## **Our Governance Framework**

Guided by our core values, we embrace good corporate governance as the foundation for achieving consistent and sustainable performance. We operate within a strong, clear and effective governance framework that allows the Group to enhance business efficacy with precision and, in turn, support Hysan's strategic objective of optimising sustainable financial returns for its Shareholders. The governance framework comprises, inter alia, the **Corporate Governance Framework** and the **Risk Management and Internal Control Framework**.

### **OUR CORPORATE GOVERNANCE FRAMEWORK**

#### **Corporate Governance Structure**

Our Group's business operations and affairs are effectively managed and carried out through a chain of delegated authority, with defined limits and effective internal controls, under the corporate governance structure.

Risk Management and Internal Control	Culture and Values
Ensures only acceptable risks are taken	Ensures the alignment of desired culture with corporate values
	Internal Control Ensures only acceptable

**BOARD COMMITTEES** 

#### AUDIT AND RISK MANAGEMENT COMMITTEE

- Reviews risk management and internal control systems
- Reviews the effectiveness of internal audit function
- Oversees financial reporting
- Assesses and makes recommendations on the Group's risk appetite, profile and tolerance

# REMUNERATION COMMITTEE

- Sets remuneration policy for Executive Directors ("EDs" or "Executive Directors") and senior management
- Determines EDs' and senior management's remuneration and incentives
- Reviews Directors' fees for Non-Executive Directors ("NEDs") and INEDs
- Assesses performance of EDs and approves terms of service contracts

# NOMINATION COMMITTEE

- Recommends Board appointments
- Reviews Board structure, composition and diversity
- Assesses independence of INEDs
- Oversees succession planning

# SUSTAINABILITY COMMITTEE

- Proposes and recommends the Group's sustainability objectives and initiatives
- Reviews the Group's corporate responsibilities and related policies
- Assesses the Group's sustainability development and risks

#### **EXECUTIVE COMMITTEI**

- Operates the day-to-day business of the Group under the Board's delegation. It is composed of the EDs, Chief Financial Officer and any other senior management as may be appointed by the Board from time to time
- Assists the Board and the Company in managing the business, and operational and financial performances of the Group

#### MANAGEMENT COMMITTEES

### **RISK MANAGEMENT COMMITTEE**

 Serves as the senior management forum for reviewing and discussing risks, controls and mitigating measures

#### SUSTAINABILITY EXECUTIVE COMMITTEE

- Reports and co-ordinates environmental, community and charitable activities
- Assists the Company in overseeing the sustainability governance of the Group
- Sets sustainability targets and objectives and monitors progress

### DISCLOSURE COMMITTEE

- Considers the materiality of information and issues relating to disclosure of inside information
- Ensures disclosure requirements are met on a timely basis
- Ensures appropriate records are maintained

#### ADVISOR TO THE BOARD

- Provides advice and guidance on the Group's overall capabilities and strategic direction
- · Helps the Company capitalise on opportunities arising from fast-changing customer and tenant behaviour