

# SUSTAINABILITY REPORT

## A. ECONOMIC SUSTAINABILITY

### 1. ECONOMIC PERFORMANCE

GIL aims to seek investment in assets that will generate steady income and potential appreciation in capital to deliver regular dividend and achieve capital growth for its investors.

Please refer to Operating and Financial Review on page 12-13.

## B. CORPORATE GOVERNANCE

GIL is committed to uphold best practices in corporate transparency and disclosures, and has in place a set of policies and procedures governing its compliance with applicable legislation and adherence to its investment mandate.

### 2. CORPORATE GOVERNANCE STATEMENT

GIL recognises the importance of observing a high standard of corporate governance and transparency to provide long term shareholder value and to protect the interest of shareholders.

GIL is listed on the SGX-ST and has adhered to the principles and practice guidance as outlined in the 2018 Code of Corporate Governance 2018 (the **2018 Code**) and explained deviations from the 2018 Code, where appropriate.

#### 2.1 THE BOARD'S CONDUCT OF AFFAIRS

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

*Provision 1.1: Directors act objectively in the best interests of the company.*

#### Board's Role

Responsibility for corporate governance and oversight of the business and internal affairs of GIL rests with the Board. The Board has adopted the 2018 Code and has appointed the Manager to manage GIL's day-to-day business and internal affairs pursuant to the Management Agreement. The Board meets at least four times per year, or more frequently if required. GIL's Constitution also provides for Directors to participate in Board meetings by means of teleconference and video conference.

The Board's key responsibilities include the following:

- Set strategic direction of the Company.
- Determine GIL's dividend policy, the amount and timing of all dividends.
- Monitor the Company's operations in relation to, and in compliance with relevant regulatory and legal requirements.
- Evaluate the performance of the Manager and monitor its compliance with the Management Agreement.
- Review the management fees and performance fees in accordance with the terms of the Management Agreement.
- Review the performance and effectiveness of corporate governance policies.
- Consider sustainability issues including environmental, social and governance factors as material to GIL's business.

# SUSTAINABILITY REPORT

## Conflicts of Interest Policy

GIL has adopted a Conflicts of Interests Policy. The Directors are required to act in a manner which is consistent with the best interests of GIL as a whole, free of any actual or possible conflicts of interest.

If a Director considers that he or she might be in a position where there is a reasonable possibility of conflict between his or her personal or business interests, the interests of any associated person, or his or her duties to any other company, on the one hand, and the interests of GIL or his or her duties to GIL, on the other hand, the Board requires that the Director to:

- Fully and frankly inform the Board about the circumstances giving rise to the conflict.
- Abstain from voting on any motion relating to the matter and absents himself or herself from all board deliberations relating to the matter, including receipt of board papers bearing on the matter.

If a Director believes that he or she may have a conflict of interest or duty in relation to a particular matter, the Director should immediately consult with the Chairman.

GIL's Conflicts of Interests Policy can be found on GIL's website at: [www.globalinvestmentslimited.com](http://www.globalinvestmentslimited.com).

*Provision 1.2: Directors understand the company's business as well as their directorship duties.*

## Induction, Orientation and Training

In line with best practices in corporate governance and the 2018 Code, new Directors will receive a letter of appointment, which provides details on the key terms of their appointment, duties and obligations, as appropriate. As part of the induction process, in-coming Directors will be briefed on their duties in relation to conflicts of interests and disclosure of interests.

Director who has no prior experience as a director of listed company will be sent for training on the roles and responsibilities of a listed company director as prescribed in Practice Note 2.3 of the Listing Manual of the SGX-ST.

In FY2020, Mr Lay Charlie Nhuc Hiang was appointed as a Non-executive and Independent Director. Mr Lay has attended the training programmes conducted by the Singapore Institute of Directors (SID).

The Directors receive updates on relevant regulatory changes from authorities including the SGX-ST and ACRA on a quarterly basis. The external auditor presents the relevant changes to the financial reporting standards to the Board, where applicable.

During the annual strategic review, the Manager updates the Board on the investment environment and outlook for the year ahead. A broad overview of risk vs return environment including the appropriate asset allocation were made based on GIL's risk tolerance.

Dedicated training sessions were conducted for Directors in FY2020 internally as well as by external advisors covering the following:

- (i) Compliance and financial reporting under the International Financial Reporting Standards
- (ii) Review of Risk Management, Internal Control and Corporate Governance
- (iii) Trends in Private Equity
- (iv) Alibaba/Ant Financial
- (v) Board Diversity

Directors also attended external seminars and talks individually in FY2020 to update and enhance their skills and knowledge.

## SUSTAINABILITY REPORT

### *Provision 1.3: Matters that requires its Board's approval.*

The matters requiring the Board's specific approval include<sup>1</sup>:

- Alterations of the Constitution
- Amendment to the Management Agreement
- Changes in share capital, including allotment or issue of shares and grant of any option or rights to subscribe for shares
- Changes in nature of business
- Change of name
- Investments and divestments above the discretionary limit of the Manager
- Any proposal to wind-up, liquidate or strike off GIL or its subsidiaries or to place GIL or its subsidiaries under administration, reorganisation or other similar scheme under any bankruptcy, insolvency or similar law
- Any change to the accounting policies or any change of the auditors
- Entry by GIL into any joint venture, partnership, consortium or other similar arrangements
- Cessation of any business operation
- Any merger, re-organisation, re-capitalisation or sale of any member of the Group or any consolidation or amalgamation with other company
- Any borrowing or creation of charge or other security over any assets or property
- Incorporation of a new subsidiary
- Payment or declaration by GIL of any dividend or other distribution on account of shares in its capital
- Commencement or settlement of any litigation or arbitration or other proceedings
- Capital raising
- Delegation or outsourcing of Manager's services
- Transactions with Related Corporations or interested persons

### *Provision 1.4: Board Committees are formed with clear written terms of reference.*

In discharging its oversight functions, the Board delegates the authority to make certain decisions to three Board committees without abdicating its responsibilities. Each Board committee makes decisions on matters within its terms of reference and reports to the Board. The terms of reference and the structure of each Board committee are reviewed on a regular basis and any changes to the terms of reference will require the Board's approval.

The Board comprises the following committees:

- (i) The Audit and Risk Management Committee (**ARMC**)
- (ii) The Nomination and Governance Committee (**NGC**)
- (iii) The Remuneration Committee (**RC**)

<sup>1</sup> Some of the matters may require shareholders' approval

OVERVIEW	SUSTAINABILITY	FINANCIAL	ADDITIONAL INFORMATION	OTHERS
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## SUSTAINABILITY REPORT

The members of the Board and its committees as well as the date of their appointment and date of last re-election to the Board are tabulated below.

Directors	Date of Appointment	Date of last re-election	ARMC	NGC	RC
Mr Boon Swan Foo (Chairman, Non-executive and Non-Independent Director)	20 December 2011	19 June 2020	-	Member	-
Mr Ronald Seah Lim Siang (Lead Independent Director)	30 April 2010	25 April 2019	Chairman	Member	-
Mr Abdul Jabbar Bin Karam Din (Independent Director)	7 January 2019	25 April 2019	-	Chairman	Member
Mr Tan Wee Peng Kelvin (Independent Director)	15 March 2019	25 April 2019	Member	-	Member
Ms Tan Mui Hong (Non-executive and Non-Independent Director)	1 July 2019	19 June 2020	Member	-	-
Mr Lay Charlie Nhuc Hiang (Independent Director)	26 June 2020	n/a	-	-	Chairman

*Provision 1.5: Directors' attendance and participation in Board and Board committee meetings.*

Board and Board committee meetings are held regularly and scheduled one year in advance. The Board meets at least four times a year. Ad-hoc Board and Board committee meetings will be held as and when required in addition to the scheduled meetings.

For FY2020, the attendance of the Directors of the Board and Board committee meetings is as below:

	Board Meetings	ARMC Meetings	NGC Meetings	RC Meetings	Annual General Meeting
Total Number of Meetings	8	4	7	2	1
Directors	Number of meetings attended				
Mr Boon Swan Foo <sup>1</sup>	8	4*	5	2*	✓
Mr Ronald Seah Lim Siang <sup>2</sup>	8	4	7	1	✓
Mr Tan Kok Wee <sup>3</sup>	5	2	2	1*	✓
Mr Abdul Jabbar Bin Karam Din	8	4*	7	2	✓
Mr Tan Wee Peng Kelvin	8	4	6*	2	✓
Ms Tan Mui Hong	8	4	7*	2*	✓
Mr Lay Charlie Nhuc Hiang <sup>4</sup>	3	2*	5*	1	✓

<sup>1</sup> Mr Boon Swan Foo was appointed as a member of NGC on 26 June 2020.

<sup>2</sup> Mr Ronald Seah Lim Siang relinquished his position as Chairman of the RC and was appointed as Chairman of the ARMC on 26 June 2020.

<sup>3</sup> Mr Tan Kok Wee retired as a Director at the conclusion of 2020 AGM on 19 June 2020.

<sup>4</sup> Mr Lay Charlie Nhuc Hiang was appointed as Chairman of the RC on 26 June 2020.

\* Refers to meeting attended by invitation



## SUSTAINABILITY REPORT

*Provision 1.6: Complete, adequate and timely information prior to making informed decision.*

The Board has access to monthly management accounts and is provided with such explanation and information as the Board may require from time to time. The Directors are also provided with agendas of each Board and Board committee meetings along with the regulatory updates as well as updates on global events and risks, financial results, risk reports, current asset review and related materials one week before the meetings to enable the Directors to make informed decisions and obtain further information if necessary.

The Manager provides the Board with information to enable the Board to make a balanced and informed assessment of Company's performance, position and prospects. The Manager also submits a compliance checklist to the SGX-ST confirming that all the financial results announced via SGXNet comply with the requirements set out in the Listing Manual.

*Provision 1.7: Separate and independent access to Management, the company secretary, and external advisers.*

The Directors always have independent access to the Manager and Company Secretary. The appointment and the removal of the Company Secretary is a matter for the Board as a whole. In the absence of the Company Secretary, an Assistant Company Secretary attends the Board meetings.

Each Director is entitled to seek independent professional advice (including, but not limited to, legal, accounting and financial advice) at GIL's expense for the proper discharge of his or her responsibilities as a director.

Having considered the adequacy and timeliness of the information made available by the Manager, the Directors are satisfied with the access to the information provided by the Manager during FY2020.

### 2.2 BOARD COMPOSITION AND GUIDANCE

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

*Provision 2.1: Independence of director*

Please see "Assessment of Independence of director" under Provision 4.4.

*Provision 2.2: Independent directors make up a majority of the Board.*

*Provision 2.3: Non-executive directors make up a majority of the Board.*

The Board currently consist of 6 members, 4 of whom are Non-executive and Independent Directors and 2 of whom are Non-executive and Non-independent Directors.

*Provision 2.4: Composition, size and diversity of the Board and Board committees.*

The Non-executive Directors, including the Independent Directors contribute their expertise in the decision making of the Board and Board committees to ensure that GIL acts in the best interest of the shareholders.

The Board has re-examined its size and considered the appropriate size for the Board to facilitate effective decision making is six. The NGC conducts evaluations to maintain an appropriate balance of expertise and skills sets amongst the Board and the Board committees and is satisfied that they currently provide the core competencies such as legal, accounting, finance, investment, economy, risk management, business management, strategy planning and experience or knowledge.

## SUSTAINABILITY REPORT

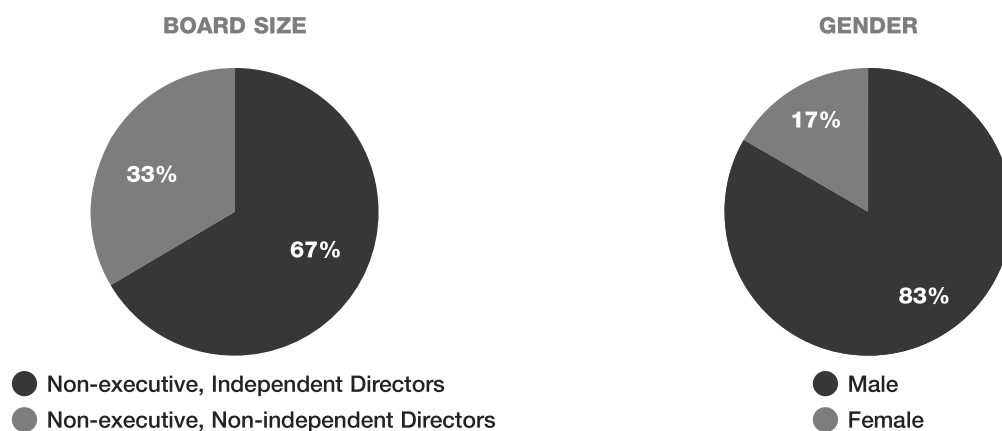
### Board Diversity Policy

GIL has adopted a Board Diversity Policy which recognises and embraces the benefits of having a diverse Board, and endeavours to include a broad range of factors in its selection and retention of Directors. GIL believes that a diverse Board will contribute to the achievement of its strategic and commercial objectives, including to:

- Drive business results
- Raise corporate governance standards
- Enhance quality and responsible decision-making capability
- Ensure sustainable development
- Enhance reputation

While all appointments to the Board will continue to be made on merit, the Company pledges its commitment to promote diversity as a key attribute of a well-functioning and effective Board by harnessing the variety of skills and distinguishing qualities of the members of the Board. Criteria such as skill sets, industry experience, cultural and geographical background, age, ethnicity, race and gender will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. Qualifications and experience of the Board members are set out in the section of “Overview - Board of Director”.

GIL's Board Diversity Policy can be found on GIL's website at: [www.globalinvestmentslimited.com](http://www.globalinvestmentslimited.com).



*Provision 2.5: Non-executive directors and/or Independent directors meet regularly without the presence of the Manager.*

The Independent Directors met regularly without the presence of the Manager.

### 2.3 CHAIRMAN AND CHIEF EXECUTIVE OFFICER

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

*Provision 3.1: Chairman and the Chief Executive Officer are separate persons.*

There is no Chief Executive Officer given that GIL has appointed the Manager.

## SUSTAINABILITY REPORT

### *Provision 3.2: Division of responsibilities between the Chairman and the Chief Executive Officer.*

The role of the Chairman is to, among others:

- Ensure the Board provides leadership and vision
- Lead the Board, ensuring its effectiveness on all aspects of its role
- Establish the agenda for Board meetings, in consultation with Company Secretary and ensure that all Board members are provided, on a timely basis, with the information necessary to undertake effective decision making and actions
- Preside over Board meetings and direct board discussions to effectively use the time available to address critical issues
- Ensure Board minutes properly reflect Board decisions
- Chair meetings of shareholders, including the Annual General Meeting
- Guide the ongoing effectiveness and development of the Board and individual Directors

### *Provision 3.3: Lead independent director.*

GIL's Chairman, Mr Boon Swan Foo is considered non-independent because he is a controlling shareholder that holds 16.91% of the shares in GIL as at 2 March 2021. At the same time, Mr Boon is also a major ultimate beneficial owner and Chairman of SICIM, the Manager of GIL.

In light of that, a Lead Independent Director has been appointed to assist the Chairman and the Board to assure effective corporate governance in managing the affairs of the Board and GIL.

Mr Ronald Seah Lim Siang has been appointed as the Lead Independent Director on 25 April 2019.

The Lead Independent Director performs the following responsibilities and duties:

- Assisting the Chairman and the Board to assure effective corporate governance in managing the affairs of the Board and GIL
- Leading and conducting periodic meetings of the Independent Directors without the presence of the other Directors and providing feedback to the Chairman after such meetings
- Coordinating activities of the Non-executive Directors in circumstances where it would be inappropriate for the Chairman to serve in such capacity
- Acting as the contact point for shareholders where they have concerns and for which contact through the Chairman or the Manager or the staff or officers of the Manager have failed to resolve, or is inappropriate

## 2.4 BOARD MEMBERSHIP

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

### *Provision 4.1: Nominating Committee (NC) to make recommendations on relevant matters.*

The NGC's responsibilities include overseeing a continual renewal and membership assessment process of the Board for good corporate governance purposes. The key terms of reference of the NGC are:

- To review and advise the Board on the composition of the Board and its committees
- To review the performance of the Board, the Chairman, and other Directors of the Board
- To review training and professional development programmes for the Board
- To ensure that proper succession plans are in place for consideration by the Board
- To advise the Board on appropriate governance standards and appropriate corporate governance policies
- To critically review GIL's performance against its corporate governance policies on an annual basis or as otherwise deemed appropriate

## SUSTAINABILITY REPORT

For FY2020, the NGC conducted a self-review against the responsibilities set out in the Nomination and Governance Committee's terms of reference and concluded that the NGC had adequately fulfilled its duties.

### *Provision 4.2: Composition of the NC.*

The NGC comprises the three Directors, of which two are independent.

Name	Appointment	Directorship
Mr Abdul Jabbar Bin Karam Din	Chairman	Independent Director
Mr Ronald Seah Lim Siang	Member	Lead Independent Director
Mr Boon Swan Foo	Member	Non-executive and Non-independent Director

### *Provision 4.3: Process for the selection, appointment and re-appointment of directors.*

#### **Process for Selection and Appointment of Directors**

The NGC reviews and recommends the size and composition of the Board and, with the assistance of the Manager, identifies and recommends to the Board the relevant Directors who are due for retirement, election or re-election at each AGM, and for any appointment that is expected or has arisen between AGMs.

The Company engages external consultant to assist in the sourcing of potential candidates when necessary. The NGC may also review candidates recommended by Board members. The shortlisted candidates will be interviewed by the NGC Chairman and Board Chairman before seeking final approval of the Board.

GIL has adopted a Board Diversity Policy in its selection and retention of Directors. GIL's Board Diversity Policy is stated under Principle 2: Board Composition and Guidance.

#### **Process for Re-Election of Directors**

Under GIL's Constitution the Directors to retire by rotation in each subsequent AGM shall be those who have been longest in office since their last re-election or appointment, and a retiring director is eligible for re-election. All Directors shall submit themselves for retirement and re-election at least once every three years and at least one third of the Directors retires from their office by rotation at each AGM.

#### **Succession Planning**

During the process for the selection, appointment and re-appointment of Directors, the NGC reviews the range of expertise, skills, attributes, composition of the Board and Board Committees and the need for progressive renewal of the Board as well as each director's competencies, commitment, contribution and performance. The NGC specifically looks out for directors who possess the core competencies such as legal, accounting or finance, investment, risk management, business or management, strategy planning and customer-based experience or knowledge. When the need for a new director arises, the NGC carries out the following process: it identifies GIL's needs, conducts an external search and then prepares a shortlist of candidates with the appropriate profile for nomination or re-nomination. Where necessary, the NGC may seek advice from external consultants.

#### **Board Renewal**

Ms Tan Mui Hong was appointed to the Board on 1 July 2019 and was re-elected during the 2020 AGM.

Mr Tan Kok Wee had retired during the 2020 AGM.

Mr Lay Charlie Nhuc Hiang was appointed as a Non-executive and Independent Director of GIL on 26 June 2020. Mr Lay will submit himself for shareholders' election during the 2021 AGM.

The Board reviewed candidates recommended by fellow Directors and engaged the Singapore Institute of Directors' Board Appointment Service to assist in the sourcing of potential candidates as Independent Director. Potential candidates were interviewed before their appointments were finalised.

## SUSTAINABILITY REPORT

### Alternate Director

Under GIL's Constitution, an Alternate Director is entitled to perform all the functions of the Director appointing him in the Director's absence. If a person is proposed to be appointed as an alternate director to an independent director, the NGC and the Board will review whether that the person would similarly qualify as an independent director. No alternate director is appointed to the Board currently.

*Provision 4.4: The NC determines annually, the independence of Directors.*

### Board Independence

The NGC oversees the size and composition of the Board and its committees and advises the Board on good governance standards and appropriate corporate governance policies. The NGC ensures that the Board has a strong and independent element to exercise objective judgment on corporate affairs independently, in particular, from the Manager and its substantial shareholders<sup>2</sup>.

A Director who has no relationship (whether familial, business, financial, employment or otherwise) with the Company, its related corporations, substantial shareholders or officers that could interfere or be perceived to interfere his or her independent judgment in the best interest of the Company is deemed independent.

### Assessment of Independence of Directors

The NGC annually reviews the independent status of Directors in accordance with the definitions and guidelines set out in the 2018 Code to ensure no individual will dominate the decision making of the Board.

Directors	Date of Appointment	Independence status under the Practice Guidance 2 of 2018 Code <sup>1</sup>	Less than 5% interest in voting shares (direct/ deemed)	Independent relationship – including independence from substantial shareholders	Served on the Board for less than 9 years	Immediate family relationship <sup>2</sup>
Mr Boon Swan Foo	20 Dec 2011	No	No	No	No	No
Mr Ronald Seah Lim Siang	30 Apr 2010	Yes <sup>3</sup>	Yes	Yes	No	No
Mr Abdul Jabbar Bin Karam Din	7 Jan 2019	Yes	Yes	Yes	Yes	No
Mr Tan Wee Peng Kelvin	15 Mar 2019	Yes	Yes	Yes	Yes	No
Ms Tan Mui Hong	1 Jul 2019	No	Yes	Yes	Yes	No
Mr Lay Charlie Nhuc Hiang	26 June 2020	Yes	Yes	Yes	Yes	No

<sup>1</sup> (a) a director, or a director whose immediate family member, in the current or immediate past financial year, provided to or received from the company or any of its subsidiaries any significant payments or material services (which may include auditing, banking, consulting and legal services) other than for board services on a one-off or recurring basis with aggregated payments over any financial year in excess of S\$50,000 should generally be deemed significant.

(b) a director, or a director whose immediate family member, in the current or immediate past financial year, is or was, a substantial shareholder or a partner in (with 5% or more stake), or an executive officer of, or a director of, any organisation which provided to or received from the company or any of its subsidiaries any significant payments or material services (which may include auditing, banking, consulting and legal services) on a one-off or recurring basis with aggregated payments over any financial year in excess of S\$200,000 should generally be deemed significant irrespective of whether they constitute a significant portion of the revenue of the organisation in question.

<sup>2</sup> An independent director should not have an immediate family relationship with any director or GIL or its substantial shareholders. The term "immediate family" refers to a person's spouse, child, adopted child, step-child, brother, sister and parent.

<sup>3</sup> By 2022, approval in separate resolutions by majority of (i) all shareholders; and (ii) shareholders, excluding the Directors and the chief executive officer of the issuer, and associates of such Directors and chief executive officer will be required for director who has served on the Board beyond 9 years to continue their appointment as an independent director for a term of 3 years.

<sup>2</sup> The term "substantial shareholder" shall refer to a person who has an interest or interests in one or more voting shares in the company and the total votes attached to that share, or those shares, is not less than 5% of the total votes attached to all the voting shares (excluding treasury shares) in the Company.

## SUSTAINABILITY REPORT

### Review of Independence

The NGC coordinates the assessment of the performance of the Board as a whole, the Board committees, the Chairman of the Board and the Board's individual Directors and determines annually if a director should be considered independent.

The NGC shall provide its views to the Board when the NGC considers that a director:

1. Can still be deemed as independent despite the existence of relationships and circumstances enumerated in Practice Guidance 2 of the 2018 Code.
2. Is not independent even in the absence of relationships and circumstances enumerated in Practice Guidance 2 of the 2018 Code.

For FY2020, the NGC has ascertained that the majority of the Board are independent according to the criteria set out in Practice Guidance 2 of the 2018 Code.

The independence of director who has served on the Board beyond nine years will be vigorously reviewed. The said director will recuse himself from the discussion in respect of his own independence. The factors considered in reviewing independence of director who has served beyond nine years includes whether the director has:

- a) made decisions on matters with the interest of the Company at heart without undue reliance, influence or consideration of the Company's interested parties such as the Chairman, the Manager, other Non-independent Directors, controlling shareholders and/or their associates and the Company's management.
- b) expressed his individual viewpoints, objectively scrutinised and debated issues constructively during meetings of the Board and Board Committees.
- c) constructively questioned and sought clarification on issues when necessary.
- d) avoided apparent conflicts of interest by abstaining from deliberation on matters in which he has an interest in.
- e) in any circumstances that could have materially interfered with his exercise of unfettered and independent judgment.

Based on the above criteria, the NGC had carried out enhanced assessment on the independence of Mr Ronald Seah Lim Siang (Mr Seah) who have served the Board for more than 9 years.

The NGC opined that Mr Seah had exercised independent judgment in discharging his responsibilities. Having considered the view of the NGC, the Board has determined that Mr Seah is to be considered as independent.

*Provision 4.5: The NC ensures that new directors are aware of their duties and obligations and decides if a director is able to and has been adequately carrying out his or her duties.*

### Information on GIL Directors

The key information regarding the Directors, such as academic and professional background, shareholdings, chairmanships, directorships and other principal commitments can be found under the section of "Board of Directors".

# SUSTAINABILITY REPORT

## Multiple Directorships

Directors with multiple board appointments are exposed to a wider organisational practice and diverse operating environments and will be able to enhance the Board's performance by contributing knowledge and information acquired from different corporations or industries. Directors with multiple directorships must also ensure that sufficient time and attention is given to the affairs of each company which they are appointed as a director. The NGC reviews the performance and commitment of Directors holding multiple appointments by taking into consideration the Director's number of listed company board representations and other principal commitments. While the Board acknowledges that the effectiveness of each Director is best addressed by a qualitative assessment of the Directors' contributions, the Board has determined the maximum number of listed company board representations to which any Director may hold concurrently to be six<sup>3</sup>. Given the full attendance of all Directors at Board and Board committee meetings during FY2020, the NGC is satisfied that all Directors have devoted sufficient time and attention to the affairs of GIL and have adequately carried out their duties as a Director for FY2020.

## 2.5 BOARD PERFORMANCE

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

*Provision 5.1: Performance criteria and process for the evaluation of the effectiveness of the Board, Board Committees, contribution by the Chairman and each individual Director.*

The Board has implemented a process through which the NGC coordinates a formal assessment of the effectiveness and performance of each Director, including the Chairman of the Board, the Board and the Board committees on an annual basis. The individual Director's, the Board's and the Board Committees' performance are evaluated by each individual Director through an assessment survey (questionnaire) covering performance criteria and competencies agreed by the NGC.

*Provision 5.2 Assessments of the Board, Board committees and each Director.*

### Board and Board Committee Performance Evaluation

Each Board member is invited to complete a Board and Board committee Performance Questionnaire and to submit it directly to the NGC for evaluation. The questionnaire assesses in particular how effective the Board and the Board committees have been in carrying out their specific roles and functions (e.g. for the NGC, whether it effectively determines the independence of Independent Directors) as well as areas such as the Board's size and composition, corporate integrity, strategic review, the appropriateness of knowledge and skills sets within the Board and Board committees to maximise performance, the working relationship between the Board and its committees as well as the working relationship between the Board members.

Any amendments to the Board performance evaluation criteria are subject to the Board's approval.

The Board committees are also required to do a self-review of their performance against the responsibilities set out in their respective terms of reference and report any key findings and recommendations to the NGC who will in turn assess and report to the Board the key findings and recommendations.

### Individual Director and Chairman Evaluation

Each Director is invited to complete an Individual Director Questionnaire to appraise the performance and contribution of each individual Director, including the Chairman of the Board. The questionnaire allows each director to assess his fellow Directors in the areas of performance, contribution, knowledge on key drivers, risks and opportunities and special expertise beneficial to the Board and to also give suggestions on what the Directors being evaluated should improve on or do differently. The Chairman is also assessed via such questionnaire on his leadership, management skills, communication skills, and knowledge.

<sup>3</sup> This would include analogous positions such as the board of a manager of a listed fund.

# SUSTAINABILITY REPORT

## Compilation of Questionnaires and Evaluation of Performance

The completed questionnaires are submitted to the Manager for compilation. The names of Directors are omitted from the summary report to encourage more open and frank discussion. Upon completion of the abovementioned process by the Manager, the NGC will assess the results of the questionnaire and report on key findings and recommendations to the Board. The NGC will supplement the evaluation of the Board committees' performance with self-reviews conducted by each of the Board committees against the responsibilities set out in their respective terms of reference and report any key findings and recommendations to the Board.

In respect of individual Directors, the NGC will identify areas for improvement and suggest them to the Board and the Directors for consideration. The open discussion between the NGC and the Board members will allow each individual Director to discharge his or her duties more effectively. The Chairman will act on the results of the performance evaluation and in consultation with the NGC, determine whether it is necessary to appoint new Directors or to seek resignation of Directors.

For FY2020, the Board, taking into consideration the key findings of the NGC, is satisfied that the Board and its committees, the Chairman and each individual Director have adequately fulfilled their responsibilities. No external facilitator has been engaged for evaluation of the Board and Board committee.

## 2.6 PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

**Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration<sup>4</sup>.**

*Provision 6.1: Remuneration Committee (RC) to review and make recommendations to the Board on remuneration framework and packages.*

The responsibilities of the RC include overseeing a framework for remuneration, recommending policies and guidelines for Directors' remuneration, and reviewing the performance and fees payable to the Manager.

The key terms of reference of the RC are:

1. To recommend specific remuneration packages for each Director as well as for the key management personnel (if any)
2. To cover all aspects of the remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, and benefits in kind
3. To review the performance of the Manager on an annual basis
4. To review the fees payable to the Manager, as and when necessary
5. To recommend any long-term incentive schemes (if applicable)
6. To recommend the incentive scheme framework and policies together with the amounts awarded (if applicable)

For FY2020, the RC had conducted a self-review against the responsibilities set out in the Remuneration Committee's terms of reference and concluded that the RC had been adequately fulfilling its duties.

<sup>4</sup> Provision 6.4 is not applicable because the Company did not engage any remuneration consultant in FY2020.



## SUSTAINABILITY REPORT

*Provision 6.2: The RC comprises at least three directors. All members are non-executive directors, the majority of whom, including the RC Chairman, are independent.*

GIL has a RC comprising entirely of three Non-executive and Independent Directors.

The RC comprises the following Directors:

Name	Appointment	Directorship
Mr Lay Charlie Nhuc Hiang	Chairman	Independent Director
Mr Tan Wee Peng Kelvin	Member	Independent Director
Mr Abdul Jabbar Bin Karam Din	Member	Independent Director

*Provision 6.3: The RC to consider and ensure all aspects of remuneration are fair.*

### Remuneration of Non-executive Directors

The remuneration of Non-executive Directors will be reviewed and recommended by the RC, taking into account factors such as effort and time spent and responsibilities of the Directors, as well as industry benchmarks and the remuneration framework of other selected listed investment companies in Singapore. Non-executive Directors are also encouraged to hold the shares of GIL to better align interests of the Directors with the interests of the shareholders.

### Remuneration of the Manager

GIL compensates the Manager for its services in accordance with the terms of the Management Agreement. Any changes in the fee structure will be subject to the approval of shareholders by Ordinary Resolution in general meeting, and for the purposes of such approval, the Manager and its associates, if they hold any shares at the time of such meeting, will abstain from voting the relevant resolution.

## 2.7 LEVEL AND MIX OF REMUNERATION

**Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company<sup>5</sup>.**

*Provision 7.2: The remuneration of non-executive directors is appropriate to the level of contribution.*

As at 31 December 2020, the Board comprises 6 Directors, with a Non-independent Chairman, one Non-independent Director and 4 Independent Directors. There are no Executive Directors.

<sup>5</sup> Provision 7.1 is not applicable because there are no executive directors in GIL Board.

## SUSTAINABILITY REPORT

Fee structure for Non-executive Directors for FY2020:

		Remuneration Per Annum
1.	Base fee	S\$45,000
2.	Fees for chairmanship of the Board and various Board committees as well as membership in various Board committees	
a)	Chairman	S\$22,000
b)	Deputy Chairman of the Board	Not applicable
c)	Lead Independent Director	S\$5,000
d)	Chairman of ARMC	S\$18,000
e)	Member of ARMC	S\$10,000
f)	Chairman of NGC	S\$10,000
g)	Member of NGC	S\$6,000
h)	Chairman of RC	S\$10,000
i)	Member of RC	S\$6,000

The RC regularly reviews and evaluates the remuneration structure of the Board, and is confident that the overall level and structure of remuneration align with the long-term interests and risk management policies of GIL.

*Provision 7.3: Remuneration is appropriate to attract, retain and motivate the directors and key management personnel to provide good stewardship and promote long-term success of the Company.*

### Remuneration of the Manager

The Manager is entitled to a Base fee of 1.0% of Net Investment Value up to S\$1.5 billion or 1.5% of Net Investment Value in excess of S\$1.5 billion. The Manager is also entitled to the incentive fee, fixed fee, acquisition fee, divestment fee, debt raising fee, shared services fees, additional services fees and is reimbursed by GIL for third party expenses. The incentive fee is a performance-related fee designed to align the interests of the Manager with the interests of the shareholders and to promote the long-term success of GIL.

The Company believes in making full and frank disclosure of the entire formula on the Manager's fee structure, as fully set out at page 105.

The Board has the sole discretion to pay up to 100% of the Manager's fees in the form of shares in GIL rather than cash.

## 2.8 DISCLOSURE ON REMUNERATION

**Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.<sup>6</sup>**

*Provision 8.1: Policy and criteria for setting remuneration and remuneration of directors.*

Directors are reimbursed for reasonable out-of-pocket expenses incurred in the course of attending meetings of the Board or Board committees and for any expenses reasonably incurred in their capacity as Directors of GIL or any of its subsidiaries. There are no termination, retirement and post-employment benefits which may be granted to the Non-executive Directors. There are no variable or performance-related bonuses, benefit-in-kind, stock options grants, share-based incentives and awards, and other long-term incentives received by the Directors.

<sup>6</sup> Provisions 8.1(b) and 8.2 are not applicable as GIL has no employees and is managed by the Manager. No immediate family members of the Directors are employed by GIL or the Manager.

## SUSTAINABILITY REPORT

A total of Directors' fees up to S\$380,200 was approved by the shareholders at the 2020 AGM under the existing remuneration framework. The aggregate fees paid quarterly in arrears to the Non-executive Directors for the financial year ended 2020 was S\$379,065.

The remuneration of Directors for FY2020 is as follows:

Directors	Base Remuneration Fees (S\$)	Fees for Chairmanship of the Board and Various Board Committees and Membership of Various Board Committees and allowances (S\$)	Total Directors' Fees (S\$)
Mr Boon Swan Foo	45,000	25,298	70,298
Mr Ronald Seah Lim Siang	45,000	25,331	70,331
Mr Tan Kok Wee	21,025	11,306	32,331
Mr Abdul Jabbar Bin Karam Din	45,000	16,200	61,200
Mr Tan Wee Peng Kelvin	45,000	16,200	61,200
Ms Tan Mui Hong	45,000	10,200	55,200
Mr Lay Charlie Nhuc Hiang	23,238	5,267	28,505

<sup>1</sup> Director's Fees are paid quarterly in arrears and pro-rated if appointment is during the financial year.

### 2.9 RISK MANAGEMENT AND INTERNAL CONTROL

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

*Provision 9.1: The Board determines the nature and extent of the significant risks.*

GIL has a formal risk management framework for the identification of key risks within the business. This framework defines five major classifications of risks - Strategic, Investment/Economic, Regulatory, Financial and Operational. Operational risks include possible lapses in internal controls and risks from external events such as legal risks as well as environmental risks. Investment/Economic risks are influenced by a variety of general economic and business conditions in the places where GIL has investments or where GIL's underlying assets and economic exposures are located. Such factors may affect the share price of GIL and its ability to meet dividend expectations. While appropriate risk mitigation measures within GIL's risk assessment framework as mentioned below are taken to address such inherent risk, the Board notes that, as elaborated upon below, no system of internal controls and risk management can eliminate all risks.

GIL adopts the Committee of Sponsoring Organisations of the Treadway Commission Model and the International Organization for Standardization on Risk Management (ISO 31000:2018) guidelines for assessing the soundness of its financial reporting, and the efficiency and effectiveness of its risk management, internal control and compliance systems.

The ARMC assists the Board in the oversight of risk management in GIL. It reviews the effectiveness of the overall risk management system in meeting sound corporate governance principles. GIL's risk management process is an ongoing process and requires the continuous identification, assessment, monitoring and management of significant risks. The ARMC will report any material matters, including findings and recommendations pertaining to risk management to the Board.

The Manager is responsible for reporting the status of any key risk exposures of the portfolio to the ARMC. Key risks at the process level will be identified via risk self-assessment exercises. Risk awareness and ownership of risk treatments are also continuously fostered across the Company.

## SUSTAINABILITY REPORT

### *Provision 9.2: Assurance from CEO, CFO and other key management personnel.*

GIL does not have any employees and in this externally managed model, it relies on the Manager to establish, implement and maintain a sound system of internal controls to safeguard shareholders' investments and GIL's assets and to report to the ARMC on the adequacy and effectiveness of these systems of internal controls and risk management on a regular basis. The ARMC reviews the effectiveness of the system of internal controls at least annually.

While GIL does not have a CEO/CFO, for FY2020, the Manager has provided written assurance to the Board confirming that GIL's financial records have been properly maintained and the financial statements give a true and fair view of GIL's operations. In its letter of representation to GIL, the Manager has confirmed that it has established an adequate system of internal controls, addressing financial, operational, compliance and information technology controls of GIL.

Based on the work done and the reviews undertaken by the external auditors and the Manager's internal auditor, the Board (with the concurrence of the ARMC) is of the opinion that there are adequate and effective risk management systems as well as internal controls in place to help to mitigate critical and significant risks relating to financial, operational, compliance and information technology matters as of 31 December 2020.

The system of internal controls and risk management framework established by the Manager provide reasonable, but not absolute, assurance that GIL's assets and investments are safeguarded. The likelihood of achieving the objectives of the Committee of Sponsoring Organisations of the Treadway Commission Model is affected by limitations inherent in all internal control and risk management systems. The Board notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, losses, fraud or other irregularities.

### 2.10 AUDIT COMMITTEE

#### **Principle 10: The Board has an Audit Committee which discharges its duties objectively.**

##### *Provision 10.1: Duties of Audit Committee.*

##### **Audit & Risk Management Committee**

GIL has established an ARMC and has adopted a formal charter setting out its key responsibilities.

The ARMC has the explicit authority to investigate matters within its terms of reference. It has full access to and cooperation of the Manager, full discretion to invite any Director of GIL or any executive officer of the Manager to its meetings and reasonable resources to discharge its functions properly. It is empowered to:

1. Retain external counsel, accountants, or others to advise the ARMC or to assist in the conduct of an investigation
2. Seek any information it requires from external parties
3. Meet with the officers of the Group, external auditors, or external counsel, as necessary

The ARMC assists the Board in fulfilling its oversight responsibilities for the financial reporting process, the system of internal controls, the audit process, the compliance monitoring process and risk management.

## SUSTAINABILITY REPORT

### Specific Responsibilities

The following is a non-exhaustive list of the specific responsibilities of the ARMC:

1. **Financial Statements:** The ARMC reviews the significant financial reporting issues and judgments to ensure the integrity of the financial statements of GIL and any announcements relating to GIL's financial performance. The Manager makes representations to the Board in connection with GIL's financial statements on the proper accounting record and transaction.
2. **Internal Controls:** The ARMC reviews and reports to the Board at least annually the adequacy and effectiveness of GIL's internal control systems, including financial, operational, compliance and information technology controls and risk management systems. It reviews the scope of the external auditors' review of internal controls and reviews reports on significant findings and recommendations.
3. **Internal Audit:** The ARMC reviews the effectiveness of the Manager's internal auditor's work on GIL.
4. **External Audit:** The ARMC reviews and advises the Board on the external auditors' annual plan for GIL, the external auditors' proposed fees and their independence as well as the scope and results of the external audit. It establishes policies as appropriate with regards to, and reviews, the independence and objectivity of the external auditors.
5. **Compliance:** The ARMC considers the work plan for compliance activities and reviews the updates and effectiveness of the system for monitoring compliance with laws and regulations.
6. **Risk Management:** The ARMC considers the overall Risk Management Framework and reviews its effectiveness in meeting sound corporate governance principles. It keeps the Board informed of all significant business risks and reviews the status report from the Manager.

The ARMC meets as required and normally at least four times a year. It reviews its effectiveness and performance against its terms of reference, and reports its findings to the Board at least annually. The ARMC meets with the external auditors at least semi-annually or more frequently if required.

During the year under review, the ARMC, among others:

- Reviewed and recommended to the Board the release of the half and full year financial statements.
- Reviewed and recommended to the Board the Compliance Plan 2020.
- Reviewed and opined that GIL's risk management and internal control system was adequate and effective for FY2020.

The ARMC conducted a self-review against the responsibilities set out in the Audit and Risk Management Committee's terms of reference and concluded that the ARMC had been adequately fulfilling its duties.

#### *Provision 10.2: Composition of Audit Committee.*

The ARMC comprises 3 Directors below, of which two, including the Chairman of the ARMC are Independent Directors. All three members of the ARMC including the Chairman of the ARMC, possess relevant accounting or related financial management expertise or experience.

The ARMC comprises the following Directors:

Name	Appointment	Directorship
Mr Ronald Seah Lim Siang	Chairman	Lead Independent Director
Mr Tan Wee Peng Kelvin	Member	Independent Director
Ms Tan Mui Hong	Member	Non-executive and Non-independent Director

## SUSTAINABILITY REPORT

To ensure ARMC members keep abreast of changes to accounting standards and important accounting issues, continuing education is provided to update and enhance their skills and knowledge. Information on training and updates can be found in the section of “Induction, Orientation and Training” under Provision 1.2.

Key audit matters	How ARMC reviewed the matters
Valuation of financial instruments not quoted in an active market.	The ARMC had discussed with the Manager and the external auditor on the valuation techniques and inputs used to determine the fair value of the CLOs, a CLN and ABS which do not have an active market. The ARMC considered that the fair value of these financial instruments appropriate.

### External Audit

The ARMC recommends to the Board the proposals to the shareholders on the appointment, re-appointment and removal of the external auditors and recommends to the Board the remuneration and terms of engagement of the external auditors. The re-appointment of the external auditors is subject to approval of the shareholders at GIL's AGM.

During the financial year, the ARMC met with the external auditors without the presence of the Manager. The external auditor provides updates on changes to the accounting standards and its implications on the Company's financial statements to the Board.

*Provision 10.3: The Audit Committee does not comprise former partner or directors of the company's existing auditing firm or auditing corporation.*

None of the members nor the Chairman of the ARMC are former partners or directors of, nor have any financial interest in the external auditors.

### Independence of the External Auditors

For the purposes of the FY2020 audit, the ARMC reviewed the independence of the external auditors and determined that there were no circumstances that would impair the independence of the external auditors. The ARMC noted the declaration of independence in the external auditor's report and noted that for FY2020, the fees paid to the external auditor for audit services were as follows:

	Fees (S\$)
Audit Services	108,000
<b>Total</b>	<b>108,000</b>

The external auditor has not provided any non-audit services to the Company. GIL has complied with Rule 712 and Rule 715 of the SGX Listing Manual in relation to the appointment of its external auditor.

*Provision 10.4: Internal audit function.*

The Manager has its own outsourced internal auditor, RSM Risk Advisory Pte Ltd (RSM), which conducts audit on certain areas of the Manager's scope of work under the Management Agreement with GIL such as operations, setting of risk parameters and adherence to risk limits, monitoring of risk limit breaches, adequacy of compliance policies and periodic monitoring framework. RSM adopts and meets the International Standards for the Professional Practice of Internal Auditing. The Manager's internal auditor has access to GIL's documents, records and properties. RSM reports the findings from the audit of the Manager's scope of work under the Management Agreement to the Manager's ARMC. The Manager's officers also meet with RSM and the Board to ensure that GIL's internal procedures and policies are compliant with all applicable laws and regulations.

## SUSTAINABILITY REPORT

*Provision 10.5: The Audit Committee meets with the external auditors, and with the internal auditors without the presence of Management, at least annually.*

The ARMC meets with GIL's external auditors without the presence of the Manager at least annually. The ARMC is also entitled to meet with the Manager's internal auditor, without the presence of the Manager as and when it deems necessary.

### Whistleblowing Policy

A whistleblowing policy is instituted by GIL, and it sets out the arrangements through which parties (whistleblowers) can raise their concerns of any suspected improper conduct in confidence. A whistleblower should raise his or her concern or complaint by email to the Chairman of the ARMC at: [chairmanARMC@globalinvestmentslimited.com](mailto:chairmanARMC@globalinvestmentslimited.com).

Alternatively, he could also raise his concern independently to any Director of GIL. The whistleblowing policy does not disregard anonymous complaints and every effort will be made to protect the whistleblower's identity.

All concerns raised will be objectively investigated and appropriate follow-up actions will be taken. The Manager also keeps a register of queries to handle investors' queries and complaints. In any case, if any of the concerns raised is related to any improprieties or misconduct of GIL, an independent investigation shall be conducted. The ARMC is responsible for the review of any concerns raised through the whistleblowing arrangements at its quarterly meetings. The ARMC will have the jurisdiction to appoint investigating officers and effect disciplinary follow-up action.

Reprisal or retaliation against any person for making a report, or intending to raise a complaint, or against anyone participating in the investigation of reported violations of this policy is strictly prohibited. Any acts of obstruction of reporting or investigation of a violation will not be condoned.

GIL's Whistleblowing Policy can be found on GIL's website at: [www.globalinvestmentslimited.com](http://www.globalinvestmentslimited.com).

## 2.11 SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

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

*Provision 11.1: Opportunity to participate effectively in and vote at general meetings.*

GIL supports active shareholder participation at AGMs. Notice of the meeting (including key rules that govern such meetings such as the rules regarding voting by proxy), meeting agenda and related information is advertised in local newspaper and delivered to shareholders in adherence to the requisite period to provide shareholders with sufficient time to review the aforementioned documents and to indicate their attendance. GIL holds its AGM at a central location which is easily accessible by public transportation. GIL allows shareholders who hold shares through nominees to attend the AGMs without being constrained by the two-proxy rule, subject to availability of seats.

*Provision 11.2: Separate resolutions on each substantially separate issue.*

There will be distinct resolutions at general meetings on each substantially separate issue. Resolutions will not be bundled unless they are interdependent and linked so as to form one significant proposal. All resolutions will be conducted by poll voting. Shareholders attending the general meeting would have the opportunity to ask questions on proposed resolutions and the voting procedure would be communicated to the shareholders at the meeting. The Company conducts electronic poll voting where shareholders cast their vote on a one-share, one-vote basis using wireless hand-held device. The Company appoints independent scrutineer to count and validate the votes.

## SUSTAINABILITY REPORT

*Provision 11.3: All directors and the external directors attend general meetings of shareholders.*

The Chairman, the Chairman of each of the Board committees and all the Directors will be present in person or by phone to address relevant queries from shareholders. The external auditors are also invited to address relevant queries from shareholders.

Due to COVID-19 pandemic, the 2020 AGM was held by electronic means. The Board of Directors had addressed all substantial and relevant questions received from members prior to the AGM by publishing the responses to those questions on SGXNET and during the AGM via live webcast. All Directors attended the virtual AGM in 2020.

*Provision 11.4: The company's Constitution allow for absentia voting at general meetings.*

GIL's Constitution allows voting in absentia at any general meeting. Absentia voting through mail, e-mail or facsimile is currently not adopted as such voting methods may pose a threat to the security of the shareholders' votes and integrity of the information and may raise doubts about the authenticity of the shareholders' identities.

*Provision 11.5: Publication of minutes of general meetings on corporate website.*

The detailed results of voting from the AGM showing the number of votes cast for and against each resolution and the respective percentage are displayed instantaneously at the AGM. An announcement of the detailed results of voting from the AGM showing the number of votes cast for and against each resolution and the respective percentage will be published on SGXNET and GIL's website on the same day. The minutes of general meetings, which include substantial and relevant comments or queries from shareholders relating to the agenda of the meeting and responses from the Board and the Manager, are available on GIL's website.

*Provision 11.6: Dividend policy.*

GIL's dividend policy is to pay out most of the profit after tax after taking into consideration GIL's requirements for future growth. Scrip Dividend Scheme is applicable to the dividend where shareholders may elect to receive all or part of their dividend in the form of shares instead of cash.

GIL's Dividend Policy can be found on GIL's website at: [www.globalinvestmentslimited.com](http://www.globalinvestmentslimited.com).

### 2.12 ENGAGEMENT WITH SHAREHOLDERS

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

*Provision 12.1: Avenues for communication between the Board and all shareholders.*

GIL is committed to maintaining high standards of disclosure and corporate transparency with members of the investment community and investing public. The Board has adopted policies and procedures that comply with the disclosure requirements under the SGX-ST Listing Rules, having regard to the recommendations of the 2018 Code.

The Board seeks to provide the shareholders with a balanced and understandable assessment of GIL's performance, position and prospects through its announcement of half year and full year financial results (half yearly financial results are released within 45 days after the end of each half year while full year financial results are released within 60 days after the financial year end), corporate actions and other material information via SGXNet and GIL's corporate website. Annual reports are accessible on GIL's website and physical copies of the annual report will be sent to shareholders upon request.

GIL regularly holds a briefing session for both media and analysts together when announcing the full-year results. Key management personnel of the Manager will be present at the briefing. The presentation material and/or a webcast of the briefing is available on the website of GIL at: [www.globalinvestmentslimited.com](http://www.globalinvestmentslimited.com).



## SUSTAINABILITY REPORT

*Provision 12.2: The company has in place an investor relations policy.*

GIL has developed an Investor Relations Policy which is designed to ensure the delivery of timely, relevant and pertinent information to shareholders. The Manager facilitates regular and effective communication in an open and non-discriminatory approach on changes to GIL as well as its performance or business developments which would be likely to materially affect the price or value of the share.

The Company endeavours to respond to shareholder queries promptly and effectively, within a week of receiving such queries. It also maintains a register of all queries and responses given by GIL.

*Provision 12.3: The investor relations policy sets out the mechanism through which shareholders may contact the company with questions and through which the company may respond to such questions.*

Shareholders may contact the company through the engagement platform as set out in GIL's Investor Relations Policy or Provision 13.1 below.

GIL's Investor Relations Policy can be found on GIL's website at: [www.globalinvestmentslimited.com](http://www.globalinvestmentslimited.com).

### 2.13 ENGAGEMENT WITH STAKEHOLDERS

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

*Provision 13.1: Engagement with material stakeholder groups.*

#### Stakeholder Engagement Platform

Stakeholders	Engagement Platform/Activities
Manager	<ul style="list-style-type: none"> <li>• Board meeting</li> <li>• Email</li> <li>• Tele-conference</li> <li>• Annual performance review</li> <li>• Annual audit</li> </ul>
Shareholders	<ul style="list-style-type: none"> <li>• Annual general meeting or special general meeting</li> <li>• Company website <a href="https://globalinvestmentslimited.com">https://globalinvestmentslimited.com</a> with regular updates on the Company's profile and policies, financial results and announcements</li> <li>• Email: <a href="mailto:ir@globalinvestmentslimited.com">ir@globalinvestmentslimited.com</a></li> <li>• Hotline: +65 6908 4477</li> <li>• Analysts briefing</li> <li>• SGXNet announcements</li> </ul>
Regulators	<ul style="list-style-type: none"> <li>• MASNET</li> <li>• SGX StarGate</li> <li>• Seminars and courses</li> <li>• Survey</li> </ul>
Suppliers/Service Providers	<ul style="list-style-type: none"> <li>• Email and phone calls</li> <li>• Regular meetings</li> <li>• Annual assessment</li> </ul>
Community	<ul style="list-style-type: none"> <li>• Philanthropy</li> <li>• Management of ESG issues</li> </ul>

## SUSTAINABILITY REPORT

*Provision 13.2: Strategy and key areas of focus in relation to the management of stakeholder relationships.*

### Securities Transactions

GIL's Share Trading Policy states that Directors and officers of the Group and Directors, officers and employees of the Manager are prohibited from dealings in shares on considerations of a short-term nature; when in possession of unpublished price-sensitive information and during the period commencing one month before the announcement of GIL's financial results for each of the half year and full year and ending on the date of the announcement of the relevant results.

Pursuant to GIL's Share Trading Policy, Directors are required to seek the Board's approval before trading in shares of GIL and Non-executive Directors are encouraged to purchase shares in GIL and hold them until they leave the Board. There is no limit imposed on the number of shares purchased.

GIL's Share Trading Policy can be found on GIL's website at: [www.globalinvestmentslimited.com](http://www.globalinvestmentslimited.com).

### Code of Conduct

GIL has a Code of Conduct that applies to all Executive and Non-executive Directors, officers and employees of the Group.

The Code of Conduct sets out principles to guide employees in carrying out their duties and responsibilities to the highest standards when dealing with shareholders, suppliers/ service providers, clients, competitors and other employees. The Code of Conduct covers areas such as conflict of interest, corporate opportunities, trading in securities, protection and proper use of GIL's assets, confidentiality of information, responsibility to key stakeholders and compliance with laws and regulations. The employees are required to act honestly and in good faith at all times as well as comply with applicable laws and regulations. GIL currently does not employ any staff internally and has appointed the Manager to manage GIL. The Manager adheres to the IMAS Code of Ethics and Standards of Professional Conduct in addition to its own Code of Conduct.

GIL's Code of Conduct can be found on GIL's website at: [www.globalinvestmentslimited.com](http://www.globalinvestmentslimited.com).

### Interested Person Transaction Policy

GIL's Interested Person Transactions Policy sets out the detailed procedures for the review and approval of material or significant interested person transactions (IPT).

To protect the interests of GIL and its shareholders, the Board adopts the following principles in its handling of IPTs:

1. The Directors will not vote on matters which involve an IPT where a conflict of interest may arise.
2. Any IPTs must be conducted on fair and on a third party arm's length basis.
3. Any fee payment made must be market-based and approved by a majority of the Independent Directors.

Any interested person of GIL is required to promptly notify the Board of any material interest that such person had, has or may have in an IPT. The notice shall include a description of the transaction and the aggregate dollar amount. Following the receipt of such notification of material interest, the Board will carry out a thorough review of the IPT and shall be responsible for the approval or ratification of the IPT.

In determining whether to approve, ratify, disapprove or reject an IPT, the Board will take into account, among other factors it deems appropriate, whether the IPT is entered into on terms no less favourable to GIL than terms generally available to an unaffiliated third-party under the same or similar circumstances; the results of an appraisal, if any; whether there was a bidding process and the results thereof; review of the valuation methodology used and alternative approaches to valuation of the transaction; and the extent of the interested person's interest in the transaction.

## SUSTAINABILITY REPORT

In the event GIL becomes aware of an IPT with an interested person that has not been approved prior to its consummation, the matter will be reviewed by the Board, which will consider all of the relevant facts and circumstances regarding the IPT, and shall evaluate all options available to GIL, including ratification, revision or termination of the IPT. The Board shall also examine the facts and circumstances pertaining to the failure of reporting such IPT to the Board and take any such action as may be appropriate.

GIL's Interested Person Transactions Policy can be found on GIL's website at: [www.globalinvestmentslimited.com](http://www.globalinvestmentslimited.com).

GIL's Interested Person Transactions for financial year ended 2020 can be found under "Additional SGX-ST Listing Manual Disclosures".

### Compliance, Anti-corruption and Engagement with Local and Foreign Regulators

GIL recognises that the elimination of corruption is a priority within the business community in light of the potential erosion of confidence and trust in business among investors, customers, employees and the public. In particular, it is cognisant of the considerable damage resulting from corruption, which can include adverse legal repercussions, negative reputational impact, significant direct financial costs as well as loss of internal trust and confidence among personnel or staff.

GIL has formalised an Anti-Corruption Policy within the organisation, which requires, among other things, that Directors or staff report and whistle-blow any instances or suspicion of corruption, and to ensure that there are no instances of inappropriate receipt or giving of benefits by GIL representatives in their interactions with external parties including regulators and third-party service providers.

GIL is committed to conducting business honestly and ethically, and has zero tolerance for financial crime. The GIL actively engages the regulatory authorities to ensure that records are kept updated and that all necessary filings are made annually.

GIL also recognises that the regulatory landscape continues to develop, posing risks and challenges in the financial markets industry. GIL makes it a point to keep itself apprised of relevant regulatory updates and to participate in providing useful and timely feedback for consultation papers or surveys issued by regulators. The Manager has in place robust processes to identify, escalate and report on suspicious matters and to cooperate with all relevant authorities to ensure the proper and timely resolution of any reported incidents. GIL has not incurred any penalty for breach or non-compliance with the laws and regulations of any country in which it operates.

GIL's Anti-Corruption Policy can be found on GIL's website at: [www.globalinvestmentslimited.com](http://www.globalinvestmentslimited.com).

### Ensuring Privacy of Personal Data

GIL is committed to ensuring privacy of all shareholder data and has instituted a Personal Data Protection Policy setting out the GIL's policy on the collection, use and disclosure of personal data of shareholders, Directors and Officers of GIL, as well as any relevant third parties.

The Board is keenly aware of the risks which cyber security threats pose, and the expectation of governments and regulators that the Board and its Manager are responsible for protection of GIL's critical assets and sensitive information. As a licensed capital markets holder, GIL's Manager has proper technology risk management and data protection systems in place to ensure the effective protection of all sensitive information belonging to GIL.

GIL's Personal Data Protection Policy can be found on GIL's website at: [www.globalinvestmentslimited.com](http://www.globalinvestmentslimited.com).

# SUSTAINABILITY REPORT

## Protection of Creditors' Rights

GIL recognises the rights of creditors established by law through mutual agreements and endeavours to uphold rights by honouring contracted obligations in a timely manner. Both the Board and Manager are responsible for ensuring that GIL is able to comply with all its financial obligations through prudent management of liquidity risk by:

- Monitoring and maintaining an adequate level of cash, cash equivalent and bank credit facilities to finance GIL's operating requirements
- Ensuring that personnel involved in the active investment of GIL's funds are made aware of any excess cash for investment placement in temporary, medium or long-term investments as permitted under the Management Agreement
- Managing relationships with creditors and ensuring compliance with all contracted agreements
- Monitoring of receivables and payables to ensure that funds are used in optimal levels

*Provision 13.3: Corporate website.*

The Company maintains a corporate website ([www.globalinvestmentslimited.com](http://www.globalinvestmentslimited.com)). Please see Provision 12.1 for further details.

## 3. RISK MANAGEMENT

GIL's Risk Management Policy aims to establish a sound system of risk oversight, management and internal control. One of GIL's strategic objectives is to manage risks effectively, while concurrently maximising the efficiency and effectiveness of its operations.

GIL's Risk Management framework is set out in "Risk Management and Internal Control" section of the Corporate Governance Statement on page 41.

GIL's Financial Risk Management can be found in "Note 4: Financial Risk Management" under the section of "Notes To The Financial Statements" of the Financial Report.

## C. ENVIRONMENTAL SUSTAINABILITY

### 4. PROMOTING A SUSTAINABLE ENVIRONMENT

GIL currently does not employ any staff. We encourage staff of our Manager to be an integral part of its efforts to employ an eco-friendly and sustainable value chain process. While our business does not rely heavily on natural resources, we continue to undertake initiatives to reduce its environmental footprint through conservation of energy and proper management of paper and electronic waste by imposing environmental conservation targets for our Manager.

#### Conservation of electricity

Our Manager adopts several practices to contribute to environmental conservation in daily operations. For example, it makes use of LED and high fluorescent fixtures which are proven to be more energy-efficient. Using LEDs instead of incandescent light bulbs can save approximately 75% on electricity usage. Not only does this aid in conservation efforts, it is also more cost-efficient.

In addition, the Manager's staff consistently make sure lights, air conditioners and other electronic appliances are always switched off when not in use.