

## **IPC CORPORATION LTD**

(Company Registration Number: 198501057M)

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### **RESPONSES TO QUERIES FROM SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“SGX-ST”) ON THE ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (“AR FY2023”)**

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The Board of Directors (the “Board”) of IPC Corporation Ltd (the “Company”, and together with its subsidiaries, the “Group”) wishes to provide the following information in response to SGX-ST’s queries on 19 April 2024 in respect of the Group’s Annual Report FY2023:

#### SGX Query 1:

We note that the Company had not disclosed the identity of the internal auditor (“IA”) in its FY2023 Annual Report. Please disclose:

- (a) further details in relation to the IA, including (i) its identity, (ii) the qualifications, experience and track record of the IA Partner; (iii) whether the IA Partner is a member of any professional body for internal auditors and if so, please provide the relevant details; and (iv) the experience and track record of the professionals involved in the IA function of the Group; and
- (b) whether the standards applied by the IA comply with the Standards for Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

#### Company’s Response:

The Company has outsourced its internal audit function to Crowe Horwath First Trust Risk Advisory Pte Ltd (“IA”) which reports directly to the Audit Committee (“AC”).

The Company has on page 27 of the FY2023 Annual Report (“FY2023 AR”) disclosed the following:

The Internal Auditor’s firm engaged is a professional service firm with more than 1,000 experienced risk practitioners with geographic, functional and industry expertise. Its practice areas include, among others, risk management and internal audit. At present, the Singapore office provides internal audit, and enterprise risk management, and sustainability reporting services to more than 30 publicly-listed corporations in Singapore. The engagement team was led by Mr. Chia Shu Siang, a Certified Internal Auditor by the Institute of Internal Auditors Singapore, with more than 20 years of industry experience in providing financial assurance and risk consulting services to companies ranging from multinationals, public-listed companies and government corporations.

The internal auditors have adopted the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors and the AC opined that the internal audit function is independent, effective and adequately resourced.

#### SGX Query 2:

We note that Mr. Lee Joo Hai has served as Independent Director of the company for more than 9 years and will step down after the conclusion of the forthcoming Annual General Meeting on 29 April 2024. Taking this cessation into account, the company’s Audit Committee would not have a minimum of 3 members as required under Listing Rule 704(8). Additionally, Provision 2.2 of the Code of Corporate Governance 2018 (“CG Code”) requires independent directors to make up a majority of the Board where the Chairman is not independent. As only 2 out the 7 directors are considered independent, please (i) explain how does the Board ensure an appropriate level of independence and diversity of thought to enable it to make decisions in the best interest of the company; and (ii) disclose details of the Company’s plans and current progress, including an indicative timeline to comply with Listing Rule 704(8) and Provision 2.2 of the CG Code.

Company's Response:

The Company has on page 18, 19 and 20 of the FY2023 AR explained the following:

The NC and the Board are cognisant of the Code's recommendation for IDs to make up a majority of the Board where the Chairman is not independent and Non-Executive Directors make up a majority of the Board. Although the Company falls short of the required number of IDs, the Board ensures that decisions at Board level are thoroughly deliberated and made in the best interest of the Company with IDs frequently voicing out their views and challenging Management's assumptions. The NC and Board also take into account the appointment of Lead ID, refreshed of IDs during FY2021 and specialised functions currently helmed by each of the five (5) EDs.

Each of the Board members is cognisant of their roles to demonstrate objectivity in their deliberations in the interest of the Company. The appointment of Lead ID ensures that no individual or small group of individuals dominate the Board's decision-making. The Board will review the board composition and the need for additional ID(s) from time to time depending on the evolvement of the Group's operations.

As part of the board renewal process, the NC is currently searching for a new independent director who possess the necessary expertise and experience.

The new independent director will be fulfilling the minimum of 3 members of the Audit Committee and the Company will endeavour to fill the vacancy within two months, but in any case not later than three months in accordance with Listing Rule 704(8).

For and on Behalf of the Board

Lauw Hui Kian  
Executive Director  
22 April 2024