



VENTURE CORPORATION LIMITED
(CO REG. NO. 198402886H)

RESPONSE TO SGX-ST'S QUERIES ON THE COMPANY'S ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

Venture Corporation Limited (the “**Company**”) sets out its responses to the queries raised by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 3 June 2020 with reference to the Annual Report for FY2019 (“**AR**”) as follows:

Question 1

Listing Rule 1207(10C) requires the Audit Committee's comments on whether the internal audit function is independent, effective and adequately resourced. Please also provide information on whether the head of the internal audit function team has the relevant experience and qualifications. Where the internal audit function is outsourced, please provide information on the relevant experience of accounting firm and the engagement team.

Company's Response

The Company refers to pages 78 and 79 of the AR. The Company stated, inter alia, that the Internal Audit department is an independent function that reports directly to the Chairman of the Audit Committee on audit matters and to the CEO and CFO on administrative matters. The Internal Audit Charter empowers the internal auditors to provide independent and objective assessments and consulting services which are designed to evaluate the adequacy and effectiveness of the Group's system of internal controls. The Audit Committee reviews and approves the audit plans and resource allocation to ensure that the internal auditors have the necessary resources to adequately and effectively perform their duties. The Internal Audit team employs suitably qualified and experienced independent personnel to provide audit and consulting services. They either possess a recognised degree in accountancy, or an equivalent professional qualification. A training and development programme is in place to ensure that the internal auditors are equipped with technical knowledge and skill sets that are appropriate and relevant.

The Audit Committee has assessed the adequacy, effectiveness and independence of the Internal Audit department and for the reasons set out on pages 78 and 79 of the AR, including those reproduced above, the Audit Committee is satisfied that the Internal Audit department is independent, effective and adequately resourced.

Additionally, the Audit Committee is satisfied that the Head of the Internal Audit department has the relevant experience and qualifications. He has more than 15 years of audit experience across operational, financial and IT domains. He is the holder of multiple professional credentials including Certified Practising Accountant (CPA), Certified Internal Auditor (CIA), Certified Fraud Examiner (CFE), Certified Information Systems Auditor (CISA) and Certified Information Systems Security Professional (CISSP). Prior to joining Venture, he was the Asia Pacific Head of Internal Audit at a Fortune 500 US MNC and has also held diverse roles across audit, compliance and commercial financial controllership with other companies. He graduated with bachelor's degree in Computer Engineering (Merit) from Nanyang Technological University of Singapore.

Question 2

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 2.4 of the Code as you have not disclosed your board diversity policy and progress made towards implementing the board diversity policy, including objectives, and there were no explanations provided for in your FY2019 annual report on how it is consistent with the intent of Principle 2 of the Code. Please clarify how the practices the Company had adopted are consistent with the intent of Principle 2 of the Code, which requires the Board to have an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interest of the Company.

Company's Response

The Company refers to page 61 of the AR. The Company is committed to attracting talented and experienced individuals to serve as Directors, regardless of their gender, race, ethnicity, religion, age, disability status or any other aspects of diversity. To this end, the Company endeavours to ensure that the Board and its Board Committees comprise individuals with diverse experience and expertise who, as a group, will provide an appropriate balance and range of skills, experience, perspectives, and knowledge for effective stewardship of the Company's business.

Whilst the Company has not adopted a formal board diversity policy, as can be seen from the statements on page 61 of the AR, in practice the Board observes and applies the key tenets of diversity.

The Nominating Committee ("NC") reviews board diversity as part of its annual evaluation of the Board's performance and effectiveness. The Board, supported by the NC, considers factors such as skills, experience, independence, knowledge, age and gender when reviewing the Board composition and Board succession planning to ensure an appropriate level of diversity is maintained at the Board.

The abovementioned practices ensure that collectively, the Board has an appropriate level of diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

Question 3

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, and there were no explanations were provided for in your FY2019 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.

Company’s Response

Provision 8.1 of the Code of Corporate Governance 2018 (“2018 Code”) requires the Company to disclose in its Annual Report the policy and criteria for setting remuneration, as well as names, amount and breakdown of remuneration of:

- (a) each individual Director and the CEO; and
- (b) at least the top 5 key management personnel in bands no wider than S\$250,000 and in aggregate the total remuneration paid to these key management personnel.

The disclosures in respect of (a) are set out on pages 67, 68 and 69 of the AR.

In respect of (b), on page 73 of the AR, the Company has disclosed the level and mix of remuneration in percentage terms by bands of S\$250,000 of the Company’s top 5 key management personnel (who are not directors or the CEO) as well as the aggregate cash-based remuneration of these key management personnel in FY 2019. The top 5 key management personnel are also named. However, the Board is of the view that given the confidential and commercial sensitivities associated with remuneration matters and the highly competitive human resource environment in which the Company operates and the importance of ensuring stability and continuity of business operations with a competent and experienced management team in place, it is in the best interests of the Company not to identify the remuneration band of each key management personnel.

The Company's disclosures (from pages 69 to 73 of the AR) on its remuneration policy, level and mix of remuneration, the procedure for setting remuneration, and the relationship between remuneration, performance and value creation are consistent with the intent of Principle 8 of the 2018 Code.

By Order of the Board

Devika Rani Davar
Company Secretary

5 June 2020

This announcement is also available at www.venture.com.sg.

For more information, please contact:-

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ABOUT VENTURE (www.venture.com.sg)

Venture Corporation Limited (“**Venture**” or the “**Group**”) was founded in 1989 as an electronic services provider after the merger of three companies. Today, it is a leading global provider of technology solutions, products and services with established capabilities spanning marketing research, design and development, product and process engineering, design for manufacturability, supply chain management, as well as product refurbishment and technical support across a widely diversified range of technology domains.

Headquartered in Singapore, the Group comprises more than 30 companies with global clusters in Southeast Asia, Northeast Asia, America and Europe and employs over 12,000 people worldwide.

The Group has built know-how and intellectual property with expertise in several technology domains. These include life science, genomics, molecular diagnostics, medical devices and equipment, healthcare and wellness technology, lifestyle consumer technology, health improvement products, instrumentation, test and measurement technology, networking and communications, fintech, as well as computing, printing and imaging technology. The Group manages a portfolio of more than 5,000 products and solutions and continues to expand into new technology domains through its collaborations with customers and partners in selected ecosystem of interests.

Venture is a strategic partner of choice for over 100 global companies including Fortune 500 corporations. It ranks among the best in managing the value chain for leading electronics companies. The Group is committed to enhancing its competencies through further investments in technologies, market access capabilities, its people and expanding connectivity with other enterprises and research-intensive organisations/institutions in its ecosystem of interests. It stands poised to provide the leading edge and remain relevant in a constantly changing and evolving world.