INTERNATIONAL CEMENT GROUP LTD.
(Company Registration No. 201539771E)

RESPONSE TO SGX-ST QUERIES

The Board of Directors (the "**Board**") of International Cement Group Ltd. (the "**Company**" and together with its subsidiaries, collectively the "**Group**") refers to the queries raised by Singapore Exchange Securities Trading Limited ("**SGX-ST**") and would like to provide further information in relation to the Annual Report for the financial year ended 31 December 2022 ("**Annual Report 2022"**):

SGX-ST's Query 1

Listing Rule 710 requires issuers to explicitly state, when deviating from the provisions prescribed in the Code of Corporate Governance 2018 (the "Code"), an explanation on how the practices it had adopted are consistent with the intent of the relevant principle. We note that the Company had not complied with Provision 8.1 of the Code with regards to the disclosure of remuneration of the CEOs and Board Directors, and there were no explanations were provided for in your FY2022 annual report on how it is consistent with the intent of Principle 8 of the Code. Please clarify how the practices the Company had adopted are consistent with the intent of Principle 8 of the Code, which requires transparency on the Company's remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation.

Response

Remuneration for Executive Directors and Key Management Personnel

The Remuneration Committee ("**RC**") is responsible for reviewing and recommending a remuneration policy framework to the Board and determining specific remuneration packages of the individual Executive Directors ("**EDs**") and the Key Management Personnel ("**KMP**"). Remuneration for EDs and KMP comprises salaries and discretionary bonuses. Salaries are reviewed annually by the RC and adjustments are made to reflect performance, contribution, changes in responsibilities (if any) and/or by reference to market/sector trends. In addition to salary, EDs and KMP are eligible to receive discretionary bonuses which are determined based on individual performance; the Group's performance for each financial year against key performance indicators on revenue and profit targets; and other factors such as market conditions. The amount of discretionary bonuses are reviewed and approved by the RC.

The Company is aware of the need for transparency. However, taking into consideration the competitive business environment in which it operates and the sensitivity and confidentiality nature of such disclosure, the Board is of the opinion that disclosure of the CEO and Executive Directors' remuneration, rounded to the nearest thousand, may have a negative impact on the Company.

Remuneration for Non-Executive Directors

Non-Executive Directors (including Independent Non-Executive Directors) and members of the Board committees (other than Executive Director(s)) are entitled to annual fees that are approved by Shareholders at the annual general meeting prior to payment. Such annual fees are determined based on the level of skills, responsibilities and commitments required of each Non-Executive Director.

SGX-ST's Query 2

Listing Rule 710A(2) states that an issuer must describe in its annual report its board diversity policy, including the following:

(a) the issuer's targets to achieve diversity on the board;
(b) the issuer's accompanying plans and timelines for achieving the targets;
(c) the issuer's progress towards achieving the targets within the timelines; and
(d) a description of how the combination of skills, talents, experience and diversity of its directors serve the needs and plans of the issuer.

Please disclose:

(i) the Company's board diversity policy addressing gender, skills and experience, and any other relevant aspects of diversity;
(ii) the Company's specific targets for its board diversity policy;
(iii) accompanying plans and timelines;
(iv) its progress towards achieving targets within the timelines; and
(v) how the combination of skills, talents, experience and diversity of its directors serve the needs and plans of the Company, as required under Rule 710A(2).

Response

As disclosed on page 35 of the Annual Report 2022 (under the "*Corporate Governance Report*" and "*Board diversity*" sub-section of "*Principle 2: Board Composition and Guidance*"), the Company recognises the importance and benefits of having a diverse Board to enhance the quality of its performance. The terms of reference of the Nominating Committee ("**NC**") includes consideration of candidates from a wide range of backgrounds, their merits and against objective criteria with due regard for the benefits of diversity on the Board, including gender, skills, knowledge, experience and other aspects of diversity where necessary. The Board currently comprises individuals who are suitably qualified with the necessary mix of expertise, experience and knowledge ranging from legal, accounting and finance expertise to individuals with the industry knowledge relevant to the Group's business.

The Company has a written Board Diversity Policy which sets out the policy and framework for promoting diversity on the Board and maintained a culture of diversity to benefit from a wide talent pool. In reviewing Board composition and succession planning, the NC will consider the benefits of all aspects of diversity, including but not limited to:

(i) gender;
(ii) age;
(iii) nationality;
(iv) ethnicity;
(v) cultural background;
(vi) education background;
(vii) experience;
(viii) skills;
(ix) knowledge;
(x) independence; and
(xi) length of service.

The Board Diversity Policy has been implemented and all director appointments or re-appointments will be based on meritocracy and candidates will be considered against objective criteria, having due regard for the benefits of diversity and needs on the Board. No candidate shall be disregarded by virtue of disability, gender, sexual orientation, age, race, ethnicity, religion, physical impairment, or any other potential factor of difference. Instructions to external search consultants would specifically be directed to the Company's Board Diversity Policy. The board composition is reviewed by the NC annually to assess its existing attributes and core competencies so as to maintain or enhance its balance and diversity to enhance the efficacy of the Board.

The NC is of the view that the Board and Board Committees are of an appropriate size and composition. The Board has a good balance of Directors who come from diverse backgrounds and have extensive industry knowledge, skills and/or business, financial, accounting and management experience. The Directors were able to engage in constructive debates and be vocal in expressing their opinions on the subjects under discussion at meetings and there was no groupthink. The Board is of the opinion that there is no immediate need to appoint new candidates. Nevertheless, the Board is committed and will be mindful of such diversity target in its search and selection process for new Board candidates.

Based on the above, the Company is of the view that Listing Rule 710A(2) has been complied with.

BY ORDER OF THE BOARD

Zhang Zengtao
Executive Director and Chief Executive Officer

26 April 2023