



(a business trust constituted on 29 July 2011 and registered on 25 September 2012  
under the laws of the Republic of Singapore)  
managed by  
**RHT Health Trust Manager Pte. Ltd.**

## **RESPONSE TO SGX-ST'S QUERY ON RHT HEALTH TRUST'S ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016**

RHT Health Trust Manager Pte. Ltd. (acting in its capacity as trustee-manager of RHT Health Trust) (the "Trustee-Manager" and "RHT" respectively), has received some queries from the SGX-ST in relation to RHT's Annual Report for the financial year ended 31 March 2016 (the "Annual Report").

### Queries

1. Paragraph 9.2 of the Code of Corporate Governance 2012 (the "Code") states that the Company should fully disclose the remuneration of each individual director and the CEO on a named basis. For administrative convenience, the Company may round off the disclosed figures to the nearest thousand dollars. There should be a breakdown (in percentage or dollar terms) of each director's and the CEO's remuneration earned through base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives. As the Company is required under Listing Rule 1207(12) to make disclosure as recommended in the Code or otherwise disclose and explain any deviation from the recommendation, please disclose whether the Company has complied with the Code on the disclosure of directors' remuneration.
2. Paragraph 9.3 of the Code of Corporate Governance 2012 (the "Code") states that the Company should disclose in aggregate the total remuneration paid to the top five key management personnel (who are not directors or the CEO). As the Company is required under Listing Rule 1207(12) to make disclosure as recommended in the Code or otherwise disclose and explain any deviation from the recommendation, please disclose the aggregate total remuneration paid to the top five key management personnel (who are not directors or the CEO) or otherwise explain the reason(s) for the deviation from the recommendation.
3. On page 54 of the Annual Report for Financial Year ended 31 March 2016, the Trust stated that "the Board notes that the risk management structure which the Trustee-Manager has been put in place cannot provide absolute assurance that RHT will not be affected by any event that may be foreseen as well as poor judgement and decision making, human error, fraud and other irregularities". Please advise how the board assessed that the Trust has in place adequate and effective internal controls of the Trust if the risk management structure put in place cannot be relied on to guard against "any event that may be foreseen as well as poor judgement and decision making, human error, fraud and other irregularities".

## Responses

The Trustee-Manager has provided the framework for determination of the Non-Executive Directors' remuneration which includes the amount of fixed base fee and variable fee which they would receive, as well as their remuneration in bands on page 50 of the Annual Report. For the Executive Directors' remuneration, which includes the Chief Executive Officer and the Chief Financial Officer, the Trustee-Manager had explained on page 51 of its Annual Report that it is of the view that the disclosure of their specific remuneration, may lead to retention or recruitment difficulties. This is in light of the relatively small number of trusts operating in Singapore. As compared to the number of listed companies in Singapore, listed trusts are relatively fewer in number, and competition for talent in the trusts space may increase the risk of losing or retaining staff, if such information were to be disclosed. For the same reasons, the Board has decided not to disclose the total aggregate remuneration of the Directors and key management personnel. However, their remuneration have been disclosed in bands on pages 50-51 of the Annual Report, such that the minimum and maximum range is apparent.

Furthermore, the remuneration paid to the management of the Trustee-Manager is from RHT Health Trust Manager Pte. Ltd., and not out of RHT's Trust Property. The fees paid by RHT to the Trustee-Manager are disclosed on pages 56-60 of the Corporate Governance Report.

We also wish to clarify that the sixth paragraph of page 54 of the Annual Report should read, "However, the Board notes that the risk management structure which the Trustee-Manager has put in place cannot provide absolute assurance that RHT will not be affected by any event that may be unforeseen as well as poor judgement in decision making, human error, fraud and other irregularities".

By Order of the Board  
Gurpreet Singh Dhillon  
Executive Director and Chief Executive Officer

**RHT Health Trust Manager Pte. Ltd.**  
(Registration number: 201117555K)  
**(as trustee-manager of RHT Health Trust)**

**3 August 2016**