures.

II. BOARD COMPOSITION

Nominating and Remuneration Committee

The Manager has on 21 October 2021 established the NRC. The NRC is entrusted to assist the Board in, inter alia, matters relating to the appointment, re-appointment and retirement of Board and Board Committees members, review of Board's performance and Director's independence; oversight of the leadership development and succession planning, and the remuneration framework for Directors and key management personnel, including the CEO.

At present, the NRC comprise three (3) non-executive Directors, two (2) of whom are IDs. The NRC is chaired by Mr Tan Boon Peng, a non-executive independent Director. The roles and responsibilities of NRC are governed by its terms of reference. A copy of the terms of reference of NRC can be found on the Website.

A summary of key activities undertaken by the NRC in discharging its nomination duties during the financial year under review and up to the date of this Statement is set out below:

- (a) reviewed and proposed the redesignation of Dato' Jeffrey Ng as Chairman of the Board to the Board for approval;
- (b) reviewed and proposed the changes in NRC composition to the Board for approval;
- (c) reviewed the implementation of a Secondary Unit Award Exercise;
- (d) reviewed the granting of award of Units to eligible participants in accordance with CMRM's Restricted Unit Plan 2023 and CMRM's Performance Unit Plan 2023;
- (e) reviewed CLMT's Balanced Scorecard for FY 2024 and the achievements against the FY 2023's Balanced Scorecard;
- (f) reviewed and proposed the appointment of Datin Hayati as Non-Executive ID and as Member of the AC to the Board for approval;
- (g) reviewed the Board Evaluation Questionnaire for FY 2024;
- (h) reviewed and approved the appointment of Ms Yong as Chief Executive Officer, Designate;
- (i) assessed the performance of the Board, Board Committees and individual Directors based on the duly completed Board Evaluation Questionnaire;
- (j) assessed the independence of all non-executive IDs;
- (k) reviewed the size and composition of the Board, structure and membership of the Board Committees;
- (l) reviewed the payment of non-executive Directors' Fees; and
- (m) reviewed the appointment of Ms Yong as Executive Non-Independent Director and Chief Executive Officer and recommended to the Board for approval.

Board Independence

The Board has a strong independent element. Following Datin Hayati's appointment as Non-Executive ID on 1 October 2024 and Encik Mohd Yusof Bin Hussian's (En Yusof) resignation as Non-Executive ID on 31 December 2024, the Board composition remains at eight (8) Directors, five (5) of whom are IDs, including the Chairman. Profiles of the Directors are provided in our Board of Directors section on pages 14 to 18 of this Annual Report.

The Board reviews from time to time the size and composition of the Board and each Board Committee, with a view of ensuring that its size is appropriate in facilitating effective decision making, and the composition reflects a strong independent element as well as there is balance and diversity of thought and backgrounds. The review takes into account the scope and nature of CLMT Group's operations, and the competition that it faces.

The Board through NRC, assessed (and as and when circumstances require) the independence of each Director in accordance with the Listing Requirements, REITs Guidelines and the guidance in the Code. There is also a rigorous process to evaluate the independence of each ID. As part of the process:

- (a) each ID provides information on his or her business interests and confirms, upon appointment, as well as on an annual basis, that there are no relationships which interfere with the exercise of his or her independent business judgement with a view to the best interests of Unitholders; and such information is reviewed by the NRC; and
- (b) the NRC also gives consideration to the respective IDs' conduct and contributions at Board and Board Committee meetings, specifically, whether the relevant ID has exercised independent judgement in discharging his or her duties and responsibilities.

Each ID is required to recuse himself or herself from the NRC's and Board's deliberations on his or her independence. In appropriate cases, the NRC also reviews the independence of an ID as and when there is a change of circumstances involving the ID. In this regard, an ID is required to report to the Manager when there is any change of circumstances which may affect his or her independence.

The Board, through the NRC, has carried out the assessment of the independence of its IDs for FY 2024 and the continuation in office as an ID. The next paragraph set out the outcome of the assessment.

Dato' Jeffrey Ng, Mr Foo, Mr Tan Boon Peng, En Yusof, Ms Tan Ming-Li and Datin Hayati have confirmed that they do not have any relationships which could interfere with the exercise of their independence and have therefore demonstrated independence of character and judgement in the discharge of their responsibilities as Directors of the Manager during the financial year. The Board, based on the assessment conducted by the NRC, was satisfied that all the non-executive IDs acted with independent judgement and have been adequately carrying out their duties as an ID of the Manager. All assessments and evaluations carried out by the NRC were duly documented.

The Manager believes that Board renewal is a necessary and ongoing process, for good governance and ensuring that the Board has the skills, expertise and experience which are relevant to the evolving needs of CLMT's business. The renewal or replacement of a Director therefore does not necessarily reflect his/her performance or contributions. The Board has established the guideline that an ID will serve for an initial two three-year terms and any extension of term up to a maximum period of nine years (inclusive of the initial two terms served) will be individually considered by the Board. As at the date of this Statement, none of the ID had exceeded the maximum period.

Board Diversity

The Board embraces diversity and formally adopted a Board Diversity Policy in January 2020. The Board Diversity Policy provides that the Board shall comprise talented and dedicated Directors with a diverse mix of expertise, experience, perspectives, skills and backgrounds, with due consideration to diversity factors including but not limited to diversity in business or professional experience, age and gender.

The Board believes in diversity and values the benefits that diversity can bring to the Board in its deliberations. Diversity enhances the Board's decision-making capability and ensures that the Manager has the opportunity to benefit from all available talent and perspectives.

In line with the Paragraph 15.01A of the Listing Requirements, the Board had on 23 June 2022 approved and adopted the Directors' Fit and Proper Policy which outlined the fit and proper criteria for the appointment and re-appointment of Directors on the Board of the Manager and its subsidiaries. The said policy is devised to ensure that each of the Directors has the character and integrity; experience and competence; and time commitment to effectively discharge his or her role as a Director of the Manager and its subsidiaries. A copy of the Directors' Fit and Proper Policy is made available on the Website.

As of 31 December 2024, the Board comprised eight (8) members, of whom three (3) are female. Following the appointment of Ms Yong who succeeded Mr Tan Choon Siang as CEO on 1 February 2025 as part of the succession planning efforts, female representation on the Board increased to four (4), accounting for 50% of the Board. This significantly exceeds the Code's recommendation of at least 30% women directors. As for senior management, Management had also onboarded several female representatives in senior management roles, thereby achieving its goal of at least 30% female representation in the senior management positions in FY 2024.

In line with the Board Diversity Policy, the Board comprises Directors who are professionals with varied backgrounds, expertise and experience in areas such as retail management, investment, real estate, accounting and finance, banking and legal. Though the appointment and re-appointment of Directors of the Manager are not subject to the approval of the Unitholders of CLMT, the Board has established a formal and transparent process for these appointments. The NRC assisted the Board in matters relating to reviewing and recommending to the Board all nominations for the appointment and re-appointment of Directors. For Board nomination, the NRC shall consider candidates based on merit, objective criteria and the benefits of diversity on the Board, including gender, while ensuring that appointees have sufficient time to devote to their roles. Prior to the appointment as a Director, the proposed appointee is required to disclose any existing business interests that may result in a conflict of interest/potential conflict of interest and be required to report any future business interests that could result in such conflicts. The NRC also oversees the appointment of members to the various Board Committees.

During the year under review and up to the date of this Statement, there were few changes to the Board composition. The NRC conducted a comprehensive review and assessment of the newly appointed Directors, Datin Hayati and Ms Yong by evaluating their experience, skills, time commitment and expertise, and was satisfied that they have fulfilled the required criteria set by the Board and would be able to contribute to the Board with their vast experience. Based on the recommendation of the NRC, the Board had subsequently reviewed and approved the appointment of Datin Hayati and Ms Yong as Directors of the Manager.

Board Composition and Renewal

The NRC, in carrying out its duties of determining the optimal composition of the Board in their board renewal process and addressing board vacancies, identifies potential candidates and makes recommendations of board appointments to the Board whilst considering diversity factors such as age,

educational, business and professional backgrounds of its members. The Board strives to ensure that there is an optimal blend of backgrounds, experience and knowledge in business and general management, with expertise relevant to the CLMT Group's business and track record in the Board, whereby each Director can bring to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made in the interests of the CLMT Group.

There is a structured process for determining Board composition and for selecting candidates for appointment as Directors. The Board through NRC evaluates the Board's competencies on a long-term basis and identifies competencies which may be further strengthened in the long-term. Board succession planning takes into account the need to maintain flexibility to effectively address succession planning and to ensure that the Manager continues to attract and retain highly qualified individuals to serve on the Board. The process ensures that the Board composition is such that the Board has capabilities and experience which are aligned with CLMT's strategy and environment.

NRC assisted the Board to carry out Board succession planning through the annual review of the Board's composition as well as when a Director gives notice of his or her intention to retire or resign. The NRC will seek to refresh the Board membership progressively and in an orderly manner, whilst ensuring continuity and sustainability of corporate performance.

The Board may engage external consultants from time to time to assist the Board in identifying suitable candidates for appointment to the Board. Candidates are identified based on the needs of CLMT and the relevant skills required, taking into account, among other things, the requirements in the Listing Requirements, REITs Guidelines and the Code, as well as the factors in the Board Diversity Policy and Directors' Fit and Proper Policy.

Board Performance

The Manager believes that oversight from a strong and effective Board goes a long way towards guiding a business enterprise to achieving success. Whilst Board performance is ultimately reflected in the long-term performance of CLMT Group, the Board believes that engaging in a regular process of self and peer assessment and evaluation of board performance provides an opportunity for the Board to reflect on its effectiveness including the quality of its decisions, and for Directors to consider their performance and contributions. It also enables the Board to identify key strengths and areas for improvement which are essential to effective stewardship and attaining success for CLMT.

As part of the Manager's commitment towards improving corporate governance, the Board has approved and implemented a process to evaluate annually the effectiveness of the Board as a whole and that of each of its Board Committees and individual Directors. The criteria for the evaluation are guided by the Corporate Governance Guide issued by Bursa Malaysia Berhad. As part of the process, a questionnaire is sent to the Directors, and the evaluation results are aggregated and discussed at the NRC meeting which were then shared with the Board and follow up action is taken where necessary with a view to enhance the effectiveness of the Board and individual Directors in the discharge of its or their duties and responsibilities respectively.

For Board and Board Committees, the evaluation categories covered in the questionnaire included Board structure, Board strategy, performance and governance, Board functions and practices, environmental, social and governance (ESG) or sustainability and Board Committees' effectiveness. As part of the questionnaire, the Board also considered whether the creation of value for Unitholders has been taken into account in the decision-making process.

For individual directors, the self-assessment evaluation was conducted to assess the fit and proper criteria of a director, focusing on areas in fitness and propriety; contribution and performance and calibre and personality. Whereas the peer assessment evaluation covered categories including the director's duties, contributions, conduct and interpersonal skills, as well as strategic thinking and risk management.

For FY 2024, the outcome of the evaluation was satisfactory and the Board as a whole, each of the Board Committees and each individual directors received affirmative ratings across all the evaluation categories.

The Board also recognises that contributions by an individual Director can take different forms including providing objective perspectives on issues, facilitating business opportunities and strategic relationships, and accessibility to Management outside of the formal environment of Board and/or Committee meetings.

The Board believes that the performance evaluation should be an ongoing process and the Board achieves this by seeking feedback on a regular basis. The regular interactions among the Directors, and between the Directors and Management, also contribute to this ongoing process. Through this process of engaging its members, the Board also benefits from an understanding of shared norms among Directors which also contributes to a positive Board culture. The collective Board performance and the contributions of individual Directors are also reflected in, and evidenced

by, synergistic performance of the Board in discharging its responsibilities as a whole by providing proper guidance, diligent oversight and able leadership, as well as lending support to Management in steering CLMT in the appropriate direction, for the long-term performance of CLMT whether under favourable or challenging market conditions.

III. REMUNERATION

Remuneration Matters

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. The NRC which comprises exclusively non-executive Directors with majority of them being IDs, has been tasked with expanded duties and responsibilities to assist the Board in reviewing the appropriate framework and policies on matters relating to remuneration and compensation of the Board and key management personnel.

The remuneration framework and policy are designed to support the implementation of CLMT Group's business strategy and deliver sustainable returns to Unitholders. The principles governing the remuneration policy of the Manager's key management personnel are as follows:

Business Alignment

- Focus on generating rental income and enhancing asset value over time so as to maximise returns from investments and ultimately the income distribution and total return to Unitholders.
- Provide sound and structured funding to ensure affordability and cost-effectiveness in line with performance goals.
- Enhance retention of key talent to build strong organisational capabilities.

Motivate Right Behaviour

- Pay-for-performance – align, differentiate and balance rewards according to multiple dimensions of performance.
- Strengthen line-of-sight by linking rewards with performance.

Fair & Appropriate

- Ensure competitive remuneration relative to the appropriate external talent markets.

- Manage internal equity such that the remuneration systems are being viewed as fair across the CLMT Group.
- Significant and appropriate portion of pay-at-risk, taking into account risk policies of the CLMT Group, symmetrical with risk outcomes and sensitive to the risk time horizon.

Effective Implementation

- Maintain rigorous corporate governance standards.
- Exercise appropriate flexibility to meet strategic business needs and practical implementation considerations.
- Facilitate employee understanding to maximise the value of the remuneration programmes.

These remuneration policies are in line with CLMT Group's business strategy and the executive compensation framework is based on the key principle of linking pay to performance, which is emphasised by linking total remuneration to the achievement of business and individual goals and objectives. The NRC has access to independent remuneration consultants for advice on remuneration matters as and when required.

In terms of the process adopted by the Manager for developing and reviewing policies on remuneration and determining the remuneration packages for Directors and key management personnel, the Manager, through an independent remuneration consultant, takes into account compensation benchmarks within the industry so as to ensure that the remuneration packages payable to Directors and key management personnel are competitive and in line with the objectives of the remuneration policies. It also considers the compensation framework of CLI as a point of reference. The Manager is an indirect subsidiary of CLI which also holds a significant stake in CLMT. The association with the CLI Group puts the Manager in a better position to attract and retain better qualified management talent whereby it provides an intangible benefit to the Manager such that it allows its employees to associate themselves with an established corporate group which can offer them the depth and breadth of experience and enhanced career development opportunities.

In FY 2024, Willis Towers Watson (WTW) was appointed as independent remuneration consultant to provide professional advice on executive remuneration. WTW is not related to the Manager, its controlling shareholder, its related corporations or any of its Directors.

Remuneration for Key Management Personnel

Remuneration for key management personnel comprises fixed component, a variable component, long-term component and employee benefits. A significant proportion of key management personnel's remuneration is in the form of variable compensation, awarded in a combination of short-term, deferred and long-term incentives, in keeping with the principle that the interests of key management personnel align with those of Unitholders and that the remuneration framework links rewards to business and individual performance in addition to promoting the long-term success of CLMT Group.

A. Fixed Component:

The fixed component comprises the base salary, fixed allowances and compulsory employer contribution to the employees' Employees Provident Fund.

B. Variable Component:

The variable component is derived from the Balanced Scorecard Bonus Plan (BSBP) which is linked to the achievement of annual performance targets for each key management personnel as agreed at the beginning of the financial year with the Board.

Under the Balanced Scorecard framework, CLMT Group's strategy and goals are translated to performance outcomes comprising both quantitative and qualitative targets in the dimensions of:

- (a) REIT Performance: This includes targets relating to profitability and distributions, investors' outreach and communication, capital structure, as well as financial and risk management;
- (b) Preparing for Future: This includes targets relating to asset performance and occupancy, assets enhancements, capital recycling and balance sheet's health;
- (c) Manager's Financial Health: This includes targets relating to Manager's financial viability and efficiency; and
- (d) Sustainability: This includes targets relating to talent retention, succession planning and sustainable corporate practices (including workplace safety).

These Balanced Scorecard targets are approved by the Board and cascaded down throughout the organisation, thereby creating alignment across the CLMT Group.

Corporate Governance

After the close of each financial year, the Board reviews CLMT Group's achievements against the targets set in the Balanced Scorecard and determines the overall performance taking into consideration qualitative factors such as the business environment, regulatory landscape and industry trends.

In determining the payout quantum for each key management personnel under the BSBP, the Board considers the overall business performance and individual performance as well as the affordability of the payout to the Manager. The BSBP is delivered in a combination of cash and deferred Units with employees in senior management grades receiving a greater proportion of their BSBP payout in deferred Units. These time-based Units are awarded pursuant to CapitaLand Malaysia REIT Management Sdn Bhd Restricted Unit Plan (RUP) and will vest in three equal annual tranches without further performance condition. These Units awards ensure ongoing alignment between remuneration and sustainable business performance.

C. Long-Term Component:

Units were granted in FY 2024 pursuant to the CapitaLand Malaysia REIT Management Sdn Bhd Performance Unit Plan (PUP). The Manager believes that the Unit-based components of the remuneration for key management personnel serve to align the interests of such key management personnel with that of Unitholders and CLMT's long-term growth and value. The obligation to deliver the Units is satisfied out of existing Units held by the Manager.

To promote the alignment of Management's interests with that of Unitholders in the longer-term, senior members of Management are subject to Unit ownership guidelines to instill stronger identification with the longer-term performance and growth of the CLMT Group. Units vested pursuant to the Unit Plans may be clawed back in circumstances where the relevant participants are found to be involved in financial misstatement, misconduct, fraud or malfeasance to the detriment of the CLMT Group.

CapitaLand Malaysia REIT Management Sdn Bhd Restricted Unit Plan

The Board had previously approved the RUP with the aim of retaining staff whose contributions are essential to the well-being and prosperity of the Manager and CLMT Group and to give recognition to outstanding executives of the Manager who have contributed to the growth of the Manager and CLMT Group. In FY 2024, the NRC granted deferred awards which will be vested equally over a three-year period. Recipients will receive fully paid Units, their equivalent cash value or combinations thereof, at no cost.

In respect of the Unit awards granted under the RUP in FY 2024, one-third of the Award had been vested during the year.

CapitaLand Malaysia REIT Management Sdn Bhd Performance Unit Plan

The Board had previously approved the PUP with the aim of retaining staff whose contributions are essential to the well-being and prosperity of the Manager and CLMT Group and to give recognition to outstanding executives and executive directors of the Manager who have contributed to the growth of the Manager and CLMT Group. In FY 2024, the NRC had granted contingent awards which are conditional on targets set for a three-year performance period. A specified number of Units will only be released to the recipients at the end of the qualifying performance period, provided that minimally the threshold target is achieved.

Under the PUP, an initial number of Units (PUP baseline award) is allocated conditional on the achievement of pre-determined targets for Unitholder returns, net asset and sustainability. In respect of Unitholder returns, Management is measured by the Relative Total Unitholder Return (TUR) of the CLMT Group based on the percentile ranking of the TUR of the CLMT Group relative to its Malaysian REIT peers. In respect of net asset, it is measured based on the net asset value per Unit. In respect of sustainability, Management is measured on outcomes such as green building certification.

The above performance measures have been selected as a key measurement of wealth creation for Unitholders and the commitment of the CLMT Group towards sustainability. The final number of Units to be released will depend on the CLMT Group's performance against the pre-determined targets over the three-year qualifying performance period. This serves to align Management's interests with that of Unitholders in the longer-term and to deter short-term risk taking. No Units will be released if the threshold target is not met at the end of the qualifying performance period. On the other hand, if superior targets are met, more Units than the PUP baseline award can be delivered, up to a maximum of 200% of the PUP baseline award. The NRC has the discretion to adjust the number of Units released taking into consideration other relevant quantitative and qualitative factors. Recipients will receive fully paid Units, their equivalent cash value or combinations thereof, at no cost.

In respect of the Unit awards granted under the PUP in FY 2024, the qualifying performance period has not ended as at the date of this Statement.

D. Employee Benefits:

The benefits provided are comparable with local market practices.

The NRC evaluates the extent to which the key management personnel has delivered on the business and individual goals and objectives, and based on the outcome of the evaluation, approves compensation for the key management personnel. In such an evaluation, the NRC considers whether the level of remuneration is appropriate to attract, retain and motivate key management personnel to successfully manage CLMT Group for the long-term. The CEO does not attend discussions relating to his own performance and remuneration.

The Manager has opted not to disclose the top 5 Senior Management's remuneration. In arriving at its decision, the Manager has taken into account the intense competition for talent in the industry, as well as the need to balance the confidentiality and commercial sensitivities associated with remuneration matters. In addition, the remuneration of the CEO and other key management personnel of the Manager is paid out of the fees that the Manager receives (of which the quantum and basis have been disclosed), and is not being borne by CLMT.

Remuneration for Directors

The non-executive Directors' fees for FY 2024 are set out in the Non-Executive Directors' Remuneration Table on page 80 of this Annual Report.

The compensation policy for non-executive Directors is based on a scale of fees divided into basic retainer fees for serving as Director and additional fees for serving on Board Committees. The non-executive Directors' fee structure and Directors' fees are reviewed and benchmarked against Malaysian REIT and property peers, taking into account the effort, time spent and demanding responsibilities on the part of the non-executive Directors in light of the scale, complexity and geographic scope of CLMT Group's business. The remuneration of non-executive Directors is reviewed from time to time to ensure that it is appropriate to attract, retain and motivate the non-executive Directors to provide good stewardship of the Manager and CLMT Group.

The CEO who is an executive Director, is remunerated as part of the key management personnel of the Manager and does not receive any Director's fees for his/her role as an executive Director. As for the non-executive Directors who are employees of the CLI Group, their Directors' fee are paid in cash to the Manager's sole shareholder, CLI Asset Management Pte. Ltd..

Effective from FY 2024, the non-executive Directors' fees are paid in cash (about 80%) and in the form of Units (about 20%), save that any non-executive Director who is (i) a public officer or holding other board appointments and being requested by the director concerned to be paid fully in cash; (ii) being requested by their employers to be paid fully in cash; or (iii) stepping down from the Board during the financial year, the fees for the non-executive Director will be paid fully in cash. The Manager believes that the payment of a portion of the non-executive Directors' fees in Units will serve to align the interests of non-executive Directors with the interests of Unitholders and CLMT Group's long-term growth and value. The payment of non-executive Directors' fees in Units is satisfied from the Units held by the Manager. No individual Director is involved in any decision of the NRC and Board relating to his or her own remuneration.

In order to encourage the alignment of the interests of the non-executive Directors with the interests of Unitholders, Units delivered to the non-executive Directors as Directors' Fee payment shall only be sold after one year.

As with previous years, WTW was appointed in FY 2024 to provide professional advice on Board remuneration, with a view to ensuring the remuneration of non-executive Directors remains competitive.

Non- Executive Directors' Remuneration Table for FY 2024

Non-Executive Directors	Components of Directors' Fees ^{1,2} (RM)		Total Remuneration
	Cash Component	Units Component	
Lui Chong Chee ³	24,260	–	24,260
Dato' Jeffrey Ng Tiong Lip ⁴	166,609	41,652	208,261
Foo Wei Hoong ⁵	162,564	40,641	203,205
Tan Boon Peng	116,000	29,000	145,000
Mohd Yusof Bin Hussian	155,000	–	155,000
Tan Ming-Li	124,000	31,000	155,000
Datin Hayati Aman Binti Hashim ⁶	38,963	–	38,963
Lim Cho Pin Andrew Geoffrey ⁷	187,000	–	187,000
Goh Gek Hiang (Wu Yuxian) ⁷	142,000	–	142,000
Aggregate of the remuneration for Non-Executive Directors			1,258,689

¹ Inclusive the attendance fees of RM3,000 per meeting for overseas-based Director who travel to Malaysia to attend the meeting in person.
² Each non-executive Director (save for non-executive Directors who are employees of CLI Group or stepping down during the financial year or public officers or holding other board appointments and being requested by the director concerned to be paid fully in cash) shall receive up to 20% of his or her Director's fees in the form of Units (subject to truncation adjustments). The remainder of the Director's fees shall be paid in cash. No new Units will be issued for this purpose as these Units will be paid by the Manager from the Units it holds.
³ Mr Lui Chong Chee resigned as the Chairman of the Board and a Member of the NRC with effect from 1 February 2024. Fees are prorated accordingly.
⁴ Dato' Jeffrey Ng was redesignated as Chairman of the Board with effect from 1 February 2024. Fees are prorated accordingly.
⁵ Mr Foo Wei Hoong appointed as a Member of the NRC with effect from 1 February 2024. Fees are prorated accordingly.
⁶ Datin Hayati was appointed as Non-Executive Independent Director with effect from 1 October 2024. Fees are prorated accordingly and will be paid in cash due to considerations relating to her other concurrent board appointments.
⁷ For non-executive Directors who are management appointees of CLI, the Director fees are payable to CLI Asset Management Pte. Ltd.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AUDIT COMMITTEE

Audit Committee

At present, the AC comprises three (3) members, all of whom are non-executive IDs (including the Chairman of the AC). The Chairman of the AC is not the Chairman of the Board. The members bring with them invaluable recent and relevant managerial and professional expertise in accounting, auditing and related financial management domains.

The AC does not comprise any former partners of CLMT's EA, Deloitte, who (a) ceased to be partners of Deloitte within the past three years; or (b) have any financial interest in Deloitte. The Manager has adopted the enhanced practice introduced by the Code, requiring a former partner of the EA to observe a cooling-off period of at least three years before being appointed as a member of the AC.

The AC has explicit authority to investigate any matter within its terms of reference. Management provides the fullest co-operation in providing information and resources, and in implementing or carrying out all requests made by the AC. The AC has direct access to the internal and external

auditors and full discretion to invite any Director or key management personnel to attend its meetings. Similarly, both the internal and external auditors have unrestricted access to the AC.

The AC has established an External Auditors' Independence Guideline that considers among others:

- (a) The competence, audit quality and resource capacity of the EA in relation to the audit;
- (b) The nature and extent of the non-audit services rendered and the appropriateness of the level of fees; and
- (c) The written assurance obtained from the EA confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The External Auditor's Independence Guidelines was last revised and adopted by the Board on 27 April 2023.

The AC has reviewed the nature and extent of non-audit services provided by the EA during FY 2024 and the fees paid for such services. The AC also undertook a review of the independence of the EA, taking into consideration, among other factors, CLMT's relationship with the EA in FY

2024, as well as the processes and safeguards adopted by the Manager and the EA relating to audit independence. Based on the review and the results of the assessment by Management of the EA in FY 2024, the AC is satisfied that the EA are adequately resourced, effective and independent, the latter of which was confirmed through the provisions of the EA's written confirmation of their independence to the AC. The aggregate amount of fees paid and payable to the external auditors for FY 2024 was RM207,200, of which audit assurance fees amounted to RM141,700 and non-audit assurance fees amounted to RM65,500.

At present, there is a level of financial literacy amongst the AC members who collectively have the appropriate competence and sufficient understanding of CLMT Group's business. The qualification and experience of the individual AC members are disclosed in the profile of Directors provided under our Board of Directors section in this Annual Report.

Key Audit Matters

In the review of the financial statements of the CLMT Group for FY 2024, the AC has discussed with Management the accounting principles that were applied and their judgement of items that might affect the integrity of the financial statements and also considered the clarity of key disclosures in the financial statements.

The AC reviewed the valuation of the investment properties, being the key audit matter as reported by the EA for FY 2024. The AC was updated of the valuation methodologies and key assumptions applied by the valuers for the investment properties in arriving at the valuations. Due diligence of the valuers' competency and independence was also presented to the AC. The AC considered the findings of the EA, including their assessment of the appropriateness of valuation methodologies and the key assumptions applied in the valuation of the investment properties.

The AC reviewed the outputs from the valuation process of the investment properties and held discussions with Management to review the valuation methodologies, focusing on significant changes in fair value measurement and key drivers of the changes including the reasonableness of the capitalisation rates adopted by the valuers. The AC was satisfied with the valuation process, the methodologies used and the valuation of the investment properties.

No significant matter came to the attention of the AC during the review.

In FY 2024, the AC held two (2) private sessions with the internal and external auditors without Management's presence, to discuss the reasonableness of the financial reporting process, the system of internal controls, and the significant comments and recommendations by the auditors.

In FY 2024, changes to accounting standards, accounting systems and accounting issues which have a direct impact on the financial statements were reported to and discussed with the AC at its meetings.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Manager maintains an adequate and effective system of risk management and internal controls addressing material financial, operational, environmental, compliance and information technology (IT) risks to safeguard Unitholders' interests and CLMT Group's assets.

The Board has overall responsibility for the governance of risk and oversees the Manager in the design, implementation and monitoring of the risk management and internal control systems whilst the day-to-day risk management resides with the respective business units risk owners.

Given the size and scale of CLMT Group's operations, there is no separate Risk Management Committee as the AC and Exco have been entrusted to assist the Board in carrying out the Board's responsibility of overseeing the risk management framework and policies for CLMT Group and the members of the AC and Exco have the relevant skills and capabilities to do so.

The AC and Exco, guided by their respective terms of reference, and in particular, during FY 2024:

- (a) made recommendations to the Board on CLMT Group's risk strategy, risk appetite and risk limits;
- (b) assessed the adequacy and effectiveness of the risk management and internal control systems established by the Manager to manage risks;
- (c) oversaw the formulation, updating and maintenance of an adequate and effective risk management framework, policies and strategies for managing risks that were consistent with CLMT Group's risk appetite and reported to the Board on its decisions on any material matters concerning the aforementioned;
- (d) made the necessary recommendations to the Board such that an opinion regarding the adequacy and effectiveness of the risk management and internal controls systems could be made by the Board in this Annual Report; and
- (e) considered and advised on risk matters referred to it by the Board or Management, including reviewing and reporting to the Board on any material breaches of the Risk Appetite Statement (RAS) any material non-compliances with the approved framework and policies and the adequacy of any proposed actions.

Enterprise Risk Management Framework

The Manager adopts an Enterprise Risk Management (ERM) Framework which sets out the required environmental and organisational components for managing risks in an integrated, systematic and consistent manner. The ERM Framework and related policies are reviewed annually. In FY 2024, Management conducted a benchmarking exercise to evaluate CLMT's and the Manager's risk management practices and confirmed to the AC and Board that the risk management practices implemented by CLMT and the Manager aligns with that of CLI Group's directives and complies with Malaysian laws and regulatory requirements, including those set forth in the Listing Requirements and the Code.

As part of the ERM Framework, the Manager undertakes and performs a Risk and Control Self-Assessment (RCSA) annually to identify material risks along with their mitigating measures. The adequacy and effectiveness of the systems of risk management and internal controls are reviewed at least annually by Management, the AC and the Board.

CLMT Group's RAS, incorporating the risk limits, addresses the management of material risks faced by CLMT Group. Alignment of CLMT Group's risk profile to the RAS is achieved through various communication and monitoring mechanisms (including key risk indicators set for Management) put in place across the various functions within the Manager.

More information on the Manager's ERM Framework including the material risks identified can be found in the Risk Management section on pages 96 to 100 of this Annual Report.

The internal and external auditors conduct reviews of the adequacy and effectiveness of the material internal controls (including financial, operational, environmental, compliance and IT controls) and risk management systems. This includes testing, where practicable, material internal controls in areas managed by external service providers. Any material non-compliance or lapses in internal controls together with corrective measures recommended by the internal and external auditors are reported to and reviewed by the AC and Exco. The AC also reviews the adequacy and effectiveness of the measures taken by the Manager on the recommendations made by the internal and external auditors in this respect.

The Board has received assurance from the CEO, the CFO and the relevant key management personnel of the Manager who have responsibility regarding various aspects of risk management and internal controls that the systems of risk management and internal controls for the CLMT Group are adequate and effective to address the risks (including financial, operational, environmental, compliance and IT risks) which the Manager considers relevant and material to its current business environment.

The CEO and the CFO have obtained similar assurances from the respective risk and control owners for the purposes of Board assurance.

Based on the ERM Framework and the reviews conducted by Management and both the internal and external auditors, as well as the assurance from the CEO and the CFO of the Manager, the Board is of the opinion, that the system of risk management and internal controls (including financial, operational, environmental, compliance and IT risks) which the CLMT Group considers relevant and material to its current business environment as at 31 December 2024 is adequate. No material weakness in the systems of risk management and internal controls were identified by the Board or the AC in the review for FY 2024.

The Board notes that the systems of risk management and internal control established by the Manager provide reasonable assurance that CLMT Group, as it strives to achieve its business objectives, will not be significantly affected by any event that can be reasonably foreseen or anticipated. However, the Board also notes that no system of risk management and internal controls can provide absolute assurance in this regard, or absolute assurance against poor judgement in decision making, human error, losses, fraud or other irregularities.

Internal Audit Function

The Manager has in place an internal audit (IA) function supported by CapitaLand Group's Internal Audit Department (CLI Group IA) which reports directly to the AC. CLI Group IA is independent of the activities it audits and has unfettered access to the Manager's documents, records, properties and employees, including access to the AC.

The AC monitors and assesses the role and effectiveness of the internal audit function through the review of the internal audit processes from time to time. The AC also reviews to ensure that CLI Group IA is adequately resourced and skilled in line with the nature, size and complexity of CLMT Group's business. The AC reviewed the internal audit function in respect of FY 2024, and is satisfied that the internal audit function is adequately resourced, effective and independent.

CLI Group IA formulates its internal audit plan in consultation with, but independently of, Management and its audit plan is submitted to the AC for approval prior to the beginning of each financial year. CLI Group IA also reviews compliance with CLMT Group's policies, procedures and regulatory responsibilities, performed in the context of financial and operational and information system reviews. The AC also meets with CLI Group IA at least twice a year without the presence of Management.

During FY 2024, CLI Group IA conducted all audit assignments according to the 2024 internal audit plan as approved by the AC and on a quarterly basis, reported to AC, a summary of the Related Party Transactions and Recurrent Related Party Transactions entered into by CLMT. The AC also reviewed reports on whistle-blower complaints reviewed by CLI Group IA to ensure independent and thorough investigation and adequate follow-up.

The total costs incurred for the internal audit function for FY 2024 amounted to RM239,274.

CLI Group IA

CLI Group IA is adequately resourced and staffed with persons having relevant qualifications and experience. CLI Group IA is guided by the International Standards for the Professional Practice of Internal Auditing developed by the Institute of Internal Auditors Inc. Singapore (IIAS), and has incorporated such standards into its audit practices.

None of the CLI Group IA team members are related to the Management. To ensure that internal audits are performed effectively, CLI Group IA recruits and employs suitably qualified professional staff with the requisite skill sets and experience. This includes staff involved in IT audits who possess the relevant professional IT certifications and are also members of the Information System Audit and Control Association (ISACA) Singapore Chapter, a professional body administering information system audit and information security certifications that is headquartered in the USA. CLI Group IA identifies and provides training and development opportunities for its staff to ensure that their technical knowledge and skill sets remain current and relevant.

As of 31 December 2024, CLI Group IA staff strength is at 36 persons, including Head of CLI Group IA.

CLI Group IA is headed by Ms Jenny Tan. She has more than 10 years of experience in Internal Audit, Compliance and Group Finance. Ms Jenny Tan has a Masters of Professional Accounting (MPA) from University of Adelaide (Australia) as well as a Masters of Business Administration (MBA) from the University of Leicester (UK).

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. ENGAGEMENT WITH STAKEHOLDERS

Timely Disclosure of Information

The Manager is committed to keeping all Unitholders, other stakeholders, analysts and the media informed of the performance and changes in CLMT or its business which would likely materially affect the price or value of the Units. This is performed through posting of announcements and

news release on Bursa Securities and the Website on a timely and consistent basis.

The Manager has a formal policy on corporate disclosure controls and procedures to ensure that CLMT complies with its disclosure obligations under the Listing Requirements. These controls and procedures incorporate the decision-making process and an obligation on internal reporting of the decisions made.

Investor Relations

The Manager has an Investor Relations and Sustainability department that facilitates effective communication with Unitholders, analysts and the media. The Manager also maintains the Website which contains information on CLMT including but not limited to current and past announcements and new releases, financial statements, investor presentations and annual reports of CLMT.

The Manager actively engages with Unitholders with a view to solicit and understand their views, and has put in place a Unitholders' Communication and Investor Relations Policy (IR Policy) to promote regular, effective and fair communication with Unitholders. The Policy, which sets out the mechanism through which Unitholders may contact the Manager with questions and through which the Manager may respond to such questions, is available on the Website. Unitholders are welcomed to engage with the Manager beyond general meetings and they may do so by contacting the Investor Relations department whose details may be found on the Website under the heading Ask Us or email the Manager at ask-us@clmt.com.my.

More information on the Manager's investor and media relations initiatives can be found in the Investor & Media Relations section on pages 28 to 29 of this Annual Report.

II. CONDUCT OF GENERAL MEETINGS

The Manager is committed to treating all Unitholders fairly and equitably.

All Unitholders enjoy specific rights under the Trust Deed and the relevant laws and regulations. These rights include, among other things, the right to participate in profit distributions. They are also entitled to attend general meetings and are accorded the opportunity to participate effectively and vote at general meetings (including through proxies, if they are unable to attend in person, or if their Units are held through corporations).

All Unitholders were given at least 28 days' notice prior to the 2024 Annual General Meeting held on 27 March 2024 (2024 AGM) which is beyond the minimum requirement of 21 days. The notice includes details of the resolutions proposed along with any background information and reports or recommendations that are relevant.

The Annual General Meeting of CLMT for 2025 will take place on 4 April 2025. Full details of the resolutions can be found in the Notice of Annual General Meeting section on pages 199 to 202 of this Annual Report.

Save for En Yusof who was unable to attend the 2024 AGM due to unforeseen circumstances, all other Directors attended (either in person or virtually). Those Directors who were present provided meaningful responses to the queries and clarifications addressed to them, if any.

CLMT supports the principle of encouraging Unitholders' participation and voting at general meetings. CLMT Annual Report is provided to Unitholders within four (4) months from the end of CLMT's financial year. Unitholders may download CLMT's Annual Report 2024, which also contains the notice of annual general meeting, from the Website and printed copies of the same are available upon request. More than the legally required and minimum notice period for general meetings is generally provided by CLMT. Notices of the general meetings are also advertised in the press and announced to Bursa Securities via Bursa LINK. The rationale and explanation for each agenda item which requires Unitholders' approval at a general meeting are provided in the notice of the general meeting or in the accompanying circular (if any) issued to Unitholders in respect of the matter(s) for approval at the general meeting. This enables Unitholders to exercise their votes on an informed basis.

All Unitholders are given the opportunity to participate effectively in and to vote at general meetings.

The 2024 AGM was conducted on virtual basis through live streaming and online remote voting using the Remote Participation and Electronic Voting (RPEV) facilities managed by the Poll Administrator, Boardroom Share Registrars Sdn Bhd. The RPEV facilities enabled unitholders to participate, posed questions (via real time submission of typed texts) and vote remotely without physically attending the meeting. The Poll Administrator is using the core Lumi AGM software of which there are security measures in place to address any potential cyber threats when conducting the virtual meetings. The Poll Administrator also has in place due process which ensured only registered unitholders are allowed to participate in the virtual meetings. The administrative details of the 2024 AGM as well as the detailed registration and voting procedures were shared with the Unitholders and the same were also published on the Website.

At the 2024 AGM, Management made a presentation to Unitholders to update them on CLMT Group's performance, position and prospects. The presentation materials were made available to Unitholders on the Website and Bursa LINK. Unitholders were informed of the rules governing general meetings and were given the opportunity to communicate their views and discuss with the Board and Management matters affecting CLMT Group. Representatives of the Trustee, Directors (including the chairmen of the respective

Board Committees) and key management personnel were present for the entire duration of the 2024 AGM to address any queries from the Unitholders.

To safeguard Unitholders' interests and rights, a separate resolution is proposed for each substantially separate issue at general meetings. To ensure transparency in the voting process and better reflect Unitholders' interest, the Manager conducts electronic poll voting for all the resolutions proposed at the general meetings. Voting procedures and the rules governing are explained and vote tabulation procedures are disclosed at the general meetings. An independent scrutineer is also appointed to validate the vote tabulation procedures. Votes cast, for or against and the respective percentages, on each resolution are tallied and displayed on-screen to Unitholders immediately after the scrutineer verified the voting results for each resolution. The total number of votes cast for or against each resolution and the respective percentages are also announced on Bursa LINK after the general meetings. Voting in absentia and by email may only be possible following a thorough assessment to ensure that the integrity of information and authentication of the identity of Unitholders through the web are not compromised.

Questions received from Unitholders prior to and during the 2024 AGM were displayed on the screen for all meeting participants during the meeting. The questions were duly addressed and responded by the Board and the Management.

Minutes of the general meetings, recording the substantial and relevant comments made, questions raised and answers provided, are prepared and made available to Unitholders for their inspection upon request. The minutes of the general meetings were also made available on the Website within 30 business days after the general meetings were held.

OTHERS

Dealing with Related Parties

Review Procedures for Related Party Transactions (RPT) [including Recurrent Related Party Transactions (RRPT)]

The Manager has established internal control procedures to ensure that all RPT are made on terms which are the best available for CLMT and which are no less favourable to CLMT than an arm's length transaction between independent parties. In respect of such transactions, the Manager would have to demonstrate to the AC that the transactions are the best available for CLMT and are no less favourable than an arm's length transaction between independent parties which may include obtaining (where applicable) third party quotations or obtaining valuations from independent valuers (in accordance with the REITs Guidelines and the Listing Requirements). The internal control procedures also ensure compliance with the Listing Requirements and the REITs Guidelines.

In particular, the procedures in place include the following:

RPT ¹ with percentage ratio ²	Approving Authority, Procedures and Disclosure
Below 0.25%	Audit Committee recommends to Board ³
0.25% or more	Audit Committee recommends to Board ³ Immediate announcement
5% or more	Audit Committee recommends to Board ³ Immediate announcement Independent Adviser Unitholders' Approval
25% or more	Audit Committee recommends to Board ³ Immediate announcement Independent Adviser Principal Adviser Unitholders' Approval
Recurrent Related Party Transactions (RRPT) with percentage ratio ²	Approving Authority, Procedures and Disclosure
Below 1%	Audit Committee (periodic review only)
1% or more	Audit Committee recommends to Board ³ Immediate announcement

¹ RPT of less than RM500,000 is noted.
² The calculation is based on the total assets which are the subject matter of the transaction compared with the total assets of CLMT.
³ Board save for interested directors who shall abstain.

Role of the AC for RPT

The Manager's internal control procedures are intended to ensure that RPT are conducted on terms which are best available for CLMT and which are no less favourable to CLMT than arm's length transaction between independent parties.

The Manager maintains a register to record all related parties of CLMT and RPT which are entered into by CLMT (and the basis, including the quotations obtained to support such basis upon which they are entered into). All RPT are subject to regular periodic reviews by the AC, which in turn obtains advice from CLI Group IA, to ascertain that the guidelines and procedures established to monitor RPT, including the relevant provisions of the Listing Requirements and the REITs Guidelines, as well as any other guidelines which may from time to time be prescribed by Bursa Securities, the SC or other relevant authority, have been complied with. The review includes an examination of the nature of the transaction and its supporting documents or such other information deemed necessary by the AC. If a member of the AC has an interest in a transaction, he is to abstain from participating in the review and approval process in relation to that transaction.

Details of all RPT entered into by CLMT Group during the financial year are disclosed on page 147 of the Financial Statements section of this Annual Report.

Dealing with Conflicts of Interest/Potential Conflicts of Interest

The following principles and procedures have been established to deal with potential conflicts of interest which the Manager (including the Directors, executive officers and employees of the Manager) may encounter in managing CLMT:

- (a) The Manager will be a dedicated manager to CLMT and will not manage any other REITs or be involved in any other real property business;
- (b) All executive officers of the Manager will be employed by the Manager;
- (c) All resolutions at meetings of the Board of the Manager in relation to matters concerning CLMT must be decided by a majority vote of the Directors, including at least one ID;
- (d) In respect of matters in which CapitaLand and/or its subsidiaries have an interest, whether direct or indirect, any nominees appointed by CapitaLand and/or its subsidiaries to the Board will abstain from voting;
- (e) In respect of matters in which a Director or his associates have an interest, whether direct or indirect, such interested Director will abstain from voting;

- (f) If the Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of CLMT with an affiliate of the Manager, the Manager is obliged to consult with a reputable law firm (acceptable to the Trustee) which shall provide legal advice on the matter. If the said law firm is of the opinion that the Trustee, on behalf of CLMT, has a prima facie case against the party allegedly in breach under such agreements, the Manager is obliged to pursue the appropriate remedies under such agreements. The Directors of the Manager have a duty to ensure that the Manager complies with the aforesaid. Notwithstanding the foregoing, the Manager shall inform the Trustee as soon as it becomes aware of any breach of any agreement entered into by the Trustee with an affiliate of the Manager, and the Trustee may take such action as it deems necessary to protect the rights of Unitholders and/or which is in the interests of Unitholders. Any decision by the Manager not to take action against an affiliate of the Manager shall not constitute a waiver of the Trustee's right to take such action as it deems fit against such affiliate; and
- (g) The Board shall comprise at least one-third of IDs. Currently the Board comprises a majority of IDs.

The Board has adopted a Conflicts Management Policy (Malaysia) which outlines the framework and processes for managing any conflict that may influence or compromise the objectivity and impartiality of the business operations, as well as to safeguard the reputation and credibility of the Manager. It also serves as a guide to the AC, NRC and Board in discharging their role, which involves providing oversight and review of the COI situations that arose, persist or may arise within the Manager. The Manager manages conflict of interests through the following three (3) broad approaches where appropriate:

- (a) Avoiding COI – a COI situation is avoided altogether by not entering into a new relationship or transaction where there is potential for a conflict to arise;
- (b) Controlling COI – the Manager identifies, assesses and evaluates the COI and implements appropriate procedures and safeguards to manage the conflicts and minimise its effects; and
- (c) Disclosing COI – Directors, Chief Executives and employees of the Manager as well as Directors and Chief Executives of the Trustee are required to disclose their COI. The COI of the Manager's Directors shall then be disclosed in the Annual Report of CLMT. The rule of thumb is when in doubt, to disclose.

The Manager and the Trustee have been granted a right of first refusal (ROFR) by CapitaLand Mall Asia Limited (CMA), a wholly owned subsidiary of CLI, where:

- (a) For so long as the Manager shall remain the manager of CLMT and whereby the Manager and CMA are both subsidiaries of CapitaLand, neither CMA nor any subsidiary of CMA, will (a) purchase any relevant retail property which CMA and/or its subsidiaries may identify and target for acquisition in the future without granting the ROFR to CLMT to purchase such relevant retail property at the offer price and based on the terms and conditions as proposed to the relevant member of CMA and its subsidiaries, subject to various procedural requirements, including notice provisions, as set out in the letters of undertakings; or (b) sponsor or act as the manager of another REIT or any listed company in Malaysia that competes or will compete for the acquisition of relevant retail property, save that (a) and (b) shall not be applicable to any relevant retail property which is the subject matter of any of the following:
- (i) joint venture or proposed joint venture with CMA and/or its subsidiaries and any third party or parties; or
 - (ii) a proposal made exclusively available to CMA and/or its subsidiaries; or
 - (iii) a fund or proposed fund managed by CMA and/or its subsidiaries.
- (b) In the event CMA should sponsor a Malaysian retail property fund for the acquisition and/or development of relevant retail property, CMA shall endeavour to procure that such fund shall grant to CLMT a ROFR in relation to any relevant retail properties of which the fund wishes to dispose.

This undertaking has the effect of limiting the ability of CMA from undertaking or participating in certain business opportunities, as described above.

Dealing in Securities

The Manager has devised and adopted a securities dealing policy for the Manager's officers and employees which applies the best practice recommendations in the Listing Requirements. To this end, the Manager has issued guidelines to its Directors and employees as well as certain relevant executives of the CLI Group, which set out prohibitions against dealings in CLMT's Units (i) while in possession of material unpublished price-sensitive information, (ii) during the periods commencing 30 calendar days before the release of CLMT's quarterly results and up to the time of each announcement of CLMT's financial statements during a financial year. In addition, if any of such affected persons deal in CLMT's Units during the closed periods or outside closed periods under the Listing Requirements, they are required to comply with the conditions as set out in the Listing Requirements. They are also made aware of the applicability of the insider trading laws at all times.

Fees payable to the Manager

The methodology for computing the fees payable to the Manager is contained in Clause 18 of the Trust Deed, details of which are disclosed under Notes to Financial Statements.

The Management Fees, which are contained in Clause 18 of the Trust Deed, are fees earned by the Manager for the management of CLMT's portfolio. The Management Fee should be viewed holistically as a whole which comprise two components, namely the Base Fee and Performance Fee, which are elaborated further below:

Base Fee

The Base Fee enables the Manager to cover operational and administrative overheads incurred in the management of the portfolio. The Base Fee is calculated at a percentage of assets value as the asset value provides an appropriate metric to determine the resources for managing the assets.

Performance Fee

The Performance Fee is calculated in reference to the net property income before payment of the Management Fee, for each Distribution Period based on the unaudited or as the case may be, the audited accounts of the Trust determined for the relevant Distribution Period but subject to reconciliation to the amount calculated by reference to the audited account of the Trust for the relevant Financial Year.

In addition, the Manager is also paid an Acquisition Fee or a Divestment Fee upon the successful completion of an acquisition or divestment respectively. Further details on the Acquisition Fee and Divestment Fee are provided below.

Acquisition Fee

The Acquisition Fee, which is contained in Clause 18.3 of the Trust Deed, is earned by the Manager upon the successful completion of an acquisition. This fee seeks to motivate and compensate the Manager for its efforts expended to continually seek and acquire Distribution Per Unit accretive assets to increase longer-term returns for Unitholders. In addition, the Acquisition Fee allows the Manager to recover the additional costs and resources incurred by the Manager in the course of seeking new acquisition opportunities, including but not limited to, due diligence efforts and man hours spent in evaluating the transaction.

Divestment Fee

The Divestment Fee, which is contained in Clause 18.3 of the Trust Deed, is earned by the Manager upon the completion of a divestment. This fee seeks to motivate and compensate the Manager for its efforts expended to maximise value received by CLMT in the event of a divestment. In addition, the Divestment Fee allows the Manager to recover additional costs and resources incurred by the Manager for the divestment, including but not limited to due diligence efforts and man hours spent in marketing and maximising the divestment price.

COMPOSITION AND MEETING ATTENDANCE IN FY 2024

Board Member	Composition			Meeting Attendance				
	Audit	Executive Committee	Nominating and Remuneration Committee	Board Number of Meetings: 5	Audit Committee Number of Meetings: 4	Executive Committee Number of Meetings: 4	Nominating and Remuneration Committee Number of Meeting: 1	Annual General Meeting Number of Meeting: 1
Dato' Ng Tiong Lip ¹	–	–	–	5/5	N.A.	N.A.	N.A.	1 / 1
Tan Choon Siang	–	Member	–	5/5	N.A.	4/4	N.A.	1 / 1
Foo Wei Hoong ²	Chairman	–	Member	5/5	4/4	N.A.	0/0	1 / 1
Tan Boon Peng	–	–	Chairman	5/5	N.A.	N.A.	1 / 1	1 / 1
Mohd Yusof Bin Hussian ³	Member	–	–	5/5	4/4	N.A.	N.A.	0/1
Tan Ming-Li	Member	–	–	5/5	4/4	N.A.	N.A.	1 / 1
Datin Hayati Aman Binti Hashim ⁴	Member	–	–	2/2	1 / 1	N.A.	N.A.	1 / 1
Lim Cho Pin Andrew Geoffrey	–	Chairman	Member	5/5	N.A.	4/4	1 / 1	1 / 1
Goh Gek Hiang (Wu Yuxian)	–	Member	–	5/5	N.A.	3/4	N.A.	1 / 1
Lui Chong Chee ⁵	–	–	Member	1/1	N.A.	N.A.	1 / 1	N.A.

N.A. – Not applicable

¹ Redesignated as the Chairman of the Board with effect from 1 February 2024.

² Appointed as a Member of the NRC with effect from 1 February 2024.

³ Resigned as a Director and a Member of the AC with effect from 31 December 2024.

⁴ Appointed as a Director and a Member of the AC with effect from 1 October 2024.

⁵ Resigned as a Director and a Member of the NRC with effect from 1 February 2024.

Corporate Governance

Training programmes, seminar and conferences attended by the Directors during FY 2024 were:

- Webinar: Navigating Capital Gains Tax (KPMG Malaysia)
- Central Banking in an Evolving International Financial System (FIDE Forum & Asia Business School)
- Anti-Money Laundering Awareness Session (ACAMS & AmBank Group)
- Board Technology Day (AmBank Group)
- Key Insights to Hajah and Darurah Principles and Application (AmBank Group & IBFIM)
- Voluntary Disclosure Programme 2.0 (KPMG Malaysia & Inland Revenue Board)
- Board of Directors Training: Climate Change & Sustainability Practices (KPMG Malaysia & Tokio Marine Insurans (Malaysia) Berhad)
- Catalysing MSME and MTC access to the capital market: 5-year Roadmap (2024-2028) (Securities Commission Malaysia)
- Asian Economy Impact – Climate Change Risk (AmBank Group)
- Webinar on Transfer Pricing Documentation (KPMG Malaysia)
- Refresher on BASEL Foundation Internal Ratings Based (FIRB) (AmBank Group)
- 2024 Independent Directors/Commissioners Conference in Singapore (Tokio Marine Asia Pte. Ltd.)
- Webinar: Tax Transparency (KPMG Malaysia)
- Preventing Fraud: The Board's Roles and Responsibilities (FIDE Forum)
- Cybersecurity Incident Management Training (Tokio Marine Insurans (Malaysia) Berhad)
- Addressing Cybersecurity as A Rising Strategic Risk (AmBank Group, Asian Business School)
- Leveraging Artificial Intelligence for Efficiency and Quality (Malaysian Institute of Certified Public Accountants, E&Y Malaysia, PwC Malaysia)
- Anti Bribery and Corruption Training (AmBank Group, Shook Lin & Bok)
- The Role and Responsibilities of Directors and Officers in Crises: Case Studies in Cyber-Attacks, Corruption and Forced Labour (Christopher & Lee Ong)
- MFRS Update 2024 (KPMG Malaysia)
- CGS-CIMB 16th Annual Malaysia Corporate Day (CGS-CIMB Securities Sdn. Bhd.)
- Reinvention in the Age of Gen AI (CapitaLand)
- CapitaLand's Perspective on Gen AI: Success Stories and Future Plans (CapitaLand)
- Conflict of Interest (Skrine)
- APREA Malaysia Conference (Asia Pacific Real Assets Association Limited)
- APREA-SGX Global REIT Roundtable (Asia Pacific Real Assets Association Limited)
- Module 3 of Capital Market Director Programme (CMDP) – Risk Oversight and Compliance – Action Plan for Board of Directors (Securities Industry Development Corporation)
- Module 4 of CMDP – Emerging and Current Regulatory Issues in the Capital Market (Securities Industry Development Corporation)
- MAP Part II – Leading for Impact (LIP) (Institute of Corporate Directors Malaysia)
- Preparing Your Sustainability Report – Navigating the Evolving Sustainability and Climate Change Disclosure Requirements (Minority Shareholders Watch Group)
- Malaysian REIT Forum 2024 (Malaysian REIT Managers Association)
- KPMG Board Leadership Center Exclusive | Cybersecurity Oversight: Board Responsibilities in Light of the Cybersecurity Act 2024 (KPMG)
- Aligning Risk Management to Strategy and Purpose (Institute of Corporate Directors Malaysia)
- Cities: Possibilities 2024 – A CapitaLand Sustainability Edition (Eco-Business)
- ISSB: Applying the IFRS Sustainability Disclosure Standards (International Finance Corporation)
- 2024 Your Role: Internet Security and You (Knowbe4)
- Callback Phishing: Email and Phone-Based Cyberattacks (Knowbe4)
- ICDM Chairman Roundtable & Networking Session – How Responsible & Responsive Are You in Strategic Risk Management? (ICDM & Aon Malaysia)
- Briefing on Budget 2025 (PwC)
- Fraud, Bribery & Corruption Risk Management: Gifts, Entertainment & Facilitation Payments (CapitaLand)
- Data Protection Awareness E-Learning (CapitaLand)
- Non-Technical Security (Knowbe4)
- AI Chatbots: Understanding Their Use, Risks, and Limitations in the Workplace (Knowbe4)
- CLI Culture Alignment Workshop (Malaysia) (CapitaLand)
- Mobile Device Security by (Knowbe4)
- CapitaLand Mandatory Safety eLearning (CapitaLand)
- Genie AI Essentials – Security and Effective Prompting Mastery (CapitaLand)
- An Update on Cyber Threat Landscape and the Latest Trends and Key Learnings on Ransomware (PwC Malaysia)
- Hong Kong & Shenzhen (China) – Asia Real Estate Leaders (REHDA Institute)
- Regional Housing Conference 2024 (REHDA Institute)
- International Green Build Conference (REHDA Institute)
- Ho Chi Minh City (HCMC) Vietnam, Business Delegation – Asia Real Estate Leaders 2024 (REHDA Institute)

This Corporate Governance Statement was approved by the Board on 28 February 2025.