CORPORATE GOVERNANCE

CDL Hospitality Trusts ("**CDLHT**") is a stapled group comprising CDL Hospitality Real Estate Investment Trust ("**H-REIT**") and CDL Hospitality Business Trust ("**HBT**") (the "**Stapled Group**") pursuant to a Stapling Deed dated 12 June 2006 (as amended) and each Stapled Security consists of one H-REIT Unit and one HBT Unit and is treated as a single instrument. M&C REIT Management Limited (the "**H-REIT Manager**") was appointed manager of H-REIT in accordance with the terms of the Trust Deed dated 8 June 2006 (as amended) between the H-REIT Manager and DBS Trustee Limited (the "**H-REIT Trustee**"). M&C Business Trust Management Limited (the "**HBT Trustee-Manager**") was appointed the trustee-manager of HBT in accordance with the terms of the Trust Deed constituting HBT dated 12 June 2006 (as amended).

The H-REIT Manager has general powers of management over the assets of H-REIT and its main responsibility is to manage H-REIT's assets and liabilities for the benefit of the holders of H-REIT Units. The H-REIT Manager is responsible for formulating the business plans in relation to H-REIT's properties and in this regard, it works closely with the master lessees and property managers of H-REIT's properties to implement H-REIT's strategies. In addition, the H-REIT Manager sets the strategic direction of H-REIT and gives recommendations to the H-REIT Trustee on acquisitions, divestments or enhancement of H-REIT's assets in accordance with its stated investment strategies.

Other roles and responsibilities of the H-REIT Manager include:

- Using its best endeavours to ensure that the business of H-REIT is carried on and conducted in a proper and efficient manner and to conduct all transactions with or for H-REIT at arm's length and on normal commercial terms.

- Ensuring that H-REIT complies with the relevant applicable laws and regulations, including the applicable provisions of the Securities and Futures Act 2001 ("**SFA**"), the Listing Rules issued by Singapore Exchange Securities Trading Limited ("**Listing Manual of SGX-ST**"), the Code on Collective Investment Schemes (including the Property Funds Appendix), the conditions set out in the Capital Markets Services ("**CMS**") Licence for REIT Management issued by the Monetary Authority of Singapore ("**MAS**"), the H-REIT Trust Deed, the tax rulings issued by the Inland Revenue Authority of Singapore on the taxation of H-REIT and the holders of the Stapled Securities of CDLHT ("**Stapled Security Holders**") and all relevant contracts.

The H-REIT Manager holds a CMS licence issued by the MAS to conduct real estate investment trust management activities as required under the licensing regime for real estate investment trust managers. In addition, employees of the H-REIT Manager who are engaged in investments and business development, asset management, financing and investor relations functions are holders of CMS representative licences.

HBT Group acts as the master lessee of The Halcyon Private Isles Maldives, Autograph Collection, a resort in the Maldives, W Singapore – Sentosa Cove, Hotel MyStays Asakusabashi and Hotel MyStays Kamata in Japan as well as Ibis Perth and Mercure Perth, all of which are owned by H-REIT. In addition to its function as a master lessee, HBT may undertake certain hospitality and hospitality-related and other accommodation development projects, acquisitions and investments which may not be suitable for H-REIT.

Hotels owned by the HBT Group include Hilton Cambridge City Centre, The Lowry Hotel and Hotel Indigo Exeter. HBT Group also owns The Castings (BTR) and the vacant freehold land adjacent to Benson Yard (PBSA).

The HBT Trustee-Manager has the dual responsibility of safeguarding the interests of the HBT Unitholders, and managing the business conducted by HBT. The HBT Trustee-Manager has general powers of management over the assets of HBT and its main responsibility is to manage HBT's assets and liabilities for the benefit of the HBT Unitholders. The HBT Trustee-Manager also sets the strategic direction of HBT and works closely with the hotel and property managers where HBT is the master lessee or owner of the properties.

Both H-REIT and HBT are externally managed by the H-REIT Manager and the HBT Trustee-Manager (collectively, the "**Managers**") respectively. Accordingly, both H-REIT and HBT do not have personnel of their own. The Managers employ experienced and well-qualified management staff to run the day-to-day operations of H-REIT and HBT. The Directors and employees of the Managers are remunerated by the Managers and not by H-REIT, HBT or CDLHT.

This report sets out the corporate governance practices of both the Managers as they have adopted a similar set of corporate governance practices, with specific reference to the principles and provisions of the Code of Corporate Governance 2018, as amended ("**CG Code**"). For the financial year ended 31 December 2025 ("**FY 2025**"), the Managers have adhered to the principles of the CG Code. Where there are differences in practice from the provisions under the CG Code, the Managers' position in respect of the same is also explained in this report.

CORPORATE GOVERNANCE

CDLHT achieved a 10th ranking out of 42 REITs/Business Trusts on the Singapore Governance and Transparency Index (SGTI) 2025 – REIT and Business Trust Category. The SGTI is aimed at assessing companies on their corporate governance disclosure and practices, as well as the timeliness, accessibility and transparency of their financial results announcements.

BOARD MATTERS

The Board's Conduct of Affairs
Principle 1

Primary Functions of the H-REIT Manager Board and the HBT Trustee-Manager Board

Both the H-REIT Manager Board and the HBT Trustee-Manager Board are responsible for the overall corporate governance of the Managers respectively, including establishing goals for management and monitoring the achievement of these goals (for the benefit of unitholders). The Managers' Boards are also responsible for setting strategic business objectives and direction as well as the risk management of H-REIT and HBT, and to ensure that necessary financial, operational and human resources are in place for the Managers to meet their objectives. All Board members of the H-REIT Manager and the HBT Trustee-Manager participate in matters relating to corporate governance including setting corporate values and ethical standards, business operations and risk management, desired organisational culture, financial performance, engaging key stakeholder groups and the nomination and review of performance of Directors and key management personnel ("**KMP**"). A Code of Business and Ethical Conduct duly approved by the Managers' Boards is in place.

The Boards are responsible for reviewing and guiding all relevant sustainability matters to ensure the business strategies of CDLHT remain aligned with the objectives set. The Boards also oversee and track the performance of the material environmental, social and governance ("**ESG**") factors of CDLHT, including climate-related considerations such as emission reduction efforts, climate action, and resilience planning.

The H-REIT Manager Board and the HBT Trustee-Manager Board have established a framework for the management of the Managers, H-REIT and HBT, including a system of internal controls and business risk management processes. The Managers' Boards meet quarterly or more often, if necessary, to:

(i) review the financial performance of H-REIT and HBT respectively against previously approved budgets,

(ii) review the business risks of H-REIT and HBT respectively,

(iii) review the acquisition and disposal of assets or undertakings of CDLHT, development projects, corporate actions and financing,

(iv) examine liability management,

(v) oversee the sustainability performance of H-REIT and HBT, and

(vi) act upon any recommendations and/or comments from both the internal and external auditors of H-REIT and HBT.

In assessing business risks, the Managers' Boards also consider the economic environment and risks relevant to the property, hospitality and residential sectors.

Directors' Objective Discharge of Duties and Declaration of Interests

All of the Managers' Directors are required to objectively discharge their duties and responsibilities in the best interests of H-REIT and HBT. This ability to exercise objectivity is one of the assessment criteria in the annual evaluation of the Directors. Directors who are in any way, directly or indirectly, interested in a transaction or proposed transaction will declare the nature of their interests in accordance with the provisions of the Companies Act 1967 ("**Companies Act**") and the SFA, where relevant, and in the case of any conflicts of interests, abstain from participating in the deliberation and decision making on such transactions, with abstention duly recorded within the minutes and/or resolutions of the Boards and/or the Board Committees.

CORPORATE GOVERNANCE

Delegation by the H-REIT Manager Board and the HBT Trustee-Manager Board

The primary functions of the H-REIT Manager Board and the HBT Trustee-Manager Board are either carried out directly by the H-REIT Manager Board and the HBT Trustee-Manager Board or delegated to the board committees ("**Committees**") with clear written terms of reference setting out their compositions, authorities and duties, including reporting back to the Managers' Boards.

The Committees established by the Boards, together with their respective composition are set out under the corporate directory section in this Annual Report 2025 ("**Annual Report**").

Each Committee reports key matters to the Boards at Board Meetings and submit its report at least on an annual basis. All terms of reference for the Committees are approved by the H-REIT Manager Board and the HBT Trustee-Manager Board and reviewed annually to ensure their continued relevance, taking into account the changes in the governance and legal environment.

The delegation of authority by the H-REIT Manager Board and the HBT Trustee-Manager Board to the Committees enables the H-REIT Manager Board and the HBT Trustee-Manager Board to achieve operational efficiency by empowering the Committees to decide, review and make recommendations on matters within their respective written terms of reference and/or limits of delegated authority, without abdicating their respective overall responsibility.

Further information on the activities of the Audit & Risk Committees ("**ARCs**"), Nominating & Remuneration Committees ("**NRCs**") and Board Sustainability Committees ("**BSCs**") can be found in the sections on Principles 4 to 10 in this report.

Board Processes of the H-REIT Manager and the HBT Trustee-Manager

Meetings of the Boards, ARCs, NRCs and BSCs of the Managers were held regularly. Six Board Meetings, four ARC Meetings, three NRC Meetings and two BSC Meetings were held in 2025.

A meeting of the Non-Executive Directors ("**NEDs**") of the H-REIT Manager Board and the HBT Trustee-Manager Board, chaired by the Board Chairman was also held in 2025 to discuss matters without the presence of management and feedback was provided to the Board after the NEDs meeting.

The attendance of the Directors of H-REIT Manager and the HBT Trustee-Manager at meetings of the Board and Committees of the Managers, as well as the frequency of such meetings during 2025, are disclosed below. Notwithstanding such disclosure, the H-REIT Manager Board and the HBT Trustee-Manager Board are of the view that the contribution of each Director should not be focused solely on his/her attendance at meetings of the Boards and/or the Committees.

A Director's contribution also extends beyond the confines of the formal environment of such meetings, through the sharing of views, advice, experience and strategic networking relationships which will further the interests of H-REIT and HBT.

The proposed meetings for the Boards and Committees of the Managers for each new calendar year are set out in a schedule of meetings and notified to all members of the Managers' Boards before the start of each calendar year. Additional meetings are convened as and when circumstances warrant. Records of all such meetings, including discussions on key deliberations and decisions taken, are maintained by the Company Secretaries. The Managers' respective Constitutions allow for meetings of their Boards and Committees to be held via teleconferencing and videoconferencing. The H-REIT Manager Board and the HBT Trustee-Manager Board as well as their Committees may also make decisions by way of circulating written resolutions.

CORPORATE GOVERNANCE

Directors' Attendance at the General Meetings and Meetings of Boards, the Committees and NEDs in 2025

	General Meeting [1]	Board	ARC	NRC	BSC	NED
Number of meetings held in 2025	1	6	4	3	2	1
Name of Directors	**Number of meetings attended in 2025**					
Chan Soon Hee, Eric	1/1	6/6	N.A.	3/3	N.A.	1/1
Vincent Yeo Wee Eng	1/1	6/6	N.A.	N.A.	2/2	N.A.
Cheah Sui Ling	1/1	6/6	4/4	3/3	2/2	1/1
Kwek Eik Sheng	1/1	6/6	N.A.	N.A.	N.A.	1/1
Eng Chin Chin [2]	1/1	5/5	3/3	1/1	N.A.	1/1
Kim Kenny [3]	1/1	6/6	4/4	N.A.	1/1	1/1
Foo Say Mui (Bill) [4]	1/1	3/3	2/2	2/2	1/1	N.A.

Note:

(1) All Directors, including Mr Chan Soon Hee, Eric (Chairman of the Boards and NRCs) and Dr Foo Say Mui (Bill) (chairman of the ARCs and BSCs) were in attendance at the Annual General Meetings ("**AGMs**") in April 2025, together with the KMP and the external auditors of CDLHT.

(2) Ms Eng Chin Chin was appointed as a Director and a member of ARCs on 21 February 2025. She was subsequently appointed as the chairman of the ARCs and a member of NRCs on 9 May 2025. She had attended five Board Meetings, three ARC Meetings and one NRC Meeting held after her appointments.

(3) Mr Kenny Kim, who was appointed as a member of the BSCs on 9 May 2025, had attended one BSC meeting held after his appointment.

(4) Dr Foo Say Mui (Bill), who stepped down as a Director on 9 May 2025, had attended three Board Meetings, two ARC meetings, two NRC meetings and one BSC meeting held prior to his cessation.

Complete, Adequate and Timely Information

Prior to each meeting, members of the H-REIT Manager Board and HBT Trustee-Manager Board and the Committees are provided with the meeting agenda and the relevant papers submitted by the Management, containing complete, adequate and timely information to enable full deliberation on the issues to be considered at the respective meetings. The Management is in attendance at such meetings, whilst the 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. The Management also provides all Directors of the Managers with monthly updates on the financial performance of H-REIT and HBT.

Draft agendas for the Board and Committee meetings are circulated in advance to the Chairman of each Board and the chairmen of the various Committees, for them to review and suggest items for the agenda. The members of the Boards and the Committees also receive reports on the financial performance, whistle-blowing and related party transactions, where applicable, from the Management. Each of the chairmen of the ARC, NRC and BSC of the H-REIT Manager and the HBT Trustee-Manager provides an annual report of the respective Committees' activities during the year under review to the Boards. The minutes of meetings of the Committees are circulated to all Board members.

Access to Management, Company Secretaries and Independent Professional Advice

All Directors of the Managers have direct and independent access to the Management. To facilitate this access, all Directors are provided with the contact details of the KMP. The contact details of the head of internal audit are also provided to the ARCs.

The Directors, whether as a group or individually, are entitled to take independent professional advice at the expense of the H-REIT Manager and HBT Trustee-Manager, in furtherance of their duties and where circumstances warrant the same. The Managers have also put in place internal guidelines allowing for the Directors to seek independent professional advice.

CORPORATE GOVERNANCE

The Company Secretaries, whose appointment and removal are subject to the approval of the H-REIT Manager Board and the HBT Trustee-Manager Board, attend all Board and Committee meetings to provide guidance for the Board procedures to be followed. The Company Secretaries, together with Management of the H-REIT Manager and the HBT Trustee-Manager, also ensure that the H-REIT Manager, H-REIT, the HBT Trustee-Manager and HBT comply with all applicable statutory and regulatory rules. Together with the Management, the Company Secretaries also assist the Board Chairman, the Board and Committees of the H-REIT Manager and the HBT Trustee-Manager on corporate governance matters and assist to implement and strengthen corporate governance practices and processes, including ensuring good information flow within the Boards of the Managers and the Committees and between the Directors and Management, facilitating induction for newly appointed Directors of the Managers and newly appointed members of Committees, and assisting in the continuing training and development of the Directors.

On an on-going basis, the Directors of the H-REIT Manager and the HBT Trustee-Manager have separate and independent access to the Company Secretaries.

H-REIT Manager Board and HBT Trustee-Manager Board Approval

The H-REIT Manager Board and the HBT Trustee-Manager Board have in place an internal guide wherein certain key matters are specifically reserved for approval by the H-REIT Manager Board and the HBT Trustee-Manager Board respectively, and these include decisions over the strategic direction and policies and financial objectives which have or may have material impact on the profitability or performance of H-REIT and HBT and decisions on material capital expenditure and undertakings of all acquisition and disposal of properties of H-REIT and HBT as well as decisions to commence, discontinue or modify significantly any business activity or to enter or withdraw from a particular market sector, corporate or financial restructuring, decisions over new borrowings or significant amendments to the terms and conditions of existing borrowings other than in the ordinary course of business, adoption of corporate governance policies and any other matters which require the H-REIT Manager Board or the HBT Trustee-Manager Board approval as prescribed under the relevant legislations and regulations as well as the provisions of the H-REIT or HBT Trust Deeds. The Management of the H-REIT Manager and HBT Trustee-Manager are fully apprised of such matters which require the approval of the respective Boards and Committees.

H-REIT Manager Board and HBT Trustee-Manager Board Orientation and Training

Every newly appointed Director of the Managers receives a formal letter, setting out his/her general duties and obligations as a Director pursuant to the relevant legislations and regulations. The new Director will also receive an induction pack containing information and documents relating to the roles, duties and responsibilities of a director (and where applicable, as a member of the Committees), the principal businesses of H-REIT or HBT and their respective subsidiaries, the H-REIT Manager Board and the HBT Trustee-Manager Board processes and corporate governance practices, relevant policies and procedures, as well as a board meeting calendar for the year with a brief of the routine agenda for each meeting of the Boards and where applicable, the Committees.

The Managers also conduct a comprehensive induction programme for newly appointed Directors and for existing Directors pursuant to their appointments to any of the Committees, which seeks to familiarise Directors with CDLHT's business, the Managers' governance practices and processes, internal controls and risk management systems, their responsibilities as Directors and in the case of appointments to any of the Committees, the roles and areas of responsibilities of such Committees. The induction programme includes meetings with various key executives of the Management to allow the new Directors to be acquainted with the Management team and to facilitate their independent access to the Management team in future. The programme also includes briefings by the Management team on key areas of the Managers' operations and by each Chairman of the relevant Committees to which the Director is newly appointed to on the roles and responsibilities of the Committees.

The Directors had attended in-house seminars conducted by external speakers and other Singapore Institute of Directors ("**SID**") courses in 2025 which included Anti-Money Laundering and Sustainability updates and trends. They were also briefed during the Boards and Committees meetings on the recent regulatory changes such as financial reporting standards, the CG Code, ISSB Reporting Standards and related listing rules revisions. In addition to the aforementioned training courses/programmes and briefing updates which are non-exhaustive, Directors are also at liberty to approach Management should they require any further information or clarification concerning the Managers' operations.

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For a first-time Director who has no prior experience as a director of a listed company, in addition to the induction as detailed above, he or she will be required to also attend specific modules of the Listed Entity Director ("**LED**") Programme and LED Bridging Programme conducted by the SID or the Board of Directors (BOD) Masterclass Programme jointly conducted by Institute of Singapore Chartered Accountants and SAC Capital, in order to acquire relevant knowledge of what is expected of a listed company director, being a mandatory requirement under the SGX-ST Listing Rules. Completion of the aforesaid programme, which focuses on comprehensive training of company directors on compliance, regulatory and corporate governance matters, should provide the first-time Director with a broad understanding of the roles and responsibilities of a director of a listed company under the requirements of the Companies Act, the Listing Manual of SGX-ST and the CG Code. A first-time Director of a manager of real estate investment trust ("**REIT**"), who has no prior experience as a director of a REIT manager, must also attend the "Essentials for Directors of REIT Managers" mandatory training programme conducted by REIT Association of Singapore ("**REITAS**"). The said training programme provides the first time Director with the essential know-how for serving on the Board of a Singapore REIT. The Company Secretaries, where relevant, will co-ordinate with such Director to endeavour completion of the relevant programmes within one year from his or her date of appointment subject to available training schedule and the Director's availability.

Ms Eng Chin Chin, who was appointed an Independent Non-Executive Director on 21 February 2025, received an induction pack containing information and documents relating to the Board and Board Committees. She has been given detailed briefings by the management team in respect of CDLHT's business and operations, financial as well as compliance matters. Ms Eng has completed the Board of Directors (BOD) Masterclass Programme conducted by the Institute of Singapore Chartered Accountants and SAC Capital as well as the "Essentials for Directors of REIT Managers" training conducted by REITAS within a year from her date of appointment.

Mr Richard Anthony Johnson, who has prior experience as a director of listed company, was appointed an Independent Non-Executive Director in January 2026. He has been provided with an induction pack containing information and documents relating to the Board and Board Committees. He will also be given detailed briefings by the management team in respect of CDLHT's business and operations, financial as well as compliance matters. In view of the various developments in REITs, the NRCs recommended Mr Johnson to attend the "Essentials for Directors of REIT Managers" training conducted by REITAS.

The Directors are provided with updates and/or briefings from time to time by professional advisers, auditors, Management and the Company Secretaries in areas such as directors' duties and responsibilities, corporate governance practices, relevant legislations and regulations, risk management issues, financial reporting standards and tax laws and practices. The Directors are also regularly kept informed by the Company Secretaries of the availability of appropriate courses, conferences and seminars such as those conducted by the Accounting and Corporate Regulatory Authority ("**ACRA**"), SGX-ST and SID. The Directors are encouraged to attend such training to develop and maintain their skills and knowledge at the Managers' expense. The NRCs and the Boards of the Managers are kept informed of the trainings attended by the Directors during the year, as part of the NRCs annual assessment of the skills set of the Boards and the Committees. The NRCs would also recommend further training for the Directors in specific areas, if so required, to supplement the regular updates/briefings provided to Directors from time to time.

Board Composition and Guidance
Principle 2

Board Independence

The Boards of the H-REIT Manager and the HBT Trustee-Manager currently comprise six members each. All members of the Boards, except for Mr Vincent Yeo Wee Eng, the CEO, are NEDs. Of the five NEDs, the NRCs have recommended and the Boards have determined four of them, namely Mr Chan Soon Hee, Eric, Ms Cheah Sui Ling, Ms Eng Chin Chin and Mr Richard Anthony Johnson, being more than half on the Boards, to be Independent Directors ("**IDs**"), thus providing for a strong and independent element on the Boards capable of exercising objective judgement on corporate affairs of the H-REIT and its subsidiaries ("**H-REIT Group**") and the HBT and its subsidiaries ("**HBT Group**").

The NRCs determine on an annual basis (or as and when circumstances require) whether a Director is independent, based on the rules, guidelines and/or circumstances on director independence as set out in the Listing Manual of SGX-ST, the CG Code and the accompanying Practice Guidance, the Securities and Futures (Licencing and Conduct of Business) Regulations ("**SFR**") and the Business Trusts Regulations. A Director is considered independent if he or she is independent in conduct, character and judgement and:

CORPORATE GOVERNANCE

(a) has no relationship with the Managers, their related corporations, their substantial shareholders, substantial Stapled Security Holders of CDLHT (being Stapled Security Holders who have interests in voting Stapled Securities with 5% or more of the total votes attached to all voting Stapled Securities) or the Managers' officers that could interfere, or be reasonably perceived to interfere with the exercise of his or her independent business judgement in the best interests of CDLHT;

(b) is independent from the management of the Managers and CDLHT, from any business relationship with the Managers and CDLHT, and from every substantial shareholder of the Managers and every substantial Stapled Security Holder of CDLHT;

(c) is not a substantial shareholder of the Managers or a substantial Stapled Security Holder of CDLHT;

(d) is not employed and has not been employed by the Managers or CDLHT or their related corporations in the current or any of the past three financial years;

(e) does not have an immediate family member who is employed or has been employed by the Managers or CDLHT or their related corporations in the current or any of the past three financial years and whose remuneration is or was determined by the Boards; and

(f) has not served on the Boards for a continuous period of nine years or longer.

For purposes of determination of independence, the IDs have provided confirmation that they are not related to the Managers or substantial Stapled Security Holders of CDLHT or their related corporations and the substantial shareholders of the Managers or their officers that could interfere, or be reasonably perceived to interfere, with their judgement in the best interests of CDLHT. Each member of the NRCs and the Boards recused himself or herself from the NRCs' and the Boards' deliberations respectively on his or her own independence. The following Directors' independence were assessed by the NRCs and the Boards for FY 2025:

(a) Mr Chan Soon Hee, Eric

Mr Chan Soon Hee, Eric was previously the Lead Independent Director, Chairman of the Audit and Risk, Remuneration and Board Sustainability Committees; and a member of the Board and Nominating committees of City Developments Limited ("**CDL**") which holds an indirect controlling stake in the stapled securities of CDLHT, until his resignation on 22 June 2018. The Managers are wholly-owned subsidiaries of CDL.

The NRCs and Boards of the Managers had considered Mr Chan to be independent and capable of exercising business judgement in the best interests of H-REIT and HBT, and approved the re-designation of Mr Chan from Non-Independent and Non-Executive Chairman to Independent Non-Executive Chairman with effect from 1 January 2021.

The Boards also considered the conduct of Mr Chan in the discharge of his duties and responsibilities as a Director and are of the view that the past relationship set out above did not impair his ability to act with independent judgement in the discharge of his duties and responsibilities as a Director. Save for the relationship stated above, Mr Chan does not have any other relationships and is not faced with any of the circumstances identified in the CG Code, SFR, Business Trusts Regulations and Listing Manual of SGX-ST, or any other relationships which may affect his independent judgement. The Boards are therefore of the view that Mr Chan has exercised independent judgement in the discharge of his duties and responsibilities. Based on the above, the Boards determined that Mr Chan is an ID for FY 2025. The Boards are of the view that as at the last day of FY 2025, Mr Chan was able to act in the best interests of all Stapled Security Holders as a whole.

(b) Mr Kenny Kim

Mr Kenny Kim is not faced with any of the circumstances identified in the CG Code, SFR, Business Trusts Regulations and Listing Manual of SGX-ST and does not have any other relationships which may affect his independent judgement. The Boards also considered the conduct of Mr Kim in the discharge of his duties and responsibilities as a Director. The Boards are of the view that Mr Kim has exercised independent judgement in the discharge of his duties and responsibilities. Based on the above, the Boards determined that Mr Kim is an ID for FY 2025. The Boards are of the view that as at the last day of FY 2025, Mr Kim was able to act in the best interests of all Stapled Security Holders as a whole.

CORPORATE GOVERNANCE

(c) Ms Cheah Sui Ling

Ms Cheah Sui Ling is not faced with any of the circumstances identified in the CG Code, SFR, Business Trusts Regulations and Listing Manual of SGX-ST and does not have any other relationships which may affect her independent judgement. The Boards also considered the conduct of Ms Cheah in the discharge of her duties and responsibilities as a Director. The Boards are of the view that Ms Cheah has exercised independent judgement in the discharge of her duties and responsibilities. Based on the above, the Boards determined that Ms Cheah is an ID for FY 2025. The Boards are of the view that as at the last day of FY 2025, Ms Cheah was able to act in the best interests of all Stapled Security Holders as a whole.

(d) Ms Eng Chin Chin

Ms Eng Chin Chin is not faced with any of the circumstances identified in the CG Code, SFR, Business Trusts Regulations and Listing Manual of SGX-ST and does not have any other relationships which may affect her independent judgement. The Boards also considered the conduct of Ms Eng in the discharge of her duties and responsibilities as a Director. The Boards are of the view that Ms Eng has exercised independent judgement in the discharge of her duties and responsibilities. Based on the above, the Boards determined that Ms Eng is an ID for FY 2025. The Boards are of the view that as at the last day of FY 2025, Ms Eng was able to act in the best interests of all Stapled Security Holders as a whole.

Taking into consideration the guidelines for independence set out in Provision 2.1 of the CG Code and the Business Trusts Regulations, the NRCs and the Boards have determined that Mr Kwek Eik Sheng is considered non-independent by virtue of his employment as Group Chief Operating Officer of CDL and an Executive Director of Millennium & Copthorne Hotels Limited (the "**Sponsor**"), both being substantial Stapled Security Holders of CDLHT.

H-REIT Manager / HBT Trustee-Manager Board Composition, Size and Diversity

The NRCs review the size and composition of the H-REIT Manager Board and the HBT Trustee-Manager Board and the Board Committees annually. At the recommendation of the NRCs, the Boards adopted a Board Diversity Policy which is available on CDLHT's corporate website, setting out its policy and framework for promoting diversity on the Boards. The Boards recognise that a diverse Board of Directors is an important element which will better support CDLHT's achievement of its strategic objectives for sustainable development by enhancing the decision-making process of the Boards, to avoid group think and foster constructive debate through the perspectives derived from the various skills, qualifications/knowledge, business experience, industry discipline, gender, age, ethnicity and culture, geographical background and nationalities, tenure of service and other distinguishing qualities of the Directors. The final decision on selection of Directors will be based on merit against an objective criterion that complements and expands the skills and experience of the Boards as a whole, and after having given due regard to the overall balance and effectiveness of the diverse Boards.

The NRCs had considered the core competencies of the Directors based on the skills and experience of each Director and are of the view that the Boards have the critical skills and expertise needed in the strategic direction and planning of the business of H-REIT and HBT. The NRCs are satisfied that there is a good balance of expertise on the Boards, with experience in real estate and hospitality-related businesses, hospitality and funds management, corporate finance, business leadership and management, strategic planning, marketing, accounting or finance, risk management and sustainability. H-REIT and HBT own assets in various regions such as Asia, Oceania and Europe including the United Kingdom. The CEO, who is also an Executive Director of the H-REIT Manager Board and the HBT Trustee-Manager Board, together with the NEDs collectively have prior work experience in these regions.

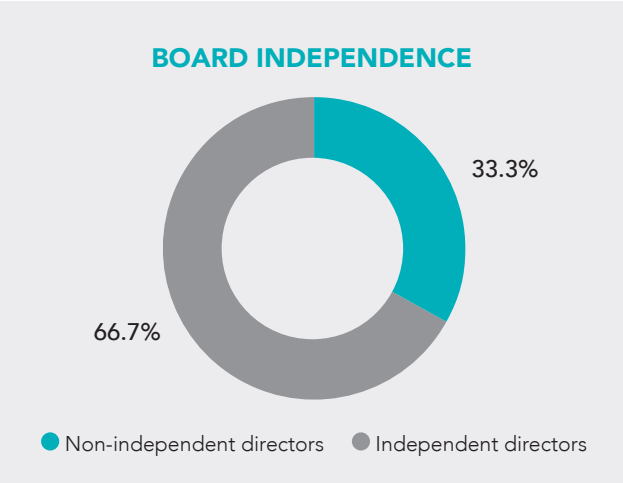
The Boards will continue to review opportunities to refresh the Boards with a view to expanding the skills, experience and diversity of the Boards as a whole. The Boards also agreed that there was no need to set a specific target for ethnicity or nationality so long as the candidates provide distinguishing qualities that complement and expand the skills and experience of the Boards as a whole. Further information on the individual Directors' background, experience and skills can be found in the "Board of Directors" section in this Annual Report.

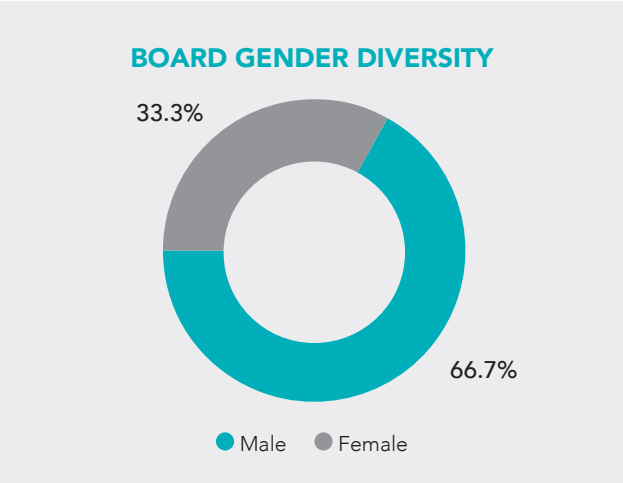
Having considered the scope and nature of the operations of the H-REIT Group and the HBT Group, the Boards are satisfied that the current composition mix and size of the Boards provide for diversity and allow for informed and constructive discussion and effective decision-making at the meetings of Boards and Committees. No individual or small group of individuals dominates the Boards' decision-making. No alternate Directors have been appointed in respect of any of the Directors.

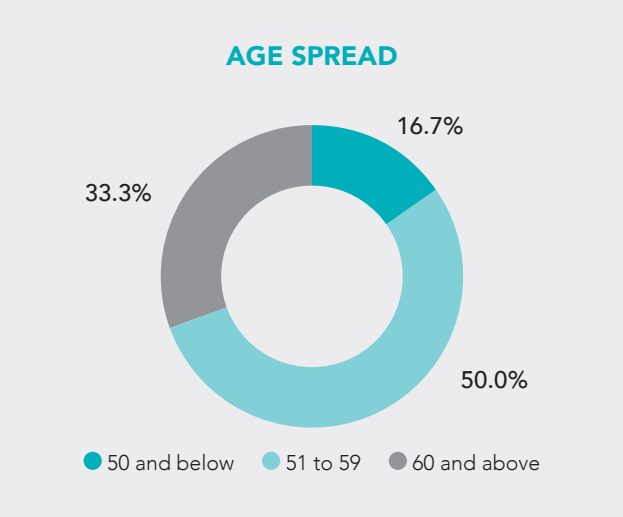
CORPORATE GOVERNANCE

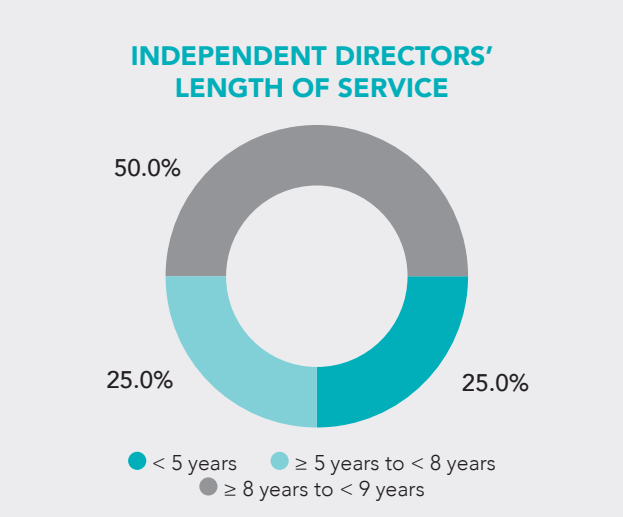
So long as the H-REIT Units remain stapled to HBT Units, in order to avoid any conflict between H-REIT and HBT and to act in the best interest of CDLHT, each of the Directors of the H-REIT Manager Board is also a Director of the HBT Trustee-Manager Board, and vice versa. Further, in line with the SFR, under circumstances where unitholders of H-REIT are not given the right to appoint directors, at least half of the H-REIT Manager Board would have to be IDs. Similarly, the HBT Trustee-Manager Board would also be required to comply with the provision under Regulation 12 of the Business Trusts Regulations that at least a majority of the Directors of the board of the trustee-manager of a business trust to comprise Directors who are independent from management and business relationships with the trustee-manager. Majority of the H-REIT Manager Board and the HBT Trustee-Manager Board comprise of IDs. The statement on the Composition of the Board of Directors of the HBT Trustee-Manager pursuant to Regulation 12 of the Business Trusts Regulations can be found on page 185 of this Annual Report.

Board Composition in terms of independence, diversity, age spread and IDs' length of service as at 31 December 2025









CORPORATE GOVERNANCE

Diversity Targets and Progress in FY 2025

Targets	Progress
Size: Maintain a board size of six with two out of three or more members being independent.	The Boards have continued to maintain this target.
Skills and Experience: Broaden the skillset of directors on the Board by appointing directors with the relevant expertise and experience that would complement those already on the Board and which would help drive CDLHT's strategy.	Mr Richard Anthony Johnson was appointed in January 2026. He is experienced in real estate and hospitality-related businesses as well as funds management. The Boards currently consist of members who are experienced in real estate and hospitality-related businesses, hospitality and funds management, corporate finance, business leadership and management, strategic planning, marketing, accounting or finance, risk management and sustainability. Other than identifying these aforementioned skills in the search for new directors, the Boards will however continue to review opportunities to refresh the Boards with a view to expanding their skills set in CDLHT's business activities.
Age: Improve age diversity by appointing younger directors (50 years and below)	There is one out of six members in the age group of 50 years or below.
Gender: Improve gender diversity by achieving at least 25% female representation In this regard, the NRCs will try to ensure that: (a) If external search consultants are used to search for candidates for Board appointments, the brief will include a requirement to present female candidates; (b) When seeking to identify a new Director for appointment to the Boards, the NRCs will request for female candidates to be fielded for consideration; and (c) At least one female Director be appointed to the NRCs.	With the appointment of Ms Eng Chin Chin in February 2025, the Boards have achieved at least 25% female representation on the Boards. Ms Cheah Sui Ling and Ms Eng Chin Chin are members of the NRCs.

In connection with the appointment of new Director(s), the Boards of the H-REIT Manager and the HBT Trustee-Manager will consider all aspects of diversity based on targets and timelines set for promoting and achieving diversity on the Boards to arrive at an optimal balanced composition of the Boards. The Boards have achieved all diversity targets that were set previously for FY 2025.

Succession Planning and Rejuvenation of the Boards

The Boards believe in carrying out succession planning for themselves, the Board Chairman, CEO and the KMP to ensure continuity of leadership. Board rejuvenation is a continuous process and in this regard, the NRCs review annually the composition of the Boards and Committees, which include size and mix and recommend to the Boards the selection and appointment of new Directors, whether in addition to the existing Board members or as replacement of retiring Board members, with a view to identifying any gaps in the Boards' skillsets taking into account the Group's strategy and business operations. The Boards will be able to function smoothly notwithstanding any resignation or retirement of any Director given the present number of members and mix of competencies on the Boards. A Director who has served as a director for a continuous period of nine years will retire from the Boards.

CORPORATE GOVERNANCE

As part of the Boards' rejuvenation process, Dr Foo Say Mui (Bill) and Mr Kenny Kim retired from the Boards on 9 May 2025 and 23 January 2026 respectively. Ms Eng Chin Chin and Mr Richard Anthony Johnson were appointed as Independent Non-Executive Directors with effect from 21 February 2025 and 23 January 2026 respectively. Ms Eng and Mr Johnson were identified through contacts and recommendations.

In addition to the above, the NRCs also take charge of the succession planning of the CEO and KMP, in particular the appointment and/or replacement of the CEO and KMP. A review of career development and succession planning for the CEO and KMP was conducted by the NRCs annually.

Non-Executive Directors' Participation

NEDs of the H-REIT Manager and the HBT Trustee-Manager are encouraged to participate actively at Board meetings in the development of H-REIT's and HBT's strategic plans and direction, in the review and monitoring of Management's performance through periodic reports from the Management and have unrestricted access to the Management. They also sit on various Committees established by the Boards of the H-REIT Manager and the HBT Trustee-Manager to provide unbiased and independent views, constructive input and the necessary review and monitoring of performance of H-REIT, HBT and the Management. The Board Chairman, who is non-executive may call for meetings of NEDs or IDs from time to time, when appropriate, without the presence of the Management and provide feedback to the Board after such meetings. The H-REIT Manager and HBT Trustee-Manager held respective meetings of the NEDs, chaired by the Board Chairman in October 2025 (without the presence of Management and the CEO).

Chairman and Chief Executive Officer
Principle 3

The roles of the Chairman and CEO are separate. Mr Chan Soon Hee, Eric is an independent and non-executive Chairman, while the CEO, Mr Vincent Yeo Wee Eng, is an executive Director. This ensures an appropriate balance of power, increased accountability and greater capacity of the H-REIT Manager Board and the HBT Trustee-Manager Board for independent decision-making. The Chairman is not related to the CEO.

The Chairman sets the right ethical and behavioural tone and bears primary responsibility for the workings of the H-REIT Manager Board and the HBT Trustee-Manager Board, by ensuring effectiveness on all aspects of its role including setting agenda for both the H-REIT Manager Board and the HBT Trustee-Manager Board meetings with input from Management, ensuring that sufficient allocation of time for thorough discussion of each agenda item at Board meetings, promoting an open environment within the Board room for constructive debate, encouraging the NEDs to speak freely and contribute effectively, and exercising control over the quality, quantity and timeliness of information flow between the H-REIT Manager/HBT Trustee-Manager Board and Management. At annual general meetings and other general meetings of the Stapled Security Holders, he plays a pivotal role in fostering constructive dialogue between Stapled Security Holders, the Boards of the H-REIT Manager and the HBT Trustee-Manager and Management.

The CEO of the H-REIT Manager and the HBT Trustee-Manager is responsible for working with the H-REIT Manager Board and the HBT Trustee-Manager Board to determine the overall business, investment and operational strategies for H-REIT and HBT. The CEO also works with the other members of the Managers' management team, master lessees and managers of H-REIT's properties to ensure that the business, investment and operational strategies of H-REIT and HBT are carried out as planned.

In addition, the CEO is responsible for the overall management and planning of the strategic direction of the Stapled Group, including overseeing the acquisition of hospitality and hospitality-related assets and the asset and property management strategies for H-REIT and HBT.

Following the cessation of Dr Foo as the Lead Independent Director in May 2025, and in view of the separation between the roles of Chairman and CEO, who are not related to each other, as well as the independence of the Chairman, the appointment of a lead independent director is deemed not necessary by the H-REIT Manager Board and the HBT Trustee-Manager Board.

The Chairman is available to the Stapled Security Holders should they have concerns and for which contact through the normal channels of the Management has failed to resolve or is inappropriate. No query of request on any matter which requires the Chairman's attention was received from the Stapled Security Holders in 2025.

CORPORATE GOVERNANCE

Board Membership
Principle 4

Nominating and Remuneration Committee Composition, Roles and Responsibilities

All three members of the NRCs are IDs, including the NRC Chairman. Please refer to the 'Corporate Directory' section of this Annual Report for the composition of the NRCs.

The NRCs' role and responsibilities as set out in its written terms of reference approved by the Boards, include the following:

(a) review the structure, size and composition of the Boards and Committees;
(b) set and review the board diversity policy including targets and plans;
(c) review the succession plans for the Chairman of the Board, Directors, CEO and KMP;
(d) review the appointments and resignations of Directors and relevant KMP, including the CEO and the CFO;
(e) determine the Directors' independence annually;
(f) evaluate the performance and effectiveness of the Boards, Committees, Directors and the Chairman;
(g) review the Directors' induction, orientation, training and continuous professional development programmes; and
(h) review the remuneration framework and policies of the Managers and specific remuneration packages of Directors and KMP.

During the review for FY 2025, the NRCs conducted a self-assessment of their own effectiveness in the discharge of their role and responsibilities, which was facilitated through the use of a self-assessment checklist ("**NRC Self-Assessment Checklist**"). The NRC Self-Assessment Checklist covered, *inter alia*, the responsibilities of the NRCs under the terms of reference and considered also the contributions of NRC members to the deliberation and decision-making process at the meetings of NRCs.

Based on the outcome of the self-assessment, the NRCs are of the view that they have fulfilled their responsibilities and discharged their duties as set out in the terms of reference.

H-REIT Manager and HBT Trustee-Manager Directors' Time Commitments

It is recommended under the CG Code Practice Guidance that the Boards of the H-REIT Manager and HBT Trustee-Manager should establish guidelines on the maximum number of directorships and principal commitments for each Director of the H-REIT Manager and HBT Trustee-Manager may hold in order to address competing time commitments faced by directors serving on multiple boards.

The NRCs and the Boards had set the maximum number of listed company board representations which each Director of the H-REIT Manager and HBT Trustee-Manager may hold at six. The NRCs may review this guideline from time to time and will also consider the circumstances of individual Directors or potential candidates with multiple listed company directorships above the recommended number to determine their capacity to participate and contribute effectively to the Boards.

Based on an annual analysis of directorships held by the Directors as well as each Director's confirmation as to whether he/she has any issue with competing time commitments which may impact his/her ability to provide sufficient time and attention to his/her duties as a Director on the respective Boards, the NRCs were satisfied that all Directors are able to carry out and have been adequately carrying out their duties as a Director of the Managers. The NRCs of the H-REIT Manager and HBT Trustee-Manager further noted that, excluding the directorships held in the H-REIT Manager Board and HBT Trustee-Manager Board, the number of listed company board representations currently held by the Directors did not exceed four.

Criteria and Process for Nomination, Selection and Appointment of New Directors of the H-REIT Manager and HBT Trustee-Manager

The NRC of the Managers have formalised guidelines for Boards and Committees appointments which include taking into consideration:

(a) the current Boards and Committees size, composition mix and core competencies;

(b) the candidate's/Director's independence, in the case of an ID;

(c) the composition requirements for the Boards and Committees (if the candidate/Director is proposed to be appointed to any of the Committees);

CORPORATE GOVERNANCE

(d) the candidate's/Director's age, gender, track record, experience and capabilities and such other relevant factors as may be determined by the H-REIT Manager Board and HBT Trustee-Manager Board which would provide an appropriate balance and contribute to the collective skills of the respective Boards; and

(e) any competing time commitments if the candidate/Director has multiple board representations and/or other principal commitments.

The NRCs interview shortlisted candidates before formally considering and recommending them for appointment to the Boards and where applicable, to the Committees. Searches for potential candidates generally take into account recommendations from Directors and various other sources. An external search may also include candidates who may be suggested by SID, the Council for Board Diversity and any other relevant organisations.

The NRCs may also consider the use of external search firms and the Board Appointment Service of SID, to find appropriate candidates. Shortlisted candidates would be required to furnish their curriculum vitae containing information on their academic/professional qualification, work experience, employment history, skillsets and experience (if any) as directors of listed companies. The NRCs consider relevant skills such as hospitality related, other accommodation, tax, risk management and legal to contribute to the collective skills of the respective Boards. All appointment of Directors is subject to the approval of the MAS.

Key Information on Directors

Please refer to the "Board of Directors" section in this Annual Report for key information on the H-REIT Manager Directors and the HBT Trustee-Manager Directors and "Directors' Statement", including *inter alia* their date of appointment, the academic/professional qualifications, major appointments/principal commitments, directorships held in listed companies, both currently and in the preceding five years, and other relevant information as well as the number of stapled securities held by Directors in CDLHT.

Boards Development

The NRCs review the training and development of the Directors to ensure that Directors receive appropriate development on a continuing basis, to perform their roles on the Boards and where applicable, the Committees. The Directors are provided with updates and/or briefings to assist them to properly discharge their duties. The briefings are conducted either internally with invited speakers, or externally, at the expense of the H-REIT Manager or HBT Trustee-Manager (as the case may be). A separate programme is established for new Directors, details of which together with details of the internal briefing and updates provided to the Directors are set out in the paragraph under the header "H-REIT Manager and HBT Trustee-Manager Board Orientation and Training". The members of the Boards are kept apprised twice yearly on the list of training programmes attended by the Directors during the year.

Board Performance
Principle 5

Boards Evaluation Process and Individual Director Evaluation Process

The H-REIT Manager Board and HBT Trustee-Manager Board have in place formal processes to assess the effectiveness of each Board as a whole, the various Committees and the contribution by each Director towards the effectiveness of the Boards and the Committees, where applicable. For FY 2025, no external facilitator has been used. The Boards may consider appointing independent external facilitators to assist in the evaluation process of the Boards, Committees and individual Directors, as and when required.

The performance of each Board was assessed on an annual basis through feedback from individual Directors on areas relating to the Boards' role on strategy and performance, the Boards' process and governance (including oversight on internal controls and risk management) and effectiveness of the Board Chairman. A consolidated report is prepared and reviewed/evaluated by the NRCs. The NRCs' comments and recommendations for improvements, if any, are presented to the Boards.

The NRCs also undertook the evaluation of the performance of the Committees, with the assistance of self-assessment checklists completed by the members of the Committees.

Each of the H-REIT Manager Board and HBT Trustee-Manager Board is of the view that in the financial year, it had operated effectively and each of its members had contributed to its overall effectiveness and is committed to maintaining such effectiveness.

CORPORATE GOVERNANCE

The annual evaluation for the Chairman of the Boards and the individual Director's performance comprises three parts:

(a) self-evaluation completed by each Director which comprised criteria such as abilities and competencies, objectivity and participation at meetings;

(b) review of background information concerning the Director including his/her attendance records at the Boards and Committees meetings; and

(c) NRCs' evaluation based on certain assessment parameters,

which were recommended by the NRCs and approved by the Boards. When deliberating on the performance of a particular Director who is also a member of the NRCs, that member abstains from the discussions to avoid any conflict of interests. The NRCs are of the view that for FY 2025, each Director has objectively discharged his or her duties and responsibilities at all times in the interests of the Managers and CDLHT.

The Chairman of the Boards would be fully apprised of the results of the performance evaluation.

REMUNERATION MATTERS

Procedures for developing Remuneration Policies
Principle 6

All Directors and employees of the Managers are remunerated by the H-REIT Manager and HBT Trustee-Manager, as appropriate, and in accordance with the remuneration policies set out in the following paragraphs.

The H-REIT Manager and HBT Trustee-Manager Boards have adopted a Remuneration Framework which covers all aspects of remuneration including fees, salaries, allowances, bonuses and benefits-in-kind for the Directors and KMP and includes termination terms which are applicable to the Executive Director and KMP.

Aon Human Capital Solutions, an external human resource consultant was engaged to provide benchmarking for all levels of employees of the Managers for FY 2025. The consultant is independent and not related to the Managers, their controlling shareholder, their related corporations or any of their Directors.

Level and Mix of Remuneration
Principle 7

All Directors of the H-REIT Manager, including the Executive Director, will receive a fixed base director's fee. The Board Chairman, chairman and members of the ARCs, NRCs and BSCs respectively receive additional fees. Such fees are subject to the shareholder's approval at the annual general meeting of the H-REIT Manager. The Directors of the HBT Trustee-Manager presently do not receive any Directors' fees.

From time to time, the NRCs and Boards will perform a benchmarking exercise using publicly available information. The NRC will consider seeking a remuneration consultant's advice about board remuneration in future, if necessary. For FY 2025, the H-REIT Manager NRC had proposed, and the H-REIT Manager Board had approved that (i) the ARC Chairman and members' fees be reduced by S$10,000 respectively; (ii) the NRC Chairman and members' fees be increased by S$5,000 respectively; and (iii) the BSC Chairman and members' fees be increased by S$5,000 and S$2,500 respectively. Updated information can be found in the section on "Disclosure on Remuneration - Principle 8" in this report.

The NRCs ensure that the remuneration of NEDs is appropriate to their level of contribution taking into account factors such as effort and time spent, and their responsibilities. The Directors' fees are paid by the H-REIT Manager and the FY 2025 fees structure of IDs and NEDs, including Board Committee fees, are set out in the Directors' fees table under Principle 8. During the year, there were no termination, retirement or post-employment benefits (other than CPF contributions) granted to any Director or CEO.

The Managers' remuneration policy for Directors comprises the following distinct objectives:

(a) to ensure that the procedure for determining remuneration for Directors is formal and transparent;

(b) to ensure that the level of remuneration is sufficient to attract and retain Directors to exercise oversight responsibility over the Company; and

(c) to ensure that no Director is involved in deciding on his own remuneration.

CORPORATE GOVERNANCE

The Managers' remuneration policy for employees comprises the following distinct objectives:

(a) to ensure that the remuneration packages are competitive in attracting and retaining employees capable of meeting the Managers' needs;

(b) to ensure that remuneration commensurate with employees' duties, responsibilities and length of service;

(c) to build sustainable value-creation to align with longer term shareholder's interests;

(d) to reward employees for achieving corporate and individual performance targets in an equitable way; and

(e) to enhance retention of key talents to build strong organisational capabilities.

Under the Managers' remuneration policy, the remuneration packages for employees, including the CEO who is an Executive Director, comprises a fixed base component (in the form of a base salary) and a variable component which includes the short-term incentives of variable, year-end annual and special bonuses. The variable component is determined by the individual's performance, competitive market practices and information gathered from market surveys conducted by independent human resource consultants as well as CDLHT's overall performance in each specific year. Employees are also provided with the standard benefits including insurance and medical benefits.

The remuneration structure is also directly linked to CDLHT and the individual performance of the CEO and KMP, both in terms of financial and non-financial performances by incorporating appropriate key performance indicators ("**KPIs**") that are measurable, appropriate and meaningful as well as competency reviews for the award of annual cash incentives.

The KPIs used in the Managers' Corporate Scorecard to determine remuneration and performance of the CEO and KMP include (but not limited to):

- Financials include targets relating to the total distribution income against budget; total distribution per stapled security; gearing ratio; valuation change; and one year and three year total unitholder return;

- Operations include targets relating to asset enhancement, capital expenditure management and lease management; treasury, refinancing and fund raising; compliance, corporate governance and risk management; and ESG;

- Strategic Projects include targets relating to asset acquisition, earnings growth from acquisition and asset disposal; and

- People include targets relating to staff retention and bench strength of the Managers team.

The KPIs are set and chosen because they support how the Managers achieve their strategic objectives. The framework enable staff to understand how they contribute to the Managers' overall strategic goals. The H-REIT Manager Board, at the recommendation of the H-REIT Manager NRC, reviews and approves the evaluation of the CEO and KMP annually. Currently, the remuneration of the Directors, KMP and employees are paid in cash only and no compensation is payable to any Director, KMP or employee of the H-REIT Manager in the form of options in stapled securities or pursuant to any bonus or profit-sharing plan or any other profit-linked agreement or arrangement, under their service contracts.

Although there is currently no share scheme or other forms of long-term incentive schemes in place, the Managers continue to execute the long-term growth and value creation strategies of CDLHT. Accordingly, the Boards and the NRCs of the Managers are of the view that the level and structure of remuneration for the KMP take into account the long-term interests and risk management of CDLHT.

Disclosure on Remuneration
Principle 8

For FY 2025, the aggregate amount of Directors' fees receivable by each of the Directors of the H-REIT Manager Board was less than S$250,000. These fees have been approved by the shareholder of the H-REIT Manager. No Director is involved in deciding his or her own remuneration. The Directors of the HBT Trustee-Manager Board did not receive any Directors' fees for FY 2025.

CORPORATE GOVERNANCE

The structure of the fees payable to Directors of the H-REIT Manager for FY 2025 is as follows:

Appointment	Per Annum (S$)
Board of Directors	
- Chairman's Fee	90,000 [1]
- Base Fee	60,000
Audit and Risk Committee	
- ARC Chairman's Fee	60,000 [2]
- ARC Member's Fee	30,000
Nominating and Remuneration Committee	
- NRC Chairman's Fee	15,000 [2]
- NRC Member's Fee	10,000
Board Sustainability Committee	
- BSC Chairman's Fee	10,000 [2]
- BSC Member's Fee	5,000
Lead Independent Director's Fee	10,000

(1) Inclusive of Base Fee
(2) Inclusive of member's fee

The remuneration of each Director (including the CEO) for FY 2025, comprising a breakdown in percentage terms of the components of the remuneration, is set out below:

	Base Salary[1]	Bonuses	Board/ Committee Fees	Benefits In Kind	Total
	%	%	%	%	S$
Executive Director and Chief Executive Officer					
Vincent Yeo Wee Eng	51.5	38.9	4.7	4.9	1,377,915
Non-Executive Directors					
Chan Soon Hee, Eric	–	–	100.0	–	105,000
Cheah Sui Ling [2]	–	–	100.0	–	108,246
Kwek Eik Sheng	–	–	100.0	–	60,000
Eng Chin Chin [3]	–	–	100.0	–	103,397
Kenny Kim [4]	–	–	100.0	–	93,246
Foo Say Mui (Bill) [5]	–	–	100.0	–	52,602

Note:

(1) Inclusive of Annual Wage Supplement and employer's Central Provident Fund contributions.
(2) Ms Cheah Sui Ling was appointed as Chairman of the BSC on 9 May 2025.
(3) Ms Eng Chin Chin was appointed as a Director and a member of ARC on 21 February 2025. She was subsequently appointed as the Chairman of the ARC and a member of NRC on 9 May 2025.
(4) Mr Kenny Kim was appointed as a member of the BSC on 9 May 2025.
(5) Dr Foo Say Mui (Bill) stepped down as a Director on 9 May 2025.

Level and Mix of Remuneration of KMP (not being a Director or CEO)

The NRCs had recommended and the Boards of the Managers had assessed and decided against the disclosure of the remuneration of the top five executive officers (excluding the CEO) on a named basis, whether in exact quantum or bands of S$250,000 and the total remuneration paid in aggregate to the top five KMP (who are not directors or the CEO), and believe that the interests of the Stapled Security Holders will not be prejudiced as a result of such non-disclosure, for the following reasons:

CORPORATE GOVERNANCE

- due to the highly competitive human resource environment for personnel with the requisite knowledge, expertise and experience in the area of real estate investment trusts and business trusts, such disclosure of remuneration information may give rise to recruitment and talent retention issues;

- the negative impact to H-REIT and HBT if members of the experienced and qualified management team are poached individually and/or collectively, thereby affecting both the ability to nurture a sustainable talent pool and ensure the smooth continuity of leadership to achieve business and operations objectives of H-REIT and HBT;

- there is no misalignment between the remuneration of the KMP and the interest of Stapled Security Holders, given that their remuneration is not linked to the gross revenue of H-REIT or HBT and are paid out of the assets of the Managers; and

- there is full and frank disclosure regarding the total amount of fees paid to the H-REIT Manager and HBT Trustee-Manager in Note 18 of the Notes to the Financial Statements.

The NRCs and the Boards of the Managers are of the view that their practice is consistent with the intent of Principle 8 of the CG Code as a whole.

For each of the H-REIT Manager and HBT Trustee-Manager, there is no employee who is a substantial shareholder; or an immediate family member of a director or the CEO or a substantial shareholder.

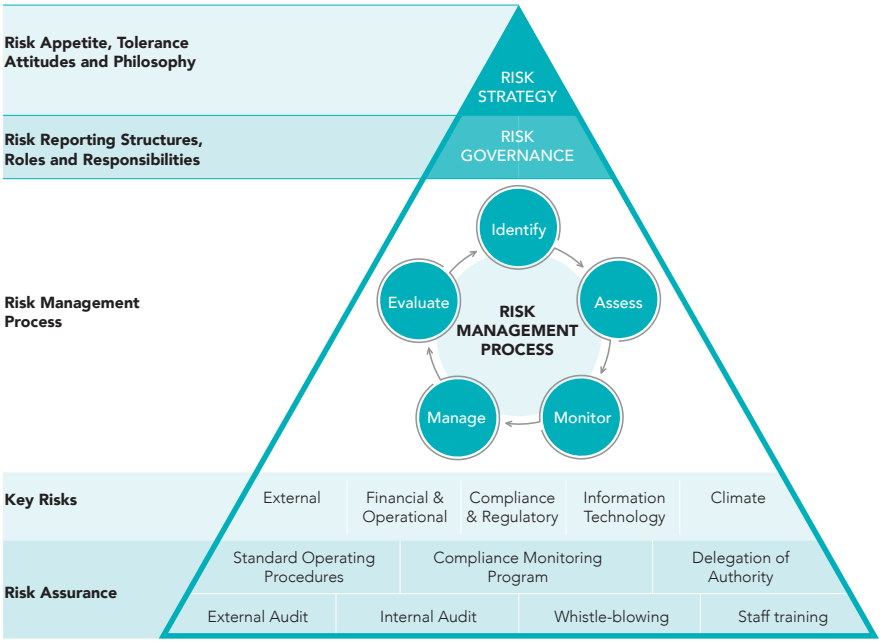
Pursuant to their terms of reference, the NRCs shall regularly review and recommend to the Boards, their assessment of the performance of KMP. The NRCs shall also take a holistic approach to the Managers' remuneration policy by considering the contribution and performance of KMP in light of the performance of CDLHT and prevailing economic and industry conditions.

Accountability and Audit
Principle 9

Risk Management and Internal Controls

The H-REIT Manager Board and the HBT Trustee-Manager Board recognise that they have overall responsibility to ensure proper financial reporting for the H-REIT Group, the HBT Group and the Stapled Group and the adequacy and effectiveness of H-REIT's and HBT's system of internal controls, including financial, operational, compliance and information technology controls and risk management policies and systems.

Oversight of Risk Management



CORPORATE GOVERNANCE

The ARCs assist the H-REIT Manager Board and HBT Trustee-Manager Board in providing oversight of risk management and maintaining an effective control environment that reflects both the established risk appetite and the business objectives and reporting to the Boards annually their observations on any matters under their purview including any risk management, internal controls or financial and management matters as they consider necessary and make recommendations to the Boards as they think fit.

An organisational risk management framework has been established by the Managers to ensure the internal processes are in place, enabling key business risks affecting H-REIT and HBT to be identified, assessed, monitored, managed and evaluated. The key risks identified include but are not limited to the following:

- External Risk
  As part of its active asset management strategy, the Managers continue to closely monitor economic and geopolitical developments across the markets that CDLHT operates in. As the global tourism and travel industry recovers, Management monitors the macro environment and reviews the hotels' business operations on an on-going basis.

- Financial Risk
  Financial market risks and capital adequacy are closely monitored by the Managers and are reported to the Boards on a quarterly basis. At the portfolio level, this includes active management of CDLHT's debt maturity profile, operating cash flows and availability of funding facilities to meet its capital, re-financing and operating needs. CDLHT also hedges its portfolio exposure to interest rate volatility risks through interest rate derivatives and fixed rate borrowings. For more information, please refer to Note 25 on page 277 of this Annual Report.

- Operational Risk
  The H-REIT Manager and HBT Trustee-Manager have put in place standard operating procedures ("**SOPs**") to manage the risks associated with the day-to-day operations of CDLHT. To stay relevant and effective, these SOPs are reviewed periodically. The Management provides monthly reports covering H-REIT Group's and HBT Group's financial performance to all Directors. Apart from the periodic updates provided by the Management, any member of the H-REIT Manager Board or HBT Trustee-Manager Board may at any time seek further information from and discuss the respective operations and performance with the Management.

- Compliance and Regulatory Risk
  Breaches of applicable regulations and laws in the various jurisdictions in which CDLHT operate in may result in litigation, penalties, revocation of business licenses and bad publicity. The H-REIT Manager and HBT Trustee-Manager identify the applicable regulations and laws and are committed to ensuring compliance in their day-to-day business operations.

- Information Technology Risk
  Rapidly evolving technology exposes businesses to potential information technology ("**IT**") breaches and cyber security threats. The H-REIT Manager and HBT Trustee-Manager have put in place policies and procedures for IT governance and controls as well as an IT Disaster Recovery Plan to ensure timely recovery of business-critical IT systems. In addition, all staff are also required to attend IT and cybersecurity awareness training.

- Climate-related Risk
  Climate change presents both physical and transition risks that may affect CDLHT's assets, operations and long-term value. CDLHT recognises climate-related risks as an emerging risk category and manages these risks within its overall risk governance framework.

  Management is responsible for the day-to-day assessment and management of climate-related risks, supported by relevant internal committees and working groups. Climate risks are considered across short, medium and long-term horizons, and assessed under different climate scenarios to understand potential impacts on CDLHT's portfolio and operations. CDLHT conducted its first climate scenario analysis in FY 2022, aligned with IPCC-based pathways, which continue to inform risk mitigation and adaptation planning. H-REIT Manager has embarked on a refresher review of CDLHT's climate risk exposure in 2025.

  CDLHT's climate-related risk management and disclosures are guided by the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the ISSB IFRS S2 standard and prepared with reference to the MAS's Guidelines on Environmental Risk Management for Asset Managers. CDLHT continues to enhance its climate governance and disclosures in line with evolving regulatory and investor expectations.

CORPORATE GOVERNANCE

The Managers recognise that risk management is an ongoing process and will thus, continuously ensure that the current risk management system and processes are in line with industry practices.

During the financial year under review, the ARCs reported to their respective Boards on the nature and extent of the risk management functions performed by them and made recommendations to the Boards on matters within their scope of duties. The ARCs shall within their written terms of reference, specifically:

- review the overall risk appetite and tolerance as determined using the risk limits and/or parameters established by the Management and approved by the ARCs, which limits and/or parameters are to be reviewed from time to time;
- keep under review the key strategic risks (and gaps) identified by the Management and discuss with Management the risk acceptance and/or risk mitigation strategies taken in respect of such risks;
- review H-REIT's and HBT's risk profile periodically and assist the Boards in the review of H-REIT's and HBT's risk strategy and key risk policies;
- ensure that Management puts in place procedures for accurate and timely monitoring of large exposures and critical risks so that H-REIT and HBT are capable of responding to current and prospective changes within both H-REIT's and HBT's business and industry and the macroeconomic and financial environment;
- review reports on any material breaches of risk limits and the adequacy of the proposed actions taken to rectify such breaches; and
- review and report to the Boards annually on the adequacy and effectiveness of the established risk management framework, especially to address H-REIT's and HBT's financial, operational, compliance and information technology risks (which review may be carried out internally or with the assistance of competent third parties).

Internal Controls

Having regard to the risks to which the business is exposed, the likelihood of such risks occurring and the costs of mitigating such risks, H-REIT's and HBT's internal controls structure have been designed and put in place by Management to provide reasonable assurance against material financial misstatements or loss, for the safeguarding of assets, for the maintenance of proper accounting records, for the provision of financial and other information with integrity, reliability and relevance, and in compliance with applicable laws and regulations. However, no internal controls system can provide absolute assurance in view of inherent limitations of any internal controls system against the occurrence of human and system errors, poor judgement in decision-making, losses, fraud or other irregularities. H-REIT's and HBT's internal controls structure includes:

- an external audit programme;
- an internal audit programme;
- a risk management framework established for the identification, evaluation, management and monitoring of its key risks;
- the establishment and review from time to time of policies and procedures which govern and allow for the monitoring of financial, operational and compliance controls; and
- a whistle blowing programme.

The Management provides monthly reports covering H-REIT Group's and HBT Group's financial performance to all Directors. Apart from the periodic updates provided by the Management, any member of the H-REIT Manager Board or HBT Trustee-Manager Board may at any time seek further information from and discuss the respective operations and performance with the Management. Each Board also receives a separate quarterly representation on the financial information and controls, that nothing has come to Management's attention which may render the financial statements to be false or misleading in any material respect.

CORPORATE GOVERNANCE

Based on the internal controls framework established, the independent annual review conducted by an external consultant, work performed by the internal and external auditors, quarterly regulatory and compliance reviews of CDLHT and the written assurance from the CEO and the CFO, the H-REIT Manager Board and HBT Trustee-Manager Board confirm, with the assistance of the ARCs, that they have reviewed the adequacy and effectiveness of H-REIT's and HBT's risk management and internal controls systems that addresses the financial, operational, compliance and information technology controls. The Boards, with the concurrence of the ARCs, conclude that the risk management and internal controls systems in place as at 31 December 2025 are adequate and effective to address in all material respects the financial, operational, compliance and information technology risks within the current scope of H-REIT's and HBT's business operations and that the financial records have been properly maintained and the financial statements give a true and fair view of the operations and finances of H-REIT and HBT.

Audit Committee
Principle 10

Composition of the ARCs

The ARCs of both the H-REIT Manager and the HBT Trustee-Manager currently comprise three NEDs, all of whom (including the chairman of the ARCs) are independent.

The chairman and members of the ARCs have audit, accounting or finance background and experience. The H-REIT Manager Board and the HBT Trustee-Manager Board are of the view that the ARCs have sufficient financial management expertise and experience amongst their members to discharge the functions of the ARCs within their written terms of reference approved and adopted by the respective Boards.

Powers and Duties of the ARCs

The ARCs are authorised by the H-REIT Manager Board and the HBT Trustee-Manager Board to review and investigate any matters they deem appropriate within their written terms of reference and have direct and unrestricted access to the external auditors and the internal auditors. The ARCs may invite any Director, Management, officer or employee of the H-REIT Manager and/or the HBT Trustee-Manager to attend their meetings. The ARCs are also authorised to engage any firm of accountants, lawyers or other professionals as they see fit to provide independent counsel and advice to assist in the review or investigation on such matters within their terms of reference as they deem appropriate at the expense of the H-REIT Manager and the HBT Trustee-Manager respectively.

The principal responsibility of the ARCs is to assist the H-REIT Manager Board and the HBT Trustee-Manager Board in maintaining a high standard of corporate governance, particularly by providing an independent review of the adequacy and effectiveness of H-REIT's and HBT's financial reporting process (including reviewing the accounting policies and practices of the H-REIT Group, the HBT Group and the Stapled Group on a consolidated basis) and risk management and key internal controls, including financial, operational, compliance and information technology controls. Other duties within their written terms of reference include, *inter alia*:

- to monitor the integrity of the financial statements of H-REIT Group, HBT Group and the Stapled Group, in particular, the application and consistency of accounting standards used at company and group levels;
- to assess and challenge, if necessary, the correctness, completeness and consistency of financial information in the financial statements of H-REIT Group, HBT Group and the Stapled Group and any announcements relating to the financial performance of H-REIT Group, HBT Group and the Stapled Group, before submission to the Boards for approval or before they are made public;
- to review the assurance provided by the CEO and the CFO that (a) the financial records have been properly maintained and the financial statements give a true and fair view of the H-REIT Group's, the HBT Group's and the Stapled Group's operations and financial position; and (b) the adequacy and effectiveness of the risk management and internal controls systems;
- to review the adequacy, effectiveness, independence, scope and results of the internal audit function;
- to review the scope and results of the external audit, and the adequacy, effectiveness, independence and objectivity of the external auditors;
- to approve, on behalf of the Boards, the remuneration and terms of engagement of the external auditors;

CORPORATE GOVERNANCE

- to review and make recommendation to the Boards on the appointment, re-appointment or removal of the external auditors;
- to review all Related Party Transactions, Interested Party Transactions (as defined in the Property Funds Appendix) and Interested Person Transactions (as defined in the Listing Manual) entered into from time to time and ensure compliance with the relevant provisions of the Listing Manual of SGX-ST, the Property Funds Appendix and the relevant accounting standards;
- to ensure that the H-REIT Group, the HBT Group and the Stapled Group are in compliance with the applicable laws and regulations; and
- to oversee the establishment and operation of the whistle-blowing processes.

Financial Matters

In the review of the financial statements for FY 2025, the ARCs have discussed with Management the accounting principles that were applied and their judgement of items that might affect the integrity of the financial statements. The following significant matters impacting the financial statements were discussed with Management and the external auditors and were reviewed by the ARCs:

Significant Matters	How the ARCs reviewed these matters and what decisions were made
Valuation of investment properties	The H-REIT Manager ARC and the HBT Trustee-Manager ARC considered the approach and methodology applied to the valuation model in assessing the valuation of the investment properties. The ARCs noted that: ● there was appropriate use of third party valuation expertise; ● sufficient robust challenge was given to management by the external auditors; ● material judgemental assumptions that were used in the valuations were within reasonable parameters; and ● conclusions have been appropriately drawn. The valuation of the investment properties was an area of focus by the external auditors. The external auditors have included this item as a key audit matter in their audit report for the financial year ended 31 December 2025. Refer to page 194 of this Annual Report.
Valuation of property, plant and equipment	The H-REIT Manager ARC and the HBT Trustee-Manager ARC considered the approach and methodology applied to the valuation model in assessing the valuation of the property, plant and equipment. The ARCs noted that: ● there was appropriate use of third party valuation expertise; ● sufficient robust challenge was given to management by the external auditors; ● material judgemental assumptions that were used in the valuations were within reasonable parameters; and ● conclusions have been appropriately drawn. The valuation of property, plant and equipment was an area of focus by the external auditors. The external auditors have included this item as a key audit matter in their audit report for the financial year ended 31 December 2025. Refer to pages 194 and 195 of this Annual Report.

During the financial year under review, the ARCs have established an internal controls system to ensure that all Related Party Transactions, Interested Party Transactions (as defined in the Property Funds Appendix) and Interested Person Transactions (as defined in the Listing Manual) are undertaken on normal commercial terms and are not prejudicial to the interests of Stapled Security Holders. The ARCs have been kept abreast on changes to the accounting standards and issues which have direct impact on the H-REIT Group's, the HBT Group's and the Stapled Group's financial statements by the CFO and the external auditors during FY 2025.

CORPORATE GOVERNANCE

The ARCs held four meetings each during the year respectively and carried out their duties as set out within the terms of reference. The Company Secretaries maintain records of all ARC meetings including records of discussions on key deliberations and decisions taken. The ARCs met with the external auditors separately without the presence of Management annually.

In performing its duties, the ARCs also took guidance from the Audit Committee Guide and the Board Risk Committee Guide both issued by the SID. For the financial year under review, the ARCs conducted a self-assessment of its effectiveness in the discharge of its duties and responsibilities. The assessment was facilitated through the use of a self-assessment checklist ("**ARC Self-Assessment Checklist**") which covered, *inter alia*, the responsibilities of the ARCs under their terms of reference.

Based on the outcome of the self-assessment, the H-REIT Manager ARC and the HBT Trustee-Manager ARC agreed that they had fulfilled their responsibilities and discharged their duties as set out in their terms of reference.

External Auditors

The ARCs had evaluated the performance of the external auditors for FY 2025. The ARCs also reviewed the responses furnished by KPMG LLP ("**KPMG**") based on the sample questionnaire set out in the Guidebook for Audit Committees in Singapore produced by the Audit Committee Guidance Committee.

Taking cognisance that the external auditors should be free from any business or other relationships with the H-REIT Group, HBT Group and the Stapled Group that could materially interfere with their ability to act with integrity and objectivity, the ARCs had, in 2025, undertaken a review of the independence of KPMG and gave careful consideration to the H-REIT Group's, the HBT Group's and the Stapled Group's relationships with them during 2025 including the processes, policies and safeguards adopted by the H-REIT Group, the HBT Group and the Stapled Group. The ARCs also considered the nature of the provision of the non-audit services in 2025 and the corresponding fees and are of the opinion that such non-audit fees did not impair or threaten the audit independence. Based on the review, the ARCs are of the opinion that KPMG is, and is perceived to be, independent for the purpose of the H-REIT Group's, HBT Group's and the Stapled Group's statutory audit.

For details of the fees paid and/or payable by the H-REIT Group, HBT Group and the Stapled Group in respect of audit and non-audit services for FY 2025, please refer to Note 20 of the Notes to the Financial Statements.

In reviewing the nomination of KPMG for re-appointment for the financial year ending 31 December 2026, the ARCs had taken into consideration the Audit Quality Indicators Framework introduced by ACRA. The ARCs also considered the following in their review:

(i) the adequacy and experience of the supervisory and professional staff of KPMG assigned to the audit of the H-REIT Group, HBT Group and the Stapled Group;

(ii) the audit engagement partner assigned to the audit;

(iii) KPMG's past experience in auditing clients in the REIT sector; and

(iv) the size and complexity of the audit exercise for the H-REIT Group, HBT Group and the Stapled Group.

KPMG have confirmed that they are registered with ACRA in accordance with Rule 712(2) of the Listing Manual of SGX-ST. The Stapled Group is thus in compliance with Rules 712 and 715 (read with Rule 716) of the Listing Manual of SGX-ST in relation to the appointment of its auditors.

On the basis of the above, the ARCs have recommended to the Boards the nomination of KPMG for re-appointment as external auditors of the H-REIT Group, HBT Group and the Stapled Group at the 2026 Annual General Meetings ("**2026 AGMs**").

CORPORATE GOVERNANCE

Whistle Blowing Policy

The H-REIT Manager and the HBT Trustee-Manager have in place a whistle blowing policy setting out the procedure where staff of the H-REIT Manager and the HBT Trustee-Manager and other persons can raise in confidence, whether anonymously or otherwise, concerns on possible improprieties relating to accounting, financial reporting, internal controls and auditing matters, without fear of reprisals in any form. The ARCs have the responsibility of overseeing this policy which is administered with the assistance of Management. Under these procedures, arrangements are in place for independent investigation of such matters raised and for appropriate follow up action to be taken.

The H-REIT Manager and the HBT Trustee-Manager are committed to maintaining procedures for the confidential and anonymous submission of reports and the anonymity of whistle-blowers concerned will be maintained where so requested by the whistle-blowers who lodged the report. Investigations into such reports will be handled on a confidential basis to the extent permissible or deemed appropriate under the circumstances, and involve persons who need to be involved in order to properly carry out the investigation and will, on a best efforts basis, be carried out in a timely manner.

In order to facilitate and encourage the reporting of such matters, the whistleblowing policy, including the dedicated whistle blowing email address at archairman@cdlht.com and postal correspondence channel are available on CDLHT's website and clearly communicates to employees the existence of a whistle-blowing policy. The whistle blowing policy and procedural arrangements are reviewed by the ARCs from time to time.

Internal Audit

Internal Audit ("**IA**") plays an important role in monitoring an effective system of internal controls. The IA function of the Singapore hotels' operations (except for W Singapore – Sentosa Cove) which are managed by Millennium & Copthorne International Limited, is performed by the internal audit team of CDL, parent company of the Managers, who presents their control findings to the H-REIT Manager's ARC. Deloitte & Touche Enterprise Risk Services Pte Ltd ("**Deloitte IA**"), staffed with professionals with relevant qualifications and experience, has been appointed for the IA work on the H-REIT Manager, HBT Trustee-Manager, and hospitality, retail and living asset properties which are not managed by the Sponsor group. The ARCs review the IA plan and Deloitte IA reports its control findings to the ARCs. Deloitte IA's appointment and removal as the internal auditor requires the approval of the ARCs of the H-REIT Manager and HBT Trustee-Manager.

The internal auditors have adopted the standards set by internationally recognised professional bodies including the International Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

Processes are in place such that material control weaknesses raised in the IA reports are dealt with in a timely manner, with outstanding exceptions or recommendations being closely monitored and reported back to the ARCs on a half-yearly basis.

The ARCs review the activities of the internal auditors on a half-yearly basis and are satisfied that the IA function is independent of the activities which it audits; is adequately resourced; and has appropriate standing within the H-REIT Manager and HBT Trustee-Manager to perform their role and responsibilities effectively. The ARC's evaluation of Deloitte IA function's effectiveness was guided by the ARC's self-assessment checklist as well as through the reports submitted by Deloitte at ARC meetings.

The ARCs met with the internal auditors separately without the presence of Management in January 2026.

RIGHTS OF STAPLED SECURITY HOLDERS AND ENGAGEMENT

Rights of Stapled Security Holders and Conduct of General Meetings
Principle 11

Being committed to good corporate practices, the H-REIT Manager and the HBT Trustee-Manager treat all Stapled Security Holders fairly and equitably. To facilitate the exercise of Stapled Security Holders' rights, the H-REIT Manager and the HBT Trustee-Manager ensure that all material information relating to the Stapled Group and its financial performance is disclosed in an accurate and timely manner via SGXNet.

CORPORATE GOVERNANCE

All Stapled Security Holders are entitled to attend and vote at general meetings in person or by proxy. The rules including the voting procedures are set out in the notice of general meetings. In accordance with the H-REIT Trust Deed (as amended) and HBT Trust Deed (as amended), Stapled Security Holders who are not relevant intermediaries may appoint not more than two proxies to attend, speak and vote at general meetings in their absence, and Stapled Security Holders who are relevant intermediaries may appoint more than two proxies to attend, speak and vote at general meetings.

The proxy forms must be deposited at such place or places specified in the notice convening the general meetings not less than forty-eight (48) hours before the time set for the general meetings. Separate resolutions on each substantial issue are put to vote at the general meetings. Detailed information on each item in the agenda of the general meetings is in the explanatory notes to the notice of the general meetings.

At general meetings, Stapled Security Holders are given the opportunity to communicate their views and are encouraged to ask the H-REIT Manager Board and the HBT Trustee-Manager Board and the Management questions regarding matters affecting H-REIT and HBT. Stapled Security Holders can submit questions in advance of the general meetings and substantial and relevant questions will be addressed prior to or at the general meetings. A presentation slides, which included an overview of CDLHT were also made available on SGX-ST prior to the AGMs, and CDLHT's website.

All Stapled Security Holders are allowed to vote in person or by proxy. As the authentication of a Stapled Security Holder's identity information and other related integrity issues still remain a concern, the H-REIT Manager and HBT Trustee-Manager have decided, for the time being, not to implement voting in absentia by mail or electronic means as recommended by Provision 11.4 of the CG Code.

Pursuant to Rule 730A(2) of the Listing Manual of SGX, all resolutions proposed at AGMs and at any adjournment thereof shall be put to vote by way of poll. In support of greater transparency and to allow for a more efficient voting system, the H-REIT Manager and the HBT Trustee-Manager have introduced electronic poll voting instead of voting by show of hands since the 2014 AGMs. With electronic poll voting, Stapled Security Holders present in person or represented by proxy at the meeting are entitled to vote on a "one-stapled security, one-vote" basis. The voting results of all votes cast in respect of each resolution will also be instantaneously displayed on-screen at the meeting. An external firm will be appointed as scrutineers for the AGMs voting process, which is independent of the firm appointed to undertake the electronic poll voting process. The detailed results setting out the number of votes cast for and against each resolution and the respective percentages will be announced via SGXNet after the AGMs.

The H-REIT Manager and HBT Trustee-Manager also maintain minutes of the general meetings, which includes the key comments and queries raised by Stapled Security Holders and the responses from the H-REIT Manager Board, HBT Trustee-Manager Board, Management and/or the external auditors. The minutes of the general meetings will be made available on the corporate website as soon as practicable.

2025 AGMs

The last Annual General Meetings ("**2025 AGMs**") of H-REIT and HBT were held on 24 April 2025 in a wholly physical mode, at Grand Millennium Copthorne Waterfront Singapore. The notice of 2025 AGMs together with a copy each of the proxy form and AR request form for the use of the Stapled Security Holders were sent by post to them. These documents were published on the website of CDLHT and released via SGXNet. The Stapled Security Holders (including CPF and SRS investors) who participated at the 2025 AGMs were able to submit questions in advance or during the 2025 AGMs and/or appoint proxy(ies) to attend, speak and vote on their behalf at the 2025 AGMs. All substantial and relevant questions submitted by the Stapled Security Holders prior to the 2025 AGM, as well as those received live, were addressed by CDLHT.

The resolutions tabled at 2025 AGMs for approval have not been bundled or made inter-conditional on each other. The Stapled Security Holders were given the right to express their views and exercise their voting rights on each resolution separately. At the 2025 AGMs, the CEO took the Stapled Security Holders through a presentation, which included an overview of CDLHT's FY 2024 performance, key highlights and the outlook for 2025. The presentation slides were made available on SGX-ST and CDLHT's website prior to the 2025 AGMs.

All the Directors including the chairmen of the ARCs and NRCs as well as the Management, external auditors and legal adviser had attended 2025 AGMs. The Directors also took the opportunity to interact with the Stapled Security Holders before and after 2025 AGMs.

CORPORATE GOVERNANCE

All resolutions at 2025 AGMs were put to the vote by electronic poll voting and a video on how to vote was screened at 2025 AGMs. T S Tay Public Accounting Corporation, an independent scrutineer was appointed to count and validate the votes at 2025 AGMs. The detailed results showing the number of votes cast for and against each resolution and the respective percentages were displayed at the 2025 AGMs right after the votes are casted and detailed voting results were released on the same day via SGXNet. The minutes of 2025 AGM, including a summary of the questions from the Stapled Security Holders and the responses from the Chairman and Management, were released via SGXNet within one month from 2025 AGMs. The minutes of 2025 AGMs was also made available on CDLHT's website.

Forthcoming 2026 AGMs

The forthcoming 2026 AGMs will continue to be held, in a wholly physical mode, at Grand Copthorne Waterfront Hotel on 24 April 2026. There will be no option for Stapled Security Holders to participate virtually.

Distribution Policy

H-REIT's current distribution policy is to distribute at least 90.0% of its taxable income and its tax-exempt income (if any), with the actual level of distribution to be determined at the H-REIT Manager's discretion. H-REIT makes distributions to unitholders on a semi-annual basis, with the amount calculated as at 30 June and 31 December each year for the six-month period ending on each of the said dates. Distributions, when paid, will be in Singapore Dollars. As for HBT's distribution policy, the determination to distribute and the quantum of distributions will be made by the HBT Trustee-Manager Board at its sole discretion.

Engagement with Stapled Security Holders
Principle 12

The H-REIT Manager Board and the HBT Trustee-Manager Board provide the Stapled Security Holders with half year and full year financial results of the H-REIT Group, the HBT Group and the Stapled Group. The unaudited half year results of the H-REIT Group, the HBT Group and the Stapled Group were released to Stapled Security Holders within 45 days of the end of the six-month period whilst unaudited full year results of the H-REIT Group, HBT Group and the Stapled Group were released within 60 days from the financial year ended 31 December 2025. In presenting the 2025 full year and half-yearly results of the H-REIT Group, the HBT Group and the Stapled Group as well as operational updates for first and third quarters, the H-REIT Manager Board and HBT Trustee-Manager Board aimed to provide the Stapled Security Holders with a balanced and understandable assessment of the performance and financial position of the H-REIT Group, the HBT Group and the Stapled Group, with a commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which CDLHT operates.

The H-REIT Manager and the HBT Trustee-Manager ensure that Stapled Security Holders are notified of all material information in an accurate and timely manner, including the date of release of the financial results of the H-REIT Group, the HBT Group and the Stapled Group via SGXNet. The half year and full year financial results of the H-REIT Group, the HBT Group and the Stapled Group are announced within the mandatory period. The financial statements of the H-REIT Group, the HBT Group and the Stapled Group and other presentation materials presented at general meetings, including material and price-sensitive information, are disseminated and publicly released via SGXNet on a timely basis.

All Stapled Security Holders receive the annual report of CDLHT, the HBT Trustee-Manager's financial statements and Notice of general meetings. Stapled Security Holders, stakeholders and investors can access information on CDLHT at its website at www.cdlht.com which provides, *inter alia*, corporate announcements, press releases and the latest financial results as disclosed by CDLHT on SGXNet.

From time to time, the Management of the H-REIT Manager and the HBT Trustee-Manager hold briefings with analysts and the media to coincide with the release of CDLHT's half year and full year financial results. Presentation slides are also released on SGXNet and made available on the CDLHT's website. In addition, the Management takes an active role in investor relations, meeting local and foreign fund managers regularly as well as participating in roadshows and conferences both locally and overseas.

CORPORATE GOVERNANCE

Investor Relations Policy

The H-REIT Manager and the HBT Trustee-Manager are committed to building investor confidence and trust through effective open, two-way communication with Stapled Security Holders, the investment community and the media. The Investor Relations ("**IR**") Policy, available on the CDLHT's corporate website, sets out the process and mechanism to engage its stakeholders, including the channel of communication through which Stapled Security Holders and investors may pose queries and through which the Company may respond. The IR Policy outlines the principles and framework in which the Company communicates and engages with investors, analysts and other IR stakeholders to provide balanced, clear and pertinent information.

Engagement with Stakeholders
Principle 13

The Management of the H-REIT Manager and the HBT Trustee-Manager noted that the relationships with the key stakeholders may have an impact on the CDLHT's long term sustainability. Regular dialogue with key stakeholders such as the Boards, employees, Trustee, master lessees, hotel managers, hotel guests, tenants, suppliers, government/ regulators, investors and local communities are ongoing to better understand and manage their expectations.

The Managers are committed to sustainability issues and more details can be found on CDLHT's Sustainability Report found on pages 98 to 149 of this Annual Report.

The rights of one of CDLHT's key trade creditors, the lending banks, are protected. The Managers ensure that the gearing ratio is well below the regulatory limits and that the loan covenants are complied with.

ADDITIONAL INFORMATION

Rationale for Choice of H-REIT Manager

The H-REIT Manager comprises staff with experience and competencies such as hospitality, investment, investor relations, asset management, capital markets and finance. This enables the H-REIT Manager to discharge its duties in an effective manner. The H-REIT Manager's Board of Directors has a majority of Independent Directors. Their collective expertise and diverse background contribute to the sound governance of the H-REIT Manager and CDLHT.

Provision for Removal of H-REIT Manager and HBT Trustee-Manager

Under certain circumstances as provided for in the H-REIT Trust Deed, the H-REIT Manager may be removed by notice in writing given by the H-REIT Trustee, including by a resolution passed by a simple majority of H-REIT Unitholders present and voting (with no H-REIT Unitholders being disenfranchised) at a general meeting duly convened and held in accordance with the provisions of the H-REIT Trust Deed. In the case of HBT, the removal of the HBT Trustee-Manager shall only be in accordance with the relevant laws, regulations and guidelines.

Availability of H-REIT and HBT Trust Deeds

Copies of the H-REIT and HBT Trust Deeds are available for inspection at the registered offices of the Managers during business hours. Prior appointment is appreciated. A nominal charge will be applied for photocopies of the Trust Deeds.

Dealing with Conflicts of Interest

The Managers have established the following procedures to manage conflicts of interest involving CDLHT:

(i) In respect of matters which a Director and his or her associates have an interest, direct or indirect, the interested Director will inform the Boards as soon as he or she becomes aware of the matter and abstain from voting. The quorum will comprise a majority without the interested Director's vote;

(ii) In respect of matters in which the Sponsor and/or its subsidiaries have an interest, direct or indirect, any director appointed to represent their interests will abstain from voting on such matters. The quorum will comprise a majority of the IDs and will exclude the director representing the Sponsor's interests; and

(iii) At least two thirds of the Boards shall comprise IDs, as disclosed on page 51 of this Annual Report.

CORPORATE GOVERNANCE

In FY 2025, there are no material contracts entered into by CDLHT or any of its subsidiaries that involve the interests of any Director, the CEO or any controlling Stapled Security Holders save as disclosed in this Annual Report. There were no conflicts of interest reported by each director in the financial year.

Dealing with Interested Party Transactions (as defined in the Property Funds Appendix) and Interested Person Transactions (as defined in the Listing Manual) (collectively, "IPT")

With regards to IPT, the Managers are guided by the following principles:

(i) IPT will be undertaken on an arm's length basis with normal commercial terms;

(ii) IPT must not be prejudicial to the interests of CDLHT and its minority Stapled Security Holders; and

(iii) IPT are compliant with applicable SGX Listing Rules and other regulatory guidelines as prescribed from time to time.

For IPT concerning H-REIT which are entered or to be entered by the H-REIT Trustee (acting in its capacity as trustee of H-REIT), the H-REIT Trustee is required to consider the terms of the IPT to satisfy itself that such transactions are conducted as per the principles stated above.

Furthermore, the H-REIT Trustee has the ultimate discretion under the Trust Deed to decide whether or not to enter into an IPT. If the H-REIT Trustee is to sign any IPT contract, the Trustee will review the contract to ensure that it complies with the requirements relating to IPT as well as guidelines (amended from time to time) prescribed by the MAS and the SGX-ST to apply to real estate investment trusts.

Information on the measures and procedures put in place by the HBT Trustee-Manager to manage potential IPT can also be found in the Statement on the Policies and Practices in Relation to the Management and Governance of CDL Hospitality Business Trust on pages 179 to 185 of this Annual Report.

The Managers maintain master registers of all IPT and related party transactions entered into by CDLHT. The ARCs review the master registers quarterly to ensure IPT are in compliance with the Managers' internal controls systems, the SGX Listing Manual and the Property Funds Appendix.

Please refer to page 308 of this Annual Report for more details about IPT in FY 2025.

Anti-Corruption, Anti-Bribery and Code of Conduct and Ethics

The H-REIT Manager Board, HBT Trustee-Manager Board and Management are committed to conducting business with integrity and consistent with the highest standards of business ethics, and in compliance with all applicable laws and regulatory requirements. There is no tolerance for bribery or corruption. To mitigate reputational risk, the Managers have established various policies and guidelines to guide employees of the Managers, such as the receipt of corporate gifts, entertainment or concessionary offerings in order to avoid any misperception of impropriety. The Managers also uphold the anti-corruption and anti-bribery clauses found in some contractual agreements when dealing with business partners.

The Managers have also adopted an internal code of business and ethical conduct which sets out the business principles and practices with respect to matters which may have ethical implications. The code provides a communicable and understandable framework for employees of the Managers to observe principles such as honesty, integrity, responsibility and accountability at all levels of the organisation and in the conduct of business in their relationships with suppliers and amongst employees, including situations where there are potential conflicts of interests.

New employees of the Managers are made aware of the importance of business ethics as part of their orientation and on a periodic basis, employees of the Managers undergo refresher training. Employees of the Managers also provide an annual self-attestation to affirm their fit and proper status. The various anti-corruption policies and the internal code of business and ethical conduct are made available to all employees of the Managers.

CORPORATE GOVERNANCE

Confidential Information

The H-REIT Manager and HBT Trustee-Manager may in the course of business, collect, process, use or disclose personal data of individuals, including H-REIT and HBT Unitholders, employees, lessees or tenants, and in some cases, guests or employees of hotels owned, third-party hotel owners, agents, partners, suppliers and other individuals. The CDLHT Data Protection Handbook is in place to ensure that the personal data processed is subject to certain legal safeguards and restrictions, in line with the requirements of the Personal Data Protection Act and SFA.

Internal Code on Dealings in Securities

The H-REIT Manager and the HBT Trustee-Manager have in place an internal code on securities trading which sets out the implications of insider trading and provides guidance and internal regulation with regard to dealings in the stapled securities of CDLHT by the Managers, Directors and employees of both the Managers and CDLHT being the listed issuer. These guidelines prohibit dealing in the stapled securities of CDLHT (a) on short-term considerations, (b) while in possession of unpublished material price-sensitive information in relation to such stapled securities, and (c) during the "closed period", which is defined as one month before the date of announcement of the H-REIT's and HBT's half-yearly and full-year financial results, and ending on the date of the announcement of the relevant results. The Directors and employees of the H-REIT Manager are notified in advance of the commencement of each "closed period" relating to dealing in the stapled securities of CDLHT.

A pre-trading approval process is in place for Directors and the CEO of the Managers who intend to trade in CDLHT's stapled securities. Dealings by each Director and the Chief Executive Officer in CDLHT's stapled securities are disclosed in accordance with the applicable SGX listing rules and the SFA. In FY 2025, based on the information available to the Managers, save as disclosed in accordance with such requirements, there were no dealings by the Directors in CDLHT's stapled securities.

STATEMENT OF POLICIES AND PRACTICES OF HBT

Apart from the corporate governance practices disclosed above, the HBT Trustee-Manager has prepared a statement of policies and practices in relation to the management and governance of HBT (as described in section 87(1) of the Business Trusts Act 2004) in respect of FY 2025, which is set out on pages 179 to 185 of this Annual Report.

ADDITIONAL DISCLOSURE ON FEES PAYABLE TO THE REIT MANAGER

Pursuant to the Clauses 14.1, 14.2 and 14.7 of the H-REIT Trust Deed, the H-REIT Manager is entitled to receive fees payable out of the deposited property of H-REIT.

The methodology for the computation and payment of fees, with reference to the aforesaid Trust Deed clauses, is disclosed on pages 217 to 220 of this Annual Report. The various fees earned by the H-REIT Manager and their rationale are further elaborated as follows:

Management Fee

The base fee covers the H-REIT Manager's operational, compliance, reporting and administrative costs for developing and executing strategies and business plans for H-REIT and represents fair compensation to the H-REIT Manager for discharging its core responsibilities and duties. It is based on a percentage of the value of H-REIT's deposited properties and is an appropriate metric because as H-REIT grows in size and complexity, the Manager's responsibilities will grow correspondingly.

The performance fee payable to the H-REIT Manager is based on a percentage of the H-REIT Group's net property income. The fee methodology is transparent and reflective of the alignment of interest between the H-REIT Manager and Stapled Security Holders in growing higher property income over the long term through proactive management which includes working with lessees/ hotel managers to drive revenues and cost efficiencies at the property level, carrying out asset enhancement, repositioning or rebranding initiatives, operator selection exercises and negotiation of commercial lease terms or management contract terms. Accordingly, the H-REIT Board is of the view that the performance fee will incentivise the H-REIT Manager to take a holistic and balanced approach towards seeking growth opportunities and encourage the H-REIT Manager to act in the interests of Stapled Security Holders to enhance the net property income and consequently the long-term value of assets.

CORPORATE GOVERNANCE

Acquisition fee & Divestment fee

The acquisition fee and divestment fee payable to the H-REIT Manager serve as a form of compensation for the time, effort and resources spent in sourcing, evaluating, conducting due diligence and executing potential opportunities to acquire new properties or in rebalancing and unlocking the underlying value of existing properties by divestments respectively.

The H-REIT Manager provides these services over and above the provision of ongoing management services with the aim of generating long-term value for Stapled Security Holders. The acquisition fee is higher than the divestment fee because the time and efforts undertaken in terms of sourcing, evaluating and conducting due diligence, and fund raising for an acquisition, are higher as compared to a divestment.

Development Management fee

The development management fee payable is to compensate the H-REIT Manager for its time, costs and effort in facilitating the undertaking of development projects, on behalf of H-REIT, when an attractive opportunity arises which is beneficial to Stapled Security Holders as development projects can potentially provide significant returns and contribute to improving the net asset value of H-REIT's portfolio, and provide growing distributions to Stapled Security Holders.

The development management fee is higher than the acquisition fee because unlike outright acquisitions of completed income-producing properties, the process of property development is more complex as it requires a longer gestation period and involves the management and supervision of significant construction activity. The gestation period (i.e. from the time taken between identification of development opportunities and the confirmation of a deal) may take up to a year and sometimes longer. From confirmation of a deal to the completion of the construction of the development project, the development management process may typically take 12 to 36 months depending on the size, complexity and location of the project. In contrast, the time frame for outright acquisitions may be as short as three to six months from the initial inspection until the completion of the acquisition.

In addition, development management usually involves more extensive liaisons with external parties such as architects, engineers, designers, contractors and the relevant authorities. The services rendered for a development project is significantly more than the services rendered for an acquisition.