

Corporate Governance Report

LMIRT Management Ltd. (the “**Manager**” or “**LMIRT Management**”) is appointed as the manager of Lippo Malls Indonesia Retail Trust (“**LMIR Trust**”) in accordance with the terms of the trust deed constituting LMIR Trust dated 8 August 2007, as amended or supplemented (the “**Trust Deed**”). The Manager is committed to upholding high standards of corporate governance in the business and operations of the Manager, LMIR Trust and its subsidiaries (“**LMIR Trust Group**”) so as to protect the interest of the Unitholders of LMIR Trust.

LMIR Trust is a real estate investment trust (“**REIT**”) listed on the Main Board of Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and the Manager is an indirect wholly-owned subsidiary of PT Lippo Karawaci Tbk, the flagship company of diversified Indonesian conglomerate, Lippo Group, and sponsor to LMIR Trust (“**Sponsor**”).

The Manager is licensed under the Securities and Futures Act 2001 of Singapore (the “**SFA**”) to conduct real estate investment trust management with effect from 6 May 2010 and its officers are authorised representatives.

The Manager has general powers of management over the assets of LMIR Trust. The Manager’s key responsibility is to manage LMIR Trust’s assets and liabilities for the benefit of Unitholders, with a focus on delivering a sustainable distribution to Unitholders and, where appropriate, enhance the values of existing properties and increase the property portfolio over time.

The other functions and responsibilities of the Manager include preparing annual asset plans and undertaking regular individual asset performance analysis and market research analysis, managing finance functions relating to LMIR Trust (which include capital management, treasury, co-ordination and preparation of consolidated budgets) and working together with PT Lippo Malls Indonesia as the property manager (“**Property Manager**” or “**PT LMI**”) who performs the day-to-day property management functions for the properties of LMIR Trust.

The Manager ensures that the business of LMIR Trust is carried on and conducted in a proper and efficient manner, adhering to the principles, guidelines and recommendations of the Code of Corporate Governance 2018 issued by Monetary Authority of Singapore (“**MAS**”) on 6 August 2018 (the “**2018 CG Code**”) and other applicable laws and regulations, including the Listing Manual of SGX-ST (the “**Listing Manual**”), the Code on Collective Investment Schemes issued by the MAS (the “**CIS Code**”), in particular, Appendix 6 of the CIS Code (the “**Property Funds Appendix**”) and the SFA. The Manager is committed to good corporate governance as it believes that such self-regulation is essential in protecting the interests of Unitholders and is critical to the performance of the Manager.

This report sets out the Manager’s corporate governance practices for the financial year ended 31 December 2024 (“**FY2024**”), with specific reference to the 2018 CG Code.

BOARD MATTERS

THE BOARD’S CONDUCT OF AFFAIRS

Principle 1 of 2018 CG Code

The board of directors of the Manager (the “**Directors**”, and the board of Directors, the “**Board**”) is collectively responsible for the business affairs and long-term success of LMIR Trust and the Manager.

Corporate Governance Report (cont'd)

As the Board exercises stewardship of the Manager, it establishes values, standards and a code of conduct so that the Manager and its personnel conduct themselves at the highest professional and ethical standards in order to meet their obligations to Unitholders and other stakeholders. The code of conduct puts in place deals with issues such as compliance of laws, confidentiality, conduct and work discipline, conflicts of interest and anti-bribery/anti-corruption.

The Board has also reviewed and considered sustainability issues in the environment, social and governance aspects driving LMIR Trust's business. The Board is pleased to present LMIR Trust's sustainability report ("**Sustainability Report**") for FY2024. The detailed Sustainability Report will be issued separately on 4 April 2025 and also available exclusively on LMIR Trust's website.

A summary of the Sustainability Report is set out on page 39 of the Annual Report.

The Board is involved strategically in the business direction and establishment of performance objectives for both LMIR Trust and the Manager, financial planning, budget creation and monitoring, material operational initiatives, investment and asset enhancement initiatives, and financial and operational performance reviews. It establishes a framework of prudent risk management policies and procedures (covering different aspects of risk including operational, investment, credit and capital management) to enable the Manager and LMIR Trust to assess and address risks effectively to ensure LMIR Trust's assets and Unitholders' interests are safeguarded.

Board Approval

In addition to its statutory responsibilities, matters which require the Board's approval are as follows:

- (1) all acquisitions, investments, disposals and divestments;
- (2) unit issuances, distributions and other returns to Unitholders;
- (3) corporate and financial restructuring;
- (4) fund raising for new acquisitions and/or refinancing;
- (5) approving and assessing LMIR Trust's/Manager's performance budgets;
- (6) the adequacy of internal controls, risk management, financial reporting and compliance;
- (7) assumption of corporate governance responsibilities; and
- (8) matters which involve a conflict of interest for a controlling Unitholder or a Director.

The Board has a clear fiduciary duty to act in the interest of the Manager and LMIR Trust, and all Directors have been objectively discharging their duties and responsibilities at all times. The Directors are collectively and individually obliged to act honestly, with diligence, and in the best interest of the Manager. The Board has delegated certain responsibilities and limits for ease of operational efficiency (such as certain expenditure for regular maintenance of the properties and for expenses) to the Chief Executive Officer ("**CEO**")/Executive Director and the management team ("**Management**"). The Board continues, however, to maintain an oversight over such costs through regular reporting.

Corporate Governance Report (cont'd)

The Board has also examined the relationships or circumstances under which the Directors are involved and has confirmed that no such relationships or circumstances which are likely to affect, or could appear to affect, the Director's judgment. The Board has put in place requirements that all Directors should disclose to the Board as and when any such relationship or circumstance arises. In the event of conflict of interest arising in respect of a matter under consideration by the Board, the Director concerned shall comply with disclosure obligations and shall recuse himself/herself from participating in the Board's deliberation and decision on the matter.

Board and Board Committees

The Board has established the Audit and Risk Committee ("**ARC**") and the Nominating and Remuneration Committee ("**NRC**") (collectively, the "**Board Committees**") with clear written terms of reference to assist it in the discharge of its functions. The compositions and duties of these committees are described in this CG Report. Membership of these Board Committees is managed to ensure an equitable distribution of responsibilities among Board members so as to maximise the effectiveness of the Board and to foster active participation and contribution from Board members. Each of these Board Committees operates and makes decisions on certain board matters under delegated authority from the Board with the Board retaining overall oversight. These Board Committees report their decisions and recommendations for the Board's final endorsement and approval.

The Manager has adopted the quarterly reporting of LMIR Trust's financial results on a voluntary basis notwithstanding the amendments to the listing rules of the Listing Manual which came into effect on 7 February 2020 that LMIR Trust is no longer required by SGX-ST to perform quarterly reporting. Hence, the ARC and Board continues to conduct quarterly scheduled meetings.

If a Director is unable to attend a meeting, he/she will still receive all the papers and materials for discussion for that meeting for review. He/She will advise the Chairman of the Board or Board Committees or CEO on his/her views and comments on the matters to be discussed or to be conveyed to other members at the meeting. The constitution of the Manager permits the Directors to participate via teleconferencing or video conferencing, if necessary. Time is set aside for discussions amongst the Non-Executive Directors without the presence of Management on a half yearly basis. The Board and Board Committees may also make decisions by way of resolutions in writing. In addition to the meetings, the Directors have access to Management throughout the year, thereby allowing the Board continuous strategic oversight over the activities of LMIR Trust. Meetings of the Board and Committees are held regularly, with the Board meeting no less than four times a year. A total of nine Board meetings were held in FY2024. Additional board meetings on top of the quarterly meetings were held during the financial year under review to discuss LMIR Trust's strategic initiatives, operations of the Trust's portfolio and capital management.

During the financial year under review, Mr Murray Dangar Bell, Mr Mark Leong Kei Wei, Mr Liew Chee Seng James and representative from the Trustee also made offsite visits to Lippo Mall Puri, Lippo Mall Nusantara (formerly known as The Plaza Semanggi), Mal Lippo Cikarang, Istana Plaza, Bandung Indah Plaza, Lippo Plaza Ekalokasari and Gajah Mada Plaza and met with the mall managers.

Corporate Governance Report (cont'd)

The attendance record of the Directors at meetings of the Board and Board Committees in FY2024 is set out below:

Name of Directors	Board Meeting Attendance / No. of Meeting held	Audit and Risk Committee Meeting Attendance/ No. of meetings held	Nominating and Remuneration Meeting Attendance/ No. of meetings held	General Meeting Attendance/ No. of meetings held
Mr Murray Dangar Bell	9/9	4/4	1/1	1/1
Ms Gouw Vi Ven	9/9	4/4	1/1	1/1
Mr Liew Chee Seng James	9/9	4/4 ⁽¹⁾	1/1 ⁽¹⁾	1/1
Mr Mark Leong Kei Wei	9/9	4/4	1/1	1/1

Note:

⁽¹⁾ Attendance by invitation

Induction, Training and Development

The Board and NRC place great emphasis on a proper induction and orientation of new Directors and continued training of existing Directors. Upon appointment, a Director is provided with a formal letter of appointment as well as information on matters relating to the role of a Director (including his/her role as executive, non-executive and independent director, as applicable). Newly appointed Directors are required to undertake an induction programme to familiarise themselves with the Trust and Manager business and strategies. This includes meetings with the Board members and briefings by Management. Likewise, site visits are organised to familiarise Directors with LMIR Trust's properties and to facilitate better understanding of the operations of LMIR Trust and its subsidiaries. The Board also received quarterly updates from PT LMI on the operations of the malls as well as the operating environment and sentiments in Indonesia. The representatives from PT LMI are invited to Board meetings where Board members can raise questions and there is sharing of views, advice and experience.

On an ongoing basis, Directors are also briefed on any changes to regulations, policies and accounting standards that affects LMIR Trust or have an important bearing on the Manager's or Directors' disclosure obligations during Board meetings or at specially-convened sessions by Management or relevant professionals. All Board members are encouraged to receive regular training, particularly on relevant new laws, regulations and changing commercial risks, from time to time. The Board is mindful of the best practice in the 2018 CG Code to initiate programmes for Directors to meet their relevant training needs. In this regard, the Manager is supportive of the Directors' participation in relevant conferences and seminars and will fund the Directors' attendance at any course or training programme in connection with their duties as Directors.

In FY2024, the Directors attended several trainings, seminars and conferences such as Anti-Money Laundering, Anti-Bribery and Anti-Corruption (Asia Pacific), Code of Conduct: Global Edition, IT Security Awareness Training, Financial Statement Analysis, Capital Planning, Business Advisor Success, Fraud Investigation of Asset Misappropriation Schemes, Valuation of Intangibles Asset-Common Methods Adopted in the Market Place etc.

Corporate Governance Report (cont'd)

Members of the ARC were also provided with regular briefings from the Company's external auditors on applicable Accounting Standards and Tax Updates during the year. The Manager maintains training records to track Directors' attendance at training and professional development courses.

Access to Information

The Board is provided with complete, adequate and timely information through regular updates on financial results, market trends and business developments prior to any Board meeting and/or when necessary. Any material variances between the projections and actual results are disclosed and explained. Management is in attendance at such meetings whilst the Company's auditors and professional advisers who can provide additional insight into the matters for discussion are invited from time to time to attend the relevant meetings. Management provides timely, adequate and complete information to the Board relating to the Board affairs and matters requiring its decision or approval. Reports such as, but not limited to, the operations and financial performance of LMIR Trust, are likewise provided. Prompt communication to the Directors outside of Board meetings is made through several mediums such as email, teleconferencing and video conferencing.

The Manager's policy is to furnish the Directors with board papers at least one week prior to Board meetings in order to give them ample time to prepare for the Board meetings. This will enable them to peruse the contents of the reports and papers to be presented during the Board meetings and provide an opportunity for relevant questions and discussions to take place in the Board meeting. Proposals on certain corporate undertakings are likewise provided to the Directors prior to the Board meetings set for this purpose.

Draft agendas for Board and Board Committee meetings are circulated in advance to the Board Chairman and the Committee Chairman respectively, for them to review and suggest items for the agenda. The Board and the Committees are also furnished routine reports, where applicable, from the Management.

The appointment and removal of the Company Secretary of the Manager is a matter for the Board to decide as a whole. The Company Secretary (or his nominee) attends to corporate secretarial administration and corporate governance matters, attends all Board and Board Committee meetings and provides relevant and complete information to the Directors in a timely manner when requested. The Board has separate and independent access to Management and the Company Secretary at all times and vice versa.

The Board, whether individually or as a group, also has access to independent professional advice where appropriate, and at the Manager's expense.

BOARD COMPOSITION AND GUIDANCE

Principle 2 of 2018 CG Code

The Board, through the NRC, periodically reviews the size, structure and composition of the Board, to ensure that the size of the Board is appropriate in fully discharging its functions and facilitating effective decision making for the Manager and that the Board has a strong independent element. The objectives as set out in the Board Diversity Policy is also taken into consideration when the NRC reviews the size and composition of the Board.

Corporate Governance Report (cont'd)

The Board presently comprises four Directors, three of whom (including the Board Chairman) are Independent Directors and one Executive Director.

Name of Directors	Nature of Designation	Appointment Date
Mr Murray Dangar Bell	Lead Independent Director, Chairman of the Board, Chairman of the NRC	Appointed as Lead Independent Director, ARC Member and NRC Member on 1 November 2019; Appointed as Chairman of the Board on 31 December 2019; and Appointed as Chairman of the NRC on 31 July 2020
Ms Gouw Vi Ven	Independent Director	Re-designated from Executive Director to Non-Executive Non-Independent Director on 31 December 2019; Appointed as NRC Member on 31 December 2019; Re-designated from Non-Executive Non-Independent Director to Independent Director on 31 March 2023; and Appointed as ARC member on 31 March 2023
Mr Mark Leong Kei Wei	Independent Director, Chairman of the ARC	Appointed as Independent Director on 15 July 2020; Appointed as Chairman of the ARC on 31 July 2020; and Appointed as NRC member on 31 March 2023
Mr Liew Chee Seng James	Executive Director and CEO	Appointed as Chief Executive Officer on 1 May 2019; and Appointed as Executive Director on 31 December 2019

The profiles of the Directors are set out on pages 16 to 17 of this Annual Report. There is no alternate director appointed to the Board.

Corporate Governance Report (cont'd)

Independence

The Board, through the NRC, assesses the independence of each Director, on an annual basis in accordance with the 2018 CG Code's definition of an "independent director" and guidance as to the existence of relationships which would deem a Director not be independent, the Listing Manual as well as Regulations 13D to 13H of the Securities and Futures (Licensing and Conduct of Business) Regulations (the "**SFLCB Regulations**").

Under the 2018 CG Code, a Director who has no relationship with the Manager, its related companies, its 5% shareholders/unitholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgment in the best interests of LMIR Trust, is considered to be independent. In addition, under the SFLCB Regulations, an independent director is one who:

- (i) is independent from any management and business relationship with the Manager and LMIR Trust;
- (ii) is independent from every substantial shareholder of the Manager and every substantial Unitholder of LMIR Trust;
- (iii) is not a substantial shareholder of the Manager or a substantial Unitholder of LMIR Trust; and
- (iv) has not served on the Board for a continuous period of nine years or longer.

For FY2024, each of the Independent Director had carried out an assessment on whether there were any relationships or circumstances which may impact his or her independence status. Accordingly, each of the Independent Directors made a negative declaration. The declarations made by each Independent Director had been reviewed by the NRC. The Board, after considering the relevant requirements under SFLCB Regulations, specifically Regulation 13E(b)(i) of the SFLCB Regulations, 2018 CG Code and the Listing Manual, wishes to set out its views in respect of each of the Directors as follows:

- Mr Murray Dangar Bell, Mr Mark Leong Kei Wei and Ms Gouw Vi Ven are independent as they (a) had been independent from the management of the Manager and LMIR Trust during FY2024; (b) had been independent from any business relationships with the Manager and LMIR Trust during FY2024; (c) had been independent from every substantial shareholder of the Manager and every substantial unitholder of LMIR Trust during FY2024; (d) had not been a substantial shareholder of the Manager or a substantial unitholder of LMIR Trust during FY2024; and (e) have not served as a director of the Manager for a continuous period of 9 years as at the last day of FY2024.
- Mr Liew Chee Seng James is currently the Executive Director and CEO of the Manager and is deemed as non-independent by virtue of his executive appointment.

In the deliberation of independence, each of the NRC members had abstained from the deliberation and recommendation on his/her independence.

As at 31 December 2024, each of the above-mentioned Directors was able to act in the best interests of all unitholders of LMIR Trust as a whole.

Corporate Governance Report (cont'd)

Board Diversity

The Board maintains that the board composition must have a strong independent element as well as diversity of thought and background to allow Board to have robust deliberations and provide diverse and objective insights into issues brought before the Board.

The Board has adopted a Board Diversity Policy which sets out the approach to diversity of the Board. The Board Diversity Policy would be considered in determining the optimum composition of the Board and when possible, should be balanced appropriately. The Board, through NRC, aims to ensure that there is an optimal blend in the Board of background, industry experience, skills expertise, independence and knowledge in business, banking and finance, real estate and management skills critical to LMIR Trust's business and that each Director can bring to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made in the interest of LMIR Trust.

In terms of gender diversity, the NRC noted the recommendation of the Council for Board Diversity ("**CBD**") for listed companies to have 25% female representation on their boards by 2025 and 30% by 2030. The Board has achieved a 25% female representation ahead of the 2025 timeline. The NRC will continue to work towards ensuring that:

- (a) LMIRT Board to be composed of a minimum 25% female representation with a target 30% representation by 2030;
- (b) If an existing female Board member resigns or retires, the replacement Board member must also be female unless the female representation ratio exceeds the thresholds set in (a) above;
- (c) Any search firm engaged to assist the Board or a committee of the Board in identifying candidates for appointment to the Board will be specifically directed to include female candidates;
- (d) When seeking to identify a new Director for appointment to the Board, the NRC will request female candidates to be fielded for consideration;
- (e) Female representation on the Board be continually increased over time in line with CBD's recommendation; and
- (f) At least one female Director continues to be appointed to the NRC.

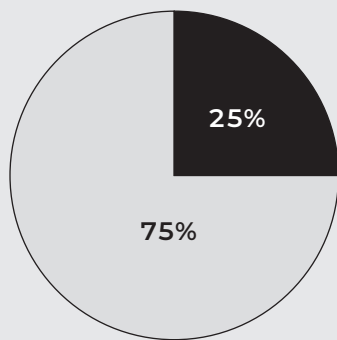
All director appointments will ultimately be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity and needs on the Board.

The NRC would continue with the identification and evaluation of suitable candidates to ensure the gender diversity of 30% is met by 2030 as part of the board renewal process.

The current board is also represented by directors of different age profile ranging from late 40s to 60s as well as different expertise and background.

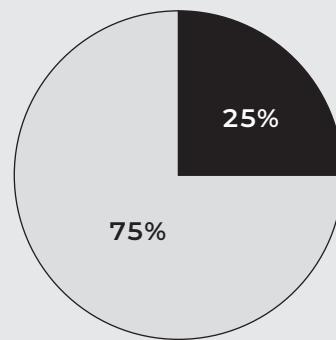
Corporate Governance Report (cont'd)

Independence



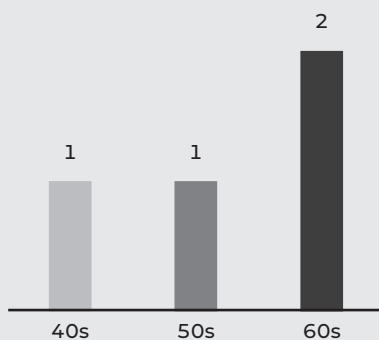
- Independent Directors
- Non-independent Directors

Gender Diversity

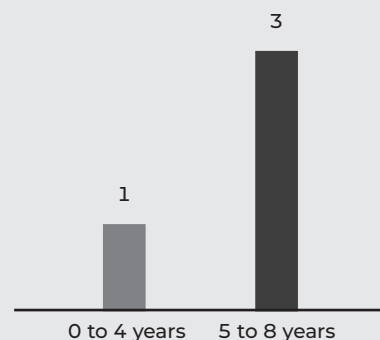


- Male board members
- Female board members

Age Profile



Tenure Mix



Expertise and Experience Matrix



Corporate Governance Report (cont'd)

Notwithstanding that the board size of four members as at the date of this report, the Board is satisfied that its current size is still appropriate with appropriate balance and diversity of background, knowledge, skills, experience, age and gender taking into account the targets and objectives of the Board Diversity Policy and the scope and nature of the operations of the Manager and LMIR Trust for effective decision making. The separation of the roles of Chairman and the CEO provides oversight to ensure that Management discharges its roles and responsibilities effectively and with integrity. The board composition and size will be reviewed from time to time bearing in mind the scope and nature of the operations of the Manager and LMIR Trust for effective decision making.

Board Guidance

The Non-Executive and Independent Directors contribute to the board process by monitoring and reviewing Management's performance. For the financial year under review, the Non-Executive and Independent Directors have constructively challenged Management's proposals and decisions and reviewed Management's performance. They have unrestricted access to Management for any information that they may require to discharge their oversight function effectively. Given that the majority of the Directors are non-executive and independent, this enables Management to benefit from their external, diverse and objective perspectives on issues that are brought before the Board. It also enables the Board to work with Management through robust exchange of ideas and views to help shape the strategic process. This, together with a clear separation of the roles between the Chairman and the CEO, provide a healthy professional relationship between the Board and Management, with clarity of roles and robust oversight as they deliberate on the business activities of the Manager.

Meeting of Directors without Management

The Non-Executive Directors also met without the presence of Management or Executive Director on a half yearly basis. The Chairman of the Board, who is also Non-Executive Director, would collate the feedbacks from such session and communicates to the CEO on any concerns or feedbacks raised by Non-Executive Directors as appropriate.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3 of 2018 CG Code

To maintain due accountability and capacity of the Board for independent decision making, the roles and responsibilities of the Chairman and the CEO are clearly segregated and held by different individuals. The Board has set out in writing the division of roles and responsibilities of the Chairman and CEO.

The Chairman of the Board is responsible for the leadership of the Board and to ensure overall effectiveness of the Board in discharging its duties. This includes setting the agenda of the Board in consultation with the CEO and promoting constructive engagement among the Directors as well as between the Board and CEO on strategic issues and discussions. The Chairman of the Board plays a significant leadership role by providing clear oversight, direction, advice and guidance to the CEO on strategies. The Chairman of the Board ensures effective communication with Unitholders and leads discussions with them. He also takes a leading role in promoting high standards of corporate governance with the full support of the Directors and Management. The Chairman is not part of the Management.

Corporate Governance Report (cont'd)

The CEO, Mr Liew Chee Seng James has full executive responsibilities over the business directions and operational decisions of the Manager. He ensures that all approved strategies and policies, as set down by the Board, are fully implemented.

The Chairman of the Board and the CEO are not immediate family members. The separation of the roles of the Chairman of the Board and the CEO and the resulting clarity of roles provide a healthy professional relationship between the Board and Management, facilitates robust deliberations on LMIR Trust's activities and the exchange of ideas and views to help shape the strategic process.

The current Chairman of the Board, Mr Murray Dangar Bell, is also the Lead Independent Director. The Lead Independent Director is available to Unitholders where they have concerns, and for which contact through the normal channels of the CEO has failed to resolve or is inappropriate.

BOARD MEMBERSHIP

Principle 4 of 2018 CG Code

As at the date of this Annual Report, the NRC comprises three members, all of whom (including the Chairman of NRC) are Independent Directors. The members are as follows:

Mr Murray Dangar Bell (Chairman) (Lead Independent Director)
Ms Gouw Vi Ven (Member) (Independent Director)
Mr Mark Leong Kei Wei (Member) (Independent Director)

During the financial year under review, the NRC held one meeting.

The NRC makes recommendations to the Board on all appointments to the Board and Board Committees. The NRC seeks to ensure that the composition of the Board provides an appropriate balance and diversity of skills, experience, gender and knowledge of the industry, and that the Directors, as a group, have the necessary core competencies relevant to LMIR Trust's business.

The NRC is guided by its term of reference. The key terms of reference which sets out its responsibilities, include:

- (1) making recommendations to the Board on the appointment of Executive and Non-Executive Directors, including making recommendations on the size and composition of the Board taking into consideration the Board Diversity Policy and the balance between Executive and Non-Executive Directors as well as between Independent and Non-Independent Directors appointed to the Board;
- (2) reviewing and recommending to the Board the training and professional development programmes for new and existing Directors;
- (3) reviewing and making plans for succession of Directors, in particular, for the Chairman of the Board and CEO;
- (4) determining annually, and as and when required, if a Director is independent;

Corporate Governance Report (cont'd)

- (5) assessing the performance and effectiveness of the Board as a whole and the Board Committees and the contribution of each Director to the effectiveness of the Board proposing objective performance criteria for the Board's approval;
- (6) recommending a general framework of remuneration for the board and key management personnel;
- (7) reviewing and recommending to the Board the specific remuneration packages and terms of employment (where applicable) for each Director, CEO and key management personnel;
- (8) reviewing the Manager's obligations to ensure that contracts of service of the CEO and key management personnel contain fair and reasonable termination clauses which are not overly generous.

Continuous Board Renewal and Succession Planning for the Board

The Board believes that orderly succession and renewal is an ongoing process to ensure good governance and to remain relevant to the changing needs of the Manager and the Trust's business as well as the nine-year rule on director independence in the SFLCB Regulations.

Nomination and Selection of Directors

The composition of the Board, including the selection of candidates for appointments as part of the Board's renewal process, is determined using the following principles:

- (a) the Board should comprise Directors with a broad range of commercial experience, including expertise in funds management, the retail mall management, banking and finance and other factors including age and gender as may be determined by the NRC to be relevant and would contribute to the Board's collective skills;
- (b) at least half of the Board should comprise Non-Executive Independent Directors. Where, among other things, if the Chairman of the Board is not an Independent Director, majority of the Board should comprise of Independent Directors;
- (c) The prescribed factors under the Board Diversity Policy; and
- (d) The candidate independence, in the case of the appointment of an Independent Director.

The NRC then taps on the Directors' resources for recommendations of potential candidates. Executive recruitment agencies may also be appointed to assist in the search process where necessary. The potential candidates will go through a shortlisting process. Interviews are then set up with the shortlisted candidates for the NRC to assess them before a decision is made. As recommended by the NRC, a new Director can be appointed by way of a Board resolution.

In addition, as part of the regulatory requirements, the MAS also gives approval for any change of CEO or of any appointment of Director. Directors of the Manager are not subject to periodic retirement by rotation. The selection of candidates for appointment takes into account of various factors including the current and mid-term needs and goals of LMIR Trust and the Manager as well as the relevant expertise of the candidates and their potential contributions. Candidates may be put forward or sought through contacts and recommendations.

Corporate Governance Report (cont'd)

Review of Directors' Independence

The NRC conducts an annual review of each director's independence and takes into consideration 2018 CG Code, the Listing Manual as well as SFLCB Regulations. The NRC has ascertained that, save for Mr Liew Chee Seng James, all Directors are considered independent according to these criteria. Directors must also immediately report any changes in their external appointments which may affect their independence. Further information on the review of independence can be found under the "Independence" section of this Corporate Governance Report.

Directors' Time Commitment

The Board does not impose a hard limit on the listed company board representations as the NRC had considered that setting a maximum number of listed company board representations would not be meaningful as the contributions of the Directors should be best assessed through qualitative factors such as their attendance and time commitment to the affairs of the Trust. Based on the Directors' full attendance record at Board and Board Committee meetings (as set out on Page 43) and contributions outside of formal Board and Board Committee meetings, the NRC is satisfied that all Directors are able to discharge their duties adequately for FY2024.

The profile and key information regarding the Directors such as academic and professional qualifications, list of the present and past directorships and chairmanships held over the last three years, and other principal commitments are found on pages 16 to 17 of this Annual Report.

BOARD PERFORMANCE

Principle 5 of 2018 CG Code

The Manager believes that board performance is ultimately reflected in the long-term performance of LMIR Trust.

Board and Board Committee Evaluation

The NRC undertakes a process to assess the performance of the Board as a whole and its Board Committees on an annual basis. Directors are requested to complete Board and Board Committees Evaluation Questionnaires to assess the overall effectiveness of the Board and the Board Committees. To ensure confidentiality, the Company Secretary compiles the Directors' responses to the Board and Board Committees Evaluation Questionnaires on a collective basis and present the results to the NRC. The results of the evaluation exercises are considered by the NRC which then makes recommendations to the Board aimed at helping the Board and Board Committees to discharge its duties more effectively. The Chairman of the NRC will act on the results of the performance evaluation and in consultation with the NRC propose recommendations to be implemented to further enhance the effectiveness of the Board, where appropriate. As part of the assessment of the performance and composition of the Board for FY2024, the Board, after taking into account the NRC's views, is satisfied that it has the appropriate size and mix of expertise and experience, taking into account the skills, experience, gender and knowledge of the Directors in the financial year, including the level of attendance and participation at Board meetings.

Corporate Governance Report (cont'd)

Board Performance Criteria

The NRC has in place appraisal criteria as agreed by the Board which includes an evaluation of the size and composition of the Board, the Board's conduct of affairs, internal controls and risk management, Board accountability and communication with top management and standards of conduct. These performance criteria shall not change from year to year, and where circumstances deem it necessary for any of the criteria to be changed, the NRC and the Board shall justify its decision for the change. The Manager also has in place quantitative and qualitative key performance indicators to appraise the performance of the CEO/Executive Director.

Individual Director Evaluation

Individual Director self-assessment is also conducted to provide performance feedback which can help individuals to evaluate their own skills and performance as directors and motivate them to be more effective contributors. The evaluation criteria include the Director's abilities and competencies, level of participation at Board or Board Committee meetings and related activities and contribution to Board processes, governance and business strategies and performance of the Trust. The Board is cognizant that individual director evaluations are an important complement to the evaluation of a Board's overall performance and the results of the Individual Director self-assessment are also compiled by the Company Secretary and discussed by the NRC.

REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6 of 2018 CG Code

LEVEL AND MIX OF REMUNERATION

Principle 7 of 2018 CG Code

DISCLOSURE ON REMUNERATION

Principle 8 of 2018 CG Code

The NRC has established a framework of remuneration for the Board and Management and also reviews and recommends to the Board the specific remuneration packages for each Director and key management personnel. In addition, the NRC helps to ensure that the remuneration payable is in line with the objectives of the remuneration policies. The NRC seeks to structure the remuneration of Management so as to link reward to the performance and long-term success of LMIR Trust. This ensures that the interest of Management is aligned with the interest of the Unitholders. The NRC also considers all aspects of remuneration, including termination terms, to ensure they are fair. Both the remuneration of the Non-Executive Directors in the form of directors' fees and the remuneration of the CEO and key management personnel in the form of salaries, annual bonuses and benefits in kind are paid wholly in cash. There is no non-monetary remuneration in the form of stock options or Units paid to the Non-Executive Directors, CEO or the key management personnel for FY2024. The remuneration of the Directors, CEO and key management personnel is paid by the Manager from the fees it receives.

Corporate Governance Report (cont'd)

The NRC, when required, has access to expert advice both within and outside the Company, on remuneration of directors.

Non-Executive Director Remuneration

Directors' fees are reviewed and endorsed by the NRC. The framework for the financial year ending 31 December 2025 ("FY2025") determining the directors' fees is as follows:

Committee	Structure	Remuneration (S\$)
Board	Basic fee	60,000
	Chair fee	35,000
Audit & Risk Committee	Basic fee	12,500
	Chair fee	12,500
Nominating & Remuneration Committee	Basic fee	3,000
	Chair fee	5,000
Additional Meeting	Per Meeting	4,000
For offsite meetings only	Attendance fee on a per diem per day	1,000

Based on the annual review, the Board through the NRC, is satisfied that the Non-Executive Director's fee is in line and within the range of S-REITs of comparable size and they are not overcompensated to the extent that their independence is compromised. The remuneration for each Non-Executive Director takes into account the relevant Director's contribution and responsibilities, including attendance and time spent at Board and Board Committee meetings. The current remuneration framework for the Non-Executive Directors remains unchanged from that of the previous financial year.

The following table shows the Directors' fees paid in FY2024:

	Total Remuneration (S\$)
Mr Murray Dangar Bell ⁽¹⁾⁽²⁾⁽³⁾	155,921
Ms Gouw Vi Ven ⁽¹⁾⁽²⁾	120,395
Mr Mark Leong Kei Wei ⁽¹⁾	106,000
Total	382,316

Note:

⁽¹⁾ Fee paid is inclusive of additional attendance fee and offsite meeting.

⁽²⁾ Fees paid is inclusive of withholding tax.

⁽³⁾ During the financial year under review, the Chairman took a voluntary cut in his chairmanship fee from S\$35,000 to S\$20,000 due to the muted performance of the Trust.

Corporate Governance Report (cont'd)

The NRC had recommended to the Board a total amount of S\$367,105 as Directors' fees for FY2025, to be paid quarterly in arrears based on the adopted fee structure. This recommendation has been endorsed by the Board and will be tabled for approval at the Manager's forthcoming AGM for shareholder approval.

Executive Director Remuneration

The Executive Director is also the CEO. The remuneration and terms of appointment of the Executive Director/CEO was negotiated and endorsed by the Board. The remuneration of the Executive Director/CEO comprised of a fixed salary, performance bonus and benefits in kind relating to payment of season parking, flexible benefits and insurance premium for self and dependents by the Manager. The Executive Director does not receive any director's fees.

The performance bonus and annual increment are based on an annual appraisal. In particular, the performance bonus is linked to the stability and performance of the net property income, distributable amount and distribution per unit of LMIR Trust as compared to the preceding year and as such, it is in alignment with the performance of LMIR Trust and is in the interests of Unitholders. The key performance indicators for the Executive Director/CEO include but are not limited to, the following:

- (i) unit price performance and distribution per unit yield for LMIR Trust;
- (ii) containment of budgeted operational cost for LMIR Trust and the Manager;
- (iii) effective and productive asset acquisitions from the Sponsor and third parties;
- (iv) effective capital management including competitive cost of funds and fund raising fees, and effective exchange rate management for LMIR Trust;
- (v) compliance with regulatory requirements; and
- (vi) More active engagement with Unitholders through regular meetings, attending conference, roadshows both locally and overseas and committed to share accurate information with investing public in a timely manner.

For the avoidance of doubt, the Executive Director/CEO was not involved in the decision of the Board on his own remuneration.

Remuneration of Key Management Personnel

The Manager's remuneration framework for key management personnel comprises fixed salary, performance bonuses and benefits in kind. The performance bonus and annual increment are based on an annual appraisal of each individual employee of the Manager. In particular, the performance bonus of the key management personnel is linked to their contribution to the performance of the net property income, distributable amount and distribution per unit of LMIR Trust as compared to the preceding year and, as such, is in alignment with the performance of LMIR Trust and is in the interests of Unitholders.

Corporate Governance Report (cont'd)

The components of the CEO's and the key management personnel's remuneration, comprising the fixed salary, performance bonus and deferred bonus, the annual appraisal process and the factors which are taken into account in assessing performance of the CEO and key management personnel and which go towards determination of the performance bonus and deferred bonus, including but not limited to, (in the case of the CEO) unit price performance and distribution per unit yield, containment of corporate and operation costs, effective and productive asset acquisitions from the Sponsor and third parties, effective capital management, compliance with regulatory requirements and active engagement with Unitholders, and (in the case of the key management personnel) improvement in the net property income, distributable amount and distribution per unit of LMIR Trust. The disclosure of these performance metrics shows the relationship between the CEO's and the key management personnel's remuneration and the performance and long-term value creation for LMIR Trust.

The Manager believes that there is sufficient transparency on the Manager's remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation consistent with the intent of Principle 8.

The remuneration paid to the CEO for FY2024 is as follows:

	Salary & AWS	Bonus	Allowance and Benefits ⁽¹⁾	Deferred Compensation Award ⁽²⁾	Total Remuneration (S\$)
Mr Liew Chee Seng James ⁽¹⁾⁽²⁾	57%	10%	5%	28%	691,784

Note:

⁽¹⁾ The amount disclosed includes employer CPF, benefits in kind such as flexible benefit, season parking and insurance premium for self and dependent etc.

⁽²⁾ Include deferred bonus that were vested in FY 2024. It also includes deferred bonus to be awarded in FY 2025 which are time vested over 3 equal tranches without further performance conditions.

The Manager is cognizant of the requirements under the 2018 CG Code and Notice to All Holders of a Capital Markets Service Licence for Real Estate Investment Trust Management (issued pursuant to Section 101 of the SFA) to disclose (i) the remuneration of at least the top five key management personnel (who are not also Directors or the CEO), on a named basis, in bands no wider than S\$250,000; (ii) the aggregate remuneration of the top five key management personnel (who are not also Directors or the CEO); and (iii) any other forms of remuneration and other payments and miscellaneous staff benefits paid to key management personnel (who are not also Directors or the CEO). The Board has assessed and elected not to disclose the above remuneration for the following reasons:

- (i) competition for talent in the REIT management industry is very keen and the Manager has, in the interests of Unitholders, opted not to disclose the exact remuneration of its Key Management Personnel as this may give rise to recruitment and talent retention issues as well as the risk of unnecessary key management turnover;
- (ii) the composition of the current management team has been stable and to ensure the continuity of business and operations of LMIR Trust, it is important that the Manager continues to retain its team of competent and committed staff;

Corporate Governance Report (cont'd)

- (iii) due to the confidentiality and sensitivity of staff remuneration matters, the Manager is of the view that such disclosure could be prejudicial to the interests of Unitholders; and
- (iv) the remuneration of the Key Management Personnel are paid by the Manager and there is full disclosure of the total amount of fees paid to the Manager set out at page 66 of this Annual Report.

There is no existing service agreement entered into by the Directors or key management personnel with the Manager that provides for benefits upon termination of appointment or post-employment. The Manager has also not set aside nor accrued any amounts to provide for pension, retirement or similar benefits for the Directors and key management personnel.

The Manager does not have any employee share or unit scheme and does not remunerate directors and key management personnel in the form of shares or interests in the Sponsor or its related entities or any other entities.

No remuneration consultants were engaged in FY2024. The NRC may seek expert advice from remuneration consultants on remuneration matters, as and when necessary.

There were no employees of the Manager who were substantial shareholder of the Manager, substantial Unitholder of LMIR Trust or immediate family members of a Director, the CEO, any substantial shareholder of the Manager or any substantial Unitholder of LMIR Trust, and whose remuneration exceeded S\$100,000 in FY2024.

(C) ACCOUNTABILITY AND AUDIT

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 9 of the 2018 CG Code

Risk Management

Effective risk management is an integral part of LMIR Trust's business at both strategic and operations level. Recognising and managing risk is central to the business and to protecting Unitholders' interests and value. The Board has overall responsibility for the governance of risk and oversees the Manager in the design, implementation and monitoring of the risk management and internal control systems. The ARC assists the Board in carrying out the Board's responsibility of overseeing the risk management framework and policies of LMIR Trust. The Manager has established an enterprise risk management ("ERM") framework and policies which have been approved by the Board that provide a more structured approach to identifying, reviewing and managing the key risks arising from management and operations of LMIR Trust's portfolio of assets. The ERM framework and policies are monitored and reviewed by the Board regularly and major developments or significant revisions to the ERM framework or policies will be submitted to the Board for approval.

The Board reviews the business risks of LMIR Trust, examines liability management and acts upon any comments from the Manager and the auditors of LMIR Trust. In assessing business risks, the Board considers the economic environment and risks relevant to the property industry. The Board reviews management reports and feasibility studies on individual projects prior to approving any major transactions. Management meets regularly to review the operations of the Manager and LMIR Trust and to discuss any risks relating to its assets and the management thereof.

Corporate Governance Report (cont'd)

The Manager maintains a risk register to track and monitor risks faced by LMIR Trust in the areas of strategic, operational, financial, compliance and information technology. The risk register is updated on a periodic basis and top-tier risks, as well as risk mitigation measures for top-tier risks, are reported to the ARC and the Board for review.

Internal Controls

The Company's internal auditor conducts independent reviews of the adequacy and effectiveness of the internal controls of the LMIR Trust Group and the Manager, including financial, operational, compliance and information technology controls addressing the key risks identified in the enterprise risk management framework. Any material non-compliance or failures in internal controls and recommendations for improvements are reported to the ARC. The ARC also reviews the effectiveness of the actions taken by Management on the recommendations made by the internal auditors in this respect.

In the course of the statutory audit, the Company's external auditor will highlight any material internal control weaknesses which have come to their attention in the course of carrying out their audit procedures, which are designed primarily to enable them to express their opinion on the financial statements. Such material internal control weaknesses noted during their audit, and recommendations, if any, by the external auditors are reported to the ARC.

The Board has received assurance from the CEO and CFSO that, as at 31 December 2024, the financial records of LMIR Trust have been properly maintained, and the financial statements give a true and fair view of LMIR Trust's operations and finances.

The Board has also received assurance from the CEO and Key Management Personnel that the internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective as at 31 December 2024 to address the risks that the Manager considers relevant and material to LMIR Trust's operations.

Based on the internal controls established and maintained by LMIR Trust Group, work performed by the internal and external auditors, reviews performed by Management, the ARC and the Board as well as the assurances set out above, the Board, with the concurrence of the ARC, is of the opinion that LMIR Trust Group's present risk management systems and internal controls (including financial, operational, compliance and information technology controls), were adequate and effective as at 31 December 2024 to address risks which the Company considers relevant and material to the LMIR Trust Group's operations.

The Board notes that the system of risk management and internal controls provides reasonable, but not absolute, assurance, that LMIR Trust Group, will not be adversely affected by any event that could be reasonably foreseen or anticipated, as it works to achieve its business objectives. In this regard, the Board also notes that no system of risk management and internal controls can provide absolute assurance against the occurrence of material errors, poor judgement in decision making, human error, losses, fraud or other irregularities.

The Manager's approach to risk management and internal controls and the management of key business risks is set out in the "Risk Management" section on pages 36 to 37 of this Annual Report.

Corporate Governance Report (cont'd)

AUDIT AND RISK COMMITTEE (“ARC”)

Principle 10 of the 2018 CG Code

The ARC comprises three members, all of whom (including the Chairman of the ARC) are Independent Directors. As at the date of this report, the members are as follows:

Mr Mark Leong Kei Wei (Chairman)
Mr Murray Dangar Bell (Member)
Ms Gouw Vi Ven (Member)

The members of the ARC are appropriately qualified to discharge their responsibilities and have recent and relevant accounting or related financial management expertise or experience, as the Board interprets such qualification in its business judgement. None of the ARC members were previous partners or directors of the Company’s external auditor, RSM SG Assurance LLP, within the last 24 months or hold any financial interest in the external auditor.

The ARC’s responsibilities as set forth in its terms of reference include:

- reviewing significant financial reporting issues and judgements so as to ensure the integrity of financial statements and announcements on the Trust’s financial performance, and making recommendations, if any, to the Board, and in particular, monitoring the integrity of the financial reports prepared by the Manager and reviewing the application and consistency of the accounting standards used;
- monitoring the procedures established to regulate Related Party Transactions (as defined herein), including ensuring compliance with the provisions of the Listing Manual relating to “interested person transactions” (as defined therein) and the provisions of the Appendix 6: Investment Property Funds of the CIS Code (“**Property Funds Appendix**”) relating to “interested party transactions” (as defined therein) (both such types of transactions constituting “**Related Party Transactions**”);
- monitoring the procedures in place to ensure compliance with applicable legislation, the Listing Manual and the Property Funds Appendix;
- reviewing arrangements by which whistle-blowers may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters and ensuring that arrangements are in place for the independent investigation of such matters and for appropriate follow-up action;
- reviewing and reporting to the Board at least annually, the adequacy and effectiveness of the risk management and internal control systems (including financial, operational, compliance and information technology controls), and state whether the ARC concurs with the Board’s comment on adequacy and effectiveness of the Company’s internal controls and risk management systems;
- reviewing external audit reports to ensure that where deficiencies in internal controls have been identified, appropriate and prompt remedial action is taken by Management;

Corporate Governance Report (cont'd)

- making recommendations to the Board on the appointment, re-appointment and removal of external auditors and approving the remuneration and terms of engagement of external auditors;
- reviewing, on an annual basis, the scope and result of the external audit, the independence and objectivity of the external auditors and where the external auditors also provide a substantial volume of non-audit services to LMIR Trust, keeping the nature and extent of such services under review, seeking to balance the maintenance of objectivity and value for money;
- reviewing the adequacy, effectiveness, independence, scope and results of the Trust's internal audit by, *inter alia*, monitoring and assessing the role and effectiveness of the internal audit function, including the internal audit plans, activities, budget and resources;
- reviewing the assurances required under Provision 9.2 of the 2018 CG Code that the financial records have been properly maintained and the financial statements give a true and fair view of the Trust's operations and finances as well as the adequacy and effectiveness of risk management and internal control systems;
- meeting with external and internal auditors, without the presence of the executive officers of the Manager, at least on an annual basis;
- investigating any matters within the ARC's terms of reference, whenever it deems necessary; and
- reporting to the Board on material matters, findings and recommendations.

The ARC has the authority to investigate any matter within terms of reference, has full access to and co-operation from Management and has full discretion to invite any Director or executive officer of the Manager to attend its meetings. The ARC also has full access to reasonable resources to enable it to discharge its functions properly.

The ARC keeps abreast of changes to accounting standards and issues that may have a direct impact on financial statements by referring to the best practices and guidance in the Guidebook for Audit Committees in Singapore and the reports issued from time to time in relation to the Financial Reporting Surveillance Programme administered by the Accounting and Corporate Regulatory Authority.

In FY2024, the ARC had:

- (i) held four meetings during the year;
- (ii) reviewed and approved the internal and external audit plans, including the nature and scope of work before commencement of these audits;
- (iii) met with the internal and external auditors without the presence of Management, to discuss their findings as set out in their respective reports to the ARC. Both the internal and external auditors had confirmed that they had received the full co-operation of management and no restrictions were placed on the scope of audits;
- (iv) reviewed and recommended to the Board, the quarterly and full-year financial statements and audit report;

Corporate Governance Report (cont'd)

- (v) reviewed all services provided by the external auditors and were satisfied that the provision of such services did not affect their independence. The external auditors had also affirmed their independence in their report to the ARC;
- (vi) reviewed Interested Person Transactions and Related Party Transactions on a quarterly basis;
- (vii) reviewed and determined the adequacy and effectiveness of risk management and internal controls system, including financial, operational, compliance and information technology controls and made the requisite recommendation to the Board; and
- (viii) reviewed the Manager's Risk Management Policy.

RSM SG Assurance LLP audited LMIR Trust and the Singapore subsidiaries. A member firm of RSM International, of which RSM SG Assurance LLP is a member, audited the foreign subsidiaries. LMIR Trust is in compliance with Listing Rules 712 and 715 of the SGX-ST Listing Manual.

The ARC has undertaken a review of all non-audit services provided by the external auditors in FY2024 and is satisfied that the extent of such services would not affect the independence of the external auditors before confirming their re-nomination. The aggregate amount of audit fees payable to external auditors for FY2024 was S\$878,501, of which audit fees amounted to S\$841,061 and non-audit fees amounting to S\$37,440, this encompasses audit fees amounted to S\$262,911 payable to a member firm of RSM International of which RSM SG Assurance LLP in Singapore is a member. In respect of the financial year under review, the external auditors have confirmed that they are in compliance with the independence requirements set out in the Code of Professional Conduct and Ethics under the Accountants (Public Accountants) Rules of the Singapore Accountants Act and have affirmed their independence in this respect. In reviewing the nomination of RSM SG Assurance LLP for re-appointment for the financial year ending 31 December 2025, the ARC had considered the adequacy of the resources and experience of RSM SG Assurance LLP including the audit engagement partner assigned to the audit and the number and experience of the supervisory and professional staff assigned to the Trust's audit. The ARC reviewed the Audit Quality Indicators presented by RSM SG Assurance LLP.

On the basis above, the ARC, with the concurrence of the Board, has recommended the re-appointment of RSM SG Assurance LLP as the external auditors, which will be subject to approval of Unitholders at LMIR Trust's Annual General Meeting to be held on 28 April 2025.

In the review of the financial statements for FY2024, the ARC has discussed with both Management and the external auditors on the impact of the ongoing global and domestic uncertainties that are remains elevated and its effects on the mall operations and the operating environment, the accounting principles that were applied and their judgement of items that might affect the integrity of the financial statements as well as the key audit matters, which is included in the Independent Auditor's Report.

Corporate Governance Report (cont'd)

Key Audit Matters	How the ARC reviewed these matters and what decisions were made
Valuation of investment properties	<p>The ARC considered the methodologies and key assumptions applied by the valuers in arriving at the valuation of the investment properties.</p> <p>The valuation of investment properties was also an area of focus of the external auditor. The external auditor has included this item as a key audit matter in their audit of report for FY2024. Please refer to the Independent Auditor's Report of this Annual Report.</p> <p>The ARC considered the findings of the external auditors, including their assessment of the appropriateness of valuation methodologies and the underlying key assumptions applied in the valuation of investment properties.</p> <p>The ARC was satisfied with the valuation process, the methodologies used and the valuation of investment properties as adopted as at 31 December 2024.</p>
Going concern assessment	<p>The ARC has discussed the key assumptions used in the going concern assessment with Management including their plans and measures taken, and considered the findings of the external auditors, which included the review and independent stress test of these assumptions.</p> <p>The ARC concurred with the conclusion of Management and external auditors on the going concern assessment.</p>

Internal Audit

The internal audit function of the Manager is outsourced to KPMG Services Pte Ltd, a reputable accounting/auditing firm. The internal auditors will ensure that the internal audit function is carried out according to the standards set by nationally or internationally recognised professional bodies, including the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors by persons with the relevant qualifications and experience. The ARC approves the hiring, removal, evaluation and compensation of the internal auditors. The internal auditors report directly to the ARC. In line with the requirements under Rule 1207(10C) of the Listing Rules, following the review of the internal audit plan and the internal auditors' resources to conduct the internal audit plan, the internal auditors' objectivity in the assessment of issues and taking into account that the internal auditors have access to all the Company's documents, records, properties and personnel, including access to the ARC and having the co-operation of management, the ARC is satisfied with the independence of the internal auditors, and is of the view that the internal audit function is independent, effective, adequately resourced and has the appropriate standing within the LMIR Trust Group.

In the financial year under review, the internal auditors have conducted audit reviews based on the internal audit plan approved by the ARC. They have full and unfettered access to the ARC and to all the documents, records, properties and personnel of the Manager. Upon completion of each audit assignment, they report their findings and recommendations to the Manager who would respond on the actions to be taken, before the audit report is submitted to ARC for deliberation and validation of the follow up actions taken.

Corporate Governance Report (cont'd)

(D) SHAREHOLDER RIGHTS AND ENGAGEMENT

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

Principle 11 of 2018 CG Code

ENGAGEMENT WITH SHAREHOLDERS

Principle 12 of 2018 CG Code

The Manager is committed to treating all the Unitholders fairly and equitably and strives to uphold a strong culture of timely disclosure and transparent communication with Unitholders and the investing community. All Unitholders enjoy specific rights under the Trust Deed and the relevant rules and regulations. These include, among other things, the right to participate in profit or dividend distributions. Unitholders are also entitled to attend and vote at the general meetings of Unitholders and are accorded the opportunity to participate effectively.

The Managers notifies its investors in advance of the date of release of its financial results via SGXNet. The Manager provides Unitholders with quarterly and annual financial statements through the SGXNet. In presenting these financial statements to Unitholders, the Board aims to provide these Unitholders with a balanced, clear and understandable assessment of the Manager and LMIR Trust's performance, position and prospects on a quarterly basis. To achieve this, the Management provides the Board with management information and accounts as any Director may require from time to time in order to enable the Directors to keep abreast and make a balanced and informed assessment of LMIR Trust's financial performance, position and prospects. Other material information is also disseminated to Unitholders through announcements via SGXNet, press releases and LMIR Trust's website.

The Manager's disclosure policy requires timely and full disclosure of all material information relating to LMIR Trust by way of public releases or announcements through the SGX-ST via SGXNet at first instance and thereafter including the release or announcement on LMIR Trust's website at www.lmir-trust.com. When there is an inadvertent disclosure made to a selected group, the Manager will make the same disclosure publicly to all others as soon as practicable.

The Manager, through its Investor Relations Officer, also uses other channels of communication with Unitholders and investors to keep them informed regularly of corporate developments, such as:

- analysts' briefings on a timely basis;
- one-on-one/group meetings or conference calls on a timely basis, local/overseas non-deal specific roadshows;
- participation in forums and seminars organised by various financial institutions and attended by selected investors;
- responding to queries submitted to the Manager via electronic mail or telephone calls; and
- annual reports.

Corporate Governance Report (cont'd)

The list of investor activities for FY2024 is disclosed on page 38 of this Annual Report.

The Board has taken active steps to solicit and understand the views of Unitholders by providing them the opportunity to raise relevant questions on LMIR Trust's business activities, financial performance and other business matters and to communicate their views at the general meetings. We maintain a dedicated investor relations website <https://lmir.listedcompany.com/> which provides comprehensive and updated information about LMIR Trust, as well as a dedicated IR email ir@lmir-trust.com/tim.wong@lmir-trust.com to address all Unitholders' queries. The Manager also has an Investors Relations Policy to actively engage and promote regular, effective and fair communication with Unitholders and other stakeholders. All material information, corporate updates and quarterly financial results are posted in a timely manner on SGXNet and also on our dedicated investor relations website. The Directors, Chairmen of the Board Committees, representative(s) of the Trustee, external auditors, the Company Secretary, independent financial advisers, legal counsels and other professional advisers attend the annual or extraordinary general meetings to address Unitholders' queries. Unitholders are encouraged to participate in the question and answer sessions, whereby minutes of the proceedings, including any substantial queries raised by Unitholders in relation to the agenda and the accompanying responses from the Board and Management, are subsequently recorded, prepared and minuted. These minutes are made available to shareholders on the LMIR Trust's website.

Unitholders who are unable to attend general meetings can appoint up to two proxies to attend, participate and vote in general meetings on his/her behalf. Corporations providing nominee and custodial services can appoint more than two proxies to attend, participate and vote in general meetings on behalf of Unitholders who hold Units through such corporations. Voting in absentia and by email, which are currently not permitted, may only be possible following careful study to ensure that the integrity of information and authentication of the identity of Unitholders through the web are not compromised, and legislative changes are effected to recognise remote voting.

The Manager conducts electronic poll voting for all the resolutions to be passed at general meetings of LMIR Trust for greater transparency in the voting process. An independent scrutineer firm is also present to validate the votes at each general meeting. The results of all votes for and against each resolution is tallied and instantaneously displayed at the meeting. The voting results are announced via SGXNet following each general meeting. There are separate resolutions at the general meetings on each substantially separate issue. Resolutions are not "bundled" unless resolutions are interdependent and linked so as to form one significant proposal. Submission of questions to the Chairman of the Meeting in advance of, or live at, the 2024 AGM, addressing of substantial and relevant questions in advance of, or live at, the AGM and voting at the AGM live by the Unitholder or his/her/its duly appointed proxy(ies) (other than the Chairman of the Meeting), or by appointing the Chairman of the Meeting as proxy to vote on the Unitholders' behalf at the AGM, were put in place for the 2024 AGM.

LMIR Trust targets to provide sustainable distribution payouts. LMIR Trust distribution policy is to distribute at least 90% of its tax-exempt income (after deduction of applicable expenses) and capital receipts. The tax-exempt income comprises dividends received from the Singapore tax resident subsidiaries. The capital receipts comprise amounts received by LMIR Trust from redemption of redeemable preference shares in the Singapore subsidiaries. LMIR Trust's distributions are paid on a quarterly basis and for every distribution declaration made, Unitholders will be notified via an announcement made through SGXNet.

Corporate Governance Report (cont'd)

However, due to the looming economic downturn, ongoing geopolitical tensions and restrictive financial conditions, these have affected LMIR Trust's financial performance and made it necessary for LMIR Trust to deviate from its stated policy of distributing at least 90% of its tax-exempted income to conserve cash and ensure financial flexibility. Amidst the challenging circumstances, LMIR Trust has exercised caution and took strategic actions to manage its capital structure effectively, ensuring sustainability and compliance with financial covenants. Thus, a more modest and prudent distribution strategy was adopted considering the challenging circumstances and uncertainties in the near future.

ENGAGEMENT WITH STAKEHOLDERS

Principle 13 of 2018 CG Code

The Manager believes that engaging stakeholders is imperative for the success of LMIR Trust's performance. LMIR Trust has identified its stakeholders based on their impact on LMIR Trust's business and those with a vested interest in LMIR Trust's operations. LMIR Trust's stakeholders include investors, tenants and the local community. Through various engagement initiatives, LMIR Trust was able to strengthen its relationships with its stakeholders and obtain valuable feedback. The Manager also proactively communicates and engages with the investment community through investor conferences, non-deal roadshows ("**NDR**"), one-on-one meetings, tele-conferences and timely results briefings.

LMIR Trust maintains a dedicated investor website to communicate and engage with stakeholders which can be accessed at www.lmir-trust.com. Further details on how the Manager engages with its diverse stakeholders, their expectations and concerns, and how the Manager responds to them are detailed on page 38 (Investor Relations) of this Annual Report as well as on page 39 of the summary of the Sustainability Report.

(E) ADDITIONAL INFORMATION

DEALING IN LMIR TRUST UNITS

The Board has adopted a code of conduct to provide guidance to its Directors and officers as well as the Manager on dealing in LMIR Trust's units ("**Units**"). A Director is required to give notice to the Manager of his/her acquisition of Units or changes in the number of Units he/she holds or in which he/she has an interest, within two business days after such acquisition or occurrence.

In general, the Manager's Personal Trading Policy permits Directors and employees of the Manager to hold Units but prohibits them and the Manager from dealing in such Units during the "closed" window period as follows:

- (i) during the period commencing one month before the public announcement of LMIR Trust's full year results and (where applicable) property valuation and two weeks before the public announcement of LMIR Trust's quarterly results and ending on the date of announcement of the relevant results or, as the case may be, property valuation; and
- (ii) on short term considerations or at any time whilst in possession of price sensitive information.

Corporate Governance Report (cont'd)

The Directors and employees of the Manager are expected to observe insider trading regulations at all times. The Manager issues quarterly reminders to its Directors, relevant officers and employees on the restrictions in dealing in LMIR Trust units as set out above.

In addition, as part of its undertaking to MAS, the Manager has undertaken that it will not deal in the Units during the period commencing one month before the public announcement of LMIR Trust's full year results and where applicable, property valuation, and two weeks before the public announcement of LMIR Trust's quarterly results and ending on the date of announcement of the relevant results or, as the case may be, property valuation.

FEES PAYABLE TO THE MANAGER

Under the CIS Code where fees are payable out of the deposited property of a property fund, the methodology and justifications for each type of fees payable should be disclosed. The methodology for computing the fees payable to the Manager is contained in Clause 15 of the Trust Deed (as amended), details of which are disclosed under the Notes to Financial Statements.

Pursuant to Clause 15.1.3, 15.1.4, 15.1.5 and 15.2.1 of the Trust Deed, the Manager is entitled to (i) a base fee of 0.25% per annum of the value of the Deposited Property (excluding those authorised investments not in the nature of real estate, whether directly held by LMIR Trust or indirectly through one or more special purpose vehicles), (ii) an annual performance fee of 4.0% per annum of the Net Property Income (as defined in the Trust Deed) for each financial year (calculated before accounting for this fee in that financial year), (iii) an authorised investment management fee of 0.5% per annum of the investment value of such authorised investment, (iv) an acquisition fee of 1.0% on the acquisition price upon the completion of an acquisition, and (v) a divestment fee of 0.5% on the sale price upon the completion of a divestment.

The management fees will be paid in the form of cash and/or Units (as the Manager may elect). The management fees payable in Units will be issued at the volume weighted average price for a Unit for all trades on the SGX-ST in the ordinary course of trading on the SGX-ST for the period of 10 Business Days (as defined in the Trust Deed) immediately preceding the relevant Business Day.

For FY2024, the breakdown of the management fees and frequency of payment is as follows:

	Group		LMIR Trust	
	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
Base fee	4,035	4,571	3,964	4,500
Performance fee	4,626	4,894	4,626	4,894
Authorised Investment fee	16	78	16	78
Total	8,677	9,543	8,606	9,472

In FY2024, the Manager's performance fee is payable once a year after completion of the audited financial statements for the relevant financial year in arrears.

Corporate Governance Report (cont'd)

JUSTIFICATION OF FEES PAYABLE TO THE MANAGER

1. Base fee

The Manager receives a base fee of 0.25% per annum of the value of all the assets (excluding those authorised investments not in the nature of real estate) for the time being of the Trust or deemed to be held upon the Trust constituted under the Trust Deed, representing the remuneration to the Manager for executing its core responsibility. The base fee compensates the Manager for the costs incurred in managing LMIR Trust, which includes day-to-day operational costs, compliance costs and costs incurred in managing and monitoring the portfolio. The base fee is calculated at a fixed percentage of asset value as the scope of the Manager's duties is commensurate with the size of LMIR Trust's asset portfolio.

Since LMIR Trust's listing on 19 November 2007, the Manager has taken active steps to keep its portfolio relevant and adaptable to the changing economic and environmental landscapes. As at 31 December 2024, LMIR Trust existing portfolio comprises 29 retail properties spread over Indonesia with a combined gross floor area including sheltered carpark of 1,826,043 square metres and valuation of S\$1,562.0 million.

2. Performance fee

The Manager receives an annual performance fee of 4.0% per annum on the Net Property Income of the Trust or (as the case may be) the Net Property Income of the relevant Special Purpose Vehicles (as defined in the Trust Deed) for each financial year.

The performance fee, which is based on Net Property Income, aligns the interests of the Manager with Unitholders as the Manager is motivated and incentivised to achieve income stability by ensuring the long-term sustainability of the assets through proactive asset management strategies and asset enhancement initiatives. Therefore, to achieve sustainability in LMIR Trust's Net Property Income, the Manager is dis-incentivised from taking on excessive short-term risks and will strive to manage LMIR Trust in a balanced manner.

3. Authorised investment management fee

The authorised investment management fee serves the same function as the base fee to compensate the Manager should LMIR Trust invest in any authorised investments which are not in the nature of real estate. The Manager receives the authorised investment management fees at 0.5% of the authorised investment.

Since August 2019, the Manager has been actively managing surplus funds via weekly placements with domestic banks to generate interest income for the Trust. Interest income for FY2024 was S\$1,267,000 compared to S\$2,142,000 in prior year.

4. Acquisition and divestment fees

In line with the Manager's key objective of managing LMIR Trust for the benefit of Unitholders, the Manager regularly reviews its portfolio of properties and considers the acquisition and/or recycling of assets, where appropriate, to optimise its portfolio. This involves a thorough review of the exposures, risks and returns as well as the overall value-add of acquisitions or divestments to LMIR Trust's existing portfolio and future growth expectations.

Corporate Governance Report (cont'd)

In undertaking a proposed acquisition, the Manager is expected to spend time and effort in conducting due diligence, structuring the acquisition, negotiating transaction documentation with the vendor, liaising with the valuers and working with the professional advisers and regulatory authorities to seek the necessary approvals from the regulators and/or Unitholders (where required). Similarly, in undertaking a proposed divestment, the Manager is expected to spend time and effort in negotiating with the prospective purchaser, structuring the divestment, liaising with the valuers and working with the professional advisers and regulatory authorities to seek the necessary approvals from regulators and/or the Unitholders (where required).

The Manager receives an acquisition fee of 1.0% on the acquisition price upon the completion of an acquisition, and a divestment fee of 0.5% on the sale price upon the completion of a divestment. The acquisition fee is higher than the divestment fee because there is additional work required to be undertaken in terms of sourcing, evaluating and conducting due diligence for an acquisition, as compared to a divestment.

The acquisition and divestment fees seek to motivate and compensate the Manager for the time, cost and effort spent in sourcing, evaluating and executing potential opportunities to acquire new properties to further grow LMIR Trust asset portfolio (in the case of an acquisition) or, in rebalancing and unlocking the underlying value of the existing properties (in the case of a divestment). The Manager provides these services over and above the provision of ongoing management services with the aim of enhancing long-term returns, income sustainability and achieving the investment objectives of LMIR Trust.

As required by the Property Funds Appendix, where acquisition fees or divestment fees are to be paid to the Manager for the acquisition of assets from, or divestment of assets to, an interested party, the acquisition fees or divestment fees are to be paid in the form of units in LMIR Trust issued at the prevailing market price, which should not be sold for a period of one year from their date of issuance. This additional requirement for interested party acquisitions and divestments further aligns the Manager's interests with Unitholders.

DEALING WITH CONFLICT OF INTEREST

The Manager has instituted the following procedures to deal with potential conflicts of interest issues, which the Manager may encounter, in managing LMIR Trust:

- The Manager will not manage any other real estate investment trust which invests in the same type of properties as LMIR Trust;
- All executive officers will be employed by the Manager;
- All resolutions in writing of the Directors in relation to matters concerning LMIR Trust must be approved by a majority of the Directors, including at least one Independent Director;
- At least half of the Board shall comprise Independent Directors; and

Corporate Governance Report (cont'd)

In respect of matters in which the Sponsor and/or its subsidiaries have an interest, direct or indirect, any nominees appointed by the Sponsor and/or its subsidiaries to the Board to represent its/their interest will abstain from voting. In such matters, the quorum must comprise a majority of the Independent Directors and must exclude the nominee Directors of the Sponsor and/ or its subsidiaries.

It is also provided in the Trust Deed that if the Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of LMIR Trust with a related party of the Manager, the Manager shall be obliged to consult a reputable law firm (acceptable to the Trustee) which shall provide legal advice on the matter. If the said law firm is of the opinion that LMIR Trust has a prima facie case against the party allegedly in breach under such agreement, the Manager shall be obliged to take appropriate action in relation to such agreement. The Directors shall have a duty to ensure that the Manager so complies. Notwithstanding the foregoing, the Manager shall inform the Trustee as soon as it becomes aware of any breach of any agreement entered into by the Trustee for and on behalf of LMIR Trust with a related party of the Manager and the Trustee may take any action it deems necessary to protect the rights of Unitholders and/or which is in the interest of Unitholders. Any decision by the Manager not to take action against a related party of the Manager shall not constitute a waiver of the Trustee's right to take such action as it deems fit against such related party.

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

The Manager has zero tolerance towards bribery and corruption. In addition to clear guidelines and procedures for giving and receipt of corporate gifts and concessionary offers, all employees of LMIR Trust are required to uphold the Manager's core values and not to engage in any corrupt or unethical practices. This is geared towards maintaining the value of integrity, in all the employees' dealings at work, to the highest standards.

As a further extension of its policy stance, the Manager requires that agreements entered into with third parties contain provisions against bribery and corruption.

WHISTLE BLOWING POLICY

The ARC has put in place procedures to provide employees of the Manager and external parties such as suppliers, customers, contractors and other stakeholders with well-defined and accessible channels to report on suspected fraud, corruption, dishonest practices or other similar matters relating to LMIR Trust or the Manager, and for the independent investigation of any reports by employees or any third party and appropriate follow-up action. The aim of the whistle blowing policy is to encourage the reporting of such matters in good faith, with the confidence that a whistle-blower making such reports will be treated fairly, and to the extent possible, be protected from reprisal. Reports can be lodged via email at whistleblow@lmir-trust.com.

There were no material whistle-blowing reports received by the ARC in the financial year under review.

Corporate Governance Report (cont'd)

RELATED PARTY TRANSACTIONS

The Manager has established procedures to ensure that all Related Party Transactions will be undertaken on an arm's length basis, on normal commercial terms and will not be prejudicial to the interests of LMIR Trust and Unitholders.

The Manager must demonstrate to the ARC that such transactions satisfy the foregoing criteria, which may entail obtaining (where practicable) quotations from parties unrelated to the Manager, or obtaining one or more valuation from independent professional valuers (in accordance with the Property Funds Appendix).

The ARC reviews and approves all Related Party Transactions on a quarterly basis or, if the situation requires, as soon as the Related Party Transactions arise. In addition to the foregoing, the following procedures will be undertaken:

- for Related Party Transactions (either individually or aggregated during the same financial year) equal to or exceeding 3.0% but below 5.0% of the value of LMIR Trust's net tangible assets/net asset value, the ARC shall only give its approval for such transactions if they are on normal commercial terms and are consistent with similar types of transactions made by the Trustee with third parties which are unrelated to the Manager;
- for Related Party Transactions (either individually or aggregated during the same financial year) equal to or exceeding 5% of the value of LMIR Trust's net tangible assets/net asset will be reviewed and approved prior to such transactions being entered into, on the basis described in the preceding paragraph, by the ARC which may, as it deems fit, request advice on the transactions from independent sources or advisers, including obtaining valuations from independent professional valuers. Further, under the Listing Manual and the Property Funds Appendix, such transactions would have to be approved by the Unitholders at a meeting of Unitholders; and
- aggregate value of Related Party Transactions entered into during the financial year under review will be disclosed in the Annual Report.

For Related Party Transactions entered into or to be entered into by the Trustee, the Trustee is required to consider the terms of such transactions to satisfy itself that such transactions are conducted on an arm's length basis and on normal commercial terms, are not prejudicial to the interests of LMIR Trust and the Unitholders, and are in accordance with all applicable requirements of the Property Funds Appendix and/or the Listing Manual relating to the transaction in question. Further, the Trustee has the ultimate discretion under the Trust Deed to decide whether or not to enter into a Related Party Transaction. If the Trustee is to sign any Related Party Transaction contract, the Trustee will review the contract to ensure that it complies with the requirements relating to Related Party Transaction as well as such other guidelines as may from time to time be prescribed by the MAS and the SGX-ST to apply to REITs.

Corporate Governance Report (cont'd)

ROLE OF THE AUDIT AND RISK COMMITTEE FOR RELATED PARTY TRANSACTIONS

All Related Party Transactions are subjected to regular periodic reviews by the ARC. The Manager's internal control procedures are intended to ensure that Related Party Transactions are conducted on an arm's length basis and on normal commercial terms and are not prejudicial to the interests of Unitholders.

The Manager maintains a register to record all Related Party Transactions (and the bases, including any quotations from unrelated third parties and independent valuations obtained to support such bases, on which they are entered into) which are entered into by LMIR Trust. The Trustee will also have the right to review such audit reports to ascertain that the Property Funds Appendix have been complied with. The ARC will periodically review all Related Party Transactions to ensure compliance with the Manager's internal control procedures and with the relevant provisions of the Property Funds Appendix and/or the Listing Manual. The review will include the examination of the nature of the transactions and its supporting documents or such other data deemed necessary by the ARC. If a member of the ARC has an interest in a transaction, he is required to abstain from participating in the review and approval process in relation to that transaction.