

Corporate Governance

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Governance at a Glance

44%

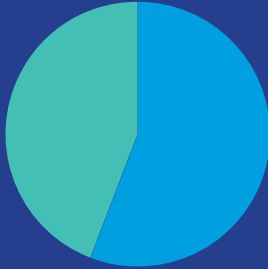
Board Female representation

67%

Board Independence

About the Board

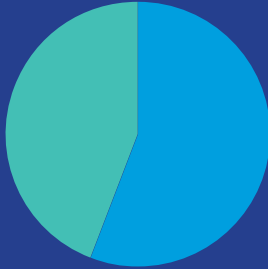
Age group



44%
61 to 70 years old

56%
51 to 60 years old

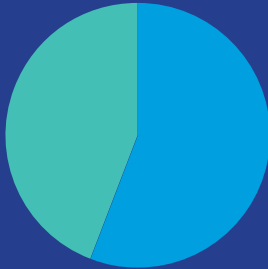
Gender



44%
Female

56%
Male

Independence



33%
Non-Independent

67%
independent

Length of tenure



44.5%
<4 years

11.0%
4 years but <6 years

44.5%
>6 years but <9 years

Corporate Governance



Mr Chaly Mah Chee Kheong
Chairman of the Board

Introduction

NetLink NBN Trust (also referred to as “Trust”) is a trust constituted on 19 June 2017 by a declaration of trust by NetLink NBN Management Pte. Ltd., as trustee-manager of NetLink NBN Trust (the “Trustee-Manager”), under the trust deed dated 19 June 2017 (as amended and restated by the Amending and Restating Deeds dated 25 July 2018, 28 September 2020, 19 July 2021, and 20 July 2022) (collectively, the “Trust Deed”). NetLink NBN Trust is registered as a business trust under the Business Trusts Act 2004 (“BTA”) and was listed on the Mainboard of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 19 July 2017.

The Trustee-Manager is incorporated in Singapore, and the management of NetLink NBN Trust is undertaken by the Trustee-Manager, the shares of which are held on trust for the benefit of the unitholders of NetLink NBN Trust (the “Unitholders”) in proportion to such Unitholders’ respective percentage of units held or owned in NetLink NBN Trust (the “Units”).

Further, subject to the terms of the trust deed (“TM Shares Trust Deed”) constituting Singapore NBN Trust (“TM Shares Trust”), DBS Trustee Limited (as trustee of Singapore NBN Trust and the legal owner of the TM Shares) will exercise its rights and powers over the Trustee-Manager in such manner as the Unitholders may direct by way of resolutions passed at general meetings. This means that Unitholders are empowered to direct DBS Trustee Limited (among other things, by ordinary resolution at the Annual General Meeting (“AGM”) of the TM Shares Trust) to approve the appointment or re-election of the directors of the Trustee-Manager (“Directors”) (each Director of the Trustee-Manager being required to retire from office at least once every three years). This structure allows the Trustee-Manager to be internalised in contrast with other structures where the trustee-managers are typically owned by sponsors.

An internalised structure pre-empts any conflict of interest between the Unitholders and the Trustee-Manager from arising. The complete alignment of interest between the Trustee-Manager and the Unitholders is a strong factor in the choice of NetLink NBN Management Pte. Ltd. as trustee-manager.

This internalised structure of the Trustee-Manager also benefits NetLink NBN Trust and its subsidiaries (referred to collectively as “NetLink”, and together with the Trustee-Manager referred to as “NetLink NBN Group”) in the following ways:



- (a) The appointment and re-election of Directors of the Trustee-Manager are subject to Unitholders’ approval. With this right provided to Unitholders (which is not available where the trustee-managers are owned by sponsors), Unitholders have a direct role in the election of Directors.
- (b) The fees payable to the Trustee-Manager are primarily used to defray the Trustee-Manager’s expenses (for example, director’s fees payable to the Directors of the Trustee-Manager, as well as certain statutory and administrative costs incurred by the Trustee-Manager). This results in substantially lower fees payable to the Trustee-Manager as compared to other trustee-managers which charges fees on different basis. In addition, there are no acquisition or divestment fees. The lower fee that stems from the internalised structure of the Trustee-Manager results in cost savings for NetLink NBN Trust.
- (c) There is stability and continuity in the management of NetLink NBN Trust. While the BTA and the Trust Deed provide mechanisms for the removal of the Trustee-Manager, such removal is unlikely to occur as the interests of the Trustee-Manager and the Unitholders are aligned, and the Directors of the Trustee-Manager are elected by the Unitholders.

In addition, pursuant to the Info-communications Media Development Authority of Singapore’s (“IMDA”) requirements, the Trust Deed provides that no appointment or removal of the Trustee-Manager shall be effective unless:



- (a) IMDA has approved such appointment or removal; and
- (b) such appointment or removal is not contrary to the control and ownership restrictions under the licence held by the Trustee-Manager to provide facilities-based operations.

The Trust does not have a Sponsor. Further, the Trustee-Manager does not hold any Units in the Trust, and so does not have a blocking stake in the event of a takeover. However, the prior approval of IMDA is required for any amalgamation, reconstruction or change to the trust structure of NetLink NBN Trust.



Code of Corporate Governance

The board of directors and management team of the Trustee-Manager are fully committed to maintaining high standards of corporate governance, and firmly believe that good corporate governance is essential to protecting the best interests of Unitholders and maintaining the sustainability of the business of NetLink.

The Trustee-Manager has complied with the principles of the Code of Corporate Governance 2018 (“2018 Code”) and largely complied with the provisions of the 2018 Code, and where there is a variation from any provisions of the 2018 Code, appropriate explanations have been provided

on the reason for such variations and how the existing practices adopted are consistent with the intent, aim and philosophy of the relevant principles of the 2018 Code. The Trustee-Manager also ensures that all applicable laws, rules and regulations including the Securities and Futures Act 2001 (“SFA”), the Listing Rules, and the BTA, including the relevant regulations thereunder, are duly complied with.

This report describes the Trustee-Manager’s main corporate governance policies and practices with specific reference to the 2018 Code and should be read in totality with the other sections of this Annual Report which are cross-referred.

SECTION (A): BOARD MATTERS

THE BOARD’S CONDUCT OF AFFAIRS

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

The board of directors of the Trustee-Manager (“Board”) is responsible for the overall management and the corporate governance of NetLink NBN Trust – including setting the direction and goals for the Trustee-Manager’s management team (“Management”), monitoring the achievement of these goals, and holding Management accountable for its performance. The Board seeks to align the interests of NetLink NBN Trust with that of Unitholders, and to balance the interests of other stakeholders.

The Board is collectively responsible for the long-term success of NetLink NBN Trust and its value creation and exercises close oversight over key areas in corporate governance, strategy, finance, risk management and internal controls, and human resources. Various policies have been developed and implemented to ensure proper governance.

► More details on these policies are set out under “Additional Information” on pages 72 to 73.

The Board provides a balanced and understandable assessment of NetLink’s performance, position, and prospects to Unitholders in a timely manner, through publication of its business updates and financial results, and via announcements on NetLink NBN Trust’s website and SGXNET. Following Singapore Exchange Regulation Pte Ltd (“SGX RegCo”)’s removal of mandatory quarterly reporting, the Board provides business updates on NetLink for its first and third quarters. These business updates supplement the half-year and full-year financial results. Notwithstanding the removal of quarterly reporting, the Board continues to conduct regular scheduled meetings for the first and third quarters of the financial year to review the business updates.

All Directors act honestly and exercise reasonable diligence in the discharge of the duties of his or her office and, in particular, will take all reasonable steps to ensure that the Trustee-Manager discharges its duties under the BTA, and gives priority to the interests of all Unitholders as a whole over the interests of the Trustee-Manager in the event of a conflict between the interests of all Unitholders as a whole and the interests of the Trustee-Manager. In NetLink NBN Group’s case, as the Trustee-Manager is beneficially owned by the Unitholders as a whole, the interests of the Unitholders as a whole and the interests of the Trustee-Manager are completely aligned, and this pre-empts any conflict of interest from arising.

Corporate Governance

All Directors are required to disclose their business interests and any potential or actual conflicts of interest that they are aware of, or as soon as such conflicts become apparent. In any situation that involves a conflict of interest with NetLink NBN Trust, Directors recuse themselves from participating in any discussion and decision on the matter.

NetLink NBN Group has established appropriate internal policies to ensure compliance with legislative and regulatory requirements, including requirements under the BTA and the Listing Rules.

A formal letter of appointment explaining their duties and obligations as Director is provided to every new Director upon appointment. The formal letter of appointment sets out the time commitment required of the Director and the Director's roles and responsibilities, including disclosure requirements and best practices relating to dealings in securities under applicable laws and regulations.

Newly-appointed Directors undergo a structured and comprehensive orientation programme which includes site visits to NetLink's central offices and co-location rooms to better apprise them of NetLink's business and briefing by Senior Management on the NetLink NBN Group's business activities, strategic direction and policies and key business risks. First-time Directors who do not have prior experience as a director of a Singapore listed company are also provided with a comprehensive briefing on the roles, duties and obligations of directors and will undergo compulsory training in the roles and responsibilities of a director of a listed issuer as prescribed under the Listing Rules.

Ms Joyce Tee Siew Hong and Ms Shirley Wong Swee Ping both of whom were appointed on 1 December 2023 and had no prior experience as a director of a listed company will be completing their mandatory training as a director of a listed issuer by November 2024.

Directors are regularly updated on changes to applicable laws and regulations (e.g. regulatory developments), developments in corporate governance (e.g. ESG issues) and changes in accounting standards, either during Board meetings or via electronic mail. In line with NetLink's commitment to promoting workplace safety and health, the Board had also been briefed on the Code of Practice on Chief Executives' and Board of Directors' Workplace Safety and Health Duties.

Management also circulates to Directors, relevant articles relating to recent developments in the telecoms industry, such as developments in broadband technology, artificial intelligence, and cybersecurity. All Directors are encouraged to undergo continual professional development during their term of office to ensure that they are able to fulfil their obligations and continually improve the performance of the Board.

Under the direction of the Chairman of the Board ("Chairman") and the Chief Executive Officer ("CEO"), the Company Secretaries facilitate good information flow between the Board and Management. The Company Secretaries assist Directors in ensuring compliance with their obligations under the relevant rules and regulations, and in the Directors' professional development. During the period under review, the external courses/seminars attended by the Directors included the SID Directors Conference, the Audit and Risk Committee Seminar on Climate Reporting and Assurance, and the talk on Cyber Security Governance conducted by the Singapore Institute of Directors ("SID"). The Directors were also briefed on ESG-related updates such as climate-related issues during Board meetings.

All Directors (save for Ms Joyce Tee Siew Hong and Ms Shirley Wong Swee Ping who will be completing their mandatory training as a director of a listed issuer by November 2024) have attended the sustainability training mandated under the enhanced SGX-ST sustainability reporting rules.

The Company Secretaries also inform Directors of relevant upcoming conferences and seminars (e.g. training programmes conducted by the SID). The expenses of such events attended by the Directors are borne by the Trustee-Manager.

The Board Charter sets out, *inter alia*, matters that require the Board's approval viz:



- (a) major funding proposals, investments, acquisitions, and divestments including commitments in terms of capital and other resources;
- (b) annual budget;
- (c) annual and quarterly financial reports;
- (d) internal controls and risk management strategies, and execution; and
- (e) appointment of Directors, CEO, Chief Operating Officer ("COO"), Chief Financial Officer ("CFO"), including review of their performance and remuneration packages.

As a general rule, the Board reviews and approves transactions that require disclosure by NetLink NBN Trust pursuant to the Listing Rules. The policy guidelines on Delegation of Authority on Expenditure and Revenue (“DOA Policy”) also set out the financial limits that require the Board’s approval. In its DOA Policy, the Trustee-Manager has adopted a set of internal guidelines which set out the financial authority limits for expenditure, asset disposals and write-off, revenue, and treasury transactions that require the approval of the Board. Appropriate delegations of authority and approval sub-limits are also established at the Management level to facilitate operational efficiency.

The following Board committees have been set up with clear terms of reference to assist the Board in the discharge of its responsibilities:

- Audit Committee (“AC”)
- Risk and Regulatory Committee (“RRC”)
- Nominating Committee (“NC”)
- Remuneration Committee (“RC”)

Information on the AC, RRC, NC, and RC (collectively, “Board Committees”) and their respective terms of reference can be found in the subsequent sections of this report.

The schedules of all Board and Board Committee meetings, and the AGMs of NetLink NBN Trust and the TM Shares Trust are planned one calendar year in advance, in consultation with the Directors. The Board meets at least four times a year and convenes at other times as warranted by particular circumstances to discuss and review NetLink NBN Group’s key activities. Matters on which the Board is consulted include business strategies and policies for NetLink NBN Group, its annual budget, the performance of the business and the financial affairs of NetLink NBN Group. The Board also reviews and approves the release of the half-year and full-year financial results and business updates. During the year under review, the Board held a Board Strategy Meeting which was also attended by Senior Management. Subject matter experts were invited to give an overview of future technological developments, such as the evolution of fibre-based broadband technologies. Together with Senior Management, the Board also discussed potential growth opportunities for NetLink NBN Group.

The Trustee-Manager’s Constitution provides for Board meetings to be held via telephone or video conference.

To ensure that each Director is able to give sufficient time and attention to NetLink NBN Group’s affairs, the Trustee-Manager has in place a Policy on Multiple Directorships. As a general rule, each Director may hold a maximum of five directorships in listed companies. Where a Director holds directorships in more than one listed company within the same group of companies by virtue of his or her employment, such directorships may be considered as a single directorship.

Corporate Governance

A record of the Directors' attendance at the AGMs, Board and Board Committee meetings for FY2024 is set out in the table below.

Name	AGM		Board		Audit Committee	
	Number of Meetings					
	Held	Attended	Held	Attended	Held	Attended
Chaly Mah Chee Kheong	1	1	4	4	-	-
Koh Kah Sek	1	1	4	4	4	4
Eric Ang Teck Lim ⁽¹⁾	1	1	3	3	3	3
Ku Xian Hong	1	1	4	4	-	-
Joyce Tee Siew Hong ⁽²⁾	-	-	1	1	-	-
Shirley Wong Swee Ping ⁽³⁾	-	-	1	1	1	1
Yeo Wico	1	1	4	4	4	4
Quah Kung Yang	1	1	4	4	-	-
William Woo Siew Wing	1	1	4	4	-	-
Tong Yew Heng ⁽⁴⁾	1	1	4	4	4	4

- Note:
- ⁽¹⁾ Mr Eric Ang Teck Lim stepped down from the Board on 1 December 2023. Consequently, he also relinquished his position as member of the Audit Committee and the Nominating Committee.
- ⁽²⁾ Ms Joyce Tee Siew Hong was appointed onto the Board and the Nominating Committee on 1 December 2023.
- ⁽³⁾ Ms Shirley Wong Swee Ping was appointed onto the Board and the Audit Committee on 1 December 2023.
- ⁽⁴⁾ Mr Tong Yew Heng is not a member of the Board Committees but attends the meetings in his capacity as CEO.

Management provides the Board with relevant, complete, adequate, and accurate information in a timely manner relating to matters to be brought before the Board, prior to Board meetings and on an on-going basis. Management has in place a procedure for papers to be circulated to the Board or to be submitted at Board meetings. Board papers adhere to a standard format which includes background information, issues for deliberation, and risk mitigation measures.

To give Directors sufficient time to prepare for Board and Board Committee meetings, the agenda, papers, and presentation slides are uploaded onto a secured electronic platform, one week before the relevant meeting. Directors can access these materials via their personal computers, laptops, smartphones, and other mobile devices prior to, during and after meetings.

Hard copies of these materials are also distributed to the Directors at their request. Members of Management who prepared the Board papers and can provide additional insights into matters at hand would be present at the relevant meeting.

Management provides the Board with monthly reports on NetLink's financial and business performance, and such explanation and information as the Board may require, to enable the Board to make a balanced and informed assessment of NetLink's performance, position, and prospects. The Board is also apprised of any significant developments on business initiatives, industry developments and regulatory updates. Since the start of the COVID-19 pandemic, Management has been providing the Board with regular status updates on how NetLink NBN Group manages



Risk & Regulatory Committee		Nominating Committee		Remuneration Committee		Board Strategy Retreat	
Number of Meetings							
Held	Attended	Held	Attended	Held	Attended	Held	Attended
4	4	3	3	1	1	1	1
-	-	-	-	-	-	1	1
-	-	3	3	-	-	1	-
4	4	-	-	1	1	1	1
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1	1	1	1
4	4	-	-	-	-	1	1
-	-	3	3	-	-	1	1
4	4	3	3	1	1	1	1

its operations under its business continuity planning (“BCP”). To keep the Board abreast of investors’ feedback and perceptions, NetLink NBN Group’s Investor Relations team provides the Board with a summary of the investor relations activities, feedback gathered from investors, unit price performance and analysis of the Trust’s unitholder register on a half-yearly basis. Summaries of analyst/media reports are also provided to the Board each time after NetLink NBN Group announces its quarterly business updates, half-year, and full-year financial results.

Directors have separate and independent access to Management and the Company Secretaries. As a matter of good corporate governance practice, the role of the Company Secretary has been clearly defined.

The Company Secretaries attend to corporate secretarial administration matters. They assist the Board and Management in implementing and strengthening corporate governance policies and procedures. The Company Secretaries ensure that Board procedures are properly followed. They prepare the agenda for Board and Board Committee meetings in consultation with the Chairman, the respective Board Committee Chairpersons and the CEO, and attend Board and Board Committee meetings. The appointment and the removal of the Company Secretaries are subject to the Board’s approval.

The Directors, whether as a group or individually, may seek and obtain independent professional advice in the furtherance of their duties, the expenses of which are borne by the Trustee-Manager.

Corporate Governance

BOARD COMPOSITION AND GUIDANCE

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

As at the date of this Annual Report, the Board consists of nine members, six of whom are independent Directors. Of the three non-independent Directors, two are non-executive Directors and one (being the CEO) is an executive Director. The Chairman, Mr Chaly Mah Chee Kheong, is an independent Director. The independent Directors and their immediate family members have no relationships with the Trustee-Manager, its related corporations, its substantial shareholders, or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in the best interests of NetLink NBN Trust.

► More details on the independence of Directors are set out under "Additional Information" on pages 207 to 212.

The composition of the Board also complies with the BTA and the Business Trusts Regulations 2005 ("BTR"), and consists of:



- at least a majority of Directors who are independent from management and business relationships with the Trustee-Manager;
- at least one-third of Directors who are independent from management and business relationships with the Trustee-Manager and from every substantial shareholder of the Trustee-Manager; and
- at least a majority of Directors who are independent from any single substantial shareholder of the Trustee-Manager.

The current composition of the Board and the Board Committees is set out below:

Name	Board	Audit Committee	Risk and Regulatory Committee	Nominating Committee	Remuneration Committee
Chaly Mah Chee Kheong	Chairman and Independent Director	-	Member	Chairman	Chairman
Koh Kah Sek	Independent Director	Chairman	-	-	-
Ku Xian Hong	Independent Director	-	Chairman	-	Member
Joyce Tee Siew Hong ⁽¹⁾	Independent Director	-	-	Member	-
Shirley Wong Swee Ping ⁽²⁾	Independent Director	Member	-	-	-
Yeo Wico	Independent Director	Member	-	-	Member
Quah Kung Yang	Non-Executive Director	-	Member	-	-
William Woo Siew Wing	Non-Executive Director	-	-	Member	-
Tong Yew Heng	Executive Director	-	-	-	-

Note:

⁽¹⁾ Ms Joyce Tee Siew Hong was appointed Member of the Nominating Committee on 1 December 2023.

⁽²⁾ Ms Shirley Wong Swee Ping was appointed Member of the Audit Committee on 1 December 2023.

Annually, the NC reviews the structure, size, and composition of the Board to ensure appropriate balance and diversity. The Board has in place a Board Diversity Policy which recognises and embraces the importance and benefits of having a diverse Board and supports the Board in achieving its strategic objectives. In designing the Board's composition, Board diversity has been considered from a number of aspects, such as diversity in skills, industry and business experiences, knowledge, gender, age, ethnicity, tenure of service, and other distinguishing qualities of the members of the Board. A diverse Board will bring to the Board different perspectives, experiences, and competencies, and enhance the decision-making of the Board.

The NC has put in place a skills matrix which is used to assess if the skills and experience of a candidate complement

those of the existing Board members. When reviewing and assessing the composition of the Board and making recommendations to the Board for the appointment of Directors, the NC will take into consideration the Board's Diversity Policy and strive for the inclusion of diverse groups and viewpoints, as well as independence and time commitment. All Board appointments are made based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity and the needs of the Board.

In its annual review, the NC was satisfied that the objectives of the Diversity Policy continue to be met. The appointments of Ms Joyce Tee Siew Hong and Ms Shirley Wong Swee Ping on 1 December 2023 further add to the Board's diversity in terms of gender, skills and experience.

The Board diversity targets are as follows:-

- Gender diversity – to maintain minimum 30% female representation until 2030; and
- Skills diversity – to have expertise across domain knowledge and functional disciplines that are relevant to NetLink NBN Group's business operations including expertise in accounting/finance, technology, legal/regulatory, sustainability and industry/business related.

The Board has met these diversity targets, as detailed in the subsequent paragraphs.

In relation to gender diversity, the Board has four female Directors, representing 44% of the Board which is ahead of the guidelines proposed by the Council for Board Diversity and in line with the Board's target of achieving a minimum 30% female representation on the Board by 2030. The NC will ensure that female candidates are included for consideration when identifying suitable candidates for new appointments to the Board as part of the Board renewal process.

In relation to skills diversity, the Board comprises members who are business leaders and professionals with diverse expertise, experience, and background that includes accounting/finance, technology, legal/regulatory, mergers and acquisitions, and industry/business related.

The Board, taking into account the views of the NC, considers that the current nine-member Board to be an appropriate size¹ and as a group possesses an appropriate balance and diversity necessary to manage and contribute effectively to NetLink NBN Group as contemplated by the Board Diversity Policy. In relation to skills and experience, the Directors are corporate and business leaders and professionals with varied backgrounds, expertise, and experience. In relation to tenure, the ongoing Board renewal process is phased to ensure that the Trustee-Manager has

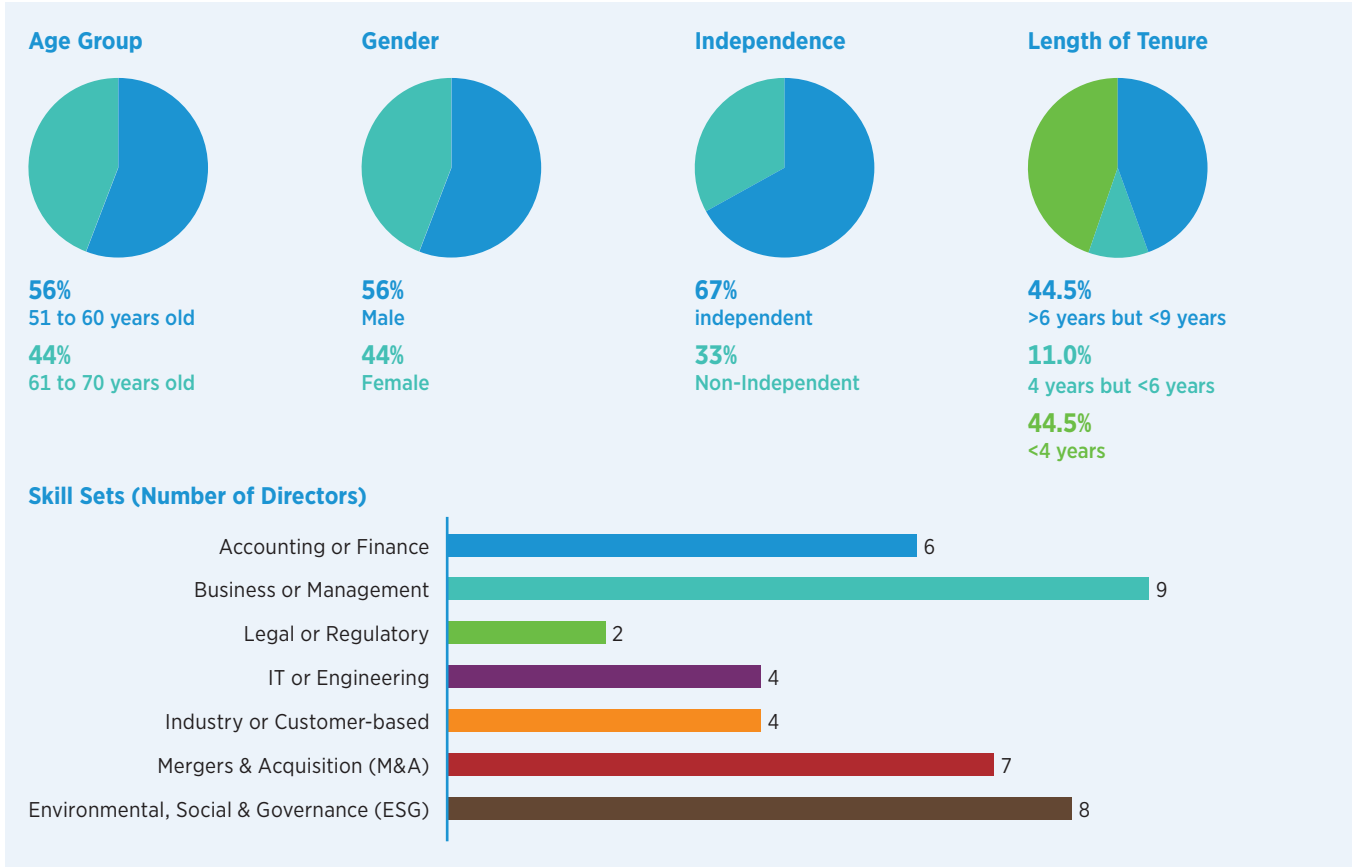
a group of Independent Directors whose tenure are staggered across their terms of office. This provides continuity and stability for the conduct of Board matters while also ensuring that the Board is able to benefit from different perspectives and insights from its members.

The current composition of the Board reflects its commitment to diversity. Any progress made towards the implementation of the Board Diversity Policy will be reported and disclosed in future annual reports, as appropriate.

¹ The NC will review the board size from time to time and make recommendations to the Board. Currently, the NC has recommended that a board size of nine to ten members is appropriate.

Corporate Governance

The Board composition in terms of age group, gender, independence, length of tenure and skills is illustrated in the charts below:-



Directors and Management openly discuss and debate issues at Board meetings. Non-executive Directors are kept apprised of NetLink’s business through monthly business reviews (which include financial highlights, operational performance indicators and key risks monitoring indices) circulated by Management. Minutes of all Board Committee meetings are circulated to the Board so that the Directors are aware and kept updated as to the proceedings and matters discussed during such meetings. At every Board Meeting, a Non-executive Directors session without the CEO’s and Management’s presence is scheduled for the Non-executive Directors to review the performance and effectiveness of Management and feedback is thereafter provided to the CEO and Management.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision making.

The positions of Chairman and CEO are separately held by two persons in order to maintain effective checks and balances. This promotes greater accountability from Management and allows the Board to exercise its independence in its oversight of and deliberations with Management. There is a clear separation of the roles and responsibilities between the Chairman and the CEO, as set out in the Role Statement of the Chairman and the CEO.

The Chairman is responsible for the overall management of the Board as well as ensuring that Directors and Management work together with integrity and competency. He leads the Board to ensure its effectiveness in all aspects of its role. Among other things, the Chairman ensures effectiveness by steering productive and comprehensive discussions amongst



Board members and Management on strategic and other key issues pertinent to the business and operations of NetLink NBN Group. He encourages active engagement, participation by and contribution from all Directors. With the assistance of the Company Secretaries, he schedules meetings and prepares meeting agendas to enable the Board to perform its duties responsibly having regard to NetLink NBN Trust’s operations. He also monitors the flow of information from Management to the Board to ensure that material information is provided in a timely manner to Directors. The Chairman plays a key role in promoting high standards of corporate governance and transparency and ensuring effective communication with the stakeholders.

The CEO has full executive responsibilities over the business direction and operational decisions in the day-to-day management of NetLink NBN Trust. He works with Management to ensure that action plans have been put in place in developing an effective enterprise risk management system. He works with the Board to determine NetLink NBN Trust’s strategy and is responsible for the implementation of the strategies and polices approved by the Board. The CEO provides leadership and guidance to Management in order to meet the strategic and operational objectives of NetLink NBN Trust. He develops and manages good relationships with the stakeholders, such as Unitholders, the regulators and the investment community.

The Chairman and CEO are not immediate family members. Given that the roles of the Chairman and CEO are separate, and the Chairman is independent, no lead independent Director is required to be appointed.

BOARD MEMBERSHIP

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

The NC comprises three Directors, all of whom are non-executive Directors and a majority of whom (including the NC Chairman) are independent, namely:

Mr Chaly Mah Chee Kheong	Chairman
Ms Joyce Tee Siew Hong	Member
Mr William Woo Siew Wing	Member

The terms of reference of the NC provides that the NC shall comprise at least three non-executive Directors, the majority of whom shall be independent (including being independent from management and business relationships with the Trustee-Manager and independent from every substantial shareholder of the Trustee-Manager).

The NC’s responsibilities include, but are not limited to, the following:



- (a) establishing procedures and making recommendations to the Board on relevant matters relating to the appointment and re-appointment of Directors and considering the composition and progressive renewal of the Board and each Director’s competencies, commitment, contribution and performance;
- (b) reviewing and making recommendations to the Board on relevant matters relating to the board succession plans for Directors, the development of a process and the criteria for evaluation of the performance of the Board, to ensure that the size and diversity of the Board continue to:
 - (i) meet the needs of the Trustee-Manager and NetLink NBN Trust; and
 - (ii) facilitate effective decision making;
- (c) reviewing and making recommendations to the Board on training and professional development programmes for the Board;
- (d) reviewing, on an annual basis and as and when circumstances require, whether or not a Director is independent; and
- (e) reviewing other directorships held by each Director and deciding whether or not a Director is able to carry out, and has been adequately carrying out, his duties as a Director of the Trustee-Manager.

Each member of the NC abstains from voting on any resolution in respect of the matter in which he has an interest.

The NC seeks to refresh the Board membership progressively and in a systematic manner, to avoid losing institutional knowledge. The NC also reviews the succession plans for the CEO, the COO, and the CFO. The NC recognises the importance of succession planning as part of corporate governance and there is an internal process of succession planning for the Chairman, Directors, the CEO, and senior Management, to ensure the progressive and systematic renewal of the Board and key executives.

The NC decides how the Board’s performance is to be evaluated and propose objective performance criteria. The Chairman of the NC acts on the results of the performance evaluation of the Board, and selections of members of the Board, in consultation with the NC. The Board appointed Willis Towers Watson Consulting (Singapore) Pte Ltd (“WTW”) as its external consultant to conduct the evaluation of the Board, the Board Committees, and the individual Directors for FY2024.

Corporate Governance

The NC conducts an annual review of each Director's independence in accordance with the BTA and the BTR requirements and takes into consideration the relevant guidelines in the 2018 Code and the Practice Guidance 2023 in relation to the 2018 Code. In any situation that involves a conflict of interest with NetLink NBN Trust, Directors recuse themselves from participating in any discussion and decision on the matter.

► More details on the independence of the Directors are set out under "Board Composition and Guidance" on pages 52 to 54 and under "Additional Information" on pages 207 to 212.

Each of the Directors consults the Chairman of the Board prior to accepting further commitments which might either give rise to a conflict of interest or a conflict with any of his duties to the Trustee-Manager and/or NetLink NBN Trust, or which might detract from the time that he is able to devote to his role as a Director. The Chairman of the Board himself has to consult the NC before accepting such commitments.

For FY2024, the Board is satisfied that all Directors have been able to and have adequately carried out their duties as Directors notwithstanding their other listed company board representations and other principal commitments. Having reviewed each Director's attendance, participation, contribution, expertise and competing time commitments, the Board (with the NC's concurrence) is of the view that none of the Directors hold a significant number of directorships and other principal commitments that may impede his/her ability to discharge his/her duties. The Board further notes that, in line with the Trustee-Manager's Policy on Multiple Directorships, none of the Directors hold five or more listed company directorships.

None of the Directors has appointed an alternate director.

The Trustee-Manager has put in place a framework for selection, appointment, and re-appointment of Directors. In the process of searching for qualified persons to serve on the Board, the NC will strive for the inclusion of diverse groups and viewpoints. The NC leads the process and makes recommendations to the Board for approval. In making its recommendations, the NC will take into consideration the Board Diversity Policy, details of which are set out under "Board Composition and Guidance" on pages 52 to 54. The Board believes that orderly succession and renewal is achieved as a result of careful planning, where the appropriate composition of the Board is continually under review. In searching for appropriate candidates, the Board uses executive search firms and third-party institutions, like the SID, to identify a broader range of suitable candidates.

Under the deed (i.e. the TM Shares Trust Deed) constituting Singapore NBN Trust (i.e. the TM Shares Trust), Unitholders (as beneficiaries of Singapore NBN Trust) have the right to, by ordinary resolution in accordance with the TM Shares Trust Deed,

direct DBS Trustee Limited (as legal owner of the shares in the Trustee-Manager) to approve the re-election of each Director at the AGM of the Trustee-Manager. Each Director of the Trustee-Manager shall retire from office at least once every three years and for this purpose, at each AGM of the Trustee-Manager, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation and shall be eligible for re-election at that AGM (the Directors so to retire being those longest in office). The CEO, as a Director, is subject to the same retirement by rotation.

Annually, the Company Secretary will inform the NC which Directors are due for retirement at the AGM. The NC will then review the composition of the Board and decide whether to recommend to the Board the re-election of these retiring Directors, after taking into account factors such as their attendance, participation, contribution, expertise and competing time commitments. At the upcoming AGM, the following Directors will be retiring by rotation, and they have offered themselves for re-election:



- (a) Ms Koh Kah Sek;
- (b) Mr Yeo Wico; and
- (c) Ms Ku Xian Hong.

The NC recommends the re-election of these Directors to the Board for approval having regard to the Directors' contribution and performance, with reference to the results of the assessment of the performance of the individual Director.

In addition, pursuant to Article 89 of the Constitution of the Trustee-Manager, a Director appointed by the Board to fill a casual vacancy or appointed as an additional Director may only hold office until the next AGM, at which he will be eligible for re-election by Unitholders. As Ms Joyce Tee Siew Hong and Ms Shirley Wong Swee Ping were appointed by the Board of Directors on 1 December 2023, they will retire at the upcoming AGM. Ms Tee and Ms Wong have offered themselves for re-election at the upcoming AGM.

As the Trustee-Manager is a Designated Telecommunication Licensee, approval from IMDA is required for the change in appointment of its Chairman, Directors, and CEO.

► All key information on the Directors, including listed company directorships and principal commitments, are set out under "Board of Directors" on pages 20 to 28. Information relating to the Directors who are retiring and offering themselves for re-election at the upcoming AGM are as set out in Appendix 7.4.1 of the Listing Rules, and can be found in the "Additional Information on Directors seeking re-election" on page 19 to 24 of the Report of Singapore NBN Trust for FY2024.

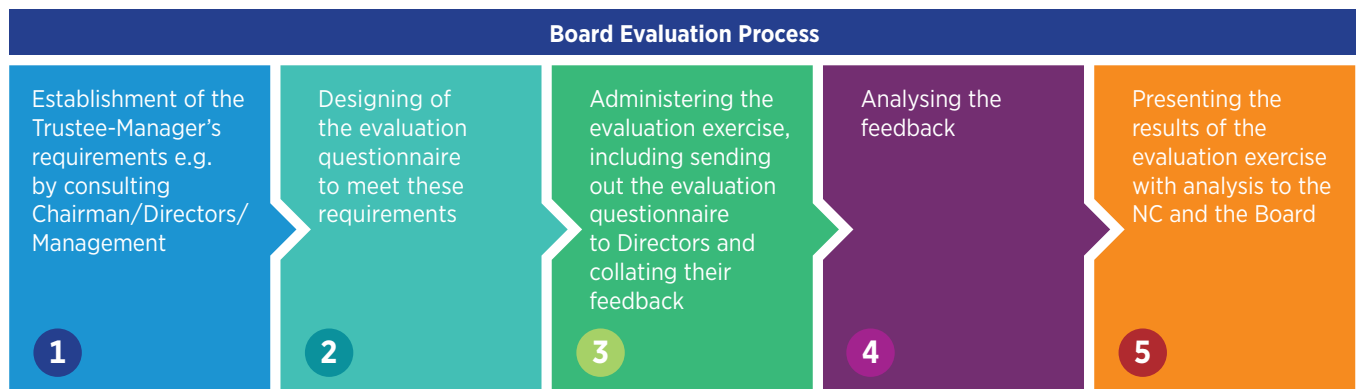
BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The Board has in place a process carried out by the NC for assessing the effectiveness of the Board as a whole and its Board Committees and each individual Director. Directors' self and peer evaluation are carried out for individual Directors to assess each Director's contribution to the Board.

To ensure that these assessments are conducted fairly, the Board has appointed an external facilitator, WTW, to conduct the evaluation. WTW has also been engaged as consultant for job re-evaluation, and review of job grade structure and compensation structure. Save for WTW's appointment as the external facilitator to conduct the Board evaluation and as consultant for the job re-evaluation, and review of job grade structure and compensation structure. WTW does not have any other existing relationships with the Trustee-Manager or any of the Directors. The Board believes that the use of an external facilitator promotes objectivity, neutrality, and confidentiality. The external facilitator has also provided a more detailed and in-depth assessment including benchmarking the results with industry standards.

The evaluation process is illustrated below:



The evaluation focuses on areas such as:-

- Corporate Strategy and Direction Setting
- Board Governance and Oversight
- Board Composition
- Boardroom Conduct, Board Dynamics, and Communication
- Board Management and Operations / Board Processes
- CEO Performance Management and Succession Planning
- Director Development and Management
- Risk Management

In FY2024, the Board received affirmative ratings across all major evaluation criteria. Overall, the Board has been evaluated as being effective.

Through self and peer feedback mechanisms, each Director is evaluated on attributes such as contribution, knowledge and abilities, and teamwork. All Members of the Board have been evaluated very positively across categories. There is no significant gap or distinction in perceived competence or effectiveness between Members. Upon completion of the evaluation exercise, each Director receives a copy of the ratings on his or her evaluation analysis. The Chairman will then meet with each Director to obtain and/or provide feedback on the Board evaluation exercise, with a view to improving the overall Board performance.

In FY2024, all members of the Board have been evaluated positively across categories. There was no significant gap or distinction in perceived competence or effectiveness between Members.



Corporate Governance

SECTION (B): REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

The RC comprises three Directors, all of whom are non-executive and independent Directors, namely:

Mr Chaly Mah Chee Kheong	Chairman
Ms Ku Xian Hong	Member
Mr Yeo Wico	Member

The terms of reference of the RC provides that the RC shall comprise at least three non-executive Directors, the majority of whom shall be independent (including being independent from management and business relationships with the Trustee-Manager and independent from every substantial shareholder of the Trustee-Manager).

The RC's responsibilities include, but are not limited to, the following:



- (a) reviewing and recommending to the Board, in consultation with the Chairman of the Board (where applicable), a general framework of remuneration for the Board and key management personnel, and specific remuneration packages for each Director and key management personnel, for endorsement by the Board;
- (b) reviewing the obligations of NetLink NBN Group arising in the event of the termination of the service contracts of executive Directors and key management personnel, to ensure that such service contracts contain fair and reasonable termination clauses which are not overly generous; and
- (c) administering and approving awards under the Long-Term Incentive Plan (please refer to "Long-Term Incentive Component" under "CEO/Executive Director and Key Management Personnel Remuneration" on pages 58 to 59) and/or other long-term incentive schemes to Directors and/or senior executives of NetLink NBN Group).

The Director of Human Resource assists the RC in the execution of its functions, and makes reference to market surveys and information where relevant. The RC ensures that in the event any advice on remuneration matters is sought from consultants, existing relationships, if any, between the NetLink NBN Group and its appointed consultants will not affect the independence and objectivity of the remuneration consultants.

LEVEL AND MIX OF REMUNERATION

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

The RC establishes remuneration policies that are in line with NetLink NBN Group's business strategies and risk policies as well as long-term interests of NetLink NBN Group and the Unitholders, with a view to ensuring remuneration packages are sufficiently competitive to attract, retain and motivate Directors and key management personnel of the appropriate experience and expertise. In its deliberations, the RC will take into consideration industry practices and benchmarks against relevant industry players to ensure that its remuneration and employment conditions are competitive.

The framework for determining Directors' fees is set out under "Disclosure on Remuneration" on page 60. Directors' fees are wholly paid out in cash. Nevertheless, Directors are encouraged to hold NetLink NBN Trust units so as to better align the interests of Directors with the interests of Unitholders.

The framework for determining the remuneration of the key management personnel is described in the paragraphs below. Remuneration packages comprise fixed components and variable components, including short-term and long-term incentive components, and are structured around measured key performance indicators.

CEO/Executive Director and Key Management Personnel Remuneration

The RC seeks to ensure that the level and mix of remuneration for the CEO and key management personnel are competitive, aligned with Unitholders' interests and promote NetLink NBN Group's long-term success.

The letters of appointment of the CEO, the COO and the CFO provide that the incentive components of their remuneration may be reclaimed in exceptional circumstances of misstatement of financial results or of misconduct resulting in financial loss to NetLink.

During FY2024, there was no termination, retirement or post-employment benefits granted to the Directors, the CEO and key management personnel. None of NetLink NBN Group's employees is an immediate family member of any Director or the CEO.

Remuneration for the CEO and key management personnel comprises a fixed component, variable cash component, long-term incentive component and market-related benefits:



A. Fixed Component

The fixed component comprises the base salary and fixed allowances.

B. Variable Cash Component

The variable cash component is given in the form of an Annual Variable Bonus (“AVB”). This AVB is a cash-based incentive for the CEO and key management personnel, which is linked to the achievement of annual performance targets.

Corporate and individual performance objectives are set at the beginning of each financial year. The objectives are aligned to NetLink’s overall strategic, financial, operational, and sustainability-linked goals, and are cascaded down to a select group of key management personnel using scorecards, creating alignment between the performance of NetLink and the individual. While the performance objectives are different for each executive, they are assessed on the same principles across five broad categories of targets, namely Financial and Operational Performance; People; Projects and Processes; Stakeholders; and Strategic.

The target AVB for the CEO and key management personnel is pre-set at a fixed percentage of their annual base salary, and is adjusted based on the achievement of the corporate and individual targets at the end of each financial year. The final AVB pay-out can range from 0 to 1.5 times of the target pay-out for the CEO, the COO, and the CFO, and range from 0 to 2 times of the target pay-out for other key management personnel.

C. Long-Term Incentive Component

The NetLink Trust Long-Term Incentive Plan (“Plan”) is an incentive plan first established in April 2017 with the objective of rewarding and retaining key executives for driving long-term business performance that is aligned with Unitholders’ interest. Under the Plan, the performance conditions are set over a three-year performance period and are based on operating cash flow², return on total assets and absolute total unitholder return. The target award for eligible roles is set as a multiple of monthly base salary and the magnitude is determined using market benchmark on total compensation.

The awards are granted on a contingent basis, and the awards will be determined and fully vest at the end of a three-year performance period (beginning on 1 April immediately preceding the date of grant), based on performance against the measures identified above, with a minimum threshold performance being specified in respect of each performance measure and with superior performance in respect of each performance measure allowing for a maximum final award of up to 1.5 times of the contingent award.

The awards are paid out in cash in full upon vesting. In this regard, the awards which are granted will be notionally converted into a number of Units based on the volume weighted average unit price over a 12-month period ending March of the year in which the awards are granted, and such notional number of Units, multiplied by the achievement factor of 0 to 1.5 times depending on the performance achieved against the measures identified above, will then be converted into and paid out in cash based on the volume weighted average unit price over a 12-month period ending March³ of the year at the end of the three-year performance period.

To the extent that any awards are granted to the CEO, the COO and the CFO, such awardee is required, within one year following the vesting of the relevant awards (subject to the awardee still being in NetLink’s employment), to accumulate a minimum unitholding in NetLink NBN Trust equal to such person’s prevailing annual base salary at the time of vesting of the awards. This obligation to accumulate a minimum unitholding does not apply to other participants in the Plan.

D. Market-related Benefits

These benefits, which include club membership and flexi benefit and non-cash benefits such as medical, dental, comprehensive health screening and car-parking, are comparable with local market practices.

² Operating cash flow replaces free cash flow as one of the performance conditions with effect from FY2023 onwards.

³ This applies to awards from June 2022 onwards. Prior years’ awards were notionally converted into a number of Units based on the average daily closing unit price from January to March of the year in which the awards were granted, and depending on the performance achieved against the measure identified above, converted into and paid out in cash based on the average daily closing unit price of the Units in the three-month period immediately prior to the end of the three-year performance period.

Corporate Governance

DISCLOSURE ON REMUNERATION

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

The remuneration framework is based on policies which are aligned with Unitholders' interests to support NetLink's business with the aim of retaining key capabilities, provide sound and structure funding of remuneration in ensuring affordability and sustainable value creation. Competitive remuneration packages

are offered to attract and retain experienced individuals. The remuneration policies, the procedures for setting remuneration and the relationships between remuneration, performance and value creation are described in Principle 7 above.

Non-Executive Directors' Remuneration

For FY2024, the framework for determining the Directors' fees is set out below. This framework was adopted first in FY2020 after the Board commissioned Aon Solutions Singapore Pte Ltd in October 2018 to review the remuneration framework for non-executive Directors to ensure that Director remuneration is market benchmarked. The Board is not proposing any change to the Directors' fee structure for FY2025.

Appointment	Fees per annum (\$)
Board Chairman	150,000
Board Member	75,000
Audit Committee Chairman	50,000
Audit Committee Member	30,000
Risk and Regulatory Committee Chairman ⁽¹⁾	35,000
Risk and Regulatory Committee Member ⁽¹⁾	20,000
Nominating Committee Chairman	20,000
Nominating Committee Member	12,000
Remuneration Committee Chairman	20,000
Remuneration Committee Member	12,000

Note:

⁽¹⁾ The Risk and Regulatory Committee was renamed 'Risk and Sustainability Committee' with effect from 16 May 2024.

The annual remuneration of Directors for FY2024 is as follows:

Directors	Directors' Fees (\$)
Chaly Mah Chee Kheong	210,000
Eric Ang Teik Lim ⁽¹⁾	77,894
Koh Kah Sek	125,000
Ku Xian Hong	122,000
Yeo Wico	117,000
Quah Kung Yang ⁽²⁾	95,000
William Woo Siew Wing ⁽²⁾	87,000
Joyce Tee Siew Hong ⁽³⁾	29,079
Shirley Wong Swee Ping ⁽³⁾	35,095
Total	898,068

Note:

⁽¹⁾ Stepped down on 1 December 2023.

⁽²⁾ Fees are paid to Director's employer company.

⁽³⁾ Appointed on 1 December 2023.

The CEO, Mr Tong Yew Heng, is an Executive Director and is therefore remunerated as part of senior Management. He does not receive Directors' Fees.

CEO's and Top Five Key Management Personnel's Remuneration

Following is a breakdown of the level and mix of the annual remuneration of the CEO and each of the top five key management personnel in FY2024, set out in bands of \$250,000:

Table 1: CEO's Remuneration

Name	Fixed ⁽¹⁾ (\$)	Variable ⁽²⁾ (\$)	CPF ⁽³⁾ (\$)	Benefits ⁽⁴⁾ (\$)	LTI ⁽⁵⁾ (\$)	Total Remuneration (\$)
Tong Yew Heng	651,912	748,412	11,454	5,276	426,317	1,843,371

Mr Tong Yew Heng was granted a long-term incentive award of \$614,712 in June 2024. The award is granted on a contingent basis, and will be determined and fully vested at the end of a three-year performance period, based on performance against the performance conditions set.

Table 2: Top Five Key Management Personnel's Remuneration

Remuneration Band	Fixed ⁽¹⁾ (%)	Variable ⁽²⁾ (%)	CPF ⁽³⁾ (%)	Benefits ⁽⁴⁾ (%)	LTI ⁽⁵⁾ (%)	Total Remuneration (%)
Between \$750,001 and \$1,000,000						
Chye Hoon Pin	46	24	1	1	28	100
Between \$500,001 and \$750,000						
Diane Chen Dan	60	36	3	1	0	100
Between \$250,001 and \$500,000						
Tiong Onn Seng	62	24	3	1	10	100
Widjaja Suki	65	19	4	2	10	100
Nicholas Yoong Swie Leong ⁽⁶⁾	49	48	2	1	0	100

Note:

⁽¹⁾ Fixed refers to base salary and fixed allowances for FY2024.

⁽²⁾ Variable refers to cash-based incentives earned in FY2024 and paid out in June 2024.

⁽³⁾ CPF refers to company statutory contributions to the Singapore Central Provident Fund in FY2024.

⁽⁴⁾ Benefits in FY2024 are stated on the basis of direct costs and include benefits like club membership and flexi benefit and other non-cash benefits such as medical, dental, comprehensive health screening and car-parking.

⁽⁵⁾ LTI refers to the 2021 long-term incentive plan award which has become vested. This award will be paid out in July 2024.

⁽⁶⁾ Nicholas Yoong Swie Leong was appointed COO on 16 October 2023 and his remuneration for the period from 16 October 2023 to 31 March 2024 is in the band of \$250,001 to \$500,000.

The total remuneration paid to the top five senior Management personnel (who are not Directors or the CEO) in FY2024 was approximately \$2,558,162.

There are no employees of NetLink NBN Group who are substantial Unitholders of the Trust, or are immediate family members of the Directors or the CEO or a substantial Unitholder of the Trust, and whose remuneration exceeds \$100,000 during FY2024.

The top five members of senior Management (who are not Directors or the CEO) were granted LTI awards in aggregate of \$442,481 in June 2024. These awards are granted on a contingent basis, and will be determined and fully vested at the end of a three-year performance period in FY2027, based on performance against the performance conditions set.

Corporate Governance

SECTION (C): ACCOUNTABILITY AND AUDIT

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders⁴.

NetLink NBN Group aims to excel as the planner, builder, operator and long-term owner of quality infrastructure assets and provider of quality infrastructure services, adding value to its stakeholders and achieving consistent returns. The Board views risk management as a key contributing factor in achieving its objectives.

The Board oversees risk governance in NetLink NBN Group through frameworks for risk management and the implementation of internal controls. Through NetLink NBN Group's risk governance structure, and with the assistance of the RRC and the AC, the Board seeks to manage potential risks associated with the execution of its business strategies and create value for its stakeholders.

NetLink NBN Group's risk governance structure is illustrated below.



The RRC comprises three Directors, the majority of whom are non-executive and independent Directors, namely:

Ms Ku Xian Hong	Chairman
Mr Chaly Mah Chee Kheong	Member
Mr Quah Kung Yang	Member

The terms of reference of the RRC provides that the RRC shall comprise at least three Directors, the majority of whom are non-executive and independent (including being independent from Management and business relationships with the Trustee-Manager and independent from every substantial shareholder of the Trustee-Manager).

The RRC's responsibilities include, but are not limited to, the following:

- (a) providing oversight and reviewing the adequacy and effectiveness of the risk management system and system of internal controls of NetLink NBN Group, and reviewing NetLink NBN Group's overall risk assessment processes, policies and guidelines that inform the Board's decision-making;
- (b) advising the Board on NetLink NBN Group's overall risk tolerance and strategy;
- (c) reviewing the risk management processes and activities of NetLink NBN Group to mitigate and manage risk at acceptable levels determined by the Board;
- (d) keeping under review the effectiveness of NetLink NBN Group's internal controls and risk management systems and reviewing and approving the statements to be included in the annual report of NetLink NBN Trust concerning the effectiveness of NetLink NBN Group's internal control and risk management systems;

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



- (e) reviewing the Trust's compliance with regulatory obligations imposed by IMDA, particularly in respect of:
- (i) the control and ownership restrictions set out in the Facilities-Based Operations ("FBO") licence granted to the Trustee-Manager by IMDA;
 - (ii) the Capex Reserve Requirement⁵; and
 - (iii) the restrictions on services offered by the Trust as set out in the FBO licence granted to the Trustee-Manager by IMDA; and
- (f) providing guidance and recommendations to the Board on strategic regulatory matters.

Each member of the RRC abstains from voting on any resolutions in respect of the matter in which he has an interest.

The RRC, under its terms of reference, has the responsibility to, among others, provide oversight and review the adequacy and effectiveness of the risk management system. While the overall supervision of risk management rests with the RRC, the AC is involved in monitoring Management's efforts in managing financial and financial reporting-related risks, and internal controls, and liaises closely with the RRC. Information is shared on a regular basis between the AC and the RRC.

The RRC is supported by a Management Risk Committee ("MRC") comprising management executives which reviews the effectiveness of the risk management processes on a regular basis and reports any substantial findings of risks or non-compliance to the RRC. The CEO chairs the MRC.

NetLink has implemented an Enterprise Risk Management ("ERM") framework based on ISO 31000: 2018 (Risk Management Guidelines) with the aim of pursuing a systematic and structured approach towards the effective management of risk that will promote a more stable and informed environment for NetLink to meet its intended objectives.

The MRC is accountable to the RRC and the Board for the effectiveness of the ERM framework, policies and resources employed to identify, manage, and report risks relating to NetLink's activities.

Significant risks facing NetLink are identified and assigned to relevant risk owners. The risk owners will perform an assessment on the potential impact and likelihood of those risks occurring, and seek inputs from control owners on the adequacy of NetLink's internal controls and the action plans taken to mitigate such risks. This assessment will be documented in NetLink's risk register and updated at least on an annual basis. Risks are then categorised into Tier 1 and Tier 2 risks based on likelihood of occurrence and impact, which will be further deliberated by the MRC and the RRC.

To enhance risk monitoring, key risk indicators ("KRIs") and the thresholds are developed and monitored. Regular reports on KRI trending and risk heat-map are submitted to MRC and RRC for discussion and review of action plans.

With effect from 16 May 2024, the RRC has undertaken the role of overseeing sustainability governance in:

- providing oversight of sustainability efforts and identifying ESG factors crucial to the business, including climate-related risks and opportunities;
- monitoring the implementation of sustainability strategies and performance against established targets; and
- providing recommendations to the Board on sustainability matters.

This is in addition to its role of overseeing risk governance and maintaining a sound system of risk management and internal controls. Accordingly, the RRC has been renamed as the "Risk and Sustainability Committee" ("RSC").

More information on NetLink's ERM framework can be found under "Enterprise Risk Management" on pages 74 to 81.

Various policies have been developed to ensure sound governance with transparent and ethical business practices. Information on these policies can be found on pages 72 to 73.

⁵ "Capex Reserve Requirement" is the requirement for NetLink Trust to set aside monies each year for at least 20% of capital expenditure reserve fund ("Capex Reserve"), which cumulates to \$40 million over the five-year period from 1 January 2018 to 31 December 2022, to meet regulatory requirements from IMDA for any new network infrastructure projects that improve the capacity, technology, capability or resilience of NetLink Trust's network infrastructure. As at 31 March 2024, NetLink Trust had completed the implementation of the network infrastructure projects that improve network resiliency and expand capacity, and had fully utilised the capital expenditure reserve of \$40 million for this purpose.

Corporate Governance

In terms of internal controls, the internal auditors conduct reviews on the adequacy and effectiveness of NetLink NBN Group's internal controls and report any material non-compliances or weaknesses in internal controls to the AC for review. The external auditors perform procedures in relation to internal controls relevant to the audit risks that they have identified and report to the AC any significant deficiencies. The AC also reviews the adequacy and effectiveness of the measures taken by Management on recommendations made by the internal and external auditors to rectify such non-compliances and weaknesses.

The Board has received assurance from:

- (a) the CEO and the CFO that NetLink's financial records have been properly maintained and the financial statements for the year under review give a true and fair view of NetLink's operations and finances; and
- (b) the CEO, the COO, and the CFO (collectively "C-Suite") that the system of risk management and internal controls in place within NetLink NBN Group is adequate and effective in addressing the risks which NetLink NBN Group considers relevant and material to its business operations.

The C-Suite have obtained similar assurances from the heads of operational and corporate departments in NetLink NBN Group on the risk management and internal control systems within their respective scope, to support their assurance statement to the Board.

Based on:

- (a) the system of risk management and internal controls established and maintained by NetLink NBN Group as described above;
- (b) assurances from the C-Suite together with regular reviews performed by Management; and
- (c) work performed by the internal and external auditors,

the Board, with the concurrence of the AC and the RRC, is of the opinion that NetLink NBN Group's system of risk management and internal controls were adequate and effective as at 31 March 2024 to address the risks (including financial, operational, compliance and information technology risks), which NetLink NBN Group considers relevant and material to its operations.

The Board notes that NetLink NBN Group's risk management and internal controls provide reasonable, but not absolute, assurance that NetLink NBN Group will not be adversely affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. The Board also notes that there is no risk management system and internal controls that could provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

AUDIT COMMITTEE

Principle 10: The Board has an AC⁶ which discharges its duties objectively.

Pursuant to the Business Trusts Regulations, the Audit Committee is required to comprise at least three members:

- all of whom are independent from management and business relationships with the Trustee-Manager; and
- at least a majority of whom, including the Chairman of the AC, are independent from management and business relationships with the Trustee-Manager and independent from every substantial shareholder of the Trustee-Manager.

The members of the AC are:

Ms Koh Kah Sek	Chairman
Ms Shirley Wong Swee Ping	Member
Mr Yeo Wico	Member

All AC members are independent Directors. None of the AC members were former partners or directors of the Trustee-Manager's external auditor within the last two years or hold any financial interest in the external auditor.

The Board is of the view that the members of the AC have sufficient financial management expertise and experience to discharge the AC's functions given their experience as directors and/or senior management/partners in the accounting, financial, technology and legal sectors.

The role of the AC is to develop, maintain and monitor an effective system of internal controls. The AC also reviews the quality and reliability of information prepared for inclusion in financial reports, and is responsible for the nomination of an external auditor and reviewing the adequacy of internal and external audits in respect of cost, scope and performance.

⁶ Rule 210(5)(e) of the SGX Listing Rules (Mainboard) / Rule 406(3)(e) of the SGX Listing Rules (Catalist) requires companies to establish one or more committees as may be necessary to perform the functions of an Audit Committee, a Nominating Committee and a Remuneration Committee. Each committee formed should have written terms of reference which clearly set out the authority and duties of the committee.

The AC's responsibilities also include, but are not limited to, the following:

- (a) reviewing the quality and reliability of information prepared for inclusion in NetLink NBN Trust's financial reports;
- (b) reviewing NetLink NBN Trust's consolidated financial statements, as well as the assurances from the C-Suite on the financial records and financial statements, and any announcements relating to NetLink NBN Trust's financial performance prior to submission to the Board;
- (c) reviewing with the auditors of NetLink NBN Trust:
 - (i) the audit plan of NetLink NBN Trust;
 - (ii) the auditor's audit report for NetLink NBN Trust;
 - (iii) the auditor's management letter and management's response;
 - (iv) the assistance given by the officers of the Trustee-Manager to the auditors of NetLink NBN Trust;
 - (v) the scope and results of the internal audit procedures implemented by the Trustee-Manager;
 - (vi) the policies and practices put in place by the Trustee-Manager to ensure compliance with the BTA and the Trust Deed; and
 - (vii) the internal guidelines and procedures put in place by the Trustee-Manager for managing any conflict that may arise between the interests of the Unitholders and the interests of the Trustee-Manager, including interested person transactions (to determine if such guidelines and procedures put in place are sufficient to ensure that interested person transactions are conducted on normal commercial terms and will not be prejudicial to the Trust and the minority Unitholders), the indemnification of expenses or liabilities incurred by the Trustee-Manager and the setting of fees or charges payable out of the Trust Property;
- (d) reviewing interested person transactions to ensure that interested person transactions are conducted on normal commercial terms and will not be prejudicial to the Trust and the minority Unitholders;
- (e) reviewing any actual or potential conflicts of interest matters referred to the AC. This includes reviewing any actual or potential conflicts of interest that may involve the Directors as disclosed by them to the Board. Upon disclosure of an actual or potential conflict of interest by a Director, the AC will consider whether a conflict of interest does in fact exist. A Director who is a member of the AC will not participate in any proceedings of the AC in relation to the review of a conflict of interest relating to him. The review will include an examination of the nature of the conflict and such relevant supporting data, as the AC may deem reasonably necessary. Where a conflict of interest does exist, the AC will resolve or propose, where appropriate, the relevant measures for the management of such conflicts;
- (f) reviewing the balance sheet, and profit and loss account of the Trustee-Manager, as well as the balance sheet, profit and loss account and cash flow statement of NetLink NBN Trust submitted to it by the Trustee-Manager, and thereafter to submit them to the Board;
- (g) reporting to the Board:
 - (i) any inadequacies, deficiencies or matters of concern of which the AC becomes aware or that it suspects arising from its review of the items referred to in sub-paragraphs (b), (c), (d), (e) and (f); and
 - (ii) any breach of the BTA or any breach of the provisions of the Trust Deed, of which the AC becomes aware or that it suspects;
- (h) reporting to the Monetary Authority of Singapore ("MAS") if the AC is of the view that the Board has not taken, or does not propose to take, appropriate action to deal with a matter reported under sub-paragraph (g);
- (i) nominating a person or persons as auditor of the Trust, notwithstanding anything contained in the Trust Deed;
- (j) reviewing and monitoring Management's efforts in managing financial risks (including financial reporting-related risks) and internal controls;
- (k) reviewing the significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the Trustee-Manager and the Trust and any announcements relating to the Trustee-Manager's and the Trust's financial performance;

Corporate Governance

- (l) reviewing the policy and arrangements by which staff of the Trustee-Manager and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. The AC's objective shall be to ensure that arrangements are in place for such concerns to be raised and independently investigated, and for appropriate follow-up action to be taken;
- (m) reviewing and reporting to the Board at least annually the adequacy and effectiveness of NetLink NBN Group's risk management systems and internal controls, including financial, operational, compliance and information technology controls. Such review can be carried out internally or with the assistance of any competent third parties;
- (n) monitoring and reviewing the implementation of the auditors' recommendations for internal control weaknesses (if any);
- (o) reviewing the adequacy, effectiveness, independence, scope and results of the external auditors;
- (p) reviewing all hedging policies to be implemented by NetLink;
- (q) determining the criteria for selection, monitoring and assessing the external auditor, and making recommendations to the Board on the appointment, re-appointment, and removal of the external auditor, as well as approving the remuneration and terms of engagement of the external auditor;
- (r) reviewing at least annually the independence, adequacy and effectiveness, scope and results of the internal audit function and processes, as well as ensuring that the internal auditor is adequately resourced and set up to carry out its functions. This includes the function's addressing of requirements outlined in the Global Internal Audit Standards;
- (s) meeting with the external and internal auditors, without the presence of the executive officers, at least on an annual basis and;
- (t) reviewing and reporting to the Board on significant matters raised through the whistle-blowing channel.

Whistle-blowing Policy

NetLink NBN Group adopts a zero-tolerance policy against ethical and legal violations. Consistent with this commitment and to maintain a high standard of integrity in its business conduct, NetLink NBN Group has put in place a whistle-blowing policy. The policy and the related procedures provide NetLink NBN Group's employees and parties who have dealings with NetLink NBN Group with well-defined, accessible, and trusted channels to report to the Company any suspected fraud, corruption, dishonest practices, misconduct, wrongdoing and/or other improprieties relating to NetLink NBN Group and its Officers and provide for the independent investigation of any reported incidents and appropriate follow-up actions. The objective of the policy is to encourage the reporting of such matters – by ensuring 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 and detrimental or unfair treatment. The policy provides that the identity of the whistle-blower will be kept confidential unless disclosure is required by law. It further provides that NetLink NBN Group will not tolerate the harassment or victimisation of anyone reporting a genuine concern and that it will ensure the protection of whistle-blowers who have acted in good faith against reprisal and detrimental or unfair treatment.

The AC is responsible for oversight and monitoring of whistle-blowing. The policy identifies those authorised to receive complaints, including a whistle-blower hotline service independently managed by an external service provider. These channels have been made available with details published on NetLink's website (https://www.netlinknbn.com/corporate_governance.html). All whistle-blower complaints are investigated independently and overseen by the AC. Investigations are performed by independent, appropriately skilled, and knowledgeable persons and the outcome of each investigation is reported to the AC. The AC reviews all whistle-blowing complaints at its quarterly meetings and where required, appropriate follow-up actions are taken.

The whistle-blowing policy is publicly disclosed on NetLink NBN Group's website and made available to all employees on NetLink's intranet. Further, as part of NetLink NBN Group's efforts to promote strong ethical values and fraud and control awareness, the whistle-blowing policy, including the procedures for raising concerns, is covered and explained during staff training and periodic communication to all staff.

The AC has the authority to investigate matters within its terms of reference and has unfettered access to NetLink NBN Group’s management, and internal and external auditors. AC meetings are attended by the C-Suite as well as the internal and external auditors.

The AC Members are kept updated on changes to accounting standards and significant accounting matters involving the exercise of judgement. In addition, the AC is entitled to seek independent professional advice, or attend relevant seminars and/or informative talks at NetLink’s expenses from time to time to apprise themselves of accounting standards/financial updates.

During FY2024, the AC reviewed the Trustee-Manager’s and NetLink’s financial statements and accompanying announcements before recommending them to the Board for

approval. The AC discussed with Management and the external auditors the matters which involved significant judgement. The AC also met with the internal and external auditors without the presence of Management to obtain feedback on the competency and adequacy of the finance function, to review the assistance given to the internal and external auditors, and to discuss the financial reporting process and the Trustee-Manager’s and NetLink’s financial condition, the system of internal controls, and other significant comments and recommendations by the auditors. Where relevant, the AC makes reference to best practices and guidance for Audit Committees in Singapore including practice directions issued from time to time in relation to the Financial Reporting Surveillance Programme administered by the ACRA. The key audit matters reported by the external auditors and reviewed by the AC for FY2024 are set out below:

Key Audit Matter	How the Audit Committee addressed the matter
Goodwill impairment review	<p>The AC considered the methodology, estimates and assumptions such as WACC of 4.89% and terminal growth rate of 1.5% used in the valuation model for the purpose of determining if there is any impairment of goodwill.</p> <p>The AC also considered the auditor’s report and findings of the external auditors on their assessment for the key assumptions driving the value-in-use calculation, in particular the discount and long-term growth rate.</p> <p>The AC was satisfied that the review process and the methodology used were appropriate and disclosures in the financial statements were adequate. The external auditor has included this item as a key audit matter in the auditor’s report for the financial year ended 31 March 2024. Please refer to page 144.</p>

The AC reviews, among others, the scope and results of the external audit, and the independence and objectivity of the external auditors. The AC considered the following matters in its review of the external auditors’ performance, and when formulating its recommendation on the re-appointment of the external auditors:-



- Adequacy and experience of the professional staff and audit engagement partner assigned;
- External auditors’ experience in the telecommunication sector and in business trusts, including the size and the complexity of the audit;
- The quality of audit services rendered, and reports and findings presented, by the external auditors during the year;
- The Audit Quality Indicators Disclosure Framework issued by ACRA; and
- The external auditors’ self-assessment, including the confirmation of its independence to the AC.

The AC has considered the performance of the external auditors and the volume of non-audit services provided by the external auditors together with the fees paid for such services. The AC is satisfied that the independence and objectivity of the external auditors have not been impaired by the provision of those services. The aggregate amount of fees paid/payable to the external auditors is \$233,000 of which \$186,000 pertains to annual audit services and \$47,000 pertains to non-audit services (as shown in Note 7 under “Notes to the Financial Statements” on page 164). The fees for non-audit services were mainly for a limited assurance engagement on NetLink’s Sustainability Report and tax services and did not exceed 50% of the total fees paid. The AC is satisfied with the independence and work of the external auditors and has recommended to the Board the re-appointment of Deloitte & Touche LLP as the external auditors of NetLink NBN Trust at the forthcoming annual general meeting.

Corporate Governance

The Board confirms that the appointment of the external auditors is in accordance with Rules 712, 713(1) and 715 of the Listing Rules. The information included in this Annual Report, excluding the Financial Statements and auditor's report, was provided to the external auditors after the auditor's report date. The external auditors have completed the work in accordance with SSA 720 (Revised) The Auditor's Responsibilities Relating to Other Information, and they have noted no exception.

NetLink's external auditors prepare an audit plan on an annual basis, taking into consideration, amongst other things, the financial reporting-related risks identified by the internal auditors, and presents such audit plan to the AC for its review and concurrence. NetLink's external auditors also report to the AC on matters relating to internal financial controls that come to their attention during the course of their normal audit and provides related recommendations for improvements. The AC reviews, among others, the scope and results of the external audit, and the independence and objectivity of the external auditors.

The Trustee-Manager has an Internal Audit Department ("IA") that is independent of the activities it audits. The primary reporting line of IA is to the AC, which also decides on the appointment, termination and remuneration of the Director of IA. IA has unfettered access to all the records, documents, property and personnel, including access to the AC, when carrying out the internal audit reviews and has appropriate standing within NetLink NBN Group. The AC reviews, among others, the independence, the role and effectiveness of IA and the AC may make recommendations for any changes to IA's processes, approach and focus areas. The AC also performs reviews to ensure that IA is adequately resourced and skilled, in line with the nature, size and complexity of the business, and to confirm that IA is able to properly function as internal auditors of NetLink NBN Group.

IA adopts a risk-based approach in formulating the annual audit plan that aligns its activities to the key strategies and risks across NetLink NBN Group's business. IA plans its internal audit schedules in consultation with, but independently of,

Management and the plan has been designed to cover all aspects of NetLink NBN Group. The IA plan is submitted to the AC for approval prior to the beginning of each financial year. The reviews performed by IA are aimed at assisting the AC and the Board in promoting sound risk management, robust internal controls, and good corporate governance, through assessing the design and operating effectiveness of controls that govern key business processes and risks identified in the overall risk framework of NetLink NBN Group. IA's reviews also focus on compliance with NetLink NBN Group's policies, procedures and regulatory responsibilities.

IA utilises Data Analytics to enhance the timeliness, depth and breadth of assessments performed. On a quarterly basis, IA reports are submitted to the AC for discussion. In particular, IA will update the AC on the progress in executing the IA plan and any major internal control gaps and lapses. The AC will also monitor the timely and proper implementation of the required corrective actions undertaken by Management.

IA subscribes to, and is guided by, the International Standards for the Professional Practice of Internal Auditing (Standards) developed by the Institute of Internal Auditors and has incorporated these Standards into its audit practices. An External Quality Assurance review of the IA function was performed in 2023 and no material issues were raised.

IA is resourced and staffed with persons having the relevant qualifications (Chartered Accountancy and Certified Internal Auditor) and internal audit experience. For areas requiring additional technical assistance, IA will engage the relevant technical experts to assist with the performance of these reviews.

Based on the above, the AC is satisfied that the internal audit function is independent, effective, and adequately resourced.

The AC is kept apprised by Management and through presentations by the auditors of changes in financial reporting standards and issues which have a direct impact on financial statements.



SECTION (D): SHAREHOLDER RIGHTS AND ENGAGEMENT

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

The Trustee-Manager is committed to treating all of NetLink NBN Trust's Unitholders fairly and equitably and to facilitate the exercise of Unitholders' rights. All Unitholders enjoy specific rights under the Trust Deed, the Trustee-Manager's Constitution and the relevant laws and regulations, including the right to attend and vote at general meetings.

DBS Trustee Limited (as share trustee of Singapore NBN Trust) holds the shares of the Trustee-Manager on trust for the benefit of the beneficiaries of Singapore NBN Trust (being the Unitholders) *pari passu*, each of whom has an undivided interest in the Trustee-Manager in proportion to their respective percentage of units held or owned by each of them in the Trust. The TM Shares Trust Deed provides that the Trustee-Manager agrees and undertakes to call and hold meetings and proceedings of the beneficiaries of Singapore NBN Trust for the purposes of the TM Shares Trust Deed in accordance with the Trust Deed. The TM Shares Trust Deed also provides that all rights of voting conferred by the shares in the Trustee-Manager shall be exercised by the Share Trustee in accordance with the relevant resolutions passed by the Unitholders. Accordingly, in addition to the AGM of the Trust held each year, an AGM of the TM Shares Trust is also held each year as immediately after the AGM of the Trust.

The Trustee-Manager welcomes Unitholders' participation at NetLink NBN Trust's AGMs, the AGMs of the TM Shares Trust, and any Extraordinary General Meetings ("EGM"). The Board and senior management attends all general meetings to address Unitholders' queries. Unitholders will be given opportunity to communicate their views on various matters concerning NetLink.

The AGMs on 19 July 2023 were held in a physical format for better engagement with Unitholders. The Notice of AGM and proxy forms were mailed out to Unitholders and also published on NetLink NBN Trust's website. It was also released via SGXNET and made available on the SGX website. Unitholders could submit questions either in advance of the AGMs or ask questions in person at the AGMs. There were no questions received from Unitholders in advance of the 2023 AGMs.

The NetLink NBN Trust Annual Report 2023 was made available to Unitholders on SGXNET and NetLink NBN Trust's website. Unitholders who wished to receive a physical copy of the Annual Report 2023 and ancillary documents could submit their request through NetLink NBN Trust's website. The AGM for the financial year under review will be held wholly in physical format. The arrangements relating to attendance, submission of questions in advance of the AGM, appointment of proxies and access to documents are set out in the Notice of AGM dated 27 June 2024.

All Directors and the external auditors of NetLink and the Trustee-Manager attended the AGMs on 19 July 2023. No other Unitholders' meeting was held during the financial year under review.

For EGMs, the Trustee-Manager will similarly notify Unitholders when the notice of EGM and the circular (which contain details of the matters to be proposed for Unitholders' consideration and approval) have been published on NetLink NBN Trust's website and also released via SGXNET and made available on the SGX website. Unitholders who wish to receive a physical copy of the circular can submit their request via the request form. The request form will be mailed to Unitholders together with the EGM Notice.

At AGMs, the CEO will make a presentation to Unitholders on NetLink's business performance and its prospects, going forward. The presentation materials will be posted on SGXNET and NetLink NBN Trust's corporate website.

At Unitholders' meetings, each resolution proposed will be voted on by way of electronic poll voting for Unitholders/proxies present at the meetings. The detailed results showing the number of votes cast for and against each resolution, and the respective percentages, will be tallied and displayed on screen to Unitholders immediately after each poll is conducted at the Unitholders' meeting. The results of the poll of each Unitholders' meeting will also be announced in a timely manner after the Unitholders' meeting via SGXNET.

Unitholders may appoint up to two proxies to attend and vote on their behalf if they are unable to attend in person, and corporate Unitholders may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM/EGM and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual, in accordance with the Trust Deed. Unitholders who are Relevant Intermediaries (as defined in the Companies Act 1967) may appoint more than two proxies at a meeting of Unitholders, such that indirect investors may be appointed as proxies to participate in Unitholders' meetings. Details on the appointment of proxies are contained in the proxy forms which will be despatched to Unitholders together with the notice of AGM/EGM.

Corporate Governance

Resolutions submitted at the AGM are separate and not bundled or made inter-conditional on each other, unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are bundled, the Trustee-Manager will explain the reasons and material implications. The tabling of separate resolutions gives Unitholders the right to express their views and exercise their voting rights on each resolution separately. Information is also provided on each resolution to enable Unitholders to exercise their vote on an informed basis. Such information includes the Directors' fees framework for the resolution on the payment of Directors' fees, and the background and board committee positions of the relevant Directors for the resolutions on the re-election of Directors.

The Trustee-Manager does not intend to adopt absentia voting methods (e.g. via mail, email, or fax) for NetLink NBN Trust and Singapore NBN Trust until issues such as the authentication of unitholder identity and other related security and integrity of such information can be resolved. Notwithstanding the foregoing, as Unitholders may appoint proxies to attend and vote on their behalf as further mentioned above, the Board is of the view that Unitholders will still be able to participate effectively in and vote at the general meetings even in the absence of absentia voting.

Minutes of NetLink NBN Trust's and Singapore NBN Trust's AGM/EGM are posted on the Trust's website as soon as practicable. Substantial and relevant comments or queries from Unitholders relating to the meetings, and responses from the Board and Management, are recorded in the minutes. The Trustee-Manager also ensures that all material information relating to NetLink NBN Group is disclosed in an accurate and timely manner through publication on SGXNET and is made available to everyone, including Unitholders. The Minutes of the NetLink NBN Trust's and the Singapore NBN Trust's AGM in 2023 were published on SGXNET and posted on the Trust's website within one month after the AGMs were held. The said Minutes include the questions by Unitholders and the responses to these questions.

NetLink NBN Trust's distribution policy is to distribute 100% of its cash available for distribution, which includes distribution received from its wholly-owned subsidiary, NetLink Trust. NetLink Trust's distribution policy is to distribute at least 90% of its distributable income to NetLink NBN Trust, after setting aside reserves and provisions for, amongst other things, future capital expenditure (including the funding of a capital expenditure reserve fund pursuant to regulatory requirements), debt repayment and working capital as may be required. Distributions by NetLink NBN Trust and NetLink Trust will be made on a semi-annual basis, with the amount calculated as at 31 March and 30 September each year for the six-month period ending on each of the said dates.

ENGAGEMENT WITH SHAREHOLDERS

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

The Trustee-Manager is committed to keeping Unitholders and the public fully informed of information that may have a material effect on the price or value of NetLink NBN Trust's units through timely disclosure of information to the SGX-ST via the SGXNET, to assist investors in their investment decisions. The Trustee-Manager has in place a policy on announcements which governs the timely and accurate disclosure of announcements via SGXNET.

The Trustee-Manager actively engages its stakeholders (including Unitholders, fund managers, analysts, and the media) through its Investor Relations ("IR") department, which has a dedicated IR policy to promote regular, effective and fair communication with its Unitholders. The IR policy is committed to a two-way process to allow the Trustee-Manager to explain NetLink's business as well as to gather feedback. The IR policy sets out the communication tools and practices adopted by the Trustee-Manager, including the protocol for email and phone replies to investor queries.

The IR team conducts roadshows together with senior Management and participates in one-on-one investor meetings, investor seminars and conferences, which may be virtual or in person, to keep the market and investors apprised of its financial performance and corporate development. The aim of such meetings is to provide investors with prompt disclosure of relevant information, provide a better understanding of NetLink's operations and financial performance, and to enable investors to make informed investment decisions, as well as to solicit and understand the views of Unitholders. Management makes available all of its briefing materials to the SGX-ST through SGXNET and via NetLink NBN Trust's corporate website at www.netlinknbn.com.

- Investors can also contact the IR team by email at investor@netlinknbn.com. This email address is published on NetLink NBN Trust's corporate website. Further details of the IR activities during FY2024 can be found under "Investor Relations" on pages 82 to 83.

MANAGING STAKEHOLDERS RELATIONSHIPS

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

NetLink NBN Group takes a strategic and pragmatic approach in managing stakeholders' expectations to support its long-term strategy. Sustainability governance structure and framework were put in place to identify, engage with, and manage material environmental, social and governance topics which are important to stakeholders and to NetLink NBN Group.

The following corporate websites are maintained to communicate and engage with stakeholders:

- www.netlinknbn.com
- www.netlinktrust.com

- ▶ More information on NetLink NBN Group's material stakeholders, sustainability efforts (including its strategy and key areas of focus), and performance can be found under "Sustainability Report" on pages 84 to 136.

ADDITIONAL INFORMATION

DEALING IN SECURITIES

NetLink NBN Group has adopted an internal compliance Code of Best Practices on Securities Dealings ("Code") to provide guidance to NetLink NBN Group, its Directors and employees ("Officers") on dealing in securities of NetLink NBN Trust.

In line with the Singapore Exchange Securities Trading Limited's guide on prevention of insider dealing, "*Handling of Confidential Information and Dealings in Securities*", the Code:

- (a) elaborates on prohibitions under the Securities and Futures Act 2001 and the Singapore Exchange Securities Trading Limited Listing Rules; and
- (b) stresses the importance of prohibitions against insider trading and market misconduct, and the potential civil and criminal sanctions which could result from breach of obligations.

In accordance with the Code, NetLink NBN Group and its Officers are prohibited from dealing in NetLink NBN Trust's securities during the period commencing (a) two weeks before the announcement of NetLink NBN Trust's business updates for the first and third quarter of the financial year; and (b) one month before the announcement of NetLink NBN Trust's half year and full year financial results, and ending on the date of the announcement of the relevant business updates or financial results ("black-out period"). In exceptional circumstances when Officers wish to deal in NetLink NBN Trust's securities (especially during a black-out period), they must obtain prior written approval of the Board, the Chairman, or the CEO, as the case may be. A full explanation of the exceptional circumstances and proposed dealing must be given before any such request will be considered.

Quarterly notices are issued to Officers to, among other things:

- (a) remind them that it is an offence to deal in NetLink NBN Trust's securities, as well as securities of other listed issuers, while in possession of unpublished price-sensitive information; and
- (b) inform them on the start of each blackout period.

As and when appropriate, Officers will be issued advisories to refrain from dealing in NetLink NBN Trust's securities.

Corporate Governance

Officers are required to confirm annually that they have complied with the Code and quarterly notices are issued to Officers informing them not to deal in NetLink NBN Trust's securities during a black-out period. The Code also discourages dealings on short-term considerations and cautions that it is an offence to deal in NetLink NBN Trust's securities (as well as securities of other listed issuers) while in possession of unpublished price-sensitive information.

In addition, Directors are required to report to the Company Secretaries within two business days whenever they deal in NetLink NBN Trust's securities and the latter will make the necessary announcements in accordance with the requirements of SGX-ST.

MATERIAL CONTRACTS AND INTERESTED PERSON TRANSACTIONS

There are no material contracts entered into by NetLink NBN Trust or any of its subsidiaries involving the interests of the CEO, any Director, any controlling shareholder of the Trustee Manager, either subsisting or entered into for FY2024, other than:

- (a) contracts as disclosed on pages 238 to 242 of the IPO Prospectus (www.netlinknbn.com/ipo.html); and
- (b) interested person transactions as disclosed on page 214 of this Annual Report.

POLICIES

The Trustee-Manager has developed and implemented various policies to ensure proper governance.

Employee Code of Conduct Policy

NetLink NBN Group has in place an Employee Code of Conduct Policy which sets out principles to guide employees in carrying out their duties and responsibilities to the highest standards of personal and corporate integrity.

Employees must comply with NetLink NBN Group's reporting and disclosure requirements of potential or actual conflicts of interest, and are prohibited from engaging in situations which could result in conflicts of interest.

Anti-Bribery and Corruption Policy

The Anti-Bribery and Corruption Policy further reinforces NetLink NBN Group's commitment to maintain high ethical standards. NetLink NBN Group adopts a "zero-tolerance" position to bribery and corruption and the policy sets out the responsibilities of NetLink NBN Group and its employees in observing and upholding this position.

Gift, Prize, Entertainment and Hospitality Policy

Though business gifts, prizes, entertainment, and hospitality on a modest scale are commonly used to build goodwill and strengthen working relationships among business associates, NetLink prohibits its employees from accepting gifts from customers, existing and/or potential, business partners, suppliers, contractors, competitors or members of the public that could create a situation of conflict or potential conflict of interest. Employees are responsible to abide by the policy to make the right decisions when providing or accepting gifts (including lucky draw prizes), entertainment or hospitality while conducting business on behalf of NetLink NBN Group.

Supplier Code of Conduct

NetLink NBN Group also has in place a Supplier Code of Conduct which sets out the minimum standards that Suppliers need to comply with. Amongst others, Suppliers are expected to act ethically and comply with all relevant laws and regulations in their business operations.

Human Rights Policy

NetLink NBN Group understands the importance and impact of human rights on its business, the communities in which it operates, and society at large. NetLink NBN Group believes that respecting human rights is key to the sustainable operation and growth of our business. Through the provision of an environment that is free of discrimination and harassment, where all individuals are treated with respect and dignity, NetLink NBN Group creates equal opportunities for all to contribute fully. NetLink NBN Group's commitment to human rights is enshrined in a culture of respect, trust, and inclusion within its organisation and across its supply chain. In doing so, NetLink NBN Group is guided by the United Nations Universal Declaration of Human Rights and related covenants, and the International Labour Organisation's core conventions.

Health, Safety, Security and Environment Policy

NetLink NBN Group is committed to ensuring that all its business activities are conducted safely in a secured workplace, the health of its employees, contractors, customers, and the public are protected, and the environmental impact resulting from its activities, are within national standards. NetLink NBN Group establishes, implements, and maintains an effective occupational health and safety management programme that is certified to the ISO 45001: 2018 standard to uphold the well-being of all its employees and stakeholders, and comply with statutory and regulatory requirements. Employees are to observe all safe work procedures in carrying out their work and report any potential unsafe and unhealthy situations.

Information Security Policy

Given that NetLink NBN Group's computer and information systems underpin most of the Group's business operations activities, and with intensifying cybersecurity threats, NetLink is cognisant of the imperative to protect the security of its information and information systems against breaches of confidentiality, failures of integrity or interruptions to the availability of the information it manages, and to ensure appropriate legal, regulatory, and contractual compliance. To this end, the Information Security Policy and its technical and security related policies, personal data protection policy, risk mitigation strategies, cyber security programmes, systems, processes, and controls have been put in place to guide NetLink NBN Group and its employees in appropriate management of data to ensure its protection, security, and privacy.

Creditors Payment Policy

NetLink NBN Group values its suppliers and is committed to safeguarding creditors' rights and acknowledges the importance of paying invoices, in a timely manner. It is NetLink NBN Group's practice to agree on terms with suppliers when entering into contracts. NetLink NBN Group negotiates with suppliers on an individual basis and meet its obligations accordingly.

Interested Person Transactions Policy

NetLink NBN Group is required to comply with the provisions of the Listing Rules relating to Interested Person Transactions ("IPTs") as well as the BTA and such other guidelines relating to IPTs as may be prescribed by relevant laws, regulations, and guidelines. In this regard, the Trustee-Manager has adopted an Interested Person Transactions Policy which sets out, inter alia, procedures for reviewing IPTs, to ensure that all IPTs will be undertaken on an arm's length basis and on normal commercial terms and will not be prejudicial to the interests of NetLink NBN Trust and its minority Unitholders.

- ▶ The list of IPTs for the year under review can be found under "Additional Information" on page 214.

