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## **RESPONSE TO SGX QUERIES RECEIVED ON 26 APRIL 2023**

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The Board of Directors (the “**Board**”) of Hor Kew Corporation Limited (the ‘**Company**’ and together with its subsidiaries, the “**Group**”) wishes to provide the following information in response to SGX’s queries received on 26 April 2023, relating to the Group’s Annual Report for the financial year ended 31 December 2022 (“**FY2022**”) released on 13 April 2023 via SGXNET:-

### **SGX query:**

We refer to the Company’s Annual Report for the financial year ended 31 December 2022 (“**AR FY2022**”).

Listing Rule 710A requires issuers to maintain a board diversity policy that address gender, skills and experience, and any other relevant aspects of diversity. In accordance with Listing Rule 710A (2), the Company is also required to disclose the following in relation to its board diversity policy in its annual report:

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

We note that the Company has not disclosed the above in its annual report. Please disclose accordingly.

### **Company’s response:**

- (a) The Company has a Board diversity policy (the “**Policy**”) that takes into consideration criteria such as qualification, education background, age, gender, professional experience, business perspectives and expertise in various fields and in the relevant industry as well as other distinguishing qualities of the individual. The Board believes this approach reflects an appropriate balance between delivering business performance, growing shareholder returns, and progressing diversity.

The Board recognises the importance and value of gender diversity in the composition of the Board, and that gender diversity is an essential aspect of a well-balanced Board. When making recommendations to the Board for the appointment of a director, the Nominating Committee (“**NC**”) will ensure that:

- Female candidates are included for consideration;
- The requirement to present female candidates to the Board for consideration will be made known where external consultants are used for the search; and
- There are best efforts made to obtain at least one female representation on the Board.

- (b) As mentioned on page 27 of AR FY2022, the Board, through the NC, has used its best effort to ensure that directors appointed to the Board and the Board Committees, whether individually or collectively, possess the diversity in terms of background, experience and relevant skills set which are critical to the Group's business. It has also ensured that each director, with his special contributions, brings to the Board an independent and objective perspective to enable sound, balanced and well-considered decisions to be made.

As mentioned on page 22 of AR FY2022, each Director has been appointed on the strength of his calibre, experience, grasp of corporate strategy and potential to contribute to the Company and its businesses. As each of the Directors brings valuable insights from different perspectives vital to the strategic interests of the Company, the Board considers that its Directors possess the necessary competencies to provide Management with a diverse and objective perspective on issues so as to lead and govern the Company effectively.

There is currently one female Director on the Board, which is a testament to the Company's efforts in trying to achieve gender diversity as set out by the Policy.

The NC will need to monitor the Policy's implementation and progress on an annual or regular basis. The NC will also review this Policy, on a regular basis or as appropriate, to ensure its effectiveness. If any revisions to the Policy may be required, the NC will recommend to the Board for consideration and approval.

Under the Policy, the Board considers that its current Directors are diverse enough as they possess the necessary competencies to provide Management with a diverse and objective perspective on issues so as to lead and govern the Company effectively.

- (c) As mentioned in response to query point (b) above, each of the Company's Directors brings valuable insights from different perspectives vital to the strategic interests of the Company, and the Board considers that its current Directors are diverse enough as they possess the necessary competencies to provide Management with a diverse and objective perspective on issues so as to lead and govern the Company effectively.

On 11 January 2023, the SGX-ST removed the two-tier voting process used by SGX listed companies to retain independent directors who have served for more than nine years. With this change, a director will not be considered independent if he had been a director for an aggregate period of more than nine years, whether before or after listing. As a transitional arrangement allowed by the SGX-ST, an independent director whose tenure exceeds the nine-year limit can continue to serve as independent director until the AGM held for the financial year ending on or after 31 December 2023.

The three Independent Directors of the Company have all served for more than nine years; therefore, the Company is currently in the midst of finding replacements for them before the next AGM to be held in April 2024. The Company will ensure compliance with the Board diversity policy when appointing new independent directors to the Board, so as to continue to ensure diversity on the Board's composition.

- (d) The Board consists of high calibre members with a wealth of experience and knowledge in business, as can be seen from the directors' profiles on pages 10 to 12 of AR FY2022.

The directors hold educational qualifications in diverse disciplines and fields that are relevant for leading the Group. There is a director with a Bachelor's degree in Civil Engineering which is highly relevant as the Group is in the construction business. There is a director with Bachelor's degree in Accounting and Finance, and another is a fellow member of the Institute of Chartered Accountants in England and Wales as well as a practicing member of the Institute of Singapore Chartered Accountants. The other two directors have a Doctorate degree in Mechanical Engineering and a Master's degree in Mass Communication respectively.

The Non-Executive Directors are also directors of other companies for a number of years, and the Executive Directors have been involved in the running of the Group's business for many years. Together they contribute valuable direction and insight, drawing from their vast experience in a wide range of matters relating to accounting, finance, the construction business, corporate governance and compliance matters.

The current Board composition represents a well-balanced mix of expertise and experience among the directors. The Board believes that its current composition and size provide an appropriate balance and mix of skills, talents, experience and diversity to serve the needs and plans of the Group.

**BY ORDER OF THE BOARD**

MS KOH EE KOON  
COMPANY SECRETARY  
27 April 2023